

MOTILAL OSWAL MUTUAL FUND

MOST SHARES MIDCAP 100

(An Open Ended Index Exchange Traded Fund)

This product is suitable for investors who are seeking*

- Return that corresponds generally to the performance of the NIFTY Midcap 100 index, subject to tracking error.
- Investment in equity securities of NIFTY Midcap 100 index



Presentation Flow

About NIFTY Midcap 100 Index

Investment Case for NIFTY Midcap 100 Index

Motilal Oswal MOST Shares Midcap 100 ETF
(MOST Shares Midcap 100):
The vehicle to invest in NIFTY Midcap 100 Index



About NIFTY Midcap 100 Index

About NIFTY Midcap 100 Index

Launched on July 18, 2005, with a base value of 1000 as of January 1, 2003

Objective: To capture the movement and be the benchmark for the midcap segment of the market

Computation Methodology: Market capitalization weighted method from the launch date till February 25, 2010 and free float market capitalization method w.e.f. February 26, 2010

Selection Criteria:

- a) Exclude stocks which constitute more than 5% market capitalization of the universe
- b) From the remaining companies, remove all companies contributing to the top 75% market capitalization
- c) Exclude any NIFTY stock still in the list
- d) Select the top 100 companies from the remaining list

Universe: All companies listed on the National Stock Exchange, with a minimum track record of three years of operations, with a positive net worth and listing history of at least 6 months. (Companies coming out with IPO to be eligible after 3 months of listing)



Investment Case for NIFTY Midcap 100 Index

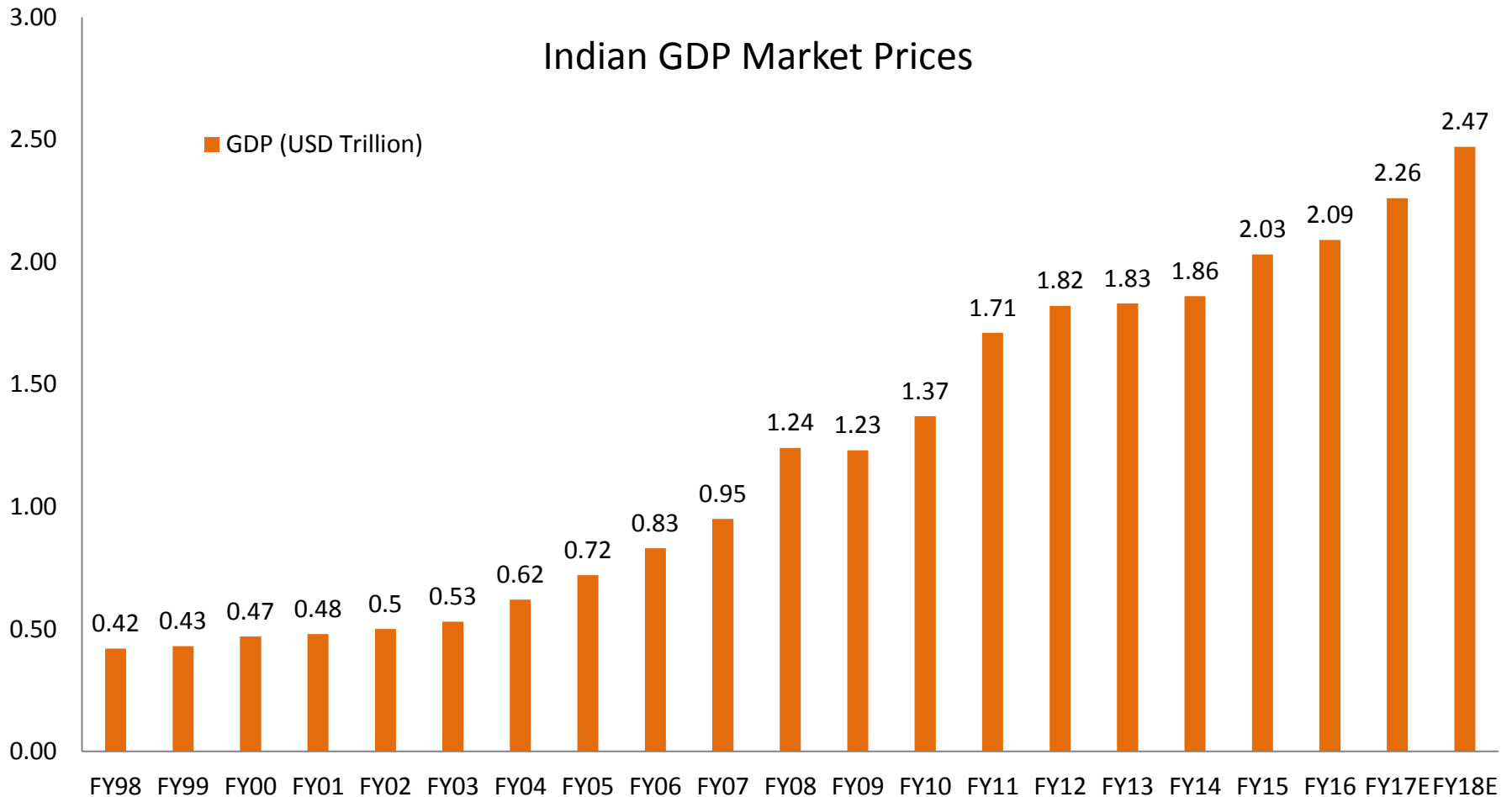
Indian economy expected to grow at a fast pace

