

# MIRAE ASSET NIFTY NEXT 50 ETF

( NSE: NEXT50 BSE:542922)

(An open ended scheme replicating/tracking Nifty Next 50 Index)

# ETF Market: Passive on the move

## Drive towards Passive: Shrinking alpha in large-cap funds

CY	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	Average
Alpha(%)	12.4	5.6	-2.3	1.1	-0.2	0.9	-0.4	1.5	-0.9	-2.1	1.6

CY	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Average
Alpha(%)	8.3	3.9	-1.1	0.3	-6.6	-1.7	-2.2	0.3	-2	2.7	0.2

Alpha: Average returns of 29 large cap mutual fund schemes over NIFTY 50 TRI

**The average alpha generated by large-cap fund category over Nifty 50 Index in the last decade (2014 – 2023) has reduced**

*Source: ACE MF, as on Apr 30, 2024. The above is based on Calendar year \* Based on 29 Large cap, funds (Regular: Growth). \*Large Cap Mutual funds based on the SEBI circular on categorization and rationalization of Mutual Fund Scheme. Large cap funds are defined as minimum investment in equity & equity related instruments of large cap companies-80% of total assets **Past performance may or may not sustain in future.** The above is performance of the category and does not in any manner indicate the performance of any individual scheme of Mutual Fund.*

# Nifty 50 Index v/s MF performance

Index Type	% of Large / Mid Cap MF Schemes outperformed by Index (Regular Plan)					Excess Return of Index over average returns of MF				
	1 Year	3 Years	5 Years	7 Years	10 Years	1 Year	3 Years	5 Years	7 Years	10 Years
Nifty 50	14.3%	44.0%	60.9%	80.9%	47.6%	-6.9	-0.5	0.2	1.4	-0.1
Nifty Next 50	100%	96.0%	95.7%	71.4%	100%	24.9	5.0	2.7	1.1	3.4

- In last 1 year in regular plan category, 100% of Large / Mid Cap MF Schemes underperformed Nifty Next 50 Index by an average of 24.9. In last 5 years, this figure was at 95.7% by a margin of 2.7.
- In last 7 years in regular plan category, 71.4% of Large / Mid Cap MF Schemes underperformed Nifty Next 50 Index by an average of 1.1. In last 10 years, this figure rose to 100% by a margin of 3.4.

**Large Cap funds are finding it increasingly difficult to outperform broad based indices**

*Source: ACE MF, as on April 30, 2024. \* Based on 29 Large cap, funds (Regular: Growth). \*Large Cap Mutual funds based on the SEBI circular on categorization and rationalization of Mutual Fund Scheme. Large cap funds are defined as minimum investment in equity & equity related instruments of large cap companies-80% of total assets Past performance may or may not sustain in future. The above is performance of the category and does not in any manner indicate the performance of any individual scheme of Mutual Fund.*

# About NIFTY Next 50 Index

# NIFTY Next 50 Index: Profile

Parameter	NIFTY 50 Index	NIFTY Next 50 Index	NIFTY 100 Index
Segment	Large Cap	Large Cap	Large Cap
Criteria	Top 50 stocks by M-Cap	Remaining 50 Stocks	Top 100 Stocks
Constituents	50	50	100
Top 5 Stocks (%)	HDFC Bank Ltd ( 11.48 )	Trent Ltd ( 5.00 )	HDFC Bank ( 9.23 )
	Reliance Industries ( 9.96 )	Bharat Electronics Ltd ( 4.31 )	Reliance Industries ( 8.01 )
	ICICI Bank ( 8.11 )	Tata Power Co. Ltd ( 3.92 )	ICICI Bank ( 6.52 )
	Infosys ( 5.09 )	Hindustan Aeronautics Ltd ( 3.80 )	Infosys ( 4.09 )
	Larsen & Toubro ( 4.27 )	Power Finance Co-op Ltd ( 3.30 )	Larsen & Toubro Ltd ( 3.43 )

