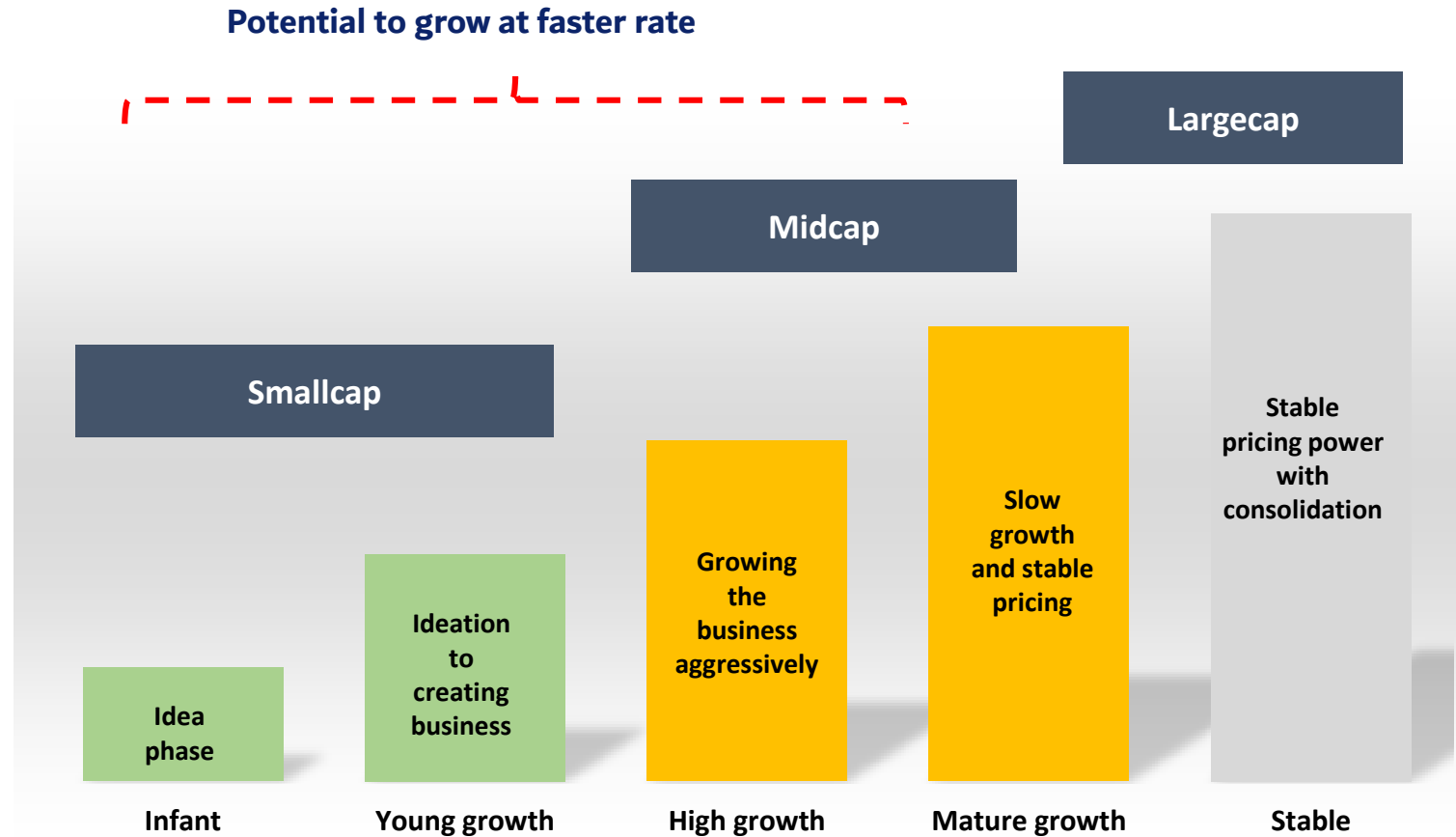




# Motilal Oswal Mid-Small Sectoral and Thematic Index Funds

**Why to consider Mid and Small Cap segment?**

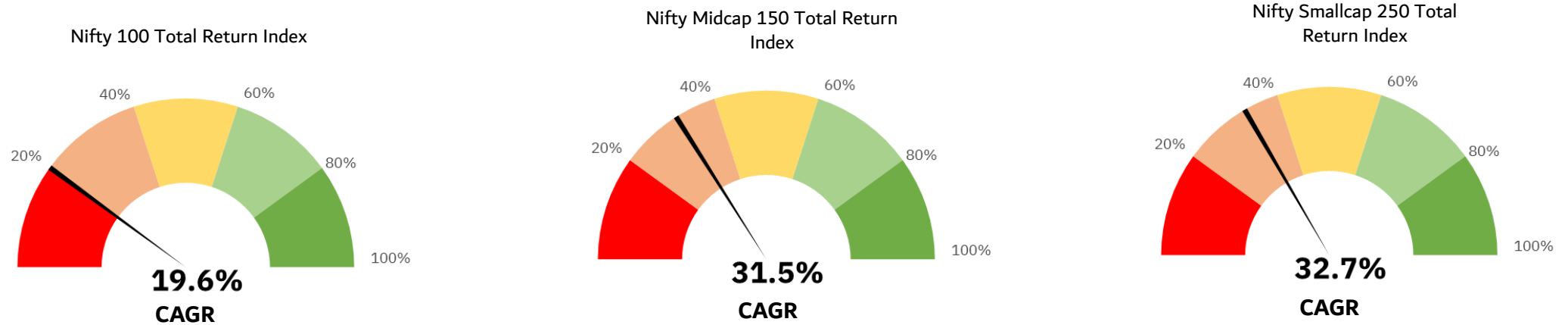
# Why Mid and Small cap stocks have potential to perform well in long term?



Source/Disclaimer: The above data/graph is used to explain the concept and is for illustration purpose only. It should not be used for development or implementation of any investment strategy. Past performance may or may not be sustained in future, and is not a guarantee of any future returns

# 5 Year performance of Large, Mid and Small Cap Indices

In the last 5 years, Midcap and Smallcap have grown at a faster rate as compared to Largecap



- The **profitability** of **Mid and Small cap** companies has grown by **25.2%** and **35.4%** respectively compared to the **Large-cap** companies which has grown by **22.1%**
- During the same period **market cap** of **Mid and Small cap** companies has grown by **25.7%** and **28.0%** while **large-cap** companies have grown by **19.1%**

Source/Disclaimer: nifty indices, Data from 30-Sep-2019 to 30-Sep-2024. The above graph is used to explain the concept and is for illustration purpose only and should not used for development or implementation of an investment strategy. Past performance may not be sustained in the future . Profitability = Profit after tax (PAT). CAGR = Compounded Annual Growth Rate. In general large cap are less volatile as compared to mid cap and small cap, investors should consider risk profile while investing

# Sectors and Theme that drive the market

# Important Sectors and Themes of the Indian Equity Market

These sectors and investment theme combined have substantial exposure in the Nifty 500 Index



**Financial Services**



**IT & Telecom**



**Consumption**



**Healthcare**



**Other**

2019	35%	13%	24%	4%	24%
2021	31%	16%	23%	6%	24%
2024	28%	13%	27%	6%	26%

Source/Disclaimer: nifty indices, Data from 30-Sep-2019 to 30-Sep-2024. The above graph is used to explain the concept and is for illustration purpose only and should not used for development or implementation of an investment strategy. Past performance may not be sustained in the future and is not a guarantee of any future returns.

# Theme - Consumption

# Consumption - Growth Potential

## RISING GDP PER CAPITA

India surpassed the critical inflection point of a \$2,000 GDP per capita in 2019.

Historically, countries like Japan, South Korea, and China experienced a fourfold increase in GDP per capita within a decade after crossing this threshold. India is anticipated to follow a similar trajectory.

