

Lighthouse Canton India

Smell The Coffee

**LIGHTHOUSE
CANTON**



lighthouse-canton.com

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Please read the Disclosure Document of the proposed investment before investing.

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Agenda

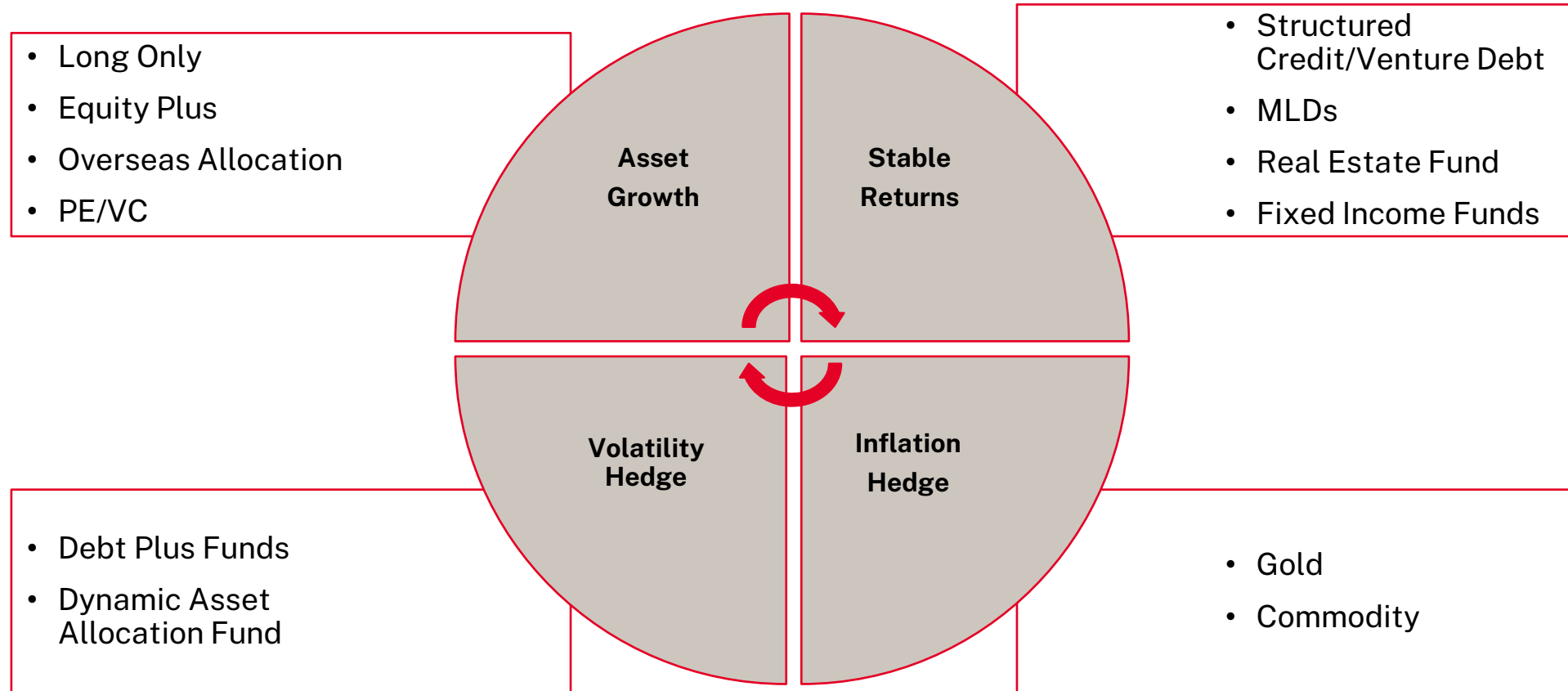
1. Market Update
2. Monthly Performance Update
3. Investment Opportunities
4. Tactical Calls

Market Update

1

Investment Allocation Framework

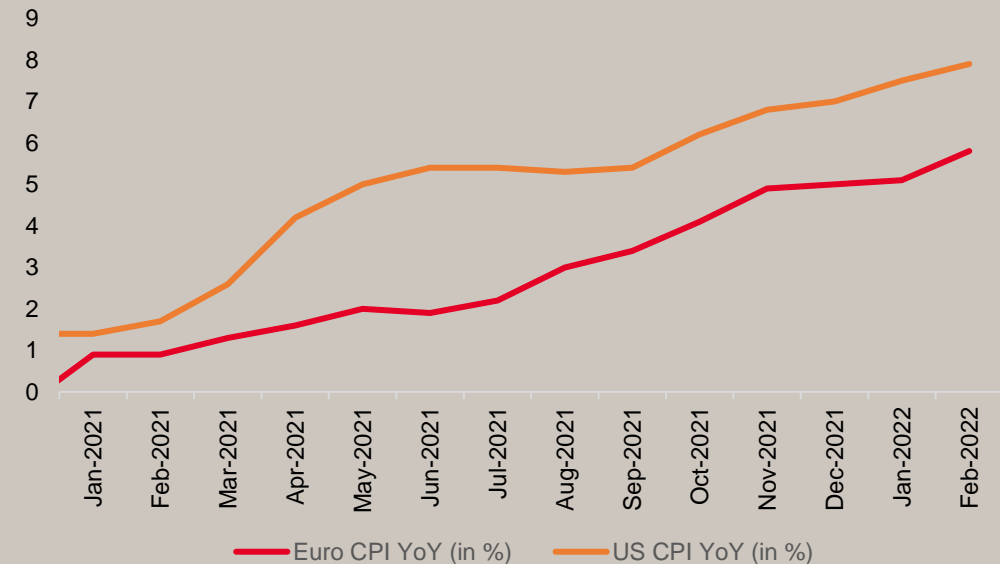
Keeping in mind this framework while creating an asset allocation to ensure the realization of capital preservation as well as better risk-adjusted returns



Macro Update

- Inflationary pressures have clearly worsened for a time being largely driven by rise in energy and commodity prices due to Russia Ukraine crisis.
- In US, we saw the Feb CPI prints at a 40 year high of 7.9% vs last year. A further impact of the crisis may be in seen in the CPI prints over the coming months. FED in March 2022 policy, lifted rates by 25 bps and signalled six more moves this year. Shrinking of \$8.9tn balance sheet could come as early as May this year. Headline inflation forecasts for 2022 was revised higher to 4.3% from 2.6%.
- On the other side, the European Central Bank surprised by accelerating plans to wind down stimulus, signaling the central bank is more concerned about the price rise than the negative impact of growth. Officials ramped up their inflation forecast to 5.1% from 3.2% previously.
- In India, second advance GDP estimates came at 8.9% for 2021-22. High frequency indicators reflect revival in economic activity after an initial slowdown seen earlier this year primarily due to Omicron concerns. GST collection for Feb 2022 was ~18% higher vs the same month last year.
- **To summarize, we believe we are in a highly uncertain macro economic situation. We need to carefully monitor the geopolitical and economic data points and its knock-on effects and calibrate our investment decisions. In times like this, a well diversified portfolio is the need of the hour.**

