

## Scheme Facts

### Structure

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

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

₹1,213.37 crs

Monthly Average AUM\*

₹1,219.22 crs

NAV (as on 31st Aug 2020)

Dividend ₹15.2960

Direct Dividend ₹17.5350

Growth ₹25.7680

Direct Growth ₹28.3200

Launch Date

05<sup>th</sup> November 2014

Benchmark

NIFTY 50 Hybrid Composite Debt 65:35 Index

Min. Initial Inv.

₹5000

Additional Inv.

₹1000 & in multiples of ₹1

Standard Deviation<sup>^</sup>

18.25%

Beta<sup>^</sup>

1.27

Sharpe<sup>^</sup>

0.08

Portfolio Turn over

17.18%

\*Source: MFI Explorer.

<sup>^</sup> as on 31st August, 2020. Source: ICRA MFI Explorer.

### Market Cap<sup>§</sup>

%

Large Cap 48.55

Mid Cap 14.72

Small Cap 12.72

Others 24.01

<sup>§</sup>The given market cap data is on the basis of new SEBI circular on scheme rationalisation wherein Stocks are categorised as per given AMFI list.

Source: KPAX (internal system). Market definition used is market capitalisation of the 100th largest scrip (on the bases of market capitalisation) is the cutoff to determine the large cap and midcap segment.

### 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 Equity Hybrid Fund

- The investment objective of Kotak Equity Hybrid Fund 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

- India Inc over the last 3 years has seen multiple shocks – from demonetisation to key reforms like GST, RERA etc to credit freeze in aftermath of wholesale NBFC unable to get access to credit to current lockdown amidst the global supply and demand shock unleashed by Coronavirus. In the long journey of corporate India, these events almost seems like a big RESET button. A call to significantly change business practices, realign key business priorities in a changing landscape and massive consolidation across sectors.
- Covid 19 – while initial impact was localised to Chinese economy and therefore the supply shock given large export from China, the spread of virus globally now risks creating a demand shock as well. While global coordination of policy makers and containment of virus and improvement in drugs to counter will reduce the longer term impacts of this shock, near-term demand and supply chains remain frozen amidst a significant drop in economic activity. We are slowly emerging from lockdown to phases of ‘unlocking’ the economy. Initially, demand trends are encouraging, however sustenance of these trends need to be maintained across most sectors.
- While Indian government & RBI have announced few measures, we expect more measures to be announced given the unprecedented nature of events led by Covid 19. Amidst this uncertainty, Indian equities have seen significant moves (up and down) in recent times.
- 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 as well as likely relief measures by government & RBI, we believe longer-term prospects of Indian equities is quite encouraging and we would advise investors to benefit from volatility, as it manifests. India Inc earnings growth have been depressed last few years, while FY21 will see significant impact due to Covid induced lockdown, we expect earnings to improve sequentially and grow over the next few years.
- 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

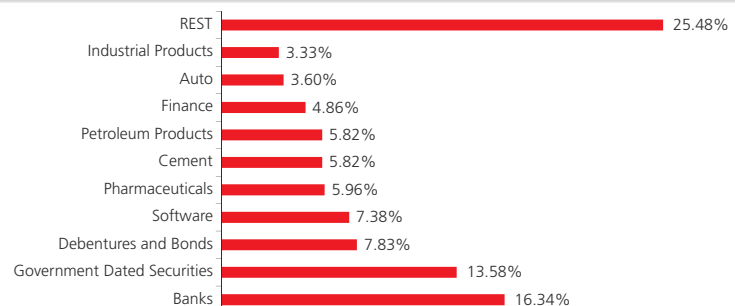
### Equity

- Fund continues to follow multi cap approach with 65% in large cap and 35% in mid-small caps. Overall equity exposure continues to be between 75-80%.
- The fund continue to run with optimum mix of defensives and cyclical.
- The fund has reduced exposure to financials during the month and as result we are now underweight the sector.
- On Pharma fund continues to be overweight and during the month increased further exposure to the sector.
- Key underweights continue to be IT and consumer goods. Key overweight's are Speciality chemicals, Industrial manufacturing, cement, capital goods and contract electronic manufacturers.

### Debt:

- As on Aug 31 2020, ~13% of the scheme portfolio comprised of government securities (central as well as state). ~8% of the portfolio was invested in corporate securities and ~79% invested in equity, arbitrage and Cash and cash Equivalents.
- The fund is being dynamically managed and we are currently positioning ourselves in the mid end of the duration band of 3-7 years.
- As envisaged the front end spreads have collapsed and thus we currently do not have any in our portfolio.
- We believe that G-sec remains attractive at the current levels and will continue to add them to our portfolio.
- As the clarity emerges on the borrowing program and tension on border decrease we may choose to increase duration.

