THE NAVIGATOR

What do I do with my money?

June 2025

Released on 26th June 2025

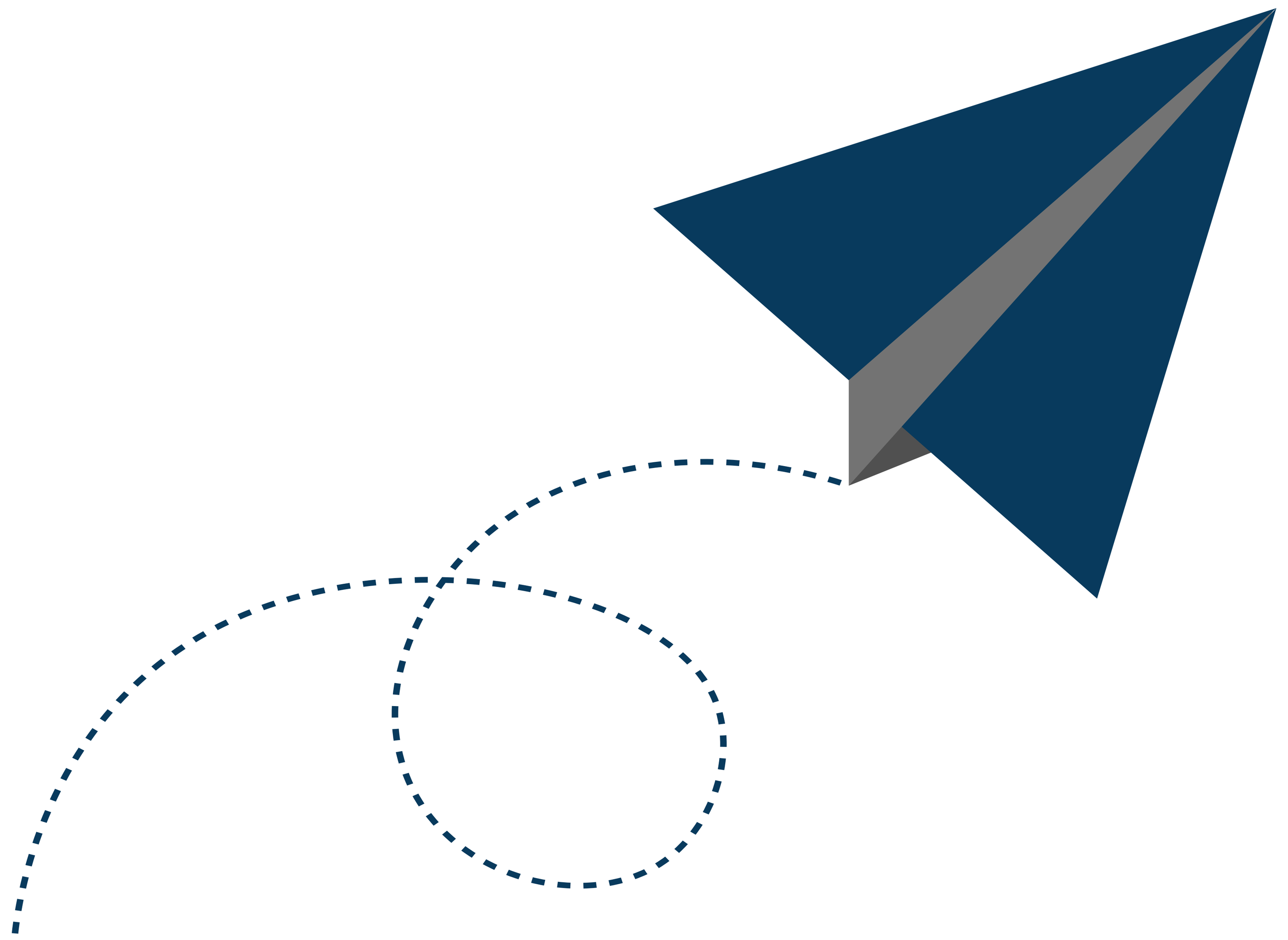
Objective: Why Navigator?

1. At DSP, we aim to help investors identify the right theme/fund at the right time for a smoother journey.

2. The team at DSP crafts many knowledge enhancing products such as **Netra**, **Tathya**, **The Transcript**, **The Report Card**, **Converse** etc. Navigator aims to bring some of these insights together and recommends funds too

3. For anyone interested in knowledge enhancement, it offers a rounded perspective on drivers of returns- earnings, valuations, macros, flows, interest rates and gives pointed views on asset classes.

Source, Internal, DSP
Disclaimer: The sector(s)/stock(s)/issuer(s) mentioned in this document do not constitute any recommendation of the same and the Fund may or may not have any future position in these sector(s)/stock(s)/issuer(s).



The Drivers Of Returns

- Valuations
- Earnings
- Macros & Flows
- Interest rate cycle

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Navigating Today: What Are We Saying?

Equity

- Nifty trades at 22.7x trailing earnings, while the Midcap 150 and Smallcap 250 indices are at 34.6x and 33.1x, respectively. The Nifty 500 stands at 25x.
- At a 16% ROE, these valuations imply sustained earnings growth of 20%—a pace last seen during 2002–08 and the post-COVID rebound. However, India's long-term earnings growth has averaged ~11%, and in FY25, Nifty 500 profits (ex-OMCs) grew just 9%.
- Quarterly earnings are tracking similarly, with nominal GDP near 10% and corporate margins already elevated. Revenue growth, the key lever, remains in low single digits—limiting visibility on a 20% earnings surge.
- Given this backdrop, investors should adopt a selective, conservative stance, focusing on BFSI, healthcare, and resilient consumer plays.

Interest Rates and Macros

- For over two years, we advocated long duration—and it worked. But that multi-year bond rally is now behind us.
- Still, paradoxically, we recommend holding long bonds. Why? Because markets are range-bound, and current yields are near the upper end of that range.
- In our view, yields are unlikely to break higher: CPI is low, GDP is stable, and the currency is calm. Risk appetite is subdued, and after a 15 bps sell-off, positions are already light. On the downside, breaking 6% on the 10-year would need a major trigger—like COVID or demonetization.
- Term premiums are elevated. The overnight-to-10Y spread is around 100 bps—historically high in a no-hike, no-liquidity-squeeze environment. Even 30-year spreads are stretched and should narrow.
- We previously called for curve steepening—but still prefer duration. Why? Because if yields drop, higher duration helps offset steepening for cash investors. That view holds.

Gold & Silver

- We continue to have a positive view on Gold and Silver. With the trade wars now accompanied by geopolitical conflicts the role of Gold as a global reserve currency is only increasing. We see no incentive to change our view or second guess the trajectory. We continue to see these assets as an uncorrelated allocation.

Source: NSE, DSP. Data as on May 2025, ROE- Return on Equity

The Debt And The Deficit? Each Deepening The Other

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“US Doesn’t Have A Trade Deficit Because It Saves Too Little: It Saves Too Little Because It Has A Trade Deficit.”

See this chart. Keep the visual in mind. Read the text on the next slide.

Source: Fred, DSP. Data as on May 2025

Rethinking the U.S. Trade Deficit: It's Not About Savings Alone

It's commonly believed that the United States runs a trade deficit because it saves too little. But in reality, **it saves too little because it runs a trade deficit** — and that deficit is driven by external forces.

Countries like China and Germany follow **export-led strategies that prioritize high domestic savings and trade surpluses**. These countries generate more savings than they can productively use at home and channel the excess into U.S. financial markets — buying up assets like stocks, bonds, and real estate.

These capital inflows appreciate the U.S. dollar and push down interest rates, which in turn fuel higher consumption and borrowing within the American economy.

Here's the key: **to maintain a balanced balance of payments, any capital inflow must be matched by a corresponding trade deficit**. That is, if foreigners buy U.S. assets (stocks, bonds, real estate), the U.S. must import more than it exports to "pay" for those inflows. This is not a policy choice but a macroeconomic accounting identity: **capital account surplus = current account (trade) deficit**.
So, the more excess savings the rest of the world sends into the U.S., the more the U.S. must run trade deficits. And as the U.S. imports, the dollars it spends abroad eventually flow back as foreign purchases of U.S. debt and other financial assets.

This cycle — **foreign savings → U.S. capital inflows → stronger dollar → higher consumption → trade deficit → debt recycling** — has allowed the U.S. to run large fiscal deficits for years without visible strain.

But now, **debt levels have grown so large that rising interest payments are creating real fiscal pressure. The cycle is hitting its limits.**
If the U.S. truly wants to reduce its trade deficit and regain control over its fiscal outlook, it must **shift focus from trade restrictions to capital flow management**. The solution lies in reducing its trade imbalance. It will either happen in a structured manner but has to be accompanied by a leveraging cycle in China or a market-based repricing which could mean a large USD depreciation and Current Account Deficit adjustment.

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Source: DSP. Data as on May 2025

US Testing Its Ability To Raise Sovereign Debt, But Corporates Remain Resilient

However, how long before the country debt crisis starts feeding into the Corporates' Loan Book?

While corporates appear resilient for now, a prolonged sovereign debt crisis could spill over into their balance sheets. Rising government borrowing costs may crowd out private credit, tighten financial conditions, and raise risk premiums.

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Source: Fred, DSP. Data as on May 2025. NF- Non Financial

With Global Money Exiting, Must India Rely on Itself?

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Foreign Flows Into India Have Been Tepid

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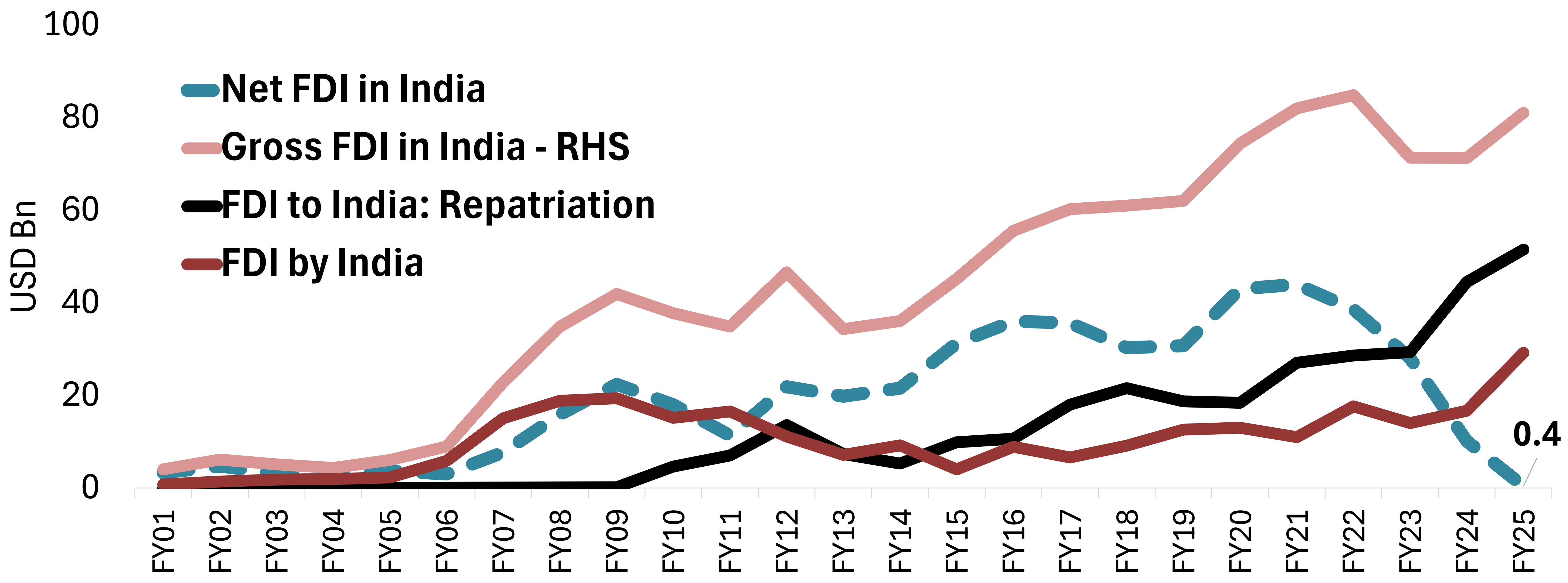
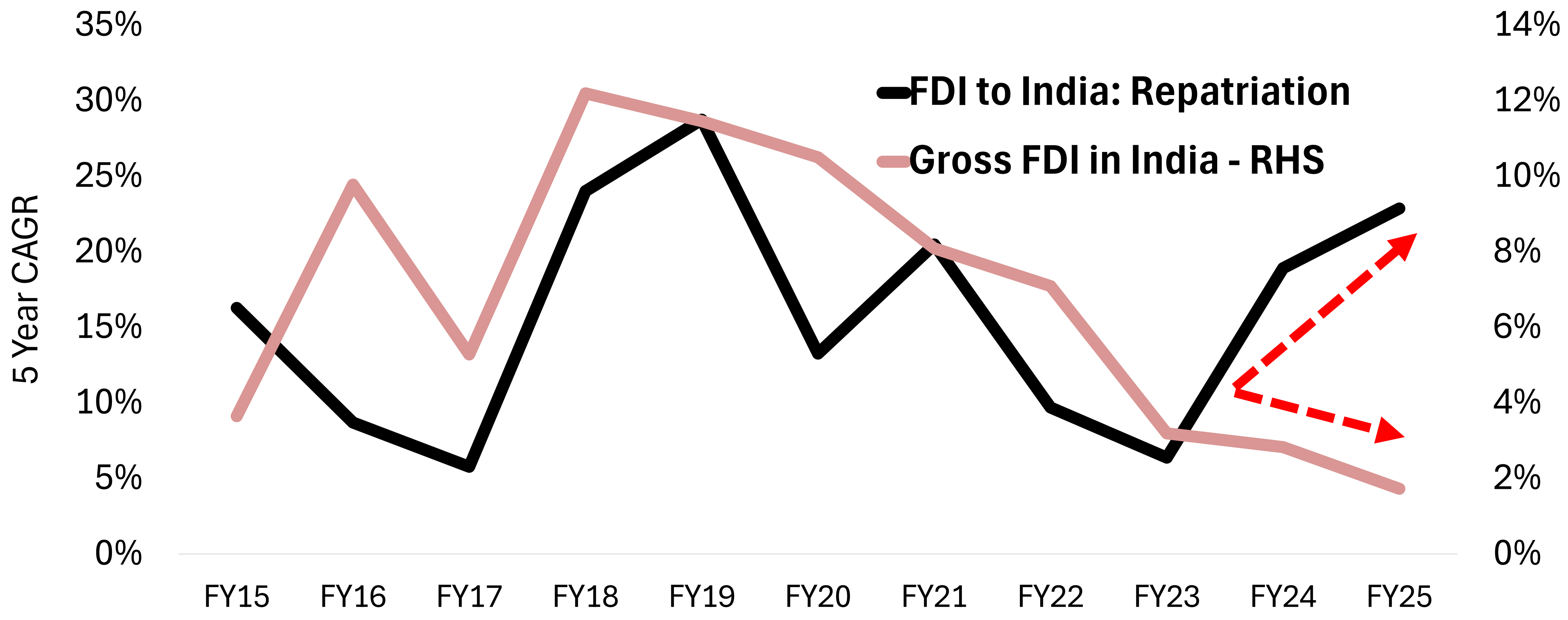
Source: CMIE, DSP. Data as of May 2025
FDI – Foreign Direct Investment, FPI – Foreign Portfolio Investment

Global Investors Have Been Retreating…

Net inflows have witnessed a steep dip, because of the increase repatriations at a rate higher than gross inflows



More than a recent sudden fall in FDI flows, there has been a gradual long-term decline, which could reverse when valuations align



	FY20	FY21	FY22	FY23	FY24	FY25
Net foreign direct investment	**43.0**	**44.0**	**38.6**	**28.0**	**10.1**	**0.4**
Foreign direct investment to India	**56.0**	**54.9**	**56.2**	**42.0**	**26.8**	**29.6**
Gross inflows/gross investments	**74.4**	**82.0**	**84.8**	**71.4**	**71.3**	**81.0**
Repatriation/disinvestment	**18.4**	**27.0**	**28.6**	**29.3**	**44.5**	**51.5**
Foreign direct investment by India	**13.0**	**11.0**	**17.6**	**14.0**	**16.7**	**29.2**

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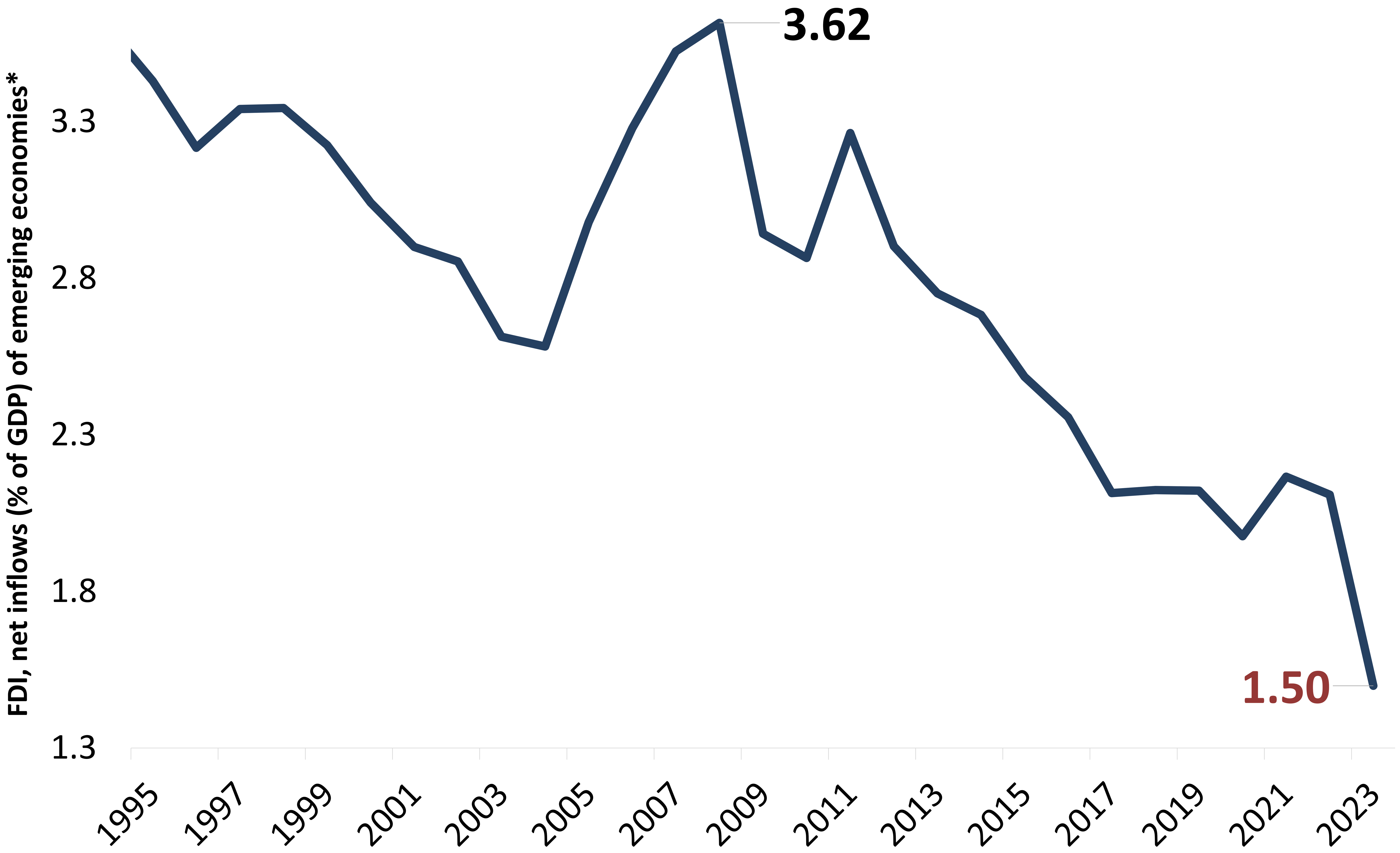
Source: CMIE, DSP. Data as of May 2025

…Not Just from India, But the Entire EM Basket



***FDI as a percentage of GDP, weighted by net FDI inflows across major emerging economies.**

Over the past few years, Indian economy has demonstrated steady GDP growth, a stable currency, a robust policy environment, no credit accidents, a more stable balance of payments than ever before, and strong corporate earnings growth. Yet, foreign investors are pulling back.

