

NEW FUND
OFFER



QUALITY MATTERS

Invest in UTI Nifty Midcap 150
Quality 50 Index Fund

UTI NIFTY MIDCAP 150 QUALITY 50 INDEX FUND

Contact your mutual fund distributor
or give a missed call on **8655019940**.

SMS "UTINM150Q50" to 5676756
www.utimf.com

UTI Nifty Midcap 150 Quality 50 Index Fund is an open-ended scheme replicating/tracking Nifty Midcap 150 Quality 50 Total Return Index (TRI).

UTI Nifty Midcap 150 Quality 50 Index Fund

The product is suitable for investors who are seeking*:

- Capital growth in tune with the index returns
- Passive investment in equity instruments comprised in NIFTY Midcap150 Quality 50 Index

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

Fund: UTI Nifty Midcap
150 Quality 50 Index Fund



Investors understand that their principal
will be at Very High Risk

Benchmark: NIFTY Midcap150
Quality 50 TRI#



Benchmark riskometer is at Very High Risk

Product labelling assigned during the NFO is based on internal assessment of the scheme characteristics or model portfolio and the same may vary post NFO when the actual investments are made. *Based on the Index Composition as on February 28, 2022

**MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISKS,
READ ALL RELATED DOCUMENTS CAREFULLY.**

NFO OPENS MARCH 28, 2022

NFO CLOSSES APRIL 05, 2022



Investing in high quality Midcap companies which are generally consistent* and resilient@

Large Cap – Market Cap Segment

Number of Companies

100

Market Cap Range

₹47,757 Cr and Above

Cumulative Market Cap (In ₹Trillion)

177.11



Mid Cap – Market Cap Segment

Number of Companies

150

Market Cap Range

₹16,165 Cr to ₹47,297 Cr

Cumulative Market Cap (In ₹Trillion)

43.40



Small Cap – Market Cap Segment

Number of Companies

1268[^]

Market Cap Range

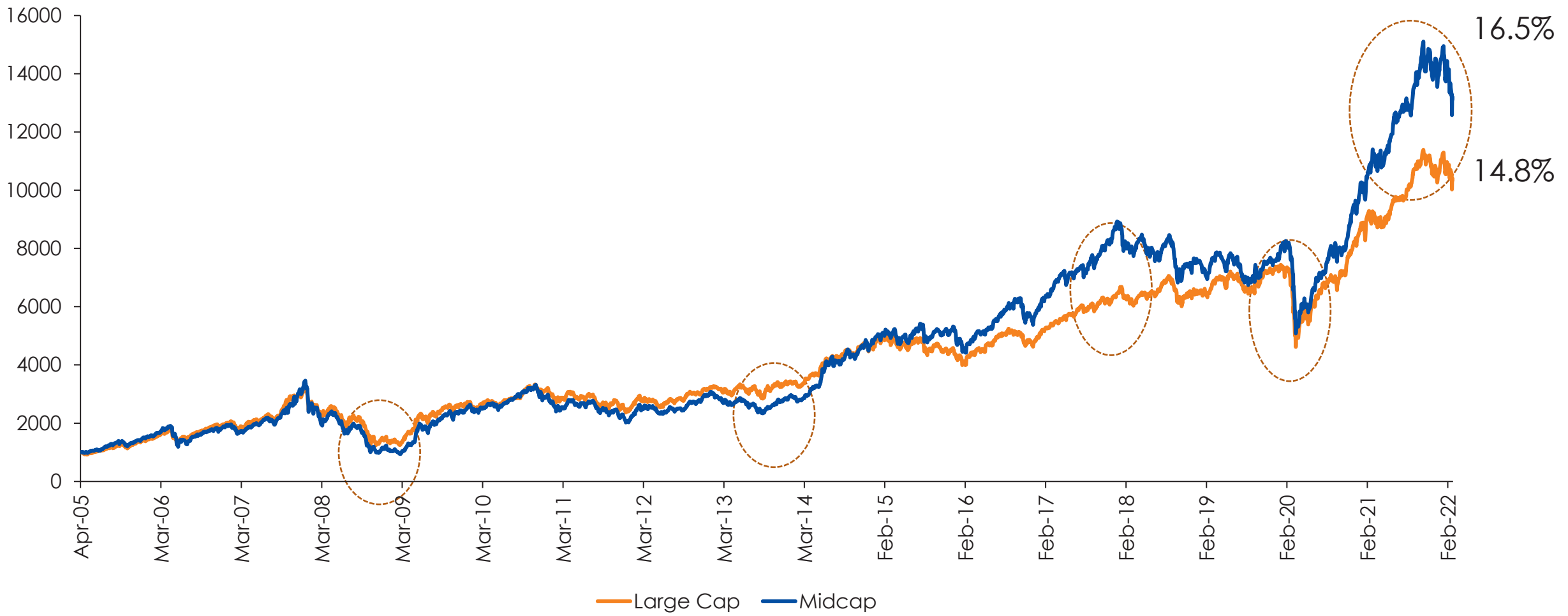
Below ₹16,165 Cr

Cumulative Market Cap (In ₹Trillion)

35.50



Why Midcap : High Return Potential with higher Volatility compared to Large Cap

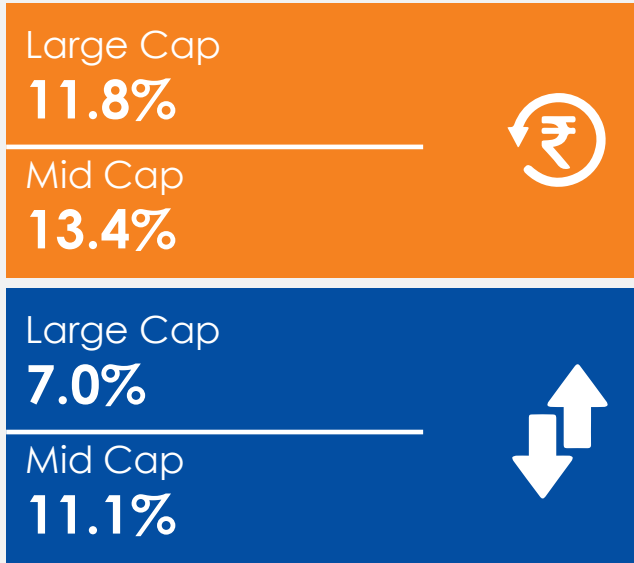


Large Cap – NIFTY 100 TRI | Mid Cap – NIFTY Midcap 150 TRI

Data as on Feb 28, 2022. Inception i.e., base date of Nifty Midcap 150 Index TRI is April 1, 2005. TRI i.e. 'Total Return Index' consider reinvestment of dividends issued by companies forming part of Index. www.niftyindices.com, Data points rebase to 1000. The Indices referred in this literature are not an endorsement by the Mutual Fund and AMC of their soundness or a recommendation to buy or sell at any point of time. These are only for reference purpose. Graph is to represent overall movement of indices and not specific to particular time period. Past performance does not guarantee future performance of the scheme

