



## 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.



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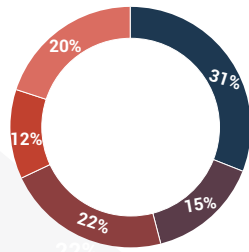
## Stock Selection Procedure Involving 3 Broad Processes

- 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

### Selected Themes for NS 5TX5T

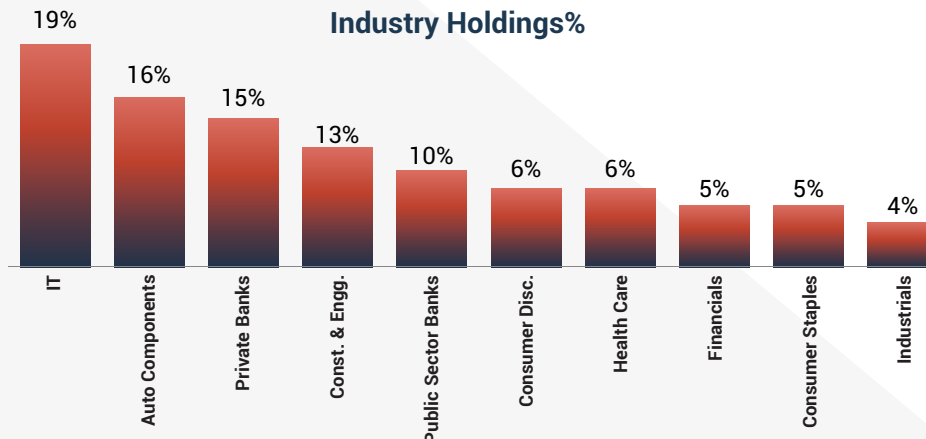
- Credit Revival
- Digital Opportunity
- Economic Revival Theme
- Formalization
- Global Opportunity



## Portfolio Holdings

COMPANY	%	COMPANY	%
SBIN	10%	ACE	4%
LT	9%	CUMMINSIND	4%
ICICIBANK	8%	VSTILLERS	4%
HDFCBANK	7%	LTTS	4%
DMART	6%	CRAFTSMAN	4%
NH	6%	JUSTDIAL	4%
L&TFH	5%	SUPRAJIT	4%
UNOMINDA	5%	PAYTM	4%
TCS	5%	NAZARA	3%
BRITANNIA	5%		

## Industry Holdings%



Please Note: Data as on 31st December, 2023. The securities quoted are for illustration only & are not recommendatory. The actual portfolio may differ from the above illustration

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