## Top Sectors as on 31st August, 2020



## 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

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Visit - [assetmanagement.kotak.com](http://assetmanagement.kotak.com)

Email - [mutual@kotak.com](mailto:mutual@kotak.com)

## Disclaimer

**Kotak Equity Hybrid Fund** 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](http://mutualfund.kotak.com)**

## Dividend History

Date	CUM Dividend NAV	Dividend (₹ per unit)
Jun-12-20	13.6710	0.07
Dec-26-19	15.9940	0.14
Sep-25-19	15.3390	0.13
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

## Top 10 Companies as on 31st August, 2020

Company Name	Industry	Weightage (%)
ICICI Bank Ltd.	Banks	5.12%
HDFC Bank Ltd.	Banks	5.01%
Reliance Industries Ltd.	Petroleum Products	4.39%
Infosys Ltd.	Software	4.12%
JK Cement Ltd.	Cement	2.90%
Dr Reddys Laboratories Ltd	Pharmaceuticals	2.29%
Tata Consultancy Services Ltd.	Software	2.19%
HDFC Ltd.	Finance	2.14%
Kotak Mahindra Bank Ltd.	Banks	1.95%
State Bank Of India	Banks	1.87%

## Kotak Equity Hybrid Fund\* Performance (%) as on 31st August, 2020

Date	Scheme Returns (%) ^	Nifty 50 Hybrid Composite Debt 65:35 Index <sup>§</sup> # (%)^	Alpha	Nifty 50 TRI ## (%)*	Current Value of Standard Investment of ₹10000 in the		
					Scheme # (₹)	Benchmark # (₹)	Additional Benchmark ## (₹)
<b>Kotak Equity Hybrid Fund - Growth^^</b>							
Since Inception	6.66	8.05	-1.39	6.81	14,557	15,699	14,680
Last 1 Year	6.79	8.25	-1.46	4.31	10,679	10,825	10,431
Last 3 Years	3.53	7.52	-3.98	6.01	11,099	12,431	11,915
Last 5 Years	7.33	9.32	-1.98	8.75	14,251	15,619	15,214

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

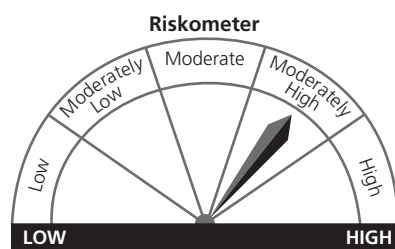
\*TRI - Total Return Index, In terms of SEBI circular dated January 4, 2018, the performance of the scheme is benchmarked to the Total Return variant (TRI) of the Benchmark Index instead of Price Return Variant (PRI).

\*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.

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

§With Effect from 1st November 2019, the Benchmark is changed to Nifty 50 Hybrid Composite Debt 65:35 Index.

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Investors understand that their principal will be at moderately high risk

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 (%) <sup>^</sup>	Benchmark Returns (%) <sup>^*</sup>	Scheme Returns (%) <sup>^</sup>	Benchmark Returns (%) <sup>^*</sup>	Scheme Returns (%) <sup>^</sup>	Benchmark Returns (%) <sup>^*</sup>	Scheme Returns (%) <sup>^</sup>	Benchmark Returns (%) <sup>^*</sup>
Kotak Small Cap Fund - Growth	16.47	3.76	1.41	-9.37	7.61	2.61	13.94	10.51
Kotak Emerging Equity Fund - Growth	11.43	7.48	2.66	-2.04	9.03	6.16	10.87	11.03

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

Kotak Smallcap Fund - Growth (Erstwhile Kotak Midcap), \*Name of the Benchmark - NIFTY Smallcap 100 TRI, Scheme Inception date is 24/02/2005. Mr. Pankaj Tibrewal has been managing the fund since 21/01/2010.

Kotak Emerging Equity Fund - 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.

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

<sup>^</sup>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 (%) <sup>^</sup>	Benchmark Returns (%) <sup>^*</sup>	Scheme Returns (%) <sup>^</sup>	Benchmark Returns (%) <sup>^*</sup>	Scheme Returns (%) <sup>^</sup>	Benchmark Returns (%) <sup>^*</sup>	Scheme Returns (%) <sup>^</sup>	Benchmark Returns (%) <sup>^*</sup>
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

<sup>^</sup>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.

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 (%) <sup>^</sup>	Benchmark Returns (%) <sup>^*</sup>	Scheme Returns (%) <sup>^</sup>	Benchmark Returns (%) <sup>^*</sup>	Scheme Returns (%) <sup>^</sup>	Benchmark Returns (%) <sup>^*</sup>	Scheme Returns (%) <sup>^</sup>	Benchmark Returns (%) <sup>^*</sup>
Kotak Bond Fund - Growth	8.91	10.84	6.83	7.96	7.76	8.76	8.88	NA
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

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

Kotak Bond Fund - 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 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.

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

<sup>^</sup>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.

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