

Lighthouse Canton India

Smell The Coffee

August 2022

**LIGHTHOUSE
CANTON**

GLOBAL
**Private
Banking**
INNOVATION
AWARDS **2022**

OUTSTANDING DIGITAL
TRANSFORMATION IN COVID 19 BY
A FAMILY OFFICE

BEST FAMILY OFFICE -
MIDDLE EAST

BEST FAMILY OFFICE -
UNITED ARAB EMIRATES



2021
ASIAN PRIVATE BANKER
AWARDS FOR DISTINCTION

BEST INDEPENDENT WEALTH MANAGER
WEALTH PLANNING SERVICES



2021
ASIAN PRIVATE BANKER
AWARDS FOR DISTINCTION

BEST INDEPENDENT WEALTH MANAGER
INVESTMENT ADVISORY

lighthouse-canton.com

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Agenda

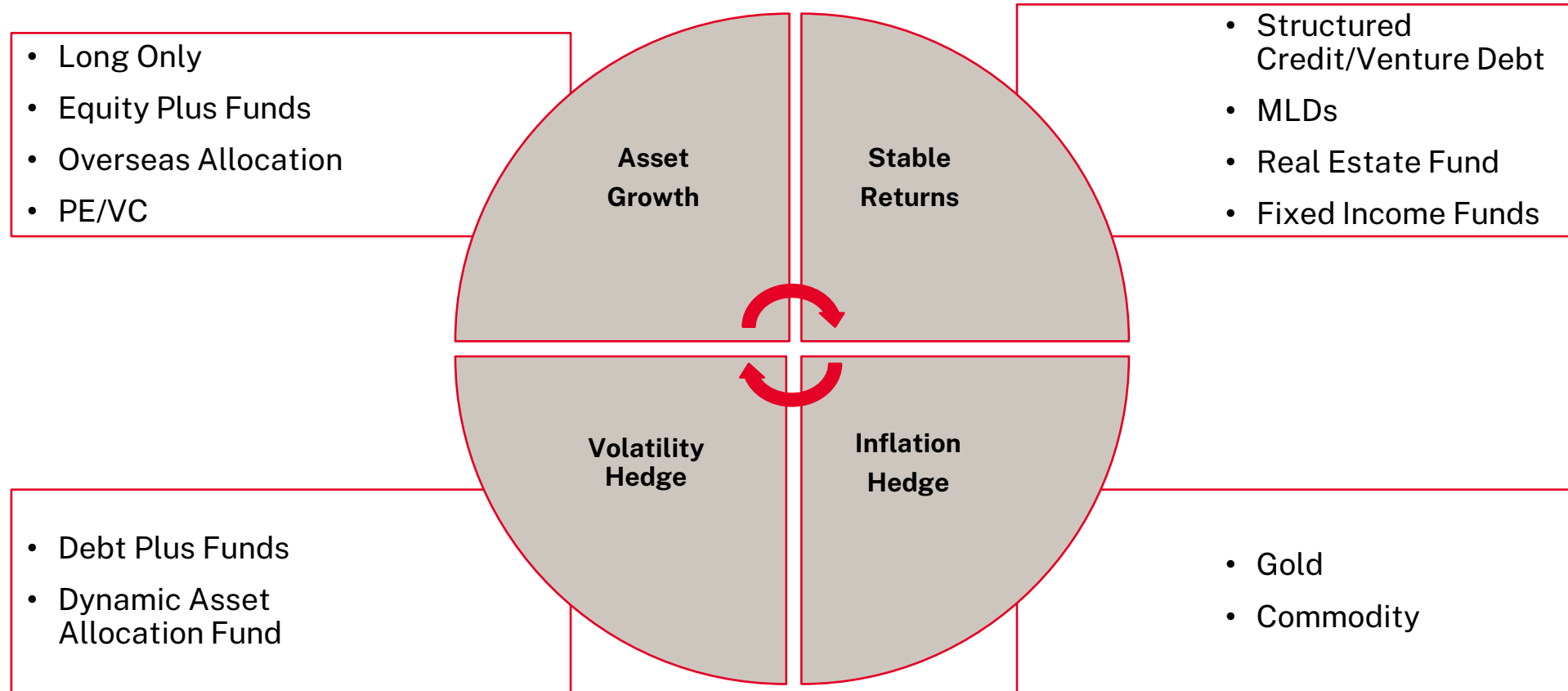
1. Market Update
2. Monthly Performance Update
3. Investment Opportunities
4. Tactical Calls
5. Global Opportunities