**NIFTY Next 50 Index aims to captures the essence of large caps**

## NIFTY Next 50 Index : Industry distribution

Industry Exposure Comparison		
Top 15 Industries	Nifty 50 Index	Nifty Next 50 Index
Financial Services	34.29%	23.78%
Fast Moving Consumer Goods	8.04%	10.07%
Capital Goods	-	12.57%
Chemicals	-	4.36%
Consumer Services	-	11.80%
Construction Materials	2.05%	3.58%
Oil, Gas & Consumable Fuels	12.69%	6.48%
Power	3.11%	6.26%
Consumer Durables	2.81%	2.88%
Information Technology	12.32%	-
Automobile and Auto Components	7.79%	5.36%
Metals & Mining	3.96%	4.50%
Services	0.98%	2.93%
Realty	-	2.96%
HealthCare	4.24%	2.49%

**NIFTY Next 50 Index offers different industry exposure compared to Nifty 50 Index**

<sup>6</sup> Source: NSE, as on April 30, 2024. The sector(s)/stock(s)/issuer(s) mentioned in this presentation do not constitute any research report/recommendation of the same.

## NIFTY Next 50 Index : Stock distribution

TOP 15 STOCKS	Weightage(%)
TRENT LTD.	5.00
BHARAT ELECTRONICS LTD.	4.31
TATA POWER CO. LTD.	3.92
HINDUSTAN AERONAUTICS LTD.	3.80
POWER FINANCE CO.OP LTD	3.30
REC LTD	3.23
INDIAN OIL CO.OP LTD	3.19
DLF LTD	2.96
INTERGLOBE AVIATION LTD	2.93
GAIL (INDIA) LTD	2.90
VEDANTA LTD	2.74
BANK OF BARODA	2.70
SIEMENS LTD	2.68
CHOLAMANDALAM INVEST & FIN CO.LTD	2.53
TVS MOTOR CO. LTD	2.47

**Top 15 Stocks of Nifty Next 50 Index have a combined weightage of ~50% v/s ~70% weight of top 15 stocks in Nifty 50 Index**

## NIFTY Next 50 Index : Sectoral Distribution

Top 10 Sectors	Nifty 50 Index	Nifty Next 50 Index	Nifty 100 Index
Financial Services	34.29	23.78	32.50
Fast Moving Consumer Goods	8.04	<b>10.07</b>	8.45
Chemicals	-	<b>4.36</b>	0.68
Power	3.11	<b>6.26</b>	4.36
Construction Materials	2.05	<b>3.58</b>	2.21
Oil, Gas & Consumable Fuels	12.69	6.48	11.37
Capital Goods	-	<b>12.57</b>	1.97
Consumer Services	-	<b>11.80</b>	2.88
Information Technology	12.32	-	9.91
Healthcare	4.24	2.49	3.80

**Nifty Next 50 Index is the only index in the large-cap space which gives high exposure to sectors like Fast Moving Consumer Goods, Chemicals, Power, Construction Materials, Capital Goods & Consumer Services**

