MIRAE ASSET
Mutual Fund

E-Commerce

Fintech

Travel

Online Food Delivery

Wealth Management

Automobiles

Real Estate

White Goods

Nifty India New Age Consumption Index Note

*The above mentioned sectors are part of Nifty India Consumption Index

Key Insights:

• India is currently 5th Largest Economy in the world and is **expected to be the 3rd largest economy** in the world by Financial Year 2030-2031. Consumption is expected to play a pivotal role in the same. (Source: S&P Global, Nov 29, 2024).

• India is the most populated country in world accounting for 18% of total world population. However, India also has one of the highest working age population in the world. As of 2021, India had almost 227 million more people under the age of 40 as compared to China. The United Nations estimates that India's population may peak at 1.7 billion people in 2063, suggesting the **demographic advantage will likely remain in place for another 40 years**. (Source: State Street)

• Spurge in consumption with higher working age population is expected to come from relative rise in per capita disposable income resulting in **improvement in lifestyles of average Indians**, thereby, changing consumption pattern with increase in discretionary spending.

• The Indian consumer spending pattern towards non-food item is already visible. As per latest household consumption expenditure survey done by government of India, **rural India is spending 54% of its monthly spending towards non-food discretionary items and urban India is spending 61% of its monthly spending towards non-food discretionary items**. (Source: Latest available data as on 31st June, 2024, Ministry of Statistics and Programme Implementation)

• The Latest Household consumption survey, is potential reminder of changing landscape of India's consumption story and hence it warrants attention towards set of equity stocks that are expected to potentially benefit from this change in structural shift from "**food" to "non-food" items**.

• The newly launched "**Nifty India New Age Consumption Index**" aims to potentially track this structural shift towards discretionary spending. The index is designed to uniquely represent industries/sector that can be potentially aligned with rise in trend of moving away from food item spending to discretionary. The theme aims to captures companies that cater to the **discretionary and aspirational spending** of the new generation.

• The index aims to track the performance of stocks from the Nifty 500 which represent the new age consumption theme. The new age consumption theme captures companies which belong to basic industries such as Passenger Cars & Utility Vehicles, 2/3 Wheelers, Gems, Jewelry and Watches, Hotels & Resorts, Financial Technology (Fintech) etc. The index comprises of 75 stocks. The weight of each stock in the index is capped at 5% with sector cap of 25%. The index is reviewed and reconstituted every 6 months. (Source: NSE Indices).

Source: Data as on Nov 29, 2024. Mirae Asset Internal Research. Please refer below link for detailed methodology of the index. https://www.niftyindices.com/Methodology/Method_NIFTY_Equity_Indices.pdf

Introduction:

The Nifty India New Age Consumption Index comprises of 75 stocks representing new age consumption theme listed on National Stock Exchange of India (NSE) selected across large-cap, mid-caps and small-caps.

Particular	Description
Name	Nifty India New Age Consumption Index
Universe	Nifty 500 Index
Number of Constituents	75
Eligible Basis	41 AMFI Basic Industries listed by NSE catering to the theme
Stock Selection	• 1 stock from each basic industry based on 6 month average free-float market capitalization (FFMCAP) • Remaining number of constituents based on average six-month FFMCAP ranking
Index Weighing methodology	Free Float Market Capitalization
Stock Cap	5% set at every rebalancing period
AMFI Sector Cap	25% set at every rebalancing period
Rebalance (Weight reset)	Quarterly (March, June, September and December)
Review and Reconstitution	Semi-Annual (March and September)
Index Launch Date	October 25, 2024
Back-Tested Data Available Since	April 01, 2005
Variants	Price Return & Total Return Index
Base Value of Index	1,000

*Source: NSE, Data as on Nov 29, 2024. https://www.niftyindices.com/Methodology/Method_NIFTY_Equity_Indices.pdf. Pursuant to Clause 2.7 of Part IV of SEBI Master Circular dated June 27, 2024. the universe of "Large Cap" shall consist of top 100 companies, "Mid Cap" shall consist of 101st to 250th company and "Small Cap" shall consist of 251st to 500th companies in terms of full market capitalization.

Portfolio & Composition:

• A comprehensive list of basic industries eligible to be included in this index has been provided in annexure I

• As of Nov 29, 2024, 41 basic industries catering to 9 different sectors as classified by AMFI are considered by NSE Indices for this index.

