

February,2025

# Mirae Asset Nifty Metal ETF

(An open-ended scheme replicating/tracking Nifty Metal Total Return Index)

NSE Symbol: METAL , BSE Scrip Code: 544268

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# Evolution of Sector

Over the years the Indian mining sector has evolved through formation of different rules and regulatory bodies by the Central Government of India



**1947**  
Sector received a boost post independence under the 5 Year Plan

**01**

**02**

- 1956**
- Industrial Policy Resolution
  - Strengthening of Geological Survey of India
  - Establishment of Indian Bureau of Mines

**03**

- 1993**
- Opened to Foreign Direct Investment after the announcement of New Mineral Policy

**04**

- 2014**
- Ministry of Mines revised royalty rates and dead rent

**05**

- 2020**
- Mineral Conservation & Development (Amendment) Rules
  - PLI Scheme for domestic production

**2024**

**06**

- Increased infrastructure spend is expected to contribute 25-30% of metal demand in the next decade.
- PLI~ will lead to increased investments in steel sector



# India's stand as a producer of major metals

## Aluminium Production

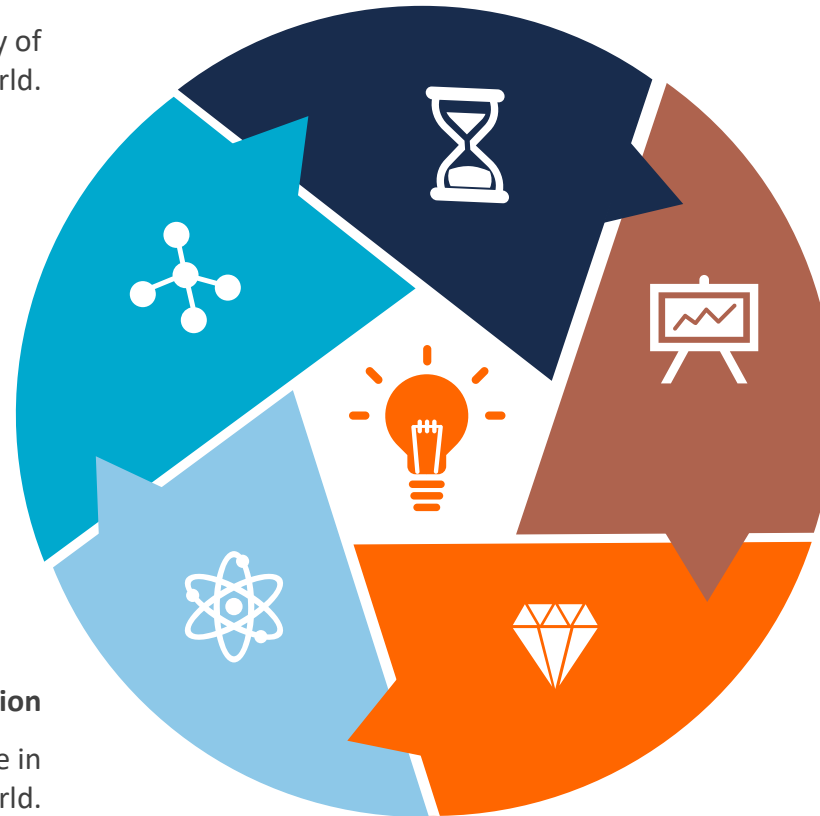
India has the 2<sup>nd</sup> largest production capacity of Aluminium in the world.

## Lime Production

India is the 3<sup>rd</sup> largest lime producer in the world.

## Iron Ore Production

India is the 4<sup>th</sup> largest producer of iron ore in the world.



## Steel Production

India is the 2<sup>nd</sup> largest crude steel producer in the world.

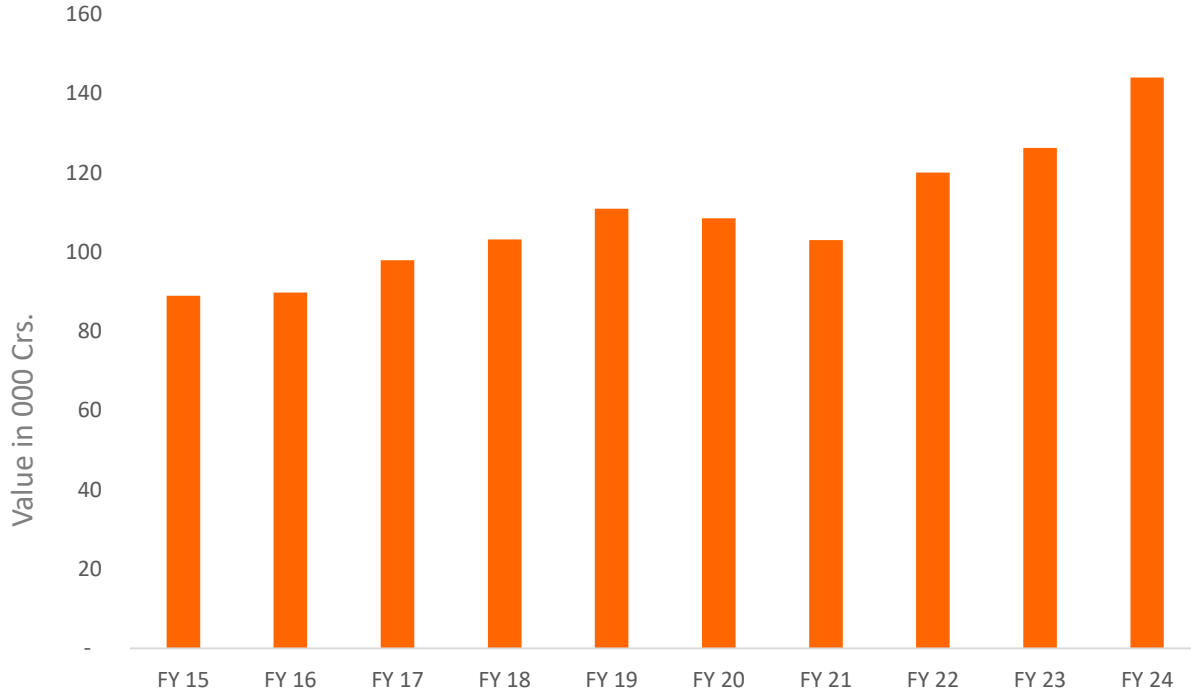
## Coal Production Growth

India's overall coal production has seen a growth of 7.66% as during calendar year 2024.\*