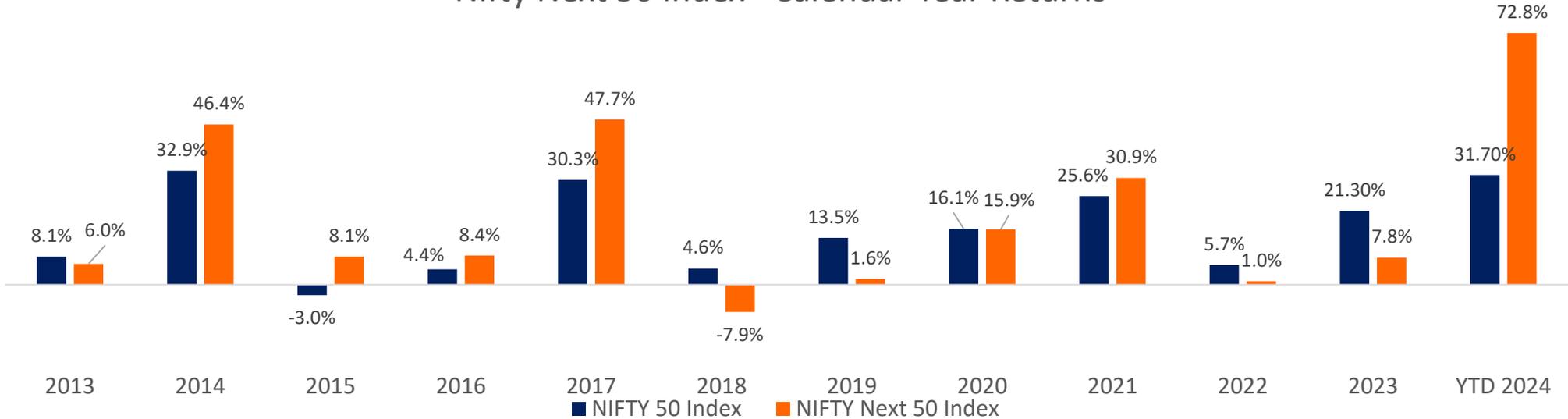
## NIFTY Next 50 Index : Return and risk profile

Period	Returns			Return-to-Risk Ratio		
	NIFTY Midcap 100 Index	NIFTY 50 Index	NIFTY Next 50 Index	NIFTY Midcap 100 Index	NIFTY 50 Index	NIFTY Next 50 Index
<b>15 Years</b>	31.7%	14.7%	19.5%	1.7	0.8	1.0
<b>10 Years</b>	20.4%	14.3%	18.2%	1.1	0.9	1.0
<b>7 Years</b>	17.0%	14.9%	14.8%	0.9	0.9	0.8
<b>5 Years</b>	24.8%	15.3%	19.5%	1.2	0.8	1.0
<b>3 Years</b>	29.2%	16.9%	24.2%	1.7	1.3	1.5
<b>1 Year</b>	61.1%	26.5%	65.3%	4.4	2.7	4.9

Source: NSE, as on April 30, 2024 Returns of period for 1 year and less are absolute returns & more than 1 year are CAGR returns. Past performance may or may not sustain in future. The above is performance of the Index and does not in any manner indicate the performance of any individual scheme of Mutual Fund. Mirae Asset Mutual Fund

