



KSEMA WEALTH MANAGEMENT PVT LTD

Ksema Wealth- Alpha

CAGR21.6%

Ksema Wealth-Multicap

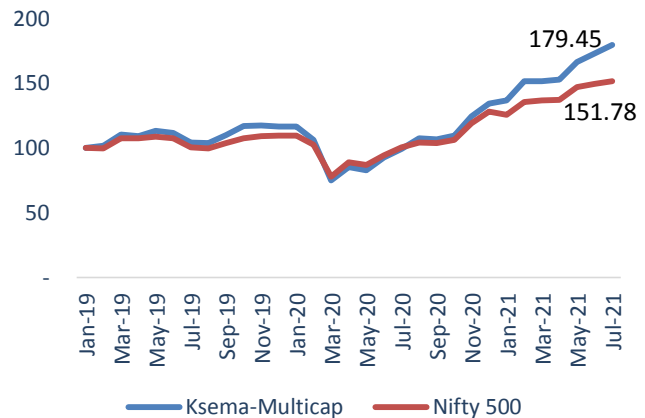
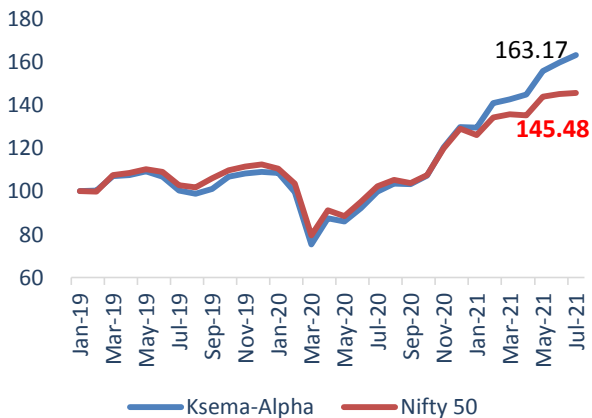
CAGR26.4%

KSEMA WEALTH ALPHA- INDIA OPPORTUNITIES

	Alpha	Nifty 50
Average Monthly return	1.90%	1.49%
Monthly maximum loss	-24.3%	-23.3%
Month of Maximum loss	Mar-20	Mar-20
Annualized Return	21.6%	16.2%
Annualized Volatility	24.5%	23.1%
% of winning months (against benchmark)	63.3%	na
% of gained months	70%	63.3%
YTD	14.38%	7.29%
Sharpe (RF 5.8%)	0.64	0.44
Alpha	6.46%	na

KSEMA WEALTH MULTICAP- INDIA OPPORTUNITIES

	Multicap	Nifty500
Average Monthly return	2.33%	1.64%
Monthly maximum loss	-29.6%	-24.3%
Month of Maximum loss	Mar-20	Mar-20
Annualized Return	26.4%	18.2%
Annualized Volatility	28.5%	23.7%
% of winning months (against benchmark)	66.7%	na
% of gained months	70%	66.7%
YTD	18.49%	10.97%
Sharpe (RF 5.8%)	0.71	0.51
Alpha	10.78%	na



KSEMA WEALTH MANAGEMENT PVT LTD

MARKET REVIEW& OUTLOOK

Global

Global market have continued their bull run amidst high liquidity. The USA has immunized over 40% of their population. The US Federal reserve has been active, in balancing inflation and growth. The markets saw an increased utilization of SPACs (Special Purpose Acquisition Entities), which provide a faster and quicker route for Private Market acquisitions. Inflation continues to persist and grow, with an overall rise of 0.9% in June, the highest increase this year. This has caused concern in the markets. The cause for concern is now genuine as new data reveals, pent up demand in the USA is starting to decelerate, price remain buoyant, and the US companies have revealed a lacklustre earning season. The US Federal Reserve is considering tapering the QE program (reducing bond buy-backs) and there remains a higher chance of an earlier rate hike to battle inflation.