And FPI has visibly lost steam in India.

But even the more stable direct investment route, FDI, has begun to see a lull.

However, this is not an India-specific phenomenon. Emerging markets globally are witnessing a gradual, structural decline in FDI inflows. It may also be a cyclical, although a long cycle, move.

To understand the broader trend, we conducted an exercise that weighted the EMEs based on the past 10-year FDI net inflows and see the trend in their FDI inflows (as % of GDP), based on these weights.

The result: a clear and persistent decline in FDI flows to EMEs.

China, which holds the highest weight in the basket (45%), does introduce a degree of skewness. However, this is justified by its large GDP base and historically dominant FDI share.

In essence, it's not just India—emerging markets as a whole are bearing the brunt of weakening FDI flows. And India has been no exception. Its FDI inflows have declined meaningfully since their 2009 peak, falling from 3% of GDP to just 1.1% today.

Source: World Development Indicators. Data as of May 2025. EM- Emerging Market, FDI- Foreign Direct Investment

Emerging economies considered above- India, China, Indonesia, Russia, Brazil, Mexico, Malaysia, Thailand, Philippines, Vietnam, South Africa, Turkey, Argentina

Domestic Economy – If Not Already In Slow Lane, Appears to be Steadily Approaching It

Consumption/Demand (%, YoY*)	FY25 Avg	FY24 Avg
Personal Loans	16.3	27.0
Retail Payments	16.3	20.1
Consumer Sentiment Index(abs)	110.2	100.6
Rural Wage Growth	5.8	6.3
Non-Oil Imports	7.2	-1.0
Passenger cars sales	-10.2	-10.7
POL Consumption	2.2	5.1
Two wheelers	9.0	14.4
Consumer Price Inflation	4.6	5.4
Core CPI(ex food and fuel)	3.5	4.4

Services (%, YoY*)	FY25 Avg	FY24 Avg
Services PMI (abs)	59.2	60.3
Credit to Services	14.1%	20.2%
Housing loans	12.5%	13.9%
Foreign Tourist Arrivals	-1.4	21.3
Airport Passenger Traffic	9.4	15.6
Railway Freight Traffic	1.9	5.2
E-toll collections (INR Bn)	60.8	53.0

Industry/Manufacturing (%, YoY*)	FY25 Avg	FY24 Avg
Credit To Industry	9.0%	9.0%
Cement Production	6.3	9.0
CV (Quarterly)	-3.3	3.2
Coal Production	5.2	12.2
Steel Production	6.7	12.8
Eight Core Industry	4.4	7.7
IIP Electricity	5.2	7.2
IIP Mining	2.9	7.9
IIP Manufacturing	4.0	5.6
IIP Capital Goods	5.6	6.5
IIP Infrastructure/Construction	6.7	9.9
IIP consumer goods	2.2	4.1
Capacity Utilisation (abs)	74.5	74.8
Manufacturing PMI (abs)	57.4	57.2
Wholesale Price Index(WPI)	2.3	-0.7

Fiscal (INR Tn)	FY25 Avg	FY24 Avg
Total Expenditure	3.5	3.7
Capital Expenditure	0.7	0.8
Revenue Expenditure	2.8	2.9
E-Way Bills (Bn)	108.7	92.7
GST	1.8	1.7
Total Receipts	2.2	2.2

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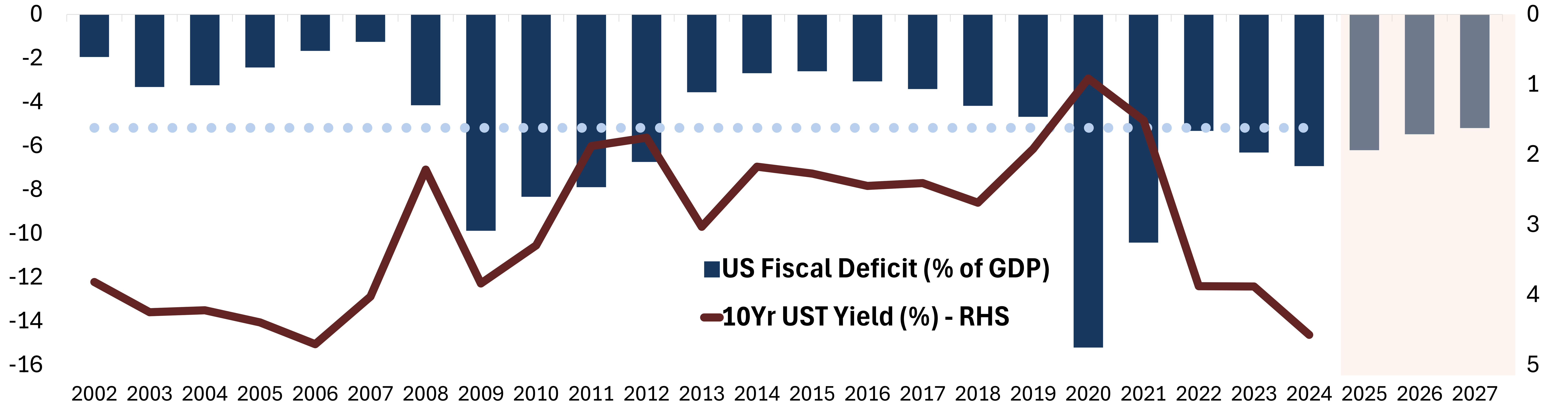
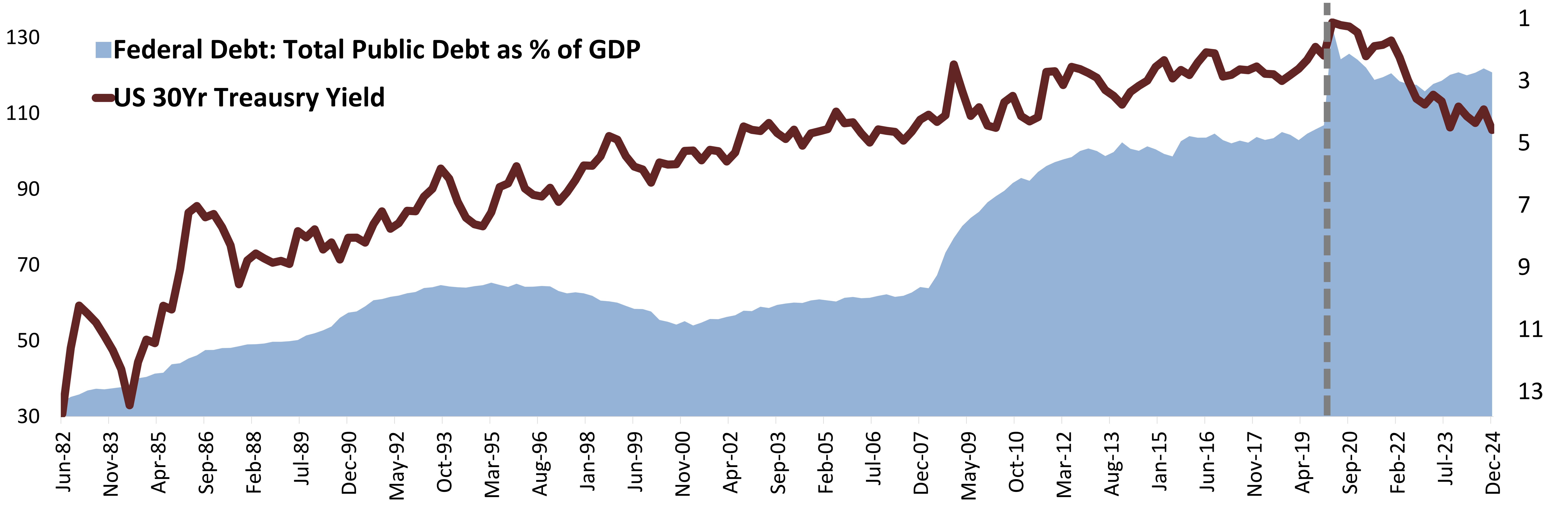
Source: DSP Tathya, CMIE, DSP. Data as of May 2025.

Interest Rates

When Debt Rises, Yields Don't Always Follow





The link between the US fiscal deficit and 10-year Treasury yields isn't always linear.

While conventional wisdom suggests that higher deficits—implying more borrowing—should push yields up by increasing bond supply, history tells a more nuanced story.

During COVID-19, deficits hit record highs yet yields fell sharply as investors flocked to Treasuries and the Fed launched large-scale bond purchases. Post-pandemic, as inflation picked up, yields rose—even though deficits stayed elevated.

However, this captures only one aspect of yield dynamics.
The bottom panel chart shows a long-term view of yields and public debt. Historically, as debt levels rose—supported by expanding GDP—yields trended lower. But post-COVID, the surge in debt has coincided with a rising yield trend. This shift risks becoming self-reinforcing: higher yields drive up borrowing costs, adding to debt and further straining the deficit.

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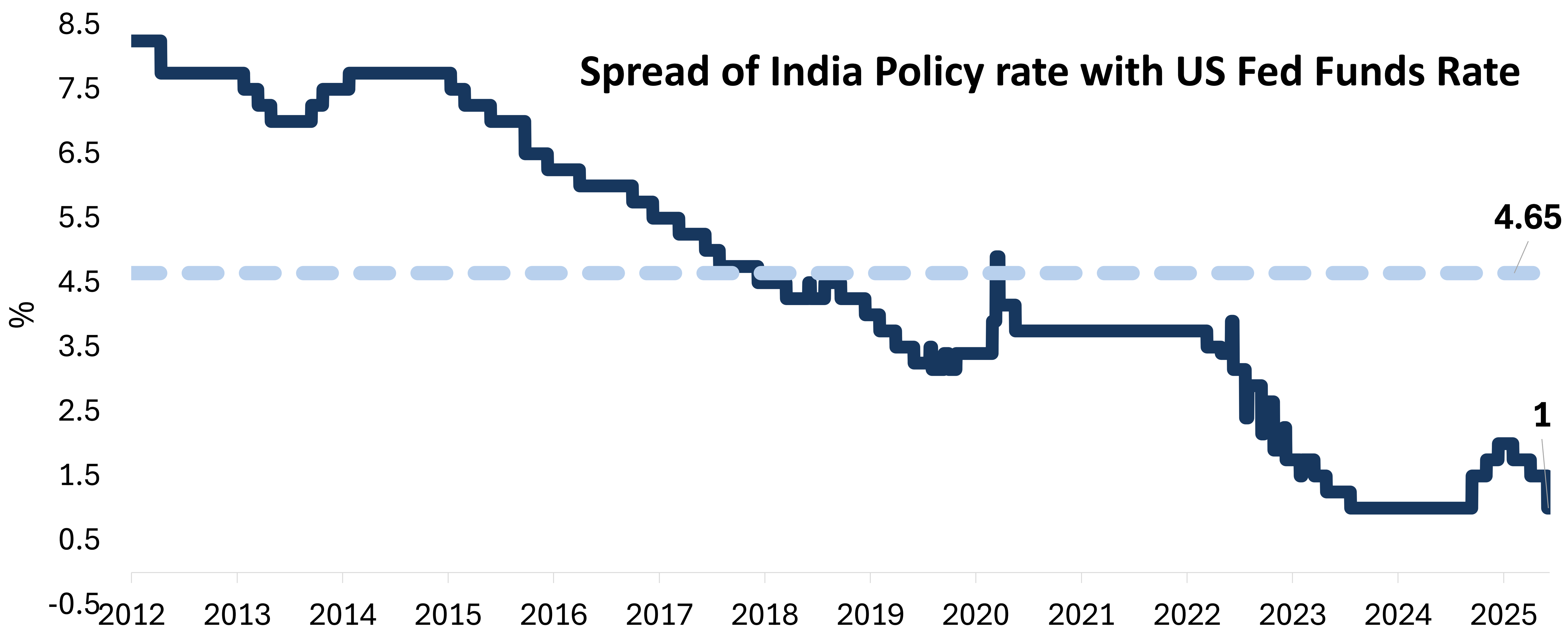
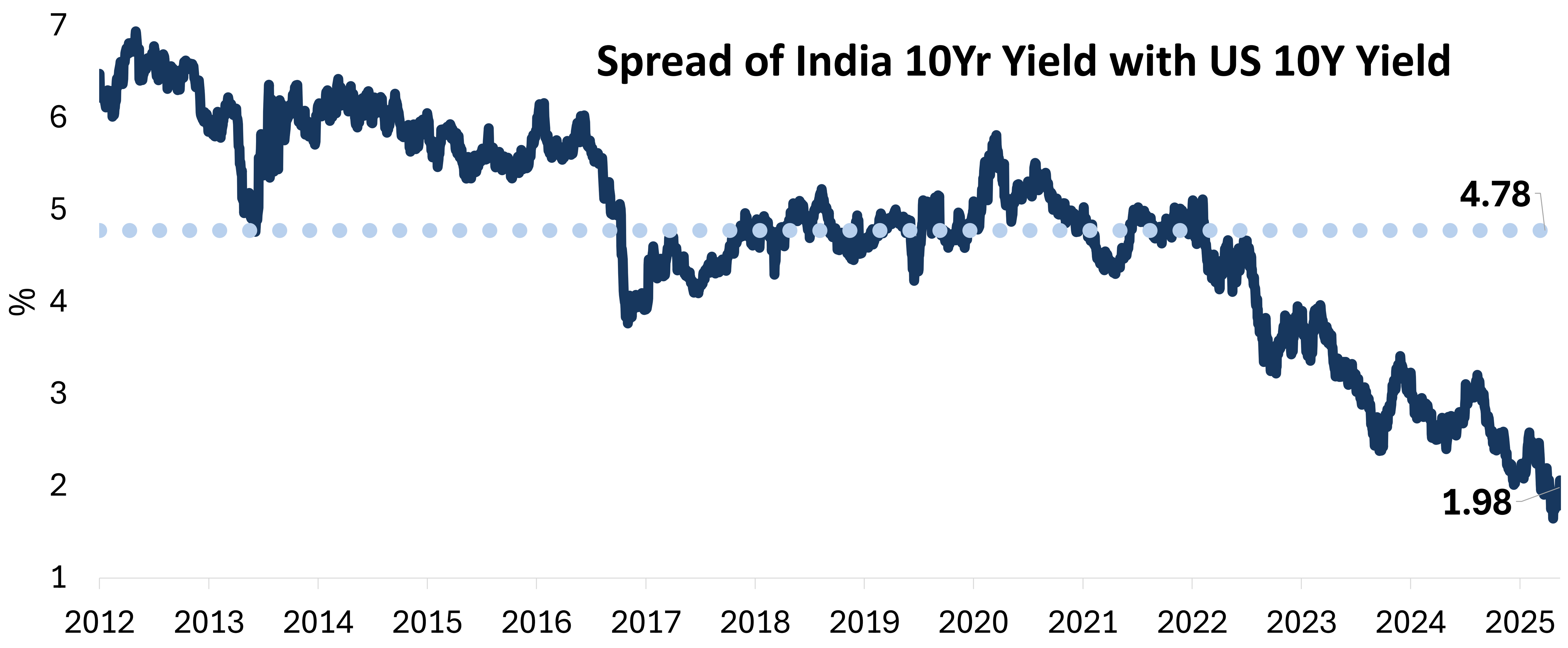
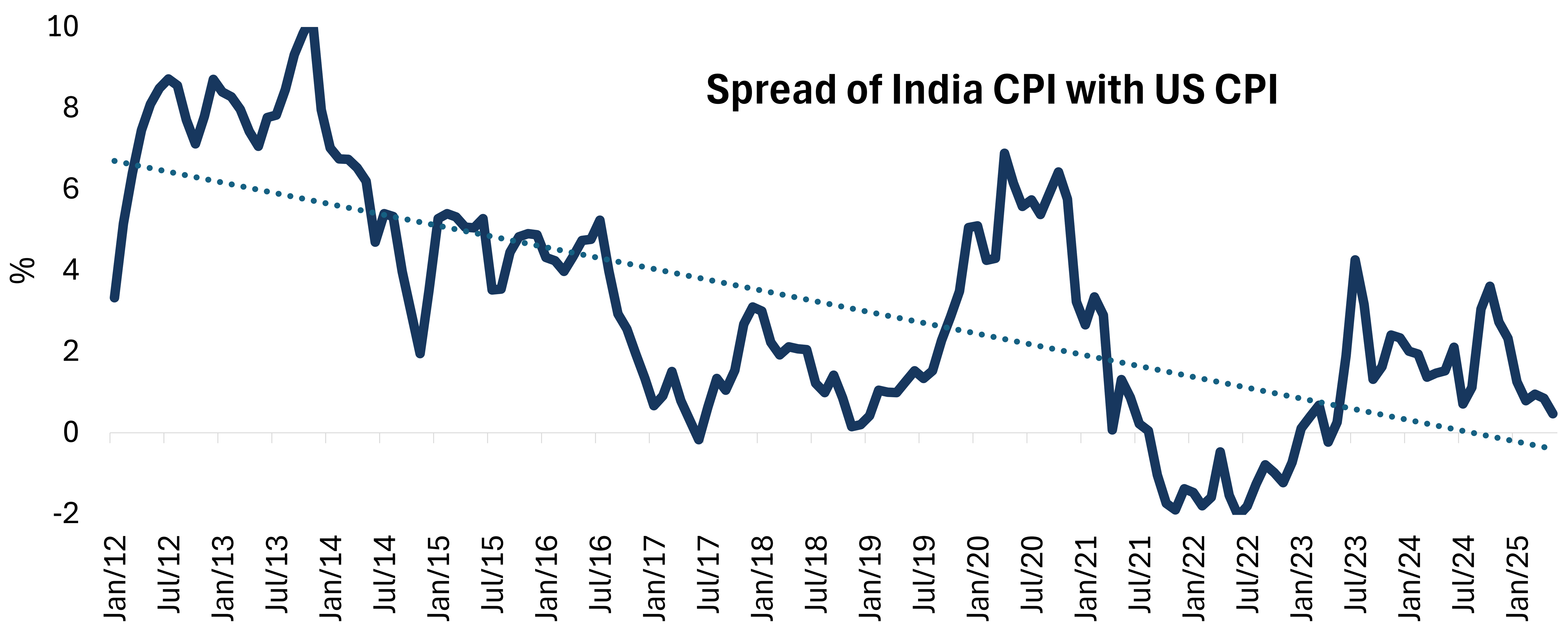
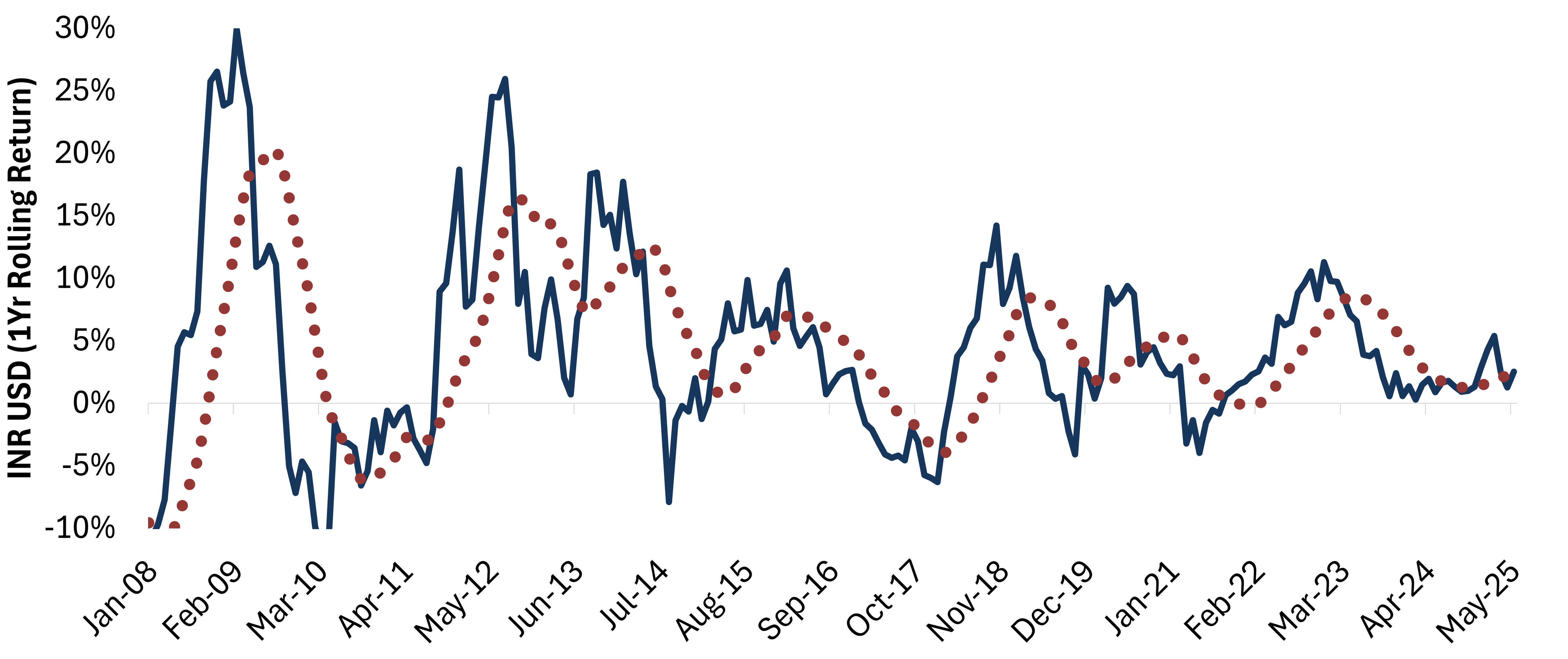
Source: Bloomberg, DSP. Data as of May 2025. Data sourced for projected numbers from cbo.gov

