**Performance Analysis and Justification**

We employed two distinct methods for constructing portfolios. Initially, I curated a selection of 48 stocks tailored to the client's preferences and risk profile, performed optimization and back testing resulting in the creation of a portfolio comprised of 9 stocks.

Following a comparable methodology for comparison, we furnished the same client profile to GenAI, requesting stock recommendations. GenAI provided us with a list of 40 stocks, and, akin to the previous process, we conducted optimization and back testing, ultimately resulting in a refined portfolio consisting of 13 stocks.

**The ensuing returns from both portfolios are presented below for examination.\**

**Manually curated stock portfolio :**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **My Portfolio** | | | | | | | | |
| **Capital in Rs.** | **1000000000** |  |  |  |  |  |  |  |
|  |  |  | **Entry (at Open)** |  |  |  | **Exit (at Open)** |  |
| **SCRIPT** | **Weights** | **Value Based on Weight** | **Stock Price on 14.10.2022** | **QTY Purchased** | **Abs. Price Adjusted Qty** | **Actual Invested Value** | **Stock Price on 01.11.2023** | **Booked Value** |
| **HBLPOWER** | 5.45 | 54500000 | 102.00 | 534313.725 | 534314 | 54500000 | 294.00 | 157088235.3 |
| **BEL** | 13.2 | 132000000 | 103.00 | 1281553.4 | 1281553 | 132000000 | 133.75 | 171407767 |
| **POLYCAB** | 23.97 | 239700000 | 2600.00 | 92192.3077 | 92192 | 239700000 | 4922.10 | 453779757.7 |
| **TRENT** | 15.86 | 158600000 | 1432.00 | 110754.19 | 110754 | 158600000 | 2163.70 | 239638840.8 |
| **SJVN** | 8.49 | 84900000 | 32.80 | 2588414.63 | 2588415 | 84900000 | 71.35 | 184683384.1 |
| **KSB** | 0.51 | 5100000 | 2074.65 | 2458.24597 | 2458 | 5100000 | 3045.00 | 7485358.976 |
| **COFORGE** | 1.97 | 19700000 | 3680.00 | 5353.26087 | 5353 | 19700000 | 4998.00 | 26755597.83 |
| **CIPLA** | 27.3 | 273000000 | 1115.10 | 244821.092 | 244821 | 273000000 | 1200.00 | 293785310.7 |
| **MPHASIS** | 3.25 | 32500000 | 2138.00 | 15201.1225 | 15201 | 32500000 | 2134.60 | 32448316.18 |
|  | 100 | 1000000000 |  |  |  | 1000000000 |  | 1567072569 |
|  |  |  |  |  |  |  | **Profit/Loss** | 567072568.6 |
|  |  |  |  |  |  |  | **Return (%)** | 56.71 |

**Performance Analysis :**

1. POLYCAB and CIPLA constitute most of the portfolio with weights of 23.97% and 27.3%, respectively.
2. POLYCAB displayed significant growth, with its stock price rising from ₹2600 to ₹4922.10, resulting in a substantial increase in portfolio value.
3. CIPLA also demonstrated strong performance, advancing from ₹1115.10 to ₹1200, contributing significantly to the overall portfolio growth.
4. POLYCAB's robust performance led to a substantial booked value, contributing significantly to the overall profit.
5. The portfolio's diverse holdings across power (SJVN), technology (COFORGE, MPHASIS), and manufacturing (BEL, KSB) sectors effectively mitigate risk, contributing to a positive overall portfolio return.

**Portfolio Return and Profit/Loss Analysis:**

The portfolio exhibits a commendable return of 56.71%.  
  
The calculated profit/loss amounts to ₹567,072,568.6, indicating a strong positive performance and successful investment decisions within the evaluation period.

