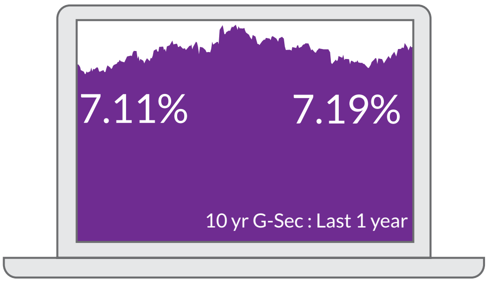
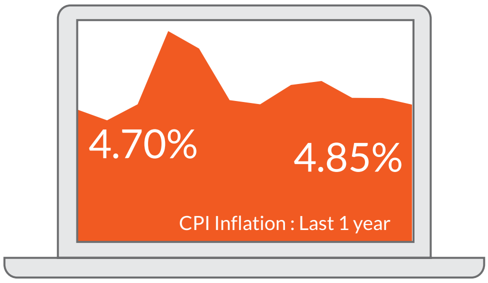
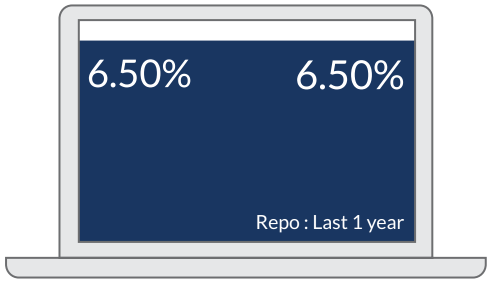
AXIS MUTUAL FUND

FIXED INCOME OUTLOOK

MAY 2024







QUICK TAKE

- Expect lower interest rates in the second half of FY25.
- Investors should add duration with every rise in yields, as yield upside limited.
- Mix of 10-year duration and 3–5-year duration assets are best strategies to invest in the current macro environment.
- Credits continue to remain attractive from a risk reward perspective give the improving macro fundamentals.

Bond markets globally experienced volatility, influenced by stronger than expected US data and rising geo political tensions. As a result, the yields on US Treasuries rose significantly, closing the month 48 bps higher at 4.68%. Indian government bond yields too mirrored the moves of US Treasuries and rose 14 bps to 7.20%. Foreign Portfolio Investors (FPI) flows were net sellers of government bonds in April to the tune of US$1.3 bn over the month and year to date, cumulative debt inflows amounted to US$5.4 bn.

Key Market Events

Shifting interest rate expectations: The macroeconomic indicators from the US have shown robust performance, particularly in retail sales and employment numbers in February-March. Concurrently, headline inflation experienced an uptick, reaching 3.5% over the month. This led to a significant increase in the yields of US Treasuries, as the possibility of interest rate reductions by June has diminished due to the Federal Reserve's (Fed) statements. Though the Fed acknowledged "lack of further progress towards its 2% inflation goal in the recent months," market implied expectations for at least one Fed rate cut this year remained intact. Initially, the markets had anticipated 5 to 6 rate cuts by the Fed at the start of the year.

10 YEAR G-SEC YIELD
7.19%

In its April monetary policy meeting, the Fed retained a status quo on interest rates and refrained from mentioning about change in dot plots, but announced plans to reduce the pace of balance sheet drawdowns by US$ 35bn starting 1 June 2024. The central bank still expects the next move to be rate cuts, but as of now, rates can remain unchanged for long. The Fed's comments led markets to believe that its ultra-hawkish stance has been tamed to a cautious one.

In the Eurozone, economic growth appears to have reached its bottom and is poised for an upswing, as suggested by GDP and PMI figures. Although inflation is on a downward trajectory, core services inflation remains somewhat high. Despite this, there is still anticipation for a potential rate cut in the near term. On a separate note, the Reserve Bank of India (RBI) maintained its interest rates during the April policy meeting, adopting a vigilant stance regarding inflation.

In Japan, with the cessation of negative interest rates and yield curve control, attention has shifted to the timing and magnitude of potential rate hikes. Meanwhile, recent data from China has validated the impact of supply-side incentives, indicating stronger GDP growth coupled with increased deflationary pressures. Additionally, the GDP deflator has continued its negative trend for the fourth consecutive quarter.

Stable rupee vis a vis emerging market currencies: Emerging market currencies were significantly volatile during the month while Indian Rupee exhibited stability and a lesser fall comparatively. India's falling twin deficits, robust macros and one of the better growing economies tag has helped the currency to be stable.

Inflationary pressures gradually declining: CPI moderated to 4.9% in March at 5.1% in February while core CPI declined further to 3.3%. This was led by a slowdown in prices across the board, for both core goods and services, from the previous month's levels. Going forward, a normal monsoon could lead to a downward trajectory in inflation in the second half of 2024.

Increasing geopolitics drives crude prices higher: Escalating tensions between Israel and Iran which increased in the past few weeks dampened investor sentiments. Overall, commodities saw a significant uptick in prices especially Crude and precious metals due to increasing geopolitical risks. Brent crude crossed $91 in April but ended the month at US$ 87.86. Nonetheless, an inventory overhang led to a notable fall in prices to ~US$ 82.

Market view

The US economy has surpassed expectations on economic growth and signs of a slowdown have been deferred. Inflation has been choppy but gradually heading lower. Even though macros are robust, they have taken a back seat and expectations of interest rate cuts by the Fed have shifted to end of year in light of rising geopolitical threats and the run-up in crude prices. Accordingly, we believe that the central banks globally and in India will exercise cautions before lowering interest rates. In line with our view, the RBI upheld interest rates in early April and we expect this stance to continue. Oil prices remain a risk against the backdrop of geopolitical conflicts and if oil prices remain under control, inflation could head further lower over the course of the year.

Overall, India is in an extended goldilocks against a backdrop of moderating inflation, higher economic growth and strong external account (falling fiscal and current account deficit and a stable rupee). We remain constructive on rates due to positive demand supply dynamics especially for Indian government bonds due to their inclusion in JP Morgan / Bloomberg Indices. Furthermore, the operative rate has shifted from 6.75% to 6.5% due to ease in banking liquidity and this has led to rally in short term bond yields.

Positioning & Strategy

The fixed income curve is pricing in no rate cuts till March 2025. We have retained our long duration stance across our portfolios within the respective scheme mandates. We do expect the 10-year bond yields to trade in a narrow range of 7.10-7.25% in the near term and to soften to 6.75% over the next few quarters. Investors need to be patient on the rate cut cycle which could be delayed to the second half of FY25.

From a strategy perspective, while the overall call is to play a falling interest rate cycle over the next 6-12 months, markets are likely to see sporadic rate movements. In the current scenario, investors should use the rise in yields to build in duration across their portfolios. With positive demand supply outlook for bonds and improved liquidity stance of RBI, investors could use this opportunity to invest in short to medium term funds with tactical allocation to gilt funds. We maintain a higher allocation to corporate bonds and SDL's due to lower issuance and perceived change in RBI's liquidity stance.

