

# FUND FACT SHEET

October 2011



Pramerica

MUTUAL FUND



Prudential Financial, Inc. (PFI) the sponsor of Pramerica Mutual Fund, has US\$871 billion (₹42,65,722 crores) of AUM as of Sep 30, 2011

Expect a respite from rate hike...Page 3

Markets likely to consolidate...Page 4



Benchmark 10Year yield rose sharply during the month of October 2011 to hit a new high of 8.88% in the current tightening cycle. In the Monetary policy review released on October 25, 2011 RBI did not announce any fresh open market operations (OMO) for buying bond. In subsequent media interactions, RBI officials suggested that OMOs would be primarily used for liquidity management and that the bond yields should be market determined. RBI also deregulated the savings bank deposit rate, which is expected to increase the cost of fund for banks in the current situation and therefore likely to lead to higher lending rates by banks. Facing the prospect of larger supplies due to increased H2FY12 borrowing program, market yields spiked up. In addition, RBI also hiked the repo rate by another 25bp to 8.50%, putting pressure on short-term rates which also moved up marginally by 25 bps during the month with 3-month Bank CD rate closing at 9.35%.

## Inflation

Headline WPI Inflation eased marginally to 9.72% for Sep'11. Food inflation still remains high with October'11 weekly YOY average still above 10% and so is the case with primary articles where Oct weekly YOY average is yet above 10%. In the monetary policy review, RBI indicated that inflation should start easing by early next year based on sequential momentum indicators supported by strong base effect and easing global commodity prices. INR also appreciated marginally during the month providing hope that any correction in global commodity prices may result in tangible benefit for our economy. Even as optimism on inflation gets stronger, oil prices rebounded by about 5% during the month with Brent crude at USD 109.75/bbl vs 104.26 last month. Global equities markets including India posted strong gains during the month on expectation of a resolution of European debt crisis and a revival in global economy. This would also result in strong rebound in commodity prices. Even as these uncertainties still remain, economists and markets are very optimistic for now. One has to wait and hope for inflation numbers to start exhibiting some moderation till year-end.

## Liquidity

Liquidity situation remained tight during the month with LAF balances going below (-) Rs 1 lac crs for the first time since June'11. With possibility of RBI having to intervene to moderate the high volatility in Fx markets due to sharp depreciation of INR and given current monetary policy stance of balanced liquidity, liquidity is likely to remain in negative in next month as well.

## Expect a respite from rate hike

RBI indicated that probability of further rate action in December policy review is unlikely given the strong slow-down in economic activity over the last two quarters, even though the inflation may remain high for some more time. It would seem clear that policy stance has now shifted somewhat and RBI's tolerance threshold for inflation would be much higher in near term, also supported by the view that past rate hikes would continue to act with some lag effect, particularly with a much stronger transmission mechanism now with the deregulation of savings bank deposit rates. As such, except for a dramatic surge in inflation number, RBI is unlikely to hike rates further for some time now.

## Market Outlook

We continue to believe that short term rates may have already peaked in March'11 in current cycle and should remain range bound between the March'11 highs and April'11 lows. With the expected increase in cost of funds and likely higher NPA provisioning requirement, banks may be forced to hike lending rates further. As such, we expect short term rates to hug the March'11 highs again sometimes in the current quarter which would be a good opportunity to capture high accrual short term papers. 10Y govt bond yields are close to 9% mark and may still inch higher if supply pressure remains. Nevertheless, 10Y yields may currently remain range bound, providing a few good trading opportunities, with good demand from insurance and pension funds who may find these levels attractive. With RBI likely to have switched to pause mode now, yield curve may continue to steepen at the longer end driven by higher supplies.

With markets rates both short and long term rates having moved up in recent times, opportunities for fixed income products remain aplenty. Short term funds have been the flavor of the recent times and are likely to continue to remain the favorite this month.



Mahendra Jajoo  
Executive Director & CIO - Fixed Income

## Economy

The Indian economy continues to see downward pressure from the impact of rising inflation and interest rates. Index of Industrial Production (IIP) growth for August 2011 came in at 4.1% YoY as against the consensus estimate of 4.8% YoY, thus indicating continued slowdown in the manufacturing activity, even as headline inflation remained sticky.

Despite the macro headwinds- global and local, the RBI in its October'11 mid-term review raised the repo rate by 25 bps giving precedence to fighting inflation. At the same time RBI indicated that the likelihood and need for further rate hike is lower; there by indicating a pause to the rate tightening cycle, given its expectations of inflation moderating, over the medium term. In our view, this guidance of the RBI brings in more predictability on the medium term trajectories of rates and inflation, and should help improve the investment climate for the domestic economy. In addition to this, the RBI also announced the deregulation of the savings rate in order to ensure better transmission of interest rate policy.

## Global events

The major economies of Europe look to have found an interim solution to the debt- crisis in the Euro-zone; under the package European leaders agreed to a tripartite deal to attempt to stem the sovereign debt crisis as follows. First, a consortium of private banks will accept a 50% write-down in the value of their Greek debt holdings. Secondly, it was agreed to expand the size of the European Financial Stability Fund (EFSF) by four or five times. And finally, the leaders committed to shore up the capital of banks that are having trouble accessing the private market.

In our view the longer-term solutions will likely centre around sustainable and meaningful cuts in public deficits of the affected economies while maintaining the financial stability of regions/institutions. The return of economic growth in the region is likely imperative for economies to fund their deficits in a sustainable manner.

## Corporate results

The ongoing Q2FY12 results have reflected the impact of higher commodity costs and higher interest rates which have led to margins contracting across number of sectors. For the 23 Nifty companies that have reported numbers thus far, sales have grown by 27% whereas profit growth has been lower at close to 12%.

## Stock markets

The expectation of a tangible and long term solution to the Eurozone crisis propelled stock markets globally to rally in October'11. On favourable global cues, the Nifty gained 7.8% during the month.

Sectors which outperformed the Nifty during the month include financials, IT, consumer staples and materials. Sectors that underperformed the benchmarks were energy, telecom and healthcare.

