

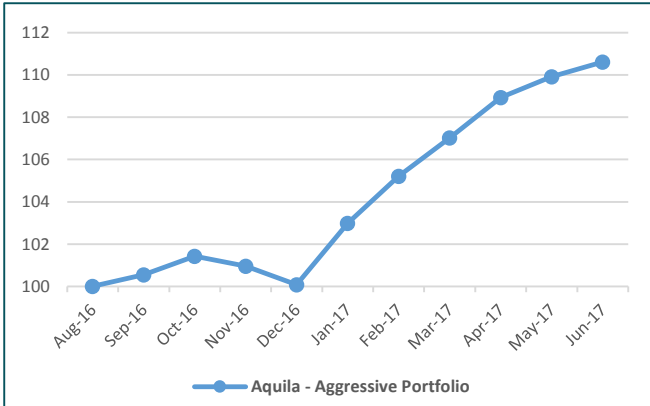
A multi asset portfolio investing primarily in Debt, Equity and alternates through a PMS route that aims to provide absolute positive returns.

Investment Objective

Aquila PMS is a carefully designed multi asset portfolio which aims to provide positive absolute positive returns by active management of the portfolio. The strategy provides three variants with different allocations to debt, equity and alternates to suit clients across risk profiles. The portfolio is reviewed and rebalanced regularly to maintain the asset allocation.

Portfolio Performance*(as on 30th June, 2017)

NAV movement since Inception



Portfolios	Average Monthly Return**	Volatility**	Sharpe**	Max-drawdown
Aggressive	12.94%	3.81%	1.82	-1.33%
Moderate	9.96%	3.23%	1.23	-1.21%
Conservative	9.60%	2.78%	1.29	-1.06%
Nifty-50 Index	10.64%	9.75%	0.48	-6.83%

*Portfolio performance indicated here is based on in-house testing of the portfolio. The portfolio has been offered on the PMS platform since 10th Aug 2016.

** All figures are annualized. Risk free rate is assumed at 6.00%

Features

Ticket Size:
Minimum Rs. 25 Lacs

Instruments :
Mutual Funds, ETFs, Fixed Income Instruments like Bonds and Non Convertible Debentures, Direct Equity

The equity market has gone down by 0.4% in the month of June 2017 as compared to May 2017. While the large-cap index has moved similarly, the mid-cap and small-cap indices have gone up by 1% for the month. The debt market has shown a decent growth of ~1%. Gold has fallen by 0.7% in the month.

With the rally in equity, the portfolios had deviated from the target asset allocation. Rebalancing was implemented in the portfolios by selling investments in equity and reallocating the funds to debt and other alternates. Also, dividend/interest paid out was reinvested in liquid funds. The rebalancing is done to maintain the portfolio's risk profile reasonably close to an investor's level of risk tolerance. Rebalancing of the portfolio has been done twice, first in December 2016 and then in June 2017.

Variants

	Equity	Debt	Alternates
Conservative	42%	40%	18%
Moderate	52%	30%	18%
Aggressive	62%	16%	22%

In debt, our investments will be inclined more towards credit opportunity funds rather than funds which have an active duration strategy. Currently, the alternates part of the portfolio is invested in high yield debt and gold. While the overall allocation to alternates will remain the same, the allocation between various sub-categories will be altered to sufficiently diversify.

Aquila Portfolio Details (30th June, 2017)

Aquila Debt Portfolio Details

	Aggressive	Moderate	Conservative
Average Maturity(Yrs)	2.93	2.93	3.03

Aquila Equity Details

	Aggressive	Moderate	Conservative
Large Cap	34.3%	29.8%	25.3%
Mid Cap	10.4%	7.4%	5.9%
Small Cap	5.3%	3.0%	2.2%
Others (Cash & Liquid)	2.0%	1.8%	1.5%
International Equity	10.0%	10.0%	7.0%

Credit-wise Debt Allocation in Aquila

	Aggressive	Moderate	Conservative
Sovereign	0.0%	0.0%	0.0%
AAA	2.1%	2.1%	3.9%
AA / A	6.3%	6.3%	11.9%
Others (Cash & Liquid)	0.6%	0.6%	1.2%
Arbitrage	3.0%	9.0%	13.0%
Mid Yield Debt	4.0%	12.0%	10.0%

Aquila Alternate Portfolio Details

	Aggressive	Moderate	Conservative
High Yield Debt	15.0%	10.0%	10.0%
Gold	7.0%	8.0%	8.0%