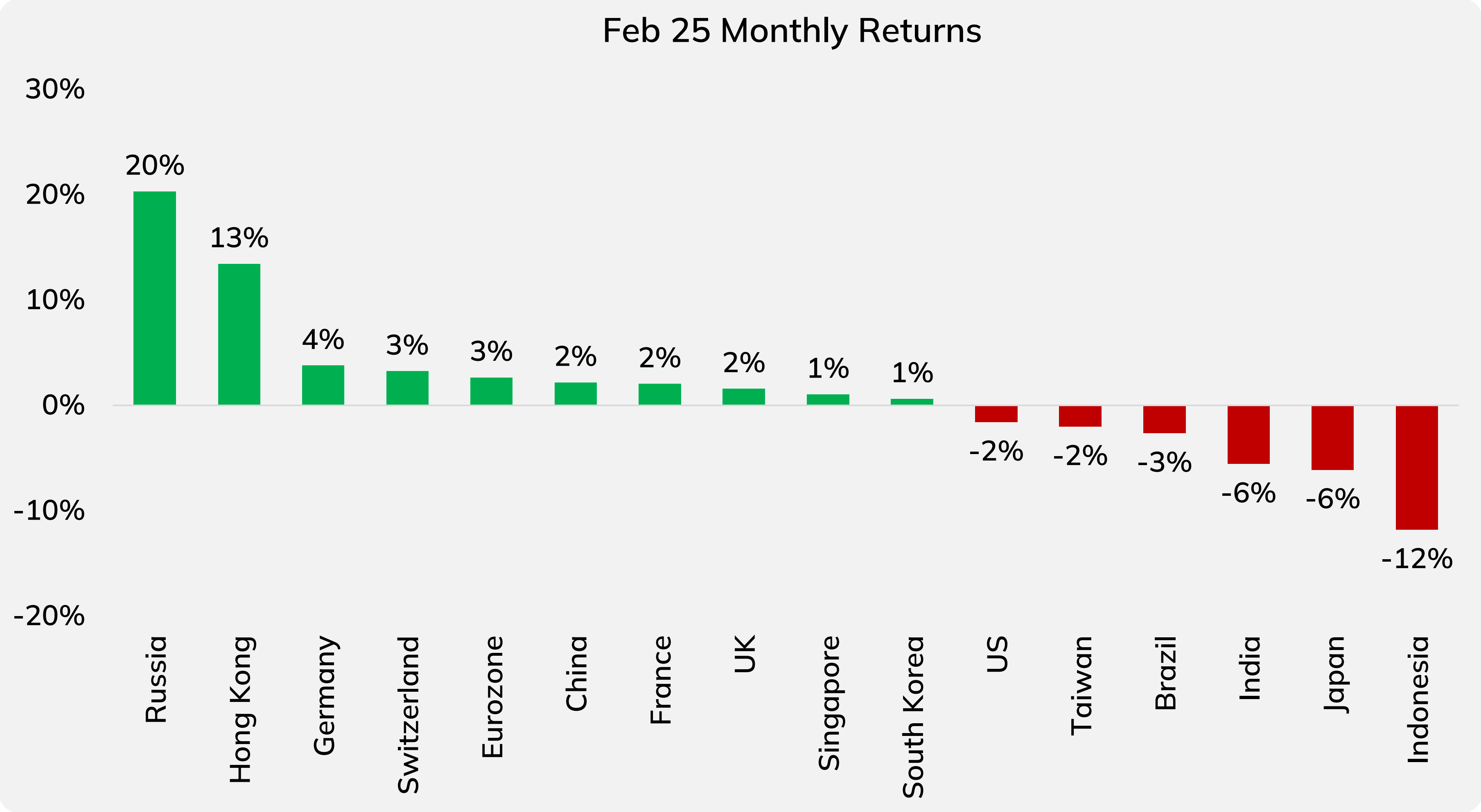
MONTHLY MARKET OUTLOOK

MARCH 2025

ICICI PRUDENTIAL MUTUAL FUND

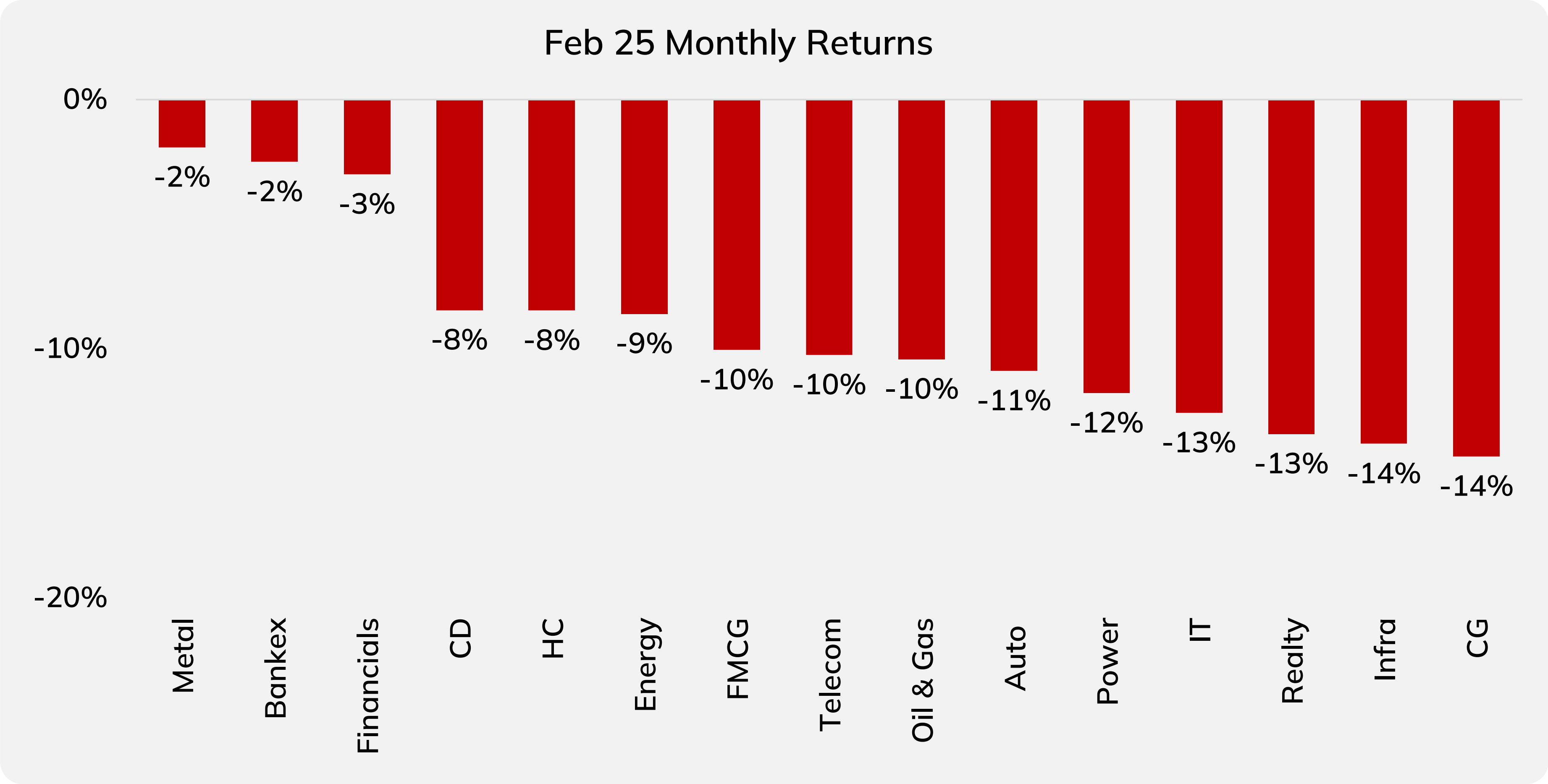
Global Equity Markets: Russia rallies over potential ceasefire



- Russia stocks rallied in anticipation of a Russia-Ukraine ceasefire. However, potential peace deals are clouded in uncertainties
- Key factor driving initial gains in Chinese equities was a continued optimism on AI expansion. However re-escalation of US China tension pushed the equities lower
- In Indonesia, investors remain worried about tight liquidity, the formation of Danatara (as if its not transparent, markets can react negatively), and reshuffle in government spending.

Data as on Feb 28,2025.Indices used: Germany - DAX Index; China - SSE Composite Index; Japan - Nikkei; Eurozone - Euronext 100; Hong Kong - HangSeng; US - Dow Jones; U.K. - FTSE; Brazil - Ibovespa Sao Paulo Index; Taiwan – Taiwan Stock Exchange Corporation; India –BSE Sensex; 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 are absolute returns for the index. Past performance may or may not sustain in the future. The returns are mentioned in respective domestic currencies.

Indian Markets: Lingering pain



- Despite a bumper budget for the middle class, India logged losses for consecutive five months driven by (i) Persistent FII selling (ii) subdued corporate earnings (iii) uncertainty around trade tariffs and (iv) domestic growth slowing

- Capital goods index tanked the most due to anticipated moderation in the near term growth

Data as on Feb 28,2025. Data Source: BSE. Returns have been calculated on absolute basis. CY: Calendar Year. For Power Sector- BSE Power TRI , Bankex Sector- BSE Bankex TRI , FMCG Sector- BSE FMCG TRI , Energy Sector- BSE Energy TRI , For CG Sector - BSE CG Index , Auto Sector- BSE AUTO Index , Oil & Gas Sector- BSE Oil & Gas TRI Index , Finance Sector- BSE Financial Services TRI , Metal Sector BSE METAL TRI , Infra Sector - BSE India Infrastructure Index , Telecom Sector- BSE Telecom TRI , HC Sector- BSE HC TRI , Realty Sector- BSE Realty TRI , CD 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. Absolute returns are mentioned in INR Terms, FII: Foreign Institutional Investors. HC: Healthcare

Prologue – The Blind Men and the Elephant

A well-known parable "The Blind Men and the Elephant" tells us the story of four men, who never came across an elephant, attempt to identify the animal by touching different parts of its body. One man touching the trunk, believes it's a snake while the other one felt the tail resembled it to a rope. The man who touched the leg of the elephant thought its a tree trunk, while the fourth man sensing side body of the elephant, wondered it could be a wall.

Similarly, in markets also, people have different perspectives basis their subjective experience and knowledge. Thanks to the technology that today's markets are flooded with vast amount of news & data. Amidst all this information overload, majority of us, tend to focus on narrow things and lose sight of the bigger picture. Today, while many of us are busy reading about tariffs, earnings slowdown or FII outflows, the question we should ask 'Whether we are missing the bigger picture.

While there is no easy crack-code available to infer the complexities of markets. But, through this document, we would like to try capturing the bigger picture i.e elephant as a whole.

India – Grappled with volatility

India is experiencing heightened volatility due to following reasons

1. A slowdown can be seen in consumption demand reflecting income challenges for households

2. Increasing pressure on the external front with unfavorable Balance of Payments, declining FX reserves and sliding rupee

3. Liquidity though in deficit but is exhibiting signs of tightness

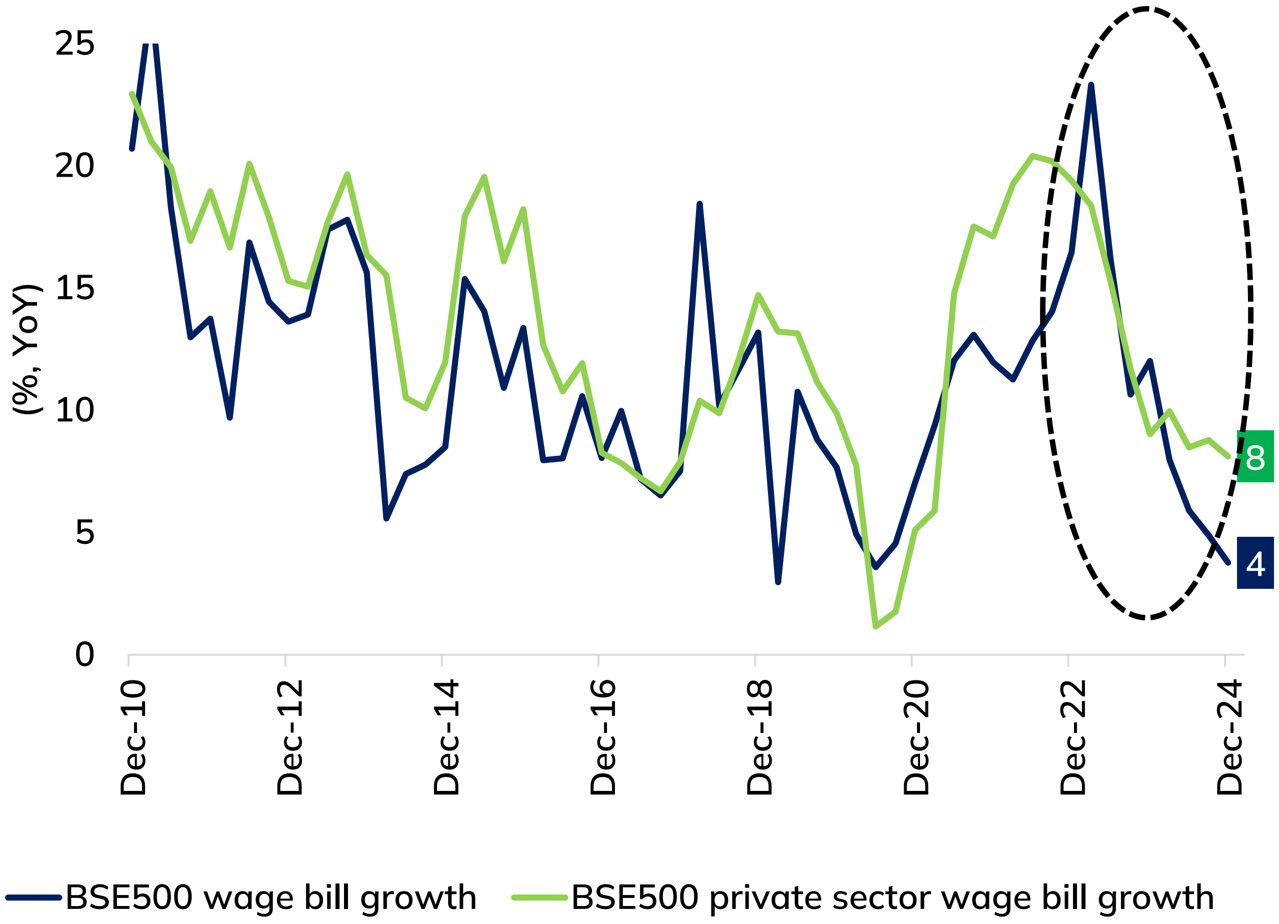
4. Govt. capex momentum may be normalizing which was key growth driver until now