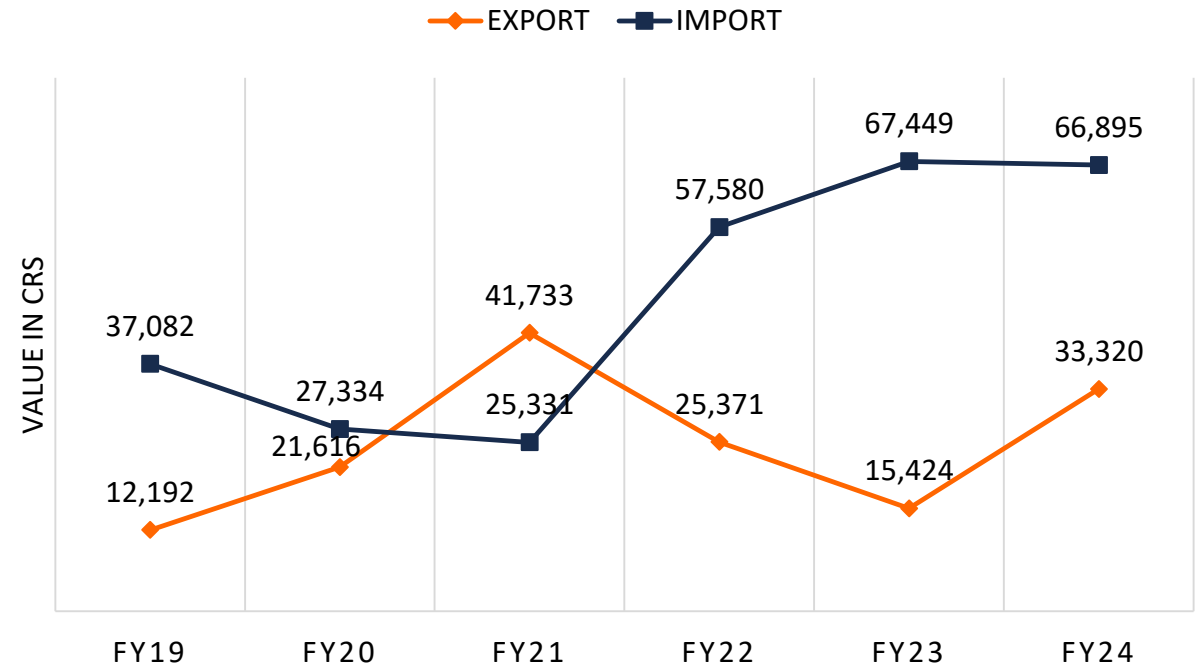


# Production Capacity of Minerals

PRODUCTION OF MINERALS (OTHER THAN ATOMIC, MINOR AND HYDROCARBON ENERGY MINERALS)

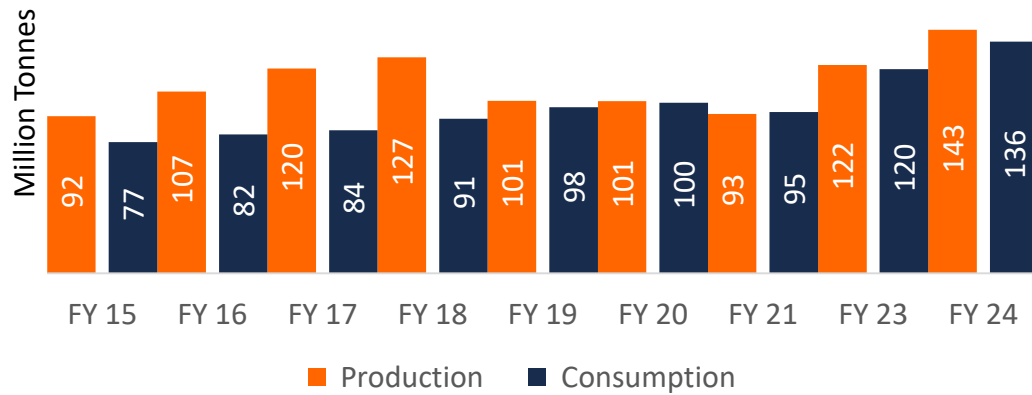


EXPORT-IMPORT OF MINERALS (OTHER THAN ATOMIC, MINOR AND HYDROCARBON ENERGY MINERALS)

