



KSEMA WEALTH MANAGEMENT PVT LTD

Ksema Wealth-Alpha

CAGR-17.9%

Ksema Wealth-Multicap

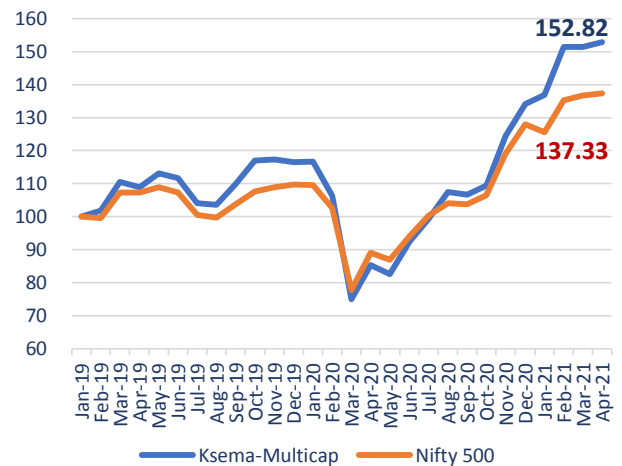
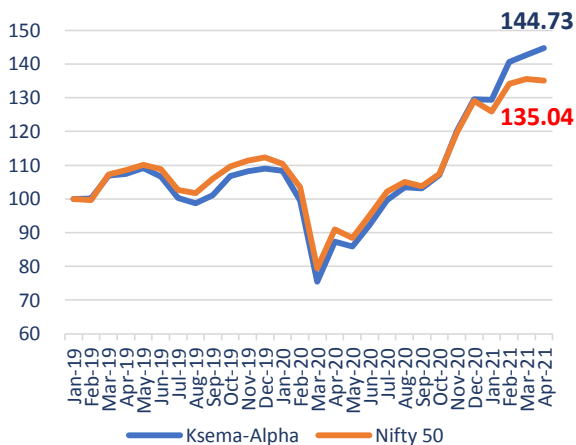
CAGR-20.7%

KSEMA WEALTH ALPHA- INDIA OPPORTUNITIES

	Alpha	Nifty 50
Average Monthly return	1.66%	1.37%
Monthly maximum loss	-24.3%	-23.3%
Month of Maximum loss	Mar-20	Mar-20
Annualized Return	17.9%	14.3%
Annualized Volatility	25.5%	24.1%
% of winning months (against benchmark)	59.3%	na
% of gained months	67%	59.3%
YTD	1.46%	-0.41%
Sharpe (RF 5.8%)	0.47	0.35
Alpha	4.42%	na

KSEMA WEALTH MULTICAP- INDIA OPPORTUNITIES

	Multicap	Nifty500
Average Monthly return	1.97%	1.48%
Monthly maximum loss	-29.6%	-24.3%
Month of Maximum loss	Mar-20	Mar-20
Annualized Return	20.7%	15.1%
Annualized Volatility	29.7%	25.2%
% of winning months (against benchmark)	63.0%	na
% of gained months	67%	65.4%
YTD	0.90%	0.41%
Sharpe (RF 5.8%)	0.50	0.37
Alpha	7.59%	na



KSEMA WEALTH MANAGEMENT PVT LTD

MARKET REVIEW & OUTLOOK

Global

The Global markets were upbeat during the month of April on the back of sharp rebound of the economy, swift vaccine roll out and impending stimulus measures in the USA. The US economy grew by 6.4% annualised rate and its PMI climbed to 59.7 the highest since 2014. President Biden announced an additional stimulus of \$2 trillion in the form of infrastructure spending and manufacturing subsidies. The Federal too reassured the market about keeping the rates low amidst ample liquidity despite higher inflation. US has so far achieved 70% coverage in terms of at least one shot of vaccination indicating their preparedness to reach normalcy sooner.

The Euro zone showed a mixed picture in terms of economic parameters as Manufacturing PMI reached a new record high of 63.4 while the Q1 GDP contracted by 0.6%. The ECB similar to Federal took an accommodative stance by asset purchases in April and insisted the same will prevail until the growth stabilises.

