

AN AMC DRIVEN BY
**RULE-BASED
ACTIVE INVESTING**

FACTSHEET - DECEMBER 2021



Report as on December 31, 2021

FACTOR PERFORMANCE UPDATE

Over the years, NJ Asset Management has invested a lot of time and effort into developing factor intelligence for the Indian equity markets. This culminated into a factor library based on an analysis of close to 1,000 Indian stocks over a period of close to 20 years.

After analysing a vast variety of available factors we zeroed in on four factors which have provided the underpinning to our development efforts over the recent past. These are Momentum, Low Volatility, Quality and Value. Also, it becomes clear to us that while in some cases factor definitions that have worked globally could be applied without any modification, there were others where global factor definitions did not work very well.

As such, publicly available factor indexes for the Indian markets that replicated global definitions had the potential to mislead. Besides, most publicly available factor indexes didn't have adequate historical data. So we created our own factor indexes for the four factors with factor definitions that are suited to the Indian markets and covering a time span of close to 2 decades. We also want to share this understanding with you through a monthly newsletter.

We begin 2022 with an analysis of the performance of these factors in 2021 in the table below:

	Momentum	Low Volatility	Quality	Value	Nifty 500
January	-0.76%	-0.65%	0.55%	1.03%	-1.87%
February	7.50%	6.84%	10.58%	15.98%	7.78%
March	3.66%	2.81%	4.32%	-2.40%	1.09%
April	6.22%	-0.25%	5.34%	3.12%	0.41%
May	9.38%	7.21%	8.58%	13.69%	6.97%
June	3.32%	3.95%	2.66%	9.24%	1.87%
July	7.11%	4.13%	4.74%	6.40%	1.42%
August	-0.44%	2.55%	1.23%	-4.52%	6.53%
September	6.94%	2.52%	3.32%	7.76%	3.41%
October	1.37%	-1.29%	-1.82%	0.70%	0.23%
November	0.90%	-0.57%	-0.69%	-6.02%	-2.91%
December	5.72%	1.78%	3.26%	2.06%	2.37%
Total	50.92%	29.04%	42.07%	47.04%	27.30%

Data Source: Bloomberg data and NJAMPL internal research.

Above is only for illustration purposes and should not be construed as financial advice. Past performance may or may not sustain in future.

The key takeaways from the above analysis are as follows:

- ▶ All our factor indexes out-performed the Nifty 500 in 2021.
- ▶ Momentum was the best performer in 2021 in line with historical trends.
- ▶ In a significant break from historical trends, Value performed very well in 2021.
- ▶ Both Momentum and Value were the best performing factors for 5 months and the second best performing factors for 2 months.
- ▶ Performance of the Momentum index had the lowest monthly correlation with the Nifty 500 in 2021.
- ▶ Performance of the Low Volatility index had the highest correlation with the Nifty 500 in 2021.



We look forward to sharing more insights on factor performance for the Indian equity markets in the coming months.
Wishing everyone a very happy and prosperous 2022!

NJ BALANCED ADVANTAGE FUND

An open-ended dynamic asset allocation fund

Report as on December 31, 2021

Investment Objective:

The investment objective of the Scheme is to generate capital appreciation by dynamically allocating its assets between equity and specified debt securities. However, there is no assurance or guarantee that the investment objective of the scheme will be achieved.

Type of the scheme:

An open-ended dynamic asset allocation fund

Entry Load: NA

Exit Load:

If redeemed / switch-out within 30 days of allotment - 1%.
If redeemed / switch-out after 30 days of allotment - Nil

Benchmark: NIFTY 50 Hybrid Composite

Debt 50:50 Index

Name of the Fund manager: Mr. Rishi Sharma

Work experience: Over 14 years

He has been managing this fund since 29 October, 2021.

Plans: Regular Plan and Direct Plan

Options: Growth and IDCW

Date of Allotment: October 29, 2021

Performance: Since the scheme has not completed 1 year, performance data not provided.

Total Expense Ratio#

Regular Plan 1.88%
Direct Plan 0.51%

Monthly Average AUM INR 5,346.87 Crores

Closing AUM INR 5,419.16 Crores

Minimum Investment Amount

INR 500 and multiples of INR 1

Additional Investment Amount

INR 500 and multiples of INR 1

NAV (as on 31 December, 2021)

Direct IDCW 10.00
Direct Growth 10.00
Regular IDCW 9.97
Regular Growth 9.97

Other Parameters (as on 31 December, 2021)

Average Maturity* 88 days
Modified Duration* 88 days
Yield to Maturity 3.61%
Macaulay Duration* 88 days
Portfolio Turnover Ratio 0.52%

*Total Expense Ratio is as on the last business day of the month and includes Additional Expenses and Goods & Service Tax on Management Fees.