Midcap companies are a leveraged play on India

Midcap companies provide growth and are hidden gems

NIFTY Midcap 100 Index complements large-cap portfolios and provides better portfolio diversification

India expected to grow at a fast pace



Source: Motilal Oswal Securities Limited; Data as on April 30, 2017

Above forward-looking graphs/statements are based on current external views and assumptions and involve known and unknown risks and uncertainties that could cause actual results. Past performance may or may not be sustained in future.

Midcaps: Leveraged Play on Indian Economy

Midcaps

Only 16% revenues of all companies and 10% of revenues of non-financial sector companies are international or influenced by international factors

Large caps

39% revenues of all companies and 31% of revenues of non-financial sector companies are international or influenced by international factors

NIFTY 50		
Company Name	Weightage in Index (%)	International Exposure
Infosys	4.88	86%
TCS	3.54	94%
Tata Motors	1.88	67%
Sun Pharma.Inds.	1.42	75%
HCL Technologies	1.32	81%
Wipro	1.01	75%
Hindalco Inds.	0.93	79%
Tech Mahindra	0.71	78%
Dr Reddy's Labs	0.65	71%
Lupin	0.63	53%

NIFTY Midcap 100		
Company Name	Weightage in Index (%)	International Exposure
Voltas	1.26	22%
Tata Global Beverages	1.21	42%
Oracle Financial	1.11	77%
Crisil	0.85	59%
Apollo Tyres	0.84	32%
Strides Arcolab	0.82	90%
Mphasis	0.76	90%
Mindtree	0.75	87%
Tata Communications	0.54	51%
Wockhardt	0.53	72%

Source : IISL, Bloomberg & Internal Analysis, Data as on December 31, 2017

Midcaps grow faster than Large-caps & Indian economy

Observed Growth of Large Caps and Midcaps in India

Nifty 50 (Large Caps)	Dec-06	Dec-07	Dec-08	Dec-09	Dec-10	Dec-11	Dec-12	Dec-13	Dec-14	Dec-15	Dec-16	10Yr CAGR
Sales Per Share	1,669.5	1,701.3	1,997.9	2,072.3	2,471.5	2,947.3	3,268.1	3,552.1	4,043.1	3,660.4	3,700.5	8.3%
EBITDA Per Share	326.1	410.4	454.1	499.9	530.7	603.7	663.4	747.6	885.8	815.8	867.1	10.3%
Earnings Per Share	226.4	272.7	260.0	221.2	307.3	335.4	366.2	389.2	427.8	392.5	396.7	5.8%
Dividends Per Share	50.9	51.7	54.3	50.1	72.9	74.8	88.8	94.3	114.7	109.6	120.3	9.0%
PAT Margins	13.5	16.0	12.9	11.4	12.4	11.2	11.0	10.8	10.5	10.4	10.4	
Return on Equity in (%)	28.8	29.4	22.2	16.2	18.4	17.7	16.7	16.4	15.9	14.0	13.3	