Most of the Emerging markets too posted considerable gain during the month albeit lower than the developed markets. The weak dollar and reopening of few economies enabled gain in these markets. However the rise in covid cases hurt few markets including India.

The commodity markets were the star performer during the month with a return of 8%. Represented by Bloomberg commodity index - has so far gained 15% for the calendar year the highest. The reopening of the economies across the Globe prompting pentup demand has boosted the commodities markets. Oil has jumped by 30% since the beginning of the year, copper by 27%, and steel by 25%. While the genuine demand is pushing the price higher, there was also geography specific issues like production shut down and export restrictions which are keeping the prices afloat.

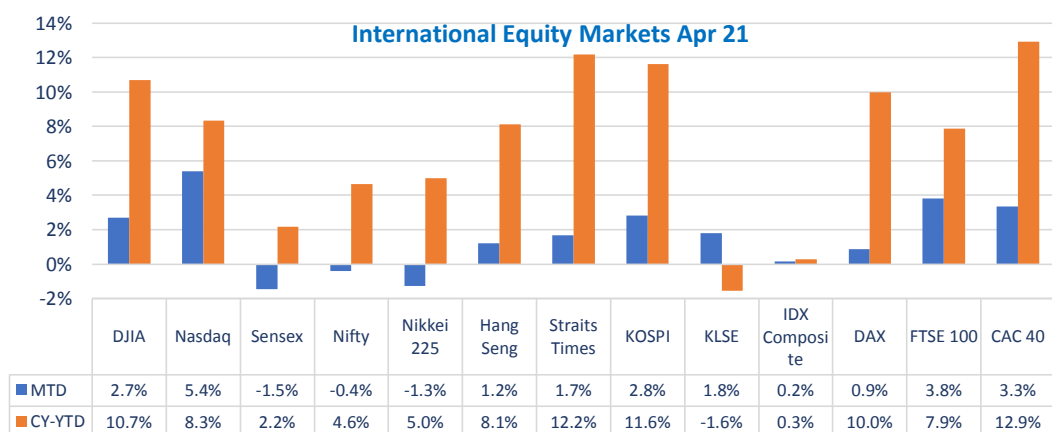
The US treasury declined to 1.63%, a drop of more than 10 bps was due to reassurance of Federal to not deviate from easy money policy. The EM bonds did well owing to weaker USD. The upcoming month will see the inflation rising primarily on base effect. This will increase volatility, but the strength of the growth will give comfort for equity markets.

India

The Indian markets though started the month on upbeat mood lost its momentum as covid numbers started rising sharply beyond 2 lakhs. The disturbing situation faced by the health care infrastructure brought about concerns and most of the state Governments initiated lockdown or restriction for people movement. This potentially would have put a spoke on the economic growth which was trying to accelerate after a decline in FY 2020. India is expected to lose economic activity for 45 days to 60 days. This was reflected in major rating agencies revising their forecasts by 2%-4% for FY 22. To mitigate, the Government will have to accelerate the spending in the early part of the year. The higher GST collection in April of RS 142K and potentially similar run rate from July onwards should give room for increased investment expenditure of the Government.

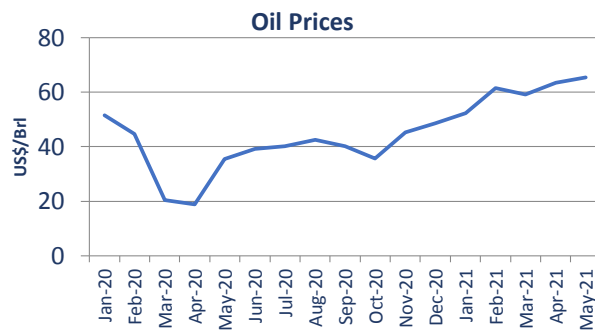
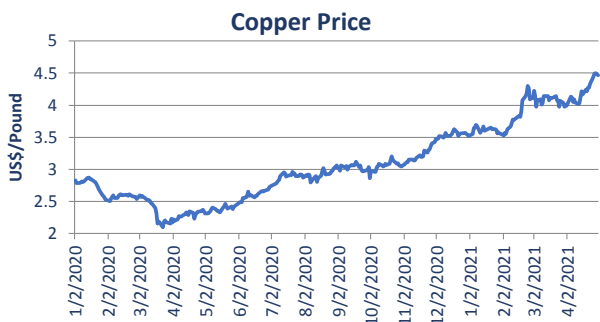
The Q4 FY21 corporate results have been encouraging so far. About 31 companies for which results have come, there are more hits than misses. The bottom line has increased by 3% sequentially and 68% over the same quarter last year owing to lower base. The top line has grown by 20% compared to last year and 14% compared to the previous quarter. The Banking, IT and Pharma are major contributors of this growth during the quarter. This gives the indication that the economy is in the growth path and more so the corporate are gearing up for the things to come in the future. Though cyclical are well positioned but the near term impact on certain players are going to be a concern.

