

**ADD THE LARGEST
NAMES IN INDIAN
BANKING TO YOUR
PORTFOLIO.**



Presenting

ICICI Prudential

Nifty Bank Index Fund

**NFO
DATES**

Opens February 10, 2022

Closes February 24, 2022

ICICI
PRUDENTIAL
MUTUAL FUND

TARAKKI KAREIN!



Investing in an Index Fund

Index funds are mutual funds that replicate the underlying index



CONVENIENCE

Index funds offers SIPs, switches and other features for investment without any requirement for demat a/c



LOW COST

Index funds are a low-cost option to invest in diversified asset classes



TRACKING AN INDEX

Index funds can be used to track an index representing a market segment, style or asset class



TRANSPARENCY

The underlying constituents of the index are available on the exchange website every day.



Investment Approach

ICICI Prudential Nifty Bank Index Fund invests in Constituents of Nifty Bank Index

Nifty Bank Index Represents the top 12 banks based on free float market capitalization from Nifty 500 Index

Index is computed using free float market capitalisation method

Index is re-balanced on semi-annual basis i.e. January and July



Portfolio Snapshot of the Index

TOP 10 INDEX CONSTITUENTS:

SECURITIES

WEIGHTAGE

HDFC Bank Ltd.

27.8%

ICICI Bank Ltd

22.6%

Kotak Mahindra Bank Ltd.

11.6%

Axis Bank Ltd.

11.5%

State Bank of India

11.5%

IndusInd Bank Ltd.

5.9%

AU Small Finance Bank Ltd

2.3%

Bandhan Bank Ltd

1.8%

Federal Bank Ltd.

1.7%

IDFC First Bank Ltd

1.5%

- Represents the **12 most liquid and large capitalised stocks** from the banking sector which trade on the respective Exchanges.
- Provides a **benchmark** that captures the capital market performance of Indian Banks.
- It is one of the **oldest Index** in India and is used as a **key indicator of growth** of Indian Economy



Banks: The Biggest Market Driver

Banks and Financial Services are allocated the highest weightage in broader market indices like Nifty 500 and Nifty 50 which emphasizes its importance in contributing to broader market trends

Nifty 500 Constituents

SECTORS

Financial Services

Consumer Goods

Energy

Automobile

IT

WEIGHTAGE

28.5%

12.1%

11.4%

10.3%

9.8%

Nifty 50 Constituents

SECTORS

Financial Services

IT

Oil & Gas

Consumer Goods

Automobile

WEIGHTAGE

35.6%

19.1%

12.3%

10.8%

5.0%



Indian Banking Sector: Growth Potential

ADVANTAGE INDIA

ROBUST DEMAND



- Increase in working population and growing disposable income will raise the demand for banking and related services.
- By 2025, India's fintech market is expected to reach Rs. 6.2 trillion (US\$ 83.48 billion).

INNOVATION IN SERVICES



- Mobile, internet banking and extension of facilities at ATMs will improve operational efficiency.
- RBI announced the launch of its first global hackathon 'HARBINGER 2021 - Innovation for Transformation' with the theme 'Smarter Digital Payments'.

BUSINESS FUNDAMENTALS



- Rising fee incomes are improving the revenue mix of banks.
- High net interest margins along with low NPA levels will ensure healthy business fundamentals.

