



Investment Outlook

June 2017

Research Notes

Retain focus on “Quality”



Global economic outlook remains comfortable with marginal increase in growth expectations amongst developed economies, especially the Euro zone. French election results have ensured France will remain in the EU, but increasing anti-outsourcing policy statements from USA and UK remain an overhang. USA is likely to increase benchmark rates by 50 bps in CY '17. Snap polls announced by British PM Theresa May will see UK go to vote on 8th June despite a series of recent terror attacks in the UK. PM May's Conservative Party looks set to win the elections and give her more strength to pursue tough exit negotiations with the EU. China tightened its monetary policy on back of a slowdown in economic activity. A slump in demand from China can spell trouble for commodity markets and hence for world growth numbers. Oil prices are likely to remain range bound with a lower bias inspite of OPEC producers extending production cuts until Q1CY '18. Strong supply from non-OPEC and US shale continues.

RBI's earlier stance of a possible sticky inflation has drawn concern from Government and several economist as the actual data is indicating otherwise. Infact, RBI changed its stance from 'Accommodative' to 'Neutral' in its Apr '17 Policy due to concerns on inflation and it seems that its inflation forecast has been wide off the mark. In its June policy on 7th June, RBI changed its outlook and has projected the headline inflation for H1FY '18 to be between 2.0% and 3.5% v/s 4.5% earlier. For H2FY '18, the outlook has been eased to 3.5% to 4.5% v/s 5.0% previously. GST is not expected to have any material inflationary impact on the economy. We expect GST to have a 10 bps softening impact. The Jun '17 policy reduced the SLR from 20.5% to 20%, in line with the road map RBI gave in Sep '15. Moderation of yields across tenors can be expected as RBI could cut rates in Aug '17 policy.

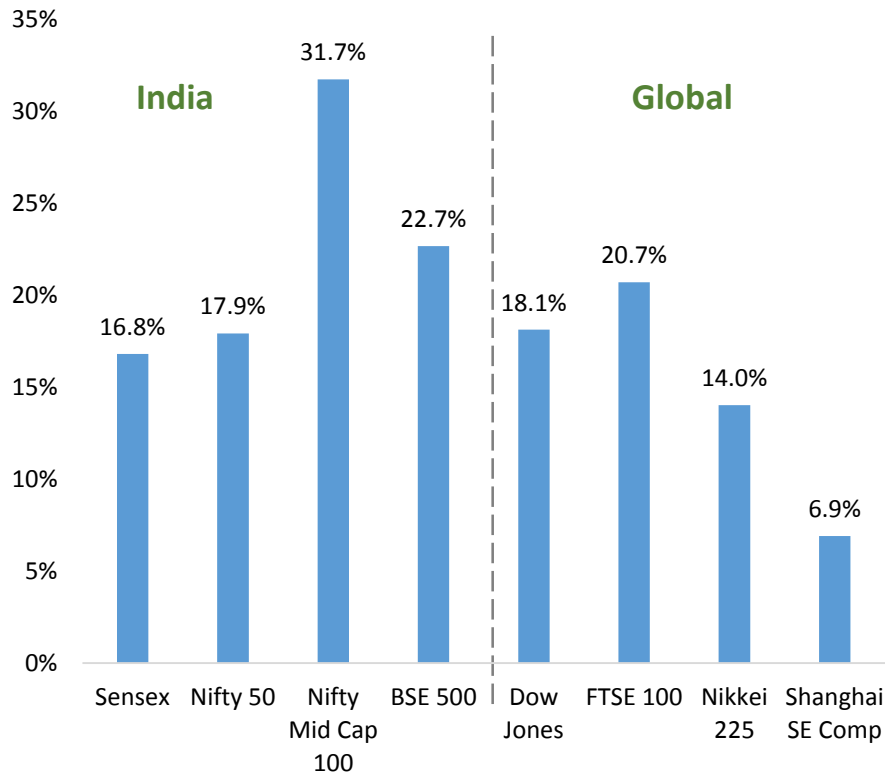
IDBI Bank and Reliance Communications saw downgrades in their Credit ratings. R-Com was downgraded to Default by CARE and ICRA due to stress in business and in the telecom sector. RBI put IDBI Bank on PCA (Prompt Corrective Action) framework in May '17 and the bank was also downgraded to A+ from AA- by ICRA. These actions were due to high net NPA levels, weak capitalisation and negative ROA. The exposure to these issuers in our approved fixed income funds is marginal (0.5% to 3% of fund AUM).

Given the current valuations and credit environment, a focus on picking quality companies, both in equities and debt remain the key. Market trends support a bottom up approach with focus on large cap companies and on accrual strategies. A Tactical call of investing in Long Term Gilt funds, with at least a 6 month horizon, could be taken by investors with a higher risk appetite.

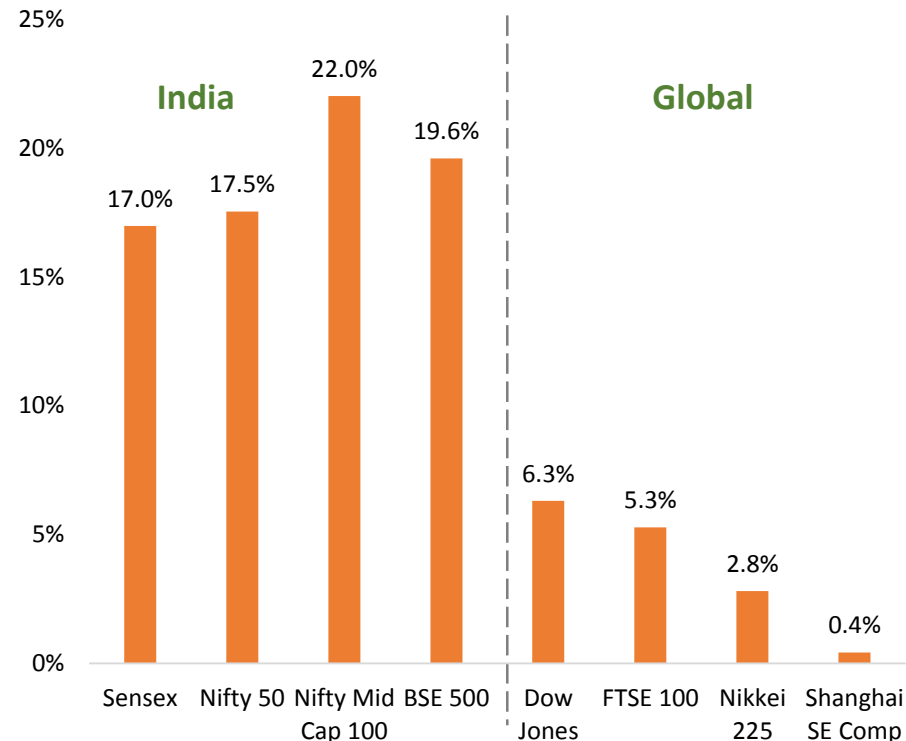
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One Year Equity Indices Returns



