



ICICI Prudential Multiple Yield Fund - Plan A

(An Close Ended Income Scheme)

Offer of Units at Rs. 10/- each for cash during the New Fund Offer only

Only for distributors

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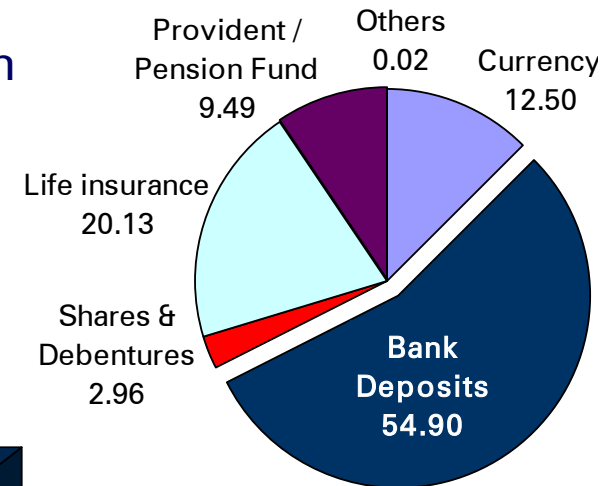
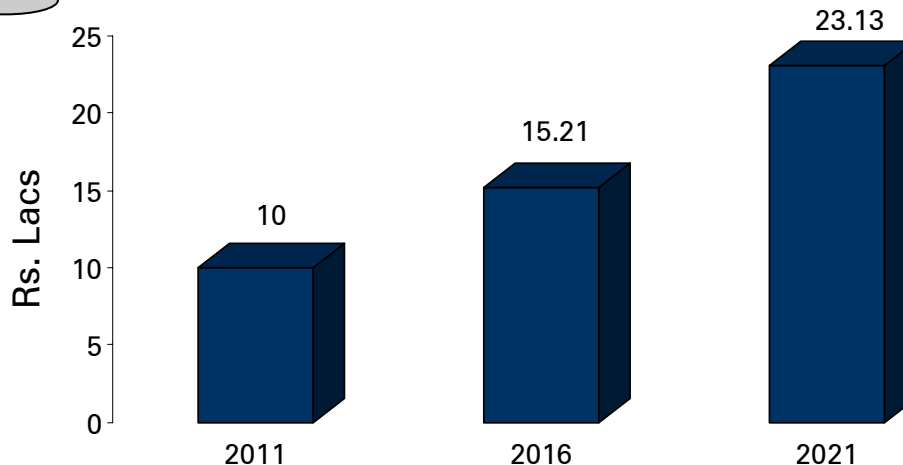
NFO period: From May 20, 2011 to May 31, 2011

India is a country of Savers

Our Saving habits

- Every year Indians save about 32.5% of the GDP i.e., Rs.19 lac crores
- Bank Deposits are favorite savings destination

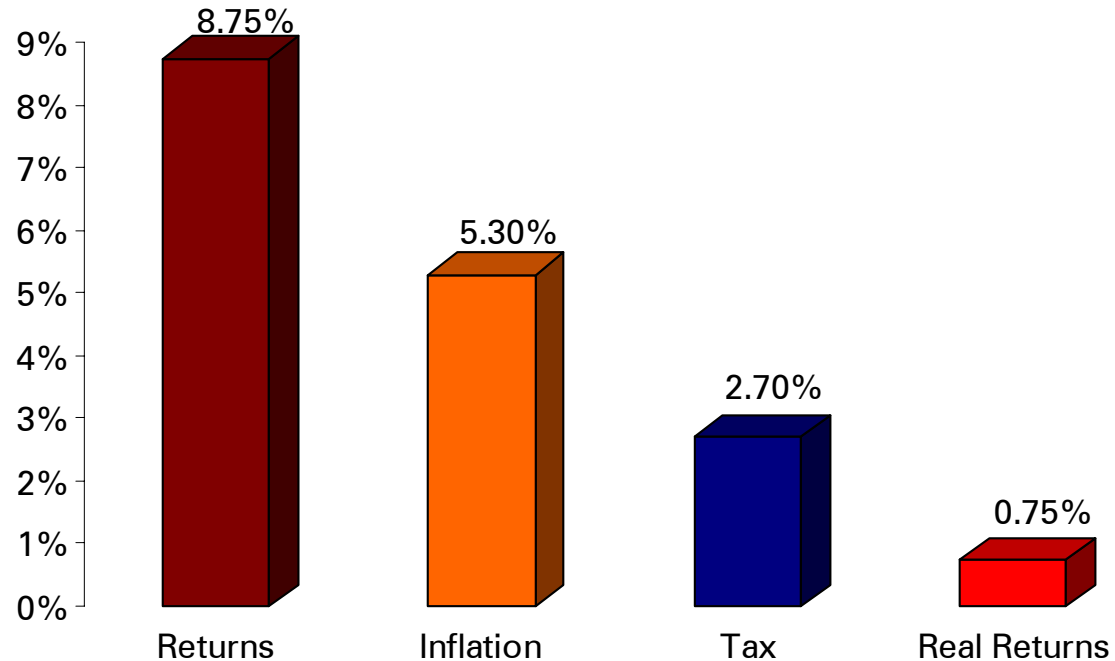
My 10 lacs deposit @ 8.75% p.a. will grow to 23 lacs in 10 years