Foreign Institutional investors were net buyers in October'11 to the tune of US\$324mn, whereas domestic institutions sold stocks worth US\$ 50mn.

After falling by 7% in the month of September'11, the Indian Rupee stabilized and marginally gained by 0.6% in October'11 and closed at Rs. 48.69 per US\$.

## Market outlook

After making strong gains in October'11, markets are likely to consolidate in a range and will be largely driven by cues from the international markets. On the domestic front, the ongoing corporate earnings for Q2FY12 will determine the near term direction. With interest rates stabilizing and having reached the peak, markets will be keenly watching for directions from the government in terms of policy action which could in turn boost investment demand. This will in all likelihood benefit sectors such as banking & financials, infrastructure/construction and capital goods over the long term.



Ravi Gopalakrishnan  
Executive Director & CIO - Equity

## Investment Objective

The Scheme seeks to deliver reasonable market related returns with lower risk and higher liquidity through a portfolio of debt and money market instruments. However, there is no assurance that the investment objective of the Scheme will be realized and the Scheme does not assure or guarantee any returns

## Date of initial allotment

August 27, 2010

## Fund Manager & his experience

### Mahendra Jajoo

Over 20 years of experience in financial services and capital markets

## Options

Growth & Dividend

## Facilities (Under Dividend Option)

Dividend Reinvestment (daily, weekly, fortnightly, monthly)

Dividend Payout (fortnightly, monthly)

Dividend Transfer Plan

## Default Option

Default Option: Growth

Default Dividend Facility: Dividend Reinvestment

Default Dividend Frequency: Daily

## Benchmark Index

CRISIL Liquid Fund Index #

## NAV as on 31st October 2011

Option	NAV (in ₹)
Growth	1100.0751
Daily Dividend	1000.0950
Weekly Dividend	1001.5141
Fortnightly Dividend	1001.2674
Monthly Dividend	1001.2630

## Maturity Profile

Below or Equal to 91 days 100%

## Maturity & Yield

Yield to Maturity 9.13%

Average Maturity 39 days

## Modified Duration

36 days

## Minimum Investment Amount

₹ 10,000/- and in multiples of ₹ 1 thereafter

## Minimum Additional Purchase Amount

₹ 1,000/- and in multiples of ₹ 1 thereafter

## Load Structure

Entry Load: Not Applicable

Exit Load: Nil

## CRISIL Rating<sup>3</sup>

AAAF

Portfolio	Ratings	% of Net Assets
<b>CERTIFICATE OF DEPOSITS</b>		<b>55.47</b>
UCO Bank	P1+	8.55
Central Bank of India	PR1+	6.48
State Bank of Travancore	P1+	6.03
Bank of Maharashtra	P1+	4.98
Indian Overseas Bank	P1+	4.98
Vijaya Bank	PR1+	4.50
Jammu & Kashmir Bank	P1+	4.01
Allahabad Bank	P1+	2.99
Karur Vysya Bank	A1+	2.51
Canara Bank	P1+	2.50
IndusInd Bank Ltd.	P1+	2.50
Punjab National Bank	PR1+	2.49
Oriental Bank of Commerce	P1+	1.50
State Bank of Bikaner and Jaipur	P1+	1.00
Punjab and Sind Bank	A1+	0.45
<b>COMMERCIAL PAPER</b>		<b>41.97</b>
SBI Global Factors Limited.	P1+	5.02
IFCI Ltd.	A1+	4.97
Morgan Stanley India Capital Pvt Ltd	F1+(ind)	2.51
TV18 Broadcast Limited	A1+(SO)	2.50
Bajaj Electricals Limited	A1+	2.49
JM Financial Services Ltd	P1+	2.49
Muthoot Finance Limited	A1+	2.48
Muthoot Fincorp Limited	A1+	2.48
Karvy Stock Broking Ltd	A1+	2.47
Edelweiss Financial Services Ltd	P1+	2.21
Future Capital Holdings Limited.	A1+	1.99
Shoppers Stop Limited	A1+	1.98
Godrej Agrovet Limited	A1+	1.50
SREI Infrastructure Finance Limited	A1+	1.50
Trapti Trading and Investment Private Limited	A1+	1.50
Kesoram Industries Ltd.	A1+	1.49
SICOM LIMITED	A1+	1.49
Raymond Ltd.	PR1+	0.50
GRUH FINANCE LIMITED	P1+	0.40
<b>FIXED DEPOSITS</b>		<b>2.52</b>
Ratnakar Bank Limited		2.52
<b>Cash and Cash Equivalents</b>		<b>0.05</b>
<b>Net Current assets</b>		<b>-0.01</b>
<b>TOTAL</b>		<b>100.00</b>

## Dividend Distribution History

Record Date	Rate (₹/Unit)	Cum-Dividend NAV	Ex-Dividend NAV <sup>2</sup>
<b>Fortnightly Dividend Payout Option</b>			
11-Aug-11	3.009555	1003.8632	1000.0399
26-Aug-11	2.856549	1003.6607	1000.0318
11-Sep-11	3.026632	1003.8715	1000.0265
26-Sep-11	2.903360	1003.7042	1000.0159
11-Oct-11	2.999190	1003.8207	1000.0106
26-Oct-11	2.978983	1003.7921	1000.0077
<b>Monthly Dividend Payout Option</b>			
26-Aug-11	5.881863	1007.5041	1000.0319
26-Sep-11	5.940687	1007.5628	1000.0159
26-Oct-11	5.994705	1007.6185	1000.0029

Please note that after the payment of dividend, the NAV falls to the extent of dividend paid, distribution tax and cess wherever applicable. Past performance may or may not be sustained in future..

## Performance as on October 31st 2011 - Growth Option

Date	Period	NAV Per Unit (₹)	Scheme Returns (%) ^	Benchmark Returns # (%)
24-Oct-11	Last 7 days	1098.1366	9.20%	8.22%
16-Oct-11	Last 15 days	1095.9383	9.19%	9.24%
30-Sep-11	Last 1 Month	1091.5120	9.24%	8.02%
31-Oct-10	Last 1 Year	1011.9379	8.71%	7.98%
27-Aug-10	Since Inception	1000.0000	8.49%	7.72%

^ Past performance may or may not be sustained in the future.

