FUTURE GENERALI
TOTAL INSURANCE SOLUTIONS

# Market Outlook

for

## June 2025

FUTURE GENERALI
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Markets climb wall of worry

Against the adage of Sell in May and Go Away, the month of May turned out to be quite positive for equity markets globally. Equity Markets climbed the wall of worry related to tariff war & Geopolitical uncertainty and delivered handsome returns. The rally was led by developed Markets like US (Nasdaq up 9.6%, S&P 500 Index up 6.2%), Germany (6.7%), Japan (5.3%) while Emerging Markets also delivered decent returns. Domestically, Smallcap (8.7%) and Midcap (6.1%) space outperformed Nifty 50 Index (1.7%) as the risk appetite for the markets recovered in the second half of the month post the announcement of the ceasefire.

As highlighted in the previous newsletters, we continue to believe that India is seeing inflection at three major levels.

a) Government's spending- CAPEX spend for FY25 was back-ended with Q4FY25 witnessing a 33% YoY growth, helping surpass the full year target. The pace of expenditure also continued unabated in April 2025 with CAPEX spend of 1.59 lakh crore, up 61% YoY.
b) Monetary Policy- There has been a discernible shift in the monetary policy stance with RBI cutting interest rates by 50 bps and infusing significant liquidity (in excess of 8.5 lakh crore) through various instruments like Open Market operations (OMO), FOREX Swaps, VRRR etc. There is expectation of further reduction in interest rates by atleast 50 bps over next 6 months.
c) Regulatory landscape- There has been significant relaxation on the regulatory side with reduction in risk weights towards lending to NBFCs, removal of the embargos on several companies, deferment of the several regulations like LCR, provisions increase in project finance etc.

All these steps are beginning to get reflected in the growth indicators. GDP growth has revived from a low of 5.6% in Q2FY25 to 7.4% Q4FY25. Other high frequency indicators are also suggesting pickup in economic activity with GST collection growing 16.4% YoY for May 2025, continued strength in PMIs and other demand indicators. The early onset of the monsoon along with projections of normal monsoon enthuses confidence on domestic growth inflation dynamics. While domestic economy continues to remain resilient, we are cautious on the global growth outlook. The flip flop on the tariffs along with new legal challenges questioning the Trump administration's authority under the International Economic Emergency Powers Act to impose such tariffs will keep the uncertainty high. This will keep the decision making of the global corporates slow and will impact the global growth unless there is certainty on extent and duration of tariffs.

## Equity Market Outlook

Given our positive stance on the domestic growth outlook, we remain constructive on Equity Markets. We believe that India is a beacon of stability in this fragile global economic landscape owing to resilience of the domestic economy. We firmly believe that the domestic equity markets will be supported by revival in earnings growth, easing monetary policy, strong domestic liquidity and revival in FII flows. We are beginning to see green shoots in the earnings with Q4FY25 with number of companies witnessing downgrades to FY26/FY27 earnings estimates declining significantly. We expect FY26 and FY27 to see significantly better earnings growth led by three factors- Topline growth due to revival in consumption on back of tax cuts, pick up in margins due to soft commodity prices and bottoming out of margin profile of banks as the interest rate transmission on liability side picks up. In the context of revival in earnings growth and best in a decade balance sheet of corporate India, we find valuations at ~21x 1-year forward PE reasonable. Additionally, the composition of Nifty 50 has changed significantly over the last 5 years with low valuations old economy stocks being replaced by highly valued consumer stocks making the comparison with historical averages flawed. While Midcap & Small cap optically appears to be expensive at 25x and 24x FY26 EPS, this has to be seen in the context of significantly reduced balance sheet risk and higher growth that these companies will deliver. The consensus earnings growth expectation for Nifty Midcap 100 Index and Nifty Small Cap index stands at 18% and 22% CAGR, respectively over next two years. While volatility is an inherent feature of the markets, we believe that Indian markets still offer significant bottom-up opportunity to add quality businesses to our portfolio.