Nifty Midcap 100 (Midcaps)	Dec-06	Dec-07	Dec-08	Dec-09	Dec-10	Dec-11	Dec-12	Dec-13	Dec-14	Dec-15	Dec-16	10Yr CAGR
Sales Per Share	2,842.5	3,779.8	5,914.3	5,486.0	5,989.1	7,360.5	8,651.8	8,386.8	9,324.6	11,481.7	10,955.4	14.4%
EBITDA Per Share	378.6	540.4	753.9	794.5	925.0	1,108.4	1,261.9	1,264.2	1,563.9	1,750.1	2,244.2	19.5%
Earnings Per Share	250.4	428.1	365.6	511.9	664.7	479.1	526.0	595.7	681.2	460.3	569.6	8.6%
Dividends Per Share	55.1	78.5	91.7	79.4	111.6	132.5	133.2	177.8	194.0	165.9	216.5	14.7%
PAT Margins	8.8	10.8	6.1	9.5	10.9	6.0	5.9	7.0	6.7	4.6	4.9	
Return on Equity in (%)	22.0	22.9	14.5	19.1	18.1	10.5	10.2	11.2	11.4	8.2	7.1	

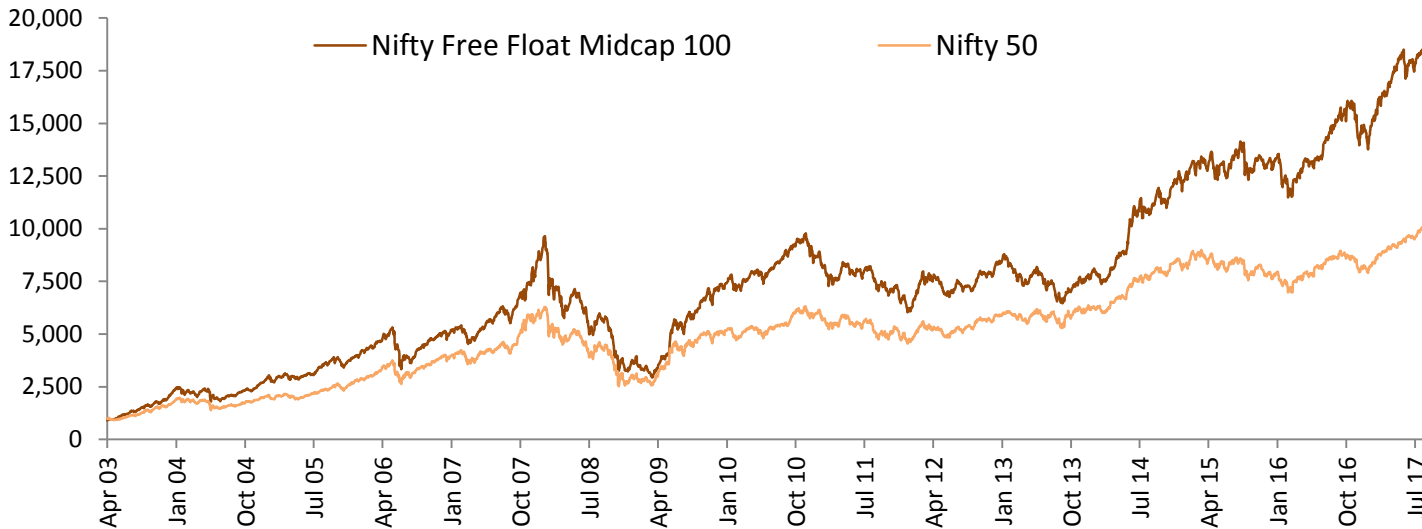
Source : IISL, Bloomberg & Internal Analysis, Data as on December 31, 2017