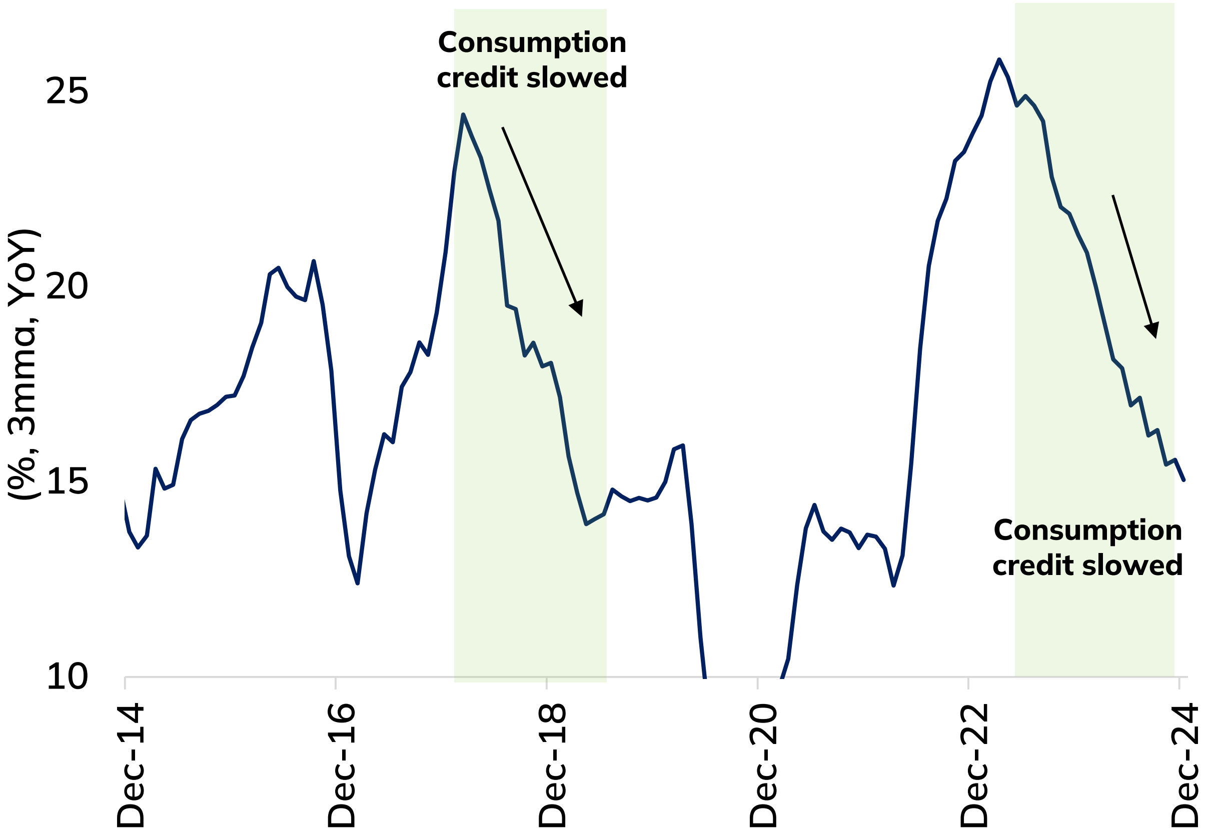
5. Weak earning prints for companies as globally trade tariffs are disrupting supply chain & advantage of cheap raw materials is fading

6. Globally, trade tariffs by major economies can stoke inflation & engender tighter financial conditions

India – Grappled with volatility

Low rural wages, slowing private sector wage bill and dip in consumption loans reflect weakness in domestic consumption

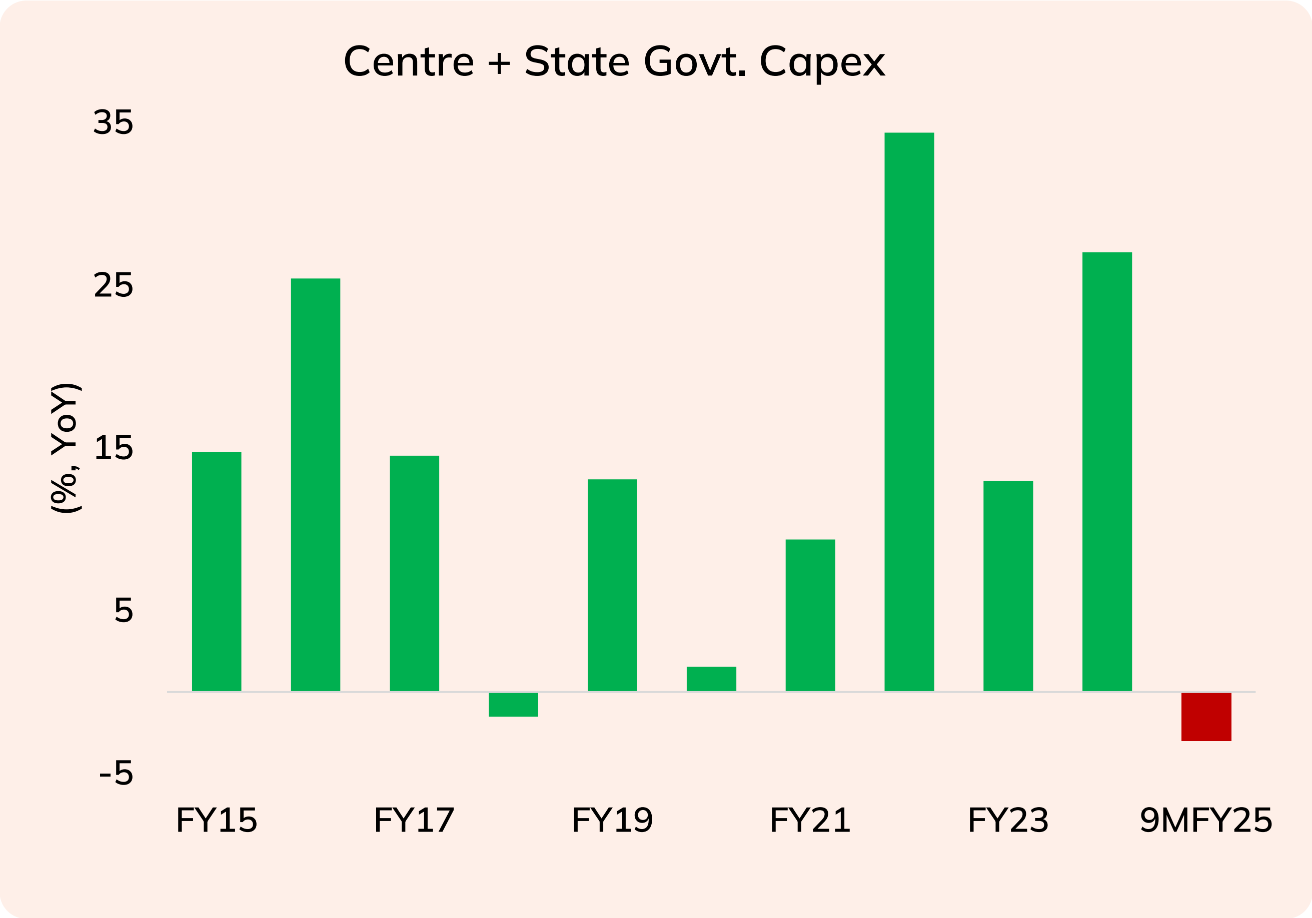




Source: Nuvama Research. MMA: Months moving average, YoY: year on Year.

India – Grappled with volatility

FY25 being marked with spree of elections led to lower Govt. capex which was acting as growth booster until now

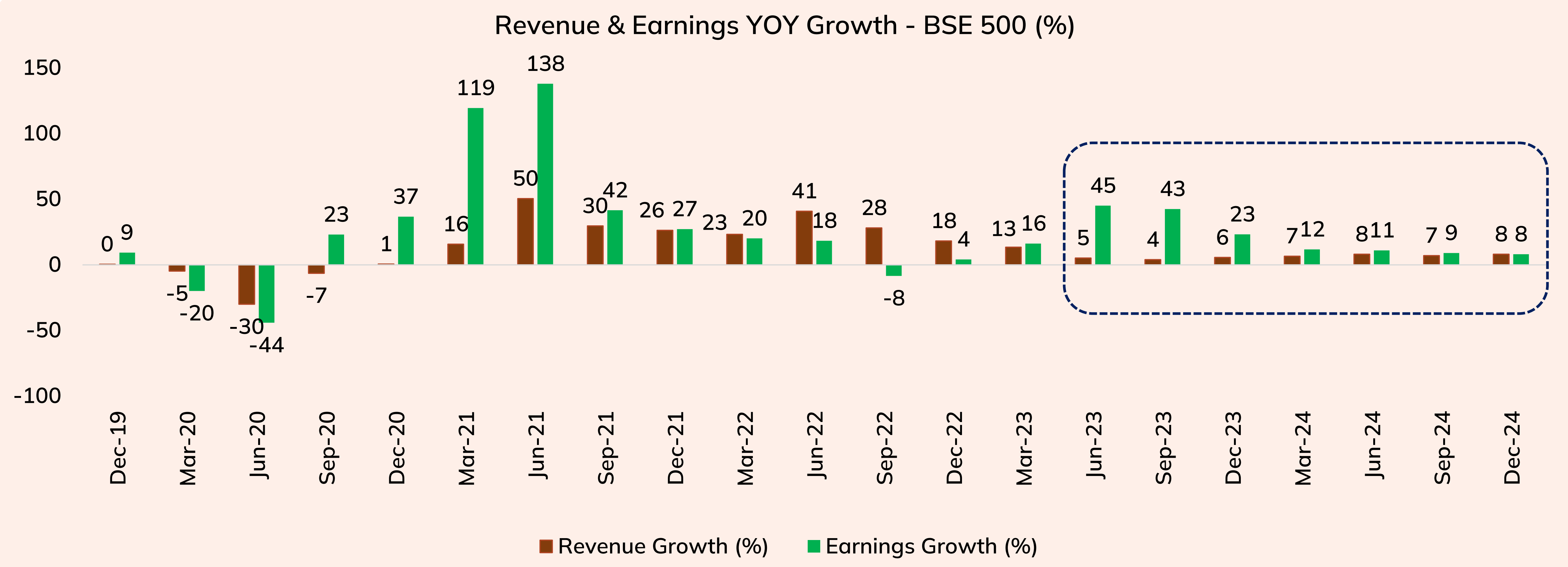


Election	Period
Lok Sabha Elections	Apr – June 2024
State Legislative Elections	
Arunachal Pradesh	Apr-24
Sikkim	Apr 24
Andhra Pradesh	May 24
Odisha	May-Jun 24
Jammu & Kashmir	Sep-Oct 24
Haryana	Oct 24
Jharkhand	Nov 24
Maharashtra	Nov 24

Source: Nuvama Research and Wikipedia . FY: Financial Year. Capex: Capital Expenditure, M: Months, YoY: Year on Year.

India – Grappled with volatility

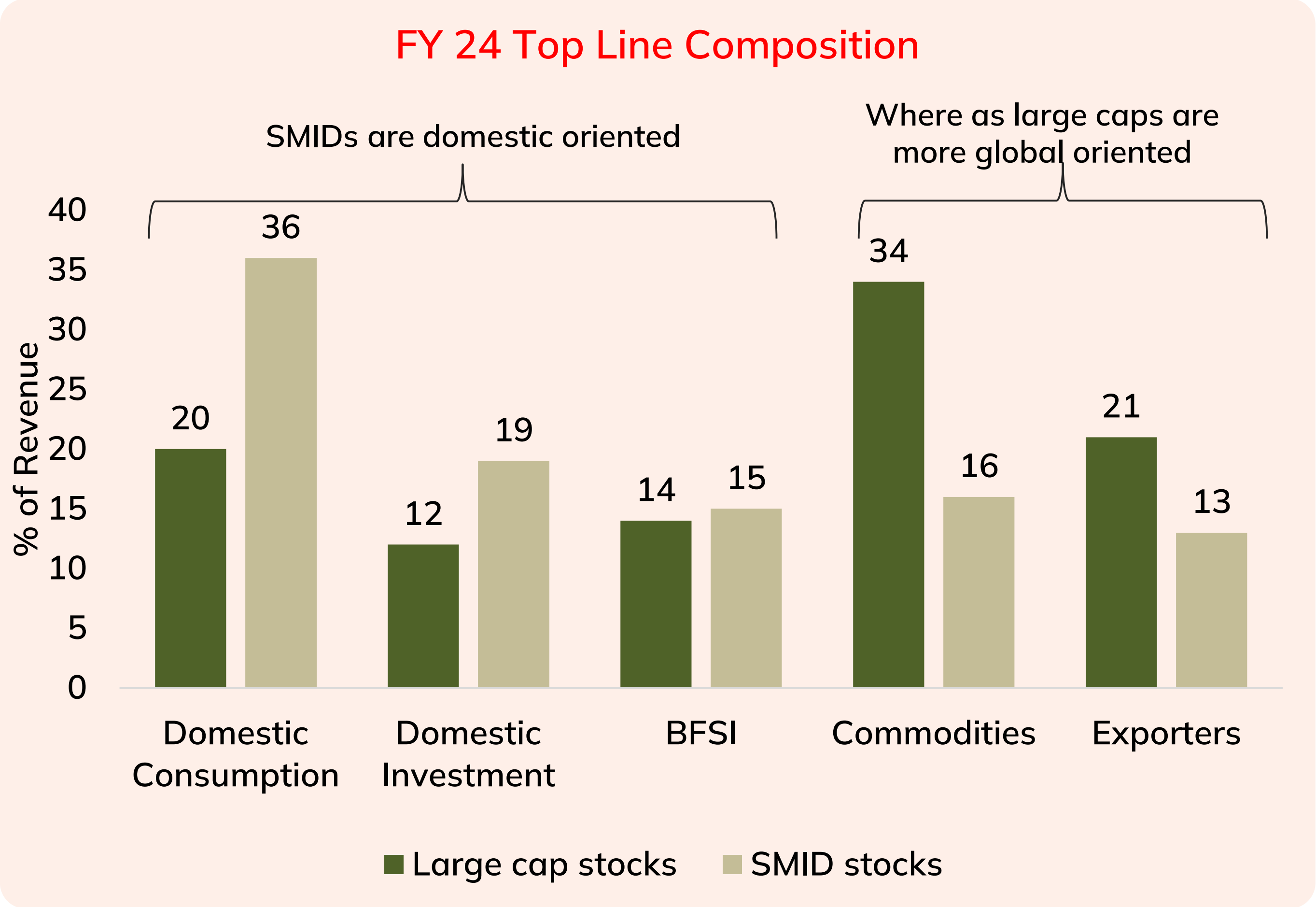
Earnings are moderating across the board due to slowing demand & advantage of low costs fading out

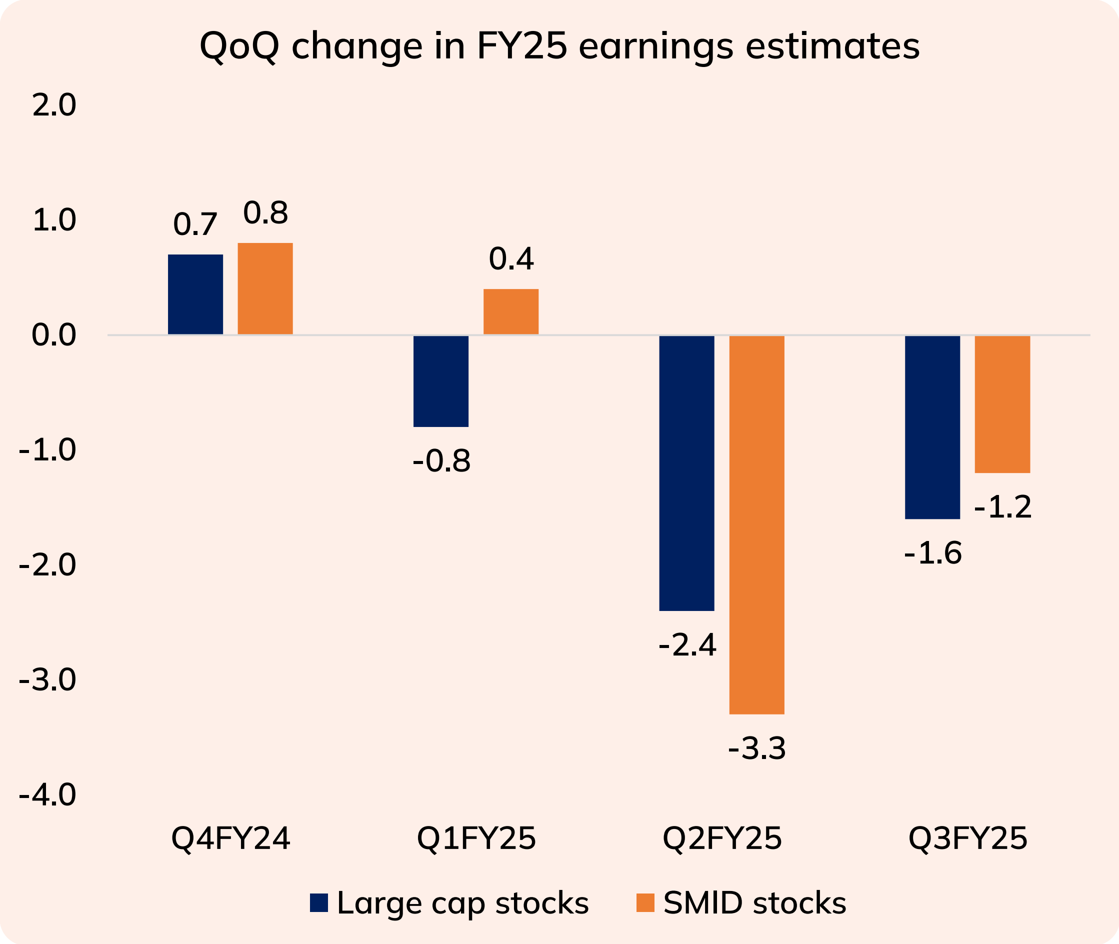


Source: Nuvama Research. YoY: Year on Year.