Why Midcap : High Return Potential with higher Volatility compared to Large Cap

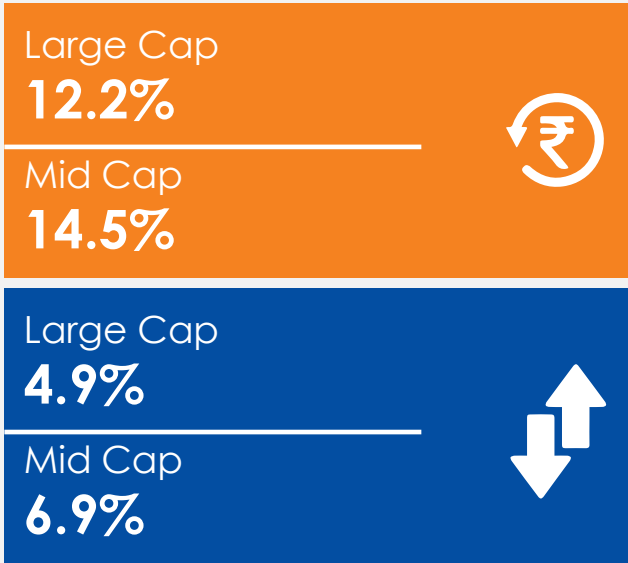
3 Years



Number of Observations : **3,444**

% of Outperformance of Midcap Vs Largecap: **56%**

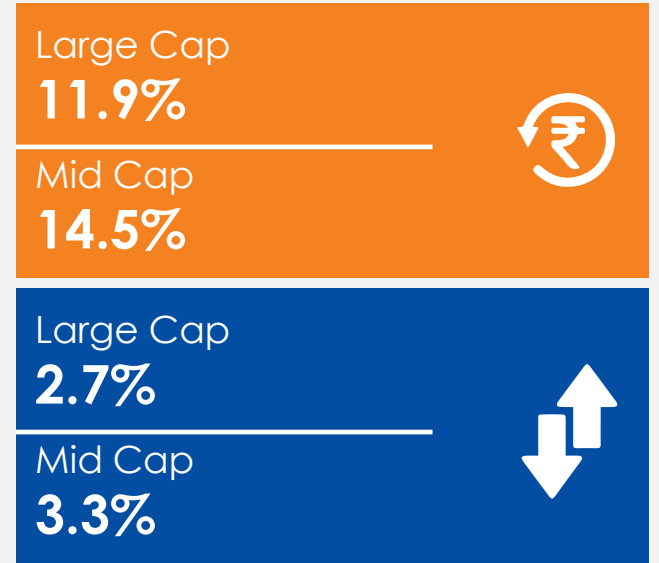
5 Years



Number of Observations : **2,957**

% of Outperformance of Midcap Vs Largecap: **69%**

10 Years



Number of Observations : **1,711**

% of Outperformance of Midcap Vs Largecap: **97%**

₹ Return

Volatility

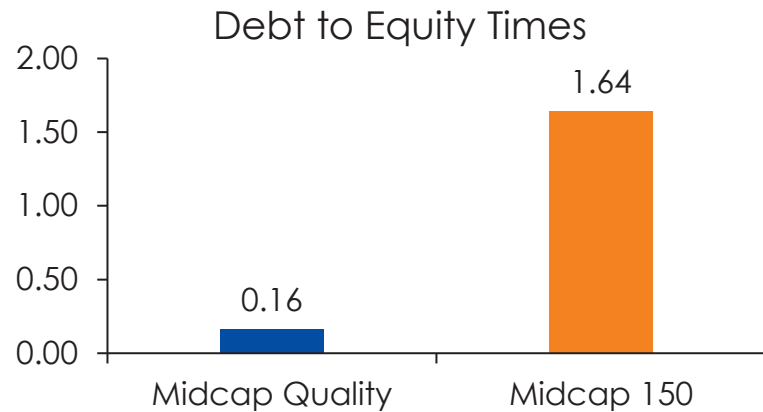
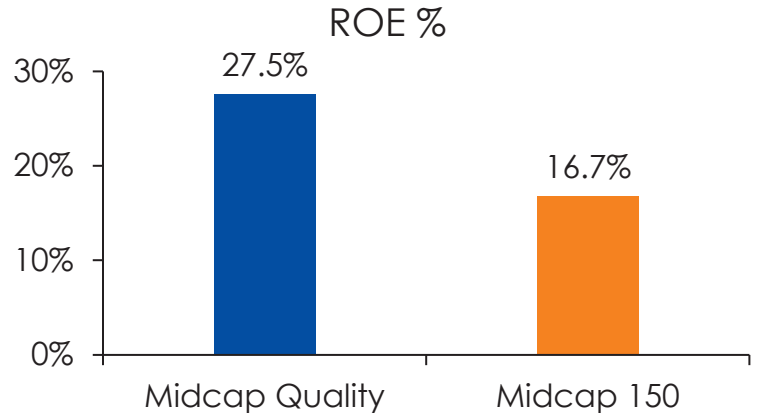
Large Cap – NIFTY 100 TRI | Mid Cap – NIFTY Midcap 150 TRI



