



## WHY INVEST IN THIS FUND?

### Key Features

- This is a balanced fund with an investment strategy which invests minimum 65% in equities and maximum 35% in debt.
- The portfolio is periodically rebalanced to ensure that the above allocation remains constant. It maintains a more or less steady-state asset allocation between equity and debt, with equity swinging in a narrow band of 68 to 72 percent.
- Currently the portfolio has about 67% invested in equities, 4.82% in cash, 14.80% in government securities, 8.10% in AAA rated corporate bonds and 5.18% in bonds rated AA+ and below.
- The equity portion of the portfolio contains 67 stocks from 40 sectors
- The debt portion of the portfolio has an average maturity of 7.15 years which indicates that the fund manager is expecting interest rates to fall in the future.
- The portfolio turnover ratio for the last 1 year is a healthy 40.36% which indicates that the entire portfolio is churned in about 2.50 years. This indicates stability of the portfolio and the conviction of the fund manager.
- The fund avoids both cash calls and drastic changes in allocation with market swings
- The aim is to purchase reasonable quality businesses, with the ability to deliver growth and with good ROE, management quality and business dynamics, at sensible valuations.
- The fund's mid- and small-cap tilt is likely to have helped performance in this phase, given that large-cap returns have trailed mid-cap returns. It has toned down the mid-cap allocations in the last couple of years.
- The top 3 sectors in the portfolio are Banks (16.40%), Construction Projects (7.05%) and Petroleum products (5.62%)
- Fund Benchmark is Crisil Balanced Fund – Aggressive Index
- Fund manager since inception is Mr Chirag Setalvad (since April 2007)
- Current AUM of this fund is Rs 14,766 crores making it the second largest balanced fund.
- Current expense ratio is 2.01%
- Exit load is 1% (up to 1 year). Minimum investment: Rs 5,000 (Lump sum) and Rs 500(SIP)

### Benefits

- Fund has been a consistent performer over the last 10 years and its returns are comparable to those of equity funds.
- The fund size of Rs 14,766 crores has not been any impediment in its performance.
- Fund returns over the last 3 years (13.42%p.a), 5 years (17.82%p.a) have been ahead of its benchmark (Crisil Balanced Fund–Aggressive index) as well as the balanced category funds by 5.02% and 6.83% respectively. (Returns as on Sep 27, 2017)
- Despite its aggression, the fund has contained downside well in the bear markets of 2011 and 2008 relative to its peers.
- Backed by a stable management team, this fund is amongst the top choices in the balanced funds category
- This fund is a long term wealth creator and can be part of an investor's core portfolio
- Lump sum and SIP/STP/SWP investment mode is available.

### Recommendation

- We recommend this fund with a 3 to 5 years time horizon for investors who have a lower risk appetite and expect moderate returns.

# HDFC BALANCED FUND (G)

## Fund Report Card

## HDFC Balanced Fund(G)

### Fund Objective/Mission

The primary objective of the Scheme is to generate capital appreciation along with current income from a combined portfolio of equity & equity related and debt & money market instruments.

### Fund House Details

<b>AMC Name:</b>	HDFC Asset Management Company Limited
<b>Address:</b>	HDFC House, 2nd floor, H.T. Parkin Marg, 160-166 Backbay Reclamation, Churchgate Mumbai - 400 020
<b>Website:</b>	www.hdfcfund.com

### Financial Details

<b>NAV As On (31-Aug-2017)</b>	1076.71
<b>NAV As On (27-Sep-2017)</b>	139.808
<b>Min Investment</b>	5000
<b>(In Rs.) SIP</b>	500
<b>NAV (30 Working Days) (28-Feb-2017)</b>	136.41
<b>NAV (30 Working Days) (28-Feb-2016)</b>	96.16

### Top 10 Companies

Name	YTD
HDFC Bank Ltd.	5.47 ↑
Larsen & Toubro Ltd.	3.42 ↓
ITC Ltd.	3.30 ↓
Reliance Industries Ltd.	3.29 ↓
ICICI Bank Ltd.	3.27 ↓
Infosys Ltd.	3.27 ↑
Housing Development Finance Corporation Ltd.	3.24 ↑
Aurobindo Pharma Ltd.	3.00 ↑
Power Grid Corporation Of India Ltd.	2.78 ↓
State Bank Of India	2.59 ↓

↑/↓ indicates an increase or decrease or no change in holding since last portfolio. # indicates new holding since last portfolio.

