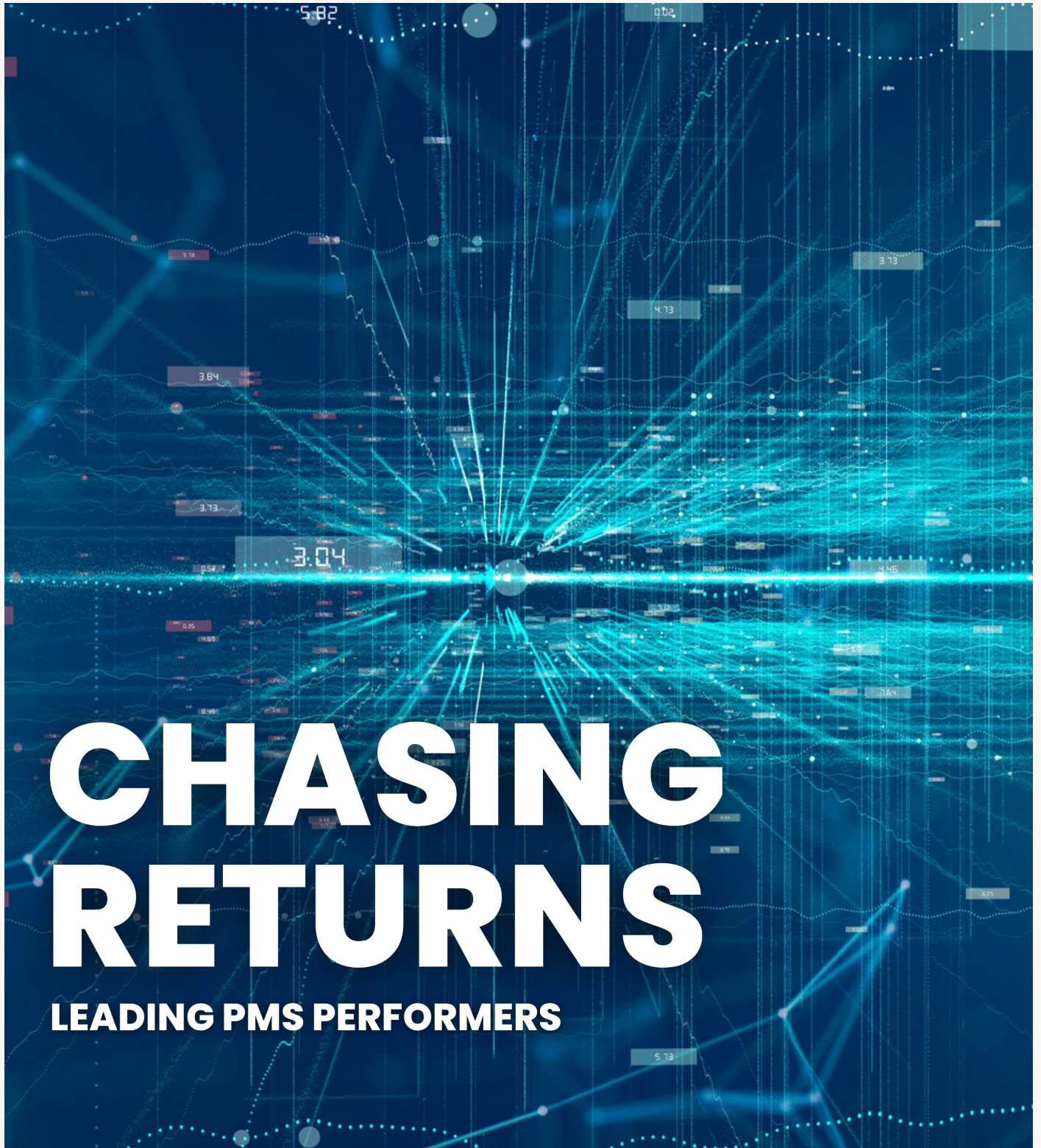


# THE WEALTHY TIMES

**ONLY AN INFORMED DECISION CAN MAKE YOU WEALTH.  
STAY HUNGRY. STAY WEALTHY.**



# CHASING RETURNS

**LEADING PMS PERFORMERS**

Chasing returns, also known as performance chasing, is a common behavior in investing where investors allocate their capital to assets or strategies that have recently delivered strong returns. While it may seem tempting, especially in the context of strong returns in the small and mid-cap space, it is generally not a recommended or prudent approach to investing, for several reasons:

- Past Performance is Not Indicative of Future Results
- Risk of Buying High
- Lack of Diversification
- Emotional Decision-Making
- Short-Term Focus

## EVALUATING INVESTMENT OPPORTUNITIES: A HOLISTIC APPROACH

Instead of chasing returns, a more prudent approach to investing in the stock market, especially in the small and mid-cap space, includes the following:

- (1) Asset Allocation
- (2) Long-Term Focus
- (3) Fundamental Analysis
- (4) Risk Management
- (5) Regular Review
- (6) Consult a Financial Advisor

In summary, while it's natural to be tempted by recent strong returns, chasing returns is not a recommended investment strategy. It's important to have a well-thought-out plan that considers your long-term financial goals and risk tolerance, and to avoid making emotional investment decisions based solely on past performance.

In other news,

**Foreign Institutional Investors (FIIs) and Domestic Institutional Investors (DIIs):** The fact that FIIs turned net negative with an outflow of INR 27,000 crore while DIIs remained net positive with an inflow of INR 20,000 crore indicates a shift in investor sentiment. This could be influenced by various factors, including global economic conditions, domestic policy changes, or specific market events.

**Commodities:** The performance of Gold and Silver, both experiencing negative returns of -5% and -9.5% respectively on a month-over-month basis, suggests a decrease in demand for precious metals. On the other hand, Crude Oil and Natural Gas returning positive gains of 7% and 6% respectively could be due to factors such as supply dynamics and geopolitical events affecting energy markets.

**Currency Exchange Rate:** The stability of the USD against the Rupee at 83.46 indicates a relatively steady exchange rate during the period. A stable exchange rate can have implications for trade and foreign investments.

**Global Equity Markets:** The weaker performance of global equity markets, with most of them returning negative results both on a monthly and year-to-date basis, may be attributed to a variety of global economic factors, such as concerns about inflation, interest rates, and geopolitical tensions.

The outlook for the markets is cautiously positive in the short to medium term, with near-term events causing some investor concerns. However, the long-term perspective remains optimistic. The belief is strongly bullish regarding India's market performance over the next 20 years.

Investors who build a high-quality portfolio and exercise patience can expect appropriate rewards from the markets. Smart asset allocation is emphasized as a key strategy.

Novice investors are advised to stick to a Multicap portfolio to optimize their asset allocation. On the other hand, experienced investors can consider allocating their assets to small and midcaps based on their risk tolerance.



**Harbir Singh**  
CEO and Co-Founder  
PMSTimes.in

## Market At A Glance

DOMESTIC MARKETS		
INDICES	1 MoM (SEP 23)	1 YoY (1 Year)
SENSEX	1.54% <span style="color: red;">■</span>	15.92%
NIFTY	2.00% <span style="color: red;">■</span>	16.29%
NIFTY BANK	1.35% <span style="color: red;">■</span>	17.24%
NIFTY MIDCAP 100	3.63%	33.85%
NIFTY SMALLCAP 100	4.12%	35.92%

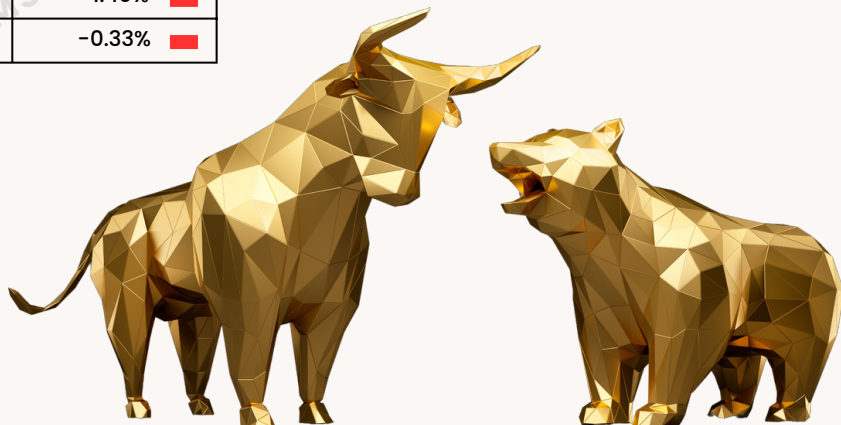
COMMODITIES		
COMMODITIES	1 MoM (SEP 23)	1 YoY (1 Year)
GOLD \$	-5.08% <span style="color: red;">■</span>	9.64%
SILVER \$	-9.52% <span style="color: red;">■</span>	9.04%
CRUDE WTI \$	8.56%	8.56%
BRENT CRUDE \$	6.15%	3.76%
Natural Gas \$	5.82%	-54.73% <span style="color: red;">■</span>

