

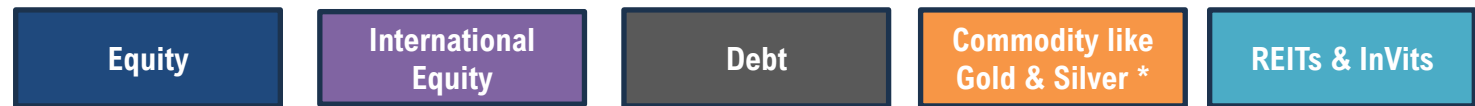
Markets have been on decline since Sep 2024 with largecaps falling by ~15%, Midcaps by ~19%, Smallcaps by ~23%. Looking at the market fall, Many news channel, distributors, investors, investment registered advisors have started to pitch multi asset funds. Diversification is the new talk in town & Multi Asset Allocation Funds are the new flavor of the markets.

Let us understand in detail about the Multi Asset Allocation category

What are Multi Asset Allocation Funds?

Multi Asset Allocation Funds, as the name suggests, refers to fund which provides exposure to multiple asset class and weights are dynamically managed by active fund manager.

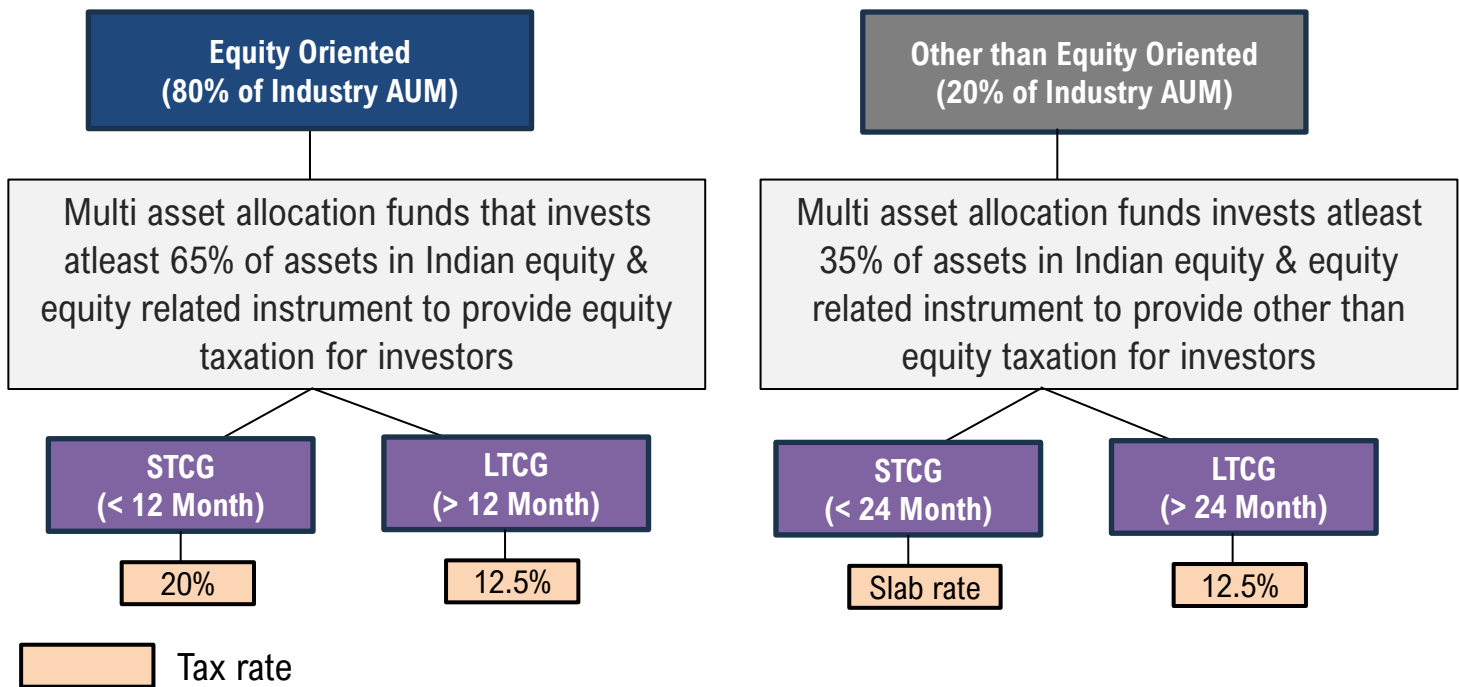
Multi Asset allocation funds generally have allocation to following assets



SEBI regulation mandates multi asset allocation funds to have atleast 3 asset class with minimum allocation of 10% to each asset class.