### SIP Details - Invested Rs 5000 Every Month

Period	Total Investment (Rs.)	Scheme(YoY)	Benchmark
1 Year	60000	68.893	64.758
3 Years	180000	220.475	271.652
5 Years	300000	470.644	398.629
10 Years	600000	1002.285	1022.627

### What is What's Out/From Previous Month?

Company	Sector
In	13
Out	2
No Change/No	119

### Best/Worst Return

Period	Fund(YoY)	Best Return	Worst Return
Month	08/03/09 to 10/08/09	22.48	17.8
Quarter	08/03/09 to 10/08/09	58.05	48.95
Year	08/03/09 to 11/03/10	102.45	80.94

### Investment Information

<b>Scheme</b>	Open ended scheme
<b>Launch Date</b>	11/Sep/2000
<b>Fund Manager</b>	Ching Sateesh
<b>Bench Mark</b>	CRISIL Balanced Fund - Aggressive Index
<b>Max.Entry Load(%)</b>	NA
<b>Max.Exit Load(%)</b>	1

### Fund Structure

<b>Total Stocks</b>	67
<b>Total Sectors</b>	40
<b>P/E Ratio</b>	28.21
<b>P/B Ratio</b>	3.85
<b>Avg. Market Cap (Rs. Cr.)(Aug/2017)</b>	10430.35

### 5 Years History

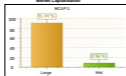
Financial Year	2016-2017	2015-2016	2014-2015	2013-2014	2012-2013
<b>NAV in Rs. (as on 31st March)</b>	121.37	106.34	107.48	74.11	60.84
<b>Net Assets/(Rs Crores.) (as on 31st March)</b>	10786	6380	3641	1263	1113
<b>Return(%)</b>	23.19	-1.83	44.68	21.74	3.3
<b>CRISIL Nifty Return(%)</b>	18.94	-8.87	26.33	17.43	6.86
<b>Category Rank</b>	13(268)	150(302)	41(206)	5(147)	68(84)

\* Listed As on 31/Mar/17

### Quarterly Performance Last 12 Months

Financial Year	Q1	Q2	Q3	Q4
<b>2017-2018</b>	3.31			
<b>2016-2017</b>	6.8	7.49	-2.81	10.12
<b>2015-2016</b>	-0.26	0.22	0.99	-1.97
<b>2014-2015</b>	22.49	5.99	9.46	2.04
<b>2013-2014</b>	0.08	-1.43	16.34	6.59

### Market Capitalization



### Asset Details



Target Cap: >Rs. 5,000 crores, Mid Cap: between Rs.750 crores to Rs.5,000 crores, Small Cap: <Rs.750 crores.

### Top 10 Sector/Wise Holding

Bank - Private	16.02	↑
Finance - Housing	6.43	↓
Bank - Public	6.38	↓
Engineering - Construction	6.19	↓
Refineries	5.62	↓
IT - Software	4.76	↓
Cigarettes/Tobacco	3.81	↓
Other	3.72	↓
Finance - NBFC	3.66	↓

↑/↓ indicates an increase or decrease in holding since last portfolio.

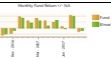
### Scheme Performance As On (27/Sep/17)

Period	Return	Stdev	Rank
3 Months	7.21	0.33	87(232)
6 Months	16.4	0.38	27(121)
1 Year	14.23	10.33	31(194)
3 Years	13.42	8.4	18(19)
5 Years	17.82	10.89	4(47)
Since Inception	16.73	12.32	NA

### Volatility Measures

Fama	0.03	Std Dev	0.8
Beta	0.29	Sharpe	0.29

### Fund Performance Vis-a-vis Benchmark



## SOURCE-ACE SOFTWARE

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