India – Grappled with volatility

As SMIDs are more domestic oriented, slowdown of economy has led to sharper downgrade in their earnings

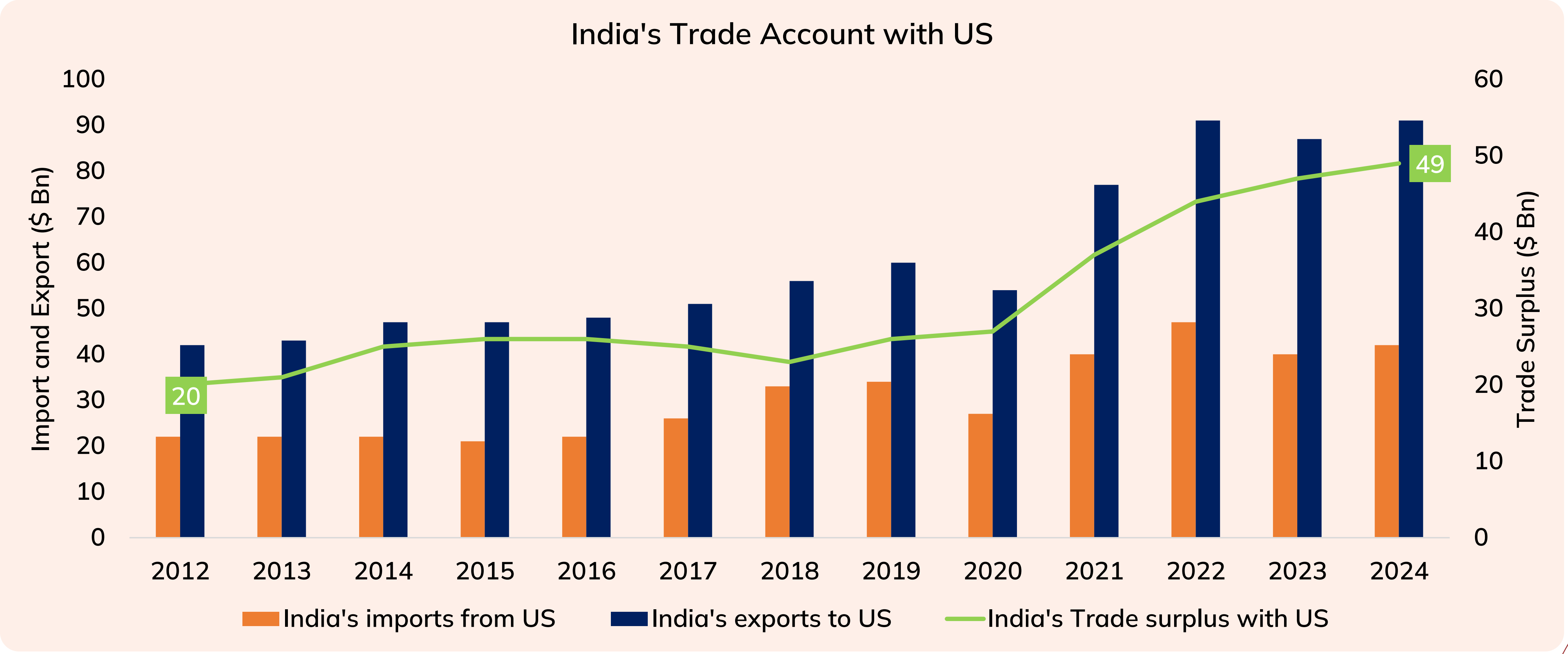




Source: Nuvama Research. SMIDs: Small & Midcaps. Q: Quarter, FY: Financial Year, BFSI: Banking, Financial Services and Insurance

India – Grappled with volatility

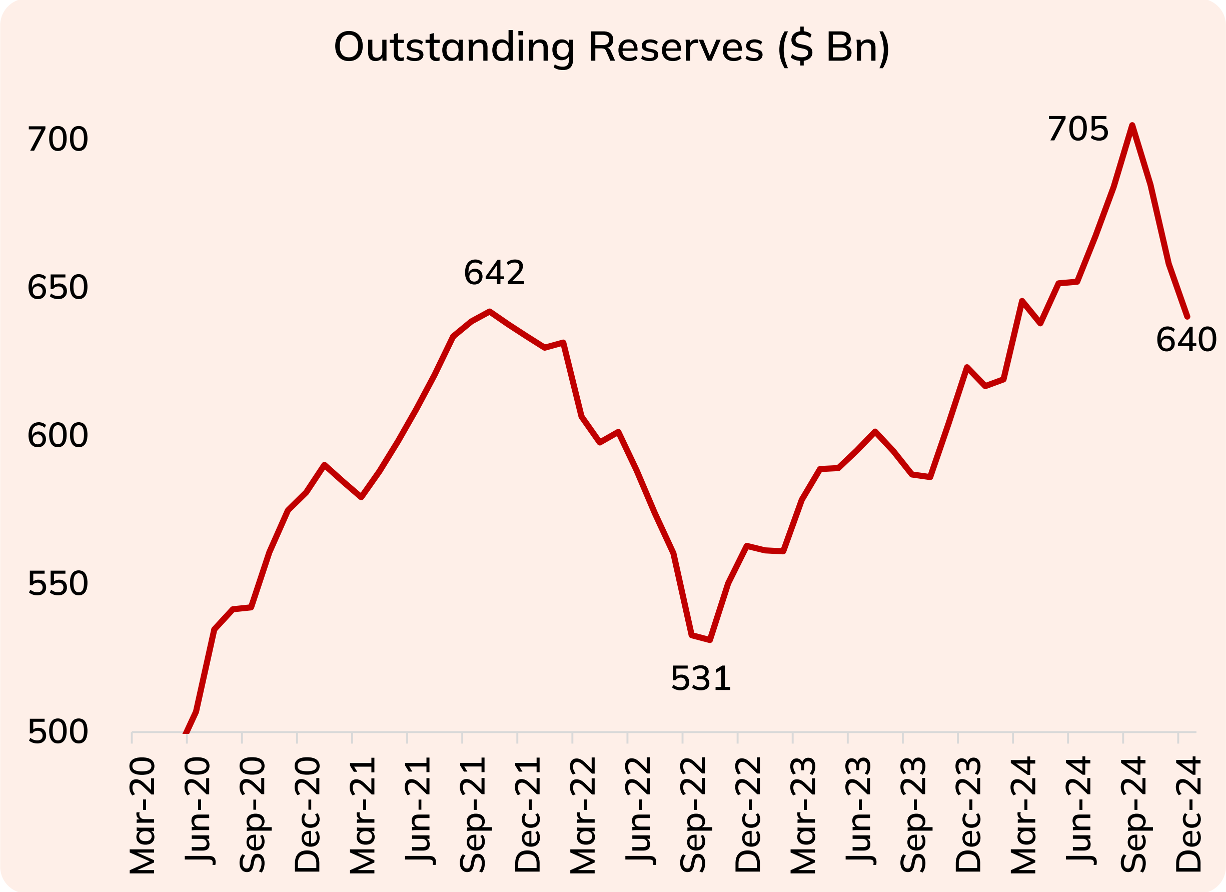
India's trade surplus with the US has doubled in last decade making US as one of the largest export market for India. As India's average tariff on US imports is higher, any reciprocal tariff policy can impact India's trade balance



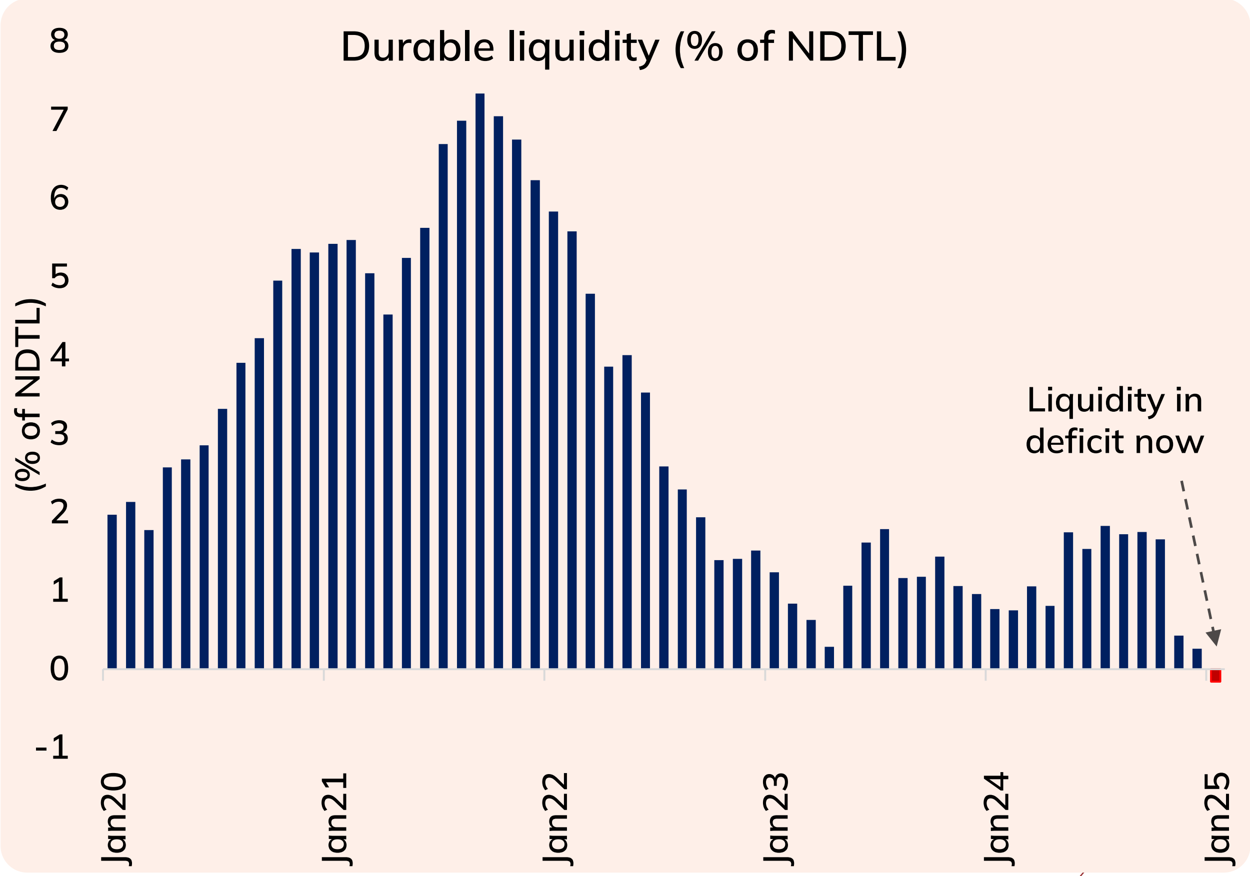
Source: Avendus Spark Research. US: United States, Bn : Billion. Data is on Calendar Year basis.

India – Grappled with volatility

Current pace of decline in reserves is swifter than past cycle of aggressive rate hikes



The banking system has been facing liquidity issues and tax outflows are likely to drain liquidity even further



Source: Equirus Research. Bn: Billion, NDTL: Net Demand & Time Liabilities.

On looking at a bigger picture, we realize that though India is in a soft patch, the strong macro footing poise for a unscathed longer term growth

Counter measures on point!

Counter measures being implemented to address the near term difficulties can help in growth bouncing back

Issue	Measures
Slowdown in consumption	Tax benefit in the Union Budget 2025-26 is likely to spare more disposable income translating into consumption boost of around 30 bps of the GDP
Capex spending slowed	With the completion of major state elections, capex spends are expected to pick up
Liquidity crunch + Low Forex Reserves	To overcome the cash crunch, RBI is conducting OMO amount of Rs 1 lakh Cr, 50 bps rate cut in CRR, variable rate repo auctions & USD INR 3 yr swap extended
Trade Tariffs by US	Since major advanced countries are coming up with retaliatory tariffs against US, the heat of US tariffs may cool down

US: United States, FY: Financial Year, RBI : Reserve Bank of India, OMO: Open Market Operations, CRR: Cash Reserve Ratio, GDP: Gross Domestic Product, FY: Financial Year.