Source: Bloomberg, Axis MF Research.

AXIS CORPORATE DEBT FUND

- Axis Corporate Debt Fund endeavors to capture opportunities by investing in best ideas across the corporate bond curve.
- The fund will typically maintain duration in the range of 2 - 5 years.
- High grade portfolio with 100% AAA/SOV/A1+ rating.
- Aims to capitalize on the 'carry' play at the shorter end and 'capital gain' from the longer end.
- Large portfolio allocation is in corporate bonds and G-Secs having duration in the range of 2 – 5 years.
- The mispricing of select higher yield AAA bonds offers room for gains from market compression/ normalization in yields of such papers.
- Primary asset class: Corporate debt securities.
- Investment Horizon: 1 year and beyond.

Residual Maturity	Modified Duration	Annualized Portfolio YTM*	Macaulay Duration
4.71 years	3.43 years	7.65%	3.62 years

Why Invest?

Actively Managed Corporate Bonds with daily Liquidity endeavors to generate stable returns by following a high quality & low-risk strategy

AXIS BANKING & PSU DEBT FUND

Residual Maturity	Modified Duration	Annualized Portfolio YTM*	Macaulay Duration
2.27 years	1.92 years	7.62%	2.06 years

Why Invest?

Target stable returns with high credit quality and liquidity. Rigorous credit evaluation. Suitable for investors with a holding period of 3 years or more.

- The fund targets stable returns with high credit quality and liquidity predominantly through investment in Debt & Money Market Instruments issued by Banks, Public Financial Institutions (PFIs) and Public Sector Undertakings (PSUs).
- The fund is deployed into AAA instruments with a target portfolio maturity of December 2026.
- The space is a sweet spot, such a strategy is ideal for medium term investors looking to take advantage of the current opportunities in the debt markets especially with the flat yield curve and elevated overall yields.

AXIS SHORT TERM FUND

- The fund is a combination of short duration as well as carry that can help mitigate interest rate risk and deliver a balanced return over a long run.
- Actively managed strategy with allocation primarily to 2 - 5 year corporate bonds and G-Secs, with no restriction on maturity of individual securities.
- The fund tracks corporate bonds, government securities and money market instruments spreads and takes an active view on the rates and liquidity to decide the allocation.
- The fund maintains a high proportion of AAA/SOV/A1+ & equivalents assets in the portfolio.
- Long term rating: Sub AAA assets (excl bank CDs) ≤ 20%, no exposure to below AA rated assets
- Primary asset class: Corporate Bonds, G-Secs and money market instruments
- Investment Horizon: 1 year and beyond

Residual Maturity	Modified Duration	Annualized Portfolio YTM*	Macaulay Duration
3.72 years	2.84 years	7.73%	2.99 years

Why Invest?

Actively Managed Short Duration Fund with Daily Liquidity endeavors to generate stable returns by following a high quality & low-risk strategy

AXIS CREDIT RISK FUND

Residual Maturity	Modified Duration	Annualized Portfolio YTM*	Macaulay Duration
2.5 years	1.95 years	8.44%	2.05 years

Why Invest?

To capture opportunities across accrual, credit and duration space. Monitors risk by controlling the overall portfolio duration

- The fund is positioned to benefit from its core allocation in short term corporate bonds (Below AA+) i.e. in the 2-3-year space.
- The focus of the fund is to capture the credit spreads compression in the 1-4 year corporate bonds and also have a higher 'carry'.
- In the current environment the fund has tactically allocated to AA & A names where we believe the risk reward is attractive from a carry play.
- Given our market view on improved credit environment, improving corporate profitability and looking at a favorable risk reward perspective the fund has an allocation to lower rated corporate bonds (below AAA rating).

AXIS STRATEGIC BOND FUND

- The fund as part of its investment mandate aims to invest 50-60% in AAA bonds with overall portfolio duration target range of 3- 4 years.
- The spreads in short non AAA corporate bonds over AAA currently looks attractive from a risk reward basis and hence the fund is allocated assets to these securities on an incremental basis.
- The portfolio design should help generate stable returns while bringing down volatility relative to a longer duration fund.

Residual Maturity	Modified Duration	Annualized Portfolio YTM*	Macaulay Duration
5.29 years	3.62 years	8.18%	3.79 years

Why Invest?

to target stable risk-return profile

AXIS DYNAMIC BOND FUND

Residual Maturity	Modified Duration	Annualized Portfolio YTM*	Macaulay Duration
5.88 years	4.44 years	7.56%	4.7 years

Why Invest?

"Go Anywhere" actively managed fund following a Best Ideas approach and can move across the yield curve

- The fund is positioned as held to maturity strategy investing in AAA corporate bonds and SDLs.
- The flat yield curve at the longer end of the curve makes the current positioning of the strategy attractive for medium to long term investors.
- The fund is ideally suited for our current call to incrementally add duration in investor portfolios in a calibrated manner.

AXIS ULTRA SHORT TERM FUND

- Targets an indicative portfolio duration of 3 – 6 months
- High quality portfolio with selective Sub AAA exposure: Sub AAA assets (excl bank CDs) ≤ 30%
- Primary asset class: Short term debt and money market instruments
- Elevated short term spreads offer higher yields at the shorter end of the curve. The fund aims for a low duration with low volatility and relatively higher carry.
- Investment Horizon: 3 – 6 months.

Residual Maturity	Modified Duration	Annualized Portfolio YTM*	Macaulay Duration
167 days	157 days	7.58%	162 days

Why Invest?

Short term solution for parking funds

AXIS TREASURY ADVANTAGE FUND

Residual Maturity	Modified Duration	Annualized Portfolio YTM*	Macaulay Duration
402 days	336 days	7.68%	350 days

Why Invest?

Target stable returns with high credit quality and liquidity. Rigorous credit evaluation. Suitable for investors with a holding period of 3-6 months or more.

- The fund is well diversified with a portfolio mix of corporate bonds, certificate of deposits, commercial papers and government bonds.
- The fund will typically maintain duration in the range of 6 months to 1 year.
- Fund tracks corporate bond and Money market instruments spreads closely while making its allocations.
- The fund is likely to benefit from steepness of the rate/liquidity curve and its high accrual vs Money Market Funds.
- Long term rating: Sub AAA assets (excl bank CDs) ≤ 20%, no exposure to below AA rated assets
- The fund is ideally positioned for the current interest rate environment and has added duration to the portfolio as interest rate hike cycle has peaked.
- Primary asset class: Money Market and short term debt instruments
- Investment horizon: 6 – 12 months.