What are different type of Multi Asset Allocation Funds?

Multi Asset Allocation Funds are divided into two types based on the taxation



Source: MFIE. Data from as of 28 Feb 2025. *through ETFs and other permissible instruments. STCG – Short Term Capital Gain, LTCG – Long Term Capital Gain

Challenges with Equity oriented multi asset allocation funds

- Restrictive flexibility**

Multi Asset allocation funds are actively managed and dynamically allocates to various asset class. However, in case of equity oriented multi asset allocation funds, dynamism becomes very restrictive as 65% of assets need to be kept in equity oriented assets for equity taxation.

Below table provides maximum flexibility considering SEBI regulation & Income tax

Asset Class	Equity Oriented	Other than Equity oriented
Equity & equity related securities	65-80%	35-80%
Debt	10-25%	10-55%
Gold/Silver & Other commodity	10-25%	10-55%
International Equities/Debt	0-15%	0-45%
REITs & Invits	0-10%	0-10%

Above comparison is shown for understanding purpose only. The recipient of this material should consult an investment /tax advisor before making an investment decision.

- Meaningful exposure**

As seen from the table above, equity oriented multi asset allocation fund may not be able to provide meaningful exposure to other asset classes (other than equity) even if fund manager intends to. Maximum allocation gets restricted due to regulatory guidelines. This can lead to underinvestment in other asset classes when there is favorable cycle and Indian equities are not doing well.

Actual Allocation of equity oriented multi asset allocation funds since SEBI categorization of Multi Asset allocation category (2018) given below

	Equity (including Arbitrage)	Debt	Gold
Maximum Allocation	70	25	22
Average Allocation	66	20	13

- **Less differentiation vs Dynamic Asset allocation/Balanced advantage funds**

Equity oriented dynamic asset allocation funds (DAAF)/ Balanced advantage Funds (BAF) allocates dynamically between Equity & Debt while maintaining equity taxation. Gold/commodity allocation remains the only differentiation between Multi Asset & dynamic asset allocation category.

Allocation restriction in equity oriented multi asset allocation funds makes the fund very similar to DAAF/BAF except for gold/silver allocation.

Asset Class	Equity Oriented MAAF	Equity Oriented DAAF/BAF
Equity & equity related securities	65-80%	65-100%
Debt	10-25%	0-35%
Gold/Silver & Other commodity	10-25%	-

MAAF = DAAF + Some Gold/Silver allocation

Above comparison is shown for understanding purpose only. The recipient of this material should consult an investment /tax advisor before making an investment decision. As per sebi categorization circular, Multi Asset Allocation mainly invests in at least three asset classes with a minimum allocation of at least 10% each in all three asset classes and Dynamic Asset Allocation or Balanced Advantage mainly has Investment in equity/ debt that is managed dynamically.

Why meaningful allocation to each asset class is required?

Every asset class has its own cycle and its period of outperformance

- **Debt** – Allocation to debt can help in reduce portfolio volatility in scenario of equities crashes. It can also be used to increase equity allocation when valuation becomes attractive. It can also be used to earn reasonably higher returns in scenario of interest rate falling by maintaining higher duration
- **Domestic Equity** - Allocation to domestic equity enables investors to participate in India Growth story. It can help to earn higher returns during bull market & can be leading contributor to fund's returns
- **Put Options** – Buying put option can help fund to hedge equity losses while retaining the potential upside from Equity. The option premium is the cost of this protection.
- **Gold** – Gold allocation can help as hedge against hyper inflation, equity market crashes & currency depreciation
- **International Equity** – Allocation to global stocks can help in diversification and help in protecting portfolio from domestic shocks

Below are some of the examples of various event that has happened in last 30 years & how each asset class performed.

