Aug 2026

India's First Financial Services Sectoral Debt Fund

DSP Financial Services Sectoral Debt Fund

An open ended debt scheme investing in the financial services sector. A relatively high interest rate risk and moderate credit risk

NFO period: 19 Aug 2026 – 24 Aug 2026

DSP Mutual Fund - SEBI Registration No.: MF/036/97/7

DSP MUTUAL FUND

What is DSP Financial Services Sectoral Debt fund?



CREDIT QUALITY

Min 80% in AAA / AA+ Financial Services and 10% in Sovereign assets

A high-grade portfolio by design, **tilted toward NBFCs** for the yield premium available within that credit quality.



INVESTMENT STRATEGY (AT LAUNCH)

Accrual Focused

Designed to generate steady income through **attractive coupon yields**



DURATION (AT LAUNCH)

~1-1.5 Years

Optimized target duration at launch to capture attractive yield accrual with **moderate sensitivity to interest rate movements.**

DSP MUTUAL FUND

Please refer to Slide 10 for relevant disclaimers. The investment strategy and duration profile of the Scheme shall be aligned with the duration profile of the Scheme's benchmark, which is currently prescribed by AMFI.

One Fund. Every Box Ticked.

Parameter	Direct Bonds	Money Market / Short Term Funds	Index Funds	Financial Services Sectoral Debt Fund
YTM Potential *Access to higher-yielding NBFC papers*	✓	✗ (Capped at 20%)	✗ (Yield dips as TMF rolls down)	✓
Liquidity *Daily NAV, no bid-ask discount*	✗	✓	✓	✓
Diversification *Spread across leading NBFCs*	✗	✓	✓	✓
Tax Deferment *returns compound untaxed until you redeem^*	✗ (Coupons are taxed annually)	✓	✓	✓
Active Management *Duration & issuer flexibility*	✗	✓	✗	✓

Active fund management means no forced roll-down like TMFs hence yield doesn't have to dip and active paper selection, unlike index funds, preserves negotiating power to get papers at better yield.

DSP MUTUAL FUND

Please refer to Slide 10 for relevant disclaimers. Taget Maturity Funds (TMFs). The Yield to Maturity or the YTM is the rate of return anticipated on a bond if held until maturity. YTM is an indicative measure based on certain assumptions and does not represent a guaranteed return. ^for growth option schemes in mutual funds.

Higher Yield, Similar Comfort Zone

Index / Category	Average YTM	Avg. Mac Duration	NBFC Composition	Credit Quality
CRISIL-IBX AAA Financial Services Index – Sep 2027	7.58%	1.02	40.00%	100% AAA
CRISIL-IBX AAA NBFC Index – June 2027	7.74%	0.86	100.00%	100% AAA
CRISIL-IBX AAA NBFC-HFC Index – Jun 2027	7.66%	0.86	64.00%	100% AAA
CRISIL-IBX AAA Financial Services Index – Jan 2028	7.58%	1.29	45.00%	100% AAA
Crisil Financial Services Short Term Debt Index	7.34%	2.42	28.37%	90% AAA
Category - Short Duration Funds *	7.29%	2.35	Capped upto 20%	~90% AAA
Category - Money Market Funds *	6.88%	0.50	Capped upto 20%	100% A1+
Our Universe (Financial Services)	**7.78%**	**~1.5 Yrs**	**~90%**	**90% AA+ and above**

