

### Investment Objective

The PMS Strategy will invest in a high conviction concentrated portfolio of minimum 20 stocks. The portfolio will be constructed based on in-depth research leading to bottom-up stock picking with a view of Wealth Creation from 3 – 4 years perspective

### Key Features

1. BOP is a multi-cap strategy with a balanced mix of ~63% Large Cap allocation, ~32% Mid Cap allocation and ~5% Small Cap allocation
2. Newly ideated portfolio in 2018 amidst difficult market cycle, yet the portfolio has delivered alpha over its benchmark in both the CYs and also across all time-periods since inception
3. Concentrated portfolio of 19 stocks with high earnings growth

### Portfolio Attributes

1. Index agnostic: ~77% away from benchmark Nifty 500
2. Central themes of the strategy are Consumer Discretionary, Private Banks & Insurance, Agriculture, Affordable Housing and GST Beneficiaries
3. Despite having ~37% exposure to mid and small cap stocks, the portfolio has not seen large drawdowns in the last 12-15 months. Given that the themes are in line with the current government's vision, the portfolio seems well poised to deliver superior returns from 3-4 years perspective
4. BOP has given returns of ~16% in the 1 year period trailing February-end 2020: an alpha of ~13% over Nifty 500. FY20TD outperformance over Nifty 500 also stands at ~13%

### Portfolio Actions in last 6 months

- **Companies Added:** ICICI Bank, ITC, Asian Paints, Max Financial Services
- **Companies Exited:** Ujjivan Financial Services, Bajaj Finance, Reliance Industries, Century Plyboards (India), ICICI Lombard General Insurance Company, Eveready Industries India, Avanti Feeds, Kansai Nerolac Paints

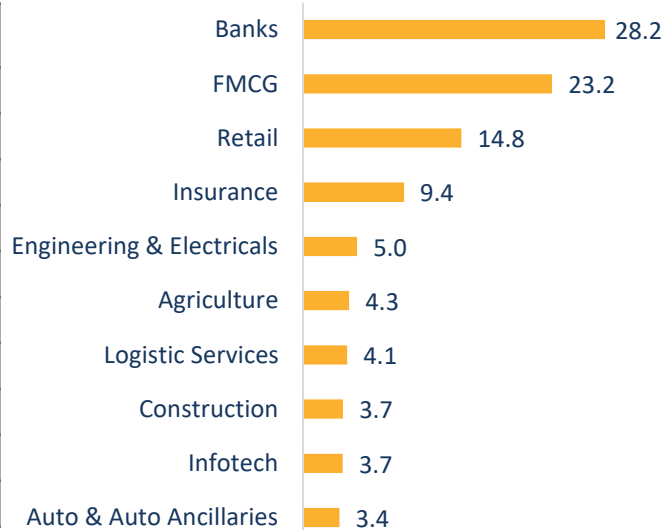
### How Buy Right : Sit Tight works

Company	Initial Purchase Date	Market Cap Rs. Crores (Purchase Date)	Market Cap Rs. Crores (28 <sup>th</sup> Feb 20)	Absolute Growth	CAGR (%)
Bata India	Jan-18	9,352	21,215	2.3X	46%
Kotak Mahindra Bank	Jan-18	1,96,832	309,855	1.6X	23%
Hindustan Unilever	Jan-18	2,99,134	470,793	1.6X	23%

Wealth creation is achieved through holding quality companies for a long period of time

### Top 10 Holdings & Sectoral Allocation

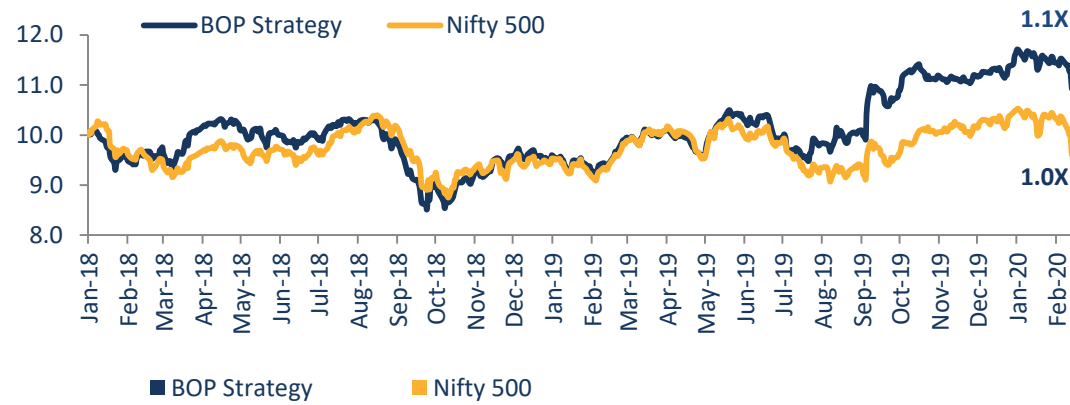
Scrip Names	% Holdings
HDFC Bank	10.7
Hindustan Unilever	9.8
Kotak Mahindra Bank	8.9
ICICI Bank	8.6
Bata India	8.3
Max Financial Services	6.4
Blue Star	5.0
Britannia Industries	4.4
Godrej Agrovet	4.3
Container Corporation Of India	4.1