YTD CY 2017 Equity Indices Returns

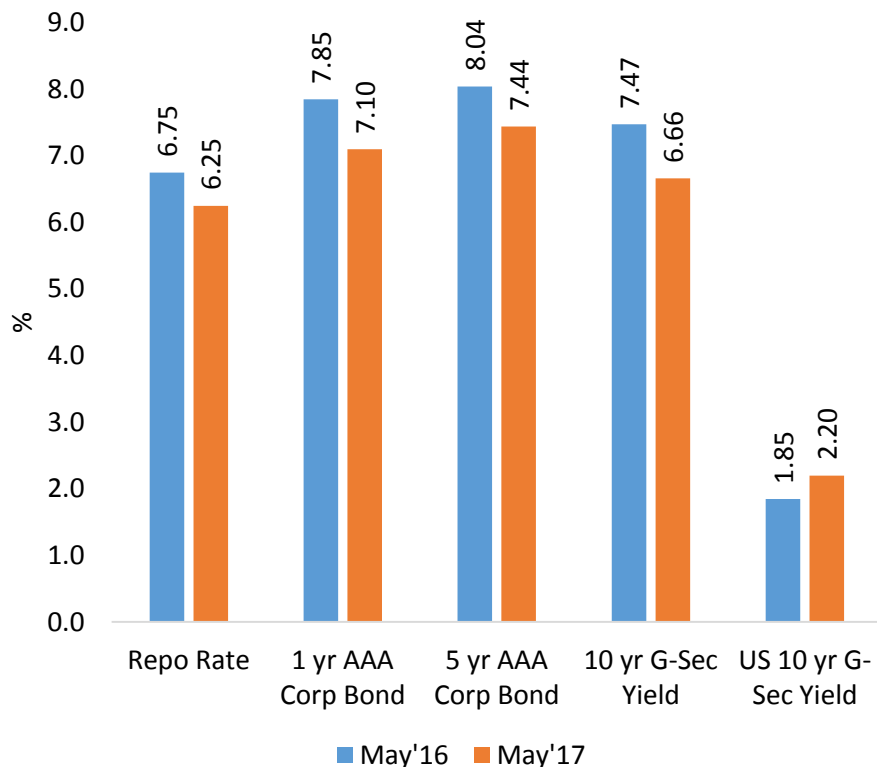


- Global Indices generated lower single digit returns (YTD) due to various issues like China downgrade, Brexit and US Government announcements
- Continuing flows from Domestic & FII investors & good monsoon prediction pushed up Local Indices
- In May'17, Nifty 50 continued to rally and moved up by 3.5% however Nifty MidCap 100 index saw a correction of 3.2% due to concerns on high valuations

Market Indicators

Fixed Income, Commodity, Currency

Debt Market Indicators



Corporate Bond Spreads in basis points (bps)	Latest	Pr. Month	1 Year Ago
1 year AAA over G-Sec	55	59	80
5 year AAA over G-Sec	62	46	55
10 year AAA over G-Sec [#]	80	78	73

Commodity & Currency	Latest	Pr. Month	1 Year Ago
Gold (\$/ounce)	1269	1268	1215
Gold (Rs / 10 gm) - MCX Gold Spot	28839	28887	28408
Brent Crude Oil (\$/bbl)	50.3	51.7	49.7
USD - INR	64.5	64.2	67.3
GBP - INR	82.8	83.2	98.4

Net Fund Flows in US \$ bn	Latest	YTD 2017	CY 2016
FII (Equity)	1.2	7.7	2.8
FII (Debt)	3.0	10.6	-6.4
MF (Equity)	1.5	5.0	7.1
MF (Debt)	1.5	26.5	48.9

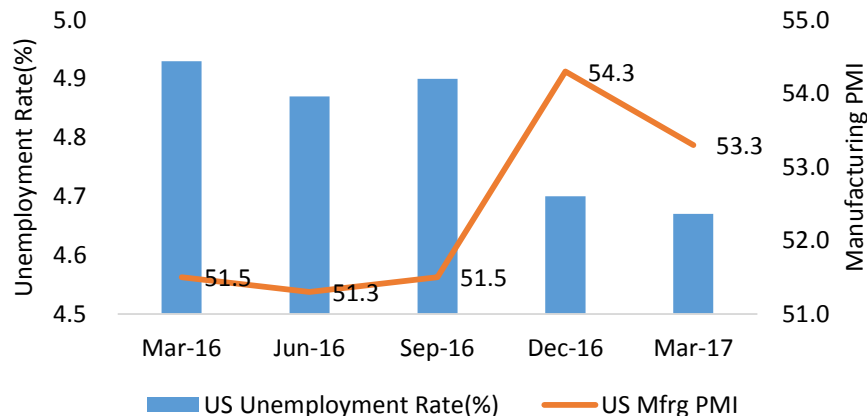
Old benchmark G-Sec

- 10 year G-Sec yield moved down in May'17 due to issuance of new benchmark G-Sec (6.79% GOI 2027) and a lower CPI print at 2.99%
- 1 year and 10 year corporate bond spreads traded at similar levels as compared to previous month while 5 year corporate bond spreads moved up due to rally in shorter end G-Secs
- FIIs invested \$3Bn in the Debt markets, providing some demand push

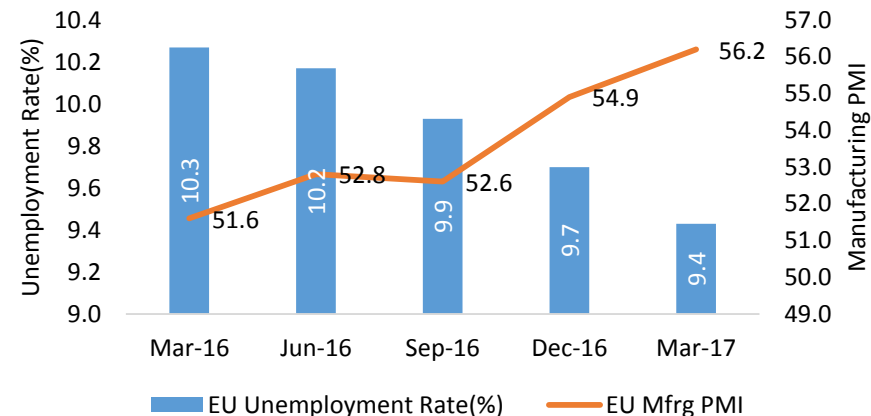
Global Economy Update

Global Growth – Euro Zone taking the lead

US Key Economic Indicators



EU Key Economic Indicators



Key Economies – Debt/GDP & Sovereign Ratings*

Country	Debt (Bn\$)	Debt/GDP (%)	Sovereign Ratings		
			S & P	Moody's	Fitch
Japan	9435	234.7	A+u	A1	A
Greece	346	181.6	B-	Caa3	CCC
Italy	2157	132.5	BBB-u	Baa2	BBB
Portugal	235	126.2	BB+u	Ba1	BB+
Belgium	423	106.7	Aau	Aa3	AA-
Spain	1098	99.6	BBB+	Baa2	BBB+
France	2121	96.5	AAu	Aa2	AA
United Kingdom	1985	92.2	AAu	Aa1	AA-
United States of America	13855	73.8	AA+u	Aaa	AAA
India	915	52.3	BBB-u	Baa3	BBB-
China	3710	20.1	AA-	A1	A+

