

Navi **Nifty Bank** Index Fund

You can Bank on it

NFO Start: 17th January, 2022

NFO End: 31st January, 2022



Star of the **Banking Sector** is on the Rise



Favourable demographics, rising income levels, structural economic stability with added focus on infrastructure financing

1



Improvement in credit off-take thanks to strong economic growth with bank credit growing at a CAGR of 10.70% over FY16-21

2



Robust policy support on NPAs, insolvency and bankruptcy making banking sector more efficient

3

Source: As per IBEF report on banking released in September 2021

Star of the **Banking Sector** is on the Rise



Financial Inclusion (FI) to add considerable depth and width to banking with FI Index growing from 43.4% in FY17 to 53.9% in FY21

4



Leap in digital transactions with UPI transactions at record highs surpassing card usage by nearly 8 times

5



Rising rural banking penetration on back of increasing internet and smartphone usage as also Jan Dhan Yojana

6

Source: As per IBEF report on banking released in September 2021

One Index Many Benefits

1

History of over 18 years starting from September 2003.

2

Captures the performance of most liquid and large Indian banking stocks.

3

Diversified index with allocation across 12 banks – currently 10 Private and 2 PSU banks.

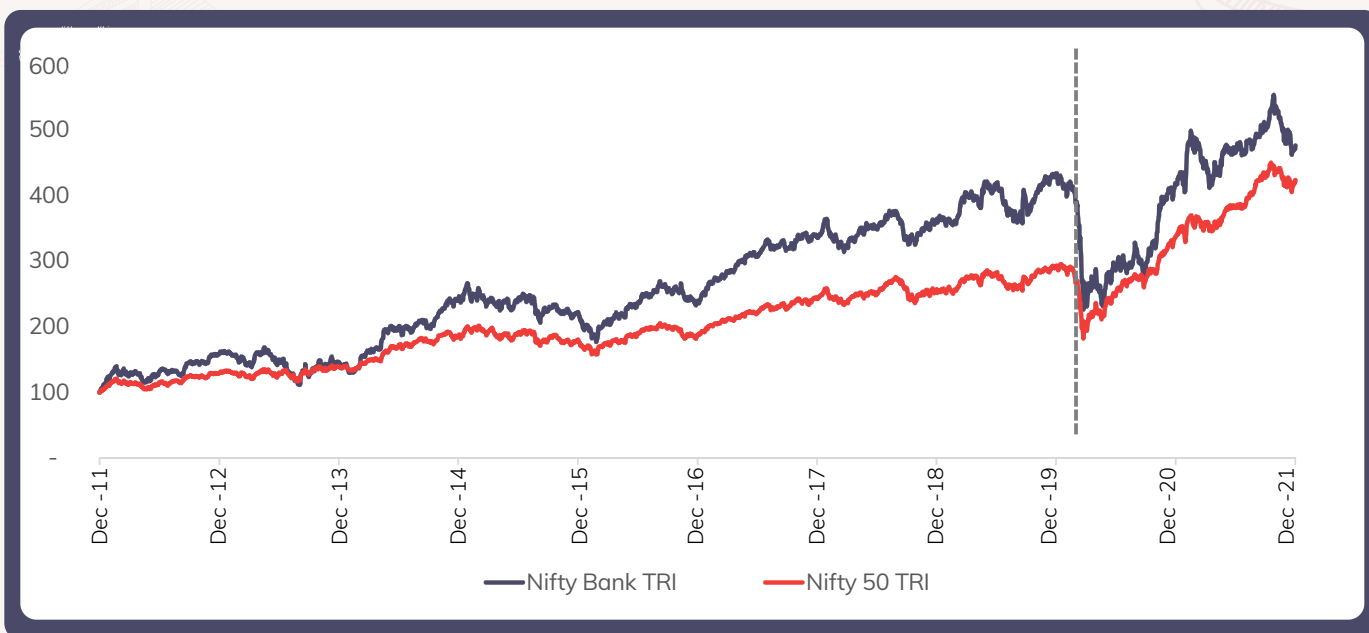
4

Re-balances semi-annually to capture real trends in the economy.