The performance shown above is in respect of the Growth Option. Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments. Performance of the dividend option for the investor would be net of the dividend distribution tax and statutory levy, as applicable.

<sup>3</sup> CRISIL Disclaimer: The assigned rating AAAF is valid only for "Pramerica Liquid Fund". The rating of CRISIL is not an opinion of the Asset Management Company's willingness or ability to make timely payments to the investor. The rating is also not an opinion on the stability of the NAV of the Fund, which could vary with market developments.

## Investment Objective

The objective of the scheme is to provide reasonable returns, commensurate with a low to moderate level of risk and high degree of liquidity, through a portfolio constituted of money market and debt instruments. However, there is no assurance that the investment objective of the scheme will be realized and the scheme does not assure or guarantee any returns

## Date of initial allotment

September 24, 2010

## Fund Manager & his experience

### Mahendra Jajoo

Over 20 years of experience in financial services and capital markets

## Options

Growth & Dividend

## Facilities (Under Dividend Option)

Dividend Reinvestment (daily, weekly, fortnightly, monthly)

Dividend Payout (fortnightly, monthly)

Dividend Transfer Plan

## Default Option

Default Option: Growth

Default Dividend Facility: Dividend Reinvestment

Default Dividend Frequency: Daily

## Benchmark Index #

CRISIL Liquid Fund Index

## NAV as on 31st October 2011

Option	NAV (in ₹)
Growth	1099.2974
Daily Dividend	1000.3500
Weekly Dividend	1001.5885
Fortnightly Dividend	1000.8465
Monthly Dividend	1000.8741

## Maturity Profile

Below or Equal to 91 days	98.62%
Above 91 days	1.38%

## Maturity & Yield

Yield to Maturity	8.96%
Average Maturity	38 days

## Modified Duration

35 days

## Minimum Investment Amount

₹ 5,000/- and in multiples of ₹ 1 thereafter

## Minimum Additional Amount

₹ 500/- and in multiples of ₹ 1 thereafter

## Load Structure

Entry Load: Not Applicable

Exit Load: Nil

## CRISIL Rating<sup>3</sup>

AAAF

Portfolio	Ratings	% of Net Assets
<b>CERTIFICATE OF DEPOSITS</b>		<b>45.65</b>
Allahabad Bank	P1+	9.81
Punjab and Sind Bank	A1+	7.84
Central Bank of India	PR1+	6.88
Axis Bank Ltd.	A1+	5.02
Punjab National Bank	PR1+	4.91
Vijaya Bank	PR1+	4.90
Oriental Bank of Commerce	P1+	1.97
UCO Bank	P1+	1.97
ING Vyasa Bank	P1+	0.99
State Bank of Travancore	P1+	0.99
Indian Overseas Bank	P1+	0.37
<b>COMMERCIAL PAPER</b>		<b>43.44</b>
Manappuram Finance Ltd	A1+	7.82
Infrastructure Development Finance Co. Ltd.	A1+	4.96
TGS Investments and Trade Pvt Ltd	A1+	3.97
Muthoot Finance Limited	A1+	3.90
Edelweiss Financial Services Ltd	P1+	3.17
Future Capital Holdings Limited.	A1+	2.94
Muthoot Fincorp Limited	A1+	2.94
Housing Development Finance Corporation Ltd.	P1+	1.99
Godrej Agrovet Limited	A1+	1.98
Kesoram Industries Ltd.	A1+	1.96
SREI Infrastructure Finance Limited	A1+	1.96
Trapti Trading and Investment Private Limited	A1+	1.96
Bajaj Auto Finance Ltd.	P1+	0.99
Indian Oil Corporation Ltd.	P1+	0.99
Gruh Finance Limited	P1+	0.98
Cox and Kings Limited	A1+	0.93
<b>FIXED DEPOSITS</b>		<b>6.25</b>
Ratnakar Bank Limited		3.97
Yes Bank Ltd.		2.28
<b>Cash and Cash Equivalents</b>	<b>AAA</b>	<b>4.95</b>
<b>Net Current Assets</b>		<b>-0.29</b>
<b>TOTAL</b>		<b>100.00</b>

## Dividend Distribution History

Record Date	Rate (₹/Unit)	Cum-Dividend NAV	Ex-Dividend NAV <sup>2</sup>
<b>Fortnightly Dividend Payout Option</b>			
11-Aug-11	3.432555	1004.1110	1000.2100
26-Aug-11	3.301370	1003.9146	1000.1738
13-Sep-11	3.928134	1004.6142	1000.1550
27-Sep-11	3.121226	1003.6412	1000.0980
11-Oct-11	3.210580	1003.7112	1000.0666
28-Oct-11	3.809058	1004.4145	1000.0905
<b>Monthly Dividend Payout Option</b>			
26-Aug-11	6.765038	1007.8091	1000.1365
27-Sep-11	6.993417	1008.0783	1000.1394
28-Oct-11	7.046035	1008.1168	1000.1182

Please note that after the payment of dividend, the NAV falls to the extent of dividend, distribution tax and cess wherever applicable. Past performance may or may not be sustained in future.

Performance as on October 31st 2011 - Growth Option						
Date	Period	NAV Per Unit (₹)	Scheme Returns (%) ^	Benchmark Returns # (%)	Additional Benchmark Returns ## (%)	
31-Oct-10	1 Year	1099.2974	9.18%	7.98%	N.A.	

^ Past performance may or may not be sustained in the future. ## - 1 Year Govt. T-Bill

The performance shown above is in respect of the Growth Option. Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments. Performance of the dividend option for the investor would be net of the dividend distribution tax and statutory levy, as applicable.

