KSEMA WEALTH MANAGEMENT PVT LTD

Ksema Wealth- Alpha

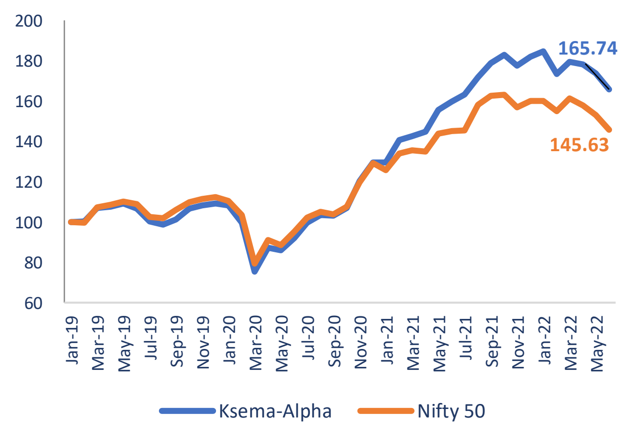
CAGR 15.9%

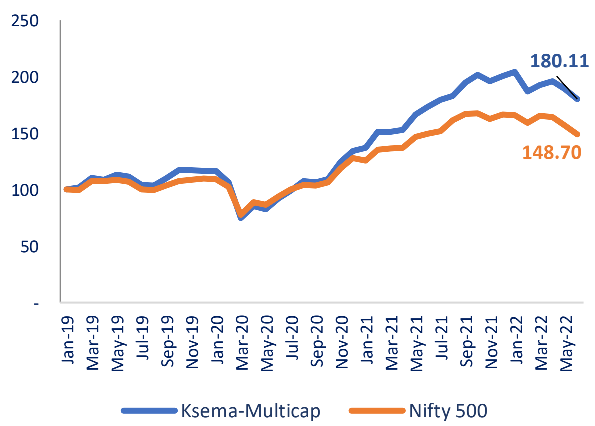
Ksema Wealth-Multicap

CAGR 18.8%

KSEMA WEALTH ALPHA- INDIA OPPORTUNITIES		
	Alpha	Nifty 50
Average Monthly return	1.45%	1.11%
Monthly maximum loss	-24.3%	-23.3%
Month of Maximum loss	Mar-20	Mar-20
Annualized Return	15.9%	11.6%
Annualized Volatility	22.0%	21.0%
% of winning months (against benchmark)	65.9%	na
% of gained months	66%	58.5%
YTD	-7.61%	-9.64%
Sharpe (RF 7.5%)	0.38	0.20
Alpha	4.68%	na

KSEMA WEALTH MULTICAP- INDIA OPPORTUNITIES		
	Multicap	Nifty500
Average Monthly return	1.74%	1.17%
Monthly maximum loss	-29.6%	-24.3%
Month of Maximum loss	Mar-20	Mar-20
Annualized Return	18.8%	12.3%
Annualized Volatility	25.7%	21.4%
% of winning months (against benchmark)	65.9%	na
% of gained months	68%	61.0%
YTD	-6.48%	-10.12%
Sharpe (RF 7.5%)	0.44	0.22
Alpha	7.52%	na





KSEMA WEALTH MANAGEMENT PVT LTD

MARKET REVIEW & OUTLOOK

Global

Inflation, signs of economic weakness, and growing fears of recession were the overarching themes that gripped the financial markets in June 2022.

At the helm, the US Fed has increased its rate thrice to 150 bps this year and the market is expecting additional aggressive rate hikes in the coming months. These Volcker-like measures are being undertaken with the only goal to tame inflation at any cost. This development is expected to drive the economy to a point where demand slows down to meet with supply, implying a risk of recession.

Despite the fears of recession growing, the possibility of a soft landing and not a hard one is being priced in. One school of thought dictates that upcoming macro-economic data would hinder the Fed from taking aggressive rate hikes in 2022. Factors such as deterioration in job market, negative market reactions, and monthly declining inflation would force the Fed to slow down its path of rate hikes. Therefore, the new consensus amongst the investment community is that a recession is impending, but it will be a shallow recession.