The above graph is only for illustration purpose only. The actual results may substantially vary

But is Saving good enough?

Inflation & Tax may eat away into Returns



$$\text{Returns} - \text{Inflation} - \text{Tax} = \text{Real Returns}$$

The above graph is for illustration purpose and to explain the concept of real returns post considering inflation & tax. The illustration considers current applicable income tax provisions and average inflation rate of 10 years. The actual results may substantially vary.



Investor Dilemma

That means my savings are not enough to meet my future needs?

Putting all my savings into equities is too risky for me. I run the risk of Capital erosion

But, at the same time I don't want to miss out on the returns from long term equity investment



In that case, investors need...

An investment product which...

- Allocates between debt and equity such that the larger allocation to high quality debt gives the much needed **stability of investment**
- Invests a smaller proportion in equities for participating in the potential **gains offered by long term equity investment**
- Helps them invest to earn **commensurate returns** so that they can meet their future financial goals
- Offers the potential to **beat inflation over the long term**





Here's a solution. Presenting...



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The Fund Positioning

- Closest to a traditional fixed income investment
- Aims to limit downside by investing predominantly in good quality bond papers (rated investment grade) of reputed issuers
- Unlike traditional fixed income investments, endeavors to generate better returns on the upside with the help of limited equity exposure aiming to provide capital appreciation
- Invests about 70 - 100% in money market instruments & debt securities; and 0 - 30% in equity or equity related securities
- Endeavors to offer yields (returns) from multiple asset classes (debt and equity)



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The Investment Strategy

- Debt allocation
 - Identify securities which offer superior levels of yield at lower levels of risks with a view to hold them till scheme matures
 - Focus on accruals by following held-to-maturity strategy
 - Investment is made with an endeavor that the final value of debt instruments is equivalent to or more than the original sum invested in the fund

- Equity allocation
 - Diversified across stocks, bought, considering the time horizon of the scheme
 - Built without any bias towards any sector or market capitalisation or style of investment

- The portfolio construction process is thoroughly research oriented



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Key Features

- Debt allocation would be made predominantly into securities having residual maturity of 3 years, thereby mitigating interest rate risk for investors
- Equity portion is invested with the focus of maximising returns
- Helps beat inflation by providing relative stable returns of debt and at the same time offer high growth potential of equities
- Endeavors to provide better & tax efficient returns as compared to traditional fixed income investments



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Who Should Invest / Ideal for

- The fund can serve as a good transition product for risk averse investors, who primarily save in traditional fixed income investments@
- Investors who have shunned equities because of their market linked nature can consider investing in this fund
- Investors looking forward to enhancing returns, from their portfolio, with a view to beat inflation in the long term
- In terms of tax efficiency, traditional fixed income investors (in higher tax brackets) could be better off investing in this fund

@ Traditional fixed income investments may have implicit / explicit guarantee of respective issuer for repayment of principal and interest. Partial or pre mature withdrawals are also allowed in some instruments. Investments in Mutual funds are subject to market risks and Net Asset Value may go up or down depending on market movements. There is no guarantee or assurance of repayment of principal and/or returns. Please read the scheme information documents and risk factors carefully before investing.



