



**NFO Opens: October 23, 2017**

**NFO Closes: November 06, 2017**

**Value Investing – Valuations lagging fundamentals**

Value funds are run with a clear emphasis on the tenets of value investing. The focus is on identifying stocks that are currently priced at a discount to their intrinsic value— or at a price that is not reflective of their true worth.

- Investing in stocks that trade at a discount to their intrinsic value.
- Investing at a price lower than what justifies the company’s long term fundamentals.
- Value investing is a long-term strategy – it does not provide instant benefit

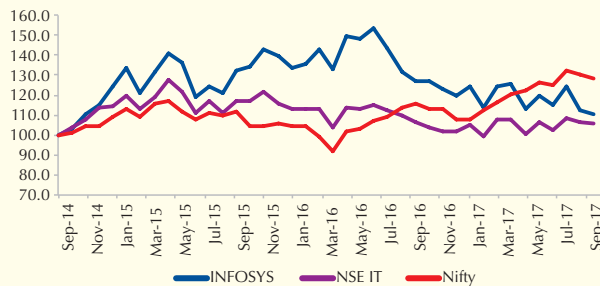
**Fund Snapshot**

<b>Positioning</b>	Multi Cap Product
<b>Tenure</b>	4 years close-ended scheme
<b>Strategy</b>	(i) Portfolio split largely equally between Large caps and Mid & Small caps (ii) Sector / Stock Selection driven by value philosophy: Businesses that are undervalued in relation to its historic / market multiples (iii) Use of Valuation metrics like PE ratio, P/BV, EV/EBIDTA as relevant (iv) Periodical dividend pay outs between NAV of Rs.12 to Rs.14 (v) Hedge Portfolio through Put Options - Fund Manager at his discretion can buy put options
<b>Benchmark</b>	S&P BSE 500 Index
<b>Fund Manager</b>	S Krishnakumar
<b>Co-Fund Manager</b>	Madanagopal Ramu