*Latest available data

- Moody's downgraded China's Sovereign Long-term credit Rating from Aa3 to A1 and changed the outlook from Negative to Stable, citing high Government debt
- OPEC had extended Oil production cuts by 1.8 million barrels per day to the end of Q1 CY '18
- US Fed kept the Funds Rate unchanged in the 0.75%-1% band and maintained the "accommodative" stance
- Eurozone grew better than USA in Q1 CY'17, expanding at an annual rate of 1.7%. There are signs of a steady recovery in recent months with new manufacturing orders increasing and a gradual improvement in Employment numbers

India Economy Update

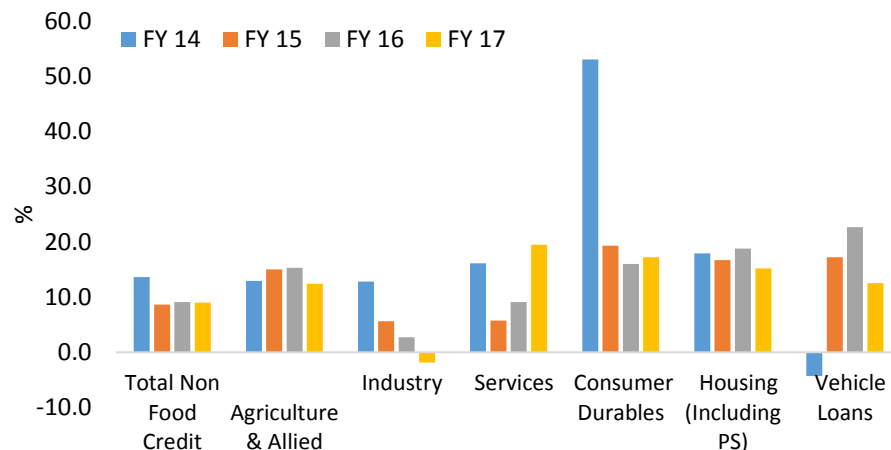
Growth on the Horizon

Monthly High Frequency Indicators*

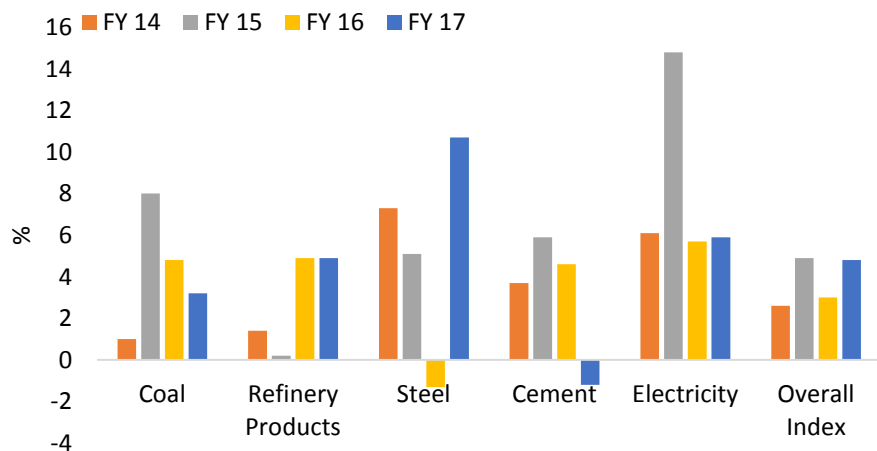
Indicator	Latest	Pr. Month	1 Year Ago
Consumer Price Inflation (CPI)%	2.99	3.89	5.47
Wholesale Price Inflation (WPI) %	3.85	5.29	-1.09
Index of Industrial Production (IIP) %	2.7	1.9	5.5
Manufacturing PMI	51.6	52.5	50.7
Export Growth %	19.8	27.6	-7.62
Import Growth %	49.1	45.3	-24.29
FDI \$Mn	3,814	2,214	2,742

*Latest Data

All SCB's aggregate sectoral Credit growth trends



Growth Trends of Eight Core Industries (Base Year 2011-12)



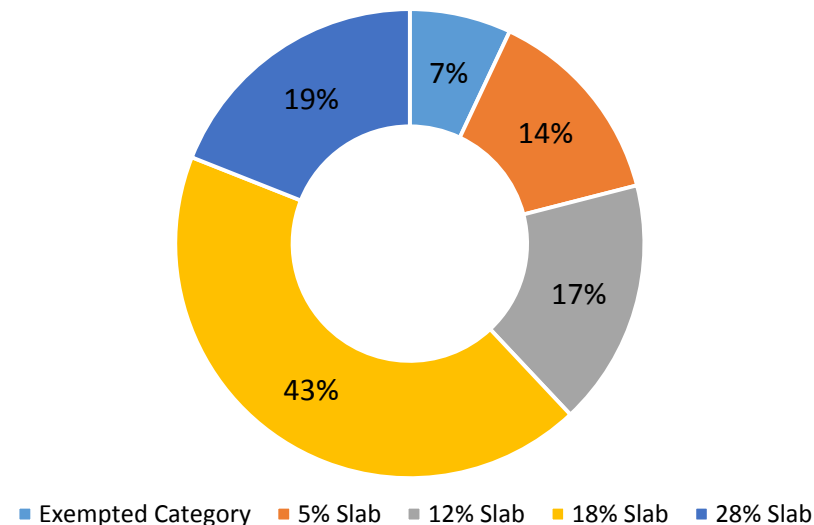
- Q4 FY 17 GDP Growth disappoints at 6.1% vs. SBI expectation of 7.2%
 - Demonetisation impacted growth in sectors like Construction, Manufacturing, Financial Services & Trade, Real Estate, Hospitality
 - Investment demand remains a major concern
 - For FY 17, GDP grew 7.1% (8% in FY 16). Agriculture & Allied activities grew 4.9% (0.7%); Industry grew 5.6% (8.8%); Services sector grew 8.6% (9.7%)
- New series of WPI, CPI and IIP with base year as 2011-12 (earlier 2004-05) introduced. This has an expanded basket of goods and with new weights. A new WPI Food Index added to gauge the rate of inflation in food items

Goods & Services Tax – Tax Slabs Finalised

Construct of GST rates turn out to be mostly non-inflationary

Prominent Items and GST Rates			
Item (s)	Existing Rate %	GST Rate %	Impact
Capital Goods (Project Based)	28%	18%	Positive
Coal	11.70%	5%	Positive
FMCG Products	23% - 26%	18%	Positive
Telecom Services and Equipments	12%	18%	Negative
White Goods	23% - 26%	28%	Negative
Two Wheelers	30% - 31%	28%	Positive
Cigarettes	28% + Excise	28% + Cess	Neutral
Commercial Vehicles	30% - 31%	28%	Positive
Construction Materials	22% to 26%	28%	Negative
Pharma	4% - 14%	5% - 12%	Positive
Capital Goods (Light)	22% - 26%	28%	Negative
Passenger Cars	27%	28% + Cess	Negative