Period of no returns from domestic equities

Scenario	Period	Debt	Gold	Equity	International Equity
3 year of no equity returns	Aug 96- Feb 99	10%	-5%	0%	29%
2 year of no equity returns	Dec 10 - Dec 12	7%	20%	-1%	16%

Crisis

Tech Bubble crisis	Mar 00 - Mar 03	8%	8%	-14%	-13%
Financial crisis	Jan 08-Mar 09	8%	37%	-53%	-36%
Covid crisis	Jan 20 - Mar 20	1%	6%	-38%	-28%

Bull market

Infrastructure boom	Mar 04 - Dec 07	5%	17%	41%	9%
Modi Government first term	Apr 14 - Dec 14	9%	-1%	33%	12%
2023-24 Market rally	Sep 23 - Sep 24	8%	41%	31%	34%

India Specific event

2025 Market crash	Sep 24 - Feb 25	3%	13%	-14%	7%
Surgical Strike & Demonetisation	Sep 16 - Dec 16	2%	-13%	-9%	3%

Crisis recovery

Post Financial crisis recovery	Mar 09 - Dec 10	3%	16%	67%	27%
Post covid crisis recovery	Mar 20 - Oct 21	4%	6%	63%	42%

War

Russia Ukraine war	Oct 21 - Mar 23	4%	15%	-2%	0%
--------------------	-----------------	----	-----	-----	----

Currency Crisis

Period	INR/USD Depreciation	Debt	Gold	Equity	International Equity
Apr 13 - Aug 13	-22%	-1%	21%	-7%	27%
Jul 11 - Jun 12	-23%	7%	24%	-5%	22%

It is clear from above examples that exposure to multiple asset class can help to navigate uncertainties in efficient way

Source: MFIE, Bloomberg. Returns less than 1 year are absolute and returns more than 1 year are annualized. Sensex TRI considered for Equity, MSCI World considered for International Equity, XAU/INR considered for gold & Crisil 1 year T-Bill considered for Debt. **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.**

Let us give you some interesting data based on last 30 years of data.

- Every year, there are at least 2 asset class which has given positive returns
- Atleast 3 asset class have given positive returns 25 out of 30 years
- Multi Asset Allocation can give balanced returns across years

Year	Debt	Gold	Equity	International Equity	Multi Asset Allocation
1997	11.3%	-14.0%	20.5%	26.6%	13.0%
1998	6.0%	7.5%	-14.8%	34.7%	3.7%
1999	10.2%	3.3%	68.0%	28.1%	35.5%
2000	8.7%	1.5%	-19.6%	-6.9%	-7.2%
2001	10.9%	4.1%	-15.7%	-14.0%	-6.1%
2002	7.4%	24.7%	5.8%	-20.3%	4.7%
2003	5.7%	13.9%	77.0%	26.6%	40.0%
2004	3.1%	0.5%	15.6%	9.3%	8.8%
2005	5.0%	21.6%	44.6%	13.5%	25.9%
2006	5.0%	20.8%	48.8%	18.0%	28.3%
2007	5.6%	17.5%	48.8%	-2.9%	23.6%
2008	8.8%	28.2%	-51.8%	-26.8%	-18.7%
2009	2.9%	20.6%	83.3%	24.3%	42.9%
2010	2.8%	23.9%	19.1%	7.4%	14.5%
2011	6.4%	28.8%	-23.6%	12.2%	0.0%
2012	8.1%	11.9%	28.0%	19.5%	19.1%
2013	5.9%	-18.0%	10.7%	43.0%	10.4%
2014	8.6%	2.5%	31.9%	7.3%	16.4%
2015	8.2%	-7.7%	-3.7%	3.8%	-0.6%
2016	7.3%	10.5%	3.5%	10.3%	7.0%
2017	5.8%	6.2%	29.6%	15.0%	17.2%
2018	6.9%	8.1%	7.2%	-0.4%	5.8%
2019	7.6%	20.8%	15.7%	30.5%	18.0%
2020	5.9%	27.9%	17.2%	18.9%	17.4%
2021	3.5%	-2.6%	23.2%	24.2%	14.3%
2022	4.1%	11.7%	5.8%	-9.1%	3.7%
2023	6.9%	14.4%	20.3%	24.6%	17.3%
2024	7.5%	30.1%	9.5%	22.0%	15.7%
Annualized Returns	6.8%	10.7%	13.2%	11.2%	12.2%
Standard Deviation	1.1%	13.9%	19.2%	13.3%	8.8%
Risk Adjusted returns		0.77	0.69	0.84	1.38
No of years asset class was top performer	3 years	9 years	11 years	7 years	

Source: MFIE, Bloomberg. Sensex TRI considered for Equity, MSCI World considered for International Equity, XAU/INR considered for gold & Crisil 1 year T-Bill considered for Debt. 20%, 40%, 20%, 20% weights considered for Debt, Equity, International Equity & Gold respectively for Multi Asset portfolio with annual rebalance. **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.**

How is DSP Multi Asset Allocation Fund (Fund) solving this?

