

Introducing Innovative Fixed-Income Solutions For Investors



FRONT WAVE'S FIXED INCOME PRODUCT LAUNCH:

HIGH-YIELD NCDs FOR HNIs





OVERVIEW OF FRONT WAVE RESEARCH & ITS ROLE

Front Wave Research LLP is a
SEBI-Registered Research Entity
(INH000018407) specializing in
Investment Solutions across
Asset Classes.

EXPERTISE IN RESEARCH & FINANCIAL PRODUCTS

Experience with Financial Instruments

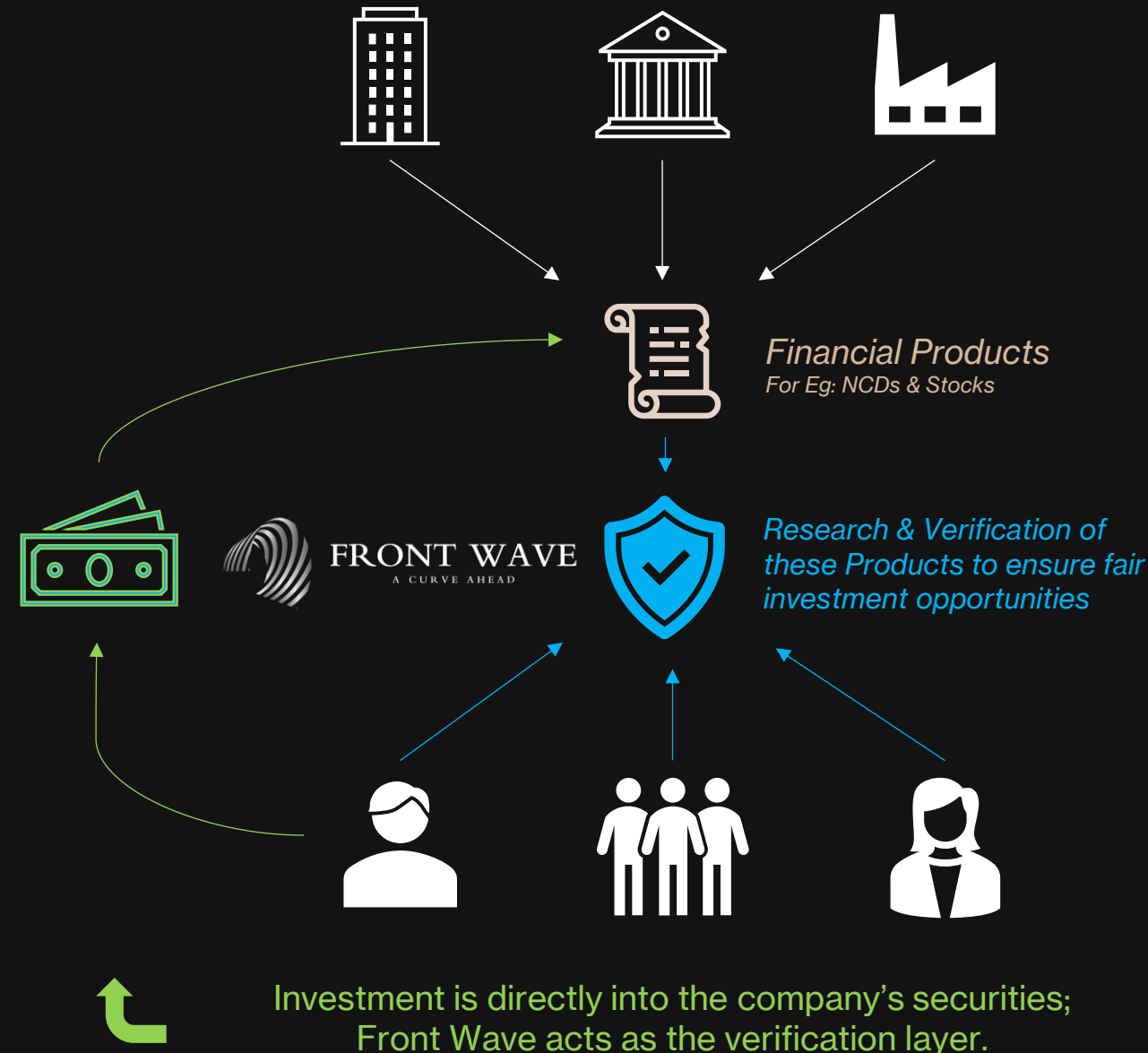
Front Wave Research works for the investors to find investment ideas in various asset classes - Equity, Debt, & Commodities.