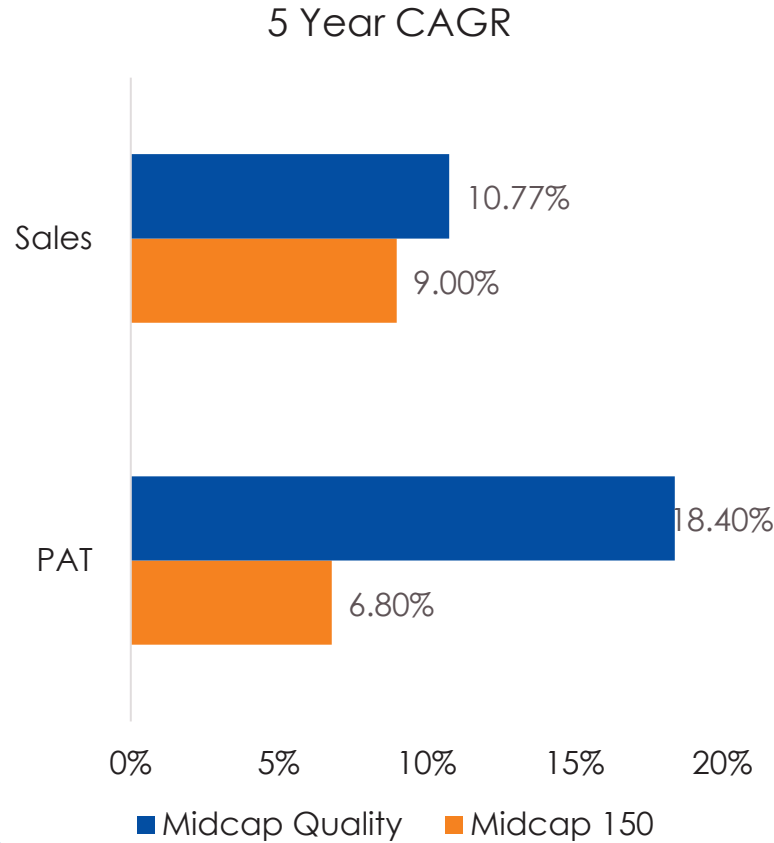
**Why Quality selection
within Midcap Universe**