*Calculated on amount invested in debt securities (including accrued interest), deployment of funds in TREPS.

Note: Portfolio Beta, Standard Deviation, R Squared and Sharpe Ratio of the Scheme are not computed owing to the short time frame since launch of the Scheme.

IDCW history is not available as no income is distributed since inception of the scheme.

PORTFOLIO

ISSUER	INDUSTRY/RATING	% TO NAV (HEDGED & UNHEDGED)	% EXPOSURE TO DERIVATIVES
EQUITY		89.35%	36.67%
Sonata Software Ltd.	Software	1.66%	0.00%
Solar Industries India Ltd.	Chemicals	1.40%	0.00%
Persistent Systems Ltd.	Software	1.18%	0.00%
Dr. Lal Path Labs Ltd.	Healthcare Services	1.14%	0.00%
Mphasis Ltd.	Software	1.21%	0.08%
Gland Pharma Ltd.	Pharmaceuticals	1.12%	0.00%
Alkem Laboratories Ltd.	Pharmaceuticals	1.11%	0.00%
MindTree Ltd.	Software	1.09%	0.00%
Power Grid Corporation of India Ltd.	Power	1.09%	0.00%
Procter & Gamble Hygiene and Health Care Ltd.	Consumer Non Durables	1.07%	0.00%
Tata Consultancy Services Ltd.	Software	1.07%	0.00%
UPL Ltd.	Pesticides	1.52%	0.46%
Astral Ltd.	Industrial Products	1.05%	0.00%
Hindustan Unilever Ltd.	Consumer Non Durables	2.37%	1.32%
JSW Steel Ltd.	Ferrous Metals	1.12%	0.11%
SKF India Ltd.	Industrial Products	1.00%	0.00%
Torrent Power Ltd.	Power	1.00%	0.00%
Gujarat State Petronet Ltd.	Gas	0.98%	0.00%
Tata Steel Ltd.	Ferrous Metals	2.62%	1.64%
SRF Ltd.	Chemicals	0.70%	0.10%
Radico Khaitan Ltd.	Consumer Non Durables	0.59%	0.00%
Wipro Ltd.	Software	0.59%	0.00%
Larsen & Toubro Infotech Ltd.	Software	0.67%	0.09%
Coforge Ltd.	Software	0.58%	0.00%
Tech Mahindra Ltd.	Software	0.93%	0.35%
Carborundum Universal Ltd.	Industrial Products	0.57%	0.00%
Ajanta Pharma Ltd.	Pharmaceuticals	0.56%	0.00%
Infosys Ltd.	Software	1.00%	0.44%
Metropolis Healthcare Ltd.	Healthcare Services	0.56%	0.00%
Pidilite Industries Ltd.	Chemicals	0.59%	0.03%
Bayer Cropscience Ltd.	Pesticides	0.55%	0.00%
Grindwell Norton Ltd.	Industrial Products	0.55%	0.00%
IPCA Laboratories Ltd.	Pharmaceuticals	0.55%	0.00%
UTI Asset Management Company Ltd.	Capital Markets	0.55%	0.00%
Abbott India Ltd.	Pharmaceuticals	0.54%	0.00%
Balkrishna Industries Ltd.	Auto Ancillaries	0.82%	0.28%
Colgate Palmolive (India) Ltd.	Consumer Non Durables	0.54%	0.00%
Divi's Laboratories Ltd.	Pharmaceuticals	0.54%	0.00%
Escorts Ltd.	Auto	0.73%	0.19%
L&T Technology Services Ltd.	Software	0.54%	0.00%
Nestle India Ltd.	Consumer Non Durables	0.54%	0.00%
PI Industries Ltd.	Pesticides	0.54%	0.00%
Asian Paints Ltd.	Consumer Non Durables	0.68%	0.14%
Atul Ltd.	Chemicals	0.53%	0.00%
Berger Paints (I) Ltd.	Consumer Non Durables	0.53%	0.00%
Finolex Industries Ltd.	Industrial Products	0.53%	0.00%
Havells India Ltd.	Consumer Durables	0.53%	0.00%
JSW Energy Ltd.	Power	0.53%	0.00%
SBI Life Insurance Company Ltd.	Insurance	0.53%	0.00%
Dabur India Ltd.	Consumer Non Durables	0.58%	0.05%
Ambuja Cements Ltd.	Cement & Cement Products	0.91%	0.39%
Britannia Industries Ltd.	Consumer Non Durables	0.57%	0.05%
Larsen & Toubro Ltd.	Construction Project	2.75%	2.23%
Polycab India Ltd.	Industrial Products	0.52%	0.00%
Chambal Fertilizers & Chemicals Ltd.	Fertilisers	0.51%	0.00%
Dalmia Bharat Ltd.	Cement & Cement Products	0.51%	0.00%
HDFC Bank Ltd.	Banks	0.51%	0.00%
ICICI Lombard General Insurance Company Ltd.	Insurance	0.64%	0.13%
Marico Ltd.	Consumer Non Durables	0.61%	0.10%
Oil & Natural Gas Corporation Ltd.	Oil	0.51%	0.00%
REC Ltd.	Finance	0.51%	0.00%
ACC Ltd.	Cement & Cement Products	0.77%	0.27%
Bajaj Auto Ltd.	Auto	0.91%	0.41%
Bharat Petroleum Corporation Ltd.	Petroleum Products	0.51%	0.01%
Cholamandalam Financial Holdings Ltd.	Finance	0.50%	0.00%
GAIL (India) Ltd.	Gas	0.50%	0.00%
Gujarat Gas Ltd.	Gas	0.50%	0.00%
HDFC Asset Management Company Ltd.	Capital Markets	0.59%	0.09%
Hindustan Petroleum Corporation Ltd.	Petroleum Products	0.52%	0.02%
Coal India Ltd.	Minerals/Mining	0.58%	0.08%
Bata India Ltd.	Consumer Durables	0.55%	0.06%
Hatsun Agro Product Ltd.	Consumer Non Durables	0.49%	0.00%
HDFC Life Insurance Company Ltd.	Insurance	0.69%	0.20%
Indian Oil Corporation Ltd.	Petroleum Products	0.49%	0.00%
LIC Housing Finance Ltd.	Finance	0.49%	0.00%
Grasim Industries Ltd.	Cement & Cement Products	1.14%	0.66%
Bajaj Finserv Ltd.	Insurance	0.52%	0.04%
Oracle Financial Services Software Ltd.	Software	0.48%	0.00%
The Federal Bank Ltd.	Banks	0.47%	0.00%
Apollo Hospitals Enterprise Ltd.	Healthcare Services	0.02%	0.02%
Ashok Leyland Ltd.	Auto	0.46%	0.46%
Aurobindo Pharma Ltd.	Pharmaceuticals	0.07%	0.07%
Bajaj Finance Ltd.	Finance	0.28%	0.28%
Bharat Heavy Electricals Ltd.	Industrial Capital Goods	0.08%	0.08%
Biocon Ltd.	Pharmaceuticals	0.26%	0.26%