Covid-19 has begun to rear its ugly head once again and Governments across the world have increased their focus on healthcare. China has announced a new set of lockdowns in Xi'an and Shanghai due the outbreak of the BA.5.2 sub-lineage of the Omicron variant. Beijing continues to maintain a hard-line zero covid policy. This continues to destabilise the supply chain impacting the production lines across the world. Though the situation has improved significantly compared to the last quarter, the continued threat of lockdown, impact planning and the impending capex plans may see deferment.

The fear of recession amidst high inflation hit the markets very hard during the month of June with Korean and European markets seeing double digit decline. Hang Seng was the lone gainer, albeit after a steep decline in the past months. India though doing relatively better also witnessed close to 5% fall during the month.

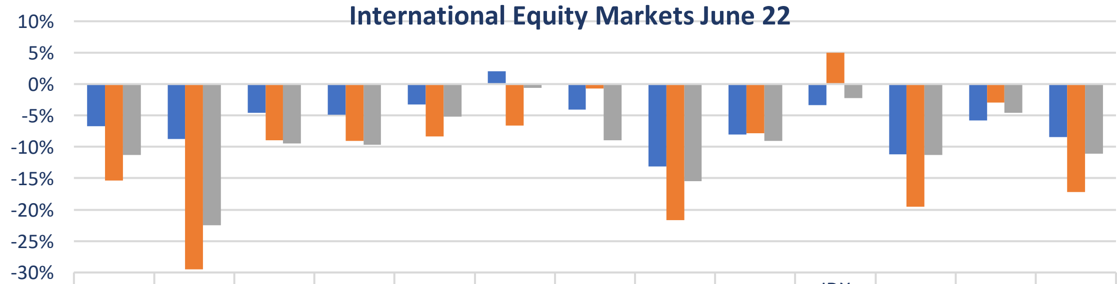
India

In June, the government announced many important policies which had a direct impact on the market sentiments. The government slapped a ₹23,230 per tonne additional tax on domestically produced crude oil to take away windfall gains accruing to producers from high international oil prices. The government has also announced its plans to rationalize non-capex expenditure, thereby avoiding fiscal slippages. Though these measures would increase the cost of goods, thereby inflation; these policies are aimed to moderate demand and achieve normalisation.

The trade deficit in June stood at USD 25.6 bn. This can be strongly attributed to the rising crude oil and coal imports; non-oil imports have increased as well. A significant portion of the deficit is due to the Oil and its derivatives, which has stood high and India is a large importer. The correction in the Oil price owing to recession fears are impending, while all the other commodities like copper, Aluminium have corrected 30%-40% from its high.

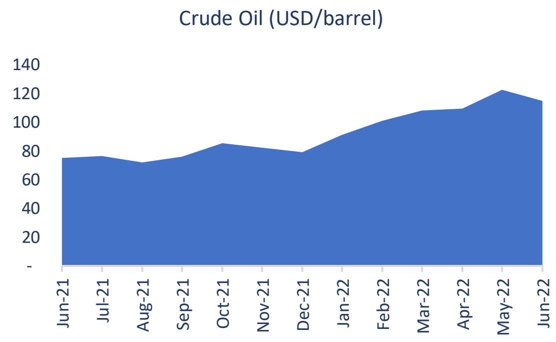
FII selling pressure took toll on the Indian markets. FIIs have been net sellers in the last nine consecutive months, translating to cumulative outflow of USD 33.5 bn. In June 2022, the net outflow was USD 6.4 bn. One of the reasons for FII pull outs is due to the declining returns in US portfolios which force fund managers to reduce exposure to EM such as India. The early part of July has seen the re-entry of FPIs though in a small way.