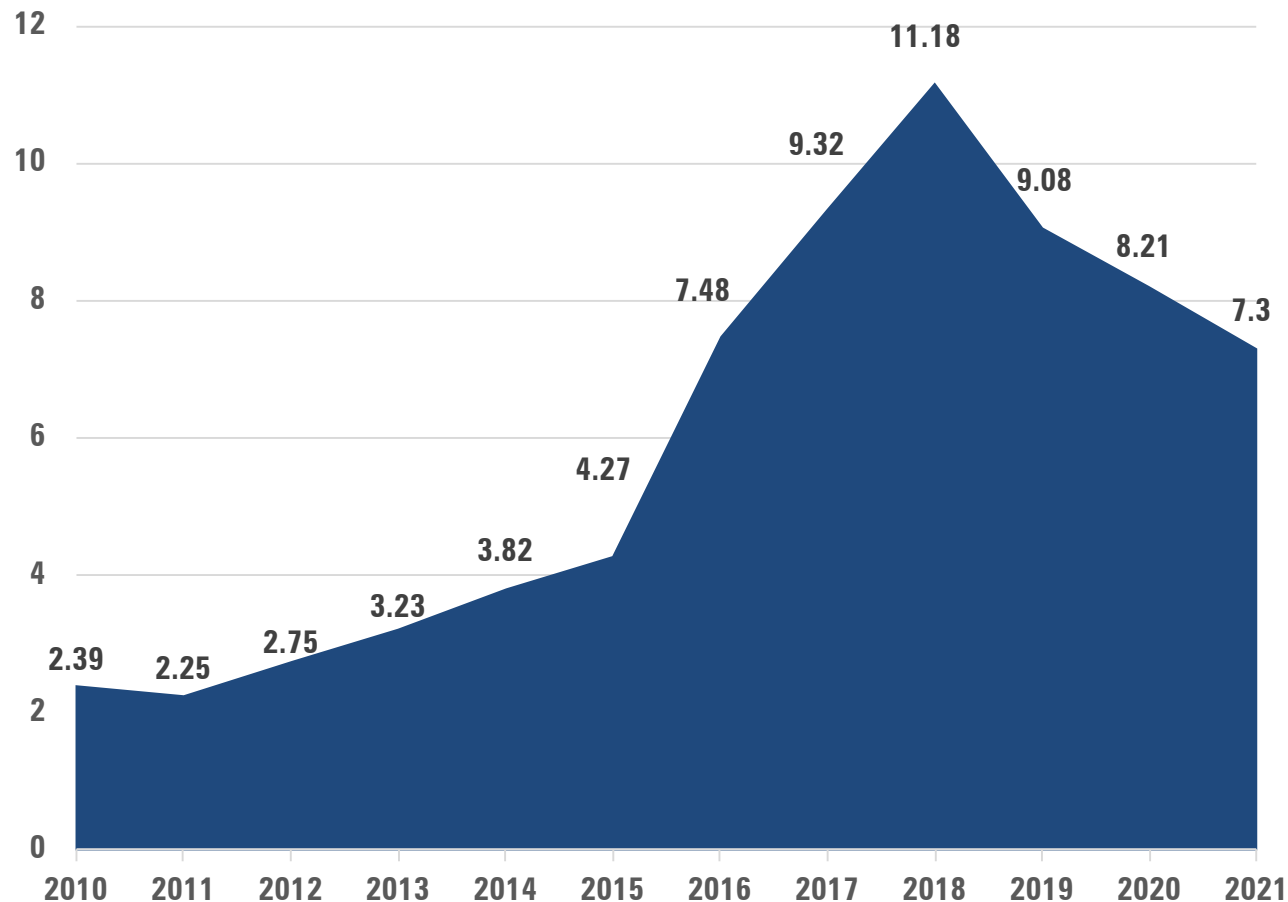
POLICY SUPPORT



- Wide policy support in the form of private sector participation and liquidity infusion.
- RBI launched the 'RBI Retail Direct Scheme' for retail investors to increase retail participation in government securities.



Non Performing Loans Ratio



REDUCTION IN NPA RATIO IN RECENT YEARS CAN BE ATTRIBUTED TO VARIOUS REFORMS:-

- 1. Insolvency and Bankruptcy Code:-** This law aims to increase recovery in case of defaults as well as facilitate effective restructuring
- 2. Consolidation:-** government has consolidated several smaller banks into larger banks, to improve financial strength and efficiency of Public Sector Banks,
- 3. Privatization:-** To improve the operational efficiency of institutions and reduce government spending consolidation and privatization of Public sector bank has been undertaken
- 4. Bad Bank:-** The government has proposed setting up of a Bad bank to improve balance sheets of banks by taking over the stressed assets

Source: CEIC, RBI NPA Ratio= $(\text{NPA}/\text{Total loans}) \times 100$. Graph as on 31st March 2021

