

LIC MF FACTOR ADVANTAGE PMS

➡ Target Audience

- New investors aiming for a smoother ride of volatile equity markets.
- Existing investors aiming to differentiate and reduce beta risk of portfolio.

➡ Product Specification

 **Minimum Investment**
₹ 50/- Lakhs (As per SEBI guidelines)

 **Investment Horizon**
3 to 5 years

 **Management Fee**
Regular Plan: 1.9%, Direct Plan: 1.5%

 **Fee Structure & Incidental Expenses:**
Upto 0.50% per annum of the client's daily AUM (Assets Under Management)

 **Exit Load**
1% in the first year

➡ Why do we believe the product to be 'Game Changer'?

Market Linked Returns

Building block remains that of higher risk adjusted returns via a risk weighted portfolio

Differentiated Strategy

Agnostic market cap approach including tenants of lower volatility and high quality

Competitive Costing

Mix of passive and active structure

➡ Benefits:

01

Unique Blend

Strategy has a mix of active & passive

02

Flexicap Approach

Quality stocks are spread across market capitalization

03

Superior Risk Management

Endeavours to limit the downside risk

04

Rule Based Approach

Disciplined investing to reduce sudden shocks

➡ Key Highlights of the product:

- Concentrated portfolio of 18-25 stocks.
- Eligible Stock universe comprises of stocks from Large, Mid & Small cap segment.
- Stock selection is rule based in stage 1 and fundamental based in stage 2, mitigating most unsystematic risks.
- Bottom up stock selection strategy that is well diversified across sectors thereby reducing sudden shocks.
- With a threshold mechanism that lays down stringent criteria for inclusion and exclusion, the strategy seeks to minimize the degree of churning and thereby, trading costs.

➡ Steps Involved in Portfolio Creation:

01

Eligible stock universe is decided based upon market capitalization (liquidity) constraints.

02

Stock selection framework (factor based) is applied on stocks universe

03

Shortlisted stocks are analyzed based on fundamentals, ESG and market conditions to decide final portfolio.

04

Portfolio is rebalanced based on defined mechanism & fundamentals/market conditions.

LIC Mutual Fund Asset Management Ltd.

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Disclaimer: Securities investments are subject to market risks and there is no assurance or guarantee that the objective of the investments will be achieved. Past performance of the portfolio manager does not indicate its future performance. For more details please refer to the disclosure document.