

DSP

#INVESTFORGOOD

DSP Global Innovation Fund of Fund



| People | Processes | Performance |

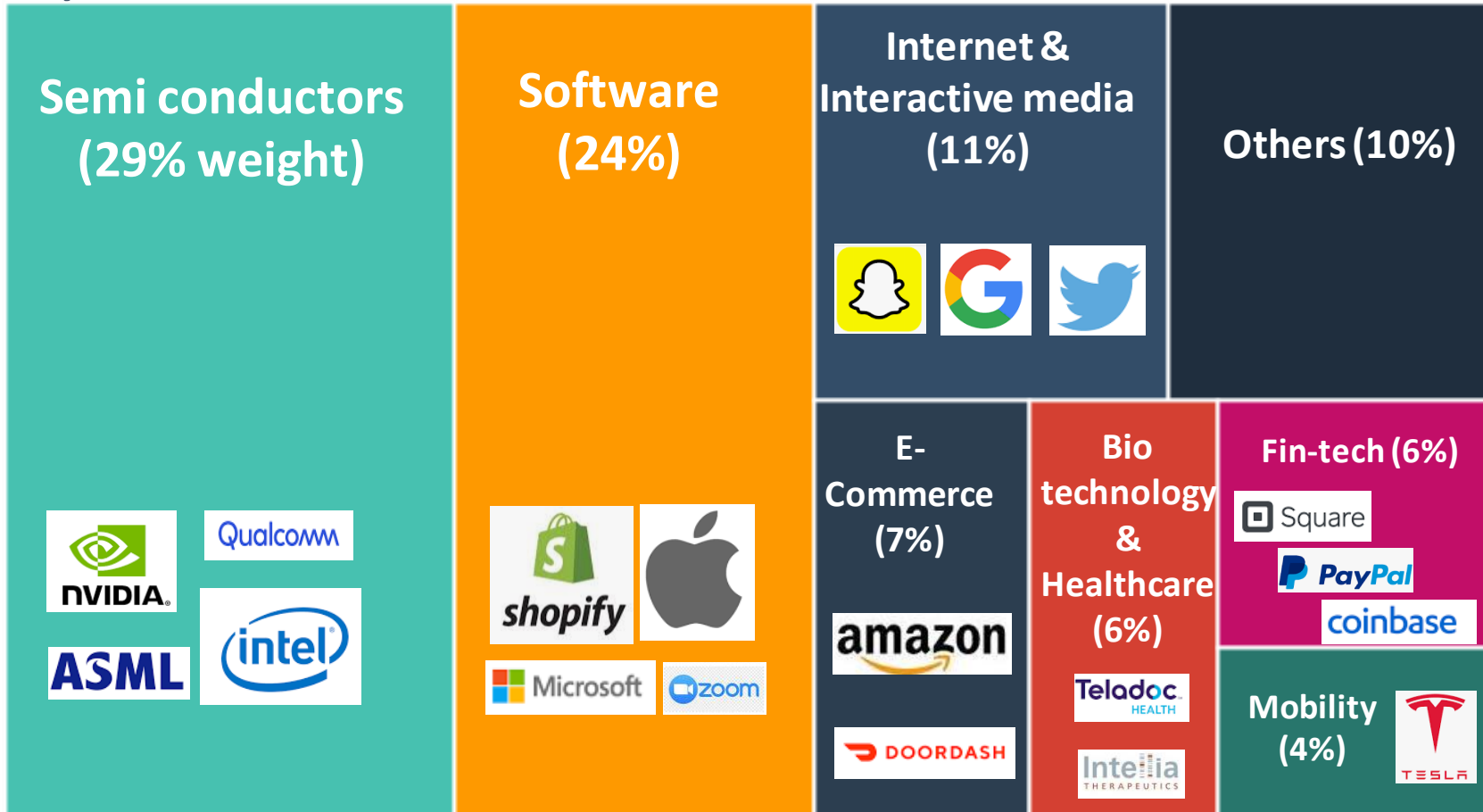
An Overview of the underlying themes

NFO Opens on : Jan 24, 2022

NFO Closes on : Feb 07, 2022

Capturing Many Innovations in one fund

Key Themes under DSP Global Innovation Fund of Fund



Multiple Innovation themes helps diversify sector concentration risk

Source – Internal, Bloomberg, Weights as on 30 Sep 2021. The sector(s)/stock(s)/issuer(s) mentioned in this document do not constitute any research report/recommendation of the same and the scheme(s)/ Fund may or may not have any future position in these sector(s)/stock(s)/issuer(s). All logos used in the image are trademarks™ or registered® trademarks of their respective holders. Use of them does not imply any affiliation with or endorsement by them.

