IPRU SNIPPETS

PICTURE THIS:
You are **driving on a highway;** listening to music.

So far, the drive is **smooth and comfortable.**

Suddenly, you **encounter bumpy roads** filled with potholes.

The jolt turns your pleasant journey into a **terrifying roller coaster ride.**

Just as you adjust to the rough path, you see a **road diversion sign** ahead.

You are left with no choice but to **change your route.**

While you re-route with a navigation map, **mother nature showers heavy rains,** adding more twists to your journey.

Trapped in traffic, you feel like the hero of an action movie, gasping to find an escape route!

Let's revisit the car journey – **Your drive was easy-going** at the onset.

However, during your travel, **you had to adjust** to rough roads, diversions and adverse weather conditions, which were **not in your control.**

SIMILARLY, ECONOMIES GO THROUGH A JOURNEY OF BOOMS AND SLUMPS

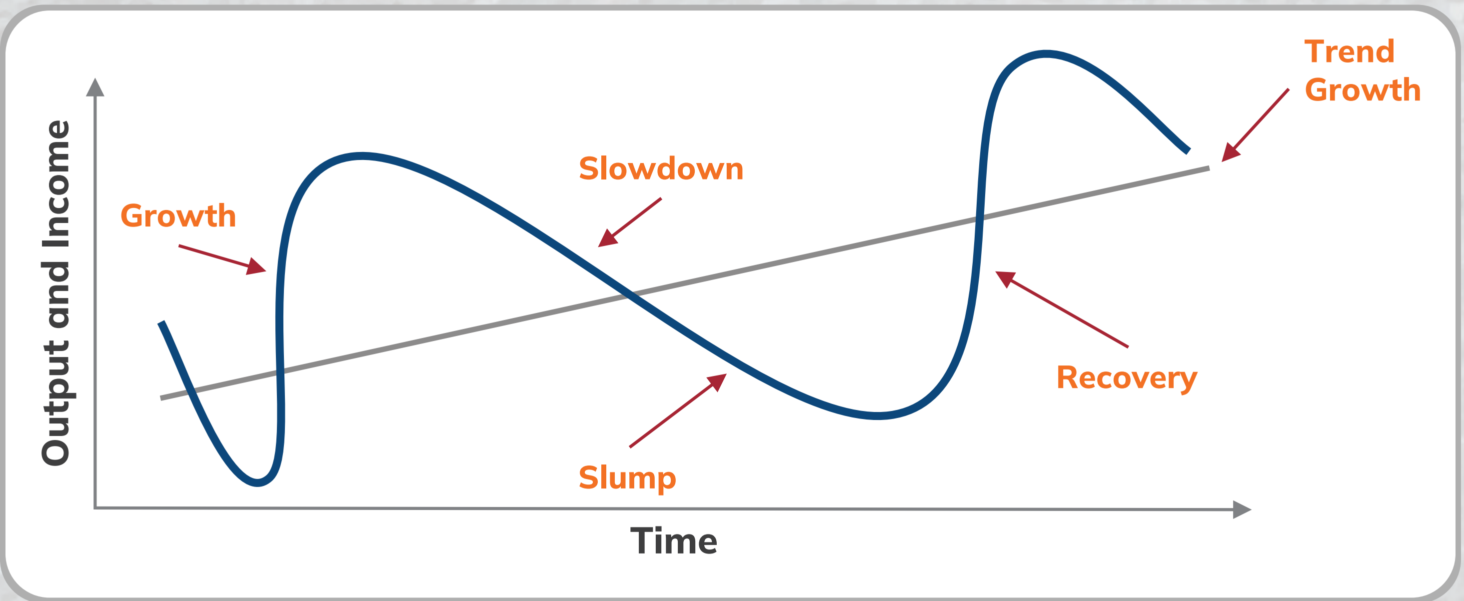
Changing market conditions are not in your control – you need to **realign your portfolio** to the prevailing business cycle.

Let's understand business cycles for a smoother investment journey.

