



Ampersand Growth Opportunities Fund Scheme – 1

FUND UPDATE: October 2024

Fund objective and strategy

Ampersand Growth Opportunities Fund Scheme-1 (AGOFs) seeks to generate long term capital appreciation by investing in a portfolio of listed equity and equity related securities. AGOFs will follow a multi-cap strategy focusing on investment opportunities across the growth themes with a typical portfolio of 30-35 stocks.

Fund facts

Fund Size	Inception Date	Unit NAV	Unit Face Value	Benchmark	Category
INR 808.6cr	25 SEP 2017	INR 492.6	INR 100	S&P BSE 500	Multi-cap

Fund Performance: A rare contraction, but recurring outperformance

Ampersand fund NAV declined 2.3% in October, but yet again performed ahead of benchmark BSE 500, as well as major indices. The contraction was due to some of our core holdings correcting in line with market trends, partly cushioned by gains in select stocks which emerged as new winners.

Our performance across various time periods illustrates consistent and strong showing. Since inception in Sept 2017, our fund has delivered over 25.2% CAGR, well ahead of all major indices.

Table 1: Fund and Market Performance

Returns	1 Month	3 Months	6 Months	1 Year	3 Year CAGR	5 Year CAGR	Inception CAGR
AGOFs NAV	-2.3%	2.6%	20.9%	75.3%	30.5%	32.7%	25.2%
BSE 500	-6.5%	-3.9%	7.8%	34.3%	14.2%	18.4%	14.3%
Nifty 50	-6.2%	-3.0%	7.1%	26.7%	11.1%	15.3%	13.3%
Nifty Midcap 100	-8.1%	-6.3%	8.7%	42.2%	22.0%	26.9%	16.7%
AGOFs NAV*							492.6

* NAV (post expenses & taxes paid till date), Class & Series-wise NAV may differ

Table 2: Portfolio Metrics

Valuation		Risk	
PE	45.0	Standard Deviation *	18.31
PEG ratio	1.36x	Beta	0.89
PB	10.0	Sharpe Ratio	1.34
ROCE *	21.9	Capture Ratio	1.7x

PE, PB & ROCE calculated based on FY25 estimated values. *ROCE for portfolio is calculated ex-financials.

*Annualised standard deviation of returns has been calculated.



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Top holdings have undergone performance based alterations

Our Top-5/10 holdings account for ~22% and ~40% of corpus respectively, which is higher compared to the previous month. This was mostly due to relative outperformance of our core holdings, mainly MCX, Motilal Oswal and Divis.

Our core holdings list also underwent a few alterations, both due to relative outperformance of Kirloskar Pneumatic and ICICI versus Polycab as well as trimming of position (Piramal Pharma).

Table 3: Top Holdings

Company	% Weight	Company	% Weight
Trent	4.8%	Kirloskar Pneumatic	3.9%
Motilal Oswal Financial	4.7%	TARC	3.6%
MCX	4.6%	OFSS	3.5%
Divi's Labs	4.0%	Varun Beverages	3.5%
ICICI Bank	4.0%	Zomato	3.3%
Top 5	22.2%	Top 10	40.0%

Sectoral allocation slightly altered, but mostly market led

Our allocation to Energy Equipment & Utilities have inched up as top preference followed by Financials, pushing down Technology to the third slot. All of this is mostly due to relative performance of constituent stocks. Positioning in Healthcare has decreased a tad due to trimming of a single stock position, but could be temporary. Real estate too has been pushed down the ladder, purely due to relative performance.

Our weights related to market cap classification witnessed minor alterations, with small caps moving up a tad due to relative outperformance.

Our cash and equivalents are the highest in several months, due to profit taking in certain stocks as well as significant subscriptions yet to be deployed.

As on Oct 31, 2024, our fund consists of 34 stocks, within our preferred band of 30-35 holdings.

Table 4: Market Cap Classification

Market Cap	% Weight
< INR 10,000cr	8.7
INR 10,000-50,000cr	34.1
INR 50,000-100,000cr	22.9
>INR 100,000cr	24.9
Cash & Cash Equivalents	9.4
Weighted Avg. Market Cap (Rs bn)	1,295.2

Table 5: Sectoral Allocation

Sector	% Weight
Energy Equip & Utilities	16.4
Financial	16.2
Technology	15.7
Consumer Discretionary	13.9
Real Estate	9.1
Healthcare	8.9
Materials	6.9
Consumer Staples	3.5



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Decline in large caps partially cushioned by gains in mid/small cap

Some of the large caps which are going through a corrective phase include Zomato, Trent and Godrej Properties. However, this was cushioned by significant gains in smaller names such as Kirloskar Pneumatic, Motilal Oswal and MCX.

Table 6: Key Movers

Performers	% Return	% Weight	Laggards	% Return	% Weight
Kirloskar Pneumatic	25.3%	3.9%	The Phoenix Mills	-17.5%	2.7%
Motilal Oswal Financial	23.0%	4.7%	Power Mech	-11.9%	2.0%
Deepak Fertilizers	17.3%	2.7%	Zomato	-11.5%	3.3%
Piramal Pharma	17.2%	2.5%	Blue Star	-9.3%	2.4%
MCX	15.1%	4.6%	Godrej Properties	-9.0%	2.8%

Note: Average weight used for stocks bought/sold during the month

We expect steady recovery from November

As we have been expecting for a couple of months now, a deep correction set in during October. Record FII sales, triggered by earnings slowdown, impacted the market. However, high frequency indicators of better economic activity including auto sales, electricity demand, and government capex are now pointing towards recovery from here on. Also, the end of uncertainty related to Presidential elections in the US, and state elections in India should also improve sentiment. Our long standing view of an economy-led market recovery in H2, should commence from November.



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Fund Information

Minimum investment

INR 10 million

Subscriptions

Monthly

RedemptionsMonthly, subject to
12 month lock-in**Registered for Sale**

Registered with SEBI

Legal and Fund Consultant

Khaitan & Co.

Administrator

Kotak Mahindra Bank Ltd.

Registrar & Transfer Agent (RTA)

CAMS Limited

Statutory Auditor & Tax Consultant

Deloitte Haskins & Sells LLP

Investment Manager

Ampersand Capital Investment Advisors LLP

Investment Manager

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