**Fixed Income Outlook:**

India bond yields remained supported in the month of May despite unfavourable global cues. The US yields have inched up due to tariff related uncertainties, fiscal worries and firmer-than-expected economic activity data deferring interest rate cut expectations by the Fed. The UST 10Y yield has risen ~24 bps mom, closing the month of May at 4.40% (reaching highs of 4.63% during the month). Domestically, bond markets have rallied, barring the Indo-Pak border escalation episode.

The position on the fiscal and inflation front appears comfortable. We have seen an early onset of the monsoon which along with expectations of above average monsoon at 105% of LPA (±4% of LPA is considered normal monsoon) bodes well for the Inflation trajectory. On the fiscal front, government has got the cushion to the tune of 0.25% of the GDP by way of rise in excise duty on fuel (0.1% of GDP) and RBI Dividend of Rs 2.69 lakh Crore which exceeded the budget estimates by 0.15%of GDP. Favourable CPI inflation trends, along with positive fiscal math supported the bond markets, though higher than expected GDP growth print at the end of the last week weighed on the bond market sentiments.

We have seen RBI cutting rates by 50 bps in last 2 MPC meetings with call for the stance to shift from neutral to accommodative. We expect yields to remain steady with downward bias taking into consideration scope for rate cut of another 50-75 bps and continued easy liquidity. However, higher-than-expected GDP growth and continued geopolitical and global trade policy uncertainties will pose upside risks to yields.

FUTURE GENERALI
TOTAL INSURANCE SOLUTIONS

# GROUP INCOME FUND

SFIN No. ULGF005010118GRPINCFUND133

Classification | Internal

## ABOUT THE FUND

### OBJECTIVE

This fund aims to provide stable returns by investing inassets with relatively low to moderate level of risk. Thefund will invest in fixed income securities such as Govt.Securities, Corporate Bonds & any other fixed incomeinvestments along with Money Market Instruments for liquidity.

### Fund Manager Details

| Fund Manager | No. Of Funds Managed | | |
|---|---|---|---|
| | Equity | Debt | Hybrid |
| Vedant Heda | - | 4 | 7 |
| Shobit Gupta | - | 4 | 7 |

### ASSET ALLOCATION

| Composition | Min. | Max. | Actual |
|---|---|---|---|
| Cash and Money Market | 0.00% | 40.00% | 2.74% |
| Fixed Income Instruments | 60.00% | 100.00% | 97.26% |
| Equities | 0.00% | 0.00% | 0.00% |

### RISK RETURN PROFILE

| | |
|---|---|
| Risk | Low To Moderate |
| Return | High |

### DATE OF INCEPTION

31st March 2019

### FUND PERFORMANCE as on 30-May-2025

Returns since Publication of NAV

| | |
|---|---|
| Absolute Return | 71.39% |
| CAGR Return | 9.12% |

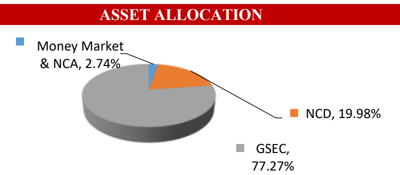
### NAV & AUM as on 30-May-2025

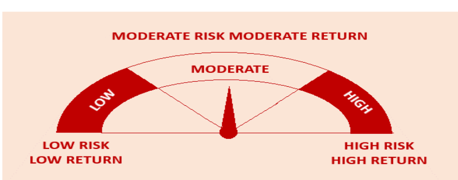
| NAV | AUM (In Lakhs) |
|---|---|
| 17.1389 | 474.16 |

