

ICICI PRUDENTIAL NIFTY LOW VOL 30 ETF FOF LAUNCHED. 5 THINGS TO KNOW

Relevant for: Indian Economy | Topic: Issues relating to Growth & Development - Banking, NPAs and RBI

[ICICI Prudential Mutual Fund](#) has launched ICICI Prudential Nifty Low Vol 30 ETF FOF. It will invest in a portfolio of 30 least volatile large-cap stocks in the Nifty 100 index. The fund offers to provide returns that closely correspond to the returns provided by its benchmark Nifty 100 index. Historically, the Nifty 100 low volatility 30 index has provided 12-16% returns annually over the past years.

Commenting on the product Nimesh Shah, managing director, ICICI Prudential AMC, said, "Through ICICI Prudential Nifty Low Vol 30 ETF FOF, an investor gets access to a factor-based smart beta ETF that limits downside risk. Our aim is to help investors to limit the impact of market volatility and to gain exposure to the least volatile bluechip companies across sectors in a simple and easy manner."

Key things to know about ICICI Prudential Nifty Low Vol 30 ETF FOF

- 1) The new fund will open on 23 March and close on 6 April, the AMC said on Wednesday.
- 2) It is an open-ended fund of funds that will invest in these stocks, and the underlying ETF replicates the Nifty 100 low volatility 30 index, the fund house said.
- 3) The scheme allows investors without a Demat account to invest in a smart beta ETF with Equity taxation through lump sum or SIP.
- 4) ICICI Prudential Nifty Low Vol 30 ETF FOF invests in ICICI Prudential Nifty Low Vol 30 ETF that replicates the Nifty 100 Low Volatility 30 Index in the same proportions.
- 5) The Nifty 100 Low Volatility 30 Index consists of 30 stocks with least volatility selected from the Nifty 100 index. The weights of the stocks are based on volatility which is measured as standard deviation of stock returns over a one year period. The individual stock weight is capped at 3%. The top three sectors for the index comprises of software, personal care and cement. The index is rebalanced on a quarterly basis.

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