

## ICICI Prudential PMS Infrastructure Portfolio

### Portfolio Commentary

- Indian equity benchmarks ended August 2017 on a disappointing note. S&P BSE Sensex and Nifty 50 fell 2.41% and 1.58%, respectively in the month. Weak domestic economic data, Sebi's actions against shell companies and geopolitical tensions dented investor sentiments.
- The market fell sharply after the capital market regulator directed stock exchanges to initiate action against suspected 331 shell companies. Release of downbeat domestic manufacturing and services activity data and the RBI's neutral monetary policy stance despite reducing the repo rate in its policy meet on August 2, 2017 also impacted local indices. More losses were seen after the resignation of the CEO of an IT heavyweight and worsening asset quality of the banking major in the June quarter. Rising tensions between India and China along with heavy selling of domestic equities by FIIs also acted as a dampener. Discouraging global developments including political uncertainty in the US, mounting tensions between the US and North Korea, worries about the impact of storm Harvey which hit Texas towards the end of August pulled investors away from risky assets. Wariness ahead of release of domestic growth data and annual conference of global central bankers at Jackson Hole, Wyoming, in the US chipped off some gains.
- Further losses were, however, capped after the Securities Appellate Tribunal lifted Sebi's trading curbs on the shares of six suspected shell companies. India's and China's agreement to end the Doklam stand-off and robust GST revenue collection getting a good start in the first month (July 2017) also boosted sentiment for domestic equities. Buying by domestic institutional investors (DIIs) and short covering brought in some gains.
- Majority of the S&P BSE Sectoral indices ended lower in August 2017. S&P BSE Consumer Durable index (top gainer) and S&P BSE Oil & Gas index advanced 7.49% and 6.96%, respectively during the month. S&P BSE Metal index rose 6.91% owing to positive economic cues from China. S&P BSE Auto index fell 3.17% in the month after the GST Council recommended hiking the ceiling for compensation cess on motor vehicles to 25% from 15%. S&P BSE IT index lost around 4% owing to a sharp fall in an index heavyweight. Pharma stocks witnessed heavy selling pressure with S&P BSE Healthcare index (top loser) down 7.37% month-on-month.
- ICICI Prudential PMS Infrastructure Portfolio has outperformed its benchmark Nifty Infrastructure Index in the previous month. The overweight sectors vis-à-vis benchmark was Industrial products & Capital Goods, Cement and Hotels. The underweight sectors vis-à-vis benchmark was Software, Oil, Gas & Petroleum Products, and Banks & Finance.

# ICICI Prudential PMS Infrastructure Portfolio

## Investment Philosophy

Long-term investment of funds having potential for capital appreciation derived from the growth and development of the infrastructure theme.

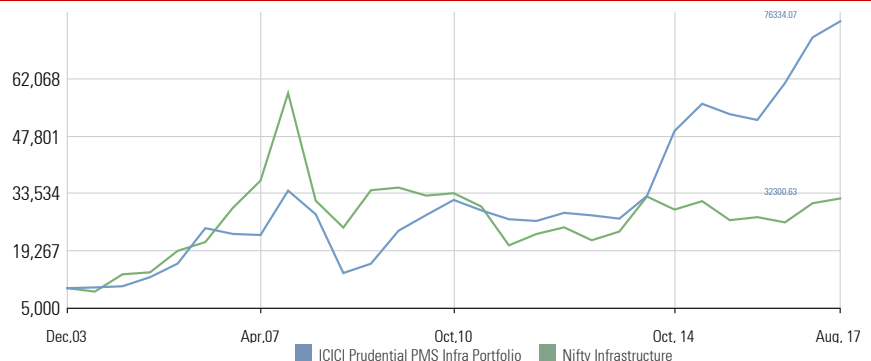
## Snapshot

Portfolio Manager Name Aditya Sood  
Inception Date\*\* 26 Dec 2003

Trailing Returns (31 Aug 2017)	Portfolio	Index
1 Month	-0.43	-2.28
3 Months	4.79	3.44
6 Months	19.48	10.87
1 Year	25.98	13.25
2 Year	17.75	6.10
3 Years	18.41	2.20
4 Years	35.46	14.15
5 Years	23.20	8.27
10 Years	11.28	-1.91
15 Years	-	-
YTD	32.68	22.55
Since Inception	16.02	-

Past performance may or may not be sustained in future and is no guarantee of future results.

