

nCASH



**GIVE YOUR INVESTMENT PORTFOLIO
A CHARACTER. YOURS.**



Investments in capital markets are subject to risks.

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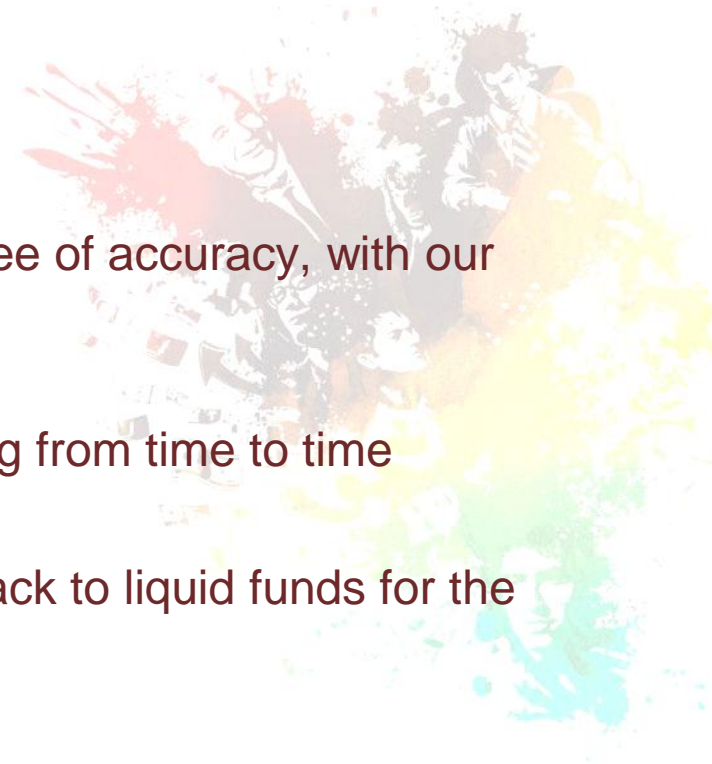
Greed, Fear and Fair Value

- Markets keep gyrating between greed and fear
- Real value lies somewhere in between
- Markets keep passing through real-value line quite effortlessly
- Both Greed and Fear cause paralysis
- When Fair Value band arrives – There is little money left
- Behavioral science suggests, people normally act in herds



So, What Do We Do ?

- Grab the bargains
- Ascertain the right value-line with a higher degree of accuracy, with our capabilities
- Deep-dive to grab opportunities that keep arising from time to time
- Be disciplined to nCASH the gains and move back to liquid funds for the next opportunity



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The Right Opportunity



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- **nCASH** is a product that will make **Contrary Allocations to Stocks Hammered** due to market cycles.
- The idea behind this allocation strategy is that investments in quality businesses can be made at attractive valuations by capitalizing on opportunities to acquire mis-priced assets at distress valuations.
- Sooner than later, beaten down stocks normally tend to revert to their fair values also referred to as 'reversion to mean'



Objective

- Endeavor to outperform market over a complete market cycle
- Clear focus on providing absolute return through dynamic management
- Containing volatility in returns by following strict discipline of investment in terms of
 - Profit booking
 - Stop-loss; and
 - Internal limits (sector & stock)



Portfolio Strategy

Portfolio is divided into 3 parts to generate competitive returns with lower volatility:

- **Core Portfolio:**
 - More of a static portfolio to bring stability
 - Remain invested over the complete market cycle
- **Tactical Portfolio:**
 - Dynamic portfolio which is managed tactically
 - Seeking to generate absolute returns
 - Will be rigorously pruned to book profits
- **Cash:**
 - To capture emerging opportunities in the market



Portfolio Strategy

- **Core Portfolio:**
 - 25% to 30% of the portfolio
 - Stocks, which have sustainable sales growth i.e. at least 3 times the GDP and high visibility of earnings growth.
- **Tactical Portfolio:**
 - 40% to 50% of the portfolio
 - Stocks at attractive valuations and offer upside potential to meet internal target return
 - Universe of stocks will be limited to constituents BSE 200
- **Cash:**
 - Endeavor to maintain min cash of around 25%



Portfolio Strategy

Discipline as a virtue by controlling both the greed and fear

- **Stop loss:**

Exit the stock as soon as it falls 10%. This would be applicable to both Core and Tactical portfolio

- **Profit Booking:**

Exit the stock if internal target return is achieved. This would be applicable only in Tactical portfolio

