

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.

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.

Key Facts

Portfolio Manager & Experience

Mr. Neelesh Dhamnaskar

Total Experience: 18 yrs.

Managing this portfolio since July 09, 2022

Investment Approach Inception Date

From August 28, 2017

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%

* The portfolio may have exposure to derivatives up to 30% of the portfolio value in accordance with guidelines issued by SEBI. The asset allocation pattern indicated above may change from time to time, keeping in view market conditions. It must be clearly understood that the percentages stated above are only indicative and not absolute and that they can vary substantially depending upon the perception of market conditions of the Portfolio Manager, the intention being at all times to seek to protect the interests of the Client. Such changes in the asset allocation pattern will be for defensive considerations.

Strategy: Equity

Benchmark & Rationale

S&P BSE 500 TRI

S&P BSE 500 TRI benchmark includes the top 500 companies in the listed space in India and is a broad representation of the listed companies in India, across sectors and market capitalization range; an appropriate representative of the universe of stocks that the portfolio endeavors to invest in.

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

Direct Onboarding: We do offer direct onboarding of clients, please write to us at 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. Pursuant to SEBI Circular dated December 16, 2022, new benchmark has been adopted with effect from April 1, 2023 and accordingly benchmark returns are provided for new benchmarks across all periods. 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.**

As on Date Performance (as on Feb 29, 2024)

In %	1 mth	3 mths	6 mths	1 year	2 yrs.	3 yrs.	5 yrs.	Since Inc.
Investment Approach	-0.03	12.62	21.40	38.33	21.92	21.22	18.48	11.38
S&P BSE 500 TRI	1.66	11.93	18.86	39.47	19.79	19.46	18.99	15.32

Since Inc.: Since Inception.

Calendar Year Performance (as on Feb 29, 2024)

In %	2024	2023	2022	2021	2020	2019	2018	2017
Investment Approach	4.00	27.96	7.81	36.26	8.26	6.81	-11.55	0.86 ^{^^}
S&P BSE 500 TRI	3.61	26.55	4.77	31.63	18.41	8.98	-1.81	9.55 ^{^^}

^{^^}From August 28, 2017

Past performance may or may not be sustained in future. Pursuant to SEBI Circular dated December 16, 2022, new benchmark has been adopted with effect from April 1, 2023 and accordingly benchmark returns are provided for new benchmarks across all periods. 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 (as on Feb 29, 2024)

Top 10 Holdings

Company Name	% of Net Assets	Sector Name	% of Net Assets
ICICI Bank Ltd.	6.5	Financials	29.8
Hindustan Aeronautics Ltd.	6.0	Consumer Discretionary	18.3
Tata Motors Ltd.	5.6	Industrials	14.9
Rural Electrification Corp Limited	5.1	Materials	7.3
Axis Bank Ltd.	5.0	Utilities	6.3
UltraTech Cement Ltd.	4.7	Consumer Staples	5.9
Larsen & Toubro Ltd.	4.5	Information Technology	4.4
Infosys Ltd.	4.4	Energy	3.9
Zomato Ltd.	4.0	Communication Services	3.0
HDFC Bank Ltd.	3.9	Cash & Cash Equivalent	6.2
Total Equity Exposure	93.8		

Theme Split

Theme	% of Net Assets
Cyclical Recovery	33.3
Value	32.1
Operating Leverage	18.2
Operating & Financial Leverage	10.3

Market Capitalization

Large Cap:	71.6%
Mid Cap:	13.5%
Small Cap:	8.7%
Avg. Weighted Market Capitalization	₹279,799 crs.
Median Market Capitalization	₹120,810 crs.

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

Portfolio Fundamentals

Dividend Yield ¹	0.34%
Price to Earnings ¹ FY 23	28.82
Price to Earnings ¹ FY 24 Estimate	21.45
Price to Earnings ¹ FY 25 Estimate	18.67
2 Year EPS CAGR (FY23-FY25) Estimate ²	22.16%
Return on Assets ¹ FY 24 Estimate	3.28%
Return on Equity ¹ FY 24 Estimate	16.63%
Return on Equity ¹ FY 25 Estimate	16.95%

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	3.85%
Beta:	0.94
Sharpe Ratio	0.30

Based on 3 yrs., monthly data points (Risk-free rate of 6.80% based on Overnight MIBOR)