What is a Business Cycle?

Business cycle represents changes in economic activity over a period of time.

Phases of a Business Cycle



*The chart is for illustrative purpose only

How to Identify Business Cycles?

Business Cycle in Growth phase

Factories run at full capacity

Businesses plan expansion

Employees have job offers and good salary hikes

Consumers and businesses feel confident

During periods of expansion

Cyclical sectors such as Automobile, Financials, Industrials, Consumer Discretionary tend to perform

Business Cycle in Slump phase

Factories have idle capacity

Businesses cut expenditure

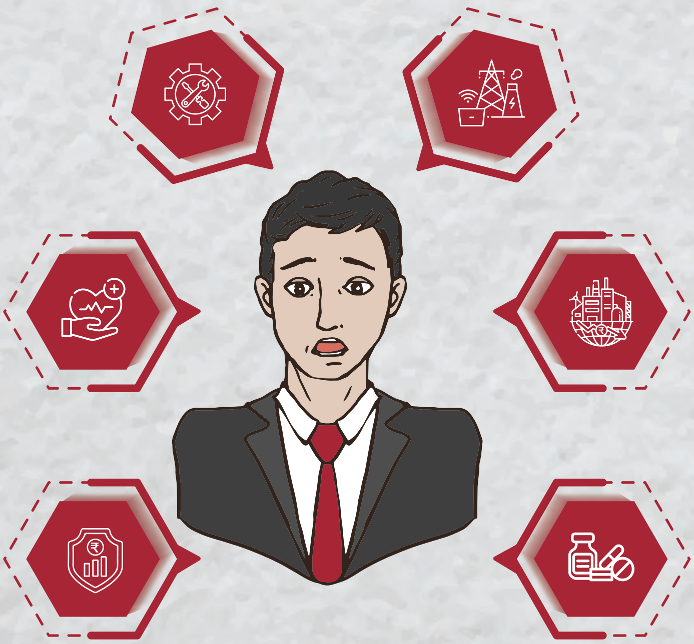
Lay offs and salary freeze

Consumers and businesses postpone spending

During an economic downturn

Defensive sectors such as Consumer staples, Healthcare, Utilities, Energy provide reasonable stability to the portfolio

After all, even during an economic slowdown, you would continue to consume essentials such as medicines



What are the challenges faced by investors?

Sectors perform differently in varying economic cycles, making it difficult to gauge which segments would perform well.

Switching between sectors is a **hassle** and **involves higher costs.**

What is the solution?

A Business Cycle Fund anticipates the business cycle phase basis market conditions and invests in sectors that are expected to benefit during that period.

Navigating Business Cycles with ICICI Prudential Business Cycle Fund

ICICI Prudential Business Cycle Fund is an open ended equity scheme following business cycles based investing theme

- **Follows a top-down approach** based on various macro indicators – inflation, growth, deficit, etc.
- **Aims to invest in opportunities across sectors/themes,** based on the prevailing business cycle
- After identifying the sectors, **stocks would be selected basis various financial parameters**
- **Flexibility to allocate dynamically across various sectors and market capitalizations** at different stages of business cycles
- **Adopts a Long-Term Approach**

The portfolio of the scheme is subject to changes within the provisions of the Scheme Information Document of the scheme. The asset allocation and investment strategy will be as per Scheme Information Document.

The Scheme changes its investment basis the prevailing market cycle

Sector	Economy moving ahead due to strong Global Growth (Jan 21-Sep 21)		Economy moving ahead due to strong Domestic Growth (Mar 22-Apr 24)	
	Rationale	Avg Holding %	Rationale	Avg Holding %
Metal & Mining	Considerable exposure in global cyclical sector	5.0	Reduced exposure in global facing aggressive sector	0.0
Auto	Relatively lower exposure in domestic cyclical	6.8	High exposure in domestic cyclical	10.8
Healthcare	Moderate exposure in Global + Domestic defensive sector	2.5	Increased exposure in global + domestic defensive sector	7.0
FMCG	Avoided exposure as economy was not in recession	0.0	Avoided exposure as economy is not in recession	0.0

