

Dear investors,

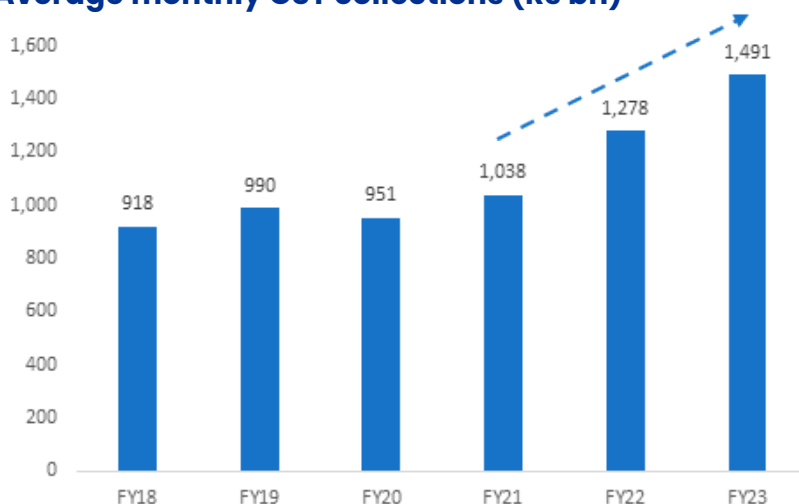
Another volatile JFM quarter

Over the last 3-4 years, JFM (Jan-Feb-Mar) quarter has turned out to be a bad omen for the equity markets. After Covid (multiple waves) and Russia-Ukraine war, JFM in 2023 was jolted by an unexpected banking crisis in the western world. While the world was still fighting a battle against stubborn inflationary pressures, SVB Bank followed by Credit Suisse fallouts drove further uncertainty for the equity markets across the globe. However, the weird part of this story is the 360 degree reversal in the US FED's policy which has moved from quantitative tightening to quantitative easing. After a doom's day scenario getting built in JFM quarter, the rest of the calendar year has been marked by a smart recovery for equity markets in the last 3 years. While we hate to blindly extrapolate historical trends, but a move from quantitative tightening to quantitative easing could potentially be a good reason for equity markets to rally from hereon.

Global banking crisis is unlikely to have any meaningful impact on Indian banking system or the economy. Foreign banks account for less than 1% of the country's total branch network and in terms of banking assets the contribution is ~7%. More importantly, for all foreign banks, contribution from Indian operations is inconsequential in their overall scheme of things. On the other hand, Indian banks have a paltry presence in international geographies and have no dependence on foreign banks for raising deposits/ borrowings. Whichever way one looks, Indian banks are largely immune from the global turmoil. On the contrary, Indian banking system is going through its strongest phase ever in multiple decades. We have spoken about this multiple times in our notes earlier.

The Indian economy is not completely immune global upheaval; however, it certainly remains in a far better position than the world. Gross GST collection for the FY22-23 stood at Rs 18tn, which implies a very strong 22% YoY growth. While the high growth is also partly due to inflation and higher compliance, but ex of these two factors also, the collections are quite robust and reassuring.

Average monthly GST collections (Rs bn)

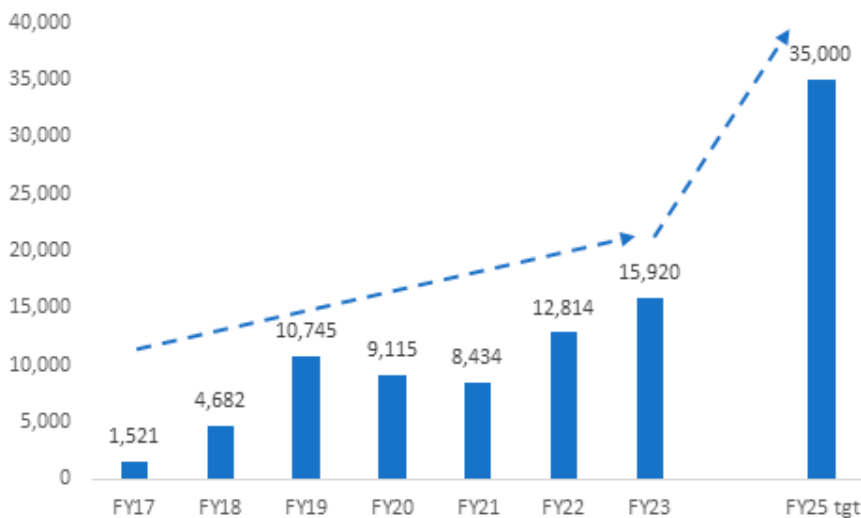


Source: Govt of India

ALPHA DYNAMIC THEMATIC

Despite the initial setback to the Make in India programme, the Govt of India persisted with its drive to increase the manufacturing footprint in the Indian economy. PLI scheme has undoubtedly been a success. Another green shoot is also visible in the defence manufacturing and exports of the country. Since FY16-17, defence exports have increased 10 times (chart below) to Rs 15,920crs in FY22-23. Given our historical track record, this is massive and really encouraging. More importantly, the Govt has set a target of Rs 35,000cr of defence exports for FY25. This implies more than doubling of exports in just two years. If India can pull this off, this will certainly be a game changing moment for defence industry. Its noteworthy to highlight that defence orders to the tune of Rs 45,000cr were placed in the last week of Mar23. This clearly shows the intent of the government to drive defence manufacturing/ exports in a big way.