### Modified Duration (In Years)

5.76

### ASSET ALLOCATION



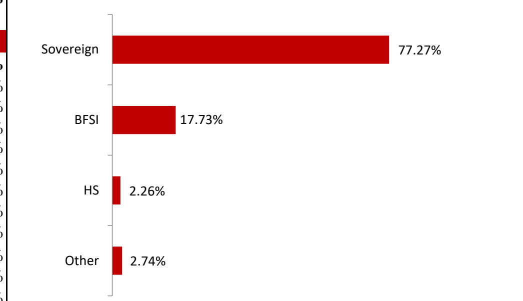

## PORTFOLIO AS ON 30-May-2025

| SECURITIES | HOLDINGS |
|---|---|
| **MONEY MARKET INSTRUMENTS & NCA** | **2.74%** |

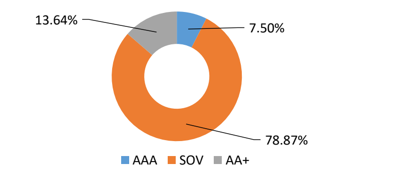
| SECURITIES | HOLDINGS |
|---|---|
| **GOVERNMENT SECURITIES** | **77.27%** |
| 6.75% Gsec 23/12/2029 | 19.65% |
| 6.90% Gsec 15/04/2065 | 12.74% |
| 0% CS 19/12/2029 | 9.23% |
| 7.10% Gsec 18/04/2029 | 8.80% |
| 7.10% GOI Sovereign Green Bond 27/01/2028 | 8.45% |
| 7.51% UP SDL 27/03/2038 | 4.51% |
| 7.34% Gsec 22/04/2064 | 4.49% |
| 0% CS 22/02/2030 | 4.01% |
| 6.79% Gsec 07/10/2034 | 2.18% |
| 7.26% Gsec 22/08/2032 | 1.51% |
| Others | 1.70% |

| SECURITIES | HOLDINGS |
|---|---|
| **CORPORATE DEBT** | **19.98%** |
| 8.90% BHARTI TELECOM Ltd 05/11/2031 | 6.72% |
| 8.40% Cholamandalam Investment And Fin Co Ltd 09/08/2028 | 6.65% |
| 7.6065% HDB Fin. 06/05/2030 | 4.37% |
| 7.89% Bajaj Housing Finance Ltd 14/07/2034 | 2.26% |

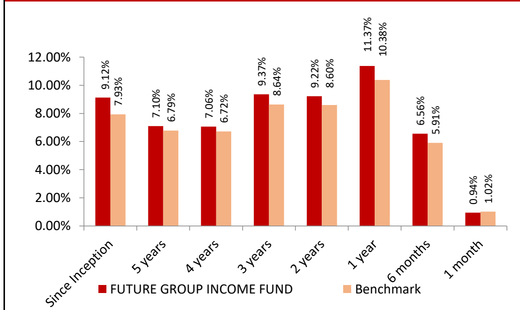
## SECTORAL ALLOCATION




## Debt Rating Profile

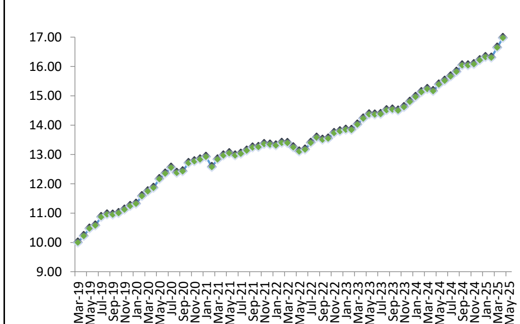



## BENCHMARK COMPARISON (CAGR RETURN)




Benchmark :Nifty Composite Debt Index 100%

## FUND - NAV



FUTURE GENERALI
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# FUTURE GROUP SECURE FUND

SFIN No. ULGF007010118GRPSECFUND133



## ABOUT THE FUND

### OBJECTIVE

This fund aims to provide progressive returns comparedto fixed income instruments by taking a low exposure to highrisk assets like equity. Fund aims to provide stable returndue to high exposure to Fixed Income instruments whilegenerating additional return through small exposure to equity.