## Growth of ₹ 10,000



## Calendar Returns 31 Aug 2017

Returns	YTD	2016	2015	2014	2013	2012
ICICI Prudential PMS Infra Portfolio	32.68	5.20	3.19	81.84	-2.73	33.20
Nifty Infrastructure	22.55	-2.05	-8.91	22.71	-4.16	21.65

Past performance may or may not be sustained in future and is no guarantee of future results.

## Financial Year End Performance

01 Apr 17	01 Apr 16	01 Apr 15	01 Apr 14	01 Apr 13
3.92	35.14	-11.15	77.12	20.13

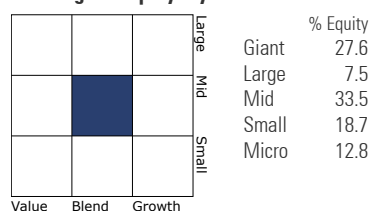
## Quarterly Returns

%	1st qtr	2nd qtr	3rd qtr	4th qtr
2017	19.41	3.92	-	-
2016	-7.04	10.90	9.04	-6.42
2015	7.96	0.41	-6.60	1.92
2014	10.84	37.76	8.02	10.25
2013	-10.25	-3.20	-6.62	19.91

## Portfolio 31 Aug 2017

Portfolio Holding* (Top 20)	% Weight	Market Value (mil)
JMC Projects (India) Ltd	11.53	3.80
Knr Constructions	9.06	2.99
Larsen & Toubro Ltd	7.57	2.49
Blue Star Ltd	7.27	2.40
Mahindra & Mahindra Financial Services Ltd	6.75	2.22
State Bank of India	6.32	2.08
ICICI Bank Ltd	6.00	1.98
Ashoka Buildcon Ltd	5.31	1.75
Axis Bank Ltd	4.98	1.64
Prism Cement Ltd	4.85	1.60
Orient Cement Ltd	4.81	1.59
Gujarat Pipavav Port Ltd	4.66	1.53
AIA Engineering Ltd	3.84	1.26
Equitas Holding Ltd	3.70	1.22
Jammu & Kashmir Bank Ltd	3.47	1.14
PNC Infratech Ltd	3.23	1.06
Great Eastern Shipping Co Ltd	2.99	0.99
Kalpataru Power Transmission Ltd	2.90	0.95

## Morningstar Equity Style Box™



## Sector Weightings

Sector	% Equity
Cyclical	41.20
Basic Materials	9.73
Consumer Cyclical	-
Financial Services	31.46
Real Estate	-
Sensitive	55.88
Communication Services	-
Energy	-
Industrials	55.88
Technology	-
Defensive	2.92
Consumer Defensive	-
Healthcare	-
Utilities	2.92

## Risk Profile 31 Aug 2017

	Portfolio	Benchmark
Return	18.41	2.20
Std Dev	16	18.20
Downside Deviation	10.34	12.77
Alpha	14.45	-
Beta	0.67	-
R2	57.20	-
Sharpe Ratio	0.89	-0.01
Tracking Error	12.17	-

Based on 3yr performance.

## Portfolio Statistics 31 Aug 2017

P/E Ratio (TTM)	29.77
P/B Ratio (TTM)	2.29
P/S Ratio (TTM)	1.51
P/C Ratio (TTM)	5.01

Asset Allocation	% Long	% Short	% Net
Equity	99.24	0.00	99.24
Bond	0.00	0.00	0.00
Cash	0.76	0.00	0.76
Other	0.00	0.00	0.00

\*\*Since inception return is the return of the oldest client of the portfolio. Further, the portfolio value is re-based as and when applicable.

Page 2

**Disclaimers:** 1) The performance of the stock across individual portfolios may vary significantly from the data depicted above. This is due to factors such as timing of entry and exit, timing of additional flows and redemptions, individual client mandates, specific portfolio construction characteristics or structural parameters which may have a bearing on individual portfolio performance. No claims may be made or entertained for any variances between the above performance depictions and that of the stock within individual client portfolios. Neither the Portfolio Manager, nor the Asset Management Company, its Directors, employees or Sponsors shall in any way be liable for any variation noticed in the returns of individual portfolios. 2) There is no assurance that the value may be unlocked during our holding period of the stock. 3) Past performance may or may not be sustained in the future. Please refer to the disclosure document. 4) The stocks / sectors mentioned hereinabove should not be construed as an investment advice or a forecast of their expected future performance. These stocks / sectors may or may not form part of the portfolio in future. \* Top 20 holdings (by weight) or all the stocks in the portfolio, whichever is less by number are disclosed.