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

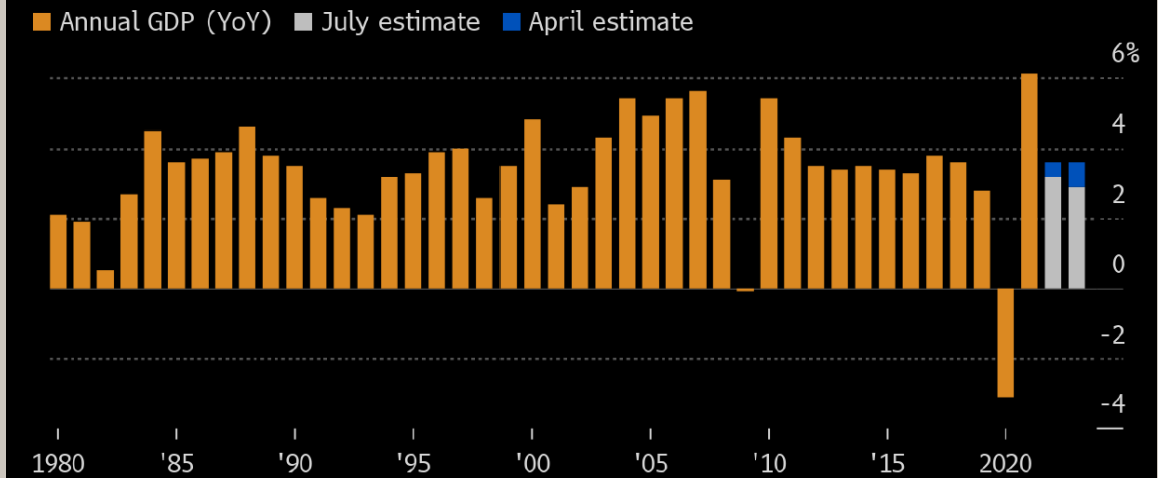


Macro Update

- **IMF's GDP and Inflation forecasts** – IMF cuts global growth outlook for this year and next year as inflation and rates jump. Global economic expansion will likely slow to 3.2% this year less than the 3.6% forecast in April 2022. The institution projects global consumer price gauge to increase to 8.3% this year which would be the biggest jump since 1996.
- **Rate hike cycle continues** – Global central banks continued their policy tightening - FED hiked rates by 75 bps in July, BOE hiked rates by 50 bps in Aug (highest increase in 27 years), ECB and RBI hiked rates by the same quantum as BOE in July and Aug policy meets, respectively. **Most of the central banks are being more data dependent for future policy settings which may lead to higher volatility in financial markets especially around the time data is released for high frequency indicators of growth and inflation.**
- **Falling US ISM price indicators signaling inflation may cool down** – ISM services price paid came in at 72.3 in July 2022 falling to a 16-month low. On the other hand, ISM manufacturing price paid came in at 60 in July 2022 marking the lowest level since Aug 2020. **Easing costs if sustained could translate into lower CPI in the coming months paving the way for the FED to adopt a less hawkish policy stance.**
- **"Jobs" Surprise** – Higher than expected non-farm payrolls for July 2022 (528000 vs median estimate of 250000, Source - Bloomberg) could well dampen the recent market sentiments on the FED pivot. Though its too early to call what may happen in the next FED policy meet scheduled for 21st Sept, **but strong job report and higher average hourly earnings sets the tone for aggressive rate hikes from the FED** – probability of rate hikes by 75 bps in Sept policy has now inched higher to 68% vs 34% (Source – CME, as on 6th Aug 2022).
- **India's external sector pressures at its peak** – The record high July trade deficit of \$31bn reflects steady domestic demand along with government's recent measures to control metals and fuel inflation. Exports in July 2022 was around \$35.2bn vs \$40.1bn in June 2022 and the drop was largely on account of fall in petroleum exports due to the impact of imposition of export duty on petrol, diesel and ATF. Oil imports were steady although non-oil imports had inched higher because of demand of coal, coke, electronic goods, etc.
- **High frequency indicators reflect mixed growth signals in India** – GST revenues were second highest at 1.48 lac crs. Purchasing Managers Index (PMI) for Manufacturing in July rose to 56.4 – highest level in 8 months compared with 53.9 in June 2022. **However, Services PMI in July came in at 55.5 lower than 59.2 seen in June 2022** and on the side of rural demand indicators, **tractor sales contracted in June 2022**. We would be watchful of factors like monsoon progress for Aug-Sept, Kharif sowing patterns and translation of input prices to selling prices across manufacturing and services sectors which may affect the consumption side of the economy.
- **Investors are encouraged to have their eyes on macros and mind on asset allocation** – Calibrate investment decisions by carefully monitoring economic and geopolitical data points and its knock-on effects and create a well diversified portfolio.

Weaker Growth

IMF cuts global 2022, 2023 GDP growth outlook for third straight time



Source: IMF World Economic Outlook update

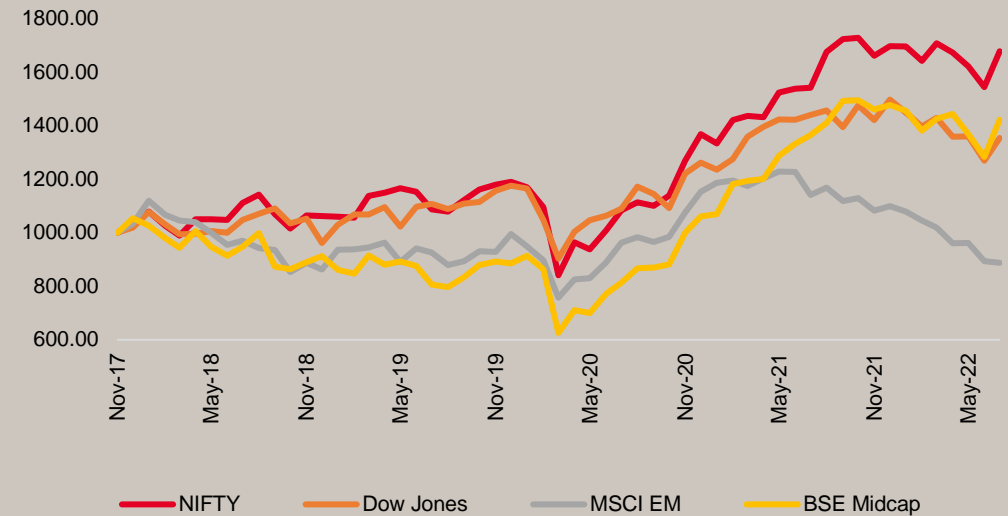
Bloomberg

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Equity Market Update

- **Wait for clarity from 3Rs and Earnings** - We would wait to get clarity with respect to chances of **recession** in US (hiking rates in a slowing economy is a way to re-engineer recessionary outcome), **rates** (a function of inflation) and **risk** (volatility coming down) and **earnings** before recommending lump sum investments in equities.
- **Sharp up move in Indian equities** - Nifty moved up by ~8.7% in July 2022 and closed at 17158 – **highest monthly move in % terms since Aug 2021**. Foreign institutional investors (FIIs) eased their sell off in July 2022 to a tune of INR 6567 crs as compared to an average of INR 40-50K crs numbers over the last many months. On the other hand, Domestic institutional investors (DII) continued to invest in equities with a net purchase of INR 10546 crs in July (Source – Money control)
- **Strong performance across all sectors** – All sectors ended the month of July in positive. Nifty Realty, Nifty Metal, Nifty Consumption, Nifty Banks were the biggest outperformers whereas Nifty CPSE, Nifty IT and Nifty Energy relatively underperformed.
- **Reasons for sector outperformance** - Expectations of strong demand and attractive interest rates have led to record registrations in metro cities which has helped to boost stock prices for Realty companies. Curtailed inflationary pressures due to correction in commodity prices, pick up in demand, ongoing price hikes has helped to boost stock prices for consumption companies. Increase in credit growth, encouraging outlook on liquidity and asset quality front has led to banking stocks doing well. Both FPIs and DIIs continue to remain overweight on Financials.
- **Q1FY23 earnings update** – All Nifty companies have reported earnings and on aggregate basis, companies have done well on revenue side, although they are facing headwinds on margins front on account of cost pressures (raw material, power, freight, etc). Management commentaries are cautiously optimistic on demand side, and they guided easing supply chain constraints with a cool off in commodity prices going forward.
- **Focus on selective themes** - We continue to focus on funds which benefit from domestic growth led by government spending and policies and selective export opportunities or transformation to war economy. We had outlined our deployment strategies in last couple of publications and investors who have followed us would have benefited during the recent market run up.
- **Risk profile of an investor should be the key driver for equity allocation** - 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