### Fund Manager Details

| Fund Manager | No. Of Funds Managed | | |
|---|---|---|---|
| | Equity | Debt | Hybrid |
| Srijan Sinha | 6 | - | 7 |
| Vedant Heda | - | 4 | 7 |
| Shobit Gupta | - | 4 | 7 |

### ASSET ALLOCATION

| Composition | Min. | Max. | Actual |
|---|---|---|---|
| Cash and Money Market | 0.00% | 40.00% | 2.46% |
| Fixed Income Instruments | 60.00% | 100.00% | 78.99% |
| Equities | 0.00% | 20.00% | 18.56% |

### RISK RETURN PROFILE

| | |
|---|---|
| Risk | Low To Moderate |
| Return | High |

### DATE OF INCEPTION

19th December 2018

### FUND PERFORMANCE as on 30-May-2025

Returns since Publication of NAV

| | |
|---|---|
| Absolute Return | 105.84% |
| CAGR Return | 11.84% |

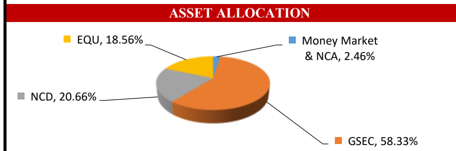
### NAV & AUM as on 30-May-2025

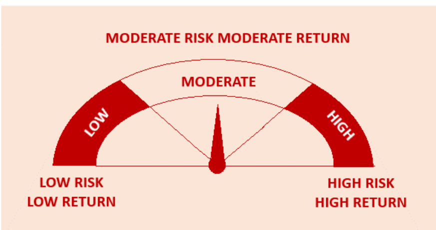
| NAV | AUM (In Lakhs) |
|---|---|
| 20.5841 | 8,377.81 |

### Modified Duration (In Years)

6.31

### ASSET ALLOCATION




## PORTFOLIO AS ON 30-May-2025

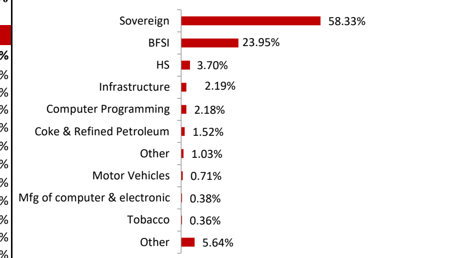
| SECURITIES | HOLDINGS |
|---|---|
| **MONEY MARKET INSTRUMENTS & NCA** | **2.46%** |

| SECURITIES | HOLDINGS |
|---|---|
| **GOVERNMENT SECURITIES** | **58.33%** |
| 7.25% Gsec 12/06/2063 | 10.82% |
| 0% CS 19/12/2029 | 8.16% |
| 0% CS 19/12/2030 | 4.63% |
| 0% CS 15/062030 | 4.54% |
| 7.18% Gsec 14/08/2033 | 4.48% |
| 7.10% GOI Sovereign Green Bond 27/01/2028 | 4.15% |
| 0% CS 19/12/2033 | 3.28% |
| 7.34% Gsec 22/04/2064 | 2.92% |
| 7.41% UP SDL 14/06/2034 | 2.88% |
| 0% CS 17/06/2033 | 2.31% |
| Others | 10.15% |

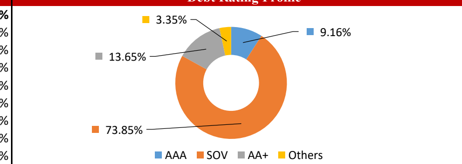
| SECURITIES | HOLDINGS |
|---|---|
| **CORPORATE DEBT** | **20.66%** |
| 9.09% Muthoot Finance Ltd 01/06/2029 | 6.39% |
| 9.00% Shriram Transport Finance Company Ltd 28/03/2028 | 3.76% |
| 7.89% Bajaj Housing Finance Ltd 14/07/2034 | 3.70% |
| 9.30% AU Small Finance Bank ltd 13/08/2032 | 2.64% |
| 8.25% SBI CARDS AND PAYMENT SERVICES Ltd 08/08/2034-Subdebt | 1.31% |
| 8.85% HDB Fin. Services Ltd 07/06/2029 Sub debt | 1.15% |
| 8.94% Power Finance Corporation Ltd 25/03/2028 | 0.63% |
| 8.40% Cholamandalam Investment And Fin Co Ltd 09/08/2028 | 0.63% |
| 10.63% IOT Utkal Energy Services Ltd 2028 20/07/2028 | 0.44% |