NJ BALANCED ADVANTAGE FUND

An open-ended dynamic asset allocation fund

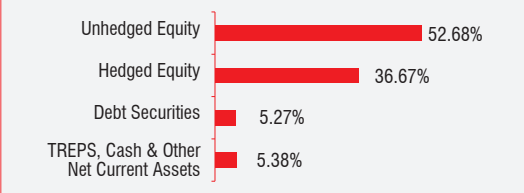
Report as on December 31, 2021

PORTFOLIO

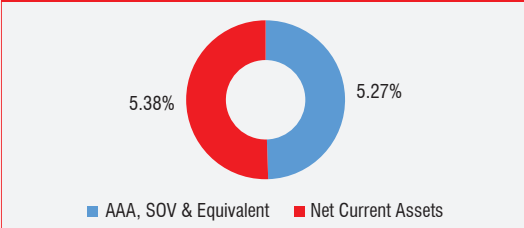
INDUSTRY ALLOCATION OF EQUITY HOLDING NET OF DERIVATIVES	% TO NET ASSETS
Software	10.03%
Consumer Non Durables	6.90%
Pharmaceuticals	4.40%
Industrial Products	4.22%
Chemicals	3.09%
Power	2.62%
Pesticides	2.15%
Insurance	2.01%
Cement & Cement Products	2.01%
Ferrous Metals	1.99%
Gas	1.98%
Healthcare Services	1.70%
Finance	1.48%
Petroleum Products	1.48%
Capital Markets	1.05%
Auto	1.03%
Consumer Durables	1.02%
Banks	0.95%
Auto Ancillaries	0.54%
Construction Project	0.52%
Fertilisers	0.51%
Oil	0.51%
Minerals/Mining	0.49%
Telecom - Services	\$0.00%
Non - Ferrous Metals	\$0.00%
Transportation	\$0.00%
Total	52.68%

