

**NFO Review**  
23-Apr-13

## Motilal Oswal MOST Focused 25 Fund - Reg - Growth Equity - Diversified

### SCHEME FEATURES

Launch Date	NA
Close Date	6-May-13
Options	Growth/Dividend
Fund Manager	Taher Badshah
Benchmark	CNX Nifty Index
Min. Investment	10,000
Min SIP Investment	1,000

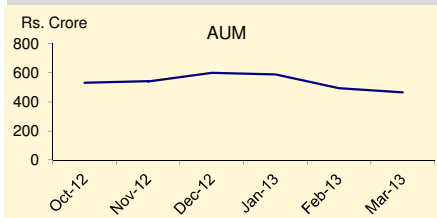
### LOAD STRUCTURE

Entry Load is 0%. Exit Load is 0%.

### MANDATED ASSET ALLOCATION

Minimum 65%: Top 200 companies of BSE/ NSE  
Maximum 25%: Beyond Top 200 but > Rs 1,400cr market capitalization  
Maximum 10%: discretionary cash and equivalents

### AUM GROWTH



### HIGHLIGHTS

The fund is an actively-managed equity diversified fund which will invest in not more than 25 scrips. The fund will invest 65-100% in the top 200 scrips listed by market capitalization. The rest of the corpus will be invested outside the top 200 scrips; these smaller companies will have a minimum market capitalization of Rs.1,400 crore. Maximum stock positions will be at 10% of assets, minimum stock positions will be 2.5% of net assets, this allocation is aimed to ensure optimal diversification, and prevent over-diversification. The fund is a 'no-load' fund, where the investors are free to enter or exit without paying any charges. The fund focuses on investors who would prefer to stay invested for atleast three to five years with a medium to long term horizon. The minimum investment is a tad higher at Rs 10,000.

### FUND THEME

The asset allocation pattern of the fund is in such a way that the objective of the fund to achieve long term capital appreciation will be met through investment in a portfolio of 25 companies with long term sustainable competitive advantage and growth potential. The fund endeavours to maintain low churn, which will be driven by fundamentals over valuations.

### PEDIGREE

Motilal Oswal Asset Management Company (MOAMC) endeavour to offer investment products to cater to varying investors' needs. So far the focus of the AMC has been in the sphere of passively managed exchange traded funds. The company has a market capitalization of Rs.1,200 crores, gross revenue and earnings of Rs 318 crores and Rs 73 crores, respectively. The Motilal Oswal group manages an estimated USD 1 billion, across products and companies. This fund will be managed by Mr. Taher Badshah, senior vice president & co-head of equities along with Mr. Abhiroop Mukherjee, senior manager-fixed income.

### WHY THIS THEME?

The aim of the theme is to prevent over-diversification by investing in a focused manner. Investors with a moderate to high risk appetite will be able to identify with such an investment theme. The fund house believes that the current valuations, as well as a possible beginning of a new earnings cycle, along with inflation and interest rates turning favourable will offer opportunities for capital appreciation. In this market situation the fund will select companies with long term sustainable competitive advantage and growth potential. The fund manager will not time the market but will look at investing in good quality companies which have a long term potential. The fund is aimed at investors who have medium to long term investment horizon and would prefer to stay invested for atleast three to five years.

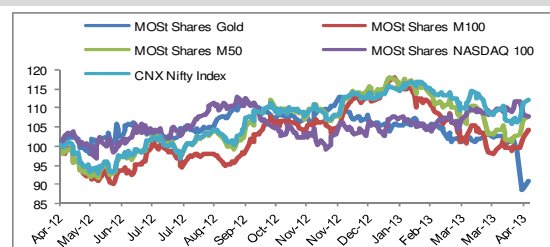
### QUARTILE ANALYSIS OF Motilal Oswal Mutual Fund

	Q1	Q2	Q3	Q4
MOST Shares Gold	-2.81	-3.08	5.72	3.72
MOST Shares M100	-12.98	8.31	7.3	-4.37
MOST Shares M50	-9.51	4.89	8.42	-0.58
MOST Shares NASDAQ 100	6.89	-4.28	3.58	1.55

### Indices

CNX Nifty Index	-3.77	3.54	8.04	-0.31
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Absolute returns as of 31 March 2013



### PERFORMANCE OF SCHEMES WITH SIMILAR OBJECTIVES

	NAV	Launch Date	YTD	3 M	6 M	1 Yr	3 Yr	5 Yr	Till Date
ICICI Prudential Focused Bluechip Equity Fund - Ret - C	18.02	23-May-08	-2.12	-4.76	2.39	10.48	8.16	--	12.72
JM Core 11 Fund - Growth	3.68	5-Mar-08	-4.02	-6.08	2.98	7.98	-8.06	--	-17.68
DSP BlackRock Focus 25 Fund - Growth	10.24	10-Jun-10	-7.45	-8.31	0.68	6.74	--	--	0.84
HDFC Focused Large-Cap Fund - Growth	16.54	10-Feb-06	-2.31	-6.73	-0.02	5.28	4.78	5.84	7.24
Sahara Super 20 Fund - Growth	11.55	31-Jul-09	-7	-7.05	-4.04	0.26	1.64	--	3.94
Axis Focused 25 Fund - Growth	11.61	41089	0.87	-3.01	5.45	--	--	--	16.1

### Indices

CNX Nifty Index	5834.4	-1.2	-3.54	2.05	10.27	3.45	2.93	14.25
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Note: Returns less than one-year are absolute, while over one-year are compounded annualised as of 22 April 2013

### RECOMMENDATION

This is the first actively managed equity fund launched by the asset management company, and its performance remains untested in this territory. The option to invest outside the top 200 companies offers potential for higher gains, albeit at higher risk. Since this is an open-ended fund, investors can wait and watch to see how the fund's performance pans out and accordingly take an investment decision.

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