US and Euro CPI at historic highs

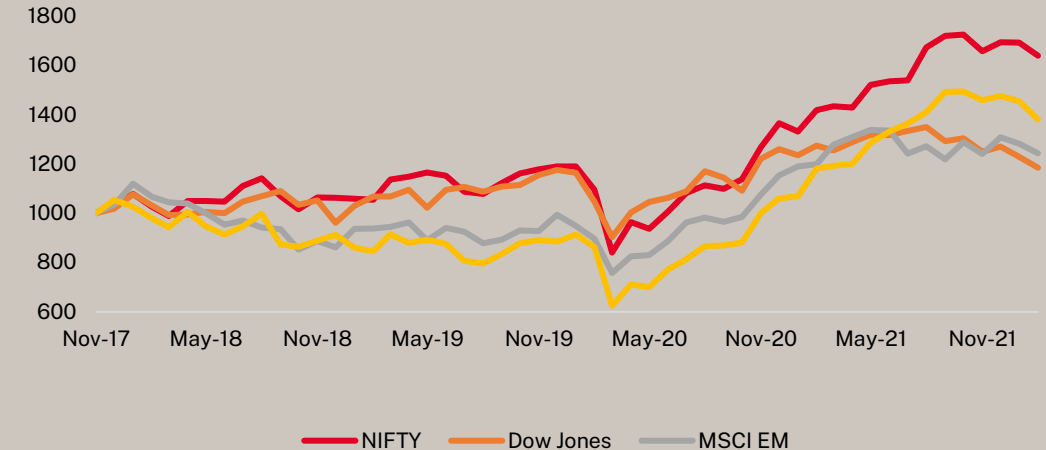


Data Source – Bloomberg

Equity Market Update

- Nifty fell -3.15% in the month of February and closed at 16793.9. FIIs were heavy net sellers during the month and trimmed significant positions worth Rs. 45,720 cr. While DIIs remained net buyers and added Rs. 42,084 in cash equity.
- Metal stocks and consumer durables remained in green with Metals notably leading the pack. The prospects of a global shortage of metals and ores due to the tensions in Russia, led to a sharp spike in metal prices on the LME, boosting prices of Indian metal stocks. Banking stocks, Auto and Reality were the worst hit during the month. Within banking, PSU banks underperformed compared to private banks.
- As the threat of Omicron subsided, conflict between Russia and Ukraine took centre stage and jolted investor sentiments. **With the recent market correction (Nifty down by 13% from 2022 highs as of 8th Mar 2022) Nifty is now trading at 3% discount to 5-year average on PE basis** (Source – Jefferies).
- We continue to focus on funds which benefit from domestic growth and export opportunities or transformation to “war economy” and recommend our investors to add to equities in large declines.
- As we expect equity markets to be volatile this year, thus we would recommend allocation to equities should be consistent with the risk profile of an investor and the holding period should be 3-5 years.

Equity Index Performance



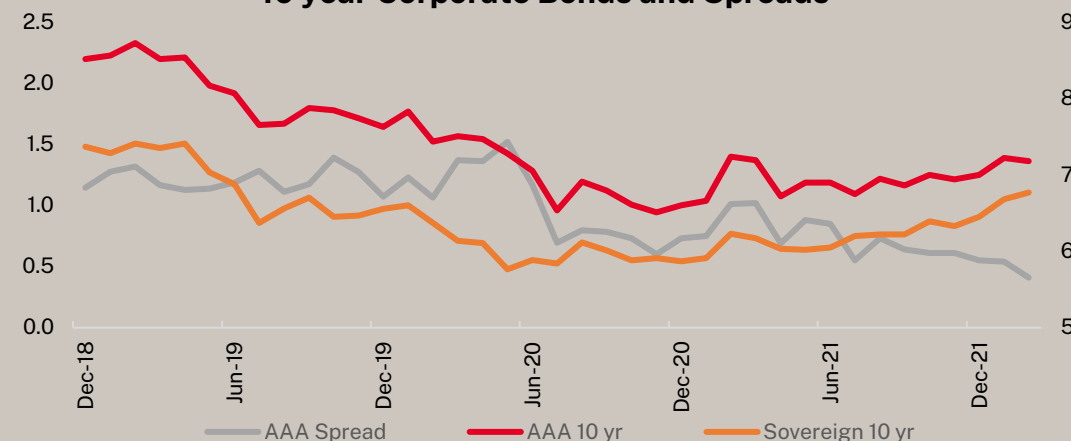
Month	NIFTY	Dow Jones	MSCI EM	BSEMidcap
Feb-22	-3.15%	-3.53%	-3.06%	-5.11%
Jan-22	-0.08%	-3.32%	-1.93%	-1.43%
Dec-21	2.18%	1.62%	5.38%	1.14%

Data Source – Bloomberg

Fixed Income Market Update

- In US bond markets, yields continued to edge higher due to higher inflation print and expectations of FED tapering.
- 10y sovereign yields rose to 6.77% on global cues as well as domestic concerns on high inflation, higher fiscal deficit number, lack of direction on OMO's and rising crude prices.
- **Though the MPC's rate stance was divergent from the consensus analyst view which was tilted towards a 25-bps rate hike. Growth concerns continued to assume center stage in policy decisions. Once the new borrowing calendar is announced, there may be knee jerk reactions if the borrowing program is not aided by support from RBI. Rising Crude prices may continue to add woes as the Russia- Ukraine conflict escalates.**
- Onshore spreads between the GSecs and corporate bonds touched a low of 41 by the end of the month.
- While monetary policy should marginally become less favorable in 2022, we believe that the normalization will be gradual, and this would continue to support bond markets.
- **As policy divergence continues, we believe, fixed income markets in India may remain volatile in the near term. We would recommend investors to invest in high quality roll down strategies and gain from the steepness of the curve.**

