



## RW 5TX5T THEMATIC ADVISORY PORTFOLIO

### OBJECTIVE

This portfolio provides a unique theme-based investing opportunity in the Indian market. As India approaches towards becoming a 5 trillion economy by GDP, the total Market Cap of Indian companies will also set to increase by 11-12% CAGR. Some of the market cap gains will come from new listings but a large part of the gains will come from select themes. This strategy focuses on themes that should form part of India's next growth engine.

### STRATEGY

The portfolio will consist of 15-20 stocks to provide superior returns. 2-6 stocks from each of the chosen 4-6 Selected Themes. Maximum Weight on any stock will be 10% while maintaining sector diversity

### PROCESS - Fundamental Bottom Up Research

Information Mining-> Financial Modeling-> Investment Thesis-> Active & Rigorous tracking for changes in Earnings & Quality outlook.

### Benchmark - Nifty 500 Index



**Minimum Investment Amt.**  
5,00,000



**No. of Stocks**  
15-20 Stocks



**Time Horizon**  
3 Years



**Expected CAGR**  
18%



**Top-up /Withdrawal Amt.**  
1,00,000

### KEY FEATURES OF RW 5TX5T THEMATIC ADVISORY PORTFOLIO

#### Investment in RW 5TX5T Thematic Advisory Portfolio

This fund would invest in sub-sets of 4-6 Themes out of multiple themes underlying the economic buoyancy. Stocks would be from all the three namely- large, mid & small cap segments of the market.

#### No Cap Risk:

The Investment advisory portfolio will consists of stocks from all three cap: large, mid & small.

#### Benchmarking:

The model portfolio will be benchmarked against the Nifty 500

#### The portfolio:

The portfolio consist of 15-20 stocks to provide superior risk adjusted returns..

#### Growth in Value Framework

Companies that have improving/higher return ratio are favored.

#### Bottom Up Analysis:

A rigorous bottom up research of business financials & management strategies is carried out for all portfolio companies.



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### STOCK SELECTION PROCEDURE INVOLVING 3 BROAD PROCESSES

1

#### MQC

- M - Momentum In Return Ratios The RoE, RoCE or the Free Cash flows of company must be increasing
- Q - Quality Return ratios versus its peer as well as broader stock universe.
- C - Capital Allocation Management strategy on Allocation of funds

2

#### 360 Degree Deductive Logic Framework

- Sustainable Valuation possible & factors impacting while identifying when market is under- pricing the company
- Outlook on the company Financials-why a company is considered trading below its intrinsic value
- Building a detailed business & financial model to realize the sources of earning & quality delta for the company.
- Management strategy in terms of its finances particularly in terms of source & deployment of capital, marketing strategy in terms of its products, segments, pricing etc.
- State of addressable market & identifying the changing dynamics of that addressable market.

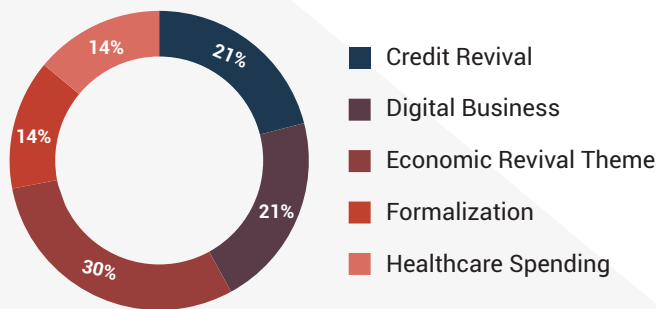
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#### Earnings & Quality: Both should be evolving in linear manner

There are three moving parts in terms of fundamental- stock price relation. These are changes in earnings, quality and valuation. Every company in its evolution passes through various stage of its progress. We prefer buying where linearity or a consistent positive delta is expected in earnings profile and the quality profile of the company. A stock before selection for portfolio should be first identified into what stage it is into.

### RW 5TX5T THEMATIC ADVISORY PORTFOLIO

#### Selected Themes for RW 5TX5T



#### Portfolio Holdings

COMPANY	%	COMPANY	%
ICICIBANK	11%	NH	6%
SBIN	11%	CONCOR	5%
TCS	10%	ISEC	4%
DMART	8%	SUPRAJIT	4%
SBILIFE	8%	VRLLOG	4%
BRITANNIA	7%	NAZARA	4%
PRAJIND	6%	ACE	4%
CUMMINSIND	6%	INTELLECT	2%

#### Return Profile vis a vis Benchmark

Years	RW 5TX5T	Nifty 500
1 Year	-2.5	-0.6
3 Years	17.0	11.5
5 Years	15.5	9.9
Since Inception (1st April 2013)	20.8	12.6

#### Performance Attributes

	Portfolio	Benchmark
Alpha	8.2	
Beta	1.0	
R - Square	81.8	
Sharpe	1.0	0.7
Standard Deviation	20.0	17.7
Max Drawdown	-37.9	-38.3
Annual tracking Error	8.5	
Information Ratio	1.0	

Please Note: Data as on June, 2022. The 1 year is ABSOLUTE returns & 3y/5yr/SI figures are CAGR Returns. The above portfolio allocation will be assessed every month to ascertain sector and scrip reshuffling. Kindly contact your RM for the latest allocation.