The Chinese economy shows signs of recovery as the manufacturing PMI stands at 50.4 which indicates expansion; Similarly, the non-manufacturing index is expanding at 53.3. The GDP has grown by 7.9% in the preceding quarter. However, two concerns plague China, the increasing crackdown on the Tech sector has dissipated investor confidence and Loss of revenues owing to Supply Chain diversification. The FDI in China has taken a 7% hit over the 1st half of this year, when compared to the same period last year, while the Jury remains out on attributing this loss, we are convinced in the momentum of geographic diversification. The markets too fell sharply by about 10% for the month. It also had impact in the Malaysian as well as Korean indices.

Over in Europe, the German Manufacturing and German Services PMI have consistently exceeded expectations, reflecting a healthy level of expansion at 65.6 and 62.2 respectively. The Spanish economy continues to recover from the Real Estate Crash and has added nearly 167,000 jobs between June and July. The United Kingdom continues to witness growth in Retail Sales, a high impact sector. The Bank Rate has been maintained at 0.1% with the Asset Purchase facility maintained at 895Bn pounds. The European Union is now working with an overall GDP growth forecast of 4.8%. The upbeat momentum was seen in European region with most of the markets closing with a gain except FTSE100.

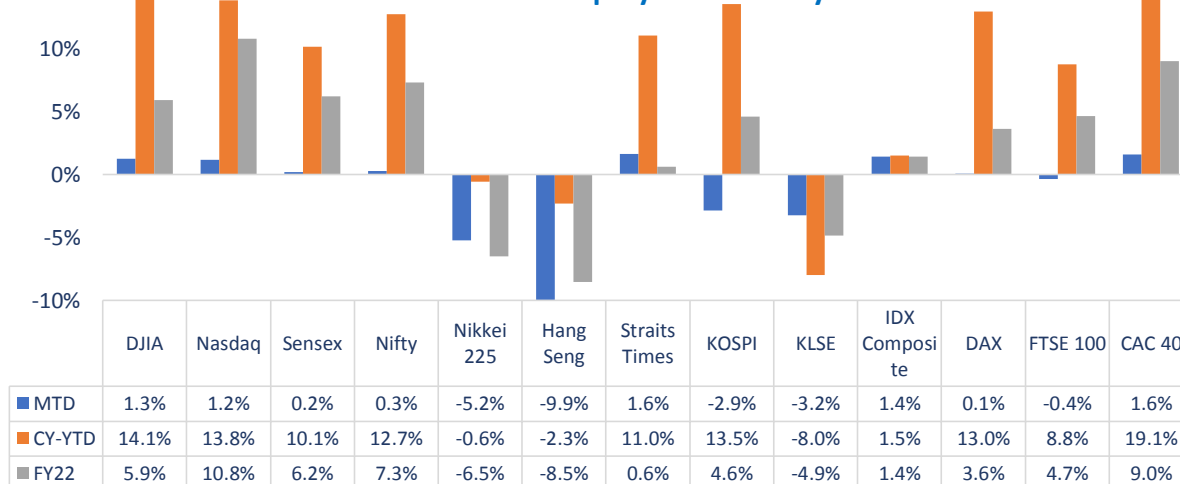
India

India has been proactive on the Monetary and Fiscal front. The Reserve Bank of India has been clear in their stance of prioritizing growth over inflation. India's inflation at 6.3% stand marginally higher than the upper bound of the 4-6% target range. RBI might continue to maintain status quo until the end of FY2022.

Given the tendency for corporates to diversify their supply chain, major chip producers such as Apple's manufacturer Foxconn are boosting manufacturing take benefit from the Production Linked Incentive Scheme. The PLI scheme in essence rewards companies for meeting manufacturing quotas. Most recently, the government approved Rs 6322Cr in PLIs towards the Specialty Steel sector. Towards the end of Q1FY22, the finance minister announced 8 economic relief measures. Over 237,749 Crores in stimulus were announced to reduce unemployment and support growth. The ECLGS facility now stands extended by 1.5 Lakh bringing the cap to 4.5 Lakh Crore. A New Credit Guarantee Scheme has been announced for small borrowers, with a maximum ticket amount of 1.25 Lakh with a sub 2% interest rate, which will be routed through MFIs. Other programs include the extension of PMGKY and Aathmanirbhar Bharat Rozgar Yojana.

