

Multi Asset Allocation Fund



SB SHARE
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AMFI Registration Number: ARN-245683

DIFFERENT TYPES OF INVESTMENT



FIXED DEPOSITS



BONDS



GOLD



STOCKS



MUTUAL FUNDS



PUBLIC PROVIDENT FUND



EXCHANGE TRADED FUNDS



NATIONAL PENSION



REAL ESTATE

Mccapitalventures



Introduction

What are Multi Asset Allocation Funds?

- These are mutual funds that invest across equity, debt, and gold or other assets to provide balanced risk and return.
- Suitable for investors who want moderate risk exposure with potential for growth and downside protection.
- SEBI mandates at least 3 asset classes in these funds.
- These funds aim to reduce overall portfolio volatility by investing in a mix of asset classes, typically including Indian equities, fixed income instruments, and gold, sometimes even incorporating international equities or real estate

Performance Drivers and Investment Strategies

The performance of multi-asset allocation funds is primarily driven by their strategic and tactical allocation decisions across asset classes. Fund managers employ a variety of strategies to achieve their objectives. Strategic asset allocation involves setting long-term target allocations based on the fund's investment objective and risk profile. This often includes a core allocation to equities for growth, debt for stability, and gold for inflation hedging and safe-haven properties.

Key performance drivers include the fund manager's expertise in timing these allocation shifts, their ability to select high-quality securities within each asset class, and the overall macroeconomic environment influencing the performance of equities, debt, and gold. The inclusion of commodities like gold often provides a hedge against inflation and currency depreciation, further contributing to portfolio stability during turbulent times.



Overview of the Multi-Asset Allocation Category in India



- The multi-asset allocation fund category in India is regulated by the Securities and Exchange Board of India (SEBI). These funds are mandated to invest a minimum of 10% in at least three different asset classes, thereby ensuring true diversification. This regulatory requirement distinguishes them from hybrid funds that may have a narrower focus
- The Indian market offers a diverse range of multi-asset funds, each with its unique approach to asset allocation and risk management. Some funds may have a more aggressive tilt towards equities, while others may prioritize capital preservation through higher debt exposure. The rise of digital platforms has made these funds more accessible to retail investors, contributing to their growing popularity. The appeal lies in their 'all-weather' investment approach, aiming to provide returns irrespective of individual asset class performance, making them suitable for investors seeking a balanced and professionally managed portfolio solution.


Methodology: Data Collection and Analysis



To provide a strong analysis, data for this report was primarily collected from reputable financial data providers, including Morningstar, Value Research, and the Association of Mutual Funds in India (AMFI). Performance data, including Net Asset Value (NAV), returns (annualized and point-to-point), and expense ratios, were gathered over various time horizons: 1-year, 3-year, and 5-year periods, where available. For volatility analysis, standard deviation and Beta values were utilized to assess risk relative to the broader market and within the category.

Qualitative data was sourced from fund fact sheets, scheme information documents (SIDs), and annual reports to understand each fund's investment objective, asset allocation strategy, and the experience of the fund management team. Data was then organized and analyzed using statistical tools to identify trends, outliers, and correlations between various performance metrics and risk measures. The selection of the top 10 funds was based on a combination of consistent long-term performance, lower volatility, and a proven track record of managing diverse asset classes effectively.

Top 10 Asset Management Companies offering Multi Asset Allocation Funds in India

Rank	AMC Name	Fund Name
1	ICICI AMC	ICICI Prudential Multi-Asset Fund
2	HDFC AMC	HDFC Multi-Asset Fund
3	Nippon India AMC	Nippon India Multi-Asset Fund
4	 Kotak AMC	Kotak Multi Asset Allocation Fund
5	Aditya Birla Sun Life AMC	Aditya Birla Sun Life Multi-Asset Fund
6	SBI Mutual Fund	SBI Multi-Asset Allocation Fund
7	Axis AMC	Axis Multi-Asset Fund
8	Franklin Templeton AMC	Franklin India Multi-Asset Fund

Top 5 Funds in India:

1. ICICI Prudential Multi-Asset Fund: This fund is better out for its consistent performance and robust asset allocation strategy. It typically maintains a flexible allocation across equities, debt, gold, and sometimes REITs/InvITs.

Fund Manager: Sankaran Naren & Atul Patel

2. HDFC Multi-Asset Fund: Known for its disciplined investment approach, HDFC Multi-Asset Fund focuses on a blend of value and growth strategies within its equity portfolio. It strategically allocates to debt for stability and gold for diversification.

Fund Manager: Gopal Agrawal

3. SBI Multi-Asset Allocation Fund: As one of the largest players, SBI's multi-asset fund benefits from extensive research capabilities. It typically maintains a diversified equity portfolio complemented by high-quality debt instruments and gold

Fund Manager: Dinesh Ahuja (Debt), Mohit Jain (Equity)



4. Axis Multi-Asset Allocation Fund: Axis Multi-Asset Allocation Fund emphasizes a quality and growth-oriented approach within its equity holdings. It integrates debt for capital preservation and gold for hedging purposes.

