



# Invesco India DAWN Portfolio

(DAWN: D - Demand Recovery across cyclical & consumer discretionary sectors, A - Attractive valuation to provide margin of safety, W - Winning companies on the cusp of a new demand cycle leading to operating & financial leverage efficiencies, N - New credit & investment cycle to provide a boost to earnings recovery)

## Investment Objective

To generate capital appreciation by investing in companies available at reasonable valuations.

## Key Facts

### Portfolio Manager & Experience

Mr. Sameer Narayan

Total Experience: 20 yrs.

Managing this portfolio since Sept 03, 2020

### Investment Approach Inception Date

August 28, 2016

### Investment Universe

Equity & Equity Related Instruments, Money Market Instruments, Units of Liquid, Money Market and Overnight Mutual Fund Schemes and Cash & Cash Equivalents

### Indicative Asset Allocation

Instruments	% Allocations
Equity & Equity Related Instruments	65% to 100%
Money Market Instruments, Units of Liquid, Money Market and Overnight Mutual Fund Schemes and Cash & Cash Equivalents	0% to 35%

### Benchmark & Rationale

#### S&P BSE 500

The S&P BSE 500 index consist of top 500 listed companies covering all major sectors in the Indian economy thus providing a broad representation of the listed companies.

### Investment Horizon

The portfolio is suitable for investors seeking long term wealth creation by investing in equities with an investment horizon of 4 years and above.

### Risk Factors

The portfolio may underperform the broad market if the cyclical recovery in sectors and stocks takes a longer than anticipated. The benefits of operating and financial leverage may not materialize as expected. Also, value investing involves the risk that the market may not recognize a security's intrinsic value for a long time, or that a security thought to be undervalued may be appropriately priced when purchased. Also, adverse tactical asset allocation between equity & cash could affect the performance of the portfolio. This portfolio is recommended for investors with higher risk appetite seeking long term capital appreciation.

### Subscription

**Minimum Investment:** ₹50 Lacs

**Mode:** Funds and/or Stock Transfer

## Investment Strategy

The focus of this portfolio would be on identifying sectors & stocks which are expected to benefit from revival in cyclical recovery. Cyclical Recovery refers to a period of transition from recession to expansion as part of business cycle which is affected by ups & downs in the overall economy. The Portfolio will also favour companies that will benefit from operating /financial leverage. Operating & Financial Leverage refers to Companies ability to make more operating profit & net operating profit from each additional sale as demand recovers. In addition, investments would be made in companies which are out of favour & are available at a discount to their fair/ intrinsic value. For selection of stocks, the portfolio would lay emphasis on mean reversion & value style investing with focus on companies with quality business models & management. The portfolio will follow bottom up stock selection approach, without bias towards market capitalization or sector. The portfolio would generally comprise of 10 - 25 stocks.

## Cumulative Performance

In %	1 mth	3 mths	6 mths	1 year	2 yrs.	3 yrs.	5 yrs.	7 yrs.	10 yrs.	Since Inc.
<b>Investment Approach</b>	1.44	4.10	16.09	-4.61	0.71	-3.29	N.A	N.A	N.A	-3.69
<b>S&amp;P BSE 500</b>	2.45	6.06	19.61	-1.12	4.69	1.65	N.A	N.A	N.A	3.55

**Since Inc.:** Since Inception. **N.A.:** Not Applicable

## Calendar Year Performance

In %	YTD	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
<b>Investment Approach</b>	-6.88	6.81	-11.55	0.86^^	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.
<b>S&amp;P BSE 500</b>	-2.89	7.75	-3.08	9.34^^	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.	N.A.

^^ From August 28, 2017

**Past performance may or may not be sustained in future.** Returns up to 1 year are absolute & over 1 year are Compounded Annualized. **Return Calculation Method:** Time Weighted Rate of Return (TWRR). Investment Approach aggregate level return has been calculated after taking into account all applicable expenses (including applicable exit load) & charges across client portfolios. The performance related information is not verified by SEBI.