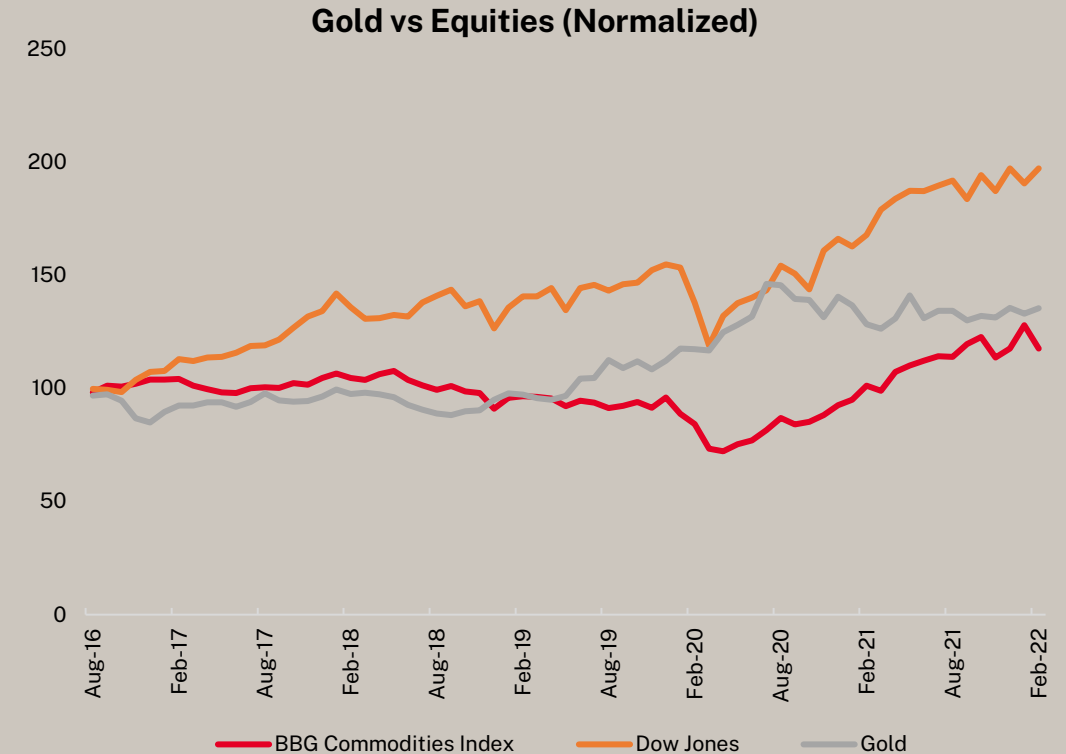
10 year Corporate Bonds and Spreads



Data Source – Bloomberg

Alternatives Assets Update

- In the past few months, we have been bullish on metals and energy on account of higher infrastructure spending, drive towards clean energy, and supply side imbalances. Our bullish view has played out as commodity prices (and commodity related stocks) have appreciated significantly – in last 1 year (as on 8th Mar 2022), copper and crude oil prices have rallied by 16% and 84% respectively.
- Though supply side constraints exist post sanctions on Russian oil, but in lieu of the recent price run up, curtailed consumption due to higher prices and the dependency of near-term price action on the ongoing developments with respect to Russia Ukraine crisis, taking a directional call would be highly speculative. Hence investors holding on to the commodity exposures may look to book partial profits.
- We recommend gold as a constant segment in one's portfolio. Allocation would help one to hedge against any economic uncertainty because of geopolitical factors, hedge against rise in inflation and de dollarization of central bank reserves. In last 1 year (as on 8th Mar 2022), gold price has moved up by ~18%.
- On PE/VC space, we see serious alpha in professionally managed early-stage ventures as the number of unicorns and soonicorns (soon to be unicorns) are set to increase.
- **To summarize, we recommend PE/VC funds as a primary route to enhance long-term returns. Fresh Allocation to gold may be done in a staggered manner.**

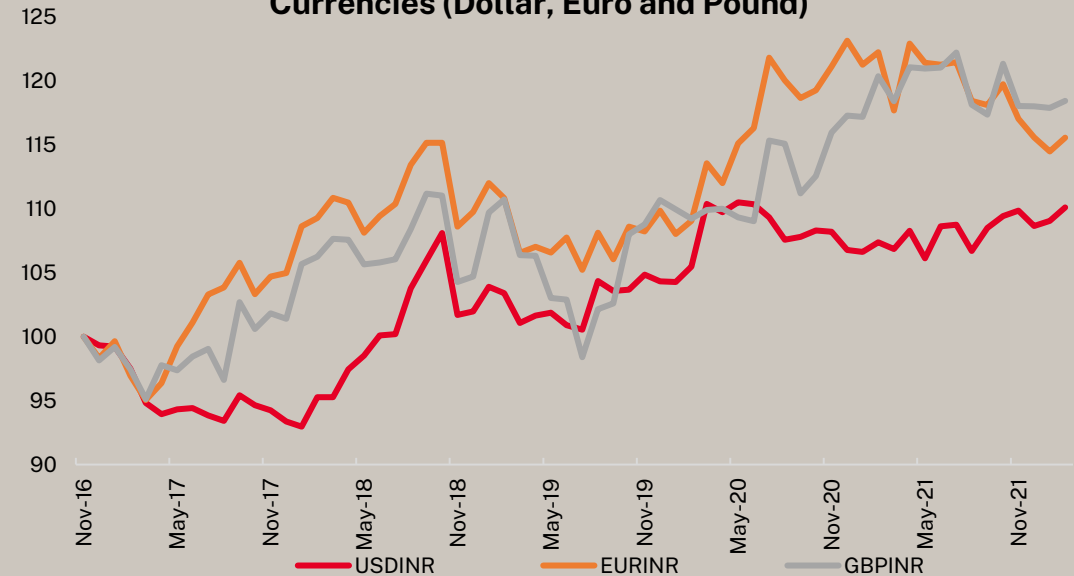


Data Source – Bloomberg

Currency Update

- INR depreciated against the US dollar following increase in crude oil prices and losses in domestic equity market after Russian President ordered a military operation in Ukraine.
- EURINR moved higher in February and closed at 84.23. As per the Mar 2022 ECB policy, the bond buying program is expected to wind down by Q3 of this year. The central bank also noted that any rate hike will take place “sometime after” the end of bond buying program and will be gradual. This may provide short covering boost to EURUSD and EURINR in the near term.
- GBPINR resumed the upward trajectory during the month of February. The direction of GBPUSD going forward would be determined by global political situation, inflation concerns and policy action by Bank of England.
- **We expect currencies to remain volatile in the near term amid global policy normalisation, rising crude oil prices and concerns on Russia- Ukraine conflict.**

Currencies (Dollar, Euro and Pound)



Month	USDINR	EURINR	GBPINR
Feb-22	75.34	84.23	100.78
Jan-22	74.62	83.45	100.33
Dec-21	74.34	84.26	100.42
Nov-21	75.17	85.32	100.45

Data Source – Bloomberg

Monthly Performance Update

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Select Absolute Return Funds and Benchmark Indices

Debt Plus Funds	Fund	Platform	Feb-22	Jan-22	Dec-21		3M	6M	1Y	2Y	3Y
	ICICI Prudential Long Short	AIF	0.3%	-0.3%	0.9%		0.9%	3.8%	13.3%	16.1%	16.7%
	Whitespace Alpha Fund II	AIF	0.4%	1.6%	2.3%		4.4%	9.3%	17.2%	17.1%	
	Estee I-Alpha	PMS	0.6%	0.6%	0.7%		1.9%	4.5%	8.7%	10.2%	11.6%
	Alpha Alt MSAR	AIF	0.9%	-0.2%	1.5%		2.2%	6.3%	11.4%	11.0%	11.4%
	Avendus Abs Return Fund	AIF	-0.8%	1.4%	-0.5%		0.1%	5.4%	10.0%	11.9%	11.5%
	Avendus ARF PMS	PMS	-0.9%	1.2%	-0.6%		-0.3%	4.4%	8.2%		
Benchmark Indices	Fund		Feb-22	Jan-22	Dec-21		3M	6M	1Y	2Y	3Y
	Nifty 50		-3.2%	-0.1%	2.2%		-1.1%	-2.0%	15.6%	22.4%	15.9%
	BSE500		-4.1%	-0.4%	2.3%		-2.3%	-1.9%	17.4%	24.7%	17.0%
	BSE Mid Cap		-5.1%	-1.4%	1.1%		-5.4%	-2.1%	16.9%	26.5%	17.7%
	BSE Small Cap		-8.8%	-0.8%	5.4%		-4.6%	-1.0%	32.2%	39.4%	24.9%
	CRISIL Liquid Fund Index		0.4%	0.3%	0.3%		1.0%	2.1%	3.9%	4.1%	4.9%
	Nifty Bank		-4.7%	7.0%	-0.6%		1.4%	-0.6%	4.0%	11.4%	10.6%
	MSCI EM Index		-3.1%	-1.9%	1.6%		-3.4%	-10.5%	-12.6%	7.9%	3.7%
	Nifty 50 Arb Index		0.4%	0.4%	0.3%		1.1%	1.7%	4.4%	3.1%	4.3%