Fund Philosophy

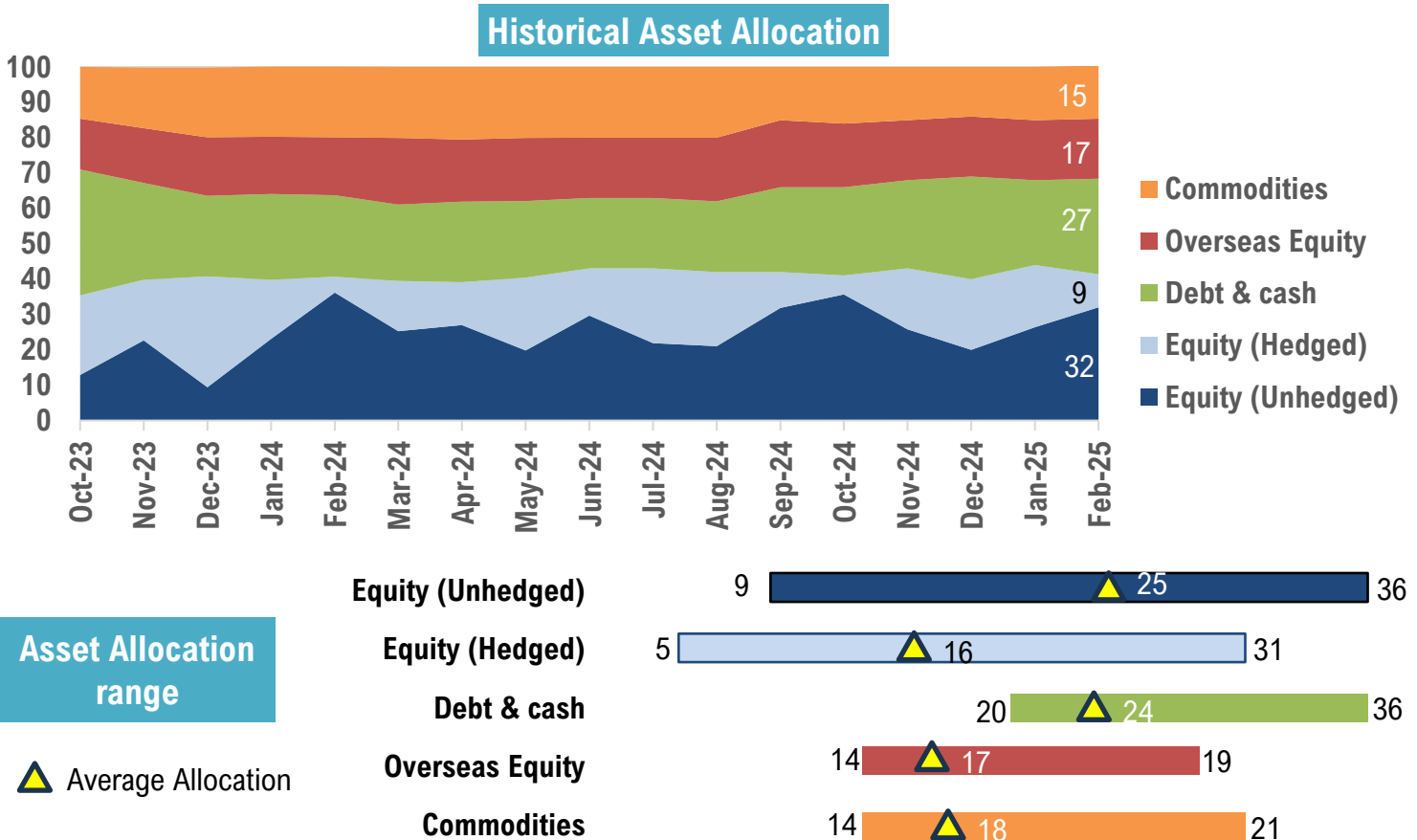
Every asset class has its own cycle where it outperforms all other asset class. Its very difficult to time each asset class and hence it becomes necessary to have meaningful exposure to every asset class at every point in time. Fund Manager's view in particular asset class can be expressed through weight management by being overweight/underweight

Since fund taxation is not equity oriented, it gives fund manager high flexibility to manage weights and have more dynamism to capture various asset cycles

Asset Class →	Equity & equity related securities	Debt	Gold/Silver* & Other commodity	International Equities	REITs & Invt
Weights Range	35-80%	10-50%	10-50%	0-50%	0-10%

Meaningful exposure with Dynamism

Fund was launched in Sep 2023 and since its launch, fund has maintained meaningful exposure to each asset class while managing weights dynamically.