• One stock from each basic industry is compulsorily selected from Nifty 500 to ensure representation of each discretionary consumer spending segment.

• In case, the number of stocks selected above is less than 75, then the deficit number of stocks are selected based on 6-month average Free Float Market capitalization from the remaining universe of Nifty500 Index, from the eligible basic industries.

Please refer below link for detailed methodology of the index.
https://www.niftyindices.com/Methodology/Method_NIFTY_Equity_Indices.pdf

Portfolio Snapshot as on Nov 29, 2024 is as demonstrated in the below table:

S.No.	Particular	Weight(%)	S.No.	Particular	Weight(%)
A	**Consumer Services**	**25.42**	40	CELLO WORLD	0.16
1	ZOMATO	5.50	41	RAJESH EXPORTS	0.15
2	TRENT	4.74	**D**	**Realty**	**11.17**
3	INDIAN HOTELS CO.	3.16	42	DLF	2.42
4	INFO EDGE (INDIA)	2.92	43	MACROTECH DEVELOPERS	1.60
5	AVENUE SUPERMARTS	2.49	44	GODREJ PROPERTIES	1.47
6	IRCTC	1.12	45	PHOENIX MILLS	1.42
7	JUBILANT FOODWORKS	1.12	46	PRESTIGE ESTATES PROJECTS	1.28
8	FSN E-COMMERCE VENTURES	1.06	47	OBEROI REALTY	1.08
9	ADITYA BIRLA FASHION	0.57	48	BRIGADE ENTERPRISES	0.79
10	VEDANT FASHIONS	0.40	49	ANANT RAJ	0.41
11	EIH	0.37	50	SOBHA	0.27
12	INDIAMART INTERMESH	0.32	51	RAYMOND	0.25
13	SAPPHIRE FOODS INDIA	0.32	52	MAHINDRA LIFESPACES	0.17
14	DEVYANI INTERNATIONAL	0.30	**E**	**Financial Services**	**9.36**
15	LEMON TREE HOTELS	0.29	53	PB FINTECH	2.75
16	CHALET HOTELS	0.29	54	HDFC AMC	1.95
17	WESTLIFE FOODWORLD	0.23	55	PAYTM	1.40
18	BLS INTERNATIONAL SERVICES	0.21	56	ANGEL ONE	0.77
B	**Automobile & Auto Components**	**22.70**	57	360 ONE WAM	0.76
19	MAHINDRA & MAHINDRA	5.09	58	MOTILAL OSWAL	0.62
20	MARUTI SUZUKI INDIA	4.49	59	NIPPON AMC	0.54
21	TATA MOTORS	4.33	60	ICICI SECURITIES	0.33
22	BAJAJ AUTO	3.02	61	UTI AMC	0.24
23	EICHER MOTORS	2.00	**F**	**Telecommunication**	**7.16**
24	HERO MOTOCORP	1.86	62	BHARTI AIRTEL	5.13
25	TVS MOTOR COMPANY	1.72	63	TATA COMMUNICATIONS	0.95
26	OLECTRA GREENTECH	0.20	64	VODAFONE IDEA	0.90
C	**Consumer Durables**	**16.93**	65	TATA TELESERVICES	0.18
27	TITAN COMPANY	4.65	**G**	**Services**	**3.48**
28	DIXON TECHNOLOGIES (INDIA)	2.74	66	INTERGLOBE AVIATION	3.48
29	HAVELLS INDIA	2.00	**H**	**Textiles**	**2.26**
30	VOLTAS	1.74	67	PAGE INDUSTRIES	1.26
31	CROMPTON GREAVES	1.21	68	K.P.R. MILL	0.40
32	BLUE STAR	1.10	69	VARDHMAN TEXTILES	0.22
33	KALYAN JEWELLERS INDIA	1.04	70	WELSPUN LIVING	0.19
34	WHIRLPOOL OF INDIA	0.53	71	TRIDENT	0.19
35	AMBER ENTERPRISES INDIA	0.53	**I**	**Media & Entertainment**	**1.52**
36	BATA INDIA	0.41	72	ZEE ENTERTAINMENT	0.55
37	V-GUARD INDUSTRIES	0.35	73	PVR INOX	0.50
38	METRO BRANDS	0.18	74	SUN TV NETWORK	0.30
39	V.I.P. INDUSTRIES	0.16	75	SAREGAMA INDIA LTD	0.18

