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# CANARA ROBECO VALUE FUND

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Oct ' 2024

# Statutory Disclosures

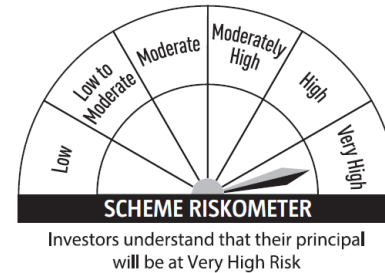
## Product Labelling:

This product is suitable for investors who are seeking\*:

### Canara Robeco Value Fund

(An open-ended equity scheme following a value investment strategy)

- Long term capital growth.
- Investment in equity and equity related instruments by following value investing strategy.



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

# Essence of Intrinsic Value Investing

*“In general terms, intrinsic value is understood to be that value which is justified by the facts: the assets, the earnings, dividends, definitive prospects”*

*- Benjamin Graham*



**‘INTRINSIC VALUE’** is a true value of an asset. It is the maximum price one is ready to pay to hold the asset forever!

# Intrinsic Value Investing- The Concept

- ① Intrinsic Value Investing is a broader philosophy which involves buying companies at a price lower than their intrinsic value
- ① Keeping a margin of safety
- ① Taking advantage of market inefficiencies

*“All sensible investing is Value Investing” -  
Charlie Munger*

- ✓ Keeping margin of safety  
reduces downside risk

**INTRINSIC VALUE**



# Intrinsic Value Investing- The Concept

## An Illustration:

In general, a company with an Intrinsic value of Rs.1.00 is considered to have a good buffer when you buy it at a Price of Rs.0.50. This gives a margin of safety equivalent to 50%.

Market Price	Margin of Safety	Valuation
Stock trades @ Rs.0.50	$\frac{Rs.1.00 - Rs.0.50}{Rs.1.00} \times 100\% = 50\%$	<b>Undervalued</b> [High Margin of Safety]
Stock trades @ Rs.0.90	$\frac{Rs.1.00 - Rs.0.90}{Rs.1.00} \times 100\% = 10\%$	<b>Undervalued</b> [Low Margin of Safety]
Stock trades @ Rs.1.00	$\frac{Rs.1.00 - Rs.1.00}{Rs.1.00} \times 100\% = 0\%$	<b>Fair value</b>
Stock trades @ Rs.1.50	$\frac{Rs.1.00 - Rs.1.50}{Rs.1.00} \times 100\% = -50\%$	<b>Overvalued</b>



*A margin of safety is achieved when securities are purchased at prices sufficiently below underlying value to allow for human error, bad luck, or extreme volatility in a complex, unpredictable and rapidly changing world” -*

