

# **RETAIL RESEARCH**

# Mirae Asset Emerging Bluechip Fund

		ective/Mission					
		appreciation from a c					
		equities and equity re					
		the top 100 stocks by					
•		apitalization of atleas	t Rs. 100 Crores at				
the time of inves	tment.						
		ouse Details	a sacrast l				
AMC Name: Mirae Asset Global Investment Management I Address: Unit No.606.6th Fir Vindsor Bldg.Off. CST							
Address: Unit No.606,6th Flr, Vindsor Bldg,Off, CST Road, Kalina, Santacruz(E), Mumbaii-400098							
	Hoad, Kalina, S	antacruz(E),Mumbai	1-400038				
Vebsite:	www.miraeass	oten ( oo in					
TEDSILE.	www.iiiiiaeass	eann.co.in					
	Finan	cial Details					
AUM As On (	31-Oct-2015)	Rs.Cr	1015.52				
NAV as on (1	8-Nov-2015 )	Rs.	30.4740				
Min Investme	nt (Bs )	Lumpsum	5000				
	in (113.)	SIP	1000				
NAV (52 Vee			32.46				
	( Low) [17-De		26.2490				
1	Fop 10 Compa	nies					
	Name		7				
Kotak Mahindra			4.03				
Hindustan Petro		on Ltd	3.29				
Natoo Pharma L			3.18				
Torrent Pharma	ceuticals Ltd		3.05				
Amara Raja Bat	2.65						
Gateway Distripa	arks Ltd		2.64				
Clearing Corpor-	ation of India Ltd		2.63				
ICICI Bank Ltd			2.46				
Sundaram Finan	ce Ltd		2.40				
Voltas Ltd			2.34				
24 🐢 Indicates :	an increase or c	secrease or no char	ige in				

	Total				
Period	Investment	Scheme(Rs.)	BenchMark		
	(Rs.)				
1 Year	60,000	56,026	51,431		
3 Years	180000	2,90,216	2,05,128		
5 Years	3,00,000	6,20,573	3,89,857		
10 Years	6,00,000	NA	NA		

Whats In Whats Out (From Previous Month)									
	Company S	ector							
In	2	1							
Out	0	0							
No Change/%age change	64/(95.23%)	377(95.23%)							

# **Mutual Fund Scheme Analysis**

Investmer		Fund Structure				
Scheme	Open Ended		Total Stocks:		66	
Launch Date	24-May-2010		Total Sectors:		38	
Fund Manager	Neelesh Surana		P/E Ratio:		36.07	
BenchMark	Nifty Midcap 100		P/B Ratio:			
Maz.Entry Load (%)	0		Avg. Market Ca	17191.06		
Maz.Ezit Load (%)	2	1	On (19-Nov-201!	On (19-Nov-2015)		
	5-Years History					
Financial Year	2014-2015	2013-2014	2012-2013	2011-2012	2010-2011"	
NAV in Rs.(as on 31st March)	29.24	17.16	12.68	11.57	10.74	
Net Assets (Rs. crores)	693.36	230.54	137.85	112.94	82.97	
Returns (%)	70.56	34.11	9.62	6.73	6.69	
CNX NIFTY Returns (%)	26.33	17.53	7.31	-9.11	10.27	
Category Rank	38/(84)	9/(70)	137(35)	5/(34)	NA	
*Returns Since Inception Date						

Quarterig i errormance - Lasco gears									
Financial Year	Q1	Q2	Q3	Q4					
2015-2016	00.44	00.69	NA	NA					
2014-2015	26.59	14.35	12.03	04.40					
2013-2014	-00.84	-03.34	20.53	13.08					
2012-2013	-00.79	12.00	07.56	-09.54					
2011-2012	06.32	-07.25	-11.04	21.15					
Market Capitalisation		Asset Comp	osition						



\*LargeCap->Rs. 10,000 crores; MidCap- between Rs.1,000 crores to Rs.10,000 crores; SmallCap- <Rs.1,000 crores.

