

Scheme Facts

Structure

An open ended hybrid scheme investing predominantly in equity and equity related instruments.

Month end AUM* (as on 30th June 2019)

₹1,536.73 crs

Monthly Average AUM*

₹1,549.94 crs

NAV (as on 28th June 2019)

Dividend ₹15.4980

Direct Dividend ₹17.4160

Growth ₹25.4810

Direct Growth ₹27.5890

Launch Date

05th November 2014

Benchmark

NIFTY 50 Hybrid Composite Debt 70:30 Index

Min. Initial Inv.

₹5000

Additional Inv.

₹1000 & in multiples of ₹1

Standard Deviation[^]

10.02%

Beta[^]

1.04

Sharpe[^]

0.34

Portfolio Turn over

36.95%

*Source: MFI Explorer.

[^] as on 28th June, 2019.

Source: ICRA MFI Explorer.

Load Structure

Entry Load: Nil

Exit Load:

I) For redemption / switch out of upto 10% of the initial investment amount (limit) purchased or switched in within 1 year from the date of allotment: Nil.

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

III) If units are redeemed or switched out on or after 1 year from the date of allotment: NIL.

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

About Kotak Equity Hybrid

- The investment objective of Kotak Equity Hybrid is to achieve growth by investing in equity and equity related instruments, balanced with income generation by investing in debt and money market instruments.
- The scheme thus provides capital appreciation potential of equities as well as stable returns of debt.

Equity Market Brief

- Indian equities have staged a decent rally from the lows in second half of 2018. While midcap and smallcaps are still down, Nifty is close to its all-time highs. While markets may have risen due to FII flows lead by prospects of political stability and economic reforms, one needs to take cognizance that earnings growth now needs to deliver, especially in the context of elevated valuations. Also, incremental high frequency indicators of automotive, FMCG sales, NBFC liquidity issues, monsoon etc along with earnings delivery will take the center-stage once the dust settles down after elections.
- While near term uncertainty induces volatility in asset prices, in the long run, wealth creation in equities is a function as how businesses can profitably grow over their cost of capital sustainably. Given the long-range of reforms introduced, we believe longer-term prospects of Indian equities is quite encouraging and we would advise investors to benefit from such induced volatility.
- Time in the market is more important than timing the market - recently, markets volatility has moved up and investors can benefit from this volatility by focusing on disciplined investing and asset allocation.

Portfolio Action

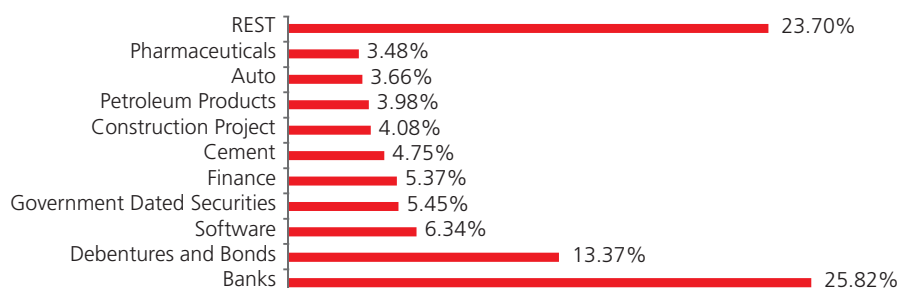
Equity

- The portfolio continues to be pro-cyclical and tilted towards economic recovery. As a result we continue to be overweight on sectors such as banks, finance, software, cement and petroleum products.
- In the IT and pharma sector we continue to have stock specific approach. The fund continues the underweight stance on consumer staples and IT.
- During the months we marginally increased weightage to financials (private sector corporate banks), pharma and consumer discretionary sector.

