

ALCHEMY HIGH GROWTH SELECT STOCK (AHGSS)*

December 2019



BRIEF OBJECTIVE**

Alchemy High Growth Select Stock is a concentrated portfolio aiming at generating long term returns by investing in equities across market capitalization, with a mid cap bias.

INVESTMENT SUITABILITY

- Suitable for an investor who is looking to participate in India growth story through equities
- Long term investment horizon, Ideal investment horizon is 3 to 5 years (Minimum 3 years)
- High Risk : High return strategy

THE ALCHEMY ADVANTAGE

Founders and Investment Team <ul style="list-style-type: none">• Bring over 100 years of cumulative Indian equity market experience• Have excellent market standing built on integrity• Co-founder, Hiren Ved, as Chief Investment Officer brings long experience and consistency in investment philosophy• Have a stable and experienced team of investment professionals who have stayed and imbibed the firm's investment philosophy	Vintage & Size <ul style="list-style-type: none">• One of the few Portfolio Managers in India to have been in existence since 2002• Manages/advices over USD 1.09 billion of assets onshore and offshore as on 30th Nov'19 Strong Emphasis on Compliance and Risk Management <ul style="list-style-type: none">• With an ethical Code of Conduct in place• With transparency in business, client service and reporting
Disciplined Investment Process <ul style="list-style-type: none">• Pioneers in Bottom Up stock picking• Ability to pick trends early• Focus on Primary Research• Long term approach to investing in listed companies with continuous review• Consistent performance track record since inception in 2002• Bespoke approach to individual clients' portfolio	Offshore Asset Management Capability <ul style="list-style-type: none">• First Offshore mandate in 2005.• Ongoing Offshore equity strategies with AUM of USD 153.5 million as on 30th Nov'19.• Was an Investment manager to a GCC based Sovereign Fund with AUM of over USD 83.6 million
Track record <ul style="list-style-type: none">• 17 years of Investment management track record• INR 1 crore invested in May 2002 in the Alchemy High Growth Product could have grown to over 36.5 Crs as on 30th Nov'19• Alchemy High Growth, the flagship strategy of Alchemy has been managed through bull and bear cycles and outperformed its benchmark 14 out of 17 calendar years	Quality of clients <ul style="list-style-type: none">• Sophisticated Institutional investors• Sovereign funds• Ultra HNIs (Limited universe of over 1000 exclusive families and includes eminent individuals across businesses families and professionals)

ABOUT THE STRATEGY**:-

Bottom up stock picking and High conviction

Alchemy High Growth Select Stock (AHGSS) strategy plays to Alchemy's strengths in bottom up research and stock picking. Investment team at Alchemy has demonstrable long term track record of finding winners. True characteristics of finding winners requires, a deep understanding of the businesses and the drivers of long term sustainable performance in companies, which may then translate into long term return performance. An understanding of the business and value drivers enable us to play the entire growth cycle of the company. A long term investment approach helps us to take advantage of not only earnings growth but also potential valuation re-rating of the business which may produce superior returns. Many times investors are able to identify such businesses but do not have ability or conviction to take concentrated bets. Hence our strategy endeavours to not only identify superior businesses, but also demonstrate high conviction by taking concentrated bets on these companies.

Over diversification dilute returns

Markets are cyclical, oscillating between bull, bear and sideways/consolidated phases over time. While a well diversified portfolio is essential to capture a wide variety of businesses, too much diversification tends to dilute returns unless we are in a roaring bull market where the tide lifts all boats. But more often than not markets experience short periods of bull & bear cycles with large intervening periods of sideways to consolidation phases in a range. A concentrated portfolio helps to focus more on individual stock performance and returns somewhat reducing the correlation to broad market index returns albeit, over the long run. While in the short to medium term (typically less than 3 years), the portfolio returns could trend with the market, a concentrated portfolio of stocks, if well selected, has higher probability to outperform the markets.

