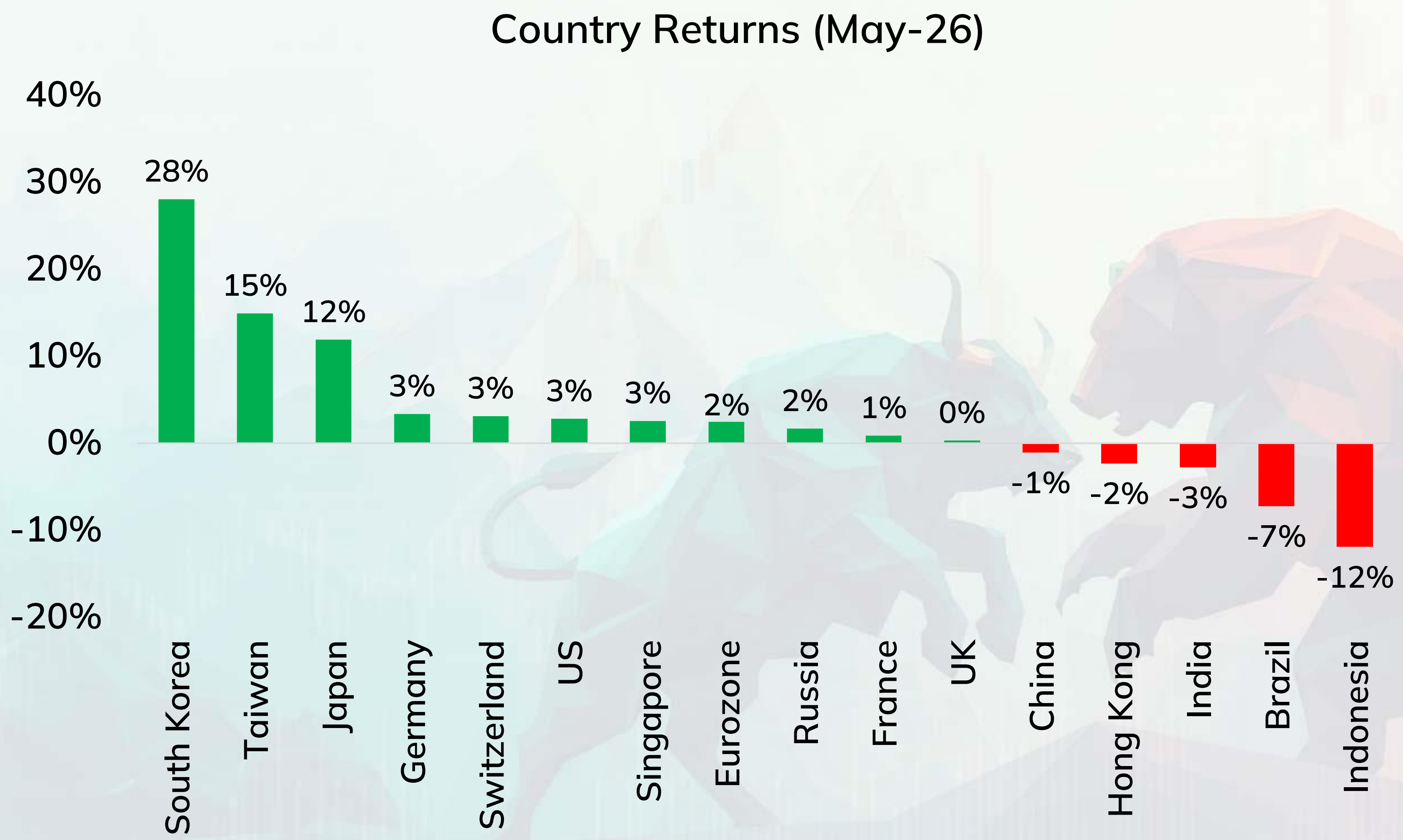
EQUITY MARKET OUTLOOK

June 2026

ICICI Prudential Mutual Fund Registration No.: MF/003/93/6

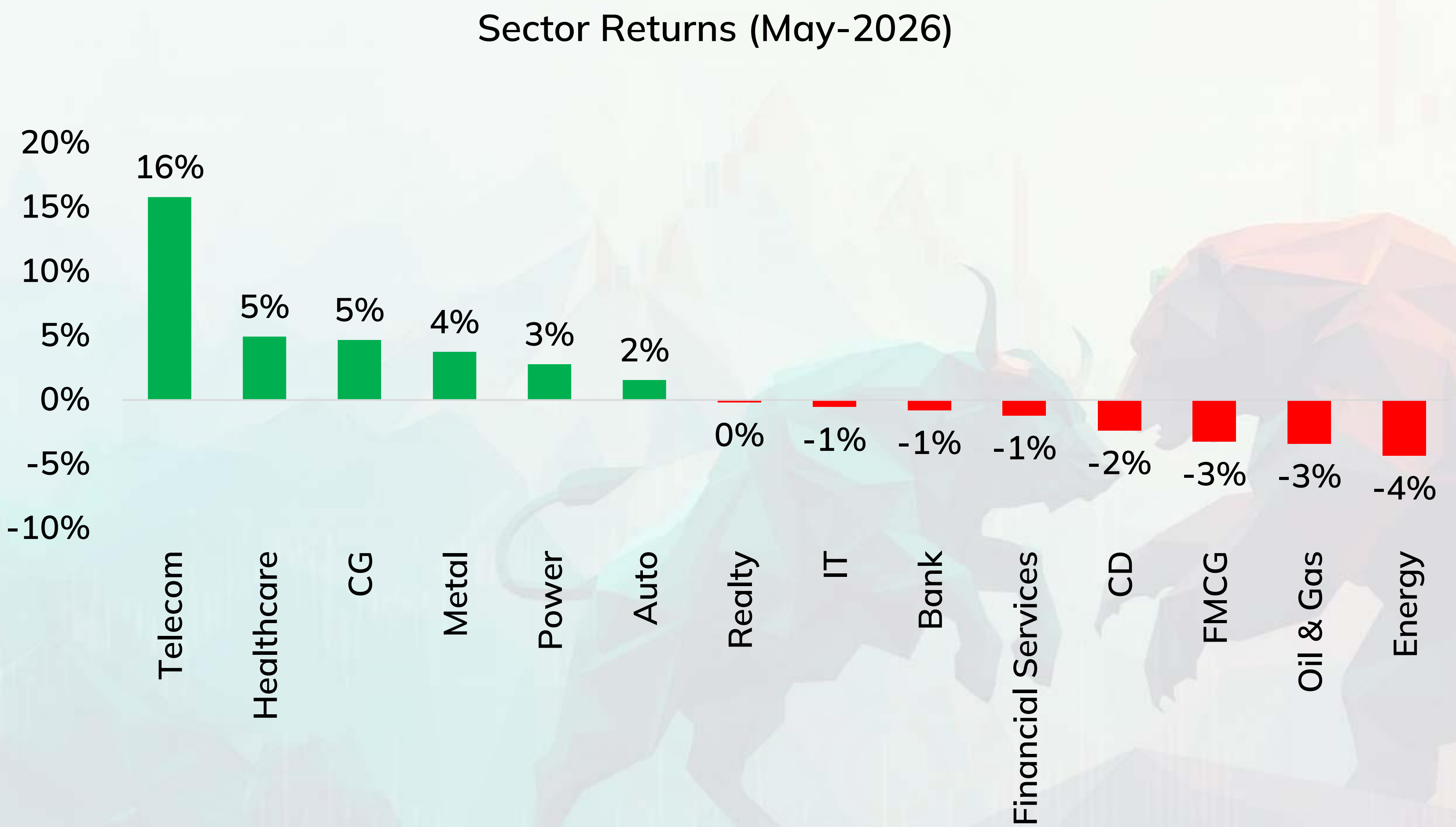
Global Equity Markets – Asia rode the AI wave



- South Korea & Taiwan continued to perform exceptionally well during the month given record buying by foreign investors on the back of semiconductors & AI infrastructure demand
- Strong tech-led earnings momentum supported outperformance in Asian markets, while Indian equities witnessed relative consolidation.

Data Source – ACE MF. Returns data is from April 30, 2026 to May 31, 2026. Past performance may or may not sustain in the future. Returns are absolute returns. AI – Artificial Intelligence. Past performance may or may not sustain in future. Indices considered – India: BSE Sensex, France: – CAC 40, Germany: DAX, Eurozone: Euronext 100, UK: FTSE, Brazil: Ibovespa, Indonesia: Jakarta Composite Index, South Korea: Kospi, Japan: Nikkei, Russia: RTS, China: SSE Composite, Singapore: Strait Times, Switzerland: Swiss Market Index, Taiwan: TWSE Capitalization Weighted Stock Index, US: Dow Jones Industrial Average

Sectoral Indices – Powering ahead with cyclicals



- Broadly, sector performance was muted as Indian markets corrected during the month. Telecom was an exception and saw massive outperformance as companies posted robust earnings growth
- Energy and Oil & Gas underperformed amid concerns around demand and commodity prices

Data Source: MFIE Research. MFI Explorer is a tool provided by ICRA Analytics Ltd. For their standard disclaimer please visit https://icraanalytics.com/home/Disclaimer. Returns data is from April 30, 2026 to May 31, 2026 (in absolute terms). Indices used: Power Sector – BSE Power TRI, Bankex Sector – BSE Bankex TRI, FMCG Sector – BSE FMCG TRI, Energy Sector – BSE Energy TRI, For Capital Goods Sector – BSE CG TRI, Auto Sector – BSE AUTO TRI , Oil & Gas Sector – BSE Oil & Gas TRI, Finance Sector – BSE Financial Services TRI, Metal Sector – BSE METAL TRI, Telecom Sector – BSE Telecom TRI , HC Sector – BSE HC TRI, Realty Sector – BSE Realty TRI, Consumer Durables Sector – BSE CD TRI, IT Sector – BSE IT TRI is considered. CG: Capital Goods, CD: Consumer Durables, IT: Information Technology, FMCG: Fast moving Consumer Goods. Past performance may or may not sustain in future. The sector(s)/stock(s) mentioned in this document do not constitute any recommendation of the same and ICICI Prudential Mutual Fund may or may not have any future positions in the sector(s)/stock(s).

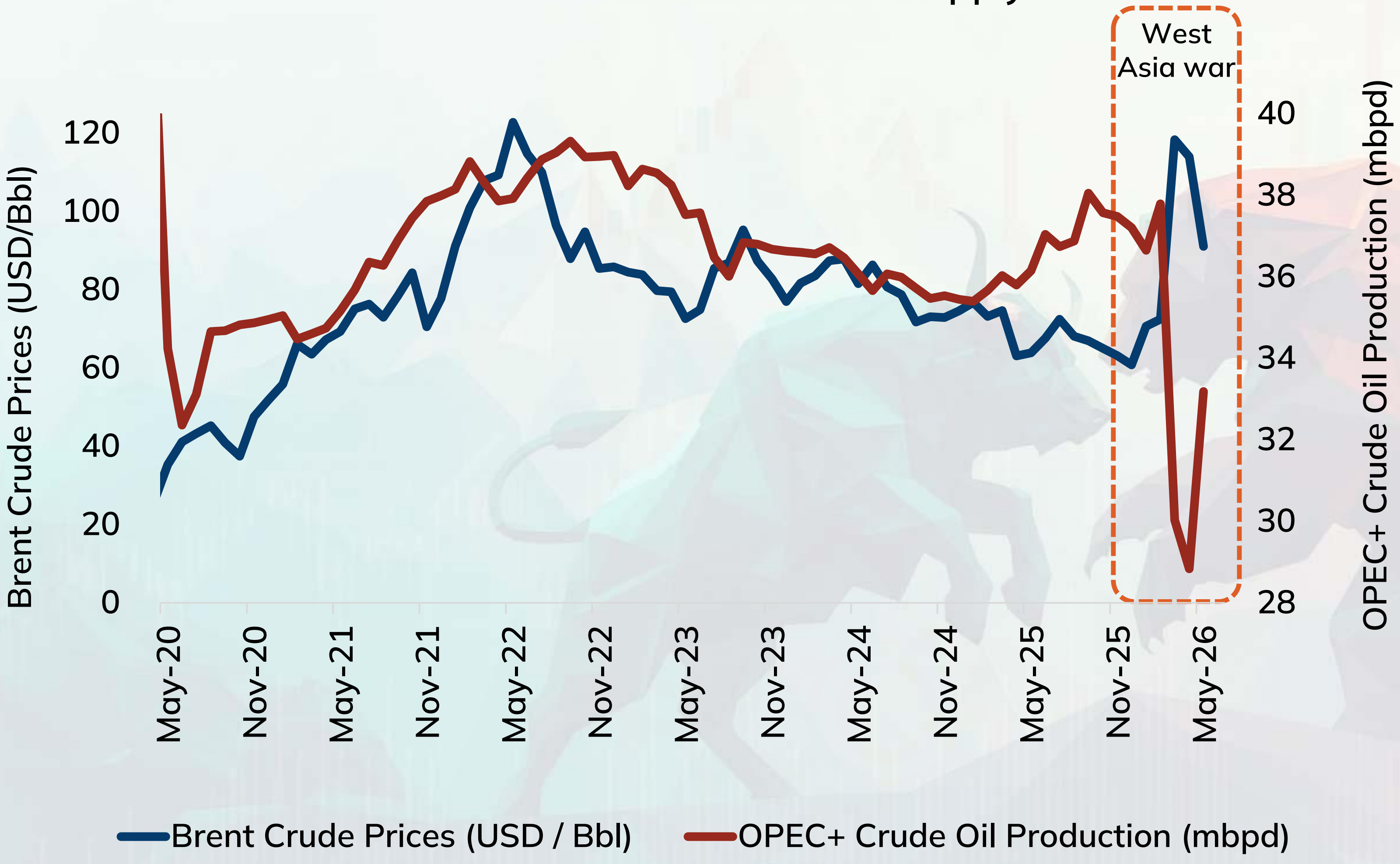
Global Economy – Stack of Cards

The global economy today resembles a house of cards – stable as long as balance holds, but vulnerable to even the smallest disturbance. The escalation in West Asia, though now moderated, is a reminder that shocks, however localized, rarely remain contained. They transmit quickly through energy markets, financial flows and investor sentiment creating ripple effects across regions. India, despite its strong domestic footing is not completely insulated from these shifts. In a structure so tightly linked, even a distant move can test domestic stability

While overall long term view remains positive on Indian economy and markets, we remain cautious on near term prospects

Global Landscape – Supply Shock, Prices Moderate

Brent Crude Prices & OPEC+ Oil Supply

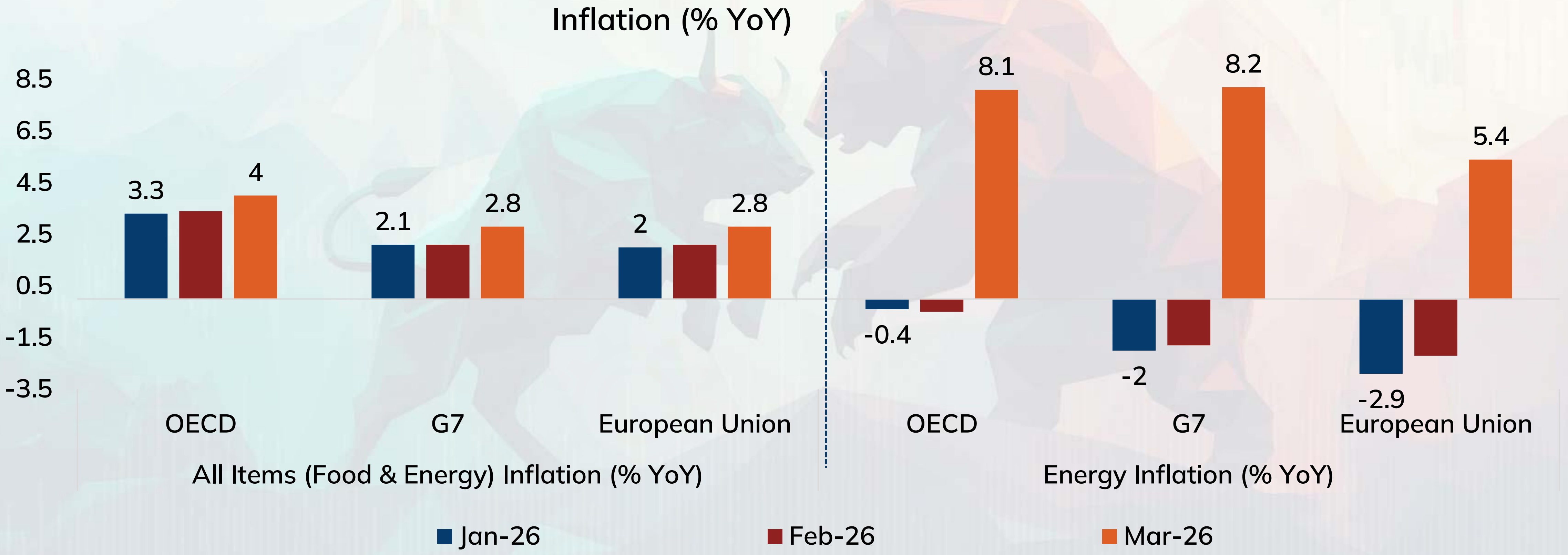


- As the tensions in West Asia eased, the Crude oil prices moderated in May-26. The OPEC + Crude Oil supply also seemed to have recovered during the month
- Despite the temporary respite, the OECD expects lasting damage of the conflict impacting the global growth outlook