% items under each GST Tax bracket



- Over 1,211 items and 500 services were categorised under 4 slabs, with majority coming under 12% & 18% slabs
- Healthcare, Education, non-AC train travel, Metro rides would continue to be out of the GST net
- 63 items which were exempted from Service Tax would be pruned further and brought under the GST purview
- With GST rates having been announced on most items and services, roll out in July 2017 seems certain

Likely Sector Impact:

Positive: FMCG, Power, Pharmaceuticals; **Neutral:** Autos, Consumer Durables, Aviation, Construction Materials, Real Estate, Oil & Gas; **Negative:** Alcoholic Beverages, Telecom Services

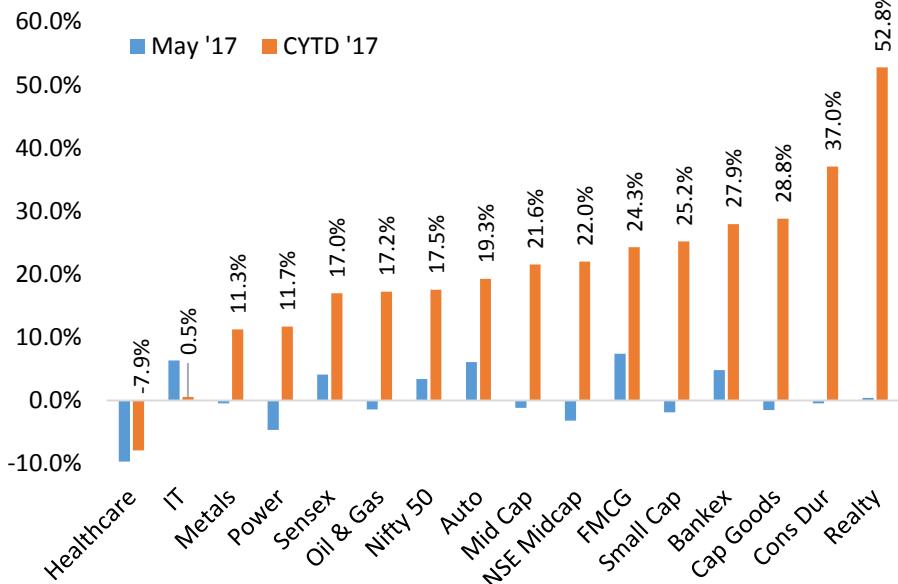
Impact: Expected to be non-inflationary

GST implementation on CPI impact would be more than 10 bps in downward direction as most of the CPI basket items have similar GST Tax pattern to existing rates. Internationally, contrary to popular perception, inflation has declined in countries post GST.

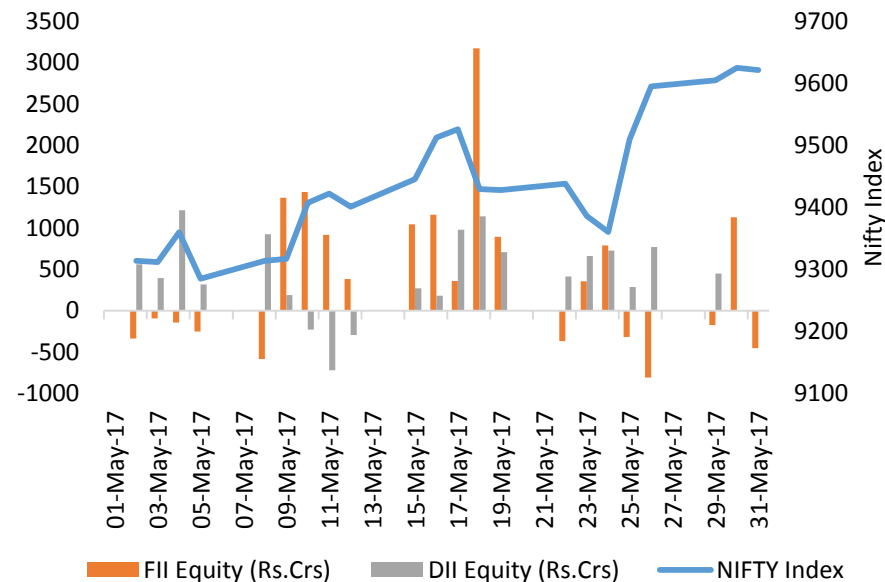
India Equities – May 2017

Monthly Update

Sector Indices Returns



Institutional Flows – May'17

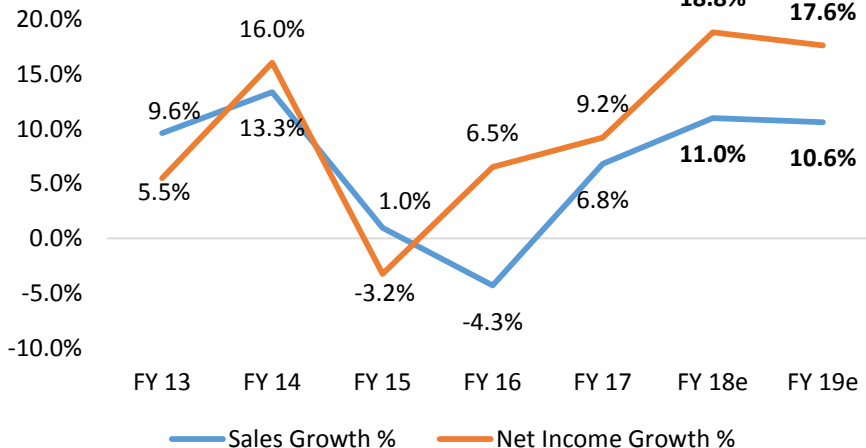


- Benchmark Indices gain for 5th consecutive month supported by strong liquidity and optimistic earnings
- Sensex up 4.1%; Nifty 50 up 3.4%. Both the benchmark Indices are up c17.5% CYTD
- Mid and Small Cap Indices under-perform for the first time in 5 months. BSE Midcap Index down 1.2%; BSE Smallcap Index down 1.9%. However, CYTD '17, BSE Midcap Index is up 21.6% & BSE Smallcap Index is up 25.2%
- Sector gainers: FMCG, IT, Auto & Banking; Sector Losers: Healthcare, Power, Capital Goods, Oil & Power
- Institutional flows sustain market momentum: FIIs net buyers worth \$1.2Bn; DIIs net buyers worth \$1.5Bn. For CYTD '17, FIIs are net buyers worth \$7.7Bn while DIIs are net buyers worth \$5Bn
- Sentiment Triggers: Liquidity, finalisation of GST Tax slabs for almost all Items & Services, no major negative surprises on Q4 FY 17 earnings and predictions of a normal monsoon

