# THE STRATEGY BEHIND THE 99.94 BATTING AVERAGE

Once upon a Time

ICICI PRUDENTIAL MUTUAL FUND

## 6996 runs in 52 Test matches at an Average of 99.94

**An Australian cricketer created history with a batting average of 99.94,** the highest ever clocked in test matches. **This record remains unbeatable till date.**

The batsman **displayed a prolific run-scoring ability during the 1928-1948 era, when he played for Australia.**

## The Scoreboard that got etched in the minds of cricket fans

Over the course of **80 innings**, the cricketer scored **29 Centuries (36% of the total innings)**, making him the only test batsman to score a century in at least **one-third** of his innings.

**Career Batting Stats | Right-Handed Batsman**

| Format | Matches | Innings | Runs | Average | 100s |
|---|---|---|---|---|---|
| Test Matches: 1928-48 | 52 | 80 | 6996 | 99.94 | 29 |

## Why is this iconic record still unmatched?

**During tough conditions, the batsman refrained from taking unnecessary risks** and focused on steadily ticking the scoreboard with 1 or 2 runs. Conversely, **when the situations were conducive, he would deliver powerful strokes to score more runs.**

**Career Batting Stats | Right-Handed Batsman**

| Format | Not outs | Balls Faced | Runs | 100s | 50s | 4s | 6s |
|---|---|---|---|---|---|---|---|
| Test Matches: 1928-48 | 10 | 9684 | 6996 | 29 | 13 | 681 | 6 |

**He managed to hit 681 boundaries and 6 sixes,** which indicates that **around 60% of the total runs were scored by running between wickets,** while the remaining came from boundaries.

Source: ESPN Cricket Information

## Adopting a defensive or aggressive strategy based on the situation

**When facing overcast conditions, the batsman defended the wicket** by scoring singles and doubles. This approach is akin to an asset allocation strategy that **decreases the equity exposure when the markets are overheated** to reduce the overall portfolio risk.

**Conversely, during favourable conditions, the batsman hit precise shots** to score more runs, which is similar to **increasing the equity allocation of the portfolio when the markets cool down.**

The cricketer was recognized for his **ability to shift between both styles based on situations – an aggressive boundary-hitting approach and a strategic running between the wickets.**

Similarly, investors looking for long-innings in their investment journey could include **ICICI Prudential Asset Allocator Fund (FOF) in their core portfolio as the Scheme actively manages the asset allocation based on changing market conditions** with the potential to generate better risk-adjusted returns.

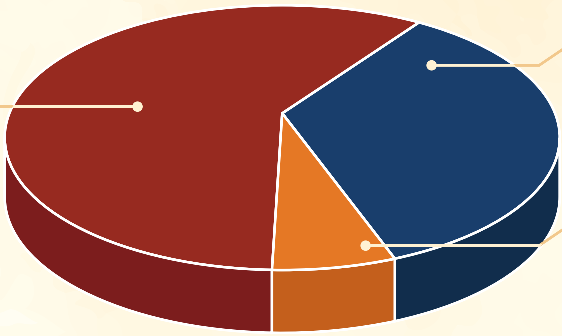
## 5 Reasons to consider ICICI Prudential Asset Allocator Fund (FOF)

### 01 Diversified Blend of Different Asset Classes

**Every cricket team includes players with diverse skills – batsmen, bowlers and fielders** that have the potential to perform well.

**The Scheme is a diversified blend of Equity-oriented schemes, Debt-oriented schemes and Gold ETFs/schemes,** providing investors the benefit of different asset classes.

