



DSP Healthcare Fund

A Healthcare-focused Equity Fund



Medical Bills ↑



Hospitalisation Costs ↑



Health Insurance Premium ↑



Health Checkup Costs ↑

GET ACCESS TO STOCK OF COMPANIES THAT MAY MAKE PROFITS FROM RISING HEALTHCARE SPEND.

MAJOR GROWTH DRIVERS



Rise in Affordable Medical Care

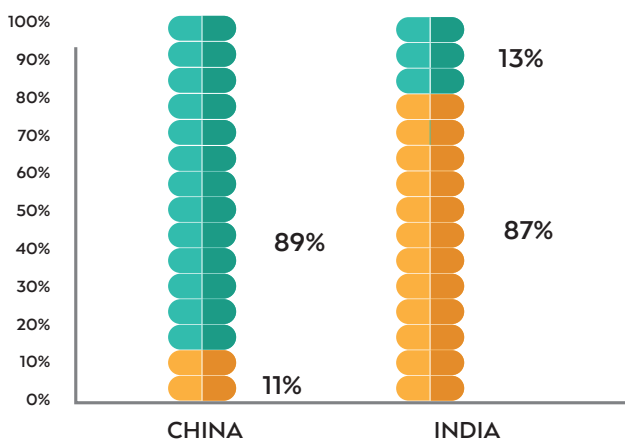


Launch of Ayushman Bharat Scheme



Increase in Export Opportunities

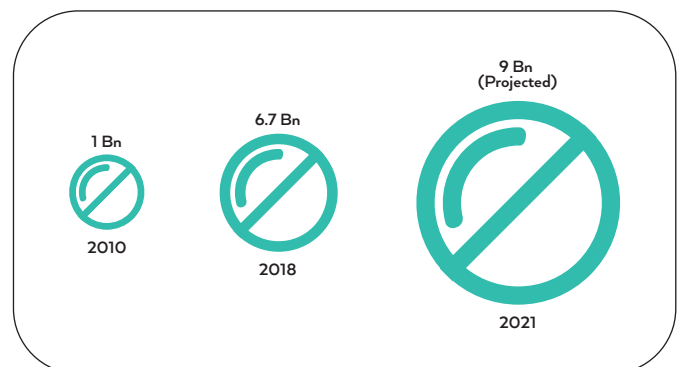
GROWTH BOOSTERS IN FOREIGN MARKETS



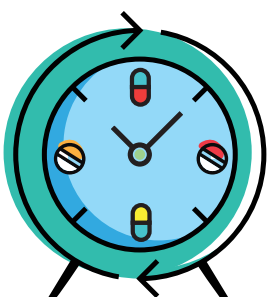
China has opened its doors to Indian pharma companies

Orange: Domestic Pharma Market Share, Teal: MNC Pharma Market Share

Revenue by Indian pharma companies from US exports (USD)



Source: Industry Report, Data as on Sep 2018



WHY INVEST NOW?

- Access to international healthcare stocks upto 25%[^]
- Low correlation between Indian and US Healthcare may help reduce volatility and could bring consistency of returns.
- The healthcare index is ~22% below from its peak level of 2015.
- Expected earnings recovery over next 6-12 months, leading to re-rating of the sectors.
- Portfolio would be mid and small cap oriented to capture disproportionate correction in mid/small cap stocks vs. large cap health care stocks.

OUR EXPERT FUND MANAGERS

- **Aditya Khemka** has been in the sector for 13 years and has worked in the US, Latin America, Europe and India.
- **Vinit Sambre** has 21 years of fund management experience in the small/mid-cap space in India, as well as in healthcare.
- **Jay Kothari** is the dedicated Fund Manager for overseas investments and has 15 years of experience.



THE BALANCE THAT INDIAN AND US MARKETS CREATE

	CAGR	Standard Deviation
BSE Healthcare TRI	18.89%	16.60%
DJ US Healthcare Index	19.36%	15.93%
75% BSE Healthcare TRI + 25% DJ US Healthcare Index	19.01%	13.68%

Low correlation (0.33) between US & India Healthcare can help consistency of returns

Source: Bloomberg. Period considered is from Jan 2009 to Sep 2018. Past performance may or may not sustain in future and should not be used as a basis for comparison with other investments. These figures pertain to performance of the index and do not in any manner indicate the returns/performance of the Scheme.

PORTFOLIO WEIGHTAGE

THEME CATEGORY	Portfolio Weight	Benchmark Weight
Domestic focused companies (Export investments to provide upside)	30%-40%	25%
Diagnostic Laboratories (Competitive intensity stabilizing)	up to 10%	1%
Hospitals (Price regulation concern, volume growth to continue)	up to 10%	5%
Health Insurance (Exponential secular growth ahead)	up to 10%	0%
Contract research and manufacturing (Huge opportunity and limited scalable competitors)	5%-15%	8%
Export focused pharma companies (US pricing cycle bottoming out and China opening up)	10%-20%	34%
Evolving generic companies* (Innovation investments - long-term secular growth)	10%-20%	26%
US Healthcare (Secular and profitable growth trajectory)	up to 25%	0%

*We are overweight the theme except Sun Pharma (18% weight in benchmark). * Please note the stocks names mentioned are provided for illustrative purpose. The sector(s)/stock(s)/issuer(s) mentioned in this presentation do not constitute any research report/recommendation of the same and the Fund may or may not have any future position in these sector(s)/stock(s)/issuer(s). The above range and portfolio construct is only indicative and the Scheme may or may not invest in the same range depending on the market condition & other macro factors.

INVESTMENT OBJECTIVE



The primary investment objective of this scheme is to generate consistent returns by predominantly investing in equity and equity related securities of Pharmaceutical and Healthcare Companies. However, there can be no assurance that the investment objective of the scheme will be realized.

NFO PERIOD



November 12, 2018 to November 26, 2018

BENCHMARK



S&P BSE Healthcare Index

TYPE OF SCHEME



An open ended equity scheme investing in healthcare and pharmaceutical sector

FUND MANAGERS



Aditya Khemka, Vinit Sambre and Jay Kothari (dedicated Fund Manager for overseas investments)

ASSET ALLOCATION



Under normal circumstances, it is anticipated that the asset allocation of the scheme shall be as follows:

- Equity and equity related securities of pharmaceutical and healthcare companies: **80% to 100%**
- Equity and equity related securities of other companies : **0% to 20%**
- Debt, Securitized Debt and Money Market Securities : **0% to 20%**
- Units issued by REITs & InvITs : **0% to 10%**

EXIT LOAD



<= 12 months - 1% > 12 months - Nil

DSP HEALTHCARE FUND

(An open ended equity scheme investing in healthcare and pharmaceutical sector)

This open ended equity Scheme is suitable for investor who are seeking*

- Long-term capital growth
- Investment in equity and equity related Securities of healthcare and pharmaceutical companies

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



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