AXIS MONEY MARKET FUND

- Targets an indicative portfolio average maturity of 4 – 12 months.
- The fund has added duration in the portfolio as the interest rate cycle has peaked.
- Targets 100% A1+ high quality short term securities.
- Long term rating: Sub AAA assets (excl bank CDs) ≤ 20%, no exposure to below AA rated assets
- Primary asset class: Short term debt and money market instruments with maturity of upto 1 year
- Investment horizon: 3 – 12 months.

Residual Maturity	Modified Duration	Annualized Portfolio YTM*	Macaulay Duration
246 days	245 days	7.58%	246 days

Why Invest?

Short term solution for parking funds

AXIS FLOATER FUND

Residual Maturity	Modified Duration	Annualized Portfolio YTM*	Macaulay Duration
10.17 years	5.94 years	7.26%	6.15 years

Why Invest?

To limit the interest rate risksin the debt portfolio.

- Axis Floater Fund is an ideal solution for investors looking at short to medium term investment solutions aimed at generating superior risk adjusted returns across market cycles.
- The fund is positioned as a market linked actively managed portfolio of high quality securities. The fund will dynamically manage the duration of the portfolio in accordance with the interest rate environment.

AXIS LONG DURATION FUND

- The fund is positioned as long bond held to maturity strategy investing in government securities.
- The flat yield curve at the longer end of the curve makes the current positioning of the strategy attractive for medium to long term investors.
- The fund is ideally suited for our current call to incrementally add duration in investor portfolios in a calibrated manner.

Residual Maturity	Modified Duration	Annualized Portfolio YTM*	Macaulay Duration
30.26 years	11.59 years	7.39%	12.01 years

Why Invest?

To create a long term income solution through investment in high quality debt instruments

*in case of semi annual YTM, it will be annualised. *The yield to maturity given above is based on the portfolio of funds as on 30th April 2024. This should not be taken as an indication of the returns that maybe generated by the fund and the securities bought by the fund may or may not be held till their respective maturities. The calculation is based on the invested corpus of the debt portfolio. For instruments with put/call option, the put/call date has been taken as the maturity date.

AT A GLANCE

	Axis Overnight Fund	Axis Liquid Fund	Axis Money Market Fund	Axis Ultra Short Term Fund	Axis Floater Fund	Axis Treasury Advantage Fund	Axis Corporate Debt Fund	Axis Banking & PSU Debt Fund	Axis Short Term Fund	Axis Credit Risk Fund	Axis Dynamic Bond Fund	Axis Strategic Bond Fund	Axis Gilt Fund	Axis Long Duration Fund
Why Invest?	Cash Managem ent	Cash Managem ent	Cash Managem ent	Short term solution for parking funds	To limit the interest rate risks in the debt portfolio	For spare cash in your Bank Account	Capture opportunities in high quality corporate bond portfolio	Short term investment with high quality portfolio	Actively Managed Short Duration Fund with Daily Liquidity	To capture opportunities from credit spread while managing risk	"Go Anywhere" Fund following a Best Ideas Approach	To target stable risk-return profile	To capture opportunities from investments in government securities	To create a long term income solution through investment in high quality debt instruments
Type of Scheme	Overnight Fund	Liquid Fund	Money Market Fund	Ultra Short Duration Fund	Floater Fund	Low Duration Fund	Corporate Bond Fund	Banking and PSU Fund	Short Duration Fund	Credit Risk Fund	Dynamic Bond	Medium Duration Fund	Gilt Fund	Long Duration Fund
Residual Maturity	3 days	39 days	246 days	167 days	10.17 years	402 days	4.71 years	2.27 years	3.72 years	2.5 years	5.88 years	5.29 years	16.49 years	30.26 years
Macaulay Duration	3 days	39 days	246 days	162 days	6.15 years	350 days	3.62 years	2.06 years	2.99 years	2.05 years	4.7 years	3.79 years	8.38 years	12.01 years
Modified Duration	3 days	39 days	245 days	157 days	5.94 years	336 days	3.43 years	1.92 years	2.84 years	1.95 years	4.44 years	3.62 years	8.08 years	11.59 years
Annualized Portfolio YTM*	6.65%	7.22%	7.58%	7.58%	7.26%	7.68%	7.65%	7.62%	7.73%	8.44%	7.56%	8.18%	7.35%	7.39%
Asset Mix														
Money Market Instruments	100.00%	99.49%	99.51%	69.94%	19.13%	65.97%	6.50%	5.65%	15.03%	3.96%	3.41%	5.53%	6.44%	3.24%
Corporate Bond	0.00%	0.51%	0.00%	29.20%	3.97%	30.30%	68.93%	84.62%	57.51%	79.79%	68.40%	58.99%	0.00%	0.00%
G-Sec	0.00%	0.00%	0.49%	0.61%	76.90%	2.97%	24.59%	9.73%	26.21%	15.83%	28.19%	32.98%	93.56%	96.76%
PTC	0.00%	0.00%	0.00%	0.23%	0.00%	0.75%	0.00%	0.00%	1.25%	0.42%	0.00%	2.50%	0.00%	0.00%
Rating Mix														
Sovereign /AAA & equivalent [$]	100.00%	100.00%	100.00%	86.29%	100.00%	87.97%	100.00%	100.00%	85.39%	40.39%	100.00%	62.71%	100.00%	100.00%
AA+	0.00%	0.00%	0.00%	6.92%	0.00%	9.01%	0.00%	0.00%	13.17%	4.34%	0.00%	6.89%	0.00%	0.00%
AA	0.00%	0.00%	0.00%	4.53%	0.00%	3.02%	0.00%	0.00%	1.44%	36.78%	0.00%	17.58%	0.00%	0.00%
AA-	0.00%	0.00%	0.00%	2.26%	0.00%	0.00%	0.00%	0.00%	0.00%	11.58%	0.00%	8.37%	0.00%	0.00%
A+	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	4.96%	0.00%	2.38%	0.00%	0.00%
A	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	1.95%	0.00%	2.07%	0.00%	0.00%
A-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Below A	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Load Structure														
Exit Load	NIL	Graded Exit Load^	NIL	NIL	NIL	NIL	NIL	NIL	NIL	If redeemed / switched-out within 12 months - For 10% of investment : Nil For remaining investment : 1% If redeemed/ switched out after 12 months from the date of allotment: Nil	NIL	If redeemed / switched-out within 12 months : - For 10% of investment : Nil - For remaining investment : 1% If redeemed/ switched out after 12 months from the date of allotment: Nil.	NIL	NIL

[$] AAA & Equivalent includes AAA/A1+-rated papers.