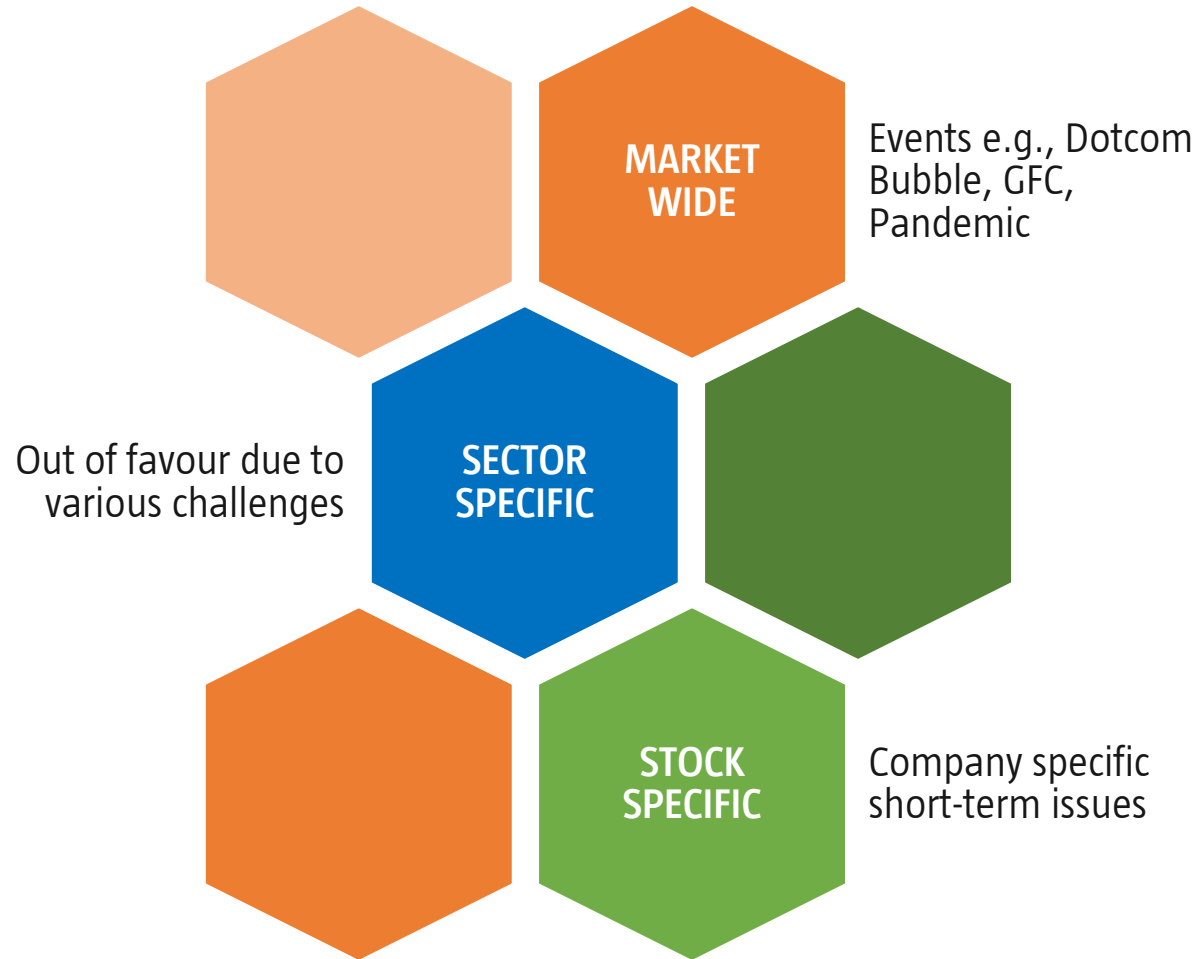
**Seth Klarman**

✓ **HIGHER THE MARGIN OF SAFETY;  
LOWER THE RISK**

**MARGIN OF SAFETY**

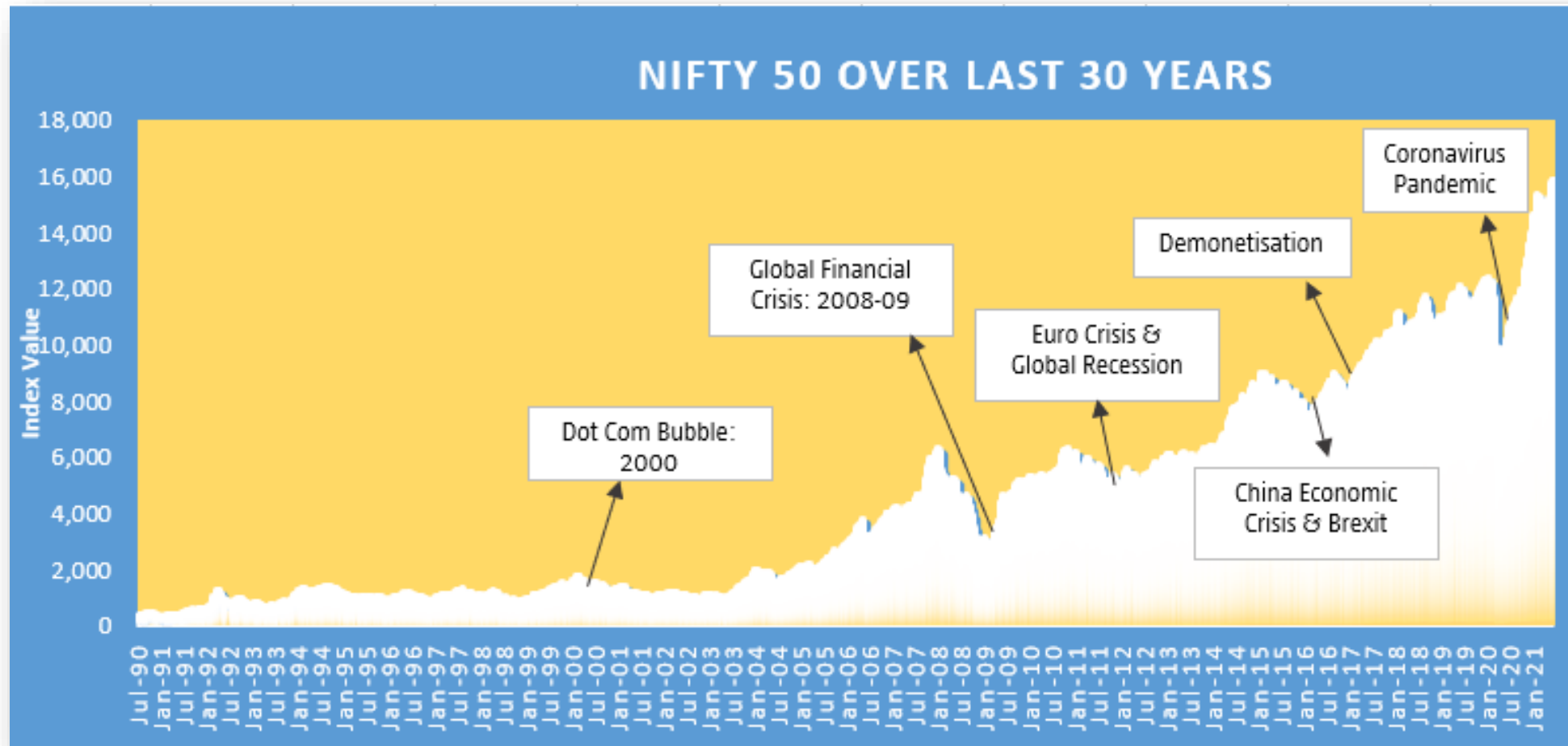


# Value Investment Opportunities



**Value opportunities can be found across market cycles, sector as well as companies**

# In the last two decades