

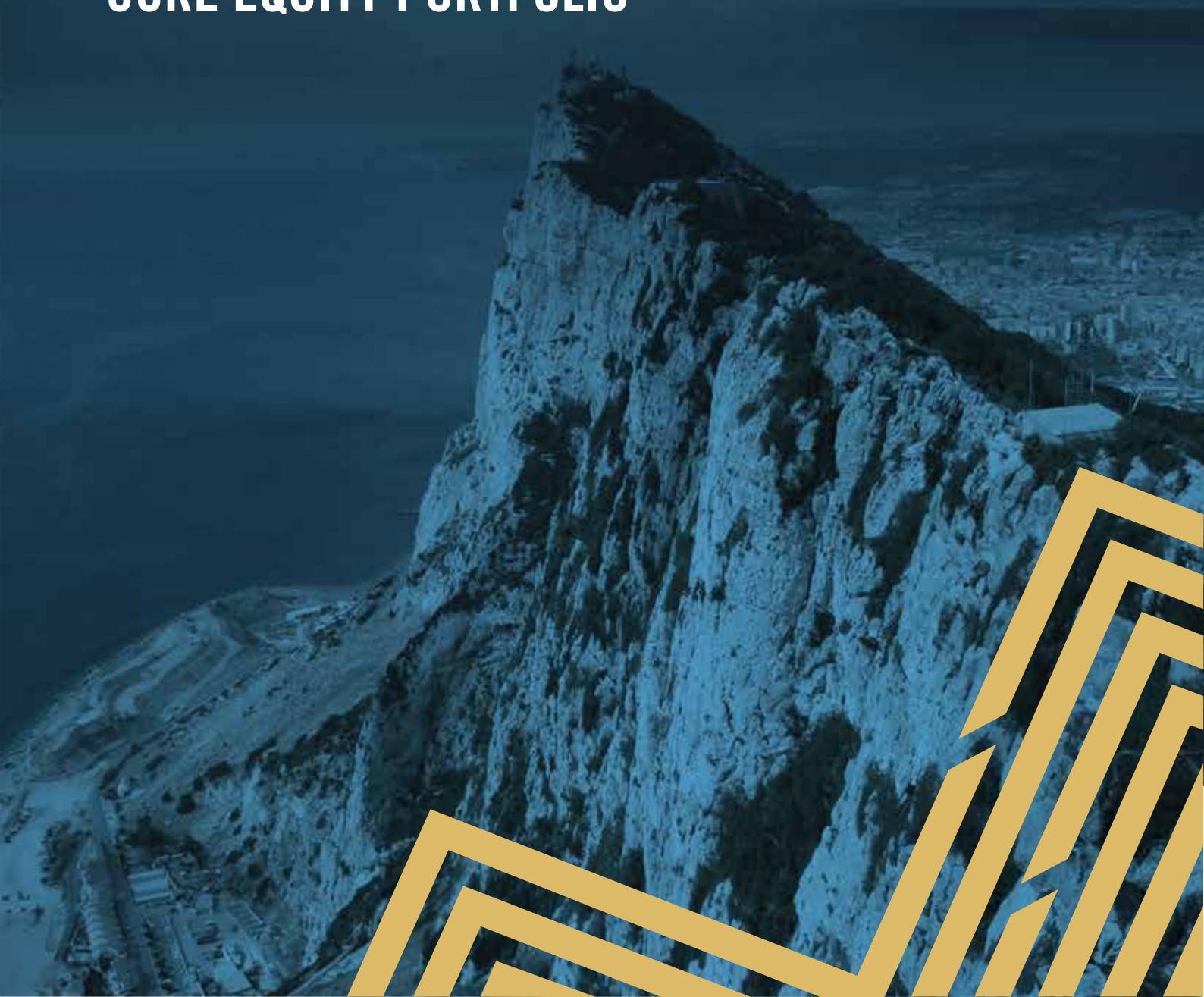


PGIM

India Portfolio
Management Services

Stable core.
Strong portfolio.

PGIM INDIA
CORE EQUITY PORTFOLIO





Himanshu Upadhyay,
Portfolio Manager

Strategy pays off

Dear Investor,

The trend of outperformance of the Core Equity Portfolio (CEP) over Nifty and CNX 500 continued in the month of July 21. The Core Equity Portfolio delivered 1.66% versus 0.26% for Nifty and 1.42% for CNX 500 during the month. The top performing stocks were Vardhman Textiles (up 40%), Suprajit Engineering (up 20%) and Oracle Financial Services (up 18%). Top three detractors for the month being, Great Eastern Shipping (down 13%), Engineers India (down 6%), Cummins and Cipla down by 5% each.

The change of narrative in the broader market has worked very well for the strategy in this calendar year. Over the last six months the strategy has delivered returns of 23.71% versus 15.61% for Nifty and 20.9% for CNX 500. Our conviction of holding stocks like SBI, Oracle Financial, Vardhman Textiles, Crisil, Suprajit Engineering, Cummins, BEL and Sun Pharmaceuticals despite their lack lustre stock market performance last year, has finally started paying off.

The current portfolio is positioned to benefit from the broader economic recovery with exposure to market leaders from sectors like agriculture, pharmaceuticals, automobiles, manufacturing, financial institutions, defence, and utilities. We believe most businesses in the portfolio are capital efficient with an opportunity of long duration growth.

Our experience tells that all the businesses ultimately prove to be cyclical. Accumulating good businesses in downcycle ultimately pays off when the tide turns. In our opinion the valuations of the portfolio companies are not very expensive, so we have not sold out any positions and only partially booked the profits in some cases despite the run up.