Semiconductors – An overview & key growth drivers

What are Semiconductors?

Essential technology enablers that power many of the cutting-edge digital devices we use today.

Where are Semiconductors used – Illustrative examples



Television



Medical Care



Computer



Phones



Automobile

KEY GROWTH DRIVERS

Automobile

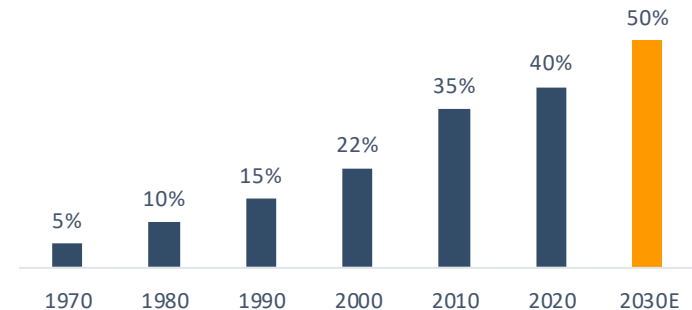


Semiconductors - Key ingredient of electronic system in a car



Share of automotive electronic expected to rise over next decade benefitting semiconductor manufacturers

Electronics cost as a percentage of total car cost worldwide



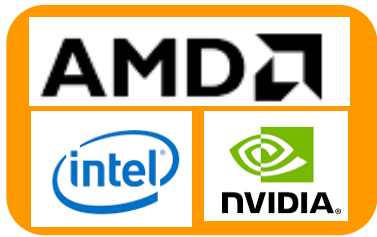
Source: ICRA

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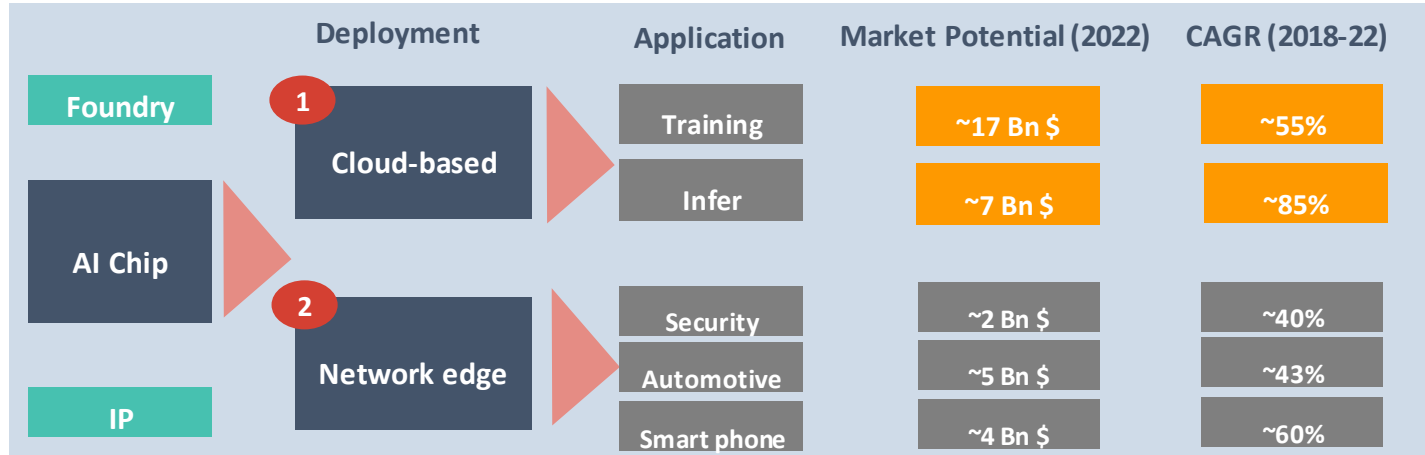


Semiconductors – Key drivers of growth

Artificial Intelligence (AI) Chips



- ❑ Heart of the Artificial Intelligence technology chain and central to the processing of AI algorithms. Expected to account for over 12% of the total AI market by 2022, with a 54% CAGR
- ❑ Cloud based AI Chip is the most promising segment in AI