Source: DSP. Data as on 28 Feb 25. Hedged equity represents domestic equity hedged using out of the money put options
 * Gold & Silver exposure is taken through ETFs. For more details on asset allocation pattern of the scheme, please refer scheme information document. Portfolio Allocation will be based on the prevailing market conditions and is subject to changes depending on the fund manager's view of the equity markets.

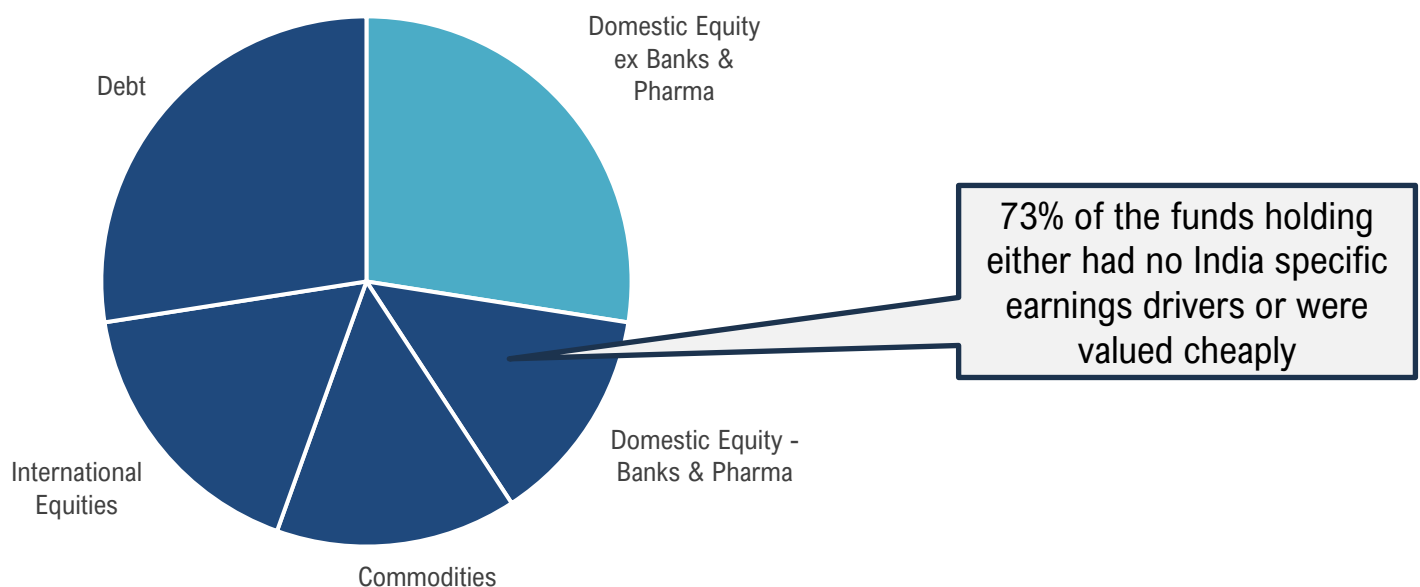
Diversification

The Fund is constructed in a way that can help to diversify portfolio in best possible way. The fund has exposure which balances domestic as well as International risk. Around 40% of exposure is not influenced by domestic factor thereby diversifying fund from India specific risk

Exposure that is influenced by	Indian Equity	Gold/ Silver ETF	International Equities	Debt	Total
Domestic factor	33%			27%	60%
International factor	8%*	15%	17%		40%
Total	41%	15%	17%	27%	100%

*includes equity exposure of domestic companies which derives its majority of revenue globally. Data as on 28 Feb 2025

Another way to look at the current fund construct is that the fund has very low exposure to equity assets that is prone to market correction due to expensive valuation. This means that return profile for the fund will be very low correlated to market corrections in expensive sectors providing true diversification