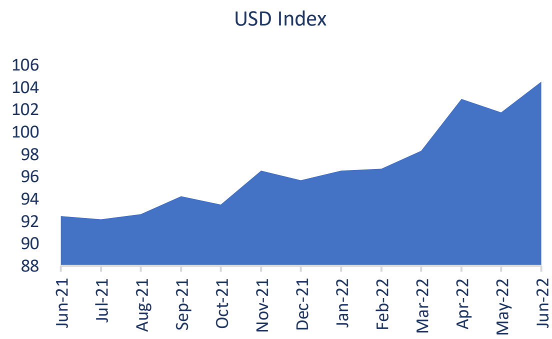
The markets in the past 4 months were overwhelmed with the concern of high growth amidst low interest rate scenario to potential recession amidst increasing interest rate situation. On the ground best run corporate re-strategize themselves to the new environment and capture new markets, address challenges, and expand their operations. We have seen M&M successfully launch new products, enter EV, Reliance in acquisition spree in Retail, Tatas expanding their steel, Hotels, and renewables and Adanis expand big way in infrastructure. Similarly, market will adjust itself and we need to position inline with the growth sectors and companies to capitalise the future growth.

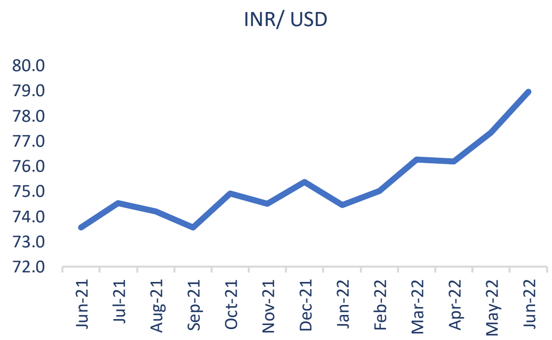


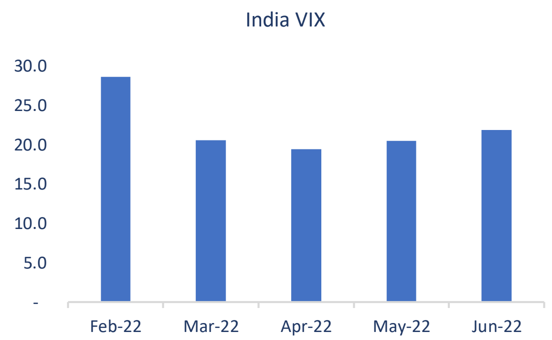
	DJIA	Nasdaq	Sensex	Nifty	Nikkei 225	Hang Seng	Straits Times	KOSPI	KLSE	IDX Composite	DAX	FTSE 100	CAC 40
MTD	-6.7%	-8.7%	-4.6%	-4.8%	-3.3%	2.1%	-4.0%	-13.2%	-8.0%	-3.3%	-11.2%	-5.8%	-8.4%
CY-YTD	-15.3%	-29.5%	-9.0%	-9.1%	-8.3%	-6.6%	-0.7%	-21.7%	-7.9%	5.0%	-19.5%	-2.9%	-17.2%
FY22	-11.3%	-22.4%	-9.5%	-9.6%	-5.1%	-0.6%	-9.0%	-15.4%	-9.0%	-2.3%	-11.3%	-4.6%	-11.1%