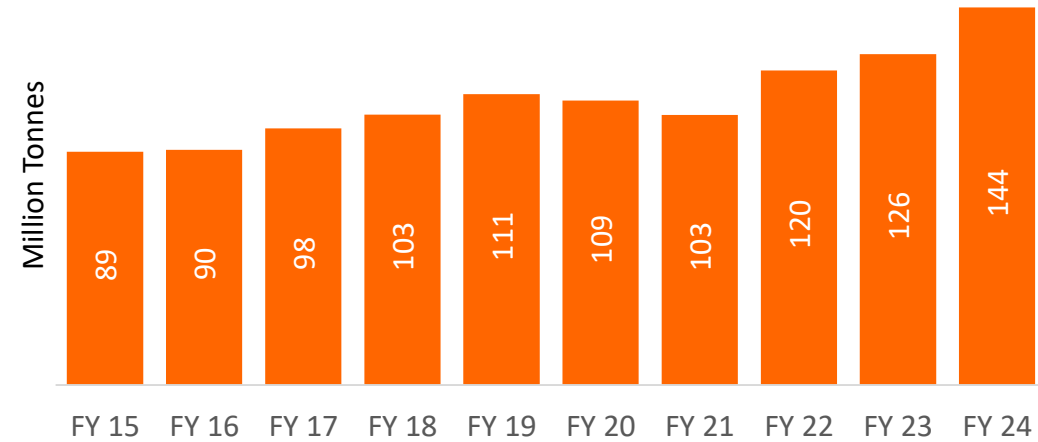


# Steel : Rising Demand

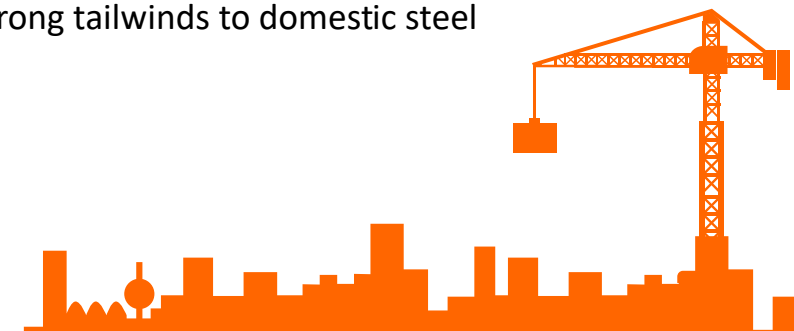
## Finished steel production and consumption



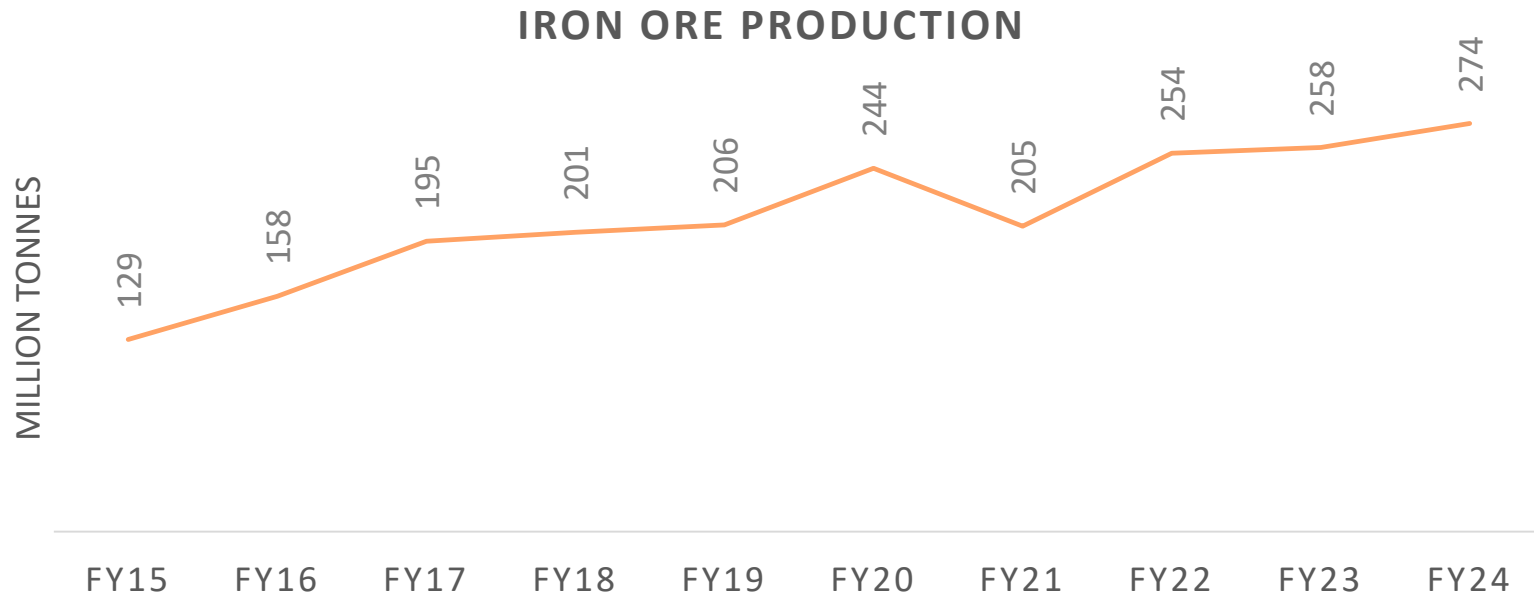
## Crude steel production



- Indian government's approved National Steel Policy (NSP) 2017 envisages 300 MT(Million Tons) steel making capacity and 160 Kgs per capita steel consumption by 2030-31.
- As per industry forecast steel demand is likely to grow at a healthy pace of 8-9% in 2025, indicating strong tailwinds to domestic steel producers.



