

Kotak Business Cycle Fund

An open ended equity scheme following business cycles based investing theme

30th November 2024



Fund Facts

Allotment Date: 28 September 2022.

Benchmark: Nifty 500 TRI

AUM: ₹2,675.73 crs



Fund Manager*

Mr. Harish Bihani & Mr. Abhishek Bisen



Minimum Investment Amount

Initial & Additional Investment

₹100 and any amount thereafter

Systematic Investment Plan (SIP)

₹100 and any amount thereafter

Ideal Investments Horizon

5 Years & Above



Risk Ratios

Standard Deviation ^{\$}	11.34%
Beta ^{\$}	0.85
Sharpe ^{\$}	1.52
Portfolio Turnover	52.08%
(P/E)	36.27
P/BV	4.66



Total Expense Ratio**

Regular Plan: 1.95%

Direct Plan: 0.52%



About the Fund

- The fund invests in sectors and stocks which show signs of growth in the business cycle
- The fund follows a top-down approach to portfolio construction, identifying stages of the business cycle and sector opportunities
- Subsequently, it employs a bottom-up approach to identify strong companies within those sectors



Portfolio Action

- Identify themes/sectors and companies within them with growth tailwinds for the next 1-3 years.
- Sell where earnings will deteriorate materially for next 1-3 years and valuations are not comfortable.
- So follow the earnings and cash flows growth businesses and avoid the companies where earnings will deteriorate sharply.
- Why Fund has not done well in the last one year: Lack of participation in PSU, Power and Defence themes have hurt performance significantly.
- What has been done: We have introduced bottom up names which should help us recoup performance in the coming 6-12 months.
- We are currently overweight auto and auto ancillaries, healthcare, consumer, Infrastructure (including Real Estate), and underweight on Oil & gas, BFSI and IT.



Market Cap^{^^}

Month	Large (%)	Mid (%)	Small (%)	Debt & Money Market (%)
November-24	49.55	18.45	30.64	1.36
October-24	50.74	17.22	30.40	1.64
September-24	51.64	17.90	27.73	2.73
August-24	54.26	17.99	26.04	1.71
July-24	54.28	20.70	21.49	3.53
June-24	54.41	18.07	25.22	2.30



Top 10 Stocks^{^^}

Stocks	% to Net Assets	Stocks	% to Net Assets
ICICI Bank Ltd.	4.96%	Axis Bank Ltd.	2.99%
Bharti Hexacom Ltd.	3.82%	Brigade Enterprises Limited	2.88%
Zomato Ltd.	3.23%	HDFC Bank Ltd.	2.82%
Vijaya Diagnostic Centre Pvt	3.13%	Mahindra & Mahindra Ltd.	2.55%
Aster Dm Healthcare Ltd	3.01%	Bharat Forge Ltd.	2.48%

Top 10 Sector^^

Sector	30th November 2024			31st October 2024			30th September 2024		
	Scheme	Benchmark	Ow/Uw	Scheme	Benchmark	Ow/Uw	Scheme	Benchmark	Ow/Uw
Financial Services	21.02	29.15	-8.12	21.97	28.98	-7.00	21.99	27.94	-5.95
Healthcare	13.19	6.23	6.95	12.84	6.32	6.52	11.90	5.97	5.93
Capital Goods	12.26	5.80	6.46	11.44	5.67	5.77	9.06	5.69	3.37
Automobile and Auto Components	11.04	6.88	4.15	9.43	7.00	2.42	10.15	7.44	2.71
Consumer Services	7.24	3.60	3.64	6.32	3.43	2.89	6.55	3.55	2.99
Fast Moving Consumer Goods	6.59	6.92	-0.34	6.67	7.09	-0.42	6.89	7.30	-0.41
Realty	6.36	1.36	5.00	6.45	1.33	5.11	6.51	1.37	5.14
Telecommunication	3.83	3.02	0.81	3.96	2.99	0.97	4.40	3.02	1.38
Construction Materials	3.57	1.99	1.58	3.73	2.00	1.72	3.80	1.97	1.82
Consumer Durables	3.06	2.99	0.08	3.47	3.05	0.42	4.17	3.20	0.97

^^Source: <https://www.kotakmf.com/mutual-funds/equity-funds/kotak-business-cycle-fund/reg-g>

OW – Overweight, UW – Underweight

What In and What's Out: November 2024\$

New Entry	Complete Exit
KEI Industries Ltd.	Premier Energies Ltd.
Mahindra & Mahindra Ltd.	
Medplus Health Services Ltd.	

