



KSEMA WEALTH PVT LTD

Ksema Wealth- Alpha

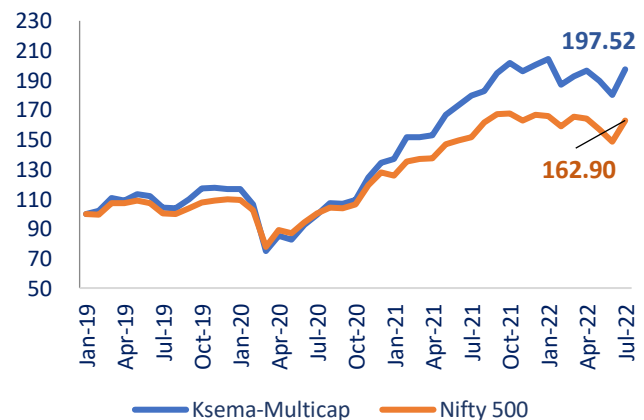
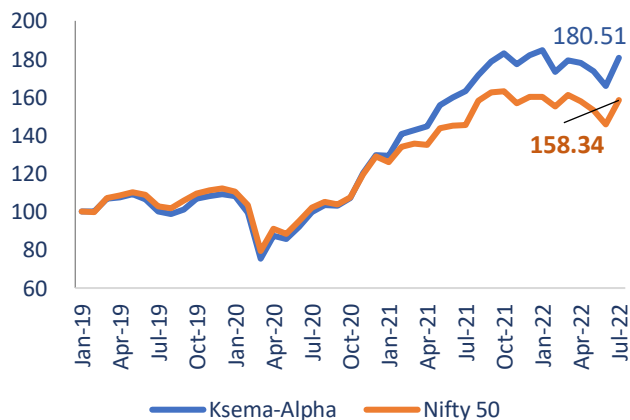
CAGR18.3%

Ksema Wealth-Multicap

CAGR21.5%

KSEMA WEALTH ALPHA- INDIA OPPORTUNITIES		
	Alpha	Nifty 50
Average Monthly return	1.63%	1.29%
Monthly maximum loss	-24.3%	-23.3%
Month of Maximum loss	Mar-20	Mar-20
Annualized Return	18.3%	14.0%
Annualized Volatility	22.1%	21.2%
% of winning months (against benchmark)	66.7%	na
% of gained months	67%	59.5%
YTD	0.63%	-1.75%
Sharpe (RF 7.5%)	0.49	0.31
Alpha	4.91%	na

KSEMA WEALTH MULTICAP- INDIA OPPORTUNITIES		
	Multicap	Nifty500
Average Monthly return	1.93%	1.37%
Monthly maximum loss	-29.6%	-24.3%
Month of Maximum loss	Mar-20	Mar-20
Annualized Return	21.5%	15.0%
Annualized Volatility	25.7%	21.6%
% of winning months (against benchmark)	66.7%	na
% of gained months	69%	61.9%
YTD	2.57%	-1.53%
Sharpe (RF7.5%)	0.54	0.35
Alpha	8.07%	na



KSEMA WEALTH PVT LTD

MARKET REVIEW & OUTLOOK

Global

The US real GDP decreased at an annual rate of 0.9 percent in the second quarter of 2022, following a decrease of 1.6 percent in the first quarter. The smaller decrease in the second quarter primarily reflected an upturn in exports and a smaller decrease in federal government spending. Inflation rose 9.1% in June, more than expected, as consumer pressures intensify. Excluding food and energy, core CPI rose 5.9%, compared with the 5.7% estimate. Costs surged for gasoline, groceries, rent and dental care.

In July the Fed raised its interest rate by 75bps, raising the fed fund rate to 2.25%. Fed chairman Powell has reiterated his strong commitment to return inflation to its 2% objective and a possible slower pace of increase in the coming months. The market has discounted two and half percent inflation over a year and moderate slowdown in growth.

U.K. inflation hit a new 40-year high of 9.4% in June as food and energy prices continued to soar, deepening the country's historic cost-of-living crisis. The Bank of England expected to increase the rates by 50 basis points, its largest single increase since 1995.

