



PMS AIF WORLD
High Performance Investing

OCTOBER, 2020 NEWSLETTER

TOP 10 PORTFOLIOS IN EACH PEER GROUP

MONTH

OCTOBER, 2020

PREPARED BY

PMS AIF WORLD

MONTHLY PERFORMANCE REPORT

MARKET COMMENTARY

Truth has one dimension and there are no two versions to it. When it comes to the stock market, truth is only known in the hindsight. We are a new age investment services company that is making relentless attempts to un-cover truths in time, for our clients to make informed investment decisions. Following 5 points are important for investors to focus upon, in the current context of markets which are at all time high valuations.

1. Index earnings and index prices are two sides of the same coin. Corporate earnings and stock markets go hand in hand in, in longer term. Let's understand with data. In the first decade, 2000-2010, Nifty EPS was at 13% and so was Nifty CAGR over 10 years. In the subsequent decade, 2010-2020, Nifty EPS was at 7% and so was Nifty CAGR. Same would be the case over next decade of 2020-2030. So, it's important to focus on earnings and not prices or levels.
2. Currently, corporate earnings stand at decade's lowest point ~ 3%, and that is the reason market is seen at very high valuations. All new investments in equities at these levels are supported only on the arguments of expected future earnings of FY 22 onwards.
3. Markets are always ahead in time, and work on forward thinking. Recent example is - market's reaction to Covid in 2020. 23rd March was the day, when lock down was announced in India, and this is the day, when indices showed lowest point. Basically, markets fell 45 days before lock down, and recovered as market assessed the impact of 3 to 6 months of locked down, during and after lock down.
4. Markets can correct 10% to 15% at any point of time, and equity investors must be prepared for this, always. More than 20% correction is generally seen only because of unpredictable events and which cannot be assessed and predicted. Instead of trying to anticipate such events, investors should learn to keep a room in asset allocation to help increase the proportion of equity, whenever such events occur, as a part of asset allocation realignment.
5. Many meaningful reforms have been executed over last 5-6 years. There is stable ruling govt in place. Focused on – going economic policies are being conducted. There is a massive rise in foreign liquidity to tackle adverse economic effects of Covid. A rise is expected in foreign direct investments in India as reforms make Indian landscape conducive. Lower interest rates provide access to capital. Lower crude oil price reduces import bill. All these factors eventually convey possibilities of economic recovery & rise in corporate earnings which is what is keeping markets buoyant. For investors who do not have 10 years of investment horizon and do not see earnings recovery, must first convince themselves, then assess their asset allocation and then consider equity investments, at this level.

Investing in equity through concentrated portfolios via portfolio management services requires diligent selection. In our investment services, we not only assist investors in making the investment, but also help investors with informed investment decisions. This is basis our open architecture, zero bias, and on-going 5-P analysis across People, Philosophy, Performance, Portfolio, and Price. Our endeavours through out is to determine the quality, risk, and consistency attributes. We present all data and analytics with an endeavour and aim of informed investment decisions.

SIMPLE INVESTING PHILOSOPHY

Debt

In general, when investors think of Debt, they first think of low return and then risk, and this where they make mistakes. Ultimately, as investor's focus is on return while investing in debt, he/she take exposure in credit funds, hybrid debt funds, and eventually end up adding a lot of unknown risk to this asset class which is supposed to actually provide security and safety of capital. **As per our years of experience, in structuring the debt portfolio, the objective should to reduce risk and not increase returns.**

Equity

In general, when investors think of equity, they first think of high risk and then return and this is where they make mistakes. Ultimately, as investor focus is on reducing risk, investors take exposure in every theme(International, Gold, Balanced, Hybrid), every type of fund/portfolio, and eventually ends up owning over-diversified portfolio that grossly underperforms even in long term period of 10 years. **As per our years of experience, in structuring the equity portfolio, the time horizon is clearly 5 to 10 years, so the objective should be to enhance returns and not reduce risk. So, we follow a less diversified approach through Best PMS & AIF products, along with the Best Focused category of Mutual Funds**

In all, we follow a very simple, open-ended approach to building clean debt and quality equity portfolio and then work with clients to ensure they hold such good investments with confidence and high conviction.