Fund manger: Ashish Naik

5. Nippon India Multi-Asset Fund: This fund adopts a dynamic asset allocation model, often taking contrarian bets when valuations favor a particular asset class. It invests across equities, debt, and commodities, with a keen eye on global and domestic macroeconomic indicators.

- **Fund Manager:** Kinjal Desai



Performance & Key Ratios :

Rank	Fund Name	Sharpe Ratio	Std. Deviation	Alpha	Beta	Expense Ratio(~)	3Y CAGR Return
1	ICICI Prudential Multi-Asset Fund	1.20	9.6%	+2.3%	0.76	1.05%	17.2%
2	HDFC Multi-Asset Fund	1.05	8.9%	+1.7%	0.74	1.10%	14.8%
3	Nippon India Multi-Asset Fund	1.15	10.3%	+2.0%	0.80	1.15%	16.3%

Rank	Fund Name	Sharpe Ratio	Std. Deviation	Alpha	Beta	Expense Ratio(~)	3Y CAGR Return
4	Axis Multi Asset Fund	1.10	9.8%	+1.9%	0.77	1.20%	15.4%
5	SBI Multi Asset Allocation Fund	1.03	8.7%	+1.6%	0.30	1.10%	14.2%

Interpretation Guide:

Sharpe Ratio:- Higher = better risk-adjusted performance

Standard Deviation:- Measures volatility; lower = more stable

Alpha:- Positive alpha = outperformance over benchmark

Beta:- <1 = less risky than market

Expense Ratio:- Annual cost of fund; lower is better

3Y CAGR:- Historical average return per year



Manager Insights & Investing :

Fund Name & AMC: ICICI Prudential Multi-Asset Fund

Fund Manager(s): Sankaran Naren (CIO, 30 yrs) & Atul Patel

Background & Strategy:

1. Naren is called a contrarian investor .

- He buys when others are scared (when prices are low)
- He sells when others are greedy (when prices are high)

2. Atul Patel (Co-manager)

- He works with Naren to change (or “dynamically allocate”) money across asset types based on market conditions.

Investable: Yes – Strong risk-adjusted returns (~17% 3Y CAGR), aligned interests, tactical flexibility



Fund Name & AMC: HDFC Multi Asset Fund

Fund Manager(s): Gopal Agrawal

Background & Strategy:

1. gopal agrawal is called veteran investors mean lot of experience.

- Value-focused = likes to buy good companies at cheap prices

Investable: Conservative and stable, good for moderate investors seeking balanced growth.



Fund Name & AMC: Nippon India Multi Asset Fund

Fund Manager(s): Kinjal Desai

Background & Strategy:

The fund manager is well-educated in finance, handles many funds, and prefers investing more in shares (equity) to try to grow the money faster — even if there's a bit more risk.

Investable: Yes, if you have higher risk tolerance — strong returns (~16% 3Y CAGR), more equity/commodity exposure.



Fund Name & AMC: Axis Multi Asset Fund

Fund Manager(s): Ashish Naik

Background & Strategy:

The fund manager is highly qualified and experienced, and picks strong companies of all sizes after deep research — focusing on long-term quality and growth.

Investable: Yes – Quality-driven, growth-biased hybrid, suitable for long-term growth with diversification.



Fund Name & AMC: SBI Multi Asset Allocation Fund

Fund Manager(s): Dinesh Ahuja (Debt), Mohit Jain (Equity)

Background & Strategy:

The SBI fund is managed by two experienced experts who keep changing the mix of investments (stocks, bonds, gold) to protect your money and grow it at the right time.

Investable: Yes – Good volatility-control, well-balanced, backed by India's top AMC with solid 14%+ 3Y CAGR.



RECOMMENDATION:

- All 5 funds show good Sharpe ratios (>1), which means solid risk-adjusted returns.
- ICICI, Axis, and Nippon are best for those willing to take moderate to high risk.
- SBI, HDFC, and Kotak are better suited for conservative or balanced investors.
- All are investable, but choose based on your risk profile and goals.



CONCLUSION:

- Multi Asset Allocation funds invest money in different places like shares (equity), bonds (debt), and gold. This mix helps reduce risk and gives stable returns. In our study of top funds like ICICI, HDFC, SBI, Axis, and Nippon, we saw that each fund has its own style. Some focus on buying when prices are low, some invest in safe large companies, and others keep changing the mix based on the market.
- The fund managers are experienced and smart, and they know when to change the investment to protect and grow money. We also looked at important numbers like the Sharpe Ratio and Alpha, which show that these funds have given good returns with less risk.
- Overall, these funds are a good choice for investors who want steady growth and less tension, especially for long-term goals.



THANK YOU



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