



NS MID & SMALL CAP THEME

OBJECTIVE

Long-term capital growth by investing in smaller but growing companies of India

STRATEGY

Active investing in NS Mid & Small Cap investment universe by identifying companies with improving fundamentals. Tactical weight allocation under the sub-classes to achieve positive return along with managing the risk.

PROCESS - Fundamental Bottom Up Research

Information mining, financial modeling, investment thesis, active & rigorous tracking for changes in earnings & quality outlook.

Benchmark - Nifty Mid & Small 400



Minimum Investment Amt.
3,00,000



No. of Stocks
20-30 Stocks



Time Horizon
7 Years



Expected CAGR
18%



Top-up /Withdrawal Amt.
50,000

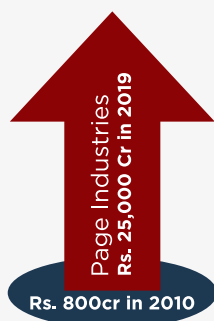


Fee Plan
2.5% p.a. of your Investment Value + GST

WHY NS MID & SMALL CAP?

Most of the multi bagger stock today were NS Mid & Small Cap few years back. Over the last 2 years, NS Mid & Small Cap stocks have seen sharp fall owing to credit squeeze, demand slowdown and over ownership during 2017. NS Mid & Small Cap theme portfolio is not meant as core portfolio for an investor but some tactical allocation by investors in NS Mid & Small Cap theme can be highly valuable.

NS Mid & Small Cap Companies perform well in up cycles. The continuous rate cuts by the RBI will create base for next bull market to start.



Large Cap Companies

- Large Cap Companies: As defined by SEBI, The Top 100 companies by market capitalization fall into the category of Large Cap Companies.
- These companies are the most liquid in nature. They have their Beta closest to 1 and run in sync with the overall market.



Mid Cap Companies

- Mid Cap Companies: SEBI defines Mid Cap Stocks as the ones who fall in 101st to 250th company by Market Capitalization.
- These stocks tend to be riskier than the large cap stocks & less risky than Small Cap stocks. They however offer more great potential than the large cap stocks



Small Cap Companies

- The 251st onward companies as per full market capitalization can be called as small cap stocks
- These stocks are the most volatile in nature. They become inconsistent during recessionary phases, however they outperform Large & mid cap companies in Bull periods.



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KEY FEATURES OF NS MID & SMALL CAP THEME

Investment in high risk but high gain

Mid & Small Cap stocks are usually high risk high gain opportunities

Cap Risk:

The Investment advisory portfolio carries cap risk as it is exposed primarily to the Mid & Small capitalization stocks.

Benchmarking:

The Investment advisory portfolio will be benchmarked against the Nifty Mid & Small Cap 400 Index.

The portfolio:

The portfolio will consist of 20-30 stocks to provide superior returns.

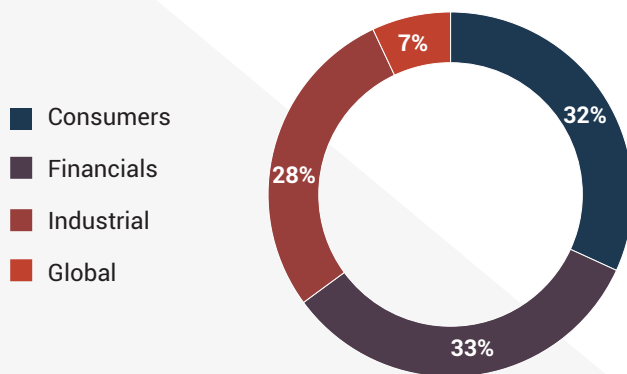
Growth in Value Framework

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.

Portfolio Composition



Portfolio Holdings

COMPANY	%	COMPANY	%
NH	6%	CYIENT	4%
IDFCFIRSTB	6%	MOLDTKPAC	4%
AIAENG	6%	ISEC	4%
ICICIGI	6%	TTKPRESTIG	4%
CANBK	5%	CAMS	3%
ZYDUSWELL	5%	NAZARA	3%
CUMMINSIND	5%	SSWL	3%
BALKRISIND	5%	VIPIND	3%
CONCOR	4%	MCX	3%
CUB	4%	CANFINHOME	2%
DEVYANI	4%	SUPRAJIT	2%
VRLLLOG	4%	GRSE	2%
ACE	4%		



NS MID & SMALL CAP THEME

Return Profile vis a vis Benchmark (CAGR)

Years	NS Mid & Small Cap	Nifty Mid & Small 400
1 Year	-9.5	0.9
3 Years	21.2	23.9
5 Years	6.0	8.7
Since Inception (1st April 2013)	23.7	17.2

Performance Attributes

	Portfolio	Benchmark
Alpha	6.5	
Beta	1.1	
R - Square	85.4	
Sharpe	0.9	0.8
Standard Deviation	26.8	21.9
Max Drawdown	-51.6	-50.0
Annual tracking Error	10.6	
Information Ratio	0.6	

NS Mid & Small Cap Return Profile vis a vis Nifty Mid & Small Cap 400 (Rolling Returns*)

Year	Current	Average	Best	Worst
3 Month	-1.32 / 2.34	6.7 / 4.83	73.54 / 43.33	-30.56 / -34.2
6 Month	7.54 / 18.04	14.41 / 10.21	94.54 / 57.47	-28.84 / -33.81
1 Year	-9.5 / 0.89	32.44 / 22.57	147.6 / 121.26	-33.12 / -37.33
2 Year	13.98 / 23.54	29.07 / 19.51	93.49 / 67.84	-22.94 / -23.37
3 Year	21.24 / 23.9	25.19 / 15.56	63.8 / 35.5	-10.26 / -12.19
4 Year	15.63 / 16.57	23.8 / 14.4	57.67 / 32.27	4.36 / -2.14
5 Year	6 / 8.65	21.33 / 13.52	45.58 / 27.25	4.11 / -2.47

Please Note: Data as on 31st December, 2022. The 1 year and less than one year returns are ABSOLUTE returns & rest 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.

*Rolling return is the average annualized return on a particular date. Rolling return is used to eliminate the bias present in point-to-point return. As financial markets are volatile, rolling returns provide a clearer picture of performance than the point-to-point return.