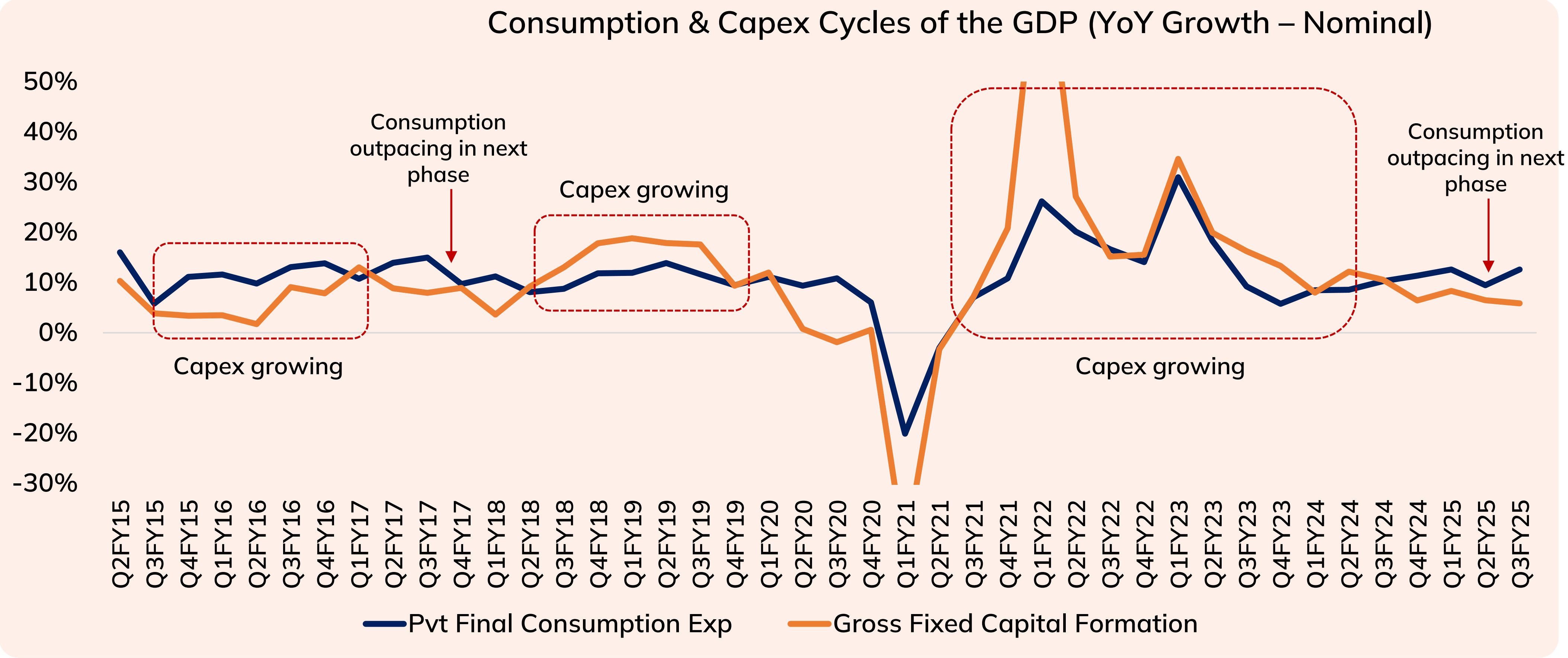
India rowing its own boat

India's long term structural story remains intact despite hiccups due to strong macro stability

Catalysts at play	Factors
Capex & Consumption Cycle	▪ Capex cycle is often preceded by high consumption growth
Sound Balance Sheets	▪ Twin balance sheet advantage to result in sustainable economic growth
Prompt Policy Reforms	▪ PLI, Make in India, IBC, GST etc. to improve ease of doing business & confidence
Dominating Demand	▪ Structural rise in discretionary consumption to aid the growth

Capex & Consumption Cycle

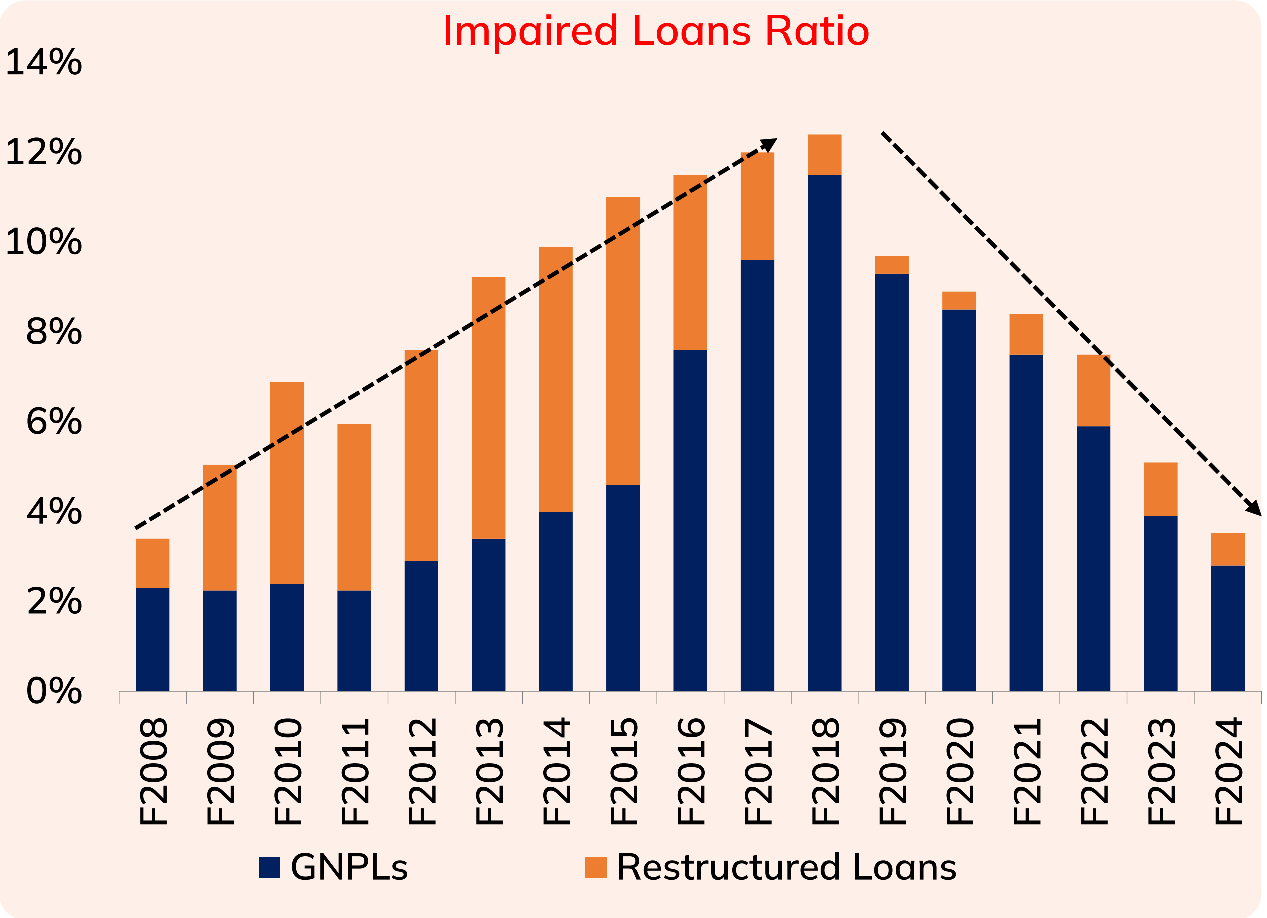
Historically, high GFCF growth has been followed by a period of outpacing consumption growth. This time there is dual advantage of (a) steam left in capex cycle (as the private capex to pick up) and (b) consumption is navigating further growth

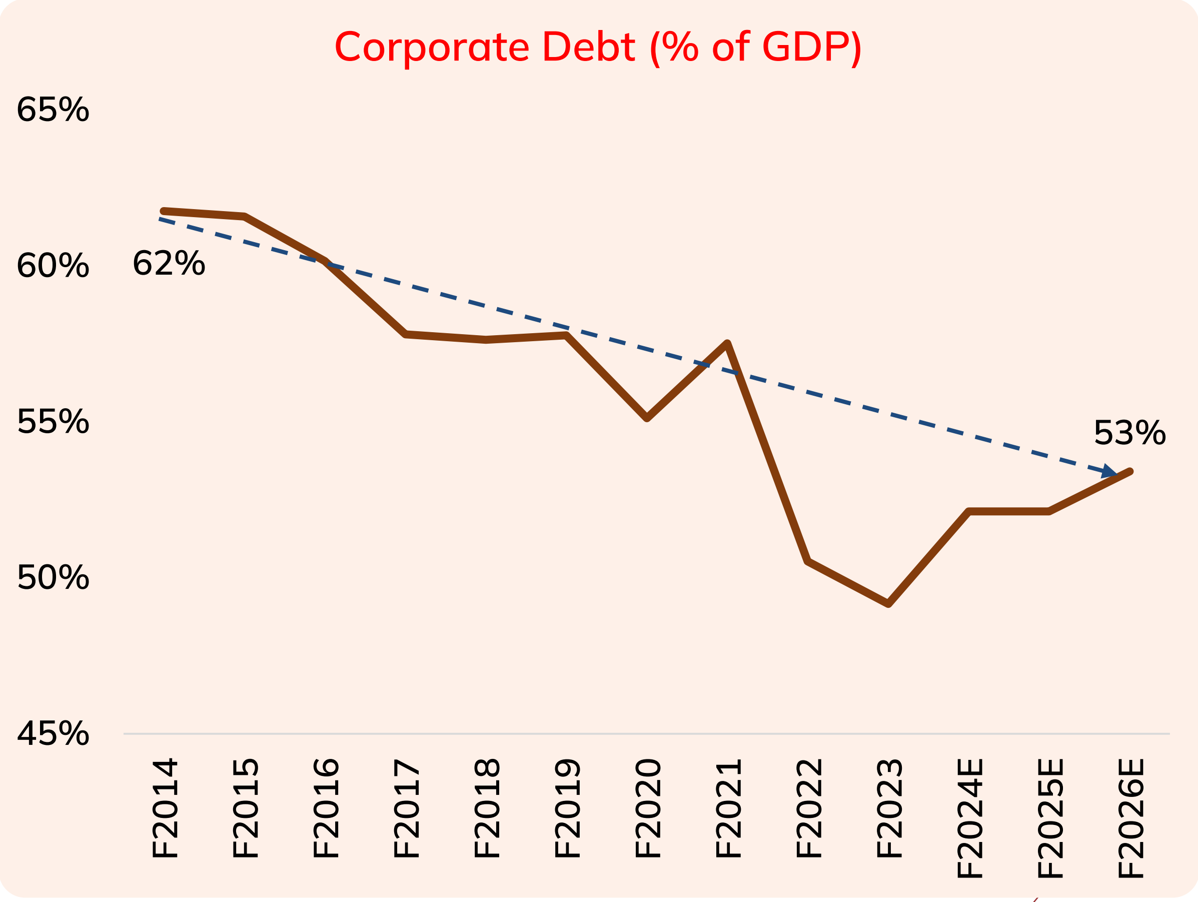


Data Source: Equirus Research. GDP: Gross Domestic Product, FY: Financial Year, Capex: Capital Expenditure, Govt.: Government, Pvt: Private, GFCF: Gross Fixed capital Formation.

Sound Balance Sheets

Balance Sheets are the healthiest in about a decade demonstrating the progressively rising resilience of Indian economy





Data Source: Morgan Stanley Research. GNPLs: Gross Non Performing Loans, F; Financial Year, GDP: Gross Domestic Product, E: Estimates.

Prompt Policy Reforms

Employee Linked Incentive Scheme

Outlay : Rs 2 Tn

To facilitate employment & skilling of 41 Mn beneficiaries

Infra Push

Outlay : Rs 10 Tn

50 yr interest free loan to States

Direct Benefit Transfers

Transferred directly to citizens living below poverty line

PLI

Boost domestic manufacturing of goods for import substitution & global penetration

GST

Simplified indirect tax regime to avoid cascading of taxes

IBC

To facilitate reorganization and insolvency resolution

RERA

Regulating the real estate sector & protecting home buyers

UPI

To facilitate online transactions by merging several bank accounts in one app.

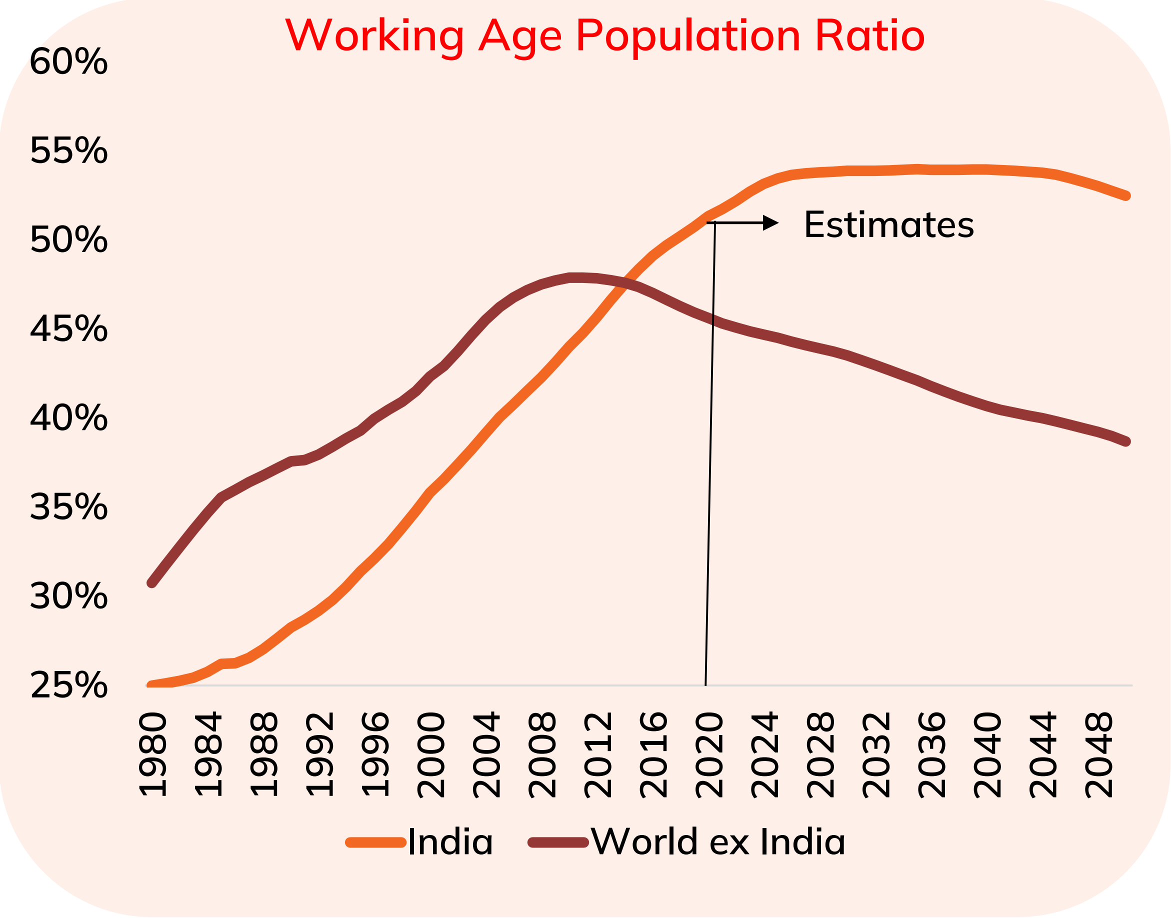
Tax Compliances

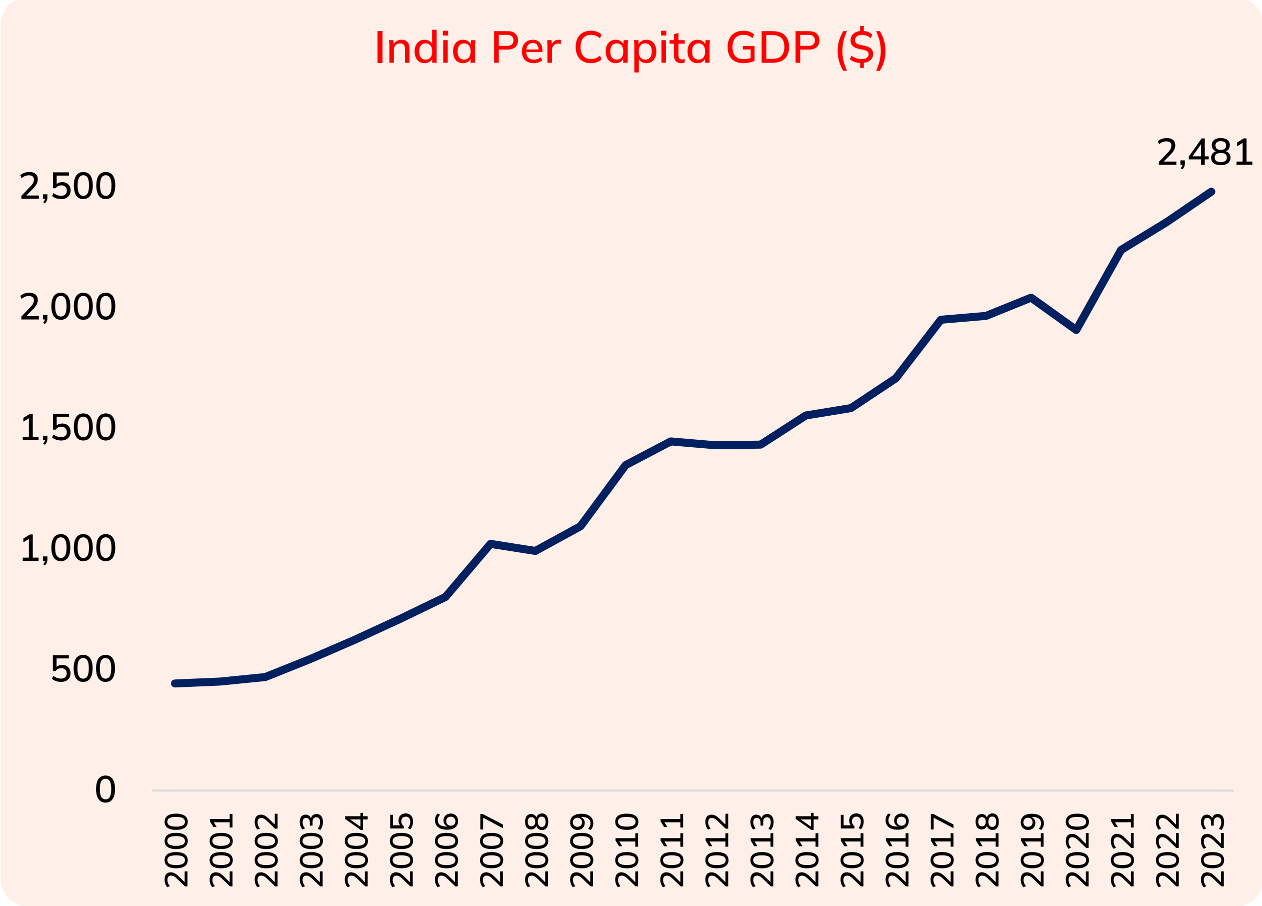
Corporate tax rate reduced from 25% to 15% for manufacturing companies