© 2016 Morningstar. All Rights Reserved. The information, data, analyses and opinions ("Information") contained herein (1) include Morningstar's confidential and proprietary information (2) may not be copied or redistributed, (3) do not constitute investment advice (4) are provided solely for information purposes (5) are not warranted to be complete, accurate or timely and (6) are drawn from data published on various dates. The information is provided to you at your own risk. Morningstar is not responsible for any trading decisions, damages or other losses related to the information or its use. Please verify all of the information before using it and don't make any investment decision except upon the advice of a professional financial adviser. Past performance is no guarantee of future results. The value and income derived from investments can go up or down. Please refer to the disclaimer page for further disclosures.

## Disclosures

### Investment Philosophy

It is the investment philosophy of the portfolio. It is very similar data point than Investment Criteria.

### Quarterly Returns

Total returns calculated for calendar quarters.

### Standard Deviation

Standard deviation of portfolio's return measures how much a portfolio's total returns have fluctuated in the past. The more the portfolio's returns fluctuate, the riskier the portfolio is likely to be. Portfolios that have been more volatile in the past tend to be more volatile in the future as well.

### Downside Deviation

Calculated much like standard deviation, downside deviation focuses on the variation of returns below a specific threshold. It ignores upside variation because it adds value to the overall return and investors shouldn't be concerned about it.

### R2

A measure of the percentage of portfolio's movement that can be accounted for by changes in its benchmark index. An R-squared of 100 indicates that a portfolio's movement is perfectly correlated with its benchmark.

### Alpha

It is the amount by which a portfolio has out-performed its benchmark, taking into account the portfolio's exposure to market risk (as measured by Beta). Alpha is also known as the residual return.

### Beta

A measure of a portfolio's sensitivity to market movements. The beta of the market is 1.00 by definition. A beta of 1.10 shows that the portfolio has performed 10% better than its benchmark index in up markets and 10% worse in down markets, assuming all other factors remain constant.

### Sharpe Ratio

This is a measure of risk-adjusted return calculated by using standard deviation and excess return to determine reward per unit of risk. The higher the Sharpe Ratio, the better the portfolio's historical risk-adjusted performance.

### Tracking Error

This indicates the volatility of the difference in returns between a portfolio and its benchmark. Also known as active risk. In the context of a passively-managed portfolio, tracking error describes how well the portfolio has tracked its benchmark.

### P/E Ratio

It compares how the market values a company to the company's earnings. It can be either historic earnings or projected earnings. It is calculated as current share price divided by earnings. A higher P/E typically indicates that investors expect to see strong growth in the company.

### P/B Ratio

It compares how the market values a company to the value on the company's books. It is calculated as current share price divided by book value per share. A company trading at several times its book value tends to indicate a growth stock where investors believe the book value will rise in the future.

### P/S Ratio

This is an indicator of the value placed on company's sales/revenue. It is calculated either by dividing the company's market capitalization by its total sales over a 12-month period, or on a per-share basis by dividing the stock price by sales per share for a 12-month period.

### P/C Ratio

A financial ratio calculated as current share price divided by cash flow per share - where cash flow is the spending and receiving of cash in a business. This indicates the value that the market has assigned to every that flows through the company.

### Morningstar Equity Style Box

It is a graphical depiction of an equity portfolio's dominant investment style at a given point in time. The Style Box combines two dimensions: size (large shares, medium-sized shares, small shares) and valuation (growth, blend, value), resulting in nine possible style combinations. The Style Box gives an immediate picture of a portfolio's focus and enables investors to perform simple but essential portfolio allocation decisions.

### Sector Weightings

It shows sectoral breakup of the portfolio on two levels. At 1st level is Morningstar defined super sectors i.e. Cyclical, Defensive and Sensitive, which classifies industries based on their level of sensitivity to economic cycles. At 2nd level industries are classified in to 11 sectors, as defined by Morningstar, based on the products / services they offer.