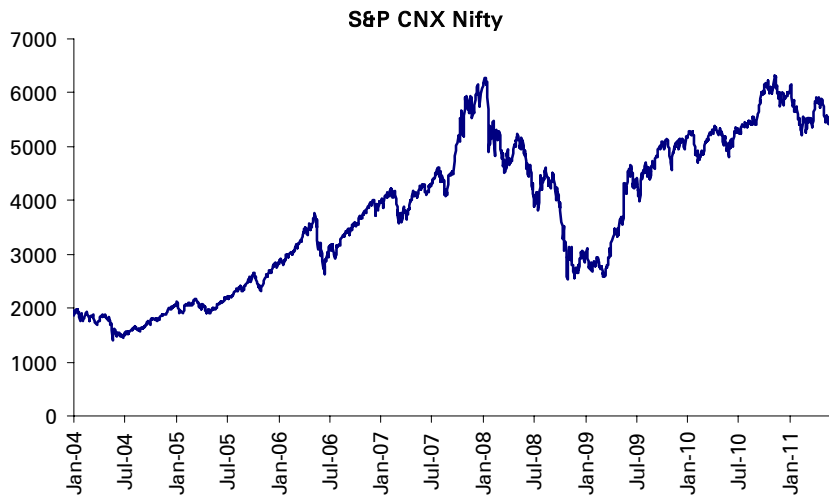
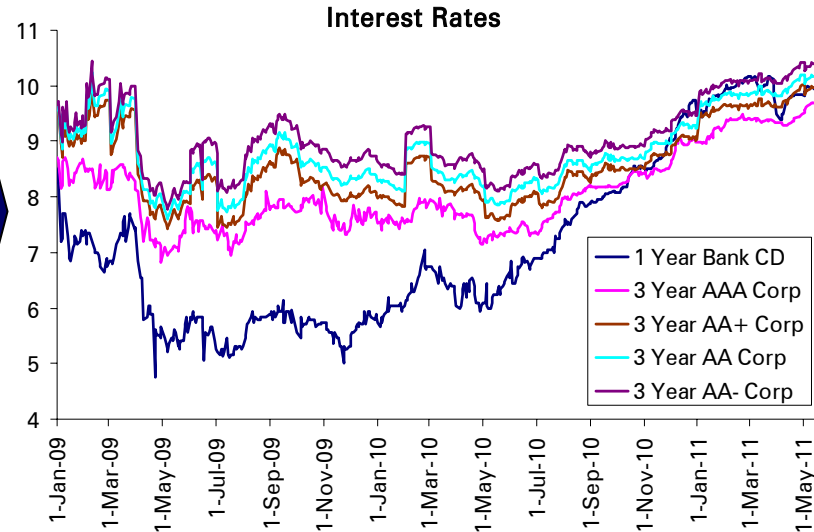
Why should one invest?



Why should one invest?

Income from Debt + Growth from Equity = "Debt plus#" returns

- Bond yields are close to their previous peaks, creating positive environment for a medium to long term bond portfolio



- Equity markets are risky, but have growth potential

Source: Bloomberg

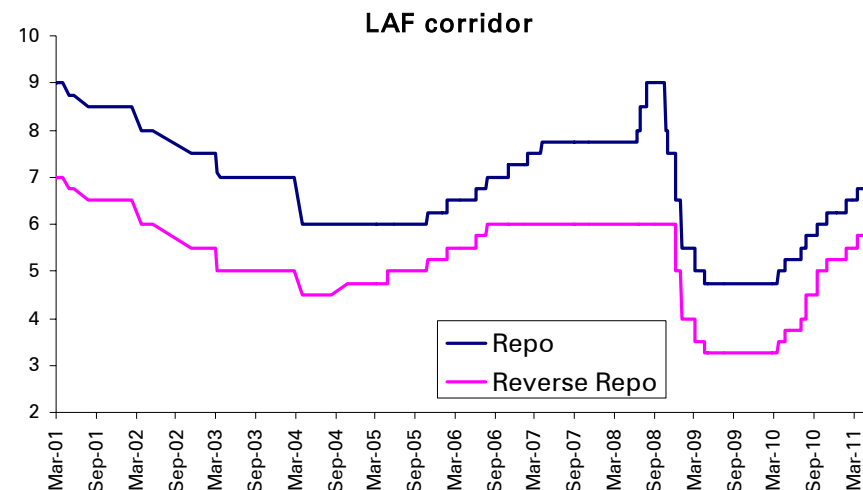
our endeavor is to provide "Debt plus" returns by investing largely into debt and upto 30% into equity. There is no guarantee or assurance of returns provided by ICICI Prudential Mutual Fund under the Scheme.



Why should one invest?

