



# KSEMA WEALTH PVT LTD

Ksema Wealth- Alpha

CAGR 20.3%

Ksema Wealth-Multicap

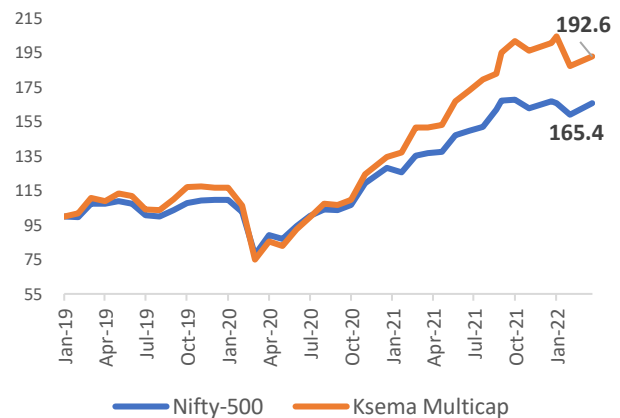
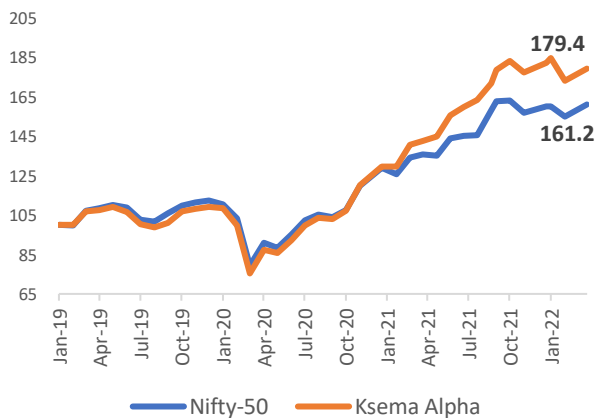
CAGR 23.0%

## KSEMA WEALTH ALPHA- INDIA OPPORTUNITIES

	Alpha	Nifty 50
Average Monthly return	1.77%	1.46%
Monthly maximum loss	-24.3%	-23.3%
Month of Maximum loss	Mar-20	Mar-20
Annualized Return	20.3%	16.3%
Annualized Volatility	22.5%	21.3%
% of winning months (against benchmark)	63.2%	na
% of gained months	71%	63.2%
YTD	25.76%	18.86%
Sharpe (RF 6%)	0.61	0.46
Alpha	4.94%	na

## KSEMA WEALTH MULTICAP- INDIA OPPORTUNITIES

	Multicap	Nifty500
Average Monthly return	2.05%	1.54%
Monthly maximum loss	-29.6%	-24.3%
Month of Maximum loss	Mar-20	Mar-20
Annualized Return	23.0%	17.2%
Annualized Volatility	26.2%	21.7%
% of winning months (against benchmark)	63.2%	na
% of gained months	71%	65.8%
YTD	27.15%	20.96%
Sharpe (RF 6%)	0.63	0.50
Alpha	8.18%	na



# KSEMA WEALTH PVT LTD

## MARKET REVIEW & OUTLOOK

### Global

A large part of Europe, the UK, the United States, China and Hong Kong have been witnessing a sharp rise in new cases of Covid-19 infections. The rising covid cases have been attributed to the omicron variant's subvariant BA.2 that has become transmissible, society opening more, and waning immunity from the COVID-19 vaccine or infection.

China's zero tolerance strategy aims to test many citizens and impose lockdowns when deemed essential. In April, China extended Covid-19 restrictions in its biggest city of Shanghai after new coronavirus cases surged to more than 13,000. China's top steelmaking city Tangshan implemented a temporary lockdown to avoid further cases of Covid-19 as infections surged. The impact of the lockdowns in China would be relatively muted if they are able to contain their outbreak. The Supply chain disruption fears have begun to resurface. The investment community begins to ponder if there is another health crisis awaiting us down the road?

The US Fed lifted its key rate to a target range of 0.25% to 0.5%, the first increase since 2018. Chairman Powell reiterated that the American economy is very strong and well positioned to handle tighter monetary policy. The investment community foresees an aggressive path ahead, with rate rises coming at each of the remaining six meetings in 2022. The rate hike is expected to have minimal impact on India due to the interest rate differential and more than surplus liquidity in the system.