Inflation across the eurozone has reached a new all-time high of 8.9% in July, up from 8.6% in June. Prices in July continued to climb in most countries, pushed by the worsening disruption in global energy markets fuelled by Russia's invasion of Ukraine. The upward trend in gas prices has spilled over to other products, including fresh fruits and vegetables. The ECB has indicated it will continue hiking rates if the economic situation deteriorates, ditching the traditional forward guidance and embracing instead a meeting-by-meeting approach to decide its next steps.

The IMF has lowered its 2022 growth forecast for China from 4.4% to 3.3%. The downward revision was majorly attributed to the shutdown arising from the covid pandemic and outlook in the real estate sector. On the other hand, profits in the industrial sector in June grew 0.8% from a year earlier, rebounding from a 6.5% decline in May. Buoyed by easing pandemic curbs and government stimulus, June's data shows industrial firms are gradually coming back from painful supply chain disruptions in the second quarter.

India

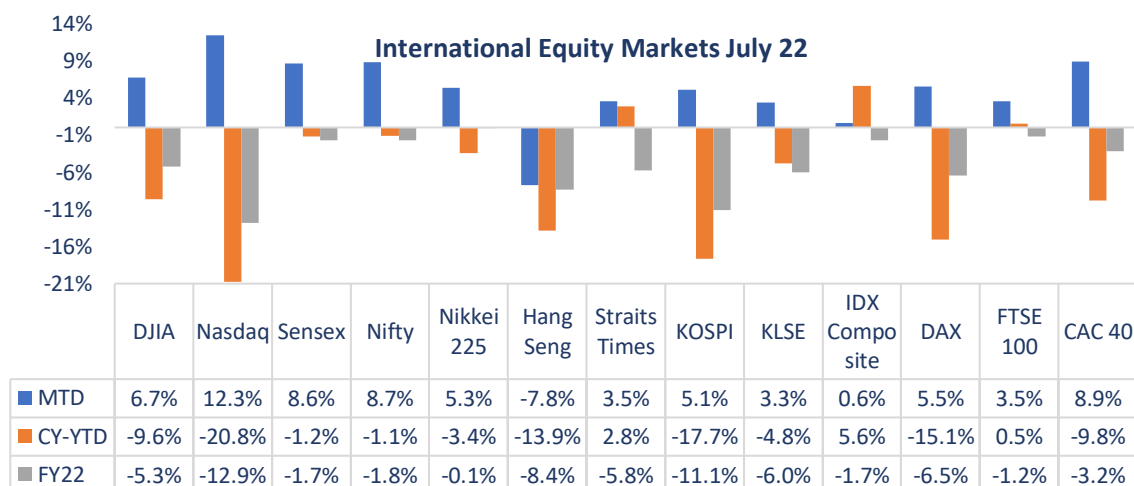
In July 2022, the Sensex stood at 57,570, registering a monthly return of 8.6% and was only the second month in CY22 to record a gain. In addition to the gain, the month demonstrated symmetry. Amongst the Nifty 50 stocks, twenty five stocks traded above the 200 DMA while twenty five traded below the 200 DMA and the biggest gainer Coal India registered 41% gain while the biggest loser was Tech Mahindra registering 41% loss.

As the Q1FY23 results season unfolds, top-line growth coupled with margin pressure is a visible theme. Most of the companies have missed their margin estimates. The softening of commodity prices is expected to boost profitability in H2FY23 and enable margin recovery. Based on this trend, many investors have turned positive and are buying on the dip, which supported the market this month.

The steel price correction is seen positively by the market. The price correction was enabled by the government's 15% export duty, domestic demand weakening, and inventory build-up. In addition, the market expects steel prices to correct 4-6% as they are trading at a premium compared to imported steel prices.