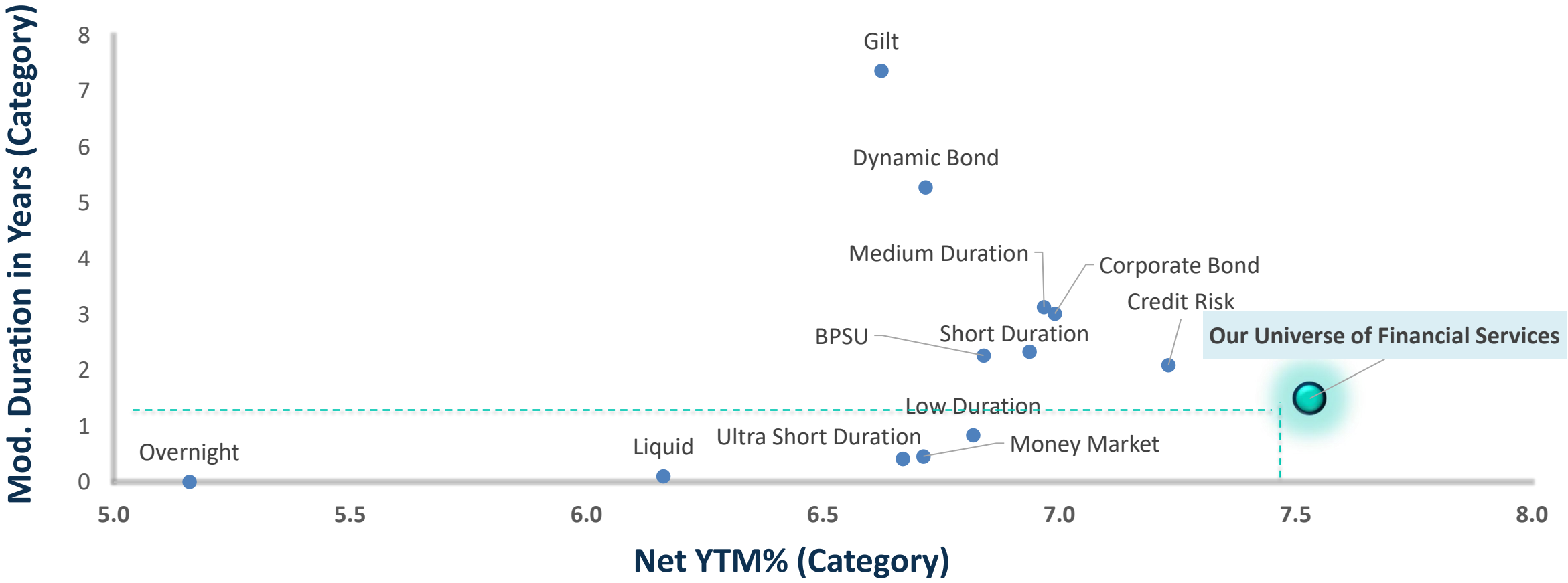
The high starting YTM cushions accrual against mark-to-market losses in a rate spike, while ~90% NBFC composition at ~1.5 yr duration captures the spread without stretching duration or credit quality.

DSP MUTUAL FUND

Source: CRISIL Internal. Data as of 31 Jul 2026.. Please refer to Slide 10 for relevant disclaimers.* Funds considered as per data availability. Comparison with Short duration funds/Money Market Funds are for illustration purpose only. The recipient(s) before acting on any information herein should make his/their own investigation and seek appropriate professional advice.

Where This Fund Fits Within the Debt Category

Even after accounting for expenses, higher yield absorbs MTM risk while staying competitive compared to other low-MTM categories and the Credit Risk category, without taking on credit risk.



DSP MUTUAL FUND

Source: MFI, Internal. Data as of 31 Jul 2026.. Please refer to Slide 10 for relevant disclaimers. Funds considered as per data availability. Nett YTM is after deducting current expense ratio of direct plan.

Scenario Analysis: Yield Movement Simulation

Scenario A: Yields UP by 25 bps (+0.25%)*

Metric	Financial Services	Savings	Short Dur.
YTM (%)	**7.70%**	6.80%	7.35%
Mod. Duration	**1.4 Yrs**	0.6 Yrs	2.5 Yrs
Yield Shift (in 6m)	**+0.25%**	+0.25%	+0.25%
Accrual (Ann.)	**7.70%**	6.80%	7.35%
MTM (Ann.)	**-0.70%**	-0.30%	-1.25%
Total Return (Ann.)	**7.00%**	**6.50%**	**6.10%**

Scenario B: Yields DOWN by 15 bps (-0.15%)*

Metric	Financial Services	Savings	Short Dur.
YTM (%)	**7.70%**	6.80%	7.35%
Mod. Duration	**1.4 Yrs**	0.6 Yrs	2.5 Yrs
Yield Shift (in 6m)	**-0.15%**	-0.15%	-0.15%
Accrual (Ann.)	**7.70%**	6.80%	7.35%
MTM (Ann.)	**+0.42%**	+0.18%	+0.75%
Total Return (Ann.)	**8.12%**	**6.98%**	**8.10%**

Financial Services may outperforms across market conditions:

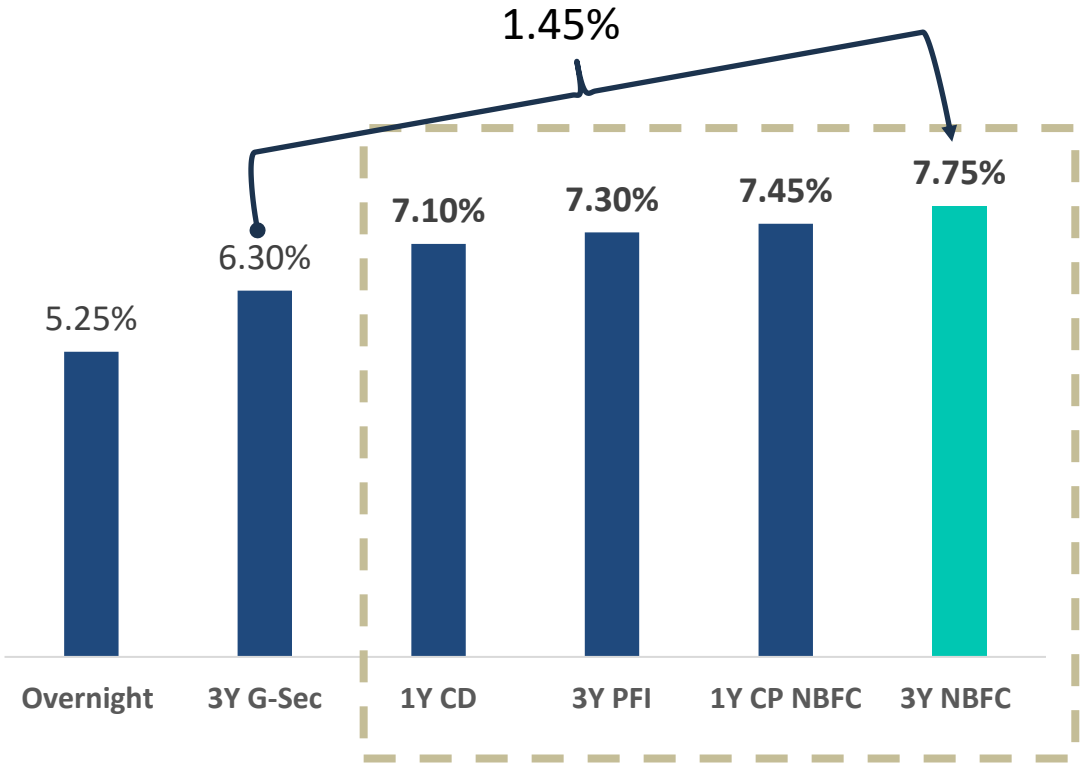
1. **Rising Yields (+25 bps):** High YTM (7.70%) absorbs MTM loss, delivering the highest return (7.00% vs 6.50% Savings & 6.10% Short Duration).
2. **Falling Yields (-15 bps):** Capitalizes on duration capital appreciation to achieve 8.12% annualized return.