§Less Than 0.01% of Net Asset Value

PORTFOLIO CLASSIFICATION BY ASSET CLASS (%)



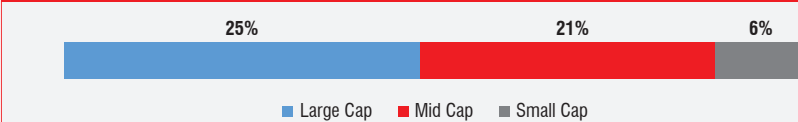
PORTFOLIO CLASSIFICATION BY RATING CLASS (%)



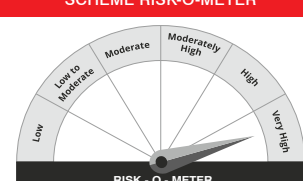

ISSUER	INDUSTRY/RATING	% TO NAV (HEDGED & UNHEDGED)	% EXPOSURE TO DERIVATIVES
Cadila Healthcare Ltd.	Pharmaceuticals	0.03%	0.03%
Canara Bank	Banks	0.00%	0.00%
Cipla Ltd.	Pharmaceuticals	0.69%	0.69%
DLF Ltd.	Construction	0.24%	0.24%
Granules India Ltd.	Pharmaceuticals	0.02%	0.02%
Hero MotoCorp Ltd.	Auto	0.42%	0.42%
Housing Development Finance Corporation Ltd.	Finance	0.50%	0.50%
ICICI Bank Ltd.	Banks	0.16%	0.16%
ICICI Prudential Life Insurance Company Ltd.	Insurance	0.12%	0.12%
IDFC First Bank Ltd.	Banks	0.01%	0.01%
Indian Railway Catering And Tourism Corporation Ltd.	Transportation	0.29%	0.29%
Info Edge (India) Ltd.	Retailing	0.10%	0.10%
ITC Ltd.	Consumer Non Durables	1.66%	1.66%
Jindal Steel & Power Ltd.	Ferrous Metals	0.00%	0.00%
Kotak Mahindra Bank Ltd.	Banks	0.39%	0.39%
Lupin Ltd.	Pharmaceuticals	0.54%	0.54%
Mahindra & Mahindra Financial Services Ltd.	Finance	0.04%	0.04%
Maruti Suzuki India Ltd.	Auto	0.07%	0.07%
Motherson Sumi Systems Ltd.	Auto Ancillaries	0.00%	0.00%
Multi Commodity Exchange of India Ltd.	Capital Markets	0.01%	0.01%
Muthoot Finance Ltd.	Finance	0.10%	0.10%
Punjab National Bank	Banks	0.01%	0.01%
RBL Bank Ltd.	Banks	0.01%	0.01%
SBI Cards and Payment Services Ltd.	Finance	0.10%	0.10%
Shree Cement Ltd.	Cement & Cement Products	0.02%	0.02%
Steel Authority of India Ltd.	Ferrous Metals	0.19%	0.19%
Sun Pharmaceutical Industries Ltd.	Pharmaceuticals	1.73%	1.73%
Syngene International Ltd.	Healthcare Services	0.04%	0.04%
Tata Chemicals Ltd.	Chemicals	0.23%	0.23%
Tata Consumer Products Ltd.	Consumer Non Durables	0.27%	0.27%
Tata Motors Ltd.	Auto	0.91%	0.91%
Tata Power Company Ltd.	Power	0.14%	0.14%
The India Cements Ltd.	Cement & Cement Products	0.06%	0.06%
Titan Company Ltd.	Consumer Durables	0.16%	0.16%
UltraTech Cement Ltd.	Cement & Cement Products	0.11%	0.11%
Unifed Spirits Ltd.	Consumer Non Durables	0.65%	0.65%
Zee Entertainment Enterprises Ltd.	Entertainment	0.29%	0.29%
Adani Enterprises Ltd.	Minerals/Mining	0.86%	0.87%
Axis Bank Ltd.	Banks	2.84%	2.85%
Bharti Airtel Ltd.	Telecom - Services	3.08%	3.09%
Indusind Bank Ltd.	Banks	2.31%	2.32%
Mahindra & Mahindra Ltd.	Auto	1.05%	1.06%
Cholamandalam Investment and Finance Company Ltd.	Finance	0.15%	0.16%
L&T Finance Holdings Ltd.	Finance	0.09%	0.10%
Dr. Reddy's Laboratories Ltd.	Pharmaceuticals	0.62%	0.63%
State Bank of India	Banks	0.76%	0.77%
Vedanta Ltd.	Non - Ferrous Metals	0.55%	0.56%
Adani Ports and Special Economic Zone Ltd.	Transportation	1.33%	1.34%
Reliance Industries Ltd.	Petroleum Products	1.41%	1.42%
DEBT SECURITIES		5.27%	
Treasury Bill		5.27%	
182 Days Tbill (MD 28/04/2022)	Sovereign	1.82%	
364 Days Tbill (MD 30/03/2022)	Sovereign	0.91%	
182 Days Tbill (MD 09/06/2022)	Sovereign	0.91%	
364 Days Tbill (MD 27/10/2022)	Sovereign	0.89%	
91 Days Tbill (MD 27/01/2022)	Sovereign	0.74%	
TREPS, Cash & Other Net Current Assets		5.38%	
Net Assets		100.00%	