Source – International Energy Agency. Data as of May 31, 2026. USD – US Dollar – Bbl – Barrel, OPEC – Organization of Petroleum Exporting Countries, OECD: Organisation for Economic Co-operation and Development, mbpd – million barrels per day, UAE – United Arab Emirates. OPEC+ consists of 22 countries with 12 OPEC members and 10 non-OPEC members

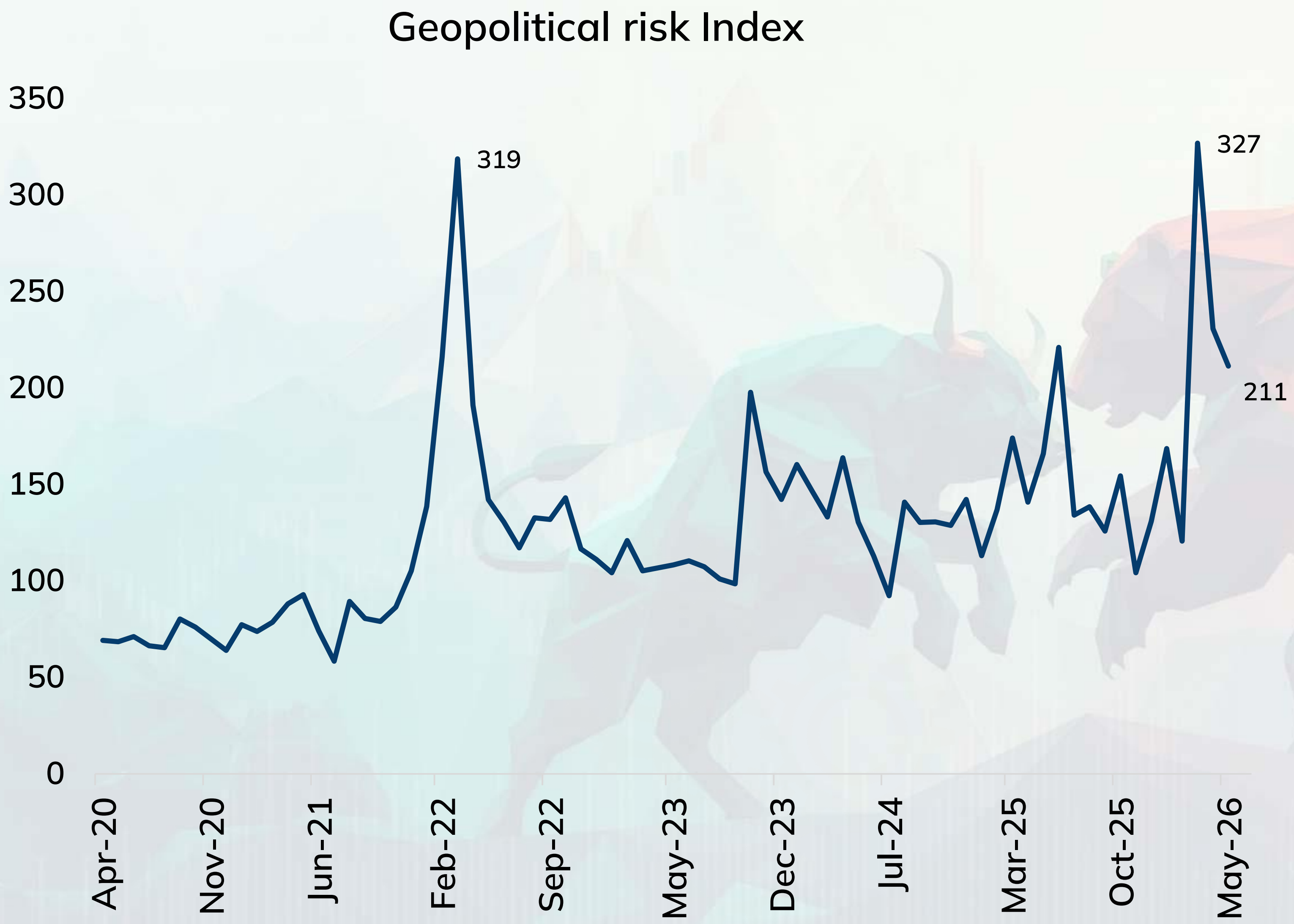
Global Landscape –
Oil Spike to Inflation Surge

The latest data released by the Organization for Economic Co-operation and Development (OECD) indicate rise in inflation given high energy prices. This surge is expected to prolong inflationary pressures across many economies thereby potentially slowing the pace of monetary policy easing across major economies



Source – OECD. G7 i.e. Group of 7 is an intergovernmental political and economic forum consisting of Canada, France, Germany, Italy, Japan, the United Kingdom and the United States; additionally, the European Union is a "non-enumerated member. YoY – Year on Year

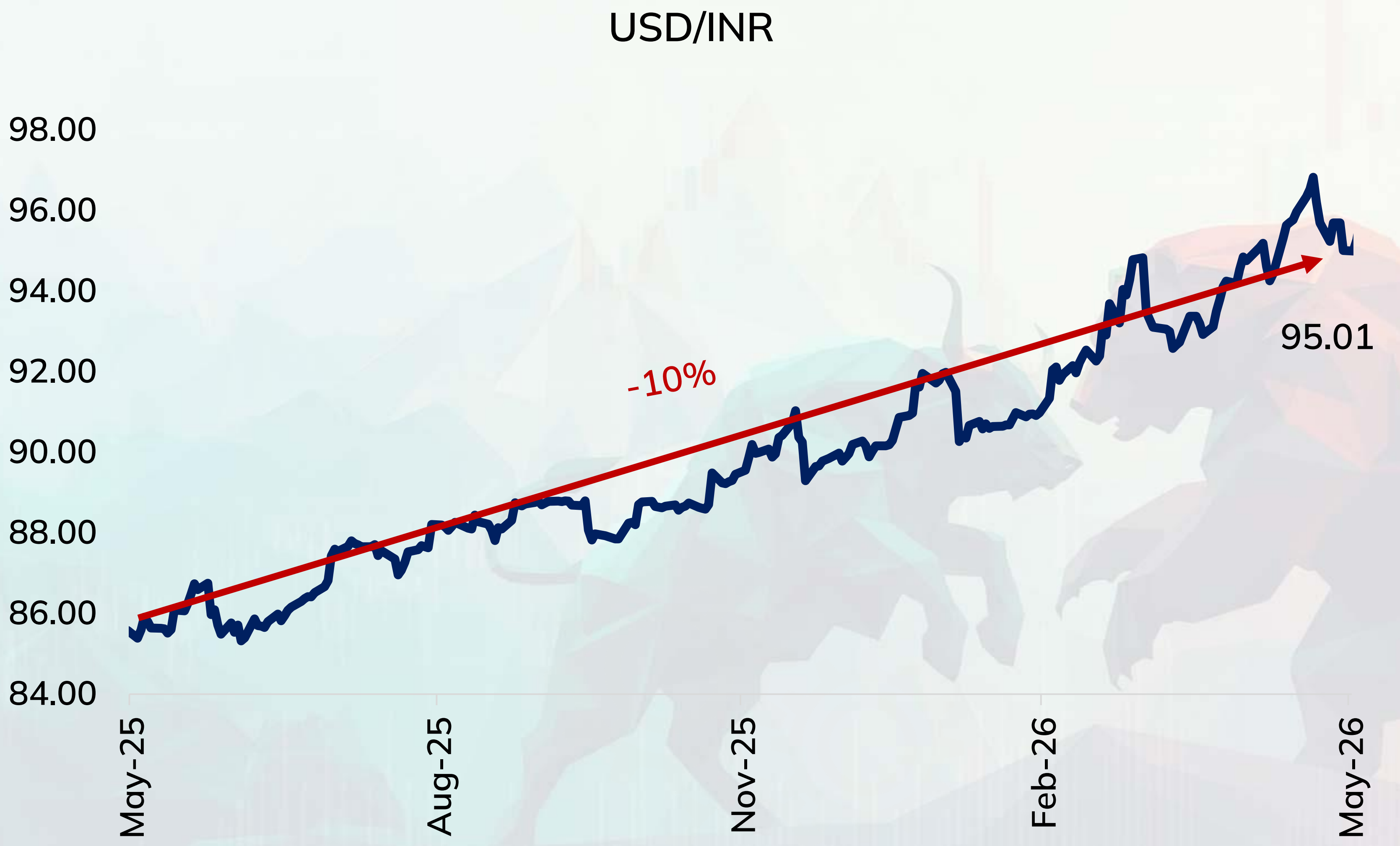
Global Landscape – Rising Geopolitical Risk



- Geo-Political Risk Index (GPR) tends to spike during major events and is usually linked to reduced economic growth and higher downside risks to global economy
- The index spiked to 300+ levels, 4 years after the Russia-Ukraine war indicating inevitable volatility & risk
- Though moderated from Mar-26 peak, it remains above long-term average despite moderation from recent peaks

Source: UNCTAD (UN Trade & Development). Data as of May 13, 2026. Geo-political risk index is a measure of adverse geopolitical events and associated risks

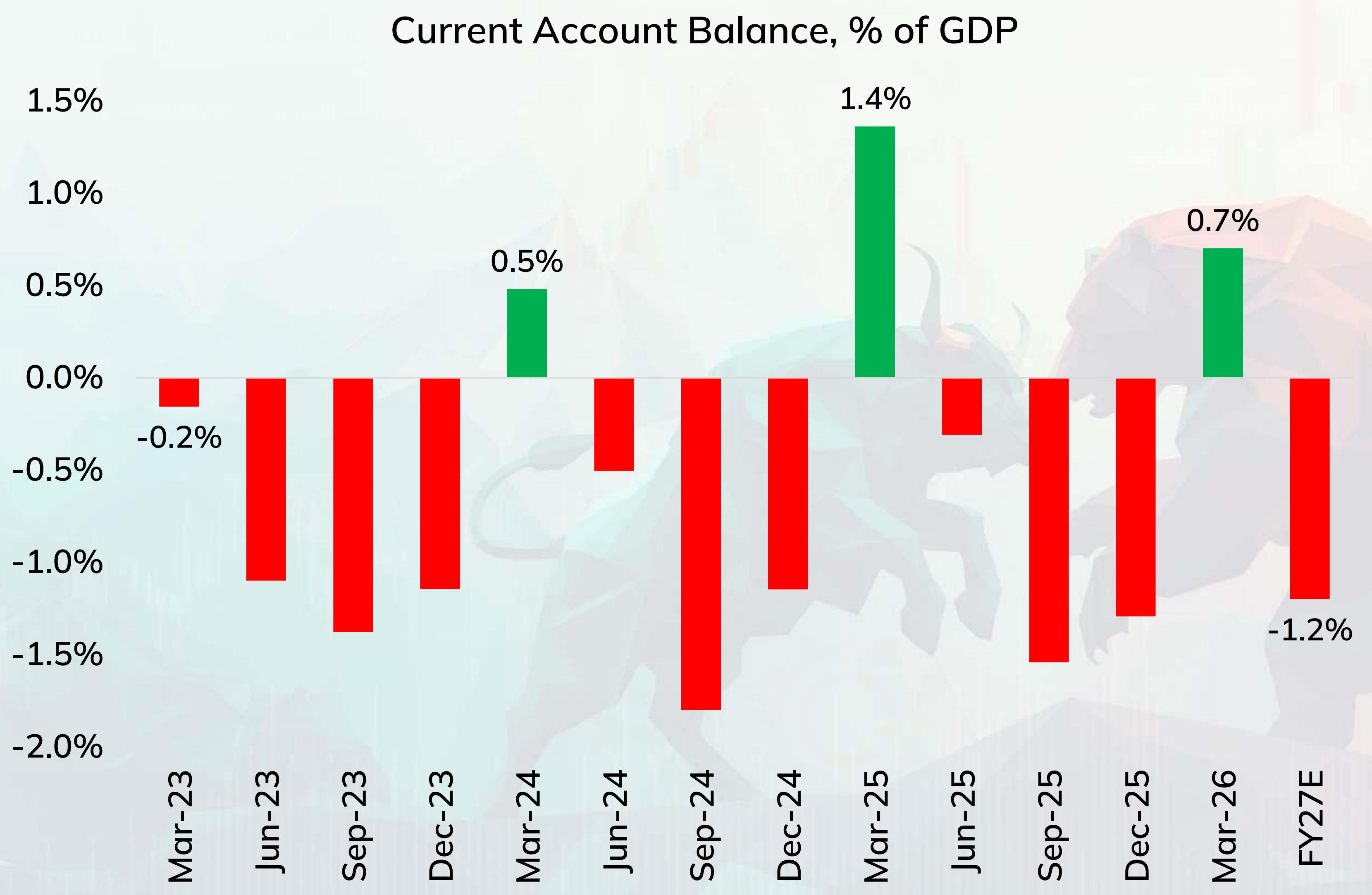
Indian Economy – Rupee Edges Lower



- INR was already under pressure in 2025 given heavy FPI selling
- The West-Asia tensions further exacerbated the fall with rupee depreciating ~10% in last one year
- Despite heavy FPI selling and global uncertainties, forex reserves and RBI intervention continue to support INR

Data Source: RBI. Data as of May 31, 2026. USD – US Dollar, INR – Indian Rupee, FPI – Foreign Portfolio Investor

Indian Economy –
Current Account Balance – From Comfort to Caution



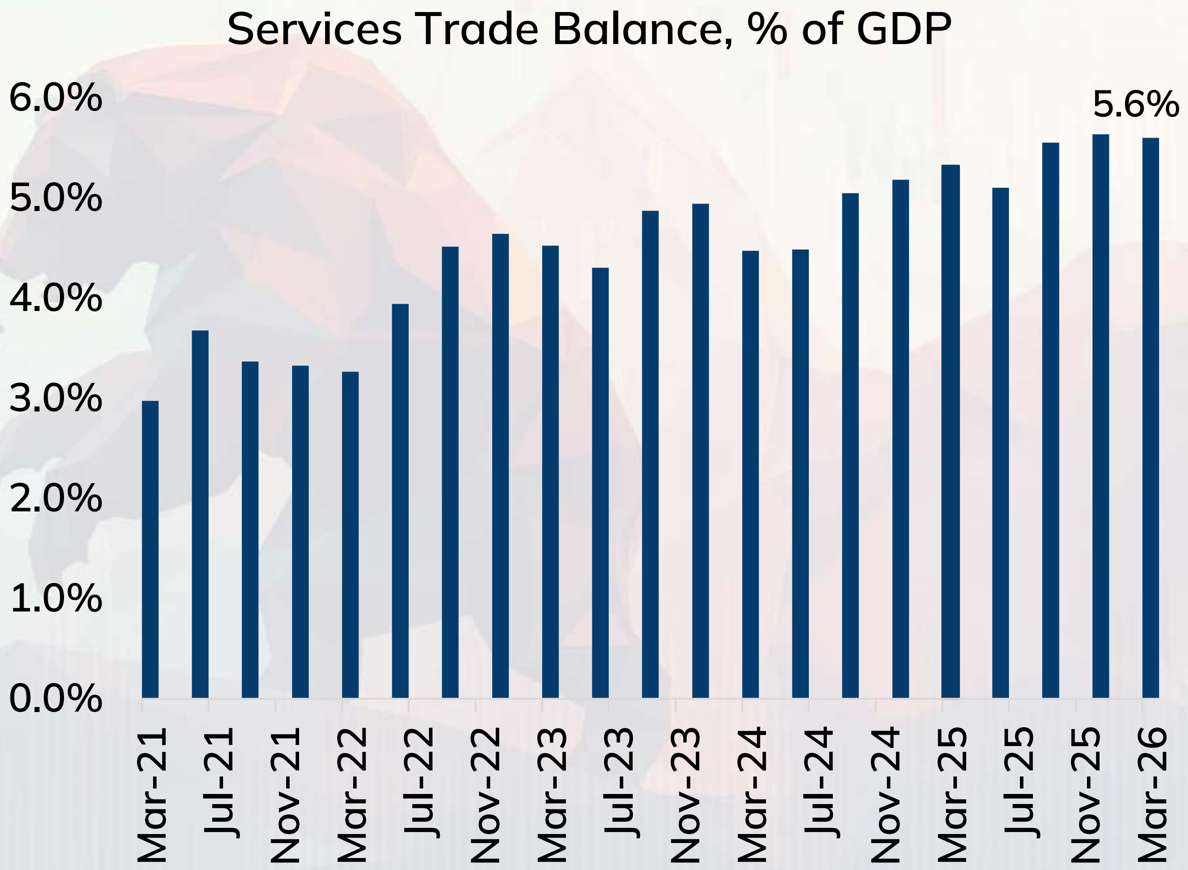
- Strong services exports and remittance inflows helped India post a current account surplus in Q4FY26

- However, elevated crude oil prices may exert pressure on current account balance in near term

Data as on March 31, 2026. Source: Morgan Stanley Research, RBI, Nirmal Bang Institutional Equities. GDP – Gross Domestic Product. E - Estimate

Indian Economy – Service Exports & Forex Reserves (Buffers in Play)