The fears of rising crude prices were exasperated by the Russia Ukraine conflict. The prices soared as high as USD 137/bbl before settling to USD 108/bbl. President Biden's announcement of the U.S.'s largest ever emergency release of oil - 180 million barrels over six months - from the country's Strategic Petroleum Reserve and the United Arab Emirates' agreement to a U.N. brokered truce in Yemen cooled off oil prices.

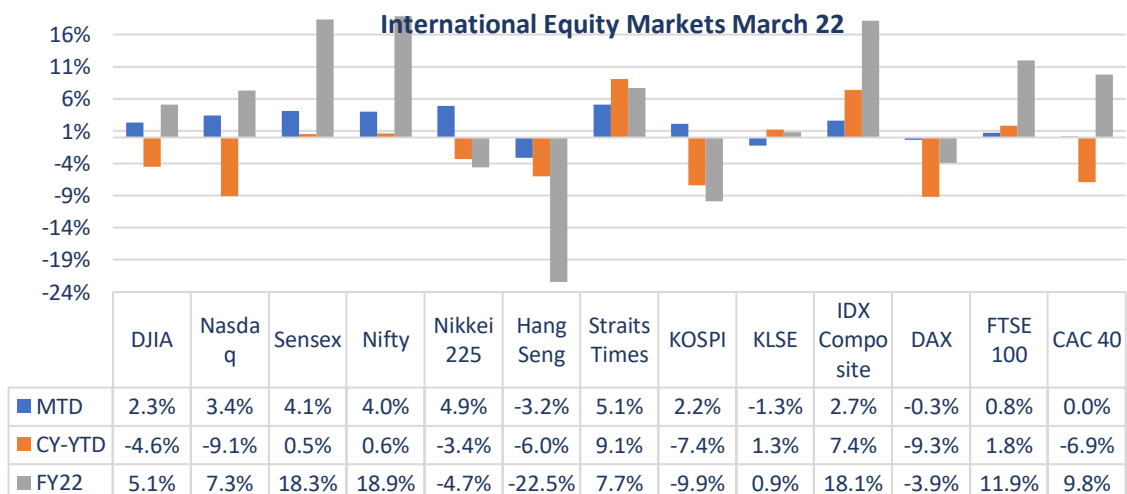
Markets across the USA and Europe reported recovery from the February slump, however, remains in negative territory for the year. Faster resolution for a normalcy is warranted for further upside in the equity markets.