Investment in Top 10 scrips constitutes 12.74% of the portfolio

MARKET CAPITALIZATION (% OF NET ASSETS)



Market Capitalization as per SEBI - Large Cap: 1st - 100th company, Mid Cap: 101st - 250th company and Small Cap: 251st company onwards in terms of full market capitalization

<p>This product is suitable for investors who are seeking*:</p> <ul style="list-style-type: none"> ● Long term capital growth ● Dynamic asset allocation between equity and specified debt securities. <p>*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.</p>	<p>SCHEME RISK-O-METER</p>  <p>Investors understand that their principal will be at Very High Risk</p>	<p>BENCHMARK RISK-O-METER</p>  <p>NIFTY 50 Hybrid Composite Debt 50:50 Index: High Risk</p>
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HOW TO READ A MUTUAL FUND FACTSHEET?

Fund Manager:

An employee of the asset management company such as a mutual fund or life insurer, who manages investments of the scheme. He is usually part of a larger team of fund managers and research analysts.

Application Amount for Fresh Subscription:

This is the minimum investment amount for a new investor in a mutual fund scheme.

Minimum Additional Amount:

This is the minimum investment amount for an existing investor in a mutual fund scheme

Yield to Maturity:

The Yield to Maturity or the YTM is the rate of return anticipated on a bond if held until maturity. YTM is expressed as an annual rate. The YTM factors in the bond's current market price, par value, coupon interest rate and time to maturity.

SIP:

Systematic Investment Plan (SIP) works on the principle of making periodic investments of a fixed sum. It works similar to a recurring bank deposits. For instance, an investor may opt for an SIP that invest Rs. 500 every 15th of the month in an equity fund for a period of three years.

NAV:

The NAV or the net asset value is the total asset value per unit of the mutual fund after deducting all related and permissible expenses. The NAV is calculated at the end of every business day. It is the value at which the investor enters or exits the mutual fund.

Benchmark:

A group of securities, usually a market index, whose performance is used as a standard or benchmark to measure investment performance of mutual funds, among other investments. Some typical benchmarks include the NIFTY, Sensex, BSE200, BSE500, 10-Year G-Sec.

Entry Load:

A mutual fund may have a sales charge or load at the time of entry and/or exit to compensate the distributor/agent. Entry load is charged at the time an investor purchases the units of a mutual fund. The entry load is added to the prevailing NAV at the time of investment. For instance, if the NAV is Rs. 100 and the entry load is 1%, the investor will enter the fund at Rs. 101.

Note: SEBI, vide circular dated June 30, 2009 has abolished entry load and mandated that the upfront commission to distributors will be paid by the investor directly to the distributor, based on his assessment of various factors including the service rendered by the distributor.