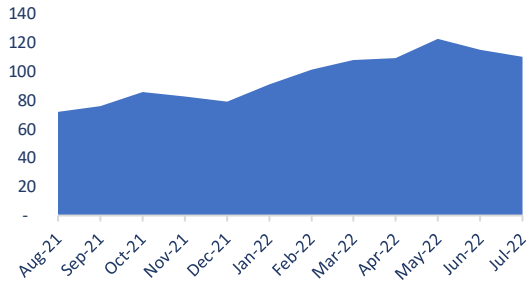
The expected steel price correction is positive for auto sector as steel is a major raw material. The positivity for the auto sector hinges on the steel price correction and semiconductor issue being resolved. The auto sector is upbeat about its demand scenario. For instance, Maruti has reported 70K bookings for its Brezza and M&M registered 100K booking in first 30 minutes.

While Nasdaq was the best performing market during the month, with 12% gain, Indian market was not too far with returns of more than 8.5%. The momentum has really changed with FPIs also turning buyer during the month as expected. With no revenue concerns, better margins going forward should see the corporate profits growth ranging between 15% -17%. The market is trading @ Peg of 1.05 and is expected to expand owing to flows from now till end of the year. Unless the Ukraine war or China-Taiwan issue escalates, we should see market catching its trajectory back.

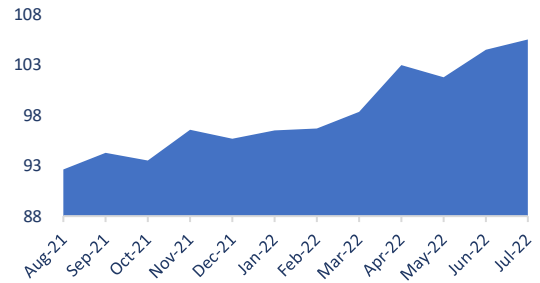


CHARTS OF THE MONTH

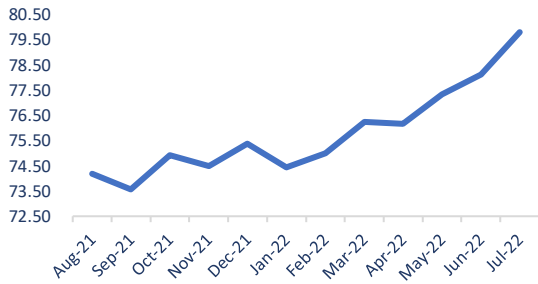
Crude Oil (USD/barrel)



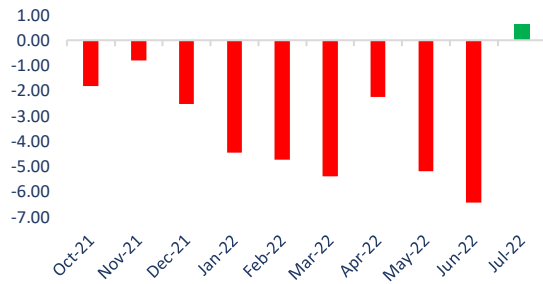
USD Index



INR/USD

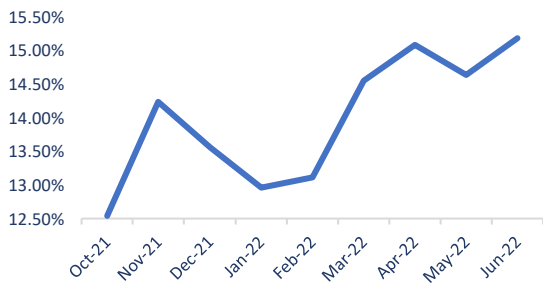


FII Net Investments (USD Bn)

