

Exceptional & Rich India MidCap Select™ Factsheet

AS OF JANUARY 13, 2023

Description

Exceptional & Rich India MidCap Select Index [E&R India MidCap Select] has been created to improve the statistical and scientific design flaws of the market capitalization methodology used in the S&P BSE MidCap Select, which is widely regarded as the best single gauge of mid-cap India equities. Unlike market capitalization methodology which is risk-increasing and return-reducing owing to its concentration, the E&R is designed to own 29 mid-cap Indian equities, and deliver higher risk-weighted excess returns while maintaining low tracking error vs. the S&P BSE MidCap Select.

Index Attributes

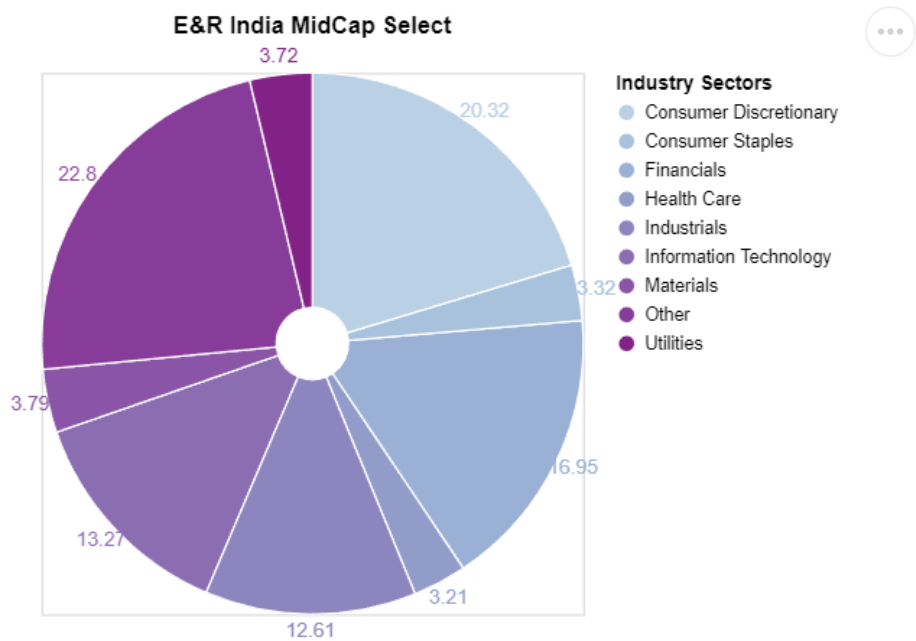
Launched on January 3, 2023, the E&R India MidCap Select leads a new generation of Smart Beta Indices that electronically delivers investable fund processes direct to Institutional and Individual investors. The lack of secondary market delivery is an essential attribute for the Index as it reduces the overall systematic risk inherent in Exchange Traded Funds today and allow the final investor to only pay-for-alpha above the S&P BSE MidCap Select.

Methodology

The methodology is based on a modern science innovation, which uses Reversion-Divergence framework to dynamically score, weight and rebalance components in a group to deliver higher risk-weighted excess returns. The method removes the conflict between Efficient and Inefficient market thinking, statistically normal and non-normal behavior, or in simple terms the conflict between Value and Growth investing. The methodology is not Size biased, and obviates the need for concentration and runningafter winners but rather adopts a slower weight readjustment compared to the S&P BSE MidCap Select.