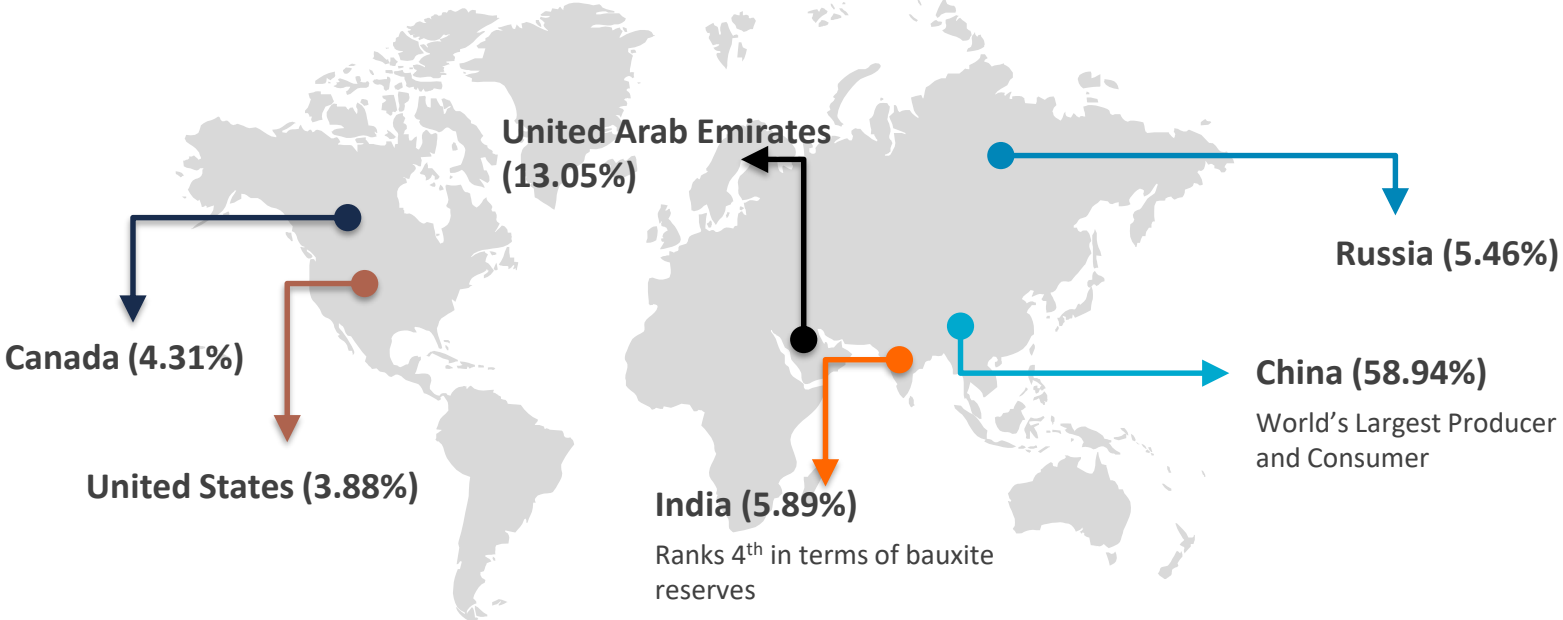
# Iron Ore : Production Capacity



- Iron ore is a key input for production of steel and primary iron
- Majority (over 85%) of iron ore reserves are of medium to high grade and are directly used in blast furnace and direct reduced iron (DRI) plants in the form of sized lumps or sinters or pellets.



# Aluminium : World Production



World's Largest Producer and Consumer

Ranks 4<sup>th</sup> in terms of bauxite reserves

### World Production & Consumption

During FY24, world production was 71.191 million tons against world consumption of 70.952 million tons.\*

### US Geological Survey

As on Jan 2025, Global resources of bauxite are estimated to be between 55 billion and 75 billion tons and are sufficient to meet world demand for metal.^

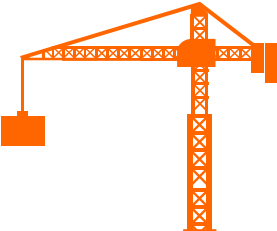


### World Demand

In 2021, the world primary Aluminium demand reached new all-time highs.

