

Dear Investors,

Markets at new high!

Equity markets across the globe, breathed a sigh of relief as CPI in US started tapering off. In the recent commentary, US Fed Chairman indicated that the next interest rate hike would be lower at 50bps as against 4 successive rate hikes of 75bps. Jerome Powell induced further confidence by stating that the Fed would balance tackling inflation with supporting the economy. Over the last month, dollar index has also pull back indicating that the consensus trade to move towards dollar assets is largely over. Back in India, GDP growth at 6.3% for Q2FY23 was broadly in line with expectations of various economists. Stable growth environment coupled with high probability of resumption of FII inflows makes us remain constructive on the market outlook.

GDP growth at 6.3% YoY and 2.5% above pre-covid levels

Rs tn	Q2FY20	Q2FY21	Q2FY22	Q2FY23	% growth over pre-covid levels*
GDP	35.5	33.1	35.9	38.2	2.5
Final Consumption Exp	24.2	21.6	23.8	25.7	1.9
Private Consumption Exp	20.0	18.4	20.3	22.3	3.6
Government Consumption Exp	4.2	3.2	3.5	3.4	-7.1
Gross Fixed Capital Formation	10.9	10.5	12.0	13.2	6.5
Change in stocks	0.3	0.0	0.5	0.4	12.4
Valuables	0.4	0.5	1.4	1.1	35.0
Exports	7.1	6.6	8.0	8.9	8.0
Import	8.4	6.9	9.7	12.2	13.2

Source: CEIC

*represents growth on a CAGR basis

Recent GDP print highlights few important pointers on state of the Indian economy. The services sector continued to report strong growth of 9.3% YoY. Festival season coupled with robust pent-up demand for travel, tourism and QSR have been aiding recovery in this sector. Credit demand continues to be solid and the same helped in registering smart growth in financial services and real estate sector. Agriculture sector, contrary to popular perception, remained resilient despite erratic monsoons, suggesting that the damage has been widespread and is perhaps restricted to few pockets of rural India. Initial trend on Rabi sowing is promising and given high reservoir levels, we expect a strong season, which should aid rural recovery going ahead.

Increased government thrust on capex coupled with nascent recovery in private sector capex led to a strong growth in capital formation at 10.4%. Growth in new project announcements by the private sector as per the Centre for Monitoring Indian economy (CMIE) data rose 39.4%, which is the highest post Global Financial Crisis in CY08. On the negative side, moderation of global growth has had impact on our exports, which also had to bear the brunt of restriction on exports of key commodities. There is a probability that export could remain under stress given the looming global slowdown, which would dent global demand.

As we look forward to the next calendar year, I would like to lay down my initial thoughts on the sectors/ theme which would do well over the coming 12-18 months:

- a. **Recovery in rural demand:** the problem here has been of severe cost inflation and weak sentiments rather than earnings contraction. With improved earnings/cash flows and moderation in inflation, we believe rural spending should bounce back gradually.
- b. **Growth in auto volumes:** Current auto volumes across categories are still closer to FY19 levels. We have a lot to catch up. With moderation in cost inflation, auto volumes should stage a recovery over the next 2 years.
- c. **Capex cycle recovery and make in India:** Driven by PLI scheme and China+1, we remain sanguine on the capex spends and manufacturing theme in India. We believe it is a multi-year theme and not a short-term phenomenon. The benefits of this would be visible across multiple sectors viz. Chemicals, electronic manufacturing, defence and capital goods amongst others.
- d. **Financials:** Lending institutions are likely are witnessing one of the most benign growth cycle coupled with muted NPAs. Financials have done well so far and we expect the trend to continue in the coming future as well.

Despite few challenges (mostly global and few domestic), the fundamentals of Indian economy continue to remain robust. Given the volatile environment, annual GDP growth could get altered by 50-70bps (than initially envisaged) but that doesn't impair the long-term growth outlook of the economy. India has been able to attract global investments, which would further increase in the future, in our opinion. These investments are committed with a long-term outlook and are not perturbed with short term volatility. Govt has a clear plan to improve the overall logistic cost and efficiency in the country. This should go long way in making India an attractive manufacturing destination. We remain laser focused on identifying companies which have inherent competitive strengths to benefit from the impending growth opportunities. Our focus continues to remain on delivering superior risk adjusted returns for our investors.