The Q1-FY22 performance of the consumer discretionary, Automobiles, Micro Finance lenders are going to be hit. However exports oriented units, IT, Pharma, Commodity players, large corporate lenders will sail through with little impact. The better strategy to adopt bottomup approach and pick winners among the favoured sectors and stay put. In our observation the winners of FY 21 continue to position well to face the challenges of FY 22 or to take advantage of the prospects. The market is trading at 20X FY22 earning- slight premium to its historic average. However it is justifiable considering the potential cycle boost and prevailing liquidity situation.

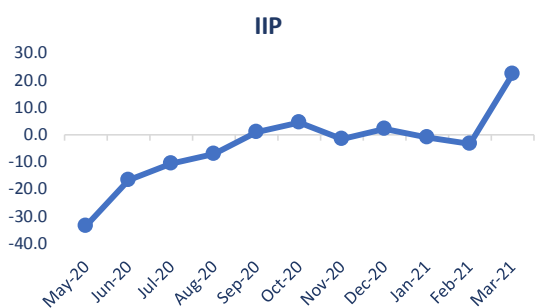


CHARTS OF THE MONTH

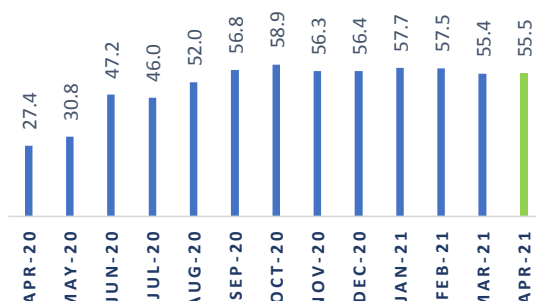
Commodities



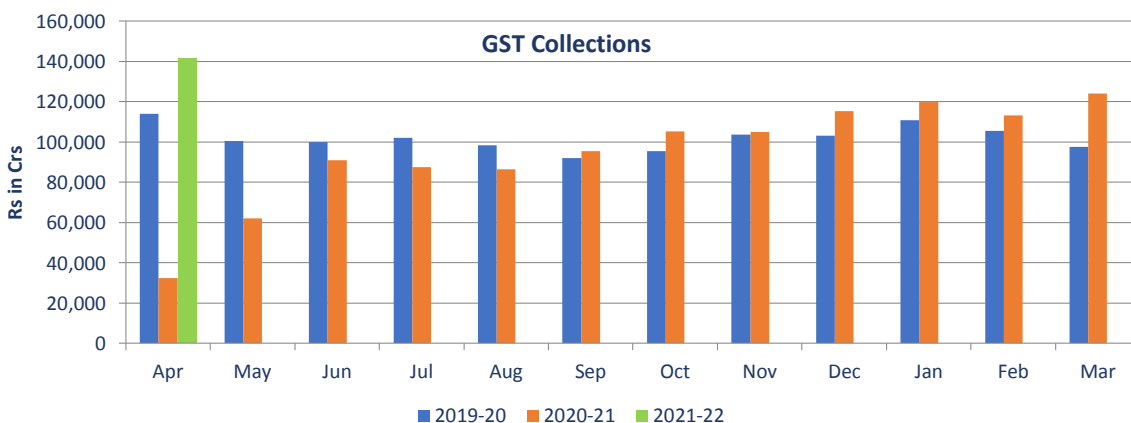
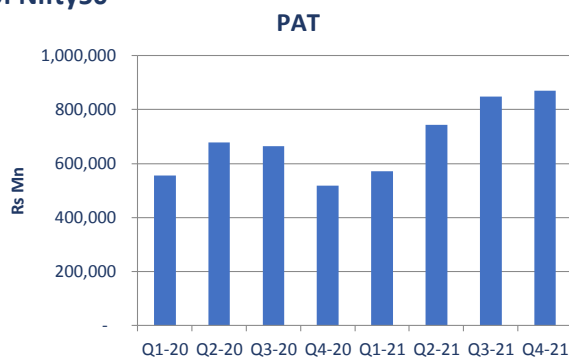
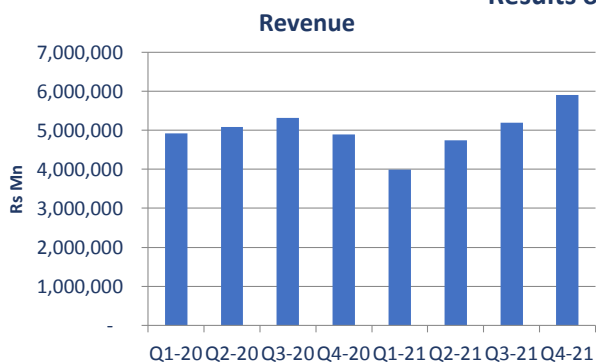
High Frequency