NIFTY Midcap 100 Index: Fundamentals and Valuation

Fundamentals	CY 2014	CY 2016	Apr 30, 2017 (Current)	Apr 30, 2018 E (1Yr Forward)	Apr 30, 2019 E (2Yr Forward)	CY14-16 CAGR	2 yr Forward CAGR
Earnings Per Share	681	603	583	1,186	1,285	-5.9%	48.4%
Book Value Per Share	5,788	8,084	8,126	9,901	9,429	18.2%	7.7%
Sales Per Share	9,325	11,323	10,664	14,206	17,039	10.2%	26.4%
EBITDA Per Share	1,564	2,246	2,250	2,519	2,455	19.8%	4.4%
Margin							
EBITDA Margin	16.77	19.84	21.10	17.73	14.41		
PAT Margin	6.72	5.22	5.47	8.35	7.54		
Return on Equity	11.41	7.54	7.40	7.31	10.07		
Valuation							
Price/EPS	18.47	23.79	29.45	14.49	13.37		
Price/Sales	1.35	1.27	1.61	1.21	1.01		
Dividend Yield	10.58	11.95	1.41	1.59	1.60		
EV/EBITDA	12.65	11.46	12.71	11.35	11.65		

Source : Bloomberg & Internal Analysis, Data as on April 30,2017

Large Cap vs Midcap Index



Data as on July 31, 2017

Particulars	Nifty 50	Nifty Midcap 100
Value (31 December 2008)	2,959	3,736
Value (31 December 2017)	10,531	21,134
Annualized Returns	15.15%	21.23%
Annualized Standard Deviation	18.86%	18.92%
Sharpe Ratio	0.47	0.79
Beta with market	1.00	0.84
Risk Free Return	6.20%	6.20%

Source : IISL, MOAMC, MIBOR Rate 6.20%

Midcaps are more diversified than Large Caps		
Cumulative Weightage in Index	No. of Companies	
	Nifty 50	Nifty Midcap 100
> 25%	3	13
> 50%	8	31
> 75%	20	56

Past performance may or may not be achieved in future.

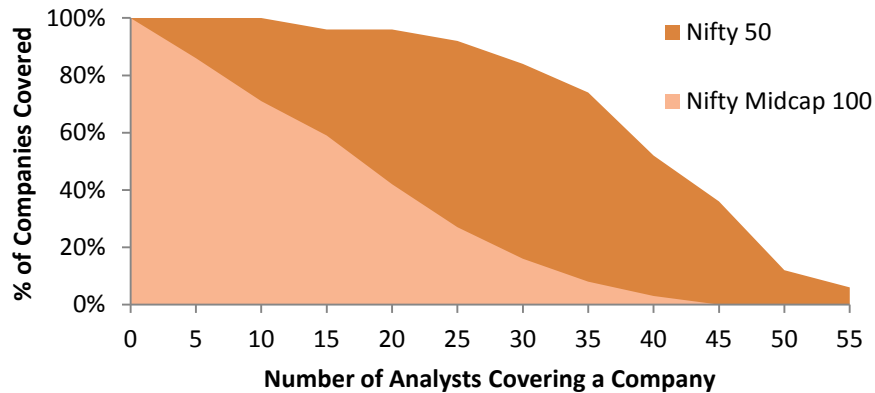
CAGR: Compounded annual growth rate. Source : IISL, MOAMC, Data as on December 31, 2017. Risk-free returns based on 365 days T bills of 6.18% as on the last auction

Midcaps: Under Researched and Under Owned

Under Researched: Fewer analysts cover midcap companies

Under Owned: FII and MF ownership levels in midcaps are significantly lower than those in large caps