^Graded exit load for Axis Liquid fund as below:

Investor exit upon Subscription	Day 1	Day 2	Day 3	Day 4	Day 5	Day 6	Day 7 onwards
Exit load as a % of redemption proceeds	0.0070%	0.0065%	0.0060%	0.0055%	0.0050%	0.0045%	Nil

*in case of semi annual YTM, it will be annualised. *The yield to maturity given above is based on the portfolio of funds as on 30th April 2024. This should not be taken as an indication of the returns that may be generated by the fund and the securities bought by the fund may or may not be held till their respective maturities. The calculations are based on the invested corpus.

[#] The cash adjusted Yield to Maturity given above is based on the portfolio of funds as on 30th April 2024 adjusted for cash & Net current assets.

AT A GLANCE

	Axis CRISIL IBX 70:30 CPSE Plus SDL April 2025 Index Fund	Axis CRISIL IBX SDL May 2027 Index Fund	Axis Nifty AAA Bond Plus SDL Apr 2026 50:50 ETF	Axis Nifty SDL September 2026 Debt Index Fund	Axis CRISIL IBX 50:50 Gilt Plus SDL September 2027 Index Fund	Axis CRISIL IBX 50:50 Gilt Plus SDL June 2028 Index Fund	Axis CRISIL IBX SDL June 2034 Debt Index Fund
Why Invest?	Low cost hassle free solution for investors looking to build their core fixed income portfolio in the debt portfolio	Focus on running a highly liquid portfolio of SDLs	Aim to earn better returns than bank fixed deposits of a similar duration	Focus on running a highly liquid portfolio of SDLs	Aim to earn better returns than bank fixed deposits of a similar duration	Aim to earn better returns than bank fixed deposits of a similar duration	Focus on running a highly liquid portfolio of SDLs
Type of Scheme	Index Fund	Index Fund	ETF	Index Fund	Index Fund	Index Fund	Index Fund
Residual Maturity	0.88 years	2.89 years	1.66 years	2.29 years	3.07 years	3.7 years	9.58 years
Macaulay Duration	0.87 years	2.59 years	1.57 years	2.12 years	2.73 years	3.21 years	6.68 years
Modified Duration	0.81 years	2.5 years	1.48 years	2.04 years	2.64 years	3.1 years	6.44 years
Annualized Portfolio YTM*	7.59%	7.53%	7.57%	7.51%	7.38%	7.46%	7.59%
Asset Mix							
Money Market Instruments	2.93%	2.17%	2.60%	2.64%	4.28%	3.80%	4.69%
Corporate Bond	72.96%	0.00%	47.29%	0.00%	0.00%	0.00%	0.00%
G-Sec	24.11%	97.83%	50.11%	97.36%	95.72%	96.20%	95.31%
PTC	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Rating Mix							
Sovereign /AAA & equivalent $	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
AA+	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
AA	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
AA-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
A+	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
A	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
A-	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Below A	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Load Structure							
Exit Load	NIL	NIL	NIL	NIL	NIL	NIL	NIL

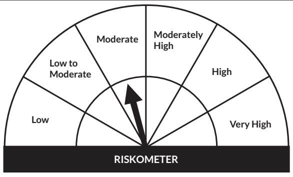
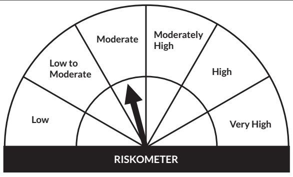
$AAA & Equivalent includes AAA/A1+-rated papers.

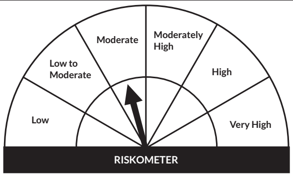
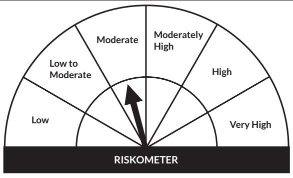
*in case of semi annual YTM, it will be annualised. *The yield to maturity given above is based on the portfolio of funds as on 30th April 2024. This should not be taken as an indication of the returns that may be generated by the fund and the securities bought by the fund may or may not be held till their respective maturities. The calculations are based on the invested corpus.

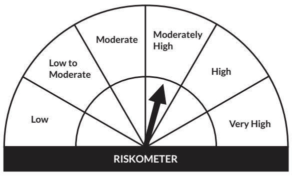
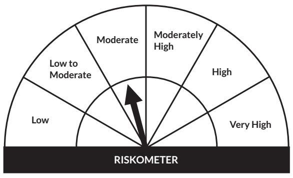
#The cash adjusted Yield to Maturity given above is based on the portfolio of funds as on 30th April 2024 adjusted for cash & Net current assets.

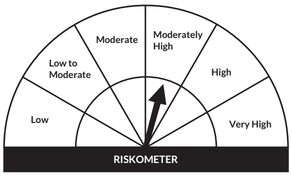
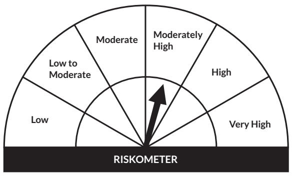
AXIS MUTUAL FUND

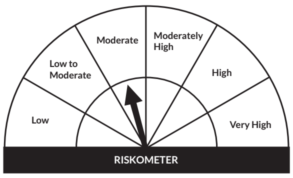
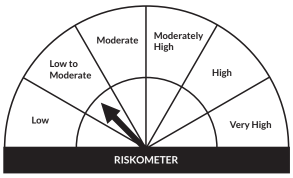
<table>
<tr><th>Fund Name & Benchmark</th><th>Product Labelling</th><th>Product Riskometer</th><th>Benchmark Riskometer</th><th>Potential Risk Class</th></tr>
<tr>
<td>Axis Dynamic Bond Fund (An open ended dynamic debt scheme investing across duration. A relatively high interest rate risk and moderate credit risk)

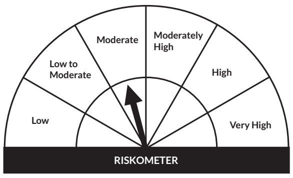
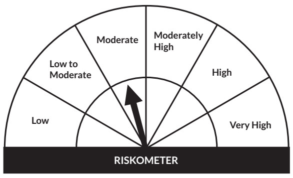
*Benchmark: NIFTY Composite Debt Index A-III</td>
<td>This product is suitable for investors who are seeking*:
• Optimal returns over medium to long term.
• To generate stable returns while maintaining liquidity through active management of a portfolio of debt and money market instruments.</td>
<td>
Investors understand that their principal will be at moderate risk</td>
<td></td>
<td><table><tr><td>Credit Risk →
Interest Rate Risk ↓</td><td>Relatively Low (Class A)</td><td>Moderate (Class B)</td><td>Relatively High (Class C)</td></tr><tr><td>Relatively Low (Class I)</td><td></td><td></td><td></td></tr><tr><td>Moderate (Class II)</td><td></td><td></td><td></td></tr><tr><td>Relatively High (Class III)</td><td></td><td>B-III</td><td></td></tr></table></td>
</tr>
<tr>
<td>Axis Gilt Fund (An open-ended debt scheme investing in government securities across maturity. A relatively high interest rate risk and relatively low credit risk)