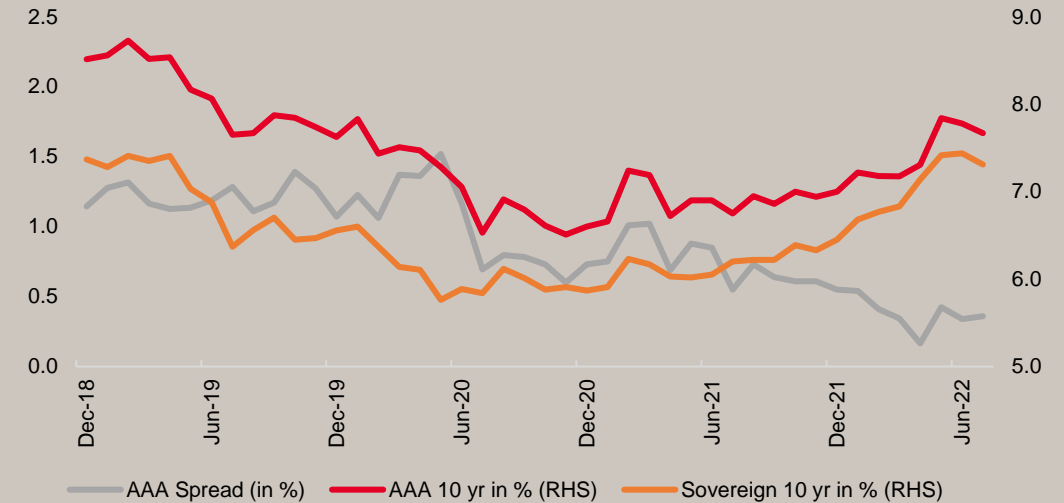
Month	NIFTY	Dow Jones*	MSCI EM*	BSE Midcap
July-22	8.73%	6.73%	-0.69%	10.77%
June-22	-4.85%	-6.71%	-7.15%	-6.18%
May-22	-3.03%	0.04%	0.14%	-5.22%

Data Source – Bloomberg | *Returns calculated based on USD Values

Fixed Income Market Update

- **Bond markets moved in line with US bond yields – Falling commodity prices and decline in US treasury rates led to decline in yields.** Although the FED hiked rates by 75 bps, but market participants viewed the policy as balanced and expectation of moderation in quantum of rate hikes led to decline in US bond yields (US 10-year bond yields dropped to levels of 2.55%). **As highlighted in our Macro update slide, the recent jobs numbers may dampen sentiments on FED pivot – reflected in the sharp 1 day (as of 5th Aug 2022) move of 10-19bps across different tenures (above 1 year) of the US yield curve.**
- **Continued hikes by RBI – Repo rate hike by 50 bps shows RBI's aim is to anchor inflation expectation and focus on reigning consumer prices back into its target range.** We also believe the policy indirectly helps to support INR as rising USD can feed into imported inflation. **There was no change in inflation and growth forecasts for FY23 and first-time estimates on CPI and GDP for Q1 2023-24 were released – 5% and 6.7% respectively.**
- **“Hawkish” perception – Markets perceived the policy announcements as hawkish on account of policy rate hike at higher end of rate hike expectation band (25 to 50 bps), reiterated focus on with drawl of accommodation and no forward guidance.** We have seen the 10-year bond yield moving up from 7.11% to 7.30%.
- **What to expect –** We continue to believe that the direction of yields going forward would be dictated by factors like policy tightening across economies (chief being US), growth and inflation trade offs (next 2 policy meets would give more updates on FY24 forecasts and RBI would have greater clarity on external demand) and support to government borrowing program from RBI.
- **Invest in Short term/Roll downs and/or Credit funds -** Investors could look to invest in short term bond funds as upward move in yields especially in last few months makes the 1–3-year segment attractive. Investors who are looking for visibility of returns could invest in high quality roll down strategies across 3-5 years duration. Investors could also look to invest in well managed credit funds (on AIF platform) where the focus is on capital preservation and current income.

10 year Corporate Bonds and Spreads



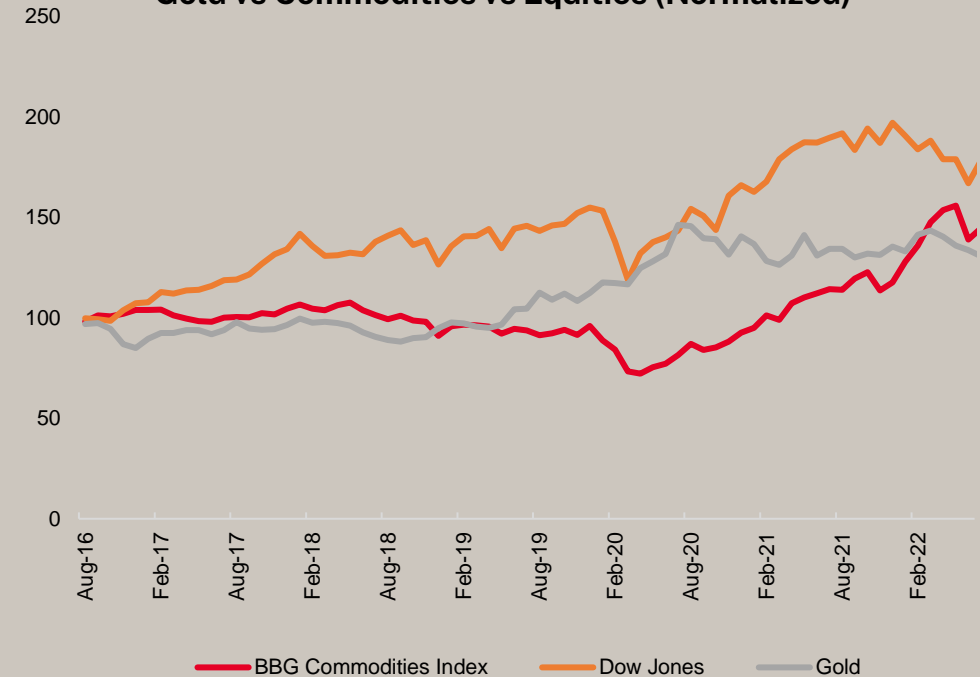
Month	AAA 10 yr (in %)	Sov. 10 Yr (in %)	AAA Spread (in bps)
July-22	7.67	7.31	36
June-22	7.78	7.44	44
May-22	7.84	7.41	43
Apr-22	7.30	7.14	16
Mar-22	7.17	6.83	34