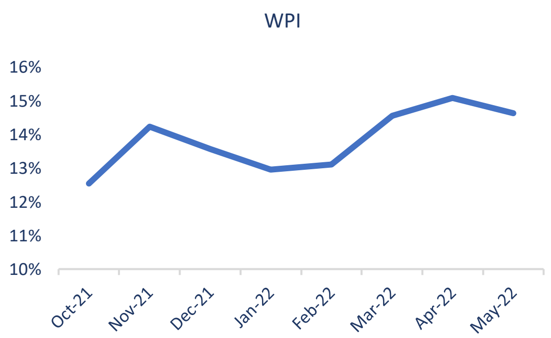
CHARTS OF THE MONTH

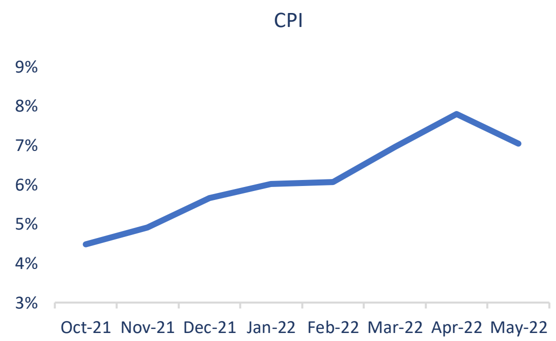


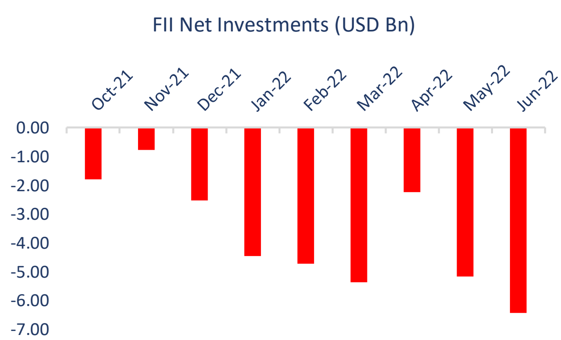


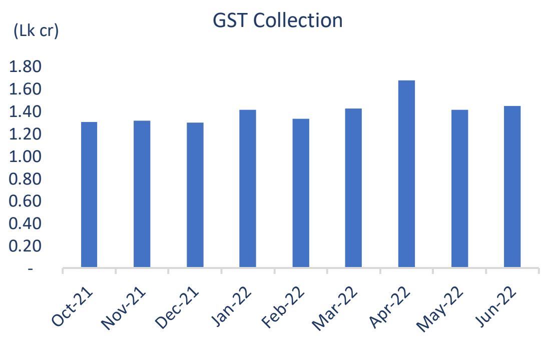












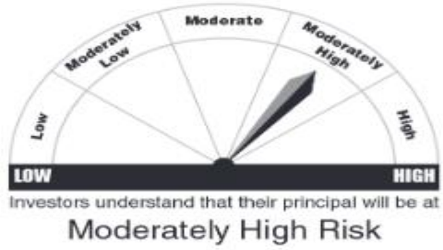
KSEMA WEALTH – ALPHA INDIA OPPORTUNITIES

June 2022

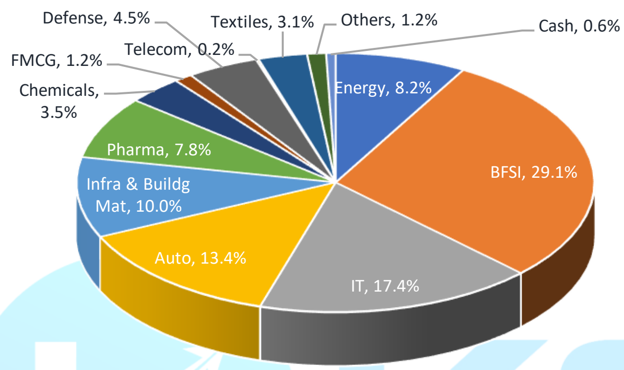
THEME

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



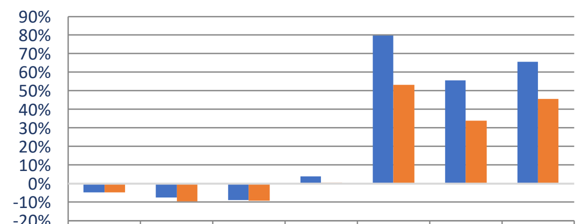
SECTORAL ALLOCATION



TOP HOLDINGS

Company Name	Holdings (%)
ICICI Bank Ltd	6.85%
Reliance Industries Ltd	6.82%
State Bank of India	6.02%
Larsen & Toubro Ltd	5.22%
TCS Ltd	5.00%
Cash	0.59%

PERFORMANCE (%)

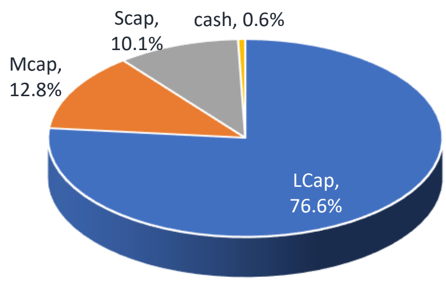


	1M	3M	6M	1YR	2YR	3YR	Since Incep
Alpha	-4.5%	-7.6%	-9.0%	3.8%	79.8%	55.5%	65.7%
Nifty50	-4.9%	-9.6%	-9.1%	0.4%	53.1%	33.8%	45.6%

Performance Review

The portfolio though lost during the month did outperform the benchmark. The Autos and ancillaries were instrumental in holding the portfolio during the volatile month. We took opportunity of the same and have reshuffled the portfolio by replacing part of the large cap defensive stocks with high growth textile and auto ancillary stocks. The upcoming results will see these stock picks to do well relative to the market.