Low Risk Premia: Domestic Macro Strength Or US Assets Reassessment?









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Source: Emkay, Bloomberg, DSP. Data as of May 2025.

Despite Rate Cuts And Ample Liquidity, Consumption Recovery Remains Elusive. Why?

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Capex, Consumption, Credit – All Losing Steam

If interest rates have been pushed down, does it mean it will translate into higher consumption?
How does higher liquidity translate into higher money supply and thus higher consumption?
Is it through higher borrowing?

Which broad segments of the market borrow?
Government, Households and Corporates

1. Government have put enough money into the economy by running a higher fiscal deficit, majorly focused towards higher capex - now their capacity to stretch beyond this, remains limited.

2. Households - have already been in a borrowing spree - first in the very low-interest rate environment in the post covid recovery and then to cope with slower wage growth - however, consumption has merely come through.

3. Corporates - While operating cash flows (OCF) and OCF margins remain healthy, it is still not encouraging corporates to undertake capex. Capex growth for India Inc has moderated sharply. This moderation in capex growth is worrying as it could work to reinforce the downturn.

The RBI has infused liquidity at levels reminiscent of recessionary times to ensure monetary transmission. However, with households already leveraged, the government running elevated fiscal deficits, and corporates sitting on idle cash, the impact on demand has been muted. This has created a lag between liquidity injection and actual money supply

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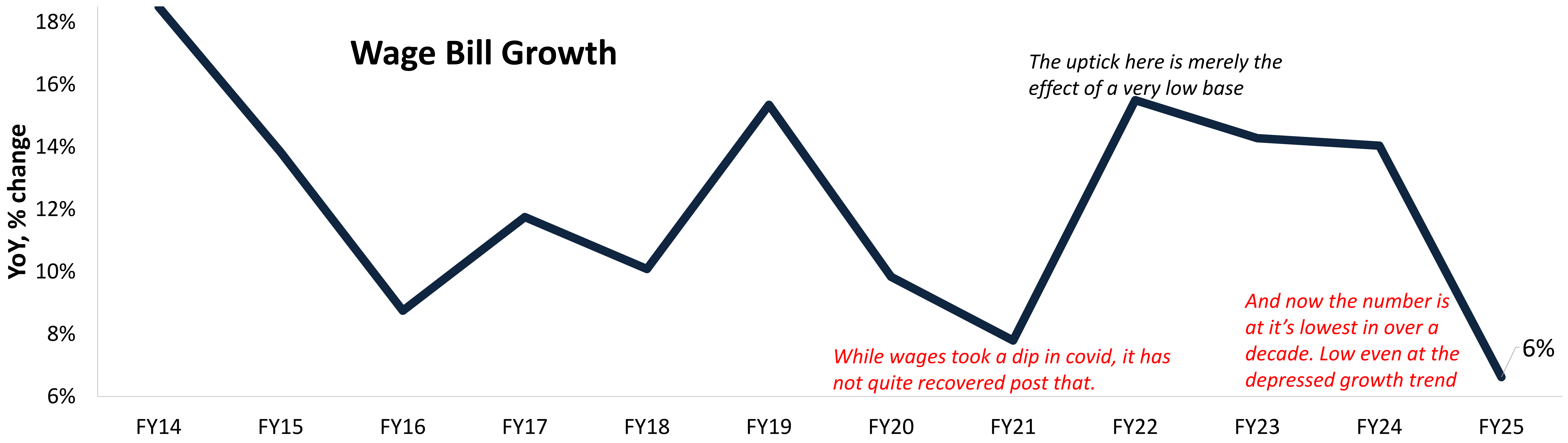
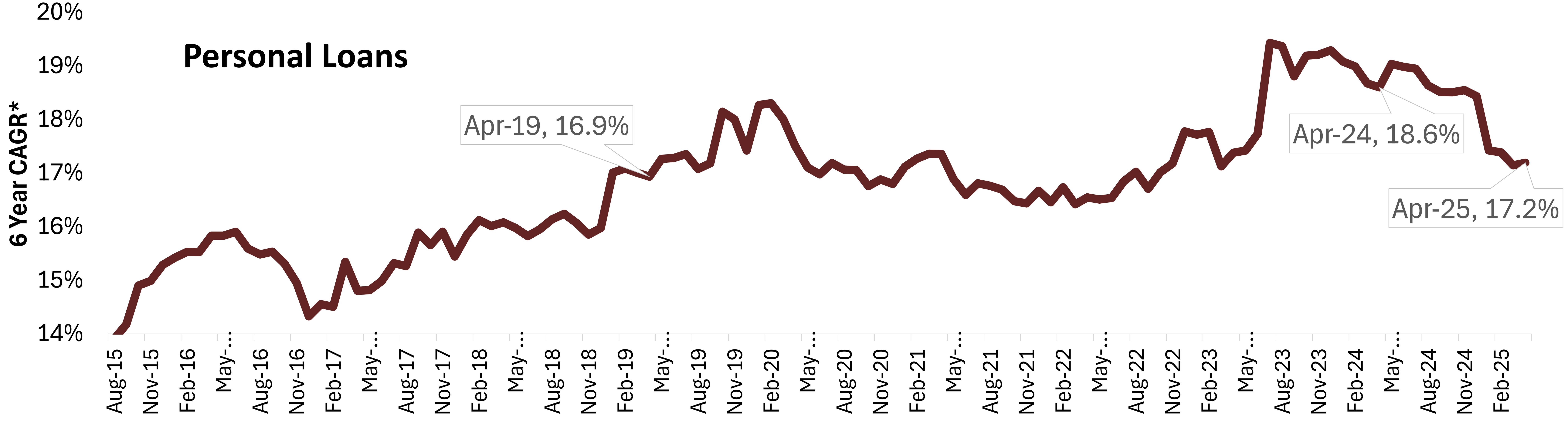
Source: Capitaline, DSP. Data as of May 2025.

Households – Little Space For More Leverage





***Considered a 6-year CAGR to establish a pre-COVID base for the current financial year.**

Wage bill growth continues to weaken.
The slight uptick post covid, was a mere low base effect. The FY25 6% YoY growth is lowest in the past decade.
The slowdown is most visible in sectors that account for over half of the total wage bill—namely Financials and Information Technology—where growth has dropped to low single digits.

The loss in momentum in personal loans.
Now to cope with such loss in pay, households have relied on loans.
The surge in personal loans, which initially spiked amid COVID-related uncertainty, has grown at an annual rate of 20% over the six years leading up to 2023.
However, this support mechanism is running thin. With wage growth still subdued, households can lean on leverage only for so long. While it may have initially propped up consumption, debt cannot be a sustainable driver.

The question now is: Will rate cuts nudge households to take on more leverage—and even if they do, will it be sufficient to meaningfully revive consumption?

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Source: CMIE, DSP. Data as of May 2025.

Government – Crucial Balance Between Global Fiscal Pressures & Growth Priorities

Fiscal Deficit (% of GDP)						
1997	2002	2007	2012	2017	2020	2024
-5.8	-7.4	-2.9	-8.2	-3.7	-15.2	-6.9
-5.5	-5.8	-2.8	-7.7	-3.5	-13.0	-5.8
-3.7	-4.1	-2.6	-6.5	-3.4	-12.3	-5.1
-3.0	-3.2	-2.6	-5.0	-3.1	-9.2	-4.8
-1.8	-2.6	-1.3	-4.9	-3.0	-9.0	-4.8
-1.0	-2.1	0.2	-3.1	-2.7	-8.9	-2.8
-0.7	-1.8	0.6	-1.6	-0.9	-6.2	-2.2
0.0	0.7	0.9	-1.5	-0.6	-4.4	-2.0
0.9	1.7	2.1	-0.1	1.3	-1.7	-1.4

US France Japan India China

Germany UK Canada Australia

India has taken the comfort of the developed nation (majorly US) to alter its ability to stretch its fiscal deficit.

Over the past decade, prior to covid, it had rarely stretched it beyond 4% after recovering from the GFC crisis.

The upwards of 4% now comes at the back of recovery from the very high fiscal deficit during covid period. And despite running a fiscal deficit higher than that in normal times, the demand has not come through with the same vigor.

Therefore, while MPC has played its part to not just revive growth, but push it towards its potential, it is only necessary and not sufficient to steer growth. Private consumption needs to see a revival for growth to pick up.

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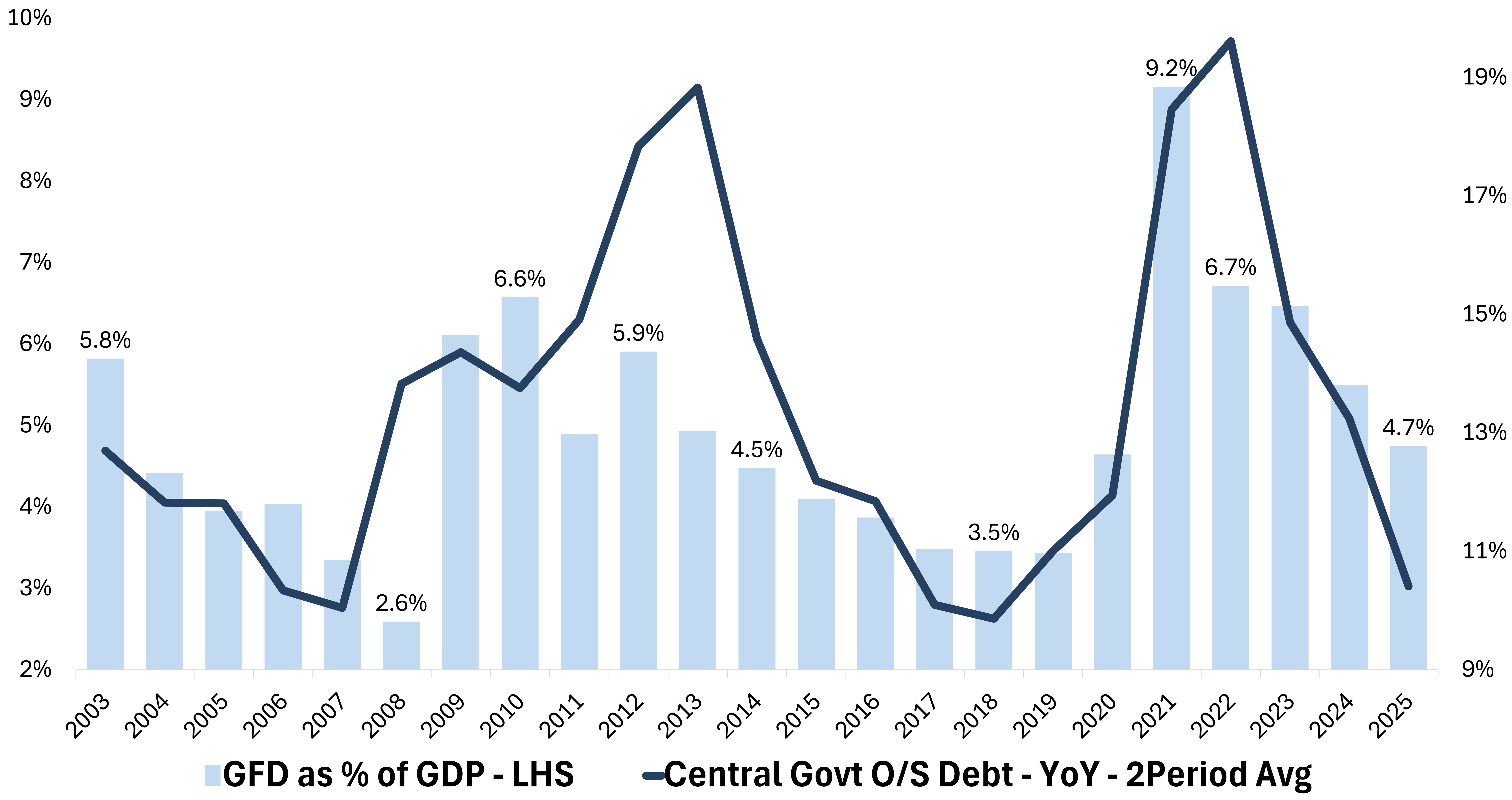
Source: Bloomberg, DSP. Data as of May 2025. For India, the data is for Financial Year

Government – Has Held The Baton For Too Long Now. Revival Needs A New Lead.



Growth is holding up well, and inflation is comfortably within the target band—making this, at least in theory, an ideal backdrop for rate cuts. And indeed, cuts are underway. However, the magnitude of the policy rate reduction remains a subject of debate.

The government has already taken on substantial debt to finance a wide fiscal deficit aimed at boosting mass consumption—much of it channeled into higher capital expenditure.

But the Centre must tread carefully. Sustaining a high deficit is feasible as long as global powers like the US continue down the same path. A divergence could trigger capital outflows and heighten currency risk.

In that context, the current policy mix—particularly on the fiscal front—becomes critical. It needs to strike a fine balance between supporting domestic growth and navigating global uncertainty.