Research Coverage



Data as on December 31, 2017

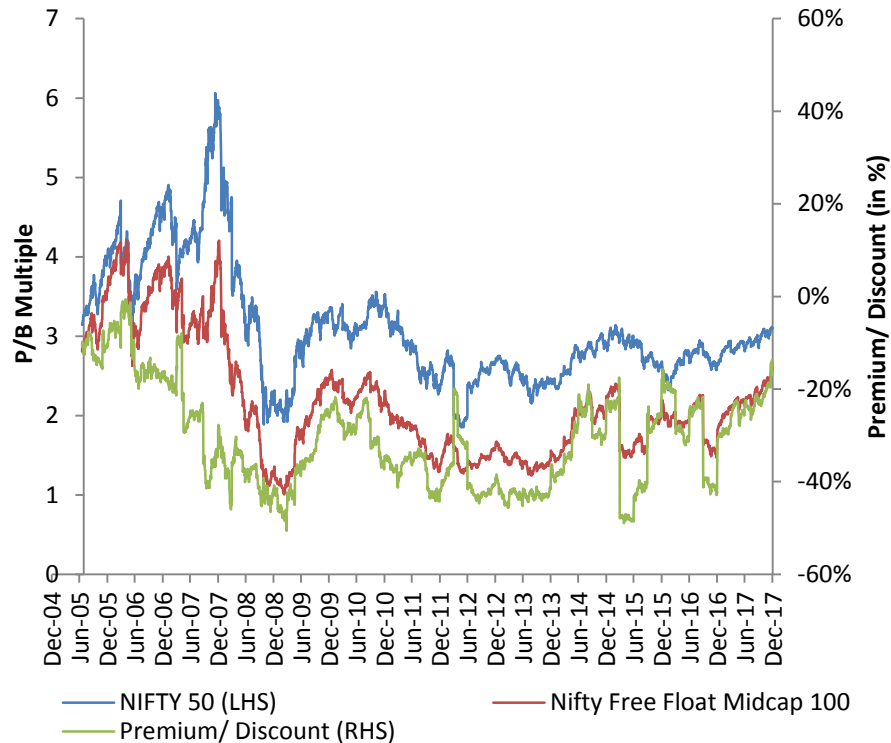
Ownership	Nifty 50	Nifty Free Float Midcap 100 Index
Promoters	43%	60%
FII & FDI	25%	14%
FI & Banks	2%	1%
Insurance & MF	12%	8%
Public	7%	8%
Others	11%	8%
Total	100%	100%

Data as on March 31, 2017

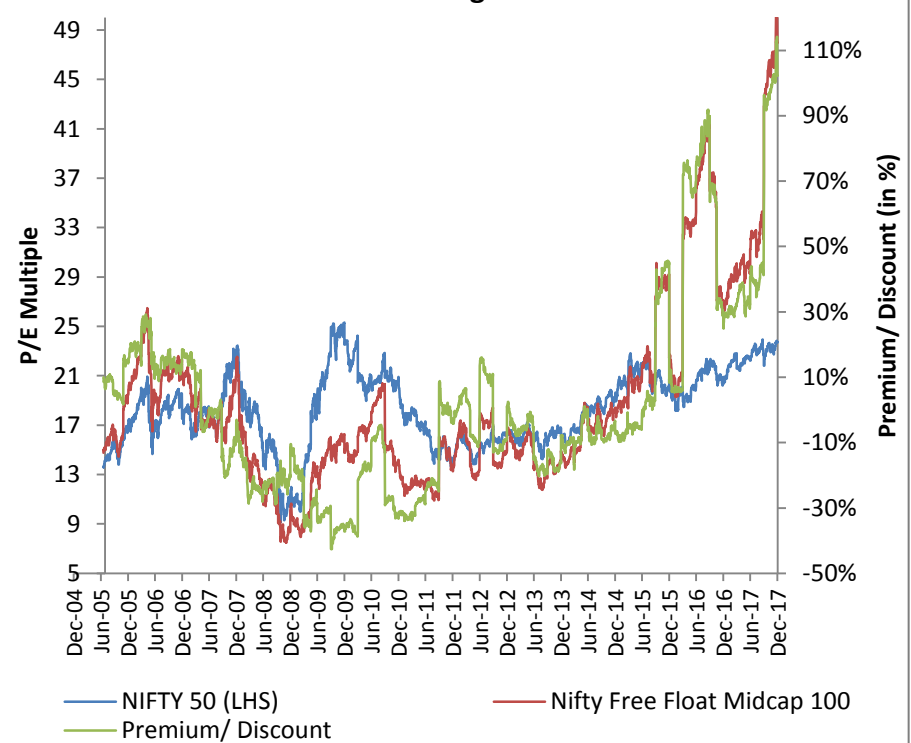
Source: Bloomberg & MOAMC Internal Analysis

Midcaps: Under Valued

Price to Book Ratio



Price to Earnings Ratio



Under-valued when compared with Large Cap companies

Note: The information herein is used for comparison purpose and is illustrative and is not sufficient and shouldn't be used for the development or implementation of an investment strategy. It should not be construed as investment advice to any party.