Performance as of 28th February, 2022

Select Long Only PMS/AIF Strategies

Long Only Funds	Fund	Platform	Feb-22	Jan-22	Dec-21		3M	6M	1Y	2Y	3Y
	LC SageOne Select	PMS	-7.5%	-3.7%	6.8%		-4.9%	-1.4%	40.3%	44.4%	34.1%
	Vallum India GARP Advantage	PMS	-9.3%	2.1%	1.7%		-5.8%	-3.7%	35.1%	40.4%	28.6%
	White Oak India Pioneers	PMS	-2.6%	-3.8%	3.2%		-3.3%	-3.5%	22.5%	26.8%	
	SageOne Small Cap	PMS	-9.3%	-1.4%	5.4%		-5.7%	0.3%	48.6%	56.8%	
	Abakkus Emerging Opportunities	AIF	-7.3%	0.3%	3.8%		-3.5%	-1.0%	41.6%	54.8%	
	Marcellus Cons. Compounders	PMS	-3.0%	-4.7%	2.1%		-5.6%	-6.4%	16.8%	20.0%	25.0%
	Alchemy High Growth Select	PMS	-2.5%	-5.0%	1.5%		-6.0%	-1.0%	25.7%	19.8%	15.5%
	Marcellus Kings Of Capital	PMS	-3.7%	3.3%	-3.2%		-3.7%	-11.8%	-2.1%		
	Marcellus Rising Giants	AIF/PMS	-8.3%	-3.3%	3.1%		-8.6%	-6.6%			
	Oaks ABC Portfolio	PMS	-2.8%	4.3%	2.5%		3.9%	6.9%	20.9%		
	Carnelian Shift	AIF/PMS	-6.4%	-7.7%	7.8%		-6.9%	-2.9%	44.6%		
	Axis Contra Fund	PMS	-5.6%	1.4%	4.8%		0.3%	1.3%	25.9%		

Equity Plus Funds	Fund	Platform	Feb-22	Jan-22	Dec-21		3M	6M	1Y	2Y	3Y
	Whitespace Alpha Fund I	AIF	-2.9%	1.1%	4.2%		2.3%	5.4%	32.7%	44.8%	
	Avendus Enh Retrn Fund - II	AIF	-4.3%	-3.2%	1.4%		-6.0%	-4.7%	10.6%	18.2%	16.2%
	Edelweiss Alt Equity	AIF	-3.6%	-6.2%	0.6%		-9.0%	-7.0%	15.6%	13.7%	16.1%

Performance as on 28th February, 2022

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Select Mutual Funds

Mutual Funds	Fund	Segment	Feb-22	Jan-22	Dec-21	3 M	6 M	1 Y	2 Y	3 Y
	Nippon India Large Cap	Large Cap	-9.39%	-2.19%	4.11%	-7.69%	-6.46%	9.28%	19.71%	10.63%
	DSP Equity Opportunities	Large & Mid Cap	-10.91%	-3.23%	3.31%	-10.24%	-12.88%	5.72%	19.17%	14.20%
	DSP Flexi Cap	Flexi Cap	-11.97%	-6.06%	3.12%	-13.31%	-14.62%	3.44%	15.29%	14.66%
	PGIM India Flexi Cap	Flexi Cap	-9.52%	-5.84%	3.54%	-9.96%	-9.55%	16.85%	33.44%	23.21%
	Invesco India Multicap	Multi Cap	-11.59%	-6.31%	3.10%	-11.80%	-11.28%	10.53%	20.47%	15.25%
	Invesco India Midcap	Mid Cap	-11.17%	-5.59%	3.11%	-11.08%	-7.75%	11.20%	22.48%	17.75%
	PGIM India Midcap Opp	Mid Cap	-11.59%	-5.23%	4.28%	-8.91%	-6.92%	23.45%	43.08%	30.09%
	SBI Small Cap Fund	Small Cap	-9.79%	-3.97%	3.29%	-7.95%	-0.74%	19.63%	33.49%	24.26%
	Edelweiss Balanced Advantage	Balanced Advantage	-4.45%	-1.94%	2.91%	-3.80%	-4.26%	7.38%	18.18%	14.47%
	PGIM India Emerging Markets	Thematic	-13.46%	-7.68%	-6.84%	-24.50%	-33.68%	-26.46%	-3.15%	0.20%
	Edelweiss Arbitrage Fund	Arbitrage	0.34%	0.49%	0.40%	1.09%	1.90%	4.13%	3.96%	4.75%
	HDFC Multi-Asset	Multi-Asset	-3.89%	-2.18%	2.01%	-4.37%	-3.07%	10.69%	17.18%	13.36%

Performance as on 28th February, 2022; Returns less than 1 year are absolute

Investment Opportunities

3

Long Only Equity : Carnelian Shift Strategy

- Long only, multi-cap, thematic strategy designed to capture two major structural shifts in Indian economy namely, manufacturing and technology.
- The investment style constitutes of 3 factors:
 - Mainly targeting mid cap & small cap companies with existing core competence/niche capability along with strong BS, governance and return ratios.
 - 2/3rd of the strategy will focus on manufacturing and 1/3rd on technology.
 - Fundamental growth driven investing; bottom-up stock picking.
- **Unique & unconventional blend of companies -Magic (accelerated growth), Compounder (stable growth) & Opportunistic.**
- **Apply stringent Carnelian filters & forensic checks (CLEAR framework).**

General information	
Fund Name	Carnelian Shift Strategy
Fund Management Firm	Carnelian Asset Advisors Pvt Ltd
Fund Managers	Manoj Bahety / Sachin Jain
Ref Index	BSE 500
Category	PMS/AIF
Sub-Category	Long Only, Multi cap, thematic strategy
Fee	2.25% Management Fee
	1.50% Management Fees + 15% performance fee over 10% hurdle rate
	0% Management Fees + 20% performance fee

Track record						
Month	Fund	Index		Period	Fund	Index
Feb-22	-6.4%	-4.1%		3 Months	-6.9%	-2.3%
Jan-22	-7.7%	-0.4%		6 Months	-2.9%	-1.9%
Dec-21	7.8%	2.3%		1 Year	44.6%	17.4%
Nov-21	2.2%	-3.0%				
Oct-21	-3.9%	0.2%				
Sep-21	6.2%	3.3%				
* Fund inception in Oct 2020 * Data as of 28 th February 2022				Returns	53.3%	32.6%
				Volatility	22.4%	14.5%
				Sharpe	2.113	1.839