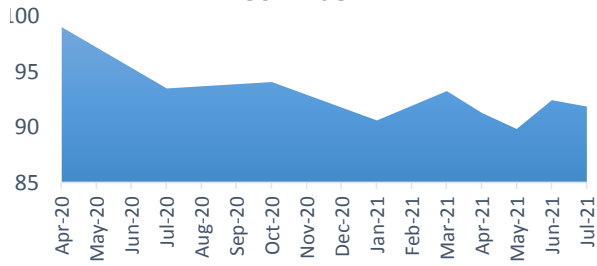
The predominant economic drivers appear to be from Public Sector activity and Infrastructure spending. The focus remains, however, on avoiding a third COVID wave. The recent approval of Sputnik V vaccine and the ramping up of productions for the vaccine are critical to the management of the present health crisis. Indian IT Services companies have seen a surge in demand and are fighting to retain talent by increasing the compensation. Should we manage to stay clear of a third wave, the table is set for growth in the Indian Economy (consensus forecast) of 9% over the coming years. Markets remained buoyant in most part of the month, despite selling pressure from FPIs. The domestic flows from retail and Mutual funds kept the market in bay. The activity was seen in the broader market with NSE500 gaining 1.5% compared to Nifty that inched just 0.3%.

International Equity Markets July 21

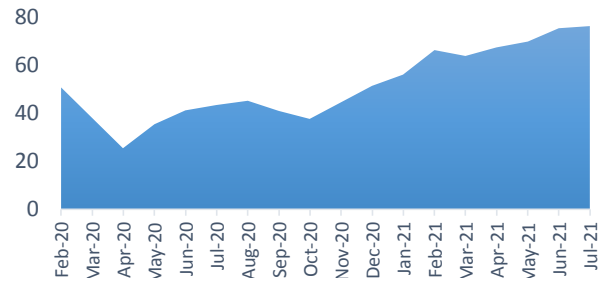


CHARTS OF THE MONTH

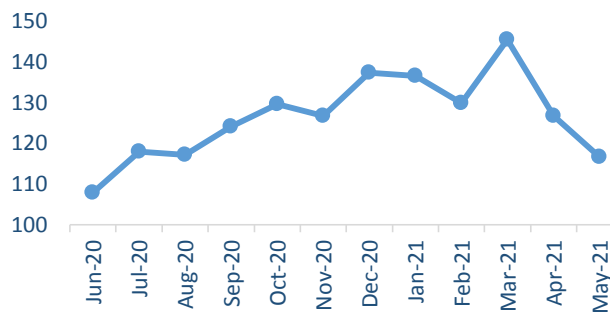
USD Index



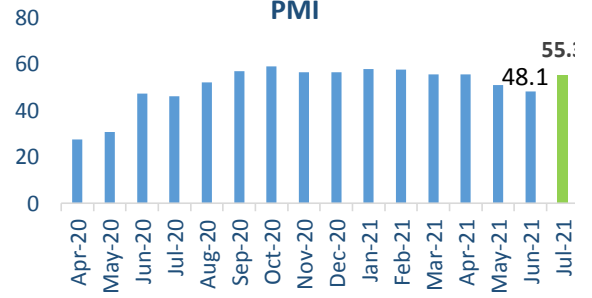
Crude Oil (USD/brl)