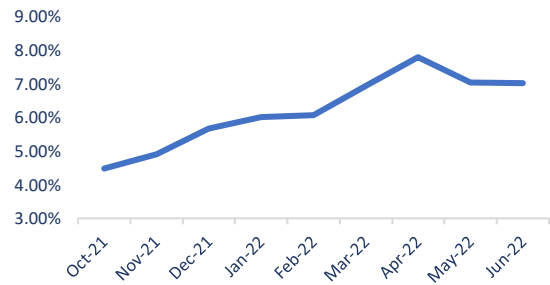


WEALTH MANAGEMENT

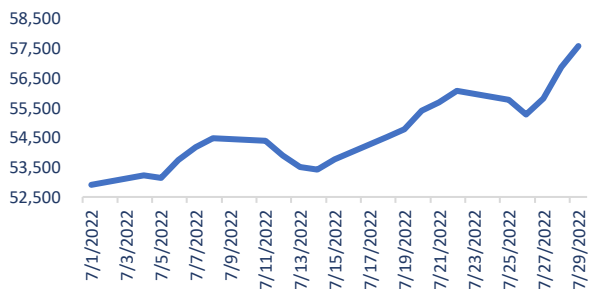
WPI



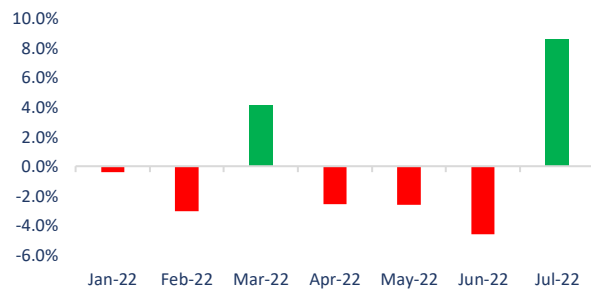
CPI



Sensex



Sensex Monthly return



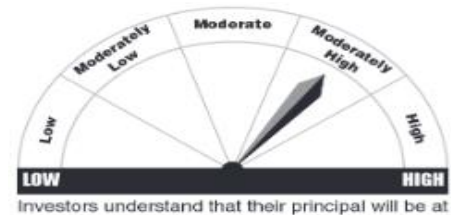
KSEMA WEALTH – ALPHA INDIA OPPORTUNITIES

July 2022

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.

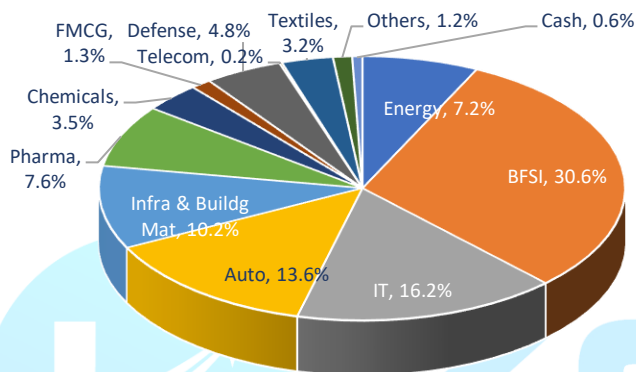
RISKOMETER



Moderately High Risk

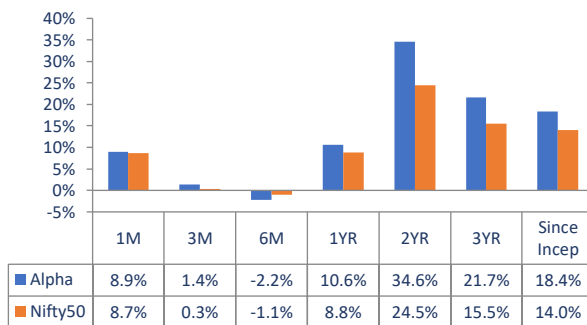
TOP HOLDINGS

SECTORAL ALLOCATION



Company Name	Holdings (%)
ICICI Bank Ltd	7.34%
State Bank of India	6.32%
Reliance Industries Ltd	6.10%
Larsen & Toubro Ltd	5.67%
TCS Ltd	4.69%
Cash	0.63%

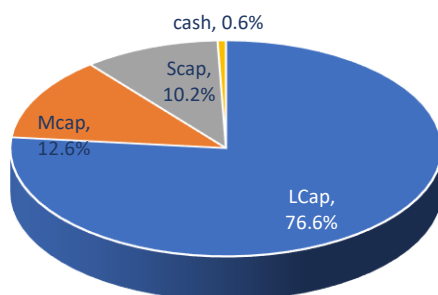
PERFORMANCE (%)



Performance Review

As informed in our previous month's report of positioning in favor of Autos and Ancillaries, enabled us to outperform the market in this month. The sector has started showing complete recovery. Also, the banks attracted FPIs buying, where we are overweight. In addition, certain small cap stocks which were picked for opportunistic trade paid well during the month.