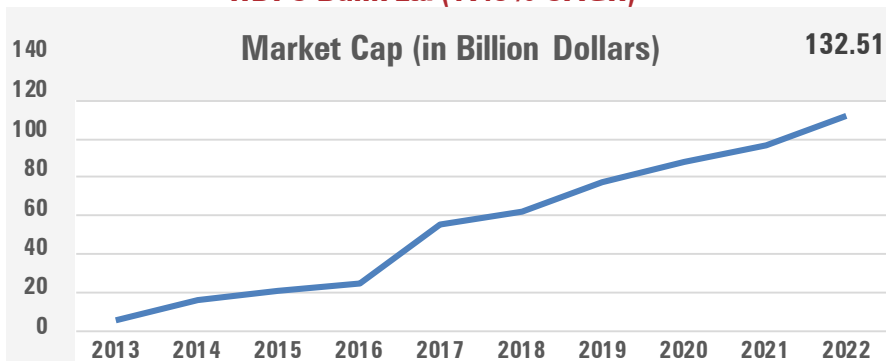
NPA:- Non Performing Assets is a loan whose principal or interest is overdue for over 90 days. Bad Bank:- A corporate structure which isolates illiquid and high risk assets held by a bank to help clean the balance sheet of banks



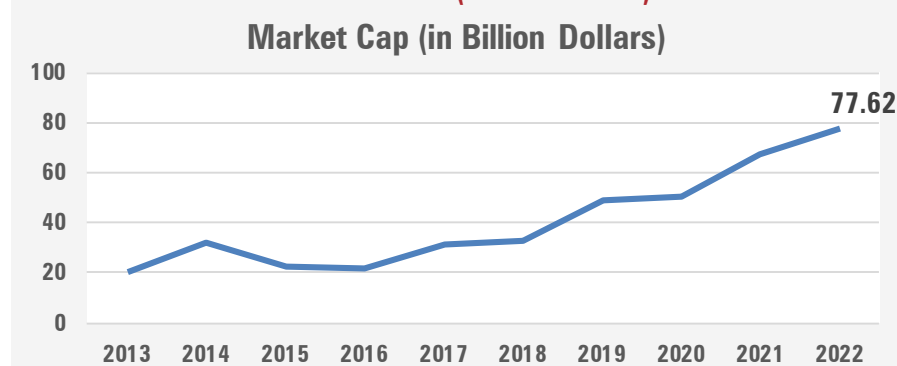
Growth of Private Banks

Private Banks have the highest weightage in Nifty Bank Index. The Market Capitalization of private banks has seen a quantum jump in the last 10 years on account of their high efficiency, customer centric mindset, technological superiority and appropriate risk management

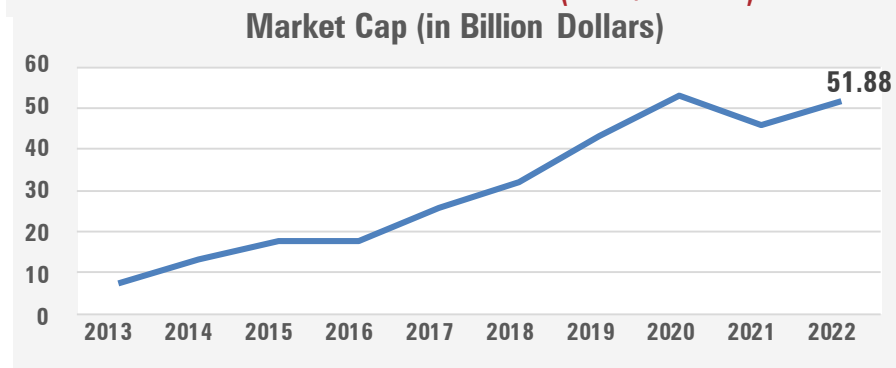
HDFC Bank Ltd (17.8% CAGR)



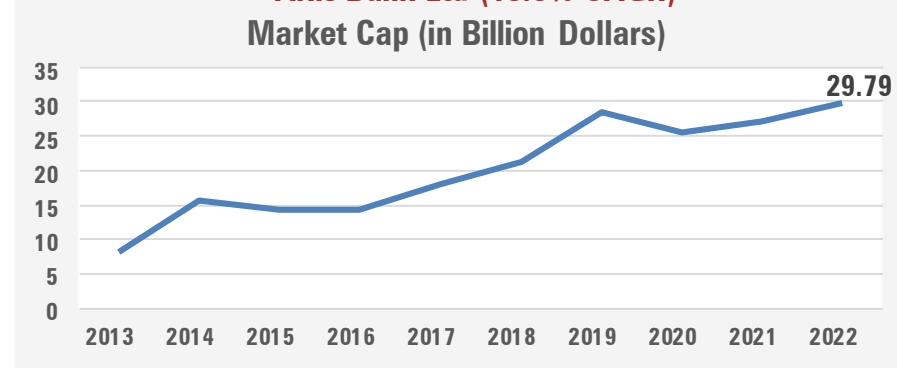
ICICI Bank Ltd (14.2% CAGR)