Quality, Growth and Valuations for selection Within Midcap

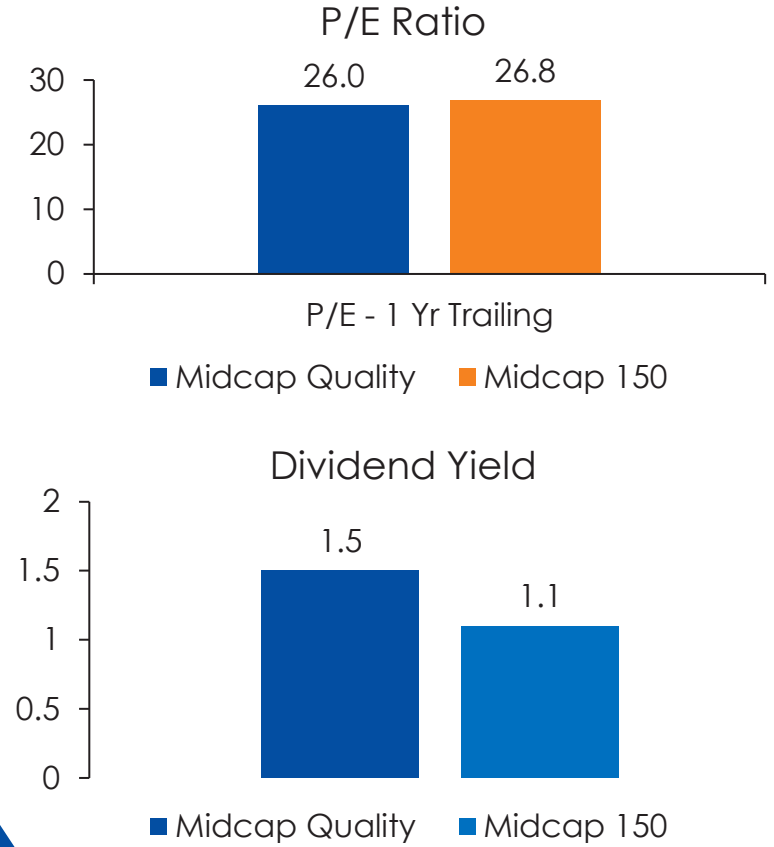
Quality



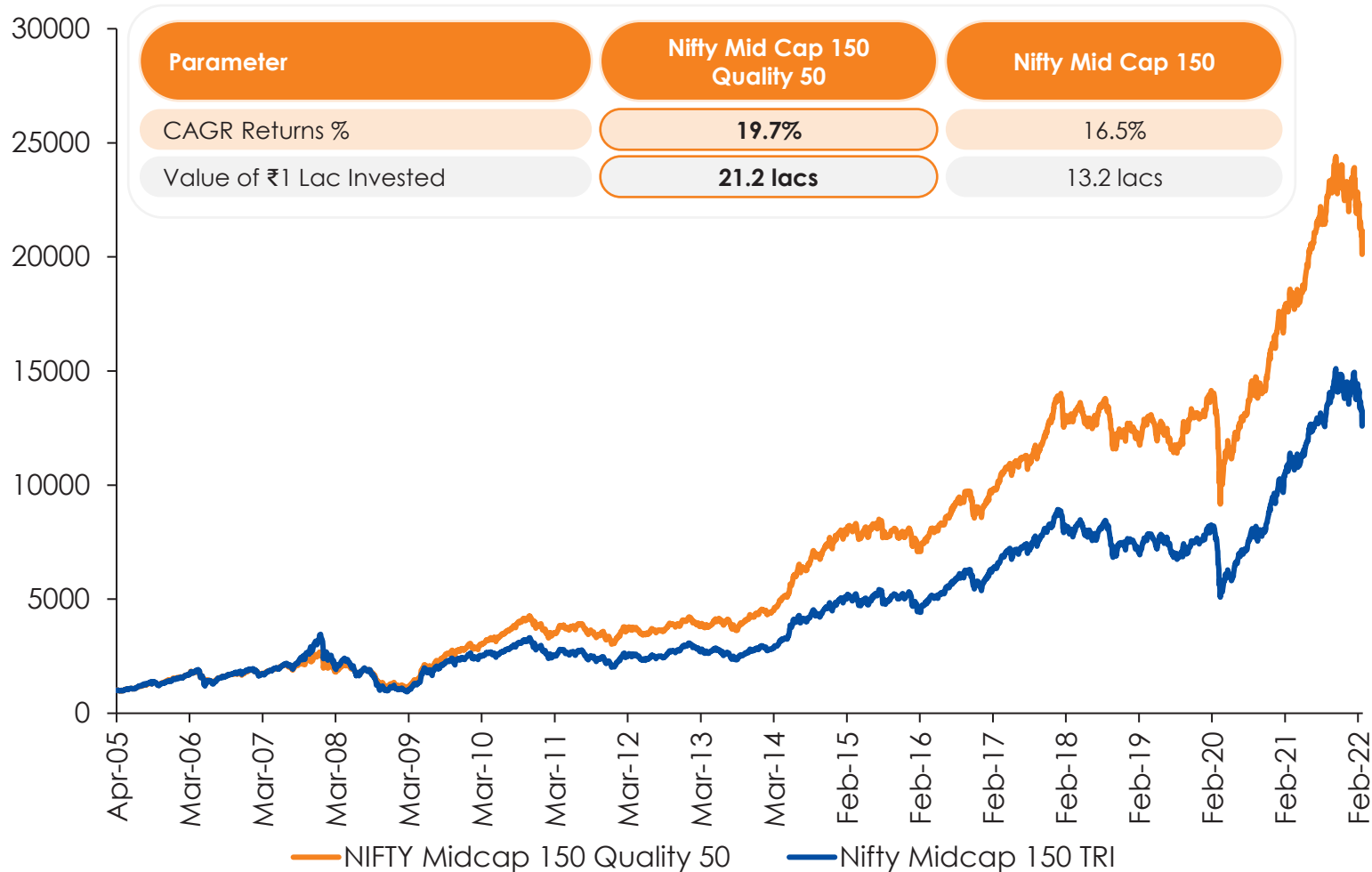
Growth



Valuation



Investment Journey : Quality Selection within Midcap

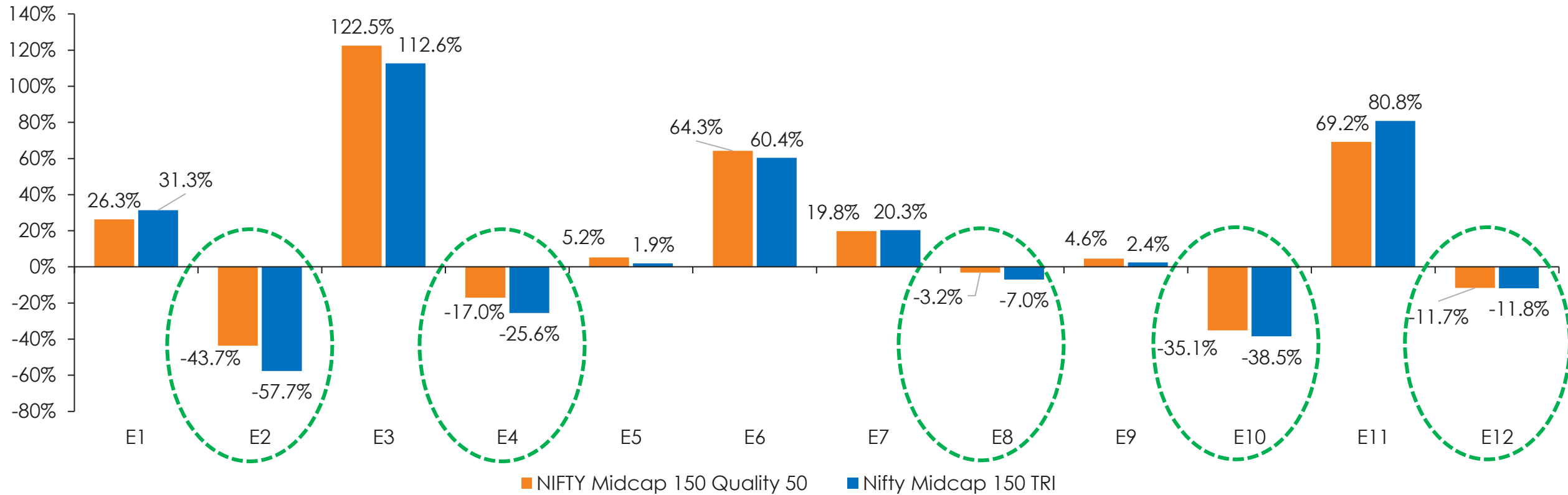


Period	NIFTY Midcap 150 Quality 50 TRI	Nifty Midcap 150 TRI
FY06	76%	75%
FY07	0%	-1%
FY08	11%	21%
FY09	-35%	-49%
FY10	145%	136%
FY11	20%	5%
FY12	0%	-5%
FY13	2%	4%
FY14	30%	18%
FY15	63%	60%
FY16	-4%	-2%
FY17	36%	37%
FY18	24%	17%
FY19	0%	-1%
FY20	-21%	-30%
FY21	78%	102%
FYTD*	15%	19%

NIFTY Midcap 150 Quality has outperformed NIFTY Midcap 150 since inception and 11 times out of last 17 FYs

Source : MFI, NIFTY Indices Ltd as on Feb 28, 2022, based on Total Returns Index. * FYTD – April 01, 2005 to Feb 28, 2022. Past performance may or may not be sustained in the future and shall not be used for comparison with other investments. The figures pertain to performance of the index and do not indicate the returns/performance of the scheme. It is not possible to invest directly in Index

Periodic Returns : Quality factor offers protection during rough patches



E1	Economic Recovery	01/04/2005	07/03/2008	E7	Global Growth Stabilisation	31/03/2015	31/01/2018
E2	Global Financial Crisis	07/03/2008	09/03/2009	E8	LTCG on Equities	31/01/2018	28/03/2018
E3	Post Crisis Recovery	09/03/2009	09/11/2010	E9	Demonetisation and GST implementation	28/03/2018	07/02/2020
E4	Eurozone Debt Crisis	09/11/2010	30/01/2012	E10	Covid-19 Pandemic	07/02/2020	23/03/2020
E5	Policy Paralysis	30/01/2012	31/08/2013	E11	Post Covid Recovery	23/03/2020	17/01/2022
E6	Oil Price Correction	30/08/2013	31/03/2015	E12	Geo-Political Tension	17/01/2022	28/02/2022

