

# MULTI ASSET DYNAMIC PORTFOLIO

A Smarter to Navigate Market Volatility and Create Wealth

## Investment Objective

The investment objective is to generate consistent long term capital appreciation and managing associated risks by investing in a diversified multi asset portfolio comprising of domestic equity, international equity listed on Indian Exchanges and ETFs, Index Funds and Mutual Funds of domestic Large caps, Midcaps and Small caps, international equities, gold, commodities, debt instruments.

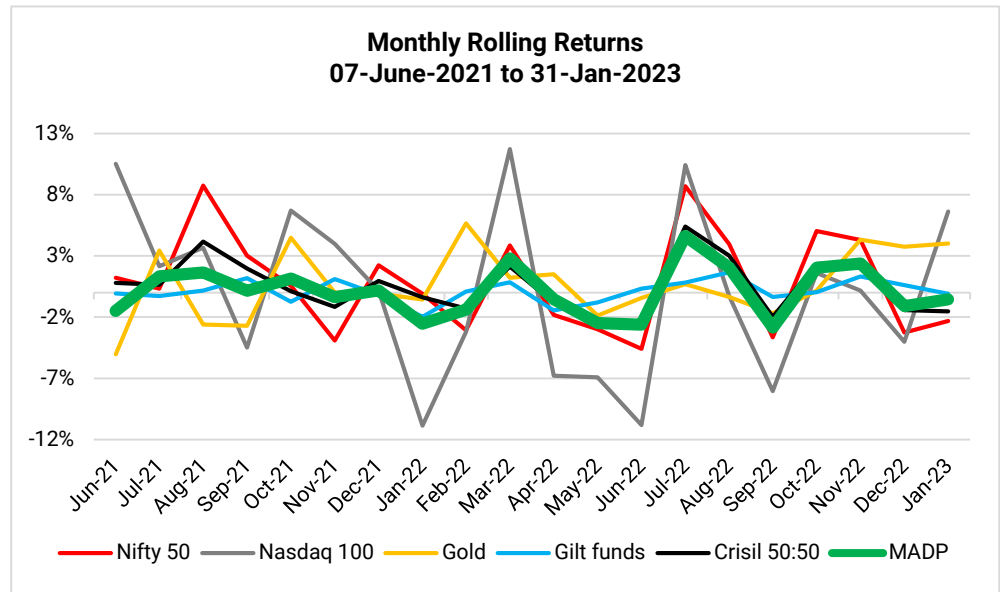
## Key Information

Strategy Inception date:	<b>June 7, 2021</b>
Strategy Type:	<b>Open ended</b>
Benchmark:	<b>Crisil 50:50</b>
Portfolio Manager:	<b>Mr. Siddharth Vora</b>
Qualification:	<b>CA-CFA-MSc</b>
Investment Horizon:	<b>5 Years+</b>

1M Returns MADP	-0.17%
1M Returns Benchmark	-1.53%
1M Alpha	1.36%

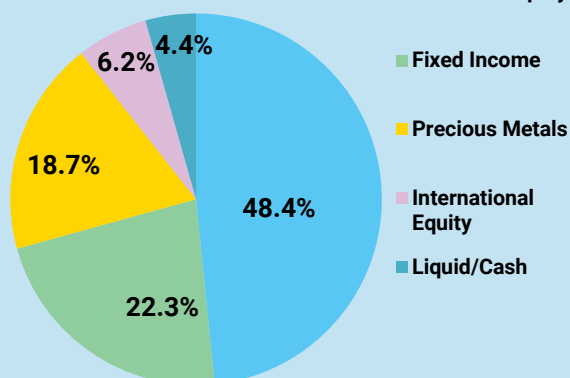
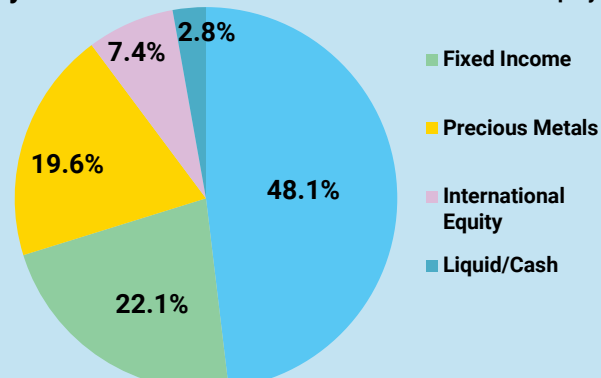
INDEX	1M Returns
Nifty 50	-2.32%
Nasdaq 100 (in INR)	6.64%
Corp. bond	0.39%
Gilt Fund	-0.09%
Gold	4.02%