<sup>3</sup> CRISIL Disclaimer: The assigned rating AAAF is valid only for "Pramerica Ultra Short Term Bond Fund". The rating of CRISIL is not an opinion of the Asset Management Company's willingness or ability to make timely payments to the investor. The rating is also not an opinion on the stability of the NAV of the Fund, which could vary with market developments.

## Investment Objective

The objective of the scheme is to generate regular returns with moderate level of risk by investing primarily into a portfolio of Debt Securities and Money Market Instruments of short term maturity. However, there is no assurance that the investment objective of the scheme will be realized and the scheme does not assure or guarantee any returns

## Date of initial allotment

February 4, 2011

## Fund Manager & his experience

### Mahendra Jajoo

Over 20 years of experience in financial services and capital markets

## Options

Growth & Dividend

## Facilities (Under Dividend Option)

Dividend Reinvestment (weekly, fortnightly, monthly, quarterly)

Dividend Payout (monthly, quarterly)

Dividend Transfer Plan

## Default Option

Default Option: Growth

Default Dividend Facility: Dividend Reinvestment

Default Dividend Frequency: Monthly

## Benchmark Index

CRISIL Short Term Bond Fund Index

## NAV as on 31st October 2011

Option	NAV (in ₹)
Growth	1079.1547
Weekly Dividend	1004.6616
Fortnightly Dividend	1003.7128
Monthly Dividend	1003.4667
Quarterly Dividend	1012.2890

## Maturity Profile

Below or Equal to 91 days	56.66%
Above 91 days	43.34%

## Maturity & Yield

Yield to Maturity	10.12%
Average Maturity	188 days

## Modified Duration

164 days

## Minimum Investment Amount

₹ 5,000/- and in multiples of ₹ 1 thereafter

## Minimum Additional Purchase Amount

₹ 1,000/- and in multiples of ₹ 1 thereafter

## Load Structure

Entry Load: Not Applicable

## Exit Load:

- for redemptions/switch-outs on or before 6 months from the date of allotment - 0.50%
- for redemptions/switch-outs after 6 months from the date of allotment - NIL

## CRISIL Rating<sup>3</sup>

AAAmfs

Portfolio	Ratings	% of Net Assets
<b>CERTIFICATE OF DEPOSITS</b>		<b>15.17</b>
Punjab and Sind Bank	A1+	7.80
IDBI Bank Ltd.	A1+	4.31
South Indian Bank	PR1+	2.34
Dhanlaxmi Bank Ltd.	PR1+	0.72
<b>COMMERCIAL PAPER</b>		<b>44.07</b>
Future Capital Holdings Limited.	A1+	9.79
Muthoot Fincorp Limited	A1+	5.01
SICOM Limited	A1+	5.01
Religare Finvest	A1+	4.89
SREI Infrastructure Finance Limited	A1+	4.60
IFCI Factors Limited	CARE A1+ (SO)	4.58
Gruh Finance Limited	P1+	3.01
Muthoot Finance Limited	A1+	2.50
Cox and Kings Limited	A1+	2.37
JM Financial Products Ltd	A1+	2.31
<b>CORPORATE BOND</b>		<b>22.57</b>
RHC Holding Private Ltd.	PR1+	7.63
India Infoline Investment Services Ltd.	CARE AA-	5.09
Manappuram Finance Ltd	CARE AA-	4.68
Housing Development Finance Corporation Ltd.	AAA	2.63
Kotak Mahindra Prime Ltd	AA+	2.54
<b>Cash and cash Equivalents</b>		<b>17.8</b>
<b>Net Current Assets</b>		<b>0.39</b>
<b>TOTAL</b>		<b>100.00</b>

## Dividend Distribution History

Record Date	Rate (₹/Unit)	Cum-Dividend NAV	Ex-Dividend NAV <sup>2</sup>
<b>Fortnightly Dividend Re-investment Option</b>			
11-Aug-11	3.676011	1006.0275	1001.8354
26-Aug-11	3.266349	1005.9223	1002.2143
13-Sep-11	2.919083	1006.5039	1003.1902
27-Sep-11	3.400013	1006.5106	1002.6509
11-Oct-11	3.151919	1006.3237	1002.7457
28-Oct-11	4.021935	1007.5234	1002.9578
<b>Monthly Dividend Payout Option</b>			
26-Aug-11	6.631838	1010.2992	1002.7708
27-Sep-11	7.098270	1010.3959	1002.3380
28-Oct-11	7.129274	1010.8049	1002.7118
<b>Quarterly Dividend Payout Option</b>			
27-Sep-11	8.117064	1012.2710	1003.0566

Please note that after the payment of dividend, the NAV falls to the extent of dividend, distribution tax and cess wherever applicable. Past performance may or may not be sustained in future.

<sup>3</sup> CRISIL Disclaimer: The assigned rating AAAmfs is valid only for "Pramerica Short Term Income Fund". The rating of CRISIL is not an opinion of the Asset Management Company's willingness or ability to make timely payments to the investor. The rating is also not an opinion on the stability of the NAV of the Fund, which could vary with market developments.

## Investment Objective

The objective of the scheme is to provide reasonable returns, commensurate with a low to moderate level of risk and high degree of liquidity, through a portfolio constituted of money market and debt instruments. However, there is no assurance that the investment objective of the scheme will be realized and the scheme does not assure or guarantee any returns.