Periodic Performance comparison:

Point to Point (P2P) Periodic Comparison

Period	Nifty India New Age Consumption Index	Nifty India Consumption Index	Nifty 50 Index	Nifty 500 Index
10 Years	13.6%	14.1%	12.2%	13.9%
7 Years	12.8%	14.4%	14.4%	15.1%
5 Years	22.9%	19.4%	16.2%	19.5%
3 Years	22.9%	19.0%	13.8%	16.9%
1 Year	42.3%	28.6%	21.3%	27.3%
YTD 2024	34.7%	20.7%	12.4%	17.9%
3 Months	-4.2%	-5.1%	-4.2%	-4.3%
1 Month	2.5%	-0.2%	-0.3%	0.1%

Source: NSE Indices Limited Data as on Nov 29, 2024; **Past performance may or may not sustain in future**. The index return is in Total Return Variant. The data shown above pertains to the index and does not in manner indicate performance of any scheme of the Fund. Request you to consult your financial advisor or distributor before making investment. Historical portfolio of the index has been created and rebalanced periodically based on market data present on those concerned historical periods, which is captured by the index portfolio changes and performance metrics. No additional performance or portfolio assumptions have been made by the AMC. Nifty India New Age Consumption Index launch date is October 25, 2024. Prior data is back-tested data developed and vetted by NSE Indices

Calendar Year (CY) Periodic Comparison

Period	Nifty India New Age Consumption Index	Nifty India Consumption Index	Nifty 50 Index	Nifty 500 Index
2023	**41.1%**	28.0%	21.3%	26.9%
2022	-4.3%	8.5%	5.7%	4.2%
2021	**35.9%**	20.8%	25.6%	31.6%
2020	**12.8%**	20.5%	16.1%	17.9%
2019	-0.1%	0.6%	13.5%	9.0%
2018	-22.2%	-1.1%	4.6%	-2.1%
2017	**63.3%**	46.7%	30.3%	37.7%
2016	-4.1%	-1.3%	4.4%	5.1%
2015	8.3%	9.0%	-3.0%	0.2%
2014	**40.9%**	31.5%	32.9%	39.3%
2013	-2.5%	10.8%	8.1%	4.8%

Source: NSE Indices Limited Data as on December 31, 2023; **Past performance may or may not sustain in future**. The index return is in Total Return Variant. The data shown above pertains to the index and does not in manner indicate performance of any scheme of the Fund. Request you to consult your financial advisor or distributor before making investment. Historical portfolio of the index has been created and rebalanced periodically based on market data present on those concerned historical periods, which is captured by the index portfolio changes and performance metrics. No additional performance or portfolio assumptions have been made by the AMC. Nifty India New Age Consumption Index launch date is October 25, 2024. Prior data is back-tested data developed and vetted by NSE Indices

- The rise and increase in the wallet share of discretionary spending has been recent phenomenon and one needs to focus on evolution of this segment apart from Consumer staples. Nifty India Consumption has roughly around 30% weightage towards Fast Moving Consumer Goods (FMCG).

- The Household Consumption Survey also points out that as per the consumption survey (2012-2013) 53% of rural expenditure and 42% of urban expenditure was towards food items which has now changed to 61% for non-food discretionary items in urban areas.

- Thus, we see the performance pattern in Nifty India New Age Consumption; were periodical 10 Year data, doesn't point towards outperformance whereas the recent 5-year, 3-year, 2-year and 1-year has displayed rise and outperformance.

Comparison with Nifty India Consumption Index

Difference between Nifty India Consumption Index and Nifty India New Age Consumption Index:

Particulars	Nifty India New Age Consumption Index	Nifty India Consumption Index
Universe	Nifty 500 Index	Nifty 500 Index
Number of Stock	75	30
Presence of Food Item Sector	No	Yes
Stock Cap	5%	10%
Sector Cap	25%	NA
Highest Weighted Sector	Consumer Services (25.4%)	FMCG (30.1%)
Top 10 stock weightage	43.6%	61.8%
Exposure to Large cap	58.6%	94.3%
Exposure to Mid cap	27.3%	5.7%
Exposure to Small cap	14.1%	–

Data as on Nov 29, 2024. NSE. The sector(s)/stock(s)/issuer(s) mentioned in this presentation do not constitute any research report/recommendation of the same and the Fund may or may not have any future position in these sector(s)/stock(s)/issuer(s). Please refer https://www.niftyindices.com/Methodology/Method_NIFTY_Equity_Indices.pdf for detailed methodology. Large cap is defined as Nifty100 Index, Midcap is defined as Nifty Midcap 150 Index and Smallcap is defined as Nifty Smallcap 250 Index. FMCG stands for Fast Moving Consumer Goods.