Kotak Mahindra Bank Ltd (21.3% CAGR)



Axis Bank Ltd (13.8% CAGR)



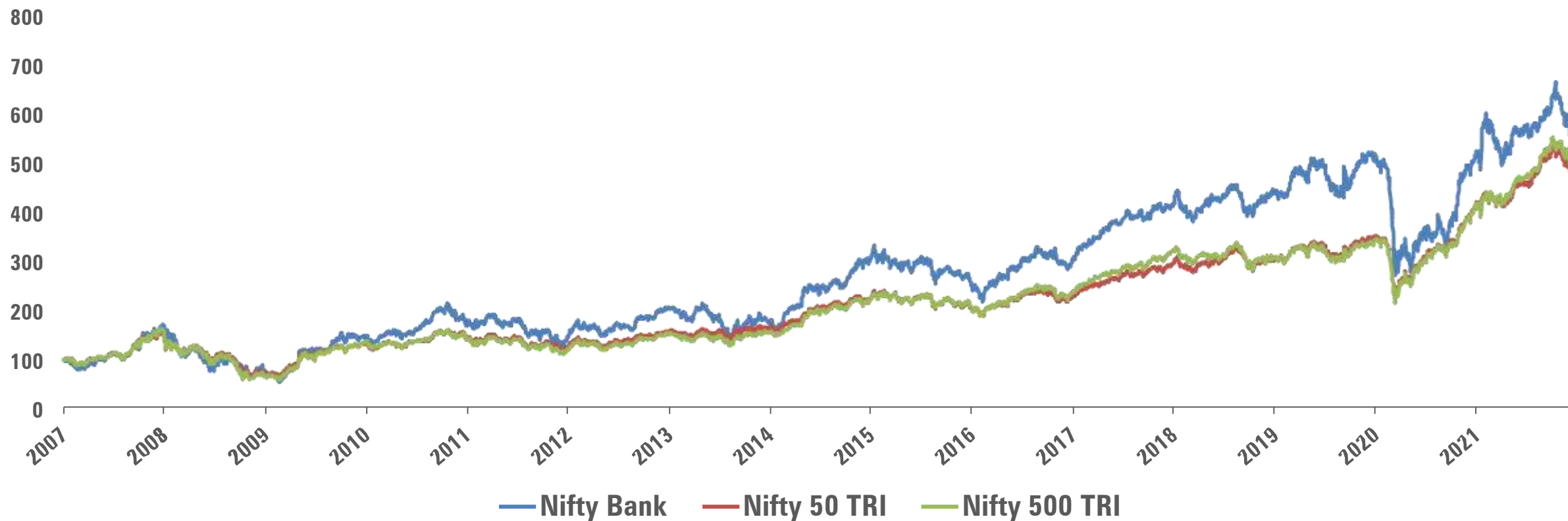
The information stated above is available in public domain, and is not an investment advice or recommendation of any of the mentioned stock. The sector(s)/stock(s) mentioned in this document do not constitute any recommendation of the same and ICICI Prudential Mutual Fund may or may not have any future positions in the sector(s)/stock(s). The stocks are forming part of the underlying index of the ETF scheme as on 31st December 2021.. The above stocks form part of Index Constituents mentioned in the SID. Companies/Stocks mentioned above are top holdings basis Market Capitalization in Nifty Bank Index as on 31st December 2021. Weightages (HDFC Bank Ltd- 27.8%;ICICI Bank Ltd-22.6%;Kotak Mahindra Bank Ltd-11.6%; Axis Bank Ltd-11.5%) Data as on 15th January 2022. Source CompaniesMarketcap.com. 10 Year CAGR of Marketcap is used. Past performance may or may not be sustained in future



Performance of the Index

Nifty Bank TRI has outperformed both Nifty 50 TRI and Nifty 500 TRI over the last 15 years

15 Year Performance



Data as on 13th January 2022. Source MFIE. Daily NAVs rebased to 100. Past performance may or may not sustain in the future. The Total Return Variant of the Index has been used. The performance figures pertain to the Index and do not in any manner indicate the returns/performance of the Scheme Source..