**GenAI Selected Portfolio Stocks:**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| **GenAI (BARD) Portfolio** | | | | | | | | |
| **Capital in Rs.** | **1000000000** |  |  |  |  |  |  |  |
|  |  |  | **Entry (at Open)** |  |  |  | **Exit (at Open)** |  |
| **SCRIPT** | **Weights** | **Value Based on Weight** | **Stock Price on 14.10.22** | **QTY Purchased** | **Abs. Price Adj. Qty** | **Actual Invested Value** | **Stock Price on 01.11.23** | **Booked Value** |
| **POWERGRID** | 21.17 | 211694626.9 | 163.50 | 1294768.36 | 1294768 | 211694626.9 | 202.35 | 261996377.7 |
| **HCLTECH** | 1.26 | 12565626.92 | 1005.00 | 12503.1114 | 12503 | 12565626.92 | 1280.00 | 16003982.55 |
| **BRITTANIA** | 4.90 | 48994626.92 | 3800.10 | 12892.9836 | 12893 | 48994626.92 | 4442.60 | 57278368.88 |
| **PHOENIXLTD** | 0.93 | 9294626.923 | 1408.75 | 6597.78309 | 6598 | 9294626.923 | 1820.20 | 12009284.77 |
| **INFY** | 12.30 | 122978636.9 | 1485.00 | 82813.8969 | 82814 | 122978636.9 | 1373.05 | 113707621.2 |
| **KOTAKBANK** | 1.89 | 18894626.92 | 1828.00 | 10336.2292 | 10336 | 18894626.92 | 1731.00 | 17892012.69 |
| **HINDUNILVR** | 21.03 | 210294626.9 | 2590.00 | 81194.8366 | 81195 | 210294626.9 | 2485.00 | 201769169.1 |
| **ITC** | 7.52 | 75194626.92 | 332.30 | 226285.365 | 226285 | 75194626.92 | 430.00 | 97302707.12 |
| **IOC** | 6.97 | 69694626.92 | 68.00 | 1024920.98 | 1024921 | 69694626.92 | 92.00 | 94292730.54 |
| **CIPLA** | 4.45 | 44509466.92 | 1115.10 | 39915.2246 | 39915 | 44509466.92 | 1200.00 | 47898269.49 |
| **SUNPHARMA** | 6.17 | 61694626.92 | 976.00 | 63211.7079 | 63212 | 61694626.92 | 1092.00 | 69027185.04 |
| **TCS** | 9.17 | 91694626.92 | 3145.00 | 29155.6842 | 29156 | 91694626.92 | 3355.00 | 97817320.61 |
| **BHARTIARTL** | 2.25 | 22494626.92 | 779.95 | 28841.1141 | 28841 | 22494626.92 | 903.00 | 26043526.01 |
|  | 100 | 1000000000 |  |  |  | 1000000000 |  | 1113038556 |
|  |  |  |  |  |  |  | **Profit/Loss** | 113038555.7 |
|  |  |  |  |  |  |  | **Return (%)** | 11.30 |

**Performance Analysis :**

1. The portfolio strategically diversifies across power (POWERGRID), technology (HCLTECH, TCS), FMCG (BRITTANIA, HINDUNILVR), pharmaceuticals (CIPLA, SUNPHARMA), and finance (KOTAKBANK, ITC), effectively mitigating risk.
2. Significant growth is observed in stocks like POWERGRID, HINDUNILVR, and TCS, each making substantial contributions to the portfolio's overall value.
3. Notable stock movements include HCLTECH, BRITTANIA, and INFY, which showcase positive returns during the evaluation period.
4. Stocks such as POWERGRID, HINDUNILVR, and TCS exhibit significant price increases, resulting in substantial booked values and contributing to profit.
5. The diverse set of stocks in the portfolio reflects a mix of growth-oriented and stable performers.

**Portfolio Return and Profit/Loss Analysis:**

The GenAI-selected portfolio achieves a commendable return of 11.30%  
The calculated profit/loss amounts to ₹113,038,555.7, indicating positive performance and successful investment decisions within the evaluation period.

**Return Comparison and comments:** The manually curated portfolio achieved a robust return of 56.71%, driven by high-performing stocks like POLYCAB and CIPLA. In contrast, the GenAI-selected portfolio delivered a 11.30% return, showcasing a balanced mix of sectors. Both approaches demonstrate successful investment strategies.

While the manual portfolio emphasized specific high-performing stocks, the GenAI-selected portfolio showcased a balanced sectoral mix, resulting in commendable returns. Both methods exhibit successful strategies, emphasizing the importance of tailored stock selection and diversified sectoral allocation in achieving positive investment outcomes.