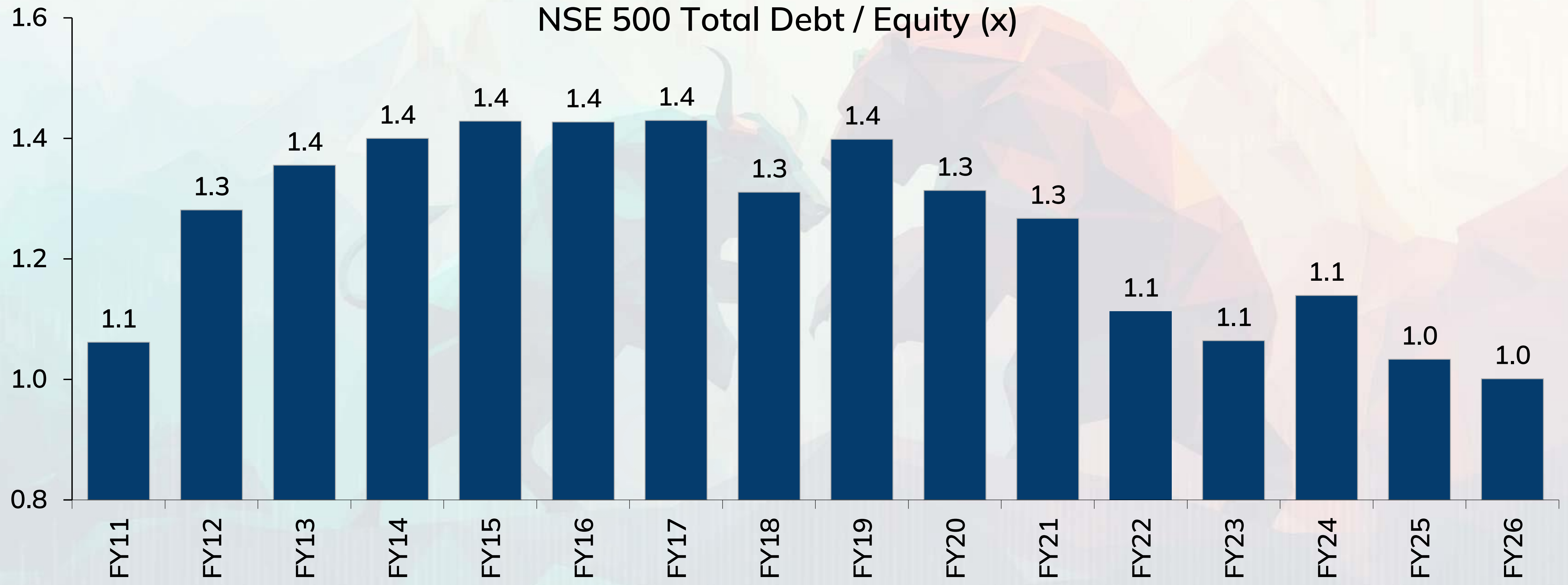
The pressure on India's trade balance may partly be cushioned by healthy Forex Reserves & growing Services surplus



Data as on March 31, 2026. Data Source: RBI. USD Bn – USD Billion, GDP – Gross Domestic Product

Indian Economy – Long Term Macros Intact

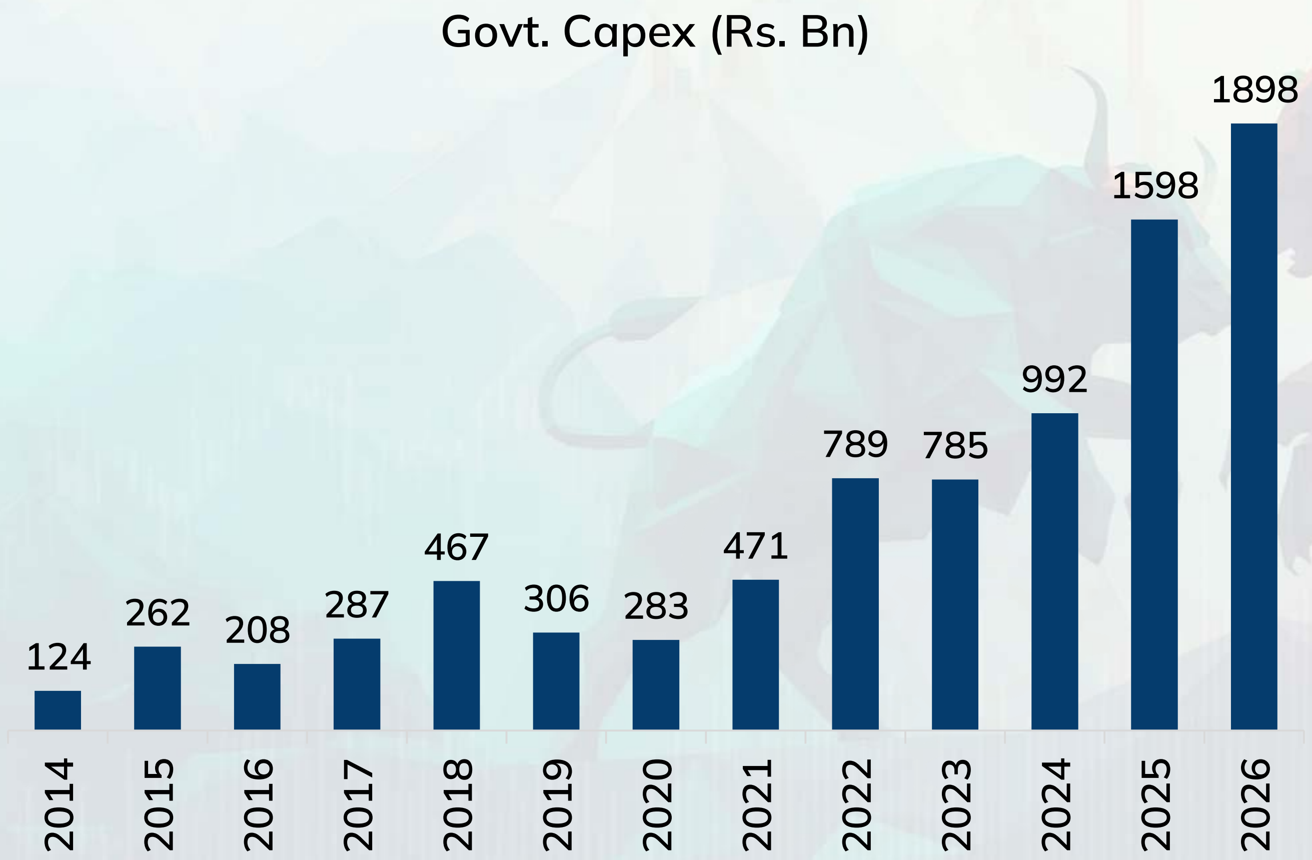
Corporates are de-leveraging Vs their past cycles indicating good financial health & decreasing their vulnerability to any financial system shock



Source: DAM Capital. Data as of March 31, 2026. Past performance may or may not sustain in future. The ratio total debt/equity ratio is calculated as total liabilities / total shareholder's equity. For all NSE 500 companies, the average of total debt to equity ratio is considered

Indian Economy – Front Loading of Capex

Sharp pickup in Govt. capex reflects continued fiscal support for the economy, aiding investment, consumption and earnings growth, which may domestic equities



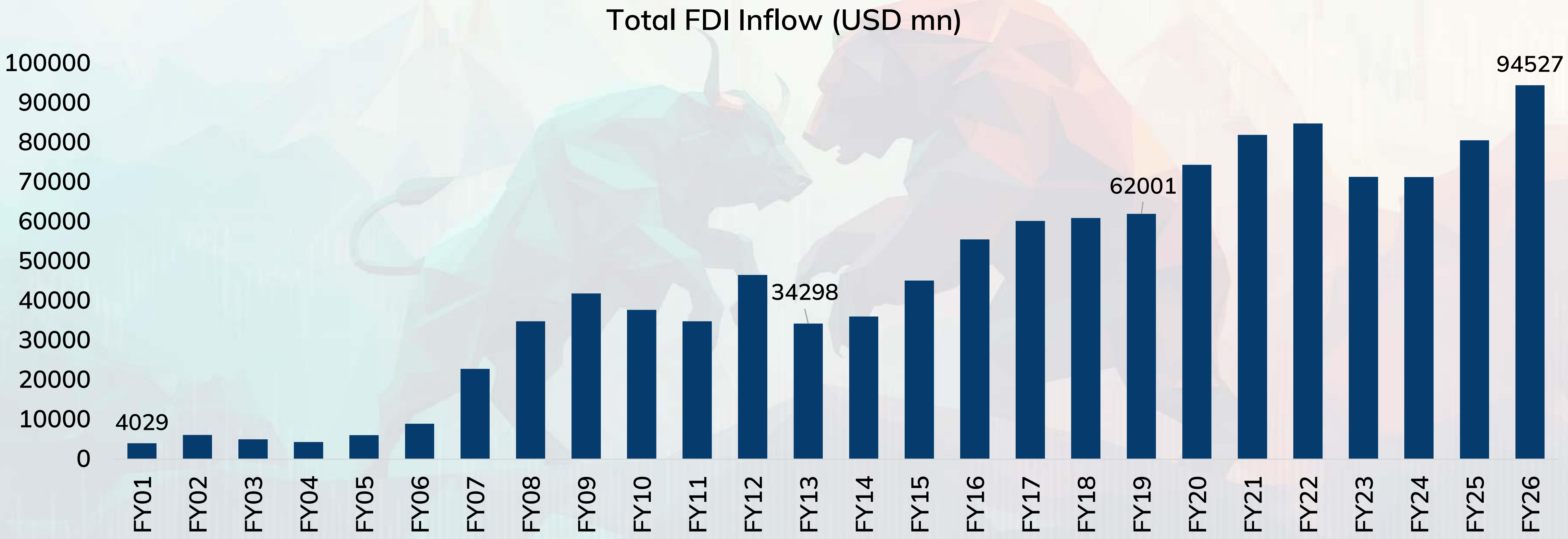
Ministry-wise Expenditure

Ministry	Growth (% YoY)
Coal	218.0%
MSME	38.5%
New and Renewable Energy	25.7%
Defence	15.0%
Power	8.7%
Rural Development	3.0%
Road	2.1%

Source: Avendus Spark. Data as of June 04, 2026. bn: billion. MSME: Ministry of Micro, Small and Medium Enterprises, Capex: capital expenditure. Returns are in absolute terms. Past performance may or may not sustain in future.

Indian Economy – Long Term Macros Intact

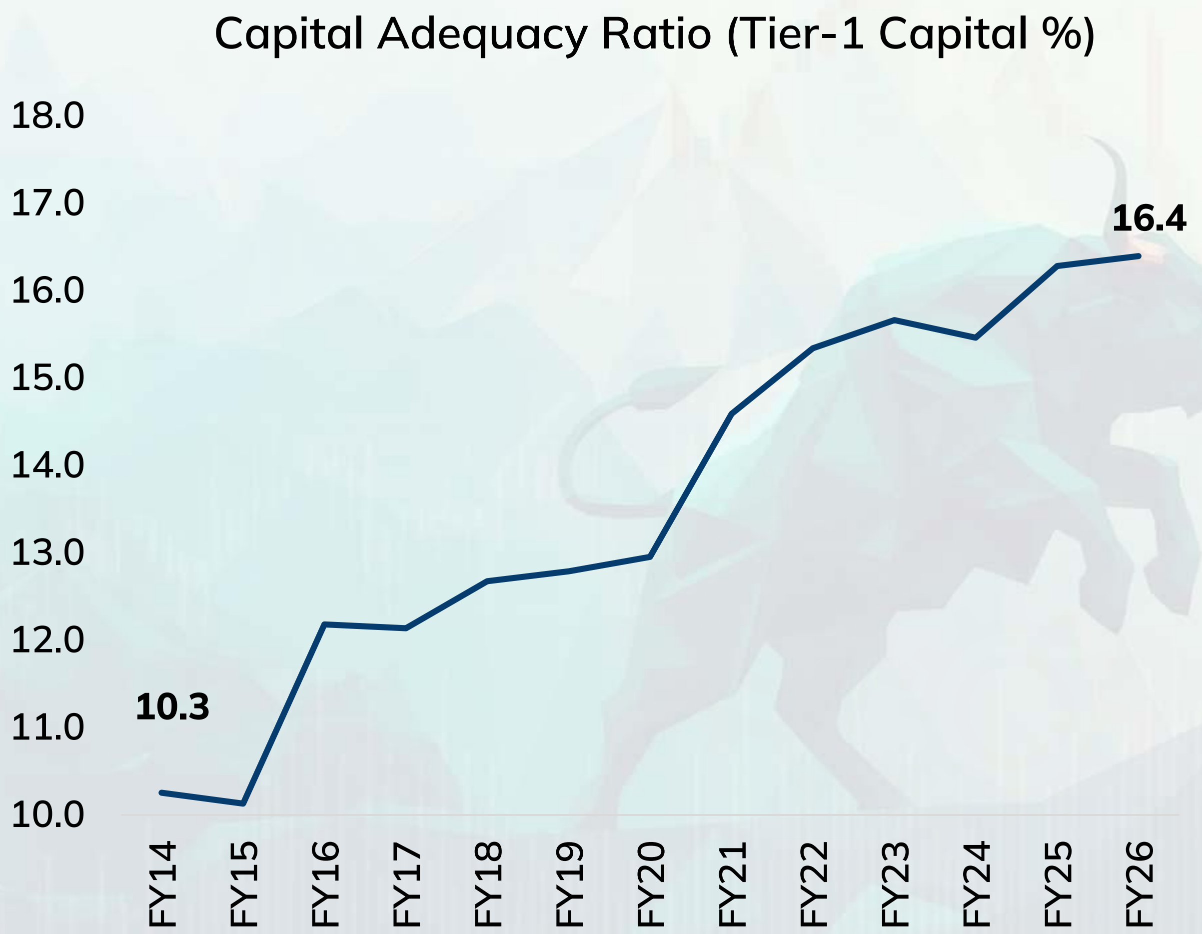
Strong FDI inflows provide a stable source of external financing, supporting India's balance of payments and mitigating concerns around a moderate current account deficit

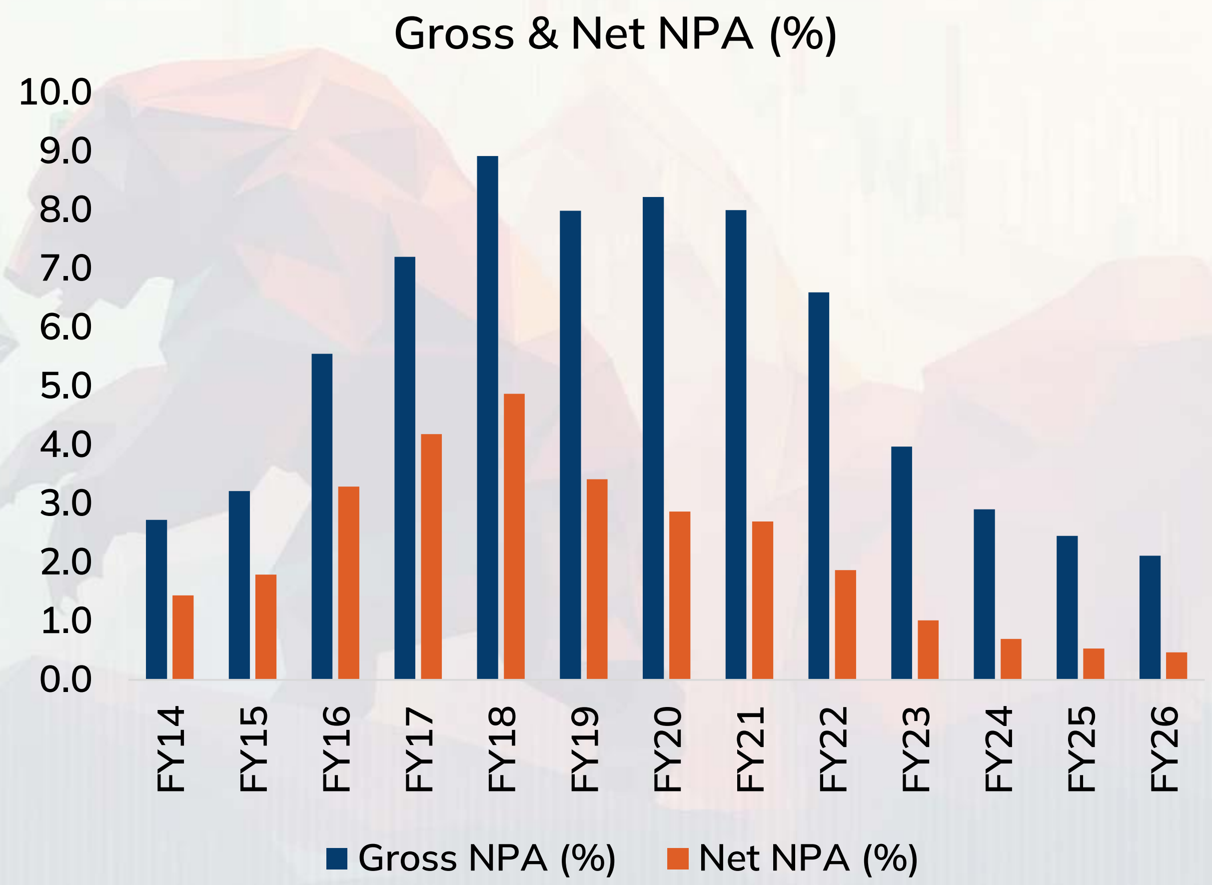


Data as on March 31, 2026. Data Source: dpiit.gov.in. USD: United States Dollar, Mn: million, FDI: Foreign Direct Investment