Calendar Year Returns of the Index(%)

Nifty Bank TRI has outperformed both Nifty 50 TRI and Nifty 500 TRI over the last 15 years

YEAR	NIFTY BANK TRI	NIFTY 50 TRI	NIFTY 500 TRI
2012	58.1	29.3	33.3
2013	-7.7	8.1	4.8
2014	66.2	32.9	39.3
2015	-8.9	-3.0	0.2
2016	8.5	4.4	5.1
2017	41.5	30.3	37.8
2018	6.7	4.6	-2.1
2019	18.9	13.5	9.0
2020	-2.8	16.1	17.8
2021	13.9	25.6	31.6

 Outperformed both Index

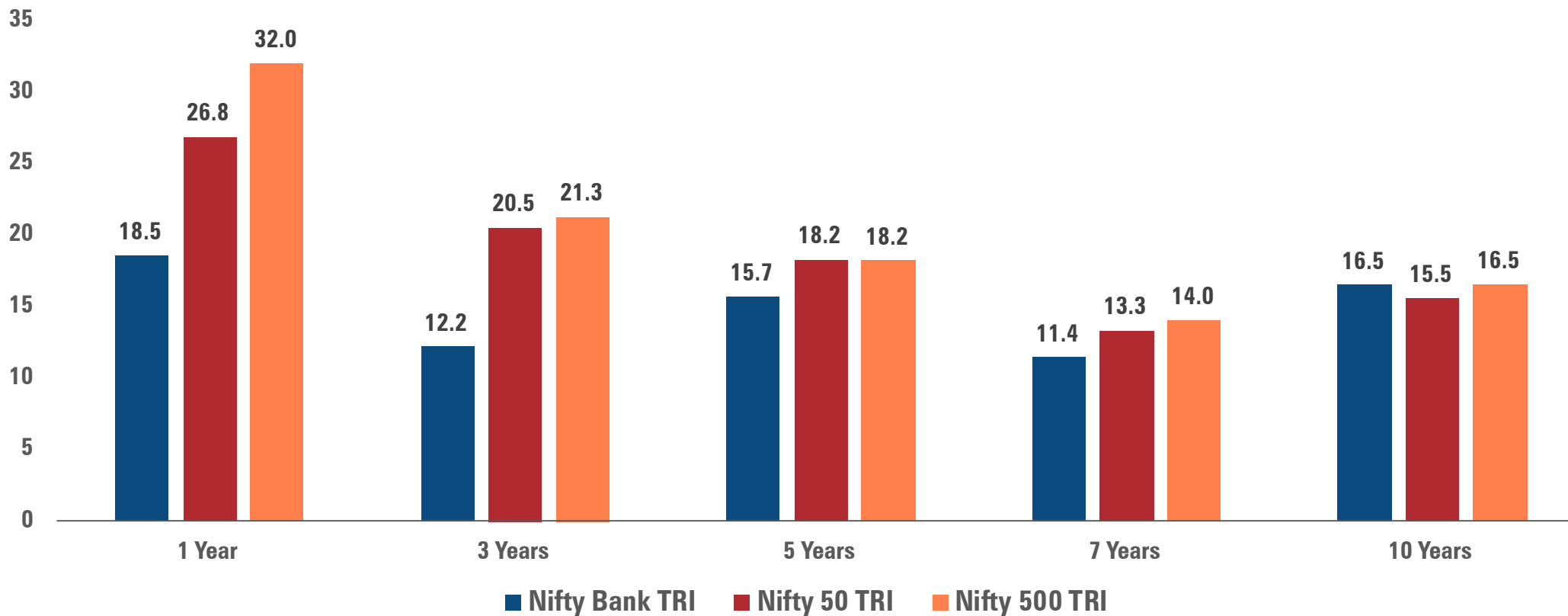
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Performance of the Index: CAGR(%)

Nifty Bank TRI has outperformed both Nifty 50 TRI and Nifty 500 TRI over the last 15 years

CAGR (%)