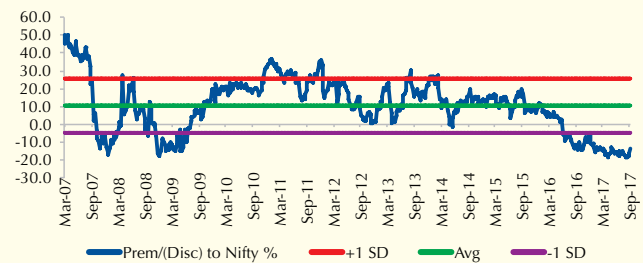
**VALUE TODAY!!!**

**Software – Troubled & De-rated**

**Infosys v/s BSE IT, Nifty**

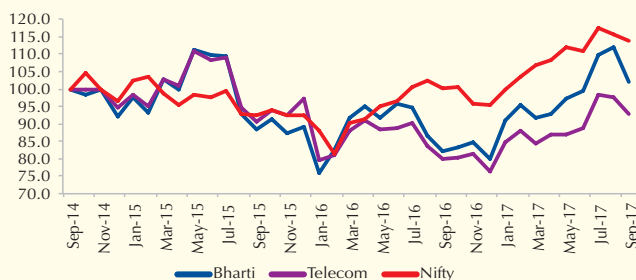


**NSE IT Fwd PE (x) Prem (Disc) to Nifty%**

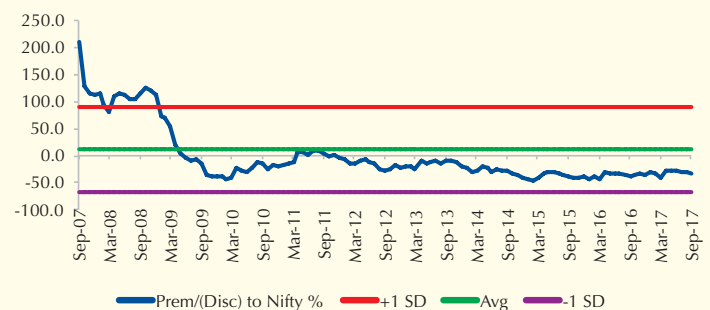


**Telecom – Troubled & De-rated**

**Bharti Airtel v/s BSE Telecom, Nifty**



**Top 3 Cos EV/EBITDA(x) Prem(Disc) to Nifty%**



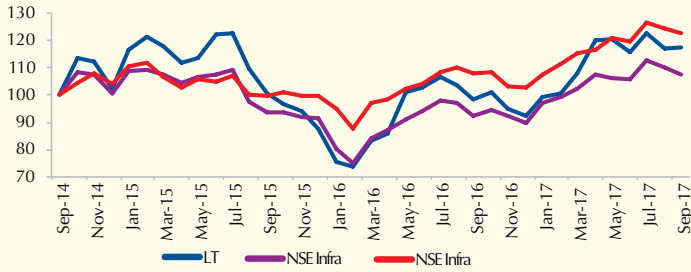
Source: Sundaram Asset Management, Bloomberg



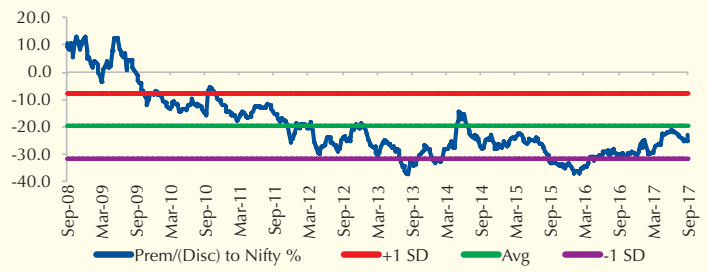


## Infra – Troubled & De-rated

L&T v/s NSE Infra, Nifty

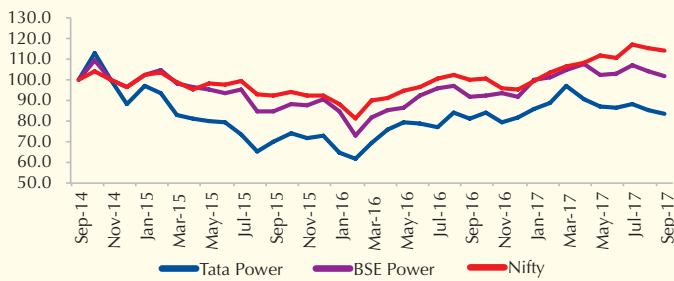


NSE Infra Fwd PB(x) Prem(Disc) to Nifty%

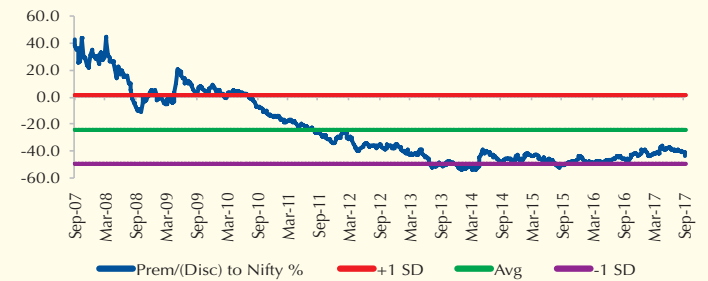


## Power – Troubled & De-rated

Tata Power v/s BSE Power, Nifty



BSE Power Fwd PB(x) Prem(Disc) to Nifty%

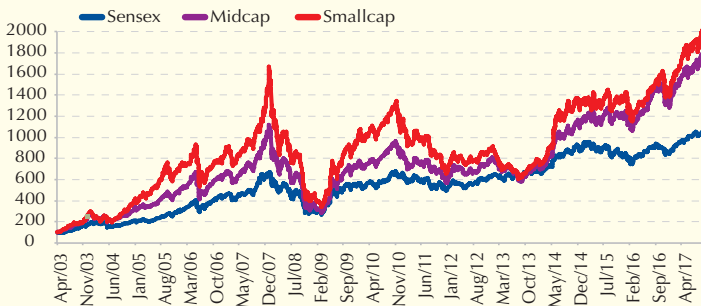


Source: Sundaram Asset Manager, Bloomberg

## Short term corrections, a buying opportunity - Stay Bullish

	Phase I			Phase II			Phase III		
	Begin	End	%Returns	Begin	End	%Returns	Begin	End	%Returns
	Apr-03	Jan-08		Jan-08	Oct-13		Oct-13	Oct-17	
BSE Sensex	3,168	20,873	559	20,873	21,165	1	21,165	31,924	51
BSE Mid Cap	950	9,817	933	9,817	6,107	-38	6,107	15,936	161
BSE Small Cap	885	13,516	1,427	13,516	5,896	-56	5,896	16,893	187

## BSE Mid-cap and Small-cap movement against the Sensex



In the last economic upturn between FY '03 and FY '08 :

- large caps appreciated by 559%, mid caps by 933% and small caps by 1427%
- During the current bull market (from Oct'14 to Oct'17), the numbers are 51%, 161% and 187% respectively.
- Potential for further appreciation from current levels.