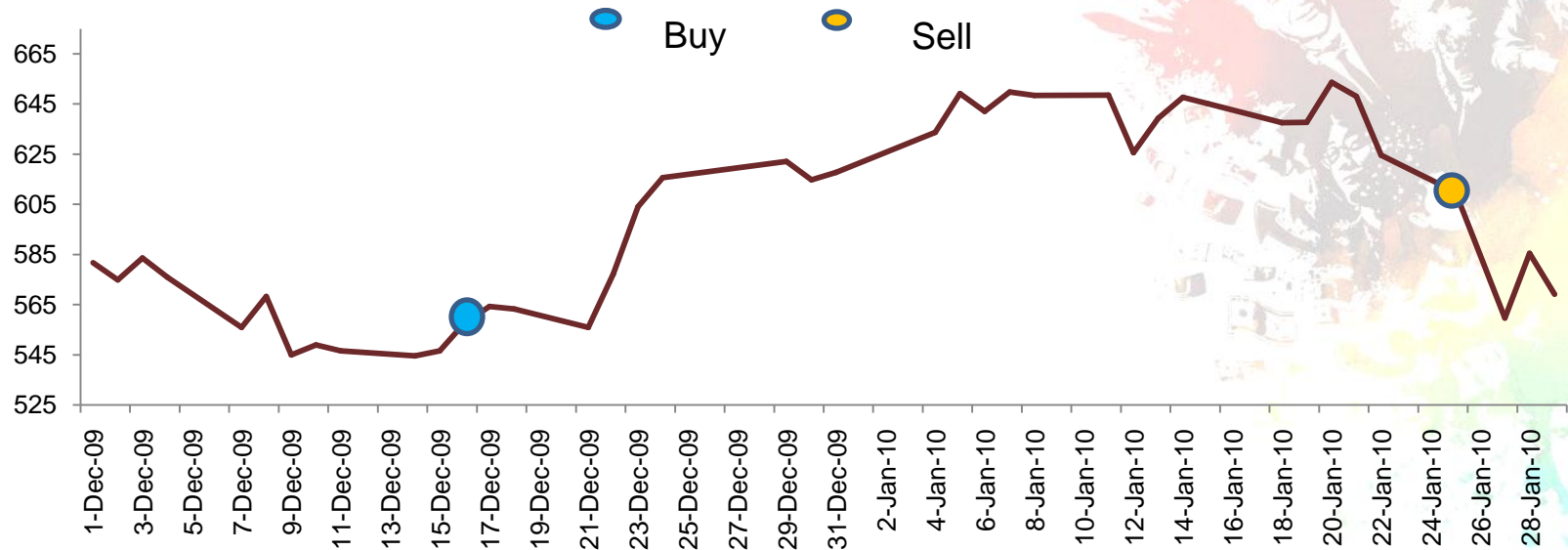
- **Internal Limits:**

- No single stock exceeds 10% of the total portfolio and
- No single sector exceeds 30% of the portfolio