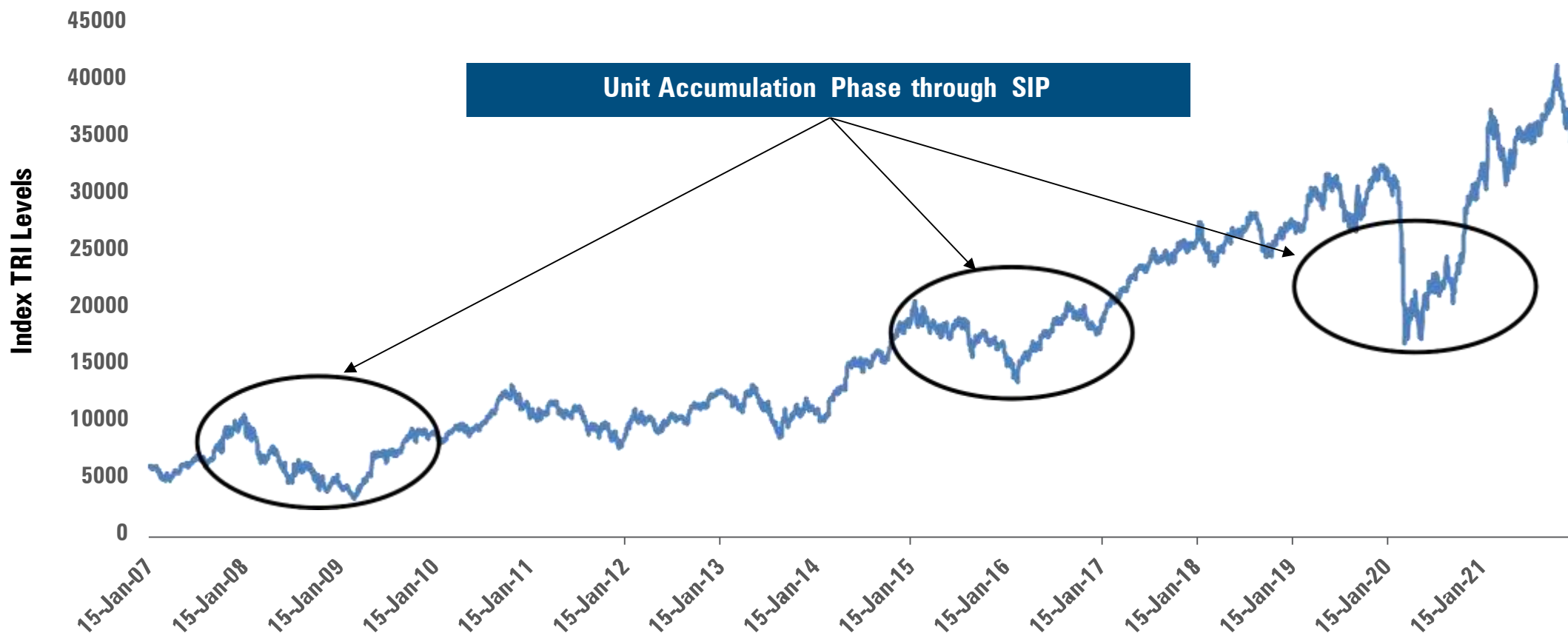


Data as on 13th January 2022. Source MFIE. . The Total Return Variant of the Index has been used. The performance figures pertain to the Index and do not in any manner indicate the returns/performance of the Scheme Source.. Past performance may or may not be sustained in the future.



SIP returns of the Index

Investing through SIP enables investors to accumulate more units in times of market correction. This helps enhance the returns when markets trend upwards in the future due to lower average unit purchase cost.





Why Invest in the ICICI Prudential Nifty Bank Index Fund?

ROBUST DEMAND



Banks play the role of intermediation by accepting deposits and lending the money to those in need thereby facilitating optimum utilization of scarce resources

BETTER RETURNS



Asset quality of banks is improving due to reforms which may lead to risk reduction and higher returns

ECONOMIC GROWTH



Nifty Bank index has captured the GDP growth of the country due to it being recipient of benefit from all sectors of the economy.

LOW CAPITAL REQUIREMENT



For a minimum investment amount of INR 5000, get opportunity to invest in biggest banks of the country

SYSTEMATIC FEATURES



Investors can avail the benefit of Systematic Investment Plan (SIP), Systematic Transfer Plan (STP) etc.

NON-DEMAT HOLDERS



Will allow non demat account holders to seek exposure to midcap segment of the market.



Invest via Booster STP with Dual Advantage of:



Variable Amount



Variable Tenure



BOOSTER STP

ICICI Prudential Booster Systematic Transfer Plan ("Booster STP") 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 at defined intervals. The Unit holder would be required to provide a Base Installment Amount that is intended to be transferred to the Target Scheme.



