



Ampersand Growth Opportunities Fund Scheme – 1

FUND UPDATE: August 2024

Fund objective and strategy

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

Fund facts

Fund Size	Inception Date	Unit NAV	Unit Face Value	Benchmark	Category
INR 767.3cr	25 SEP 2017	INR 496.5	INR 100	S&P BSE 500	Multi-cap

Fund Performance: Decent showing, again ahead of key indices

Ampersand fund NAV rose 3.4% in August, yet again ahead of benchmark BSE 500 as well as key indices. This was aided by a couple of large portfolio stocks, and well supported by a host of smaller names. The performance could have been better, but for inexplicable decline in few of our core holdings.

Our performance across various time periods illustrates consistent and strong showing. Since inception in Sept 2017, our fund has delivered over 26% CAGR, well ahead of all major indices.

Table 1: Fund and Market Performance

Returns	1 Month	3 Months	6 Months	1 Year	3 Year CAGR	5 Year CAGR	Inception CAGR
AGOFS NAV	3.4%	21.0%	34.3%	73.4%	33.3%	35.3%	26.0%
BSE 500	0.8%	12.3%	17.9%	39.5%	17.4%	21.4%	15.4%
Nifty 50	1.1%	12.0%	14.8%	31.1%	13.8%	18.0%	14.3%
Nifty Midcap 100	0.5%	14.7%	22.5%	51.6%	27.8%	30.5%	18.4%
AGOFS NAV*							496.5

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

Table 2: Portfolio Metrics

Valuation		Risk	
PE	44.6	Standard Deviation *	18.52
PEG ratio	1.3x	Beta	0.89
PB	10.3	Sharpe Ratio	1.31
ROCE *	22.9	Capture Ratio	1.6x

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

*Annualised standard deviation of returns has been calculated.



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Top holdings have undergone performance based alterations

Our Top-5/10 holdings account for ~20% and ~37% of corpus respectively, slightly higher compared to the previous month. This was mainly due to strong showing of our largest holding, Trent. Our core holdings list underwent a couple of alterations due to relative stock performances, with Ashok Leyland and Amara Raja making way for Divis and Polycab.

Table 3: Top Holdings

Company	% Weight	Company	% Weight
Trent	5.1%	Zomato	3.6%
MCX	3.9%	Phoenix Mills	3.6%
Motilal Oswal Financial Services	3.8%	Varun Beverages	3.5%
TARC	3.7%	Polycab	3.3%
REC	3.6%	Divi's Labs	3.3%
Top 5	20.1%	Top 10	37.4%

Sectoral allocation largely unaltered

Our sector-wise allocation is largely similar to July as well as recent months. Despite pruning exposure, Engineering & Capital goods still remains one of the preferred sectors. However, the Consumer space now occupies the top spot, mainly due to reclassification of couple of names, mainly Zomato. IT space has inched up, mostly due to relative performance. Rest of the allocation was largely similar to the previous month, including Pharma, Autos and the Real Estate sectors.

Our weights related to market cap classification witnessed minor alterations, with large caps moving up a tad.

Our cash and equivalents are lower compared to recent months but similar to end-July at 5.4%.

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

Table 4: Market Cap Classification

Table 5: Sectoral Allocation

Market Cap	% Weight	Sector	% Weight
< INR 10,000cr	7.8	Consumer (Goods & Services)	20.2
INR 10,000-50,000cr	36.2	Engineering & Capital Goods	17.8
INR 50,000-100,000cr	14.4	Financial Services	14.5
>INR 100,000cr	35.9	Pharma and chemical	14.4
Cash & Cash Equivalents	5.7	Real Estate	9.8
		Information Technology (IT)	8.4
		Auto and Auto Ancillaries	6.1
Weighted Avg. Market Cap (Rs bn)	1,389.9	Others*	3.1

*Includes Metal and Mining, Hotels & Restaurants



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Gains broad based, selective cuts due to normal course correction

Several portfolio stocks did well during the month, led by Trent and MCX, where our exposure is relatively higher. On the flip side, we also faced reverses in several reasonably sized holdings such as Varun Beverages, Amara Raja E&M and Godrej Properties.

Table 6: Key Movers

Performers	% Return	% Weight	Laggards	% Return	% Weight
Trent	22.6%	5.1%	Godrej Properties	-9.6%	2.6%
MCX	20.8%	3.9%	Amara Raja	-6.5%	3.0%
Inox Wind	20.4%	2.2%	Varun Beverages	-4.8%	3.5%
Natco Pharma	12.9%	2.5%	Kirloskar Pneumatic	-4.2%	3.0%
Power Mech	9.4%	2.2%	REC	-3.8%	3.6%

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

September could be another volatile month

As expected, August was a volatile month for stock markets globally. Markets sold off rather unexpectedly due to unwinding of the Yen carry trade, but recovery thereafter was triggered on expectations of interest rate cuts and increased possibility of soft landing of the US economy. Meanwhile, Indian markets underperformed for most part, but FIIs returning to buy drove a decent rally towards the latter half. Muted corporate results and weak macro data continues to pose challenge to our stock markets, especially given valuations. However, as we had highlighted in the previous month, above average rainfall and post elections revival government spending should augur well for the second half and beyond.



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Fund Information

Minimum investment

INR 10 million

Subscriptions

Monthly

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

Registered with SEBI

Legal and Fund Consultant

Khaitan & Co.

Administrator

Kotak Mahindra Bank Ltd.

Registrar & Transfer Agent (RTA)

CAMS Limited

Statutory Auditor & Tax Consultant

Deloitte Haskins & Sells LLP

Investment Manager

Ampersand Capital Investment Advisors LLP

Investment Manager

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