## Date of initial allotment

June 3, 2011

## Fund Manager & his experience

### Mahendra Jajoo

Over 20 years of experience in financial services and capital markets

## Options

Growth & Dividend

## Facilities (Under Dividend Option)

Dividend Reinvestment (daily, weekly, fortnightly, monthly)

Dividend Payout (fortnightly, monthly)

Dividend Transfer Plan

## Default Option

Default Option: Growth

Default Dividend Facility: Dividend Reinvestment

Default Dividend Frequency: Daily

## Benchmark Index

CRISIL Short Term Bond Fund Index

## NAV as on 31st October 2011

Option	NAV (in ₹)
Growth	1039.0230
Daily Dividend	1001.3000
Weekly Dividend	1002.3049
Fortnightly Dividend	1001.4059
Monthly Dividend	1001.4851

## Maturity Profile

Below or Equal to 91 days	17.19%
Above 91 days	82.81%

## Maturity & Yield

Yield to Maturity	9.73%
Average Maturity	251 days

## Modified Duration

226 days

## Minimum Investment Amount

₹ 5,000/- and in multiples of ₹ 1 thereafter

## Minimum Additional Purchase Amount

₹ 1000/- and in multiples of ₹ 1 thereafter

## Load Structure

Entry Load: Not Applicable

## Exit Load:

- If the Units are Redeemed / Switched-out on or before 365 days of allotment- 1%
- If the Units are Redeemed / Switched-out after 365 days of allotment -- NIL

## CRISIL Rating<sup>3</sup>

AAAmfs

Portfolio	Ratings	% of Net Assets
<b>CERTIFICATE OF DEPOSITS</b>		<b>55.94</b>
IDBI Bank Ltd.	A1+	6.86
ICICI Bank Ltd.	PR1+	5.72
Canara Bank	P1+	5.71
Oriental Bank of Commerce	P1+	5.71
HDFC Bank Ltd.	P1+	5.66
State Bank of Patiala	P1+	5.60
Punjab National Bank	PR1+	5.57
South Indian Bank	PR1+	5.57
Indian Bank	F1+(ind)	5.56
Dhanlaxmi Bank Ltd.	PR1+	3.98
<b>COMMERCIAL PAPER</b>		<b>16.61</b>
Fullerton India Credit Company Limited	A1+	5.68
JM Financial Products Ltd	A1+	5.49
IFCI Factors Limited	CARE A1+ (SO)	5.44
<b>CORPORATE BOND</b>		<b>10.28</b>
Kotak Mahindra Prime Ltd	AA+	6.02
Muthoot Fincorp Limited	A+	4.26
<b>Cash and Cash Equivalents</b>	<b>AAA</b>	<b>17.16</b>
<b>Net Current Assets</b>		<b>0.01</b>
<b>TOTAL</b>		<b>100.00</b>

## Dividend Distribution History

Record Date	Rate (₹/Unit)	Cum-Dividend NAV	Ex-Dividend NAV <sup>2</sup>
<b>Fortnightly Dividend Payout Option</b>			
11-Aug-11	3.694210	1004.7285	1000.5346
26-Aug-11	3.128962	1003.7876	1000.5954
13-Sep-11	3.878816	1004.7038	1000.3002
27-Sep-11	2.398890	1002.7281	1000.0049
11-Oct-11	3.526799	1004.2339	1000.2303
28-Oct-11	3.793795	1005.0096	1000.7027
<b>Monthly Dividend Payout Option</b>			
26-Aug-11	6.841077	1008.0283	1000.6241
27-Sep-11	6.240487	1007.1737	1000.0896
28-Oct-11	7.379451	1009.1663	1000.7893

Please note that after the payment of dividend, the NAV falls to the extent of dividend, distribution tax and cess wherever applicable. Past performance may or may not be sustained in future.

<sup>3</sup> CRISIL Disclaimer: The assigned rating AAAmfs is valid only for "Pramerica Treasury Advantage Fund". The rating of CRISIL is not an opinion of the Asset Management Company's willingness or ability to make timely payments to the investor. The rating is also not an opinion on the stability of the NAV of the Fund, which could vary with market developments.

## Investment Objective

The objective of the Scheme is to generate regular returns through investment primarily in Debt and Money Market Instruments and to generate capital appreciation by investing in equity and equity related instruments. Monthly Income is not assured & is subject to availability of distributable surplus. However, there is no assurance that the investment objective of the Scheme will be realized and the Scheme does not assure or guarantee any returns.

## Date of initial allotment

March 29, 2011

## Fund Manager & his experience

### Ravi Gopalakrishnan

Over 20 years of experience in financial services and capital markets &

### Mahendra Jajoo

Over 20 years of experience in financial services and capital markets

## Options

Growth & Dividend

## Facilities (Under Dividend Option)

Dividend Reinvestment Facility at monthly frequency

Dividend Payout Facility at monthly frequency

Dividend Transfer Plan

## Default Option

Default Option: Growth

Default Dividend Facility: Dividend Reinvestment

Default Dividend Frequency: Monthly

## Benchmark Index

Crisil MIP Blended Index

## NAV as on 31st October 2011

Option	NAV (in ₹)
Growth	10.3041
Monthly Dividend	10.1853

## Maturity Profile

Below or Equal to 91 days	56.72%
Above 91 days	26.91%

## Maturity & Yield

Yield to Maturity	9.16%
Average Maturity	131 days

## Modified Duration

114 days

## Minimum Investment Amount

₹ 5,000/- and in multiples of ₹ 1 thereafter

## Minimum Additional Purchase Amount

₹ 1,000/- and in multiples of ₹ 1 thereafter

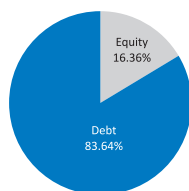
## Load Structure

Entry Load: Not Applicable

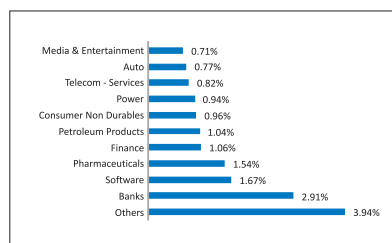
## Exit Load:

- @ 2%, If the Units are Redeemed / Switched-out on or before 365 days of allotment
- @ 1%, If the Units are Redeemed / Switched-out after 365 days, but on or before 730 days of allotment
- NIL, If the Units are Redeemed / Switched-out after 730 days of allotment