Source : NIFTY Indices Ltd as on Feb 28, 2022, based on Total Returns Index. Index Inception Date is 01 April 2005. Past performance does not guarantee future performance of the scheme. Past performance may or may not be sustained in the future and shall not be used for comparison with other investments. The figures pertain to performance of the index and do not indicate the returns/performance of the scheme. It is not possible to invest directly in Index



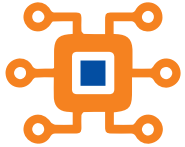
Presenting

UTI Nifty Midcap 150 Quality 50 Index Fund

(An open-ended scheme replicating/tracking NIFTY Midcap 150 Quality 50 Total Return Index (TRI))

About 'Nifty Midcap150 Quality 50' Index® (The Index)

Universe



**Components of Nifty 150
Midcap Index**

Selection



Top 50 stocks on 'Quality' Score

- Return on Equity
- Financial Leverage
- EPS growth variability

Weights



**Based on the combination of
stock's quality score and its free
float market capitalization**

Rebalancing



Semi-annual

The Nifty Midcap150 Quality 50 index includes top 50 companies from its parent Nifty Midcap 150 index, selected based on their 'quality' scores. The quality score for each company is determined based on return on equity, financial leverage (except for financial services companies) and earning per share (EPS) growth variability of each stock analysed during the previous 5 financial years. The weight of each stock in the index is based on a combination of stock's quality score and its free float market capitalization.

Market Cap Filter



NIFTY 500 Universe (500 Stocks)

Quality Filters



NIFTY Midcap Index Universe (150 Stocks)

The Index



NIFTY Midcap 150 Quality 50 Index Universe (50 Stocks)

Assessment of Financial Health of the Company with :

Return on Equity

Financial Analysis

ROE is an indicator of a company's profitability and how efficiently it generates those profits utilizing its capital.

Debt to Equity Ratio

Balance Sheet Analysis

Indicates financial strength of the company

Higher-leverage ratios tend to indicate potentially higher financial risk.

Not considered for financial services companies

EPS Growth Variability

Profit & Loss Analysis

Measures earning Quality of a company.

Consistency of EPS growth reflects healthy earning quality.

Stocks with negative EPS in any of the previous 6 fiscal years are not considered for selection

Nifty Midcap 150 Quality 50' Index® – Weightages & Rebalancing

Weight of the Stock

- **Weight of the stock in the index**
- **= Quality score * Square root of free float market cap of that stock**

Weight Capping

- **Weight of each stock in the index is capped at**
- **the lower of 5%**
- **5 times the weight of the stock in the index based only on free float market capitalization**

Rebalancing

- **Index reconstitution will be done on a semi-annual basis in June and December**



UTI Nifty Midcap 150 Quality 50 Index Fund - Portfolio

NIFTY Midcap 150 Quality 50 Index – Top 10 Holding

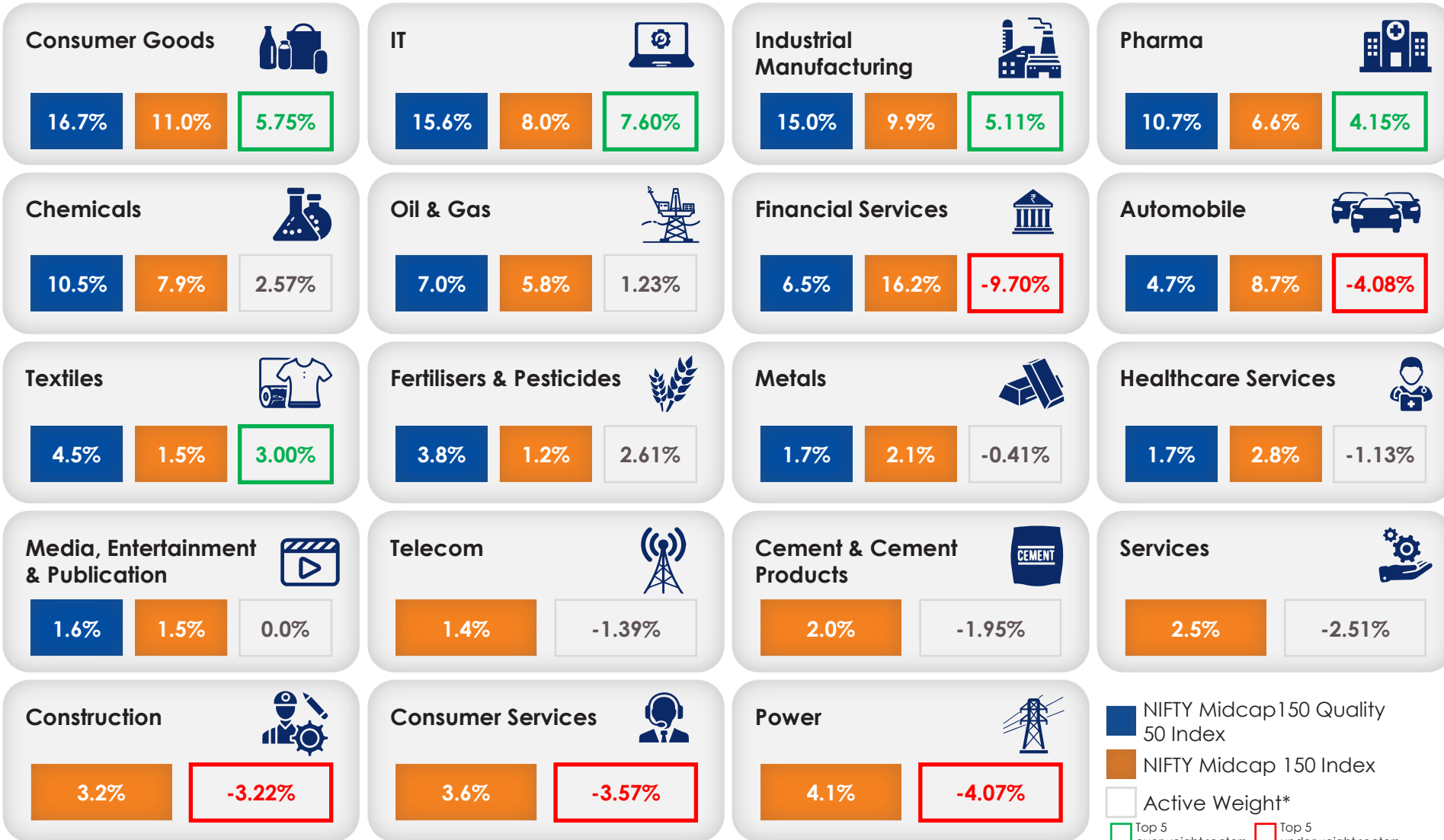
Stock Name	Sector	Weightage (%)
Page Industries Ltd.	Textiles	4.49
Tata Elxsi Ltd.	IT	3.89
Crompton Greaves Consumer Electricals Ltd.	Consumer Goods	3.80
ICICI Securities Ltd.	Financial Services	3.40
Mindtree Ltd.	IT	3.19
Bharat Electronics Ltd.	Industrial Manufacturing	2.88
Voltas Ltd.	Consumer Goods	2.88
Mphasis Ltd.	IT	2.78
Supreme Industries Ltd.	Industrial Manufacturing	2.68
Astral Ltd.	Industrial Manufacturing	2.56
Total		32.54

