

Scheme Facts

Structure

An open ended hybrid scheme investing predominantly in debt instruments

Month end AUM* (as on 31st Aug 2020)

₹267.82 crs

Monthly Average AUM*

₹259.41 crs

NAV (as on 31st Aug 2020)

Growth	₹34.6672
Direct Growth	₹37.5896
Monthly Dividend	₹11.8100
Direct Monthly Dividend	₹12.4071
Quarterly Dividend	₹13.5142
Direct Quarterly Dividend	₹14.3362

Launch Date

December 02, 2003

Benchmark

Crisil Hybrid 85+15 - Conservative Index

Min. Initial Inv.

(i) Dividend Re-investment & Growth and Dividend Payout (Quarterly) - ₹50000 & above
(ii) Dividend Payout (Monthly) - ₹50,000 & above

Additional Inv.

₹1000 & in multiples of ₹1

Standard Deviation[^]

9.15%

Average Maturity

7.29 years

Portfolio Modified Duration

5.03 years

YTM

6.24%

Macaulay Duration

5.22

*Source: MFI Explorer.

[^] as on 31st August, 2020. Source: Value Research.

Load Structure

Entry Load: Nil

Exit Load: i) For redemption / switch out of upto 8% of the initial investment amount (limit) purchased or switched or switched in with in 1 year from the date of allotment: Nil

ii) If units redeemed or switched out are in excess of the limit with in 1 year from the date of allotment: 1%

iii) If units redeemed or switched out on or after 1 year from the date of allotment: Nil

iv) Any exit load charged (net off Goods and Services Tax, if any) shall be credited back to the respective Scheme. Units issued on reinvestment of dividends shall not be subject to entry and exit load.

About Kotak Debt Hybrid Fund

- The investment objective of the scheme is to enhance returns over a portfolio of debt instruments with a moderate exposure in equity and equity related instruments.
- The scheme invests in a mix of high credit debt market across issuers and money market instruments at the shorter end of the yield curve thereby reducing the interest rate risk as also optimizing the carry yield on the portfolio.
- The scheme also seeks to capitalize on trading opportunities available from time to time.
- On the equity side the scheme seeks to enhance returns by maintaining a core and a dynamic portfolio where some portion is held for the longer term and the remaining is actively churned.

Debt Market Outlook

- Bonds yields in the month of August were very volatile. The 10 year benchmark started the month at 5.83% and inched all the way upto 6.22% levels before finally ending at 5.94% on the 1st of September.
- The upward trajectory in yields was aided by a lack of rate cut by the MPC on account of rise in inflation along with looming supply pressures due to weak fiscal balance.
- The central bank decided to take a pause in the rate cutting cycle while re-iterating they still had tools available at their disposal and were ready to step in as and when required.
- On 13th August CPI was released at 6.93%. Higher than most analyst expectations. This spooked bond traders.
- The final push to yields was when the MPC minutes were released. Which showed the committee members grappling with striking a balance between inflation and growth. Most members expressed concern over the high inflation.
- Late in the month RBI announced an Operation Twist of 20k crs in 2 tranches. The first tranche on 27th August saw 10Y cutoff lower by 10 bp
- However the real surprise came from RBI on 31st August. They announced a further 20000 crs of OT and increase in HTM limits for banks.

Portfolio Action











- Given the above outlook we intend to maintain the average maturity at the higher end of the indicated band.
- In the medium-term, we expect spread assets like SDLs and corporate bonds and other high yielding credit assets to do well.
- On the basis of these expectations and taking cues from the market, we shall be adjusting our portfolio accordingly.
- We intend to maintain the modified duration in the range of 4.50 – 5.50 in Sep 2020.