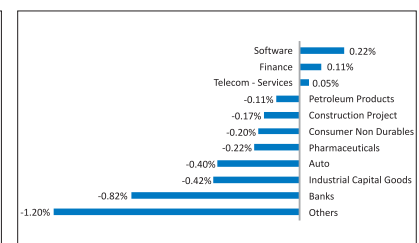
Portfolio	Ratings/Industry	% of Net Assets
<b>DEBT</b>		<b>83.64</b>
<b>CERTIFICATE OF DEPOSITS</b>		<b>25.67</b>
Punjab and Sind Bank	A1+	11.04
Allahabad Bank	P1+	11.02
Indian Overseas Bank	P1+	2.10
ICICI Bank Ltd.	A1+	1.51
<b>COMMERCIAL PAPER</b>		<b>30.41</b>
Gruh Finance Limited	P1+	7.34
Future Capital Holdings Limited.	A1+	7.33
Religare Finvest	A1+	7.15
SREI Infrastructure Finance Limited	A1+	3.36
Cox and Kings Limited	A1+	2.77
Muthoot Fincorp Limited	P1+	2.46
<b>CORPORATE BOND</b>		<b>11.28</b>
Housing Development Finance Corporation Ltd.	AAA	3.84
RHC Holding Private Ltd.	PR1+	3.72
India Infoline Investment Services Ltd.	CARE AA-	3.72
<b>Cash and Cash Equivalents</b>	<b>AAA</b>	<b>12.65</b>
<b>Net Current Assets</b>		<b>3.63</b>
<b>EQUITY</b>		<b>16.36</b>
Housing Development Finance Corporation	Finance	1.06
Reliance Industries	Petroleum Products	1.04
ITC	Consumer Non Durables	0.96
Infosys	Software	0.95
HDFC Bank	Banks	0.89
ICICI Bank	Banks	0.83
Bharti Airtel	Telecom - Services	0.82
Tata Consultancy Services	Software	0.72
ACC	Cement	0.66
Grasim Industries	Textile Products	0.66
Power Grid Corporation of India	Power	0.64
Sun Pharmaceuticals Industries	Pharmaceuticals	0.63
State Bank of India	Banks	0.60
Larsen & Toubro	Construction Project	0.59
Coal India	Minerals / Mining	0.52
Mahindra & Mahindra	Auto	0.48
Bharat Forge	Industrial Products	0.44
Axis Bank	Banks	0.39
Zee Entertainment Enterprises	Media & Entertainment	0.36
GAIL (India)	Gas	0.35
Dish TV India	Media & Entertainment	0.35
Cadila Healthcare	Pharmaceuticals	0.34
NTPC	Power	0.30
Bajaj Auto	Auto	0.29
Petronet LNG	Gas	0.28
Oil & Natural Gas Corpn	Oil	0.26
Punjab National Bank	Banks	0.20
Dr. Reddy's Laboratories	Pharmaceuticals	0.19
Cipla	Pharmaceuticals	0.19
Glenmark Pharmaceuticals	Pharmaceuticals	0.19
Bharat Heavy Electricals	Industrial Capital Goods	0.18
<b>TOTAL</b>		<b>100.00</b>



Asset Allocation



Sector Allocation in Equity



Month on Month Change

Dividend Distribution History			
Record Date	Rate (₹/Unit)	Cum-Dividend NAV	Ex-Dividend NAV <sup>2</sup>
<b>Monthly Dividend Payout Option</b>			
30-Aug-11	0.014711	10.0679	10.0512
3-Oct-11	0.022023	10.0146	9.98960
31-Oct-11	0.044046	10.1663	10.1163

## Investment Objective

The objective of the scheme is to achieve long term capital appreciation by investing in an actively managed diversified portfolio consisting of equity and equity related securities including derivatives, debt & money market instruments. However, there is no assurance that the investment objective of the scheme will be realized and the scheme does not assure or guarantee any returns

## Date of initial allotment

December 6, 2010

## Fund Manager & his experience

**Ravi Gopalakrishnan** (For Equity portfolio)

Over 20 years of experience in financial services and capital markets &

**Mahendra Jajoo** (For Fixed Income Portfolio)

Over 20 years of experience in financial services and capital markets

## Options

Growth & Dividend

## Facilities (Under Dividend Option)

Dividend Reinvestment

Dividend Payout

Dividend Transfer Plan

## Default Option

Default Option: Growth

Default Dividend Facility: Dividend Reinvestment

## Benchmark Index

S&P CNX Nifty

## NAV as on 31st October 2011

Option	NAV (in ₹)
Growth	8.6100
Dividend	8.6100

## Ratios

Since the scheme has been launched on December 2010 and the performance history is available only for a very short period, Standard Deviation, R-Squared, Beta, Sharpe Ratio, and Portfolio Turnover have not been computed for this month.

## Minimum Investment Amount

₹ 5,000/- and in multiples of ₹ 1 thereafter

## Minimum Additional Purchase Amount

₹ 500/- and in multiples of ₹ 1 thereafter

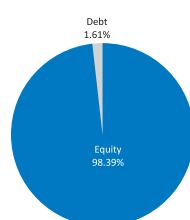
## Load Structure

Entry Load: Not Applicable

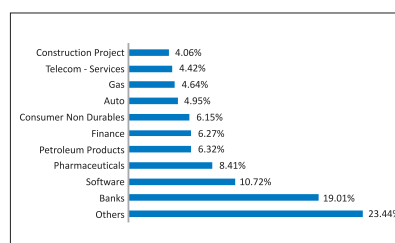
## Exit Load:

- @ 2%, If the Units are Redeemed / Switched-out on or before 365 days of allotment
- @ 1%, If the Units are Redeemed / Switched-out after 365 days, but on or before 730 days of allotment
- NIL, If the Units are Redeemed / Switched-out after 730 days of allotment

