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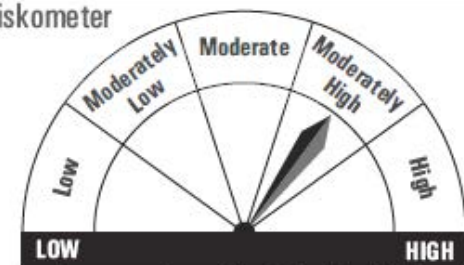
POWERING YOUR FINANCIAL GROWTH

SUNDARAM SERVICES FUND

An open ended scheme
investing in Services Sector



Riskometer



Investors understand that their principal will be
at moderately high risk

NFO OPENS	August 29, 2018
NFO CLOSES	September 12, 2018
TYPE OF SCHEME	An open ended equity scheme investing in the Services Sector
INVESTMENT OBJECTIVE	To provide capital appreciation by investing in companies that are part of the Services Sector
BENCHMARK	S & P BSE 200 Index
FUND MANAGERS	Mr. S Krishnakumar, Mr. Rahul Baijal & Mr. Rohit Seksaria
PLANS & OPTIONS	Regular & Direct Plans with Growth & Dividend Options
MIN. INVESTMENT AMOUNT	Rs. 5000 & in multiple of Rs.1 thereafter
EXIT LOAD	1% of the applicable NAV, if redeemed on or before 1 year from the date of allotment

INVESTMENT ALLOCATION

UNDER NORMAL MARKET CIRCUMSTANCES, THE FUND WILL FOLLOW THE BELOW ASSET ALLOCATION PATTERN:

ASSET CLASS	MINIMUM	MAXIMUM
Total Equity & Equity Related Securities of Services Sector	80%	100%
Fixed Income & Money Market Securities	0%	20%

The scheme shall engage in securities lending subject to a maximum of 20% and 5% for a single counter party.

The Scheme shall not invest in ADR/GDR/ Overseas securities

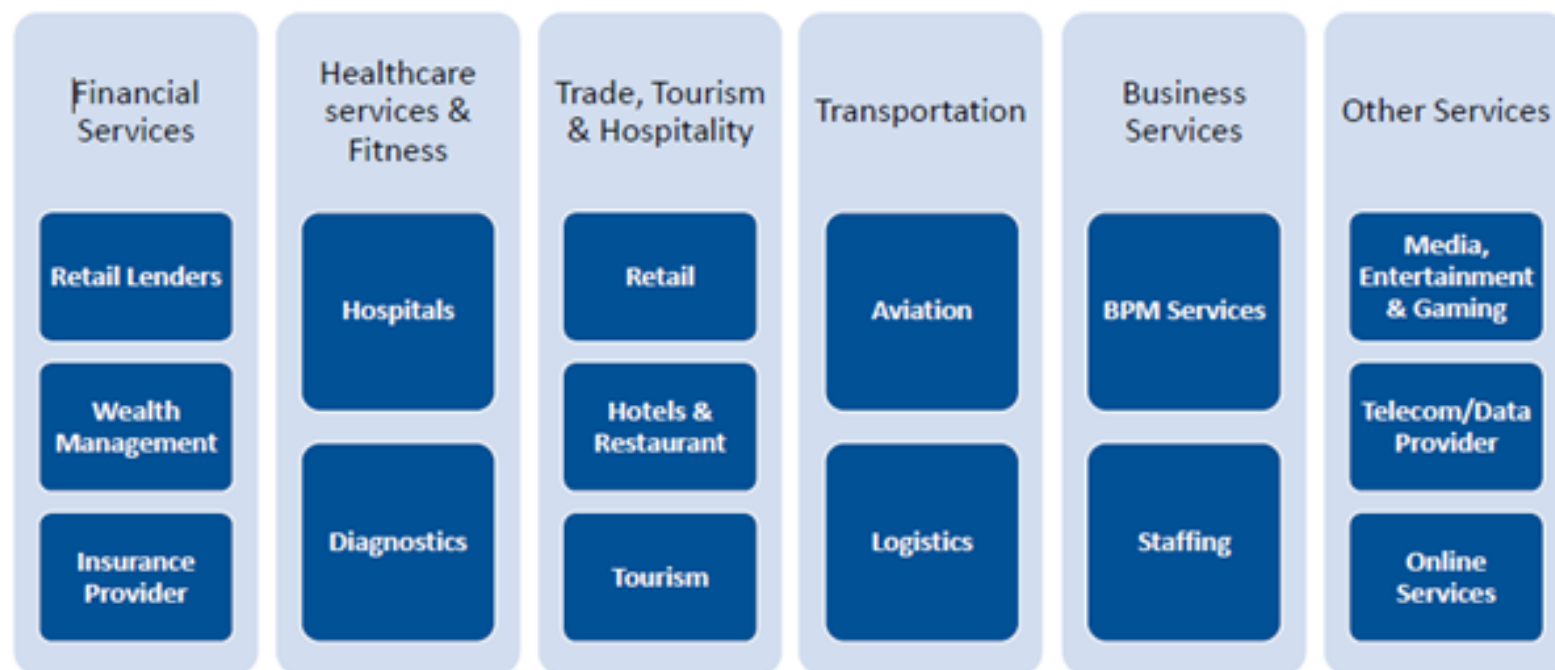
The Scheme may use derivatives for trading, hedging and portfolio balancing exposure to derivatives will be limited to 50% of the net asset value of the Scheme at the time of transaction. exposure is calculated as a percentage of the notional value to the net assets of the Scheme.

