

The Great Indian Middle Class

Consumer companies expected to benefit from India's growing middle class

Moderate Risk

Index Value
329.11

CAGR
24.40%

smallcase rationale

India is an emerging economy with a growing middle class with 45 crore people expected to be added to this category in the next 15 years.

- Rise in middle class population leads to increased discretionary income, which is the portion of individual's income that is left after spending on necessities like food and rent
- This income gets spent on luxury items like skin care products, branded clothes, entertainment, etc
- Expected increase in discretionary spending over the next decade will directly affect categories like transportation, food & beverage, education, entertainment & leisure facilities

This smallcase includes companies that are expected to benefit from the growth in the Indian middle class.

Created by **smallcase Research** SEBI Reg. Number **INH200005984** Subscription Type **Free**

[Invest in this smallcase here](#)

Methodology



Defining the universe

All publicly traded companies on the National Stock Exchange of India, covering 90% market capitalization, are included in the universe



Research

The smallcase research team does a in-depth research, along with internal presentations and decides the criteria to be used for stock screening



Stock Screening

- Proprietary liquidity filters are applied to remove ill-liquid stocks from the universe
- A special check is applied to remove stocks, where a significant part of the promoter holdings are pledged, to define the investable universe
- All stocks in the investable universes, belonging to the selected sectors are checked individually to ensure perfect theme fit



Weighting

Top points considered while assigning weights to stocks in the smallcase
Revenue derived/expected from smallcase theme-related business activities
Market capitalization of the company
Future estimates and corporate governance record of the company



Rebalance

This smallcase has a quarterly rebalance schedule. Once every quarter, the research team reviews smallcases to ensure the current list of constituents and their weights remain true to the theme

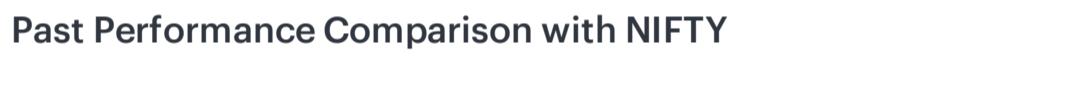
Ratios

Ratio	smallcase	NIFTY
PE Ratio	36.00	20.53
PB Ratio	6.46	2.88
Sharpe Ratio	1.59	0.90
Dividend Yield (%)	0.89	1.34

Important Dates

Inception Date	Launch Date	Benchmark
March 3, 2014	April 4, 2016	NIFTY
Review Frequency	Last Reviewed	Next Review On
Quarterly	September 13, 2019	December 13, 2019

Market Cap Distribution

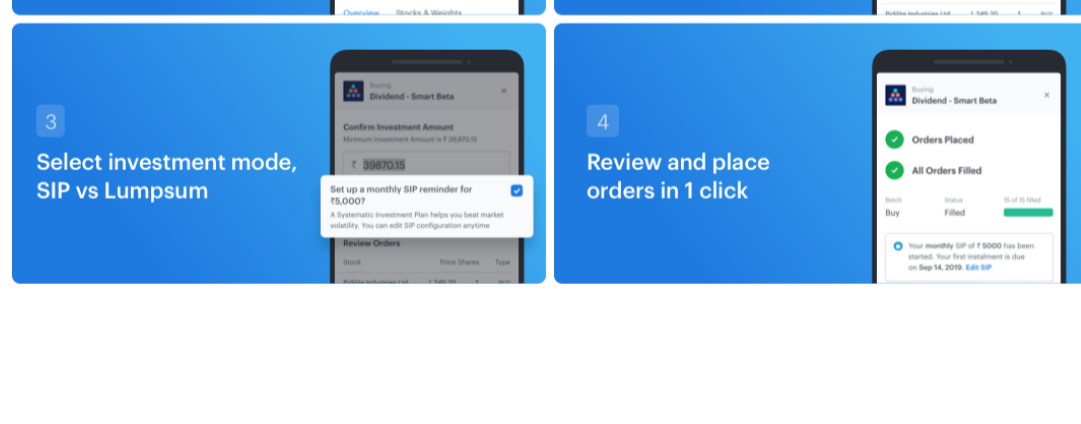


Past Performance Comparison with NIFTY



Returns over various periods

6M Returns	1Y Returns	3Y Returns	5Y Returns
smallcase -0.86%	smallcase -3.14%	smallcase 50.52%	smallcase 98.58%
NIFTY -4.52%	NIFTY -3.5%	NIFTY 25.19%	NIFTY 29.92%



Definitions and Disclosures

Index Value

Index value for all smallcases start from 100 since their inception date and helps investors easily calculate the returns generated since inception or between two specific dates. For example, if the current index value of the smallcase is 150, it means it has generated 50% since its inception. If the index value of a smallcase was 215 last month and the current index value if 245, it means it has generated $(245/215)-1 = 13.9\%$ return in last one month

CAGR

CAGR (compounded annual growth rate) is a useful measure of growth or performance of a portfolio. It represents the growth/return rate that gets you to the current value of the investment, starting from the initial investment value and assuming that investment has been compounding at the fixed growth/return rate for the period.

In simple words, it indicates the annual return generated by the smallcase from the date of inception

Risk Label

Change in value of your investment, due to changing prices of stocks on a daily basis is called the Risk. If the daily change in the investment value of portfolio is too drastic, it means prices of stocks in the portfolio are changing very rapidly. Such portfolios have High Risk.

Every smallcase is categorized into one of the three risk buckets - High Risk, Moderate Risk and Low Risk. This is done by comparing the volatility of the smallcase with market volatility since inception. Investing in High Risk smallcases means that change in your investment values can be very sudden and drastic.

Segment

Stocks/ETFs belonging to a smallcase are categorized under different segments. Weightage of a segment is calculated as sum of weights of all stocks belonging to that segment. Suppose 4 stocks, with each having a weight of 10%, belong to the Food Products segment. Then the weight of the Food Product segment in the smallcase will be 40% (4*10)

Review

Rebalancing is the process of periodically reviewing and updating the constituents of a smallcase. This is done to ensure that stocks & weights in the smallcase continue to reflect the underlying theme or strategy

Disclosure

smallcases are only created by SEBI registered Research Analysts, Investment Advisers and Portfolio Managers. Details like Name and SEBI registration number of the creator of this smallcase can be found on the first page of the factsheet.

Smallcases represent a collection of stocks/ETFs picked by the smallcase creator to represent a particular theme, idea or strategy and is not a recommendation or advice. Thus, smallcases should not be construed as an investment advice and investors should exercise due diligence and consult their Investment Advisor before investing. Stocks and ETF investing is subjected to market risk.

Please visit www.smallcase.com for detailed disclosures, terms and conditions.

Stock and ETF investments are subject to market risks, read all related documents carefully. Investors should consult their financial advisors if in doubt about whether the product is suitable for them.