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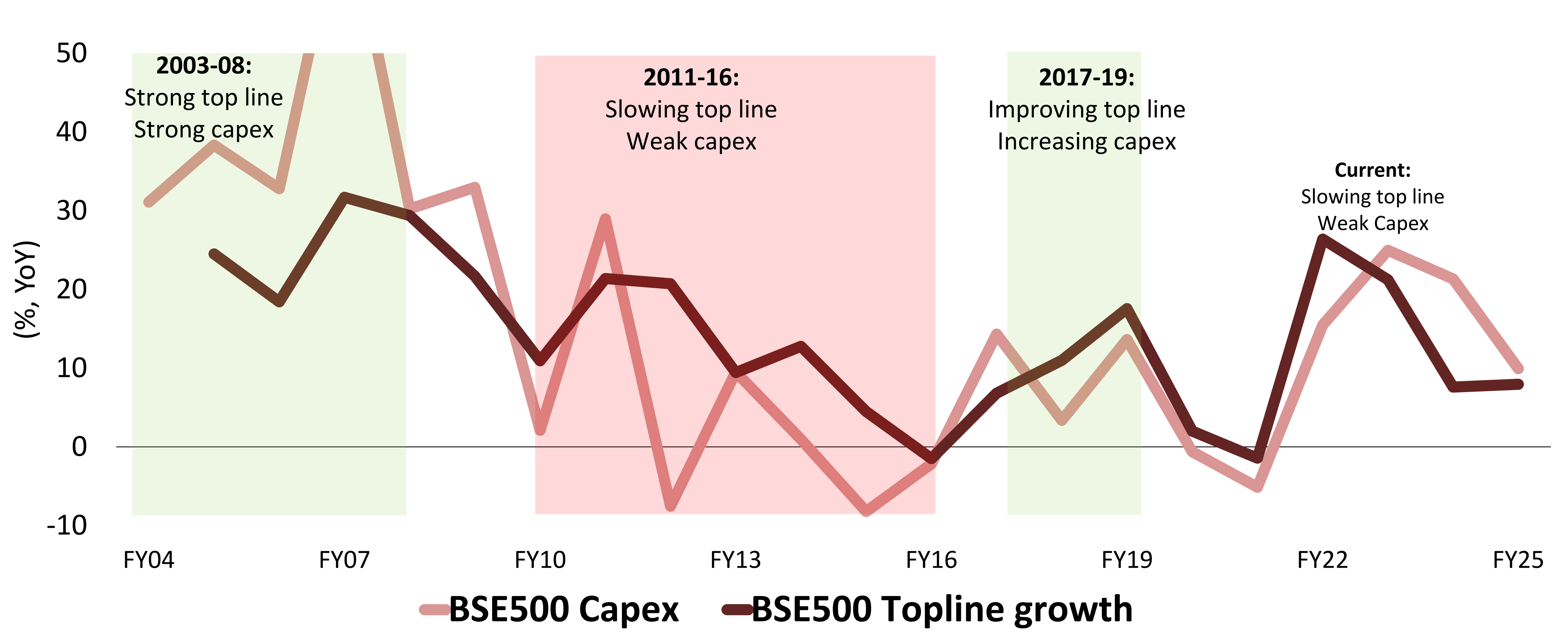
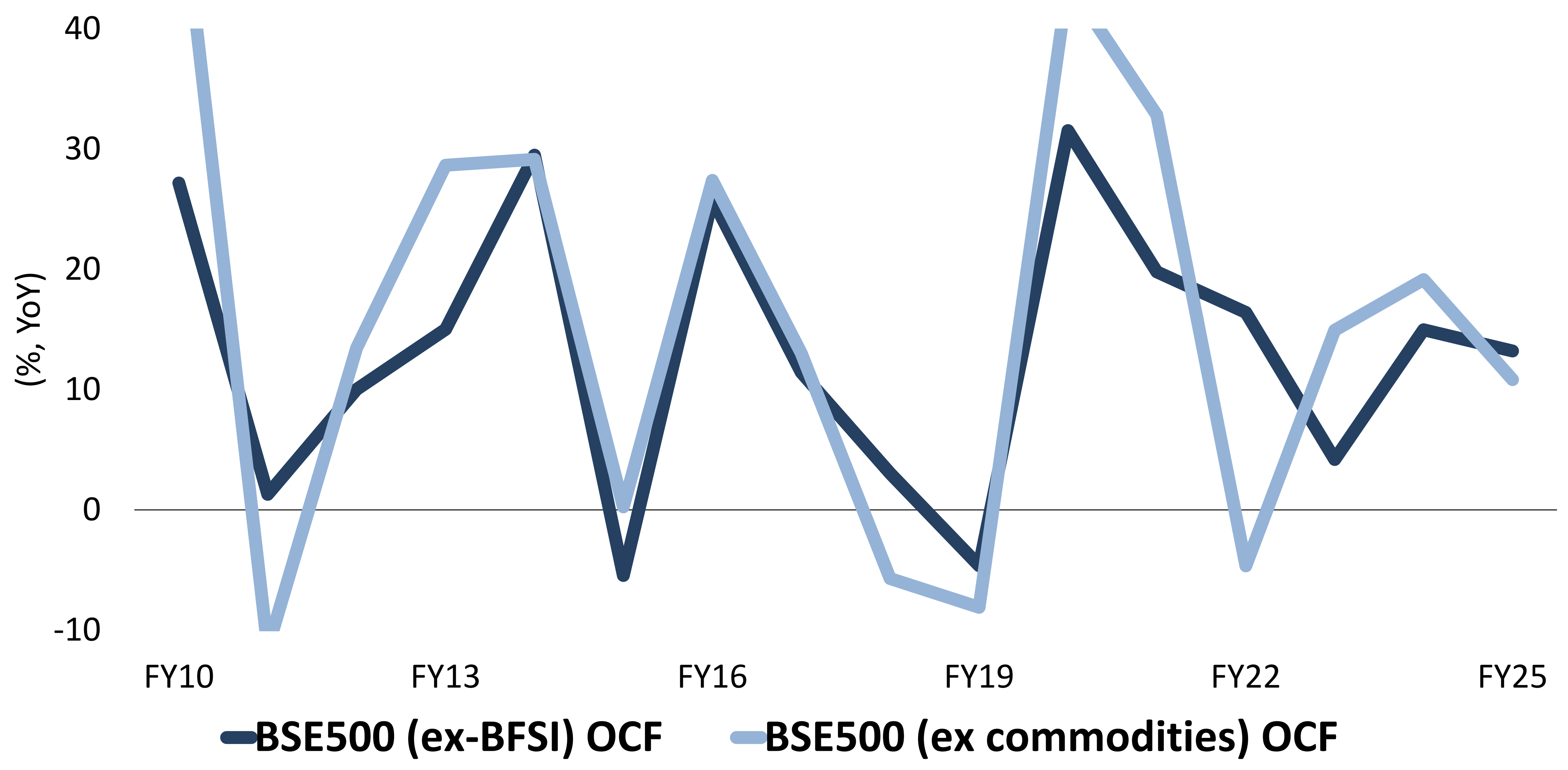
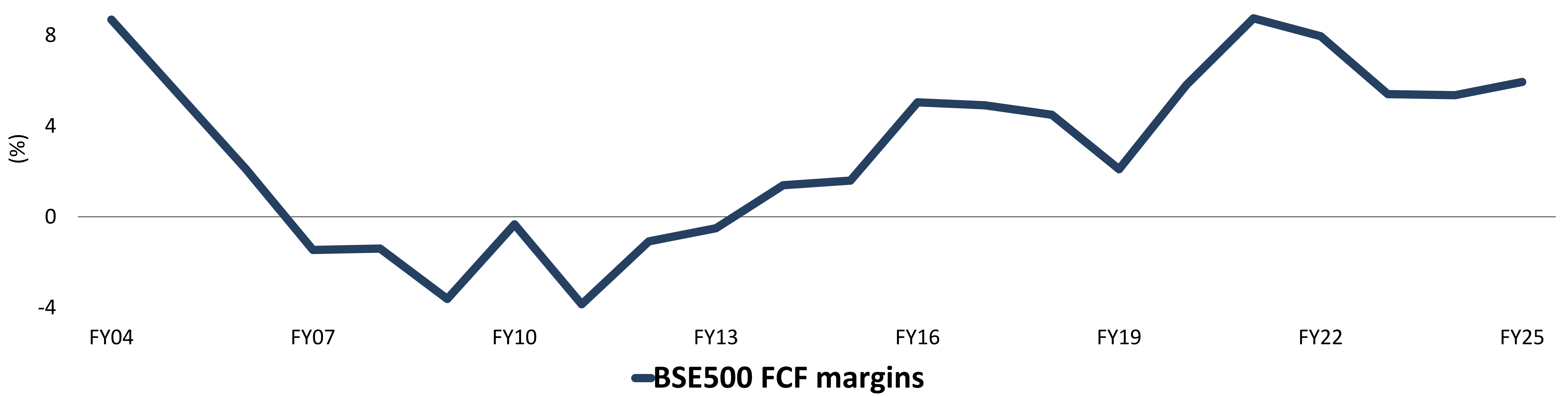
Source: CMIE, DSP. Data as of May 2025. GFD- Gross Fiscal Deficit

Corporates – Suited for Leading Revival, But Constrained by Weak Investment Triggers







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Source: Nuvama, Capitaline, DSP. Data as of May 2025.
OCF- Operating Cash Flow, FCF- Free Cash Flow

Sectors: Linking Data Trends

Most Of The Sectors Close To Peak Margins

Source: Nuvama, DSP. Data as of May 2025. QSR- Quick Service Restaurant

The sector(s)/stock(s)/issuer(s) mentioned in this document do not constitute any recommendation of the same and the Fund may or may not have any future position in these sector(s)/stock(s)/issuer(s).

Earnings: Reconciling With Tepid Topline

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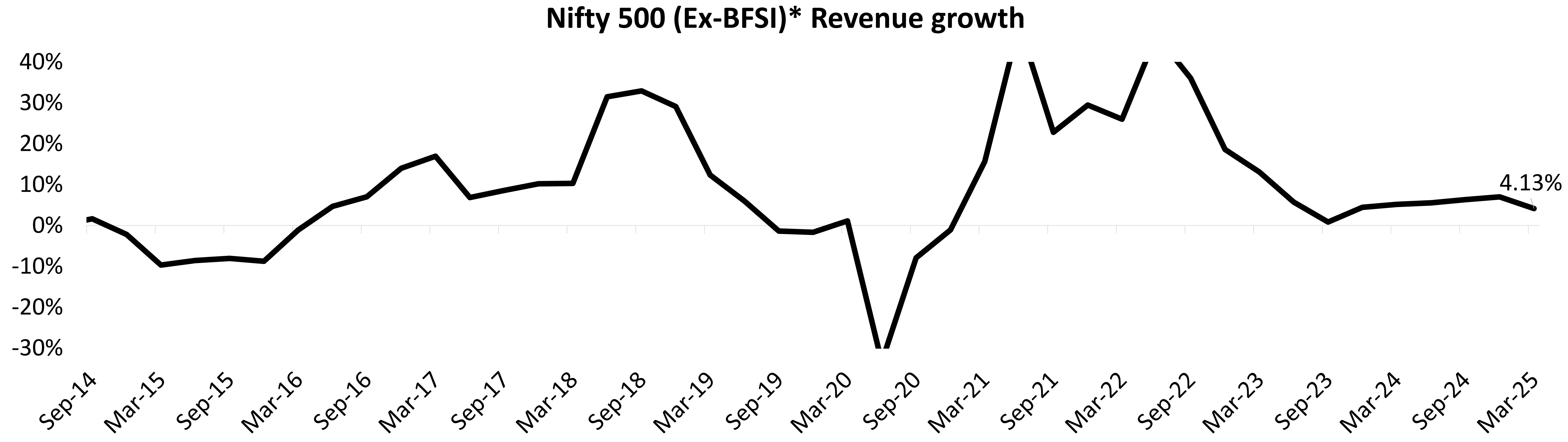
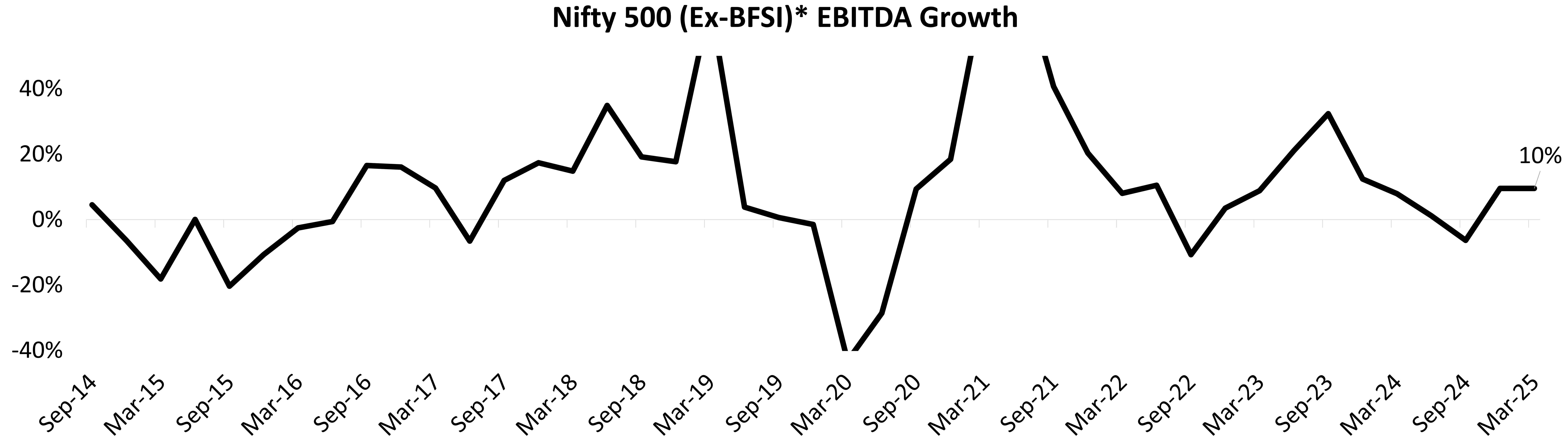
Topline Stagnant, Margins Near Their Limits





With topline growth hovering in the low single digits, margin expansion remains the primary driver of PAT growth. However, the current median EBITDA margin for NSE 500 companies (excluding BFSI) stands at 17.6%—already at the higher end of the historical range.

Since the post-COVID recovery, margins have played a pivotal role in driving profitability. This improvement has largely been the result of enhanced cost efficiencies, balance sheet restructuring (reflected in reduced interest and credit costs).

However, rising crude oil prices now pose a risk to margin stability. With limited room left for further margin expansion and muted topline growth, the sustainability of profit growth is increasingly uncertain. This could challenge current valuations and the growth expectations priced into many stocks.

Source: Capitaline, DSP. Data as of June 2025. *Nifty 500 (Ex-BFSI) historical constituents used.
EBITDA- Earnings Before Interest, Tax, Depreciation and Amortization

Valuations

What Do The Numbers Look Like?

Index	P/E	P/B	Div Yield %	ROE
Nifty Top 10 EW Index	21.89	4.09	1.17	19%
NIfty 50 Index	22.69	3.67	1.11	16%
Nifty 100 Index	22.56	3.72	1.17	16%
Nifty Midcap 150 Index	34.61	5.26	0.79	15%
Nifty Smallcap 250 Index	33.19	4.15	0.64	13%
Nifty 500 Index	24.98	3.98	1.05	16%
Nifty Microcap 250 Index	23.95	3.35	0.61	14%

As of 25th June 2025, Source: Nifty Indices

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Source: Nifty Indices, DSP. Data as of 25th June 2025. ROE- Return On Equity

Let’s sum it up.

Asset Class View

- **Equity:**

  Raise equity exposure one notch by

  1. Fresh deployment through use of hybrids like Dynamic Asset Allocation or Multi Asset Allocation strategies as they raise equity weights on lower valuations.
  2. Top up SIPs
  3. Focus on large-caps, for staggered purchases and equity allocation
  4. BFSI, especially Private Banks, may be considered for addition

- **Debt:** DSP Converse

  1. We are positive on spread assets, namely corporate bonds

- **Commodities:**
  - All assets are cyclical. Gold, a proven store of value and strong performer, is a valuable portfolio addition.
  - We continue to have a positive view on Gold and Silver. With the trade wars now accompanied by geopolitical conflicts the role of Gold as a global reserve currency is only increasing. We see no incentive to change our view or second guess the trajectory. We continue to see these assets as an uncorrelated allocation.

BFSI – Banking, Financial Services and Insurance

Source: internal, Disclaimer: The investment approach / framework/ strategy mentioned herein is currently followed by the scheme(s) and the same may change in future depending on market conditions and other factors. The sector(s)/stock(s)/issuer(s) mentioned in this document do not constitute any recommendation of the same and the Fund may or may not have any future position in these sector(s)/stock(s)/issuer(s). The recipient(s), before acting on any information herein, should make his/her/their own assessment and seek appropriate professional advice.

Large caps are defined as top 100 stocks on market capitalization, mid caps as 101-250 small caps as 251 and above

How To Position Your Portfolio?

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Asset Allocation: Our recommendations

If you are

Type of investor	Equity Allocation
Conservative	< 30%
Moderate/ Passive-Moderate	< 60%
Aggressive	< 70%

Then you may consider having this % of equity in your portfolio

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Disclaimer: The above allocation is indicative in nature. Investors should consult their financial advisors if in doubt about whether the scheme is suitable for them.