Data Source – Bloomberg

Alternatives Assets Update

- **Macro developments has been in the driving seat** – We have seen significant correction across commodities on account of consumer sentiments across economies are at historic lows, lead indicators like manufacturing and services PMI moving lower and in some cases in contractionary (below 50 levels) and fears of recession (in Europe, US) have accentuated.
- **Price correction has continued in July** – Commodities especially oil suffered a brutal sell off in the first week of July prompting concern of “Boom and Bust” cycle which we had seen in 2008. **On 5th July 2022, Brent oil corrected by more than \$10 – 3rd largest plunge since the launch of Brent oil futures market since 1988.** On the other hand, copper prices which are a strong gauge for pick up in industrial activity after correcting by ~22% between Mar and June 22 declined by ~4% in July 2022. In the same month, UN Food Price Index (measure for food commodity prices) has seen a 2nd worst monthly fall since 1990 – correcting by ~8.6% (Source – Bloomberg).
- **Commodities likely to remain a speculative asset** – We continue to hold the view that commodities especially crude is likely to remain volatile in the near term because of headwinds both on the demand and supply side - supply side issues due to Russia Ukraine conflict and Iran nuclear talks, uncertainties around overall inventory levels and production numbers from OPEC+ and demand side issues due to delayed recovery in China, global growth slowdown, etc. **Barring the short term speculation, from medium to long term basis, we remain constructive on metals and energy on account of higher infrastructure spending and drive towards clean energy.**
- **Gold should be a constant segment in one's portfolio** – Although spot gold prices continued its decline for 4th consecutive month and ended the month of July 2022 down by ~2.2%, gold has performed better than other asset classes (like global equities and bonds) on YTD basis. The relative outperformance is despite faster than expected policy normalization by most of the global central bankers which has led to real rates inching higher (historically gold prices exhibit negative correlation with real rates) and rise in USD. **Allocation to gold on declines from a long term perspective would help one to hedge against any economic uncertainty because of geopolitical factors, hedge against rise in inflation and de-dollarization.**

Gold vs Commodities vs Equities (Normalized)



Data Source – Bloomberg

Monthly Performance Update

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Select Absolute Return Funds and Benchmark Indices

Debt Plus Funds	Fund	Platform	Jul-22	Jun-22	May-22		3M	6M	1Y	2Y	3Y
	ICICI Prudential Long Short	AIF	1.0%	1.1%	0.6%		2.7%	5.6%	10.3%	17.7%	15.1%
	Whitespace Debt Plus	AIF	-1.0%	0.4%	-4.0%		-4.6%	-2.6%	6.4%	12.1%	
	Estee I-Alpha	PMS	0.8%	0.8%	0.9%		2.5%	4.8%	9.5%	9.3%	11.0%
	Alpha Alt MSAR	AIF	1.5%	0.6%	0.2%		2.3%	7.0%	13.2%	11.7%	11.5%
	Avendus Abs Return Fund	AIF	0.8%	0.6%	1.0%		2.3%	3.4%	12.6%	13.0%	11.2%
Benchmark Indices	Fund		Jul-22	Jun-22	May-22		3M	6M	1Y	2Y	3Y
	Nifty 50		8.7%	-4.8%	-3.0%		0.3%	-1.1%	8.8%	24.5%	15.6%
	BSE500		9.5%	-5.2%	-4.5%		-0.8%	-1.5%	7.4%	27.6%	17.7%
	BSE Mid Cap		10.8%	-6.2%	-5.2%		-1.5%	-2.3%	4.2%	32.2%	20.8%
	BSE Small Cap		9.2%	-6.0%	-7.8%		-5.4%	-7.4%	1.0%	44.1%	28.7%
	CRISIL Liquid Fund Index		0.4%	0.4%	0.3%		1.1%	2.1%	4.0%	3.8%	4.4%
	Nifty Bank		12.2%	-5.8%	-1.7%		3.9%	-1.3%	8.4%	31.6%	9.1%
	MSCI EM Index*		-0.7%	-7.1%	0.1%		-7.7%	-17.8%	-22.3%	-4.0%	-1.4%
	Nifty 50 Arb Index		0.0%	0.2%	0.5%		0.7%	1.6%	3.2%	3.7%	3.5%

Performance as of 31st July, 2022 | * Returns computed on USD values

Select Long Only PMS/AIF Strategies

Long Only Funds

Fund	Platform	Jul-22	Jun-22	May-22		3M	6M	1Y	2Y	3Y
LC SageOne Select	PMS	8.0%	-9.1%	-8.1%		-9.8%	-9.5%	-0.5%	42.6%	32.9%
Vallum India GARP Advantage	PMS	11.3%	-5.9%	-8.2%		-3.9%	-7.8%	-1.9%	41.7%	32.3%
White Oak India Pioneers	PMS	10.0%	-4.9%	-5.5%		-1.2%	-3.6%	0.5%	27.0%	24.5%
SageOne Small Cap	PMS	11.9%	-8.5%	-9.3%		-7.1%	-8.0%	4.5%	54.4%	45.9%
Marcellus Cons. Compounders	PMS	14.4%	-6.6%	-6.6%		-0.1%	-2.6%	1.2%	23.6%	23.3%
Alchemy High Growth Select Stock	PMS	10.1%	-5.2%	-5.8%		-1.6%	-2.0%	11.2%	35.1%	17.6%
Marcellus Kings Of Capital	PMS	13.5%	-8.6%	-3.4%		0.2%	-6.4%	-3.8%	13.0%	
Abakkus All Cap Approach	PMS	8.3%	-7.3%	-6.9%		-6.5%	-9.1%	-3.5%		
Oaks ABC Portfolio	PMS	9.4%	-7.6%	-4.0%		-3.0%	2.2%	12.7%		
Carnelian Shift - PMS	AIF/PMS	7.8%	-4.1%	-4.8%		-1.6%	-2.7%	-0.6%		
Axis Contra Fund	PMS	10.1%	-2.3%	-5.1%		2.2%	-2.6%	8.6%	42.6%	
Abakkus Emerging Opportunities-PMS	PMS	10.2%	-7.6%	-10.7%		-9.1%	-9.9%	-6.2%	38.5%	
Aurum Small Cap Opportunities	PMS	10.3%	-1.3%	-8.1%		0.1%	-3.3%	-3.6%	54.6%	33.1%
Alchemy Leader of Tomorrow Series-II *	AIF	7.6%	-4.6%	-5.0%		-2.6%				