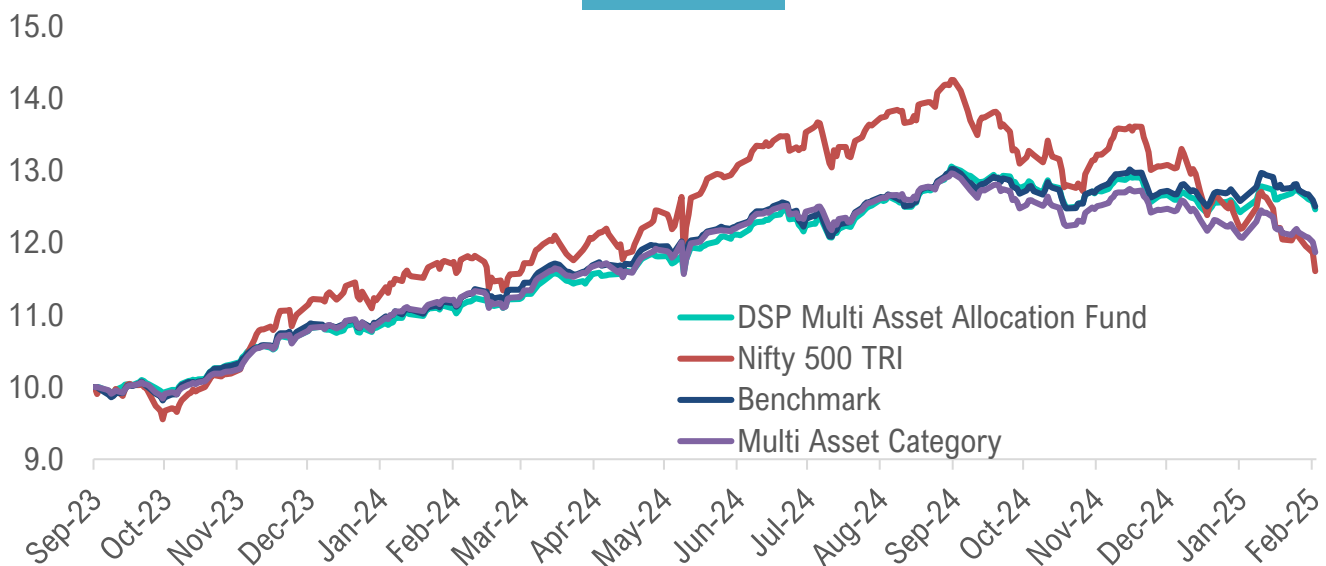
Source: DSP. Data as on 28 Feb 2025.

Performance

The fund endeavors to provide better investor experience by diversifying across asset class. Since its launch, fund has dynamically managed asset allocation and created differentiated risk return profile.

- The fund has dynamically hedged equity allocation using put options which helped in reducing downside in 2024-2025 market fall.
- Exposure to Gold & Silver have been changed dynamically depending on market environment
- International Equity is diversified across geographies & themes not limiting to US technology companies

NAV Growth



Fund has reasonably captured upside during bull market while has performed well during bear & flat market

	Since Inception returns		Bull (Oct 23 – Sep 24)	Flat (Feb 24 – Feb 25)	Bear (Sep 24 – Feb 25)
DSP Multi Asset Allocation Fund	16.7%	➤	31.6%	13.1%	-4.4%
Nifty 500 TRI	11.1%		49.2%	0.3%	-18.6%
Benchmark	17.0%		32.7%	12.5%	-4.0%
Multi Asset Category	12.8%		31.6%	6.6%	-8.4%

Source: DSP. Data as on 28 Feb 2025. Benchmark for the fund is - 40% NIFTY500 TRI + 20% NIFTY Composite Debt Index + 15% Domestic Price of Physical Gold (based on London Bullion Market Association (LBMA) gold daily spot fixing price) + 5% iCOMDEX Composite Index + 20% MSCI World Index. **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.** For performance in sebi specified format, please refer to page number 10

Risk Related Parameters

- Fund has generated higher returns than benchmark and category with lower risk
- Fund has low beta & correlation vs Domestic Equity market representing diversification

	DSP Multi Asset Allocation Fund	Nifty 500 TRI	Benchmark	Multi Asset Category
Returns	16.7%	11.1%	17.0%	12.8%
Standard Deviation	7.1%	15.4%	7.7%	8.5%
Sharpe ratio	1.37	0.26	1.29	0.68
Correlation	0.83	1.00	0.89	0.97
Beta	0.38	1.00	0.45	0.54

- Fund has captured 66% of equity upside while limiting equity downside to only 20% of equity market fall

	DSP Multi Asset Allocation Fund	Benchmark	Multi Asset Category
Up capture ratio	66%	69%	65%
Down capture ratio	20%	25%	41%

Source: DSP. Data as on 28 Feb 2025. Benchmark for the fund is - 40% NIFTY500 TRI + 20% NIFTY Composite Debt Index + 15% Domestic Price of Physical Gold (based on London Bullion Market Association (LBMA) gold daily spot fixing price) + 5% iCOMDEX Composite Index + 20% MSCI World Index. **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.** For performance in sebi specified format, please refer to page number 10

Final Thoughts

We often realize the importance of diversification only after markets have declined significantly. We don't recommend to invest in the fund if you are investing due to its current outperformance. This fund has been carefully designed for long term investment/SIPs which provides meaningful diversification. Invest only if you appraise the construct of the fund.