The portfolio of the scheme is subject to changes within the provisions of the Scheme Information Document of the scheme. The sector(s)/stock(s) mentioned in this communication do not constitute recommendation of the same and ICICI Prudential Mutual Fund may or may not have any future position in these sector(s)/stock(s). Avg: Average. FMCG: Fast Moving Consumer Goods. The above sectors are shown basis movements in the domestic and global cyclicals after considering the macro indicators of economic cycles. The average holding is calculated basis the simple average of the holding in the sector.

Reasons for past performance of the Scheme*

- **Anticipated business cycles** based on which the portfolio was positioned.
- **Considered forward looking factors** like company earnings, credit growth trends, consumption patterns, high frequency data, etc. to ascertain the right business cycle.
- **Took considerable exposure in certain sectors** like Metals, Auto, Construction, etc. that performed well once the economy picked-up post COVID.
- **Remained underweight on certain defensive and overvalued sectors** like FMCG as the economy was shaping-up strongly.

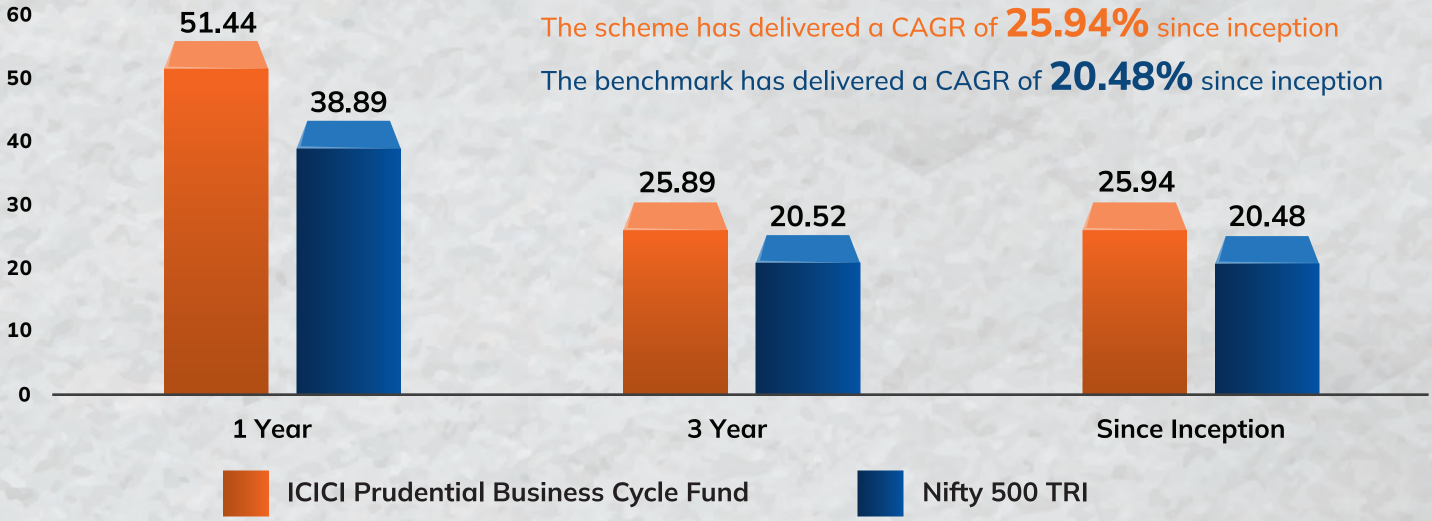
FMCG: Fast Moving Consumer Goods. The sector(s)/stock(s) mentioned in this presentation do not constitute any recommendation of the same and ICICI Prudential Mutual Fund may or may not have any future position in these sector(s)/stock(s). The portfolio of the scheme is subject to changes within the provisions of the Scheme Information Document of the Scheme. *Past performance may or may not sustain in future.