# NIFTY Next 50 Index : Calendar year returns

Nifty Next 50 Index - Calendar Year Returns



**Since 2013, NIFTY Next 50 Index has outperformed NIFTY 50 Index in 6 out of 12 Calendar years (including YTD 2024)**

# NIFTY Next 50 Index : Rolling returns

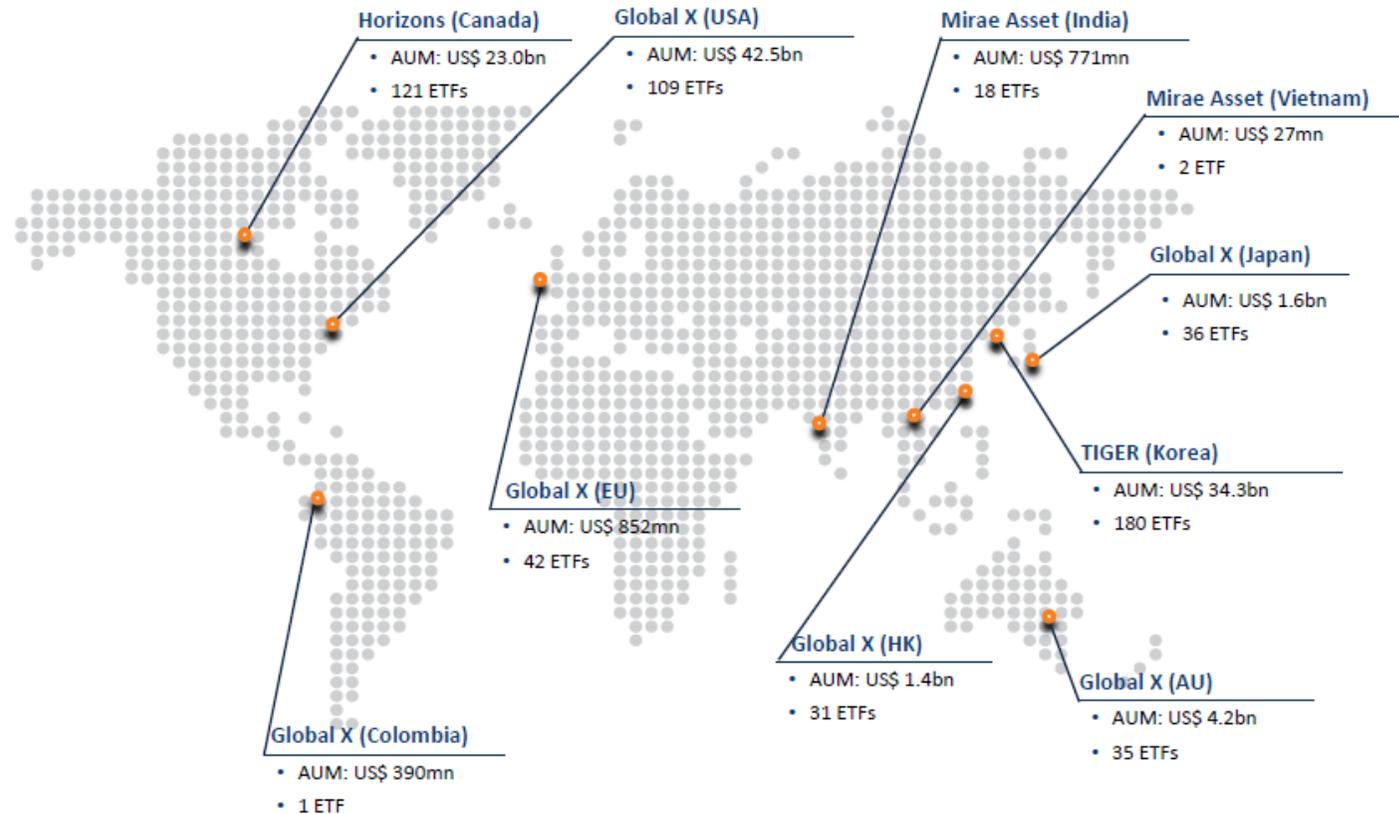
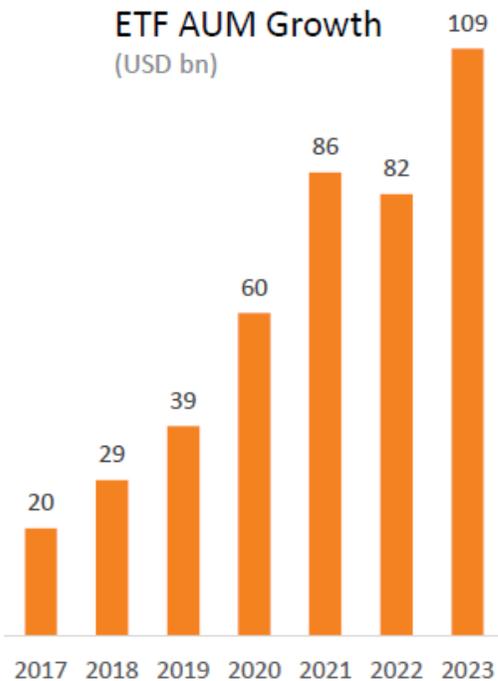
Period	3 Years Investment Horizon			1 Year Investment Horizon		
	Nifty 50	Nifty Next 50	Nifty Midcap 100	Nifty 50	Nifty Next 50	Nifty Midcap 100
	Index	Index	Index	Index	Index	Index
15 Years	12.2%	14.8%	15.0%	15.6%	20.7%	21.5%
10 Years	14.1%	16.5%	17.6%	15.8%	18.4%	22.9%
7 Years	13.7%	13.5%	15.6%	16.3%	14.8%	19.9%
5 Years	14.9%	12.0%	15.4%	16.8%	14.7%	23.4%
3 Years	18.9%	17.7%	26.1%	23.0%	22.6%	37.9%
1 Year	26.1%	25.4%	41.4%	21.6%	21.7%	42.7%