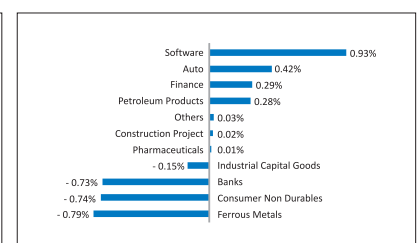
Portfolio	Industry/Rating	% of Net Assets
<b>EQUITY</b>		<b>98.39</b>
ICICI Bank	Banks	7.81
Reliance Industries	Petroleum Products	6.32
Infosys	Software	6.02
HDFC Bank	Banks	5.03
Housing Development Finance Corporation	Finance	4.72
ITC	Consumer Non Durables	4.62
Bharti Airtel	Telecom - Services	4.42
Larsen & Toubro	Construction Project	4.06
Tata Consultancy Services	Software	3.67
State Bank of India	Banks	3.19
Coal India	Minerals / Mining	2.87
Mahindra & Mahindra	Auto	2.80
GAIL (India)	Gas	2.40
Petronet LNG	Gas	2.24
Bharat Heavy Electricals	Industrial Capital Goods	2.08
Axis Bank	Banks	2.06
Rallis India	Pesticides	2.05
Sun Pharmaceuticals Industries	Pharmaceuticals	2.04
Zee Entertainment Enterprises	Media & Entertainment	2.00
ACC	Cement	1.68
Grasim Industries	Textile Products	1.64
NTPC	Power	1.47
Tata Motors	Auto	1.44
Cadila Healthcare	Pharmaceuticals	1.41
Hindalco Industries	Non - Ferrous Metals	1.40
Dish TV India	Media & Entertainment	1.37
Oil & Natural Gas Corpn	Oil	1.36
Lupin	Pharmaceuticals	1.30
Dr. Reddy's Laboratories	Pharmaceuticals	1.17
CESC	Power	1.09
Tata Steel	Ferrous Metals	1.08
Bharat Forge	Industrial Products	1.06
MindTree	Software	1.03
Cipla	Pharmaceuticals	1.02
GlaxoSmithKline Pharmaceuticals	Pharmaceuticals	0.97
Coromandel International	Fertilisers	0.94
Radico Khaitan	Consumer Non Durables	0.92
Punjab National Bank	Banks	0.92
Infrastructure Development Finance Company	Finance	0.89
IL & FS Transportation Networks	Transportation	0.82
Others		3.01
<b>DEBT</b>		<b>1.61</b>
<b>CORPORATE BOND</b>		<b>0.03</b>
Dr. Reddys Laboratories Ltd.	LAA+	0.03
<b>Cash &amp; Cash Equivalent</b>	<b>AAA</b>	<b>0.57</b>
<b>Net Current Assets</b>		<b>1.01</b>
<b>TOTAL</b>		<b>100.00</b>



Asset Allocation



Sector Allocation in Equity



Month on Month Change

## Investment Objective

The objective of the scheme is to achieve long term capital appreciation by investing in an actively managed diversified portfolio consisting of equity and equity related securities including derivatives, debt & money market instruments. However, there is no assurance that the investment objective of the scheme will be realized and the scheme does not assure or guarantee any returns

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### Mahendra Jajoo

Over 20 years of experience in financial services and capital markets

## Options

Growth & Dividend

## Facilities (Under Dividend Option)

Dividend Reinvestment

Dividend Payout

Dividend Transfer Plan

## Default Option

Default Option: Growth

Default Dividend Facility: Dividend Reinvestment

## Benchmark Index<sup>1</sup>

A Hybrid Benchmark with 50% weight to S&P CNX Nifty and 50% weight to CRISIL MIP Index

## NAV as on 31st October 2011

Option	NAV (in ₹)
Growth	9.1800
Dividend	9.1800

## Ratios

Since the scheme has been launched on December 2010 and the performance history is available only for a very short period, Standard Deviation, R-Squared, Beta, Sharpe Ratio, and Portfolio Turnover have not been computed for this month.

## Maturity Profile

Below or Equal to 91 days	25.36%
Above 91 days	13.88%

## Maturity & Yield

Yield to Maturity	8.12%
Average Maturity	201 days

## Modified Duration

169 days

## Minimum Investment Amount

₹ 5,000/- and in multiples of ₹ 1 thereafter

## Minimum Additional Purchase Amount

₹ 500/- and in multiples of ₹ 1 thereafter

## Load Structure

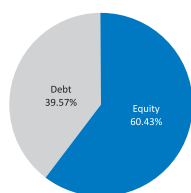
Entry Load: Not Applicable

## Exit Load:

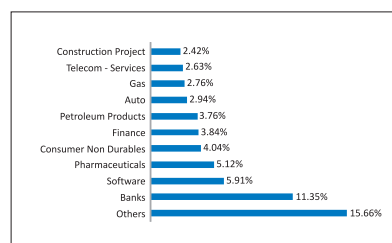
- @ 2%, If the Units are Redeemed / Switched-out on or before 365 days of allotment
- @ 1%, If the Units are Redeemed / Switched-out after 365 days, but on or before 730 days of allotment
- NIL, If the Units are Redeemed / Switched-out after 730 days of allotment

<sup>1</sup> "CRISIL Hybrid ("Indices") are computed, compiled and prepared by CRISIL using equity indices, which is one of its components licensed by India Index Services & Products Limited ("IISL") and Standard and Poor's Financial Services LLC ("S&P") to CRISIL. CRISIL Indices are the sole property of CRISIL. CRISIL Indices shall not be copied, transmitted or redistributed in any manner for any commercial use. CRISIL has taken due care and caution in computation of the Indices, based on the data obtained from sources, which it considers reliable. However, CRISIL does not guarantee the accuracy, adequacy or completeness of the Indices and is not responsible for any errors or for the results obtained from the use of the Indices. CRISIL especially states that CRISIL / IISL / S&P has no financial liability whatsoever to the users of CRISIL Indices"

