

PGIM INDIA HYBRID EQUITY FUND

An open ended hybrid scheme investing predominantly in equity and equity related instruments

June 2021

What is an Aggressive Hybrid Equity Fund?

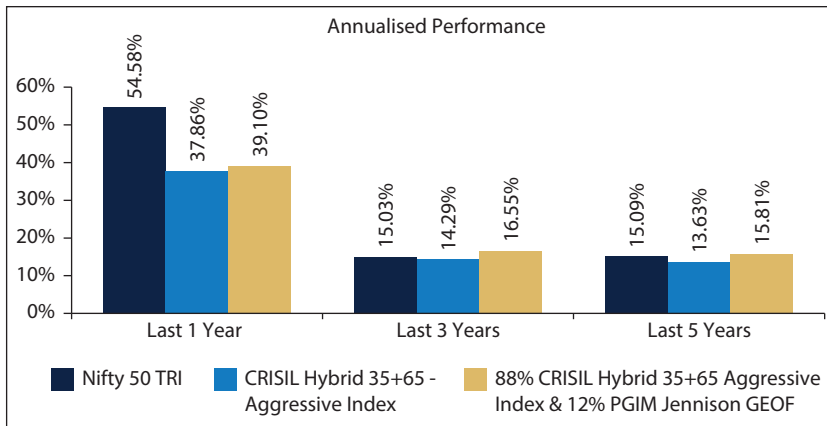
Aggressive hybrid funds have an option to invest in equity and equity related instruments between 65%-80% of total assets with investments in debt instruments ranging between 20%-35% of total assets.

Why invest in an Aggressive Hybrid Equity Fund NOW?

- This category of funds let's an investor participate in the equity upside along with an allocation to debt instruments, providing stability.
- Although, the fund invests in equity as well as debt instruments, the allocation ensures the benefit of equity taxation is provided to the investor.
- A strong rally in the markets in the last 12-13 months, visible economic recovery together with positive liquidity, there seems to exist a valuation risk.*
- Markets look positive from the medium term with the near term seeming to be more event driven.*

Why PGIM India Hybrid Equity Fund?

- The PGIM India Hybrid Equity Fund is the only fund in the said category investing in international equities through the PGIM Jennison Global Equity Opportunities Fund.
- What do we achieve?
 - Diversification to 3 asset classes which have a low correlation
 - Lower portfolio volatility
 - Potentially superior performance over market cycles



Index	Volatility (Annualized)
NIFTY 50 TR Index	14.84%
CRISIL Hybrid 35+65 - Aggressive Index	9.44%
88% CRISIL Hybrid 35+65 Aggressive Index & 12% PGIM Jennison GEOF	8.97%

(Annualised Returns as on June 30, 2021; Source: AMFI & Bloomberg. The above measures are based on Standard deviation and are for the last 6 years. For the international allocation, the INR NAVs of the PGIM Jennison Global Equity Opportunities Fund have been considered.)

The fund provides a diversification to 3 asset classes with a minimum of 65% of total assets being invested in domestic equity and equity related instruments, up to 15% of total assets being invested in global equities, balance 20% - 35% in Debt Securities and Money Market Instruments.

- A low overlap between domestic and global equities. (Reason for buying international equities is due to the lower correlation of S&P 500 with NIFTY 50)
- The global equity allocation is invested in disruptors of tomorrow led by Technology and Consumer Discretionary.

On-demand Consumption

Increased mobile Internet usage and shift to on-demand customized consumption models is leading to new delivery formats and business models

Enterprise Technologies

Exponential growth in digital data is driving massive growth in cloud technologies and network optimization through more intelligent and connected software and infrastructure

GLOBAL CONSUMER

Large younger demographic populations with growing disposable incomes, particularly in emerging markets, is creating significant demand for premium products

DIGITAL PAYMENTS

The irreversible long-term shift from cash to electronic credit and debit transactions is resulting in expansive growth of integrated payment platforms

ROBOTICS & AUTONOMY

A new generation of advanced robotic devices that combines deep intelligence with virtual/augmented reality tools is finding broad applications

HEALTH TECH & THERAPIES

A new innovation cycle with an integrated ecosystem that combines consumer relevance, artificial intelligence, and digital supply chains for quicker, more accurate diagnoses and treatments

- The domestic equity allocation comprises of steady compounders and market share gainers, that is, companies likely to become compounders in future.
 - Market share gainers are companies growing faster than the segment in which they operate.
 - Steady Compounders are high growth and high quality companies with consistently high ROE.