**NIFTY Next 50 Index has given better rolling returns than NIFTY 50 Index for investment horizon of more than 7 years investment period**

Source: NSE, as on April 30, 2024. Past performance may or may not sustain in future. 3 year rolling return in five year period provides the return which investor has realized in last 5 years (daily average), with investment horizon/period of 3 years. The above is performance of the Index and does not in any manner indicate the performance of any individual scheme of Mutual Fund

# Why Mirae Asset ETF?

# Mirae Asset: Global ETF Platform

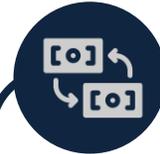


# Mirae Asset ETF Advantages



## Continuous liquidity

Provided by Market makers on exchange at all times around latest real time NAV (iNAV).



## Low spread on exchange

Lower effective spread after considering Securities Transaction Tax (STT) and brokerage. For large order, the AP can quote at negotiate price around with effective negligible spread



## Dedicated ETF team

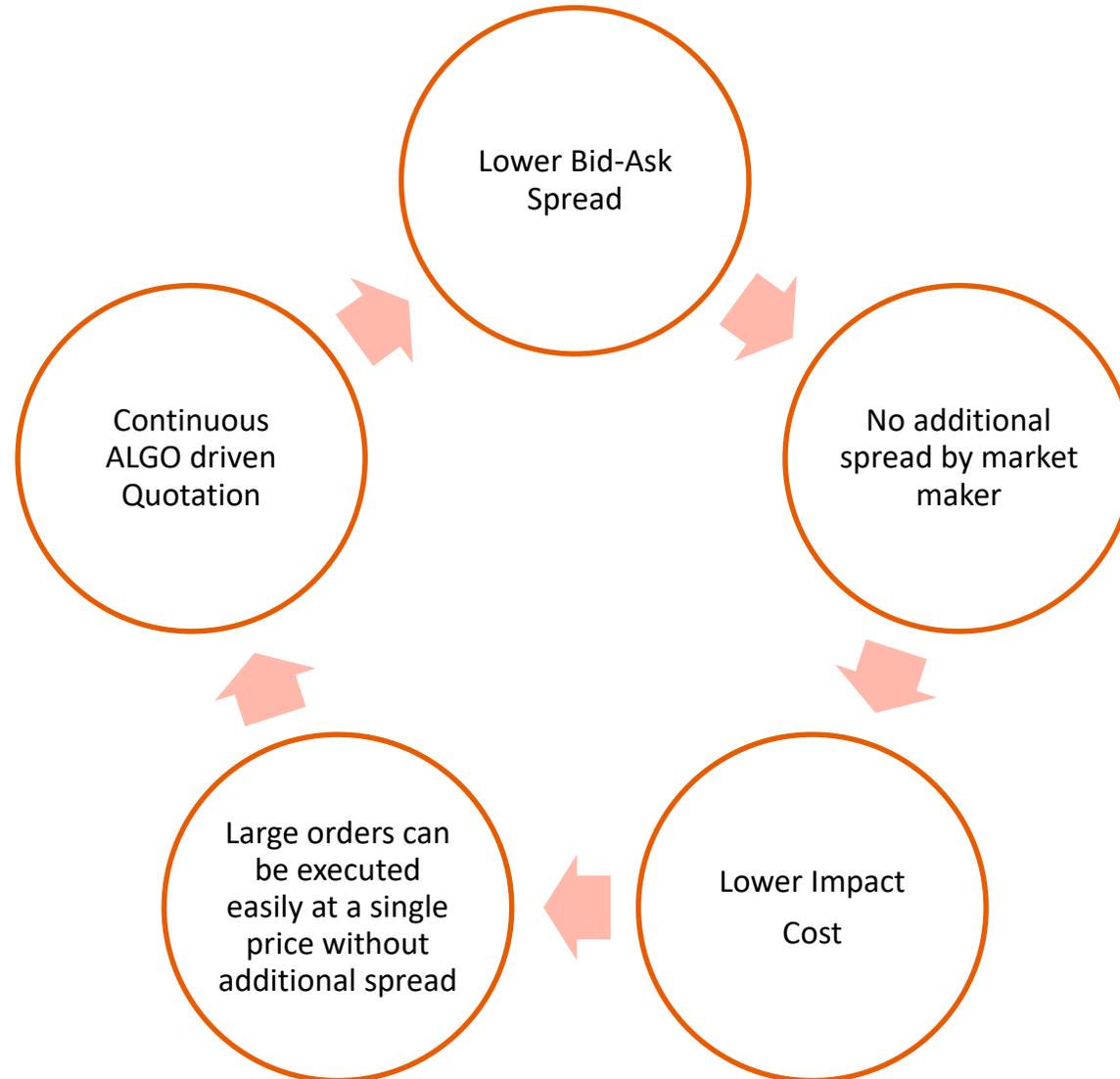
to expedite all processes



## Relatively Low cost

to trade in Mirae Asset ETFs  