Conservative Strategy

Portfolio: Conservative

Asset Class	Category	Fund	Allocation
Equity 20%	Index Fund	DSP Nifty Top 10 Equal Weight Index Fund	10%
	Large Cap Fund	DSP Large Cap Fund (Ex DSP Top 100 Equity Fund)	5%
	Sectoral / Thematic	DSP Banking & Financial Services Fund	5%
Alternate & Hybrid 25%	Multi Asset Allocation	DSP Multi Asset Allocation Fund	20%
	FoFs- Domestic	DSP Silver ETF Fund of Fund	5%
Fund of Fund 20%	Income Plus Arbitrage FoF	DSP Income Plus Arbitrage Fund of Fund	20%
Debt 35%	Money Market Fund	DSP Savings Fund	10%
	Dynamic Bond	DSP Strategic Bond Fund	25%

Moderate Strategy

Portfolio: Moderate

Asset Class	Category	Fund	Allocation
Equity 50%	Large Cap Fund	DSP Large Cap Fund (Ex DSP Top 100 Equity Fund)	25%
	Sectoral / Thematic	DSP Healthcare Fund	5%
	Value Fund	DSP Value Fund	15%
	Sectoral / Thematic	DSP Banking & Financial Services Fund	5%
Alternate & Hybrid 25%	Multi Asset Allocation	DSP Multi Asset Allocation Fund	20%
	FoFs- Domestic	DSP Silver ETF Fund of Fund	5%
Fund of Fund 10%	Income Plus Arbitrage FoF	DSP Income Plus Arbitrage Fund of Fund	10%
Debt 15%	Money Market Fund	DSP Savings Fund	5%
	Dynamic Bond	DSP Strategic Bond Fund	10%

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Aggressive Strategy

Portfolio: Aggressive

Asset Class	Category	Fund	Allocation
Equity 60%	Large Cap Fund	DSP Large Cap Fund (Ex DSP Top 100 Equity Fund)	40%
	Index Fund	DSP Nifty Top 10 Equal Weight Index Fund	10%
	Sectoral / Thematic	DSP Healthcare Fund	5%
	Sectoral / Thematic	DSP Banking & Financial Services Fund	5%
Alternate & Hybrid 25%	FoFs- Domestic	DSP Silver ETF Fund of Fund	5%
	Dynamic Asset Allocation or Balanced Advantage	DSP Dynamic Asset Allocation Fund	20%
Fund of Fund 10%	Income Plus Arbitrage FoF	DSP Income Plus Arbitrage Fund of Fund	10%
Debt 5%	Dynamic Bond	DSP Strategic Bond Fund	5%

DSP

Disclaimer: For complete details on investment objective, investment strategy, asset allocation, scheme specific risk factors and more details, please read the Scheme Information Document, and Key Information Memorandum of the scheme available on ISC of AMC and also available on www.dspim.com
The above table is indicative in nature. Investors should consult their financial advisors if in doubt about whether the scheme is suitable for them.

Passive - Moderate Strategy

Portfolio: Passive- Moderate

Asset Class	Category	Fund	Allocation
Equity 55%	Index Fund	DSP Nifty Top 10 Equal Weight Index Fund	35%
	Sectoral / Thematic	DSP Quant Fund*	15%
	Index Fund	DSP Nifty Private Bank Index Fund	5%
Alternate & Hybrid 20%	FoFs- Domestic	DSP Silver ETF Fund of Fund	10%
		DSP Gold ETF Fund of Fund	10%
Debt 25%	Index Fund	DSP CRISIL-IBX 50:50 Gilt Plus SDL - April 2033 Index Fund (Erstwhile known as DSP CRISIL SDL Plus G-Sec Apr 2033 50:50 Index Fund)	10%
	Corporate Bond	DSP Corporate Bond Fund*	15%

* DSP Quant Fund is managed by following a model-based approach to portfolio construction and DSP Corporate Bond Fund is currently managed as a roll down strategy. These investment strategies are currently followed by the scheme and the same may change in future depending on market conditions and other factors. For complete details on investment objective, investment strategy, asset allocation, scheme specific risk factors and more details, please read the Scheme Information Document, and Key Information Memorandum of the scheme available on ISC of AMC and also available on www.dspim.com . The above table is indicative in nature. Investors should consult their financial advisors if in doubt about whether the scheme is suitable for them.

DSP

…And Some Fun Recommendations

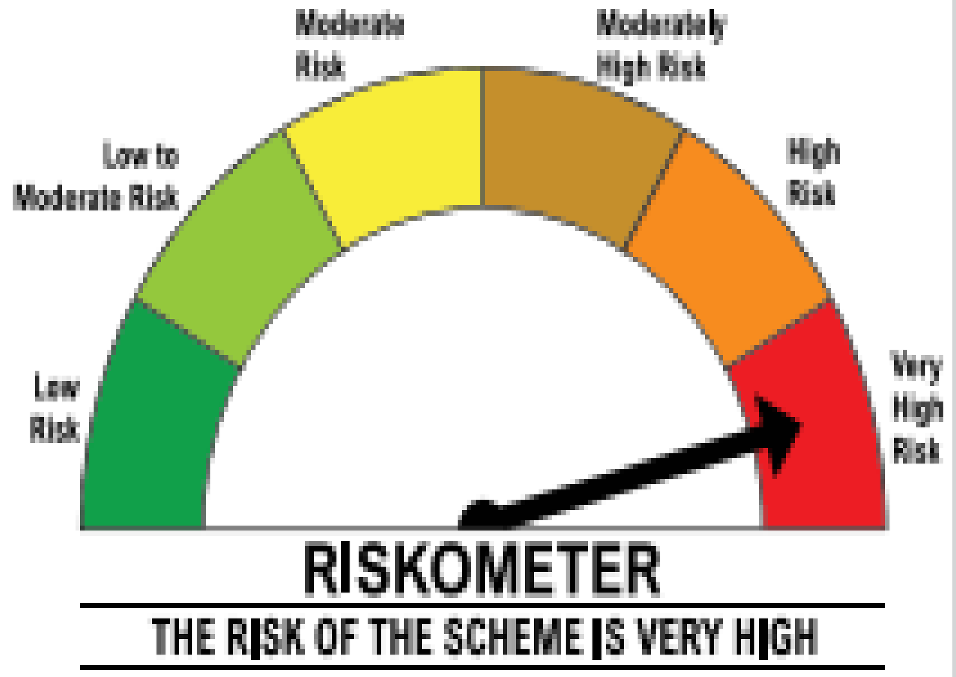
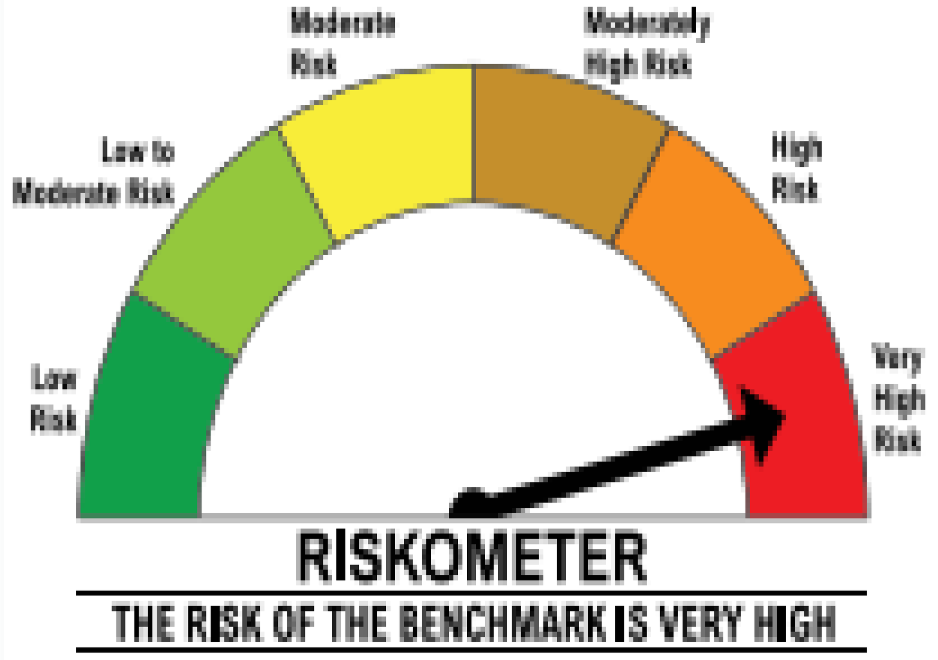
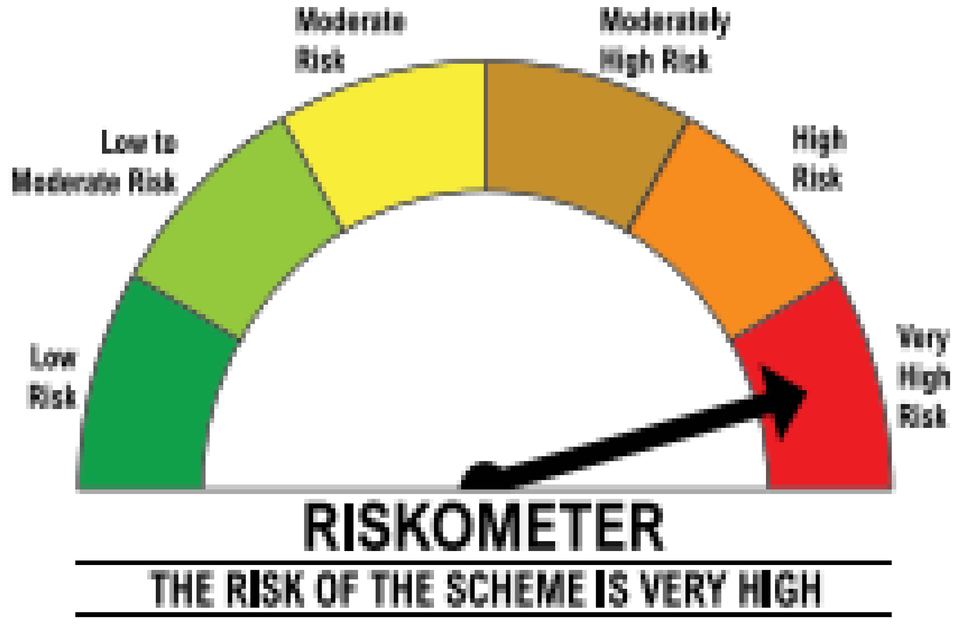
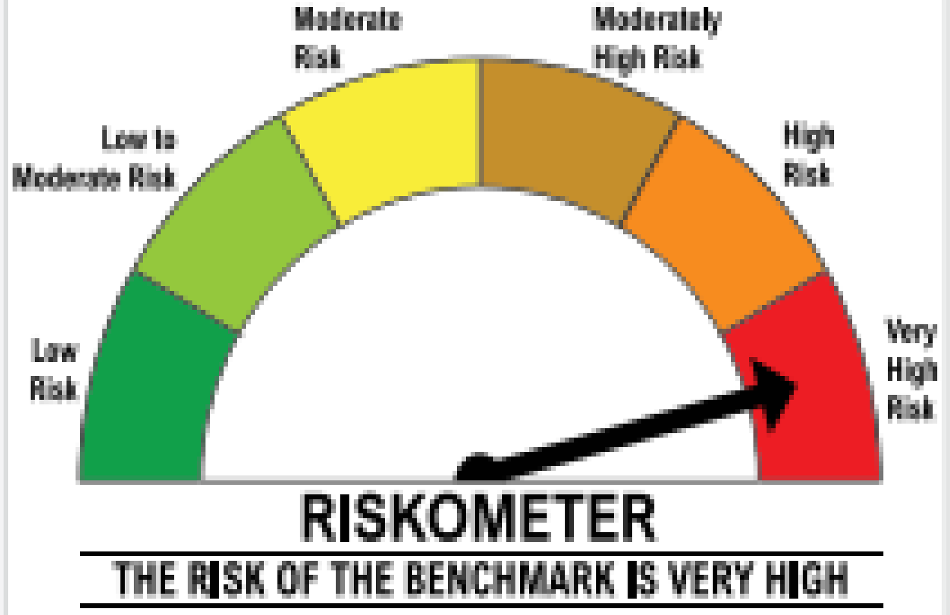
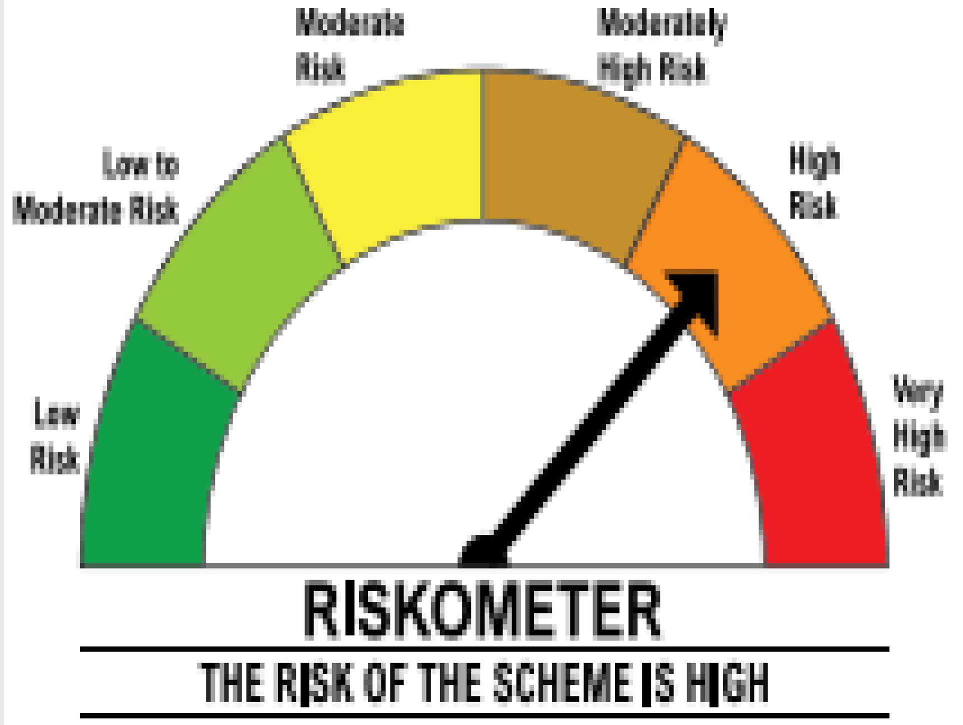
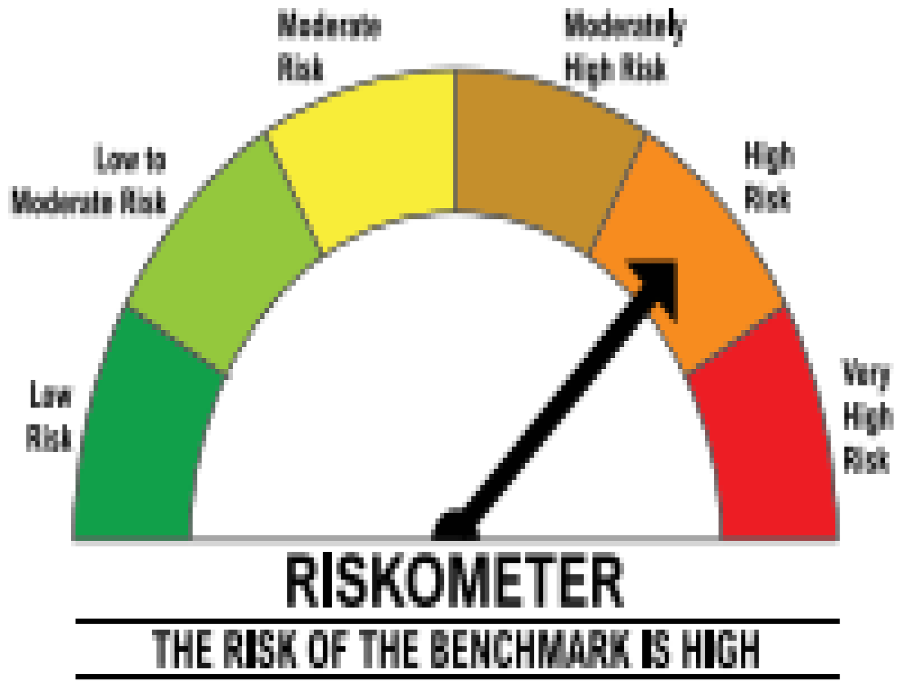
What we liked:

- Book: Apple In China: The Capture Of The World's Greatest Company
- Podcast: Nassim Taleb on Risks, Gold, Private Markets, Trump Tariffs
- Article: The Role And The Rule Of Gold: An Argument

Our in-house creations:

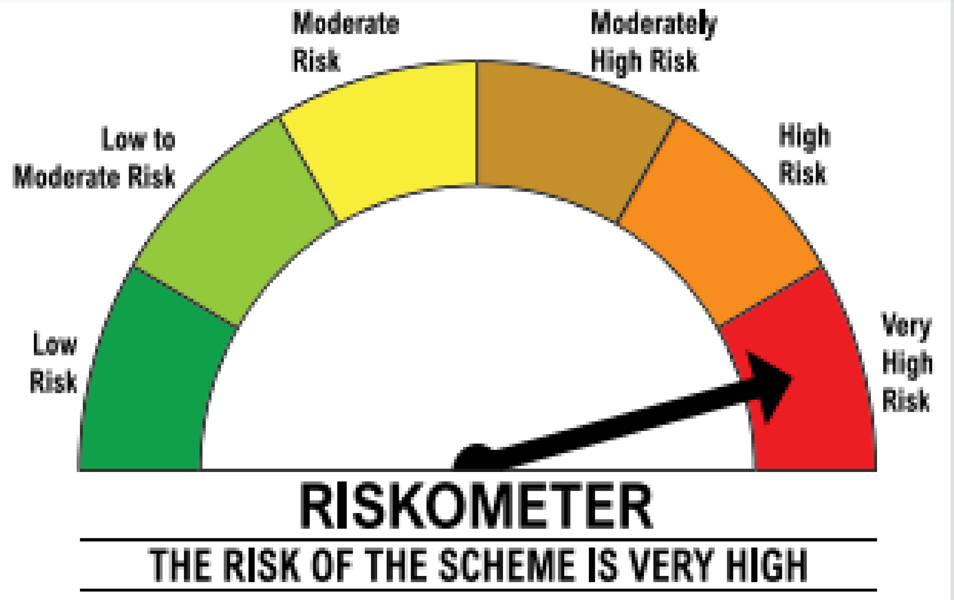
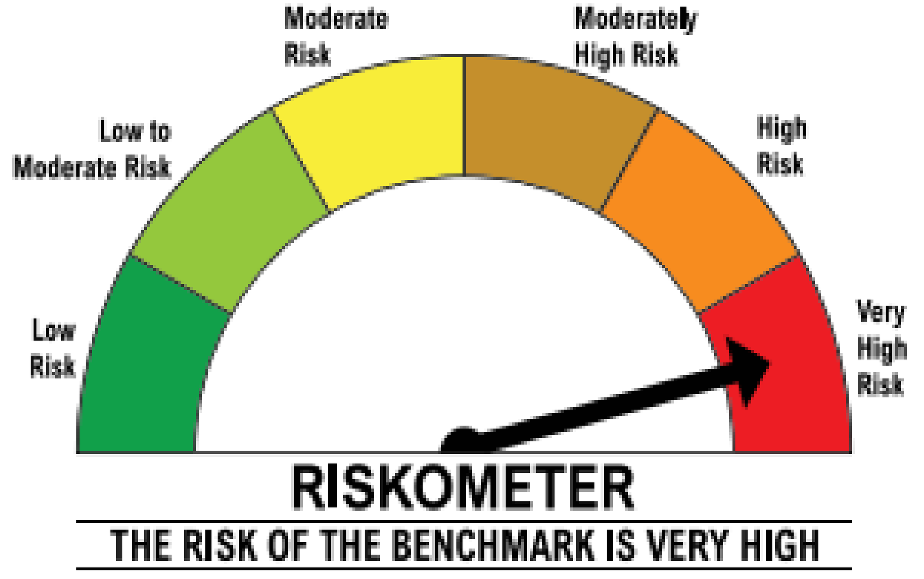
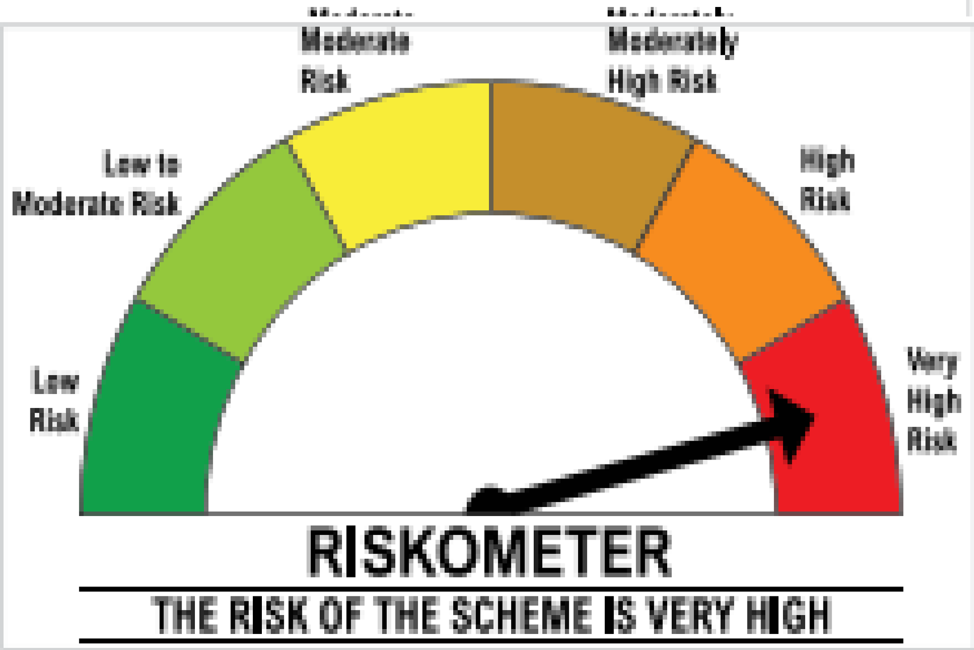
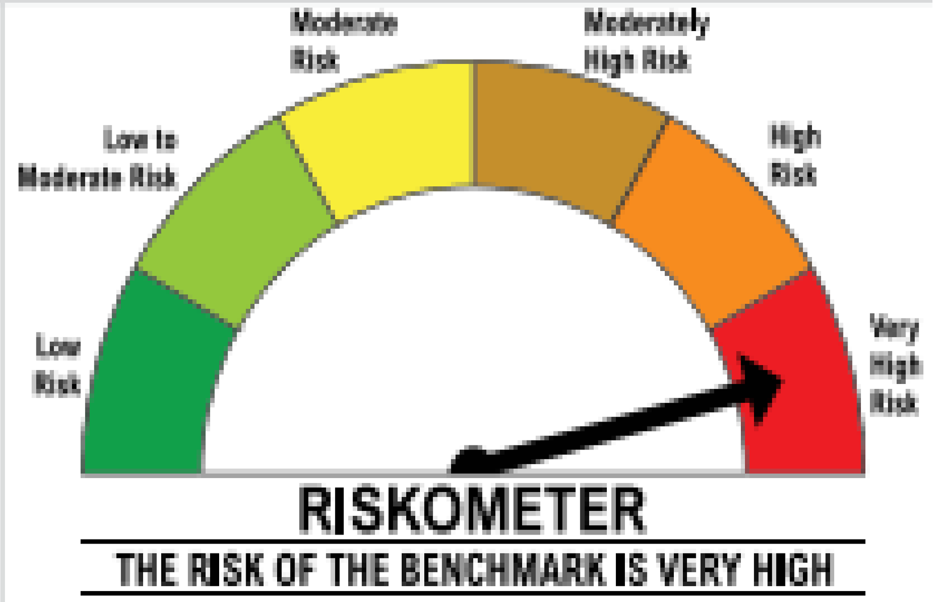
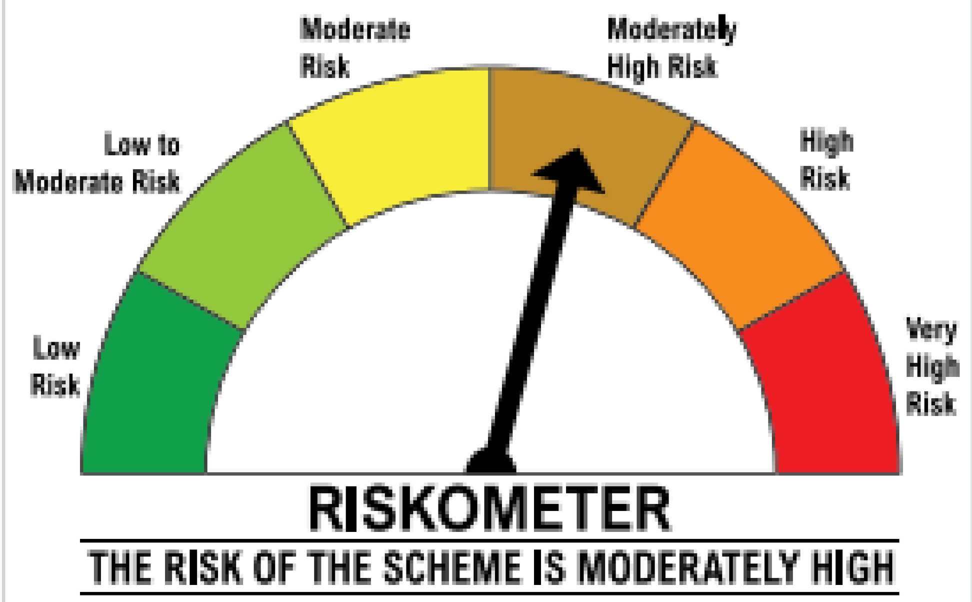
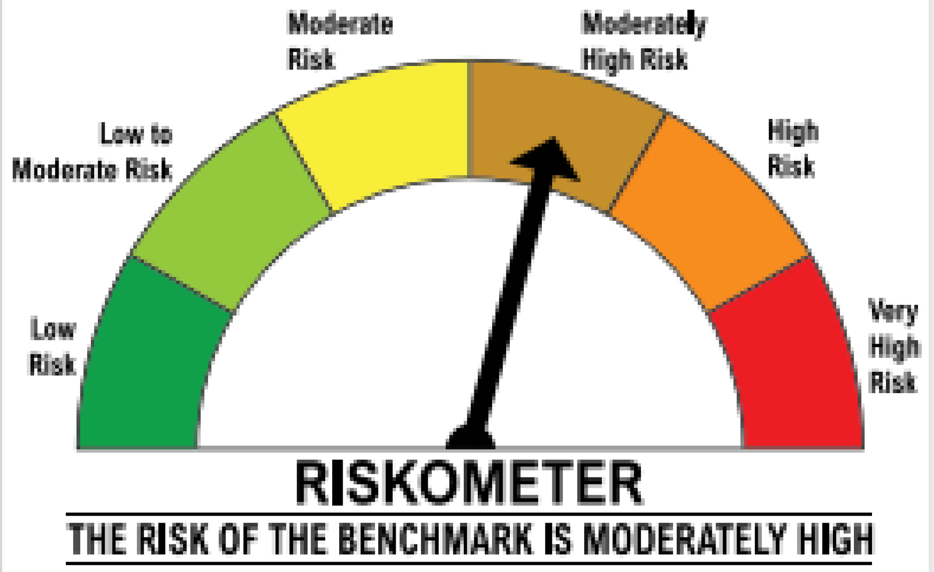
- Randomness, Risk & Reality|Lessons from Taleb |Netra 4th Anniversary Edition |Sahil Kapoor | Watch here
- Salute to the unsung heroes|Short film| Watch now
- DSP Blog| What Klarman teaches us about fund managers and where they eat!| Read the Blog
- DSP Blog | The Psychology of investing: The Most Dangerous Story is the One You Tell Yourself| Read here

Product labelling & Riskometer

Scheme	Product Suitability	Riskometer of Scheme	Name of Benchmark	Riskometer of Benchmark
DSP Nifty Top 10 Equal Weight Index Fund An open ended scheme replicating/ tracking Nifty Top 10 Equal Weight Index.	This product is suitable for investor who are seeking* • Long-term capital growth • Investment in equity and equity related securities covered by Nifty Top 10 Equal Weight Index, subject to tracking error.		Nifty Top 10 Equal Weight TRI	
DSP Value Fund An open ended equity scheme following a value investment strategy	This product is suitable for investors investors who are seeking* • to generate long-term capital appreciation / income in the long term • investment primarily in undervalued stocks		Nifty 500 TRI	
DSP Gold ETF Fund of Fund An open ended fund of fund scheme investing in DSP Gold ETF	This Product is suitable for investors who are seeking* • Long-term capital growth • Investments in units of DSP Gold ETF which in turn invest in Physical Gold		Domestic Price of Physical Gold (based on London Bullion Market Association (LBMA) gold daily spot fixing price)	

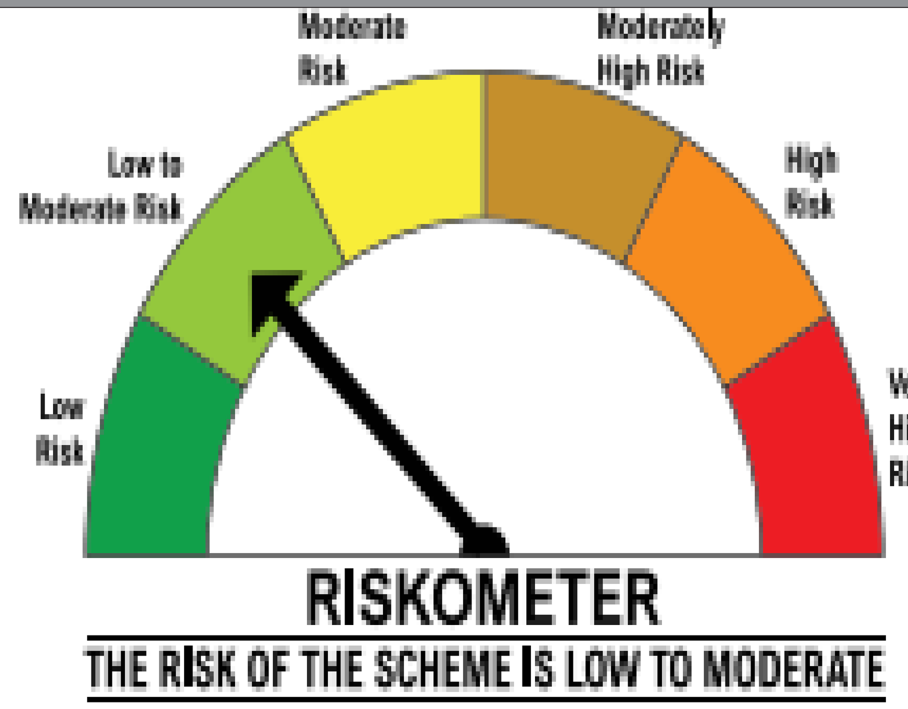
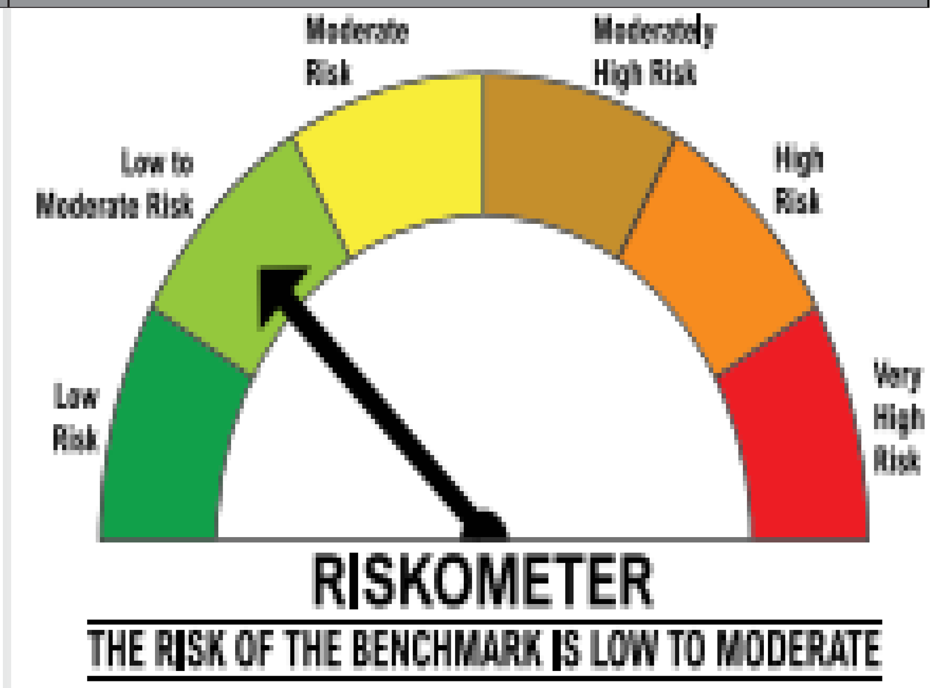
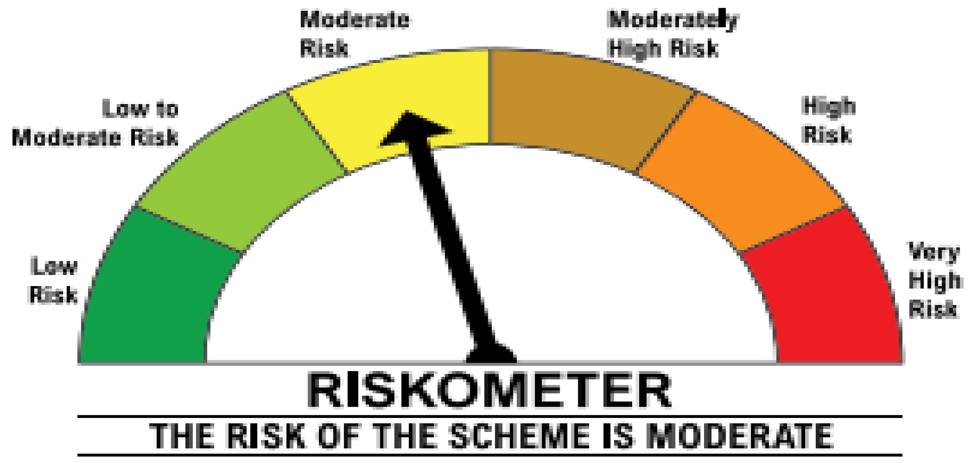
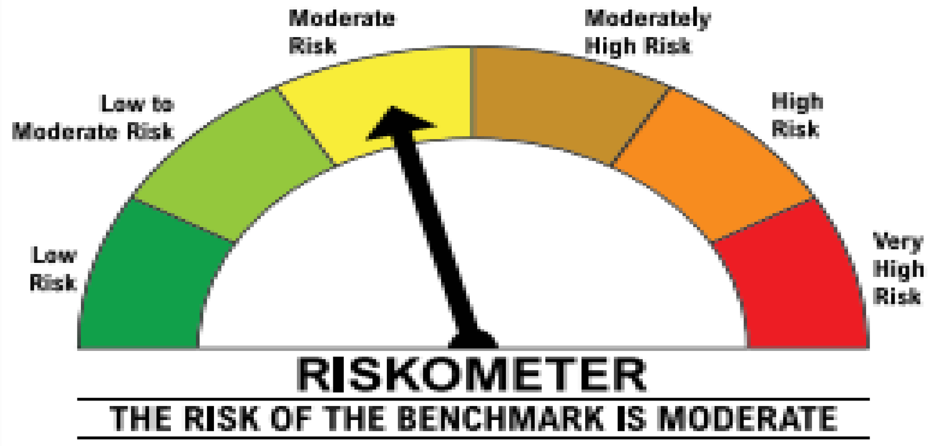
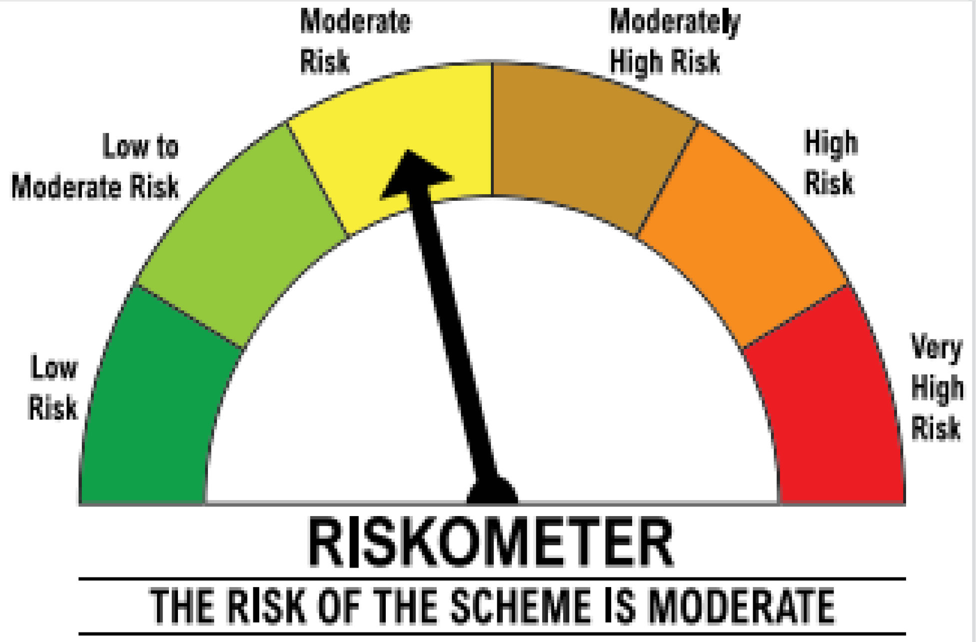
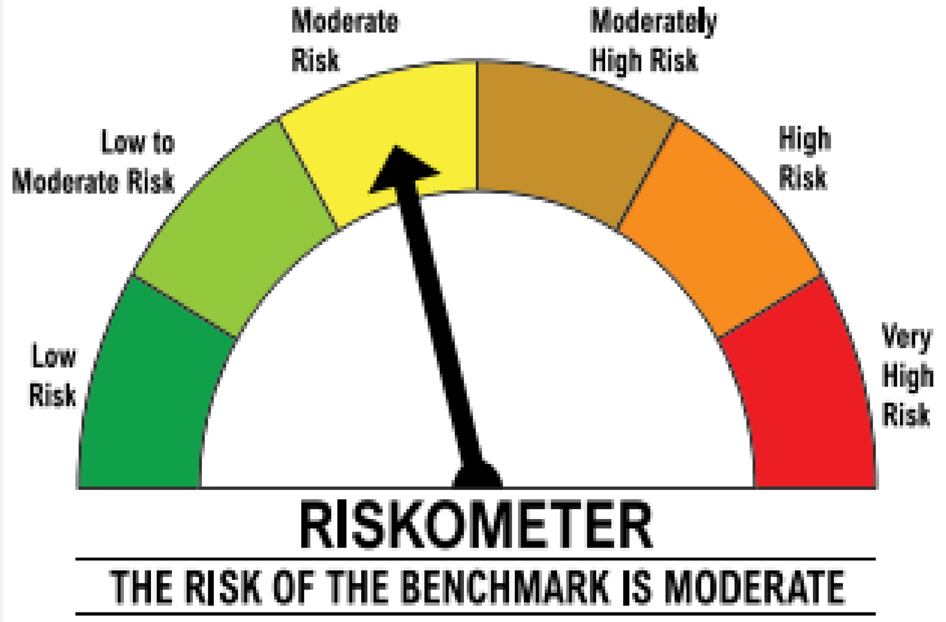
*Investors should consult their financial advisors if in doubt about whether the scheme is suitable for them.

