

# ICICI Prudential PMS Absolute Return Strategy

## Investment Objective<sup>†</sup>

ICICI Prudential PMS Absolute Return Strategy (the Strategy) is an equity portfolio that aims to provide capital appreciation over a long term by riding dominant themes through market cycles.

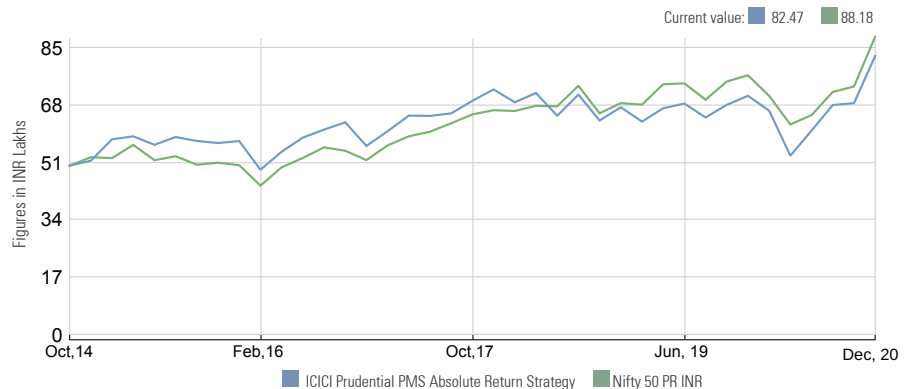
## Snapshot

Portfolio Manager Name Parag Thakkar  
Inception Date<sup>^</sup> 22 Oct 2014

## Trailing Returns (31 Dec 2020) Strategy Benchmark

	Strategy	Benchmark
1 Month	6.80	7.81
3 Months	23.20	24.31
6 Months	36.56	35.72
1 Year	16.68	14.90
2 Year	10.71	13.45
3 Years	4.37	9.91
4 Years	10.24	14.32
5 Years	7.56	11.96
YTD	16.68	14.90
Since Inception**	8.41	9.59

## Growth of ₹ 50 Lakhs



## Calendar Returns 31 Dec 2020

Returns	YTD	2020	2019	2018	2017	2016
ICICI Prudential PMS Absolute Return Strategy	16.68	16.68	5.04	-7.26	29.94	-2.53
Nifty 50 PR INR	14.90	14.90	12.02	3.15	28.65	3.01

## Financial Year Performance

01 Apr 20	01 Apr 19	01 Apr 18	01 Apr 17	01 Apr 16
31 Dec 20	31 Mar 20	31 Mar 19	31 Mar 18	31 Mar 17
77.51	-32.08	1.22	5.71	20.46

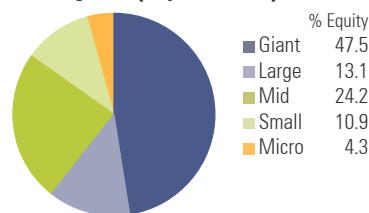
## Quarterly Returns

%	1st qtr	2nd qtr	3rd qtr	4th qtr
2020	-34.27	29.99	10.84	23.20
2019	1.67	-0.04	-2.75	6.28
2018	-6.82	-4.21	-1.83	5.84
2017	14.37	1.37	1.25	10.70
2016	-7.45	9.95	5.81	-9.47

## Portfolio 31 Dec 2020

Portfolio Holding* (Top 10)	% Weight	Market Value (mil)
Reliance Industries Ltd	8.67	0.40
Infosys Ltd	8.01	0.37
ICICI Bank Ltd	7.21	0.33
HCL Technologies Ltd	6.94	0.32
Bharti Airtel Ltd	6.80	0.31
Indus Towers Ltd	4.91	0.23
Indian Hotels Co Ltd	4.46	0.20
Canara Bank	4.10	0.19
Container Corporation of India Ltd	3.57	0.16
Tata Consultancy Services Ltd	2.87	0.13

## Morningstar Equity Market Cap



## Sector Weightings

Sector	% Equity
Cyclical	38.42
Basic Materials	8.17
Consumer Cyclical	16.94
Financial Services	13.31
Real Estate	-
Sensitive	50.27
Communication Services	12.65
Energy	9.37
Industrials	9.00
Technology	19.25
Defensive	11.31
Consumer Defensive	4.07
Healthcare	-
Utilities	7.24

## Risk Profile 31 Dec 2020

	Strategy	Benchmark
Return	4.37	9.91
Std Dev	27	22.34
Downside Deviation	20.64	16.11
Alpha	-4.77	-
Beta	1.10	1.00
R2	83.84	100
Sharpe Ratio	0.17	0.38
Tracking Error	11.09	-

Based on 3yr performance.

## Portfolio Statistics 31 Dec 2020

P/E Ratio (TTM)	22.99
P/B Ratio (TTM)	1.88
P/S Ratio (TTM)	1.91
P/C Ratio (TTM)	11.29

## Asset Allocation

	% Long	% Short	% Net
Equity	92.55	0.00	92.55
Bond	0.00	0.00	0.00
Cash	7.45	0.00	7.45
Other	0.00	0.00	0.00

Performance calculated using Time Weighted Rate of Return (TWRR) method for the aggregate portfolio. Returns for one year or less are on absolute basis, while returns more than one year are on annualized basis. All the returns calculated above are after deduction of the applicable expenses. Past performance may or may not be sustained in future and is no guarantee of future results. The portfolio data and the statistical analysis mentioned above is of the oldest client of the Strategy. <sup>^</sup>Inception Date of the Strategy is the date of onboarding of first client of the Strategy.