Data Source: Morgan Stanley and National Payments Corporation of India. GST: Goods & Services Tax Act 2017, IBC: Insolvency & Bankruptcy Code 2016; PLI: Production Linked Incentive Scheme 2020; RERA: Real Estate Regulation & Development Act, 2016; UPI: Unified Payment Interface Act 2016. Mn: Million, Tn: Trillion, Yr: Year, Infra: Infrastructure, app.: Mobile Application.

Dominating Demand

Younger population mix , rising income levels, changing consumption patterns, hiring trends etc are likely to uphold the demand momentum





Data Source: Morgan Stanley & World Bank. GDP: Gross Domestic Product.

Dominating Demand

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Underpenetrated market along with rapidly expanding desire for premium products can do wonders to the domestic demand dynamics

India has wider scope for penetration

Products	India	China	USA
Auto	4%	15%	81%
Outbound Trips	6%	9%	42%
Air Conditioners	8%	60%	90%
Refrigerators	18%	94%	100%
Smartphone Users	37%	54%	83%
Internet Users	58%	60%	95%

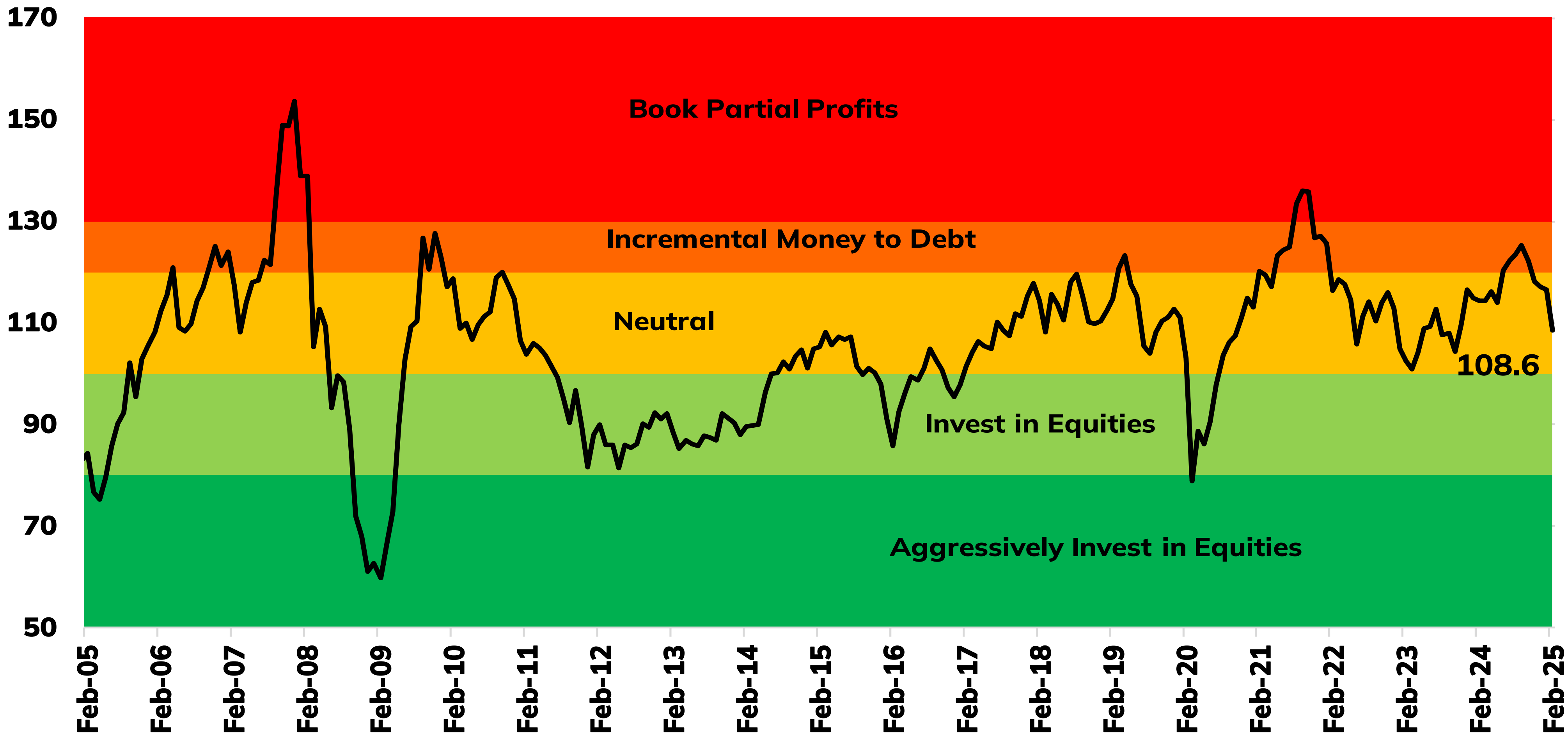
Category	Premium Products Growth		Normal Products Growth	
	Sub category	10 Yr CAGR (%)	Sub category	10 Yr CAGR (%)
Cleansing	Body Wash / Liquid Soaps	15.8	Bar Soap	8.1
Haircare	Premium Hair care	14.7	Mass Hair Care	7.1
Tea	Green Tea	26.3	Normal Tea	9.4
Deodorant	Premium Deodorant	18.9	Mass Deodorant	12
Beverages	Nutrition Drink	7.1	Non alcoholic beverages	9.2
Homecare	Air care	10.1	Dishwashing	9.9
Footwear	Sports Footwear	16.1	Normal Footwear	9.2

Data Source: Avendus Spark and CLSA Research. Data for white goods consumption is for Calendar Year 2021. Data for Premium & Normal Products is as on March 2024. Yr: Year. Past performance may or may not sustain in future.

From the lens of an equity investor

Valuations – Have come off highs but not cheap

Our in-house Equity Valuations Index suggest that market valuations are not cheap and continue to remain in neutral zone



Data as on February 28, 2025 has been considered. Equity Valuation Index (EVI) is a proprietary model of ICICI Prudential AMC Ltd. (the AMC) used for assessing overall equity market valuations. The AMC may also use this model for other facilities/features offered by the AMC. Equity Valuation index is calculated by assigning equal weights to Price-to-Earnings (PE), Price-to-Book (PB), G-Sec*PE and Market Cap to GDP ratio any other factor which the AMC may add/delete from time to time. G-Sec – Government Securities. GDP – Gross Domestic Product.

Valuations – SMIDs continue to remain high

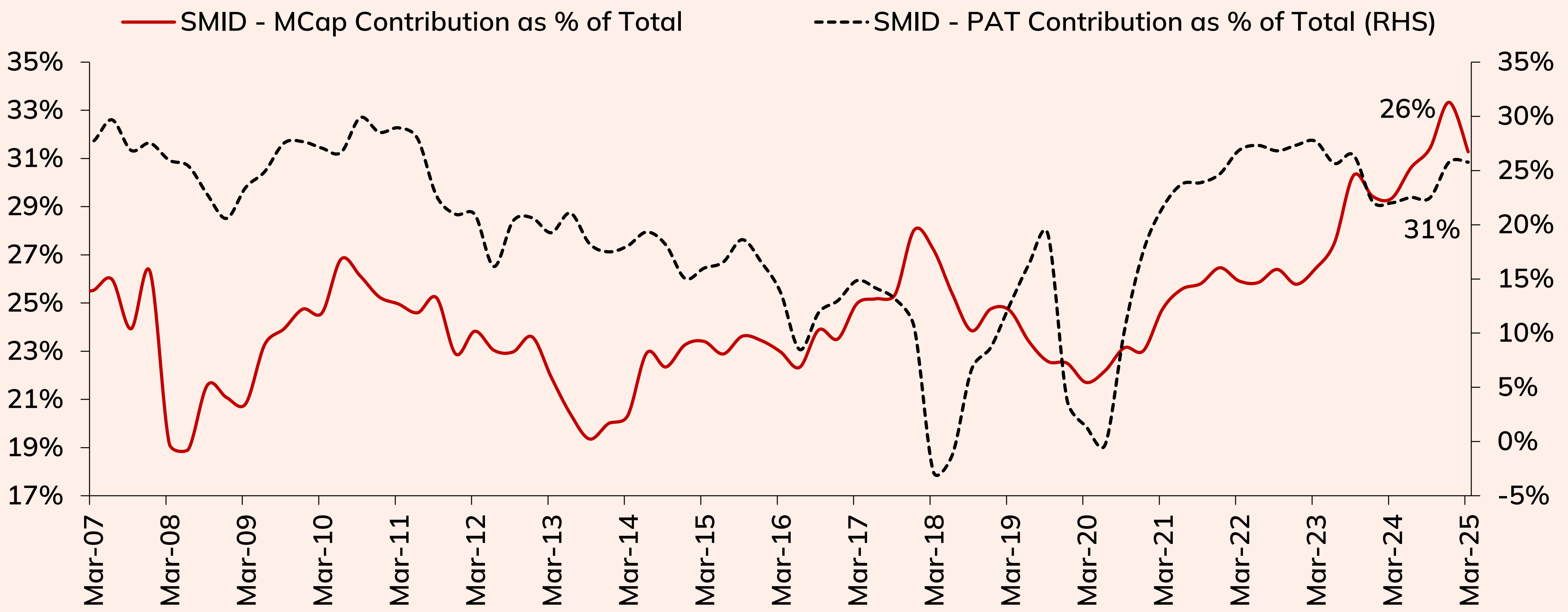
Valuations although have come off from its Sep-24 highs but continue to remain high in the mid & smallcap space

Period	As a % of Total Market Cap			
	Top 50	Next 50	Midcap 150	Smallcap 250
2014	62.5	14.3	14.1	9.1
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
Feb-25	48.0	13.8	18.9	18.8

Source: NSE. Data as on Feb 28,2025. 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.

Valuations – SMIDs continue to remain high

SMIDs being more domestic oriented stocks have taken a harder hit in the earnings as compared to large caps. However, the valuations continue to run ahead disregarding the earnings downgrades

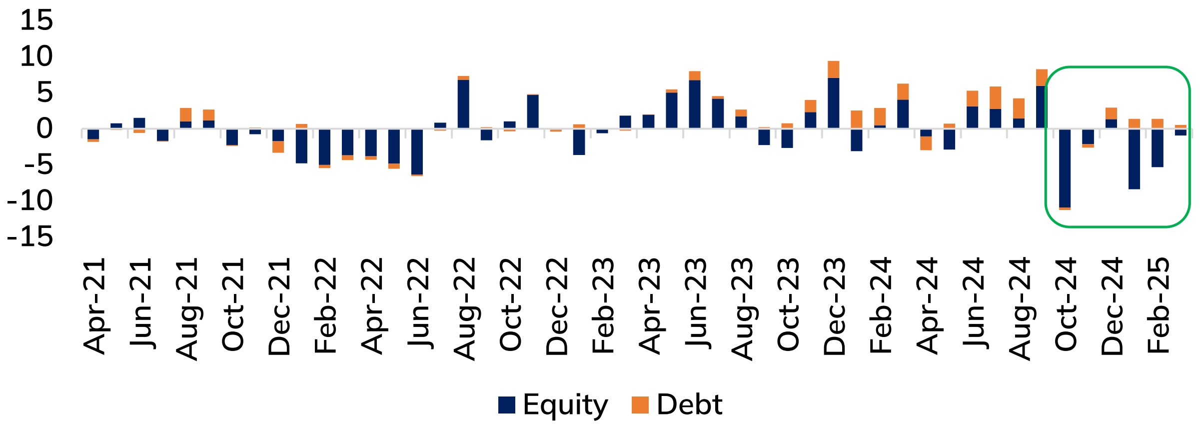


Data Source: Ambit Research. SMID: Small & Midcap Companies, Mcap: Market Cap. RHS: Right Hand Side. PAT: Profit After Tax. Past performance may or may not be sustained in the future.

