

# Your key to

## India's Next Trillion Dollar of Growth



**MOST NEXT**  
Trillion Dollar  
Opportunity Strategy

**May 2018**

The Strategy aims to deliver superior returns by investing in stocks from sectors that can benefit from the Next Trillion Dollar GDP growth.

It aims to predominantly invest in Multicap stocks with a focus on identifying potential winners that would participate in successive phases of GDP growth.

The strategy endeavours to capitalize on the themes of Consumerism, Banking & Financial Services & Infrastructure in the Indian Economy.

### Our investment philosophy – 'Buy Right : Sit Tight'

At Motilal Oswal Asset Management Company (MOAMC), our investment philosophy and investing style is centered on 'Buy Right: Sit Tight' principle.

#### Buy Right Stock Characteristics

##### QGLP

- **'Q'uality** denotes quality of the business and management
- **'G'rowth** denotes growth in earnings and sustained RoE
- **'L'ongevity** denotes longevity of the competitive advantage or economic moat of the business
- **'P'rice** denotes our approach of buying a good business for a fair price rather than buying a fair business for a good price

#### Sit Tight Approach

- **Buy and Hold:** We are strictly buy and hold investors and believe that picking the right business needs skill and holding onto these businesses to enable our investors to benefit from the entire growth cycle needs even more skill.
- **Focus:** Our portfolios are high conviction portfolios with 20 to 25 stocks being our ideal number. We believe in adequate diversification but over-diversification results in diluting returns for our investors and adding market risk

For any PMS queries please call us on +91 22 39982602 or write to [pmsquery@motilaloswal.com](mailto:pmsquery@motilaloswal.com) or visit [www.motilaloswalmf.com](http://www.motilaloswalmf.com)

**THINK EQUITY**  
**THINK MOTILAL OSWAL**

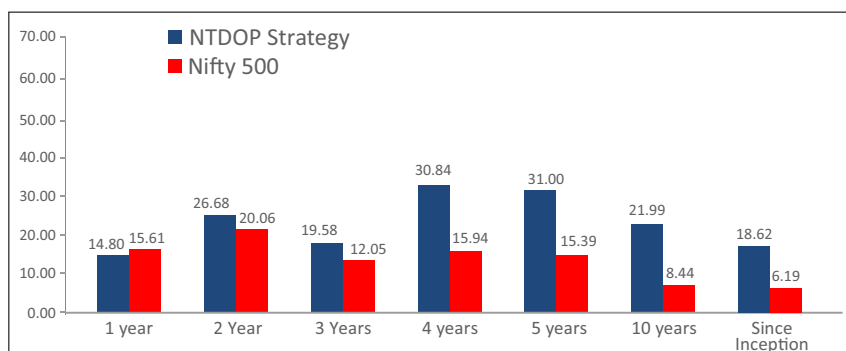
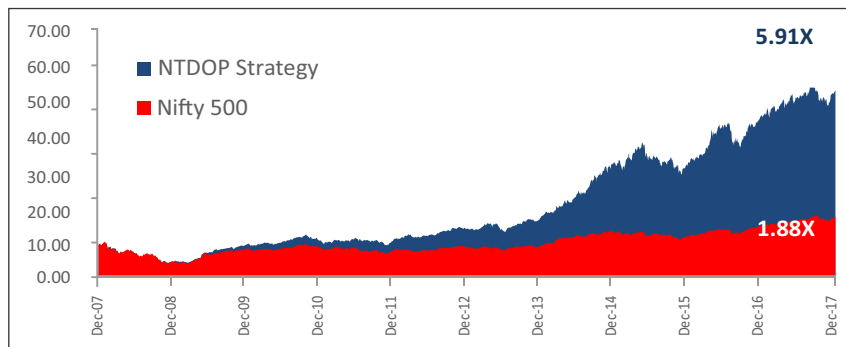
**MOTILAL OSWAL**  
Asset Management  
**PORTFOLIO STRATEGY**

**BUY RIGHT**  
**SIT TIGHT**

## Investment Objective

The Strategy aims to deliver superior returns by investing in stocks from sectors that can benefit from the Next Trillion Dollar GDP growth by focusing on different Multi cap stocks

## Performance



## Performance Attribution Analysis (1 Year Trailing 30th April 2018)

Scrip	Contribution	Scrip	Contribution
Page Industries	4.23%	Development Credit Bank	0.23%
Voltas	4.13%	Colgate-Palmolive (India)	0.20%
Bajaj Finance	3.57%	Bayer CropScience	0.02%
Kotak Mahindra Bank	2.85%	Alkem Laboratories	-0.08%
L&T Technology Services	1.54%	Engineers India	-0.09%
Eicher Motors	1.33%	Jammu & Kashmir Bank	-0.40%
Bharat Forge	1.14%	Federal Bank	-0.63%
Aegis Logistics	1.12%	HPCL	-0.65%
City Union Bank	1.02%	Bosch	-0.89%
Godrej Industries	0.45%	Cummins India	-0.91%
Glaxosmithkline Consumer Healthcare	0.31%	Max Financial Services	-1.58%
Container Corp. Of India	0.30%		
Ipca Laboratories	0.30%		
Emami	0.23%		

## Buy Right : Sit Tight

Stock	Purchase Date	Adjusted Purchase Price	Market Rate as on 30-Apr-18	% Growth
Page Industries Ltd.	Dec-07	456	24,190	5201%
Bajaj Finance Ltd.	Aug-10	63	1,905	2946%
Eicher Motors Ltd.	Aug-10	1174	31,190	2558%
HPCL	Jun-14	98	305	211%
Bosch Ltd.	Dec-07	4864	19,400	299%
Emami Ltd.	Oct-12	292	1,115	282%

## Disclaimers and Risk Factors

: NTDOP Strategy Inception Date: 5th Dec 2007 :: Data as on 30th April 2018 :: Data Source: MOAMC Internal Research :: RFR: 7.25% ::\*For December quarter Please Note: The above strategy returns are of a Model Client as on 30th April 2018. 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 NTDOP 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.

## Top 10 Holding & Top 5 Sectors

Scrip Names	% Holdings
Kotak Mahindra Bank Ltd.	12.29
Voltas Ltd.	9.74
Bajaj Finance Ltd.	8.67
Page Industries Ltd.	8.59
Eicher Motors Ltd.	6.64
City Union Bank Ltd.	4.53
Max Financial Services Ltd.	4.33
Bosch Ltd.	4.13
Bharat Forge Ltd.	4.11
Godrej Industries Ltd.	4.01

Sectors	% Allocation
Banking & Finance	33.13
FMCG	16.07
Auto & Auto Ancillaries	14.88
Diversified	13.76
Oil & Gas	5.99
Cash	0.16

## Market Capitalization

Market Capitalization	% Equity
Large cap	43.72
Midcap	49.92
Smallcap	6.2
Weighted Average Market Cap (Rs. in Crs)	61047

## Risk Ratios

1 Year Data	Scheme	Benchmark
Standard Deviation	13.50%	10.82%
Beta	0.98	1.00
Sharpe Ratio	0.56	0.77
Upside Capture	0.98	1.00
Downside Capture	0.98	1.00

## Portfolio Fundamentals

	TTM*	FY18E	FY19E
PAT Growth	18%	23%	24%
RoE	20%	21%	22%
PE	43	37	29

## Ageing

No. of Scrips	Holding Period
2	Since Inception
12	> 5 Years
5	> 2 Years but < 5 Years
5	< 2 Years

The average holding period for stocks held under NTDOP Strategy is over 5 years 1 month