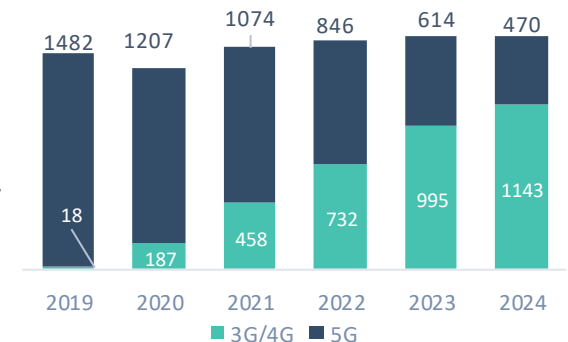
Source: CICC, Deloitte analysis



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- ❑ Based on IDC* study, volume of global data may increase 10x to 163 zettabytes (or one trillion gigabytes) by 2025 with advent of 5G
- ❑ This can lead to more demand of integrated chips (ICs) as data storage, analysis and process will play a central role in 5G and IoT infrastructure.
- ❑ According to Gartner, ~71% of smartphone will be 5G enabled by 2024

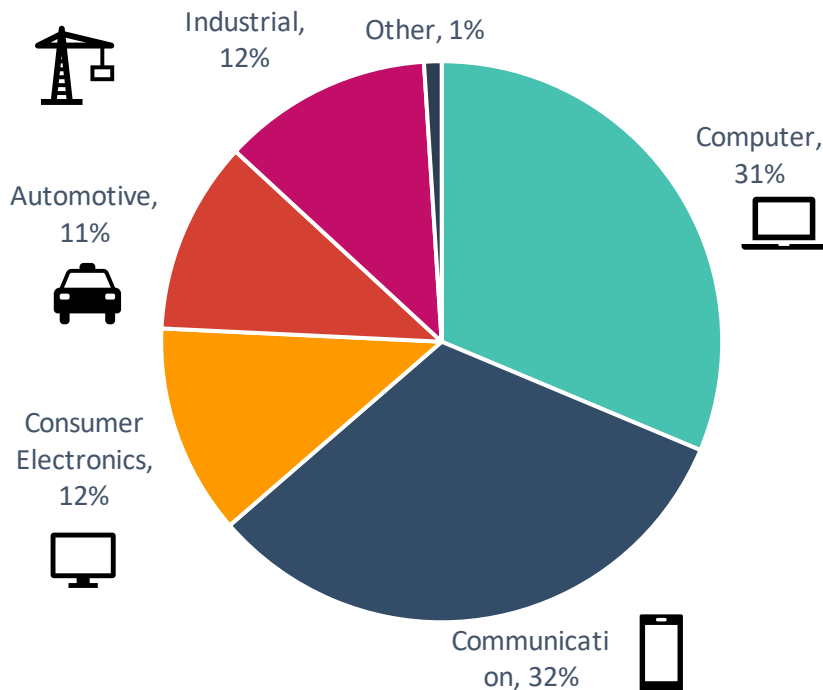
Smartphone forecast (Mn no of units)



Source: Gartner Market Trends: 5G Impact on Smartphone Semiconductors (15 April 2020)

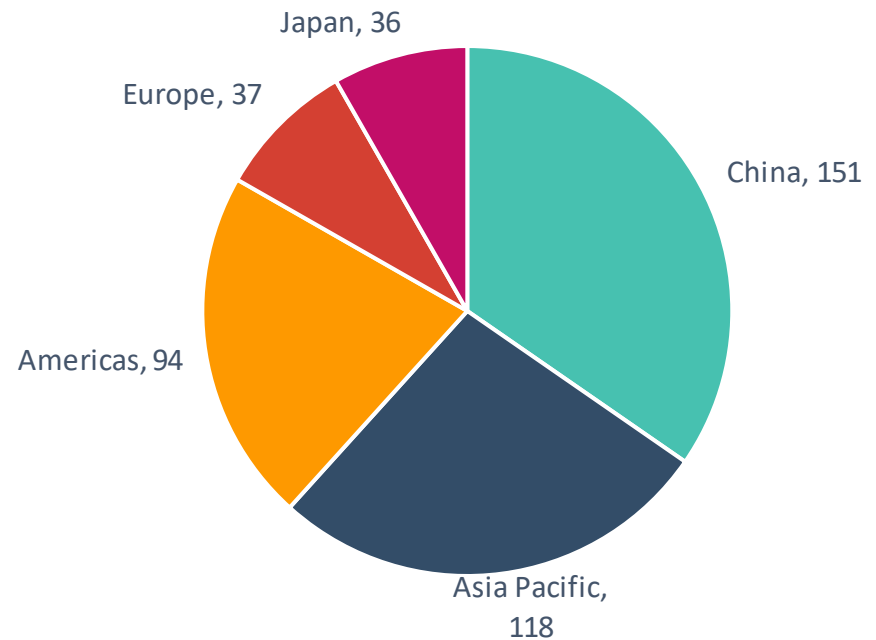
Semiconductors – An overview & key growth drivers