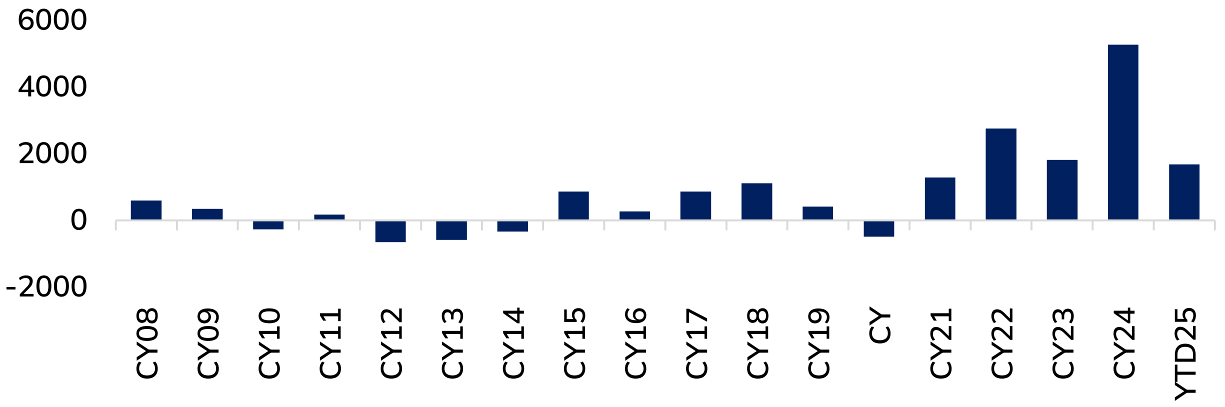
Trend in Flows

Persistent FII selling as resulted in significant market correction in last 6 months (approx. 14%). While DIIs has been a consistent buyer, (a) existing high equity position and (b) a slowdown in retail flows have led to some softness in DII buying

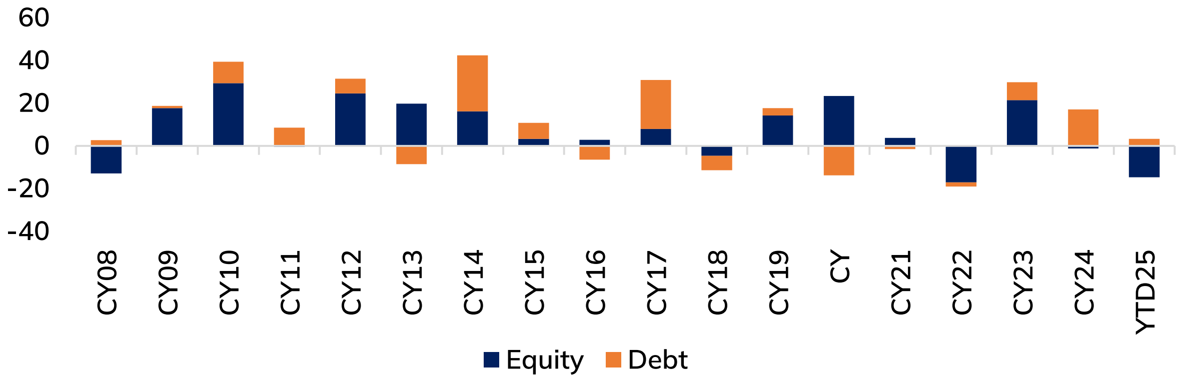
FII Monthly Flows ($ Bn)



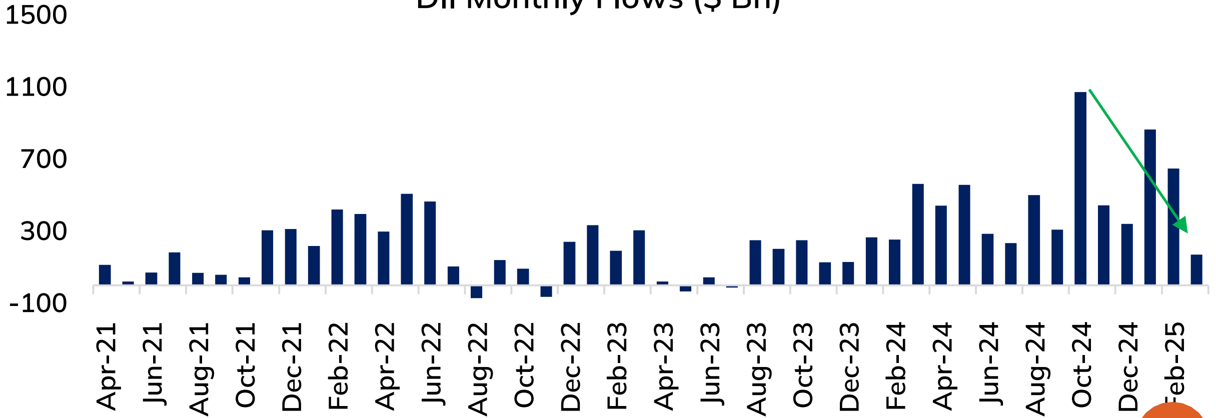
DII Annual Flows ($ Bn)



FII Annual Flows ($ Bn)



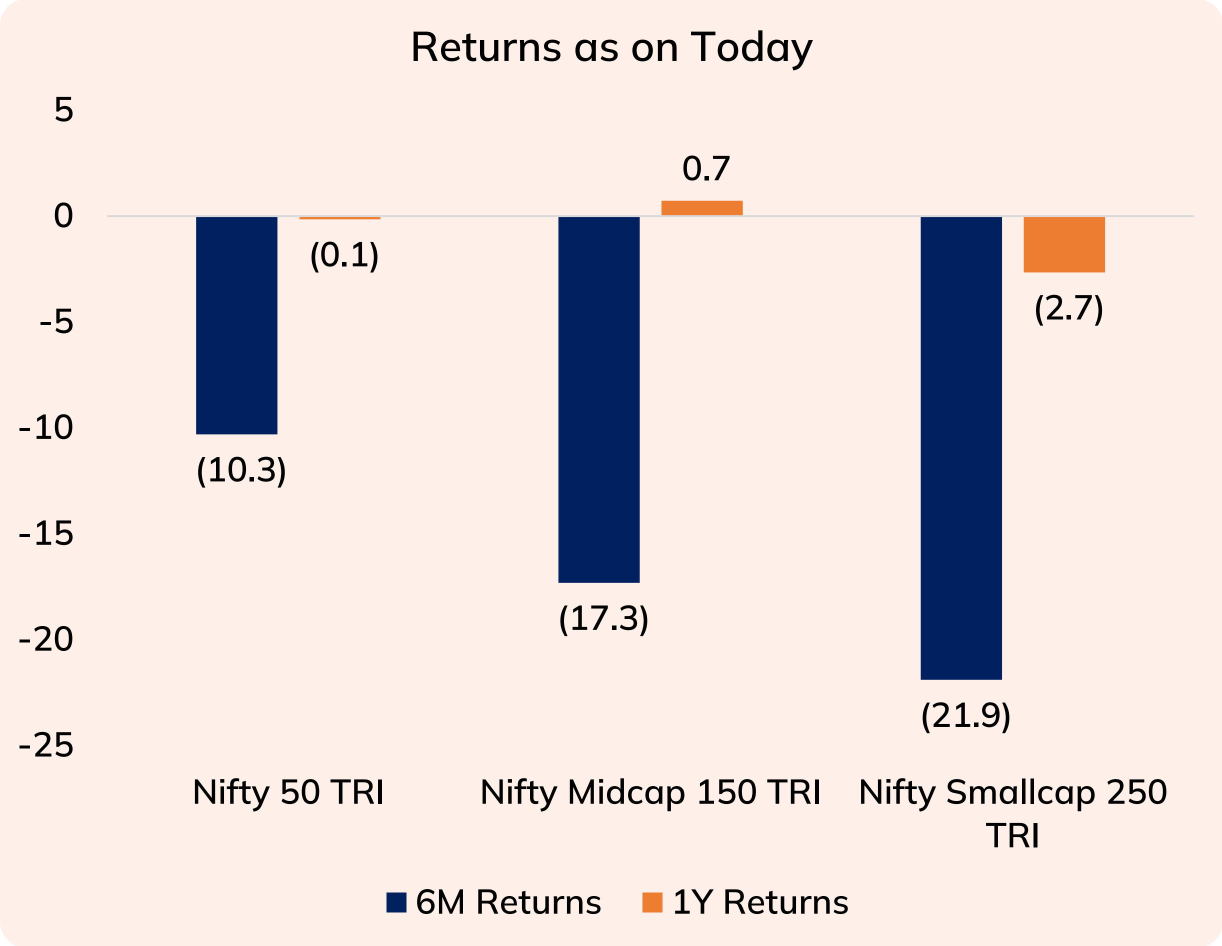
DII Monthly Flows ($ Bn)

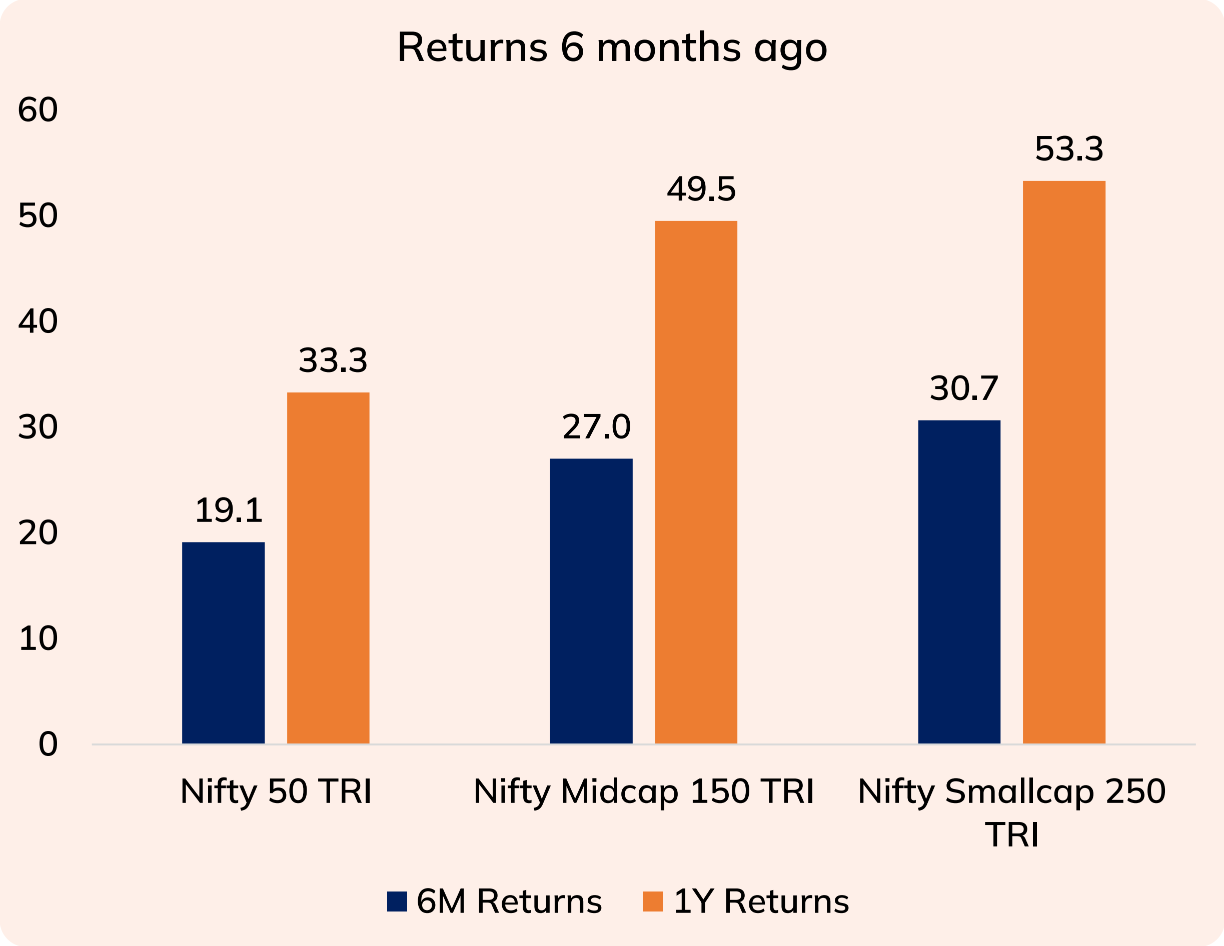


Data Source: Equirus Research. FII: Foreign Institutional Investors, Bn: Billion, CY: Calendar Year, YTD: Year Till Date, DII: Domestic Institutional Investors.

Market off the highs

Rebalancing of FII portfolios has led to substantial outflows from Indian markets, resulting in negative returns





Data Source: ACE Mf. Data is as on March 10,2025. Returns are on absolute basis. Past performance may or may not be sustained in the future.

Summary

India is experiencing high volatility due to global cues such as geo politics & trade tariffs, slowing earnings cycles, valuations coming off from highs etc.

However, for the long term, India's fundamental attributes are strong and sustainable – Clean Balance sheets, structural rise in consumption, unwavering domestic demand, fiscal prudence. Hence the long term structural story remains intact

Valuations have cooled-off in the last few months, although still remains high

Strong fundamentals coupled with high valuations creates a strong case for investing in Hybrid and Multi asset allocation schemes

For long-term investing in equity schemes, we would prefer schemes which have flexibility to move across asset classes / sectors / market-cap / themes

We prefer, Large-caps over mid and smallcap schemes due to reasonable valuations plus possibility of FPIs making a coming back which may result in outperformance

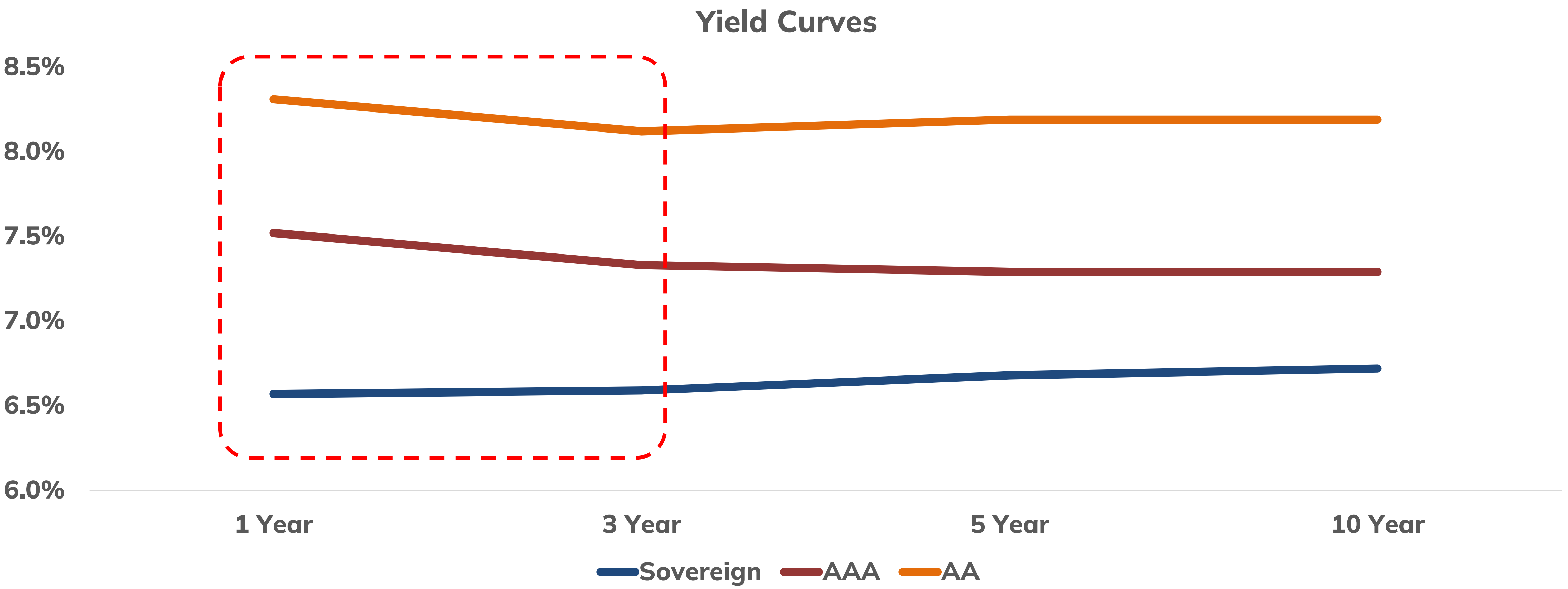
FPI: Foreign Portfolio Investment, Govt.: Government. The stock(s)/sector(s) mentioned in this slide do not constitute any recommendation and ICICI Prudential Mutual Fund may or may not have any future position in these stock(s)/sector(s).

Fixed Income Outlook

March 2025

The Month Gone By
Yield Curve and Credit Spreads

Credit spreads widened at the shorter-end of the yield curve after repo rate cut by the RBI and also due to lack of transmission of rate cut to corporate bond yields. Term premiums widened in Sovereign yields.



Data as on Feb 28, 2025. Source – RBI; CCIL, Refinitiv.