DSP MUTUAL FUND

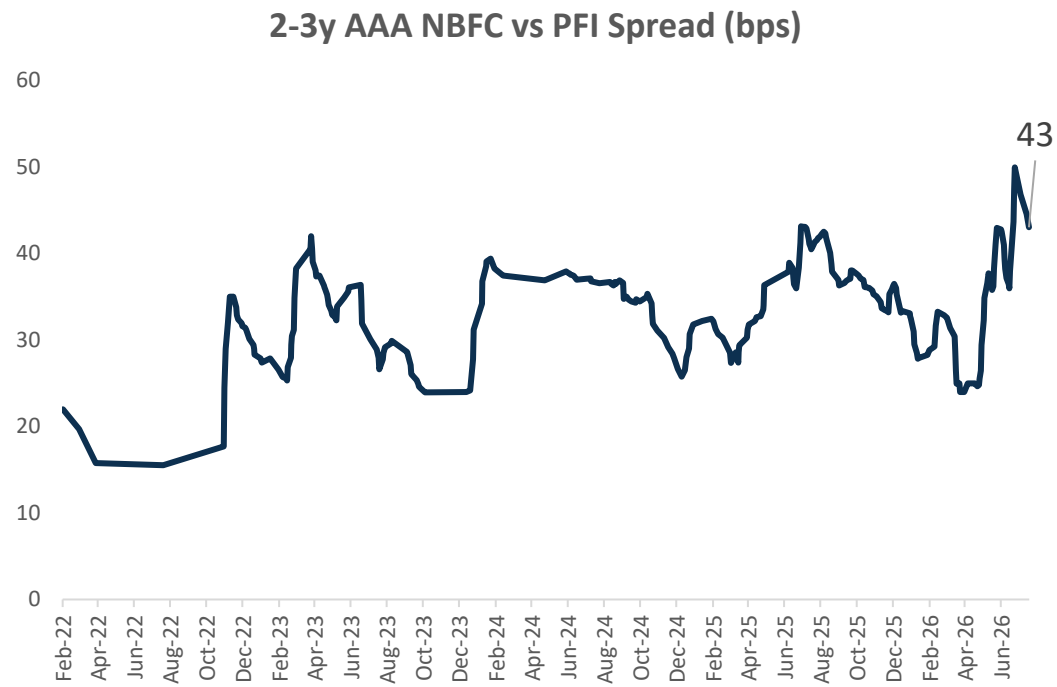
Please refer to Slide 10 for relevant disclaimers. *Assuming parallel yield shift across segment and tenor. Scenarios are used as an illustration for better understanding only and are not indication of any actual returns. Portfolio Allocation will be based on the prevailing market conditions and is subject to changes depending on the views of the fund manager.

The Case for Financial Services Now

Financial Services Leads the Yield Curve



NBFC Spreads: Wider Than Recent History



1.45% NBFCs offer an attractive yield spread over G-secs and PFIs due to higher supply. While institutional flows have recently favored bank CDs and PSU bond bolstered by the RBI's FCNR(B) scheme, as the CD rally plateaus NBFCs provide attractive accrual opportunities.

DSP MUTUAL FUND

Source: DSP Internal. Data as on 13 Aug 2026. Please refer to Slide 10 for relevant disclaimers.*except Overnight. PFI- Public Financial Institution

Scheme Details

	DSP Financial Services Sectoral Debt Fund
Category of the Scheme	Sectoral Debt Fund
Type of the Scheme	An open ended debt scheme investing in the financial services sector. A relatively high interest rate risk and moderate credit risk.
Investment Objective	The primary investment objective of the Scheme is to seek to generate income and capital appreciation by primarily investing in a portfolio of high quality debt and money market securities that are issued by entity/undertakings in Financial Services sector. **There is no assurance that the investment objective of the Scheme will be realized.**
Benchmark details	Crisil Financial Services Short Term Debt Index A-II
Plans	Regular & Direct
Options	- Growth - Income Distribution cum Capital Withdrawal (IDCW) – Payout & Reinvestment option
Minimum Application Amount (First purchase and Subsequent purchase)	During NFO: Rs. 100/- and any amount thereafter • On continuous basis: Rs. 100/- and any amount thereafter
Minimum Installment Amount for Systematic Investment Plan (SIP)	Rs. 100/- & any amount thereafter
Exit Load	Nil
Fund Manager(s)	Mr. Karan Mundhra, Mr. Kunal Khudania, Ms. Shalini Vasanta
Expense Ratio*	Regular Plan – upto 0.40% Direct Plan – upto 0.23%

DSP MUTUAL FUND

Expense ratio is subject to change in future depending on various factors.

Risk Factors

1. **Sector Concentration Risk:** As a sectoral fund, the portfolio is concentrated in financial services rather than spread across sectors, which may increase sensitivity to developments affecting the sector as a whole.
2. **Duration Risk:** Duration is actively managed and NAV will still move inversely with interest rate changes, more so as duration is extended. This may the potential mark-to-market impact.
3. **Reinvestment Risk:** Interest and maturity proceeds may need reinvestment at prevailing yields which could be lower.

Asset Allocation

Instruments	Indicative Allocations (% of total assets)	
	Minimum	Maximum
Debt & Debt related instruments of Financial Services sector across duration which are rated AA+ and above	80%	100%
Other Debt and Money market securities/Instruments (including cash and cash equivalents)	0%	20%
Units issued by INVITs	0%	10%

The investors are advised to refer to the Statement of Additional Information (SAI) for details of DSP Mutual Fund, Standard Risk factors, Special Considerations, Tax and Legal issues and general information on www.dspim.com.