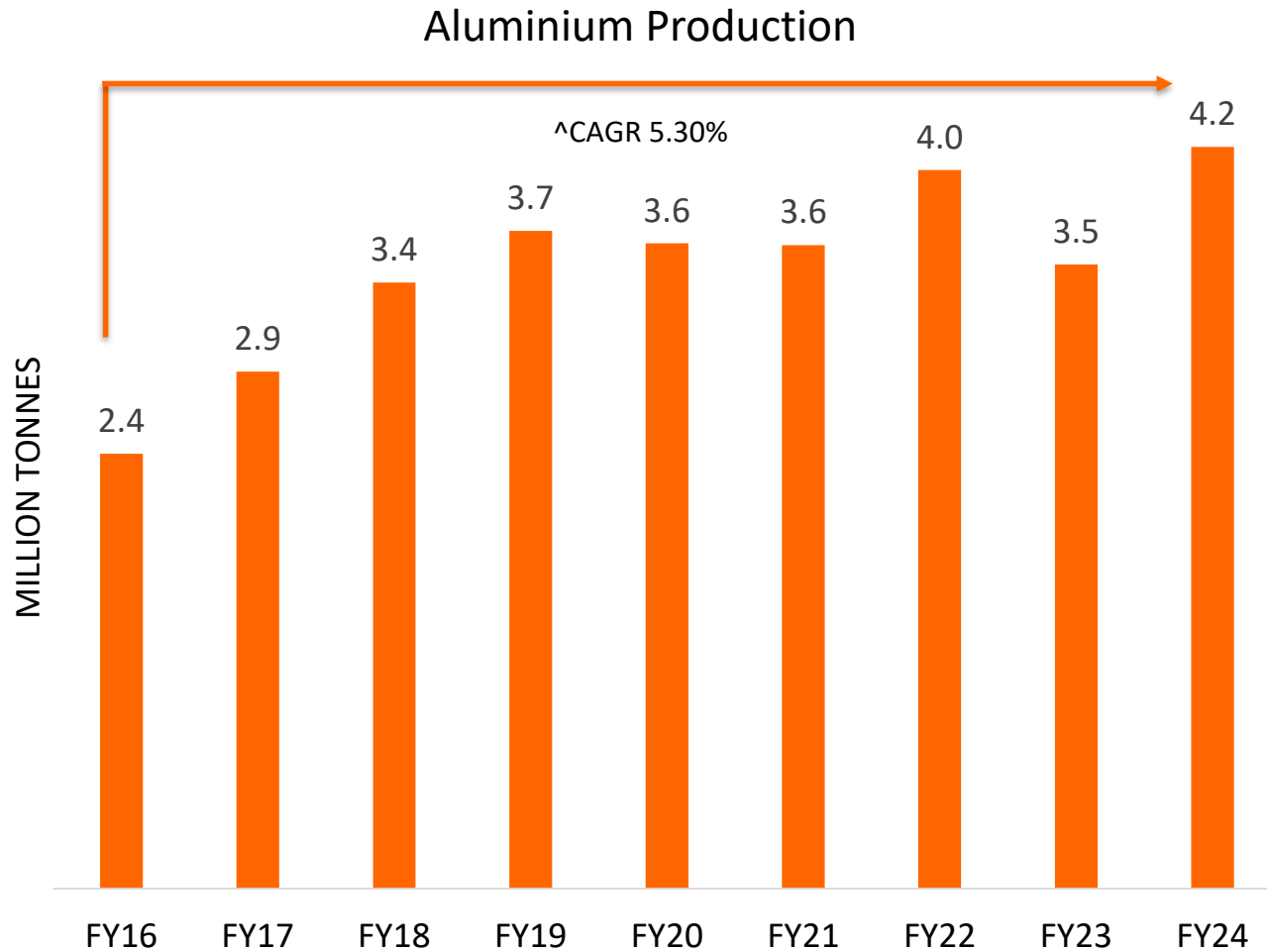
### Largest Market

Aluminium represent second largest metal market in the world, in volume terms, after iron and steel.

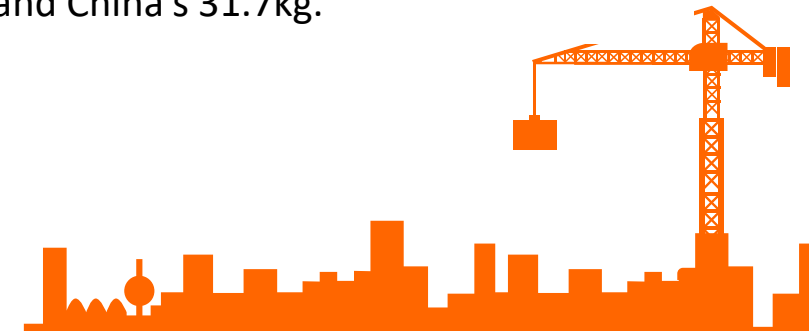


Source: Latest available data as on Dec 31, 2023; Trading Economics; Ministry of Mines . Forecasts as per latest data available. \*Data as on FY24. ^Data as on Jan 31 2025.

# Aluminium : Production Capacity

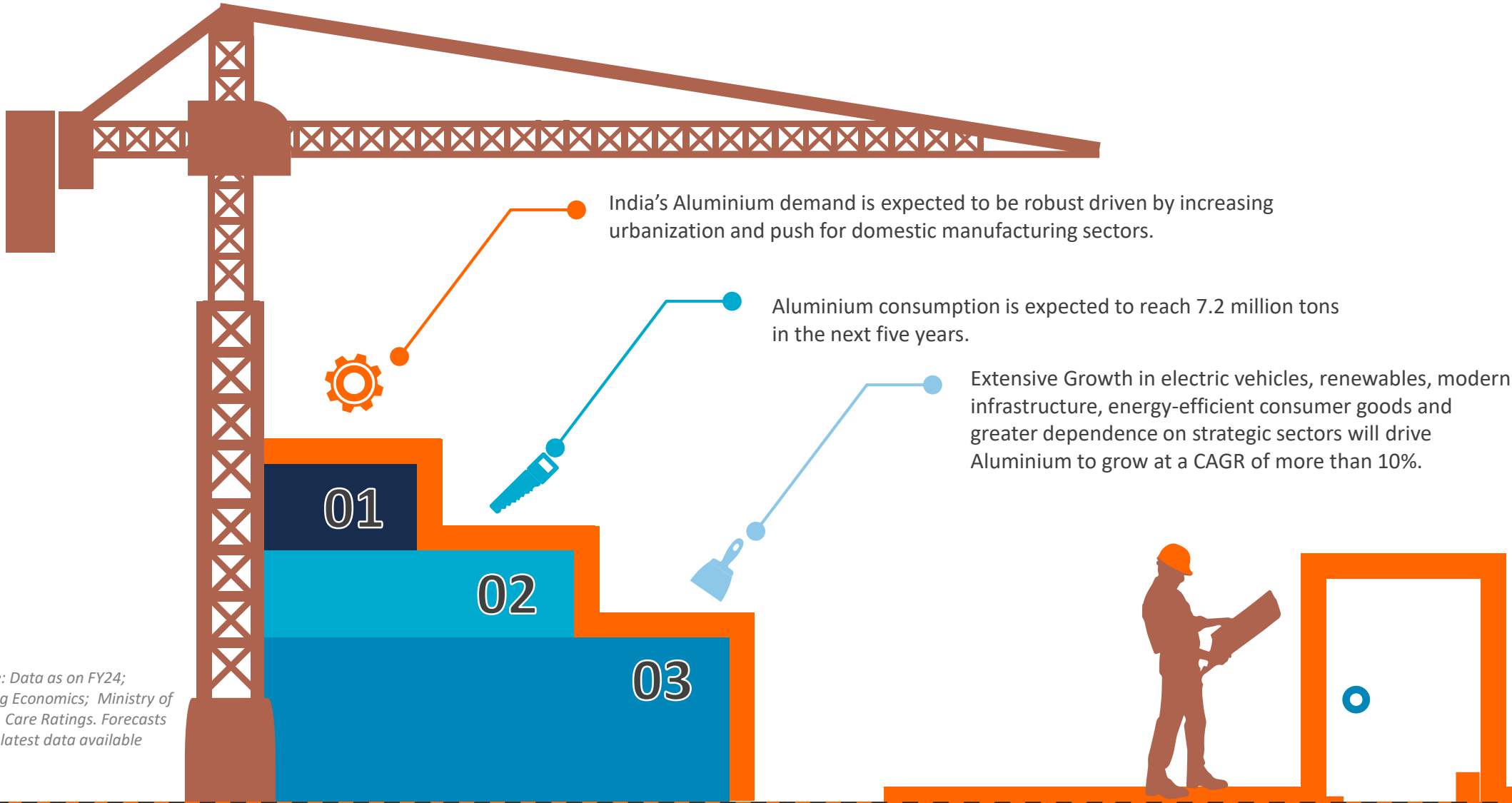


- Aluminium is critical for all the key sectors that may aid India becoming a US\$ 5 trillion economy.
- Aluminium demand in India is expected to jump to **9 million metric tons by 2033** from about 4.2 million in FY24.
- ICRA has estimated the domestic Aluminium demand growth to remain healthy at around 9% in the next two fiscal years, given the Government's thrust on infrastructure development.
- The per capita consumption of Aluminium in India is about 3.1 kg compared to the world average of about 12 kg and China's 31.7kg.