vis-à-vis active funds

# Advantages of market maker in Mirae Asset ETF



# Mirae Asset NIFTY Next 50 ETF

- **Listing:** NSE & BSE
- **Transaction Options:**
  - **Through Stock Exchange:** In multiple of 1 unit, around real time NAV price (NAV : ₹ 657.4744 as on Apr 30, 2024)



**Expense Ratio:**  
15 bps



**Returns:**

Replicates performance of Nifty Next 50 TRI subject to tracking error



**Authorized Participants:**

- Mirae Asset Capital Markets (India) Private Limited
- Kanjalochana Finserve Private Ltd
- East India Securities Ltd.
- Parwati Capital Market Pvt Ltd.



**ETF Units:**

Creation Unit Size = On exchange (in multiple of 1 units), Directly with AMC ( Minimum amount of Rs. 25 Crs for transacting directly with the AMC ) or Authorized Participants ( in multiple of 10,000 units )



**Listing:**

NSE (NEXT50) & BSE (542922 )



**Others:**

iNAV available on Website

# Summary: Why Mirae Asset NIFTY Next 50 ETF

Mirae Nifty Next 50 ETF is an open ended scheme replicating/ tracking Nifty Next 50 Index.

NIFTY Next 50 Index captures the performance of Next 50 blue-chip companies in large-cap universe

