



Basket Review



HDFC securities

Click. Invest. Grow.



Baskets offer a single-click option for investors to start and grow a professionally curated and diversified portfolio to create long term wealth.

The 30-odd baskets available on our platform span a broad range of strategies and themes. Each basket contains multiple stocks/ETFs, mitigating company-specific risks.

While reviewing these baskets, we have given equal weightage to last three and six-month's performance of each basket to determine their relative ranking. Here's a quick update on the top three hits and misses from our baskets.

Do refer to our 'Baskets at a glance' table in this report to see churn, risk and performance data for all our 30 baskets at one go.

Happy investing!

DISCOVER BASKET INVESTING



Samvat 2078 Midcap Pack

- This basket was created out of Midcap Diwali picks of Research team.
- It consisted of emerging corporates that are gradually growing their businesses and are on their way to become a significant player in their industries.
- M&M Finance and Indian Bank contributed to outperformance of the basket while Network 18 and CESC are the laggards.
- Bank of Baroda and Gati have achieved their target and that amount is invested in liquid bees.



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The Great Indian Middle Class

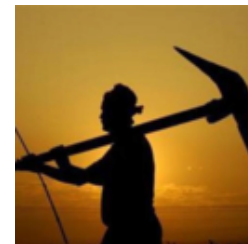
- This basket consists of the companies that benefit from growth in India's middle class.
- India is an emerging economy with a growing middle class with 45 crore people expected to be added to this category in the next 15 years.
- Rise in middle class population leads to increased discretionary income, which is the portion of individual's income that is left after spending on necessities like food and rent.
- Expected increase in discretionary spending over the next decade will directly benefit companies operating in sectors like transportation, food & beverage, entertainment & leisure facilities.
- VBL and Hindustan Unilever and Trent are the outperformers in this basket while Orient Electric , V-mart and Titan are the laggards.



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Rising Rural demand

- This basket consists of the companies that benefit from rising consumption in rural India
- It is expected that Rural Indian consumption is growing at 1.5 times the rate in urban India.
- This basket has companies that either derive a significant amount of their revenue from rural India or are striving to enhance their foothold across rural markets to benefit from increasing rural demand.
- VBL, M&M and ITC are the outperformers in this basket while Chambal Fertilisers, Orient electric, Muthoot Finance are the laggards.

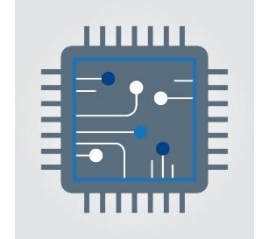


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3 Underperforming Baskets

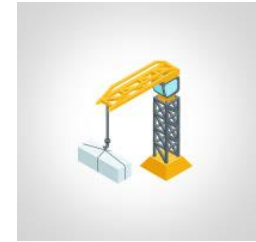
IT Pack

- IT pack has India's most prominent 9 software services companies.
- This is the worst performer amongst the baskets offered as across the sector we saw margin contraction in IT stocks on back of higher wage cost to ward off attrition.
- All the constituents of this basket were under water, falling between -11% to -29% in past six months. Infosys fell the least by 11% during the period under review while Tech Mahindra and Wipro were the worst performers – falling by 29% and 26% respectively.
- IT stocks have corrected in the past six months as their valuations ran ahead of what was warranted by their fundamentals, the rationale for investing in the IT pack for the longer term remains intact.



L&T Pack

- After featuring in our list of outperforming baskets consistently, L&T pack took a breather in the past six months. It is the second worst performing basket for the period under review.
- Across the sector we saw margin contraction in IT stocks on back of higher wage cost to ward off attrition. This is the primary reason behind fall in L&T pack's 3 technology companies- L&T Infotech, L&T Technology services and Mindtree, and that dragged the basket lower.
- L&T Finance holdings is the best performer of this pack. It had announced plans to completely exit the wholesale and realty funding business within two years, following difficulties experienced in repayment by borrowers.
- The parent company – L&T has become debt-free after considering cash and cash equivalent during the year. L& T Group is targeting Rs 2.7 lakh crore revenue by financial year 2025-26.
- After 2 years of stellar performance, this pack has underperformed in the past six months, but we believe it continues to remain an attractive play on India's growth story.



Commodities Pack

- This basket consists of the companies that benefit from rising commodities prices.
- Infrastructure spending is increasing globally, especially in the US and China. This increased demand due to massive global infrastructure projects has greatly influenced commodity prices.
- Rise in commodity prices positively impact the stocks of companies in related industries.
- After a stellar rise global commodity prices are undergoing a correction. Government of India has also imposed export duties on iron ore, steel and steel products and relaxed import duties to cool down commodity prices in an effort to cool down inflation.
- Coromandel International and EID parry are the outperformers in this basket while Hindustan oil exploration and Hind Petro are the laggards.





Tata Pack

Companies part of Tata group,
Most reputed group with
unbeaten legacy of 150+ years

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Adani Pack

Companies part of Adani
group, a group known for
stellar growth organically as
well as inorganically

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MNC Consumer Pack

Basket of marquee MNC
Consumer companies
operating in India.

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Mahindra Pack

Companies part of Mahindra
group, a group known for
stable and consistent growth.

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Murugappa Pack

Companies part of Murugappa
group, a group known for
excellent management with
120+ years of legacy.