- Nifty India New Age Consumption Index provides a wider stock coverage relative to Nifty India Consumption Index in terms of number of stocks and market cap representation.

- Nifty India New Age Consumption Index excludes any exposure to Fast Moving Consumer Goods (FMCG) and is more titled towards aspirational/premium/discretionary spending trend of the growing Indian consumers.

- Investors who are looking to potentially take exposure on rising structural story of India's discretionary spending may opt to evaluate Nifty India New Age Consumption Index vis-à-vis Nifty India Consumption Index.

Industry Classification:

Industry	Nifty India New Age Consumption Index	Nifty India Consumption Index	Industry	Nifty India New Age Consumption Index	Nifty India Consumption Index
Automobiles - PV & CVs	14.1	12.9	Garments & Apparels	1.3	X
Residential & Comm. Projects	11.2	1.7	Other Textile Products	1.0	X
2/3 Wheelers	8.6	9.0	TV Broadcasting	0.8	X
Telecom - Cellular & Fixed	7.2	10.4	Footwear	0.6	X
E-Retail/ E-Commerce	6.6	5.5	Film Production	0.5	X
Gems Jewellery & Watches	5.8	4.2	Media & Entertainment	0.2	X
Speciality Retail	5.7	4.8	Plastic Products	0.2	X
Household Appliances	5.5	X	Houseware	0.2	X
Consumer Electronics	4.7	1.4	Personal Care	X	2.7
Financial Technology	4.2	X	Tea & Coffee	X	2.0
Hotels & Resorts	4.1	2.2	Paints	X	3.5
Airline	3.5	2.4	Other Beverages	X	2.4
Internet Catalogue Retail	3.2	2.0	Breweries & Distilleries	X	1.4
Asset Management Cos.	2.7	X	Diversified FMCG	X	17.4
Diversified Retail	2.5	1.7	Hospital	X	4.5
Stockbroking & Allied	2.5	X	Packaged Foods	X	4.4
Restaurants	2.0	X	Power Utilities	X	3.7
Tour Travel Services	1.3	X			

Conclusion:

Overall, India is experiencing long term positive economic growth and increase in per capita GDP. The consumption pattern of Indian consumer is shifting and spending habits are becoming more discretionary and aspirational. There has been an increase in participation of Indian consumer in e-commerce, Fintech, tour and travel, media & entertainment and other discretionary segments. Investors who are keen to take exposure to in this emerging and long term discretionary consumption theme may potentially look at Nifty India New Age Consumption Index.

Annexure I

Following list of Basic Industries which are eligible to be part of Nifty India New Age Consumption Index.

S. No	Basic Industry	S. No	Basic Industry
1	2/3 Wheelers	22	Houseware
2	Airline	23	Internet & Catalogue Retail
3	Amusement Parks/ Other Recreation	24	Leather and Leather Products
4	Asset Management Company	25	Leisure Products
5	Auto Dealer	26	Media & Entertainment
6	Consumer Electronics	27	Other Textile Products
7	Cycles	28	Passenger Cars & Utility Vehicles
8	Digital Entertainment	29	Pharmacy Retail
9	Diversified Retail	30	Plastic Products - Consumer
10	Education	31	Print Media
11	E-Learning	32	Printing & Publication
12	Electronic Media	33	Residential, Commercial Projects
13	E-Retail/ E-Commerce	34	Restaurants
14	Film Production, Distribution & Exhibition	35	Speciality Retail
15	Financial Technology (Fintech)	36	Stockbroking & Allied
16	Footwear	37	Telecom - Cellular & Fixed line services
17	Furniture, Home Furnishing	38	Tour, Travel Related Services
18	Garments & Apparels	39	TV Broadcasting & Software Production
19	Gems, Jewellery And Watches	40	Web based media and service
20	Hotels & Resorts	41	Wellness
21	Household Appliances		

Industry classification has been made as per AMFI.

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