| SECURITIES | HOLDINGS |
|---|---|
| **EQUITY** | **18.56%** |
| HDFC Bank Ltd | 1.66% |
| ICICI Bank Ltd | 1.25% |
| Axis Bank Ltd | 1.08% |
| Reliance Industries Ltd | 1.01% |
| State Bank of India | 0.98% |
| Infosys Technologies Ltd | 0.96% |
| Tata Consultancy Services Ltd | 0.62% |
| Kotak Mahindra Bank Ltd | 0.56% |
| Kotak Nifty PSU Bank ETF | 0.53% |
| IndusInd Bank Ltd | 0.50% |
| Nippon India ETF Nifty PSU Bank BeES | 0.49% |
| Rural Electrification Corporation Ltd | 0.39% |
| ITC Ltd | 0.36% |
| Power Finance Corporation Ltd | 0.33% |
| Genus Power Infrastrucure Ltd | 0.31% |
| Tata Motors Ltd | 0.27% |
| Swiggy Ltd | 0.26% |
| Mahindra & Mahindra Ltd | 0.26% |
| HCL Technologies Ltd | 0.24% |
| Fusion Finance Ltd | 0.23% |
| Anant Raj Ltd | 0.23% |
| Bharti Airtel Ltd (Partly Paid) | 0.23% |
| Hindustan Unilever Ltd | 0.22% |
| Aurobindo Pharma Ltd | 0.22% |
| NTPC Ltd | 0.21% |
| Others | 5.13% |

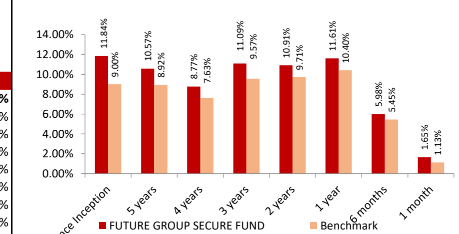
## SECTORAL ALLOCATION




## Debt Rating Profile

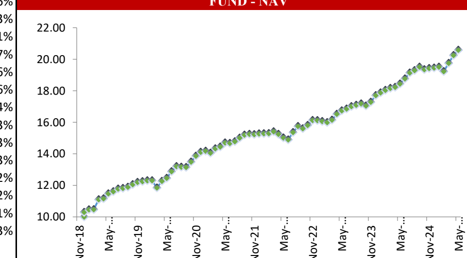



## BENCHMARK COMPARISON (CAGR RETURN)




Benchmark :Nifty Composite Debt Index 85%+Nifty 15%

## FUND - NAV



FUTURE GENERALI
TOTAL INSURANCE SOLUTIONS

# FUTURE GROUP GROWTH FUND

SFIN No. ULGF009010118GRPGTHFUND133

Classification | Internal

## ABOUT THE FUND

**OBJECTIVE**

This fund aims to provide potentially high returns by investing a significant portion in equities to target growth in capital value of assets. The fund will also invest to a certain extent in govt. securities, corporate bonds and money market instruments to generate stable return.