KEY TAKEAWAYS

NIFTY Midcap 150 Quality 50 Index offers a diversified exposure at stock level.

Maximum weight assigned to each stock is lower of – 5% or 5 times the weight of stock in NIFTY Midcap 150 Index

NIFTY Midcap 150 Quality 50 Vs NIFTY Midcap 150 – Active Sector Exposure



■ NIFTY Midcap 150 Quality 50 Index
■ NIFTY Midcap 150 Index
 Active Weight*
 Top 5 overweight sectors Top 5 underweight sectors

KEY TAKEAWAYS

NIFTY Midcap 150 Quality 50 has higher exposure than NIFTY Midcap 150 to sectors with higher ROE and lower earning variability like IT, Consumer Goods, Industrial Manufacturing etc.

NIFTY Midcap 150 Quality 50 has no exposure to sectors with higher Debt to Equity ratio like cement, construction, power, telecom etc.



Nifty Midcap 150 Quality 50 Index - Performance

Nifty Midcap 150 Quality 50 Index Comparison – Current Performance



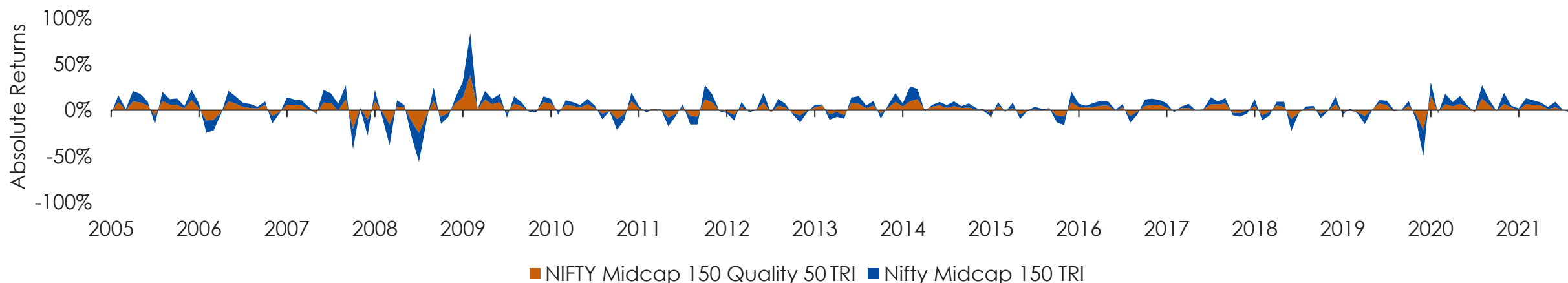
PERIOD	RETURNS %			STANDARD DEVIATION (%)			RISK ADJUSTED RETURNS		
	NIFTY Midcap 150 Quality 50 TRI	Nifty Midcap 150 TRI	NIFTY 50 TRI	NIFTY Midcap 150 Quality 50 TRI	Nifty Midcap 150 TRI	NIFTY 50 TRI	NIFTY Midcap 150 Quality 50 TRI	Nifty Midcap 150 TRI	NIFTY 50 TRI
1 Year	18.4%	21.6%	16.9%	15.9%	18.6%	15.7%	1.16	1.16	1.08
3 Years	20.0%	22.2%	17.2%	19.2%	21.2%	22.1%	1.04	1.04	0.78
5 Years	16.4%	15.5%	15.0%	16.8%	18.8%	18.5%	0.98	0.82	0.81
7 Years	14.9%	14.6%	10.9%	16.1	18.3%	17.6%	0.93	0.80	0.62
10 Years	19.1%	18.0%	13.5%	15.1%	17.4%	17.0%	1.26	1.03	0.79
Since Inception	19.7%	16.5%	14.6%	18.4%	21.7%	22.2%	1.08	0.76	0.66

NIFTY Midcap 150 Quality 50 TRI delivered better Risk-Adjusted Returns the NIFTY Midcap 150 TRI over medium to long term investment horizon.