Equity Plus Funds

Fund	Platform	Jul-22	Jun-22	May-22		3M	6M	1Y	2Y	3Y
Whitespace Equity Plus	AIF	8.3%	-4.7%	-6.5%		-3.4%	-3.3%	14.3%	42.5%	
Avendus Enh Retrtn Fund - II	AIF	11.1%	-7.0%	-0.6%		2.7%	-0.9%	10.0%	21.3%	16.4%

Performance as on 31st July, 2022

* The first closing for Alchemy Leaders of Tomorrow (ALOT) Series-II fund was 14th Feb 2022. However, month on month returns are reported from May 2022 since a large portion of the capital was held in cash during this period which was deployed over past few months.

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Select Mutual Funds

Mutual Funds	Fund	Segment	1 M	3 M	6 M	1 Y	2 Y	3 Y
	Mirae Asset Large Cap Fund	Large Cap	7.96%	4.43%	-2.14%	4.30%	24.24%	16.46%
	ICICI Pru Bluechip Fund	Large Cap	8.08%	4.57%	-1.34%	8.48%	27.44%	17.64%
	Kotak Emerging Equity Fund	Mid Cap	11.74%	4.18%	2.68%	8.89%	39.76%	27.47%
	PGIM India Midcap Opp Fund	Mid Cap	11.16%	7.17%	-2.26%	9.50%	45.95%	39.09%
	Mirae Asset Emerging Bluechip	Large & Mid Cap	8.93%	4.36%	-2.98%	3.01%	31.53%	23.29%
	SBI Large & Midcap Fund	Large & Mid Cap	9.54%	2.72%	-1.06%	7.07%	33.45%	21.11%
	DSP Small Cap Fund	Small Cap	10.22%	0.46%	-3.29%	7.32%	44.85%	31.51%
	Nippon India Small Cap Fund	Small Cap	9.62%	2.73%	-1.80%	11.52%	52.61%	34.56%
	Parag Parikh Flexi Cap Fund	Flexi Cap	7.77%	2.21%	-3.74%	4.09%	27.09%	24.88%
	HDFC Flexi Cap Fund	Flexi Cap	9.56%	6.07%	3.78%	14.95%	37.39%	18.68%
	Aditya Birla SL Focused Equity Fund	Focused	8.45%	4.48%	-2.49%	4.82%	24.08%	16.57%
	Nippon India Focused Equity Fund	Focused	9.00%	5.54%	-0.54%	9.30%	36.40%	22.16%
	Sundaram Multi Cap Fund	Multi Cap	10.29%	3.76%	-3.76%	8.20%	32.60%	21.16%
	Invesco India Multicap Fund	Multi Cap	9.54%	4.22%	-5.33%	-1.46%	29.83%	20.35%
	ICICI Pru Value Discovery Fund	Value	8.19%	2.78%	0.41%	14.42%	33.44%	23.27%
	ICICI Pru Balanced Advantage Fund	Balanced Advantage	4.13%	3.81%	2.93%	7.99%	17.27%	13.24%
	Edelweiss Balanced Advantage Fund	Balanced Advantage	5.78%	2.56%	-1.00%	3.33%	17.09%	15.95%
	Edelweiss Arbitrage Fund	Arbitrage	0.25%	0.78%	1.68%	3.53%	3.71%	4.21%
	ICICI Pru Multi-Asset Fund	Multi-Asset	5.70%	2.21%	2.98%	17.41%	30.38%	19.69%

Performance as on 04th August, 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
Jul-22	7.8%	9.5%	3 Months	-1.6%	-0.8%
Jun-22	-4.1%	-5.2%	6 Months	-2.7%	-1.5%
May-22	-4.8%	-4.5%	1 Year	-0.6%	7.4%
Apr-22	0.2%	-0.6%			
Mar-22	5.5%	4.2%			
Feb-22	-6.4%	-4.1%			
* Fund inception in Oct 2020 * Data as of 31 st July 2022			Returns	42.6%	26.5%
			Volatility	21.8%	15.9%
			Sharpe	1.680	1.289

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	Period	Fund	Index
Jul-22	10.1%	9.6%	3 Months	2.2%	-0.3%
Jun-22	-2.3%	-5.1%	6 Months	-2.6%	-0.6%
May-22	-5.1%	-4.1%	1 Year	8.6%	8.6%
Apr-22	-2.4%	-0.7%			
Mar-22	3.4%	4.0%			
Feb-22	-5.4%	-3.5%			
* Fund inception in July 2020 * Data as of 31 st July 2022			Returns	46.3%	32.8%
			Volatility	17.8%	15.7%
			Sharpe	2.260	1.707

Long Only Equity : Vallum India GARP Advantage

- The team has extensive experience having returned a staggering 27% 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	1.5% + 15% above hurdle rate of 10% annualized after 3 years

Track record					
Month	Fund	Index	Period	Fund	Index
Jul-22	11.3%	10.8%	3 Months	-3.9%	-1.5%
Jun-22	-5.9%	-6.2%	6 Months	-7.8%	-2.3%
May-22	-8.2%	-5.2%	1 Year	-1.9%	4.2%
Apr-22	-0.7%	1.3%	3 Years	32.3%	20.8%
Mar-22	6.5%	3.2%	5 Years	14.8%	9.3%
Feb-22	-9.3%	-5.1%			
<ul style="list-style-type: none"> • Data as of 31st July 2022 • Inception is in October 2011 • Returns are for Vallum India Discovery Fund Inception Date for GARP Advantage Fund is Sep 2020 			Returns	26.7%	13.5%
			Volatility	23.5%	20.6%
			Sharpe	0.880	0.361