Performance of the Scheme across Time Periods

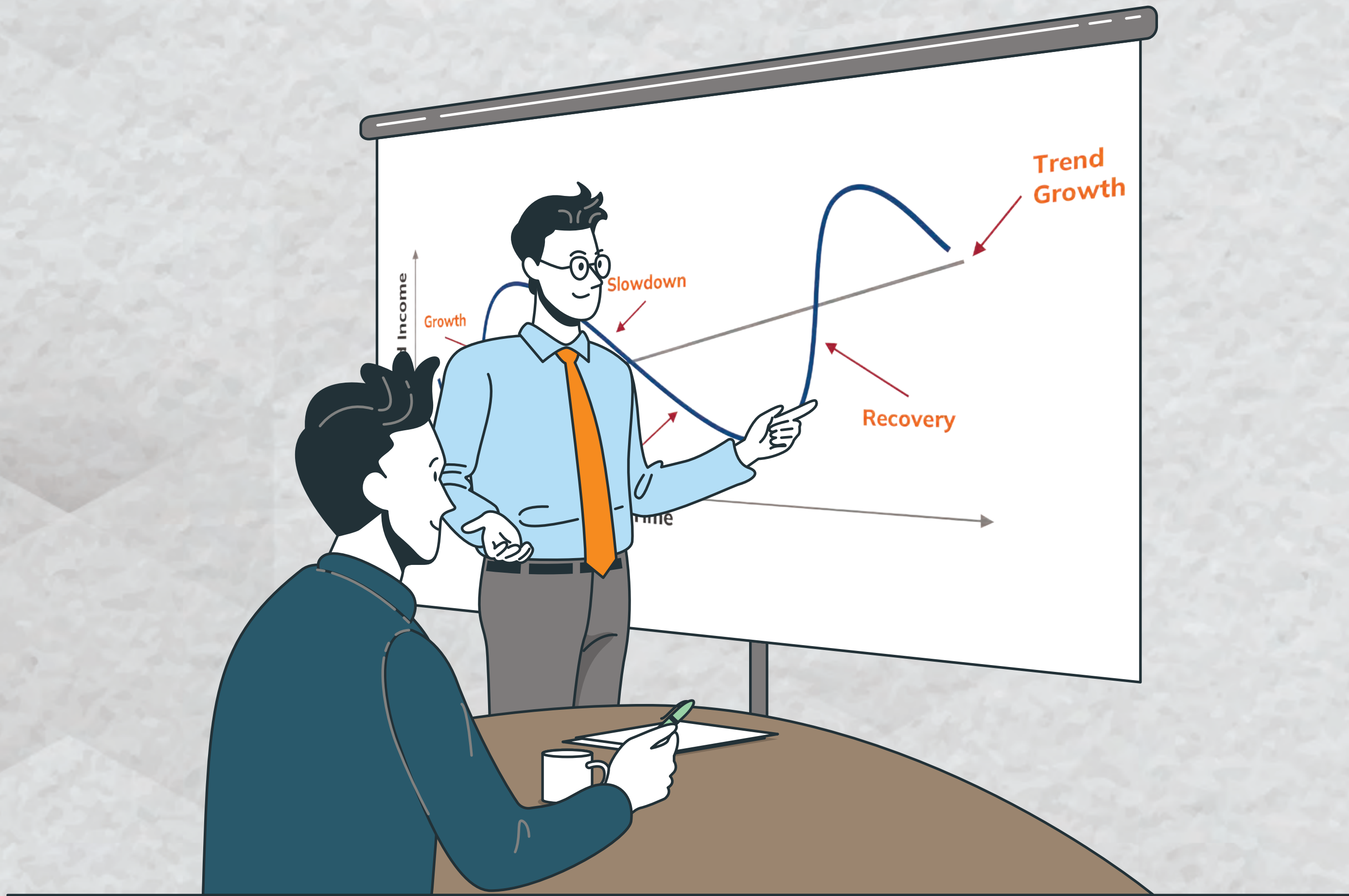
ICICI Prudential Business Cycle Fund - Regular Plan Returns (%)