Source: Bloomberg & MOAMC Internal Analysis, Data as on 31 December, 2017

Midcaps complement Large Caps in Portfolios

Sector (In %)	Nifty 50	Nifty Midcap 100
Financial Services	35.73	22.74
Consumer Goods	10.13	11.34
Energy	14.00	9.63
Pharma	4.01	8.56
Automobile	10.64	7.93
Industrial Manufacturing	0.00	6.48
IT	11.46	5.71
Construction	3.73	5.28
Services	0.85	5.15
Metals	4.42	4.18
Chemicals	0.00	3.39
Textiles	0.00	2.90
Cement & Cement Products	2.07	2.87
Media & Entertainment	0.76	1.45
Healthcare Services	0.00	1.35
Telecom	2.21	1.03

Source : India Index Services & Products Ltd (IISL) & Internal Data, Data as on December 31, 2017

Note: Industry classification as recommended by AMFI. The above list is indicative and not an exhaustive list.



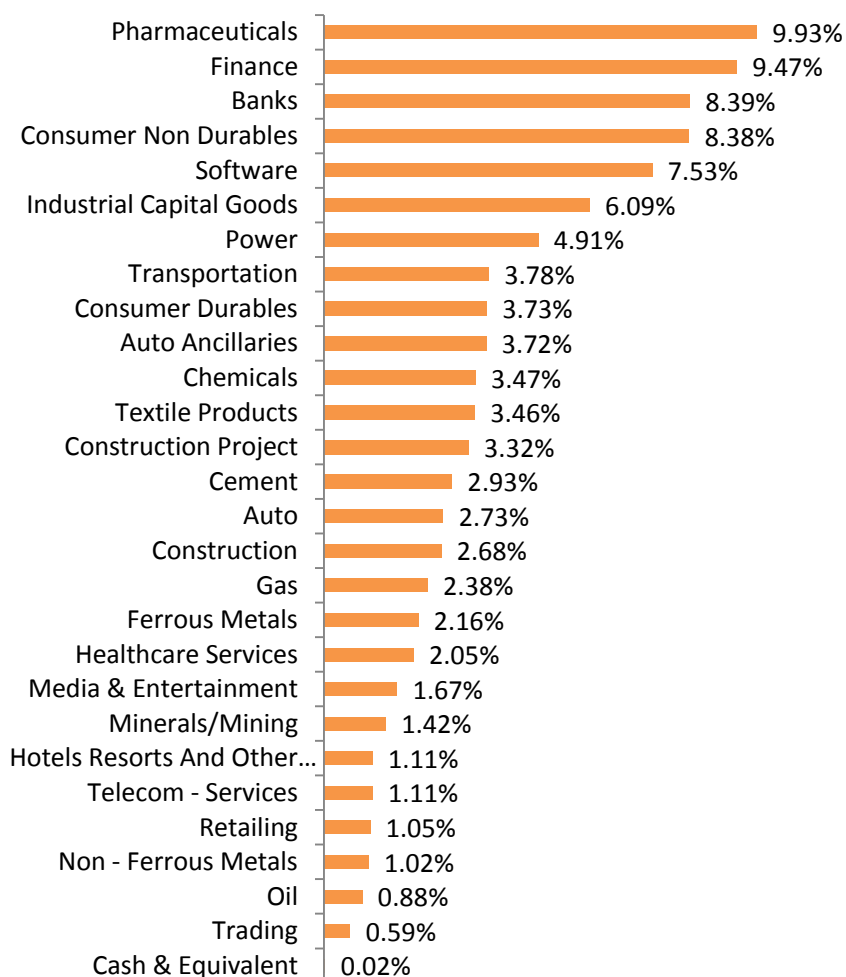
**MOST Shares MIDCAP 100 – The vehicle
to invest in NIFTY Midcap 100 Index**

