



PGIM
India Mutual Fund

Add a match winner to your portfolio.

Invest in

PGIM INDIA

MIDCAP OPPORTUNITIES FUND

Mid Cap Fund- An open ended equity scheme predominantly investing in mid cap stocks

Be it cricket or investment, to score more, play on the front foot whenever the situation demands. Presenting PGIM India Midcap Opportunities Fund which invests in quality mid-cap stocks based on extensive research and thorough selection process.

The fund tends to offer you greater growth potential as compared to large cap stocks, and also with less volatility and risk as compared to small cap stocks. Thus giving your investment portfolio a winning edge.

#ChooseAMatchWinner



Why invest in PGIM India Midcap Opportunities Fund?

PGIM India Midcap Opportunities Fund identifies quality midcap stocks which can benefit from a favorable economic environment.

Investment Strategy

- The fund predominantly invests in midcap stocks in accordance with the investment objective and asset allocation. Fund Manager will select equity securities on a top-down and bottom-up, stock-by-stock basis, with consideration given to valuation parameters as well as growth, margins, asset returns, and cash flows, amongst others.
- Stocks are selected on the basis of, amongst others, the historical and current financial condition of the company, potential value creation/unlocking of value and its impact on earnings growth, capital structure, business prospects, policy environment, strength of management, responsiveness to business conditions, product profile, brand equity, market share, competitive edge, research, technological know-how and corporate governance.

Portfolio Positioning*

The fund manager approximately follows the below mentioned allocation while constructing his portfolio:

- Top 40-45% of portfolio - Companies with stable earnings and strong earnings visibility
- Middle 40-45% of portfolio - Companies with strong earnings growth
- Bottom 10-20% of portfolio - Turn around stories/ good companies going through bad times with significant potential for alpha generation

Who should invest?

PGIM India Midcap Opportunities Fund is typically suited for investors seeking long term capital appreciation through an investment in the equity of mid cap companies.

Portfolio Positioning

Top 3 Sectors Overweight	% Overweight
Industrials	7.71
Information Technology	4.64
Materials	0.98
Top 3 Sectors Underweight	% Underweight
Financials	7.36
Utilities	6.58
Communication Services	2.77
Top 5 Stocks Overweight	% Overweight
Max Healthcare Institute Ltd	4.06
Muthoot Finance Ltd	3.80
ICICI Bank Ltd	3.72
Coforge Limited	3.52
Sagar Cements Ltd	2.52
Top 5 Stocks Underweight	% Underweight
Adani Total Gas Ltd	2.35
Laurus Labs Ltd	2.26
Shriram Transport Finance	2.26
Crompton Greaves Consumer EI	2.15
PI Industries Ltd	1.96

The above weights are in comparison to the benchmark.

Source: Bloomberg and Internal Research. The above data as on June 30, 2021.

Portfolio Metrics

	Portfolio	Nifty Midcap 100 TR Index
Return on Equity	12.7%	7.8%
Debt / Equity (ex-financials)	35.2%	58.7%
FY 23E Price / Earning Ratio	20.9	17.8
Beta	0.85	1.00

Source: Bloomberg and Internal Research. The above data as on June 30, 2021.

*These are based on the fund manager's current outlook and are subject to change.

Portfolio Composition

	Portfolio	Nifty Midcap 100 TR Index
Number of stocks	46	100
Portfolio overlap with	—	30.6%
Large caps (1st-100th stock)	9.7%	3.4%
Mid caps (101st-250th stock)	67.4%	91.8%
Small caps (251st stock onwards)	15.3%	3.4%
Cash	5.5%	0.0%
Market Cap yet to be classified by AMFI	2.1%	1.33%
Top 10 holding	35.5%	20.3%
Avg Market Cap - Crore	43,894	32,232

Source: Bloomberg and Internal Research. The above data as on June 30, 2021.