### ICICI Prudential Asset Allocator Fund (FOF):



59%
Debt: Relative Stability

35%
Equity: Potential Capital Appreciation over the long term

6%
Gold: Potential hedge against inflation

Gold ETF | Equity Schemes | Debt Schemes & Net Current Assets

Data as of August 31, 2024. The asset allocation and investment strategy will be as per Scheme Information Document.
ETFs: Exchange Traded Funds

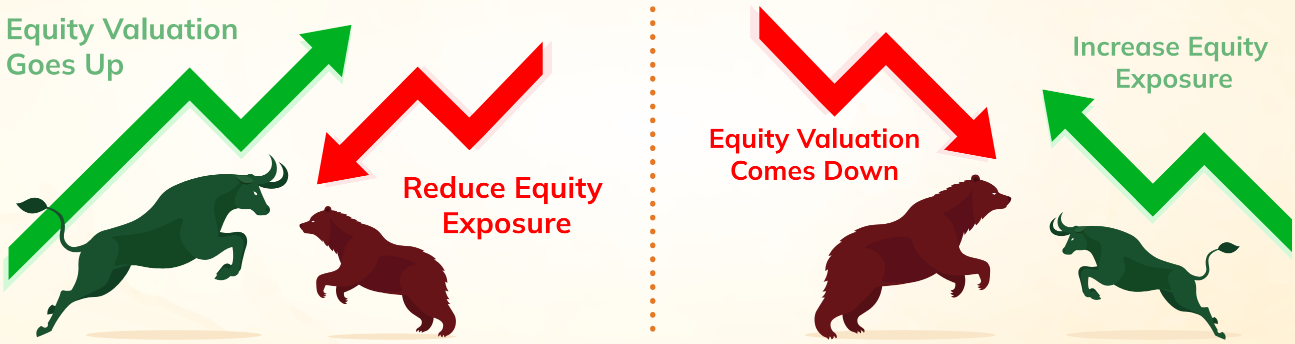
## 02 Follows an In-house Market Valuation Model* that enables 'Buying Low and Selling High'

**The unique ability of the batsman to shift gears easily between a defensive and aggressive approach** gave him an edge over other players.

The Scheme follows an **in-house market valuation model that facilitates increasing the equity exposure during market downturns** and **decreasing the equity allocation when the markets turn expensive.**

### Active Asset Allocation and Timely Monitoring

Buying Low and Selling High Strategy

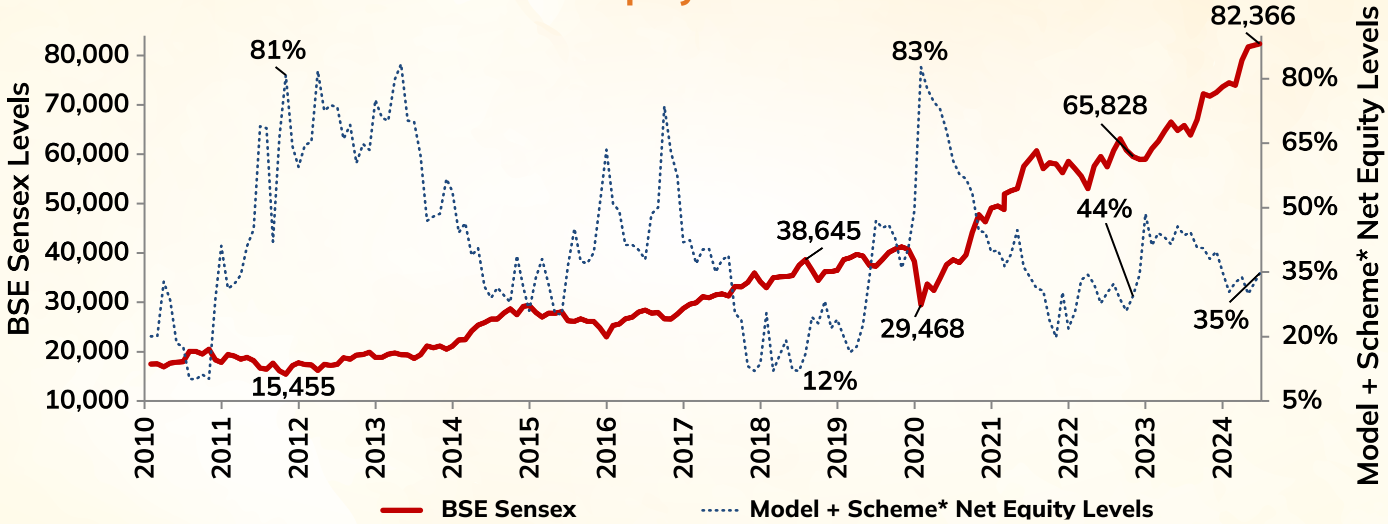



The asset allocation and investment strategy will be as per Scheme Information Document. *The scheme may refer to certain in-house models which would be based on various prevailing broad market parameters which would be dynamic in nature. The same may be referred by the fund manager as required from time to time.