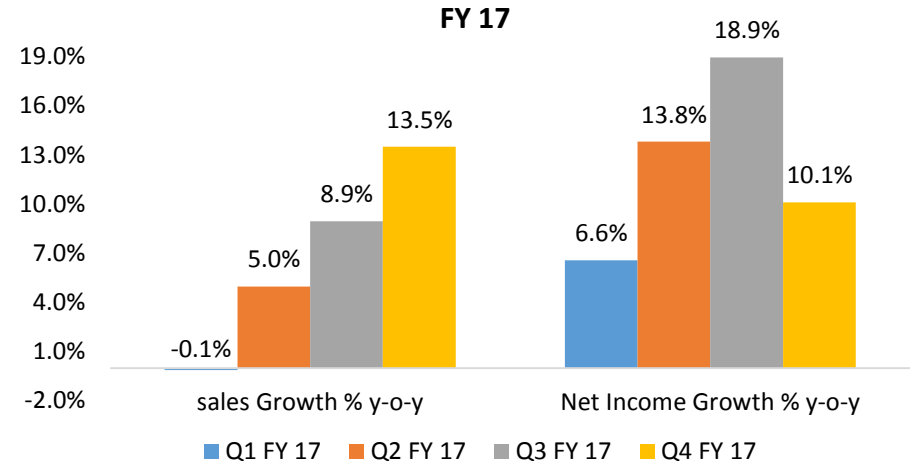
Q4 FY '17 Earnings Update

In-line with expectations

Nifty 50 Index* Aggregate Growth Trends



Nifty 50 Index* Aggregate Quarterly Growth Trends



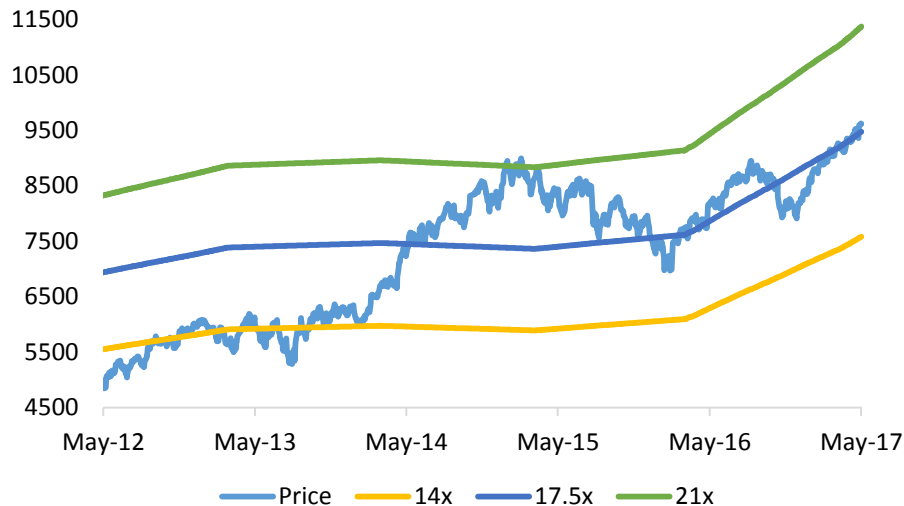
*Data for current Nifty 50 Index companies

- Nifty 50 Index companies reported 13.5% & 10.1% growth in Sales and Net Income, respectively for Q4 FY 17
- Majority of the Profit growth for the Index can be attributed to PSU Banks, Metals and Industrials
- Telecom and Healthcare has significantly under-performed due to industry specific concerns
- Despite nagging asset quality issues, PSU Banks reported good performance supported by lower slippages and lesser loan loss provisions. Q4 FY 16 was bad for PSU Banks due to higher provisions requirements as part of Asset Quality Review exercise as mandated by RBI
- For FY 17, Nifty 50 Index reported 6.8% & 9.8% growth in Sales and Net Income respectively
- Consensus estimates for FY 18 earnings are marginal down by 1-2%
- NSE Midcap 100 Index companies reported 23.8% and 6.7% growth in Sales and Net Income, respectively in FY 17. Net income growth was dragged down by disappointment from companies in sectors like Industrials, Healthcare, Telecom, Utilities and Financials

India Equities – Outlook

Momentum hinges on a visible Earnings Recovery

Nifty 1yr Forward P/E Chart



Nifty 50 and NSE Midcap 100 Index - Bloomberg Consensus "BUY" Upgrades								
Sector	#Companies		#Upgrades		#Downgrades		#Neutral	
Name	Nifty 50	Mcap 100	Nifty 50	Mcap 100	Nifty 50	Mcap 100	Nifty 50	Mcap 100
Cons Disc	8	14	4	3	2	6	2	5
Cons Staples	2	5	2	2	0	1	0	2
Energy	5	3	2	2	2	1	1	0
Financials	10	19	5	5	1	10	4	4
Healthcare	5	13	0	2	4	4	1	7
Industrials	2	16	0	5	2	9	0	2
IT	5	6	0	2	5	1	0	3
Materials	7	13	3	1	3	1	1	11
Telecom	2	2	0	0	1	1	1	1
Utilities	4	9	3	2	1	3	0	4
Total	50	100	19	24	21	37	10	39
% Upgrade			38%	24%	42%	37%	20%	39%

*No. of Analysts who have Upgraded the stocks to BUY between 31st Mar '17 & 6th Jun '17, as tracked by Bloomberg

- In continuity of the major reforms, the Government is now expected to focus on resolving the Banking sector NPA crisis and reviving Private sector Capex
- GST is expected to have some short-term implementation challenges and could impact Q2 FY 18 earnings
- A stable macro economy, focus on resolving growth constraints and faster implementation of reforms would continue to position India as a long-term favourable investment destination for Global investors
- Valuations are trading at a c11% premium to 10-year average. Nifty 1-year forward P/E at 17.8x vs. 10-year avg. of 16x
- Any correction in the markets, triggered by Global news flows is a good long-term buying opportunity

Key medium term catalysts: Progress of monsoon, GST implementation, Global news flows

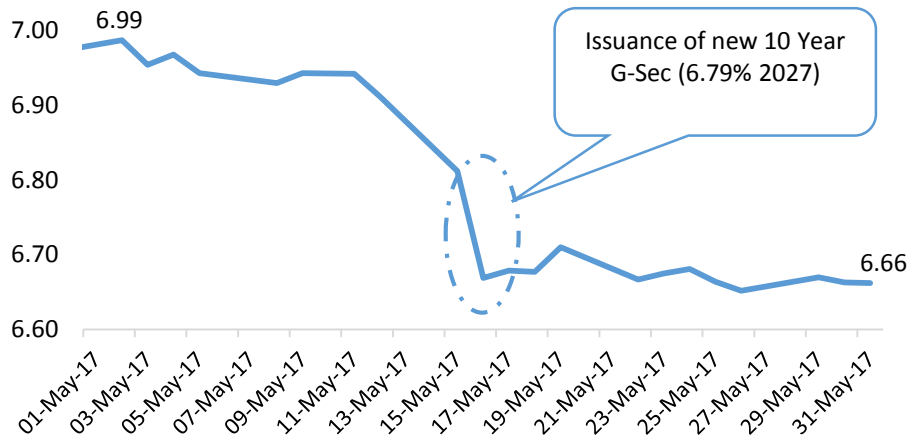
Investment Trends: Focus on stock specific approach on companies with earnings visibility and high return on capital. Favour Large Cap stocks given their attractive valuations vis-à-vis growth, when compared with Mid cap stocks