Nifty Midcap 150 Quality 50 Index Comparison – Monthly Return Distribution

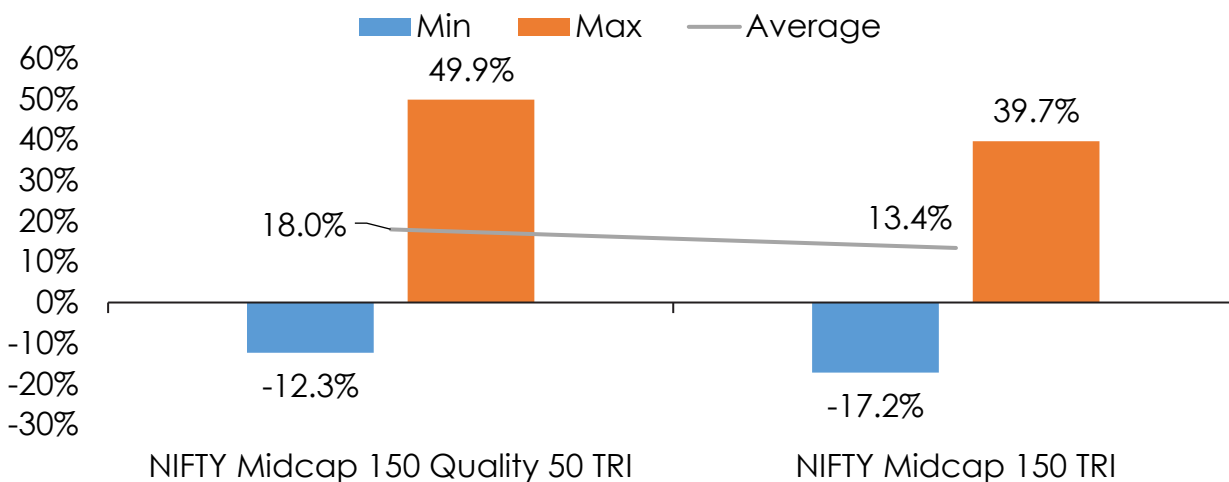
Parameters	Nifty Midcap 150 Quality 50 TRI	Nifty Midcap 150 TRI	Nifty 50 TRI
Number of months	203	203	203
Months delivering +ve returns	62%	64%	61%
Average Return - when Nifty Midcap 150 TRI delivered +ve returns	5.20%	5.86%	--
Average Return - when Nifty 50 TRI delivered +ve returns	4.97%	--	5.02%
Up-capture vs respective index	--	89%	99%
Average Return in months when Nifty Midcap 150 TRI delivered -ve returns	-4.44%	-5.99%	--
Average Return in months when Nifty 50 TRI delivered -ve returns	-3.36%	--	-4.41%
Down-capture vs respective index	--	74%	76%

- Nifty Midcap 150 Quality 50 has captured 89% of Nifty Midcap 150 up moves, whereas it has lost less than Nifty Midcap 150, 74% during the periods when Nifty Midcap 150 has declined, thus offers downside protection.
- Similarly, Nifty Midcap 150 Quality 50 has captured 99% of Nifty 50 up moves, whereas it has lost less than Nifty 50, 76% during the periods when Nifty 50 has declined.
- This shows that the Quality filters Investing strategy within the Midcap space is working well against both the indices.

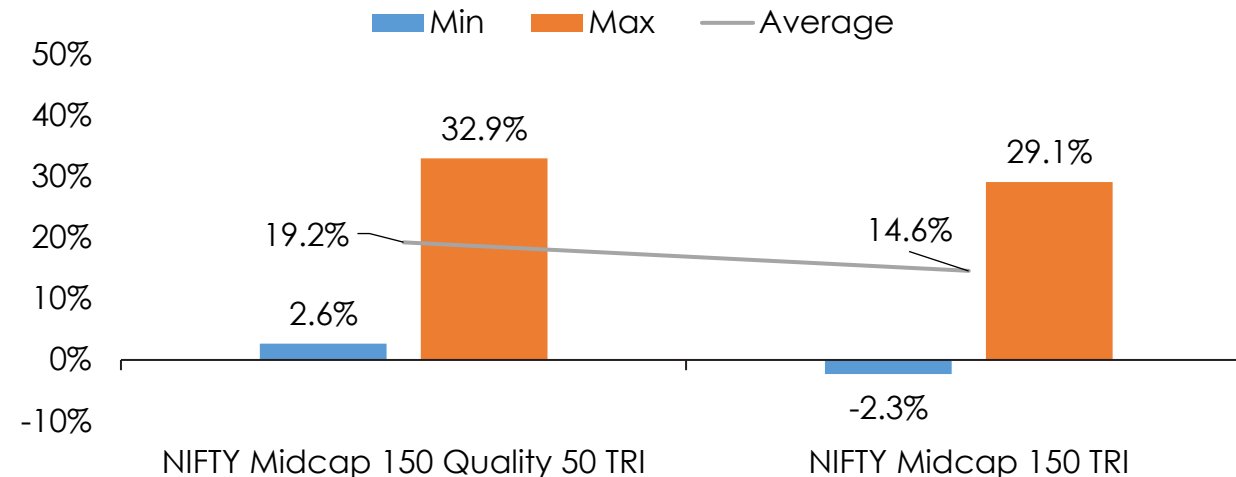


Rolling return analysis

3 Years Rolling Returns



5 Years Rolling Returns



No. of Observation	3,445	3,445
Standard Deviation	10.4%	11.1%
Instances of +ve Returns	95%	88%
Over 8%	83%	69%

No. of Observation	2,958	2,958
Standard Deviation	5.7%	6.9%
Instances of +ve Returns	100%	99%
Over 8%	99%	80%

Source: MFI Explorer.

Rolling Returns with daily frequency of indices as mentioned above on 3 and 5 years periods respectively. CAGR – Compounded Annual Growth Rate.

Data period: April 10, 2005 to Feb 28, 2022. Past performance may or may not be sustained in future. Past performance may or may not be sustained in the future and shall not be used for comparison with other investments. The figures pertain to performance of the index and do not indicate the returns/performance of the scheme. It is not possible to invest directly in Index

About UTI NIFTY Midcap 150 Quality 50 Index Fund



Investment Objective

The investment objective of the scheme is to provide returns that, before expenses, closely correspond to the total returns of the securities as represented by the underlying index, subject to tracking error

However, there is no guarantee or assurance that the investment objective of the scheme will be achieved.



Investment Universe

The investment universe of the fund will be the constituents of NIFTY Midcap 150 Quality 50 Index.



Investment Strategy

The scheme is a low-cost smart beta index Fund which tracks the NIFTY Midcap 150 Quality 50 Index passively. The scheme will endeavor to achieve return equivalent to returns of the underlying index while minimizing tracking error.