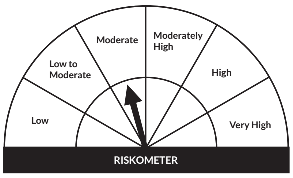
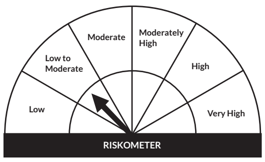
*Benchmark: CRISIL Dynamic Gilt Index</td>
<td>This product is suitable for investors who are seeking*:
• Credit risk free returns over medium to long term.
• Investment mainly in government securities across maturities.</td>
<td>
Investors understand that their principal will be at moderate risk</td>
<td></td>
<td><table><tr><td>Credit Risk →
Interest Rate Risk ↓</td><td>Relatively Low (Class A)</td><td>Moderate (Class B)</td><td>Relatively High (Class C)</td></tr><tr><td>Relatively Low (Class I)</td><td></td><td></td><td></td></tr><tr><td>Moderate (Class II)</td><td></td><td></td><td></td></tr><tr><td>Relatively High (Class III)</td><td>A-III</td><td></td><td></td></tr></table></td>
</tr>
<tr>
<td>Axis Strategic Bond Fund (An open-ended medium term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 3 years to 4 years. A relatively high interest rate risk and relatively high credit risk)

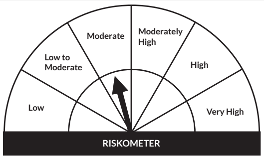
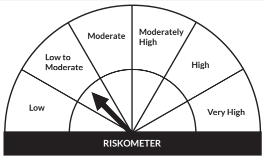
*Benchmark: NIFTY Medium Duration Debt Index A-III</td>
<td>This product is suitable for investors who are seeking*:
• Optimal returns over medium term.
• Investment in diversified portfolio of debt and money market securities to generate optimal risk adjusted returns while maintaining liquidity.</td>
<td>
Investors understand that their principal will be at moderately high risk</td>
<td></td>
<td><table><tr><td>Credit Risk →
Interest Rate Risk ↓</td><td>Relatively Low (Class A)</td><td>Moderate (Class B)</td><td>Relatively High (Class C)</td></tr><tr><td>Relatively Low (Class I)</td><td></td><td></td><td></td></tr><tr><td>Moderate (Class II)</td><td></td><td></td><td></td></tr><tr><td>Relatively High (Class III)</td><td></td><td></td><td>C-III</td></tr></table></td>
</tr>
<tr>
<td>Axis Credit Risk Fund (An open-ended debt scheme predominantly investing in AA and below rated corporate bonds (excluding AA+ rated corporate bonds. A relatively high interest rate risk and relatively high credit risk)

*Benchmark: CRISIL Credit Risk Debt B-II Index</td>
<td>This product is suitable for investors who are seeking*:
• Stable returns in the short to medium term.
• Investment in debt and money market instruments across the yield curve and credit spectrum.</td>
<td>
Investors understand that their principal will be at moderately high risk</td>
<td></td>
<td><table><tr><td>Credit Risk →
Interest Rate Risk ↓</td><td>Relatively Low (Class A)</td><td>Moderate (Class B)</td><td>Relatively High (Class C)</td></tr><tr><td>Relatively Low (Class I)</td><td></td><td></td><td></td></tr><tr><td>Moderate (Class II)</td><td></td><td></td><td></td></tr><tr><td>Relatively High (Class III)</td><td></td><td></td><td>C-III</td></tr></table></td>
</tr>
<tr>
<td>Axis Banking & PSU Debt Fund (An open-ended debt scheme predominantly investing in debt instruments of banks, public sector undertakings & public financial institutions. A relatively high interest rate risk and moderate credit risk)

*Benchmark: Nifty Banking & PSU Debt Index A-II</td>
<td>This product is suitable for investors who are seeking*:
• Regular income over short to medium term.
• Investment in debt and money market instruments issued by Banks, PFIs & PSUs.</td>
<td>
Investors understand that their principal will be at moderate risk</td>
<td></td>
<td><table><tr><td>Credit Risk →
Interest Rate Risk ↓</td><td>Relatively Low (Class A)</td><td>Moderate (Class B)</td><td>Relatively High (Class C)</td></tr><tr><td>Relatively Low (Class I)</td><td></td><td></td><td></td></tr><tr><td>Moderate (Class II)</td><td></td><td></td><td></td></tr><tr><td>Relatively High (Class III)</td><td></td><td>B-III</td><td></td></tr></table></td>
</tr>
<tr>
<td>Axis Corporate Debt Fund (An open ended debt scheme predominantly investing in AA+ and above rated corporate bonds. A relatively high interest rate risk and moderate credit risk)

*Benchmark: NIFTY Corporate Bond Index A-II</td>
<td>This product is suitable for investors who are seeking*:
• Regular income over short to medium term.
• Predominantly investing in corporate debt.</td>
<td>
Investors understand that their principal will be at moderate risk</td>
<td></td>
<td><table><tr><td>Credit Risk →
Interest Rate Risk ↓</td><td>Relatively Low (Class A)</td><td>Moderate (Class B)</td><td>Relatively High (Class C)</td></tr><tr><td>Relatively Low (Class I)</td><td></td><td></td><td></td></tr><tr><td>Moderate (Class II)</td><td></td><td></td><td></td></tr><tr><td>Relatively High (Class III)</td><td></td><td>B-III</td><td></td></tr></table></td>
</tr>
<tr>
<td>Axis Short Term Fund (An open-ended short term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 1 year to 3 years. A relatively high interest rate risk and moderate credit risk)

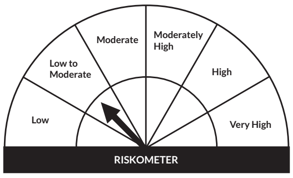
*Benchmark: NIFTY Short Duration Debt Index A-II</td>
<td>This product is suitable for investors who are seeking*:
• Regular income over short term while maintaining liquidity over short term.
• Investment in debt and money market instruments.</td>
<td>
Investors understand that their principal will be at moderate risk</td>
<td></td>
<td><table><tr><td>Credit Risk →
Interest Rate Risk ↓</td><td>Relatively Low (Class A)</td><td>Moderate (Class B)</td><td>Relatively High (Class C)</td></tr><tr><td>Relatively Low (Class I)</td><td></td><td></td><td></td></tr><tr><td>Moderate (Class II)</td><td></td><td></td><td></td></tr><tr><td>Relatively High (Class III)</td><td></td><td>B-III</td><td></td></tr></table></td>
</tr>
<tr>
<td>Axis Liquid Fund (An open-ended liquid scheme. A relatively low interest rate risk and moderate credit risk)