Key Highlights
RBI Tackles Liquidity Concerns Head-on

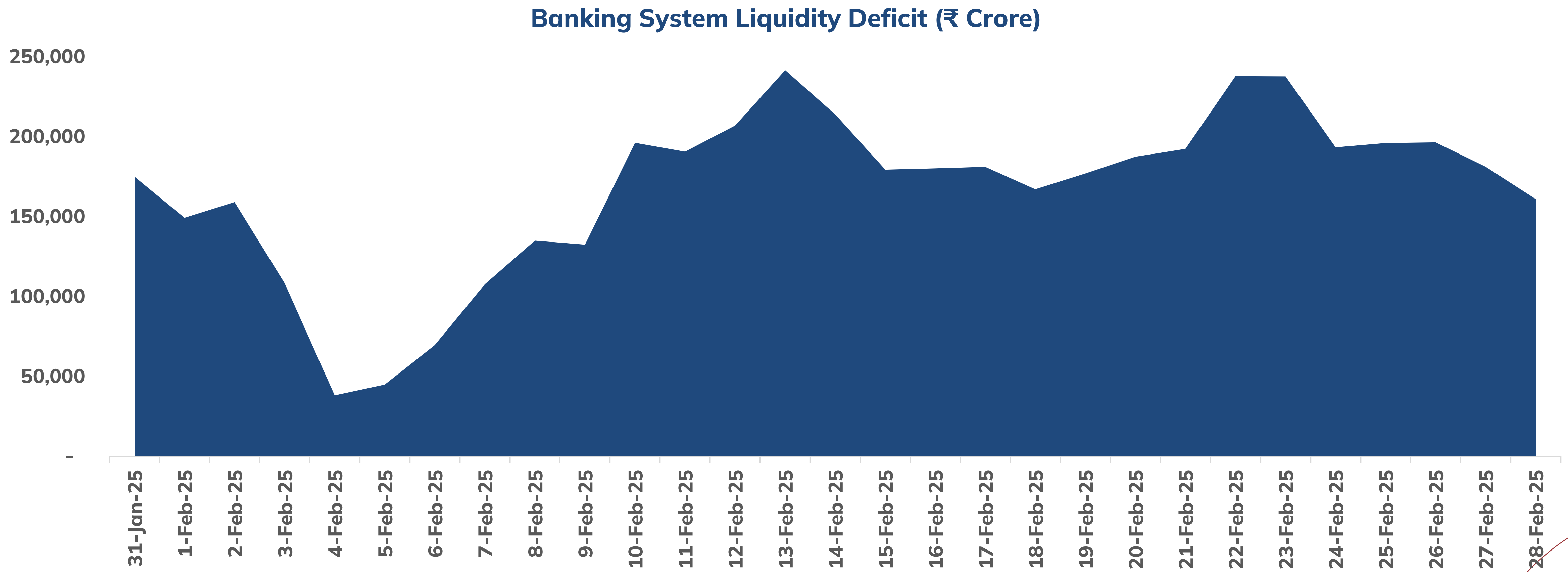
A series of announcements were made by the RBI to inject liquidity on a durable basis amid liquidity shortages. Other measures like long-term VRR, daily VRR auctions were also done to meet liquidity demands.

Date	Action	Amount
Jan 30, 2025	Open Market Purchase of G-Secs	₹20,002 Crore
Jan 31, 2025	USD/INR Buy/Sell Swap Auction – 6 Month tenure	USD 5.1 Billion
Feb 13, 2025	Open Market Purchase of G-Secs	₹40,000 Crore
Feb 20, 2025	Open Market Purchase of G-Secs	₹40,000 Crore
Feb 28, 2025	USD/INR Buy/Sell Swap Auction – 36 Month tenure	USD 10.06 Billion
	Announced	
Mar 12, 2025	Open Market Purchase of G-Secs	₹50,000 Crore
Mar 18, 2025	Open Market Purchase of G-Secs	₹50,000 Crore
Mar 24, 2025	USD/INR Buy/Sell Swap Auction – 36 Month tenure	USD 10 Billion

Source – rbi.org.in. VRR – Variable Rate Repo.

Key Highlights
But, Liquidity Challenges Remain

Liquidity challenges persist despite large injection of durable liquidity by the RBI. However, green offshoots are visible in the money market due to stable yields and higher overnight deposits in SDF.



Data as on Feb 28, 2025. SDF – Standing Deposit Facility is a service provided by the RBI to commercial banks where banks can park surplus cash in excess of required reserves with the RBI to earn a fixed rate of return. Source – RBI.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Navigating Global Uncertainties
Trade Wars
Geopolitical tensions
Trade Blocs
Localization
High
Bond Yields
High
Public Debt
De-dollarization

Trump's Tariffs

Global investment sentiments have dampened due to fear of Trump's tariff actions. Here's a list of possible outcomes from the Trump administration's stance and its retaliatory actions.

Prolonged Stalemate

Both sides maintain their tariffs without further escalation.

Domestic Economic, Political and Social Impact

Mutual De-escalation

Both sides agree to reduce or eliminate tariffs through negotiations.

Escalation and Retaliation

One or both sides increase tariffs or impose new ones in response to the other's actions.

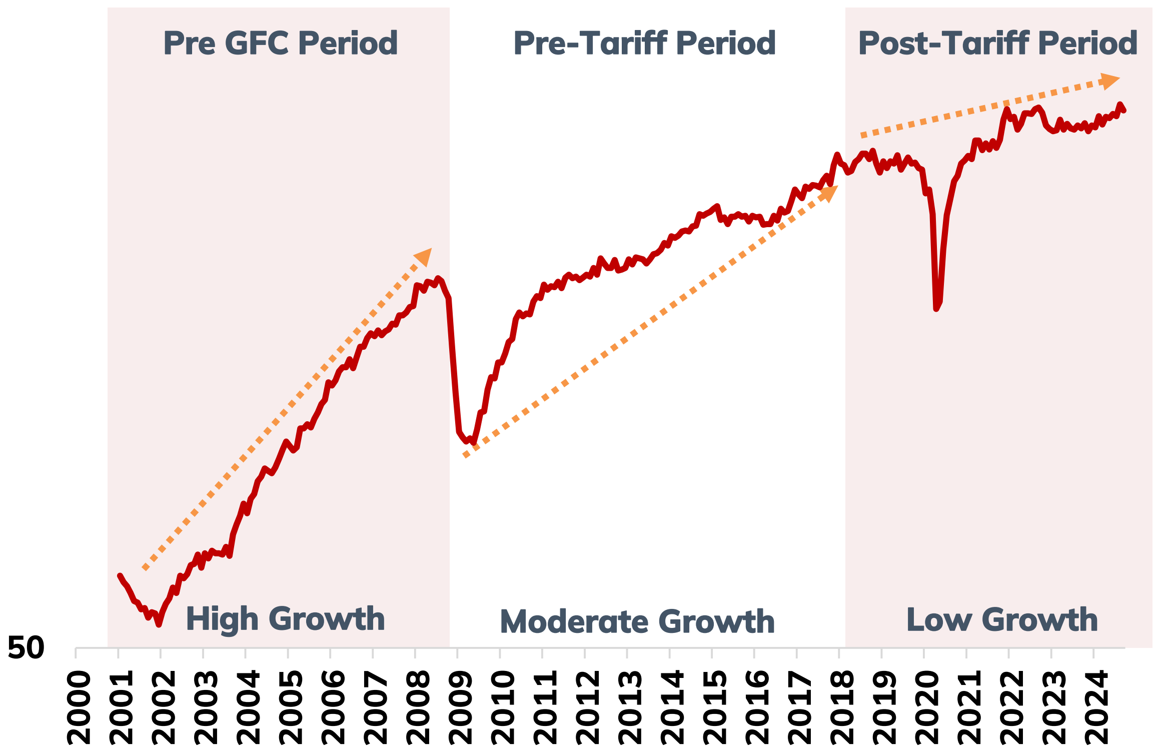
Shift in Trade Alliances

Countries affected by tariffs seek new trade partners or strengthen existing alliances.

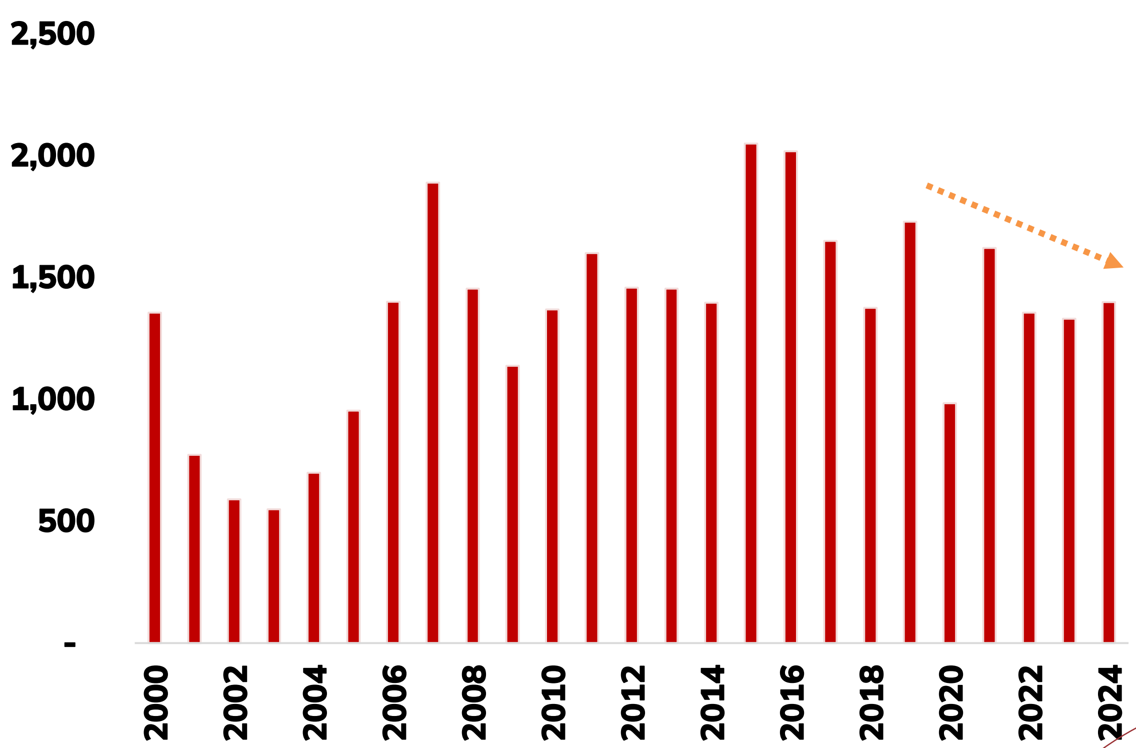
Slowdown in Global Trade

Global trade volumes and global capital flows witnessed a slowdown in the recent years. Any further fall can lead to an increased volatility in the currency markets.

CPB Merchandise: World Trade Volume Index



World FDI gross inflows (USD bn)



Source: Bloomberg, Morgan Stanley. Data as on Dec 31, 2024.

The India Story
Economy remains Resilient to External Shocks

India's macros have improved relatively in comparison to earlier high-stress periods. Currently, we are in a phase of sustained economic growth coupled with low external deficit and high foreign exchange reserves.

	Taper Tantrum (FY2013)	Covid-19 (FY2021)	Current (FY2025)
Current Account Deficit (as % of GDP)	4.8%	-0.9%	1.0%#
External Debt (as % of GDP)	22.4%	21.4%	18.5%^
Months of Import Cover	7.2	18.0	10.6^
Foreign Exchange Reserves with RBI	US$293 Billion	US$579 Billion	US$639 Billion*
GDP Growth	5.5%	-5.8%	6.5%@
Fiscal Deficit	4.8%	9.2%	4.8%+

^ As of Sep 2024. * as on Feb 28, 2025. # projections by CRISIL. @ Second Advance Estimates. + Revised Estimates. Source: RBI; India Budget; CRISIL

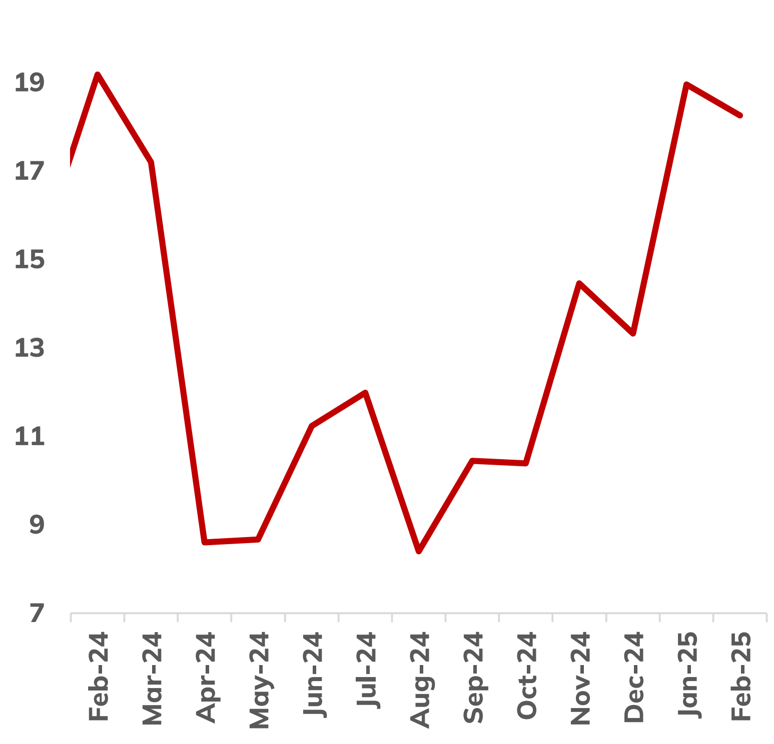
The India Story

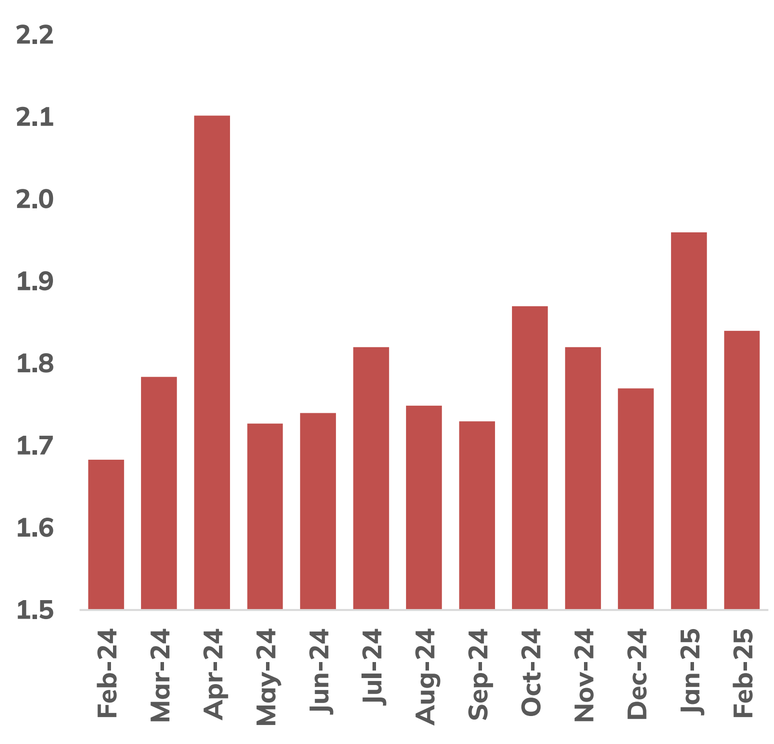
Where Does Our Economy Stand?