Debt:

- This Debt portfolio is designed to provide low volatility and high accrual, however should there be times when duration becomes extremely attractive we may add duration in the debt portion of the fund.
- As communicated earlier the risk reward matrix was turning favorable we increased duration risk through AAA/G sec/SDL.
- As the overall macro picture is becoming better from fixed income perspective and budget gave the required certainty on the overall supply of bonds to the market by keeping Gross borrowing at same levels
- The announcement of the sovereign bond issue in offshore market was taken as a positive move by the market.
- The RBI has decided to Cut rates and change stance to accommodative opens a window for fresh move across the curve.
- The change of stance also indicates the easing cycle to be deeper and longer than anticipated. Due to NBFC crisis the AAA spreads have also widened across the yield curve.
- The spreads have normalized in PSU AAA assets upto 5 yr. However the curve remains steep and spreads on long dated PSU are still wide which provides an opportunity.
- Normally 10 yr AAA PSU bonds trade around 60 bp over corresponding G sec, however currently they are trading in the range of 90-135 bp spread (NTPC being lowest and PFC being highest).
- Assets in 5-10 segment which have been underperforming for some time now will see spread compression therefore we believe this is the most attractive space on the yield curve on risk adjusted basis.
- As the G sec yields keep falling we shall concentrate on accrual and spread assets going forward as they will be return driver in the time to come
- The YTM of the fund is close to ~8.85% on a fully deployed basis and the average maturity is around 8yrs as of June end 2019.

Top 10 Sectors as on 30th June, 2019



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 2819.96 bn (as on, 28th June, 2019). 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 ₹160880.054 cr as on 30th June, 2019.

* 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

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Disclaimer

Kotak Equity Hybrid An open ended hybrid scheme investing predominantly in equity and equity related instruments. **Investment Objective:** To achieve growth by investing in equity & equity related instruments, balanced with income generation by investing in debt & money market 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

Dividend History

Date	CUM Dividend NAV	Dividend (₹ per unit)
Jun-25-19	15.5720	0.14
Mar-25-19	14.8600	0.09
Feb-25-19	14.3260	0.11
Jan-25-19	14.4590	0.11
Dec-26-18	14.7000	0.11
Nov-26-18	14.6040	0.11
Oct-25-18	14.0240	0.11
Aug-27-18	16.2900	0.12
Jul-25-18	15.9800	0.12
Jun-25-18	15.8710	0.12
May-25-18	16.2170	0.12
Apr-25-18	16.5120	0.12
Mar-26-18	16.2295	0.14
Feb-26-18	16.8210	0.14
Jan-25-18	17.6320	0.14
Dec-26-17	17.4978	0.14
Nov-27-17	17.1870	0.14
Oct-25-17	16.8647	0.11
Sep-25-17	16.4830	0.11
Aug-28-17	16.6866	0.11
Jul-25-17	17.1274	0.12
Jun-27-17	16.7970	0.11
May-25-17	16.8061	0.11
Apr-25-17	16.9880	0.11
Mar-27-17	16.4515	0.11
Feb-27-17	16.3220	0.11

Top 10 Companies as on 30th June, 2019

Company Name	Industry	Weightage (%)
HDFC Bank Ltd.	Banks	6.48%
ICICI Bank Ltd.	Banks	6.05%
Infosys Ltd.	Software	3.82%
State Bank Of India	Banks	3.76%
Axis Bank Ltd	Banks	3.50%
Larsen And Toubro Ltd.	Construction Project	2.77%
Kotak Mahindra Bank Ltd.	Banks	2.74%
Reliance Industries Ltd.	Petroleum Products	2.72%
HDFC Ltd.	Finance	2.58%
Tata Consultancy Services Ltd.	Software	2.29%

Kotak Equity Hybrid* Performance (%) as on 28th June, 2019

Date	Scheme Returns (%) [^]	Nifty 50 Hybrid Composite Debt 70:30 Index TRI [†] # (%) [^]	Nifty 50 TRI ## (%) [*]	Current Value of Standard Investment of ₹ 10000 in the		
				Scheme (₹) #	Benchmark # (₹)	Additional Benchmark ## (₹)
Kotak Equity Hybrid - Growth^{^^}						
Since Inception	8.16	9.04	9.08	14,395	14,952	14,975
Last 1 Year	7.71	11.63	11.39	10,771	11,163	11,139
Last 3 Years	9.29	12.21	13.93	13,048	14,120	14,777

Kotak Equity Hybrid - Growth (Erstwhile Kotak Balance), *Name of the Benchmark - CRISIL Hybrid 35+65 - Aggressive Index, Scheme Inception date is 05/11/2014. Mr. Pankaj Tibrewal has been managing the fund since 25/08/2015. Mr. Abhishek Bisen has been managing the fund since 15/04/2008.

