



Managed Account Services

Monthly Factsheet - November 2014

Dear Investor,

What is “long-term investing”? This term has unfortunately been much maligned and misused. So much so, that it has come to mean “waiting for a long time before you make money”!! One also hears explanations such as “there is no such thing as long-term investing” or “the long-term is just a series of short-term bets”.

Why should one care about long-term investing? Primarily for two reasons - (a) holding for a longer period reduces the incidence of tax and (b) holding a stock for a longer period reduces transaction related costs, which, if transactions are done on a frequent basis, can increase dramatically.

In both cases, the overall return to the investor increases.

Let us use a metaphor to explain this. Imagine that investment is a journey. The longer the journey, the more comfortable we want to be with our co-passengers. For a short bus trip, it does not really matter who the person sitting beside our seat is. For a longer train journey, we want a person with decent habits. For someone with whom we plan to spend the next few years (like a college dorm mate) we would expect even more stringent levels of good behaviour.

Long-term investing too is something like this. It means choosing to invest only in companies that have the ability to compete effectively over the long-term; and at prices that provide the expectation of a decent return over the long-term.

Returns can come in one month, they may come after 6 months, or maybe sometimes after 2 years. (Sometimes, the returns don't come at all). But if one chooses a company with a strong balance sheet, good track record, the ability to deliver good growth over the next several years, and if we are confident that we have not paid an extravagant price for purchasing that share of that company, then short-term hiccups and even price falls do not cause panic to us.

This is the single largest benefit of long-term investing - the peace of mind that comes with investing in a decent business, run by decent people, at a decent price.

KEY PORTFOLIO PERFORMANCE INDICATORS

Month on Month Performance

	Jan-13	Feb-13	Mar-13	Apr-13	May-13	Jun-13	Jul-13*	Aug-13	Sep-13	Oct-13	Nov-13	Dec-13
Pramerica Deep Value Strategy	-	-	-	-	-	-	-1.34%	-0.87%	4.66%	5.27%	3.31%	4.08%
NIFTY	-	-	-	-	-	-	-1.20%	-4.71%	4.82%	9.83%	-1.95%	2.07%
Over/(Under) Performance	-	-	-	-	-	-	-0.14%	3.84%	-0.16%	-4.56%	5.26%	2.01%

	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14
Pramerica Deep Value Strategy	-2.43%	4.96%	14.02%	1.84%	12.75%	10.54%	-0.46%	3.30%	4.18%	1.47%	-	-
NIFTY	-3.40%	3.08%	6.81%	-0.12%	7.97%	5.28%	1.44%	3.02%	0.13%	4.49%	-	-
Out /Under Performance	0.97%	1.88%	7.21%	1.96%	4.78%	5.26%	-1.90%	0.28%	4.05%	-3.02%	-	-

* Return for the period 8th July 2013 to 31st July 2013.

1 Month Before Expenses Returns

Scheme: Pramerica Deep Value Strategy - Discretionary Regular Return

Pramerica Deep Value Strategy Portfolio Performance as on 31st October 2014

Period	Portfolio	NIFTY	CNX500	CNXMIDCAP
1 Month	1.47 %	4.49 %	4.21 %	3.70 %
3 Months	9.24 %	7.78 %	7.93 %	9.25 %
6 Months	35.62 %	24.28 %	27.21 %	34.81 %
1 Year	73.38 %	32.12 %	39.15 %	57.15 %
Since inception (08/07/2013)	60.69 %	30.39 %	34.26 %	43.20 %
Portfolio Turnover Ratio	4.38%			

3 Month Absolute Returns

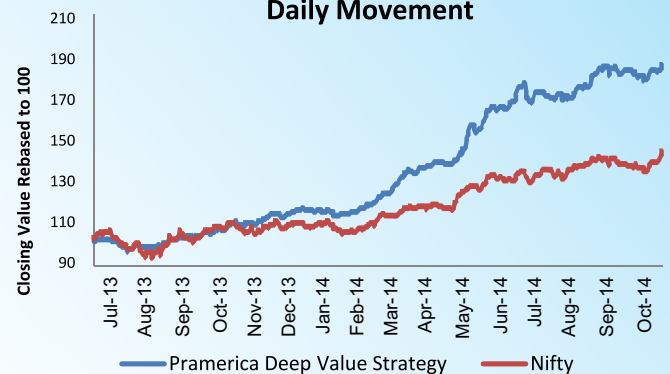
Period	From	To	Strategy Return	Nifty Return
Lowest Returns of Pramerica Deep Value Strategy	7-Jul-14	7-Oct-14	2.58%	0.84%
Lowest Returns of NIFTY	4-Nov-13	4-Feb-14	3.75%	-5.01%
"Highest Returns of Pramerica Deep Value Strategy"	9-Mar-14	9-Jun-14	36.29%	17.28%
Highest Returns of NIFTY	23-Feb-14	23-May-14	34.16%	19.68%

Portfolio Characteristics

Characteristics	Portfolio	NIFTY
Average Daily Return	0.13%	0.08%
Daily Volatility	0.58%	0.84%
Beta	0.45	

Portfolio characteristics provided above are based on all the clients' portfolios under the regular portfolio of the strategy for the period from July 08, 2013 to October 31, 2014 for the purpose of understanding the volatility of the portfolio vis a vis the index.

Daily Movement



Important Disclosures regarding the consolidated portfolio performance: Performance depicted above is based on all the client portfolios under Regular Portfolio (without any client imposed restrictions) of Pramerica Deep Value Strategy existing as on such date, using time weighted average methodology. Past performance is no guarantee of future returns. The above portfolio performances are before charging of any expenses. Please note that the actual performance for a client portfolio may vary due to factors such as expenses charged, timing of additional flows and redemption, individual client mandate, specific portfolio construction characteristics or other structural parameters. These factors may have impact on client portfolio performance and hence may vary significantly from the performance data depicted above. Neither the Portfolio Manager, nor its directors or employees shall in any way be liable for any variation noticed in the returns of individual client portfolios. The Portfolio Manager does not make any representation that any investor will or is likely to achieve profits or losses similar to those depicted above. Return for period upto 1 year is absolute. Since inception date stated is considered to be the date on which the first client investment was made under the strategy.

Investment objective of Pramerica Deep Value Strategy: Pramerica Deep Value Strategy seeks to generate returns by investing in a portfolio of value stocks which have the potential of superior wealth creation over long term.

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