**Fund Manager Details**

| Fund Manager | No. Of Funds Managed | | |
|---|---|---|---|
| | Equity | Debt | Hybrid |
| Srijan Sinha | 6 | - | 7 |
| Vedant Heda | - | 4 | 7 |
| Shobit Gupta | - | 4 | 7 |

**ASSET ALLOCATION**

| Composition | Min. | Max. | Actual |
|---|---|---|---|
| Cash and Money Market | 0.00% | 40.00% | 2.54% |
| Fixed Income Instruments | 30.00% | 70.00% | 42.86% |
| Equities | 30.00% | 60.00% | 54.60% |

**RISK RETURN PROFILE**

| | |
|---|---|
| Risk | Low To Moderate |
| Return | High |

**DATE OF INCEPTION**

10th December 2020

**FUND PERFORMANCE as on 30-May-2025**

Returns since Publication of NAV

| | |
|---|---|
| Absolute Return | 78.42% |
| CAGR Return | 13.83% |

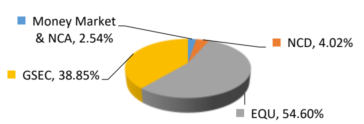
**NAV & AUM as on 30-May-2025**

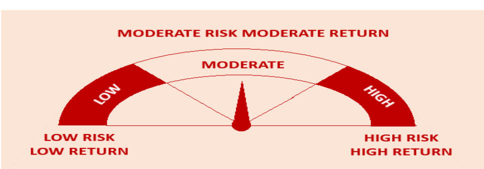
| NAV | AUM (In Lakhs) |
|---|---|
| 17.8424 | 2,623.81 |

**Modified Duration (In Years)**

6.46

**ASSET ALLOCATION**




## PORTFOLIO AS ON 30-May-2025

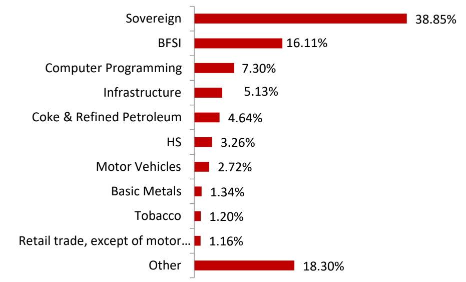
| SECURITIES | HOLDINGS |
|---|---|
| **MONEY MARKET INSTRUMENTS & NCA** | **2.54%** |

| SECURITIES | HOLDINGS |
|---|---|
| **GOVERNMENT SECURITIES** | **38.85%** |
| 6.75% Gsec 23/12/2029 | 16.39% |
| 7.25% Gsec 12/06/2063 | 4.62% |
| 7.38% UP SDL 13/03/2036 | 3.92% |
| 6.79% Gsec 07/10/2034 | 2.76% |
| 6.90% Gsec 15/04/2065 | 2.69% |
| 7.18% Gsec 14/08/2033 | 1.81% |
| 0% CS 15/062030 | 1.22% |
| 0% CS 17/06/2033 | 1.15% |
| 0% CS 22/02/2030 | 1.13% |
| 0% CS 19/12/2030 | 0.83% |
| Others | 2.32% |

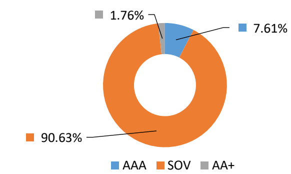
| SECURITIES | HOLDINGS |
|---|---|
| **CORPORATE DEBT** | **4.02%** |
| 7.89% Bajaj Housing Finance Ltd 14/07/2034 | 3.26% |
| 8.40% Cholamandalam Investment And Fin Co Ltd 09/08/2028 | 0.76% |