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. # 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 & other schemes managed by Pankaj Tibrewal.

[^]The existing benchmark "CRISIL Balanced Fund" has been renamed as "CRISIL Hybrid 35+65 - Aggressive Index" as per communication received from CRISIL.

*TRI - Total Return Index

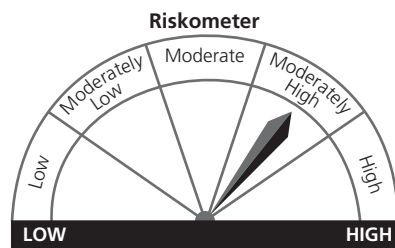
With effect from 1st February 2018, we are comparing the performances of the funds with the total return variant of the benchmark instead of the price return variant

^{*}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.

^{^^}Kotak Balance is renamed as kotak Equity Hybrid with effect from 25th May 2018.

[†]With Effect from 25th May 2018, the Benchmark is changed to Nifty 50 Hybrid Composite Debt 70:30 Index TRI.

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This product is suitable for investors who are seeking*:

- Long term capital growth
- Investment in equity & equity related securities balanced with income generation by investing in debt & money market instruments

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

Other Funds Managed by Mr. Pankaj Tibrewal

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 Emerging Equity - Growth	3.07	-2.04	10.62	9.69	16.22	10.95	11.76	12.54
Kotak Small Cap Fund - Growth	-3.21	-16.63	7.78	-0.29	12.62	1.80	14.68	NA

Mr. Pankaj Tibrewal manages 3 funds of Kotak Mutual fund.

Kotak Emerging Equity - Growth, *Name of the Benchmark - Nifty Midcap 100 TRI, Scheme Inception date is 30/03/2007. Mr. Pankaj Tibrewal has been managing the fund since 27/05/2010.

Kotak Smallcap Fund - Growth (Erstwhile Kotak Midcap), *Name of the Benchmark - NIFTY Smallcap 50 TRI, Scheme Inception date is 24/02/2005. Mr. Pankaj Tibrewal has been managing the fund since 21/01/2010.

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. Source: ICRA MFI Explorer.

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.

As TRI data is not available since inception of the scheme, benchmark performance is calculated using composite CAGR of S&P BSE Sensex PRI values from 29th Dec 1998 to to 31st May 2007 and TRI Values since 31st May 2007.

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 Gilt - Investment - Regular - Growth	12.82	15.30	7.89	8.15	9.04	9.03	9.59	NA
Kotak Gold ETF	12.59	13.60	1.54	2.57	3.07	4.15	10.96	12.12
Kotak Gold Fund - Growth	11.34	13.60	2.60	2.57	2.25	4.15	4.24	6.15

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

Kotak Gilt - Investment - Regular - 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 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 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.

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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.

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 Bond - Regular Plan - Growth	10.54	11.24	6.62	7.47	7.82	8.69	8.81	NA
Kotak Debt Hybrid - Growth	7.74	11.21	7.37	8.92	8.56	9.48	7.63	8.31
Kotak Equity Savings Fund - Growth	5.94	7.70	8.26	7.54	NA	NA	8.00	7.28

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

Kotak Bond - Regular Plan - Growth, *Name of the Benchmark - NIFTY Medium to Long Duration Debt Index, Scheme Inception date is 25/11/1999. Mr. Abhishek Bisen has been managing the fund since 01/04/2008.

Kotak Debt Hybrid - 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.

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.

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