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While higher interest rates may lead to some growth worries, India's gross domestic product (GDP) growth should accelerate in the next two years.

The investment case for equities purely hinges on whether earnings growth will be sufficient to withstand the twin blows of some macroeconomic slowdown and a higher interest rate environment.

A reading of high-frequency indicators, including GST collection, e-way billing, index of industrial production, freight and consumption across sectors for recent months have been encouraging—a good sign for the market.

Given improving digital penetration, attractive demographic profile, economic reforms, formalization of the economy and favorable government policies, we remain comfortable on the medium term outlook for equities though some correction in the interim cannot be ruled out. Making money is going to be challenging in the coming calendar year.

Baskets – Ready Reckoner

Basket Name	Churn Category	Volatility	Benchmark	6 Months Benchmark Returns	6 Months Basket Returns	1 Year Benchmark Returns	1 Year Basket Returns	3 Year Benchmark Returns	3 Year Basket Returns
All Weather Investing	Medium	Low	NIFTY 100	-0.8	2.4	7.6	5.6	57.0	44.2
Bajaj Pack	Very Low	High	NIFTY 100	-0.8	2.2	7.6	9.9	48.1	43.7
Banking Pack	Very Low	High	NIFTY 100	-0.8	-1.5	7.6	12.0	47.9	40.5
Commodities Pack	Medium	High	NIFTY 100	-0.8	-8.4	4.6	-0.6	4.6	-0.6
Dividend Aristocrats	Very Low	Medium	NIFTY 100	-0.8	-1.4	7.6	10.3	57.0	108.3
Double Earnings Pack	Medium	Medium	NIFTY 500	-1.7	-4.7	6.4	0.2	47.0	96.0
Electric Mobility	Medium	Medium	NIFTY 100	-0.8	-4.2	-4.5	-3.3	-4.5	-3.3
Equity & Gold	Medium	Low	NIFTY 100	-0.8	1.6	7.6	8.4	9.1	9.2
Fallen Angels	Medium	Medium	NIFTY LARGEMIDCAP 250	-1.7	-6.5	6.4	0.9	116.9	139.2
HDFC Pack	Medium	Medium	NIFTY 100	-0.8	-7.4	7.6	-12.4	50.7	0.2
ICICI Pack	Medium	High	NIFTY 100	-0.8	-13.9	7.6	-14.8	50.7	45.1
India Horizons All-star Portfolio	Medium	Medium	NIFTY LARGEMIDCAP 250	-2.7	-7.7	7.2	-0.6	18.8	19.2
India Horizons Bellwether Portfolio	Medium	Medium	NIFTY 100	-0.8	-4.2	7.6	4.3	17.3	16.2
Insurance and AMC Pack	Very Low	Medium	NIFTY 500	-1.7	-9.7	6.4	-19.4	55.1	-9.5
IT Pack	Medium	High	NIFTY 100	-0.8	-19.2	4.6	-13.8	4.6	-13.8
L&T Pack	Medium	High	NIFTY 100	-0.8	-17.7	7.6	5.2	48.1	143.9
Large-Cap Legends	Medium	Low	NIFTY 100	-0.8	1.0	7.6	15.0	9.1	16.2
Majestic Multi-caps	Medium	Low	NIFTY MIDCAP 150	-1.9	-10.5	5.2	-7.9	7.9	0.5
Pharma Tracker	Medium	Medium	NIFTY LARGEMIDCAP 250	-2.7	-6.0	7.2	-12.3	73.4	122.1
Platinum ETF	Very Low	Medium	NIFTY 100	-0.8	-0.4	7.6	6.0	57.0	53.8
Rising Rural Demand	Medium	Medium	NIFTY 500	-1.7	3.8	6.4	4.2	64.1	65.4
Samvat 2078 - Large Cap	Very Low	Medium	NIFTY 100	-0.8	-7.7	-4.8	-7.4	-4.8	-7.4
Samvat 2078 - Mid Cap	Very Low	High	NIFTY SMLCAP 100	-17.5	0.3	-14.4	0.4	-14.4	0.4
Shubh Aarambh	Medium	Medium	NIFTY 100	-0.8	2.6	7.6	5.4	57.0	59.3
Smart Beta ETF	Low	Medium	NIFTY 100	-0.8	-0.6	7.6	6.6	72.6	69.2
SmartWealth Conservative Portfolio	Very Low	Low	NIFTY 100	-0.8	0.3	7.6	4.3	8.1	4.7
SmartWealth Moderate Portfolio	Very Low	Low	NIFTY 100	-0.8	0.3	7.6	5.5	8.1	6.0
Super Pack 2022	Very Low	High	NIFTY LARGEMIDCAP 250	-2.7	-4.1	0.2	-2.6	0.2	-2.6
The Great Indian Middle Class - Low-Cost Version	Medium	Medium	NIFTY 100	-0.8	4.4	7.6	6.5	50.1	51.0
Wonder Women	Medium	Low	NIFTY 500	-1.7	-5.9	6.4	-0.6	59.8	57.0

*Value as on 29th July 2022

Explanation of Churn categories:

- VERY LOW churn - Basket constituents are changed once a year.
- LOW churn - Basket constituents are changed once in 6 months.
- MEDIUM churn - Basket constituents are changed once a quarter.

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