PMI - Manufacturing



Results of 31 Cos of Nifty50



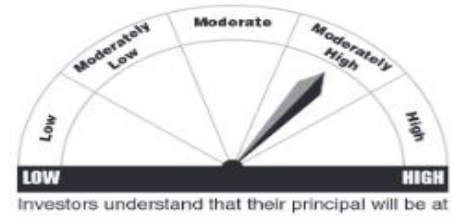
KSEMA WEALTH – ALPHA INDIA OPPORTUNITIES

April 2021

THEME

The fund seeks long-term capital appreciation by investing substantially in the equity securities of companies that are leaders in their industries/segment of industries, and which the managers believe are suitable for a buy-and-hold strategy.

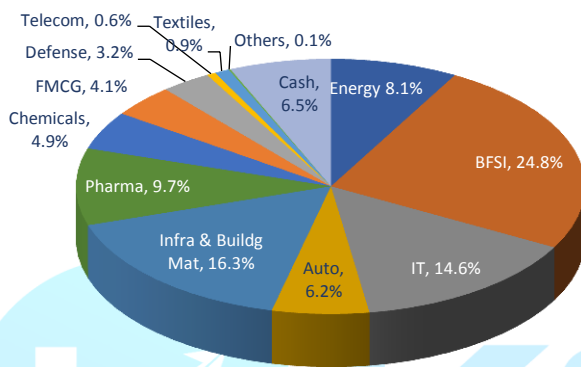
RISKOMETER



Moderately High Risk

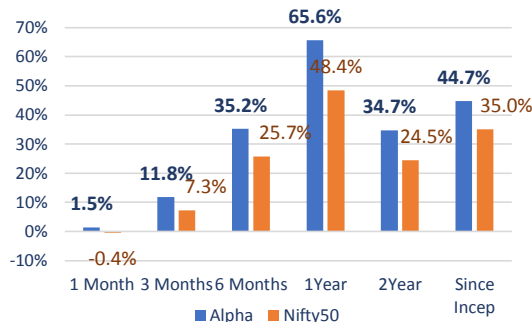
TOP HOLDINGS

SECTORAL ALLOCATION



Company Name	Holdings (%)
ICICI Bank Ltd	5.62%
State Bank of India	5.08%
Reliance Industries Ltd	4.90%
Axis Bank Ltd	4.61%
Larsen & Toubro Ltd	4.54%
Cash	6.50%

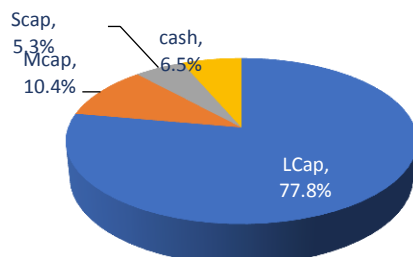
PERFORMANCE (%)



Performance Review

The portfolio outperformed the benchmark owing to better stock picks. The broader market consisting of mid and small cap stocks did well and we had few that stood the volatility. The textiles, chemicals and IT segments have enabled the outperformance. The results of these companies were better than the expectations and stood out among its peers and attracted institutional investors interest.