Long Only Equity : Axis Pure Contra Portfolio

- Axis Pure Contra Fund is an opportunistic strategy that is built on the 'Value' and 'Momentum' framework that strives to generate returns by identifying and capitalizing on the mispricing in the market.
- Apart from utilizing the 'Value' and 'Momentum' framework, the Contra fund also explores special situations to generate additional alpha for the portfolio.
- The fund implements a variety of quantitative and qualitative frameworks based on 'top-down' and 'bottom-up' approaches to decide sector allocation and stock selection. Thus, the fund not only utilizes style plays but also focuses on sector rotation themes to generate returns.
- **The fund also emphasizes on the special situation such as delisting, buyback, court verdicts, mergers, acquisitions, large dividend payouts and other plays which can be exploited to generate significant alpha.**

General information	
Fund Name	Axis Pure Contra Portfolio
Fund Management Firm	Axis Securities
Fund Managers	Nishit Master/ Naveen Kulkarni
Ref Index	BSE 200
Category	PMS
Sub-Category	Long Only, Multi cap
Fee	2.5% Management Fee

Track record						
Month	Fund	Index	<div><div>* Fund inception in July 2020</div><div>* Data as of 28th February 2022</div></div>	Period	Fund	Index
Feb-22	-5.6%	-3.5%		3 Months	0.3%	-1.9%
Jan-22	1.4%	-0.3%		6 Months	1.3%	-1.9%
Dec-21	4.8%	2.0%		1 Year	25.9%	16.6%
Nov-21	-4.1%	-3.3%				
Oct-21	1.5%	0.3%				
Sep-21	3.8%	3.1%				
				Returns	55.6%	39.7%
				Volatility	20.0%	14.4%
				Sharpe	2.477	2.341

Long Only Equity : Vallum India GARP Advantage

- The team has extensive experience having returned a staggering 28% over the last ~12 years and have been able to make selective picks across the market cap horizon, focusing on concentrated value bets that play out in the longer run.
- Analysis of the businesses is based on fundamental principles and earnings cycle.
- They have a track record of identifying structural growth stories in the past. Targeted portfolio plan consists of 50% core longs (high quality, high conviction and potential “eternal” holdings), 25% tactical (more quality vs core, enhanced price target discipline) and 25% in opportunistic (asymmetric payoff potential).

General information

Fund Name	Vallum India GARP Advantage
Fund Management Firm	Vallum Capital
Fund Managers	Manish Bhandari/Madhusudan Sarda
Ref Index	BSE Midcap Index
Category	PMS
Sub-Category	Long Only - Mid/Small Cap
Fee	1.75% fixed
	1.5% + 15% above hurdle rate of 10% annualized after 3 years

Track record

Month	Fund	Index	Period	Fund	Index
Feb-22	-9.3%	-5.1%	3 Months	-5.8%	-5.4%
Jan-22	2.1%	-1.4%	6 Months	-3.7%	-2.1%
Dec-21	1.7%	1.1%	1 Year	35.1%	16.9%
Nov-21	-3.9%	-2.3%	3 Years	28.6%	17.7%
Oct-21	-2.0%	0.1%	5 Years	19.0%	11.5%
Sep-21	8.6%	5.9%			
<small>* Data as of 28th February, 2022 * Inception is in October 2011 ** Returns are for Vallum India Discovery Fund</small>			Returns	27.6%	13.7%
			Volatility	23.4%	20.6%
			Sharpe	0.927	0.374

Long Only Equity : LC SageOne Select Stock Portfolio

- **LC SageOne Select Stock Portfolio is an exclusive strategy created for clients of Lighthouse Canton India,** based on SageOne's flagship core and small/mid cap portfolios that have delivered significant alpha over the last 12 years.
- The investment philosophy is based on focused concentrated investing in stocks with high structural growth, profitability and quality management.
- The target market cap range is INR 500-40,000 Crore range.
- The fund management has a buy and hold investment view with low churn and has a good track record in timely entries and exits of portfolio stocks.

General information	
Fund Name	LC SageOne Select Stock Portfolio
Fund Management Firm	SageOne Investment Advisors
Fund Managers	Samit Vartak
Ref Index	BSE500
Category	PMS
Sub-Category	Long Only - Mid/Small Cap
Fee*	1.75% - 2.5% fixed
	0.25%-1% + 15% profit share above 10%

Track record					
Month	Fund	Index	Period	Fund	Index
Feb-22	-7.5%	-4.1%	3 Months	-4.9%	-2.3%
Jan-22	-3.7%	-0.4%	6 Months	-1.4%	-1.9%
Dec-21	6.8%	2.3%	1 Year	40.3%	17.4%
Nov-21	1.9%	-3.0%	3 Years	34.1%	17.0%
Oct-21	-3.8%	0.2%	5 Years	22.2%	13.3%
Sep-21	5.7%	3.3%			
* Fund inception in June 2020 ** Returns are for combined SageOne Core & Small/Micro Cap funds from April 2009 till August 2020 Data as of 28 th February 2022			Returns	36.4%	15.5%
			Volatility	34.3%	20.2%
			Sharpe	0.887	0.471

*High water mark applicable
Min Subscription : Rs 2 cr.

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Long Only Equity : Alchemy High Growth Select

- Alchemy High Growth Select Stock is a concentrated portfolio aiming at generating long term returns by investing in equities across market capitalization.
- The intention is to bring the stock-picking expertise of the franchise to fore with an ability to pick trends early.
- The managers insist that at least 3-5-year investment horizon (in line with their investment philosophy) is needed to get exposure to returns of a market cycle.
- While a diversified portfolio reduces risk, too much diversification tends to dilute returns unless there is a bull run where the tide lifts all boats. A concentrated portfolio helps to focus more on individual stock performance and returns somewhat reducing the correlation to broad market index returns albeit, over the long run.

General information	
Fund Name	Alchemy High Growth Select
Fund Management Firm	Alchemy Capital Management
Fund Managers	Hiren Ved
Ref Index	BSE 500
Category	PMS
Sub-Category	Long Only – Multi cap
Fee	Up to 2.25% Subscription Fee
	2-2.25-2.5% Mgmt. fee(1/5/10 Cr) Fixed
	1-1.25-1.5% Mgmt. fee (1/5/10 Cr) + 15% of profits over 10% hurdle rate

Track record					
Month	Fund	Index	Period	Fund	Index
Feb-22	-2.5%	-4.1%	3 Months	-6.0%	-2.3%
Jan-22	-5.0%	-0.4%	6 Months	-1.0%	-1.9%
Dec-21	1.5%	2.3%	1 Year	25.7%	17.4%
Nov-21	-2.1%	-3.0%	3 Years	15.5%	17.0%
Oct-21	1.8%	0.2%	5 Years	13.4%	13.3%
Sep-21	5.7%	3.3%			
* Fund inception in December 2008 * Data as of 28 th February 2022			Returns	20.3%	15.7%
			Volatility	20.9%	20.4%
			Sharpe	0.686	0.476

Min Subscription : Rs 3 cr.