Illustration

CASE 1 : Tata Steel

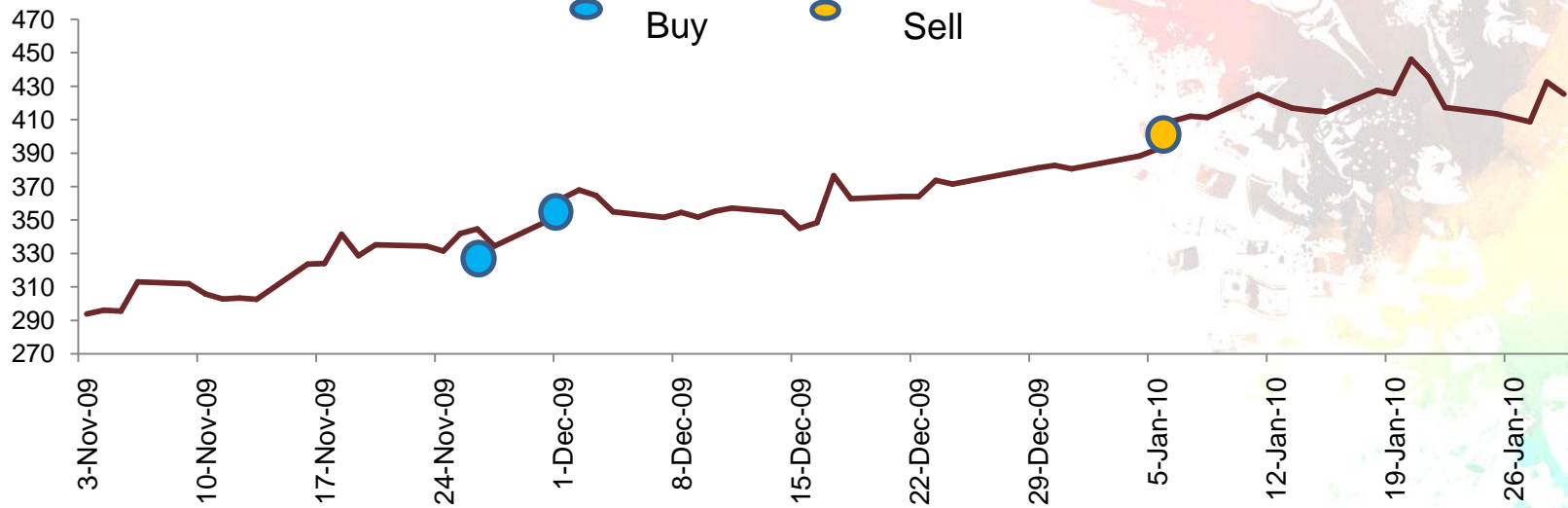


	Investment Made	Reason to Enter or Exit
First Purchase	2% of NAV at 554	Bought on expectation of price hike in Steel, which came thru. Corus increased prices by US \$ 100. Expecting strong operating numbers. PAT for the quarter grew by 155% (yoy)
Exited	2% of NAV at 613.7	Sold at a profit of 10.8%