Global semi-Conductor demand by segment (CY2020)



Source: Semiconductor Industry Association, ICRA Research

Semiconductor sales distribution by region (billion USD; CY2020)



Nearly 75% of semiconductor manufacturing capacity, as well as many suppliers of key materials are concentrated in China and Eastern Asia.

Software - Eating the world

Easier software development

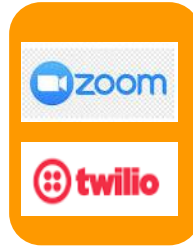
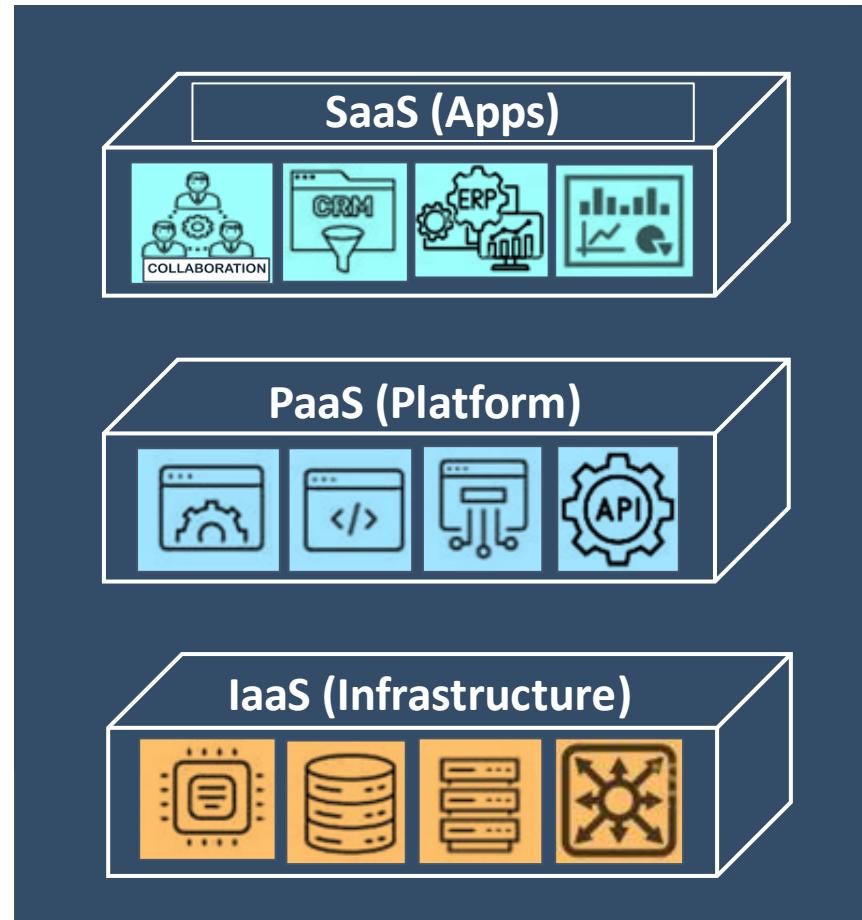
- Low code
- Agile development
- Application interface programming (APIs)

