

# THE INVEST *igator*

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## TEN LARGE COMPANIES SHUNNED BY MF

Mutual funds are one of the largest investors in the Indian markets and have more knowledge than an ordinary retail investor. Collectively, the mutual fund industry holds a total stake of more than Rs 16.5 lakh crores in the Indian equity markets. Investors also put great value on the research of the fund managers and they track the moves taken by these fund managers to know about their convictions and bets on equities. Often, investors build their own portfolio on these findings.

It has been observed that large companies (Large – Caps) which are often run by quality management teams enjoy great trust from mutual funds. However, an independent research house recently conducted a study and found that out of 96 companies in large- cap space, there were ten companies which were neglected by mutual funds. **Above all, out of the ten companies, five belonged to the Adani group.**

### Large companies with less than 1 per cent fund holding in terms of per cent of equity

Company Name	Sector	M-cap (₹ cr)	Mutual fund holding (%)	5Y revenue growth (%)	5Y EPS growth (%)	5Y median operating margin (%)	5Y median ROE (%)	P/E	1Y return (%)
Adani Power	Power	45,049	0.0	0.5	14.8	30.5	-106.7	35.5	217.8
Adani Total Gas	Gas Transmission	1,30,800	0.0	8.5	5.8	30.5	21.6	282.6	596.5
Indian Overseas Bank	Bank	46,972	0.0	-6.3	15.2	2.1	-29.8	-	107.3
Adani Green Energy	Power	1,81,512	0.1	157.5	23.5	79.6	-7.6	864.3	177.4
Adani Transmission	Trading	1,31,334	0.1	35.2	27.2	51.0	14.8	107.3	344.7
Hindustan Zinc	Non - Ferrous Metals	1,43,450	0.2	9.3	-0.5	60.9	22.9	-	78.8
Indus Towers	Telecom	65,864	0.3	20.2	3.4	55.1	9.2	17.4	7.1
Adani Enterprises	Trading	1,67,111	0.7	3.1	-1.8	8.2	4.4	181.1	839.7
Berger Paints India	Chemicals	78,286	0.8	10.1	14.2	16.1	25.9	108.8	54.9
Punjab National Bank	Bank	46,577	0.9	10.0	16.3	2.2	0.7	18.2	13.9

Price Data as on June 25, 2021. Other data as on TTM basis

There could be a variety of reasons because of which these companies are not favoured by 'actively managed' mutual funds. It could be because of their high valuations, not so promising future prospects or any other reason. **Investors are requested to note that the above data is purely for the purpose of information only.**

(Source: valueresearchonline.com)

# NEW FUNDS TO KEEP ON RADAR

## UTI NIFTY 200 MOMENTUM 30 INDEX FUND

- ✓ Momentum investing is about riding an existing and established trend in the market. It is based in the belief that a stock which has performed well recently, may continue to perform well in near future and investors stand a chance to gain from this movement.
- ✓ The fund follows the Nifty 200 Momentum 30 Index developed by NSE Indices. It comprises of top 30 companies which usually show high momentum and are selected on their normalised momentum score. This score is determined by looking at the 6 month and 12 month price return, adjusted for its daily price volatility.
- ✓ **It is a simple and convenient way of adding recent performers to your portfolio.**
- ✓ **Since inception, i.e 1 April 2005, the index has grown 16 times as compared to Nifty 50 which has grown 8 times during that period.**
- ✓ **The fund was launched on 12 March 2021. As on 30 June 2021, the NAV of the fund is Rs 12.**

## EDELWEISS RECENTLY LISTED IPO FUND

- ✓ Edelweiss Maiden Opportunities Fund – Series 1 was launched in Feb 2018 as a closed ended fund to capture opportunities in recently listed and upcoming IPO's. **This fund matured on 28<sup>th</sup> June 2021 and the fund has now been converted in to an open ended fund as Edelweiss Recently Listed IPO Fund.**
- ✓ Currently the fund has AUM of Rs 522 Crs and as on 30 June 2021 its NAV was 16.8. It has returned CAGR of 16% since its launch.
- ✓ A diversified and flexicap fund, its current portfolio includes Dixon, Dmart, HDFC life, HDFC AMC, Gland Pharma, AU Small Finance Bank, CDSL, SBI Cards, etc.
- ✓ **In future also the IPO market will remain buoyant as a number of big names are waiting to launch their IPO's.**
- ✓ The fund house has a process driven approach in selection of quality companies. It exclusively invests in IPO's, holding some good companies for long term and exiting some after listing gains.
- ✓ The fund is now open for subscription with exit load of 2% if exit before 180 days.

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**Mutual Fund investments are subject to market risks, read all scheme related documents carefully.**



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