**CLEAN DEBT + QUALITY EQUITY + HIGH CONVICTION =
COMPOUNDING**

TOP 10 PMS IN EACH PEER GROUP

There are 250+ PMS products available in the market, and all products got launched during different times & phases of markets in last 2 decades, with many having got launched in last 1 to 3 years. So, clubbing these together makes it confusing while pursuing to do a meaningful comparison on the basis of performance. There could be a few PMS products which have 1 year of track record, and show good performance in that 1 year, but cannot be compared with PMS which have say 5 Years or 10 Years or 15 Years of track record. So, we isolate and club these, as per the peer group according to years of track record.

PEER GROUPING & TOP 10 IN EACH PEER GROUP

- Six Peer groups have been created as follows :
 - More than 10 Years
 - 5 to 10 Years
 - 3 to 5 Years
 - 2 to 3 Years
 - 1 to 2 Years
 - Less than 1 Year
- Top 10 in each peer group have been determined on the basis of scoring done on the weighted average returns across time period.
- Min AUM to qualify in 10 Years peer group is taken at 400 Cr, in 5 Years at 200 Cr, in 3 Years at 100 Cr, in 2 Years at 50 cr & no AUM filer in less than 2Y peer group.
- Some PMS products started off their journey as SEBI RIAs and are we have taken data since they started advising clients post SEBI RIA license. We have highlighted these and mentioned in foot notes as well.
- All data is as per TWRR. Some follow model portfolio returns method, some follow aggregate portfolio method, and some follow first client returns method. All these need to be understood while comparing and ideally the most wholistic & conservative method is aggregate return method, in our opinion, so we've have highlighted the ones which do not follow aggregate return method, but other methods



Top 10 Portfolios In Each Peer Group (Data as of 30th Sep 2020)

10 Year Plus Peer Group												
Company	Strategy	AUM(Cr)	1M	3M	6M	1Y	2Y	3Y	5Y	10Y	SI	Market Cap
AlfAccurate	AAA India Opp	689	1.00%	13.10%	35.20%	8.20%	3.40%	2.00%	8.90%	14.80%	16.50%	Multi Cap
Sundaram	SISOP	486	2.40%	13.30%	28.90%	5.70%	10.70%	7.50%	6.70%	13.08%	16.50%	Multi Cap
ASK	IEP	11200	1.90%	11.40%	26.90%	-1.20%	6.00%	6.20%	10.10%	15.00%	16.70%	Multi Cap
ASK	Growth Strategy	2831	-0.10%	5.50%	22.20%	-1.30%	5.20%	2.90%	9.70%	12.50%	18.80%	Multi Cap
ASK	ISP	3382	0.40%	7.70%	22.90%	-3.60%	5.90%	2.20%	7.60%	13.30%	14.80%	Multi Cap
Motilal Oswal	NTDOP	7688	1.08%	12.02%	28.10%	-4.02%	-1.11%	0.12%	7.93%	15.01%	13.97%	Multi Cap
Karma Capital	Long Only	2515	-2.30%	17.10%	83.30%	8.20%	-2.00%	-6.03%	6.90%	8.80%	11.10%	Multi Cap
Alchemy	Select Stock	2477	0.20%	10.80%	25.10%	-13.00%	-4.00%	-0.70%	7.10%	14.10%	18.10%	Multi Cap
Motilal Oswal	Value	1891	-2.52%	4.65%	25.39%	-6.86%	3.67%	1.76%	4.93%	7.20%	18.87%	Large Cap
Alchemy	High Growth	1831	0.00%	7.50%	20.00%	-15.70%	-8.10%	-4.60%	3.80%	8.50%	20.10%	Multi Cap