BOND	YTM	% Change
INDIA 10 Yr	7.210	0.00% <span style="color: red;">■</span>
INDIA 05 Yr	7.233	0.00% <span style="color: red;">■</span>
INDIA 03 Yr	7.262	0.00% <span style="color: red;">■</span>
U.S. 10 Yr	4.617	0.81%
U.K. 10 Yr	4.484	0.95%
JAPAN 10 Yr	0.766	-0.71% <span style="color: red;">■</span>
HK 10 Yr	4.158	-1.40% <span style="color: red;">■</span>
CHINA 10 Yr	2.706	-0.33% <span style="color: red;">■</span>

GLOBAL MARKETS		
MARKETS	1 MoM (SEP 23)	1 YoY (1 Year)
DOW JONES	-3.49% <span style="color: red;">■</span>	13.62%
NASDAQ	-5.81% <span style="color: red;">■</span>	22.23%
S&P 500	-4.87% <span style="color: red;">■</span>	16.57%
FTSE	2.27%	10.12%
SHANGHAI	-0.30% <span style="color: red;">■</span>	4.58%
NIKKEI	-2.34% <span style="color: red;">■</span>	21.52%
HANG SENG	-3.11% <span style="color: red;">■</span>	4.28%
DAX	-3.51% <span style="color: red;">■</span>	26.02%
KOSPI	-3.57% <span style="color: red;">■</span>	11.57%

CURRENCY	1 MoM (SEP 23)	1 YoY (1 Year)
USD vs INR	0.40%	1.87%

FII + DII ACTIVITY (SEP 2023)			EQUITY
FII (Rs Crore)	-26,692.16 <span style="color: red;">■</span>		
DII (Rs Crore)	20,312.65		
NET (Rs Crore)	-6,379.51 <span style="color: red;">■</span>		



# Exploring Insights, Creating Value

## BEST PERFORMING PORTFOLIO | August 2023

Product Name	1Y	1Y (BENCHMARK)
o3 Special Situations Portfolio	53.62%	11.34%
Counter Cyclical-Diversified Long Term Value	50.15%	11.34%
GLC Growth Fund	46.85%	11.34%
GP Super 30 Dynamic Fund	45.37%	11.34%
Carnelian Shift Strategy	44.60%	11.30%
Abakkus Emerging Opportunities Approach	44.50%	11.34%
InCred Small & Midcap Portfolio	43.60%	11.30%
GP Dividend Yield Fund	42.83%	11.34%
ICICI Prudential PMS PIPE Strategy	41.38%	11.34%
Roha Emerging Champions Portfolio (PMS)	40.63%	11.34%
NRC - Aurum Small Cap Opportunities	40.17%	11.34%
Valentis Rising Stars Opportunity Fund	40.06%	11.34%

Benchmark: BSE500 TRI

Data as provided by Fund house

## STAYING FOCUSED ON YOUR INVESTMENT PHILOSOPHY AMIDST THE NOISE: **THE WORTHWHILE PURSUIT**

Dear Partners,

In today's fast-paced financial landscape, it has become increasingly challenging to stay focused on your investment philosophy. The constant barrage of news, market volatility, and ever-evolving financial products can make it difficult to maintain a steady course. However, amidst the noise, it is worth remembering why sticking to your investment philosophy is crucial for success, especially in the context of Indian mutual funds and Portfolio Management Services (PMS).

The Indian financial markets are no stranger to turbulence. Over the years, they have weathered economic downturns, political upheavals, and global crises. In such an environment, it's easy to get swayed by the daily headlines and fleeting market sentiments. However, it's precisely during these times that a steadfast commitment to your investment philosophy pays off.