Performance of scheme in SEBI prescribed format

Regular Plan Growth option

Historical Returns (As per SEBI format) as of February 28, 2025 with investment of ₹ 10,000						
	This fund		40% NIFTY500 TRI + 20% NI...		NIFTY 50 TRI #	
	CAGR	Current Value	CAGR	Current Value	CAGR	Current Value
1 Year	12.69%	₹ 11,269	12.16%	₹ 11,216	1.89%	₹ 10,189
since Inception	16.73%	₹ 12,466	16.98%	₹ 12,503	9.64%	₹ 11,401
NAV / Index Value	₹ 12.47		₹ 1,250		₹ 32,973	

Direct Plan Growth option

Historical Returns (As per SEBI format) as of February 28, 2025 with investment of ₹ 10,000						
	This fund		40% NIFTY500 TRI + 20% NI...		NIFTY 50 TRI #	
	CAGR	Current Value	CAGR	Current Value	CAGR	Current Value
1 Year	14.26%	₹ 11,426	12.16%	₹ 11,216	1.89%	₹ 10,189
since Inception	18.39%	₹ 12,720	16.98%	₹ 12,503	9.64%	₹ 11,401
NAV / Index Value	₹ 12.72		₹ 1,250		₹ 32,973	

Fund managers:



Aparna Karnik

Total work experience of 21 years. Managing this fund since September 2023.

→ [See funds managed by her](#)



Shantanu Godambe

Total work experience of 17 years. Managing this fund since August 2024.

→ [See funds managed by him](#)



Ravi Gehani

Total work experience of 10 years. Managing this fund since September 2023.

→ [See funds managed by him](#)

Date of allotment: **Sep 27, 2023**. Period for which fund's performance has been provided is computed as on 28 Feb 2025.. **Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments.** ^ **Fund Benchmark # Additional Benchmark.** Benchmark - (40% NIFTY500 TRI + 20% NIFTY Composite Debt Index + 15% Domestic Price of Physical Gold (based on London Bullion Market Association (LBMA) gold daily spot fixing price) + 5% iCOMDEX Composite Index + 20% MSCI World Index)

Performance of other scheme of fund manager

Aparna Karnik

Sr. No.	Scheme Name	Managing since	Period					
			1 Years		3 Years		5 Years	
			Scheme return (%)	Benchmark return (%)	Scheme return (%)	Benchmark return (%)	Scheme return (%)	Benchmark return (%)
1	DSP Quant Fund	01-May-2022	0.3	0.62	6.48	12.42	12.37	17.49
2	DSP Value Fund	01-May-2022	7.1	(0.08)	15.37	12.7	NA	17.78
3	DSP Multi Asset Allocation Fund	01-Sep-2023	12.69	12.16	NA	NA	NA	NA

Data as on **February 28, 2025**. **Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments.** Different plans shall have a different expense structure. The performance details provided herein are of regular plan.

Ravi Gehani

Sr. No.	Scheme Name	Managing since	Period					
			1 Years		3 Years		5 Years	
			Scheme return (%)	Benchmark return (%)	Scheme return (%)	Benchmark return (%)	Scheme return (%)	Benchmark return (%)
1	DSP Multi Asset Allocation Fund	01-Sep-2023	12.69	12.16	NA	NA	NA	NA
2	DSP Gold ETF	NA	35	36.73	NA	NA	NA	14.88
3	DSP Silver ETF	19-Aug-2022	33.1	34.82	NA	NA	NA	NA