Top 10 Sectorwise He	oldings	Sch	Scheme Performance (As On 11/18/2015)					
Name	×		Period	Returns[%)	Nifty Midcap 100	Rank		
Banks	13.65	-B-	3 Month	-5.53	-8.34	7/(40)		
Pharmaceuticals	11.31	10	6 Month	3.90	-1.48	2/(40)		
Auto Ancillaries	08.06	<b>.</b>	1 Year	13.77	4.28	37(39)		
Miscellaneous	05.95	10	3 Year	33.00	17.91	27(35)		
IT - Software	05.76	Ŷ	5 Year	21.45	6.61	1/(33)		
FMCG	04.96	2	Since Inc	22.97				
Castings, Forgings & Fastners	04.49	<b>.</b>		Volatility	Measures			
Finance	04.25	<b>.</b>	B <sup>2</sup>	0.70	Std Dev	1.05		
Fertilizers	04.03	Ŷ	Beta	0.70	Sharpe	0.04		
Logistics	03.62	4						
Q8 ↔ Indicates an increase or decrease or no char holding since last portfolio. O Indicates new holding		otio.						

# Key Points

Mirae Asset Emerging Bluechip Fund is one of the flagship schemes from Equity Diversified - Midcap category. The scheme has showed an outstanding performance consistently for the last three to four years period thanks to the fund manager's efficiency on positioning the stocks from the midcap spectrum with quality businesses with decent growth prospects as well as return characteristics (i.e. Return on capital employed - ROCE).

Mirae Asset Emerging Bluechip Fund has outperformed its benchmark and peers with huge margin since launched. The performance of the scheme has been so impressive during all the market cycles especially downturns as it managed to contain the losses very well in comparison to the peer schemes. Disciplined approach to investing, with focus on quality up to a reasonable price along with diversification, has helped the scheme deliver as satisfactory track record over the period.

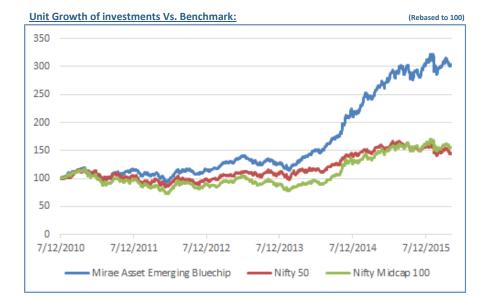
The scheme registered +14%, 33% and +21% of CAGR returns for one, three and five year periods while the benchmark – Nifty Midcap 100 posted +4%, 18% and 7% of returns respectively. For the same period, the category clocked +7%, +26% and +15% of returns respectively.

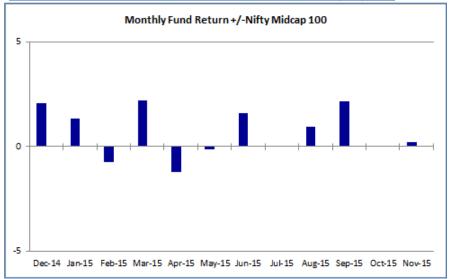
The mandate allows up to a 35 per cent investment in the top 100 companies by market cap, with 65 per cent exposure to firms that fall outside the top 100. The portfolio allocation shows a consistent 55-60 per cent allocation to mid-cap stocks (higher than the category) and a 20-25 per cent to large caps. This positioning of the portfolio in large-cap stocks has helped improve liquidity and reduce volatility. Small caps make up 25 per cent or so but have been trimmed in the last one year.

The fund manager believes that the current situation is not like the one which was there in 2003 wherein the mid-cap basket was very cheap. On a risk-adjusted basis, the large-cap category is looking slightly better than the midcap space. However, the returns in midcaps now would be driven by individual merit of the business. A well-managed company will have better capital efficiency so the ROE's tend to be better than other companies in the same sector.

Portfolio: Kotak Mahindra Bank Ltd, Hindustan Petroleum Corporation Ltd and Natco Pharma Ltd are the stocks that topped in its latest portfolio having weights of 4.03%, 3.29% and 3.18% to its net assets respectively. In the last six month period, the scheme added 15 new stocks and exited from 11 stocks. The Turnover ratio of the scheme stood at 36%.

The expense ratio of 2.55% for the scheme is lower compared to the category average of 2.63%. The corpus of the scheme as per latest data (Oct 2015) was at Rs. 1,016 crore. The scheme is managed by Mr. Neelesh Surana since May 2010.