Indian Economy – Long Term Macros Intact

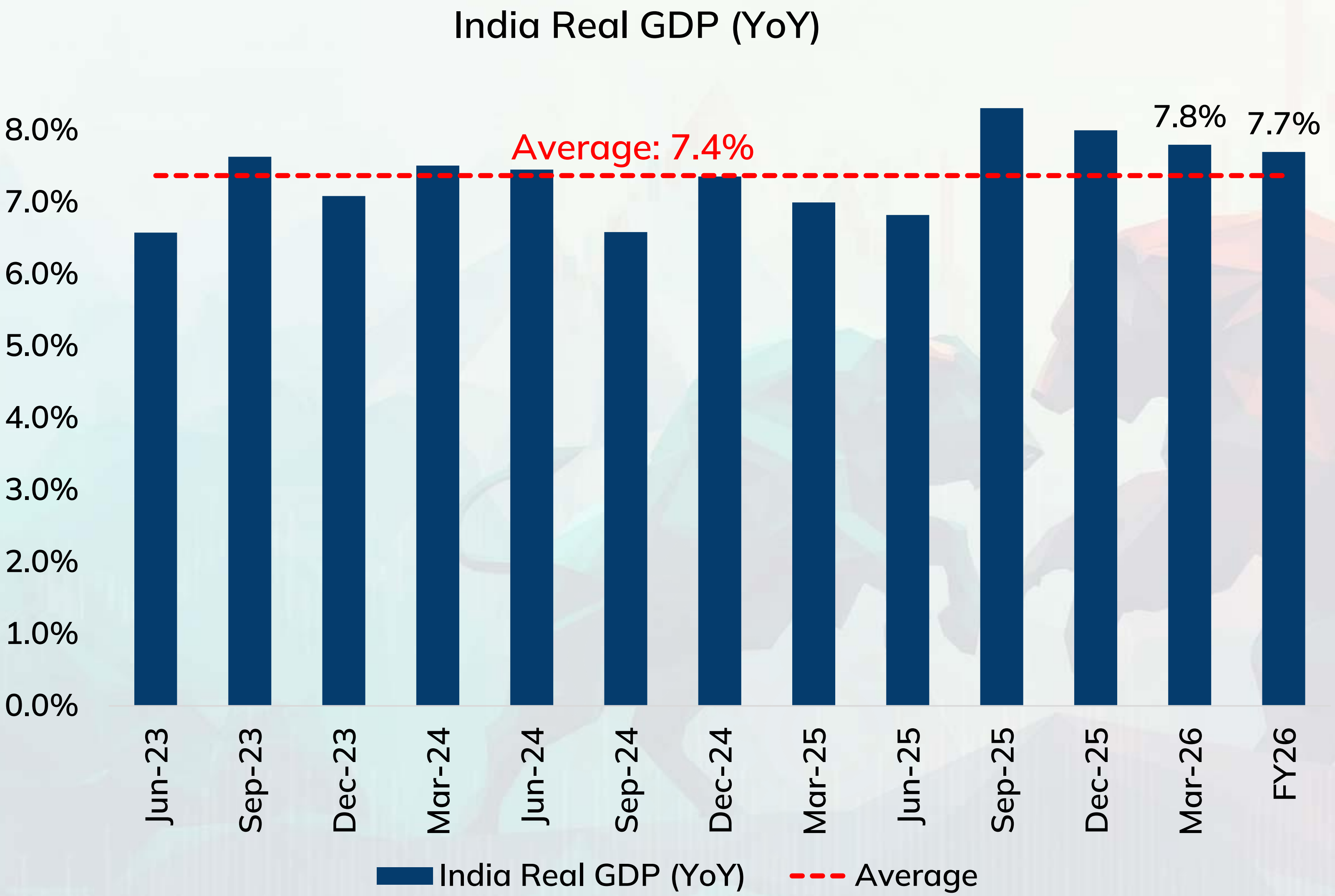
Banks are well-capitalized and asset quality is improving contributing to the resilience of overall financial system





Data as on Mar 31, 2026. Source: DAM Capital. NPA – Non Performing Asset, FY – Financial Year. Past performance may or may not sustain in future. Capital Adequacy Ratio measures a bank's capacity to absorb losses, protecting depositors and ensuring stability

Indian Economy – Long Term Macros Intact



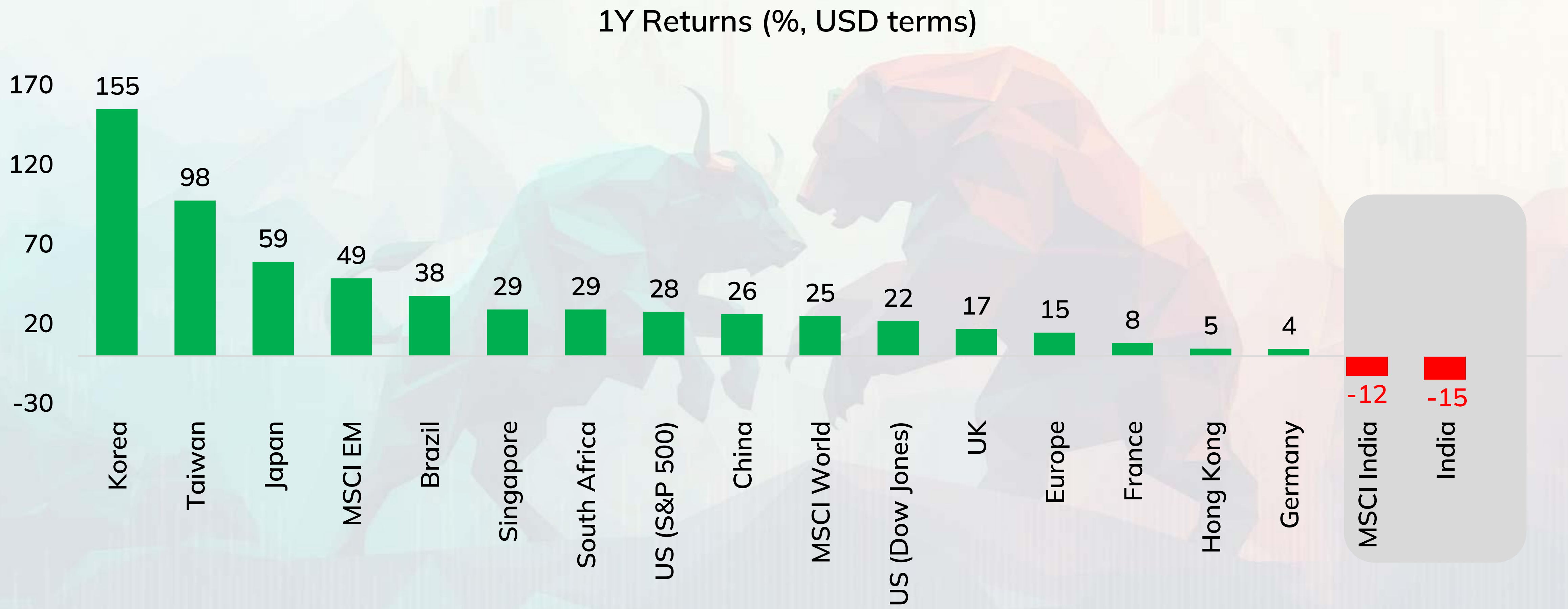
- India continues to remain one of the fastest growing economies in the world at ~7%
- Despite the impact of the West-Asia tensions on the Indian economy, India still continues to be the fastest economy, beating the slowdown projections

Data Source: MOSPI. Data as on June 05, 2026. GDP – Gross Domestic Product, YoY – Year on Year.

INDIAN EQUITIES – CURRENT STATE

'V'aluations Re-set

Indian equities were commanding rich valuations until last year. They have moderated post recent corrections



Source: DAM Capital. Data as of June 6, 2026. Returns are in absolute terms. Past performance may or may not sustain in future. Indices considered: Kospi for Korea, Taiwan – TWSE Capitalization Weighted Index, Brazil – Ibovespa Sao Paulo Index, MSCI EM – MSCI Emerging Markets Index, Japan – Nikkei 225, South Africa – JSE Top 40 Index, China – Shanghai Composite Index, Singapore – Strait Times, UK – FTSE 100, Europe – Euro Stoxx 50, Hong Kong – Hang Seng Index, France – CAC 40, Germany – DAX, India – Nifty 50

'V'aluations Re-set

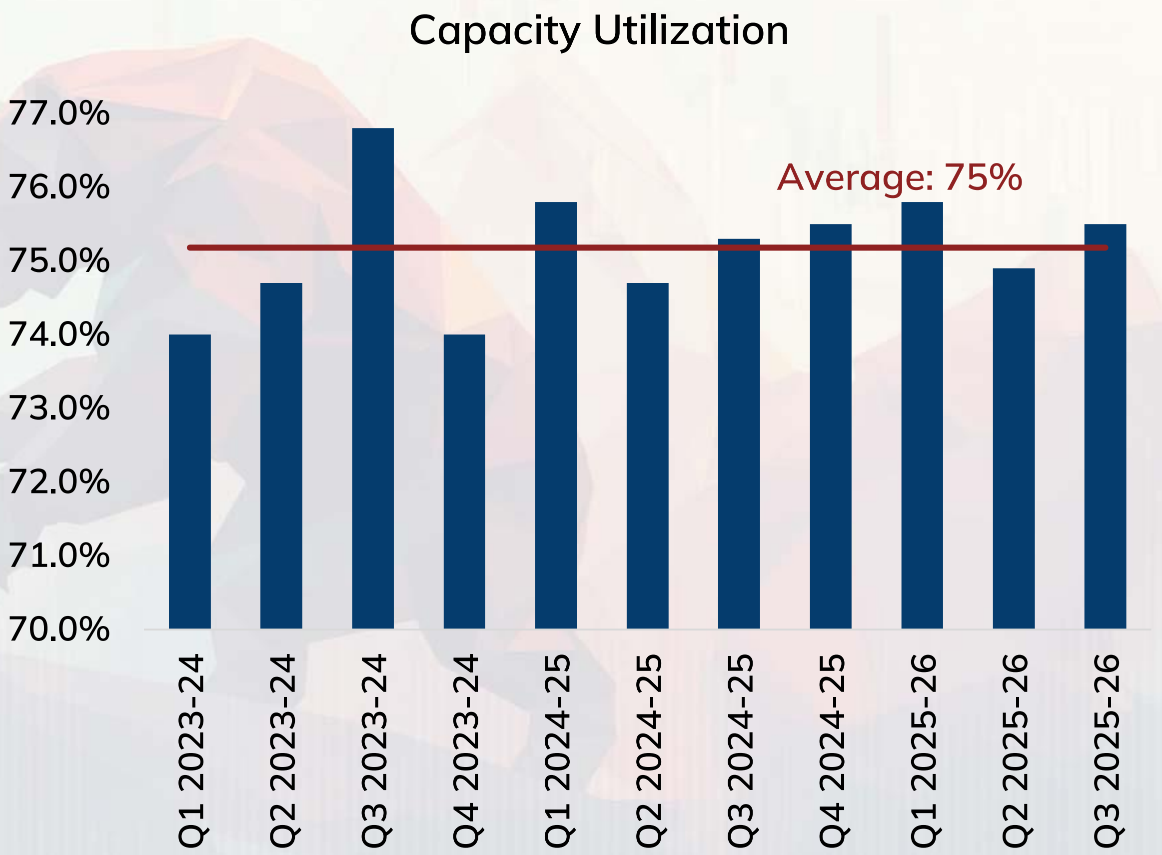
The valuations froth seen in last 2 years, has come off, especially in large cap space

Period	As a % of Total Market Cap			
	Top 50 Stocks	Next 50 Stocks	Midcap-150 Stocks	Smallcap - Above 250 Stocks
2015	59.8	14	15.2	11
2016	58.8	14.1	15.3	11.8
2017	53.4	14.7	17.3	14.6
2018	58.3	13.7	16.3	11.7
2019	61.8	13.1	15.6	9.5
2020	60.9	13.3	15.5	10.2
2021	55.6	13.1	16.8	14.4
2022	56.7	12.5	16.1	14.7
2023	51.4	13.1	17.6	17.8
2024	46.1	13.8	19.3	20.8
2025	46.7	13.9	20.0	19.4
May-26	44.5	14.8	20.3	20.4

Source: NSE. Data as on May 31, 2026. Data is on calendar year basis. Past performance may or may not sustain in future. Red indicates high valuations, Amber indicates neutral valuations and Green indicates attractive valuations. No of stocks in terms of full market capitalization.

‘C’ycle –
Business Cycle Holds Firm

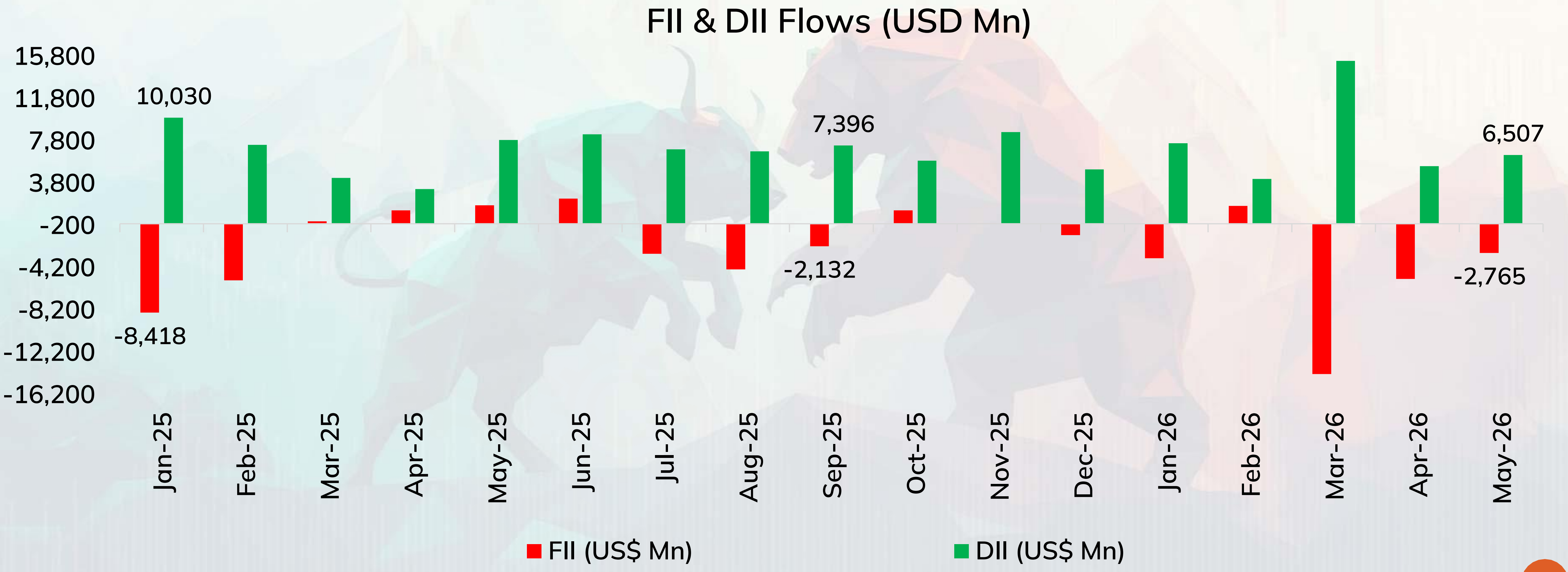
Business Cycle continues to remain strong indicating good overall economic health



Source – RBI. YoY – Year on Year, Q – Quarter. Data as of May 31, 2026 for Credit Growth & Dec 2025 for Capacity Utilization.