**During the Covid-19 pandemic outbreak, economic activity weakened** and global equity markets experienced a sell-off. **The Net Equity Level of the Scheme was increased from 20% in March 2019 to 83% in March 2020 to benefit from the market fall.**

**Recently, the Net Equity Level of the Scheme has been reduced from 49% in March 2023 to 30% in July 2024** as valuations are not cheap at these levels.

### Model + Scheme* Net Equity Level Vs BSE Sensex Levels




*Scheme : ICICI Prudential Asset Allocator Fund (FOF), Until 4th February 2019 model values has been used (basis in house equity valuation index model which is used by the scheme) & from 4th February 2019 actual scheme values have been taken. Past performance may or may not sustain in future. The above is for understanding the in-house allocation model. The asset allocation and investment strategy will be as per Scheme Information Document. Period considered: March 1, 2010 to August 31, 2024. The performance of the model does not represent the performance of the scheme. The performance of the scheme is benchmarked to the Total Return variant of the Index.

## 03 Helps Keep Emotions at Bay

**There is no shortcut formula to success – Runs are scored by spending time on the pitch** than merely sitting in the pavilion. **Similarly, spending time in the market is more important than timing the market.**

**The in-built asset allocation strategy of managing asset allocation based on market situations** could help keep emotions at bay, encouraging investors to remain invested for the long term.

## 04 Good Risk-adjusted returns while minimizing the downside risks

**Be it cricket or investing, an effective strategy is key to achieve goals.**

**Considering the 5-Year Period, the Scheme generated a CAGR (Compound Annual Growth Rate) return of 15.21%,** capturing 79% of the Nifty 50 TRI index with an average monthly net equity level of merely 41%. **Despite holding relatively low equity levels, the Scheme managed to capture a major portion of the broader equity market, providing a better risk-adjusted return equation.**

| Scheme Name | 1 Year | 3 Years | 5 Years |
|---|---|---|---|
| ICICI Prudential Asset Allocator Fund (FOF)* - CAGR (%) | 22.35 | 13.88 | 15.21 |
| NIFTY 50 TRI - CAGR (%) | 32.64 | 15.17 | 19.37 |
| Capture Ratio (%) | 68 | 91 | 79 |
| Average Monthly Net Equity Levels (%) | 37 | 34 | 41 |

*In house equity valuation index model has been used for calculation purpose which is being used for managing ICICI Prudential Asset Allocator Fund (FOF) and from February 04 2019, actual fund NAV has been taken. Latest Performance Source: MFIE, CAGR Returns as on August 31, 2024. Returns (%) are CAGR. Past performance may or may not be sustained in future. The performance of the scheme is benchmarked to the Total Return variant of the Index. The in-house valuation model starts from March 2010 onwards. CAGR: Compound Annual Growth Rate. The net equity exposure is calculated net of stock futures and options (Notional Exposure of Index Put Options only). 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.

## 05 Taxation Angle

**Post the Budget 2024-25, Fund of Fund schemes are now taxed at 12.5% with a holding period of 24 months.^ Hence, these could be suitable for a long haul!**

| | Short-Term Capital Gains | Long-Term Capital Gains | Holding Period |
|---|---|---|---|
| Earlier | Tax Slab rate | Tax Slab rate | NA |
| Now | Tax Slab rate | 12.5% | 24 Months |

Investors should consult their tax advisor for further details on taxation and applicability based on your tax structure and regime. ^For FOFs with underlying domestic Equity ETFs with an exposure of > 90%, holding period would be 12 months and excluding Debt Oriented FOFs. ETFs: Exchange Traded Funds. NA: Not Applicable

Be on the front foot when the going gets easier and on the back foot under challenging tracks – Time to get the best of both worlds.