Happy investing!

Pankaj Murarka

Promoter & Investment Advisor

ALPHA DYNAMIC THEMATIC

November 2022

It is with the help of Alpha Dynamic Thematic that you will be able to invest in stocks that are part of a specific theme. Selection of the theme is a dynamic process based on the macroeconomic environment and sectoral trends that are taking place in the economy today.

Currently, we are going with the "GROWTH & INCOME" theme. Growth focuses on companies in sectors like Consumer Discretionary, Capital Goods, Financials and IT & Retail whereas Income focuses on sectors like Utilities, Telecom, Pharmaceuticals and Real Estate.

By targeting a specific theme, we focus on quality and financial capabilities and management of the companies we invest in.

After the theme's completion, the fund gradually switches to another theme matching with the current economic cycle.

Key Features



BENCHMARK:
NIFTY 200



NO OF STOCKS:
20-25



RISK:
Medium



TIME FRAME:
Medium to Long Term

Advisory Portfolio Performance (%)*

Period	1 Month	6 Months	1 Year	Since Inception CAGR
Alpha Dynamic Thematic	3.3	19.5	20.9	34.2
Nifty200	3.5	12.9	9.4	13.1

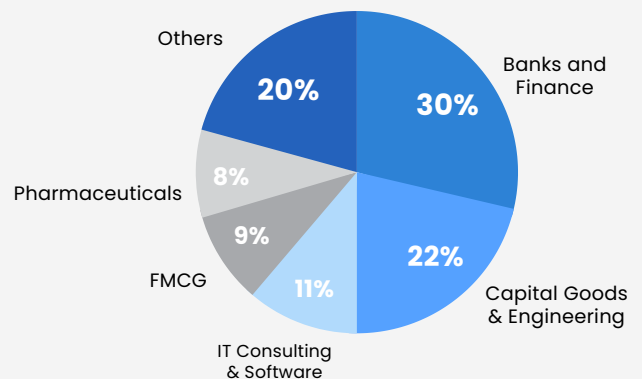
Performance as on 30th November 2022
Inception Date: : 1st June 2021

TOP 5 STOCKS

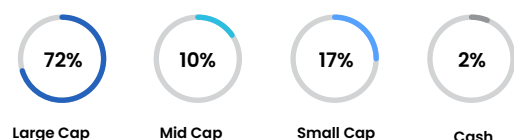
1	ITC LTD	8.9%
2	STATE BANK OF INDIA	8.0%
3	ICICI BANK LTD	7.7%
4	SUN PHARMACEUTICAL INDUSTRIES LTD	5.7%
5	ABB INDIA LTD	5.2%

(The current advisory portfolio holdings may or may not be a part of future portfolio holdings and may or may not be part of all client advisory portfolios)

SECTORAL ALLOCATION



MARKET CAPITALIZATION#



#On the basis of AMFI classification



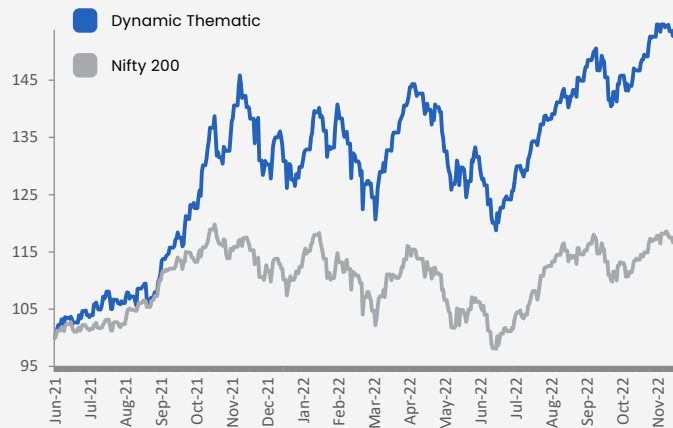
WEIGHTED AVERAGE MARKET CAP

2,69,104 cr

ALPHA DYNAMIC THEMATIC

November 2022

ADVISORY PERFORMANCE*



(Benchmark Source: NSE India)