Particulars	31 Aug 2020	31 July 2020
Avg. Maturity (in yrs)	7.29	6.82
Duration	5.03	4.68
Yield (in %)	6.24	6.20
Macaulay Duration	5.22	4.86

Asset Allocation as on 31st August, 2020

Government Dated Securities	54.40%
Equities	23.91%
Debentures and Bonds	16.45%
TREP & Term Deposits & Rev.Repo	6.05%
Net Current Assets	-0.81%

Top 10 Companies as on 31st August, 2020

6.19% Central Government	SOV		23.67%
5.77% Central Government	SOV		23.65%
Power Finance Corporation Ltd.	CRISIL AAA		6.25%
Canara Bank (Basel III TIER II Bonds)	FITCH IND AAA		3.80%
5.79% Central Government	SOV		3.66%
8.27% State Government-Rajasthan	SOV		2.00%
Bank Of Baroda (Basel III TIER I Bonds)	CRISIL AA+		1.87%
ICICI Bank Ltd.	Banks		1.79%
Indian Railway Finance Corporation Ltd.	CRISIL AAA		1.65%
ITC Ltd.	Consumer Non Durables		1.58%

About Kotak Mutual Fund

Kotak Mahindra Asset Management Company Limited (KMAMC) is a wholly owned subsidiary of Kotak Mahindra Bank Limited (KMBL). KMBL has over two decades of experience in financial services. KMBL has a market capitalization of ₹2773.00bn (as on, 31st August, 2020). KMAMC is the Asset Manager for Kotak Mahindra Mutual Fund (KMMF). It started operations in December 1998. KMMF offers schemes catering to investors with varying risk - return profiles and was the first fund house in the country to launch a dedicated gilt scheme. KMAMC manages assets worth ₹1,94,988.62cr as on 31st August, 2020.

* The numbers are converted using the Rupee-USD reference rate published by the Reserve Bank of India as on the respective dates.

To know more

Call : 1800-222-626 (Toll Free), Mumbai 61152100, Delhi 66306900 / 02, Chennai 28221333 / 45038171, Kolkata 64509802 / 03, Pune 64013395 / 96, Ahmedabad 26779888, Bangalore 66128050 / 51, Hyderabad 66178140/41.

Visit - assetmanagement.kotak.com

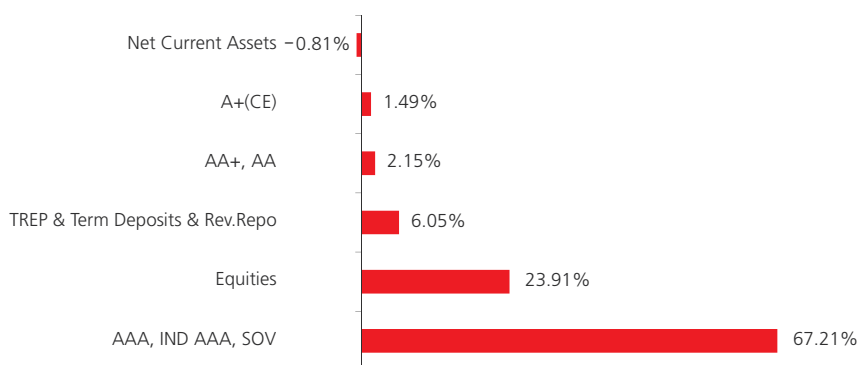
Email - mutual@kotak.com

Disclaimer

Kotak Debt Hybrid Fund An open ended hybrid scheme investing predominantly in debt instruments. **Investment Objective:** To enhance returns over a portfolio of Debt Instruments with a moderate exposure in Equity and Equity related Instruments.

