







ITI SMALL CAP FUND

(An open ended equity scheme predominantly investing in small cap stocks)

Product Review Note - December 2023

SCHEME DETAILS

	Inception Date 17-Feb-20
	Category Small Cap Fund
	Benchmark Index Nifty Smallcap 250 TRI
	Monthly AAUM AUM ₹ 1914.91 Crores ₹ 1978.32 Crores
	Minimum Application Amount: ₹ 5,000/- & in multiples of ₹ 1/- thereafter
	Load Structure Entry Load: Nil Exit Load: If units are redeemed /switched out within 12 months - 1%. Nil thereafter

Fund Managers



Mr. Dhimant Shah
(Since 08-Aug-22)
Total Experience:
26 years



Mr. Rohan Korde
(Since 01-Dec-22)
Total Experience:
19 years

TOP 5 SECTOR TRENDS

Sector	Dec-23	Nov-23	Oct-23
Financial Services	22.79%	22.42%	22.31%
Capital Goods	19.99%	19.49%	21.01%
Healthcare	7.39%	7.55%	7.68%
Automobile And Auto Components	5.75%	5.91%	6.18%
Consumer Durables	5.46%	5.32%	5.69%

The portfolio of the scheme is subject to changes within the provisions of the Scheme Information Document (SID) of the scheme. Please refer to the SID for investment pattern, strategy, risk factors & the asset allocation. Please refer to the factsheet for more details.

TOP 10 HOLDINGS (%)

Jindal Stainless Ltd.	2.66%
Inox Wind Ltd.	2.03%
KPIT Technologies Ltd.	1.92%
Cyient Ltd.	1.74%
NLC India Ltd.	1.72%
Kirloskar Oil Engines Ltd.	1.67%
NCC Ltd.	1.64%
Arvind Ltd.	1.53%
JB Chemicals & Pharmaceuticals Ltd.	1.44%
Brigade Enterprises Ltd.	1.38%

The Top 10 Holdings are after adjusting for derivative exposures. Debt Holdings, Units of Mutual Fund schemes, cash, cash equivalents are not considered. Please refer to the factsheet for more details.

FUND HIGHLIGHTS




- ▶ The fund shall predominantly invest in stocks from the Small Cap universe defined by AMFI
- ▶ The fund shall be benchmark & sector agnostic
- ▶ Atleast 80% of the portfolio will be of Core stocks & tactical bets will not be more than 20%.
- ▶ The fund shall focus on bottom up stock selection that shall help sail through in both bull and bear markets
- ▶ Portfolio construction shall be dependant on business cycles, valuation, & earnings growth prospects of the companies selected.
- ▶ The stocks range envisaged is 50 - 100.

OUTLOOK - EQUITY

Long-term outlook remains intact:

- ▶ Going forward while all eyes are on the General Elections, all the three elements of the capex cycle (Housing, Corporate Capex & Govt Capex) are now firing and hence the potential global slowdown should have limited impact on India. A combination of a strong pent-up demand for housing, above average affordability and 12-year low unsold inventory should drive a multi-year virtuous housing cycle. Ditto for corporate capex with all time low D/E ratio for Indian corporate, along with a decade high capacity utilisation level and well capitalised banking system should drive corporate capex. Govt Capex could slowdown but private capex pick-up should more than offset.
- ▶ Unlike every year, the budget would be a Vote on Account in this financial year. However, considering election year, one cannot rule out a populist measures being announced in the budget. During 2019-20, the first interim budget of the incumbent government saw various measures being implemented like PM Kisan Yojana – transferring Rs.6000 per annum x ~12 crore farmers entailing an outlay of Rs.75,000 crore per annum. These sort of measures are expected to not only provide spending impetus at the lower strata of the society but is also expected to reinforce the positioning of the incumbent Government with a strong majority.

MARKET CAP TRENDS

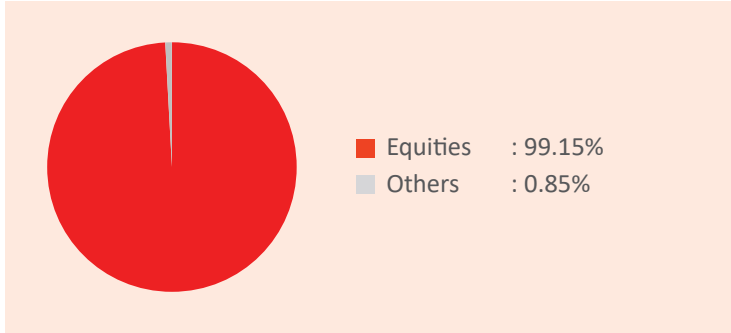
	Dec-23	Nov-23	Oct-23
 Large Cap	11.66%	10.39%	10.59%
 Mid Cap	23.44%	22.57%	22.09%
 Small Cap	64.04%	64.60%	66.06%

Market cap classification as per AMFI.

PORTFOLIO TRENDS

	Dec-23	Nov-23	Oct-23
Average P/E	53.73	43.63	39.78
Average P/B	7.63	7.38	6.58
No. of stocks:	92	89	88
% of top 5 holdings	10.06	9.51	9.79
% of top 10 holdings	17.71	16.83	17.09

ASSET ALLOCATION - DECEMBER 2023

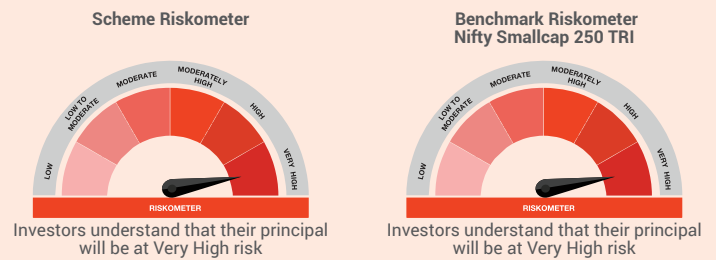


Consult your financial advisor or Call toll-free No: 1800-266-9603 Mail: mfasst@itiorg.com Website: www.itiamc.com

This product is suitable for investors who are seeking*:

- Capital appreciation over long term
- Investment in a diversified portfolio predominantly consisting of equity and equity related instruments of small cap companies

*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.



Riskometer as on 29th December 2023

Disclaimer

The investment strategy of the scheme may change from time to time and shall be in accordance with the strategy as mentioned in the Scheme Information Document of the scheme. The views contained herein are not to be taken as an advice or recommendation to buy or sell any particular stock. The above information must be read along with the scheme features & riskometer for better understanding of the product. This should not be construed as an investment advice. Investors may consult their Mutual Fund Distributor for other details. It should be noted that value of investments and the income from them may fluctuate in accordance with market conditions and taxation agreements. **Past performance may or may not be sustained in future.**

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