The Scheme will maintain cash or securities to cover exposure to derivatives

INVESTMENT STRATEGY

WIDE RANGE OF OPPORTUNITIES UNDER THE SERVICES SECTOR

Sundaram Services Fund will invest in companies that are part of the Services sector of the economy. Services sector includes those mentioned below. The list is only indicative and not exhaustive.



The Investment Manager will make necessary modification in the list based on further studies and research on the industries.

INVESTMENT STRATEGY

FOCUS ON UNDER-PENETRATED AND NICHE SECTORS

- The fund will focus on some key sectors such as **Consumer Finance**, which is significantly under penetrated in India as households continue to remain under-leveraged. Regulatory reform, rising middle class, financial technology and greater financial inclusion are set to be the key drivers for the sector
- Similarly, in the finance space **Wealth Management** has been under penetrated and the increasing awareness to professionally managed wealth offers a huge opportunity. Listed asset managers in this space are expected to benefit. With a large population being uninsured or under-insured, the insurance space offers great opportunity for long term growth, as top private players continue to gain market share
- The fund will look for opportunities upcoming sectors such as in **Healthcare and Diagnostics, Retail, Travel, Tourism & Hospitality, Aviation and Niche-IT services**. **Online services** too, is poised for high growth and the fund manager will seek opportunities in this space as well.

INVESTMENT WILL BE DIVERSIFIED ACROSS MARKET CAPS

- The Fund will invest in a well diversified portfolio of large cap, mid cap and small cap stocks – A Multi cap portfolio offering investment opportunity across the market cap curve.
- Over 190 companies are engaged in Services with a total market capitalization of over Rs.41.2 lakh crore. There are 31 Large Cap companies, 40 Mid Cap companies and as many as 122+ companies in the Small Cap space. Hence, there exists a significant potential in emerging companies.

FUND SUITABILITY & ATTRIBUTE

SUNDARAM SERVICES FUND IS SUITABLE FOR HIGH RISK INVESTOR SEEKING THE POTENTIAL OF HIGH RETURNS BY MAINTAINING A DOMINANT SECTOR EXPOSURE.

STRONG OUTPERFORMANCE OF THE INDIA SERVICES INDEX OVER THE PAST DECADE

- The India Service Index delivered 5x returns (19% CAGR) in 10 years, while the S&P BSE 200 generated 2x returns (7% CAGR) over the same period. Over a longer period of 15 years, the India Service Index delivered nearly 50x returns (29% CAGR) vs 10x returns (17% CAGR) of the S&P BSE 200. The Services sector has been a long-term outperformer

SERVICES SECTOR IS WELL POISED FOR LONG-TERM GROWTH WITH KEY DRIVERS IN PLACE

- India's services sector has grown manifold in product offerings and value creation. Government has started SEIS (Services Export Incentive Scheme) to encourage services exports. Services exports is currently around 38% of the total exports in FY18. The share of services exports has increased from around 32% in FY14. The fund manager's due diligence and focus on management quality will help focus on the right type of stocks for your portfolio.
- Economic growth, rising per capita income, rising government spends, consumer-focused regulatory reforms, increasing urbanisation trends, growing acceptance of financial technology and greater financial inclusion are among the key drivers for the Services sector.

ADEQUATE DIVERSIFICATION TO MITIGATE RISK

- In the Services Sector the risk is spread across different industries ranging from Financial Services to Healthcare, Retail to Hospitality and Media to IT services. Hence, the portfolio can be highly diversified to mitigate the unsystematic risk.

ABOUT THE FUND MANAGERS

Mr. S Krishnakumar, Mr. Rahul Bajjal & Mr. Rohit Seksaria will be the fund managers of the scheme.