Peer Group 2 : - 5 to 10 Year Group												
Company	Strategy	AUM(Cr)	1M	3M	6 M	1Y	2Y	3Y	5Y	SI	Market Cap	
Sage One [^]	Core Portfolio	660	2.50%	22.70%	53.80%	20.00%	9.80%	5.00%	10.00%	34.00%	Mid & Small	
Accuracap	Pico Power	399	7.71%	35.77%	71.68%	35.22%	12.03%	3.27%	9.75%	21.19%	Small Cap	
Nine Rivers	Aurum Small Cap	Not Disclosed	6.80%	39.00%	94.90%	24.20%	3.98%	-1.61%	5.97%	25.10%	Small Cap	
IIFL ^{**}	Multicap	2200	1.15%	11.98%	35.75%	3.63%	13.09%	10.02%	14.77%	15.70%	Multi Cap	
Nippon India	High Conviction	Not Disclosed	3.60%	12.40%	34.30%	10.50%	13.90%	5.90%	9.10%	15.60%	Multi Cap	
Accuracap	Alpha10	578	2.35%	11.11%	27.95%	10.34%	10.71%	8.78%	10.48%	14.26%	Large Cap	
Ambit	Good & Clean	383	5.70%	18.40%	37.50%	2.40%	11.40%	9.30%	12.40%	10.50%	Mid Cap	
Quest	Flagship PMS	692	1.40%	13.90%	39.00%	10.40%	4.60%	1.20%	9.70%	16.10%	Multi Cap	
Quest	Multi PMS	568	3.20%	23.40%	50.40%	13.20%	5.30%	-0.70%	9.60%	11.60%	Multi Cap	
Narnolia	India 3T	208	3.10%	13.60%	33.20%	0.60%	0.60%	5.30%	13.00%	17.10%	Multi Cap	

3 to 5 Year Peer Group												
Company	Strategy	AUM(Cr)	1M	3M	6M	1Y	2Y	3Y	5Y	SI	Market Cap	
Equirus ^{***}	Long Horizon	145	6.46%	39.23%	94.44%	51.32%	27.77%	15.07%	-	18.94%	Small & Mid	
ITUS Capital [^]	Fundamental Value Fund	265	1.50%	15.85%	47.77%	29.10%	24.80%	15.46%	-	20.51%	Multi Cap	
Solidarity	Prudence	542	3.59%	23.03%	49.85%	17.24%	24.31%	16.18%	-	15.74%	Multi Cap	
Sameeksha	Equity Fund	329	3.20%	18.30%	49.40%	18.90%	25.70%	10.60%	-	15.20%	Multi Cap	
Invesco India	R.I.S.E.	682	5.94%	22.63%	51.80%	21.19%	3.67%	1.41%	-	9.10%	Multi Cap	
2Point2 Capital	Long Term	463	1.10%	12.30%	42.10%	6.30%	12.50%	9.00%	-	15.20%	Multi Cap	
SageOne	SDP	270	1.70%	19.60%	47.50%	10.80%	6.00%	4.40%	-	8.90%	Mid & Small	
Accuracap	Alphagen	131	3.31%	15.24%	35.01%	11.42%	5.98%	2.23%	-	9.45%	Multi Cap	
Ambit	Coffee CAN	485	1.90%	6.00%	14.80%	3.50%	10.00%	15.60%	-	17.10%	Multi Cap	
Nj Advisory	Dynamic Stock Allocation	428	1.63%	9.35%	19.77%	13.09%	6.16%	4.68%	-	7.77%	Multi Cap	

* All data is as per TWRR. ** Model portfolio method, *** First client portfolio method, rest follow aggregate portfolio method.

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^ For Sage One[^] & ITUS[^], numbers have been taken since the formal inception post the SEBI RIA license.

Top 10 Portfolios In Each Peer Group (Data as of 30th Sep 2020)

2 to 3 Year Peer Group											
Company	Strategy	AUM(Cr)	1M	3M	6M	1Y	2Y	3Y	5Y	SI	Category
Green Portfolio	Special	56	0.06%	14.76%	38.47%	20.40%	21.75%	-	-	15.63%	Multi Cap
Ambit	Emerging Giants	Not Disclosed	-1.30%	21.50%	53.70%	30.40%	14.80%	-	-	7.40%	Small Cap
Aditya Birla	Innovation	41	1.46%	10.64%	40.24%	13.98%	14.93%	-	-	11.39%	Multi Cap
White Oak**	India Equity	2718	2.68%	14.85%	36.87%	14.54%	12.79%	-	-	7.67%	Multi Cap
IIFL**	Multicap Advantage	1000	0.76%	9.36%	25.27%	14.54%	18.22%	-	-	11.27%	Multi Cap
Motilal Oswal	IOP 2	468	2.68%	19.96%	57.03%	14.61%	2.12%	-	-	-5.65%	Small & Mid
Pelican	PE Fund	54	0.06%	7.33%	25.52%	15.98%	10.07%	-	-	9.41%	Large Cap
Varanium**	Large Cap Focused	105	1.00%	13.00%	32.70%	3.10%	9.20%	-	-	5.20%	Large Cap
NJ Advisory	Bluechip	390	3.21%	13.71%	26.49%	10.87%	5.84%	-	-	6.35%	Multi Cap
ICICI Prudential	Contra PMS	345	-1.76%	6.22%	36.39%	1.19%	4.09%	-	-	2.43%	Multi Cap