# Aluminium : Strong Economic Growth



Source: Data as on FY24; Trading Economics; Ministry of Mines, Care Ratings. Forecasts as per latest data available

# Copper: Domestic Industry Trends

Demand Growth



Domestic refined copper demand growth is expected to remain healthy at ~11% in FY 24 and FY 25, outpacing the rate of global growth in copper demand

Per Capita Consumption



India's per capita copper consumption is estimated around 0.6 kg compared to the global average of 3.2 kg.

Export / Import Dynamics

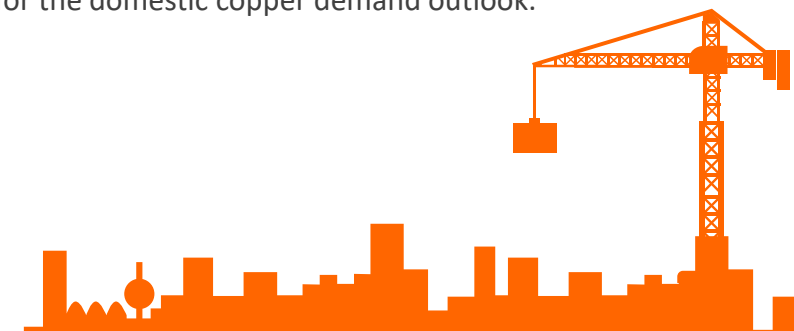


Lower production of refined copper in India results in deficit situation in the domestic market, which is being met through high imports. The refined copper imports increased by ~30% in FY23 and ~180% in H1 FY24.

Government Initiative



Significant emphasis by Government of India towards affordable housing scheme, smart city projects and the defense sector as well as expected higher penetration of electric vehicles and its associated infrastructure bode well for the domestic copper demand outlook.



# Growth : Favourable Policies



- MINES AND MINERALS DEVELOPMENT & REGULATION ACT 2021**
- For increasing mineral production and time bound operationalization of mines and investment in mining sector



- NATIONAL MINERAL POLICY 2019**
- Bring transparency and better regulation and enforcement



- SKILL DEVELOPMENT PLAN FOR MINING SECTOR ( 2016-2022)**
- Increase the capacity and quality of training infrastructure and trainers to address human resource needs



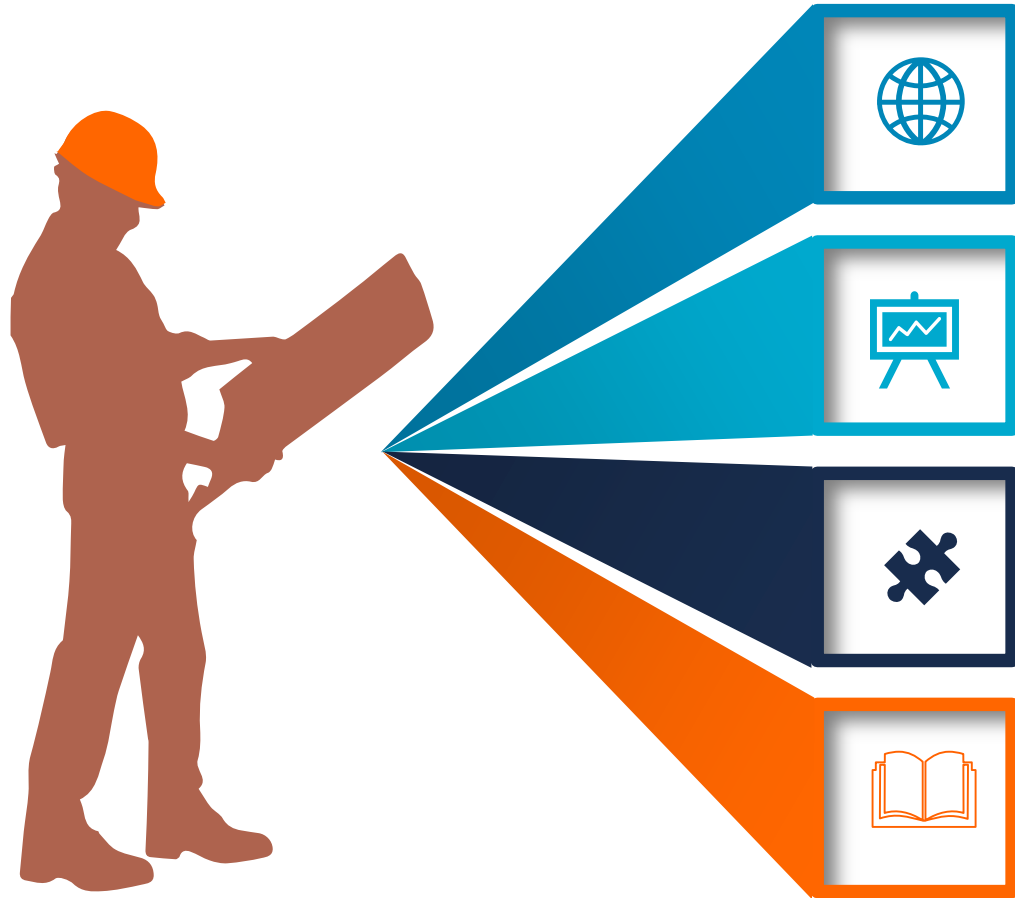
- PRODUCTION\_LINKED INCENTIVE (PLI) SCHEME**
- The Ministry of Steel has signed 57 MoUs with 27 companies which is expected to generate an investment of ~INR 30,000 Cr with an additional capacity creation of about 25 MT of specialty steel in the next 5 years.
  - Iron & Steel Companies benefitting : Tata Steel Limited; JSW Steel Limited; Steel Authority of India Hindalco Industries.