Illustration

CASE 2 : Pantaloon Retail



	Investment Made	Reason to Enter or Exit
First Purchase	1% of NAV at 324.7	We were expecting company to report strong performance. PAT for the quarter grew by 51% (yoy)
Second Purchase	2% of NAV at 357.7	
Exited	1% of NAV at 400	Sold at a profit of 23.08%

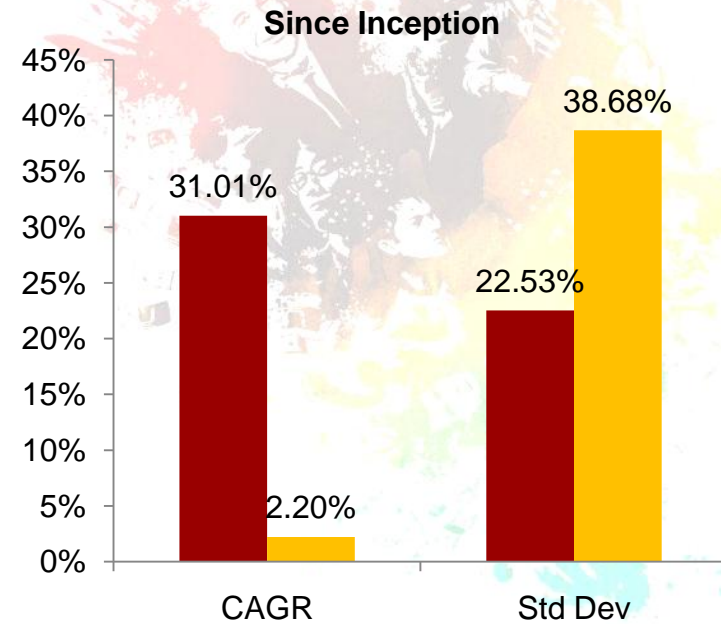
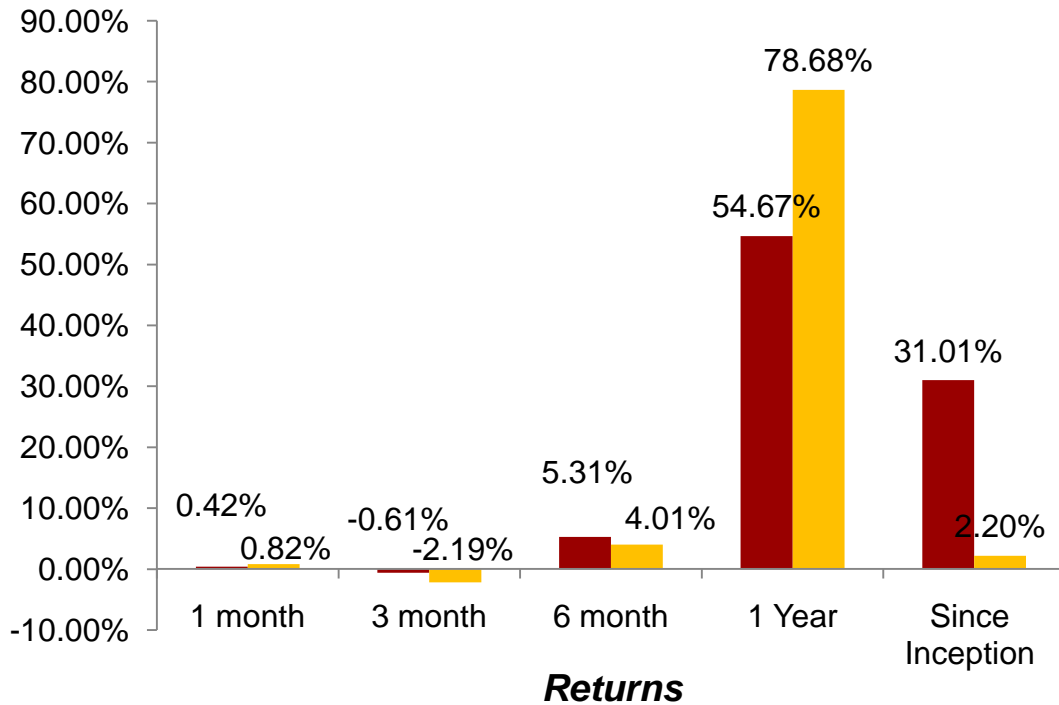