India Fixed Income - Outlook

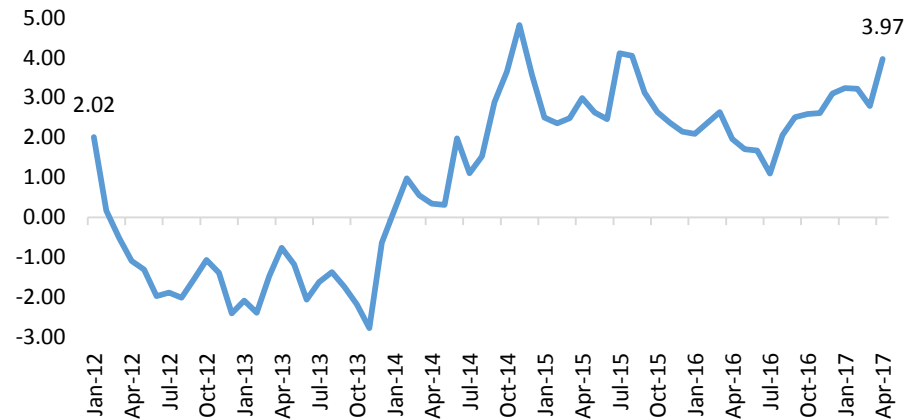
Accrual remains attractive, tactical play remains in duration



10 Year G-Sec Yield (%) in May'17



Real Interest Rates (%)



- 10 year G-Sec yield rallied during May'17 on account of positive surprise from CPI & issuance of new G-Sec
- The real interest rates are closer to 4% mark, turning from negative of 3% in 2013, making it an attractive investment option. This has led to FII buying of \$3Bn in May'17
- In the June policy, as expected, RBI kept rates unchanged and maintained its neutral stance and cut its inflation projections for FY 18. RBI suggested that it will remain watchful of incoming data before deciding its future actions
- SBI Economist expect CPI to stay below 3% till Sep'17 (with a sub 1.5% also a possibility) before moving up and it could be in the range of 4% - 4.5% in FY 18

Key Risks: Inflation, Monsoon trends and spread, GST implementation, FII flows and US Fed rate increases

Investment Trends:

- Invest in accrual funds with a 3 year horizon, as short term rates will remain stable post RBI's neutral stance
- Investors with high risk appetite could look at a short term tactical play by investing in Gilt Funds. Secondary market yields could move down on back of weaker GDP & lower than expected inflation numbers

Mutual Funds Performance

Focus Funds – Equity (1)



Scheme Name - Regular Plan - Growth	Month-end Avg. AuM (Rs Cr) - Apr-17	Absolute Returns %			Annualized Returns %		
		3m	6m	1yr	2yr	3yr	5yr
Large Cap Equity Funds							
SBI Blue Chip Fund	12,586	8.40	15.08	17.87	11.26	18.72	21.56
Kotak Select Focus Fund	9,323	10.12	20.25	30.99	15.43	21.80	23.69
Franklin India Bluechip Fund	8,363	6.38	14.13	16.84	8.55	14.66	16.52
DSP BlackRock Focus 25 Fund	2,267	8.25	14.93	22.23	8.98	18.45	19.20
Birla Sun Life Frontline Equity Fund	16,352	7.49	16.24	21.29	10.60	15.47	20.66
Mid Cap Equity Funds							
SBI Magnum Midcap Fund	3,583	6.17	12.51	18.72	13.07	25.24	29.42
L&T Midcap Fund - Growth	733	13.27	24.31	45.13	21.03	28.99	28.97
Franklin India Prima Fund	5,389	8.45	18.85	26.90	15.27	25.03	28.33
Birla Sun Life Small & Midcap Fund	593	12.73	23.36	37.88	23.01	27.84	27.00
Small Cap Equity Funds							
Franklin India Smaller Companies Fund	5,238	9.82	18.11	28.47	17.63	27.62	32.73
DSP BlackRock Micro Cap Fund*	5,523	10.42	19.03	34.08	22.17	35.00	32.78
Benchmark Indices							
S&P BSE SENSEX		8.36	16.86	16.79	5.77	8.73	13.93
Nifty Free Float Smallcap 100		7.08	22.97	37.67	13.55	14.24	17.45
Nifty Free Float Midcap 100		6.25	17.46	31.73	15.19	19.93	20.47
Nifty 50		8.35	16.98	17.91	6.78	9.97	14.33

* closed for subscription

Indicates best performance for given period among peers

Mutual Funds Performance

Focus Funds – Equity (2)

Scheme Name - Regular Plan - Growth	Month-end Avg. AuM (Rs Cr) - Apr-17	Absolute Returns %			Annualized Returns %		
		3m	6m	1yr	2yr	3yr	5yr
Diversified Equity Funds							
ICICI Prudential Value Discovery Fund	17,029	4.26	10.01	17.03	7.57	17.33	23.05
Franklin India Prima Plus	10,703	5.95	14.66	17.62	9.49	19.00	21.03
Birla Sun Life Equity Fund	4,801	7.17	15.59	31.64	15.87	19.40	24.12
Balanced Funds							
L&T India Prudence Fund	3,752	8.76	15.55	23.27	12.27	18.48	20.27
ICICI Prudential Balanced Fund	9,147	5.29	11.77	26.73	12.86	17.57	20.10
HDFC Balanced Fund	10,186	8.09	13.13	23.17	12.67	17.72	19.51
Birla Sun Life Balanced 95 Fund	7,419	5.94	11.66	19.58	11.51	16.88	19.16
Equity Savings Funds							
ICICI Prudential Equity Income Fund	1,476	2.51	4.61	14.47	9.22	NA	NA
HDFC Equity Savings Fund	765	4.47	9.33	21.73	12.47	10.89	11.03
Birla Sun Life Equity Savings Fund	470	4.74	9.57	17.23	9.67	NA	NA
Benchmark Indices							
S&P BSE SENSEX		8.36	16.86	16.79	5.77	8.73	13.93
S&P BSE 500		8.39	17.90	22.65	9.38	12.74	16.01
S&P BSE 100		8.03	17.09	19.96	7.72	10.55	14.96
Nifty 50		8.35	16.98	17.91	6.78	9.97	14.33
CRISIL Balanced Fund – Aggressive Index		6.36	11.14	15.61	8.13	10.46	12.85

Indicates best performance for given period among peers

Mutual Funds Performance

Focus Funds – Debt (1)