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
Jul-22	8.0%	9.5%	3 Months	-9.8%	-0.8%
Jun-22	-9.1%	-5.2%	6 Months	-9.5%	-1.5%
May-22	-8.1%	-4.5%	1 Year	-0.5%	7.4%
Apr-22	1.4%	-0.6%	3 Years	32.9%	17.7%
Mar-22	6.9%	4.2%	5 Years	17.7%	10.9%
Feb-22	-7.5%	-4.1%			
* Fund inception in June 2020 ** Returns are for combined SageOne Core & Small/Micro Cap funds from April 2009 till August 2020 Data as of 31 st July 2022			Returns	34.9%	15.2%
			Volatility	34.1%	20.2%
			Sharpe	0.847	0.457

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

**LIGHTHOUSE
CANTON**

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	2-2.25-2.5% Mgmt. fee(3/5/10 Cr) Fixed
	1-1.25-1.5% Mgmt. fee (3/5/10 Cr) + 15% of profits over 10% hurdle rate

Track record					
Month	Fund	Index	Period	Fund	Index
Jul-22	10.1%	9.5%	3 Months	-1.6%	-0.8%
Jun-22	-5.2%	-5.2%	6 Months	-2.0%	-1.5%
May-22	-5.8%	-4.5%	1 Year	11.2%	7.4%
Apr-22	-2.7%	-0.6%	3 Years	17.6%	17.7%
Mar-22	7.4%	4.2%	5 Years	10.9%	10.9%
Feb-22	-4.7%	-4.1%			
* Fund inception in December 2008 * Data as of 31 st July 2022			Returns	20.0%	15.4%
			Volatility	21.0%	20.3%
			Sharpe	0.670	0.462

Min Subscription : Rs 3 cr.

**LIGHTHOUSE
CANTON**

Long Only Equity : Abakkus Emerging Opportunities Fund

- The Fund endeavors to generate alpha and risk adjusted returns for client by investing in benchmark agnostic multi cap portfolio with mid and small cap bias.
- 15: 15: 15 discipline:** Invest predominantly in companies qualifying in at least 2 out of these 3 criteria
 - >15% ROE
 - >15% earnings growth
 - < 15 P/E Ratio
- Value conscious investor and prefers investing in 2nd or 3rd player vs paying abnormal premium to the leader.
- Differentiated Portfolio picked on a bottom-up basis, adhering to their internal "MEETS" (Management, Earnings, Events/Trends, Timing, Structural) Framework.

General information	
Fund Name	Abakkus Emerging Opportunities Approach
Fund Management Firm	Abakkus Asset Manager LLP
Fund Managers	Sunil Singhania
Ref Index	BSE 500
Category	PMS
Sub-Category	Long Only, multicap
Fee	2.5% fixed
	1.75% + 15% profit share above 9%

Track record						
Month	Fund	Index		Period	Fund	Index
Jul-22	10.2%	9.5%		3 Months	-9.1%	-0.8%
Jun-22	-7.6%	-5.2%		6 Months	-9.9%	-1.5%
May-22	-10.7%	-4.5%		1 Year	-6.2%	7.4%
Apr-22	2.7%	-0.6%		2 Years	38.5%	27.6%
Mar-22	4.0%	4.2%				
Feb-22	-7.3%	-4.1%				
<ul style="list-style-type: none">• Data as of 31st July 2022• Inception in October, 2019				Returns	38.5%	27.6%
				Volatility	22.5%	15.6%
				Sharpe	1.443	1.385

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 us 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
Jul-22	9.4%	9.5%	3 Months	-3.0%	-0.8%
Jun-22	-7.6%	-5.2%	6 Months	2.2%	-1.7%
May-22	-4.0%	-4.5%	1 Year	12.7%	7.3%
Apr-22	1.6%	-0.7%			
Mar-22	6.7%	4.1%			
Feb-22	-2.8%	-4.1%			
* Fund inception in Jan 2020 * Data as of 31 st July 2022			Returns	22.2%	19.0%
			Volatility	16.9%	14.9%
			Sharpe	0.961	0.871

Long Only Equity : Aurum Small Cap Opportunities

- With its inception in Dec 2012, the fund is one of the oldest small cap focused PMS in India with a track record of over 9 years. The fund has generated a stellar track record of long-term alpha generation – Returns of ~28% CAGR vs 10% return of NSE SmallCap 100.
- The investment philosophy of the fund is to invest in businesses that have structurally growth tailwinds and are available at reasonable prices (i.e., buy growth at reasonable valuations).
- The fund has a disciplined investment approach centred around 4 pillars –
 - **Ideation and Discovery** – Focus on Macro tailwinds, Brand and Business Revival, etc
 - **Fundamental Evaluation** – 15% CAGR earnings growth visibility, low leverage, sustainable ROCE of 15%+, free cash flow generation, etc
 - **Risk Management** – Selective forensic diligence, periodic management interactions, etc
 - **Conservative Entry Valuation** – Valuation and price guard rail framework