*Source: Data as on Dec 31, 2024; Trading Economics; Ministry of Mines, Care Ratings. Data as per Latest forecast.*

# NIFTY METAL INDEX

# Index Methodology : Nifty Metal Index

The Nifty Metal Index aims to reflect the behavior and performance of the Metal sector (including mining). The Nifty Metal Index comprises of maximum 15 stocks that are listed on the National Stock Exchange (NSE).



## Universe of Nifty 500 Index

Stocks shall be selected from the universe of stocks that form part of Nifty 500 Index, these eligible stocks should form part of metal sector.

## Free Float Market Capitalization

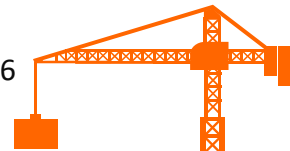
Weightages of each stock is based on its free float market capitalization such that no single stock shall be more than 33% and weightage of top 3 stocks cumulatively should not be more than 62% at the time of rebalancing.

## Index Rebalancing

The index is reconstituted semi-annually and weights are rebalanced quarterly.

## Trading History

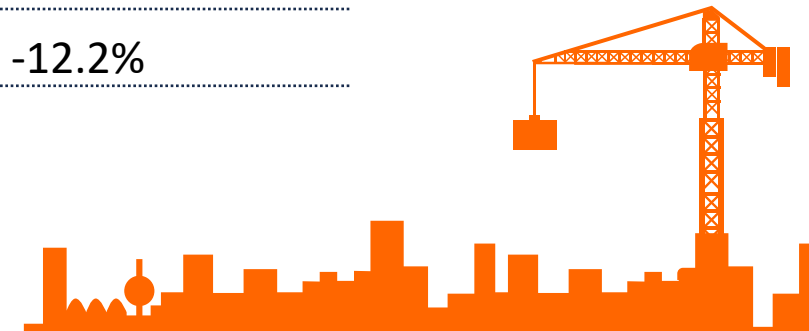
Companies should have trading frequency of at least 90% in the last 6 months to get selected in the index.



# Periodic Performance : Nifty Metal Index v/s Broad Based Indices

Particulars	Nifty Metal Index (%)	Nifty 50 Index (%)	Nifty 500 Index (%)
15 Years	6.1%	11.9%	12.3%
10 Years	14.6%	10.9%	11.9%
7 Years	13.0%	12.6%	12.8%
5 Years	31.6%	16.0%	17.8%
3 Years	13.1%	10.9%	12.7%
2 Years	25.6%	14.4%	18.1%
1 Years	4.5%	1.9%	-0.1%
YTD 2024	-5.0%	-6.2%	-11.0%
6 Months	-12.3%	-12.0%	-16.0%
3 Months	-8.8%	-8.1%	-12.2%

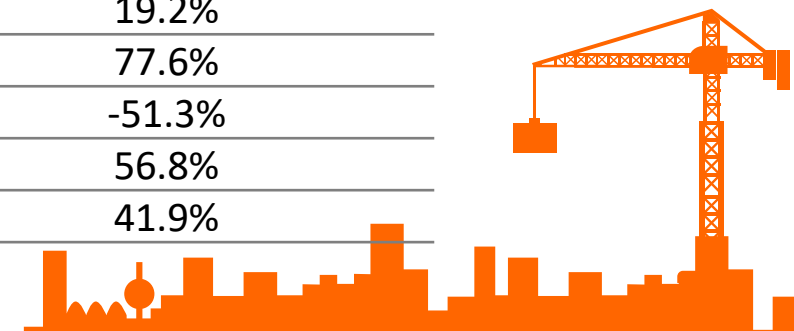
*\*Data as on Feb 28, 2025. National Stock Exchange (NSE), Past performance may or may not sustain in future .. The index return is in Total Return Variant. The data shown above pertains to the Index and does not in manner indicate performance of any scheme of the Fund. Historical portfolio of the index 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 .Launch Date: 12 July 2011; Since Inception: 1 Apr, 2005*



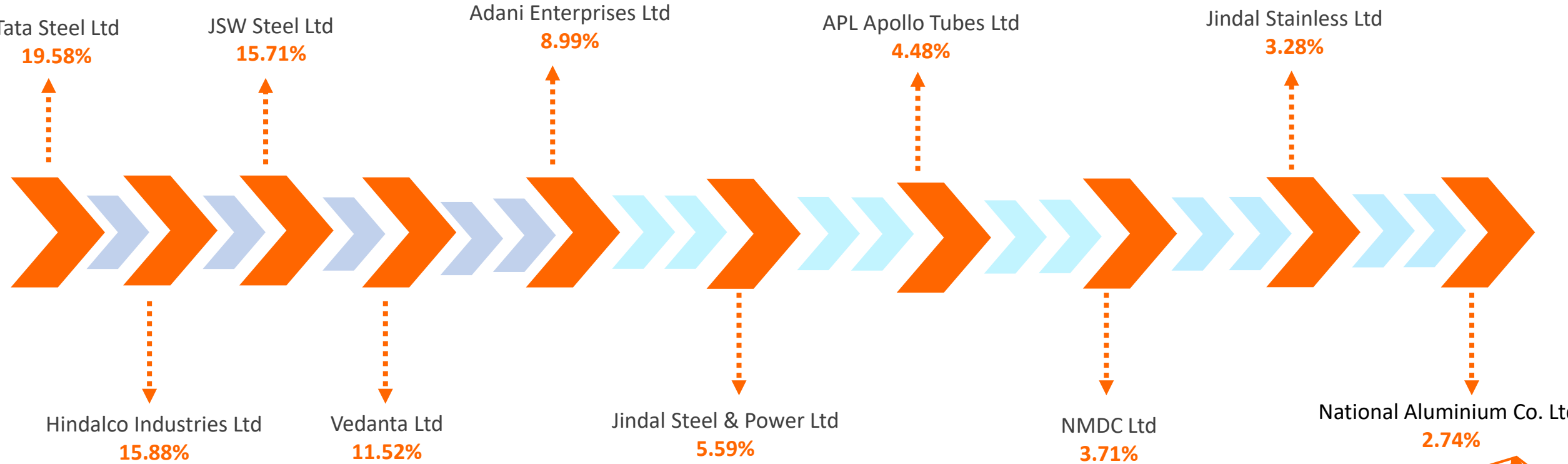
# Calendar Year Performance : Nifty Metal Index