As the economy expands and incomes rise, consumer spending, particularly in discretionary categories, is expected to grow significantly.

## FAVOURABLE DEMOGRAPHICS

By 2030, the median age of India's population will be just 31 years, reflecting a youthful demographic.

India is projected to contribute 22% of the world's working-age population, positioning it as a key driver of global labor force growth and economic dynamism in the coming decade.

## URBANIZATION & PREMIUMIZATION

India's urban population grew from 31.6% in 2012 to 35.9% in 2022.

Increasing urbanization is driving higher spending on travel, durable goods, household consumables, and consumer services.

Consumers are shifting toward premium products and services as incomes rise and preferences evolve.

## DIGITALIZATION

India's digital economy is expected to reach \$1 trillion by 2030.

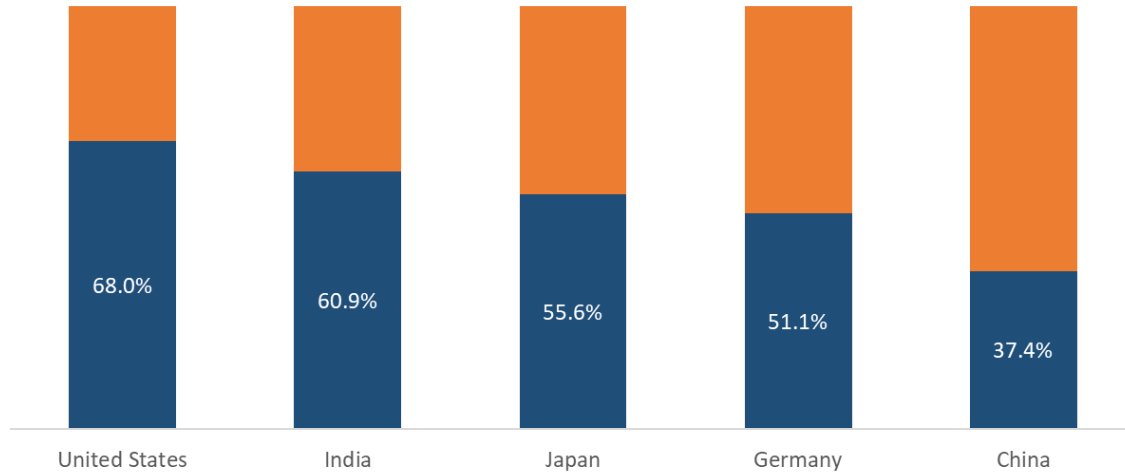
Widespread digital adoption has transformed how people interact, transact, and access information, driving a surge in digital consumption across the country.

Source/Disclaimer: IBEF sector report. The above graph is used to explain the concept and is for illustration purpose only and should not be used for development or implementation of an investment strategy. Past performance may not be sustained in the future and is not a guarantee of any future returns.