The scheme has delivered a CAGR of **25.94%** since inception

The benchmark has delivered a CAGR of **20.48%** since inception



Source: Value Research and MFI Explorer. Data as on April 30, 2024. Past performance may or may not be sustained in future. Inception date of the scheme is 18 January 2021. Scheme benchmark is Nifty 500 TRI. CAGR: Compound Annual Growth Rate. As the Scheme has completed more than 3 years but less than 5 years, the performance details of since inception, 1 year and 3 years are provided herein. The MFI Explorer is a tool provided by ICRA Online Ltd. For their standard disclaimer please visit http://www.icraonline.com/legal/standard-disclaimer.html



Disclaimers

Particulars	Returns of ICICI Prudential Business Cycle Fund - Growth Option as on April 30, 2024							
	1 Year		3 Years		5 Years		Since inception	
	CAGR (%)	Current Value of Investment of Rs. 10000	CAGR (%)	Current Value of Investment of Rs. 10000	CAGR (%)	Current Value of Investment of Rs. 10000	CAGR (%)	Current Value of Investment of Rs. 10000
Scheme	**51.44**	**15196.01**	**25.89**	**19962.55**	**-**	**-**	**25.94**	**21320.00**
Nifty 500 TRI (Benchmark)	38.89	13926.35	20.52	17512.67	-	-	20.48	18432.93
Nifty 50 TRI (Additional Benchmark)	26.27	12651.22	16.92	15989.72	-	-	16.32	16424.54
NAV (Rs.) Per Unit (as on April 30, 2024: 21.32)	**14.03**		**10.68**		**-**		**10.00**	

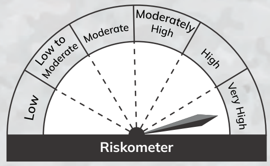
Notes: Data as on April 30, 2024. 1. Different plans shall have different expense structure. The performance details provided herein are of ICICI Prudential Business Cycle Fund. 2. The Scheme is currently managed by Anish Tawakley, Manish Banthia and Lalit Kumar. Mr. Anish Tawakley has been managing this fund since Jan 2021. Total Schemes managed by the Fund Manager is 6 (6 are jointly managed). Mr. Manish Banthia has been managing this fund since Jan 2021. Total Schemes managed by the Fund Manager is 25 (25 are jointly managed). Mr. Lalit Kumar has been managing this fund since Jan 2021. Total Schemes managed by the Fund Manager is 8 (6 are jointly managed). Refer annexure from **page no. 60** for performance of other schemes currently managed by Anish Tawakley, Manish Banthia and Lalit Kumar. 3. Date of inception: 18-Jan-21. 4. As the Scheme has completed more than 3 years but less than 5 years, the performance details of since inception,1 year and 3 years are provided herein. 5. Past performance may or may not be sustained in future and the same may not necessarily provide the basis for comparison with other investment. 6. Load is not considered for computation of returns. 7. In case, the start/end date of the concerned period is a nonbusiness date (NBD), the NAV of the previous date is considered for computation of returns. The NAV per unit shown in the table is as on the start date of the said period. 8. NAV is adjusted to the extent of IDCW declared for computation of returns. 9. The performance of the scheme is benchmarked to the Total Return variant of the Index.

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

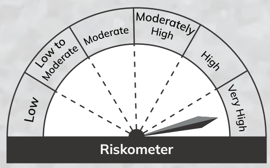
*Investors should consult their financial advisers if in doubt about whether the product is suitable for them



Investors understand that their principal will be at **Very High** risk.

Scheme Benchmark:

Nifty 500 TRI



Benchmark riskometer is at **Very High** risk.

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 April 30, 2024. Please refer to https://www.icicipruamc.com/news-and-updates/all-news for more details.

Disclaimers

MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISKS, READ ALL SCHEME RELATED DOCUMENTS CAREFULLY.

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