| SECURITIES | HOLDINGS |
|---|---|
| **EQUITY** | **54.60%** |
| DSP Mutual Fund - DSP Nifty PSU Bank ETF | 3.67% |
| HDFC Bank Ltd | 3.37% |
| Reliance Industries Ltd | 3.08% |
| Infosys Technologies Ltd | 2.97% |
| ICICI Bank Ltd | 2.32% |
| Axis Bank Ltd | 2.16% |
| Tata Consultancy Services Ltd | 1.70% |
| State Bank of India | 1.29% |
| SBI-ETF Nifty Bank | 1.28% |
| Tata Motors Ltd | 1.26% |
| IndusInd Bank Ltd | 1.20% |
| ITC Ltd | 1.20% |
| Wipro Ltd | 1.19% |
| Power Finance Corporation Ltd | 1.09% |
| Rural Electrification Corporation Ltd | 1.09% |
| Nippon India ETF Nifty PSU Bank BeES | 0.94% |
| Equitas Small Finance Bank Ltd | 0.92% |
| Swiggy Ltd | 0.91% |
| Mahindra & Mahindra Ltd | 0.84% |
| Canara Bank | 0.84% |
| Anant Raj Ltd | 0.79% |
| HCL Technologies Ltd | 0.78% |
| Genus Power Infrastrucure Ltd | 0.77% |
| Bharti Airtel Ltd (Partly Paid) | 0.75% |
| Aurobindo Pharma Ltd | 0.72% |
| Others | 17.47% |

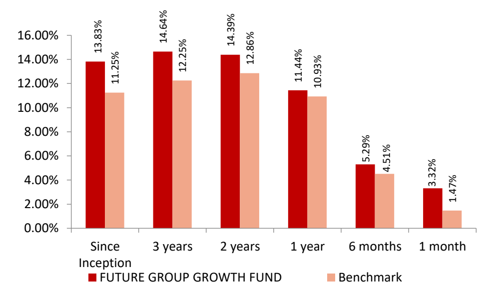
## SECTORAL ALLOCATION




## Debt Rating Profile

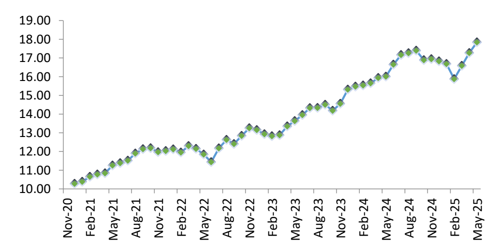



## BENCHMARK COMPARISON (CAGR RETURN)




Benchmark :Nifty Composite Debt Index 50%+Nifty 50%

## FUND - NAV



FUTURE GENERALI
TOTAL INSURANCE SOLUTIONS

# GROUP BALANCED FUND

SFIN No. ULGF008010118GRPBALFUND133

Classification | Internal

## ABOUT THE FUND

### OBJECTIVE

This fund aims to provide capital growth by availing opportunities in debt and equity markets while maintaining a good balance between risk and return. The fund will also invest in money market instruments to provide liquidity.

### Fund Manager Details

| Fund Manager | No. Of Funds Managed | | |
|---|---|---|---|
| | Equity | Debt | Hybrid |
| Srijan Sinha | 6 | - | 7 |
| Vedant Heda | - | 4 | 7 |
| Shobit Gupta | - | 4 | 7 |

### ASSET ALLOCATION

| Composition | Min. | Max. | Actual |
|---|---|---|---|
| Cash and Money Market | 0.00% | 40.00% | 8.44% |
| Fixed Income Instruments | 40.00% | 80.00% | 55.81% |
| Equities | 20.00% | 40.00% | 35.75% |

### RISK RETURN PROFILE

| | | |
|---|---|---|
| Risk | | Low To Moderate |
| Return | | Moderate |

### DATE OF INCEPTION

27th November 2024

### FUND PERFORMANCE as on 30-May-2025

Returns since Publication of NAV

| | |
|---|---|
| Absolute Return | 7.45% |
| CAGR Return | N.A. |

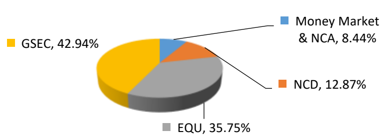
### NAV & AUM as on 30-May-2025

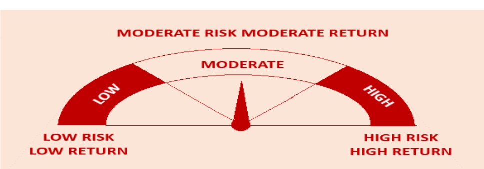
| NAV | AUM (In Lakhs) |
|---|---|
| 10.7452 | 652.68 |