'S'entiments – Neutral

Sentiments have been subdued in case of FIIs as they moved to 'safer assets' from riskier ones (Emerging Markets). DIIs on the other hand continue to absorb a significant part of outflows making Sentiments neutral



Source – Kotak Institutional Equities. Data as of May 31, 2026. Past performance may or may not sustain in future. FII – Foreign Institutional Investor, DII – Domestic Institutional Investor

Key Takeaways

- Global markets are volatile at the moment and India is not completely insulated from the near term jolts. Factors that may chart future course include – Inflation, Global Central Banks' monetary policies & Growth
- There may be a short term impact on India's trade balance and currency.
- However, India's core fundamentals remain intact – Healthy Govt. Capex, forex reserves, services trade surplus, strong demand, steady long term Govt. reforms
- Valuations have eased from their peaks, Business Cycle remains robust, Sentiments are neutral. However, in near term, volatility is inevitable as geo-political environment is very dynamic
- One can consider investing in equities for long term in a staggered manner through SIP / STP in schemes that have the flexibility to maneuver across sectors / market cap
- Since market volatility may persist, we continue to recommend investing in Hybrid / Asset Allocation schemes

SIP – Systematic Investment Plan, STP – Systematic Transfer Plan

Recommendations

Hybrid / Asset allocation schemes to manage volatility

- **IPRU Equity & Debt Fund**
- **IPRU Multi-Asset Fund**
- **IPRU Balanced Advantage Fund**
- **IPRU Dynamic Asset Allocation Active FOF** (erstwhile ICICI Prudential Asset Allocator Fund (FOF))

Schemes with flexibility to maneuver across sectors / themes

- **IPRU Business Cycle Fund**
- **IPRU Flexicap Fund**
- **IPRU Dividend Yield Equity Fund**
- **IPRU Active Momentum Fund**
- **IPRU Multicap Fund**
- **IPRU Diversified Equity All Cap Active FOF**
- **IPRU India Opportunities Fund**
- **IPRU Value Fund** (erstwhile ICICI Prudential Value Discovery Fund)

Large cap biased schemes for long term wealth creation

- **IPRU Large Cap Fund** (erstwhile ICICI Prudential Bluechip Fund)
- **IPRU Equity Minimum Variance Fund**

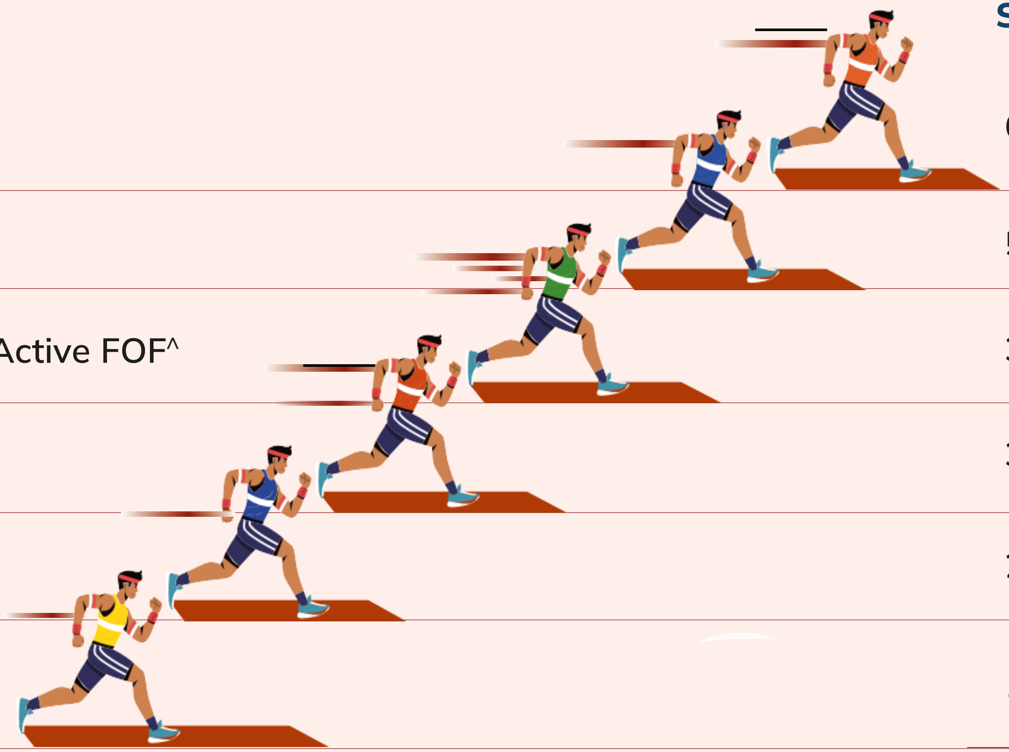
Continue SIP/STP as the long term view remains intact, strongly recommend ICICI Prudential Booster STP*

IPRU – ICICI Prudential, SIP – Systematic Investment Plan, STP – Systematic Transfer Plan, FOF – Fund of Fund. The asset allocation and investment strategies will be as per Scheme Information Document. * ICICI Prudential Booster Systematic Transfer Plan is a facility wherein unit holder(s) can opt to transfer variable amount(s) from designated open ended scheme(s) of ICICI Prudential Mutual Fund to the designated open ended scheme(s) of ICICI Prudential Mutual Fund

Walking the talk

At market peak in Sep-24, we were overall cautious on equities and hence our asset allocation schemes too had lower equity allocation. As we believe that high valuations have now cooled-off, the equity allocation across these schemes have increased

EQUITY RANGE	Scheme	Sep-24	May-26
65-80%	ICICI Prudential Equity & Debt Fund	67.3%	74.9%
10-80%	ICICI Prudential Multi-Asset Fund	50.5%	60.7%
35 - 100%*	ICICI Prudential Dynamic Asset Allocation Active FOF^	37.4%	58.4%
30-80%	ICICI Prudential Balanced Advantage Fund	31.8%	55.3%
10-25%	ICICI Prudential Regular Savings Fund	21.7%	22.9%
15-50%	ICICI Prudential Equity Savings Fund	16.3%	19.2%



Data as on May 31, 2026. FOF: Fund of Fund. The net equity exposure is calculated net of stock futures and options (Notional Exposure of Index Put Options only) and does not include exposure in REITs. The portfolio of the scheme is subject to changes within the provisions of the Scheme Information document of the scheme. Please refer to the SID for investment pattern, strategy and risk factors. The asset allocation and investment strategy will be as per Scheme Information Document. ^Pursuant to SEBI's framework on Fund of Fund Schemes, the Scheme features has been modified with effect from November 25, 2025. Kindly refer to the AMC's website for detailed information. Erstwhile ICICI Prudential Asset Allocator Fund (FOF)Investors may please note that they will be bearing the recurring expenses of this Scheme in addition to the expenses of the underlying Schemes in which this Scheme makes investment. *Please note that total Non Debt Allocation of the scheme will be 35-100%. Compulsorily convertible debentures and foreign equity has been included in the net equity exposure.

Fixed Income Outlook

June 2026

ICICI Prudential Mutual fund Registration No.: MF/003/93/6

Introduction

“

Escalating geopolitical tensions in West Asia, global monetary policy recalibrations, and shifting bond market dynamics were major highlights in fixed income in May 2026.

The recent policy packages—such as foreign investment tax exemptions on government securities alongside stabilizing domestic interest rates—are injecting fresh demand into the fixed income ecosystem.

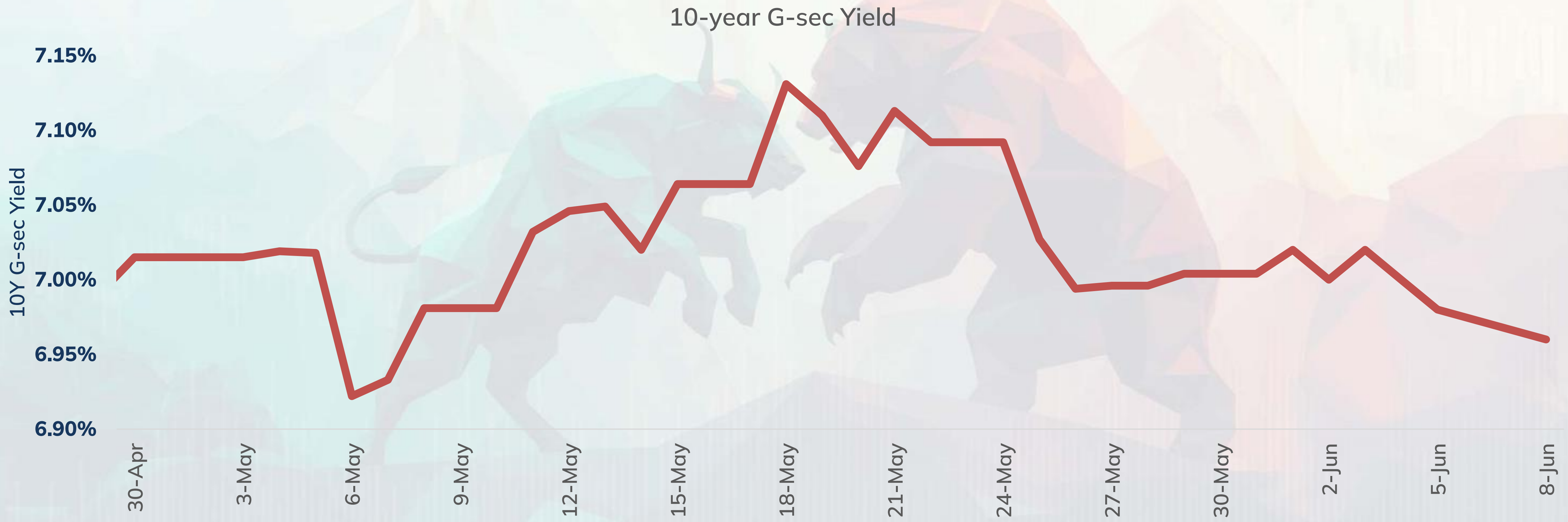
Consequently, geopolitical uncertainties and supply-driven inflation shocks require ongoing vigilance.

The bond market continues to offer compelling opportunities for yield through active duration management and strategic diversification.

”

Month Gone By
Yields Cooled

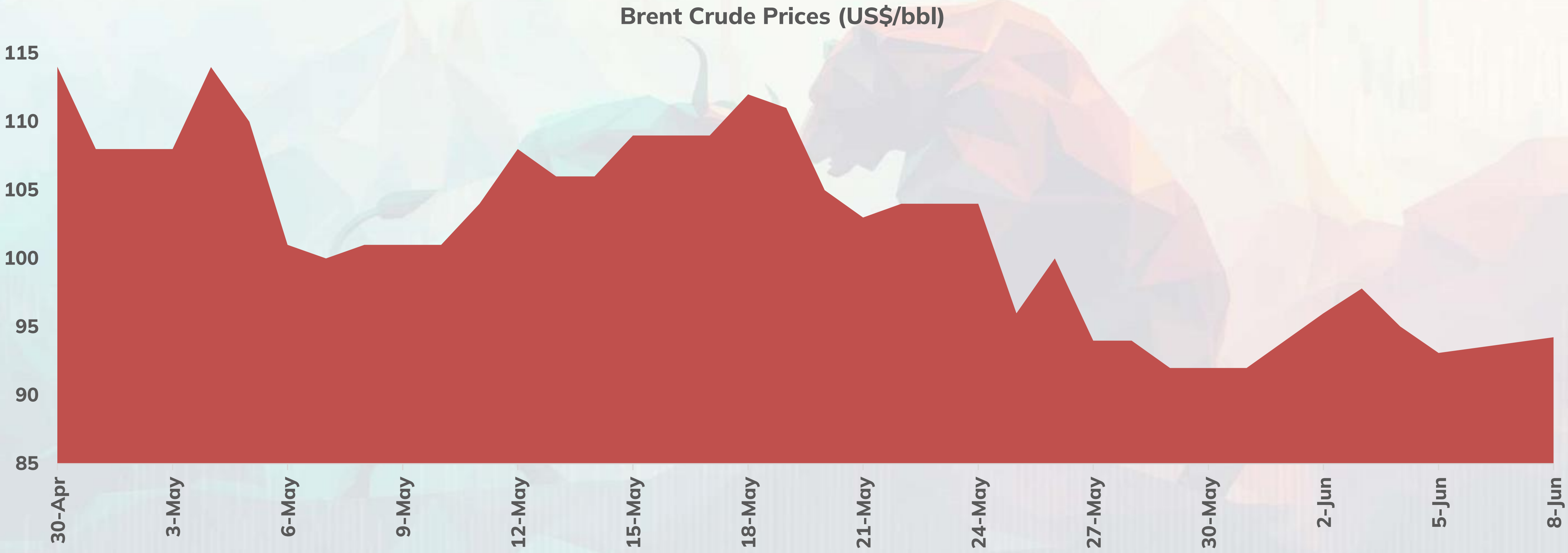
Benchmark G-sec yields escalated to near-term highs in May 2026 due to rise in US Treasury yields, weaker INR, fiscal and inflation concerns. Yields, however, retreated lower as the month ended after RBI's dividend announcement to the Govt. and due to fall in crude oil prices.



Source: Refinitiv. Data as on June 8, 2026.

Month Gone By
Oil Retreats Lower

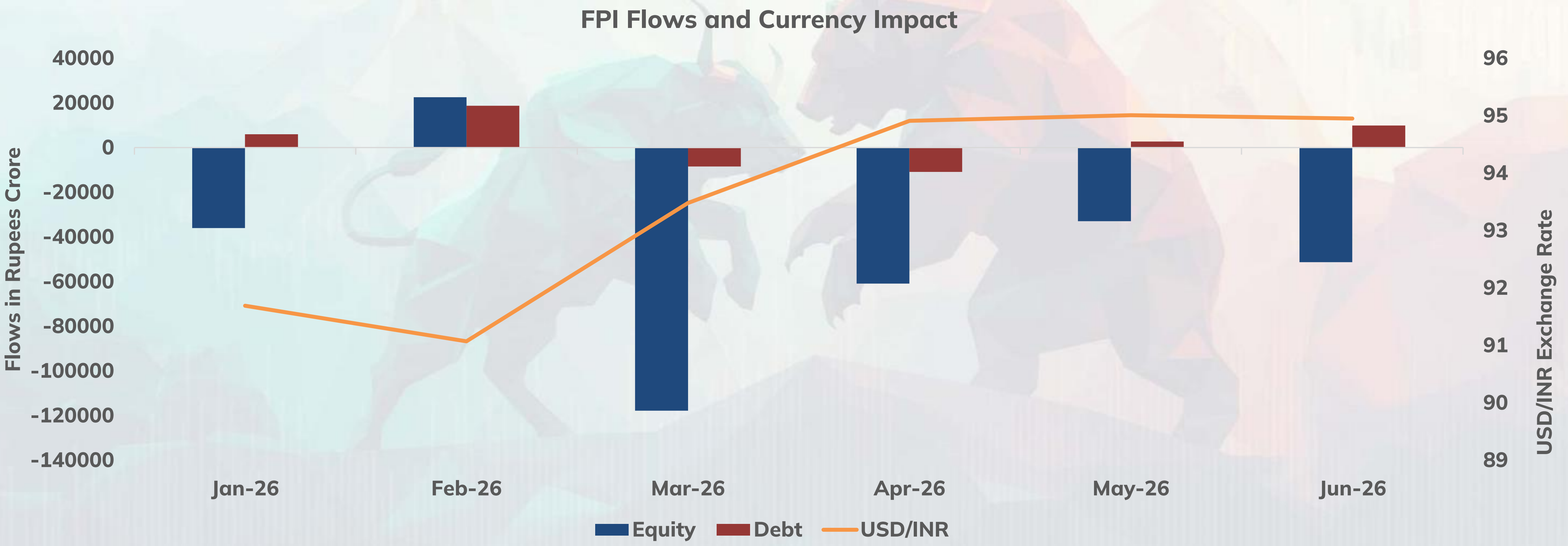
Brent crude price dropped to ~$93/bbl from above $110/bbl in the previous month, mainly due to easing geopolitical tensions in the West Asia conflict, softer Chinese demand, and concerns over sluggish global demand.



Source: Bloomberg. Data as on June 8, 2026.

Month Gone By
FPI Flows in Focus

FPIs have been on a selling spree in Indian financial markets, with more than ₹2.5 lakh crore of equity and debt sales since Jan 2026. The flight of capital weakened the INR, eroded foreign exchange reserves of the RBI and sprung policymakers into action to attract and retain foreign investments in India.



Data as on June 8, 2026. Source: Refinitiv

Tackling the Crisis
Govt.'s Policy Response

ICICI PRUDENTIAL MUTUAL FUND

On Higher Oil Price Issue

- Excise Duty Cut by ₹10/litre on petrol and diesel
- Below Cost Fuel Supply by OMCs
- Limited Pass-through of High Oil Prices at Fuel Pumps

On Foreign Outflows

- G-sec interest and gains exemption for FPIs
- PROIs allowed to invest in equities earlier available only to NRIs/OCIs

Source: PIB.

PROI – Persons Resident Outside India. NRI - Non Resident Indian. OCI – Overseas Citizen of India. OMC – Oil Marketing Companies.

Tackling the Crisis

RBI's Monetary Policy Response

Policy rate and stance unchanged

Incentives to PSU to tap External Commercial Borrowings

Increased equity investment limits for NRIs and OCIs

RBI to cover hedging costs for banks on FCNR (B) deposits

Various other sops to boost inflows by FPIs

Expanded securities list under FAR-route for FPIs.

We expect these measures to attract $60 bn to $80 bn dollars in inflows into the country.

Source: RBI. Bn - Billion

FPI – Foreign Portfolio Investors. PSU – Public Sector Units. FCNR (B) – Foreign Currency Non-Resident (B). FAR – Fully Accessible Route. OCI – Overseas Citizens of India.

Market Response
Yields Cool Down

Bond yields eased amid de-escalation in West Asia conflict, lower oil prices and various policy actions targeted at chasing foreign investments – hinting at improvements in macro outlook.

	Before War (Feb 26, 2026)	Peak Yields	Latest Yields
1Y G-sec	5.53%	6.11%	6.00%
5Y G-sec	6.39%	6.94%	6.60%
10Y G-sec	6.69%	7.13%	6.96%
1Y AAA	7.10%	7.84%	7.63%
3Y AAA	7.15%	7.89%	7.54%
5Y AAA	7.24%	7.93%	7.56%
1Y AA	7.89%	8.63%	8.42%
3Y AA	7.94%	8.68%	8.33%
5Y AA	8.13%	8.82%	8.45%

Source: CRISIL

The Current Picture

The Current Picture
Low Growth, High Inflation Ahead

The RBI revised down its GDP projections for FY2026-27 to 6.6% (vs. 6.9% earlier) and increased inflation projections to 5.1% (4.6% earlier).

What Could Pull Growth Down?

- Global supply chain disruptions.
- Weather-related shocks
- Higher input prices and logistics cost
- Weak global demand

What Could Push Inflation Up?