Why Now?

Poised for Economic Upturn

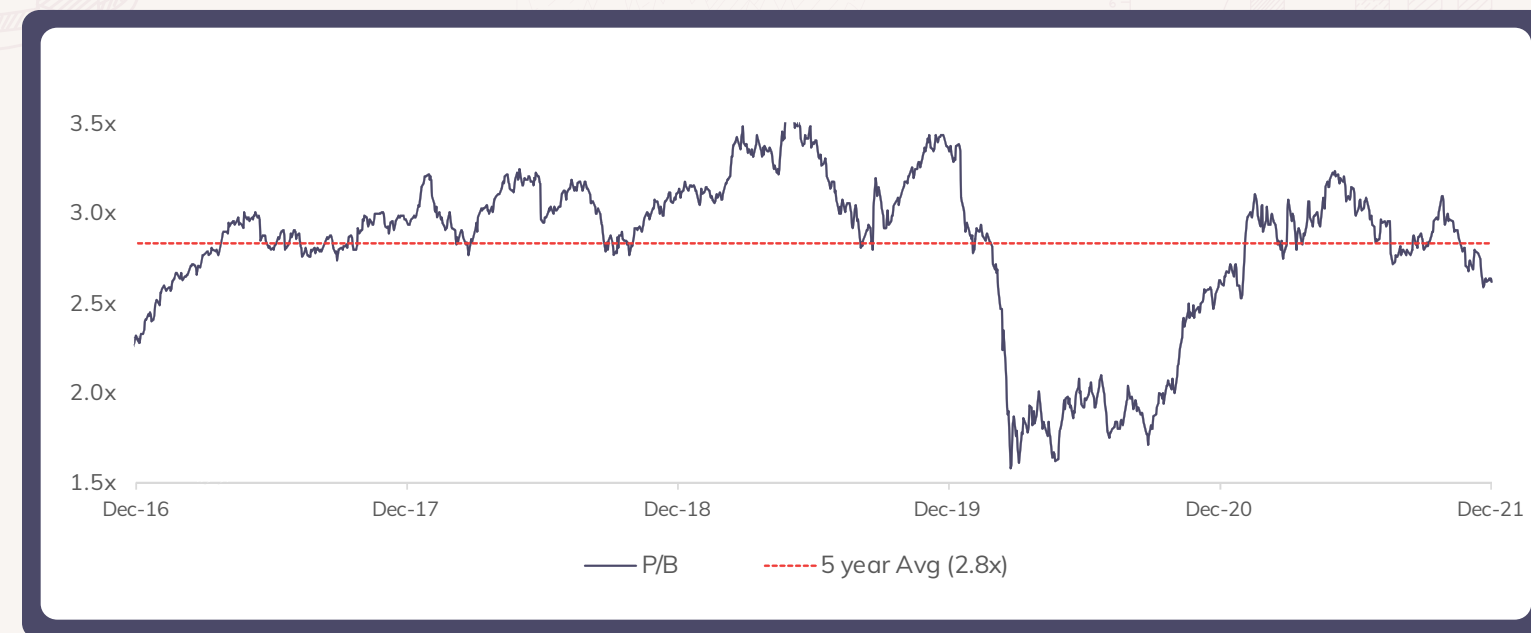
- » Nifty Bank Index has underperformed in the broader market since the start of the **COVID** outbreak in early 2020, with healthy balance sheets of banks and corporates, the sector is well positioned to capture cyclical uptick in growth.
- » Pre-**COVID**, Nifty Bank has outperformed Nifty 50 by giving annualized returns of 18.2% compared to 12.8% of Nifty 50.



Source: *Bloomberg, returns from March 1 2020 to December 31 2021

Nifty Bank Index P/B -Attractive Valuation

- » Index is at an attractive valuation compared to the long-term average.