We remain confident of our positions in the portfolio and the sectoral exposure that we own. We believe that CEP is a diversified product, with lower than the market valuations, diversification across market caps, high ROCE, and good dividend yield. The 1 year forward P/E of CEP is 17.3 based on Bloomberg estimate for FY 21. The portfolio has 37% allocation to Large Caps, 28% to Mid-Caps and 28.5% to Small Cap stocks. The ROCE of the portfolio is 27.99% with a dividend yield of 2.13%.

We believe that the CEP is uniquely positioned to capture the opportunity offered by the strong recovery in the economic growth.

Yours Sincerely



Top 15 Holdings of PGIM India Core Equity Portfolio Discretionary Portfolio Regular Plan as on July 31st, 2021

Date of Purchase	Equity	Sector	%
May-2018	Bharat Electronics Ltd	Industrial Electronics	7.40%
Sep-2015	State Bank of India	Banking / Financial Services	6.08%
Jan-2016	Oracle Financial Services Software Ltd	IT Services / Products	5.64%
Jun-2015	ITC Ltd	FMCG	5.05%
Dec-2019	Vardhman Textiles Ltd	Spinning-Cotton/ Blended	5.03%
Aug-2013	Cummins India Ltd	Engineering	4.79%
Jul-2016	Rallis India Ltd	Pesticides And Agrochemicals	4.09%
Aug-2013	Great Eastern Shipping Co Ltd	Shipping	3.92%
Aug-2018	Cipla Ltd	Pharmaceuticals	3.87%
Mar-2015	Castrol India Ltd	Lubricants / oils	3.55%
Jul-2013	Indraprastha Gas Ltd	City Gas Distribution	3.51%
Oct-2017	Power Grid Corporation Of India Ltd	Power- Transmission	3.51%
Aug-2015	Sun Pharmaceutical Industries Ltd	Pharmaceuticals	3.49%
Mar-2020	Suprajit Engineering Ltd	Auto Ancillaries	3.28%
Aug-2018	Thermax Ltd	Industrial Equipment	3.05%
	Total		66.26%

Model Portfolio Details

Portfolio Details as on July 31st, 2021

Weighted average RoCE	27.99%
Portfolio PE (1-year forward) (Based on FY 22)	17.3
Portfolio dividend yield	2.13%
Average age of companies	60 Years

Portfolio Composition as on July 31st, 2021

Large Cap	37.00%
Mid Cap	28.00%
Small Cap	28.50%
Cash	6.50%

Large Cap: Market cap of the 100th company in the Nifty 500 (sorted by market cap in descending order) as on July 31st, 2021

Midcap: Market cap below 100th company to the market cap of the 250th company in the Nifty 500 (sorted by market cap in descending order) as on July 31st, 2021

Small Cap: Market cap lower than the 250th company in the Nifty 500 (sorted by market cap in descending order) as on July 31st, 2021

PGIM India Core Equity Portfolio - Performance as on July 31st, 2021

Period	Portfolio	NIFTY 500	NIFTY 50
1 Month	1.66%	1.42%	0.26%
3 Months	13.43%	10.51%	7.74%
6 Months	23.71%	20.90%	15.61%
1 Year	40.94%	51.22%	42.35%
2 Years	17.71%	22.89%	19.06%
3 Years	9.71%	12.29%	11.55%
5 Years	9.47%	13.27%	12.78%
Since Inception Date 08/07/2013	15.66%	14.65%	13.03%
Portfolio Turnover Ratio*	14.14%		

*Portfolio Turnover ratio for the period August 1st, 2020 to July 31st, 2021

The above holding represents top 15 holdings of PGIM India Core Equity Portfolio - Regular Portfolio based on all client portfolios existing as on the date stated above, excluding any temporary cash investments. The above holdings do not represent the model portfolio being offered to the clients (including prospective clients) and hence it is possible that these stocks may not be part of the portfolios constructed for new clients. The above holdings are for illustration purpose only and it should not be considered as investment recommendation or analysis or advice or opinion from the Portfolio Manager on the above mentioned stocks. The above portfolio holdings are provided on an "as is" basis, and the Portfolio Manager makes no express or implied warranties or representations with respect to the accuracy, completeness, reliability, or fitness of the above portfolio holdings or any financial results you may achieve from their use. In no event shall the Portfolio Manager, its directors or employees or its affiliates have any liability relating to the use of the portfolio holdings.



PGIM India Core Equity Portfolio - Annualised Performance as on July 31st, 2021

	Current Year April 1, 2021 to July 31st, 2021	April 1, 2020 to March 31st, 2021	April 1, 2019 to March 31, 2020	April 1, 2018 to March 31, 2019	April 1, 2017 to March 31, 2018
PGIM India Core Equity Portfolio	14.82%	53.51%	-23.79%	3.79%	5.34%
Benchmark - NIFTY 500	10.97%	75.99%	-27.60%	8.43%	11.47%

Performance is calculated on Time Weighted Rate of Return (TWRR) basis

Important Disclosures regarding the consolidated portfolio performance: The performance related information provided herein is not verified by SEBI. Performance depicted as at the above stated date is based on all the client portfolios under the Regular Portfolio of existing as on such date, using Time Weighted Rate of Return (TWRR) of each client. Past performance is no guarantee of future returns. The above portfolio performance is after charging of expenses (as depicted above). Return for period upto 1 year is absolute. Since inception date stated is considered to be the date on which the first live client investment was made under the strategy. 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.

Investment objective of PGIM India Core Equity Portfolio: PGIM India Core Equity Portfolio seeks to generate returns by investing in a portfolio of quality companies that are available at reasonable valuations and have the potential of superior wealth creation over long term.

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This document is dated August 26, 2021.

C150/2021-22

