



# Top 200 Core Equity Portfolio

Write your own chapter in India's growth story with the Top 200 Core Equity Portfolio (Top 200 CEP).

An exclusive offering from Aditya Birla Sun Life AMC Limited (ABSLAMC) – Portfolio Manager, Top 200 CEP gives you the opportunity to invest in large market capitalisation businesses that are central to the country's growth drive. This portfolio helps you identify these businesses and participate in their journey in the medium to long term. By investing in Top 200 CEP, you also get to practise value investing through such large cap names.

### Investor profile

Top 200 Core Equity Portfolio is an ideal investment option for investors seeking long-term participation in India's growth journey through investment in large cap Indian equities.

# Consistency of performance across market cycles

## What creates this sustainable wealth-creation portfolio?

The Top 200 Core Equity Portfolio consists of 25-30 stocks selected predominantly from a large-cap universe. The investment approach is founded on four pillars:

- Sustainable growth over long term in select industries, which makes up for most of the GDP growth patterns
- Focus on businesses that consistently create value through favourable industry operating conditions
- Quantitative Screeners backed by fundamental research:  
Comprehensive alert system to track industry-wise valuations.  
Current studies include:  
Recurring Winners Study, Piotroski Scores
- Value-investing approach to generate alpha

## Portfolio Managers



Vishal Gajwani

With over 12 years of experience in equity research and portfolio management, Vishal has extensive expertise in researching companies across sectors and market capitalisations. Prior to this assignment he was a part of Reliance Portfolio Management Services (a part of Reliance Capital Asset Management Ltd), where he was designated as an Assistant Fund Manager and was responsible for managing equity portfolios.

He is a Gold Medal winning Chartered Accountant (ICAI, India) and holds a Masters degree in Commerce from M. S. University of Baroda. Vishal received 4 Gold Medals, including the Chancellor's Gold Medal, for topping the Master of Commerce Exams. Vishal is also a CFA charter holder from the CFA Institute (The Global Association of Investment Professionals), USA.



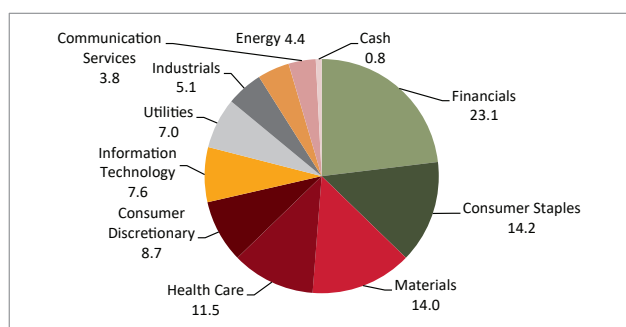
Natasha Lulla

Over 11 years of experience in equity research and fund management. Prior to joining Aditya Birla Sun Life AMC Limited – Portfolio Manager, Natasha was working with Goldman Sachs as an equity analyst covering India Materials sector. In her earlier stint at Goldman Sachs, she was responsible for Portfolio Strategy for ASEAN regions and also covered Singapore Real Estate.

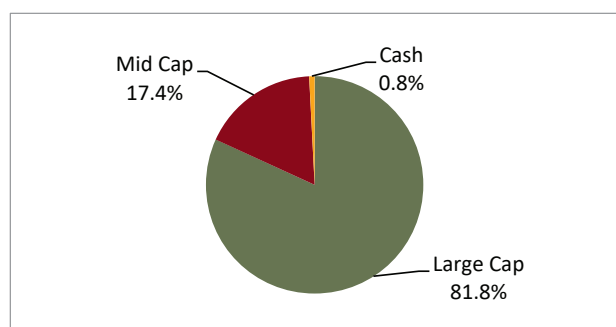
Natasha holds a Masters in Business Administration (Finance Major) from Management Development Institute, Gurgaon and was a Gold Medal winner in each of the two years. She was also awarded a Gold Medal for achieving 1st rank in the Finance stream. Natasha has done her graduation in Economics from Lady Shri Ram College, New Delhi and graduated amongst the top 1% in Delhi University.