Mutual Fund investments are subject to market risks, read all scheme related documents carefully. Scheme Information Document (SID) and Statement of Additional Information (SAI) available on mutualfund.kotak.com

Rating Profile as on 31st August, 2020



Kotak Debt Hybrid Fund * Performance (%) as on 31st August, 2020

Date	Scheme Returns (%) ^	Crisil Hybrid 85+15 Conservative Index* # (%)	Alpha	CRISIL 10 Year Gilt Index ## (%)	Current Value of Standard Investment of ₹10000 in the		
					Scheme # (₹)	Benchmark # (₹)	Additional Benchmark ## (₹)
Kotak Debt Hybrid Fund - Growth^^							
Since Inception	7.70	8.47	-0.77	5.88	34,667	39,051	26,071
Last 1 Year	10.05	10.96	-0.91	6.59	11,005	11,096	10,659
Last 3 Years	5.88	8.09	-2.21	6.16	11,871	12,632	11,968
Last 5 Years	8.03	9.36	-1.33	7.84	14,723	15,650	14,589

Kotak Debt Hybrid Fund - Growth (Erstwhile Kotak Monthly Income Plan), *Name of the Benchmark - CRISIL Hybrid 85+15 - Conservative Index, Scheme Inception date is 02/12/2003. Mr. Abhishek Bisen has been managing the fund since 01/04/2008. Mr. Devender Singhal has been managing the fund since 25/08/2015.

Different plans have different expense structure. The performance details provided herein are of regular plan.

^Past performance may or may not be sustained in future. *All payouts during the period have been reinvested in the units of the scheme at the then prevailing NAV. Returns > = 1 year: CAGR (Compounded Annualised Growth Rate). N.A stands for data not available. Note: Point to Point (PTP) Returns in INR shows the value of ₹10,000/- investment made at inception. Source: ICRA MFI Explorer. Classification of schemes in short term & long term is based on the average maturity of the scheme. # Name of Scheme Benchmark. ## Name of Additional Benchmark. Please refer page no. 3 for top 3 and bottom 3 schemes managed by Mr. Abhishek Bisen & Mr. Devender Singhal.

TRI - Total Return Index, In terms of SEBI circular dated January 4, 2018, the performance of the scheme is benchmarked to the Total Return variant (TRI) of the Benchmark Index instead of Price Return Variant (PRI).

The debt component of the index is TRI since inception. For equity component of the index, as TRI data is not available since inception of the scheme, benchmark performance is calculated using composite CAGR of S&P BSE 200 PRI values series is used till 31st July 2006 and TRI values is used since 1st Aug 2006. Alpha is difference of scheme return with benchmark return.

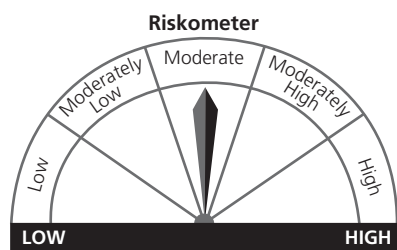
The performance of the scheme is benchmarked to the Total Return variant (TRI) of the Benchmark. Alpha is difference of scheme return with benchmark return.

We are comparing the performances of the funds with the total return Index.

^^Kotak Monthly Income Plan is renamed as Kotak Debt Hybrid with effect from 25th May 2018.

§With Effect from 25th May 2018, the Benchmark is changed to Crisil Hybrid 85+15- Conservative Index TRI.

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Investors understand that their principal will be at moderate risk

This product is suitable for investors who are seeking*:

- Income & capital growth over a long term horizon
- Investment in a portfolio of debt instruments with a moderate exposure in equity & equity related Instruments.

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

Top 3 Funds Managed by Mr. Abhishek Bisen

Period	1 year		3 years		5 years		Since Inception	
	Scheme Returns (%) [^]	Benchmark Returns (%) ^{^*}	Scheme Returns (%) [^]	Benchmark Returns (%) ^{^*}	Scheme Returns (%) [^]	Benchmark Returns (%) ^{^*}	Scheme Returns (%) [^]	Benchmark Returns (%) ^{^*}
Kotak Gold Fund - Growth	32.48	31.50	19.86	20.79	13.04	14.39	8.38	10.11
Kotak Gold ETF	30.34	31.50	19.71	20.79	13.27	14.39	13.38	14.55
Kotak Balanced Advantage Fund - Growth	10.23	9.36	NA	NA	NA	NA	7.38	7.35

Mr. Abhishek Bisen manages 9 funds of Kotak Mutual fund.