Portfolio (Top Ten Holdings) as on June 30, 2021

Issuer	% to Net Assets
Coforge Ltd.	4.26
Max Healthcare Institute Ltd.	4.06
Muthoot Finance Ltd.	3.80
ICICI Bank Ltd.	3.72
MindTree Ltd.	3.60
Aarti Industries Ltd.	3.26
Max Financial Services Ltd.	3.26
Bharat Forge Ltd.	3.12
Voltas Ltd.	3.01
Steel Authority of India Ltd.	2.68

Performance

Period	Fund		Nifty Midcap 100 TR Index [^]		NIFTY 50 TR Index #	
	Returns (%)	Value (INR)*	Returns (%)	Value (INR)*	Returns (%)	Value (INR)*
Regular Plan						
Last 1 Year	100.00	20,000.00	84.97	18,496.51	54.58	15,457.71
Last 3 Years	23.84	19,003.34	15.16	15,278.88	15.03	15,226.01
Last 5 Years	19.14	24,016.77	15.51	20,574.34	15.09	20,199.23
Since Inception	18.65	36,560.00	19.17	37,797.23	14.42	27,758.69
Direct Plan						
Last 1 Year	103.83	20,382.65	84.97	18,496.51	54.58	15,457.71
Last 3 Years	25.96	19,997.63	15.16	15,278.88	15.03	15,226.01
Last 5 Years	20.99	25,938.26	15.51	20,574.34	15.09	20,199.23
Since Inception	20.05	39,950.00	19.17	37,797.23	14.42	27,758.69

Date of Inception: Regular Plan: December 02, 2013; Direct Plan: December 02, 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. Aniruddha Naha is managing this fund since April 05, 2018 and Mr. Vivek Sharma is managing this fund since June 01, 2021. No other schemes are managed by Vivek Sharma. The above returns are as on June 30, 2021.

Returns for PGIM India Balanced Advantage Fund are not provided as the scheme has not completed six months since inception.

Performance of other funds managed by Fund Manager Aniruddha Naha 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	April 05, 2018
Nifty 500 TR Index [^]	60.77	15.03	15.41	

[^] 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. Aniruddha Naha is managing 3 schemes of PGIM India Mutual Fund. 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).

#w.e.f. January 31, 2021, the name and type of the scheme has changed to PGIM India Flexi Cap Fund and Flexi Cap Fund - An open ended dynamic equity scheme investing across large cap, mid cap, small cap stocks, respectively.

#Equity portion is co-managed by Anandha and overseas investments is managed by Ravi Adukia from June 1, 2021. Similarly, PGIM India Balanced Advantage Fund is co-managed by Hitash Dang (Equity Portion), Kumaresh Ramakrishnan (Debt portion) and (w.e.f. June 01, 2021) Mr. Ravi Adukia (Overseas Investments)

Returns for PGIM India Balanced Advantage Fund are not provided as the scheme has not completed six months since inception.

Fund Manager's View

The market that was

While the broader markets were largely rangebound in June 2021 and closed marginally higher (NIFTY +0.9%), there was a strong surge in the midcaps/smallcaps space with the indices up ~5% in the month. The BSE SmallCap 250 Index has given positive returns for 15 straight months – something never before witnessed by the market (the previous record was 8 months). While hawkish signals by the Federal Reserve did cause some jitters mid-month, the Indian markets recovered along with its global peers. IT and consumer durables sectors were broad gainers while banks, oil & gas and power sector were laggards. The Covid situation too seems to be improving with daily cases below 50,000 and vaccination gathering pace.

On the macro front, May CPI increased sharply to 6.3% YoY. For the two months of FY22, fiscal deficit came at 8% of full year Budget vs pre-Covid average of 47% primarily on the back of robust direct tax collections. The RBI MPC maintained status quo on rates while FY22 growth forecast was cut to 9.5% and inflation revised up by ~25bps to 5.1%. The Finance Minister announced a few Covid relief measures with a focus on improving health infrastructure in tier 2-3 towns and on the stressed segments.