Click below to know more about

## ICICI Prudential Asset Allocator Fund (FOF)

## Returns of ICICI Prudential Asset Allocator Fund (FOF) - Growth Option as on August 31, 2024

| Particulars | 1 Year | | 3 Years | | 5 Years | | Since Inception | |
|---|---|---|---|---|---|---|---|---|
| | CAGR (%) | Current Value of Investment of ₹10000 | CAGR (%) | Current Value of Investment of ₹10000 | CAGR (%) | Current Value of Investment of ₹10000 | CAGR (%) | Current Value of Investment of ₹10000 |
| **Scheme** | **22.35** | **12235.48** | **13.88** | **14768.51** | **15.21** | **20317.65** | **12.42** | **112990.90** |
| CRISIL Hybrid 50 + 50 - Moderate Index (Benchmark) | 23.56 | 12356.31 | 12.01 | 14051.44 | 14.73 | 19895.17 | 11.30 | 91860.90 |
| Nifty 50 TRI (Additional Benchmark) | 32.64 | 13263.73 | 15.17 | 15274.47 | 19.37 | 24262.04 | 15.20 | 187441.73 |
| **NAV (Rs.) Per Unit (as on August 30, 2024 : 112.9909)** | **92.3469** | | **76.5080** | | **55.6122** | | **10.00** | |

Notes: 1. Different plans shall have different expense structure. The performance details provided herein are of ICICI Prudential Asset Allocator Fund (FOF).
2. The scheme is currently managed by Sankaran Naren, Dharmesh Kakkad, Manish Banthia and Ritesh Lunawat. Mr. Sankaran Naren has been managing this fund since Sep 2018. Total Schemes managed by the Fund Manager (Equity) is 14 (14 are jointly managed). Mr. Dharmesh Kakkad has been managing this fund since May 2018. Total Schemes managed by the Fund Manager is 11 (9 are jointly managed). Mr. Manish Banthia has been managing this fund since Jun 2017. Total Schemes managed by the Fund Manager (Debt) is 24 (24 are jointly managed). Mr. Ritesh Lunawat has been managing this fund since June 2023. Total Schemes managed by the Fund Manager (Debt) is 8 (8 are jointly managed). Refer annexure from page no. 60 for performance of other schemes currently managed by Sankaran Naren, Dharmesh Kakkad, Manish Banthia and Ritesh Lunawat.
3. Date of inception: 18-Dec-03.
4. Past performance may or may not be sustained in future and the same may not necessarily provide the basis for comparison with other investment.
5. Load is not considered for computation of returns.
6. 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.
7. The performance of the scheme is benchmarked to the Total Return variant of the Index. For benchmark performance, values of Nifty 50 (40%) + Crisil Composite Bond Fund Index (40%) + Crisil Liquid Fund Index (20%) has been used since inception till Nov 23, 2010 and values of Nifty 50 (40%) + Crisil Composite Bond Fund Index (40%) + Crisil Liquid Fund Index (10%) + Gold (10%) has been used from Nov 24, 2010 till May 27, 2018 and values of Nifty 50 (40%) + Crisil Composite Bond Fund Index (60%) has been used from May 28, 2018 till Jan 31, 2019 and values of CRISIL Hybrid 50 + 50 - Moderate Index have been considered thereafter.
8. Returns are of the regular plan.

## Disclaimers and Riskometers

**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)

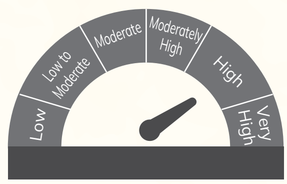
This product is suitable for investors who are seeking*:

- 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 understand that their principal will be at **High** risk.

**Scheme Benchmark: CRISIL Hybrid 50 + 50 - Moderate Index**




Benchmark riskometer is at **High** risk.

Please note that the Risk-o-meter(s) specified above will be evaluated and updated on a monthly basis. The above risk-o-meters are as on August 31, 2024. Please refer to https://www.icicipruamc.com/news-and-updates/all-news for more details. 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.

**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 August 31, 2024 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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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.