Kotak Gold Fund - Growth, *Name of the Benchmark - Price of Gold, Scheme Inception date is 25/03/2011. Mr. Abhishek Bisen has been managing the fund since 04/03/2011.

Kotak Gold ETF, *Name of the Benchmark - Price of Gold, Scheme Inception date is 27/07/2007. Mr. Abhishek Bisen has been managing the fund since 15/04/2008. & Mr. Satish Dondapati has been managing the fund since 09/05/2019.

Kotak Balanced Advantage Fund - Growth, *Name of the Benchmark - NIFTY 50 Hybrid Composite Debt 50:50 Index. Scheme Inception date is 03/08/2018. Mr. Abhishek Bisen & Mr. Harish Krishnan has been managing the fund since 03/08/2018. Mr. Hiten Shah has been managing the fund since 03/10/2019.

Different plans have different expense structure. The performance details provided herein are of regular plan

[^]Past performance may or may not be sustained in future. *All payouts during the period have been reinvested in the units of the scheme at the then prevailing NAV. Returns \geq 1 year: CAGR (Compounded Annualised Growth Rate). N.A stands for data not available. Source: ICRA MFI Explorer.

We are comparing the performances of the funds with the total return Index.

TRI – Total Return Index. With effect from 1st February 2018, we are comparing the performances of the funds with the total return variant of the benchmark instead of the price return variant.

The debt component of the index is TRI since inception. For equity component of the index, as TRI data is not available since inception of the scheme, benchmark performance is calculated using composite CAGR of S&P BSE 200 PRI values series is used till 31st July 2006 and TRI values is used since 1st Aug 2006.

Bottom 3 Funds Managed by Mr. Abhishek Bisen

Period	1 year		3 years		5 years		Since Inception	
	Scheme Returns (%) [^]	Benchmark Returns (%) ^{^*}	Scheme Returns (%) [^]	Benchmark Returns (%) ^{^*}	Scheme Returns (%) [^]	Benchmark Returns (%) ^{^*}	Scheme Returns (%) [^]	Benchmark Returns (%) ^{^*}
Kotak Gilt Fund - Growth	8.66	9.09	7.36	8.30	8.69	8.88	9.61	NA
Kotak Equity Savings Fund - Growth	7.12	4.29	5.80	5.42	7.11	6.30	7.43	6.44
Kotak Equity Hybrid Fund - Growth	6.79	8.25	3.53	7.52	7.33	9.32	6.66	8.05

Mr. Abhishek Bisen manages 9 funds of Kotak Mutual fund.

Kotak Gilt Fund - Growth, *Name of the Benchmark - NIFTY All Duration G-Sec Index, Scheme Inception date is 29/12/1998. Mr. Abhishek Bisen has been managing the fund since 15/04/2008.

Kotak Equity Savings Fund - Growth, *Name of the Benchmark - 75% NIFTY 50 Arbitrage + 25% Nifty 50 TRI, Scheme Inception date is 13/10/2014. Mr. Harish Krishnan has been managing the fund since 09/05/2019. Mr. Abhishek Bisen has been managing the fund since 17/09/2014. Mr. Hiten Shah has been managing the fund since 03/10/2019.

Kotak Equity Hybrid Fund - Growth (Erstwhile Kotak Balance), *Name of the Benchmark - NIFTY 50 Hybrid Composite Debt 65:35 Index, Scheme Inception date is 25/11/1999 and Kotak Equity Hybrid Fund - Regular plan scheme inception date is 3rd November 2014. Mr. Pankaj Tibrewal has been managing the fund since 25/08/2015. Mr. Abhishek Bisen has been managing the fund since 15/04/2008.

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We are comparing the performances of the funds with the total return Index.

TRI – Total Return Index. With effect from 1st February 2018, we are comparing the performances of the funds with the total return variant of the benchmark instead of the price return variant.