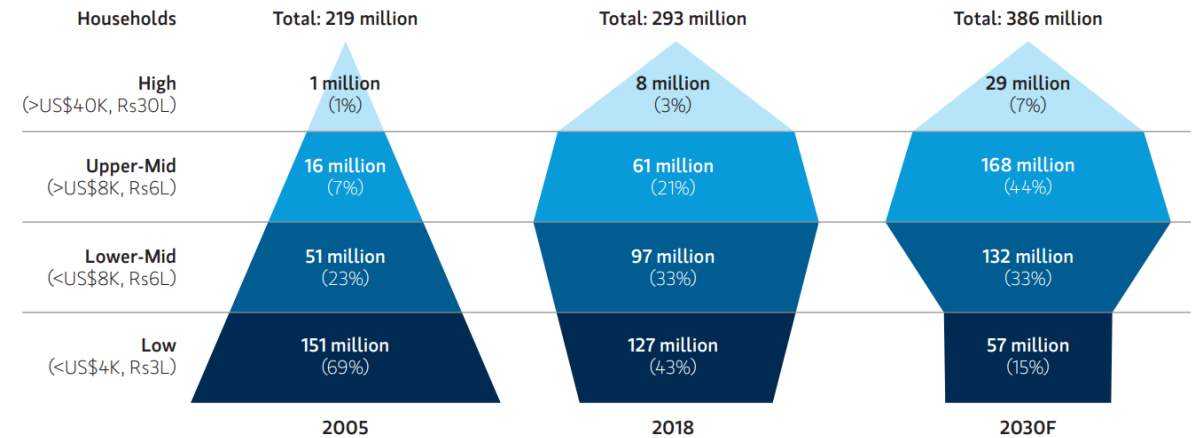
# Consumption - Growth Drivers

■ Consumption Share of GDP (%)



**India is the 2<sup>nd</sup> largest country in Private Final Consumption Expenditure, contributing about 61% of its GDP (~\$2 trillion)**

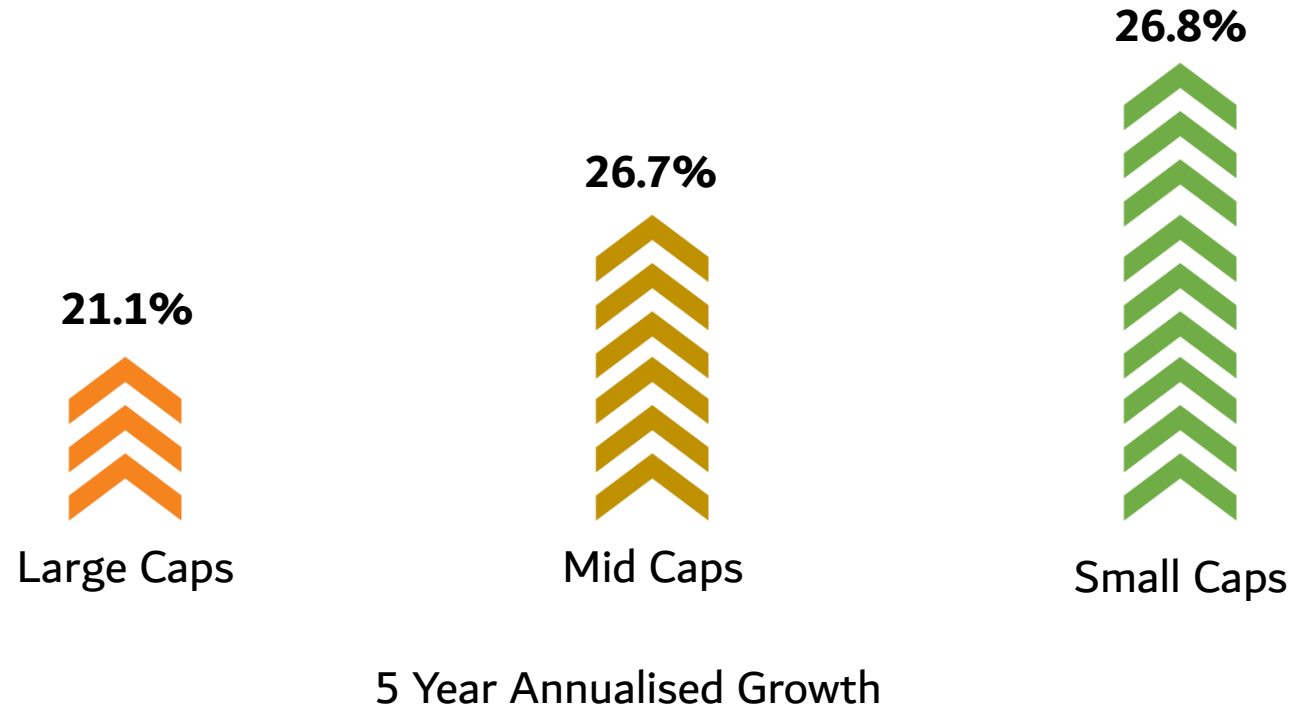
**Household income distribution suggests that the middle class may become the predominant economic force by 2030**



Source/Disclaimer: IBEF sector report. The above graph is used to explain the concept and is for illustration purpose only and should not be used for development or implementation of an investment strategy. Past performance may not be sustained in the future and is not a guarantee of any future returns.