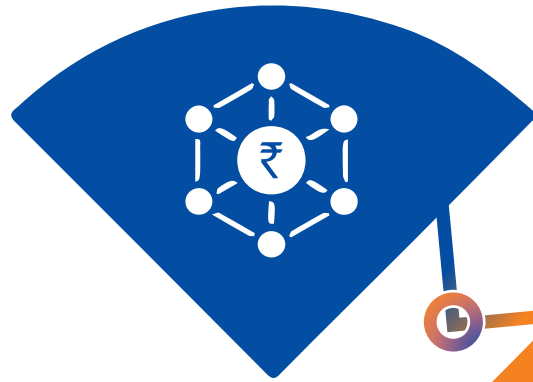


Performance

The scheme will endeavor to replicate the performance of NIFTY Midcap 150 Quality 50 Index

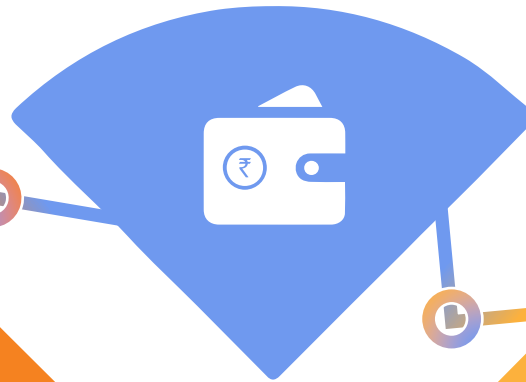
Type of scheme

An Open-ended scheme replicating/tracking NIFTY Midcap 150 Quality 50 Index TRI



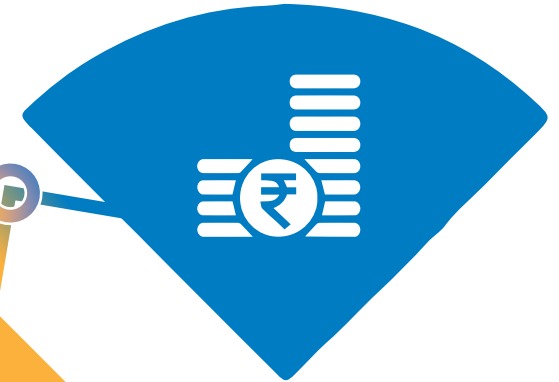
Entry and Exit Load*

NIL



Market Cap Exposure*

Large Cap – NIL
Mid Cap – 100%
Small Cap - Nil



Plans & Options

Regular Plan and Direct Plan – Both Plan offers Growth Option Only



Minimum Application Amount

Minimum initial investment is ₹5,000/- and in multiples of ₹1/- thereafter.
Subsequent minimum investment under a folio is ₹1,000/- and in multiples of ₹1/- thereafter with no upper limit.



Why UTI Index Funds



Why UTI Midcap 150 Quality 50 Index Fund ?



Diversified Portfolio of relatively Quality Businesses within the midcap segment

The Fund shall follow a passive strategy by investing into the constituents of NIFTY Midcap 150 Quality 50 Index , where the index construction is based on the “Quality Filters” within the midcap universe as :

“Quality” companies generally performs across market cycles

“Quality” companies generally mitigate drawdown

“Quality” companies generally rebound faster based on the strong fundamentals of balance sheets & business models



Focused and Disciplined

A diversified portfolio of high quality businesses that are expected to deliver long term growth



Long Term Wealth Creation

By investing only into companies that generate economic value the fund may generate superior wealth for investors in the medium to long run

Suitable for:

- Investors looking to take exposure in the midcap segment while investing in relatively quality businesses that may generate economic value
- Investors looking for a passive fund which brings disciplined approach to the portfolio construction, while adhering to the defined quality selection process

REGISTERED OFFICE: UTI Tower, 'GN' Block, Bandra Kurla Complex, Bandra (E), Mumbai - 400051. Phone: 022 – 66786666. UTI Asset Management Company Ltd (Investment Manager for UTI Mutual Fund) Email: invest@uti.co.in . (CIN-L65991MH2002PLC137867). For more information, please contact the nearest UTI Financial Centre or your AMFI/NISM certified UTI Mutual Fund- Mutual Fund Distributor (MFD)/Independent Financial Advisor (IFA) for a copy of the Statement of Additional Information, Scheme Information Document and Key Information Memorandum cum Application Form.

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Nifty Midcap 150 Quality 50' Index® – Stock Selection Illustration



Security Name	A	B	C	D	E
Sector	Consumer Goods	Automobile	Financial Services	Oil & Gas	Financial Services
Return on Equity	29.59	22.66	16.41	21.32	28.69
Debt to Equity Ratio	0.12	0.02		0.06	0
EPS growth Variability	0.40	0.17	0.07	0.13	0.17
Z Score on ROE	1.20	-0.22	-1.50	-0.49	1.0139
Z Score on Debt to Equity Ratio	1.30	-1.14		-0.16	
Z Score on EPS growth Variability	1.88	-0.15	-1.08	-0.48	-0.1723
Quality score	-0.66	0.36	-0.21	0.05	0.59
Normalised Quality score	0.60	1.36	0.83	1.05	1.59
Free Float Market Cap (In Rs. Cr)	1000	300	400	200	540
Stock Market Cap for Weight (Norm Quality score* sqrt(FFMCAP))	19.03	23.48	16.53	14.86	37.02
Stock Weight	17.16	21.17	14.90	13.40	33.38

Z score of each parameter for each security is calculated as per following formula $(x - \mu) / \sigma$ Where; x is parameter value of the stock , μ is mean value of the parameter in the eligible universe and σ is std. deviation of parameter in the eligible universe

Illustration based on Index Methodology

Calculation of Z score for each of the quality parameters

Z score of each parameter for each security is calculated as per following formula

$$(x - \mu) / \sigma$$

Where;
x is parameter value of the stock
 μ is mean value of the parameter in the eligible universe
 σ is std. deviation of parameter in the eligible universe

Average Z Score

For Non-Financial Service sector company: Average Z score of ROE D/E Ratio and EPS growth variability

For financial services sector: Average Z score of ROE and EPS growth variability).

Calculation of “Quality Score”

Quality score is calculated for all eligible securities from the weighted average Z score as

Quality Score =

(1+ Average Z score) if Avg. Z score >0
(1-Average Z score)⁻¹ if Avg. Z score < 0

Top 50 Stocks based on Quality Score are Selected