Structuring and Pricing

Expertise in Research and Pricing financial products ensures competitive and fair investment opportunities.

Coordination Between Parties

Effective coordination between Issuers, Market Participants, and Investors streamlines transactions and enhances financial outcomes.





UNDERSTANDING HIGH YIELD FIXED INCOME BONDS

High Yield Fixed Income Bonds or NCDs are Debt Securities with a **pre-defined Payment Structure** of Principal & Interest.

These Products help in **Diversification & Alpha Creation** to a Debt Portfolio.





DEFINITION AND KEY CHARACTERISTICS OF HIGH YIELD BONDS

Definition of High Yield Bonds

High yield bonds are debt securities offering a yield of Greater than 10% p.a.*

10% - 13%

Target Yield Per Annum

Risk

These bonds typically rated below AA grade carry higher risk compared to FDs.

12 - 24 Months

Holding Period

Investor Appeal

High yield bonds attract investors looking for enhanced income opportunities.

BB to AA

Credit Rating



FRONT WAVE'S VALUE PROPOSITION & COMPETITIVE EDGE



Market Expertise

The Team at Front Wave Research possesses deep market knowledge to identify unique investment opportunities in fixed income products.

Issuer Relationships

Strong relationships with issuers enable Front Wave to access exclusive fixed income offerings for investors.

Risk Management Framework

Robust risk management ensures investments meet objectives while mitigating potential financial risks.

ACCESS TO EXCLUSIVE BOND OFFERINGS



Privileged Market Access

Our Clients receive **exclusive access** to curated bond investments unavailable to the public.



High Yield Opportunities

These exclusive bonds offer higher yields, enhancing potential returns for investors.



Portfolio Uniqueness

Access to unique bond offerings helps diversify and strengthen investment portfolios.

FEATURES OF THE PRODUCT



Diversified Bond Portfolio

The Offering includes a diversified mix of high yield bonds with carefully tailored maturity profiles to balance investor needs.

Competitive Yields

Offers attractive yields compared to traditional fixed income options, appealing to investors seeking higher returns.

Income Distribution and Capital Preservation

Features include periodic income distribution and strategies designed to preserve investors' capital over time.

THE PRODUCT



A DIVERSIFIED PORTFOLIO OF SECURED NCDS FROM NBFCs ACROSS LOAN SEGMENTS & GEOGRAPHIES

NBFC (loan segment)	Credit Rating	Yield p.a.*	Duration (in Months)
Vehicle Finance	BBB+	11.15%	22
Gold Loans	A	10.90%	20
Personal Loans	A	10.75%	16
Microfinance	AA-	10.35%	20
MSME, LAP	BBB	11.50%	11
MSME, LAP	BBB+	11%	38
Personal Loans	A-	10.90%	22
7 NBFCs	Avg. A Rating	11%	21

11%

Yield Per Annum

21 Months

Holding Period

A

Credit Rating



*A Portfolio of these 7 bonds of NBFCs, whose loans are spread across different loan segments and geographies, significantly reduces credit risk and gives the benefit of locking-in high yields in an **interest rate cut cycle**.*

PERSONALIZED SUPPORT

Tailored Advisory Services

Front Wave customizes advice to meet each client's specific financial needs and goals for the Fixed Income Offering.

Understanding Product Features

Clients receive clear explanations about product features to make informed investment decisions.

Risk Factor Awareness

Services include education on potential risks to align investments with client comfort levels.

Aligned Investment Strategies

Investments are aligned with clients' unique financial objectives for better outcomes.





MARKET TRENDS AND DEMAND FOR HIGH YIELD BONDS

Demand for Yield

Low interest rates have increased investor demand for high yield bonds seeking better returns.

RBI is signaling further rate cuts, pushing FD rates lower and causing a fall in income in debt portfolios.

Market Liquidity

There are well-rated NBFCs tapping the NCD market to raise funds for growth.

Investor Appetite

Investor appetite continues to evolve, affecting liquidity, demand, and pricing of high yield bonds.

CONCLUSION



Expert Arrangement

The Service is structured by financial experts to maximize benefits and manage risks effectively.

High Yield Bonds

Investors can access attractive high yield bonds designed for significant income generation.

Regulatory Safeguards

Strong regulatory frameworks ensure investor protection and compliance with financial laws.

Investment Opportunity

The product offers a compelling opportunity for income generation and portfolio diversification.

For Any Queries >

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