# Consumption – Growth in market capitalization

Market cap of MidSmall companies have grown at a faster rate as compared to large cap companies

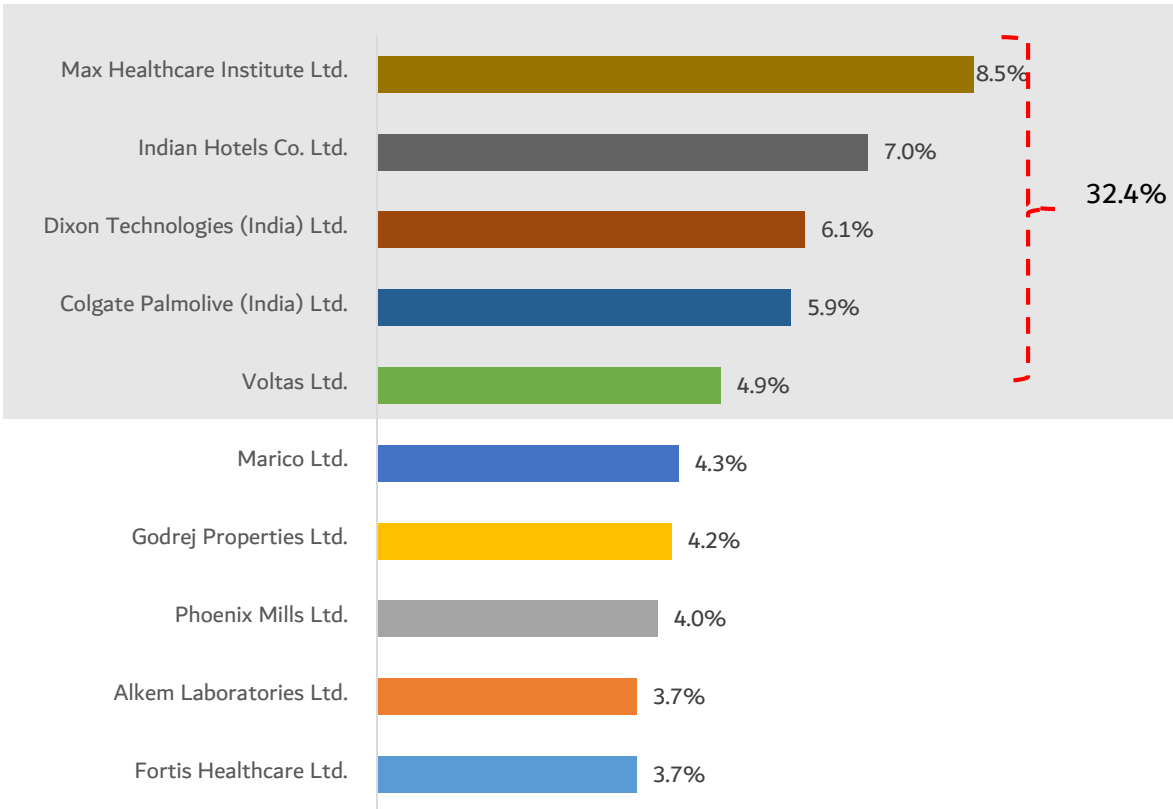


Source: nifty indices, Data from 30-Sep-2019 to 30-Sep-2024. The above graph is used to explain the concept and is for illustration purpose only and should not used for development or implementation of an investment strategy. Past performance may not be sustained in the future and is not a guarantee of future return. In general large cap are less volatile as compared to mid cap and small cap, investors should consider risk profile while investing