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Long Only Equity : Marcellus Rising Giants Portfolio

- The fund invests in companies with market cap range of USD 500mn to USD 10bn. The investment style constitutes of 3 factors:
 - Strongly moated dominant companies in niche segments not yet well discovered by the market participants.
 - Companies that have strong track record of capital allocation with high reinvestment in the core business and continuously focuses on adjacencies for growth.
 - Companies that have clean accounts and governance.
- From a universe of 450 companies, a portfolio is constructed of 15-20 companies which makes it past the Marcellus proprietary forensic accounting and capital allocation filters as well as bottom-up stock selection and position sizing framework that establishes the longevity of cash flows through assessing sustainability of competitive advantages, lethargic aspects of management and succession roadmap.

General information

Fund Name	Rising Giants
Fund Management Firm	Marcellus Investment Managers
Fund Managers	Marcellus Investment Managers
Ref Index	BSE 500 Index
Category	PMS or AIF – CAT III
Sub-Category	Long Biased, Mid/Small cap
Fee	2%-2.5% Fixed Fees
	1.25%-1.75% + 10% performance fee over 6% hurdle rate + 5% performance fee if returns over BSE 500

Track record

Month	Fund	Index	Period	Fund	Index
Feb-22	-8.3%	-4.1%	3 Months	-8.6%	-2.3%
Jan-22	-3.3%	-0.4%	6 Months	-6.6%	-1.9%
Dec-21	3.1%	2.4%	1 Year	-	-
Nov-21	-0.5%	-2.9%	2 Years	-	-
Oct-21	1.6%	0.3%	<ul style="list-style-type: none"> • Data as of 28th February, 2022 • Inception for AIF in Aug, 2021 		
Sep-21	1.1%	3.4%			
			Returns	-10.7%	7.9%
			Volatility	13.3%	12.8%
			Sharpe	-1.256	0.147

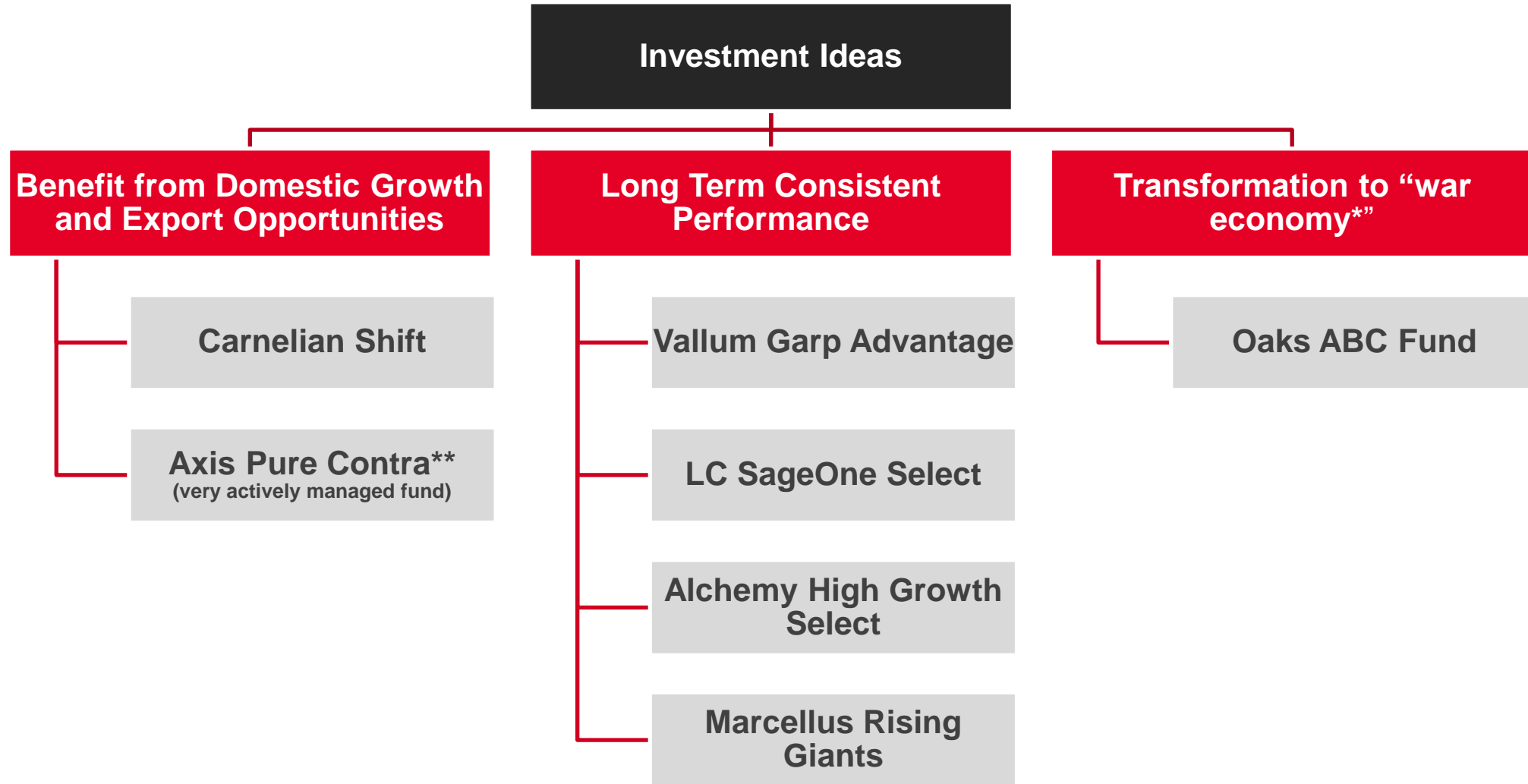
Long Only Equity : Oaks ABC Portfolio

- The key objective of ABC Portfolio is to identify 3-5 key transformative trends which are currently undervalued / under-owned (in major benchmarks and diversified funds) by following an absolute return orientation (higher upside with limited downside).
- The fund structures the portfolio around the mega-trend of India making a shift from a consumer & services driven economy to a more investment led economy with multiple drivers in the coming decade.
- **The mega trend is converted into investable trends and a concentrated portfolio is built around the same.**
- Some of the investable trends are
 - core long term and cyclical opportunities in sectors like manufacturing, real estate, agriculture, etc.
 - special situation opportunities like divestments, asset monetization
 - medium of financing like market infra companies, innovative asset classes, etc.