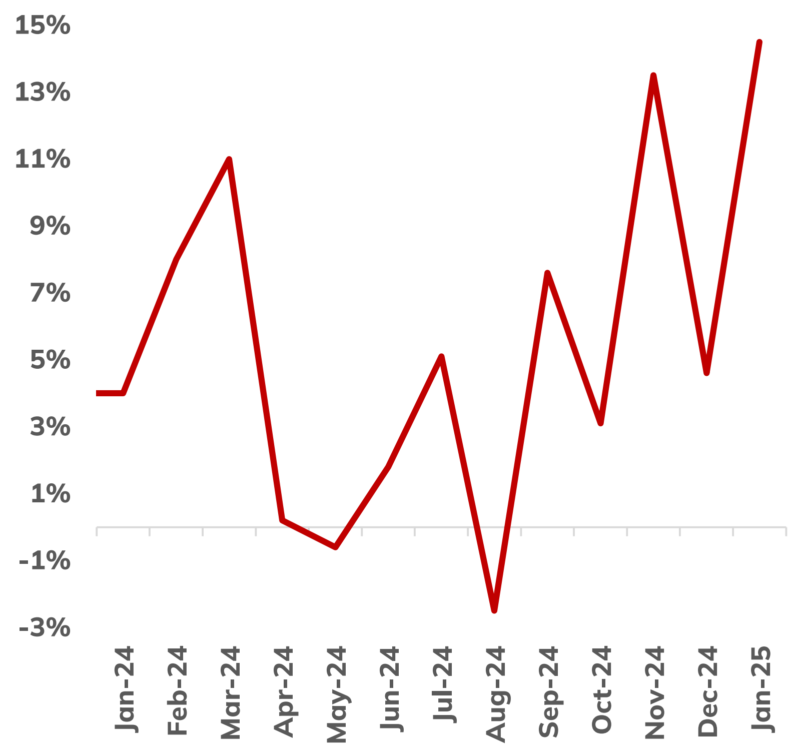
The India Story
What do the High Frequency Indicators Show?

Indicators like toll collections, GST collections have shown continued growth, hinting at sustained consumption and economic activity. Cement production has seen a notable rise on-year basis.

Toll Collections Value (YoY, %)	GST Collections (₹ Lakh Crore)	Cement Production Index







Source: PIB; Eight Core Industries Index.
National Electronic Toll Collection. Data as on Feb 28, 2025. Data as on Jan 31, 2025 for Cement Production due to 1 month lag.

Outlook on Fixed Income

- Global cues have had a major impact across economies and financial markets. We expect the risks from cues such as tariff wars, geopolitical tensions, and other uncertainties to impact bond yields.
- However, the Indian economy's resilient growth may cushion any major impact on bond yields.
- We believe that economic growth may continue to remain in the mid-cycle due to sustained capital expenditure by the Centre, rate cuts by the RBI, income tax concessions to the middle-class and easing of earlier imposed credit restriction norms.
- Hence, we think that the rate cuts by the RBI are shallow in nature. However, we do think it is likely that the RBI will cut another 25 bps in the upcoming MPC meet in April 2025.
- We think that core liquidity and system liquidity will improve in March 2025 owing to the RBI's measures such as open market purchases, dollar swaps with banks, etc.
- We recommend the shorter-end of the yield curve due to the wide credit spreads and due to shallow rate-cut cycle. Also, we continue to recommend dynamic duration category.

Current Portfolio Positioning
Active Duration

Scheme	Average Maturity (in years)	Macaulay Duration (in years)	Modified Duration (in years)
ICICI Prudential Liquid Fund	0.11	0.11	0.10
ICICI Prudential Money Market Fund	0.65	0.64	0.60
ICICI Prudential Ultra Short Term Fund	0.60	0.46	0.42
ICICI Prudential Savings Fund	1.85	0.91	0.86
ICICI Prudential Floating Interest Fund	4.71	1.07	1.01
ICICI Prudential Corporate Bond Fund	4.69	2.80	2.66
ICICI Prudential Credit Risk Fund	2.73	2.08	1.98
ICICI Prudential Banking & PSU Debt Fund	5.01	3.23	3.06
ICICI Prudential Short Term Fund	4.60	2.67	2.55
ICICI Prudential Medium Term Bond Fund	4.72	3.36	3.21
ICICI Prudential All Seasons Bond Fund	8.93	4.52	4.34

Data as on Feb 28, 2025. 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	30.1%	69.9%	8.71%
ICICI Prudential Medium Term Bond Fund	42.7%	57.3%	8.37%
ICICI Prudential Floating Interest Fund	68.1%	31.9%	8.05%
ICICI Prudential All Seasons Bond Fund	64.8%	35.2%	7.82%
ICICI Prudential Short Term Fund	81.6%	18.4%	7.82%
ICICI Prudential Corporate Bond Fund	99.5%	0.5%	7.63%
ICICI Prudential Banking & PSU Debt Fund	99.2%	0.8%	7.54%
ICICI Prudential Savings Fund	88.6%	11.4%	7.80%
ICICI Prudential Ultra Short Term Fund	81.2%	18.8%	7.74%
ICICI Prudential Money Market Fund	100.0%	--	7.48%
ICICI Prudential Liquid Fund	99.9%	0.2%	7.22%

Data as on Feb 28, 2025. The Yield to Maturity (YTM) mentioned is based on scheme portfolios dated Feb 28, 2025. 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.

Recommendations – Equity & Hybrid

A

‘A’sset allocation schemes
(to manage volatility)

- IPRU Balanced Advantage Fund
- IPRU Multi-Asset Fund
- IPRU Equity & Debt Fund
- IPRU Asset Allocator Fund (FOF)
- IPRU Passive Multi-Asset Fund of Fund

B

‘B’road Equity Schemes
(for long term systematic investments)

- IPRU Business Cycle Fund
- IPRU India Opportunities Fund
- IPRU Thematic Advantage Fund (FOF)
- IPRU Rural Opportunities Fund
- IPRU Innovation Fund

C

‘C’apitalization preference
(large cap biased schemes to manage volatility & for wealth creation)

- IPRU Bluechip Fund
- IPRU Equity Minimum Variance Fund

D

‘D’ynamic / Flexible Mandate Equity Schemes
(for long term wealth creation)

- IPRU Value Discovery Fund
- IPRU Flexicap Fund
- IPRU Large & Midcap Fund
- IPRU Focused Equity Fund

IPRU – ICICI Prudential, FOF – Fund of Funds. The asset allocation and investment strategy will be as per Scheme Information Document.

Our Key Recommendations – Fixed Income

PARKING OPTION (3-12 Months)

- ICICI Prudential Money Market Fund
- ICICI Prudential Ultra Short Term Fund
- ICICI Prudential Savings Fund
- ICICI Prudential Equity - Arbitrage Fund
- ICICI Prudential Equity Savings Fund

SHORT TERM (1-3 Years)

- ICICI Prudential Short Term Fund
- ICICI Prudential Corporate Bond Fund
- ICICI Prudential Banking & PSU Debt Fund
- ICICI Prudential Medium Term Bond Fund
- ICICI Prudential Credit Risk Fund

LONG TERM (More than 3 Years)

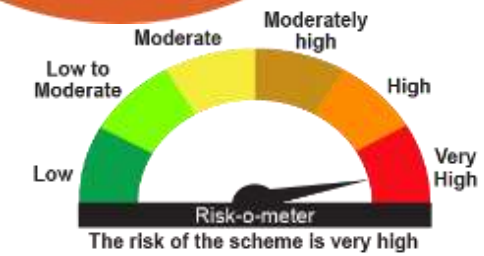
- ICICI Prudential All Seasons Bond Fund

Riskometers

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



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 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 Asset Allocator Fund (FOF) (An open ended fund of funds scheme investing in equity oriented schemes, debt oriented schemes and gold ETFs/schemes.) is suitable for investors who are seeking*:

- ❑ Long term wealth creation
- ❑ An open ended fund of funds scheme investing in equity oriented schemes, debt oriented schemes and gold ETF/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 this Scheme in addition to the expenses of the underlying Schemes in which this Scheme makes investment.

Please note that the Risk-o-meter(s) specified above will be evaluated and updated on a monthly basis. The above riskometers are as on Feb 28, 2025. Please refer to https://www.icicipruamc.com/news-and-updates/all-news for more details.

Riskometers

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 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 Equity & Debt Fund (An open ended hybrid scheme investing predominantly in equity and equity related instruments) is suitable for investors whoare 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 Passive Multi-Asset Fund of Funds (An open ended fund of funds scheme investing in equity, debt, gold and global index funds/exchange traded funds) is suitable for investors whoare seeking*:

- ❑ Long term wealth creation
- ❑ An open ended fund of funds scheme investing in equity, debt, gold and global index funds/exchange traded funds

*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 this Scheme in addition to the expenses of the underlying Schemes in which this Scheme makes investment.

Please note that the Risk-o-meter(s) specified above will be evaluated and updated on a monthly basis. The above riskometers are as on Feb 28, 2025. Please refer to https://www.icicipruamc.com/news-and-updates/all-news for more details.

Riskometers

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

- ❑ Long term capital creation
- ❑ An equity scheme that invests in stocks adopting innovation strategies or themes.

*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.

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 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

Please note that the Risk-o-meter(s) specified above will be evaluated and updated on a monthly basis. The above riskometers are as on Feb 28, 2025. Please refer to https://www.icicipruamc.com/news-and-updates/all-news for more details.

Riskometers

ICICI Prudential Thematic Advantage Fund (FOF) (An open ended fund of funds scheme investing predominantly in Sectoral/Thematic schemes) is suitable for investors who are seeking*:

- ❑ Long term wealth creation
- ❑ • An open ended fund of funds scheme investing predominantly in Sectoral/Thematic equity oriented 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 this Scheme in addition to the expenses of the underlying Schemes in which this Scheme makes investment.

ICICI Prudential Large & Mid Cap Fund (An open ended equity scheme investing in both large cap and mid cap stocks.) is suitable for investors who are seeking*:

- ❑ Long Term Wealth Creation
- ❑ An open ended equity scheme investing in both large cap and mid cap stocks

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

ICICI Prudential Focused Equity Fund (An open ended equity scheme investing in maximum 30 stocks across market-capitalization i.e. focus on multicap) is suitable for investors who are seeking*:

- ❑ Long Term Wealth Creation
- ❑ An open ended equity scheme investing in maximum 30 stocks across market-capitalisation.

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

ICICI Prudential Rural Opportunities Fund (An open ended equity scheme following Rural and allied theme) is suitable for investors who are seeking*:

- ❑ Long Term Wealth Creation
- ❑ An equity scheme following Rural and allied theme

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

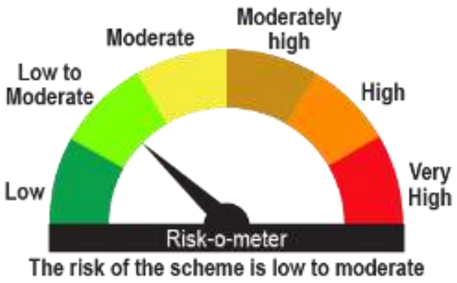
Please note that the Risk-o-meter(s) specified above will be evaluated and updated on a monthly basis. The above riskometers are as on Feb 28, 2025. Please refer to https://www.icicipruamc.com/news-and-updates/all-news for more details.

Risk-o-meters

Please note that the Risk-o-meter(s) specified will be evaluated and updated on a monthly basis. The below riskometers are as on Feb 28, 2025. Please refer to https://www.icicipruamc.com/news-and-updates/all-news for more details.

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.)

This product 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.)

This product 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.)

This product 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.

Risk-o-meters

Please note that the Risk-o-meter(s) specified will be evaluated and updated on a monthly basis. The below riskometers are as on Feb 28, 2025. Please refer to https://www.icicipruamc.com/news- and-updates/all-news for more details.

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.)

This product is suitable for investors who are seeking*:

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

ICICI Prudential All Seasons Bond Fund

(An open ended dynamic debt scheme investing across duration. A relatively high interest rate risk and moderate credit risk.)

This product 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.)

This product 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.)

This product 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.

Risk-o-meters

Please note that the Risk-o-meter(s) specified will be evaluated and updated on a monthly basis. The below riskometers are as on Feb 28, 2025. Please refer to https://www.icicipruamc.com/news- and-updates/all-news for more details.

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.)

This product is suitable for investors who are seeking*:

- 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.)

This product 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)

This product is suitable for investors who are seeking*:

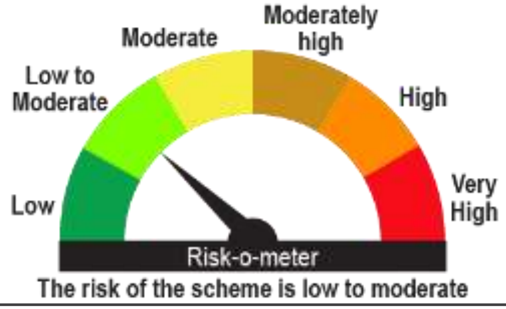
- Medium term savings
- A debt scheme that invests in debt and money market instruments with a view to maximize income while maintaining optimum balance of yield, safety and liquidity

Risk-o-meters

Please note that the Risk-o-meter(s) specified will be evaluated and updated on a monthly basis. The below riskometers are as on Feb 28, 2025. Please refer to https://www.icicipruamc.com/news- and-updates/all-news for more details.

ICICI Prudential Equity Savings Fund

(An open ended scheme investing in equity, arbitrage and debt)

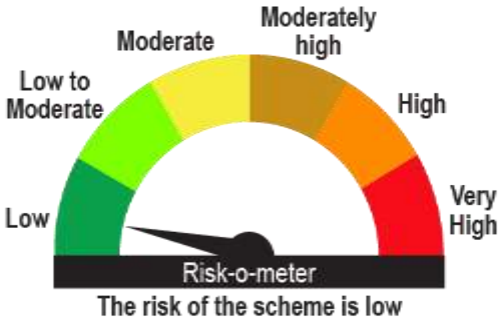


This product is suitable for investors who are seeking*:

- 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

ICICI Prudential Equity-Arbitrage Fund

(An open ended scheme investing in arbitrage opportunities)



This product is suitable for investors who are seeking*:

- Short Term Income Generation
- A hybrid scheme that aims to generate low volatility returns by using arbitrage and other derivative strategies in equity markets and investments in debt and money market instruments

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 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 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 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	

YTM Disclaimer

Scheme Name	ICICI Prudential Money Market Fund	ICICI Prudential Savings Fund	ICICI Prudential Floating Interest Fund	ICICI Prudential Banking & PSU Debt Fund	ICICI Prudential Corporate Bond Fund	ICICI Prudential All Seasons Bond Fund
Description	An open ended debt scheme investing in money market instruments. A relatively low interest rate risk and moderate credit risk	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 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	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.
Annualised Portfolio YTM*:	7.48%	7.80%	8.05%	7.54%	7.63%	7.82%
Macaulay Duration	0.64 Years	0.91 Years	1.07 Years	3.23 Years	2.80 Years	4.52 Years
Residual Maturity	0.65 Years	1.85 Years	4.71 Years	5.01 Years	4.69 Years	8.93 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 Feb 28, 2025. 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 Liquid 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 liquid scheme. A relatively low 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*:	7.82%	7.22%	8.71%	8.37%	7.74%
Macaulay Duration	2.67 Years	0.11 Years	2.08 Years	3.36 Years	0.46 Years
Residual Maturity	4.60 Years	0.11 Years	2.73 Years	4.72 Years	0.60 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 Feb 28, 2025. 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 Feb 28, 2025 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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