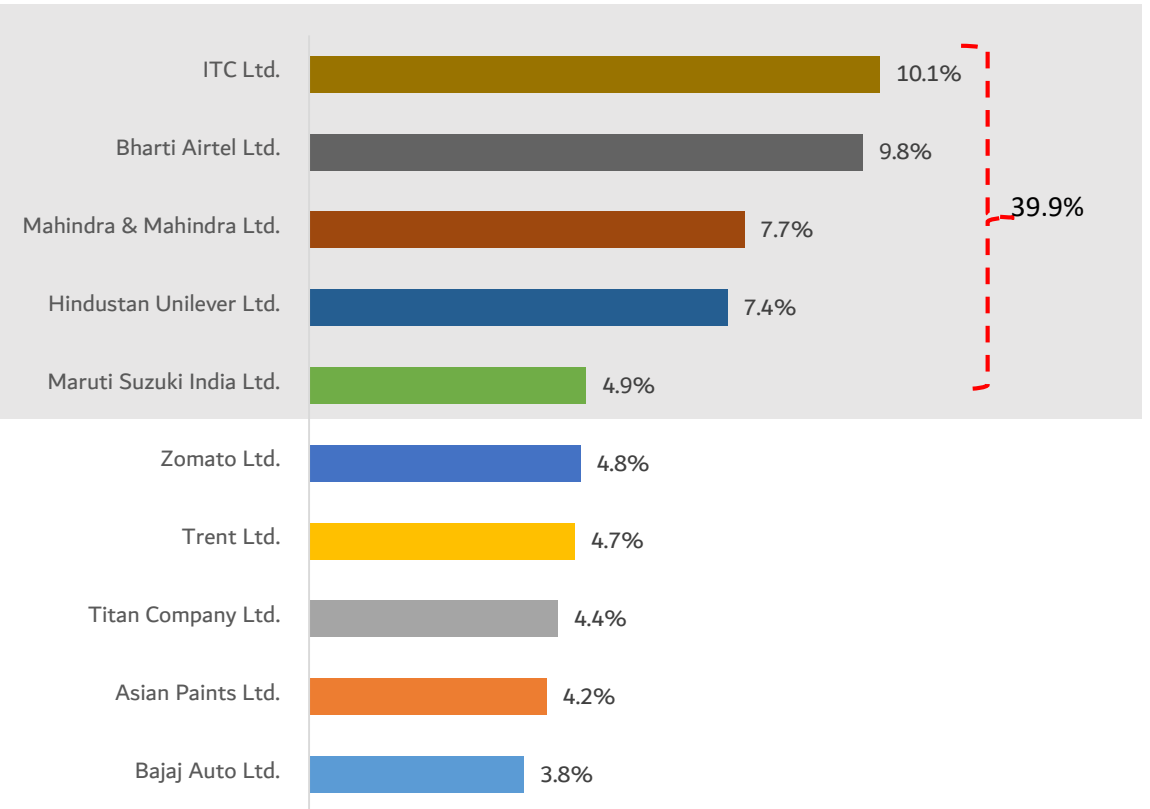
# Consumption MidSmall vs Broad Index – diversified portfolio

Nifty India Consumption Index is more concentrated as compared to the Nifty MidSmall India Consumption Index

