

Core Equity Portfolio

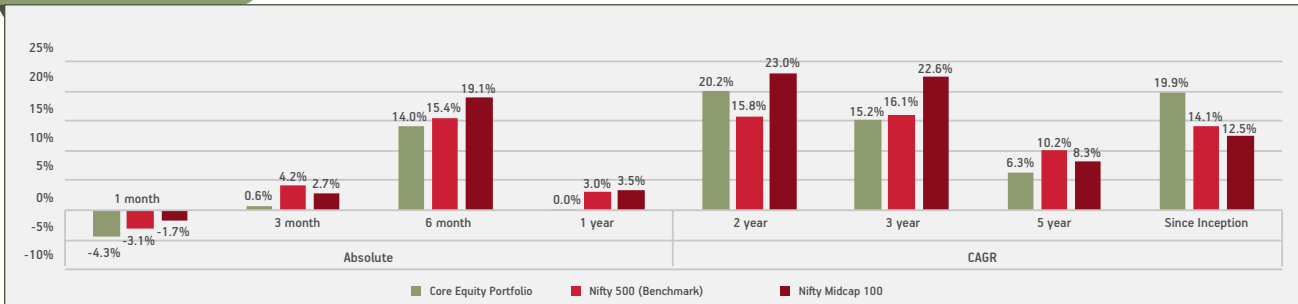
Investment Theme

The strategy aims to invest in businesses having sustainable growth over long-term in select industries, which endeavors to make up for most of the GDP growth patterns. It is a Multicap portfolio unconstrained by any market segments.

Fund Details

Structure: Discretionary PMS | **Strategy Name:** Core Equity Portfolio | **Benchmark:** Nifty 500
Fund Inception Date: August 24, 2007 | **Fund Manager:** Dhaval Mehta

Performance



Performance as on December 31, 2022 / Source: ABSLAMC Internal Research

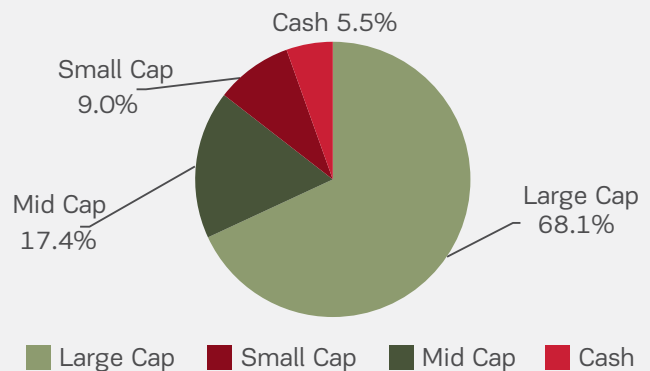
Disclaimer: Past performance of any product does not indicate its future performance. The returns of investment approaches are calculated using TWRR method and considers all inflows and outflows and market value of entire portfolio for computation of performance. It is calculated net of all expenses and fees. Investment approach level performance reported above is not verified by SEBI.

Risk Ratios

Standard Deviation	23.2%
Beta	0.98
Sharpe Ratio	0.37
Portfolio Turnover (%)	37.0%

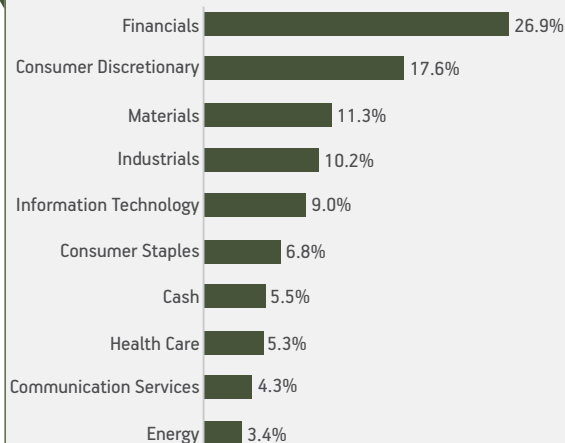
Above Ratios are 3 year ratios calculated on annualised basis

Market Capitalisation



Source: AMFI / As on December 31, 2022

Sector Allocation



Portfolio data as on December 31, 2022

Top 10 Portfolio Holdings

Companies	% to Net Assets
ICICI Bank Ltd	6.6%
Bajaj Finserv Ltd	5.7%
Infosys Ltd	5.4%
Sun Pharmaceuticals Industries Ltd	5.3%
APL Apollo Tubes Limited	4.9%
HDFC Bank Ltd	4.8%
State Bank of India	4.6%
Bharti Airtel Ltd	4.1%
Larsen & Toubro Ltd	4.0%
Larsen & Toubro Infotech Limited	3.7%

Equity Outlook

Indian equities under-performed emerging markets during the month (Nifty50 & MSCI EM was down by 3.5% and 1.6% respectively). Overall global weakness was driven by hawkish US Federal reserve which believes that higher restrictive monetary policy is needed to control inflation, which further increased recession risk in US.

High frequency indicators (like E-way bill, GST collection, loan growth etc) continue to suggest healthy level of economic activity. Healthy reservoir levels, helped by above normal south-west monsoon has brightened prospects of Rabi season which in turn may help revive rural demand. November 2022 Consumer Price Index (CPI) softened to 5.9% YoY (fallen below RBI's upper tolerance band of 6% for the first time in 2022) from 6.8% in October, helped by sharp drop in food prices (driven by lower vegetable prices). October 2022 Index of Industrial Production (IIP) declined by -4% YoY (a 26-month low) due to slowdown in exports and consumption demand. RBI slowed the pace of repo rate hike to 35bps (as compared to previous hikes of 50bps each). RBI monetary Policy Committee (MPC) revised its FY23 GDP growth forecast lower to 6.8% YoY from the earlier 7.0% YoY, while keeping FY23 inflation forecast unchanged at 6.7%.

We believe that despite weakening global demand, domestic growth outlook may remain healthy given a) Stable consumer outlook and optimistic business outlook in terms of demand conditions and sales prospects; b) Uptick in economic activities (as evident from high frequency indicators); and c) Easing commodity prices and supply side pressures. We intend to accumulate high quality stocks in portfolio from medium to long term perspective.

Portfolio Update:

In the month of December 2022, ICICI Bank, Bajaj Finserv, Infosys, Sun Pharmaceutical continue to be the fund's top holdings. We continue to employ our extensive bottom-up research process, to identify mispriced opportunities, with special focus on companies with credible managements, healthy balance sheets, higher returns on capital, and strong runway for growth.

The Fund entered CreditAccess Grameen Ltd which is engaged in providing microfinance services to women who are enrolled as members and organised as Joint Liability Group. The company's strong, diversified product base, contiguous branch expansion, risk management and sustained pricing power has established its dominance in the credit starved micro finance market. Structural ROE Expansion, led by control on cost / quality will boost the growth for the company.

Disclaimer: The views expressed above are the views of the Fund Managers 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.

Investment Style

Core Equity Portfolio			
	Growth	Blend	Value
Large Cap			
Mid & Small			

Risk Factors and Disclaimers

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

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