Factors	Past (Since last rebalance)	Current	Change in View
Macro	Steady growth in India; slowdown in US	Steady growth in India; slowdown in US	Same
Value	Nifty is in overvalued zone	Nifty is in overvalued zone	Same
Liquidity	Tight liquidity, contractionary monetary policy	Monetary conditions are easing	Positive for risk assets
Trend	Strong momentum in equity	Weak momentum in domestic equity and Strong momentum in Gold & US equities	Positive for Gold & US equities
Risk	Risk off sentiment in domestic equities	Risk off sentiment in domestic equities & Risk on in US equities	Positive for US equities

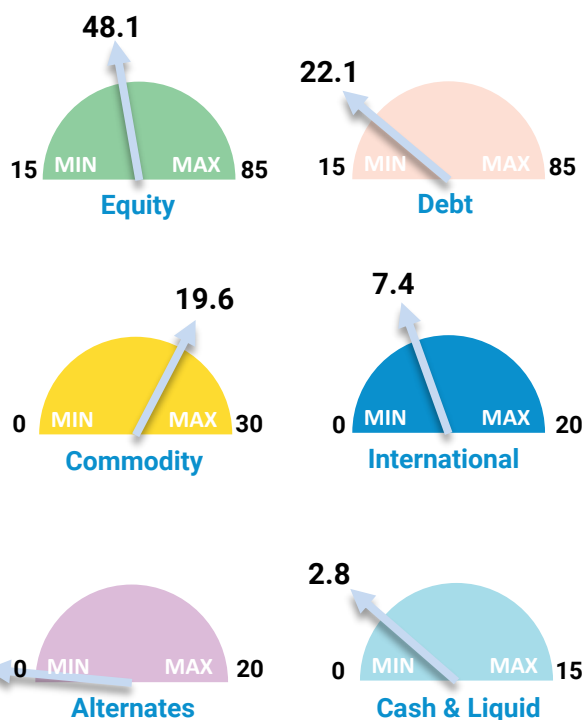
ASSET CLASS	INSTRUMENTS	FUTURE VIEW
Domestic Equities	Largecaps	Neutral
	Mid & Smallcaps	+1
International Equities	S&P 500	Neutral
	Nasdaq 100	Neutral
Precious Metals	Gold	+1
Fixed Income	Corporate Bonds	+1
	Gilt Funds	Neutral
	Liquid Funds	Neutral
UNDERWEIGHT		NEUTRAL
		OVERWEIGHT

## Investable Universe, Asset Allocation & Performance


**November Month**

**January Allocation**


Allocation	Domestic Equity	Debt	Gold	International Equity	Liquid
Previous	48.4%	22.3%	18.7%	6.2%	4.4%
Current	48.1%	22.1%	19.6%	7.4%	2.8%
% Change	-0.3%	-0.2%	0.9%	1.2%	-1.6%

### Asset Allocation %



### Returns

### Performance of asset classes during previous rebalance

	09-Sep-2022 to 18-Nov-2022	18-Nov-2022 to 31-Jan-2023
<b>MADP</b>	-0.20%	-0.34%
Benchmark	0.83%	-1.54%
Nifty	2.73%	-3.24%
Nifty Next 50	-3.63%	-7.53%
Mid cap 150	-3.25%	-0.99%
Small Cap	-2.38%	-1.00%
S&P 500	1.27%	2.12%
Nasdaq 100	-3.81%	1.38%
Gold	3.66%	7.53%
Gilt funds	0.09%	0.79%
Corp. bond	0.38%	1.01%
Liquid Fund	0.97%	1.01%

Data as on 31<sup>st</sup> January 2023

Asset Class	Allocations we changed	Why
<b>Domestic Equities</b>	-0.3%	We maintained our previous month's allocation to domestic equities with slight underweight w.r.t the benchmark.
<b>Fixed Income</b>	-0.2%	We continued to maintain previous month's allocation with a positive bias towards short to medium duration debt.
<b>Gold</b>	+0.9%	Gold continued to shine during the month with weakness in dollar index.
<b>International Equities</b>	1.2%	Although we remain cautious on US equities in medium term, increase in risk appetite globally and lower valuations provided a good entry point in Nasdaq in short term. We increase our allocation to Nasdaq 100 marginally by 1.2%
<b>Liquid/Cash</b>	-1.6%	Deployed free cash in US equities.