Nifty MidSmall India Consumption Index



Nifty India Consumption Index

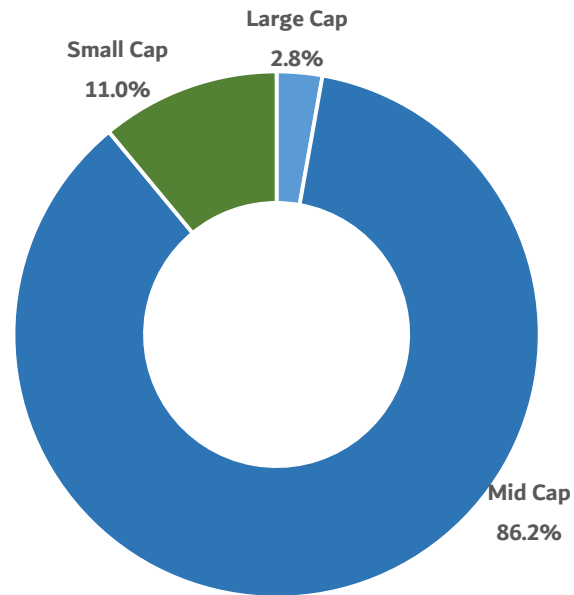


Source/Disclaimer: Nifty Indices. Data as on 30-Sep-24. The stocks/sectors mentioned above are used to explain the concept and is for illustration purpose only and should not be used for development or implementation of an investment strategy. The stock may or may not be part of our portfolio/strategy/ schemes. It should not be construed as investment advice to any party. Past performance may or may not be sustained in future and is not an guarantee of any future return

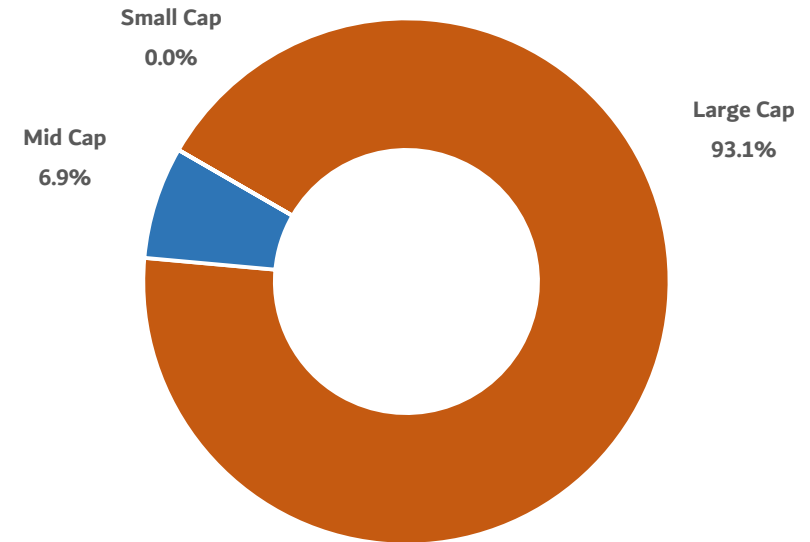
# Consumption MidSmall vs Broad Index – market cap exposure

Higher exposure to Mid and Small companies may deliver better growth prospects

Nifty MidSmall India Consumption Index



Nifty India Consumption Index



Source/Disclaimer: Nifty Indices. Data as on 30-Sep-2024 Categorization as per AMFI data on average market capitalization of listed companies . The stocks/sectors mentioned above are used to explain the concept and is for illustration purpose only and should not be used for development or implementation of an investment strategy. The stock may or may not be part of our portfolio/strategy/ schemes. It should not be construed as investment advice to any party. Past performance may or may not be sustained in future and is not a guarantee of any future returns.

# Nifty Midsmall India Consumption vs Nifty India Consumption – Risk Return Profile

Data Label		1 year	3 year	5 year	10 year
Nifty Midsmall India Consumption TRI	Compound annual growth rate	53.4%	23.4%	28.4%	19.0%
Nifty India Consumption TRI		53.2%	22.6%	22.3%	16.0%
Nifty Midsmall India Consumption TRI	Annualized Volatility	15.8%	16.6%	18.3%	17.6%
Nifty India Consumption TRI		11.9%	13.6%	16.6%	15.4%
Nifty Midsmall India Consumption TRI	Risk Adjusted Returns	3.3	1.4	1.5	1.0
Nifty India Consumption TRI		4.4	1.6	1.3	1.0

Source/Disclaimer: nifty indices, Data from 30-Sep-2014 to 30-Sep-2024. The above graph is used to explain the concept and is for illustration purpose only and should not be used for development or implementation of an investment strategy. Past performance may not be sustained in the future and is not a guarantee of any future return. Performance results have many inherent limitations and no representation is being made that any investor will, or is likely to achieve. TRI= Total Return Index