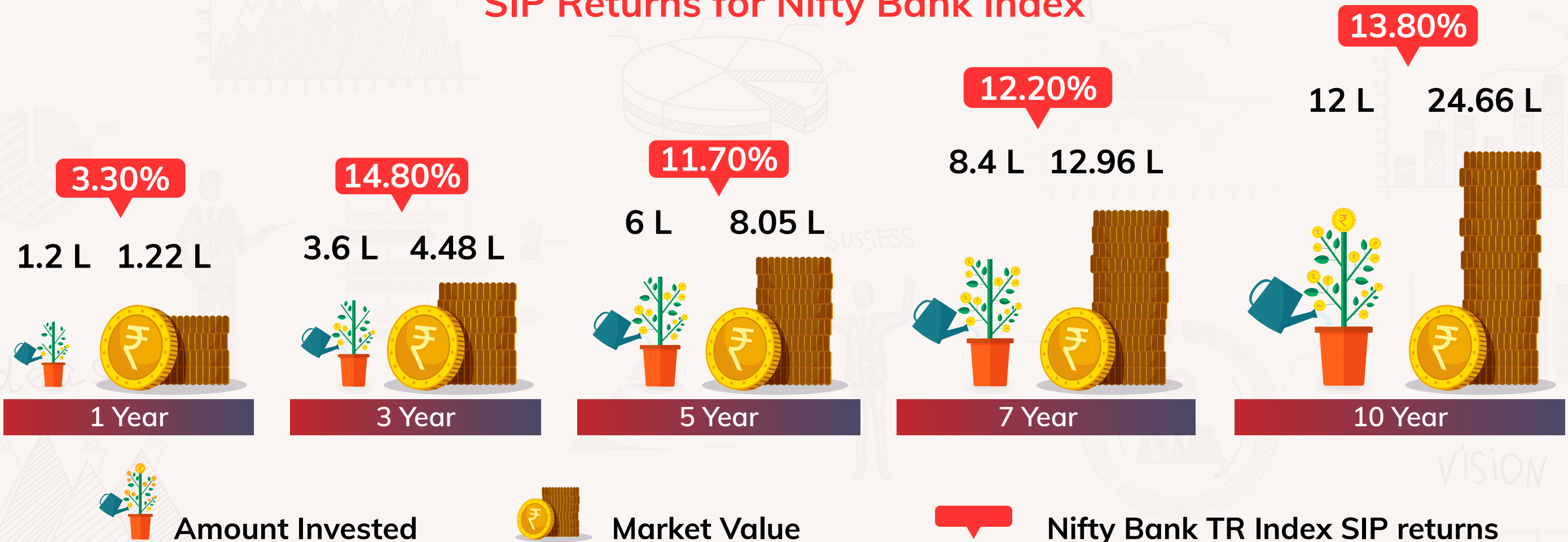
Source: Bloomberg,

P/B data from December, 2016 to December, 2021

Disclaimer: The above graph is used to explain the concept and is for illustration purpose only and should not be used for development or implementation of an investment strategy. Past performance may or may not be sustained in future.