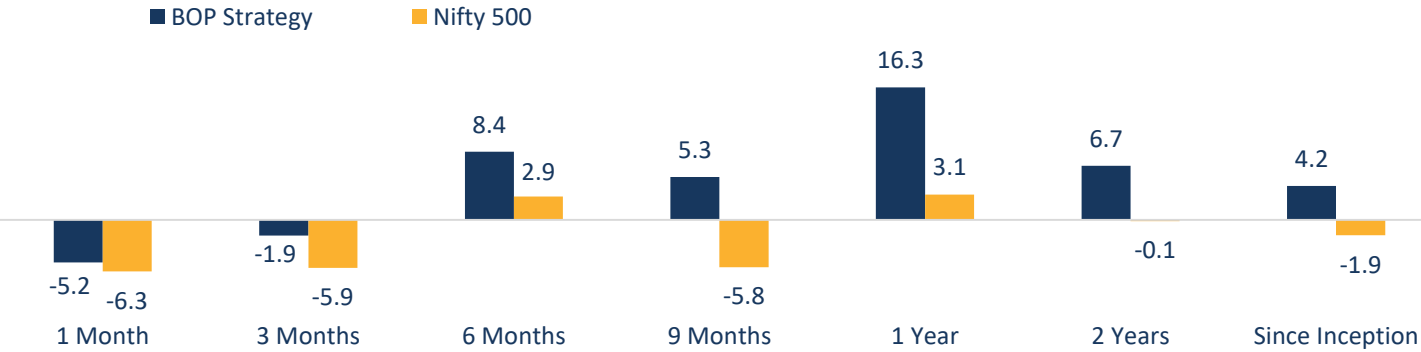
### Disclaimers and Risk Factors

BOP Strategy Inception Date: 16<sup>th</sup> Jan 2018; Data as on 29<sup>th</sup> February 2020; Data Source: MOAMC Internal Research; RFR: 7.25%; \*Earnings as of September 2019 quarter and market price as on 28<sup>th</sup> February 2020; Source: Bloomberg consensus, Capitaline and Internal Analysis; Please Note: The above strategy returns are of a Model Client as on 29<sup>th</sup> February 2020. Returns of individual clients may differ depending on time of entry in the Strategy. Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments. Returns below 1 year are absolute and above 1 year are annualized. Strategy returns shown above are post fees & expenses. The stocks forming part of the existing portfolio under BOP Strategy may or may not be bought for new client. Name of the PMS Strategy does not in any manner indicate its future prospects and returns. The Company names mentioned above is only for the purpose of explaining the concept and should not be construed as recommendations from MOAMC.

## Performance Since Inception



BOP Strategy has delivered a CAGR of 4.2% vs. Nifty 500 returns of -1.9%, an outperformance of 6.0% (CAGR) since inception (16<sup>th</sup> January 2018)



## Fund Contributors (1 Year Trailing 28<sup>th</sup> February 2020)

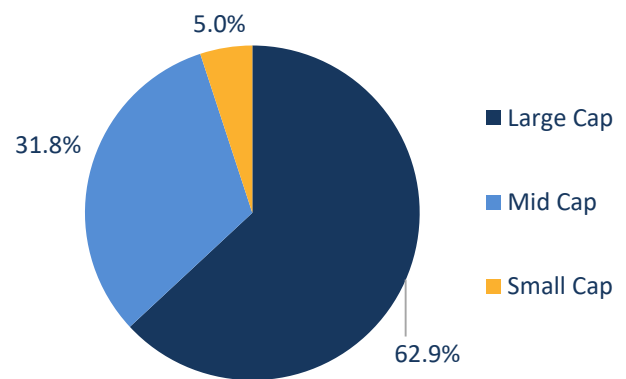
Top 5	Contribution
Bajaj Finance	4.1%
ICICI Lombard General Insurance Company	2.6%
Hindustan Unilever	2.2%
Bata India	2.1%
HDFC Life Insurance Company	1.9%

Bottom 5	Contribution
Asian Paints	-0.2%
Future Lifestyle Fashions	-0.6%
ITC	-1.2%
Exide Industries	-1.3%
Eveready Industries (India)	-1.7%

## \*Portfolio Fundamentals

	TTM	FY20E	FY21E
PAT Growth	32%	36%	24%
RoE	24%	22%	23%
PE	40	33	27

## Market Capitalization



Weighted Average Market Cap Rs. 2,02,287 Crs

## Risk Ratios

1 Year Data	Strategy	Benchmark
Churn Ratio	35.6%	-
Standard Deviation	13.7%	14.9%
Beta	0.8	1.0
Sharpe Ratio	0.7	-0.6

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