Product labelling & Riskometer

Scheme	Product Suitability	Riskometer of Scheme	Name of Benchmark	Riskometer of Benchmark
DSP Nifty Private Bank Index Fund An open ended scheme replicating / tracking Nifty Private Bank Index	This product is suitable for investors who are seeking* • Long term capital growth • Investment in equity and equity related securities covered by Nifty Private Bank Index, subject to tracking error.		Nifty Private Bank TRI	
DSP Healthcare Fund An open ended equity scheme investing in healthcare and pharmaceutical sector	This Product is suitable for investors who are seeking* • Long term capital growth • Investment in equity and equity related Securities of healthcare and pharmaceutical companies		BSE HEALTHCARE (TRI)	
DSP Dynamic Asset Allocation Fund An open ended dynamic asset allocation fund #Please refer to Notice cum addendum dated August 08, 2024 for change in fundamental attribute of scheme with effect from September 21, 2024.	This product is suitable for investors who are seeking* • Long-term capital growth • Investment in equity and equity related securities including the use of equity derivatives strategies and arbitrage opportunities with balance exposure in debt and money market instruments.		CRISIL Hybrid 50+50 - Moderate Index	

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

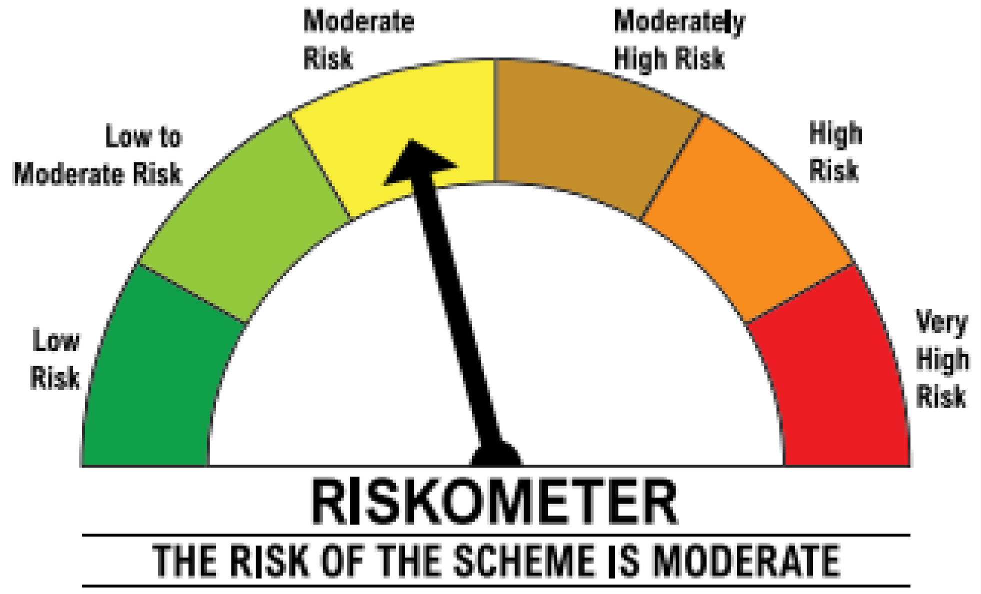
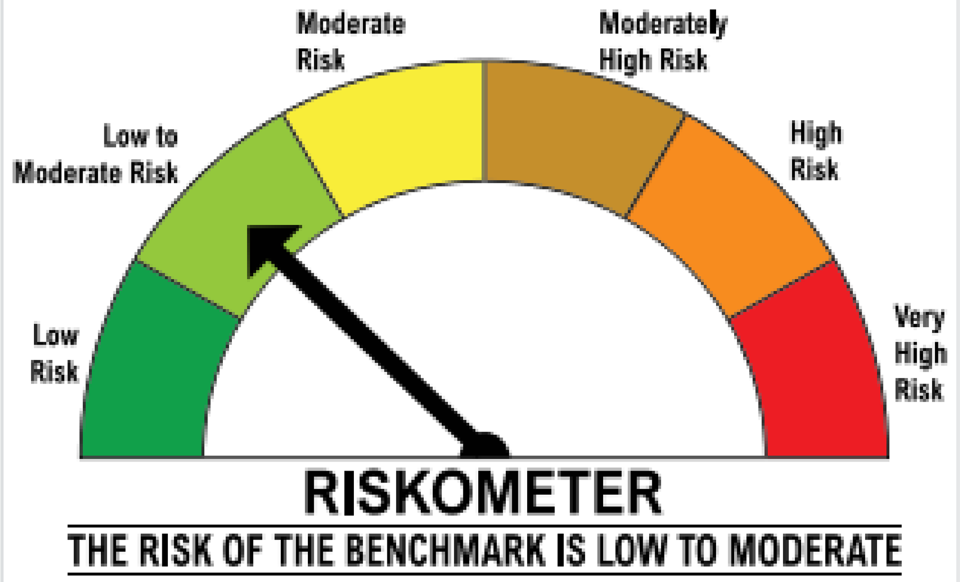
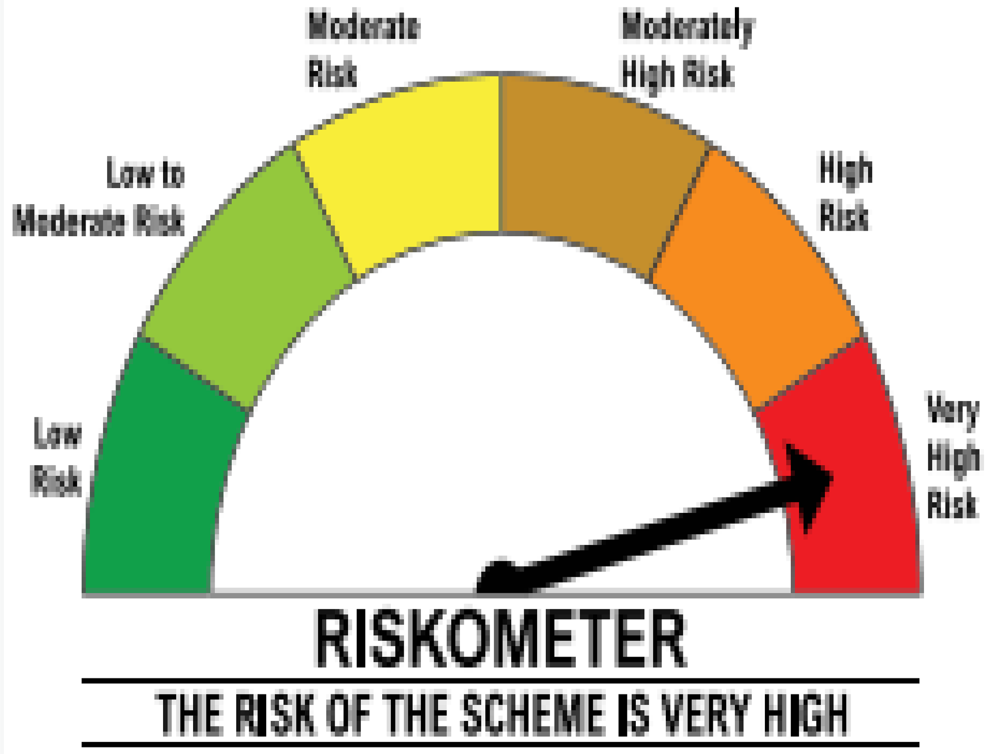
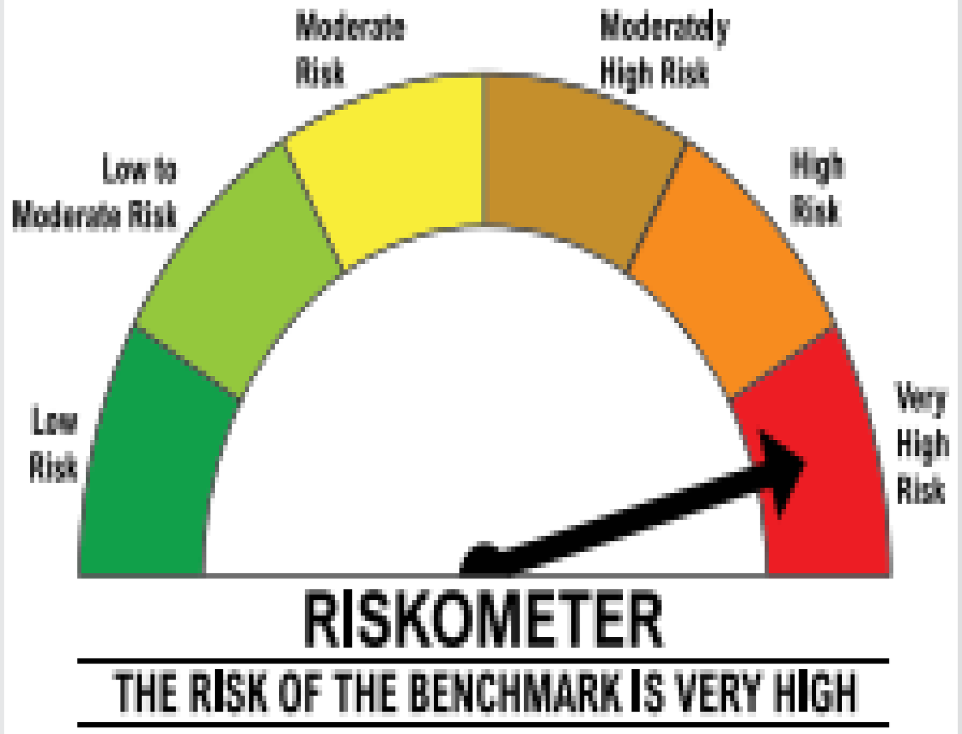
Product labelling & Riskometer

Scheme	Product Suitability	Riskometer of Scheme	Name of Benchmark	Riskometer of Benchmark
DSP Savings Fund An open ended debt scheme investing in money market instruments. A relatively low interest rate risk and moderate credit risk.	This Product is suitable for investors who are seeking* • Income over a short-term investment horizon • Investment in money market instruments with maturity less than or equal to 1 year.		CRISIL Money Market A-I Index	
DSP CRISIL-IBX 50:50 Gilt Plus SDL - April 2033 Index Fund (Erstwhile known as DSP CRISIL SDL Plus G-Sec Apr 2033 50:50 Index Fund) An open ended target maturity index fund investing in the constituents of CRISIL-IBX 50:50 Gilt Plus SDL Index - April 2033. A relatively high interest rate risk and relatively low credit risk. Please refer to Notice cum addendum dated May 27, 2025 for change of scheme name and change of benchmark for above scheme with immediate effect.	This Product is suitable for investors who are seeking* • Income over long term • An open ended target maturity index fund that seeks to track the performance CRISIL-IBX 50:50 Gilt Plus SDL Index - April 2033, subject to tracking error.		CRISIL-IBX 50:50 Gilt Plus SDL Index - April 2033	
DSP Strategic Bond Fund An open ended dynamic debt scheme investing across duration. A relatively high interest rate risk and moderate credit risk.	This Product is suitable for investors who are seeking* • Income over a medium to long term investment horizon • Investment in actively managed portfolio of money market and debt securities		CRISIL Dynamic Bond A-III Index	