### India

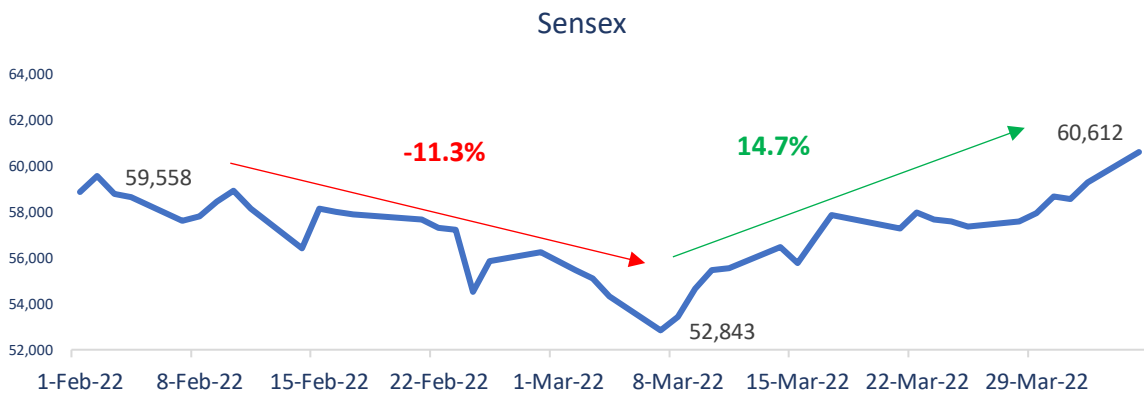
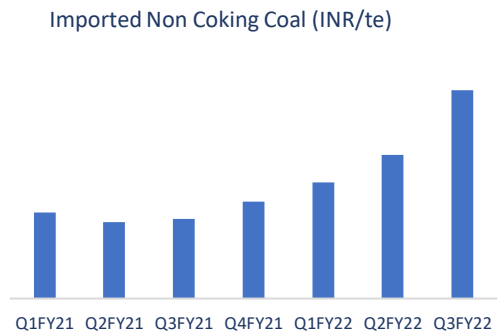
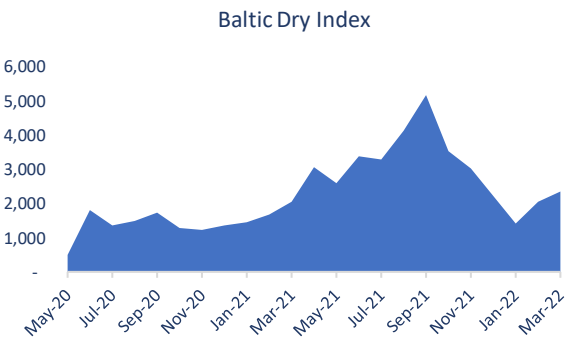
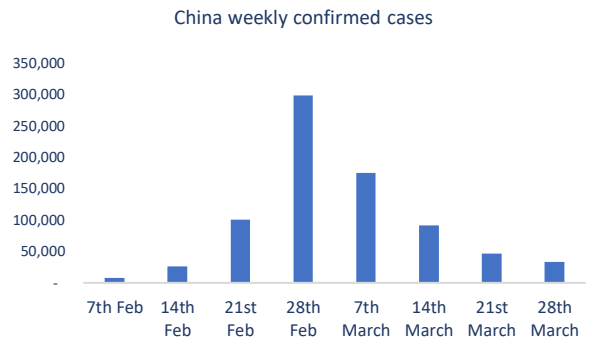
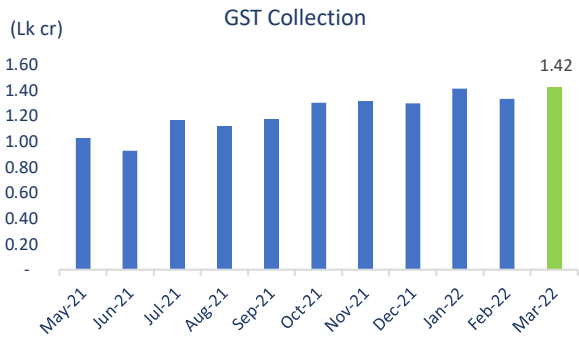
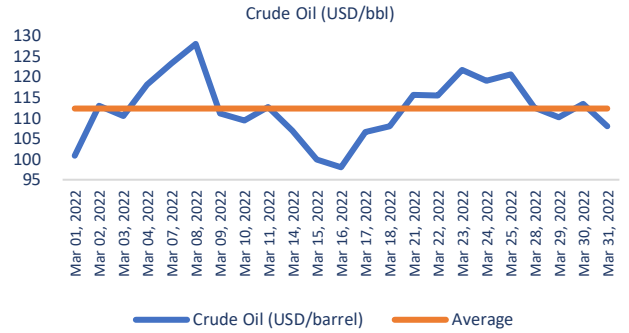
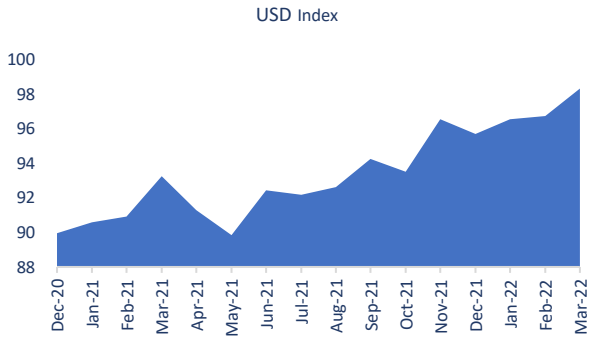
The Financial Year 2021-2022 was marked with a 18% return in Indian Equity markets. Though the year began with the disturbing second wave of Covid, the subsequent vaccination rate and preparedness by the health care industry enabled a sail through during the third wave. India could avoid a lockdown during this period and business was as usual. This enabled better growth for corporate and the economy. The black swan was the Ukraine-Russia conflict which is threatening slowdown and inflationary pressure. Given the ongoing bottom-line concerns due to the rising cost pressures in every industry, coupled with the newly factored impact of Russia-Ukraine conflict; the markets might remain rangebound in the near future.

Commodity pressure on India Inc continues without an end in sight. The price of imported non coking coal increased from USD 64/te in January 2021 to USD 141/te in January 2022; while price of petcoke increased from Rs 12,783/te in July 2021 to 17,980/te in March 2022. The price of steel rebar and iron ore increased 8%-10% in the past three months. The heat of rising crude oil prices is beginning to be felt across the spectrum in India as well. India imports about 85 per cent of its crude oil requirements. The rising metal and fuel prices will impact the margins and earnings in the current and coming quarters.