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There is no assurance or guarantee that past performance may be sustained in future. Investments in capital markets are subject to risks. The above graph represents the values for the year 2009

Superior Performance



■ nCASH ■ Nifty

nCASH Performance as compared to benchmark performance i.e. Nifty (as on 26 Feb, 2010)

Inception Date: June 2, 2008



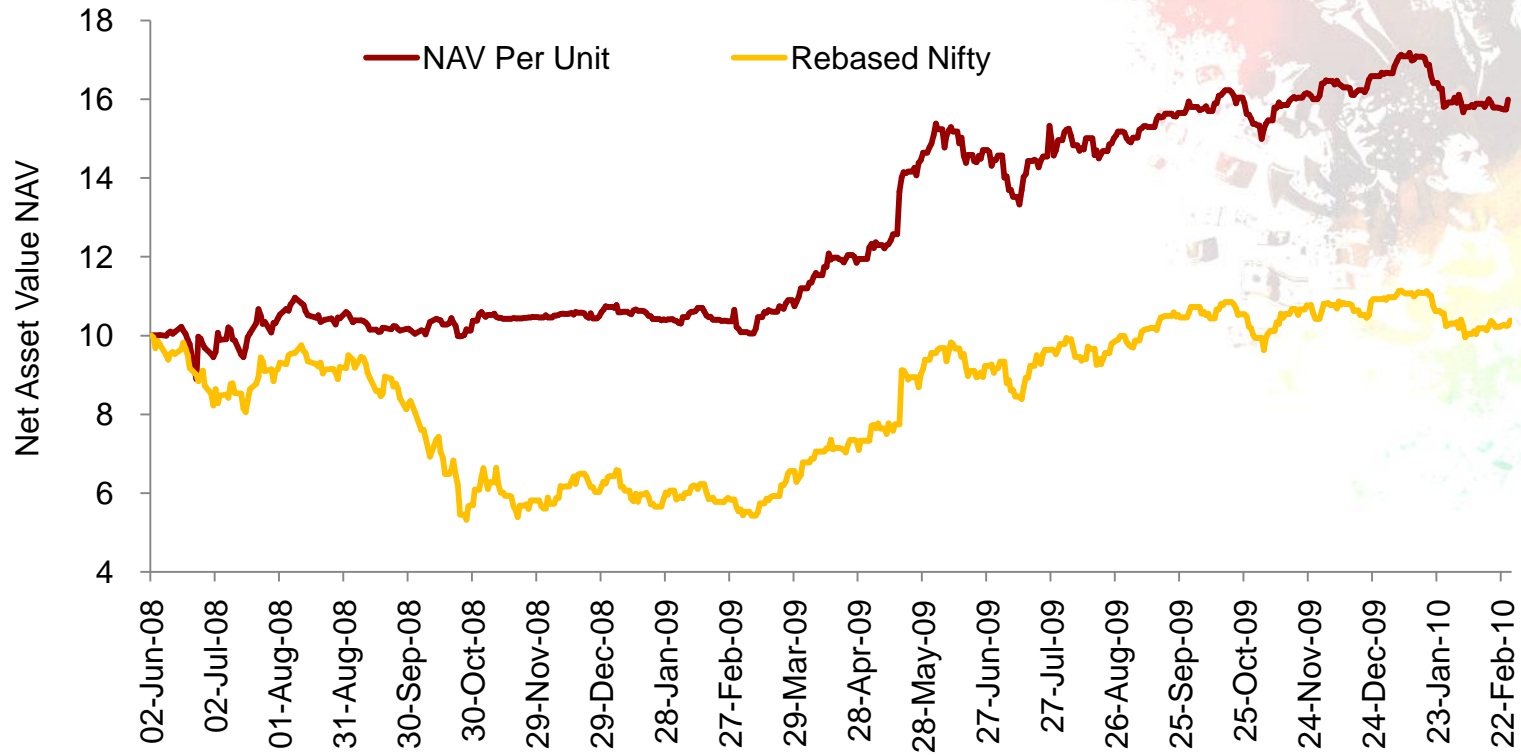
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Past Performance may or may not be sustained in future. The returns are absolute for the periods mentioned less than 1 year and in CAGR for period more than 1 year. Standard Deviation is an annualized number, calculated based on the daily returns since inception.

