

### Strategy Overview

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This Kristal aims to invest in companies with strong moats, good management and ability to deliver healthy earnings growth over the next five years.

### Fund Strategy

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The investment objective of this strategy is to invest in a focused portfolio of 10-15 companies that have a strong moat, good management and can deliver healthy earnings growth over a 3-5 year time horizon. This strategy is suitable for investors looking to invest for the long term in companies with sustainable competitive advantages.

### Recommended For

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Ideal for investors looking for long term capital appreciation by gaining exposure companies with strong competitive advantages and healthy earnings growth.

### Leverage

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No leverage allowed.

### Dealing Information

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Minimum Subscription: **USD 10K**  
Subscription Frequency: **Weekly**  
Redemption Frequency: **Monthly**  
Redemption Settlement: **5 Business Days**  
Management Fee: **1% p.a.**  
Performance Fee: **10% p.a.**  
Hurdle Rate: **10%**

October was a tail of two halves, S&P500 rose 5.1% during the first half and declined 7.5% in the second, as we got closer to US election. The market declined as narrative built up of a 'Blue Wave' that a democratic administration would lead to more intrusive govt, higher taxes, regulation and greater fiscal spending.

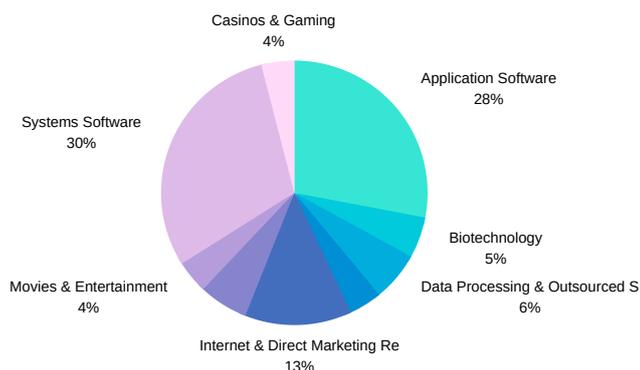
As quickly as the 'Blue Wave' crashed, a new narrative built up that a Democratic president and split congress, is ideal outcome. Stocks rocketed following the election.

As we write this commentary, global stocks have soared after Pfizer and BioTech revealed a breakthrough in Covid-19 vaccine. Companies that were hit hardest by pandemic have led the rally and those benefiting or resilient during the pandemic have had opposite reaction. 10 year treasury yields also jumped on narrative that central banks would not have to stimulate further if a vaccine is found.

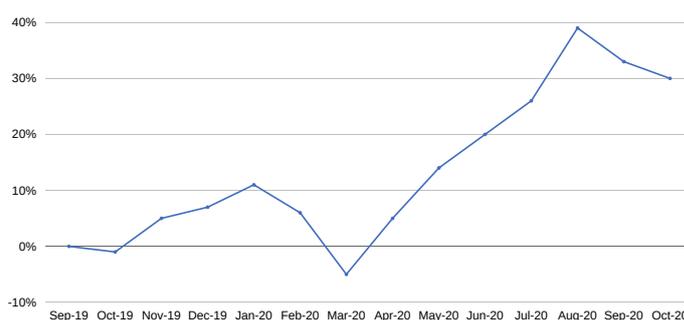
Given our exposure to companies that benefited or were resilient during pandemic our portfolio will be adversely impacted due to shift in market narrative. The last month itself underscores the fickle nature of narratives and impact on markets of sudden shift in narrative. It's for this reason we look for businesses that offer secular growth (irrespective of politics, macro etc); have excellent economics and strong moat.

Vaccine or no vaccine we believe our portfolio companies will grow their revenues at healthy clip. In many cases like Workday, Adyen, Salesforce, Adobe, HDFC Bank etc the end of pandemic will accelerate growth. In case of companies like CrowdStrike, Zscaler, Amazon etc that have benefited from pandemic the economic reopening may slow their growth, but their value proposition is now clear, they have consolidated their position and they have a long growth runway ahead. During October, we added to existing portfolio holding. We neither added a new nor exited an old holding.

### Sector Exposure



### Returns



### Monthly Returns

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	YTD
<b>2019</b>										-0.70%	5.70%	2.30%	7.37%
<b>2020</b>	3.32%	-4.52%	-10.22%	10.10%	9.05%	5.17%	4.73%	10.67%	-4.72%	-1.90%			21.14%

### Top Holdings

### Weight (%)

Amazon.com Inc	12.56
ServiceNow Inc.	10.37
Adobe Inc	9.32
Microsoft Corporation	8.05
Salesforce.com Inc.	7.04
Zscaler Inc.	6.43
Okta Inc.	6.36
Atlassian Corporation Plc	5.81

### Key Facts

Strategy: **Growth**  
 Fund Type: **Open Ended**  
 Class: **US Equity**  
 Benchmark: **S&P 500 Index**  
 Max Drawdown: **-14.28%**

Performance since 30 Sep 2019

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