Illustrations of some of the market share gainers and gradual steady compounders

Nature of the Company	Market share movement*	Share Price movement in 10 years
A Plastic & Pipe fittings company	6% in FY11 to 19.4% in FY21	102.5x
A Specialty Chemical Company	4.9% in FY13 to 8.3% in FY21	67.3x
A Footwear company	25.3% in FY11 to 35.7% in FY21	64.0x
A Large Pharma Company	3.2% in FY11 to 4.3% in FY21	12.0x
A Bearings Company	12.8% in FY11 to 18% in FY21	9.9x
A Large Pvt Bank	1.1% in FY11 to 2% now	7.7x
A Large Pvt Bank	4% in FY11 to 10% now	6.8x
A Large IT company	32.9% in FY11 to 37.5% in FY21	6.6x
Nifty 50		2.5x
Nifty 50 TRI		2.9x

(* Revenue market share of listed companies. For Banks, it is share of Banking sector credit) (Source: Bloomberg, Data as on March 31, 2021)

- The approach for our fixed income allocation is to run a quality portfolio to provide stable returns with low volatility. Currently, fixed income portfolio seeks to maintain average maturity of short to medium Term.

Key Measures		
Average Maturity	Modified Duration	Portfolio Yield
0.28 Years	0.25 Years	3.52%

(Source: Internal Research, Data as on June 30, 2021)

- The fund has shown ability to change gears and adapt to market conditions. For instance, in the narrow market of 2018-19, the fund maintained an average of 5% equity allocation to the broader market. Now with better growth visibility and broadening of markets, the fund has approximately 45% allocation to the broader market, higher than that of the benchmarks.
- PGIM India Hybrid Equity Fund is ideal for investors looking for an opportunity to achieve investment growth via allocation to steady compounders (currently, market share gainers), global disruptors and stability via fixed income allocation, maintained as high quality low duration investments.

Performance

Period	Fund		CRISIL Hybrid 35+65 - Aggressive Index [^]		Nifty 50 TR Index #	
	Returns (%)	Value (INR)*	Returns (%)	Value (INR)*	Returns (%)	Value (INR)*
Regular Plan						
Last 1 Year	45.53	14,552.83	37.86	13,785.54	54.58	15,457.71
Last 3 Years	11.34	13,807.84	14.29	14,932.87	15.03	15,226.01
Last 5 Years	10.22	16,273.69	13.63	18,946.58	15.09	20,199.23
Since Inception	13.54	91,450.00	12.69	80,231.38	14.56	1,06,883.04
Direct Plan						
Last 1 Year	47.94	14,793.87	37.86	13,785.54	54.58	15,457.71
Last 3 Years	13.08	14,464.08	14.29	14,932.87	15.03	15,226.01
Last 5 Years	11.87	17,529.38	13.63	18,946.58	15.09	20,199.23
Since Inception	12.75	27,738.00	12.77	27,777.47	13.51	29,350.71

Date of Inception: Regular Plan: January 29, 2004, Direct Plan: January 01, 2013. All the above returns are of Growth Option and CAGR. CAGR – Compounded Annual Growth Rate. [^] Scheme Benchmark. # Standard Benchmark. *Based on standard investment of ₹ 10,000 made at the beginning of the relevant period. Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments. Different plans have a different expense structure. Alok Agarwal (Equity Portion) is managing this scheme since June 2016 and Kumaresh Ramakrishnan (Debt Portion) is managing this scheme since April 05, 2018 and Ravi Adukia (Overseas Investments) is managing this scheme since June 01, 2021. The above returns are as on June 30, 2021. For details of other schemes managed by Alok Agarwal, Kumaresh Ramakrishnan and Ravi Adukia please see overleaf.

Performance of other funds managed by Fund Manager Alok Agarwal as on June 30, 2021

	Last 1 Year	Last 3 Years	Last 5 Years	Managing Since
PGIM India Large Cap Fund	53.28	13.39	12.55	July, 2017
Nifty 50 TR Index [^]	54.58	15.03	15.09	
PGIM India Equity Savings Fund*	20.81	7.99	7.60	August 2016
70% Nifty 50 Arbitrage + 30% Nifty 50 TRI [^]	17.10	8.25	8.13	

[^] Benchmark. Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments. The above returns are of Regular Plan - Growth Option of respective schemes. All the above returns are CAGR. CAGR - Compounded Annual Growth Rate. Different plans have a different expense structure. Mr. Alok Agarwal is managing 3 schemes of PGIM India Mutual Fund as on June 30, 2021. On account of difference in scheme features, the performance of these schemes are not strictly comparable. Please refer www.pgimindiamf.com for details on performance of all schemes (including Direct Plan).