General information	
Fund Name	ABC Portfolio
Fund Management Firm	Oaks Asset Management
Fund Managers	Debashish Bose
Ref Index	NIFTY 500
Category	PMS
Sub-Category	Long Only, Multi cap
Fee	2% Fixed Fee
	1.0% + 10% share of returns above 10% hurdle subject to high water mark

Track record						
Month	Fund	Index		Period	Fund	Index
Feb-22	-2.8%	4.1%		3 Months	3.9%	6.0%
Jan-22	4.3%	-0.5%		6 Months	6.9%	6.7%
Dec-21	2.5%	2.4%		1 Year	20.9%	27.5%
Nov-21	-2.5%	-2.9%				
Oct-21	-0.4%	0.2%				
Sep-21	6.0%	3.4%				
* Fund inception in Jan 2020 * Data as of 28 th February 2022				Returns	26.0%	34.1%
				Volatility	14.1%	10.9%
				Sharpe	1.418	2.580

“Bucketing” of Long Only Equity Strategies



*War economy is the organization of a country's production capacity and distribution during a time of conflict. Governments must choose how to allocate their country's resources very carefully in order to achieve military victory while also meeting vital domestic consumer demands – Source Investopedia

** Also invests in special situation opportunities

High Yield Debt : True North Credit Opportunities Fund I

- The fund seeks to deliver superior risk adjusted returns with sharp focus on capital preservation and current income by offering flexible capital solutions to well governed, under served middle market companies.
- Ability to reinvest 100% proceeds received within 18 months from Final Close.
- Investments will be in senior secured/Opco Mezzanine Structurally subordinated debt.
- The fund will be sector agnostic with focus on Healthcare, Technology, Consumer, Financial Services etc.
- Security would typically be Fixed & current assets, shares, personal guarantees etc.
- Targeted Gross Returns: 16% to 18% (Source – Fund presentation)

General information	
Fund Name	True North Credit Opportunities Fund
Fund Management Firm	True North
Fund Managers	True North Managers LLP
Category	AIF – CAT II
Sub-Category	Credit Fund
Underlying Investments	Senior secured/Opco Mezzanine/ Structurally subordinated debt
Tenure	6 Years from final close
Income Distributions	Quarterly
Drawdown	In the first 3 years
Fee	1.5% p.a. for commitment amount greater than INR 10 crore, 1.75% p.a. for commitment amount between INR 5 crore to 10 crore, 2.0% p.a. for commitment amount between INR 1 crore to INR 5 crore
	Hurdle Rate– 11% IRR Carried Interest – 15% with full catch up

Recommended Debt Mutual Funds :

- The fixed income market has to navigate between domestic growth being interrupted by risk of rising Covid cases and fears of policy tightening across economies (especially by US FED).
- We prefer to invest in high quality roll down/target maturity funds across 3-7 years segment.
- Investors should match their holding period with duration of the roll down strategies to protect from market volatility and to get reasonable return.
- We believe that roll down strategy would help to tick the boxes of fixed income investment – high predictability, low volatility, high liquidity and reasonable returns.

Track record							
Fund	AUM	Modified Duration	Returns				
			1M	3M	6M	1Y	3Y
DSP Corporate Bond Fund	2,530	2.17	0.62	0.56	1.34	3.57	7.38
Axis Banking and PSU Debt Fund	15,722	0.77	0.34	0.73	1.30	4.09	7.33
Nippon India Floating Rate Fund	17,696	1.24	0.38	0.66	1.23	4.83	7.61
DSP Floater Fund	2,211	1.30	0.18	(0.04)	0.87	-	-
IDFC Banking and PSU Debt Fund	17,918	1.00	0.34	0.69	1.16	4.35	8.02
IDFC Corporate Bond Fund	19,500	1.85	0.42	0.49	0.96	5.00	7.43
Bharat Bond ETF – April 2025	10,035	2.61	0.73	0.50	1.03	6.28	-
IDFC Gilt 2027 Index Fund	2,058	3.95	0.52	(0.44)	0.52	-	-
IDFC Gilt 2028 Index Fund	555	4.37	0.63	(0.66)	0.28	-	-
L&T Triple Ace Bond Fund	9,406	4.91	1.08	(0.26)	1.14	5.99	9.19
Axis Dynamic Bond Fund	2,644	5.95	1.16	(0.52)	0.89	6.13	8.57
Bharat Bond ETF – April 2031	10,556	6.34	1.48	(0.22)	1.73	7.25	-

- Data Source – ACE MF
- Performance is shown on annualized basis
- Returns as of 28th February, 2022

Global Investment : LC Global Select SP - Growth

- The objective of this fund is to generate consistent risk adjusted return with better downside management.
- The target is to deliver 9-11% annualised USD return with a volatility in the range of 8-10%.
- The strategy aims to achieve reduced volatility by diversifying portfolio with up to 20 high quality global fund managers that have low beta to broader markets and lower downside risk.
- The key tenets for the fund are
 - Access to world class fund managers across assets classes and geographies
 - Portfolio rebalancing in terms of asset allocation depending on market cycles.

General information	
Fund Name	LC Global Select SP - Growth
Fund Management Firm	Lighthouse Canton Pte - Singapore
Fund Managers	Antoine Bracq
Ref Index	Eurekahedge Fund of Fund Index
Category	Fund of Fund – Global
Sub-Category	Offshore - Absolute Return Fund
Fee	Class A1 – 1.5% p.a. – Investments up to \$1 Mn
	Class A2 – 1% p.a. – Investments greater than or equal to \$1 Mn

Track record					
Month	Fund	Index	Period	Fund	Index
Jan-22	-0.1%	-1.9%	3 Months	0.1%	-2.7%
Dec-21	0.2%	1.0%	6 Months	2.7%	-3.7%
Nov-21	1.2%	-1.19%	1 Year	7.7%	-1.0%
Oct-21	0.3%	1.9%			
Sept-21	1.1%	0.0%			
Aug-21	-0.1%	0.7%			
<ul style="list-style-type: none"> • Data as of 31st January, 2022 • Inception in December, 2020 • Returns in USD 			Fund Category		Weight
			Global Equity L/S		23.59%
			APAC Equity L/S		23.54%
			L/S CDS		5.68%
			Macro Rel. Value		7.74%
			Structured Credit		13.45%
			Vol. Rel. Value		12.11%

Venture Capital : LC Nueva Fund

A Unique Platform for Investing in India's Start- Up Economy

- **Investing alongside Clients**
25% of LC Nueva AIF's fund commitment will come from the sponsor and management team.
- **Lean Management Fee structure**
Lean management fee structure especially designed for return maximization.
- **Experienced Team with Long Standing Track Record**
Investments team led by Sohil Chand (ex-India head of Norwest Venture Partners) with long-standing track record of identifying future winners early.
- **Investing in Early-Stage Businesses**
The fund will primarily invest in early-stage businesses, typically in pre-Series A or Series A rounds.
- **Sector Agnostic Approach**
Sector-agnostic approach but with a proclivity towards health-tech, consumer-tech, fintech & education-tech businesses, steering clear of capital-intensive businesses.

General information	
Fund Name	LC Nueva AIF
Fund Management Firm	LC Nueva Investment Partners LLP
Fund Managers	LC Nueva Investment Partners LLP
Category	AIF – CAT II
Sub-Category	Venture Capital Fund
Underlying Investments	Early Stage Venture Equity
Tenure	8 Years from final close
Income Distributions	NA
Drawdown	3 years
Fee	0.5% p.a. for commitment amount greater than INR 5 crore, 1% p.a. for commitment amount between INR 1 crore to 5 crore,
	Hurdle Rate– 8% IRR Carried Interest – 20% with full catch up

Tactical Opportunities

4

Debt Plus : Estee I-Alpha

- Estee Advisors is India's leading systematic traders in India with **low latency algorithmic trading** capability.
- Through smart algorithms, they are able to latch on to arbitrage opportunities between index futures and its constituents.
- Operationally, 99% funds are pooled together by the clearing entity into Fixed Deposits or is invested with their treasury.
- Remaining 1% is held as cash to meet daily MTM margin obligations. The pooled FDs are used as margin for the arbitrage trades.
- About 50-60% of the returns come from interest income while the rest comes in from arbitrage trading.

