



## NS 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



#### No. of Stocks

15-20 Stocks



#### Recommended Min. Time Horizon

3 Years

### Key Features of NS 5Tx5T Thematic Advisory Portfolio

#### Investment in NS 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.

#### 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.



## NS 5TX5T THEMATIC ADVISORY PORTFOLIO

### Stock Selection Procedure Involving 3 Broad Processes

#### MQC

1

- 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

#### 360 Degree Deductive Logic Framework

2

- 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.

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

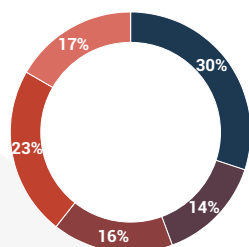
3

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.

### Portfolio Composition

#### Selected Themes for NS 5TX5T

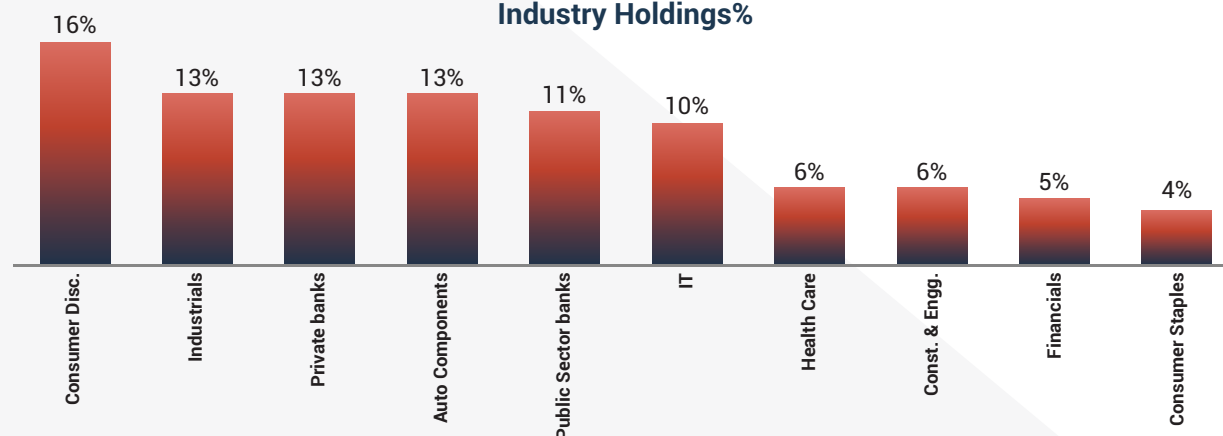
- Credit Revival
- Global opportunity
- Digital opportunity
- Economic Revival Theme
- Formalization



### Portfolio Holdings

COMPANY	%	COMPANY	%
SBIN	11%	LTTS	4%
HDFCBANK	7%	BRITANNIA	4%
ACE	7%	ZOMATO	4%
DMART	6%	JUSTDIAL	4%
CUMMINSIND	6%	SUPRAJIT	4%
NH	6%	CRAFTSMAN	3%
ICICIBANK	6%	NAZARA	3%
LT	6%	LIQUIDCASE	2%
L&TFH	5%	ROUTE	2%
UNOMINDA	5%	VSTILLERS	1%
TCS	4%		

### Industry Holdings%



Please Note: Data as on 31st March, 2024. The securities quoted are for illustration only & are not recommendatory. The actual portfolio may differ from the above illustration

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