1. Exceptional & Rich India MidCap Select - Inception date January 2017

1.1. Sector Breakdown

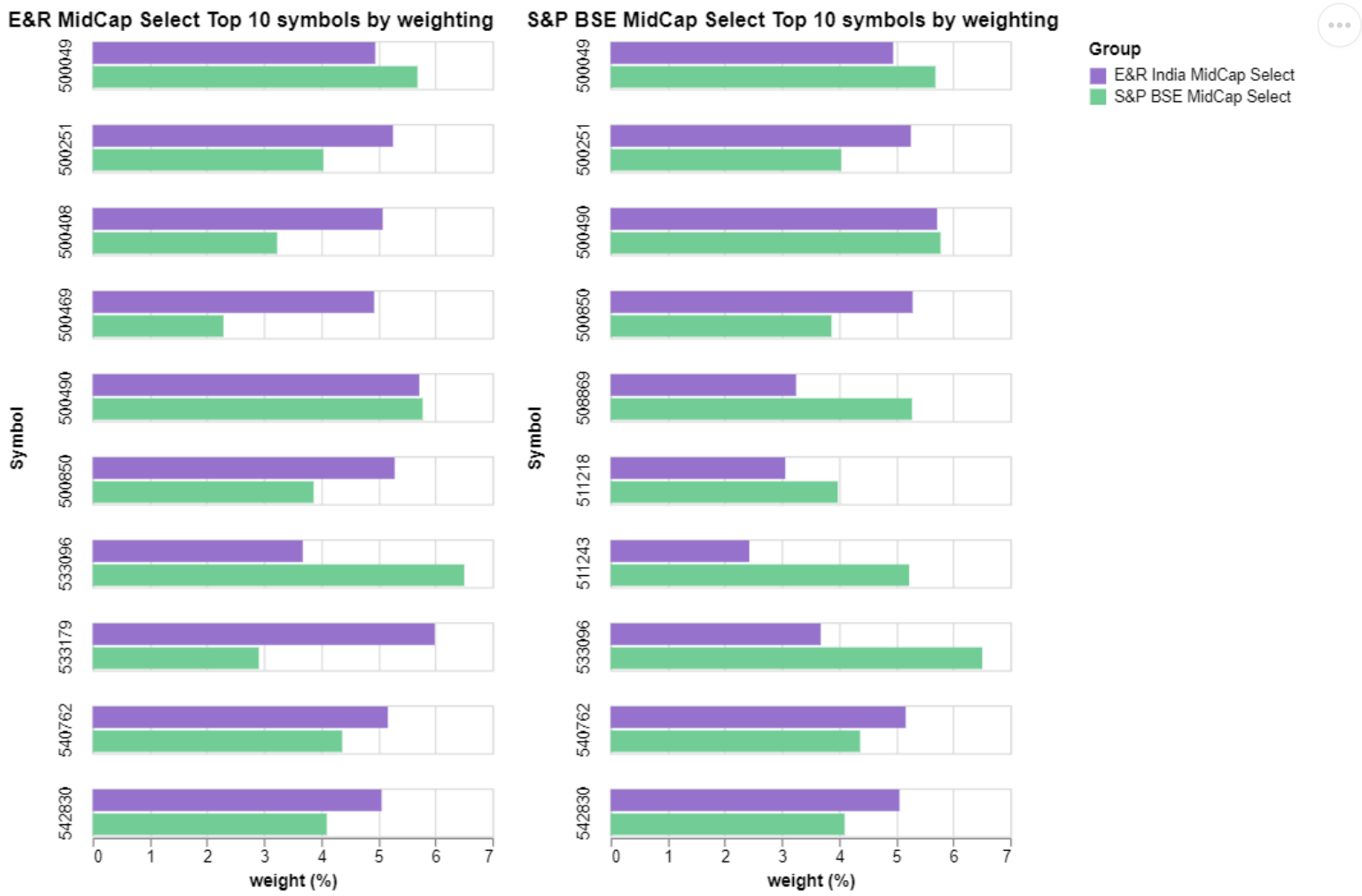


1.2. Top 10 Components

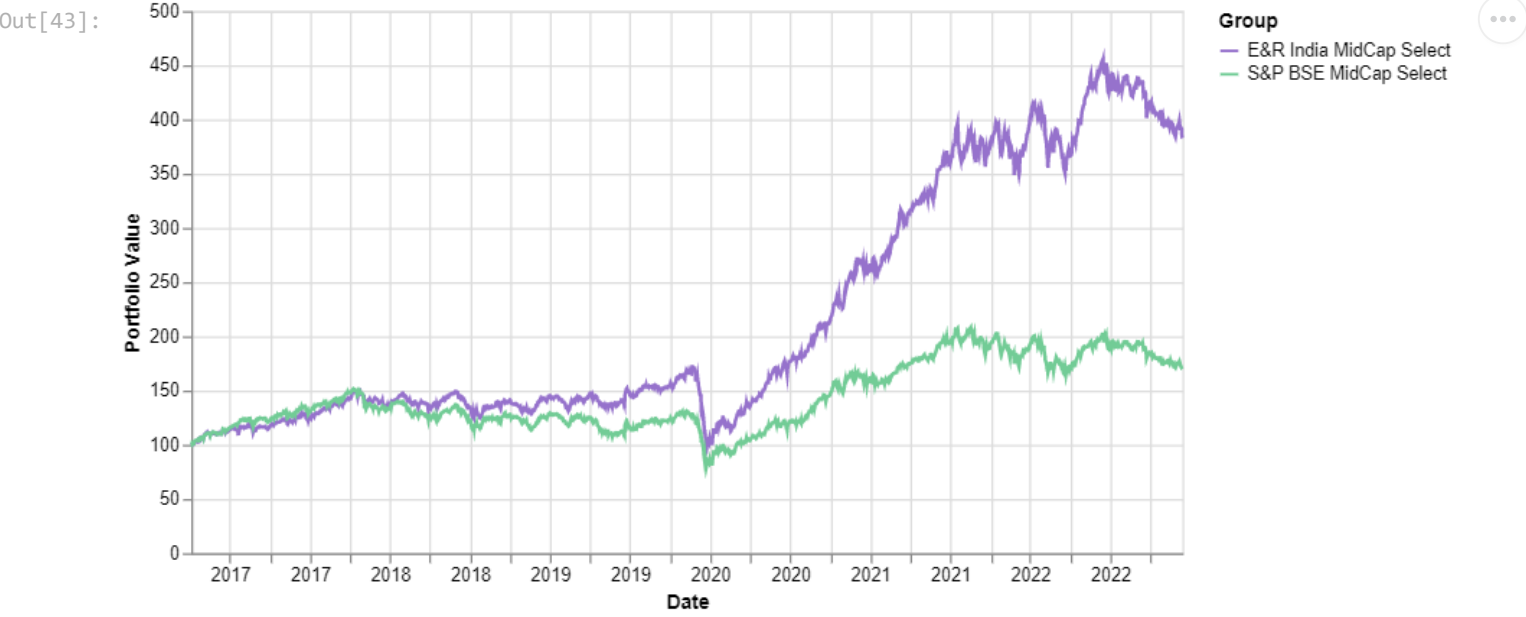
Out[41]:

	Nr./Symbol	Name	Current Price	P&L(%)	E&R India MidCap Select Proportion(%)
1	533179	PERSISTENT	4522.35	11.71	5.99
2	500490	Bajaj Hold	6036.45	6.61	5.72
3	500850	INDIANHOTEL	315.55	-1.41	5.29
4	500251	TRENT	1320.40	-1.92	5.26
5	540762	Tube Investment of India Ltd	2681.05	-3.70	5.17
6	500408	Tata Elxsi	6089.60	-5.23	5.08
7	542830	Indian Railway Catering and Tourism Corporation Ltd	606.55	-5.78	5.06
8	500049	Bharat Electronics Ltd	92.64	-7.73	4.95
9	500469	FEDERALBANK	126.60	-8.06	4.93
10	533096	Adani Power	202.15	-31.43	3.68

1.3. Top 10 Comparisons



1.4. Performance Plot Since January 2017



1.5. Performance Metrics

The table illustrates the performance across various parameters. The Performance (%) of Portfolio from different starting points, Current portfolio value of the funds invested at inception, Annualized (%) Returns, Annualized Standard Deviation (%), Average Tracking Error (%) and Average Information Ratio (%).