Scheme Performance - Regular Plan Growth Option

September 28, 2022	Kotak Business Cycle Fund - Reg - Growth	Nifty 500 TRI #	ALPHA	Nifty 50 TRI ##	Kotak Business Cycle Fund - Reg - Growth (₹)	Nifty 500 TRI # (₹)	Nifty 50 TRI ## (₹)
Since Inception	23.11%	23.52%	-0.41%	19.24%	15,709	15,822	14,657
Last 1 Year	34.37%	27.29%	7.07%	21.27%	13,437	12,729	12,127

Scheme Inception date is 28/9/2022. Mr. Abhishek Bisen has been managing the fund since 28/9/2022. Mr. Harish Bihani has been managing the fund since 20/10/2023. Different plans have different expense structure. The performance details provided herein are of regular plan Past performance may or may not be sustained in future. All payouts during the period have been reinvested in the units of the scheme at the then prevailing NAV. Returns >= 1 year: CAGR (Compounded Annualised Growth Rate). Note: Point to Point (PTP) Returns in INR shows the value of 10,000/- investment made at inception. Source: ICRA MFI Explorer.# Name of Scheme Benchmark. ## Name of Additional Benchmark. TRI - Total Return Index, In terms of para 6.14 of SEBI Master circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024, the performance of the scheme is benchmarked to the Total Return variant (TRI) of the Benchmark Index instead of Price Return Variant (PRI). Alpha is difference of scheme return with benchmark return.

Scheme Performance - Direct Plan Growth Option

September 28, 2022	Kotak Business Cycle Fund - Dir - Growth	Nifty 500 TRI #	ALPHA	Nifty 50 TRI ##	Kotak Business Cycle Fund - Dir - Growth (₹)	Nifty 500 TRI # (₹)	Nifty 50 TRI ## (₹)
Since Inception	25.11%	23.52%	1.60%	19.24%	16,270	15,822	14,657
Last 1 Year	36.46%	27.29%	9.17%	21.27%	13,646	12,729	12,127

Scheme Inception date is 28/9/2022. Mr. Abhishek Bisen has been managing the fund since 28/9/2022. Mr. Harish Bihani has been managing the fund since 20/10/2023. Different plans have different expense structure. The performance details provided herein are of direct plan Past performance may or may not be sustained in future. All payouts during the period have been reinvested in the units of the scheme at the then prevailing NAV. Returns >= 1 year: CAGR (Compounded Annualised Growth Rate). Note: Point to Point (PTP) Returns in INR shows the value of 10,000/- investment made at inception. Source: ICRA MFI Explorer. # Name of Scheme Benchmark. ## Name of Additional Benchmark. TRI - Total Return Index, In terms of para 6.14 of SEBI Master circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024, the performance of the scheme is benchmarked to the Total Return variant (TRI) of the Benchmark Index instead of Price Return Variant (PRI). Alpha is difference of scheme return with benchmark return.

SIP Performance - Regular Plan Growth Option

Monthly SIP of Rs 10,000	Since Inception	1 Year
Total amount invested (₹)	2,60,000	1,20,000
Total Value as on November 29, 2024 (₹)	3,46,638	1,36,213
Scheme Returns (%)	27.93	26.16
Nifty 500 (TRI) Returns (%)	23.60	13.21
Alpha*	4.33	12.94
Nifty 500 (TRI) (₹)#	3,32,511	1,28,331
Nifty 50 (TRI) (₹)^	3,13,009	1,26,207
Nifty 50 (TRI) Returns (%)	17.49	9.80

Scheme Inception : - September 28,2022. The returns are calculated by XIRR approach assuming investment of ₹10,000/- on the 1st working day of every month. XIRR helps in calculating return on investments given an initial and final value and a series of cash inflows and outflows and taking the time of investment into consideration. Since inception returns are assumed to be starting from the beginning of the subsequent month from the date of inception. The SIP Performance is for Regular Plan – Growth Option Different plans have different expense structure.

Benchmark; ^ Additional Benchmark. TRI – Total Return Index, In terms of para 6.14 of SEBI Master circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024, the performance of the scheme is benchmarked to the Total Return variant (TRI) of the Benchmark Index instead of Price Return Variant (PRI). Alpha is difference of scheme return with benchmark return.

Disclosures: To Know More about Fund Managers Top 3 & Bottom 3 scheme performance,
https://kotakmf.com/documents/Funds_Managed_by_Fund_Managers_Regular_Plan

SIP Performance - Direct Plan Growth Option

Monthly SIP of Rs 10,000	Since Inception	1 Year
Total amount invested (₹)	2,60,000	1,20,000
Total Value as on November 29, 2024 (₹)	3,53,258	1,37,384
Scheme Returns (%)	29.93	28.12
Nifty 500 (TRI) Returns (%)	23.60	13.21
Alpha*	6.33	14.90
Nifty 500 (TRI) (₹)#	3,32,511	1,28,331
Nifty 50 (TRI) (₹)^	3,13,009	1,26,207
Nifty 50 (TRI) Returns (%)	17.49	9.80

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*All payouts during the period have been reinvested in the units of the scheme at the then prevailing NAV. Source: ICRA MFI Explorer. ***As per para 1.9 of SEBI Master circular No. SEBI/HO/IMD/IMD-PoD-1/P/CIR/2024/90 dated June 27, 2024

§Source: ICRAMFI Explorer. Standard Deviation is calculated on Annualized basis using 3 years history of monthly returns.

**Total Expense Ratio includes applicable B30 fee and GST as on 30th November 2024.

Riskometer



The above riskometer is based on the scheme portfolio as on 30th November 2024. An addendum may be issued or updated on the website for new riskometer.

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Investors may consult their financial expert before making any investment decision.

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