* Co-managed by Kumaresh Ramakrishnan (Debt Portion) and (w.e.f. June 01, 2021) Mr. Hitash Dang (Equity Portion)

Performance of other funds managed by Fund Manager Kumaresh Ramakrishnan as on June 30, 2021

	Last 1 Year	Last 3 Years	Last 5 Years	Managing Since
Top 3 Schemes Performance (%)				
PGIM India Equity Savings Fund#	20.81	7.99	7.60	April 05, 2018
70% Nifty Arbitrage TRI + 30% Nifty 50 TRI^	17.10	8.25	8.13	
PGIM India Fixed Duration Fund - Series BC	11.51	—	—	August 08, 2018
CRISIL Composite Bond Fund Index^	4.90	—	—	
PGIM India Fixed Duration Fund - Series BE	11.08	—	—	August 30, 2018
CRISIL Composite Bond Fund Index^	4.90	—	—	
Bottom 3 Schemes Performance (%)				
PGIM India Low Duration Fund	2.08	-0.69	2.46	August 2008
CRISIL Low Duration Debt Index^	5.11	7.46	7.44	
PGIM India Money Market Fund**	2.98	—	—	March 2020
CRISIL Money Market Fund Index^	4.22	—	—	
PGIM India Overnight Fund**	3.06	—	—	August 2019
Nifty 1 Day Rate Index^	3.18	—	—	

#Co-managed by Alok Agarwal (Equity Portion) is managing since August 2016 and Hitash Dang (Equity Portion) is managing from June 01, 2021

** Co-managed by Kunal Jain

Performance of other funds managed by Fund Manager Ravi Adukia as on June 30, 2021

	Last 1 Year	Last 3 Years	Last 5 Years	Managing Since
PGIM India Flexi Cap Fund*	76.20	21.73	18.44	June 01, 2021
Nifty 500 TR Index^	60.77	15.03	15.41	
PGIM India Emerging Markets Equity Fund	43.40	14.52	13.57	June 01, 2021
MSCI Emerging Markets Index^	35.95	11.75	12.66	
PGIM India Global Equity Opportunities Fund	41.58	31.30	22.51	June 01, 2021
MSCI All Country World Index^	34.99	15.67	14.70	

^ Benchmark. Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments. The above returns are of Regular Plan - Growth Option of respective schemes. All the above returns are CAGR. CAGR - Compounded Annual Growth Rate. Different plans have a different expense structure. Mr. Kumaresh Ramakrishnan is managing 18 schemes and Mr. Ravi Adukia (Overseas Investments) is managing 5 schemes of PGIM India Mutual Fund as on June 30, 2021. Top three and bottom three schemes managed by the fund manager have been derived on the basis of last one year performance ending on June 30, 2021. On account of difference in scheme features, the performance of these schemes are not strictly comparable. Please refer www.pgimindiamf.com for details on performance of all schemes (including Direct Plan).

The performance of PGIM India Balanced Advantage Fund is not provided as schemes has not completed 6 months since inception.

* Equity portion managed by Mr. Aniruddha Naha and Mr. Anandha Padmanabhan Anjeneyan.

* These are based on fund manager's current outlook & Subject to change. The views of the Fund Manager should not be construed as an advice and investors must make their own investment decisions regarding suitability of the funds based on their specific investment objectives and financial positions and using such independent advisors as they believe necessary.

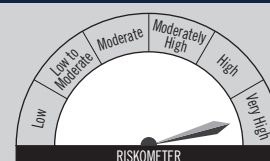
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Riskometer

This product is suitable for investors who are seeking*:

- Capital growth over the long term
- Investing predominantly in equity and equity related securities.
- Degree of risk – VERY HIGH

*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

The views of the Fund Manager should not be construed as an advice and investors must make their own investment decisions regarding suitability of the funds based on their specific investment objectives and financial positions and using such independent advisors as they believe necessary.

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Mutual Fund investments are subject to market risks, read all scheme related documents carefully.