Out[44]:

	Nr./Name	E&R India MidCap Select	S&P BSE MidCap Select
1	Performance (%) since January 2018	167.36	14.34
2	Performance (%) since January 2019	171.17	32.76
3	Performance (%) since January 2021	76.29	14.82
4	Performance (%) since January 2023	-7.71	-7.95
5	Current Portfolio Value (Invested in January 2017)	382.75	169.9
6	Annualized (%) Return (Since January 2017)	24.18	8.93
7	Annualized Std. Deviation (%)	19.74	19.39
8	Average Tracking Error (%)	7.30	-
9	Average Information Ratio (%)	1.93	-

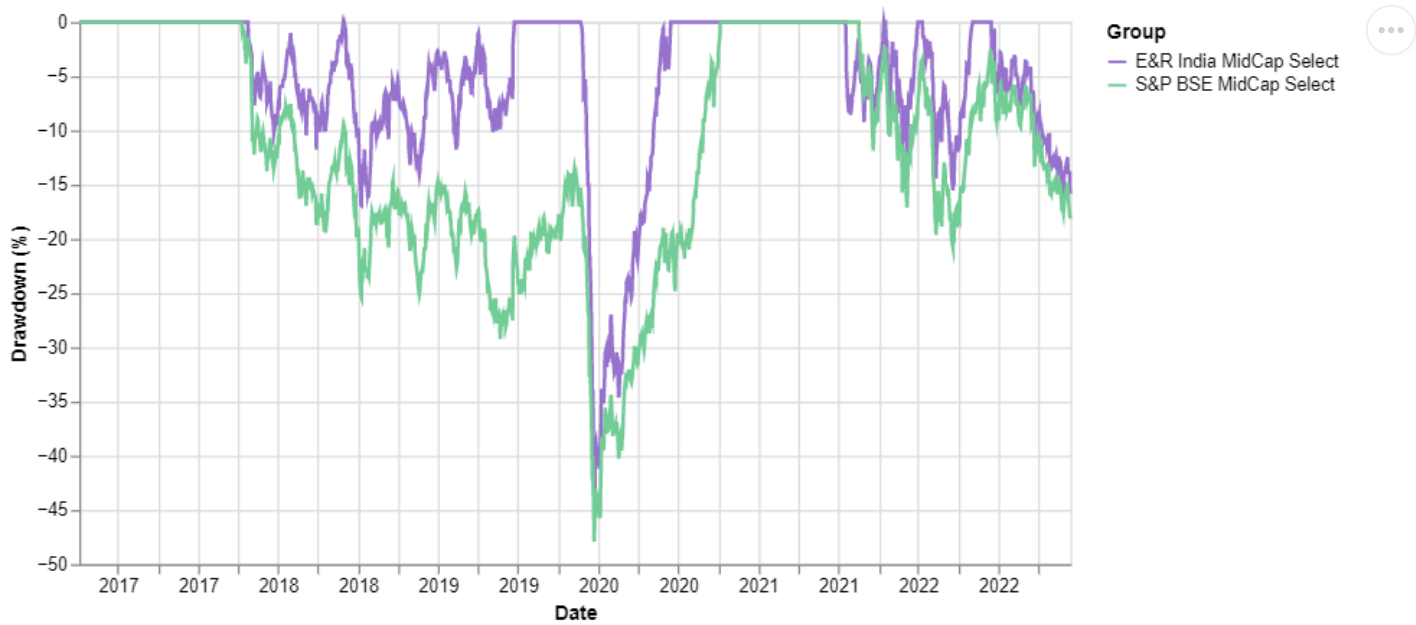
1.6. Annualized Rolling Return



1.7. Drawdown Analysis

A daily time series plot illustrating drawdowns of more than 10% from peak equity.

Out[46]:



Out[47]:

	Nr./Portfolio Drawdowns (%)	Start date	End date	Maximum (%)	Days
1	-	23-Jan-18	23-Sep-19	-16.92	608
2	-	21-Feb-20	14-Sep-20	-44.08	206
3	-	13-Jan-22	1-Apr-22	-12.25	78
4	-	11-Apr-22	4-Aug-22	-15.53	115
5	-	15-Sep-22	15-Mar-23	-15.84	181

Out[48]:

	Nr./Benchmark Drawdowns (%)	Start date	End date	Maximum (%)	Days
1	-	8-Jan-18	5-Jan-21	-47.93	1093
2	-	17-Nov-21	15-Mar-23	-20.82	483

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