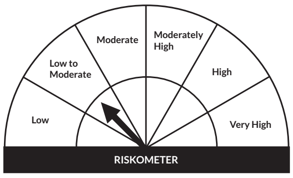
*Benchmark: NIFTY Liquid Index A-I</td>
<td>This product is suitable for investors who are seeking*:
• Regular income over short term.
• Investment in debt and money market instruments.</td>
<td>
Investors understand that their principal will be at moderate risk</td>
<td></td>
<td><table><tr><td>Credit Risk →
Interest Rate Risk ↓</td><td>Relatively Low (Class A)</td><td>Moderate (Class B)</td><td>Relatively High (Class C)</td></tr><tr><td>Relatively Low (Class I)</td><td></td><td>B-I</td><td></td></tr><tr><td>Moderate (Class II)</td><td></td><td></td><td></td></tr><tr><td>Relatively High (Class III)</td><td></td><td></td><td></td></tr></table></td>
</tr>
</table>

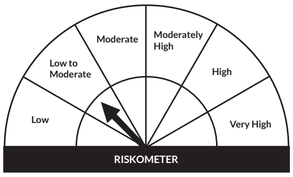
*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

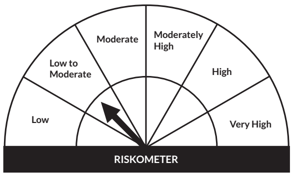
PRODUCT LABELLING & DISCLAIMERS (CONTD.)

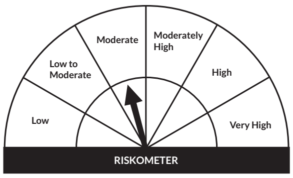
<table>
<tr><th>Fund Name & Benchmark</th><th>Product Labelling</th><th>Product Riskometer</th><th>Benchmark Riskometer</th><th>Potential Risk Class</th></tr>
<tr>
<td>Axis Treasury Advantage Fund (An open-ended low duration debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 6 to 12 months. A relatively high interest rate risk and moderate credit risk)

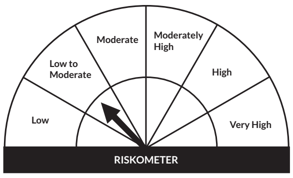
*Benchmark: NIFTY Low Duration Debt Index A-I</td>
<td>This product is suitable for investors who are seeking*:
Regular income over short term.
Investment in debt and money market instruments.</td>
<td>

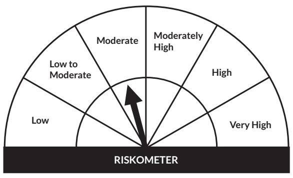
Investors understand that their principal will be at low to moderate risk</td>
<td>
</td>
<td><table><tr><td>Credit Risk →
Interest Rate Risk ↓</td><td>Relatively Low (Class A)</td><td>Moderate (Class B)</td><td>Relatively High (Class C)</td></tr><tr><td>Relatively Low (Class I)</td><td></td><td></td><td></td></tr><tr><td>Moderate (Class II)</td><td></td><td></td><td></td></tr><tr><td>Relatively High (Class III)</td><td></td><td>B-III</td><td></td></tr></table></td>
</tr>
<tr>
<td>Axis Money Market Fund (An open ended debt scheme investing in money market instruments. A relatively low interest rate risk and moderate credit risk)

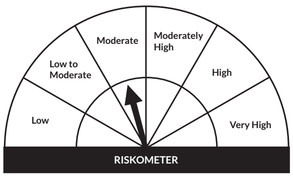
*Benchmark: NIFTY Money Market Index A-I</td>
<td>This product is suitable for investors who are seeking*:
Regular income over short term
Investment in money market instruments with maturity up to one year.</td>
<td>

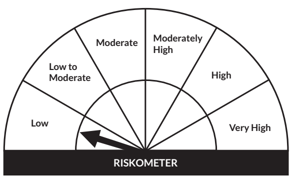
Investors understand that their principal will be at low to moderate risk</td>
<td>
</td>
<td><table><tr><td>Credit Risk →
Interest Rate Risk ↓</td><td>Relatively Low (Class A)</td><td>Moderate (Class B)</td><td>Relatively High (Class C)</td></tr><tr><td>Relatively Low (Class I)</td><td></td><td>B-I</td><td></td></tr><tr><td>Moderate (Class II)</td><td></td><td></td><td></td></tr><tr><td>Relatively High (Class III)</td><td></td><td></td><td></td></tr></table></td>
</tr>
<tr>
<td>Axis Ultra Short Term Fund (An open ended ultra-short term debt scheme investing in instruments such that the Macaulay duration of the portfolio is between 3 months and 6 months. A moderate interest rate risk and moderate credit risk)

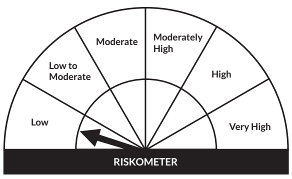
*Benchmark: NIFTY Ultra Short Duration Debt Index A-I</td>
<td>This product is suitable for investors who are seeking*:
Regular income over short term.
Investment in Debt & Money Market instruments such that the Macaulay duration of the portfolio is between 3 months - 6 months.</td>
<td>

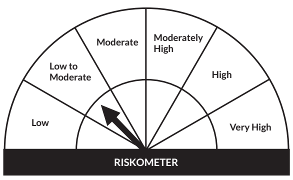
Investors understand that their principal will be at moderate risk</td>
<td>
</td>
<td><table><tr><td>Credit Risk →
Interest Rate Risk ↓</td><td>Relatively Low (Class A)</td><td>Moderate (Class B)</td><td>Relatively High (Class C)</td></tr><tr><td>Relatively Low (Class I)</td><td></td><td></td><td></td></tr><tr><td>Moderate (Class II)</td><td></td><td>B-II</td><td></td></tr><tr><td>Relatively High (Class III)</td><td></td><td></td><td></td></tr></table></td>
</tr>
<tr>
<td>Axis Floater Fund (An open ended debt scheme predominantly investing in floating rate instruments. A relatively high interest rate risk and moderate credit risk)

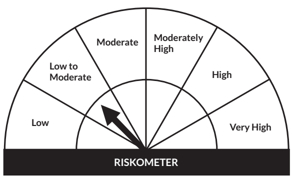
*Benchmark: NIFTY Medium to Long Duration Debt Index A-III</td>
<td>This product is suitable for investors who are seeking*:
Regular income over short term investment horizon.
To invest predominantly in floating rate instruments (including fixed rate instruments converted to floating rate exposures using swaps/derivatives)</td>
<td>