About MOST Shares Midcap 100

Scheme Name	Motilal Oswal MOST Shares Midcap 100 ETF	Date of Allotment	January 31, 2011
Type of Scheme	An open ended Index Exchange Traded Fund	NAV – Growth Plan	18.7906
Investment Objective:	The scheme seeks investment return that corresponds (before fees and expenses) to the performance of NIFTY Midcap 100 Index (underlying index), subject to tracking error. However, there can be no assurance or guarantee that the investment objective of the scheme would be achieved.	Latest AUM (April 30, 2017)	28.71 Cr
		Tracking Error*	0.19% (Annualized)
Benchmark	NIFTY Midcap 100 Index	Total Expense Ratio^	1.50% p.a.
		Standard Deviation	16.82 (Annualized)
		Sharpe Ratio#	1.25 (Annualized)
		Portfolio Turnover Ratio	0.21
		NIFTY Midcap 100 Total Return Index Beta	0.97
Continuous Offer	On NSE: Investors can buy/sell units of the scheme in round lot of 1 unit and in multiples thereafter. Directly with the mutual fund: Investors can buy/sell units of the scheme only in creation unit size, i.e.- 2,50,000 units and in multiples thereafter. (MOST Shares Midcap 100)	* Against the benchmark NIFTY Midcap 100 Total Return Index	
		# Risk-free returns based on last overnight MIBOR cut-off of 6.18% (Data as on April 30,2017)	
		NSE Symbol	M100
		Bloomberg Code	MOST100
		Reuters Code	M100.NS
		ISIN Code	INF247L01023
		Entry Load	N/A
		Exit Load	NIL

About MOST Shares Midcap 100

Industry Allocation



Top 10 Holdings

Name of Instrument	% to Net Assets
Vakrangee Limited	3.35%
TVS Motor Company Limited	2.04%
Voltas Limited	1.97%
Container Corporation of India Limited	1.96%
Page Industries Limited	1.89%
Bharat Electronics Limited	1.86%
Divi's Laboratories Limited	1.82%
Pidilite Industries Limited	1.80%
Havells India Limited	1.73%
Tata Global Beverages Limited	1.71%

Industry classification as recommended by AMFI;
Data as on 31 December, 2017

Features of MOSt Shares Midcap 100

1. India's 1st Midcap Index ETF
2. Passively tracks the NIFTY Midcap 100 Index
3. Listed on National Stock Exchange of India Limited (NSE)
4. A mutual fund scheme with the convenience of real-time liquidity and prices
5. Diversified portfolio of 100 Midcap companies which are part of NIFTY Midcap 100 Index
6. Low cost structure: Total Expense Ratio (TER) of 0.94% p.a.
7. Complete transparency with creation unit being disclosed on daily basis
8. No loads
9. No discretion with Fund Manager, ensuring replication of the Index

For further details, please refer to the Scheme Information Document (SID)

Fund Manager: ***Mr. Ashish Agrawal***

He has over 12 years of experience as Sales Trader servicing FII/FPIs, insurance companies and mutual funds in the Institutional Equities broking business across multiple organizations. He is a PGDBM (Finance) from Institute of Management Technology, Ghaziabad and Bachelors of Commerce from University of Lucknow.

Continuous Offer

On NSE: Investors can buy/sell units of the Scheme in round lot of 1 unit and in multiples thereof.
Directly with the Mutual Fund: Investors can buy/sell units of the Scheme only in creation unit size i.e. 2,50,000 units and in multiples thereafter.

Scheme Details

Date of Allotment : 31st January, 2011

NAV : Rs. 18.7906 (Data as on April 30, 2017)

NSE Symbol	M100	ISIN Code	INF247L01023
Bloomberg Code	MOST100	Entry Load	N/A
Reuters Code	M100.NS	Exit Load	NIL

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Statutory Details: Constitution: Motilal Oswal Mutual Fund has been set up as a trust under the Indian Trust Act, 1882. **Trustee:** Motilal Oswal Trustee Company Limited. **Investment Manager:** Motilal Oswal Asset Management Company Ltd. (CIN: U67120MH2008PLC188186) **Sponsor:** Motilal Oswal Securities Ltd.

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



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