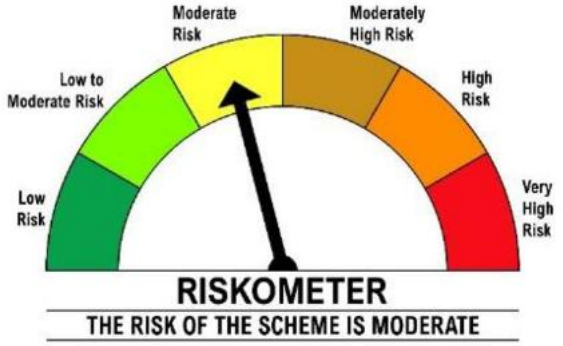
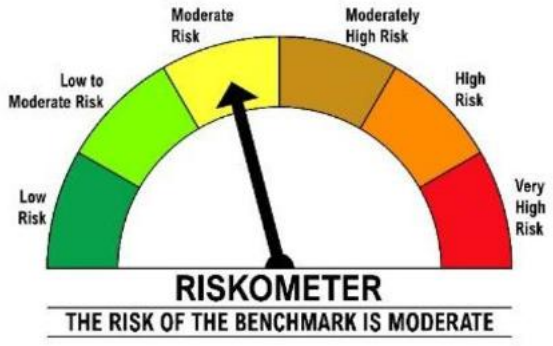
Disclaimer & Product Labeling

In this material DSP Investment Managers Private Limited (the AMC) has used information that is publicly available, including information developed in-house. Information gathered and used in this material is believed to be from reliable sources. The AMC however does not warrant the accuracy, reasonableness and / or completeness of any information. The data/statistics are given to explain general market trends in the securities market, it should not be construed as any research report/research recommendation. We have included statements / opinions / recommendations in this document, which contain words, or phrases such as “will”, “expect”, “should”, “believe” and similar expressions or variations of such expressions that are “forward looking statements”. Actual results may differ materially from those suggested by the forward looking statements due to risk or uncertainties associated with our expectations with respect to, but not to, exposure to market risks, general economic and political conditions in India and other countries globally, which have an impact on our services and / or investments, the monetary and interest policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices etc. **The sector(s)/stock(s)/issuer(s) mentioned in this presentation do not constitute any research report/recommendation of the same and may or may not have any future position in these sector(s)/stock(s)/issuer(s).** There is no guarantee of returns/income generation in this scheme. The portfolio of the scheme is subject to changes within the provisions of the Scheme Information document of the scheme. Please refer to the SID for investment pattern, strategy and risk factors. **Past performance may or may not sustain in future and should not be used as a basis for comparison with other investments.** All figures and other data given in this document are as on 31 Jul 2026 (unless otherwise specified) and the same may or may not be relevant in future and the same should not be considered as solicitation/ recommendation/guarantee of future investments by the AMC or its affiliates. Investors are advised to consult their own legal, tax and financial advisors to determine possible tax, legal and other financial implication or consequence of subscribing to the units of DSP Mutual Fund. **For scheme specific risk factors and more details, please read the Scheme Information Document, Statement of Additional Information and Key Information Memorandum of the Scheme available on ISC of AMC and also available on www.dspim.com.**

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

DSP MUTUAL FUND

Disclaimer & Product Labeling

DSP Financial Services Sectoral Debt Fund *(An open ended debt scheme investing in the financial services sector. A relatively high interest rate risk and moderate credit risk)*	This product is suitable for investors who are seeking* • Income over a short to medium term investment horizon • Investment predominantly in debt instruments pertaining to financial services Sector	**SCHEME RISKOMETER** 	**BENCHMARK RISKOMETER – Crisil Financial Services Short Term Debt Index A-II** 

*Investors should consult their financial advisors if in doubt about whether the Scheme is suitable for them. The product labelling assigned during the New Fund Offer ('NFO') is based on internal assessment of the Scheme Characteristics or model portfolio and the same may vary post NFO when actual investments are made

Potential Risk Class Matrix: The potential risk class matrix of the scheme based on interest rate risk and credit risk is as follows:

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)		B-III	

DSP MUTUAL FUND

DSP ASSET MANAGERS

#INVESTFORGOOD