

Motilal Oswal AMC launches Motilal Oswal Nifty India Defence Index Fund

Motilal Oswal Nifty India Defence Index Fund is India's first Index offering exposure to Defence stocks.

Mumbai, 12 June 2024: Motilal Oswal Asset Management Company ('MOAMC') has announced the launch of Motilal Oswal Nifty India Defence Index Fund, India's first Index Fund offering exposure to Defence stocks listed in India. The fund aims to provide investors an opportunity to participate in the growth potential of the Defence sector. **Motilal Oswal Nifty India Defence Index Fund is an open-ended fund replicating/tracking the total returns of the Nifty India Defence Index.**

The NFO opens on 13th June 2024 and closes on 24th June 2024.

The Nifty India Defence Index is designed to reflect the performance of Defence companies operating in manufacturing and servicing Defence projects. The index comprises 15 companies which also form a part of the Nifty total market.

Over the 1 year and 3-year CAGR, of Nifty India Defence Index has been 177% and 89.5% respectively as of end of May 31, 2024. While Defence exhibits strong performance potential, it may also experience higher volatility.

Why Defence?

According to Nomura research, the Defence sector highlights a significant opportunity for India's Defence sector, estimating a pipeline of USD138 bn over FY24-FY32F. As India continues to prioritize national security and technological advancement, investors are presented with a unique opportunity to participate in this strategic growth. The recent stellar performance this sector can be attribute to various changes in government policies and prioritizing the Defence sector. Government of India has put import embargo on 4600+ Defence item by Dec 2027 to reduce imports and increase Defence manufacturing in India, moving towards '**Atmanirbhar Bharat**' (self-reliance). Government is also actively aiming to increase exports of Defence goods and services which is estimated to double in coming 3-4 years according to Nomura Research.

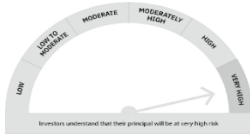

According to market experts, companies in this sector have improved their balance sheets and also their profitability through the continued increase in exports and increase in Defence expenditure by the government. This makes investing in the India Defence Index Fund an attractive investment proposition.

Prateek Agrawal, MD & CEO, Motilal Oswal Asset Management Company Ltd said, *"India's strides towards Atmanirbharta (Self-Reliance) in defence is paving the way for significant growth and innovation. With the Motilal Oswal Nifty India Defence Index Fund, we aim to capitalize on the projected \$100 billion to \$120 billion expansion in the defence sector over the next six years. As the fourth largest defence spender globally, India's focus on self-reliance and modernization offers substantial opportunities for domestic defence companies. This fund is poised to benefit from India's robust advancements in defence technology and infrastructure."*

Pratik Oswal, Chief of Business Passive Funds, Motilal Oswal Asset Management Company Ltd said, *“Since the Covid era, the Nifty India Defence TRI Index has outperformed the Nifty 50 TRI four times in the last six calendar years. This is the outcome of the government's unwavering concentration on fostering bilateral ties between nations in order to boost exports and lower imports as a part of strategic changes in government policies. As a result, India’s capabilities in the manufacturing sector is growing at a rapid pace. Made in India initiatives have resulted in a notable 74% increase in FDI flows, which is driving the defence sector's expansion. Investors seeking long-term capital growth with returns commensurate with the performance of the Nifty India Defence Total Return Index can consider the Motilal Oswal Nifty India Defence Index Fund, an open-ended fund that replicates and tracks the Nifty India Defence Total Return Index subject to tracking error. We look forward to greater allocation to the defence budget in 2024 as well”*

The investment objective of Motilal Oswal Nifty India Defence Index Fund is to provide returns that, before expenses, correspond to the total returns of the securities as represented by the Nifty India Defence Total Return Index, subject to tracking error. However, there is no guarantee or assurance that the investment objective of the scheme will be achieved.

The Minimum Application amount for Motilal Oswal Nifty India Defence Index Fund is Rs. 500/- and in multiples of Re. 1/- thereafter. On ongoing basis investor can purchase/redeem units of the Scheme through financial advisor or by log-in to www.motilaloswalmf.com.

Name of the scheme	This product is suitable for investors who are seeking*	Scheme Risk-o-meter	Benchmark Riskometer
Motilal Oswal Nifty India Defence Index Fund (An open-ended scheme replicating/tracking Nifty India Defence Total Return Index)	<ul style="list-style-type: none"> Returns that correspond to the performance of the Nifty India Defence Total Return Index subject to tracking error Long-term capital growth 		Nifty India Defence Total Return Index 

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

Note: Other Funds managed by the Fund Managers can be viewed on <https://www.motilaloswalmf.com/download/index-fund/factsheet>

Source: Niftyindices, Factset, ACEMF, Nomura Research

Disclaimer This release has been issued on the basis of internal data, publicly available information and other sources believed to be reliable. The information contained in this document is for general purposes only and not a complete disclosure of every material fact. The Stocks (if any) mentioned herein is for explaining the concept and shall not be construed as an investment advice to any party. The information / data herein alone is not sufficient and shouldn't be used for the development or implementation of an investment strategy. It should not be construed as investment advice to any party. All opinions, figures, estimates and data included in this article are as on date. The article 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 statements contained herein may include statements of future expectations and other forward-looking statements that are based on our current views and assumptions 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. Readers shall be fully responsible/liable for any decision taken on the basis of this article. Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

About Motilal Oswal Asset Management Company:

Motilal Oswal Group possesses legacy in equities for over 3 decades. Motilal Oswal Asset Management Company Ltd. (MOAMC) is registered with SEBI as the Investment Manager for Motilal Oswal Mutual Fund. It was incorporated on November 14, 2008. It provides Investment Management and Advisory Services to investors based within and outside India and having AIF's, Portfolio Management Services business and Mutual Funds.

For further details contact:

Rohini Kute

Head, Corporate Communication,

Motilal Oswal Financial Services

Mobile: 9820196838

Mail: rohini.kute@motilaloswal.com

-