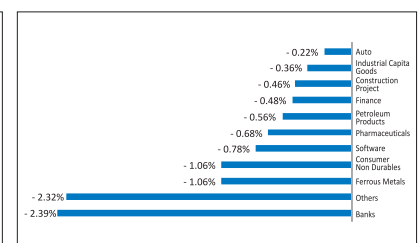
Portfolio	Ratings/Industry	% of Net Assets
<b>EQUITY</b>		<b>60.43</b>
ICICI Bank	Banks	4.66
Reliance Industries	Petroleum Products	3.76
Infosys	Software	3.59
HDFC Bank	Banks	3.01
Housing Development Finance Corporation	Finance	2.81
ITC	Consumer Non Durables	2.75
Bharti Airtel	Telecom - Services	2.63
Larsen & Toubro	Construction Project	2.42
Tata Consultancy Services	Software	2.19
Coal India	Minerals / Mining	2.06
State Bank of India	Banks	1.90
Mahindra & Mahindra	Auto	1.66
Zee Entertainment Enterprises	Media & Entertainment	1.44
GAIL (India)	Gas	1.43
Petronet LNG	Gas	1.33
Bharat Heavy Electricals	Industrial Capital Goods	1.24
Axis Bank	Banks	1.23
Rallis India	Pesticides	1.22
Sun Pharmaceuticals Industries	Pharmaceuticals	1.22
ACC	Cement	1.00
Grasim Industries	Textile Products	0.97
Dish TV India	Media & Entertainment	0.91
NTPC	Power	0.88
Tata Motors	Auto	0.85
Cadila Healthcare	Pharmaceuticals	0.84
Hindalco Industries	Non - Ferrous Metals	0.83
Oil & Natural Gas Corpn	Oil	0.81
Lupin	Pharmaceuticals	0.77
CESC	Power	0.76
Bharat Forge	Industrial Products	0.74
Power Grid Corporation of India	Power	0.74
Agro Tech Foods	Consumer Non Durables	0.72
Dr. Reddy's Laboratories	Pharmaceuticals	0.70
GlaxoSmithKline Pharmaceuticals	Pharmaceuticals	0.68
Tata Steel	Ferrous Metals	0.64
Infrastructure Development Finance Company	Finance	0.64
Cipla	Pharmaceuticals	0.61
Radico Khaitan	Consumer Non Durables	0.57
Coromandel International	Fertilisers	0.56
Punjab National Bank	Banks	0.55
IL & FS Transportation Networks	Transportation	0.51
Others		1.60
<b>DEBT</b>		<b>39.57</b>
<b>CERTIFICATE OF DEPOSITS</b>		<b>8.75</b>
UCO Bank	P1+	4.38
Allahabad Bank	P1+	4.37
<b>COMMERCIAL PAPER</b>		<b>11.20</b>
Muthoot Fincorp Limited	P1+	5.43
SREI Infrastructure Finance Limited	A1+	4.00
Edelweiss Financial Services Ltd	P1+	1.77
<b>CORPORATE BOND</b>		<b>8.88</b>
RHC Holding Private Ltd.	PR1+	4.43
India Infoline Investment Services Ltd.	CARE AA-	4.43
Dr. Reddys Laboratories Ltd.	LAA+	0.02
<b>Cash and Cash Equivalents</b>	<b>AAA</b>	<b>3.76</b>
<b>Net Current Assets</b>		<b>6.98</b>
<b>TOTAL</b>		<b>100.00</b>



Asset Allocation



Sector Allocation in Equity



Month on Month Change

# Want to invest in equities but afraid of downside?

Invest in  
**Pramerica Dynamic Fund**  
powered by Pramerica DART



**Pramerica**  
**MUTUAL FUND**

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**Important Information:** Pramerica Dynamic Fund : Name of the Scheme: Pramerica Dynamic Fund. Scheme Classification: An open ended Dynamic Asset Scheme. **Investment Objective:** To achieve long term capital appreciation by investing in an actively managed diversified portfolio consisting of equity and equity related securities including derivatives, debt and money market Instruments. **Assets Allocation:** Equity & Equity related instruments : 30% to 100%. **Debt & Money Market instruments :** 0% to 70%. **Terms of issue and sale and redemption of units:** The scheme offers sale and redemption facility on all business days during the ongoing offer at NAV based prices . NAV of the Scheme will be calculated and disclosed at the close of every Business Day. **Load Structure:** **Entry Load:** Not Applicable, **Exit Load:** @ 2%, If the Units are Redeemed / Switched-out on or before 365 days of allotment. @ 1%, If the Units are Redeemed / Switched-out after 365 days, but on or before 730 days of allotment. NIL, If the Units are Redeemed / Switched-out after 730 days of allotment. **Recurring Expenses:** Copy of SID/SAI and Key Information Memorandum (KIM) can be obtained from all Investor Services Centers of Pramerica Mutual Fund or can be downloaded from: [www.pramericamf.com](http://www.pramericamf.com). **Fund Managers:** Ravi Gopalakrishnan & Mahendra Jajoo.

**Risk Factors & Disclaimers:** All mutual funds and securities investments are subject to market risks and there can be no assurance that the objectives of the Scheme will be achieved and the NAV of the fund may go up or down depending upon the factors and forces affecting the securities markets. Pramerica Dynamic Fund is only the name of the scheme and does not in any manner indicate either the quality of the Scheme, the future prospects and returns. Performance of the Sponsor has no bearing on the expected performance of the mutual fund or any of its schemes. Past performance of the Sponsor and their Affiliates/AMC/Mutual Fund & its Scheme(s) does not indicate the future performance of the Scheme(s) and may not necessarily provide a basis of comparison with other investments. Investment in Mutual Fund Units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal. As the price / value / interest rates of the securities in which the scheme invests fluctuate, the value of your investment in the Scheme may go up or down. Investors are not being offered any guaranteed / assured returns under any scheme of Pramerica Mutual Fund.

**Statutory Details:** Pramerica Mutual Fund is set up as a Trust under the Indian Trusts Act, 1882 and registered with SEBI. **Sponsor:** Prudential Financial, Inc. of the United States of America [liability restricted to initial contribution of Rs. 1 Lac towards the corpus of the Mutual Fund]. [Pramerica is the brand name used by Prudential Financial, Inc. of the United States and its affiliates in select countries outside of the United States. Prudential Financial, Inc. (PFI) of the United States is not affiliated in any manner with Prudential plc, a company incorporated in the United Kingdom] **Trustee:** Pramerica Trustees Private Limited **Investment Manager:** Pramerica Asset Managers Private Limited.

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