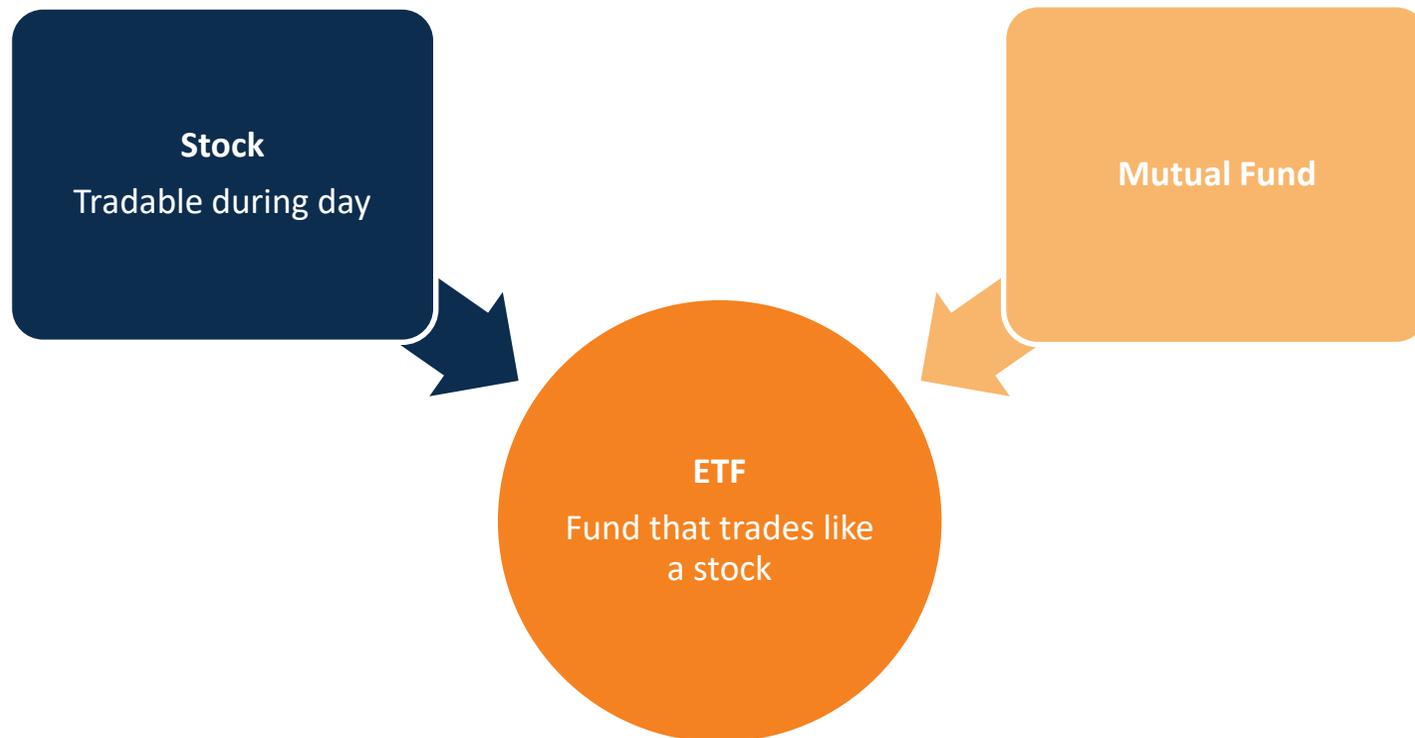
## Highlights of Nifty Next 50 Index

- ❖ Nifty Next 50 Portfolio is well diversified across 15 sectors with top 5 sectors contributing 60% of its portfolio. (Slide 7)
- ❖ Nifty Next 50 ETFs has outperformed 100% of large cap mutual funds over 10 year investment horizon (Slide 3)
- ❖ Since 2013, Nifty Next 50 Index has outperformed Nifty Next 50 Index in 6 out of 12 calendar years(Slide 10)
- ❖ NIFTY Next 50 Index has given better rolling returns than NIFTY 50 Index for investment horizon of more than 7 years investment period ( Slide 11 )