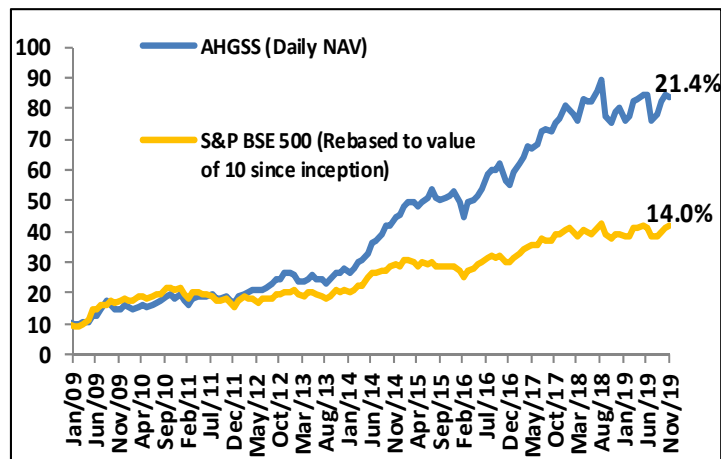
A differentiated strategy for UHNI, FO & large allocators

It is our experience that most large investors like UHNI's, Family Offices and large allocators already tend to have exposure to the broad markets by virtue of direct investing, allocation to MF and PMS's. Hence a slice of the capital allocated to a concentrated strategy makes eminent sense as the investor is already diversified and differentiated strategy can help generate differentiated returns.

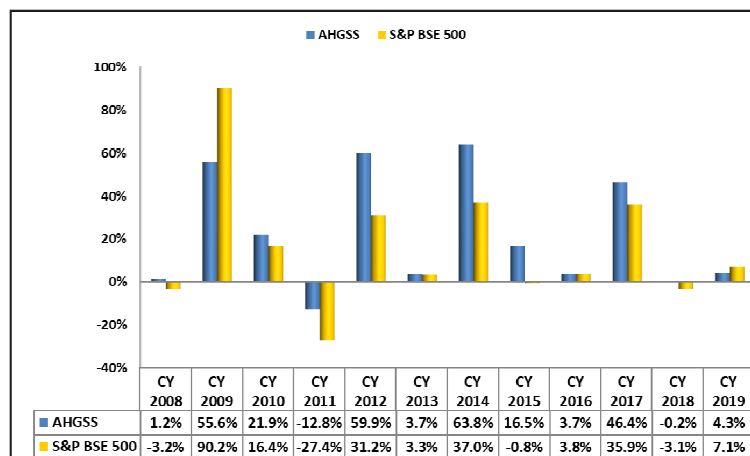
Fund Highlights	<ul style="list-style-type: none"> • Focused on stock selection than on market cap allocation. • Overweight in certain stocks of high conviction. • The concentrated portfolio consists of 8 to 12 stocks
Allocation across Market Cap	Flexi-cap : Market Cap agnostic.
Minimum Ticket Size	3 Crores.

*Alchemy High Growth Select Stock is one of the Portfolio Mgt Services product managed by M/s Alchemy Capital Management Pvt Ltd, a SEBI registered Portfolio Manager
 ** The product's objective and strategy are merely a target and there are no assurances that it would be achieved.

NAV BASED PERFORMANCE#



PERIOD WISE PERFORMANCE#



STATISTICAL ANALYSIS

Parameter	Alchemy High Growth Select Stock (Since inception)*	Benchmark S&P BSE500 (Since inception)*
Returns (CAGR)#	21.4%	14.0%
Std. Dev.	15.5%	17.8%
Sharpe	1.0	0.4
Beta	0.8	1

Data as on 30th Nov 2019.

* Inception Date : 19th Dec 08

Past Performance is no assurance for future returns

Returns presented are net of fees and expenses.

The Performance figures are aggregate of all clients; the investor's actual portfolio

TOP HOLDINGS

Scripts	% Weight
Bajaj Finance	15.5%
Bandhan Bank	6.9%
Bajaj Finserv	5.8%
Axis Bank	5.3%
HDFC Bank	4.7%
United Spirits	4.4%
Zee Entertainment Enterprises	4.1%
ICICI Bank	3.7%
Titan Company	3.6%
Delta Corp	3.2%

General Risk factors

All investment products attract various kinds of risks. Please read the relevant Disclosure Document/ Client Agreement carefully before investing.

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