1 to 2 Year Peer Group											
Company	Strategy	AUM(Cr)	1M	3M	6M	1Y	2Y	3Y	5Y	SI	Market Cap
Sage One	SSP	170	6.00%	32.50%	65.40%	43.00%	-	-	-	23.20%	Mid Small Cap
KRIIS	Multi cap Advantage	-	2.10%	17.60%	50.40%	34.00%	-	-	-	43.40%	Multi Cap
Marcellus	Little Champs	456	-1.30%	21.10%	51.80%	30.30%	-	-	-	35.50%	Small Cap
Wize Market**	Capital Mind – Momentum	44	4.78%	31.43%	44.05%	36.77%	-	-	-	23.95%	Multi Cap
Centrum	Good To Great	-	5.40%	25.60%	55.70%	22.30%	-	-	-	17.10%	Mid Cap
Stallion Asset	Core Fund	137	6.01%	23.21%	43.47%	25.03%	-	-	-	23.75%	Multi Cap
Wyridian Capital	WYCA Multicap	-	4.04%	18.87%	44.52%	23.83%	-	-	-	12.45%	Multi Cap
Green Portfolio	Dividend Yield	7	1.52%	18.03%	44.16%	17.37%	-	-	-	16.96%	Thematic
Cap Grow Capital	Special Situations	-	3.10%	20.00%	47.30%	17.70%	-	-	-	1.10%	Multi Cap
Crest Wealth**	Small Cap	-	-1.90%	21.50%	52.90%	8.00%	-	-	-	3.30%	Small Cap

Less than 1 Year Peer Group											
Company	Strategy	AUM(Cr)	1M	3M	6M	1Y	2Y	3Y	5Y	SI	Market Cap
Marcellus	Kings of Capital	80	-4.90%	-	-	-	-	-	-	-5.00%	Multi Cap
Money Life	MAS Growth	21	14.00%	48.79%	80.11%	-	-	-	-	44.47%	Multi Cap
Motilal Oswal	Focused Midcap	44	3.53%	22.80%	54.44%	-	-	-	-	29.70%	Mid Cap
First Global	India Super 50	21	6.10%	24.80%	41.70%	-	-	-	-	21.70%	Multi Cap
Money Life	MAS Prime	6	5.70%	14.00%	40.46%	-	-	-	-	15.39%	Multi Cap
Axis	Core & Satellite	25	0.29%	11.62%	26.72%	-	-	-	-	-3.22%	Multi Cap
ORO Asset	All Weather	-	5.60%	13.10%	23.30%	-	-	-	-	-5.70%	Multi Cap
First Global	Multi Asset	21	0.80%	8.50%	16.70%	-	-	-	-	10.00%	Multi Asset
Green Portfolio	Index Fund	4	-2.15%	5.99%	15.84%	-	-	-	-	3.08%	Thematic

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WISH TO MAKE INFORMED INVESTMENTS FOR LONG TERM WEALTH CREATION

DO NOT SIMPLY INVEST, MAKE INFORMED DECISIONS

SCAN THE QR CODE TO BOOK AN APPOINTMENT WITH OUR EXPERTS



OUR OFFICES

DELHI NCR
2ND FLOOR, ARC BUSINESS TOWER,
PLOT 17-18, UDYOG VIHAR PH 4,
GURUGRAM 122015

MUMBAI
AK ESTATE, OFF VEER SAVARKAR FLYOVER,
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SPECIAL DISCLAIMER: Different Portfolio Management Services present number differently. Some follow aggregate portfolio returns method, some follow model portfolio returns method, and some follow first client portfolio returns method. It is imperative to understand this difference before comparing the performance for any investment decision. Thus, it is necessary to deep dive not only performance, but also, people, philosophy, portfolio, and price before investing. We do such detailed 5 P analysis. Do not just invest, Make an informed investment decision.

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