## Portfolio Update

The Indian equity markets started the year on a negative note with Nifty 50 correcting by 2.45% during the month. The selling pressure aggravated towards end of the month as Hindenburg Research's report on Adani group led to negative sentiment and panic selling in Adani and banking stocks. The FIIs redeemed Rs. 41,464.73 cr worth of equities while DIIs used this correction to add Rs. 33,411.85 cr worth of equities.

The global equity markets gained in January with increase in risk appetite led by China reopening and expectations of lower rates hikes by the central banks. S&P 500 and Nasdaq 100 rose by 6.2% and 10.6% in dollar terms respectively. In precious metals, Gold continued to shine, delivering 4.1%.

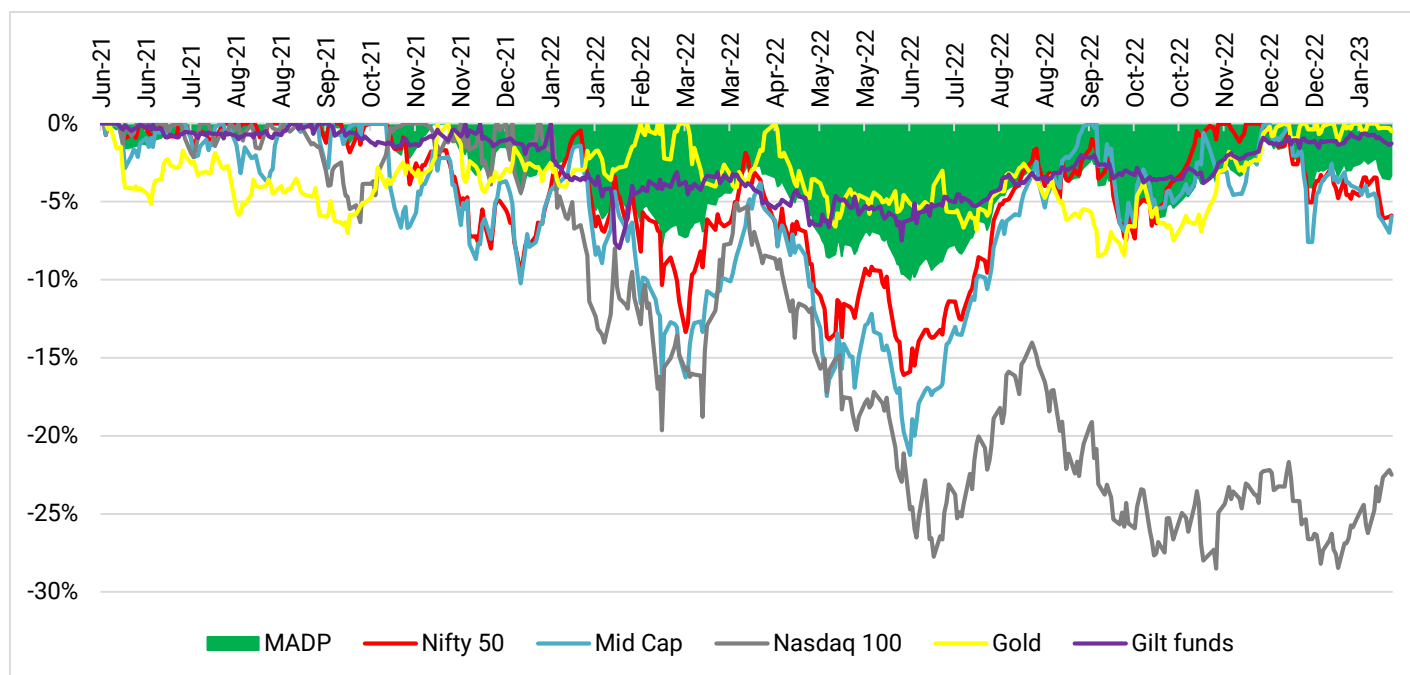
We rejigged our portfolio in January by reducing weight to domestic midcap equities from 12% to 9% due to high valuations and added the US equities as sentiment around global equities improved and correction in the US equities in the last year provided a favorable entry point. We maintained our Gold allocation to 20% in the portfolio as rollover in DXY and less hawkish central banks will provided impetus to Gold prices.