- Higher energy prices
- Higher commodity prices
- Intense El-nino risk
- Higher imported inflation

Risks Ahead

The El Nino Risk

The IMD officially warned that El Niño conditions may result in below-normal national rainfall at 92% of the Long Period Average (LPA). Intensive El Niño conditions are known to significantly weaken the southwest monsoon, frequently resulting in deficient rainfall, prolonged droughts, and elevated heatwaves.

Potential Impact from Hotter Weather

- Higher Power Demand
- Increased Coal Demand
- Strain on Power grids

Potential Impact from Monsoon Deficit

- Delay in kharif sowing, lower crop production.
- Impacted farmers income and agri-growth
- High global food prices
- Pressure on drinking water sources and water availability
- Impacted hydropower generation

Source: IMD.

Risks Ahead

Global Central Bank Pivot

Recent monetary policy communications from major central banks highlight rising hawkishness as policymakers confront sticky inflation, geopolitical energy shocks and uncertainty.

Federal Open Market Committee (USA): Following their latest meetings, the US Federal Reserve maintained a firm posture against premature rate cuts. Chair Jerome Powell noted during his press conference that *"the oil-driven inflation shock hasn't peaked yet and that the Fed wants to see behind the 'back side' of the energy shock before considering the idea of returning to rate cuts."*

The European Central Bank: The ECB minutes demonstrated a distinct hawkish bias driven by rising short-term inflation expectations and a weak euro. The council stated: *"The Governing Council stands ready to adjust all of its instruments within its mandate to ensure that inflation stabilises at its 2% target in the medium term..."*

The Bank of Japan: The BoJ signaled an aggressive tilt toward policy normalization, with an increasing number of board members pushing for rate hikes. Their statement indicated that *"if the outlook for economic activity and prices... will be realized, the Bank, in accordance with improvement in economic activity and prices, will continue to raise the policy interest rate and adjust the degree of monetary accommodation."*

Source: central bank websites

Risks Ahead

Risk-off Sentiment in Global Bond Market

While equity markets have shown buoyancy due to AI-theme; global bond markets, on the other hand, are reeling under debt sustainability and rising inflation concerns.

AI-fuelled optimism in Equities

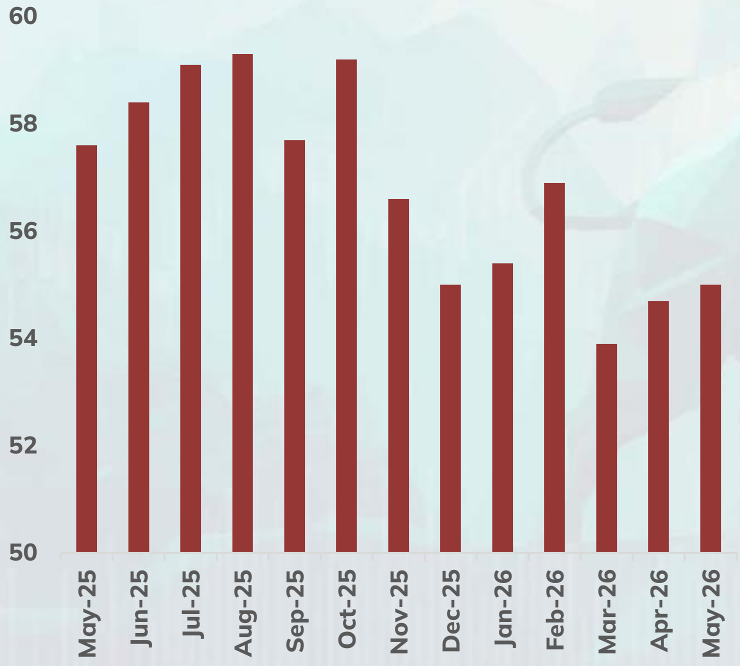
Inflation fears in Bond Markets

Economic Impact

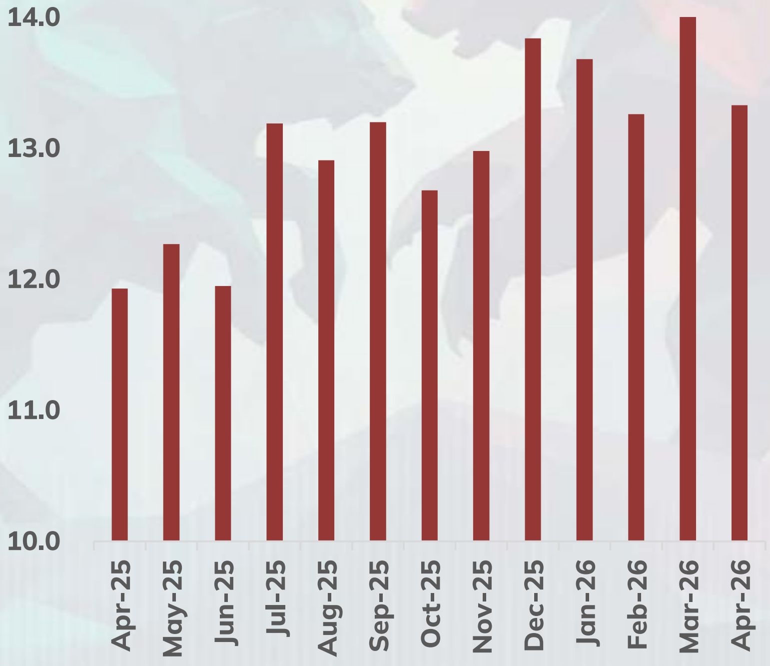
What do Latest Indicators Show?

While the impact of weather-related shocks would be visible in the months ahead, the impact of West Asia conflict-related shocks is visible in decelerating manufacturing PMI, cool-down in shipping cargo at ports and slower e-way bill growth.

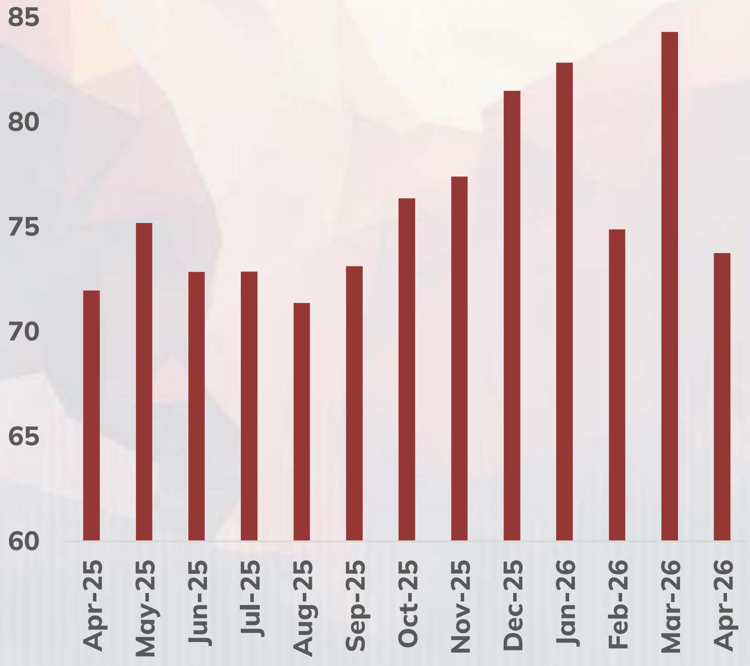
Manufacturing PMI



E-way Bills (in Crores)



Port Cargo Traffic (in lakh)



Source: HSBC; GST Council; Shipmin

Economic Health

In Better Shape than 2013

Although the current crisis resembles the taper tantrum phase of 2013, the economic fundamentals today are in a much better shape and able to withstand shocks better.

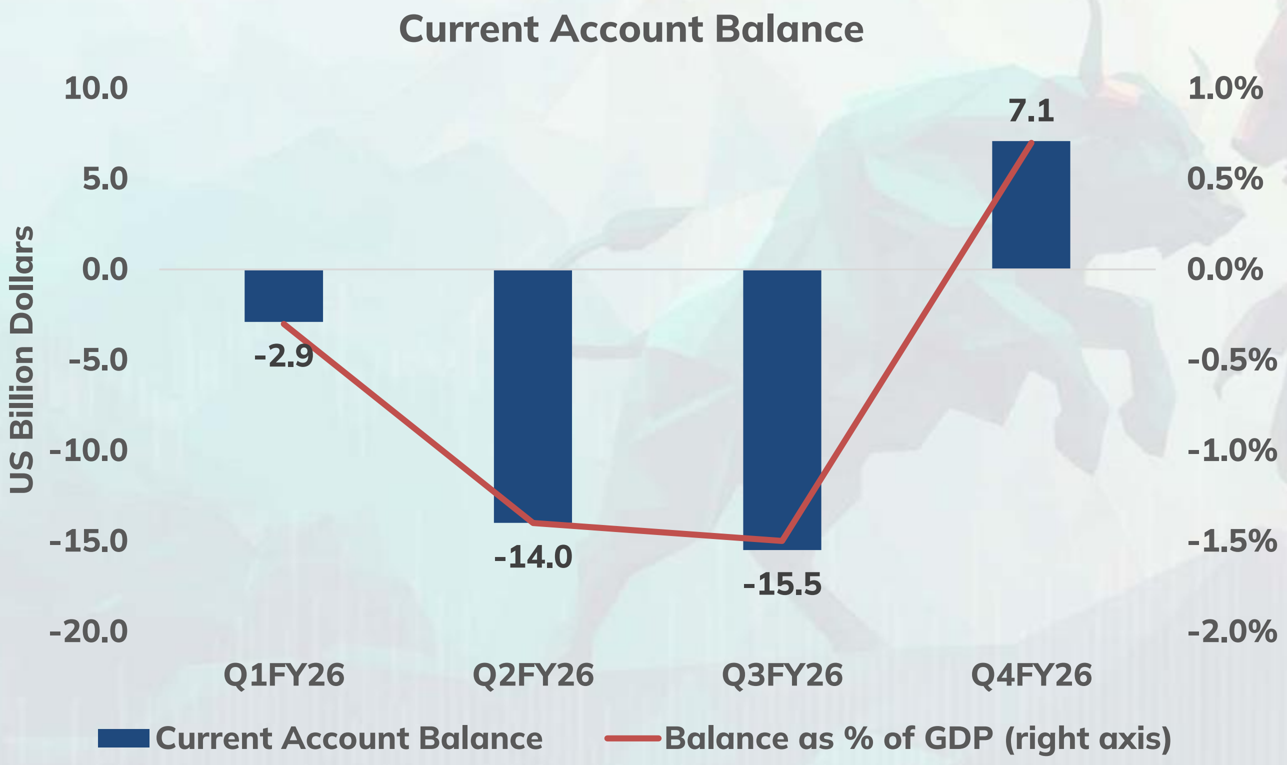
	2013	2026
GDP Growth	6.5%	7.6% (FY26)
Inflation	10%	3.5% (Apr ‘26)
Current Account Deficit	5.0%	0.6% (FY26)
Fiscal Deficit	4.9%	4.4% (FY26)
Credit Growth	16.3%	16.2% (May ‘26)

Source: RBI; MoSPI; PIB

Economic Health

Balance of Payment Situation Under Control

India's current account surprised positively with a surplus of USD 7bn (0.7% of GDP) in Q4FY26 versus a deficit of USD 15.5bn (1.5% of GDP) in Q3FY26.



- Sharp pick-up in remittances inflows (31% YoY), along with higher services exports (13% YoY) led to higher receipts. On expense side, goods deficit narrowed to $83 bn.
- In FY26, current account deficit came to 0.6% of GDP and expected to rise to ~1.8% of GDP in FY27 due to higher oil prices.
- However, recent measures by RBI and Govt. at attracting foreign investments could provide additional ~$60 bn to $80 bn of inflows, and expect to push the current account into surplus.
- The projections are also positive for USD/INR with expectations of more stability or even appreciation in the INR.

Source: RBI; GDP – Gross Domestic Product.

Market Pricing
An Opportunity to Invest

Yields are now slightly lower than previous week's level wherein maximum bearishness was priced in bonds. However, the current yields on offer still look attractive for investment.

Long-end of G-sec Yield Curve

Short-end of Corporate Bond Yield Curve

Data as on June 8, 2026. Source: in.investing.com

Our View on Fixed Income

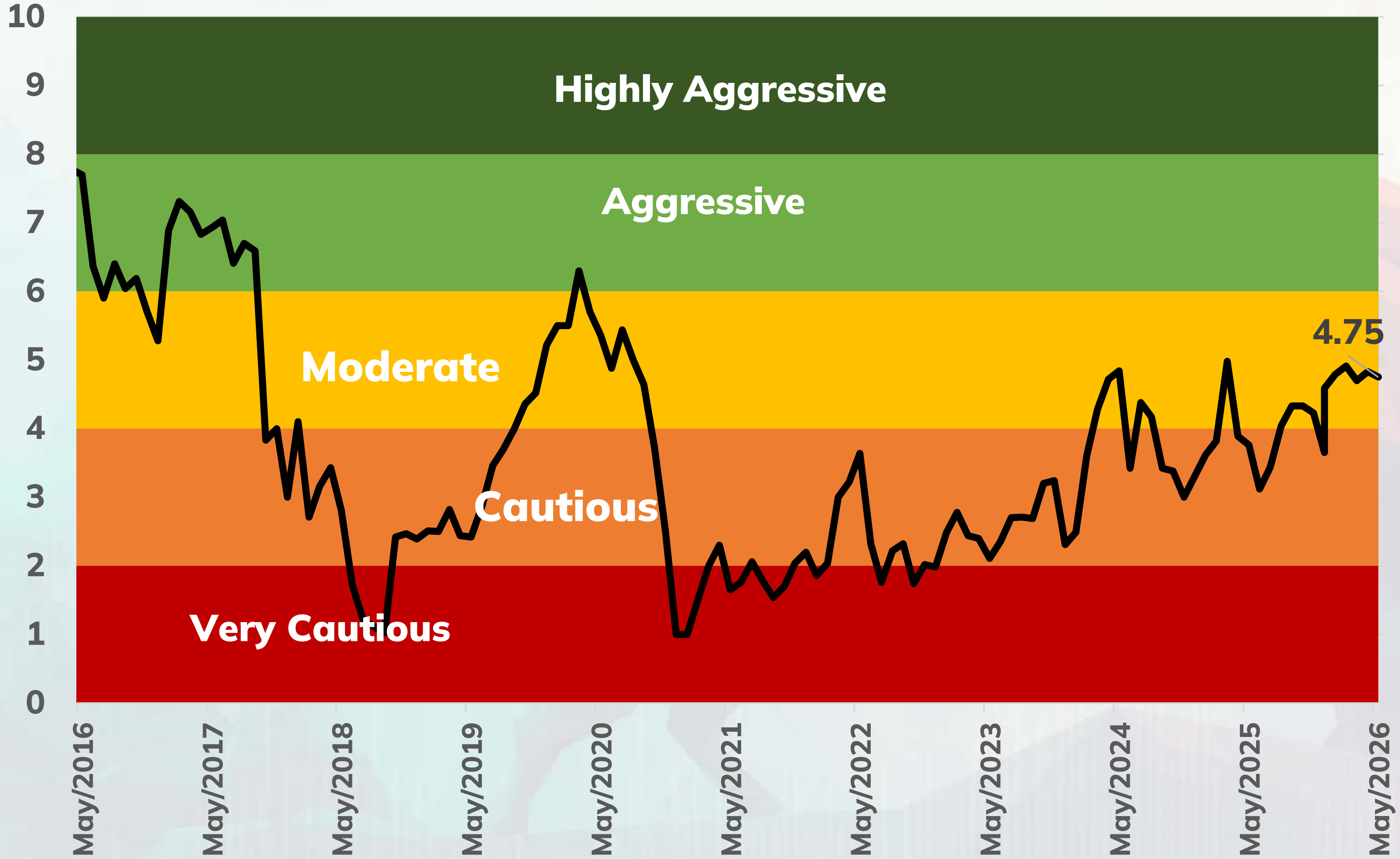
- We believe that monetary policy has appropriately addressed the prevailing macroeconomic challenges through targeted measures. These measures are expected to enhance market confidence and help compress risk premiums across fixed-income market.
- Govt. efforts in attracting foreign portfolio investments in G-sec is also a major move to support G-sec demand and enhance dollar inflows in the economy. Yields have already shown first signs of easing.
- Bond yields are still at attractive levels. This opens up opportunities for capturing accruals at elevated YTMs.
- For investment recommendation, we suggest investing in the short-end of the corporate bond curve. We also see favorable risk-reward in long-end G-secs and SDLs.

Our Key Recommendations

Our Focus Products	ICICI Prudential Short Term Fund	ICICI Prudential Corporate Bond Fund	ICICI Prudential Banking & PSU Debt Fund
Tactical Approach	ICICI Prudential Gilt Fund	ICICI Prudential All Seasons Bond Fund	
Suitable in Rising Interest Rates	ICICI Prudential Floating Interest Fund	ICICI Prudential Income plus Arbitrage Omni FOF	

Please consult your financial advisor for tax related advice.