Mr. S Krishnakumar comes with over 15 years of experience in equity markets. He joined the fund house in December 2003 as a Senior Research Analyst. Previously, Mr. Krishnakumar served as a Vice President at Anush Shares and Securities Pvt. Ltd. He spent seven years at the firm. Prior to that, Mr. Krishnakumar was a Senior Engineer at Lucas TVS. He is a BE (Hons) and a PGDBA. He solely manages 10 other schemes of the fund house and co manages five schemes.

Mr. Rahul Bajjal is VP-Investments and Fund Manager at Sundaram Mutual Fund. He's been associated with the AMC since June 2012. In the past he has worked with TVF Capital and has a total experience of over a decade. By qualification he is a BE and MBA. He currently manages five other schemes of the fund house.

Mr. Rohit Seksaria is Assistant Fund Manager – Equity at Sundaram Mutual Fund. He joined the fund house in January 2017. In the past he has worked with Progress Capital, Singapore, Matchpoint Investment Management Asia, Hong Kong, Irevena Research Services and UTI Mutual Fund. He has a total experience of over a decade and co-manages three other funds.

FUND MANAGER PERFORMANCE

Performance of open-ended schemes managed by Mr S. Krishnakumar

Sundaram Small Cap Fund and Sundaram Mid Cap Fund, managed by him, have delivered a compounded return of nearly 30% each in the 5-year period (as on August 27, 2018), beating the benchmark by a decent margin.

Scheme Name	Managing Since	AUM (Cr.)					Benchmark
		Latest	6 Months	1 Year	3 Years	5 Years	
Sundaram Infra Advantage Fund(G)	Apr-2013	673.12	-8.63	3.73	10.03	22.86	S&P BSE 100 - TRI
Sundaram Large and Mid Cap Fund(G)	Jan-2012	407.22	10.69	22.30	17.30	24.42	NIFTY 200 - TRI
Sundaram Rural and Consumption Fund(G)	Jan-2016	2,649.66	4.15	8.47	19.77	25.90	NIFTY 500 - TRI
Sundaram Small Cap Fund(G)	Oct-2006	1,192.25	-13.97	-4.11	9.57	29.48	S&P BSE Small-Cap - TRI
Sundaram Mid Cap Fund(G)	Nov-2012	6,137.74	-2.02	6.62	13.76	29.24	S&P BSE Mid-Cap - TRI
Sundaram Diversified Equity(D)	Mar-2015	2,750.35	3.02	9.39	13.87	21.46	S&P BSE 200 - TRI
Sundaram Fin Serv Opp Fund(G)	Dec-2017	155.15	5.78	8.14	14.76	23.80	Nifty Financial Services - TRI
Benchmark							
S&P BSE 100 - TRI			10.93	18.75	15.53	19.47	
NIFTY 200 - TRI			9.73	18.36	15.68	20.47	
NIFTY 500 - TRI			7.98	17.13	15.78	21.03	
S&P BSE Small-Cap - TRI			-5.69	9.31	16.55	27.91	
S&P BSE Mid-Cap - TRI			1.41	10.70	17.25	27.48	
S&P BSE 200 - TRI			10.05	18.59	15.85	20.63	
Nifty Financial Services - TRI			11.78	17.70	19.71	26.60	
Total AUM		13,965.49					

* Data as on August 27, 2018. Source: ACE MF, PL Mutual Fund Desk

FUND MANAGER PERFORMANCE

Performance of open-ended schemes managed by Mr Rahul Baijal Sundaram Equity Hybrid Fund, Sundaram Select Focus Fund and Sundaram Multi Asset Fund have generated a return of 14%-16% over the past one-year.

Rahul Baijal		AUM (Cr.)	Return				
Scheme Name	Managing Since	Latest	6 Months	1 Year	3 Years	5 Years	Benchmark
Sundaram Equity Hybrid Fund(G)	Dec-2017	1,182.35	9.56	16.31	13.57	14.97	CRISIL Hybrid 35+65 - Aggressive Index
Sundaram Select Focus(G)	Oct-2016	835.70	11.35	17.46	14.35	18.71	NIFTY 50 - TRI
Sundaram Multi Asset Fund(G)	Dec-2017	40.49	6.58	13.79	9.37	9.96	S&P BSE 200
Benchmark							
CRISIL Hybrid 35+65 - Aggressive Index			7.41	12.38	12.99	16.71	
NIFTY 50 - TRI			11.89	20.23	15.22	18.66	
S&P BSE 200			9.10	17.14	14.34	19.02	
Total AUM		2,058.54					

* Data as on August 27, 2018. Source: ACE MF, PL Mutual Fund Desk

CONTACT US

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DISCLAIMER:

Mutual Funds are subject to market risks, please read all scheme related documents carefully.

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