Fund Performance Vis-a-vis Benchmark (Excess return) in the last one year period:

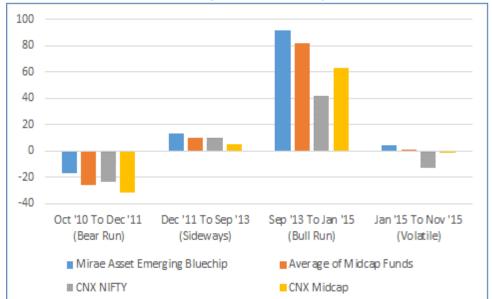
The rating agencies like Value research & Crisil assigned '5 star' and 'CPR 1' respectively for the scheme. These reflect the very good performance of the scheme in generating high risk adjusted returns.

As far as risk measures are concerned, the scheme seems to be low risky while compared to peers as it generated 1.05% (category 1.06%) of Daily Standard Deviation that generated for last 3 years period.

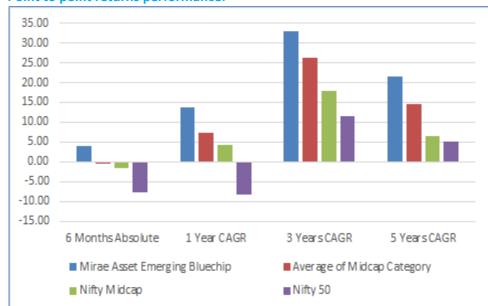
### **Relatively performing schemes from Equity – Midcap Category:**

	Basic Details			Trailing Returns (%)				Rolling Returns (%)				Ratios (%)			
Scheme Name	Inception Date	Latest Corpus (Rs Crs)	Expense Ratio (%)	3 Months Absolute	6 Months Absolute	1 Year CAGR	3 Years CAGR	5 Years CAGR	6 Months Absolute	1 Year CAGR	2 Years CAGR	3 Years CAGR	Standard Deviation	Sharpe Ratio	Jensons Alpha
Religare Invesco Mid N Small Cap Fund (G)	Mar-08	477	2.74	-7.63	-1.18	5.85	27.31	16.80	13.88	33.65	27.15	22.30	0.98	0.01	0.00
Mirae Asset Emerging Bluechip Fund (G)	Jul-10	<mark>1016</mark>	<mark>2.55</mark>	<mark>-5.53</mark>	<mark>3.90</mark>	<mark>13.77</mark>	<mark>32.93</mark>	<mark>21.45</mark>	<mark>12.03</mark>	<mark>29.19</mark>	<mark>27.14</mark>	<mark>25.49</mark>	<mark>1.05</mark>	<mark>0.04</mark>	0.03
Principal Emerging Bluechip Fund (G)	Nov-08	510	2.61	-9.30	-3.01	5.02	28.24	13.74	17.71	33.93	21.76	18.22	1.19	0.01	0.00
ICICI Pru Value Discovery Fund (G)	Aug-04	10526	2.24	-5.69	-1.30	6.92	28.17	16.87	15.29	30.82	21.61	17.78	0.96	0.01	0.04
HDFC Mid-Cap Opportunities Fund (G)	Jun-07	10589	2.32	-7.98	-0.74	6.00	28.09	16.97	13.61	27.32	23.57	20.34	0.98	0.01	0.01
Franklin India Smaller Companies Fund (G)	Jan-06	2568	2.40	-3.90	0.27	10.22	34.20	19.60	14.14	27.73	17.98	14.56	0.94	0.03	0.02
Benchmark															
Average of Equity Midcap Category			2.63	-7.44	-0.48	7.26	26.18	14.56	12.50	24.66	16.88	14.06	1.06	0.01	0.02
Nifty 500				-8.43	-5.84	-4.82	13.47	5.66	7.59	13.36	8.83	8.08	-	-	-
Nifty Midcap				-8.34	-1.48	4.28	17.87	6.61	9.68	18.04	10.98	9.53	-	-	-
Nifty 50				-8.68	-7.67	-8.24	11.50	5.20	6.82	12.09	8.88	8.63	-	-	-

Note: NAV Value as on Nov 18, 2015.