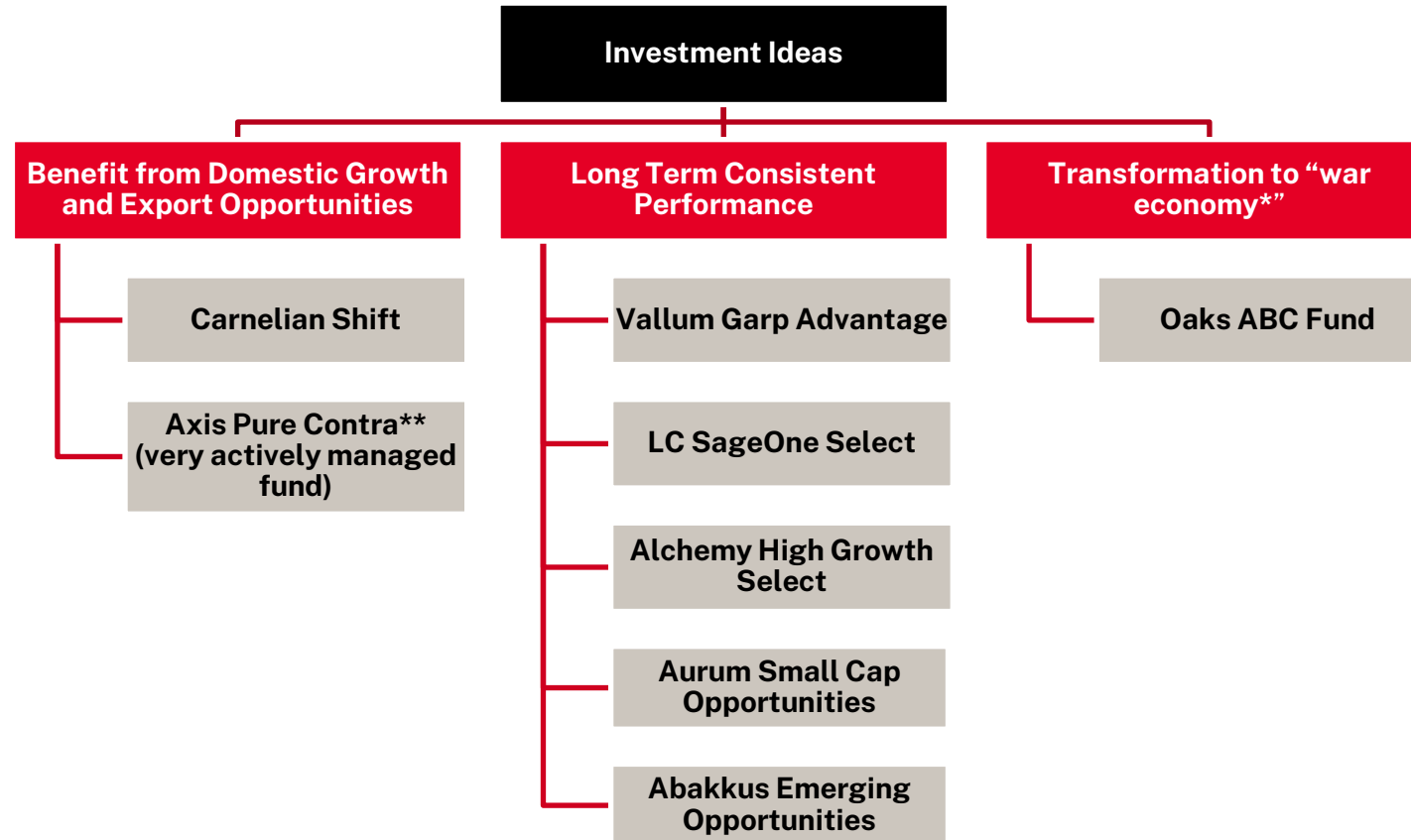
General information	
Fund Name	Aurum Small Cap Opportunities
Fund Management Firm	Nine Rivers Capital
Fund Managers	Sandeep Daga/Vivek Ganguly
Ref Index	NSE SmallCap 100
Category	PMS
Sub-Category	Long Only, Small cap
Fee	1 cr: 2% Fixed Fee + 20% share of returns above hurdle rate of 10%*
	5 cr and above: 3% Fixed Fee or 0% fixed and 20% performance fee charged annually (no hurdle)

Track record					
Month	Fund	Index	Period	Fund	Index
Jul-22	10.3%	8.6%	3 Months	0.1%	-10.6%
Jun-22	-1.3%	-8.3%	6 Months	-3.3%	-17.5%
May-22	-8.1%	-10.2%	1 Year	-3.6%	-12.8%
Apr-22	-2.0%	-1.7%	3 Years	33.1%	18.4%
Mar-22	9.7%	6.0%	5 Years	13.2%	3.3%
Feb-22	-10.1%	-11.4%			
Fund inception in Dec 2012 Data as of 31 st July 2022			Returns	28.4%	9.9%
			Volatility	27.4%	27.1%
			Sharpe	0.818	0.144

Min Subscription : Rs 1 cr. Exit load applicable – 3%/2%/1%

* Performance fee charged on returns at the time of redemption or on completion of 5 years from the date of investment date

“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 or equal to INR 10 crore, 1.75% p.a. for commitment amount between INR 5 crore and less than 10 crore, 2.0% p.a. for commitment amount between INR 1 crore and less than INR 5 crore
	Hurdle Rate– 11% IRR Carried Interest – 15% with full catch up

High Yield Debt : Vivriti Alpha Debt Fund

- Vivriti Alpha Debt Fund is CRISIL AA+ (SO) rated fund
- The Fund seeks to provide superior risk-adjusted return from investments in debt instruments/ securities issued by midmarket corporates in India.
- The Fund aims to generate interest income and capital appreciation for its investors by investing in debentures including non-convertible and market linked debentures.
- Proposed investment structure is as given below:
 - Listed MLDs: up to 50%
 - Unlisted MLDs: up to 40%
 - Unlisted NCDs: up to 10%
- Loss protection of 10% on outstanding principal through Sponsor's participation in sub-ordinated tranche.
- Target Portfolio Gross Yield: 11.50% XIRR (Source – Fund presentation)

General information	
Fund Name	Vivriti Alpha Debt Fund (a.k.a Vivriti Wealth Optimizer Fund)
Fund Management Firm	Vivriti Asset Management Private Limited
Fund Managers	Soumendra Ghosh, Mohamed Irfan
Category	AIF – CAT II
Sub-Category	Credit Fund
Underlying Investments	Senior secured MLDs and Senior Secured NCDs
Tenure	3 years and 6 months from final close
Fee	Class A1 – 1.50% p.a. charged only on drawdowns
	Hurdle Rate– 9.35% IRR Fund does not have concept of carry or performance fees. However, fund will split residual amount in ratio of 90:10 between investors & sponsor

Recommended Debt Mutual Funds :

- We prefer to invest in short term bond funds and high quality roll down/target maturity funds across 3-5 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.