\*\*Since inception return from April 1, 2014 or Inception Date, whichever is later. Investor's may note that the entity level performance of the Portfolio Manager is disclosed in the Disclosure Document and the same is available on the website of Portfolio Manager - [www.iciciprups.com](http://www.iciciprups.com). **Performance data provided herein is not verified by SEBI.**

<sup>†</sup>The details pertaining to the investment approach mentioned herein is a subset of details specified in the Disclosure Document. Kindly refer the Disclosure Document for the detailed investment approach, including specific risk factors, before investing.

**Disclaimers:** 1) The performance of the stock across individual portfolios may vary significantly from the data depicted above. This is due to factors such as timing of entry and exit, timing of additional flows and redemptions, individual client mandates, specific portfolio construction characteristics or structural parameters which may have a bearing on individual portfolio performance. No claims may be made or entertained for any variances between the above performance depictions and that of the stock within individual client portfolios. 2) There is no assurance that the value may be unlocked during our holding period of the stock. 3) The stocks / sectors mentioned hereinabove should not be construed as an investment advice or a forecast of their expected future performance. These stocks / sectors may or may not form part of the portfolio in future. \* Top 10 holdings (by weight) or all the stocks in the portfolio, whichever is less by number are disclosed.

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## Disclosures

### Investment Objective

The investment objective is the broad thought process for the Strategy and is a subset of the investment approach specified in the Disclosure Document.

### Quarterly returns

Total Returns calculated for calendar quarters.

### Standard Deviation

Standard deviation of strategy's return measures how much a strategy's total returns have fluctuated in the past. The more the strategy's returns fluctuate, the riskier the strategy is likely to be. Strategies that have been more volatile in the past tend to be more volatile in the future as well.

### Downside Deviation

Calculated much like standard deviation, downside deviation focuses on the variation of returns below a specific threshold. It ignores upside variation because it adds value to the overall return and investors shouldn't be concerned about it.

### R2

A measure of the percentage of strategy's movement that can be accounted for by changes in its benchmark index. An R-squared of 100 indicates that a strategy's movement is perfectly correlated with its benchmark.

### Alpha

It is the amount by which a strategy has out-performed its benchmark, taking into account the strategy's exposure to market risk (as measured by Beta). Alpha is also known as the residual return.

### Beta

A measure of a strategy's sensitivity to market movements. The beta of the market is 1.00 by definition. A beta of 1.10 shows that the strategy has performed 10% better than its benchmark index in up markets and 10% worse in down markets, assuming all other factors remain constant.

### Sharpe Ratio

This is a measure of risk-adjusted return calculated by using standard deviation and excess return to determine reward per unit of risk. The higher the Sharpe Ratio, the better the strategy's historical risk-adjusted performance.

### Tracking Error

This indicates the volatility of the difference in returns between a strategy and its benchmark. Also known as active risk. In the context of a passively managed strategy, tracking error describes how well the strategy has tracked its benchmark.

### P/E Ratio

It compares how the market values a company to the company's earnings. It can be either historic earnings or projected earnings. It is calculated as current share price divided by earnings. A higher P/E typically indicates that investors expect to see strong growth in the company.

### P/B Ratio

It compares how the market values a company to the value on the company's books. It is calculated as current share price divided by book value per share.

company trading at several times its book value tends to indicate a growth stock where investors believe the book value will rise in the future.

### P/S Ratio

This is an indicator of the value placed on company's sales/revenue. It is calculated either by dividing the company's market capitalization by its total sales over a 12-month period, or on a per-share basis by dividing the stock price by sales per share for a 12-month period.

### P/C Ratio

A financial ratio calculated as current share price divided by cash flow per share - where cash flow is the spending and receiving of cash in a business. This indicates the value that the market has assigned to every cash flows that flows through the company.

### Sector Weightings

It shows sectoral breakup of the portfolio on two levels. At 1st level is Morningstar defined super sectors i.e. Cyclical, Defensive and Sensitive, which classifies industries based on their level of sensitivity to economic cycles. At 2nd level industries are classified in to 11 sectors, as defined by Morningstar, based on the products / services they offer.

### Morningstar Equity Market Cap

Stocks are divided into five market-capitalization groups: Giant, Large, Mid, Small, and Micro. Morningstar uses a flexible system that isn't adversely affected by overall movements in the market. The stocks are organized in descending order by size. Giant-cap stocks are defined as the group that accounts for the top 40% of the capitalization of total sample capitalization; Large-cap stocks represent the next 30%; Mid-cap stocks represent the next 20%, and Small-cap stocks represent the next 7%, and Micro-cap stocks represent the balance.

### Direct Option

Investor's may invest with us directly as well. To invest in any of our PMS strategies directly, kindly write to us at [PMS@icicipruamc.com](mailto:PMS@icicipruamc.com).

## Disclaimer

### Disclaimers and Risk Factors

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