The FY21 current account recorded a surplus of USD 24.0 billion or 0.9% of GDP compared with a deficit of USD 24.6 billion or 0.9% of GDP in FY20. Bank Credit growth continued to remain at modest sub-6% levels. India's crude oil imports in May rose 18.2% YoY, up the most since February 2016, to 17.3 million tonnes – early signs of growth recovery. As per CMIE, India's unemployment rate dropped to 9.2% in June compared to 11.9% in May.

Capital markets saw 13 deals worth ~\$4bn executed in June. FII's were net buyers to the tune of \$1.4bn, while DIIs continued the buying in June to the tune \$0.9bn. YTD FII/DII inflows stand at +\$8bn/- \$0.5bn respectively.

Fund Manager's View

While things seem to be coming back to normalcy with some lockdown easing seen in many states, vaccination gathering steam and monsoons being healthy so far (10% above normal till 30-Jun), markets are also factoring the same to a large extent. Active cases have declined over 85% from peak levels seen in May'21. However, a few risks remain – a) Risk of a third wave/variant causing economic hiccups, ii) Possible slowing of QE impacting markets globally and iii) rising inflation and sustained high commodity prices leading to cost pressures.

Q4FY21 earnings have seen healthy growth, however, some of it is attributable to the low base of last year, while some of it is due to genuine cost rationalization. With Q1 likely to see some impact of interspersed lockdowns and restrictions, we reckon the economic impact of the second wave should be milder than first wave.

We believe, for markets to sustain momentum - growth should come back strongly (and not only on low bases), covid situation easing out further along with vaccinations gaining more coverage and inflation/cost pressures to come under control are key variables. We continue to focus on companies with growth visibility and sound financials.

Key Features



Benchmark Index:
Nifty Midcap 100 TR Index



Fund Manager:
Mr. Aniruddha Naha and
Mr. Vivek Sharma



Exit load:

10% of the units allotted may be redeemed/switched-out to debt schemes/PGIM India Arbitrage Fund without any exit load within 90 days from the date of allotment of units; Any redemptions/switch-outs in excess of the abovementioned limit would be subject to an exit load of 0.50%, if the units are redeemed/switched-out to debt schemes/PGIM India Arbitrage Fund within 90 days from the date of allotment of units; Nil - If the units are redeemed/switched-out after 90 days from the date of allotment of units.

No exit load will be charged for switches and STP between any open-ended equity schemes, hybrid schemes (except PGIM India Arbitrage Fund) and fund of funds schemes.

Return on Equity: Return on equity (ROE) is the amount of net income returned as a percentage of shareholders equity. Return on equity measures a corporation's profitability by revealing how much profit a company generates with the money shareholders have invested. **Debt/Equity (ex-financials):** Debt/Equity Ratio is a debt ratio used to measure a company's financial leverage, calculated by dividing a company's total liabilities by its stockholders' equity. The D/E ratio indicates how much debt a company is using to finance its assets relative to the amount of value represented in shareholders' equity. (Ex-Financials means excluding Banks and NBFCs). **Price/Earnings:** The price-earnings ratio (P/E Ratio) is the ratio for valuing a company that measures its current share price relative to its per-share earnings. **Beta:** Beta is a measure of an investment's volatility vis-à-vis the market. Beta of less than 1 means that the security will be less volatile than the market. A beta of greater than 1 implies that the security's price will be more volatile than the market.

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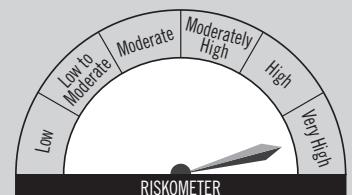
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Riskometer

This product is suitable for investors who are seeking*:

- Capital appreciation over long run.
- To achieve long term capital appreciation by predominantly investing in equity and equity related instruments of mid cap companies.
- 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.