MARKET CAPITALISATION (%)



OUTLOOK

With FPIs turning buyer and Fed terminal rate of 3.5%-3.75% in sight, Indian markets are likely to see further momentum in flows. This is likely to expand the multiple a bit. India is clearly coming out as potentially fastest growing economy for 2023 and 2024. This leaves little choice for the international investors. The private capex has just started showing signs of sprouting after a while. This will lengthen the growth cycle in the upcoming years. Stay invested!

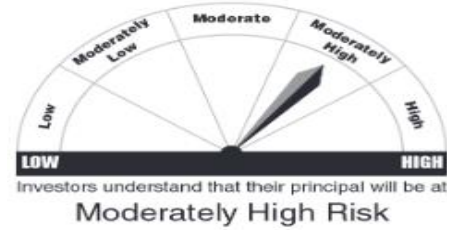
KSEMA WEALTH – MULTICAP INDIA OPPORTUNITIES

July 2022

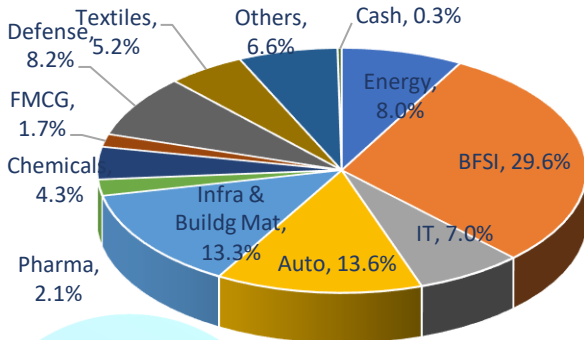
THEME

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

RISKOMETER



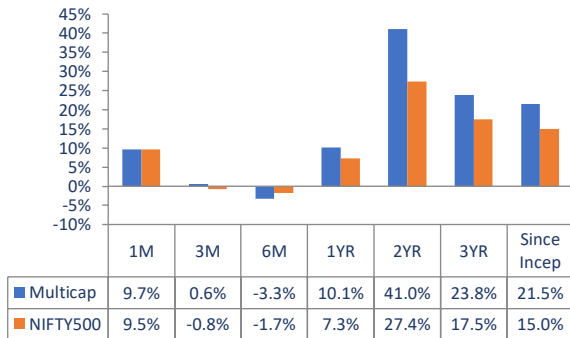
SECTORAL ALLOCATION



TOP HOLDINGS

Company Name	Holdings (%)
ICICI Bank Ltd	6.07%
State Bank of India	5.88%
Reliance Industries Ltd	4.72%
Larsen & Toubro Ltd	4.68%
Axis Bank Ltd	4.62%
Cash	0.27%

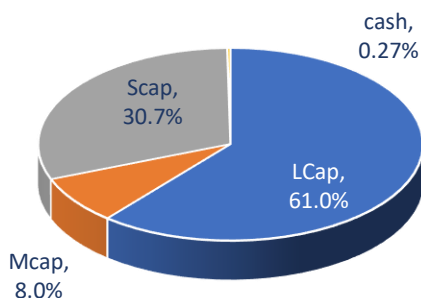
PERFORMANCE (%)



PERFORMANCE REVIEW

The portfolio continued to outperform in the uptrend as well. The positioning in Auto, Textiles and Banking stocks enabled the outperformance. Mid and small cap stocks that are fundamentally good saw renewed interest. These stocks recovery momentum was in multiple times of the large cap stocks. In our portfolio shuffling previous month we tactically moved from defensive stocks to certain picks in autos and textiles to capture the run.

MARKET CAPITALISATION (%)



OUTLOOK

With the worst behind us, we should see more FPIs flows into Indian markets. All commodities including Oil have declined from its previous high by more than 20%. With supply chain becoming normal we should see further normalization bringing the inflation under control. Barring the ongoing Ukraine war, the Indian economy and markets are in a sweet spot for long term investors. Increase the allocation towards equities with 2-3 year time frame.



KSEMA

WEALTH MANAGEMENT KSEMA WEALTH PVT LTD

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