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POWERING YOUR FINANCIAL GROWTH

NS MULTI CAP ADVISORY PORTFOLIO

Objective

To participate in the India growth story through investing in the Indian equity markets by building a diversified portfolio across various sectors and caps.

Strategy

Multicap Portfolio prefers stocks which fall under the 'Growth in Value' theme and passes through the '360-degree Deductive Reasoning Framework.

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
20-30 Stocks

Recommended Min. Time Horizon
5 Years

Why NS Multi Cap Advisory Portfolio?

NS Multi Cap opportunity Model is meant to be a core buy and hold portfolio for investors who aim to capitalize the wealth creation opportunity in the Indian economy. This Investment advisory portfolio comprises of flexible and judicious mix of large, mid and small cap companies to have the right kind of stability to sail through tough times as well as has the right force to outperform in the long term.

The stock selection for this Investment advisory portfolio is the unique feature as it backed by rigorous bottom up research blended with the Top down Approach of understanding the changes and opportunities in the addressable market of the company.

Key Features of NS Multi Cap Advisory Portfolio

Investment in the Fasted growing companies of the country
India is set to become a 5 trillion dollar economy by 2025 and will create opportunities for wealth creation across investment theme- investment, consumption, credit.

Cap Risk:
Nifty 500 universe consists of stocks from all three cap: large, mid and small

Benchmarking:
The Investment advisory portfolio is benchmarked against the Nifty 500 Index

The portfolio:
The portfolio will consist of 20-30 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 and management strategies is carried out for all portfolio companies.

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Stock Selection Procedure Involving 3 Broad Processes

1 MQC

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

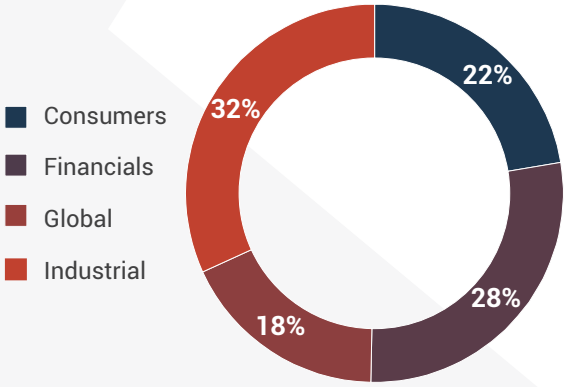
2 360 Degree Deductive Logic Framework

- 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.

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

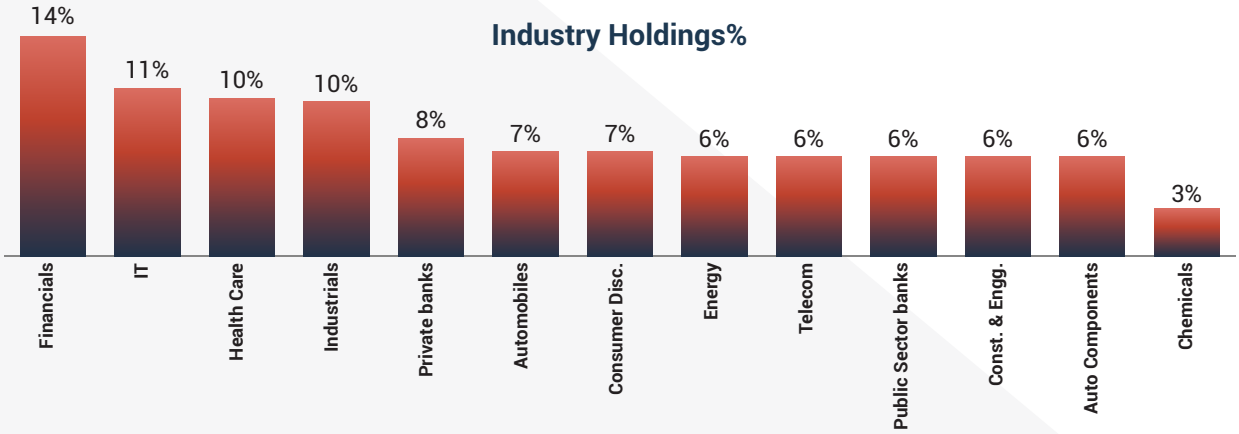
There are three moving parts in terms of fundamental- stock price relation. These are changes in earnings, quality and valuation. Every company in its evolution passes through various stage of its progress. We prefer buying where linearity or a consistent positive delta is expected in earnings profile 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



Top 5 Portfolio Holdings

COMPANY	%	COMPANY	%
HDFCBANK	8%	BHARTIARTL	6%
M&M	7%	SBIN	6%
RELIANCE	6%		



Please Note: Data as on 30th Sept., 2024. The securities quoted are for illustration only & are not recommendatory. The actual portfolio may differ from the above illustration

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