India Defence Exports (Rs crs)



Equity markets are amidst a tug-of-war with global uncertainties on one side and domestic opportunities on the other. We believe there are structural tailwinds for the Indian economy emanating from PLI scheme, Make in India, China+1 and capex cycle recovery amongst others. These are structural drivers for the economy which are unlikely to bogged down by intermittent slow-down in demand or EL-Nino kind of events. Consequently, we continue to remain sanguine on the long term growth prospects of the Indian economy.

Happy investing!

Pankaj Murarka

Principal Officer & Investment Advisor

ALPHA DYNAMIC THEMATIC

PAST THEME



1st June 2021 – 17th June 2022

CURRENT THEME



17th June 2022 – Present

Key Features



BENCHMARK:
NIFTY 200



NO OF STOCKS:
20-25



RISK:
High



TIME FRAME:
Medium to Long Term

Advisory Portfolio Performance (%)*

Period	1 Month	6 Months	1 Year	Since Inception CAGR
Alpha Dynamic Thematic	1.5	6.7	9.6	25.6
Nifty200	0.5	-1.5	-2.2	5.2

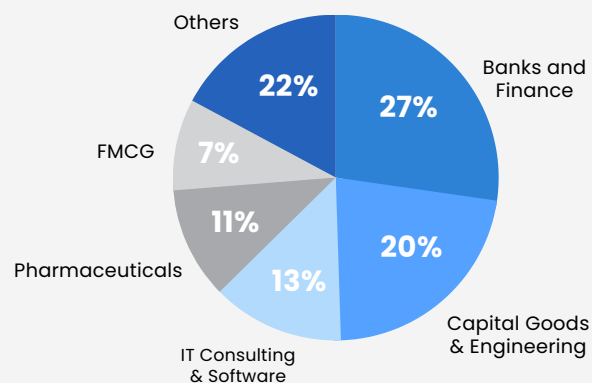
*Performance as on 31st March 2023
Inception Date : 1st June 2021

TOP 5 STOCKS

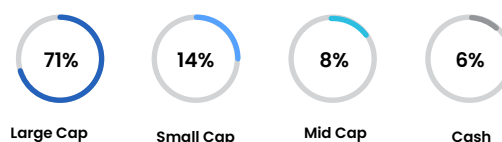
1	ITC LTD	7.3%
2	ICICI BANK LTD	7.3%
3	STATE BANK OF INDIA	7.2%
4	HDFC BANK LTD	6.0%
5	SUN PHARMA INDUSTRIES LTD	5.5%

(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

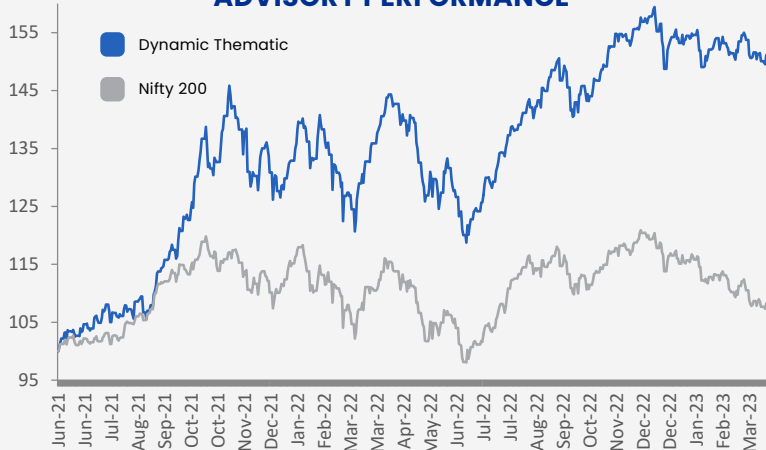


WEIGHTED AVERAGE MARKET CAP

2,89,298 cr

ALPHA DYNAMIC THEMATIC

ADVISORY PERFORMANCE*



(Benchmark Source: NSE India)
(Inception Date: : 1st June 2021)

RISK ATTRIBUTES

	Index	Portfolio
SD	14.75%	15.32%
Sharpe Ratio	-0.64	0.15
Beta		0.94
Treynors Ratio		0.03
IR		1.77

(Period: Last 12 months)
(Inception Date: : 1st June 2021)

Core Team



Pankaj Murarka

(Principal Officer & Investment Advisor)

Pankaj is the promoter of Pipal Securities Pvt. Ltd. which is holding company of Renaissance Smart Tech Pvt. Ltd. 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. Pankaj is also CIO and Director of Renaissance Investment Managers Pvt. Ltd.



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

Address: C-710, Mittal Commercial Premises, Marol, Andheri East- 400059

Name of Principal Officer: Mr. Pankaj Murarka

Contact details of Principal Officer: 022- 49711561 Email ID: info@renaissanceadvisors.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. The benchmark performance shown is only for illustration purposes and not for any comparison. 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.

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