India's CPI has been above the 6.0% (upper band) for past two consecutive months and rising inflation in the street has been a concern as well. RBI has rightly indicated change of stance in the forthcoming meetings leading to rise in rates. On the other hand the normalisation of semiconductor supply, easing supply chain and ease of travel restrictions should bring back certain industries to its feet. The domestic cyclicals are likely to do well in the FY23 compared to the last two years. The banking credit is likely to surpass double digit in the coming quarter showing signs of broader economic swing. Market is likely to reflect the corporate profitability growth in the region of 15% -18% in the year ahead. There could be slight squeeze in the valuation multiple due to uncertainty created by war & geopolitics.



## CHARTS OF THE MONTH



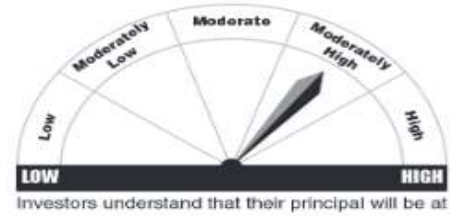
# KSEMA WEALTH – ALPHA INDIA OPPORTUNITIES

March 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.

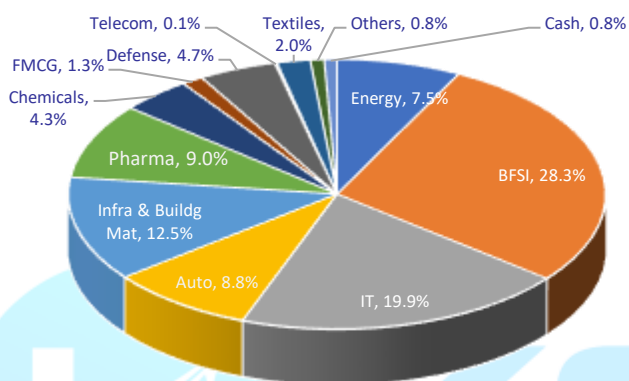
## RISKOMETER



**Moderately High Risk**

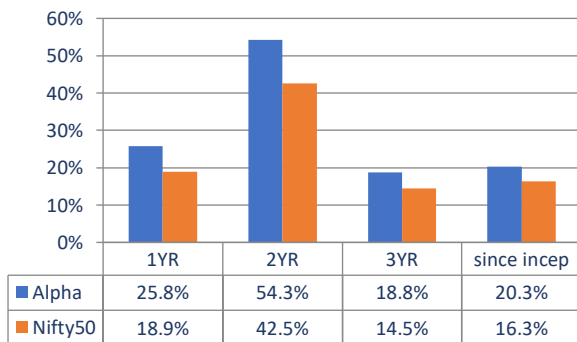
## TOP HOLDINGS

## SECTORAL ALLOCATION



Company Name	Holdings (%)
ICICI Bank Ltd	6.05%
Reliance Industries Ltd	5.95%
State Bank of India	5.87%
Larsen & Toubro Ltd	5.45%
Infosys Ltd	5.09%
Cash	0.76%

## PERFORMANCE (%)

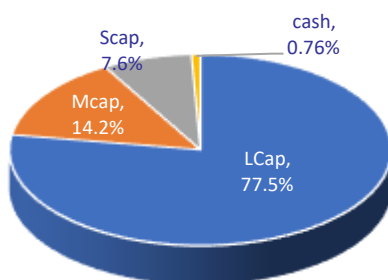


>1 yr is CAGR

## Performance Review

During the FY 2022, Ksema Wealth-Alpha outperformed the benchmark widely, and continues to generate alpha. The prudent stock pick and perseverance has played well in keeping up with the outperformance. While Covid played spoil sport in 2021, the geopolitics spoiled the party in 2022. However, the conviction on the stocks that we hold enabled to pass through the disturbances and stand tall.

## MARKET CAPITALISATION (%)



## OUTLOOK

We are entering the new financial year amidst the higher inflation and middle of the war between Russia and Ukraine. No one wants a prolonged war and so we opine that it will end in few weeks. This will bring back the inflation to normal levels and relieve the supply chain constraints. On the domestic front economy has started showing signs of upward trajectory with cyclicals expected to do well. We are optimistic that growth will pickup broadly in 2023 and index companies aggregate profits could post 18% growth.