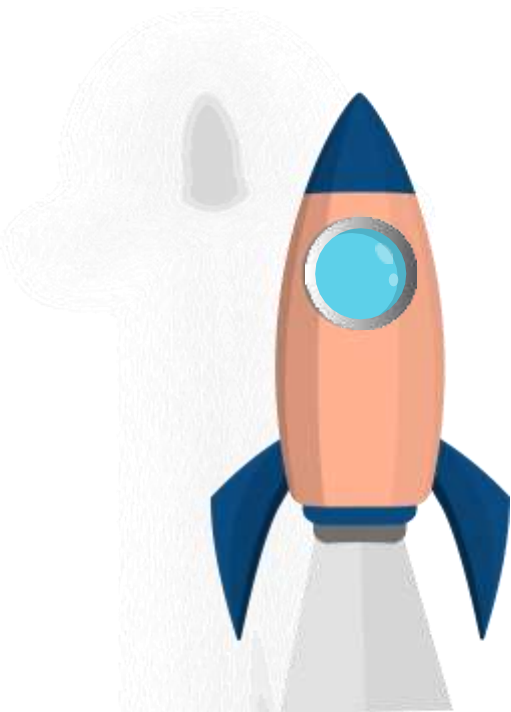
Booster STP: The power of Variable Amount

Invests a variable amount in the range of 0.1-10X of base STP amount depending on market scenarios

Rs.50,000 / 1,00,000 – 5X/10X



When markets
are Attractive



Rs. 1,000 - 0.1X



When markets
are expensive

On Rs. 10,000 Base STP Amount

The above is only for illustration purposes and is based on various technical/market related factors based on which the STP amount is determined. These factors are not exhaustive and may undergo change as per market conditions from time to time. Past performance may or may not sustain in future.

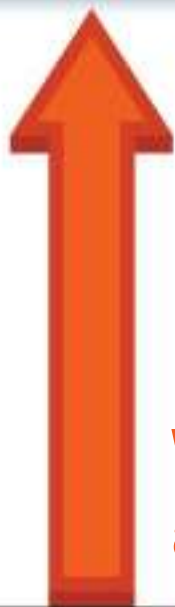
The multiplier is the extent to which the base installment amount may vary. In case of Booster STP it will be within the range of 0.1X to 10X of the base installment. For eg, on a base installment of Rs. 10,000, the investment amount can be from Rs. 1,000 (0.1X multiplier) to Rs. 1,00,000 (10X multiplier). The multiplier is decided based on the Equity Valuation Index, EVI is the Equity Valuation Index which is a proprietary model of ICICI Prudential AMC (Henceforth referred to as EVI). EVI is the Equity Valuation Index which is a proprietary model of ICICI Prudential AMC. The EVI is derived by assigning equal weights to Price to Earnings (PE), Price to book (PB), G-Sec*PE and Market Cap to Gross Domestic Product (GDP). Above illustration is for 10X multiplier



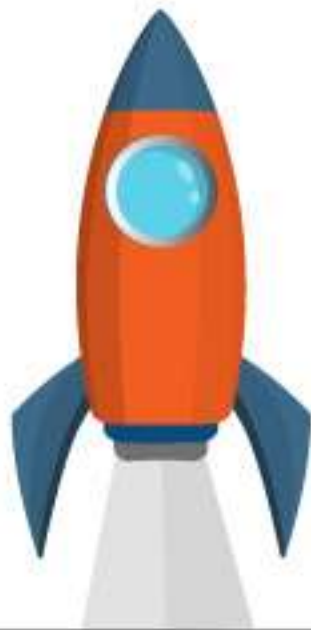
Booster STP: The power of Variable Amount

Divides investment corpus such that market opportunities can be tapped efficiently

42 months



When markets
are Attractive



3 months



When markets
are expensive

Average Tenure of 17 Months

Based on back-tested data for the last 15 years

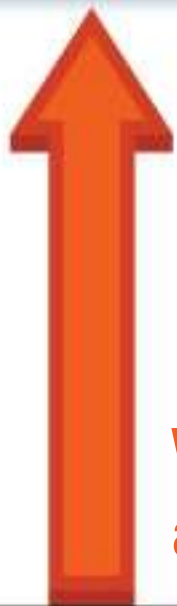
The above is only for illustration purposes and is based on various technical/market related factors based on which the STP amount is determined. Above illustration is for 5X multiplier. These factors are not exhaustive and may undergo change as per market conditions from time to time. Past performance may or may not sustain in future.