Fixed-Income Approach
Debt Valuation Index

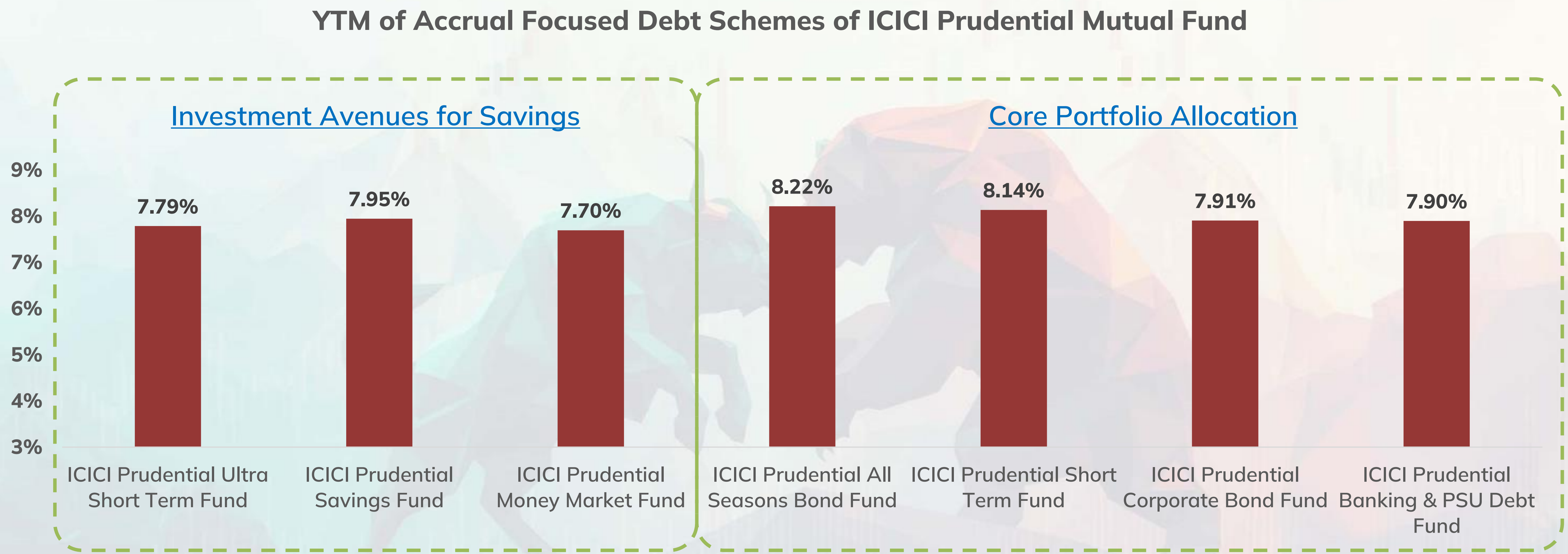


The index hints at moderately rewarding stance on duration. We would like to approach it with a combination of long duration G secs/SDL and short-dated corporate bonds.

We recommend **Accruals + Active Duration Management** in the current scenario.

Data as on May 31, 2026. Debt Valuation Index considers WPI, CPI, Sensex returns, Gold returns and Real estate returns over G-Sec yield, Current Account Balance, Fiscal Balance, Credit Growth and Crude Oil Movement for calculation. RBI – Reserve Bank of India. Debt Valuation Index is a proprietary model of ICICI Prudential AMC Ltd. (the AMC) used for assessing overall debt valuations. The AMC may also use this model for other facilities/features offered by the AMC and any other factor which the AMC may add/delete from time to time.

Our Choice for Accruals + Active Duration Management



IPRU – ICICI Prudential. The Yield to Maturity (YTM) mentioned is based on scheme portfolio dated May 31, 2026. YTM is the rate of return of a bond if held until maturity. This should not be considered as an indication of the returns that maybe generated by the scheme. The securities bought by the scheme may or may not be held till their respective maturities. Past performance may or may not be sustained in future

Current Portfolio Positioning
Active Duration

Scheme	Average Maturity (in years)	Macaulay Duration (in years)	Modified Duration (in years)
ICICI Prudential Liquid Fund	0.10	0.10	0.09
ICICI Prudential Money Market Fund	0.63	0.62	0.58
ICICI Prudential Ultra Short Term Fund	0.53	0.48	0.44
ICICI Prudential Savings Fund	1.33	1.01	0.95
ICICI Prudential Floating Interest Fund	2.90	1.98	1.87
ICICI Prudential Corporate Bond Fund	5.73	3.53	3.36
ICICI Prudential Credit Risk Fund	3.11	2.15	2.04
ICICI Prudential Banking & PSU Debt Fund	5.83	3.38	3.21
ICICI Prudential Short Term Fund	4.48	2.86	2.72
ICICI Prudential Medium Term Bond Fund	6.18	3.39	3.24
ICICI Prudential All Seasons Bond Fund	13.66	6.21	5.96

Data as on May 31 2026. The Macaulay duration is the weighted average term to maturity of the cash flows from a bond. The weight of each cash flow is determined by dividing the present value of the cash flow by the price. Modified Duration is the price sensitivity and the percentage change in price for a unit change in yield.

Current Portfolio Positioning
Focus on Accruals

Scheme	AAA & Equivalent Exposure#	AA & Equivalent and Below Exposure	YTM
ICICI Prudential Credit Risk Fund	30.9%	69.1%	8.93%
ICICI Prudential Medium Term Bond Fund	40.0%	60.0%	8.57%
ICICI Prudential All Seasons Bond Fund	65.5%	34.5%	8.22%
ICICI Prudential Short Term Fund	80.3%	19.7%	8.14%
ICICI Prudential Corporate Bond Fund	99.5%	0.5%	7.91%
ICICI Prudential Banking & PSU Debt Fund	99.1%	0.9%	7.90%
ICICI Prudential Savings Fund	86.0%	14.0%	7.95%
ICICI Prudential Ultra Short Term Fund	82.8%	17.2%	7.79%

Data as on May 31, 2026. The Yield to Maturity (YTM) mentioned is based on scheme portfolios dated Mar 31, 2026. YTM is the rate of return anticipated on a bond if held until maturity. This should not be considered as an indication of the returns that maybe generated by the scheme. The securities bought by the scheme may or may not be held till their respective maturities. Past performance may or may not be sustained in future.

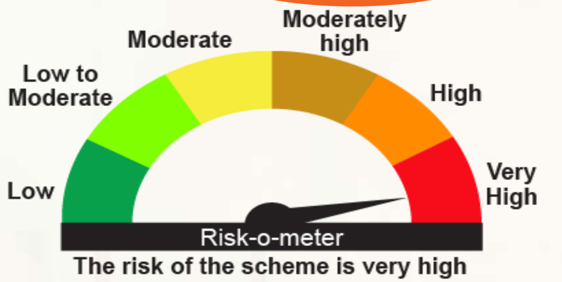
- AAA & Equivalent includes exposure to Sovereign rated securities, TREPs & Net Current Assets and A1+ securities.

Riskometers

ICICI Prudential Balanced Advantage Fund (An open ended dynamic asset allocation fund) is suitable for investors who are seeking*:

- ❑ Long term capital appreciation/income
- ❑ Investing in equity and equity related securities and debt instruments

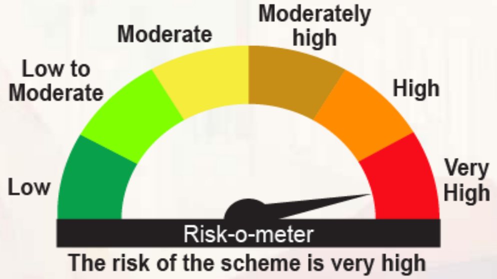
*Investors should consult their financial advisers if in doubt about whether the product is suitable for them



ICICI Prudential Multi-Asset Fund (An open ended scheme investing in Equity, Debt and Exchange Traded Commodity Derivatives/ units of Gold ETFs/units of Silver ETFs/units of REITs & InvITs/ Preference shares) is suitable for investors who are seeking*:

- ❑ Long Term Wealth Creation
- ❑ An open ended scheme investing across asset classes

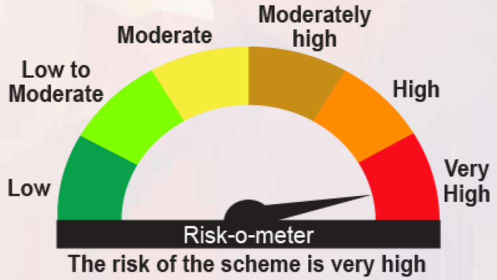
*Investors should consult their financial advisers if in doubt about whether the product is suitable for them



ICICI Prudential Large Cap Fund (Erstwhile ICICI Prudential Bluechip Fund) (An open ended equity scheme predominantly investing in large cap stocks) is suitable for investors who are seeking*:

- ❑ Long term wealth creation
- ❑ An open ended equity scheme predominantly investing in large cap stocks

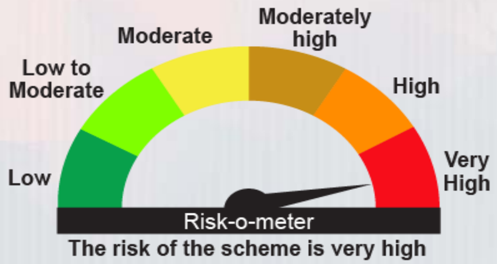
*Investors should consult their financial advisers if in doubt about whether the product is suitable for them



ICICI Prudential Equity Minimum Variance Fund (An open ended equity scheme following Minimum Variance theme) is suitable for investors who are seeking*:

- ❑ Long term wealth creation
- ❑ To generate long term capital appreciation by investing in Equity & Equity related instruments through a diversified basket with an aim to minimize the portfolio volatility

*Investors should consult their financial advisers if in doubt about whether the product is suitable for them

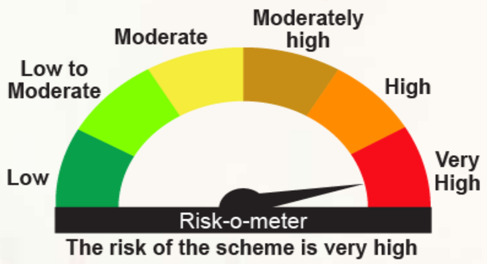


Riskometers

ICICI Prudential Equity & Debt Fund (An open ended hybrid scheme investing predominantly in equity and equity related instruments) is suitable for investors who are seeking*:

- ❑ Long term wealth creation solution
- ❑ A balanced fund aiming for long term capital appreciation and current income by investing in equity as well as fixed income securities

*Investors should consult their financial advisers if in doubt about whether the product is suitable for them

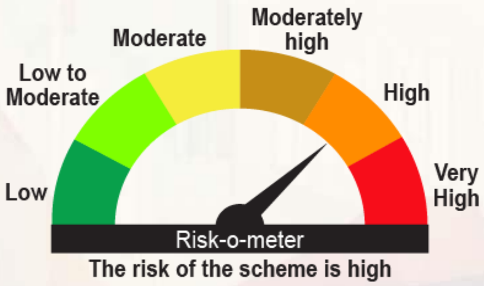


ICICI Prudential Dynamic Asset Allocation Active FOF (Erstwhile ICICI Prudential Asset Allocator Fund (FOF)) (An open ended Fund of Funds scheme investing dynamically in units of active equity and debt oriented schemes) is suitable for investors who are seeking*:

- ❑ Long term wealth creation
- ❑ An Open-ended Fund of Funds scheme investing dynamically in units of active equity and debt oriented mutual fund schemes.

*Investors should consult their financial advisers if in doubt about whether the product is suitable for them

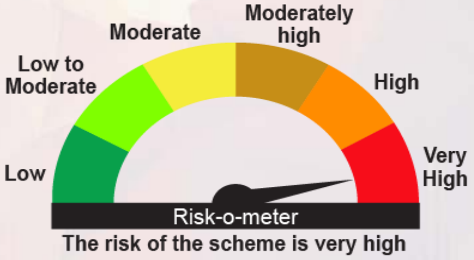
Investors may please note that they will be bearing the recurring expenses of the relevant fund of funds scheme in addition to the expenses of the underlying schemes in which the fund of funds scheme makes investment.



ICICI Prudential Flexicap Fund (An open ended dynamic equity scheme investing across large cap, mid cap & small cap stocks) is suitable for investors who are seeking*:

- ❑ Long term wealth creation
- ❑ An open ended dynamic equity scheme investing across large cap, mid cap and small cap stocks

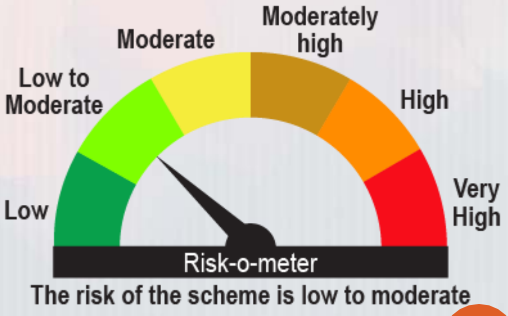
*Investors should consult their financial advisers if in doubt about whether the product is suitable for them



ICICI Prudential Equity Savings Fund (An open ended scheme investing in equity, arbitrage and debt) is suitable for investors who are seeking*:

- ❑ Long term wealth creation
- ❑ An open ended scheme that seeks to generate regular income through investments in fixed income securities, arbitrage and other derivative strategies and aim for long term capital appreciation by investing in equity and equity related instruments.

*Investors should consult their financial advisers if in doubt about whether the product is suitable for them

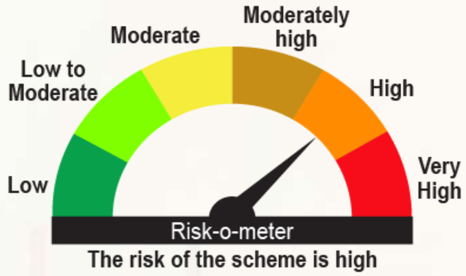


Riskometers

ICICI Prudential Regular Savings Fund (An open ended hybrid scheme investing predominantly in debt instruments) suitable for investors who are seeking*:

- ❑ Medium to long term regular income solution
- ❑ A hybrid fund that aims to generate regular income through investments primarily in debt and money market instruments and long term capital appreciation by investing a portion in equity.

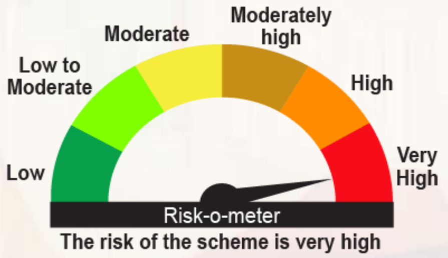
*Investors should consult their financial advisers if in doubt about whether the product is suitable for them



ICICI Prudential Value Fund (Erstwhile ICICI Prudential Value Discovery Fund) (An open ended equity scheme following a value investment strategy.) is suitable for investors who are seeking*:

- ❑ Long term wealth creation
- ❑ An open ended equity scheme following a value investment strategy

*Investors should consult their financial advisers if in doubt about whether the product is suitable for them



ICICI Prudential India Opportunities Fund (An open ended equity scheme following special situations theme) is suitable for investors who are seeking*:

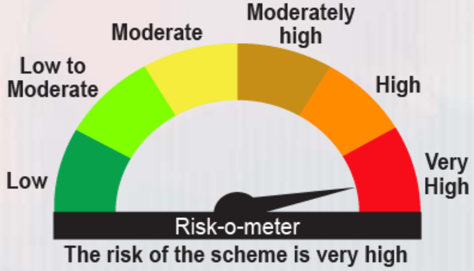
- ❑ Long Term Wealth Creation
- ❑ An equity scheme that invests in stocks based on special situations theme.

*Investors should consult their financial advisers if in doubt about whether the product is suitable for them

ICICI Prudential Business Cycle Fund (An open ended equity scheme following business cycles based investing theme) is suitable for investors who are seeking*:

- ❑ Long term wealth creation
- ❑ An equity scheme that invests in Indian markets with focus on riding business cycles through dynamic allocation between various sectors and stocks at different stages of business cycles

*Investors should consult their financial advisers if in doubt about whether the product is suitable for them



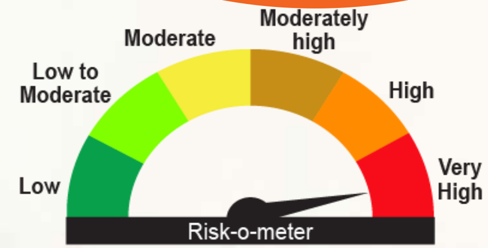
Riskometers

ICICI Prudential Diversified Equity All Cap Active FOF (An open ended Fund of Funds scheme investing predominantly in the units of diversified domestic active equity-oriented schemes based on varied market caps) is suitable for investors who are seeking*:

- ❑ Long term wealth creation
- ❑ An open ended Fund of Funds scheme investing predominantly in the units of diversified domestic active equity-oriented schemes based on varied market caps

*Investors should consult their financial advisers if in doubt about whether the product is suitable for them

Investors may please note that they will be bearing the recurring expenses of the relevant fund of funds scheme in addition to the expenses of the underlying schemes in which the fund of funds scheme makes investment.

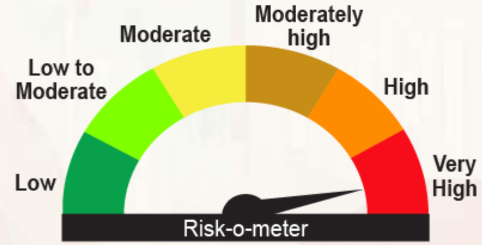


The risk of the scheme is very high

ICICI Prudential Multicap Fund (An open ended equity scheme investing across large cap, mid cap, small cap stocks) is suitable for investors who are seeking*:

- ❑ Long Term Wealth Creation
- ❑ An open ended equity scheme investing across large cap, mid cap and small cap stocks.