Scheme Name - Regular Plan - Growth	Month-end Avg. AuM (Rs Cr) - Apr-17	Absolute Returns %			Annualized Returns %		
		3m	6m	1yr	2yr	3yr	5yr
Gilt Long Term Funds							
SBI Magnum Gilt Fund - Long Term	2,175	3.48	0.88	15.11	11.03	13.28	11.74
Reliance Gilt Securities Fund	1,265	3.15	-0.34	14.19	10.97	12.40	10.66
Income Funds							
UTI Bond Fund	1,840	2.72	0.37	13.23	9.67	10.71	9.58
IDFC Super Saver Income Fund - IP	1,361	2.68	0.42	12.49	9.33	10.59	9.65
Birla Sun Life Income Plus	2,092	3.09	-2.08	11.05	8.50	10.07	8.80
Dynamic Debt Funds							
UTI Dynamic Bond Fund	1,487	2.79	1.05	14.18	10.61	11.00	10.58
SBI Dynamic Bond Fund	3,090	2.60	1.20	13.54	10.28	10.81	9.29
Monthly Income Plans							
SBI Magnum Monthly Income Plan	967	3.46	3.49	13.73	10.77	12.50	11.52
ICICI Prudential MIP 25 - Growth	1,282	4.65	5.78	15.35	10.40	12.78	12.50
Birla Sun Life MIP II - Wealth 25 Plan	1,689	4.86	5.99	19.28	11.90	15.10	14.51
Benchmark Indices							
CRISIL Gilt Index		2.67	-0.42	11.06	9.70	11.00	9.58
Crisil Composite Bond Fund Index		2.69	0.88	10.95	9.91	10.67	9.42
Crisil MIP Blended Fund Index		3.53	3.18	12.07	9.58	10.70	10.29

Indicates best performance for given period among peers

Mutual Funds Performance

Focus Funds – Debt (2)



Scheme Name - Regular Plan - Growth	Month-end Avg. AuM (Rs Cr) - Apr-17	Absolute Returns %			Annualized Returns %		
		3m	6m	1yr	2yr	3yr	5yr
Credit Opportunities Funds							
UTI Income Opportunities Fund	2,579	1.86	3.15	9.85	9.22	9.64	NA
SBI Corporate Bond Fund	3,272	1.96	2.95	9.64	9.51	9.99	9.92
ICICI Prudential Corporate Bond Fund	5,983	2.10	2.57	9.76	8.87	9.56	9.25
HDFC Corporate Debt Opportunities Fund	11,092	2.06	2.59	10.24	9.76	10.22	NA
Debt Short Term Funds							
UTI Short Term Income Fund	9,440	1.86	2.37	9.61	8.88	9.13	9.58
SBI Short Term Debt Fund	7,969	1.72	2.42	8.77	8.54	8.84	8.99
SBI Regular Savings Fund*	452	2.61	4.04	13.05	10.06	11.08	10.75
HDFC High Interest Fund - Short Term Plan	4,265	1.84	2.29	9.16	8.47	8.92	8.60
IDFC Super Saver Income Fund - Medium Term	7,307	1.61	1.96	9.39	NA	NA	NA
IDFC Corporate Bond Fund	1,959	1.94	1.76	10.03	8.95	9.20	9.13
DHFL Pramerica Short Maturity Fund	1,502	2.04	3.14	9.48	8.84	9.24	9.25
Birla Sun Life Treasury Optimizer Plan	7,253	2.31	1.02	9.96	9.51	10.04	10.09
Birla Sun Life Short Term Fund	16,191	1.91	2.47	9.20	9.05	9.40	9.53
Banking & PSU Debt Funds							
UTI-Banking & PSU Debt Fund	1,213	1.81	2.67	10.15	9.69	9.33	NA
DSP BlackRock Banking & PSU Debt Fund	1,582	1.73	1.55	9.12	8.78	9.10	NA
DHFL Pramerica Banking & PSU Debt Fund	1,563	1.84	1.90	8.18	8.25	8.94	NA
Benchmark Indices							
Crisil Short Term Bond Fund Index		1.92	2.59	8.82	8.69	9.07	9.08
Crisil MIP Blended Fund Index		3.53	3.18	12.07	9.58	10.70	10.29
Crisil Liquid Fund Index		1.66	3.23	6.96	7.43	7.89	8.28
CRISIL AA Short Term Bond Index		1.99	3.85	9.85	9.54	9.74	10.05

* fund has been repositioned from Mar 2016

Indicates best performance for given period among peers

Mutual Fund

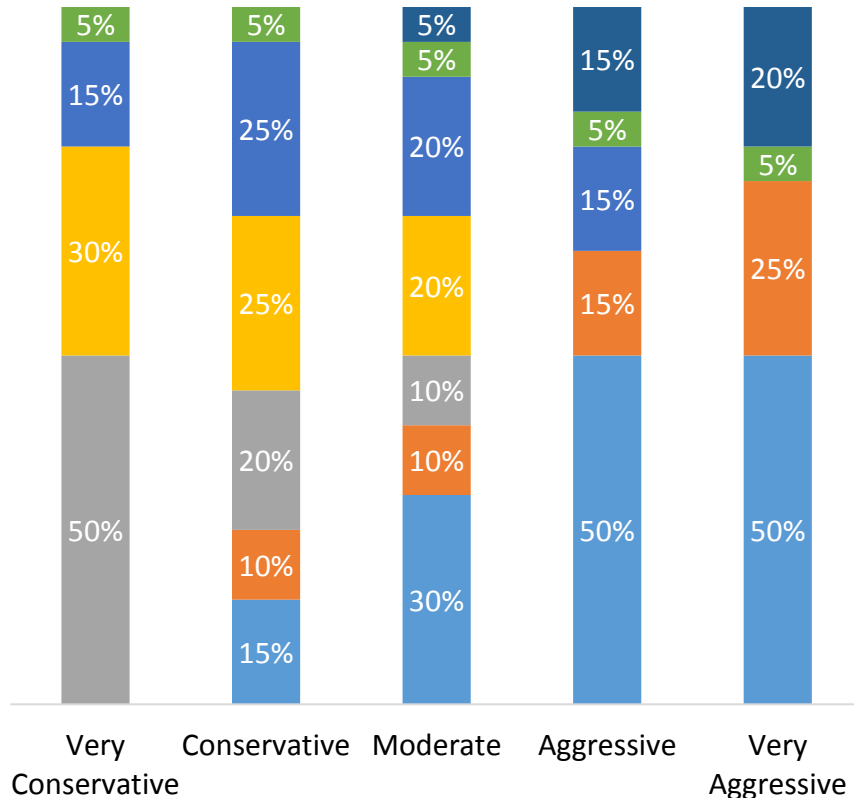
Investment Options – Focus List

EQUITY	
Equity - Large Cap	Equity - Mid & Small Cap
SBI Bluechip Fund	SBI Magnum Midcap Fund
Kotak Select Focus Fund	L&T Mid Cap Fund
Franklin India Bluechip Fund	Franklin India Prima Fund
DSP Blackrock Focus 25 Fund	Franklin India Smaller Companies Fund
Birla Sun Life Frontline Equity Fund	Birla Sun Life Small & Midcap Fund
FIXED INCOME	
Fixed Income - Short Term	
Credit Opportunities	Debt - Short Term
UTI Income Opportunities Fund	UTI Short Term Income Fund
SBI Corporate Bond Fund	SBI Short Term Debt Fund
ICICI Prudential Corporate Bond Fund	SBI Regular Savings Fund
HDFC Corporate Debt Opportunities Fund	IDFC Super Saver Income Fund - Medium Term Plan
	IDFC Corporate Bond Fund
Banking & PSU Debt	HDFC High Interest Fund - Short Term Plan
UTI Banking & PSU Debt Fund	DHFL Pramerica Short Maturity Fund
DSP BlackRock Banking & PSU Debt Fund	Birla Sun Life Treasury Optimiser Fund
DHFL Pramerica Banking & PSU Debt Fund	Birla Sun Life Short Term Fund
Fixed Income - Long Term	
SBI Magnum Gilt Fund - Long Term Plan	IDFC Super Saver Income Fund - Investment Plan
SBI Dynamic Bond Fund	Birla Sun Life Income Plus
Reliance Gilt Securities Fund	UTI Dynamic Bond
UTI Bond Fund	
GOLD	Cash & Equivalent
Sovereign Gold Bond	Ultra Short Term Debt Funds
Gold ETF	Liquid Funds
	Arbitrage Funds