New cloud infrastructure

- Containers
- Micro services
- Serverless
- Orchestration

Structural innovation

- Open source
- Viral IT
- Decentralization



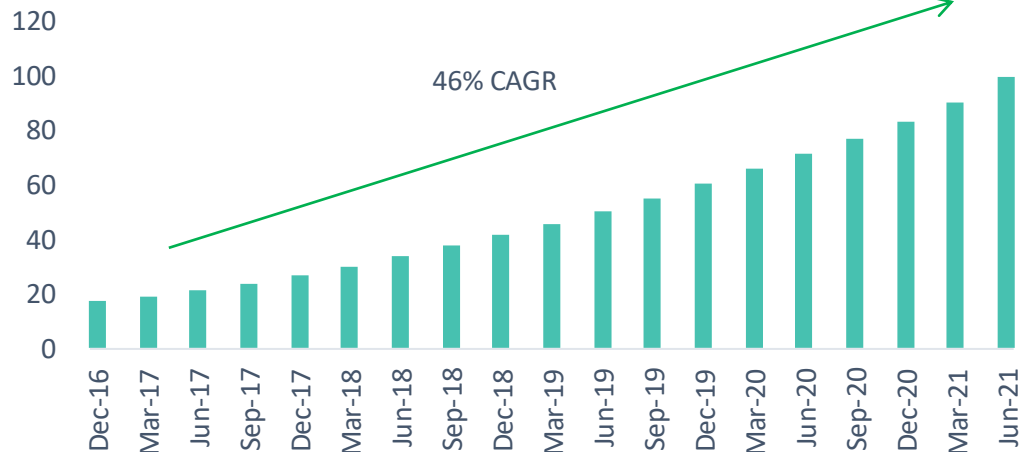
Rapid pace of innovation in software continues with new verticals

Software - Fast growing + Scale opportunities

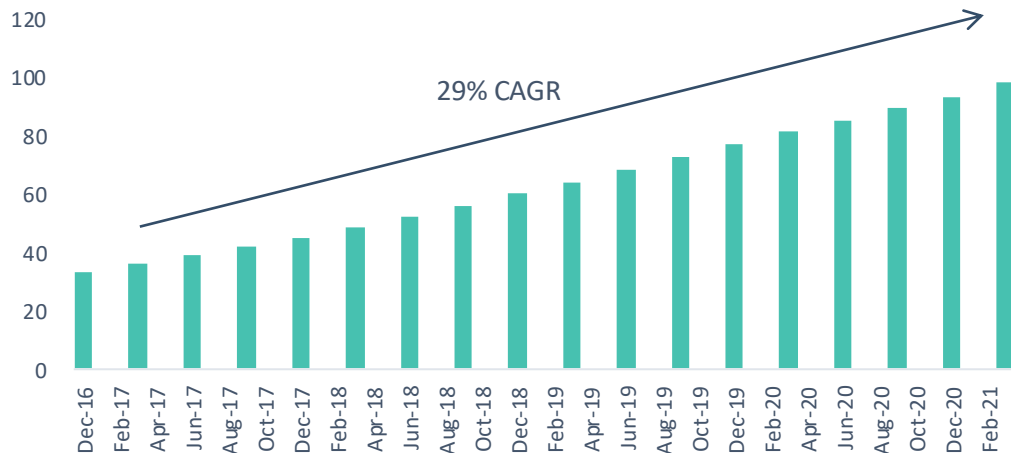
Cloud

- Cloud penetration still at ~20% of overall workloads
- Combined cloud revenues of Amazon, Microsoft & Google had grown at ~40%+ despite USD 100 bn scale

Cloud Revenues (USD Bn)



SaaS Revenues (USD Bn)



SaaS

- SaaS penetration of enterprise software spends is ~25-30%
- Combined SaaS revenues of established software companies like Microsoft, Salesforce, ServiceNow, Workday, SAP, Oracle have grown at ~29% on USD 100 bn scale

Several pockets of new verticals may provide rapid, scalable growth within overall IT spend

Internet & Interactive Media

Social Media



- ❑ ~ 56.8% * of Global Population have access to social media representing vast market to exploit for advertising revenues
- ❑ Average time spent per day is ~ 2h 42 Min* representing significant user engagement to provide differentiated service

OTT



- ❑ The global OTT market size was valued at \$171.36 billion in CY 2020, and is projected to reach \$1,039.03 billion by 2027, growing at a ~29.4% CAGR *
- ❑ Easy accessibility through PCs, tablets, smartphones, and consoles via internet have provided stupendous growth to the sector post covid

Gaming



- ❑ More than 2.9 Billion@ gamers world wide
- ❑ Valuation of gaming industry now exceeds \$300 billion, more than the combined markets for movies and music, driven by a surge in mobile gaming and an emphasis on social interaction during the COVID-19 pandemic. **

