

# LICMF BAF

A coreproduct in investor's fund portfolio

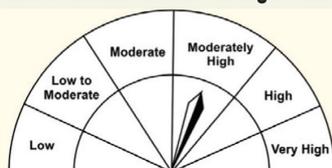


Mr. Dinesh Pangtey, Chief Executive Officer, LIC Mutual Fund Asset Management Ltd

LIC Mutual Fund recently launched Balanced Advantage Fund (LICMFBAF) in October 2021. It involves investing in mix of Equity and debt based on market dynamics. LICMFBAF is designed on the principal of asset allocation strategy where Investors diversify by investing in different uncorrelated asset class, such that any sharp correction in one asset class does not have any cascading impact on other. Multi asset allocation fund has proven to be beneficial over a longer.

LICMF BAF offers diversification (mix of equity & debt) along with dynamic rebalancing. It aims to generate near equity returns with relatively lower volatility. It reduces downside risk while participates in upside rally. Investor will get equity taxation benefits here. The product involves active fund management by professional & seasoned equity and debt fund manager.

## LICMF Balanced Advantage Fund Riskometer :



**This product is suitable for investors who are seeking\*:**

- Capital appreciation over a long period of time
- Investments in a dynamically managed portfolio of equity and equity related instruments, debt and money market instruments.
- **Risk - Moderately High**

\*Investors should consult their financial advisors if in doubt about whether the product is suitable for them. The change in Risk-o-meter will be evaluated on a monthly basis. For Scheme related details, including updation in Riskometer (if any) may please be referred on our website: [www.licmf.com](http://www.licmf.com) BAF stands for Balanced Advantage Fund.

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A large part of the return in LICMFBAF shall be generated through efficiently shifting from equity to debt and vice versa. Any capital appreciation from Equity or debt investment would be added advantage on the fund performance. The fund aims to largely invest in Equity & Debt. In order for Investors to avail equity taxation benefit, the fund shall always ensure that the gross equity is 65% or higher. It will do so by taking Arbitrage exposure whenever Net Equity allocation is less than 65% to the extent required. This way at any given point in time the fund will always ensure gross equity allocation is above 65%.

Adopting asset allocation is easier said than done. It is therefore advised to take guidance of the financial adviser or invest in Dynamic Asset Allocation funds offered by various mutual funds. Given markets have rallied significantly in the last 1 year, we may see rising volatility going ahead. LICMFBAF could act as a cushion to investor's portfolio, should market see higher volatility ahead.

**(Mutual fund investments are subject to market risks, read all scheme related documents carefully)**

**(A marketing initiative by Open Avenues)**