

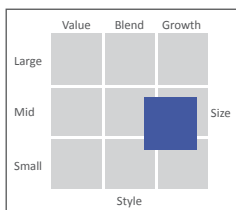
Edelweiss Small Cap Fund

An open ended equity scheme predominantly investing in small cap stocks

FUND INSIGHTS: August 31, 2020

About the Fund :

- A midcap focused fund that invests in compounding businesses, predominantly from the bottom quartile of the market, typically beyond the top 100 companies by market cap
- It maintains high degree of due-diligence to maintain the quality of the portfolio.
- Aims to benefit from both source of return:
 - Compounded Earnings
 - Valuation re-rating
 - Fundamental long term investing strategy
- Suitable for investors who are looking for long term wealth creation by investing in midcap companies.



Fund Manager's Outlook :

- The Global Economy has mellowed down as majority of the world is struck by COVID-19 pandemic including India. In the last couple of weeks, this fear is clearly visible in equity markets as stock prices have fallen drastically. Today it is not possible to estimate how much it will actually dent the economy but we believe that high quality stocks with strong fundamentals will navigate better in his environment.
- Moreover, The recent fall in stock prices has helped the fund managers in buying stocks which were always fundamentally strong but earlier they were trading at premium prices.
- As assured, the fund has all its allocation in Smallcap and Midcap Stocks only
- The Fund is Overweight on Chemicals/ Specialty Chemicals and Healthcare Sector
- Financials is the sector in which the fund is underweight.

	AUM of scheme	₹ 500.03 Crore
	Total Stocks	66
	Top 10 Stocks as % of Total Portfolio	32.01
	Total Active Bets~	75.54%
~Active positive bets are those where the fund has a higher weightage as compared to the benchmark.		
	Benchmark	Nifty Smallcap 250 TRI
	Total Expense Ratio	
	Regular Plan	2.46%
	Direct Plan	0.91%
	Entry Load	Nil
	Exit Load	
	<ul style="list-style-type: none"> If the Units are redeemed / switched out on or before 12 months from the date of allotment -1.00% If the Units are redeemed / switched out after 12 months from the date of allotment - Nil 	



Harshad Patwardhan
Fund Manager - Head - Equities
Experience : 25 years
Managing scheme Since :
February 7, 2019

Portfolio Positioning

Sector Over Weights Vs Benchmark	% Over wt	Sector Under Weights Vs Benchmark	% Under wt
Industrials/ Infra	3.49	Others *	-3.51
Auto	2.35	Technology	-2.69
Oil & Gas	2.31	Media & Entertainment	-2.68

Top Sector (%)

Industrial Manufacturing	18.20%	Top Stocks (%)	
Financial Services	12.69%	Dixon Technologies (India) Ltd.	5.48%
Consumer Goods	12.07%	GMM Pfadler Ltd.	3.87%
Chemicals	8.97%	Navin Fluorine International Ltd.	3.72%
Services	6.69%	Escorts Ltd.	3.41%
		JK Cement Ltd.	3.12%

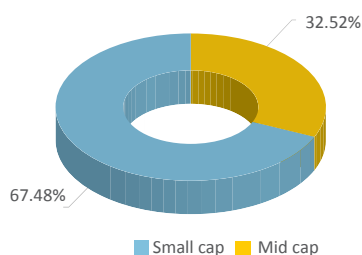
Top 10 Active Bets (%)

Dixon Technologies (India) Ltd.	4.10%	IPCA Laboratories Ltd.	2.14%
Escorts Ltd.	3.41%	Navin Fluorine International Ltd.	2.08%
GMM Pfadler Ltd.	3.37%	The Federal Bank Ltd.	2.04%
JK Cement Ltd.	3.12%	Honeywell Automation India Ltd.	1.95%
Mastek Ltd.	2.95%	Mphasis Ltd.	1.94%

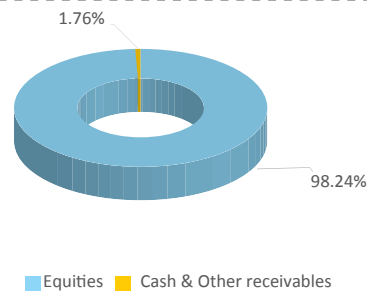
* Includes Aerospace & Defense, Fertilisers, Paper, Services, Textiles, Trading, Transportation etc.

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

Market Cap



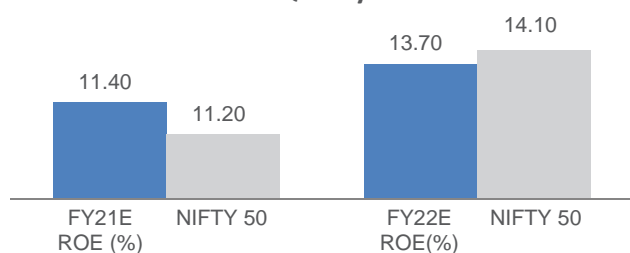
Asset Allocation



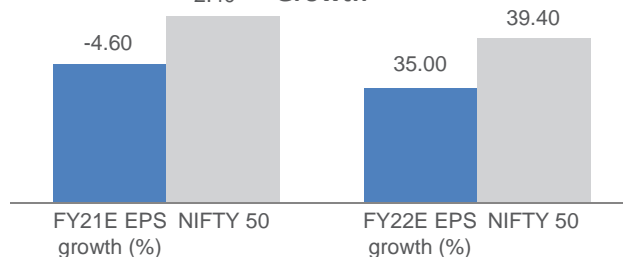
Source: Bloomberg

Portfolio Quality

Quality



Growth



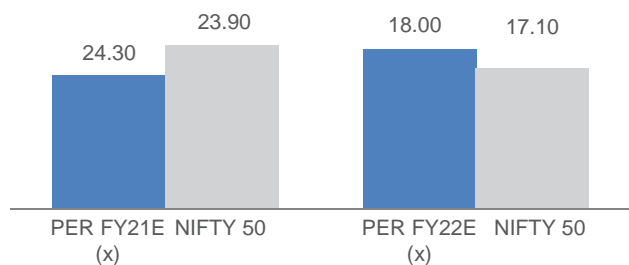
Source: Bloomberg

Portfolio quality is represented by Estimated Return on Equity. Return on equity (ROE) is the amount of net income returned as a percentage of shareholders equity. Return on equity measures companies profitability by revealing how much profit a company generates with the money shareholders have invested.

Source: Bloomberg

Growth is represented by estimated Earnings per share (EPS) growth. EPS is net profit divided by total number of outstanding shares.

Valuation



Active Bets



Source: Bloomberg

Valuation is represented by price-earnings ratio (P/E Ratio). It is the ratio for valuing a company that measures its current share price relative to its per-share earnings.

Source: Bloomberg, Internal Research.

This represents portfolio liquidity and shows the number of days it may take to liquidate the portfolio.

Key Information

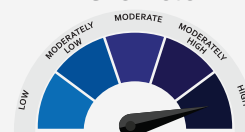
- 1 Minimum Investment:** ₹ 5000/- per application plus in multiples of ₹ 1/- thereafter
- 2 INCEPTION DATE:** Regular Plan & Direct Plan: 14th February 2019
- 3 OPTIONS AVAILABLE:**
 - Growth
 - Dividend
- 4 PLANS:** Regular Plan & Direct Plan

This product is suitable for investors who are seeking*:

- Long Term Capital Appreciation Growth
- Investments predominantly in equity and equity related securities of small cap companies.

*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

Riskometer



Investors understand that their principal will be at High risk