Investors understand that their principal will be at moderate risk</td>
<td>
</td>
<td><table><tr><td>Credit Risk →
Interest Rate Risk ↓</td><td>Relatively Low (Class A)</td><td>Moderate (Class B)</td><td>Relatively High (Class C)</td></tr><tr><td>Relatively Low (Class I)</td><td></td><td></td><td></td></tr><tr><td>Moderate (Class II)</td><td></td><td></td><td></td></tr><tr><td>Relatively High (Class III)</td><td></td><td>B-III</td><td></td></tr></table></td>
</tr>
<tr>
<td>Axis Overnight Fund (An open ended debt scheme investing in overnight securities. A relatively low interest rate risk and relatively low credit risk)

Benchmark: Nifty 1D Rate Index</td>
<td>This product is suitable for investors who are seeking*:
Regular income with high levels of safety and liquidity over short term.
Investment in debt and money market instruments with overnight maturity.</td>
<td>

Investors understand that their principal will be at low risk</td>
<td>
</td>
<td><table><tr><td>Credit Risk →
Interest Rate Risk ↓</td><td>Relatively Low (Class A)</td><td>Moderate (Class B)</td><td>Relatively High (Class C)</td></tr><tr><td>Relatively Low (Class I)</td><td>A-I</td><td></td><td></td></tr><tr><td>Moderate (Class II)</td><td></td><td></td><td></td></tr><tr><td>Relatively High (Class III)</td><td></td><td></td><td></td></tr></table></td>
</tr>
<tr>
<td>Axis CRISIL IBX 70:30 CPSE Plus SDL April 2025 Index Fund (An open-ended Target Maturity Index Fund investing in constituents of CRISIL IBX 70:30 CPSE Plus SDL - April 2025. A moderate interest rate risk and relatively low credit risk)

Benchmark: CRISIL IBX 70:30 CPSE Plus SDL Index - April 2025</td>
<td>This product is suitable for investors who are seeking*:
Income over long term
Investments in state government securities (SDLs) similar to the composition of CRISIL IBX 70:30 CPSE Plus SDL – April 2025, subject to tracking errors.</td>
<td>

Investors understand that their principal will be at low to moderate risk</td>
<td>
</td>
<td><table><tr><td>Credit Risk →
Interest Rate Risk ↓</td><td>Relatively Low (Class A)</td><td>Moderate (Class B)</td><td>Relatively High (Class C)</td></tr><tr><td>Relatively Low (Class I)</td><td></td><td></td><td></td></tr><tr><td>Moderate (Class II)</td><td>A-II</td><td></td><td></td></tr><tr><td>Relatively High (Class III)</td><td></td><td></td><td></td></tr></table></td>
</tr>
</table>

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

PRODUCT LABELLING & DISCLAIMERS (CONTD.)

Fund Name & Benchmark	Product Labelling	Product Riskometer	Benchmark Riskometer	Potential Risk Class

Axis CRISIL IBX SDL May 2027 Index Fund

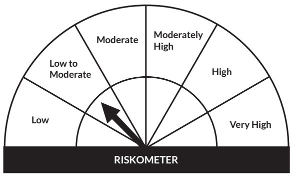
(An open-ended Target Maturity Index Fund investing in constituents of CRISIL IBX SDL Index – May 2027 A Relatively High Interest Rate Risk and Relatively Low Credit risk)

Benchmark: CRISIL IBX SDL Index - May 2027

This product is suitable for investors who are seeking*:

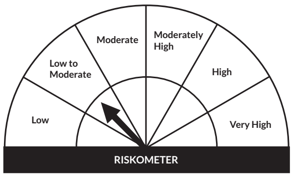
- Income over long term
- Investments in state government securities (SDLs) replicating the composition of CRISIL IBX SDL Index – May 2027, subject to tracking errors.

Product Riskometer



Investors understand that their principal will be at low to moderate risk

Benchmark Riskometer



Potential Risk Class

Credit Risk → / Interest Rate Risk ↓	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Relatively Low (Class I)			
Moderate (Class II)			
Relatively High (Class III)	A-III		

Axis Nifty AAA Bond Plus SDL Apr 2026 50:50 ETF

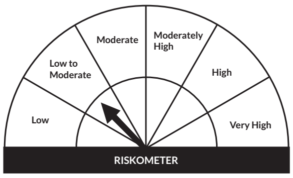
(An open-ended Target Maturity Exchange Traded Fund investing predominantly in constituents of Nifty AAA Bond Plus SDL Apr 2026 50:50 Index. A relatively high interest rate risk and relatively low credit risk.)

Benchmark: Nifty AAA Bond Plus SDL Apr 2026 50:50 Index

This product is suitable for investors who are seeking*:

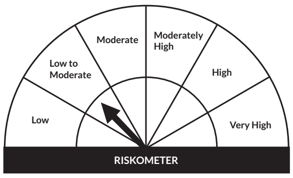
- Income over long term.
- Investment in AAA rated Corporate Bonds & State Development Loans (SDLs) as represented by Nifty AAA Bond Plus SDL Apr 2026 50:50 Index, subject to tracking errors.

Product Riskometer



Investors understand that their principal will be at low to moderate risk

Benchmark Riskometer



Potential Risk Class

Credit Risk → / Interest Rate Risk ↓	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Relatively Low (Class I)			
Moderate (Class II)			
Relatively High (Class III)	A-III		

Axis Nifty SDL September 2026 Debt Index Fund

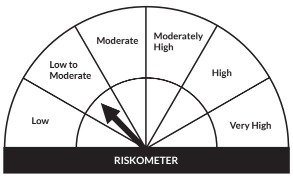
(An open-ended Target Maturity Index Fund investing in constituents of Nifty SDL Sep 2026 Index; A Relatively High Interest Rate Risk and Relatively Low Credit Risk)

Benchmark: NIFTY SDL Sep 2026 Index

This product is suitable for investors who are seeking*:

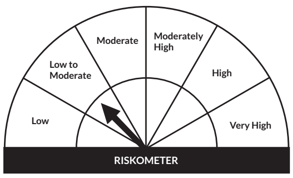
- Income over long term.
- Investments in state government securities (SDLs) replicating the composition of Nifty SDL Sep 2026 Index subject to tracking errors.