Exit Load:

Exit load is charged at the time an investor redeems the units of a mutual fund. The exit load is deducted from the prevailing NAV at the time of redemption. For instance, if the NAV is Rs. 100 and the exit load is 1%, the redemption price would be Rs. 99 per unit.

Modified Duration:

Modified duration is the price sensitivity and the percentage change in price for a unit change in yield.

Standard Deviation:

Standard deviation is a statistical measure of the range of an investment's performance. When a mutual fund has a high standard deviation, it means its range of performance is wide, implying greater volatility.

Sharpe Ratio:

The Sharpe Ratio, named after its founder, the Nobel Laureate William Sharpe, is a measure of risk-adjusted returns. It is calculated using standard deviation and excess return to determine reward per unit of risk.

Beta Ratio:

Beta is a measure of an investment's volatility vis-a-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.

AUM:

AUM or assets under management refers to the recent / updated cumulative market value of investments managed by a mutual fund or any investment firm.

Holdings:

The holdings or the portfolio is a mutual fund's latest or updated reported statement of investments / securities. These are usually displayed in terms of percentage to net assets or the rupee value or both. The objective is to give investors an idea of where their money is being invested by the fund manager.

Nature of Scheme:

The investment objective and underlying investments determine the nature of the mutual fund scheme. For instance, a mutual fund that aims at generating capital appreciation by investing in stock markets is an equity fund or growth fund. Likewise, a mutual fund that aims at capital preservation by investing in debt markets is a debt fund or income fund. Each of these categories may have sub-categories.

Rating Profile:

Mutual funds invest in securities after evaluating their creditworthiness as disclosed by the ratings. A depiction of the mutual fund in various investments based on their ratings becomes the rating profile of the fund. Typically, this is a feature of debt funds.

Total Expense Ratio:

The Expenses of a mutual fund include management fees and all the fees associated with the fund's daily operations. Expense Ratio refers to the annual percentage of a fund's assets that is paid out in expenses.

Average Maturity:

The average time of maturity of all the debt securities held in a portfolio. It states the weighted average maturity of the assets in the portfolio.

Portfolio Yield:

The income return on an investment. This refers to the interest or IDCW (previously known as Dividend) received from a security and are usually expressed annually as a percentage based on the investment's cost, its current market value or its face value.

Risk Free Return:

The theoretical rate of return attributed to an investment with zero risk. The risk-free rate represents the interest on an investor's money that he or she would expect from an absolutely risk-free investment over a specified period of time.

Portfolio Turnover Ratio:

This is a measure of the fund's trading activity, which is computed by taking the lesser of purchases or sales (excluding all securities with maturities of less than one year) and dividing by average monthly net assets.

Macaulay duration:

The Macaulay duration is the weighted average term to maturity of the cash flows from a bond. The weight of each cash flow is determined by dividing the present value of the cash flow by the price.

Tracking Error:

The divergence between the price behavior of a position or portfolio and the price behavior of a benchmark.

DISCLAIMER

This factsheet is for information purposes only and is not an offer to sell or a solicitation to buy any mutual fund units/securities. The views expressed herein are based on the basis of internal data, publicly available information & other sources believed to be reliable. Any calculations made are approximations meant as guidelines only, which need to be confirmed before relying on them. These views alone are not sufficient and should not be used for the development or implementation of an investment strategy. It should not be construed as investment advice to any party. All opinions and estimates included here constitute our view as of this date and are subject to change without notice. The data used in this document is obtained by NJ Asset Management Private Limited (NJAMPL) from the source which it considers reliable. While the utmost care has been exercised while preparing this presentation, NJAMPL does not guarantee its accuracy / completeness of the information. We have included statements / opinions / recommendations in this document, which contain words, or phrases such as “will”, “expect”, “should”, “believe” and similar expressions or variations of such expressions, that are “forward looking statements”. Actual results may differ materially from those suggested by the forward looking statements due to risk or uncertainties associated with our expectations with respect to, but not limited to, exposure to market risks, general economic and political conditions in India and other countries globally, which have an impact on our services and / or investments, the monetary and interest policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices etc. The information provided in this document shall not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of NJAMPL. Neither NJAMPL, NJ Trustee Private Limited, NJ Mutual Fund nor any person connected with it, shall not liable for any loss, damage of any nature, including but not limited to direct, indirect, punitive, special, exemplary, consequential, as also any loss of profit in any way arising from the use of this material in any manner. The recipient of this material should rely on their investigations and take their own professional advice.