## Disclaimer

### Disclaimers and Risk Factors

Investing in securities including equities and derivatives involves certain risks and considerations associated generally with making investments in securities. The value of the portfolio investments may be affected generally by factors affecting financial markets, such as price and volume, volatility in interest rates, currency exchange rates, changes in regulatory and administrative policies of the Government or any other appropriate authority (including tax laws) or other political and economic developments. Consequently, there can be no assurance that the objective of the Portfolio would achieve. The value of the portfolios may fluctuate and can go up or down. Prospective investors are advised to carefully review the Disclosure Document, Client Agreement, and other related documents carefully and in its entirety and consult their legal, tax and financial advisors to determine possible legal, tax and financial or any other consequences of investing under this Portfolio, before making an investment decision. The Stock(s)/Sector(s) mentioned in this material do not constitute any recommendation of the same and the portfolios may or may not have any future positions in these Stock(s)/Sector(s). The composition of the portfolio is subject to changes within the provisions of the disclosure document. The benchmark of the portfolios can be changed from time to time in the future. Trading volumes, settlement periods and transfer procedures may restrict the liquidity of investments in portfolios. Different segments of the Indian financial markets have different settlement periods and such periods may be extended significantly by unforeseen circumstances. The inability of the Portfolio Manager to make intended securities purchases due to settlement problems could cause the portfolio to miss certain investment opportunities. By the same rationale, the inability to sell securities held in the portfolio due to the absence of a well developed and liquid secondary market for debt securities would result, at times, in potential losses to the portfolio. Individual returns of Clients for a particular portfolio type may vary significantly from the data on performance of the portfolios depicted in this material. This is due to factors such as timing of entry and exit, timing of additional flows and redemptions, individual client mandates, specific portfolio construction characteristics or structural parameters, which may have a bearing on individual portfolio performance. No claims may be made or entertained for any variances between the performance depictions and individual portfolio performance. Neither the Portfolio Manager nor ICICI Prudential Asset Management Company, (the AMC) its Directors, Employees or Sponsors shall be in any way liable for any variations noticed in the returns of individual portfolios. The Client shall not make any claim against the Portfolio Manager against any losses (notional or real) or against any loss of opportunity for gain under various PMS Products, on account of or arising out of such circumstance/ change in market condition or for any other reason which may specifically affect a particular sector or security, including but not limited to disruption/prohibition/ discontinuation/ suspension of trading in a particular Security including any index or scrip specific futures/ options or due to any act of Company, Market Intermediary by SEBI or any other regulatory authority which may result in trading in such security (ies) being completely or partially affected, to which the Portfolio Manager has taken exposure/ proposed to take exposure and is unable to take additional exposure/ restrain him from taking any position in a particular equity or related derivative instruments etc. due to any reason beyond the control of the Portfolio Manager resulting in unhedged positions or losses due to unwinding of certain positions or losses due to any reason or related to any of the aforesaid circumstances. By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. The recipient(s) alone shall be fully responsible/are liable for any decision taken on the basis of this material. All recipients of this material should before dealing and/or transacting in any of the products referred to in this material make their own investigation, seek appropriate professional advice. The investments discussed in this may not be suitable for all investors. Financial products and instruments are subject to market risks and yields may fluctuate depending on various factors affecting capital/debt markets. There is no assurance or guarantee that the objectives of the portfolio will be achieved. Please note that past performance of the financial products, instruments and the portfolio does not necessarily indicate the future prospects and performance thereof. Such past performance may or may not be sustained in future. Portfolio Manager's investment decisions may not be always profitable, as actual market movements may be at variance with anticipated trends. The investors are not being offered any guaranteed or assured returns. The AMC may be engaged in buying/selling of such securities. Please refer to the Disclosure Document and Client Agreement for portfolio specific risk factors. In the preparation of this material the AMC has used information that is publicly available, including information developed in-house. Some of the material used herein may have been obtained from members/persons other than the AMC and/or its affiliates and which may have been made available to the AMC and/or to its affiliates. Information gathered and material used herein is believed to be from reliable sources. The AMC however does not warrant the accuracy, reasonableness and/or completeness of any information. For data reference to any third party in this material no such party will assume any liability for the same. We have included statements/opinions/recommendations in this material, which contain words, or phrases such as "will", "expect", "should", "believe" and similar expressions or variations of such expressions, that are "forward looking statements". Actual results may differ materially from those suggested by the forward looking statements due to risk or uncertainties associated with our expectations with respect to, but not limited to, exposure to market risks, general economic and political conditions in India and other countries globally, the monet and interest policies of India, inflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices, the performance of the financial markets in India and globally, changes in domestic and foreign laws, regulations and taxes and changes in competition in the industry. All data/information used in the preparation of this material is as on Aug 31, 2017 and may or may not be relevant any time after the issuance of this material i.e. Aug 31, 2017. The Portfolio Manager/ the AMC takes no responsibility of updating any data/information in this material from time to time. The Portfolio Manager and the AMC (including its affiliates), and any of its officers directors, personnel and employees, shall not liable for any loss, damage of any nature, including but not limited to direct, indirect, punitive, exemplary, consequential, as also any loss of profit in any way arising from the use of this material in any manner.