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

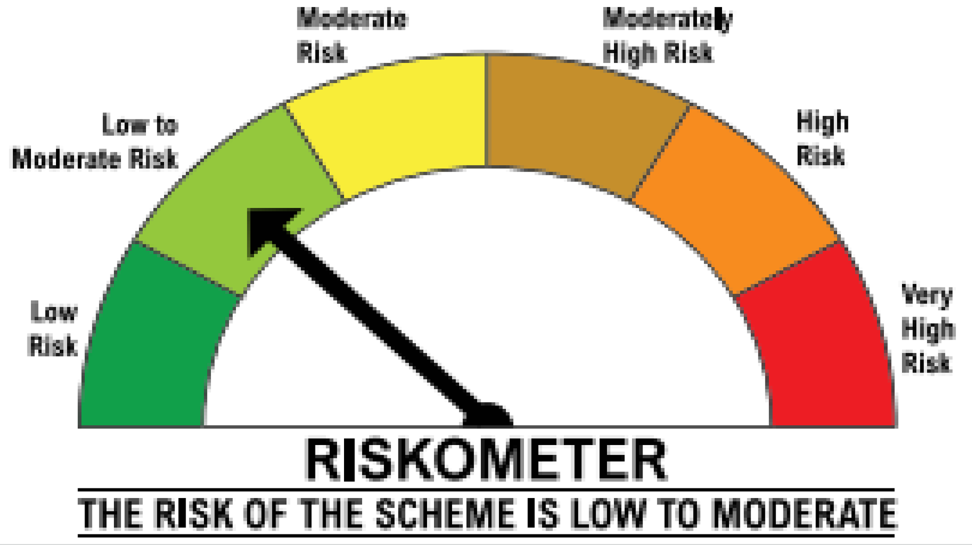
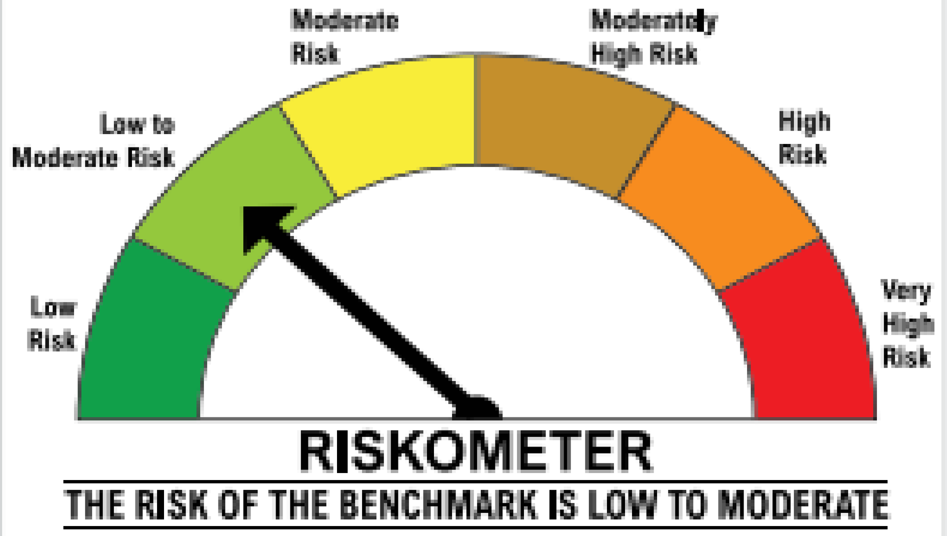
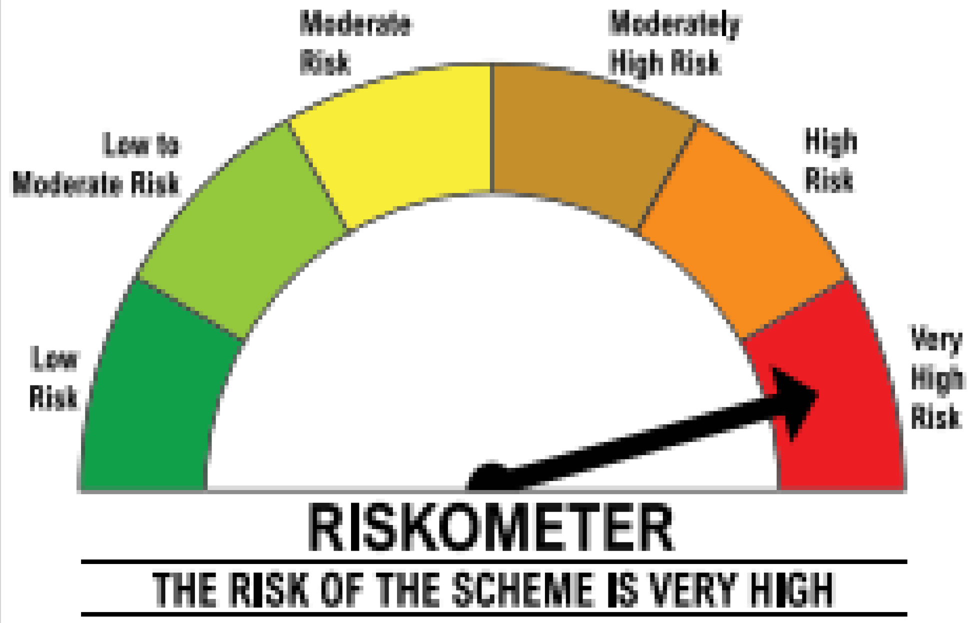
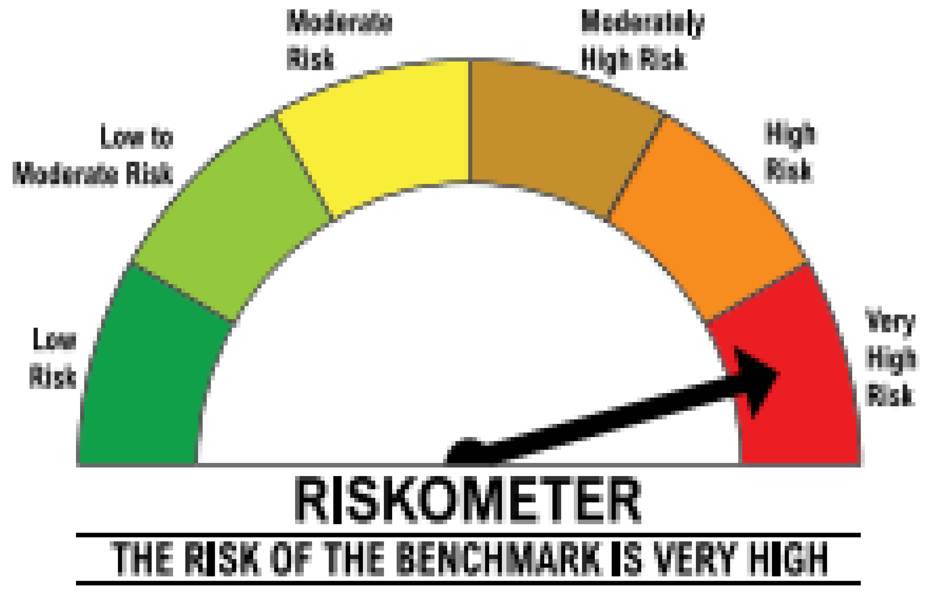
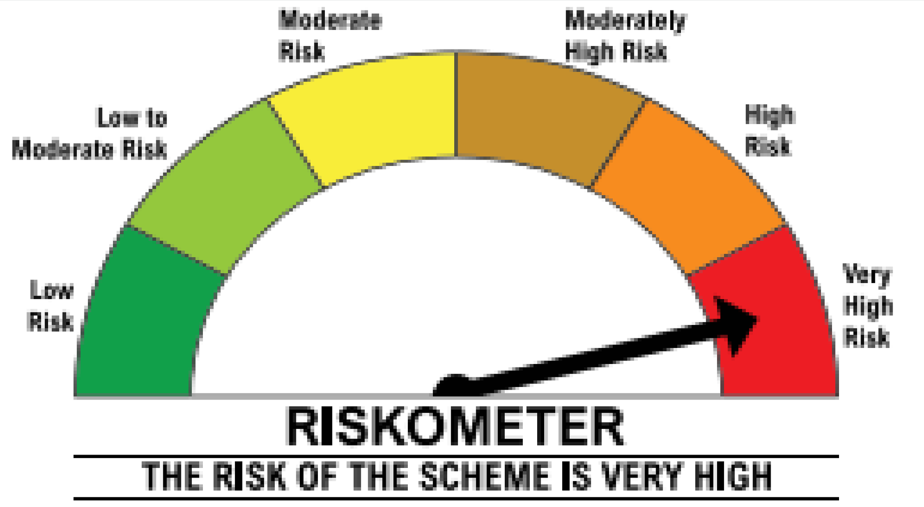
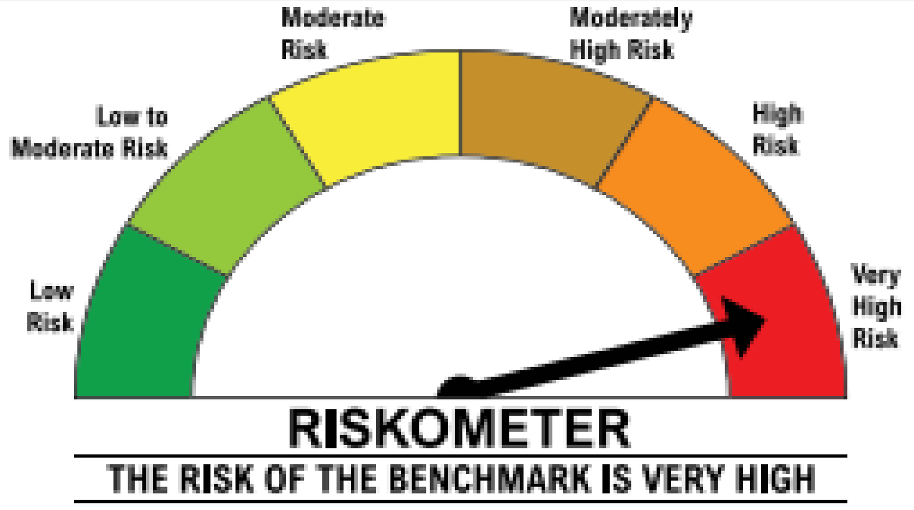
DSP

Product labelling & Riskometer

Scheme	Product Suitability	Riskometer of Scheme	Name of Benchmark	Riskometer of Benchmark
DSP Income Plus Arbitrage Fund of Fund (Erstwhile DSP Global Allocation Fund of Fund) An open ended fund of funds scheme investing in units of debt oriented schemes and arbitrage schemes.	This Product is suitable for investors who are seeking* • Income Generation & capital appreciation through investments in units of arbitrage and debt-oriented schemes. Please refer to Notice cum addendum dated February 4, 2025 for change in fundamental attribute of scheme with effect from March 11, 2025		40% NIFTY 50 Arbitrage Index + 60% CRISIL Dynamic Bond A-III Index	
DSP Quant Fund An Open ended equity Scheme investing based on a quant model theme Please refer to Notice cum addendum dated October 22, 2024 for change in fundamental attribute of scheme with effect from November 28, 2024.	This Product is suitable for investors who are seeking* • Long term capital growth • Investment in active portfolio of stocks screened, selected, weighed and rebalanced on the basis of a quant model		BSE 200 TRI	

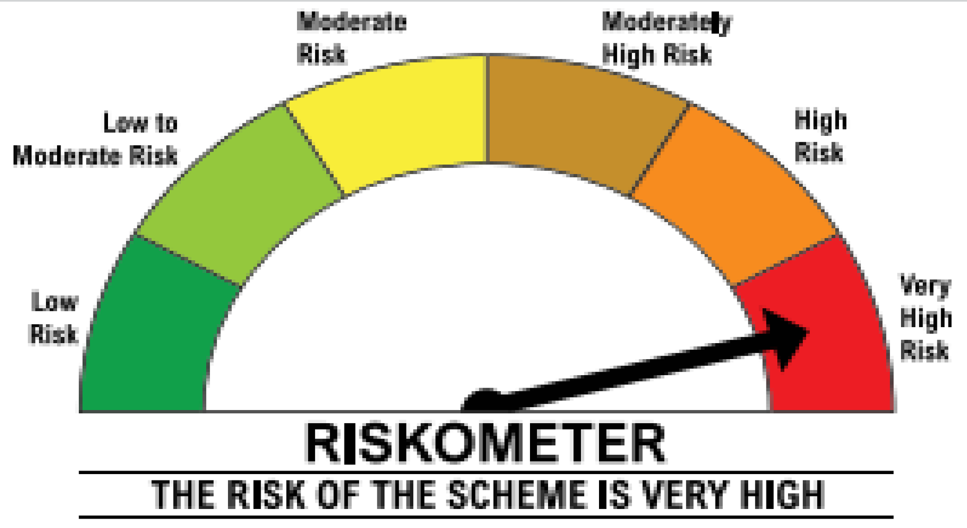
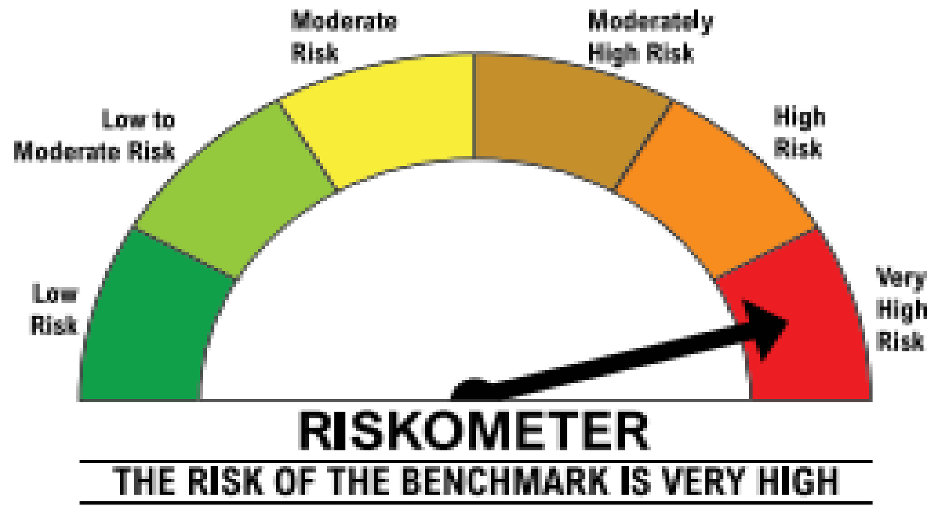
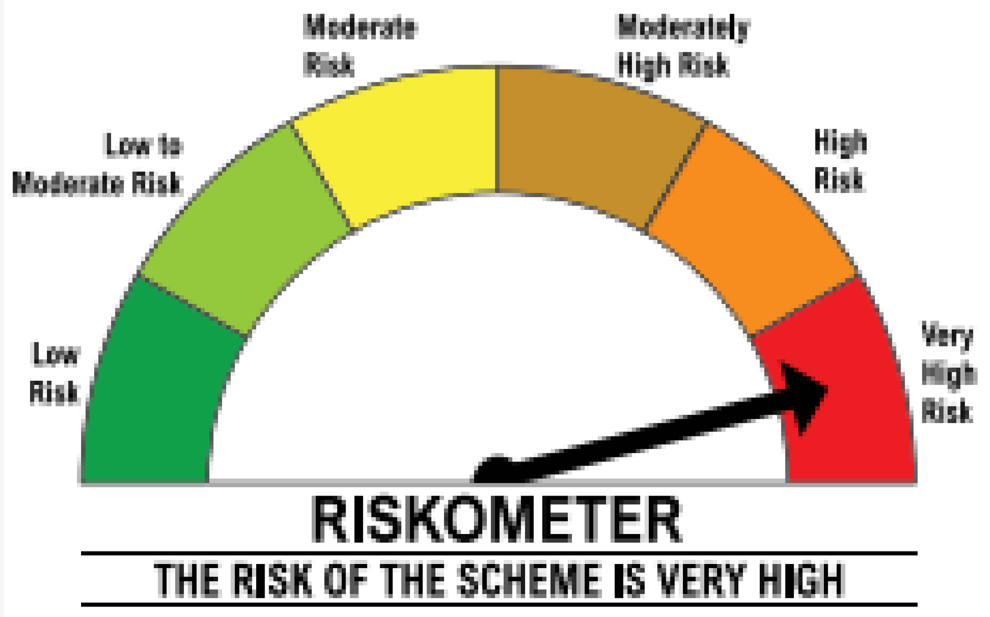
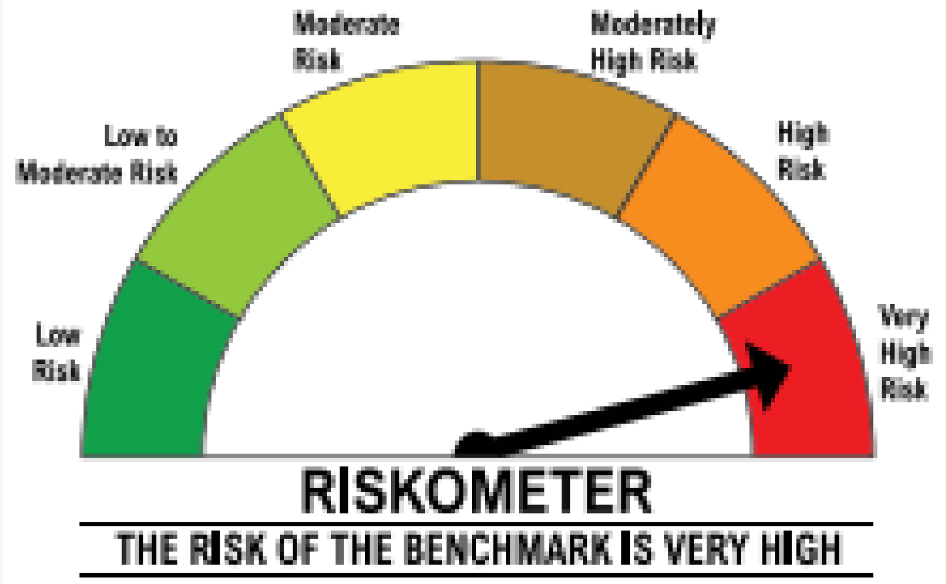
*Investors should consult their financial advisors if in doubt about whether the scheme is suitable for them.

Product labelling & Riskometer

Scheme	Product Suitability	Riskometer of Scheme	Name of Benchmark	Riskometer of Benchmark
DSP Corporate Bond Fund An open ended debt scheme predominantly investing in AA+ and above rated corporate bonds. A relatively high interest rate risk and moderate credit risk.	This Product is suitable for investors who are seeking* • Income over a medium-term to long term investment horizon • Investment in money market and debt securities		CRISIL Corporate Debt A-II Index	
DSP Banking & Financial Services Fund An open ended equity scheme investing in banking and financial services sector	This Product is suitable for investors who are seeking* • Long-term capital growth • Investment in equity and equity related securities of banking and financial services companies		Nifty Financial Services TRI	
DSP Large Cap Fund (Erstwhile known as DSP Top 100 Equity Fund) Large Cap Fund- An open ended equity scheme predominantly investing in large cap stocks Please refer to Notice cum addendum dated April 28, 2025 for change of scheme name w.e.f. May 01, 2025.	This Product is suitable for investors who are seeking* • Long-term capital growth • Investment in equity and equity-related securities predominantly of large cap companies		BSE 100 (TRI)	

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

Product labelling & Riskometer

Scheme	Product Suitability	Riskometer of Scheme	Name of Benchmark	Riskometer of Benchmark
DSP Silver ETF Fund of Fund An open ended fund of fund scheme investing in DSP Silver ETF	This product is suitable for investors who are seeking* • Long term capital growth • Investments in units of DSP Silver ETF which in turn invest in Physical Silver		Domestic Price of Physical Silver (based on London Bullion Market association (LBMA) Silver daily spot fixing price)	
DSP Multi Asset Allocation Fund An open ended scheme investing in equity/equity related securities, debt/ money market instruments, commodity ETFs, exchange traded commodity derivatives and overseas securities	This Product is suitable for investors who are seeking* • Long-term capital growth • Investment in a multi asset allocation fund with investments across equity and equity related securities, debt and money market instruments, commodity ETFs, exchange traded commodity derivatives, overseas securities and other permitted instruments		40% NIFTY500 TRI + 20% NIFTY Composite Debt Index+ 15% Domestic Price of Physical Gold (bas ed on London Bullion Market Association (LBMA) gold daily spot fixing price) + 5% iCOMDEX Composite Index + 20% MSCI World Index	

DSP

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

Potential Risk Class matrix for debt scheme(s) of the fund

Potential Risk Class Matrix: The potential risk class matrix of the Scheme based on interest rate risk and credit risk is as follows:

Scheme names	Potential Risk Class Matrix (PRC Matrix)			
	Potential Risk Class			
	Credit Risk → / Interest Rate Risk ↓	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
DSP Savings Fund	Relatively Low (Class I)	-	B-I	-
	Moderate (Class II)	-	-	-
	Relatively High (Class III)	-	-	-
	Potential Risk Class			
	Credit Risk → / Interest Rate Risk ↓	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
DSP Corporate Bond Fund	Relatively Low (Class I)	-	-	-
	Moderate (Class II)	-	-	-
	Relatively High (Class III)	-	B-III	-

DSP

Potential Risk Class matrix for debt scheme(s) of the fund

Potential Risk Class Matrix: The potential risk class matrix of the Scheme based on interest rate risk and credit risk is as follows:

	Potential Risk Class			
	Credit Risk → Interest Rate Risk ↓	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
DSP Strategic Bond Fund	Relatively Low (Class I)	-	-	-
	Moderate (Class II)	-	-	-
	Relatively High (Class III)	-	B-III	-

	Potential Risk Class			
DSP CRISIL-IBX 50:50 Gilt Plus SDL – April 2033 Index Fund (Erstwhile known as DSP CRISIL SDL Plus G-Sec Apr 2033 50:50 Index Fund)	Credit Risk → Interest Rate Risk ↓	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
	Relatively Low (Class I)	-	-	-
	Moderate (Class II)	-	-	-
	Relatively High (Class III)	A-III	-	-

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Disclaimer:Please refer to Notice cum addendum dated May 27, 2025 for change of scheme name (DSP CRISIL-IBX 50:50 Gilt Plus SDL – April 2033 Index Fund) and change of benchmark for the scheme with immediate effect.

Disclaimer

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Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments. There is no assurance of any returns/capital protection/capital guarantee to the investors in this scheme of DSP Mutual Fund. There is no assurance of any returns/capital protection/capital guarantee to the investors in any of the schemes of DSP Mutual Fund. Large caps are defined as top 100 stocks on market capitalization, mid caps as 101 250 small caps as 251 and above. For index disclaimer, Click here

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For scheme specific risk factors, Asset Allocation details, load structure, investment objective and more details, please read the Scheme Information Document and Key Information Memorandum of the scheme available on ISC of AMC and also available on www.dspim.com."

The statements contained herein may include statements of future expectations and other forward looking statements that are based on prevailing market conditions / various other factors and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. The recipient(s) before acting on any information herein should make his/their own investigation and seek appropriate professional advice.

DSP ASSET MANAGERS

INVEST FOR GOOD