Product Riskometer



Investors understand that their principal will be at low to moderate risk

Benchmark Riskometer



Potential Risk Class

Credit Risk → / Interest Rate Risk ↓	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Relatively Low (Class I)			
Moderate (Class II)			
Relatively High (Class III)	A-III		

Axis CRISIL IBX 50:50 Gilt Plus SDL June 2028 Index Fund

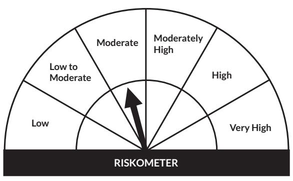
(An open-ended Target Maturity index fund investing in constituents of CRISIL IBX 50:50 Gilt Plus SDL Index – June 2028. Relatively High interest rate risk and Relatively Low Credit Risk)

Benchmark: CRISIL IBX 50:50 Gilt Plus SDL - June 2028 Index

This product is suitable for investors who are seeking*:

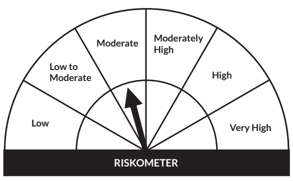
- Income over long term.
- The scheme that seeks to provide Investment returns corresponding to the total returns of the securities as represented by CRISIL IBX 50:50 Gilt Plus SDL Index – June 2028, subject to tracking errors.

Product Riskometer



Investors understand that their principal will be at moderate risk

Benchmark Riskometer



Potential Risk Class

Credit Risk → / Interest Rate Risk ↓	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Relatively Low (Class I)			
Moderate (Class II)			
Relatively High (Class III)	A-III		

AXIS LONG DURATION FUND

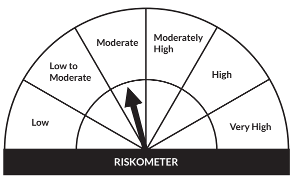
(An open ended debt scheme investing in instruments such that the Macaulay duration of the portfolio is greater than 7 years. A Relatively High interest rate risk and Relatively Low Credit Risk)

Benchmark: Nifty Long Duration Debt Index A-III

This product is suitable for investors who are seeking*:

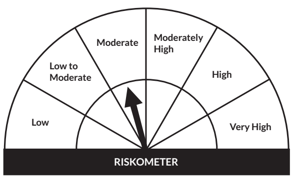
- Regular income over long term.
- Investment in Debt and Money Market instruments with portfolio Macaulay duration of greater than 7 years.

Product Riskometer



Investors understand that their principal will be at moderate risk

Benchmark Riskometer



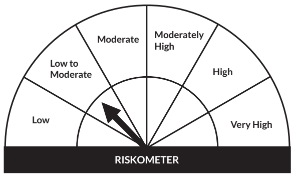
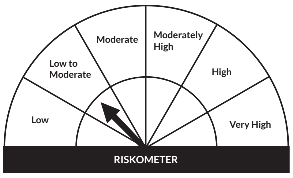
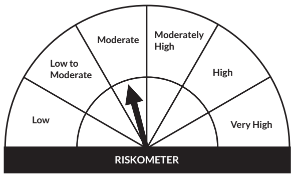
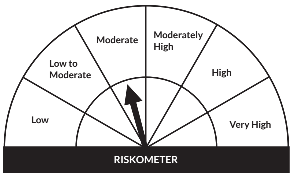
Potential Risk Class

Credit Risk → / Interest Rate Risk ↓	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Relatively Low (Class I)			
Moderate (Class II)			
Relatively High (Class III)	A-III		

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

#For latest Risk-o-meter, investors may refer to the Monthly Portfolios disclosed on the website of the Fund viz. https://www.axismf.com/

AXIS MUTUAL FUND

AXIS CRISIL IBX50:50 GILT PLUS SDL SEP 2027 INDEX FUND (An open-ended Target Maturity index fund investing in constituents of CRISIL IBX 50:50 Gilt Plus SDL Index – September 2027. Relatively High interest rate risk and Relatively Low Credit Risk) **Benchmark:** CRISIL IBX 50:50 Gilt Plus SDL Index - September 2027	This product is suitable for investors who are seeking*: • Income over long term. • The Scheme that seeks to provide investment returns corresponding to the total returns of the securities as represented by CRISIL IBX 50:50 Gilt Plus SDL Index – September 2027 , subject to tracking errors.	 Investors understand that their principal will be at low to moderate risk		(Potential Risk Class matrix below)
Axis CRISIL IBX SDL June 2034 Debt Index Fund (An open-ended Target Maturity index fund investing in constituents of CRISIL IBX SDL Index – June 2034. A Relatively High Interest Rate Risk and Relatively Low Credit Risk) **Benchmark:** CRISIL IBX SDL Index – June 2034	This product is suitable for investors who are seeking*: • Income over long term. • Investments in state government securities (SDLs) similar to the composition of CRISIL IBX SDL Index – June 2034, subject to tracking errors.	 Investors understand that their principal will be at moderate risk		(Potential Risk Class matrix below)

Axis CRISIL IBX50:50 Gilt Plus SDL Sep 2027 Index Fund:

Credit Risk → / Interest Rate Risk ↓	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Relatively Low (Class I)			
Moderate (Class II)			
Relatively High (Class III)	A-III		

Axis CRISIL IBX SDL June 2034 Debt Index Fund:

Credit Risk → / Interest Rate Risk ↓	Relatively Low (Class A)	Moderate (Class B)	Relatively High (Class C)
Relatively Low (Class I)			
Moderate (Class II)			
Relatively High (Class III)	A-III		

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

#For latest Risk-o-meter, investors may refer to the Monthly Portfolios disclosed on the website of the Fund viz. https://www.axismf.com/

Axis MF App

Scan the QR code to download the new AxisMF App

GET IT ON Google Play | Download on the App Store

Axis MF WEBSITE

www.axismf.com

https://www.axismf.com/corporate/Login.aspx

WhatsApp

To stay up to date with your mutual fund investments, connect with us on our WhatsApp number. Sent us a 'Hi' on **7506771113** from your registered mobile number to have your queries answered.

Follow Us on

Facebook.com/AxisMutualFund

Twitter.com/AxisMutualFund

LinkedIn.com/company/Axis-Mutual-Fund

YouTube.com/AxisMutualFund

Data as on 30th April 2024. Source of data: Bloomberg, ACEMF

Disclaimer: **Past performance may or may not be sustained in the future.** Sector(s) / Stock(s) / Issuer(s) mentioned above are for the purpose of disclosure of the portfolio of the Scheme(s) and should not be construed as recommendation. The fund manager(s) may or may not choose to hold the securities mentioned, from time to time. Investors are requested to consult their financial, tax and other advisors before taking any investment decision(s). This document should not be construed as research report.

Statutory Details: Axis Mutual Fund has been established as a Trust under the Indian Trusts Act, 1882, sponsored by Axis Bank Ltd. (liability restricted to ₹ 1 Lakh). **Trustee:** Axis Mutual Fund Trustee Ltd. **Investment Manager:** Axis Asset Management Co. Ltd. (the AMC) **Risk Factors:** Axis Bank Limited is not liable or responsible for any loss or shortfall resulting from the operation of the scheme.

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