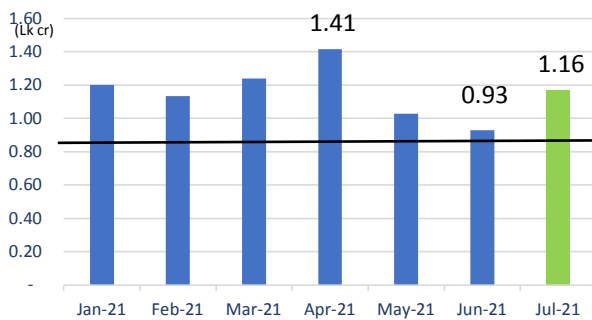
IIP Index



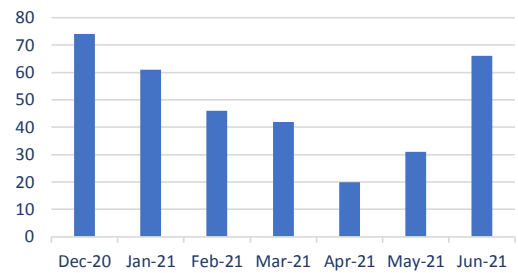
PMI



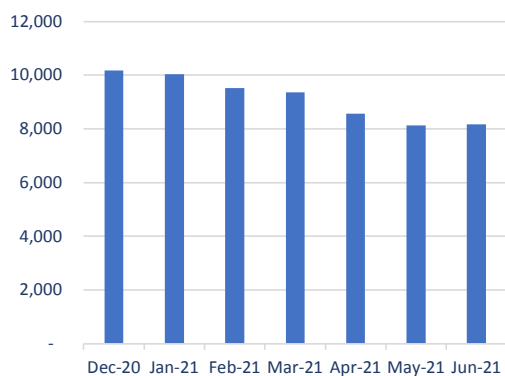
GST



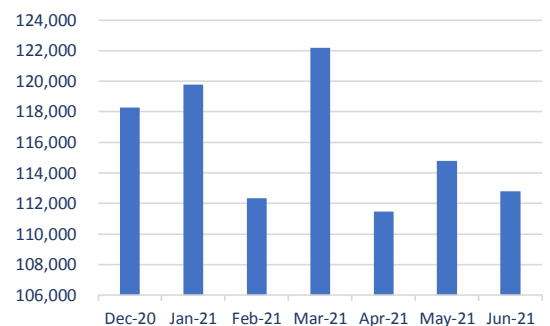
Fertilizer Sales



Steel Consumption (000 tns)



Rail freight traffic (tns)



KSEMA WEALTH – ALPHA INDIA OPPORTUNITIES

July 2021

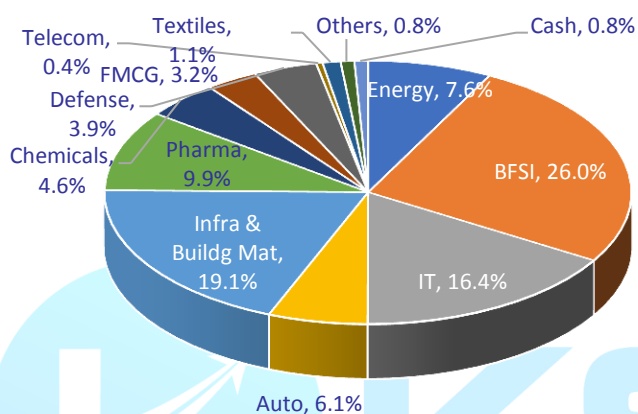
THEME

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



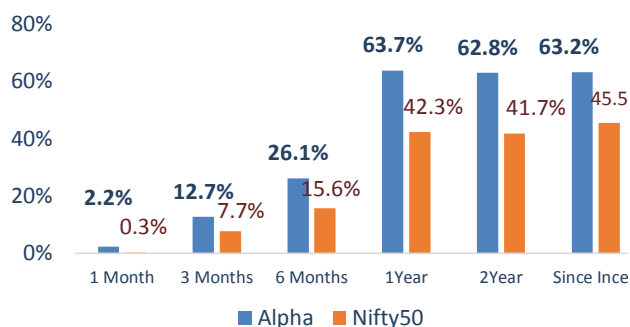
SECTORAL ALLOCATION



TOP HOLDINGS

Company Name	Holdings (%)
ICICI Bank Ltd	6.03%
State Bank of India	5.51%
Larsen & Toubro Ltd	5.15%
Reliance Industries Ltd	4.89%
Infosys Ltd	4.48%
Cash	0.84%

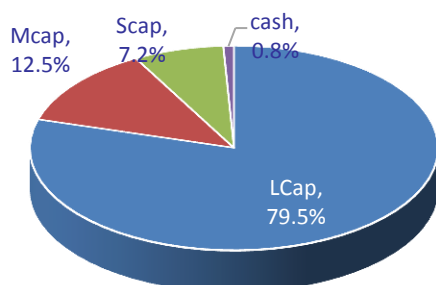
PERFORMANCE (%)



PERFORMANCE REVIEW

The portfolio continued to outperform owing to the broader market that did well and our portfolio mix were in line. The resolution of the ROSCTL enabled textile and certain export sector stocks to contribute to the portfolio. Coupled with this, pentup demand boosted the confidence in the market. While selling was witnessed in large cap, the mid and small cap portion performed well.