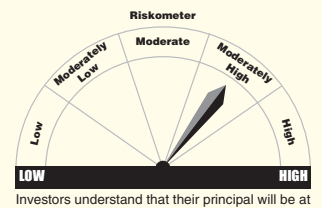
Data as on October 10, 2017, Returns are calculated on absolute basis  
Source: Bloomberg; Sundaram Asset Management

**Disclaimer:** Copies of the Statement of Additional Information, Scheme Information Document and application form with Key Information Memorandum may be obtained from the offices / Investor Service Centres of Sundaram Mutual or its authorized distributors or downloaded from [www.sundarammutual.com](http://www.sundarammutual.com). **Past performance is no guarantee of future result.** **General Risk Factors:** There can be no assurance or guarantee that fund's objectives will be achieved. NAV may go up or down, depending on the factors and forces affecting the securities market. Main types are market risk, liquidity risk, credit risk and systemic risks. At times, liquidity of investments may be impaired. There is uncertainty of dividend distribution and risk of capital loss. Investors in the schemes are not being offered any guaranteed or indicated returns. **Fund Facts:** Minimum Investment amount - For both Regular and Direct Plan ₹ 5,000/- and in multiples of ₹ 10/- thereafter. **Fund Manager:** S. Krishnakumar & Madanagopal Ramu. **Benchmark:** S&P BSE 500 Index. **Plans:** Regular & Direct. **Options:** Growth & Dividend Payout. **Load:** Entry Load - Nil; Exit Load - Not Applicable. **General Disclaimer:** This document is issued by Sundaram Asset Management, an Investment Manager registered with the Securities and Exchange Board of India in India and is produced for information purposes only. It is not a prospectus or Offer Document or Scheme Information Document or an offer or solicitation to buy any securities or other investment. Information and opinion contained in this document are published for the assistance of the recipient only; they are not to be relied upon as authoritative or taken as a substitution for exercise of judgment by any recipient. They are subject to change without any notice and not intended to provide the sole basis of any evaluation of the instrument discussed or offer to buy. It is neither a solicitation to sell nor shall it form the basis of or be relied upon in connection with any contract or commitment whatsoever or be taken as investment advice. The information and opinions contained in this communication have been obtained from sources that Sundaram Asset Management believes to be reliable; no representation or warranty, express or implied, is made that such information is accurate or complete and it should not be relied upon as such. Sundaram Asset Management neither guarantees its accuracy and/or completeness nor does it guarantee to update the information from time to time. By accepting this document you agree to be bound by the foregoing limitations. This communication is for general information only without regard to specific objectives, financial situations and needs of any particular person who may receive it and Sundaram Asset Management is not soliciting any action based on this document. Sundaram Asset Management in the discharge of its functions, may use any of the data presented in this document for its decision-making purpose and is not bound to disclose the same. For scheme specific risk factors, asset allocation, load structure, fund facts and taxation aspects please refer the Statement of Additional Information and Scheme Information Document available online and at branches/Investor Service Centres. **Statutory: Mutual Fund;** Sundaram Mutual Fund is a trust under Indian Trusts Act, 1882 Liability for sponsor is limited to ₹ 1 lakh. **Sponsor:** Sundaram Finance Ltd. **Investment Manager:** Sundaram Asset Management Company Ltd. **Trustee:** Sundaram Trustee Company Ltd.

## Riskometer

This product is suitable for investors who are seeking\*

- Long term capital growth
- Investment in well diversified portfolio of stocks.



Investors understand that their principal will be at Moderately High Risk

\*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

**Mutual Fund Investments are subject to market risks, read all Scheme related documents carefully.**