The debt component of the index is TRI since inception. For equity component of the index, as TRI data is not available since inception of the scheme, benchmark performance is calculated using composite CAGR of S&P BSE 200 PRI values series is used till 31st July 2006 and TRI values is used since 1st Aug 2006.

Top 3 Funds Managed by Mr. Devender Singhal

Period	1 year		3 years		5 years		Since Inception	
	Scheme Returns (%) [^]	Benchmark Returns (%) ^{^*}	Scheme Returns (%) [^]	Benchmark Returns (%) ^{^*}	Scheme Returns (%) [^]	Benchmark Returns (%) ^{^*}	Scheme Returns (%) [^]	Benchmark Returns (%) ^{^*}
Kotak India Growth Fund - Series 4 - Growth	27.37	4.43	NA	NA	NA	NA	4.74	3.08
Kotak Asset Allocator Fund - Growth	15.23	9.36	8.59	7.91	9.76	9.38	15.08	11.66
Kotak NV20 ETF	4.98	8.18	9.76	11.12	NA	NA	12.07	11.79

Mr. Devender Singhal manages 8 funds of Kotak Mutual fund.

Kotak India Growth Fund - Series 4 - Growth, *Name of the Benchmark - Nifty 200 TRI, Scheme Inception date is 14/02/2018. Mr. Devender Singhal has been managing the fund since 24/01/2019.

Kotak Asset Allocator Fund - Growth, *Name of the Benchmark - NIFTY 50 Hybrid Composite Debt 50:50 Index, Scheme Inception date is 09/08/2004. Mr. Devender Singhal & Mr. Arjun Khanna has been managing the fund since 09/05/2019.

Kotak NV20 ETF - *Name of the Benchmark Nifty 50 Value 20 TRI, Scheme Inception date is 01/12/2015. Mr. Devender Singhal & Mr. Satish Dondapati has been managing the fund since 09/05/2019.

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TRI – Total Return Index. With effect from 1st February 2018, we are comparing the performances of the funds with the total return variant of the benchmark instead of the price return variant.

Bottom 3 Funds Managed by Mr. Devender Singhal

Period	1 year		3 years		5 years		Since Inception	
	Scheme Returns (%) [^]	Benchmark Returns (%) ^{^*}	Scheme Returns (%) [^]	Benchmark Returns (%) ^{^*}	Scheme Returns (%) [^]	Benchmark Returns (%) ^{^*}	Scheme Returns (%) [^]	Benchmark Returns (%) ^{^*}
Kotak Nifty ETF	3.84	4.31	5.75	6.01	8.01	8.75	8.39	9.79
Kotak Banking ETF	-14.68	-13.31	-1.16	-0.49	6.73	7.26	4.66	5.10
Kotak PSU Bank ETF	-38.53	-38.19	-23.09	-22.59	-14.37	-13.49	-5.04	-3.59

Mr. Devender Singhal manages 8 funds of Kotak Mutual fund.

Kotak Nifty ETF, *Name of the Benchmark - Nifty 50 TRI, Scheme Inception date is 02/02/2010. Mr. Devender Singhal & Mr. Satish Dondapati has been managing the fund since 09/05/2019.

Kotak Banking ETF, *Name of the Benchmark - Nifty Bank TRI, Scheme Inception date is 10/12/2014. Mr. Devender Singhal & Mr. Satish Dondapati has been managing the fund since 09/05/2019.

Kotak PSU Bank ETF - *Name of the Benchmark Nifty PSU Bank TRI, Scheme Inception date is 08/11/2007. Mr. Devender Singhal & Mr. Satish Dondapati has been managing the fund since 09/05/2019.

Different plans have different expense structure. The performance details provided herein are of regular plan

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TRI – Total Return Index. With effect from 1st February 2018, we are comparing the performances of the funds with the total return variant of the benchmark instead of the price return variant.