*Investors should consult their financial advisers if in doubt about whether the product is suitable for them

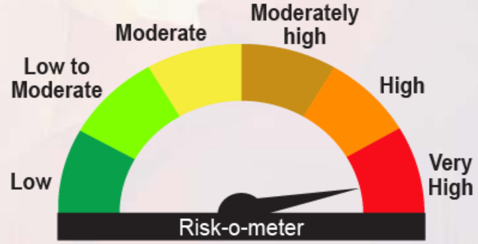


The risk of the scheme is very high

ICICI Prudential Active Momentum Fund (An open ended equity scheme following momentum theme) is suitable for investors who are seeking*:

- ❑ Long Term Wealth Creation
- ❑ An open ended equity scheme investing in equity and equity related instruments of companies reflecting momentum factors.

*Investors should consult their financial advisers if in doubt about whether the product is suitable for them



The risk of the scheme is very high

ICICI Prudential Dividend Yield Equity Fund (An open ended equity scheme predominantly investing in dividend yielding stocks) is suitable for investors who are seeking*:

- ❑ Long term wealth creation
- ❑ An open ended equity scheme that aims for growth by primarily investing in equity and equity related instruments of dividend yielding companies.

*Investors should consult their financial advisers if in doubt about whether the product is suitable for them

The risk of the scheme is very high

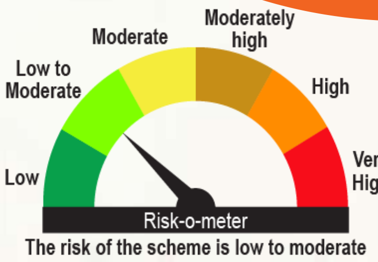
Please note that the Risk-o-meter(s) specified above will be evaluated and updated on a monthly basis as per SEBI circular on Product Labeling in Mutual Fund schemes - Risk-o-meter. The above riskometers are as on May 31, 2026. Please refer to https://www.icicipruamc.com/news-and-updates/all-news for more details.

Riskometer

ICICI Prudential Liquid Fund
(An open ended liquid scheme. A relatively low interest rate risk and moderate credit risk.)

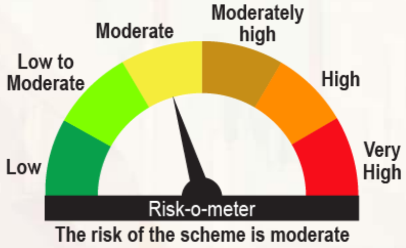
This product is suitable for investors who are seeking*:

- ❑ Short term savings solution
- ❑ A liquid fund that aims to provide reasonable returns commensurate with low risk and providing a high level of liquidity



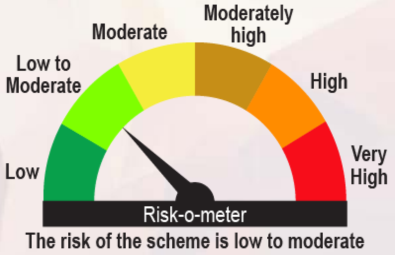
ICICI Prudential Banking & PSU Debt Fund (An open ended debt scheme predominantly investing in Debt instruments of banks, Public Sector Undertakings, Public Financial Institutions and Municipal bonds. A relatively high interest rate risk and moderate credit risk.) is suitable for investors who are seeking*:

- ❑ Short term savings
- ❑ An open ended debt scheme predominantly investing in debt instruments of banks, Public Sector Undertakings, Public Financial Institutions and Municipal Bonds



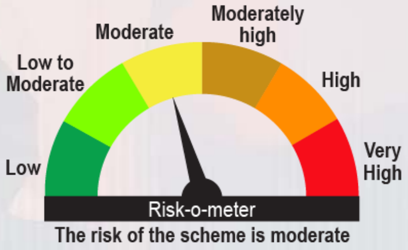
ICICI Prudential Money Market Fund (An open ended debt scheme investing in money market instruments. A relatively low interest rate risk and moderate credit risk.) is suitable for investors who are seeking*:

- ❑ Short term savings
- ❑ A money market scheme that seeks to provide reasonable returns, commensurate with low risk while providing a high level of liquidity



ICICI Prudential Savings Fund (An open ended low duration debt scheme investing in instruments such that the Macaulay Duration of the portfolio is between 6 months and 12 months. A relatively high interest rate risk and moderate credit risk.) is suitable for investors who are seeking*:

- ❑ Short term savings
- ❑ An open ended low duration debt scheme that aims to maximize income by investing in debt and money market instruments while maintaining optimum balance of yield, safety and liquidity.



*Investors should consult their financial advisers if in doubt about whether the product is suitable for them

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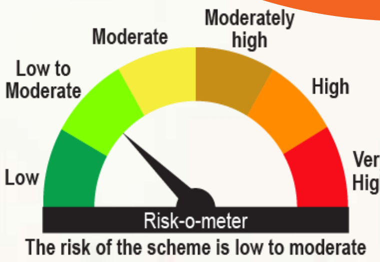
Riskometer

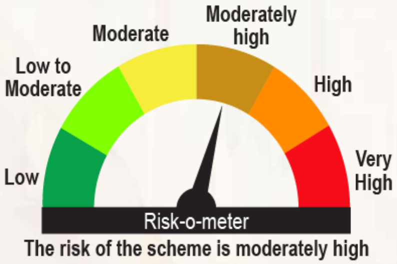
ICICI Prudential Floating Interest Fund (An open ended debt scheme predominantly investing in floating rate instruments (including fixed rate instruments converted to floating rate exposures using swaps/derivatives). A relatively high interest rate risk and moderate credit risk.)

- ❑ Short term savings
- ❑ An open ended debt scheme predominantly investing in floating rate instruments.



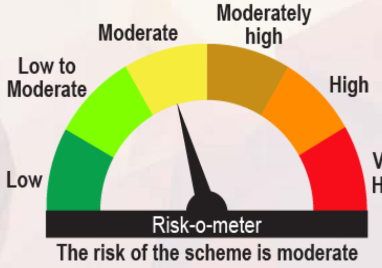
ICIICICI Prudential All Seasons Bond Fund (An open ended dynamic debt scheme investing across duration. A relatively high interest rate risk and moderate credit risk.) is suitable for investors who are seeking*:

- ❑ All duration savings
- ❑ A debt scheme that invests in debt and money market instruments with a view to maximize income while maintaining optimum balance of yield, safety and liquidity.



ICICI Prudential Ultra Short Term Fund (An open ended ultra-short term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 3 months and 6 months. A moderate interest rate risk and moderate credit risk.) is suitable for investors who are seeking*:

- ❑ Short term regular income
- ❑ An open ended ultra-short term debt scheme investing in a range of debt and money market instruments.



ICICI Prudential Credit Risk Fund (An open ended debt scheme predominantly investing in AA and below rated corporate bonds. A relatively high interest rate risk and relatively high credit risk.) is suitable for investors who are seeking*:

- ❑ Medium term savings.
- ❑ A debt scheme that aims to generate income through investing predominantly in AA and below rated corporate bonds while maintaining the optimum balance of yield, safety and liquidity.

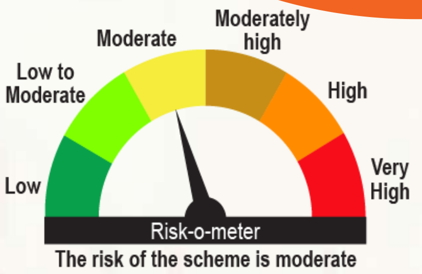
*Investors should consult their financial advisers if in doubt about whether the product is suitable for them

Please note that the Risk-o-meter(s) specified above will be evaluated and updated on a monthly basis as per SEBI circular on Product Labeling in Mutual Fund schemes - Risk-o-meter. The above riskometers are as on May 31, 2026. Please refer to https://www.icicipruamc.com/media-center for more details.

Riskometer

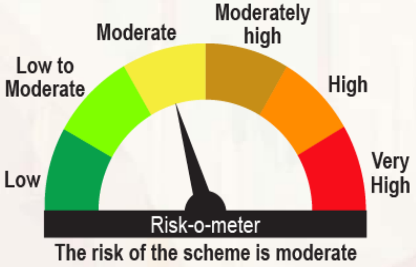
ICICI Prudential Corporate Bond Fund
(An open ended debt scheme predominantly investing in AA+ and above rated corporate bonds. A relatively high interest rate risk and moderate credit risk.)

- Short term savings
- An open ended debt scheme predominantly investing in highest rate corporate bonds.



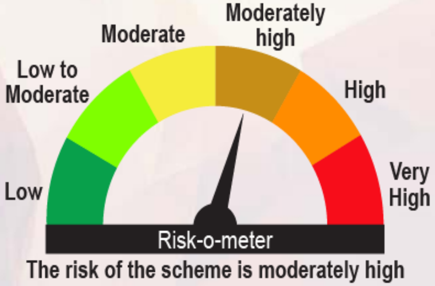
ICICI Prudential Short Term Fund (An open ended short term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 1 Year and 3 Years. A relatively high interest rate risk and moderate credit risk.) is suitable for investors who are seeking*:

- Short term income generation and capital appreciation solution
- A debt fund that aims to generate income by investing in a range of debt and money market instruments of various maturities.



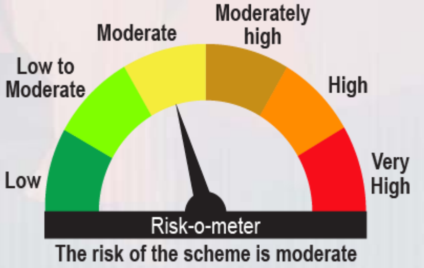
ICICI Prudential Medium Term Bond Fund (An open ended medium term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 3 Years and 4 Years. The Macaulay duration of the portfolio is 1 Year to 4 years under anticipated adverse situation. A relatively high interest rate risk and moderate credit risk)is suitable for investors who are seeking*:

- Medium term savings
- A debt scheme that invests in debt and money market instruments with a view to maximize income while maintaining optimum balance of yield, safety and liquidity



ICICI Prudential Income Plus Arbitrage Omni FOF (Erstwhile ICICI Prudential Income Plus Arbitrage Active FOF)
(An open ended fund of funds scheme investing in units of domestic active and passive debt oriented and arbitrage schemes.) is suitable for investors who are seeking*:

- Medium to Short term savings
- An open ended fund of funds scheme investing in active and passive Debt oriented and arbitrage schemes.



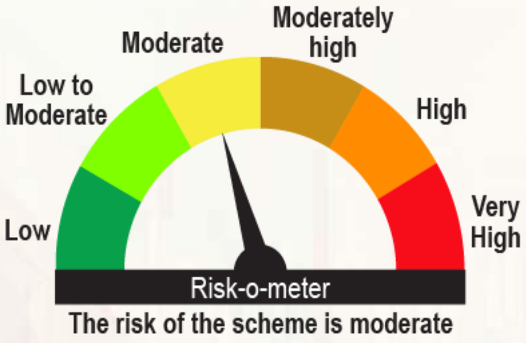
*Investors should consult their financial advisers if in doubt about whether the product is suitable for them

Please note that the Risk-o-meter(s) specified above will be evaluated and updated on a monthly basis as per SEBI circular on Product Labeling in Mutual Fund schemes - Risk-o-meter. The above riskometers are as on May 31, 2026. Please refer to https://www.icicipruamc.com/media-center for more details.

Riskometer

ICICI Prudential Gilt Fund
(An open ended debt scheme investing in government securities across maturity. A relatively high interest rate risk and relatively low credit risk.) is suitable for investors who are seeking*:

- Long term wealth creation
- A Gilt scheme that aims to generate income through investment in Gilts of various maturities.



*Investors should consult their financial advisers if in doubt about whether the product is suitable for them

Please note that the Risk-o-meter(s) specified above will be evaluated and updated on a monthly basis as per SEBI circular on Product Labeling in Mutual Fund schemes - Risk-o-meter. The above riskometers are as on May 31, 2026. Please refer to https://www.icicipruamc.com/media-center for more details.

Potential Risk Class

The Potential risk class (PRC) matrix based on interest rate risk and credit risk.

ICICI Prudential Credit Risk Fund

Potential Risk Class			
Credit Risk→ Interest Rate Risk ↓	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Relatively Low (Class I)			
Moderate (Class II)			
Relatively High (Class III)			C-III

ICICI Prudential Liquid Fund, ICICI Prudential Money Market Fund

Potential Risk Class			
Credit Risk→ Interest Rate Risk ↓	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Relatively Low (Class I)		B-I	
Moderate (Class II)			
Relatively High (Class III)			

ICICI Prudential Ultra Short Term Fund

Potential Risk Class			
Credit Risk→ Interest Rate Risk ↓	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Relatively Low (Class I)			
Moderate (Class II)		B-II	
Relatively High (Class III)			

ICICI Prudential Savings Fund, ICICI Prudential Floating Interest Fund, ICICI Prudential Medium Term Bond Fund, ICICI Prudential All Seasons Bond Fund, ICICI Prudential Corporate Bond Fund, ICICI Prudential Banking & PSU Debt Fund, ICICI Prudential Short Term Fund

Potential Risk Class			
Credit Risk→ Interest Rate Risk ↓	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Relatively Low (Class I)			
Moderate (Class II)			
Relatively High (Class III)		B-III	

ICICI Prudential Gilt Fund

Potential Risk Class			
Credit Risk→ Interest Rate Risk ↓	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Relatively Low (Class I)			
Moderate (Class II)			
Relatively High (Class III)	A-III		

YTM Disclaimer

Scheme Name	ICICI Prudential Savings Fund	ICICI Prudential Banking & PSU Debt Fund	ICICI Prudential Corporate Bond Fund	ICICI Prudential All Seasons Bond Fund	ICICI Prudential Money Market Fund
Description	An open ended low duration debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 6 months and 12 months. A relatively high interest rate risk and moderate credit risk.	An open ended debt scheme predominantly investing in Debt instruments of banks, Public Sector Undertakings, Public Financial Institutions and Municipal bonds. A relatively high interest rate risk and moderate credit risk.	An open ended debt scheme predominantly investing in AA+ and above rated corporate bonds. A relatively high interest rate risk and moderate credit risk.	An open ended dynamic debt scheme investing across duration. A relatively high interest rate risk and moderate credit risk.	An open ended debt scheme investing in money market instruments. A relatively low interest rate risk and moderate credit risk.
Annualised Portfolio YTM*:	7.95%	7.90%	7.91%	8.22%	7.70%
Macaulay Duration	1.01 Years	3.38 Years	3.53 Years	6.21 Years	0.62 Years
Residual Maturity	1.33 Years	5.83 Years	5.73 Years	13.66 Years	0.63 Years

As per AMFI Best Practices Guidelines Circular No. AMFI/ 35P/ MEM-COR/ 72 / 2022-23 dated December 31, 2022 on Standard format for disclosure Portfolio YTM for Debt Schemes, Yield of the instrument is disclosed on annualized basis as provided by Valuation agencies. *in case of semi annual YTM, it will be annualized.

The Yield to Maturity (YTM) mentioned is based on scheme portfolio dated May 31, 2026. YTM is the rate of return of a bond if held until maturity. This should not be considered as an indication of the returns that maybe generated by the scheme. The securities bought by the scheme may or may not be held till their respective maturities.

YTM Disclaimer

Scheme Name	ICICI Prudential Short Term Fund	ICICI Prudential Credit Risk Fund	ICICI Prudential Medium Term Bond Fund	ICICI Prudential Ultra Short Term Fund
Description	An open ended short term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 1 Year and 3 Years. A relatively high interest rate risk and moderate credit risk.	An open ended debt scheme predominantly investing in AA and below rated corporate bonds. A relatively high interes rate risk and relatively high credit risk	An Open Ended medium term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 3 Years and 4 Years The Macaulay duration of the portfolio is 1 Year to 4 years under anticipated adverse situation. A relatively high interest rate risk and moderate credit risk.	An open ended ultra-short term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 3 months and 6 months. A moderate interest rate risk and moderate credit risk
Annualised Portfolio YTM*:	8.14%	8.93%	8.57%	7.79%
Macaulay Duration	2.86 Years	2.15 Years	3.39 Years	0.48 Years
Residual Maturity	4.48 Years	3.11 Years	6.18 Years	0.53 Years

As per AMFI Best Practices Guidelines Circular No. AMFI/ 35P/ MEM-COR/ 72 / 2022-23 dated December 31, 2022 on Standard format for disclosure Portfolio YTM for Debt Schemes, Yield of the instrument is disclosed on annualized basis as provided by Valuation agencies. *in case of semi annual YTM, it will be annualized.

The Yield to Maturity (YTM) mentioned is based on scheme portfolio dated May 31, 2026. YTM is the rate of return of a bond if held until maturity. This should not be considered as an indication of the returns that maybe generated by the scheme. The securities bought by the scheme may or may not be held till their respective maturities.

Disclaimer

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

All figures and other data given in this document are dated as of May 31, 2026 unless stated otherwise. The same may or may not be relevant at a future date. The information shall not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of ICICI Prudential Asset Management Company Limited (the AMC). Prospective investors are advised to consult their own legal, tax and financial advisors to determine possible tax, legal and other financial implication or consequence of subscribing to the units of ICICI Prudential Mutual Fund

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