Shantanu Godambe

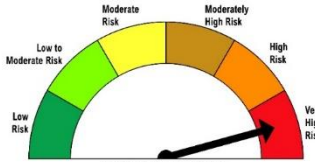
Sr. No.	Scheme Name	Managing since	Period					
			1 Years		3 Years		5 Years	
			Scheme return (%)	Benchmark return (%)	Scheme return (%)	Benchmark return (%)	Scheme return (%)	Benchmark return (%)
1	DSP Regular Savings Fund	01-Aug-2024	8.4	6.86	8.29	7.42	8.33	8.29
2	DSP Short Term Fund	1-Jul-23	7.46	7.73	5.92	6.28	5.7	6.2
3	DSP 10Y G-Sec Fund	01-Jul-2023	8.46	9.06	6.36	6.76	5.4	5.41
4	DSP CRISIL SDL Plus G-Sec Apr 2033 50:50 Index Fund	01-Jul-2023	8.62	9.06	NA	NA	NA	NA
5	DSP Strategic Bond Fund	01-Jun-2023	6.66	7.69	6.33	6.18	6.03	6.37
6	DSP Banking & PSU Debt Fund	01-Jun-2023	7.38	NA	6.18	NA	6.17	NA
7	DSP Aggressive Hybrid Fund (erstwhile known as DSP Equity & Bond Fund)	01-Aug-2024	10.74	3.3	12.78	10.5	14.16	14.06
8	DSP Nifty SDL Plus G-Sec Jun 2028 30:70 Index Fund	01-Jul-2023	8.2	8.56	NA	NA	NA	NA
9	DSP Floater Fund	01-Jun-2023	8.55	7.73	6.95	6.28	NA	6.2
10	DSP Corporate Bond Fund	01-Jul-2023	7.51	7.71	5.51	6.25	5.65	6.42
11	DSP Dynamic Asset Allocation Fund	1-Jul-23	8.45	4.4	9.44	9.62	9.56	12.43
12	DSP Equity Savings Fund	01-Aug-2024	9.63	5.92	9.25	8.33	9.9	9.88
13	DSP Nifty SDL Plus G-Sec Sep 2027 50:50 Index Fund	01-Jul-2023	7.98	8.38	NA	NA	NA	NA
14	DSP Multi Asset Allocation Fund	01-Aug-2024	12.69	12.16	NA	NA	NA	NA
15	DSP Gilt Fund	01-Jun-2023	6.93	8.59	6.61	6.88	6.46	6.48

Data as on **February 28, 2025**. Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments. Different plans shall have a different expense structure. The performance details provided herein are of regular plan.

Disclaimer:

This presentation / note is for information purposes only. It should not be construed as investment advice to any party. In this material DSP Asset Managers Pvt. Ltd. (the AMC) has used information that is publicly available, including information developed in-house. Information gathered and used in this material is believed to be from reliable sources. While utmost care has been exercised while preparing this document, the AMC nor any person connected does not warrant the completeness or accuracy of the information and disclaims all liabilities, losses and damages arising out of the use of this information. The recipient(s) before acting on any information herein should make his/their own investigation and seek appropriate professional advice. 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. **Past performance may or may not be sustained in the future and should not be used as a basis for comparison with other investments.** The sector(s)/stock(s)/issuer(s) mentioned in this presentation do not constitute any research report/recommendation of the same and the schemes of DSP mutual fund may or may not have any future position in these sector(s)/stock(s)/issuer(s). Large-caps are defined as top 100 stocks on market capitalization, mid-caps as 101-250, small-caps as 251 and above. Data provided is as on Feb 28, 2025 (unless otherwise specified) The figures pertain to performance of the index and do not in any manner indicate the returns/performance of the Scheme. It is not possible to invest directly in an index. All opinions, figures, charts/graphs and data included in this presentation are as on date and are subject to change without notice. For complete details on investment objective, investment strategy, asset allocation, scheme specific risk factors and more details, please read the Scheme Information Document, Statement of Additional Information and Key Information Memorandum of respective scheme available on ISC of AMC and also available on www.dspim.com. There is no assurance of any returns/capital protection/capital guarantee to the investors in above mentioned Scheme. The presentation indicates the strategy/investment approach currently followed by the above mentioned Scheme and the same may change in future depending on market conditions and other factors.

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

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 *Investors should consult their financial advisers if in doubt about whether the Scheme is suitable for them.	Scheme Riskometer  RISKOMETER THE RISK OF THE SCHEME IS VERY HIGH	Benchmark Riskometer (40% NIFTY500 TRI + 20% NIFTY Composite Debt Index + 15% Domestic Price of Physical Gold (based on London Bullion Market Association (LBMA) gold daily spot fixing price) + 5% iCOMDEX Composite Index + 20% MSCI World Index)  RISKOMETER THE RISK OF THE BENCHMARK IS VERY HIGH
--	---	---	---