Search Engine

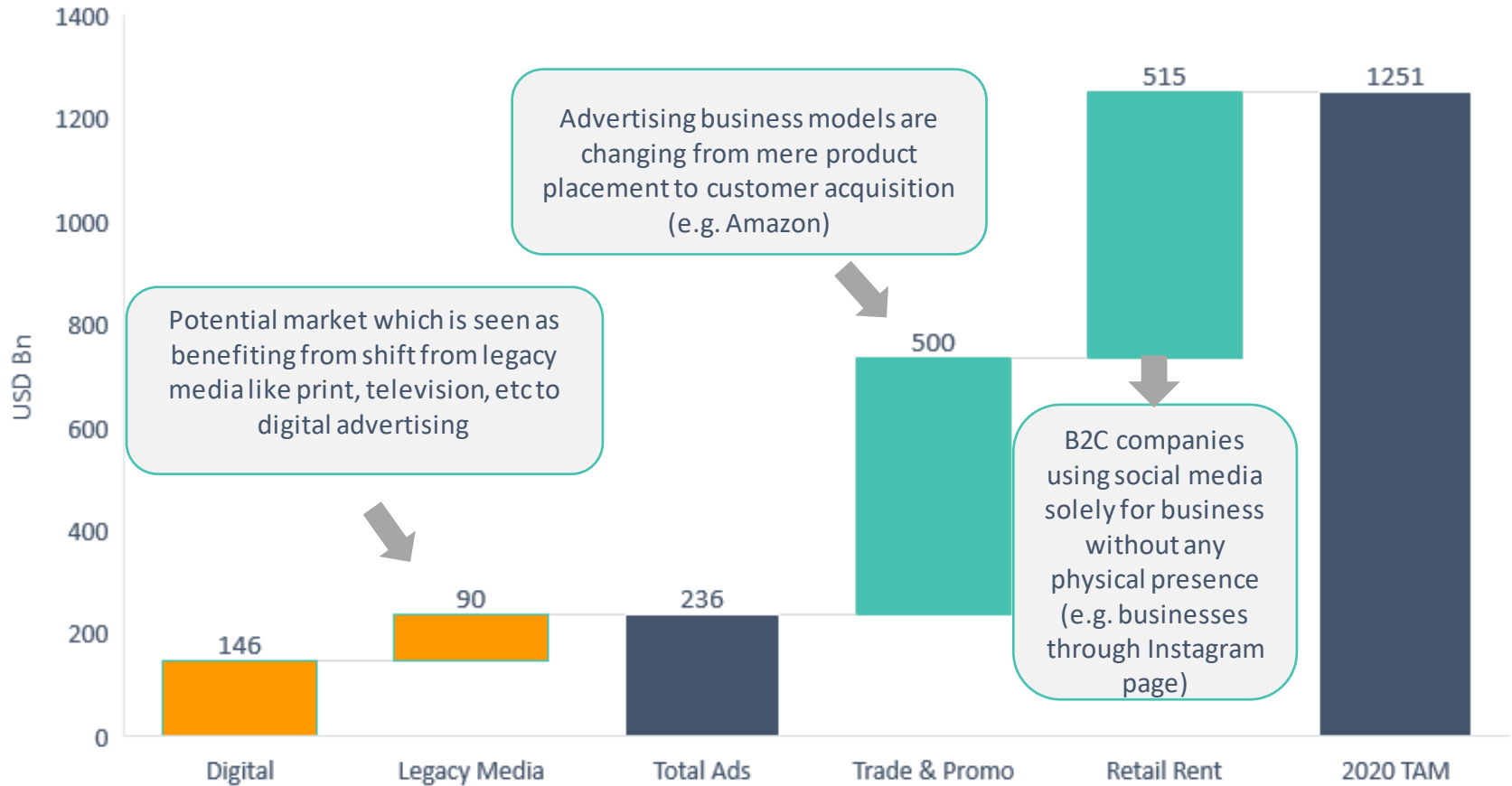


- ❑ Google Market leader in search engine
- ❑ Provides ancillary services for other industry e.g. Google Maps for Uber

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Internet & Interactive Media – expanding addressable market

2020 US Digital Advertising Revenue Total Addressable Market (TAM)



New business avenues for internet companies can expand the overall addressable market by more than 5x – from USD 240 bn to USD 1250 bn