Core Team



Pankaj Murarka

(Promoter & Investment Advisor)

Pankaj is the promoter & IA of Renaissance Smart Tech. He has over 25 years of experience in Fund Management and has several accolades to his credit. He was awarded as Best Fund Manager – Runner up Award for Axis Midcap Fund by Outlook Money in 2014. The fund delivered a CAGR return of 24% (2011-2015) significantly outperforming the benchmark and was a top decile fund for 2012 & 2013. It was ranked the No 1 performing fund in India across all funds in 2014 on 3 year basis. He was also recognized by Outlook Money as a Leading Fund Manager with 5 years of track record of consistent performance in the year 2015. Pankaj was associated with Axis Mutual Fund as the Chief Investment Officer (CIO) managing over \$2bn in Indian Equities.



Pawan Parakh

(Director)

Pawan has over 15 years of experience in equity research and fund management. He started his capital markets career as an equity analyst with Edelweiss Securities. He had the privilege of working with marquee organizations like HDFC, HSBC and Deloitte amongst others. As part of his research process, Pawan actively interacts with company managements, industry experts, technocrats and bureaucrats to understand the nuances of businesses. He likes to do field and factory visits to enhance his business understanding. Pawan is a meritorious Chartered Accountant (all India 48th Rank holder). He has also cleared CFA exams from CFA Institute (Virginia, USA).

Renaissance Smart Tech Private Limited

Type of Registration: Non-Individual Validity of Registration: Perpetual

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Name of Principal Officer: Mr. Pankaj Murarka

Contact details of Principal Officer: 022- 49711561 Email ID: info@alphaportfolios.in

Corresponding SEBI regional / local office address: Securities and Exchange Board of India, SEBI Bhavan, Plot No. C4-A, G Block, BKC-Bandra East, Mumbai- 400051

About us :

Renaissance Smart Tech Private Limited ("RSTPL") is registered with SEBI as an Investment Advisor with registration no. NA000016436. Renaissance Investment Managers Private Limited ("RIMPL"), a sister concern of RSTPL is registered with SEBI as an Investment Advisor and Portfolio Manager with registration no. INA000014827 and INP000005455 respectively and is also an Investment Manager to Renaissance Alternate Investment Fund, a Category III Alternative Investment Fund registered with SEBI with registration no. IN/AIF3/18-19/0549.

*Disclaimer :

The performance / returns of the stock across individual advisory model portfolios may vary significantly from the data provided. No claims may be made or entertained for any variances between the above performance depictions and that of the stock within individual client advisory portfolios neither the Investment Advisor, nor its Directors, employees shall in any way be liable for any variation noticed in the returns of individual portfolios. Performance of RSTPL shall have no bearing on the expected performance of the model advisory portfolio. Past performance of the financial products, instruments and the model advisory portfolio may or may not be sustained in future and should not be used as a basis for comparison with other investments. Till 27th July 2022, the clients were advised by Renaissance Investment Managers Pvt. Ltd. Thereafter, the advice has been given by RSTPL.

Holdings and Disclosure of Interest :

RSTPL or RIMPL or its affiliates or employees/directors or funds managed by RIMPL may have same or contra positions in personal or fiduciary capacity in the securities/stocks advised. Investors should take caution while executing the advice based on their risk/return profile and suitability. Companies/stocks/Sectors advised by RSTPL may or may not be the part of one or more of RIMPL's PMS Investment Approaches, Advisory portfolio universe and/or AIF Schemes.

Risk Factors :

The value of the investments may be affected generally by factors affecting financial markets, such as price and volume, volatility in interest rates, currency exchange rates, changes in regulatory and administrative policies of the Government or any other appropriate authority (including tax laws) or other political and economic developments. RSTPL is not liable or responsible for any loss or shortfall resulting from the operation of the model advisory portfolio.