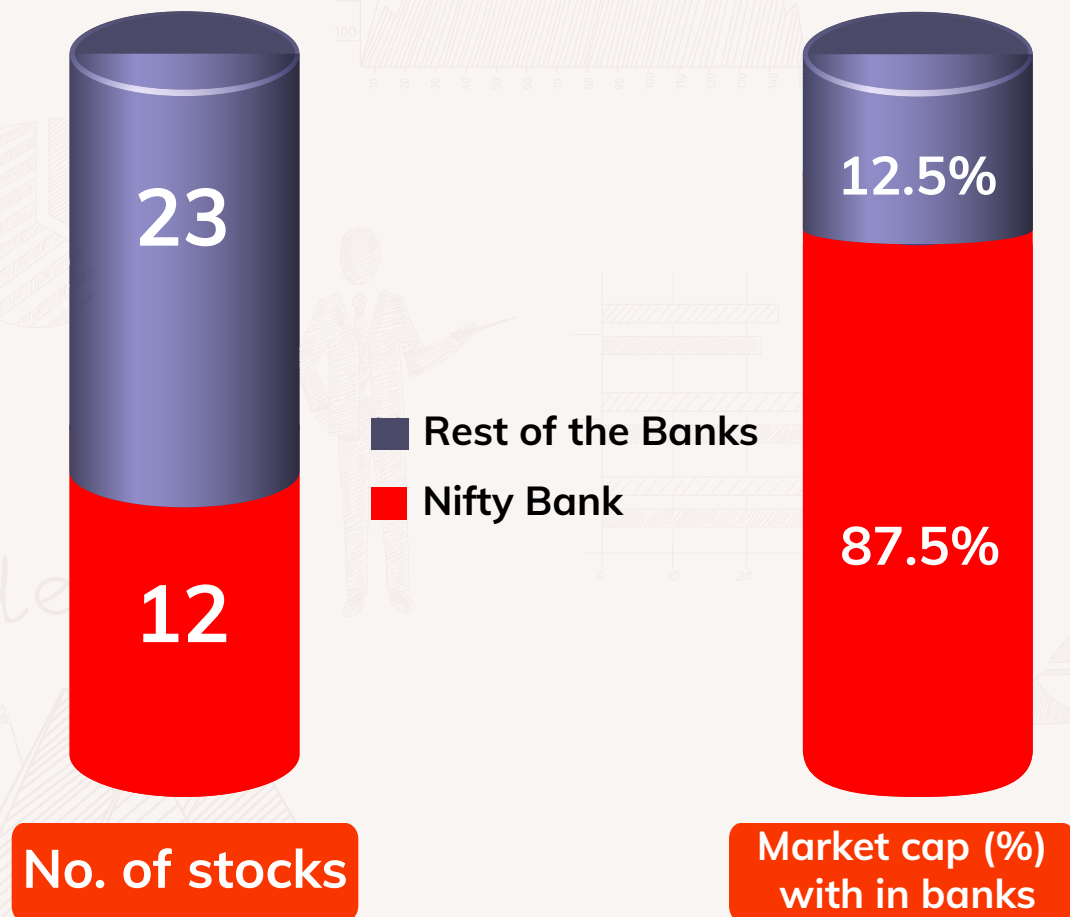
Big Payoff from SIP

SIP Returns for Nifty Bank Index



Advantage Across Market Caps

NIFTY BANK VS BANKING UNIVERSE



- ✓ Nifty Bank Index covers 87.5% of banking universe by market cap.
- ✓ Index has 10 private and 2 PSU banks.
- ✓ Private banks cover 87% of Index by market cap.
- ✓ Index composed of 6 large-cap, 5 mid-cap and 1 small-cap stock.*
- ✓ Large-cap covers 91%, mid-cap covers 8.4% and small-cap covers 0.6% of Index by market cap.

Big Cost Savings in Navi Nifty Bank Index Fund

- Navi Mutual Fund provides a cost-effective way of Investing in the largest and most liquid banks of the country.
- Navi Nifty Bank Index Fund proposes to charge TER of 0.12% p.a for Direct Plan, which is the lowest in the category.

TER - Total Expense Ratio.

*Assumptions:

SIP Amount (monthly) – 15,000

TER of category average Index Funds – 0.38%

TER Navi Nifty Bank Index Fund – 0.12%



Growth Rate – 15%

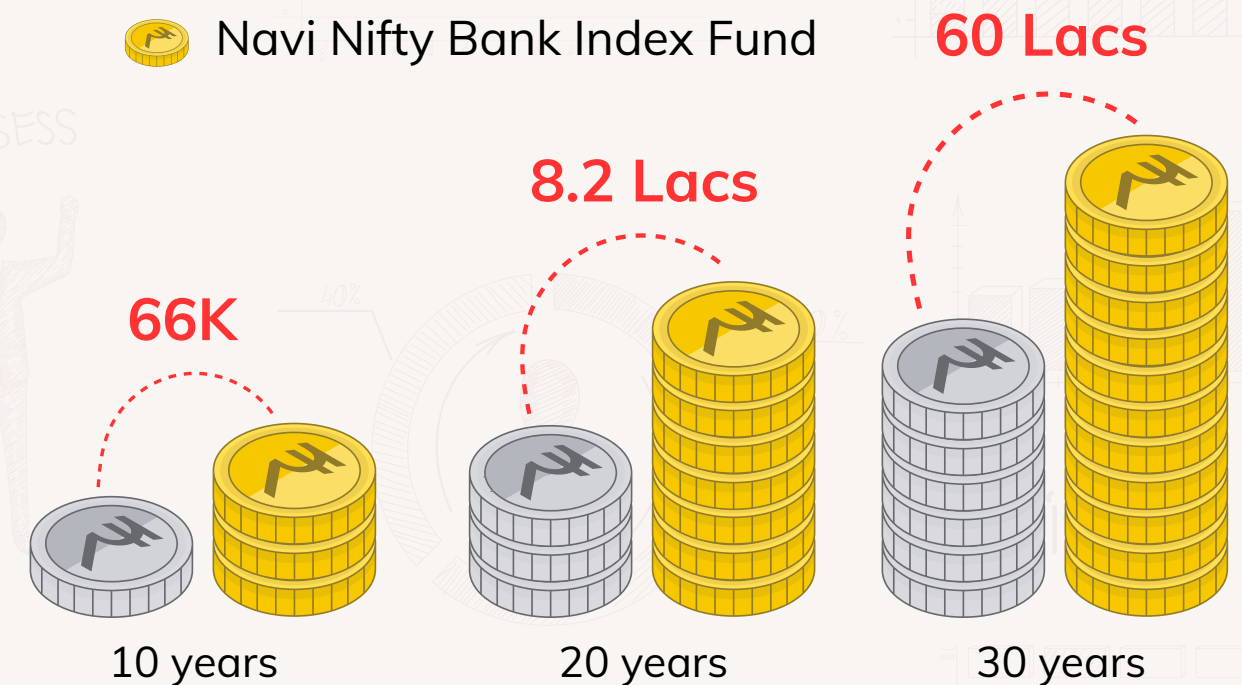
Disclaimer: This is for illustration purpose only. The TER will not be permanent and is subject to change.

Past performance may or may not sustain in future and there is no guarantee of future results.

For details related to fees and expenses please refer to the Scheme Information Document

Extra savings as compared to competing Index Fund*

-  Other Nifty Bank Index Funds
-  Navi Nifty Bank Index Fund

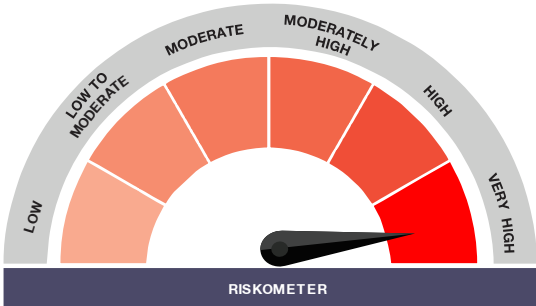


Particulars	Details
Product Category	Equity Index Fund
Fund Manager	Mr. Pranav Vasa
Benchmark	Nifty Bank TRI
Load Structure	Exit Load - Nil \ Entry Load - Nil
Expense Ratio*	Direct Plan – 0.12% \ Regular Plan – 0.80%
Minimum Application Amount	Rs. 500/- and in multiples of Re. 1/- thereafter

This product is suitable for investors who are seeking*:

- An open-ended equity scheme replicating / tracking Nifty Bank Index
- ▶ Capital appreciation over the long term
 - ▶ Equity and equity related securities covered by Nifty Bank Index
 - ▶ Return that corresponds to the performance of Nifty Bank Index, subject to tracking error

*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 Very High Risk

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thank you