### Modified Duration (In Years)

7.72

### ASSET ALLOCATION




## PORTFOLIO AS ON 30-May-2025

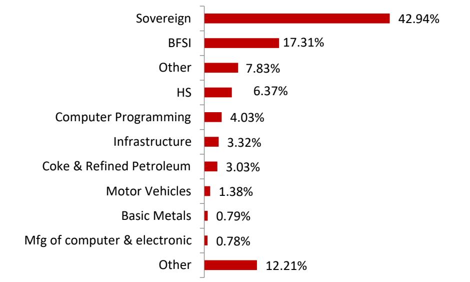
| SECURITIES | HOLDINGS |
|---|---|
| **MONEY MARKET INSTRUMENTS & NCA** | **8.44%** |

| SECURITIES | HOLDINGS |
|---|---|
| **GOVERNMENT SECURITIES** | **42.94%** |
| 0% CS 22/04/2035 | 24.93% |
| 7.34% Gsec 22/04/2064 | 8.15% |
| 7.41% UP SDL 14/06/2034 | 6.42% |
| 0% CS 19/06/2033 | 2.13% |
| 8.15% TN SDL 09/05/2028 | 0.81% |
| 8.68% TN SDL 10/10/2028 | 0.50% |

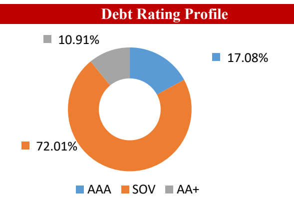
| SECURITIES | HOLDINGS |
|---|---|
| **CORPORATE DEBT** | **12.87%** |
| 8.90% BHARTI TELECOM Ltd 05/11/2031 | 6.50% |
| 7.87% LIC Housing Finance Ltd 14/05/2029 | 6.37% |

| SECURITIES | HOLDINGS |
|---|---|
| **EQUITY** | **35.75%** |
| HDFC Bank Ltd | 2.28% |
| SBI-ETF Nifty Bank | 2.09% |
| Reliance Industries Ltd | 2.01% |
| Axis Bank Ltd | 1.96% |
| DSP Mutual Fund - DSP Nifty PSU Bank ETF | 1.93% |
| Infosys Technologies Ltd | 1.48% |
| Tata Consultancy Services Ltd | 1.35% |
| ICICI Bank Ltd | 1.33% |
| IndusInd Bank Ltd | 0.81% |
| Fusion Finance Ltd | 0.72% |
| ITC Ltd | 0.72% |
| Rural Electrification Corporation Ltd | 0.70% |
| Power Finance Corporation Ltd | 0.66% |
| Equitas Small Finance Bank Ltd | 0.64% |
| Genus Power Infrastrucure Ltd | 0.62% |
| Hindustan Unilever Ltd | 0.61% |
| Honeywell Automation India Ltd | 0.59% |
| Swiggy Ltd | 0.55% |
| Canara Bank | 0.53% |
| Tata Motors Ltd | 0.52% |
| State Bank of India | 0.51% |
| Mahindra & Mahindra Ltd | 0.50% |
| Kotak Mahindra Bank Ltd | 0.49% |
| Anant Raj Ltd | 0.48% |
| HCL Technologies Ltd | 0.47% |
| Others | 11.18% |

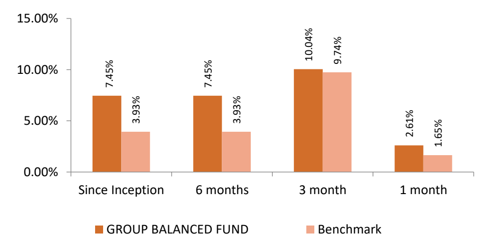
## SECTORAL ALLOCATION




## Debt Rating Profile




## BENCHMARK COMPARISON (CAGR RETURN)




Benchmark :Nifty Composite Debt Index 70%+Nifty 30%

## FUND - NAV