Biotechnology & Healthcare

Gene Technology



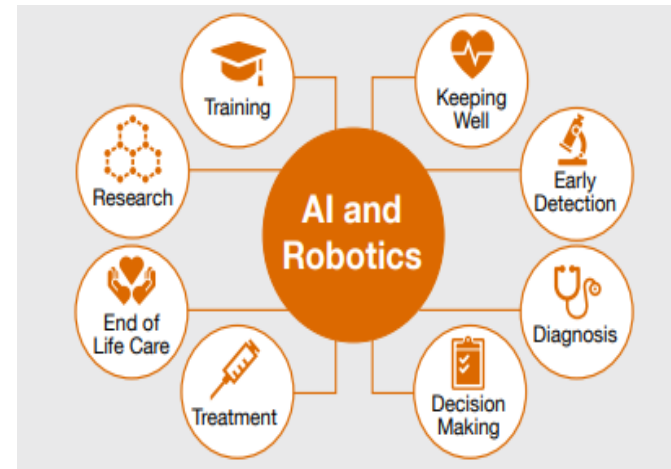
- ❑ Modern branch of biotechnology that allows direct modification or removal of a gene
- ❑ **Did you know** – Kymriah, a pioneering cancer drug developed using gene technology, was approved at cost \$475,000. A single dose of Kymriah left 83 percent of participants cancer free after three months
- ❑ The FDA is currently considering over 550 additional experimental gene therapies for approval representing vast market size. *

Robotic & Artificial Intelligence



Use of AI & Robotics in healthcare

- ❑ The market for surgical robotics generated \$5.46 billion in 2020, in terms of value and is estimated to reach \$16.77 billion by 2031. @
- ❑ Intuitive Surgical, Inc. dominates robotic surgery market having ~80% market share in 2020



E-Commerce

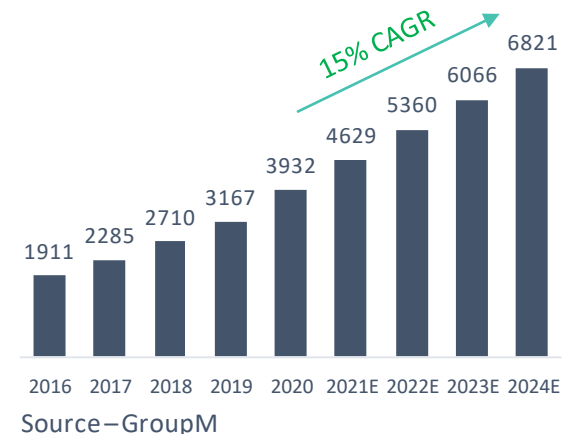
Products



□ One of the most visible forms of digital transformation with radical application of new technologies to traditional business models.

□ Share of E-Commerce in Global retail has increased from 14% in 2019 to 17% in 2020 * indicating high room for gaining market share

E-Commerce (\$ Billions)



Services



□ **Key drivers for ride hailing operators like Uber**

- Increase in cost of vehicle ownership with recent spike in automobile price
- Fuel prices and maintenance costs have increased multifold
- Little-to-no interest in owning a car by Millennial
- Autonomous vehicles can be further driver

□ **Key drivers for online food ordering and food delivery platform.**

- COVID-19 propelled the industry a few years into the future, as millions of people in lockdown ordered food online for the first time.
- DoorDash – Current leader in online food delivery in US

Fin-Tech

Payment



- ❑ Disruptor to traditional banking & financial services
- ❑ Gen X, Y, and Z have shifted their approach to finance and payments with societal changes
- ❑ Millennials have shown an early adoption rate

Increasing share of digital payment over Point of Sale (POS)

US Digital Payments Transactional Value in USD billion, Forecast Period (2018-2024)



Source: Mordor Intelligence

Payment Gateway



Block chain



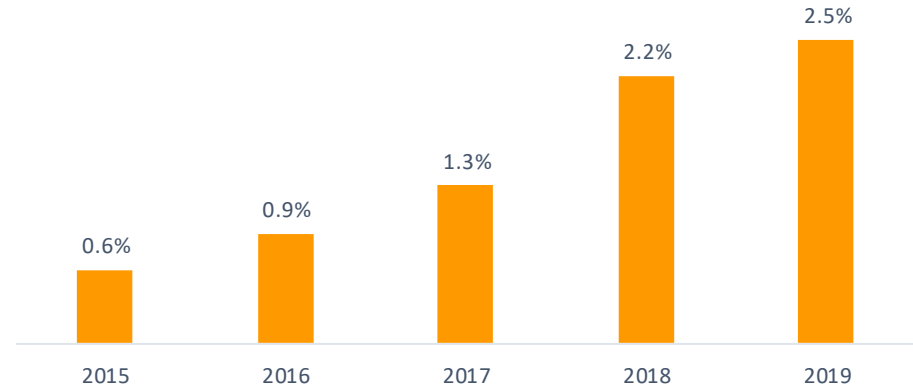
Peer to Peer lending



Mobility – Electric Vehicle (Tesla)