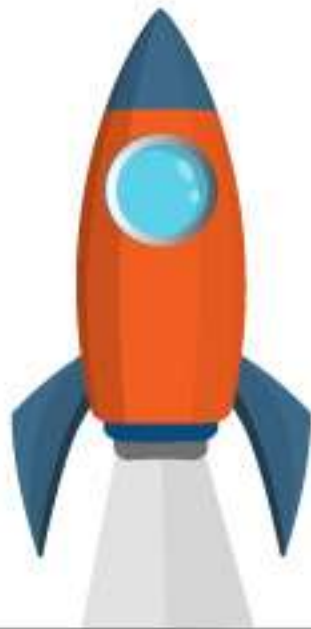
Booster STP: The power of Variable Amount

Divides investment corpus such that market opportunities can be tapped efficiently

45 months



When markets
are Attractive



2 months



When markets
are expensive

Average Tenure of 16 Months

Based on back-tested data for the last 15 years

The above is only for illustration purposes and is based on various technical/market related factors based on which the STP amount is determined. Above illustration is for 10X multiplier. These factors are not exhaustive and may undergo change as per market conditions from time to time. Past performance may or may not sustain in future.



ICICI Prudential Nifty Bank Index Fund



NFO Period	10th February 2022 - 24th February 2022
Plans / Options	Plans: Regular & Direct Options: Growth & IDCW (IDCW Payout & IDCW Reinvestment)
Exit Load	Nil
Minimum Application Amount	DURING NEW FUND OFFER PERIOD/ DURING ONGOING OFFER PERIOD: Rs. 5000/- (plus in multiple of Re. 1)
Minimum Additional Application Amount	Rs. 5000/- (plus in multiple of Re. 1)
SIP Amount	DURING NEW FUND OFFER PERIOD/ DURING ONGOING OFFER PERIOD: <ul style="list-style-type: none">• Daily, Weekly, Fortnightly, Monthly SIP: Rs. 1000/- (plus in multiple of Re. 1/-) Minimum installments: 6• Quarterly SIP: Rs. 5,000/- (plus in multiple of Re. 1/-) Minimum installments – 4 The applicability of the minimum amount of installment mentioned is at the time of registration only.
Benchmark	Nifty Bank TRI
Fund Manager	Kayzad Eghlim and Nishit Patel
MICR Cheques, Transfer cheques & RTGS	MICR cheques, Transfer cheques and Real Time Gross Settlement (RTGS) requests will be accepted till the end of business hours upto February 24, 2022.
Switches	Switch-in requests from equity and other schemes will be accepted up to 24th February, 2022 till the cut-off time applicable for switches. Switch-in request from ICICI Prudential Nasdaq 100 Index Fund, ICICI Prudential Strategic Metal and Energy Equity Fund of Fund, ICICI Prudential Passive Multi-Asset Fund of Funds, ICICI Prudential US Bluechip Equity Fund, ICICI Prudential Global Advantage Fund (FOF) and ICICI Prudential Global Stable Equity Fund (FOF) will not be accepted.



Riskometer and Disclaimer

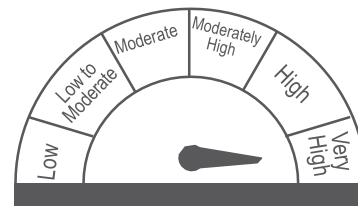
This scheme is suitable for investors who are seeking*:

An Open Ended scheme replicating Nifty Bank Index

- Long term wealth creation solution
- An index fund that seeks to track returns by investing in a basket of Nifty Bank Index stocks and aims to achieve returns of the stated index, subject to tracking error.

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

SCHEME RISKOMETER



Investors understand that their principal will be at Very High risk

It may be noted that the scheme risk-o-meter specified above is based on the scheme characteristics. The same shall be updated in accordance with provisions of SEBI circular dated October 5, 2020 on Product labelling in mutual fund schemes on ongoing basis.

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

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The AMC (including its affiliates), the Mutual Fund, the trust and any of its officers, directors, personnel and employees, shall not liable for any loss, damage of any nature, including but not limited to direct, indirect, punitive, special, exemplary, consequential, as also any loss of profit in any way arising from the use of this material in any manner. The recipient alone shall be fully responsible/are liable for any decision taken on this material.

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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