General information	
Fund Name	Estee I-Alpha
Fund Management Firm	Estee Advisors
Fund Managers	Estee Advisors
Ref Index	NIFTY 50 Arbitrage Fund Index
Category	PMS
Sub-Category	Long Short – Market Neutral
Fee	2.5% fixed
	1% + 35% performance over Deposit Rate

Track record					
Month	Fund	Index	Period	Fund	Index
Feb-22	0.6%	0.4%	3 Months	1.9%	1.1%
Jan-22	0.6%	0.4%	6 Months	4.5%	1.7%
Dec-21	0.7%	0.3%	1 Year	8.7%	4.4%
Nov-21	0.7%	0.3%	3 Years	11.6%	4.3%
Oct-21	1.1%	0.2%	5 Years	11.9%	4.4%
Sep-21	0.8%	0.1%			
<ul style="list-style-type: none"> • Data as of 28th February, 2022 • Inception in October, 2009 			Returns	13.8%	6.0%
			Volatility	1.6%	0.9%
			Sharpe	4.893	0.098

Equity Plus : Whitespace Alpha Fund I

This fund parks 95-99% capital in Nifty Bees and uses that as margin for running arbitrage strategies using futures and options with the aim to create a sustainable return of ~8-9% above the benchmark. The three key underlying strategies are:

- **Core Strategy** – plain vanilla arbitrage strategy, semi-automated, across equities and commodities between cash and futures contracts.
- **Index Modelling** – trade on implied volatility between Futures and Options contracts of stocks and indices, driven by spreads, volumes, volatility and OI.
- **Statistical Modelling** – option strategies like box, butterfly, etc; run correlation models, plot price curve and build expectations around price of security and take hedged calls.

General information						
Fund Name			Whitespace Alpha Fund I			
Fund Management Firm			Whitespace Alpha LLP			
Fund Managers			Whitespace Alpha LLP			
Ref Index			NIFTY 50 Index			
Category			AIF – CAT III			
Sub-Category			Long Biased – Equity Plus			
Fee*			2% + up to 5% alpha: 10% of alpha			
			2% + up to 10% alpha: 20% of alpha			
			2% + up to 15% alpha: 30% of alpha			
			2% + up to 20% alpha: 40% of alpha or else>=20% alpha: 50% of alpha			
Track record						
Month	Fund	Index		Period	Fund	Index
Feb-22	-2.9%	-3.2%		3 Months	2.3%	-1.1%
Jan-22	1.1%	-0.1%		6 Months	5.4%	-2.0%
Dec-21	4.2%	2.2%		1 Year	32.7%	15.6%
Nov-21	-2.6%	-3.9%		2 Years	44.8%	22.4%
Oct-21	2.5%	0.3%				
Sep-21	3.3%	2.8%				
<ul style="list-style-type: none">• Data as of 28th February, 2022• Inception in October, 2019				Returns	37.5%	17.1%
				Volatility	23.7%	23.5%
				Sharpe	1.325	0.472

* Performance fee is without catch up

Debt Plus : Whitespace Alpha Fund II

This fund parks 95-99% capital in liquid funds (only AAA/AA+ rated schemes and across fund houses for diversification) and uses that as margin for running arbitrage strategies using futures and options. The three key strategies are:

- **Core Strategy** – plain vanilla arbitrage strategy, semi-automated, across equities and commodities between cash and futures contracts.
- **Index Modelling** – trade on implied volatility between Futures and Options contracts of stocks and indices, driven by spreads, volumes, volatility and OI.
- **Statistical Modelling** – option strategies like box, butterfly, etc; run correlation models, plot price curve and build expectations around price of security and take hedged calls.

General information						
Fund Name			Whitespace Alpha Fund II			
Fund Management Firm			Whitespace Alpha LLP			
Fund Managers			Whitespace Alpha LLP			
Ref Index			CRISIL Liquid Fund Index			
Category			AIF – CAT III			
Sub-Category			Long Short – Market Neutral			
Fee*			2% + 1% performance if alpha up to 7.5%			
			2% + 2% performance if alpha up to 15%			
			2% + 3% performance if alpha above 15%			
Track record						
Month	Fund	Index		Period	Fund	Index
Feb-22	0.4%	0.4%		3 Months	4.4%	1.0%
Jan-22	1.6%	0.3%		6 Months	9.3%	2.1%
Dec-21	2.3%	0.35%		1 Year	17.2%	3.9%
Nov-21	1.6%	0.35%		2 Years	17.1%	4.1%
Oct-21	2.7%	0.35%				
Sep-21	0.4%	0.35%				
<ul style="list-style-type: none">Data as of 28th February, 2022Inception in October, 2019				Returns	17.6%	4.4%
				Volatility	2.4%	0.3%
			Sharpe	4.781	-6.395	

* Alpha is when the fund exceeds the benchmark (91D Treasury bond yield minus 50 bps)

Debt Plus : ICICI Prudential Long Short Fund

- The objective of this fund is to generate consistent absolute returns on a quarterly and annual basis using judicious allocation and efficient active management of positions in index futures and options with reduced volatility and higher drawdown protection in extreme events.
- The long-term target is to generate a consistent income stream yielding 7-9% annualized. The key tenets for the fund are –
 - risk-adjusted returns irrespective of market conditions, with positive correlation in up-markets and negative in negative markets
 - volatility that is significantly lower than index volatility and is visibly lower in negative periods, and
 - drawdown protection to limit downside in adverse market conditions

General information	
Fund name	ICICI prudential long short fund (II)
Fund management firm	ICICI prudential asset management
Fund managers	Nandik Mallik
Ref index	Nifty 50 index
Category	Alternative - AIF - category III
Sub-category	Long short - market neutral
Fee	Class A – 1% and 20% performance
	Class B – 1.5% and 20% performance
	Class C – 1.5% and 15% performance
	Performance fee charged over 12%

Track record					
Month	Fund	Index	Period	Fund	Index
Feb-22	0.3%	-3.2%	3 Months	0.9%	-1.1%
Jan-22	-0.3%	-0.1%	6 Months	3.8%	-2.0%
Dec-21	0.9%	2.2%	1 Year	13.3%	15.6%
Nov-21	1.6%	-3.9%	2 Years	16.1%	22.4%
Oct-21	0.9%	0.3%	3 Years	16.7%	15.9%
Sep-21	0.4%	2.8%			
<ul style="list-style-type: none"> Data as of 28th February, 2022 Inception in September, 2018 			Returns	16.5%	11.5%
			Volatility	9.7%	20.8%
			Sharpe	1.076	0.266

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