Interest rate cycle is favorable

- Interest rates go through peak and trough cycles
- Interest rates are not expected to remain at high levels on a sustained basis. Low interest rates work as lubricants for smooth functioning of the economy
- Even if interest rates were to float at current levels, high accruals are too lucrative to ignore



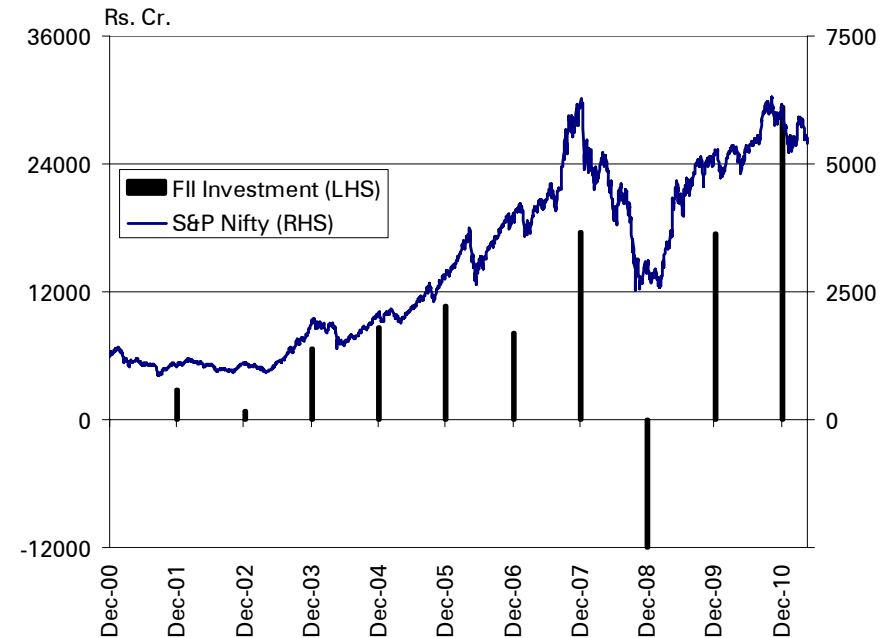
Source: Bloomberg



Why should one invest?

Equity markets are poised for takeoff

- Nifty has yielded 16.56% CAGR for the last 10 years
- Indian equity is at an inflection point, since India is one of the few emerging economies which is growing at >8%
- FII net inflow highest in 2010. This is expected to increase in the coming years thereby re-rating Indian equities



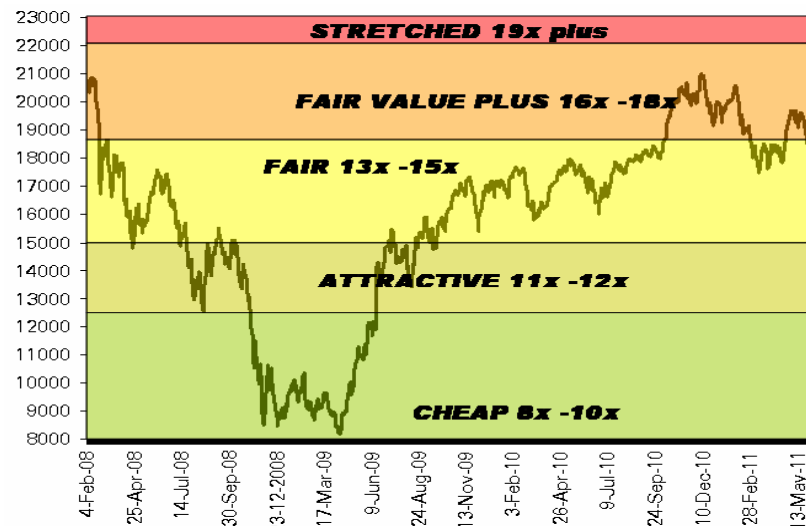
Source: Bloomberg, FII investment numbers from SEBI website. All data as on 18-05-2011



Why should one invest?

Equity markets fairly valued

- Negatives are already priced into the market, triggers for take off:
 - Decline in inflation
 - Decline in commodity prices
 - Direction on Government of India policies
- Valuation are fair to reasonable



Source: Bloomberg, Valuation levels of the Sensex based on earnings estimate of Rs.1256 (4 Quarter Forward). At 18500 valued at 14.7x on FY12 earnings. Past performance of the Sensex may or may not be sustained in future. The actual results may vary significantly.