Factors	What changed in the world			Commentary
	Past	Current	Change	
<b>Macro</b>				Domestic growth remains robust while global growth is weakening
<b>Value</b>				Nifty index valuations remain in overvalued zone
<b>Liquidity</b>				With central banks at the fang end of the rate hike cycle, the financial conditions are showing signs of easing
<b>Trend</b>				Momentum in domestic equities remains negative while momentum in gold and International equities has picked up
<b>Risk</b>				Sentiment for domestic equities remained negative and worsened post Adani news related panic selling, while the risk appetite in global markets improved.
<div> <div>Negative</div> <div>Neutral</div> <div>Positive</div> </div>				

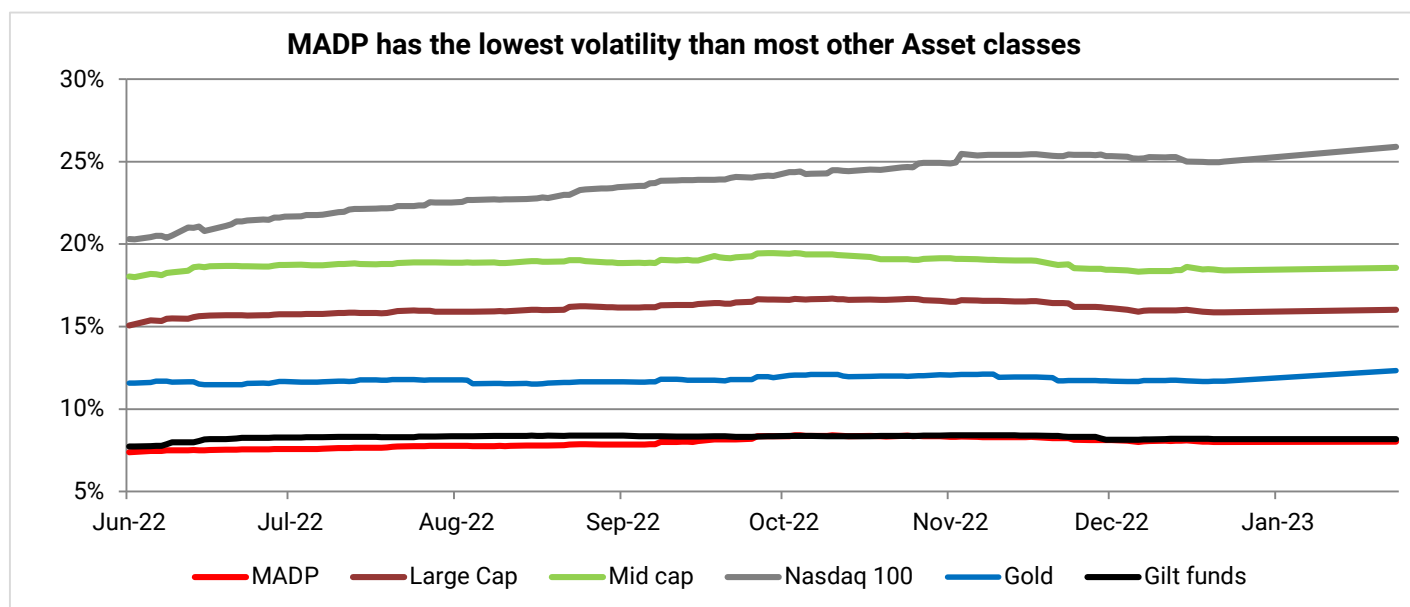
Period	1 Month	3 Month	6 Month	9 Month	1 Year
<b>MADP</b>	-0.17%	-1.64%	1.90%	1.27%	2.09%
<b>Benchmark</b>	-1.53%	-2.92%	2.78%	3.15%	3.14%

Data as on 31<sup>st</sup> January 2023

## MADP vs Other Asset Classes Drawdowns



Data as on 31<sup>st</sup> January 2023



Data as on 31<sup>st</sup> January 2023

**Disclaimer:** Strategy may invest substantially in equity, debt, commodities and international securities. Asset classes invested in MADP are volatile and prone to price fluctuations. The liquidity of investments made in the portfolio may be restricted by trading volumes and settlement periods. Settlement period may be extended significantly by unforeseen circumstances. The inability of the portfolio to make intended securities purchase due to settlement problems could cause the portfolio miss certain investment opportunities. Similarly, the inability to sell securities, held in the portfolio may result, at times, in potential losses to the strategy, should there be a subsequent decline in the value of securities held in the portfolio. Investment in Securities is subject to market risk and there is no assurance or guarantee that the objectives of the investment will be achieved. With investment in securities, the value of portfolio may go up or down depending upon the factors and forces affecting in capital market and the portfolio manager is not responsible or liable for the losses resulting from the operations of the portfolio. Investments in asset classes involve a degree of risk and investors should not invest in the strategy unless they can afford to take the risk of losing their investment. Performance related information is not verified by SEBI.