#### Performance of the scheme during various market cycles:

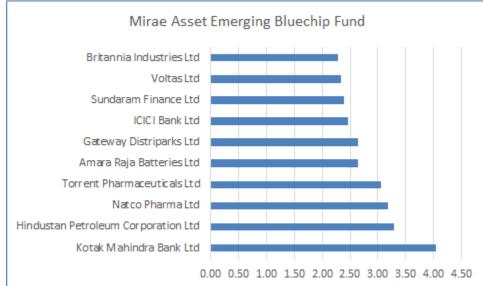


#### Point to point returns performance:

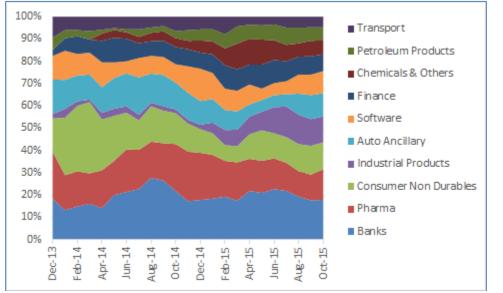
The performance of the scheme has been so impressive during all the market cycles especially downturns as it managed to contain the losses very well in comparison to the peer schemes.

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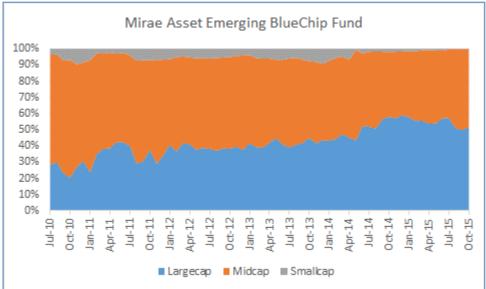
## Top 10 stocks as per the latest portfolio:



## Top sectors exposure during the last one year period:



#### Market Cap Break up:







# Indices performance:

Year on year performance of the Nifty Midcap Index in comparison to the major Sectors and Thematic indices over the last 10 years period:

	2014	2013	2012	2011	2010	2009	2008	2007	2006	2005	2004
1	CNX PSU Bank	<b>CNX IT</b>	CNX Bank	CNX FMCG	CNX Pharma	<b>CNX IT</b>	CNX FMCG	CNX Infrastructure	CNX Infrastructure	CNX Smallcap	CNX PSU Bank
2	CNX Bank	CNX Pharma	CNX FMCG	CNX Pharma	CNX PSU Bank	CNX Smallcap	CNX Pharma	CNX Smallcap	CNX Smallcap	CNX FMCG	CNX Infrastructure
3	CNX Midcap	CNX FMCG	CNX PSU Bank	CNX MNC	CNX Bank	CNX Midcap	CNX PSU Bank	CNX Midcap	CNX Nifty Index	CNX MNC	CNX Smallcap
4	CNX Smallcap	CNX MNC	CNX.Midcap	<b>CNX IT</b>	CNX FMCG	CNX MIC	CNX MNC	CNYPSU Bark	CNX IT	CNX Infrastructure	CNX Bank
5	CNX Pharma	CNX Nifty Index	CNX Smallcap	CNX Nifty Index	СNХ ІТ	CNX Bank	CNX Bank	CNX Bank	CNX Bank	CNX Nifty Index	CNU Midcap
6	CNX MNC	CNXInfrastructure	CNX Pharma	CNX Midcap	CNX Midcap	CNX Nifty Index	CNX Nifty Index	CNX Nifty Index	NX MNC	CHX Midcap	CNX Pharma
7	CNX Nifty Index	CNX widcap	CNX MNC	CNX Bank	CNX Nifty Index	CNX PSU Bank		CNX MNC	CNX Midcap	CNX ΙΤ	CNX Nifty Index
8	CNX Infrastructure	CNX Smallcap	CNX Nifty Index	CNX Smallcap	CNX Smallcap	CNX Pharma	CNX I frast ucture	CNX FMCG	CNX Pharma	CNX Bank	CNX FMCG
9	CNX FMCG	CNX Bank	CNX Infrastructure	CNX Infrastructure	CNX MNC	CNX FMCG	CNX Midcap	CNX Pharma	CNX FMCG	CNX PSU Bank	CNX MNC
10	CNX IT	CNX PSU Bank	CNX ΙΤ	CNX PSU Bank	CNX Infrastructure	CNX Infrastructure	CNX Smallcap	<b>CNX IT</b>	CNX PSU Bank	CNX Pharma	СNХ ІТ

From the above chart, it is clear that Nifty Midcap index delivered above average performance in almost all years during the last 10 years period. However, active fund management plays important role for a midcap scheme to deliver even better returns.

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