NAV Movement

nCASH Performance to Benchmark i.e Nifty (as on 26 Feb, 2010)



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Product Features & Pricing Structure

Minimum Account Size		Rs. 25,00,000/- per Individual account or as mutually agreed between the Portfolio Manager and the Client.	
Redemption Charge		1% for clients subscribing after Nov 1, 2007 & withdrawing the same within 1 year from date of investment on FIFO basis.	
Taxation		Investors are recommended to seek advice on taxation from their independent financial advisors / tax consultant / accountant before making any investments.	
Investment Management & Advisory Fees	Option I - Fixed Fee	Upfront Fees : 2.25 % Annualised Fees : 2 %	
	Option II - Fixed Plus Variable Fees	Basic Fixed : 2%	
		Portfolio Performance (Annualised Returns)	Portfolio Manager's Share
		Upto 15%	NIL
		Above 15% upto 30%	20% of the excess over 15%
	Beyond 30%	25% of the excess over 15%	



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**A Discretionary Portfolio Management Service, created for very elite, very discerning clients
LIKE YOU**



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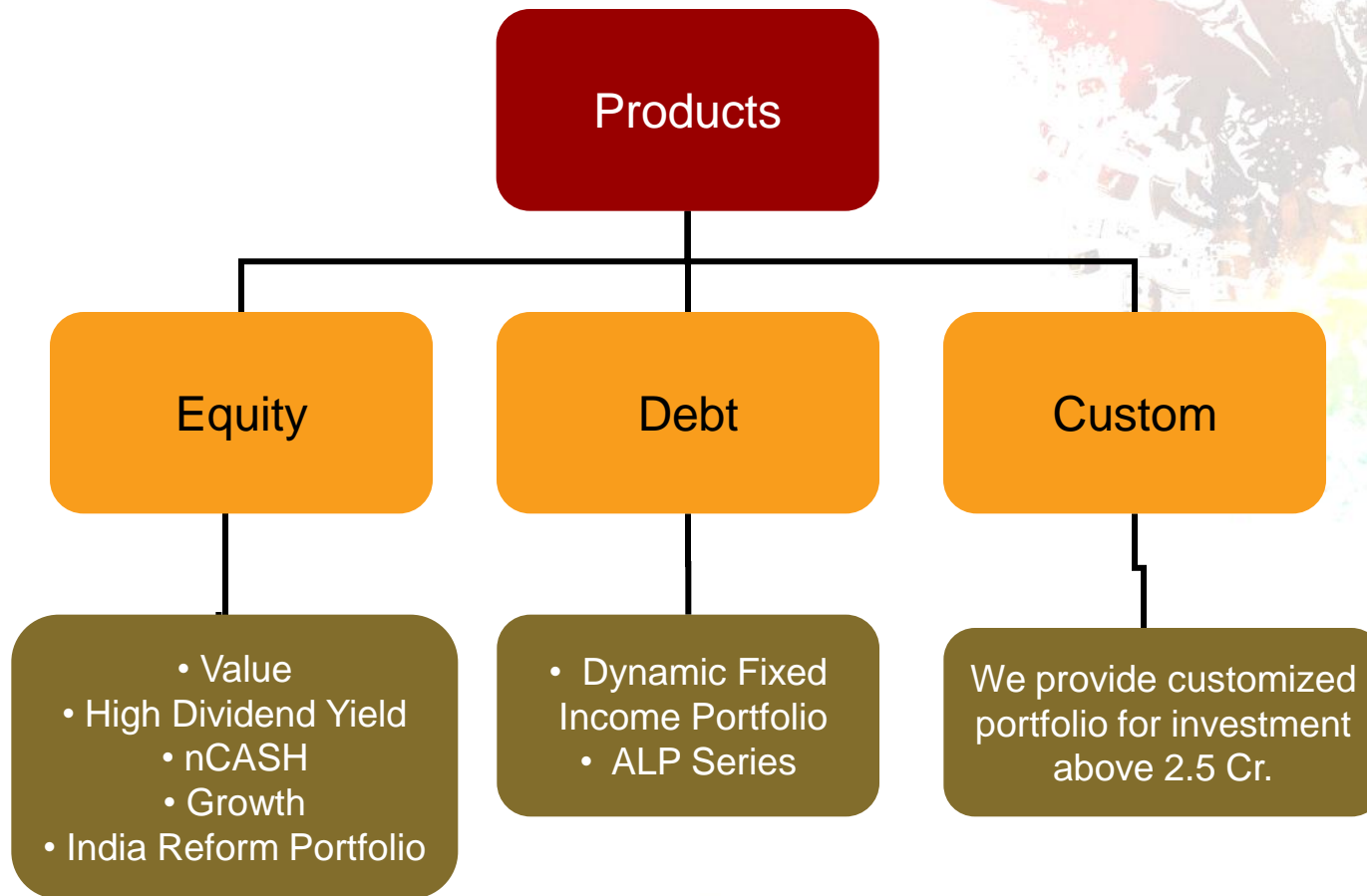
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Privileged Account Service (PAS)

- PAS is a highly customized portfolio management service from Birla Sun Life Asset Management Company Ltd. that helps HNIs like you fulfill their financial goals
- With an investment philosophy that seeks consistent, long-term results by adopting a research-based, methodical approach to investing
- After fully understanding your particular needs, your portfolio manager will put together the optimal portfolio for you, which takes into account your financial goals, time horizon, risk appetite and investment outlook
- Investment excellence within the framework of transparent and rigorous risk control



Tailored solutions for unique needs



Team of Professionals at your service

Sundeep Patel – Fund Manager (Equity)

- A CFA & MBA , prior to joining Birla Sun Life he was working in Aegon Religare Life Insurance Company Ltd as Senior Fund Manager – Equity
- He has a total work experience of 8 years

Apurvi Sharma – Fund Manager (Debt & Products)

- A CFA & CA, prior to joining Birla Sun Life she was associated with BenchMark Mutual Fund as AVP
- She has a total work experience of 9 years



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Risk Factors:

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Equity and Equity related securities by nature are volatile and prone to price fluctuations on a daily basis due to both macro and micro factors. In respect of investments in equity and equity-related instruments, there may be risks associated with trading volumes, settlement periods and transfer procedures that may restrict liquidity of investments in equity and equity-related securities. In the event of inordinately large number of redemptions or of a restructuring of the Product's investment portfolio, there may be delays in the redemption of units. The value of the Product's investments may be affected generally by factors affecting securities markets, such as price and volume volatility in the capital markets, interest rates, currency exchange rates, changes in policies of the Government, taxation laws or policies of any appropriate authority and other political and economic developments and closure of stock exchanges which may have an adverse bearing on individual securities, a specific sector or all sectors including equity and debt markets. Consequently, the value of the portfolio may fluctuate and can go up or down. The Portfolio Manager may choose to invest in unlisted securities that offer attractive yields. Securities, which are not quoted on the stock exchanges, are inherently illiquid in nature and carry a larger amount of liquidity risk, in comparison to securities that are listed on the exchanges or offer other exit options to the investor, including a put option. This may however increase the risk of the portfolio. Investors may note that Portfolio Manager's investment decisions may not always be profitable, as actual market movements may be at variance with anticipated trends.

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Thank You



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