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Scheme Features

Options	Cumulative and Dividend option. Dividend Payout with half yearly dividend frequency is available under the Plan. The Cumulative Option shall be the default option under the Plan
Minimum Application Amount & Subscription	Rs.5000/- and in multiples of Rs.10 thereafter Being close ended fund subscription during new fund offer period only
Entry Load	Not Applicable
Exit Load	Nil. The Plan will be listed on the stock exchange
Liquidity	Listed on the National Stock Exchange of India Ltd. No redemption / repurchase prior to maturity with the fund house. Investors / unitholders having demat accounts may buy or sell units of the scheme on the exchange on ongoing basis. The associate brokerage costs shall be born by the investors
Benchmark Index	CRISIL Composite MIP Blended Index



Statutory Details & Risk Factors

• **Statutory Details:** ICICI Prudential Mutual Fund (the Fund) was set up as a Trust sponsored by Prudential plc (through its wholly owned subsidiary namely Prudential Corporation Holdings Ltd) and ICICI Bank Ltd. ICICI Prudential Trust Limited (the Trust Company), a company incorporated under the Companies Act, 1956, is the Trustee to the Fund. ICICI Prudential Asset Management Company Ltd (the AMC), a company incorporated under the Companies Act, 1956, is the Investment Manager to the Fund. ICICI Bank Ltd and Prudential Plc (acting through its wholly owned subsidiary namely Prudential Corporation Holdings Ltd) are the promoters of the AMC and the Trust Company. The Sponsors are not responsible or liable for any loss resulting from the operation of the Schemes beyond the contribution of an amount of Rs.22.2 lacs, collectively made by them towards setting up the Fund and such other accretions and additions to the corpus set up by the Sponsors. **Risk Factors: All investments in mutual funds and securities are subject to market risks and the NAV of the schemes may go up or down depending upon the factors and forces affecting the securities market and there can be no assurance that the fund's objectives will be achieved. Past performance of the Sponsors, AMC/Fund does not indicate the future performance of the Schemes of the Fund.**

• **ICICI Prudential Multiple Yield Fund – Plan A:** (An close ended income fund) The primary objective of the Plan under the Scheme is to seek to generate returns by investing in a portfolio of fixed income securities/ debt instruments. The secondary objective of the Scheme is to generate long term capital appreciation by investing a portion of the Scheme's assets in equity and equity related instruments. However, there can be no assurance that the investment objective of the Plan under the Scheme will be realized. **Asset Allocation:** Money Market instruments, Short term and medium term debt securities/ debt instruments and securitised debt: 70% to 100%; Equity or Equity related Securities – 0% to 30%. If the Plan decides to invest in securitised debt (Single loan and/or Pool loan Securitised debt), it could be upto 50% of the corpus of the Plan. If the plan decides to invest in equity derivatives it could be upto 100% of the allocation to equity. If the plan decides to invest in foreign securities it could be upto 100% of the allocation to equity. **Terms of Issue:** Offer of

Units of Rs. 10 each during the New Fund Offer only. **Investments in the Scheme may be affected by risks relating to trading volumes, settlement periods, interest rate, liquidity or marketability, credit, reinvestment, regulatory, investment in unlisted securities, default risk including the possible loss of principal, derivatives, investment in securitised instruments and risk of Co-mingling**

etc.,. ICICI Prudential Multiple Yield Fund – Plan A is only the name of the Scheme and does not in any manner indicate either the quality of the Scheme or its future prospects and returns. Mutual Fund investments are subject to market risks. Please read Statement of Additional Information (SAI) & Scheme Information Document (SID) carefully before investing.



Statutory Details & Risk Factors

• **Unitholder Information & General Services:** Account statement, indicating the number of unit allotted, will be sent (by ordinary post or email) to the unit holder within the time stipulated under the Regulation from the closure of NFO. The account statement will be sent through email, wherever the email id is provided. Application forms can be submitted at customer service centers, during NFO. The AMC will calculate and disclose the first NAV not later than 5 working days from the date of allotment of units. Subsequently, the NAV will be calculated and disclosed at the close of every Business Day. NAV shall be published at least in 2 daily newspapers on daily basis. In the event of inordinately large number of redemption requests, or of restructuring of the scheme's investment portfolio, these periods may become significant. In the view of the same, the trustees reserve the right in their sole discretion to limit the redemptions (including suspending redemptions) under certain circumstances. The scheme (at the portfolio level) should have greater than or equal to 20 investors and no investor should account for more than 25% of the corpus of the scheme. In case of non fulfillment of the either of the said conditions at the of allotment, the AMC shall comply with the specified SEBI guidelines in this regard. Application forms and copy of SID, SAI and Key Information Memorandum will be available at the website of the company (www.icicipruamc.com) or at customer service centers.

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Statutory Details & Risk Factors

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Thank You