The above options are excluding hybrid funds (diversified equity, Balanced, MIP, Equity Savings Funds)

Strategic Asset Allocation

Client Risk Profile & Asset Classes



Benchmark Returns

Sub Asset Class (Benchmark Index)	Index	Trailing Period Returns			
		Absolute		Annualised	
		6M	1 Year	3 Year	5 Year
Fixed Income - LT	CRISIL Composite Bond Fund Index	0.9%	10.9%	10.7%	9.4%
Fixed Income - ST	CRISIL Short Term Bond Fund Index	2.6%	8.8%	9.1%	9.1%
Cash & Equivalent	CRISIL Liquid Fund Index	3.2%	7.0%	7.9%	8.3%
Equity - Large Cap	Nifty 50	17.0%	17.9%	10.0%	14.3%
Equity - Mid & Small Cap	Nifty Mid cap 100	17.5%	31.7%	19.9%	20.5%
Gold	MCX INR Gold Spot Price	0.0%	0.8%	2.4%	-0.2%
Alternates*	BSE 500	17.9%	22.7%	12.7%	16.0%

* Due to non-availability of appropriate benchmark, BSE 500 is used for computation purpose

Note: We have used BSE 500 as the benchmark for Alternates as it is the most appropriate benchmark reflecting returns of listed equities across market caps

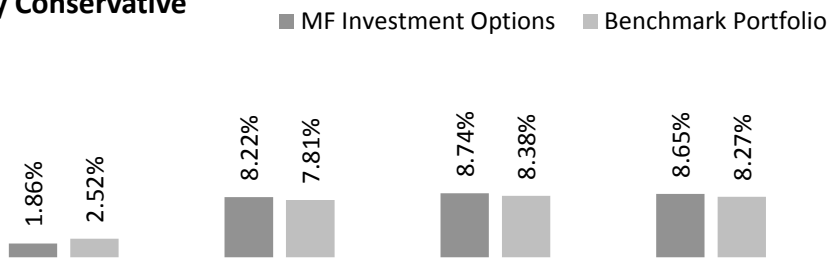
■ Equity - Large Cap ■ Equity - Mid & Small Cap ■ Cash & Equivalent ■ Fixed Income - ST ■ Fixed Income - LT ■ Gold ■ Alternate Investment

Back Tested Performance

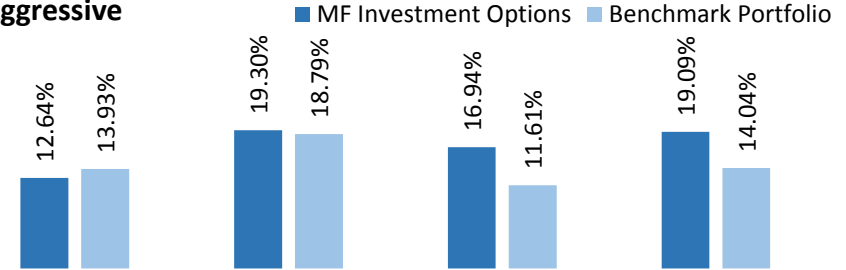
Benchmark & MF Investment Options as on 31st May 2017



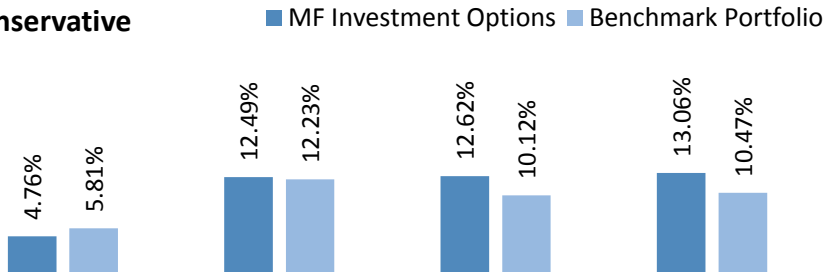
Very Conservative



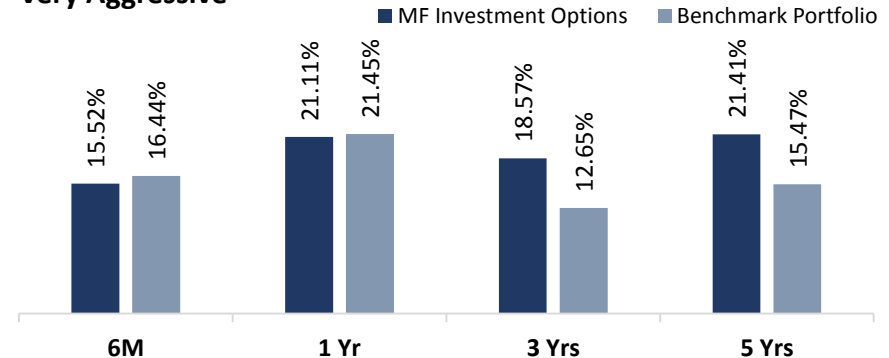
Aggressive



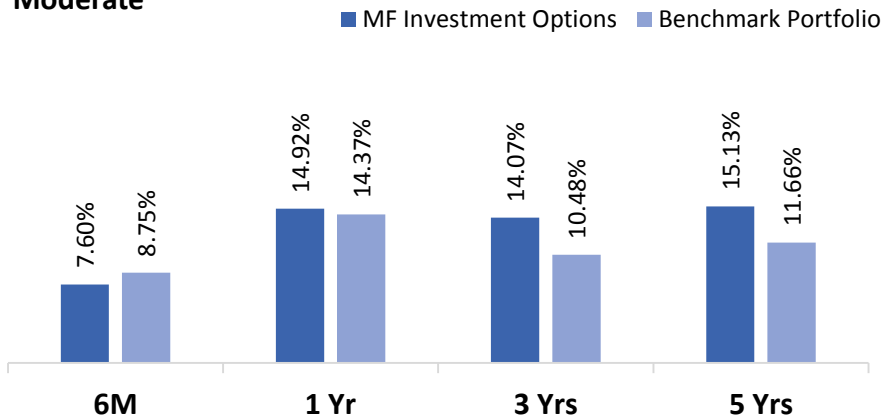
Conservative



Very Aggressive



Moderate



Returns for below 1 year are absolute, others are annualized returns

For Benchmark Portfolio

- Computation done based on respective asset class benchmark

For MF Investment Options Portfolio

- Regular plan – Growth option of all funds have been considered
- Equal allocation have been taken for respective focus / approved funds in each categories as on 31st May 2017
- For Gold – MCX INR Gold Spot Price and for Alternates asset class returns, the BSE 500 benchmark returns have been taken

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