# Nifty Midsmall India Consumption vs Nifty India Consumption – Index SIP Returns

<b>Nifty Mid Small India Consumption TRI</b>	<b>1 year</b>	<b>3 year</b>	<b>5 year</b>	<b>10 year</b>
Returns	55.9%	36.0%	32.2%	22.0%
Amount Invested	1,20,000	3,60,000	6,00,000	12,00,000
Market Value	1,53,692	5,98,439	13,21,625	38,37,976

<b>Nifty India Consumption TRI</b>	<b>1 year</b>	<b>3 year</b>	<b>5 year</b>	<b>10 year</b>
Returns	59.1%	33.6%	27.8%	19.0%
Amount Invested	1,20,000	3,60,000	6,00,000	12,00,000
Market Value	1,55,505	5,79,905	11,91,027	32,66,269

Data as of close of Sep 30, 2024 For SIP returns, monthly investment of INR 10,000/- invested on the first business day of every month has been considered. Performance is calculated using Total Return Index, with zero cost/expenses. Past performance may or may not be sustained in the future

Source/Disclaimer: niftyindices: Performance as of close of 01-Oct-14 to 30-Sep-24. Performance results have many inherent limitations and no representation is being made that any investor will, or is likely to achieve. Past performance may or may not be sustained in future. The above graph is used to explain the concept and is for illustration purpose only and should not used for development or implementation of an investment strategy. The SIP amount, tenure of SIP, expected rate of return are assumed figures for the purpose of explaining the concept of advantages of SIP investments.. The actual result may vary from depicted results depending on scheme selected. It should not be construed to be indicative of scheme performance in any manner. The above are not scheme SIP returns, but simulation of index SIP returns. Past performance may or may not be sustained in future and is not a guarantee of any future return. TRI= Total Return Index.

# About Motilal Oswal Nifty MidSmall Sectoral Funds

# Motilal Oswal Nifty MidSmall India Consumption Index Fund



## Type of Scheme

An open ended fund replicating / tracking the Nifty MidSmall India Consumption Total Return Index



**Minimum Application Amount Lumpsum and SIP** – Rs 500/- and in multiples of Re 1/- thereafter



## Benchmark

Nifty MidSmall India Consumption Total Return Index



## Investment Objective

The investment objective of the scheme is to provide returns that, before expenses, correspond to the total returns of the securities as represented by Nifty MidSmall India Consumption Total Return Index, subject to tracking error.

However, there can be no assurance or guarantee that the investment objectives of the scheme will be achieved.



## Exit Load

1% if redeemed on or before 15 days of allotment.

Nil- If redeemed after 15 days from the date of allotment.



## Fund Manager



Mr. Swapnil Mayekar (for Equity Component)

Mr. Rakesh Shetty (for Debt Component)

Disclaimer: The above information is provided from the Scheme Information Document. For more details, kindly refer to the Scheme Information Document on our website <https://www.motilaloswalmf.com/download/index-fund/sid>



# Product suitability

Name of the Scheme	This product is suitable for investors who are seeking*	Scheme Riskometer	Benchmark Riskometer
<p><b>Motilal Oswal Nifty Mid Small India Consumption Index Fund</b> (An open ended fund replicating / tracking the Nifty India Midsmall India Consumption Total Return Index)</p>	<ul style="list-style-type: none"> <li>Return that corresponds to the performance of Nifty Midsmall India Consumption Total Return Index subject to tracking error</li> <li>Long-term capital growth</li> </ul>	 <p><b>Riskometer</b> Investors understand that their principal will be at Very High risk</p>	<p>Nifty MidSmall India Consumption Total Return Index</p>  <p><b>Riskometer</b> Benchmark riskometer is at Very High risk</p>

The above product labelling assigned during the New Fund Offer (NFO) is based on internal assessment of the scheme characteristics or model portfolio and the same may vary post NFO when the actual investments are made

Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

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