MARKET CAPITALISATION (%)



OUTLOOK

With FPIs persistent selling showing signs of withering, the market is likely to hold and recover at a moderate pace. The Q1 results will give direction on the sectoral preferences. We feel Banking, Auto Anxillary, Textiles are likely to outperform others including IT & Pharma. This will give us edge to not only recover partial loss in the past 6 months but also widening the out performance against benchmark.

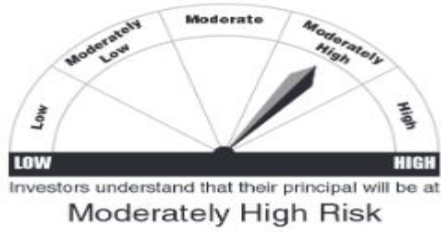
KSEMA WEALTH – MULTICAP INDIA OPPORTUNITIES

June 2022

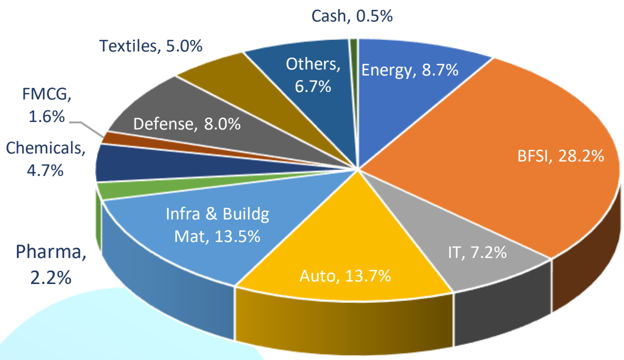
THEME

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

RISKOMETER



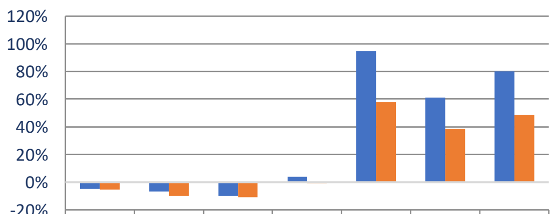
SECTORAL ALLOCATION



TOP HOLDINGS

Company Name	Holdings (%)
ICICI Bank Ltd	5.73%
State Bank of India	5.69%
Reliance Industries Ltd	5.25%
Larsen & Toubro Ltd	4.39%
Axis Bank Ltd	4.37%
Cash	0.54%

PERFORMANCE (%)

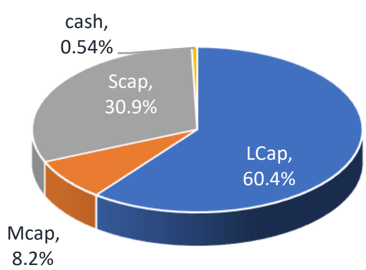


	1M	3M	6M	1YR	2YR	3YR	Since Incep
Multicap	-4.9%	-6.5%	-10.2%	4.0%	94.8%	61.2%	80.1%
Nifty500	-5.2%	-10.1%	-10.7%	-0.6%	58.0%	38.6%	48.7%

PERFORMANCE REVIEW

Multicap portfolio too outperformed the benchmark albeit in negative territory. The select Banking, Autos and ancillaries were instrumental in holding the portfolio during the volatile month. We have shuffled the portfolio by adding high growth textile and auto ancillary stocks in the place of select energy stocks. The upcoming results will see these stock picks to do well relative to the market.

MARKET CAPITALISATION (%)



OUTLOOK

The broader market had a hard time in the past 6 months, however the winners within the key sectors were resilient. We have identified some among these winners and have reshuffled our portfolio to take advantage of the recovery when it happens. We feel Banking, Auto Anxillary, Textiles and Defense picks would outperform rest of the markets. We have increased our weight towards the same and are positioned well for recovery.

KSEMA WEALTH MANAGEMENT PVT LTD

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