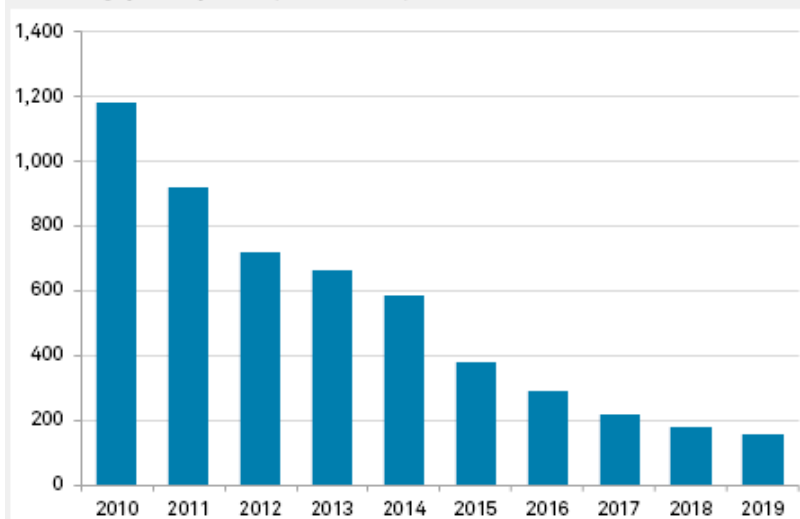
Market share of Electric vehicle rising

Global Electric Vehicle sales as % of total sales



Source – EV volumes.com; Light vehicle sales forecast, May 2020, IHS Markit

Battery pack price (US\$/kWh)



Falling input cost can make EV more competitive with traditional cars

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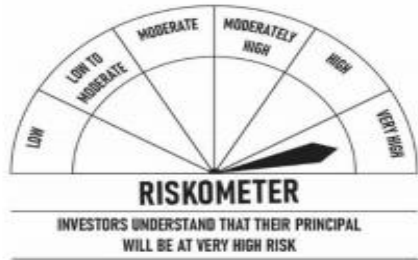
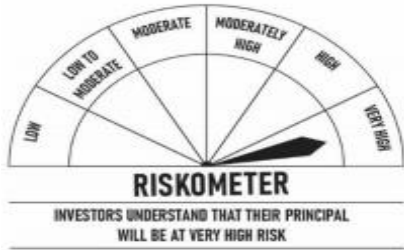
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Investors are advised to consult their own legal, tax and financial advisors to determine possible tax, legal and other financial implication or consequence of subscribing to the units of the DSP Mutual Fund (“Fund”). Investors should know that they are bearing the recurring expenses of the scheme (DSP Global Innovation Fund of Fund), in addition to the expenses of other schemes in which the Fund of Funds Scheme makes investments.

There is no guarantee of returns/ income generation in the Scheme. Further, there is no assurance of any capital protection/ capital guarantee to the investors in the Scheme. For scheme specific risk factors and more details, please read the Scheme Information Document, Statement of Additional Information and Key Information Memorandum of 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.

Scheme	Product Suitability	Riskometer	
		DSP Global innovation Fund of Fund	MSCI All Country World Index - Net Total Return
DSP Global Innovation Fund of Fund <i>(An open ended fund of fund scheme investing in Innovation theme)</i>	<p>This open ended Fund of Funds Scheme (Investing In Overseas Fund) is suitable for investors who are seeking*</p> <ul style="list-style-type: none"> • Long-term capital growth • Investments in units of overseas funds which invest in equity and equity related securities of companies which are forefront in innovation 	 <p>RISKOMETER INVESTORS UNDERSTAND THAT THEIR PRINCIPAL WILL BE AT VERY HIGH RISK</p>	 <p>RISKOMETER INVESTORS UNDERSTAND THAT THEIR PRINCIPAL WILL BE AT VERY HIGH RISK</p>

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MUTUAL FUND

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