## Portfolio Holdings

Company Name	% of Net Assets
ICICI Bank Ltd.	8.14
Reliance Industries Ltd.	8.07
Infosys Ltd.	8.03
Tech Mahindra Ltd.	6.11
UltraTech Cement Ltd.	5.40
Axis Bank Ltd.	5.39
Bharti Airtel Ltd.	4.53
Cipla Ltd.	4.29
United Spirits Ltd.	3.91
Timken India Ltd.	3.89
Apollo Hospitals Enterprises Ltd.	3.66
SBI Cards & Payment Services Ltd.	3.53
KNR Constructions Ltd.	3.35
Bharat Petroleum Corporation Ltd.	3.19
Tvs Motor Company Ltd.	3.12
Container Corporation Of India Ltd.	2.73
Whirlpool of India Ltd.	2.56
Tata Steel Ltd.	2.55
Tata Metaliks Ltd.	2.45
Havells India Ltd.	2.42
Torrent Power Ltd.	2.42
Motilal Oswal Financial Services Ltd.	1.56
Equitas Holdings Ltd.	1.32
<b>Total Equity Exposure</b>	<b>92.61</b>

## Theme Split

Theme	% of Net Assets
Cyclical Recovery	33.95
Operating & Financial Leverage	33.73
Value	24.92

## Sector Allocation

Sector Name	% of Net Assets
Financials	19.93
Information Technology	14.13
Industrials	12.39
Energy	11.26
Materials	10.40
HealthCare	7.95
Consumer Discretionary	5.68
Communication Services	4.53
Consumer Staples	3.91
Utilities	2.42
<b>Cash &amp; Cash Equivalent</b>	<b>7.39</b>

## Portfolio Fundamentals

Dividend Yield <sup>1</sup>	0.48%
Price to Earnings <sup>1</sup> FY 20	25.95
Price to Earnings <sup>1</sup> FY 21 Estimate	23.70
Price to Earnings <sup>1</sup> FY 22 Estimate	17.76
2 Year EPS CAGR (FY20-FY22) <sup>2</sup>	19.56%
Return on Assets <sup>1</sup> FY 21 Estimate	3.10%
Return on Equity <sup>1</sup> FY 21 Estimate	11.23%

**Source:** Factset, Internal.

1. Weighted Harmonic Mean. 2. EPS Growth is derived from P/E ratios. Note: Excludes companies with net loss for appropriate results for various ratios. EPS: Earnings per share.

## Performance Attributes

Standard Deviation:	6.62%
Beta:	1.03
Sharpe Ratio:	-0.05

Based on 3 yrs., monthly data points (Risk-free rate of 3.48% based on Overnight MIBOR)

## Market Capitalization

Large Cap:	68.3%
Mid Cap:	13.3%
Small Cap:	11.0%
Avg. Weighted Market Capitalization	₹213,756 crs.
Median Market Capitalization	₹45,567 crs.

**Large Cap:** 1st 100 company in terms of full market capitalization. **Mid Cap:** 101<sup>st</sup> to 250<sup>th</sup> company in terms of full market capitalization. **Small Cap:** 251<sup>st</sup> company onwards in terms of full market capitalization.

**Direct Onboarding:** We do offer direct onboarding of clients, please write to us at [pms@invesco.com](mailto:pms@invesco.com) for more details.

**Disclaimer: Past performance may or may not be sustained in future.** Invesco Asset Management (India) Private Ltd. ("IAM") / "Portfolio Manager" does not offer guaranteed or assured returns. Returns up to 1 year are absolute & over 1 year are Compounded Annualized. **Return Calculation Method:** Time Weighted Rate of Return (TWRR). Investment Approach aggregate level return has been calculated after taking into account all applicable expenses (including applicable exit load) & charges across client portfolios. The above returns may be subject to charging of expenses & charges at the time of closure of books of client accounts on periodic basis. The performance related information is not verified by SEBI. All portfolio data provided above is for model portfolio. Returns & Portfolio of client wise portfolio may vary vis-à-vis as compared to Investment Approach aggregate level returns due to various factors viz. timing of investment / additional investment, timing of withdrawals, specific client mandates, variation of expenses charged & dividend income. The stocks referred above should not be construed as recommendations from IAM. The Portfolio may or may not have any present or future positions in these stocks or in any other portfolios offered by IAM. The performance of above stocks should not be construed as performance of the portfolio as the portfolio would be constituted of number of stocks having different weights and the individual stock held by the portfolio may or may not give positive returns. **Securities investments are subject to market risks, please read the Disclosure Document carefully before investing.**