## Portfolio Analytics

Sector Allocation (%) (As per GICS Sector Classification)



Market Cap Bias (%)



Market Cap Categorization as per Average Market Capitalization of listed companies during the six months ended June 2020.  
Source : AMFI

# Portfolio Analytics

## Top 10 Portfolio Holdings

Sr. No.	Company Name	% to Net Assets
1	HDFC Bank	9.0
2	Trent	5.7
3	ICICI Bank	4.9
4	Shree Cement	4.6
5	Avenue Supermarts	4.5

Sr. No.	Company Name	% to Net Assets
6	Reliance Industries	4.4
7	ACC	4.1
8	Bajaj Finance	3.8
9	Nestle India	3.8
10	Infosys	3.8

Model Portfolio as on Nov 30, 2020

## Portfolio Managers' Commentary

### Equity Outlook

Indian Stock Markets have been amongst the best performing global markets in past 3 months, with a broad - based rally across large, mid and small caps. India stands tall among the Emerging Markets, attracting USD 6.5bn of foreign flows during these difficult and unprecedented times. While Covid 19 threat does loom large, sentiments have turned positive, marked by a few events (1) US elections resulting in a Democrat President but a Republican Senate, (2) falling number of active Covid-19 cases in India, (3) improving high frequency indicators (4) positive surprise in 2QFY21 earnings, and (5) Success of Covid vaccine trials. Sectors such as Banking, Metals, Pharma, and IT continued to lead the market higher. Market breadth improved and mid and-small caps performed better than large caps.

On the domestic front, data on Covid has shown improvement as the number is falling by more than 50% from the peak. High frequency indicators are suggesting a strong recovery, aided by festival season and pent-up demand. Most activity indices are inching towards pre-Covid levels as the economy opens up.

The Government too has announced a series of measures to boost growth and monetary policy has been accommodative with policy rates unchanged. Recently, MPC revised its FY21 real GDP growth forecast by a sharp 200bps to -7.5% y-y from -9.5% y-y in October. RBI expects real GDP to turn positive + 0.1% in Dec-20 quarter and +0.7% in Mar-21, with risks broadly balanced. Further in FY22 they see growth at 21.9% in 1Q and 6.5% overall in H1.

The key message here is to remain invested in good businesses. Even after this rally, we find value in lot of companies including small and mid cap names, which could deliver strong returns over the next 2 -3 years. Also, few other indicators like the Yield Gap ratio, Market Cap to GDP continue to point towards healthy returns in equities in the medium term.

We continue to stick to our strategy of identifying companies which have good managements, strong balance sheets, and are seeing a turnaround in earnings trajectory due to macro/ micro factors, along with ownership of structural high growth names. While the near term business environment is reliant on the vaccine for Corona & how fast the economy bounces back, the long term growth story of India remains intact.

### Portfolio Update

We have a balanced portfolio with focus on bottom up stock picking. Our focus is on companies which have good management, strong balance sheets, and have a long runway for growth. We continue to have exposure to Covid resistant sectors like Telecom, Healthcare & Consumer Staples.

(Source: Bloomberg, ABSLAMC Internal Research)

Disclaimer: The views expressed above are the views of the Fund Managers of Top 200 Core Equity Portfolio and should not be construed as an investment advice.

Investments in securities are subject to market risks and there can be no assurance or guarantee that the objectives of the Product will be achieved. Past performance may or may not be sustained in future.

## Risk Ratios

Analytics for period ending Nov 30, 2020	Benchmark	Standard Deviation	Sharpe Ratio*	Beta	PTO
Top 200 CEP (Model) Portfolio	BSE 200	21.05%	0.15	0.91	34%

\*Risk free rate assumed to be 3.40% (MIBOR as on Nov 27, 2020)

Above ratios of investment approaches are calculated on Annualised basis using 3 year history of monthly data points

## Portfolio Key Facts


Portfolio Name	Top 200 Core Equity Portfolio
Structure	Discretionary PMS
Nature	Open ended
Market cap	Large cap
Investment Approach	The portfolio invests or proposes to invest in listed equity & equity related instruments with the aim of generating long term capital appreciation & income in the form of dividends. It can also invest in money market instruments & units of mutual fund. Features of the companies can include – High quality with consistency in growth, high ROE, low leverage & high potential for growth. It is predominantly a Large cap oriented portfolio. Stock selection is done through a combination of 'Bottom up' approach i.e. analyzing the fundamental attributes of the company & competition & 'Top down' approach i.e. analyzing the macro economic factors & industry growth characteristics.
Benchmark	BSE 200
No of stocks	25-30
Investment Manager	Aditya Birla Sun Life AMC Limited
Portfolio Manager	Vishal Gajwani, Natasha Lulla
Recommended Investment Horizon	Minimum 3 years
Minimum Investment	Rs 50 lakhs
Taxation	Investors are advised to seek consultation from their Independent Financial Advisor / Tax Advisor before making any investment decision.

### Risk Factors and Disclaimers

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Regulatory Disclosure: All investors have the option to invest directly with ABSLAMC-Portfolio Manager

For any service related queries, please contact us:

 1800 270 7000

 care.pms@adityabirlacapital.com

Aditya Birla Sun Life AMC Limited

CIN: U65991MH1994PLC080811.

One World Center, Tower 1, 17th Floor, Jupiter Mill Compound, 841, Senapati Bapat Marg, Elphinstone Road, Mumbai - 400 013.

Tel: 4356 8000. Fax: 4356 8110 / 8111

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