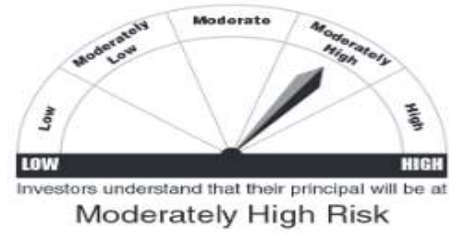
# KSEMA WEALTH – MULTICAP INDIA OPPORTUNITIES

March 2022

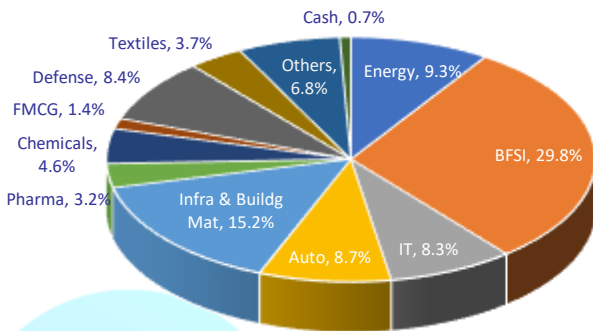
## THEME

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

## RISKOMETER



## SECTORAL ALLOCATION

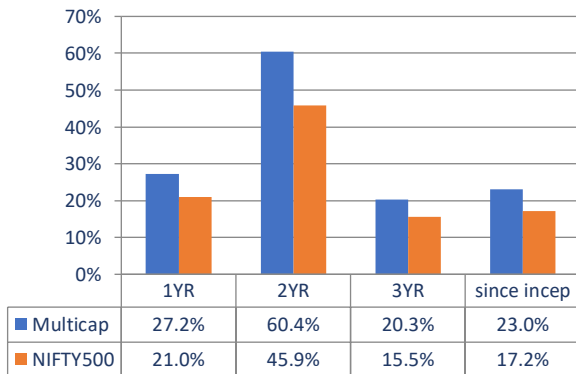


## TOP HOLDINGS

Company Name	Holdings (%)
State Bank of India	5.70%
ICICI Bank Ltd	5.34%
Reliance Industries Ltd	5.04%
Axis Bank Ltd	4.89%
Larsen & Toubro Ltd	4.69%
Cash	0.74%



## PERFORMANCE (%)

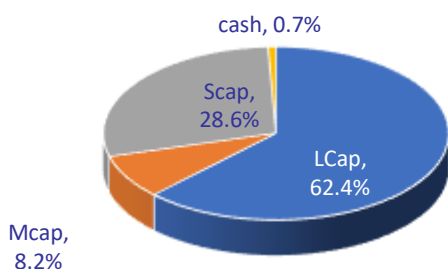


>1 yr is CAGR

## PERFORMANCE REVIEW

The Ksema Wealth -Multicap representing the broader market too outperformed with a wide margin since its inception and on a rolling basis. This shows the consistency in its management and some of its stock picks have been multi baggers despite the unstable environments marred by war and Covid. India has tremendous potential in the Mid-Small cap companies aiming to be big and it augurs well for stock pickers like us.

## MARKET CAPITALISATION (%)



## OUTLOOK

As stated earlier though we are entering the new financial year amidst war and inflation, the domestic economic prospects looks brighter than before. The banking sector is cleaned, steel & cement sector are running in optimal capacity, infra projects are running in neck speed, IT sector flooded with orders, new age companies are capturing more webspace in addition to PLI and China plus one playing its own side innings. Mid-Small caps are likely to outperform Large cap in coming year too.



# KSEMA

WEALTH MANAGEMENT

**KSEMA WEALTH PVT LTD**

**THE HIVE-VR CHENNAI, 3<sup>RD</sup> FLOOR JAWAHARLAL NEHRU ROAD, THIRUMANGALAM, ANNA NAGAR, CHENNAI- 600040, TAMILNADU,  
INDIA.PH NO: 9500069609**

**[www.ksemawealth.com](http://www.ksemawealth.com)**

**Disclaimer:** This presentation is for information purposes only and is not an offer to sell or a solicitation to buy any Securities. The views expressed herein are based on the basis of internal data, publicly available information & other sources believed to be reliable. Any calculations made are approximations meant as guidelines only, which need to be confirmed before relying on them. These views alone are not sufficient and should not be used for the development or implementation of an investment strategy. It should not be construed as investment advice to any party. All opinions and estimates included here constitute our view as of this date and are subject to change without notice. Neither Ksema Wealth Private Limited, nor any person connected with it, accepts any liability arising from the use of this information. The recipient of this material should rely on their investigations and take their own professional advice