Here's why it's tough but worth it:

**Consistency Breeds Confidence:** Your investment philosophy is the backbone of your financial strategy. It defines your risk tolerance, goals, and time horizon. Staying true to it, even when the markets are unpredictable, instills confidence in your clients. They'll appreciate your commitment and trust in your expertise.

**Long-Term Success:** Indian mutual funds and PMS offerings are designed with a long-term perspective in mind. Trying to time the market or chase the latest trends rarely leads to consistent success. By adhering to your investment philosophy, you're more likely to achieve your clients' long-term financial goals.

**Risk Management:** The noise in the markets often magnifies risk. Emotional decisions driven by fear or greed can lead to substantial losses. Your investment philosophy serves as a guide to managing these risks prudently, helping clients stay focused on their financial objectives.

**Client Retention:** Clients value advisors who are steady hands in turbulent times. By maintaining your investment philosophy, you'll not only safeguard your clients' assets but also strengthen your client-advisor relationships, leading to higher client retention rates.

**Avoiding Herd Mentality:** Following the crowd can be tempting, but it rarely results in outperformance. Staying committed to your philosophy enables you to avoid the pitfalls of herd mentality and make rational, data-driven decisions.

To stay focused on your investment philosophy amidst the noise, consider the following:

**Regular Review:** Periodically review and reaffirm your investment philosophy to ensure it aligns with your clients' goals and market conditions.

**Tune Out the Noise:** Encourage clients to ignore short-term market fluctuations and media sensationalism. Emphasise the importance of a long-term perspective.

**Education:** Educate your clients about the benefits of sticking to the plan. Show them historical data that illustrates the rewards of disciplined investing.

In conclusion, while it may be tough to maintain focus on your investment philosophy in today's noisy financial environment, it is undoubtedly worth it. Your commitment to a well-thought-out strategy can lead to long-term success, satisfied clients, and a thriving financial advisory practice.

Remember, in the world of Indian mutual funds and PMS, consistency is key, and staying true to your investment philosophy is the compass that will guide you through the noise.

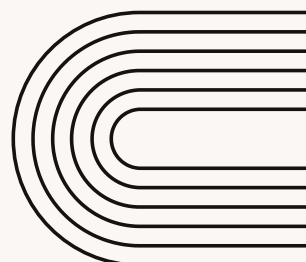
Happy Investing!  
Cheers

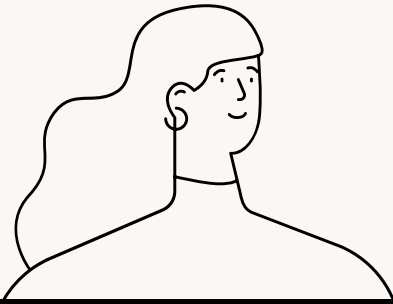


**Varun Pal**  
Co-Founder  
PMSTimes.in



**Expanding Investment Horizons**



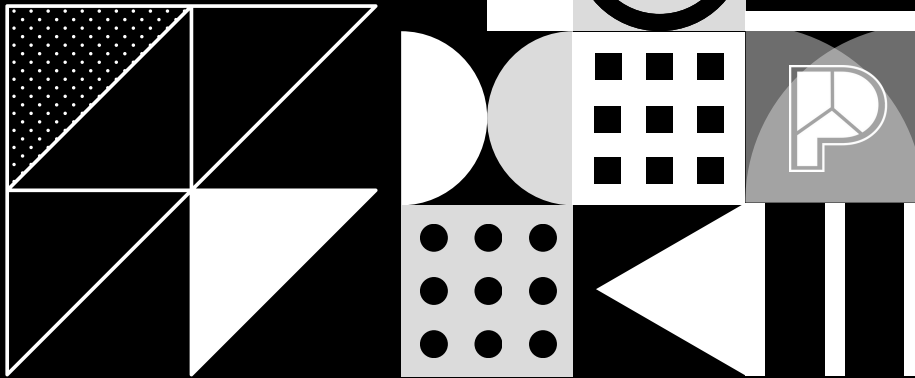


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Decision will make Wealth.  
Everything Else is a Fluke.**

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