Period	Nifty Metal Index	Nifty 500 Index	Nifty 50 Index
2024	9.3%	16.2%	10.1%
2023	19.1%	26.9%	21.3%
2022	25.3%	4.2%	5.7%
2021	73.4%	31.6%	25.6%
2020	18.0%	17.9%	16.1%
2019	-9.6%	9.0%	13.5%
2018	-16.8%	-2.1%	4.6%
2017	54.0%	37.7%	30.3%
2016	48.4%	5.1%	4.4%
2015	-29.4%	0.2%	-3.0%
2014	8.4%	39.3%	32.9%
2013	-12.2%	4.8%	8.1%
2012	19.4%	33.5%	29.4%
2011	-47.2%	-26.4%	-23.8%
2010	0.9%	15.3%	19.2%
2009	232.5%	91.0%	77.6%
2008	-73.3%	-56.5%	-51.3%
2007	143.3%	64.6%	56.8%
2006	98.1%	36.2%	41.9%

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# Portfolio Representation: Top 10 Stocks of Nifty Metal Index



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# Why invest in this index? : Nifty Metal Index

## FOCUSED EXPOSURE TO METAL SEGMENT

Nifty Metal Index provides exposure to 15 stocks from Indian Metals and Mining sector, listed in National Stock Exchange. The index consists of companies involved in extraction, processing and distribution of metals including iron ore, steel, aluminum, zinc, copper etc.

## POTENTIAL

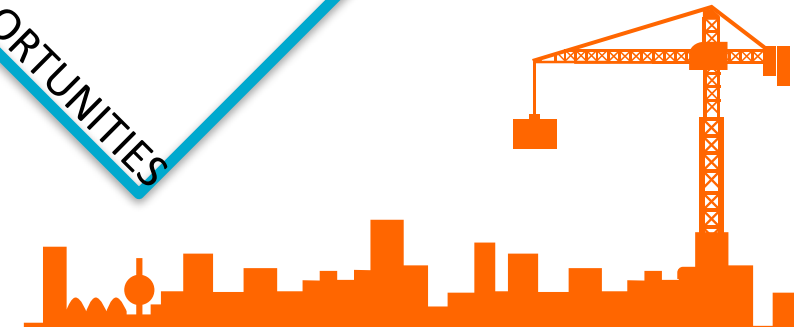
Increasing government incentives through Steel PLI scheme is likely to generate investment of ~INR 30,000 Cr in metal sector. Infrastructural developments in India are also likely to contribute to more than 25% of metal demand in the coming decade. Looking at thriving demand for metals, investors seeking to gain exposure to expanding Indian metal industry may invest in Nifty Metal Index.

## OPPORTUNITIES

India ranks amongst top 5 producers of metals including: Aluminum, Steel and Iron etc. Metal Index allows you to take potential tactical exposure based on short-term view and may be long-term play due to India's focus on infrastructure and manufacturing

## TRACKING HISTORIC PERFORMANCE

Historical data shows that the Nifty Metal Index has outperformed the Nifty 500 Index five times in the past decade having reasonably strong cyclical stock performance (slide 14)



## Disclaimers

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

For further information about other schemes (product labelling and performance of the fund) please visit the website of the AMC:

[www.miraeassetmf.co.in](http://www.miraeassetmf.co.in)

## Scheme Details

Particulars	Mirae Asset Nifty Metal ETF
Type of Scheme	An open-ended scheme replicating/tracking Nifty Metal Total Return Index
Benchmark	Nifty Metal Total Return Index
Allotment Date	Oct 04, 2024
Fund Manager	Miss. Ekta Gala & Mr. Akshay Udeshi
Minimum Investment amount	Rs. 5000/- and in multiples of Re. 1/- thereafter.
Exit Load	Nil

# Disclaimers

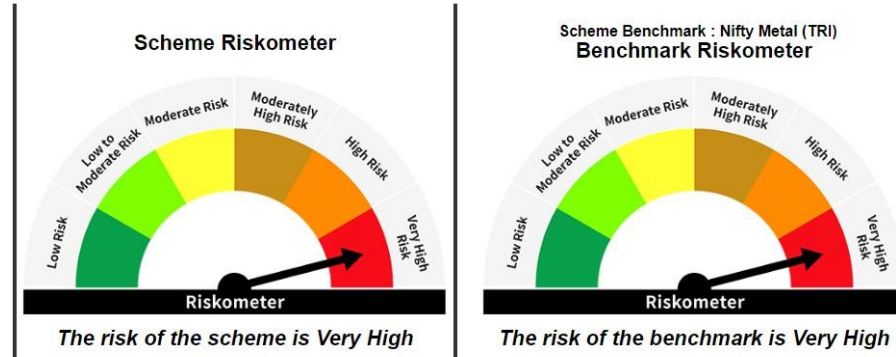
## PRODUCT LABELLING

### Mirae Asset Nifty Metal ETF

This product is suitable for investors who are seeking\*

- Returns that commensurate with the performance of Nifty Metal Total Return Index, subject to tracking error over long term
- Investments in equity securities covered by Nifty Metal Total Return Index

\*Investors should consult their financial advisors if they are not clear about the suitability of the product.



**THANK YOU**

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