THANK YOU

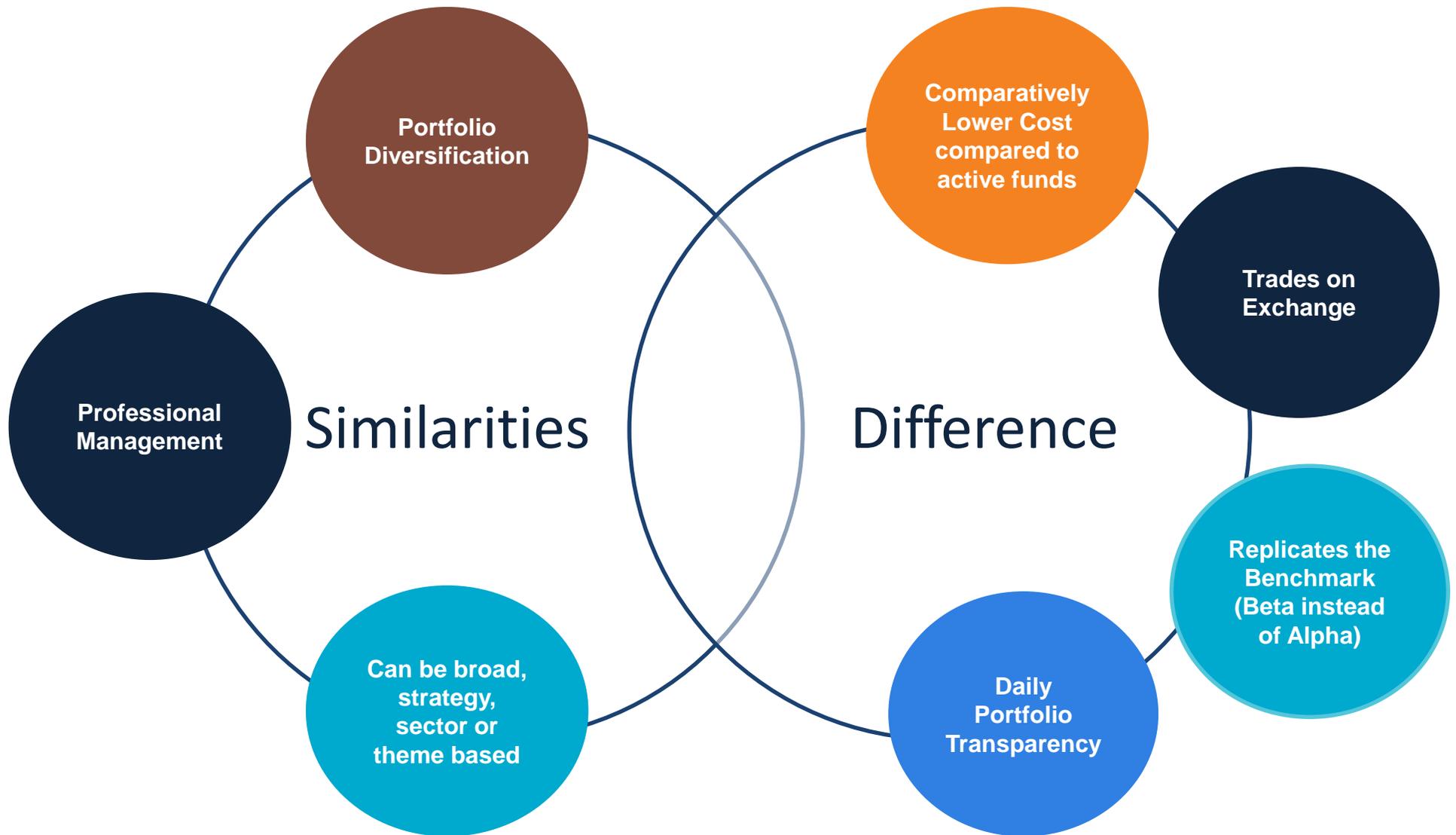


## ETF: Two investment ideas brought together



**Exchange Traded Fund (ETF) aims to generate total returns of the underlying index like NIFTY 50 by investing in the index portfolio**

# ETF v/s Other Mutual Funds



# Disclaimers

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

For further information about other schemes (product labelling and performance of the fund) please visit the website of the AMC: [www.miraeassetmf.co.in](http://www.miraeassetmf.co.in)

**Please consult your financial advisor or mutual fund distributor before investing**

## PRODUCT LABELLING

Mirae Asset Nifty Next 50 ETF is suitable for investors who are seeking\*

- Returns that are commensurate with the performance of the Nifty Next 50, subject to tracking errors over long term
- Investment in equity securities covered by the Nifty Next 50

\*Investors should consult their financial advisers, if they are not clear about the suitability of the product.