MARKET CAPITALISATION (%)



OUTLOOK

The results of the corporate in the first quarter have so far been mixed with positive bias. This is better than expected during the month of May, when the second wave was in peak. The BFSI and IT has been positive while consumer, chemicals, Automobiles were negative. The forthcoming period will further see cyclical to do well. We will be invested in the same. Autos and consumer can recover during the festive season as Virus effect is subsiding. We will add select opportunities.

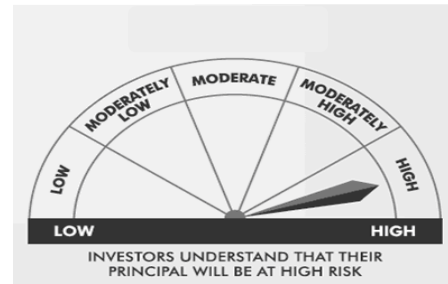
KSEMA WEALTH – MULTICAP INDIA OPPORTUNITIES

July 2021

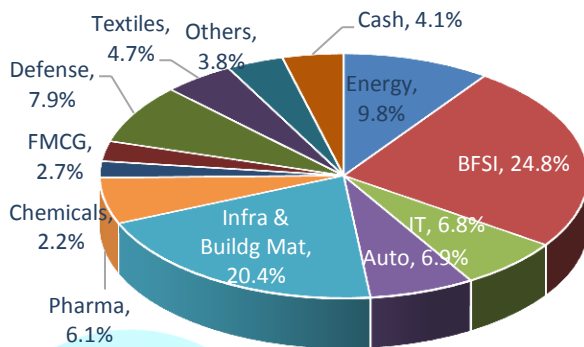
THEME

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

RISKOMETER



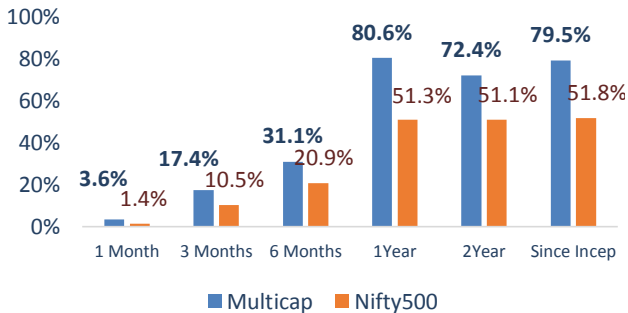
SECTORAL ALLOCATION



TOP HOLDINGS

Company Name	Holdings (%)
State Bank of India	4.85%
Larsen & Toubro Ltd	4.31%
ICICI Bank Ltd	3.89%
Reliance Industries Ltd	3.65%
Sterlite Technologies Ltd	3.38%
Cash	4.06%

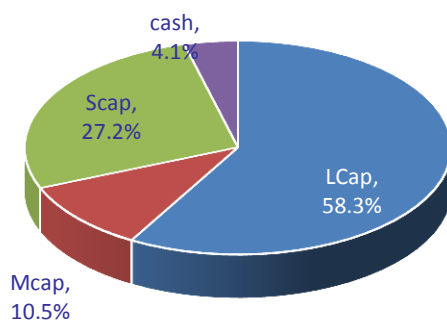
PERFORMANCE (%)



PERFORMANCE REVIEW

The portfolio continued to widen the outperformance with 4% gain. The specialty chemicals, textiles and power sector enabled the same. With the broader market attracting more interest from domestic funds, fundamentally sound companies saw PE expansion and our stocks benefitted out of it.

MARKET CAPITALISATION (%)



OUTLOOK

Mutual funds industry has raised about Rs 30K in Flexicap/Small Cap NFOs in the last two months. The deployment will continue in the coming few months as well and give boost to our theme. We will be fully invested and rotate into Mid cap IT/PSU Banks which have performed well in the first quarter and warrants re-rating.



KSEMA

WEALTH MANAGEMENT

KSEMA WEALTH MANAGEMENT PVT LTD

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