Fund	AUM	Mod Duration	Net YTM	Returns in %					Ratings
				1M	3M	6M	1Y	3Y	SOV/AAA/Cash
SBI Short Term Debt Fund	11,058	1.15	5.80	0.6	0.9	1.3	2.7	5.7	91.0
ICICI Pru Short Term Fund	15,543	1.83	5.75	1.0	1.8	2.3	3.6	6.6	83.1
IDFC Bond Fund - Short Term Plan	10,181	2.16	5.78	1.0	1.5	1.3	2.6	5.8	100.0
Bharat Bond ETF - April 2025	10,034	2.28	7.23	1.0	1.2	0.7	2.5	-	100.0
DSP Corp Bond Fund	2,432	3.62	6.89	1.4	1.8	0.5	1.6	5.5	100.0
IDFC CRISIL Gilt 2027 Index Fund	5,563	3.76	6.68	1.4	2.3	1.2	2.4	-	100.0
IDFC CRISIL Gilt 2028 Index Fund	2,097	4.11	6.72	1.5	2.5	1.5	2.5	-	100.0
L&T Triple Ace Bond Fund	7,115	4.58	6.79	1.3	2.5	1.4	2.6	6.1	100.0
Bharat Bond ETF - April 2031	11,023	5.93	7.68	1.7	2.9	1.7	2.8	-	100.0

- Data Source – ACE MF
- Performance is shown on annualized basis beyond 1 year
- Returns as of 04th August, 2022

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
Jul-22	0.8%	0.0%	3 Months	2.5%	0.7%
Jun-22	0.8%	0.2%	6 Months	4.8%	1.6%
May-22	0.9%	0.5%	1 Year	9.5%	3.2%
Apr-22	0.8%	0.4%	3 Years	11.0%	3.5%
Mar-22	0.8%	0.1%	5 Years	11.4%	4.3%
Feb-22	0.6%	0.4%			
<ul style="list-style-type: none"> • Data as of 31st July 2022 • Inception in October, 2009 *Returns have been calculated from May, 2010 			Returns*	13.5%	5.97%
			Volatility	1.3%	0.9%
			Sharpe	5.782	--

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 6-7% 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
Jul-22	1.0%	8.7%	3 Months	2.7%	0.3%
Jun-22	1.1%	-4.8%	6 Months	5.6%	-1.1%
May-22	0.6%	-3.0%	1 Year	10.3%	8.8%
Apr-22	0.4%	-2.1%	2 Years	17.7%	24.5%
Mar-22	2.2%	4.0%	3 Years	15.1%	15.6%
Feb-22	0.3%	-3.2%			
<ul style="list-style-type: none"> Data as of 31st July 2022 Inception in August, 2018 			Returns	16.1%	10.9%
			Volatility	9.2%	20.5%
			Sharpe	1.095	0.238

Global Opportunities

5

LC Global Select SP - Growth

- LC Global Select SP is a Cayman Islands domiciled Fund whose investment manager is Lighthouse Canton Pte Ltd (an MAS regulated entity in Singapore).
- The Fund targets to invest primarily in other funds, creating a diversified portfolio of up to 20 high quality funds to generate strong risk-adjusted returns that are lowly correlated to broader markets with lower downside risk.
- The Growth Class would invest primarily into equity and equity related strategies that could potentially deliver high growth rates.

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
Minimum Investment	US\$ 150,000
Subscription	Monthly, with 5 business notice
Redemption	Quarterly, with 60 business days' notice
Lock Up	1-year soft lock up with 3% early withdrawal fee applicable
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

Monthly Performance – in USD*

Year	Share Class	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
2022	Sub-Class A1	-0.11%	-0.95%	-0.98%	0.45%	-0.63%	-0.32%	-0.82%						-2.52%
	Sub-Class A2	-0.07%	-0.91%	-0.95%	0.50%	-0.58%	-0.27%	-0.77%						-2.26%
2021	Sub-Class A1	0.35%	1.07%	0.78%	1.28%	1.67%	0.51%	0.18%	-0.14%	1.02%	0.28%	1.18%	-0.25%	8.20%
	Sub-Class A2	0.40%	1.11%	1.00%	1.33%	1.71%	0.55%	0.23%	-0.06%	1.06%	0.33%	1.22%	-0.20%	9.01%
2020	Sub-Class A1												1.29%	1.29%
	Sub-Class A2											-0.29%	1.33%	1.03%

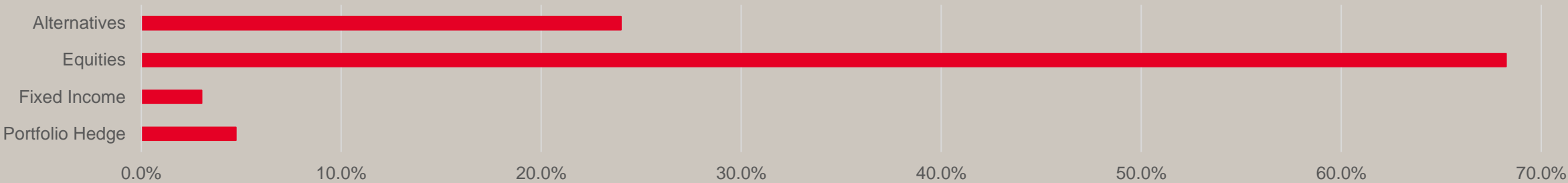
*The performance of the LC Global Select SP – Growth Class is net of relevant fees and estimated expenses and a high-water mark.

*The calculation of the monthly performance is based on the monthly NAV valued as of 21st July 2022

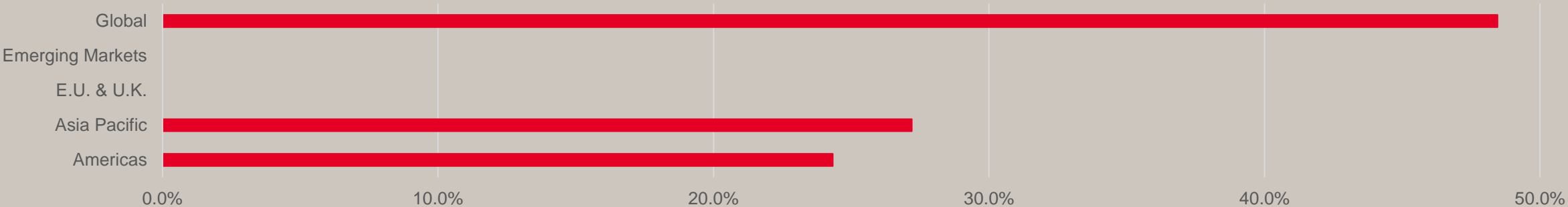
Source: Fund Presentation

LC Global Select SP – Growth Portfolio Breakdown

Asset Class Breakdown



Geographical Breakdown



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