MARKET CAPITALISATION (%)



OUTLOOK

The current ongoing second wave is likely to pass in few weeks. As the cases fall, states will unlock in staggered way. Hopefully if June witnesses unlock, economy can gather itself and there can be catch-up that can belie the revised prediction of economists similar to last year. We are optimistic that growth will pickup and corporate will regain the trajectory of earning growth in the coming quarters.

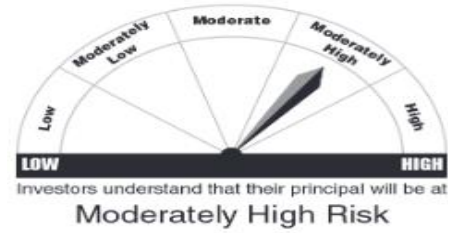
KSEMA WEALTH – MULTICAP INDIA OPPORTUNITIES

April 2021

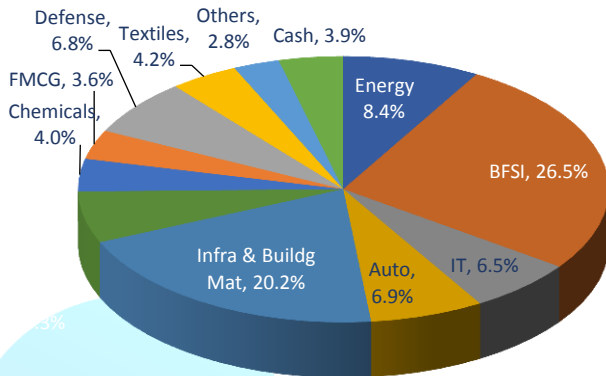
THEME

The fund seeks superior returns over long term by investing in high growth-oriented stocks that are sector agnostic

RISKOMETER



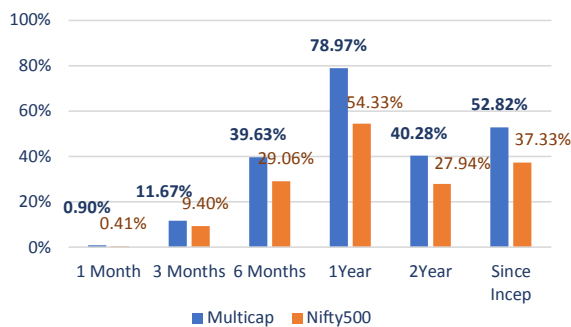
SECTORAL ALLOCATION



TOP HOLDINGS

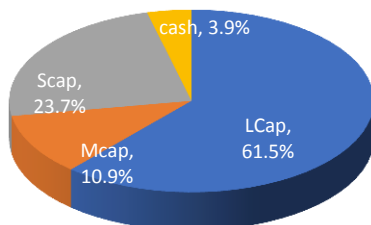
Company Name	Holdings (%)
State Bank of India	4.66%
Larsen & Toubro Ltd	4.03%
Reliance Industries Ltd	3.97%
ICICI Bank Ltd	3.81%
Axis Bank Ltd	3.50%
Cash	4.63%

PERFORMANCE (%)



Inception-28th January 2019

MARKET CAPITALISATION (%)



PERFORMANCE REVIEW

The portfolio continued to outperform compared to its benchmark owing to select stocks that reported better than expected results. They performed amidst the volatility and remain strong. We have added few consumer oriented stocks and chemical stocks that are in the verge of capacity additions with export focus. The sector agnostic nature of the portfolio enables us to venture into growth stories from a broader canvas.

OUTLOOK

The forthcoming period will see more mid and small cap stories that will go to the drawing board to capitalize on the global growth cycle. Specialty chemicals, API, other PLI based themes are the likely candidates for the basket. We will increase exposure in this segment with 2-4 year time frame. In addition Infra players too are looking promising as Government coffers are ringing well with higher GST collection.



KSEMA

WEALTH MANAGEMENT

KSEMA WEALTH MANAGEMENT PVT LTD

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