there have been many market wide value investment opportunities



# Stock specific – company specific short-term issues

## TEMPORARY ISSUES

Business downturn

Management Changes

Restructuring

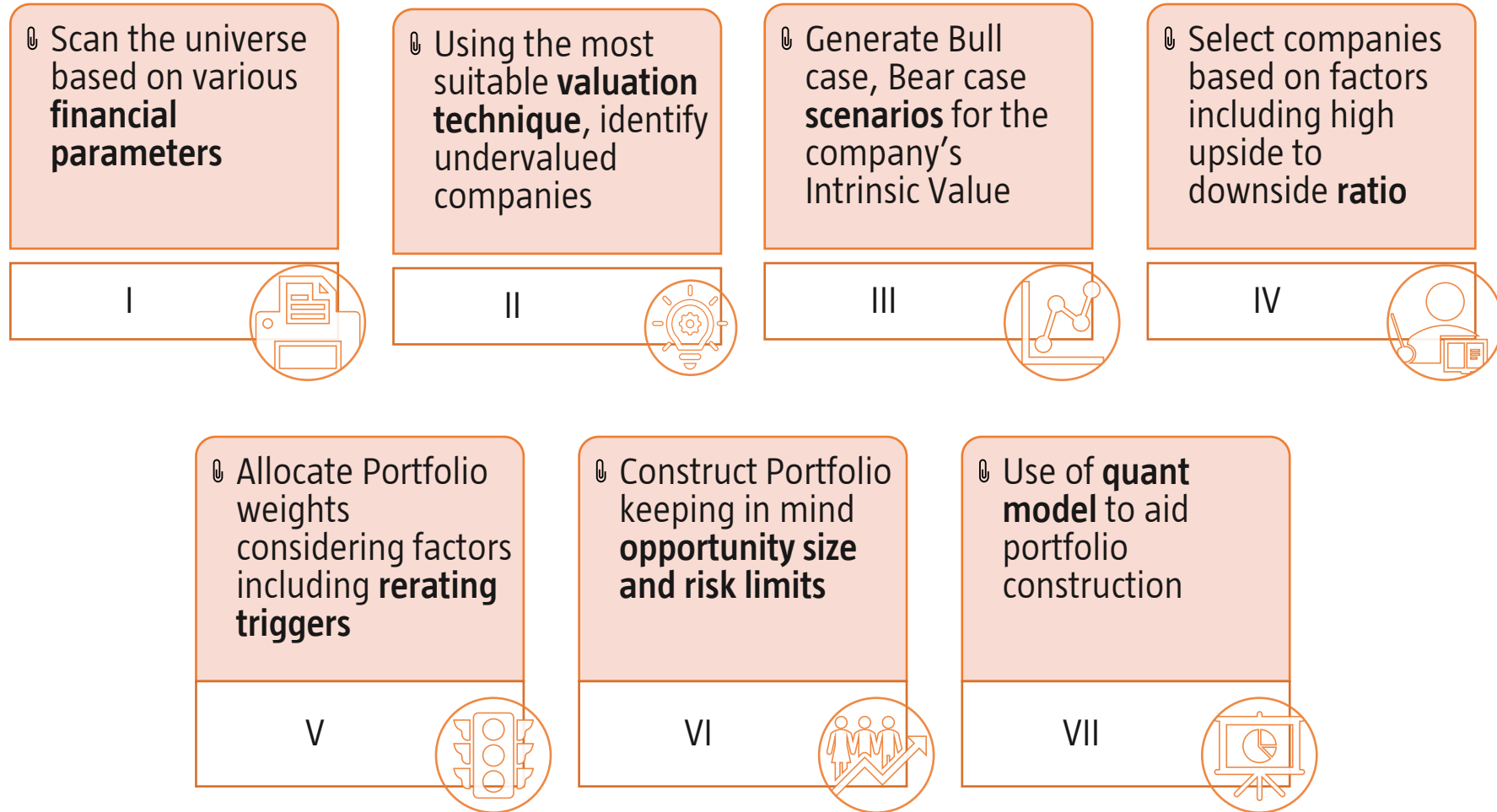
New Entrant- Temporary increase in competitive intensity

Disruptive regulatory changes

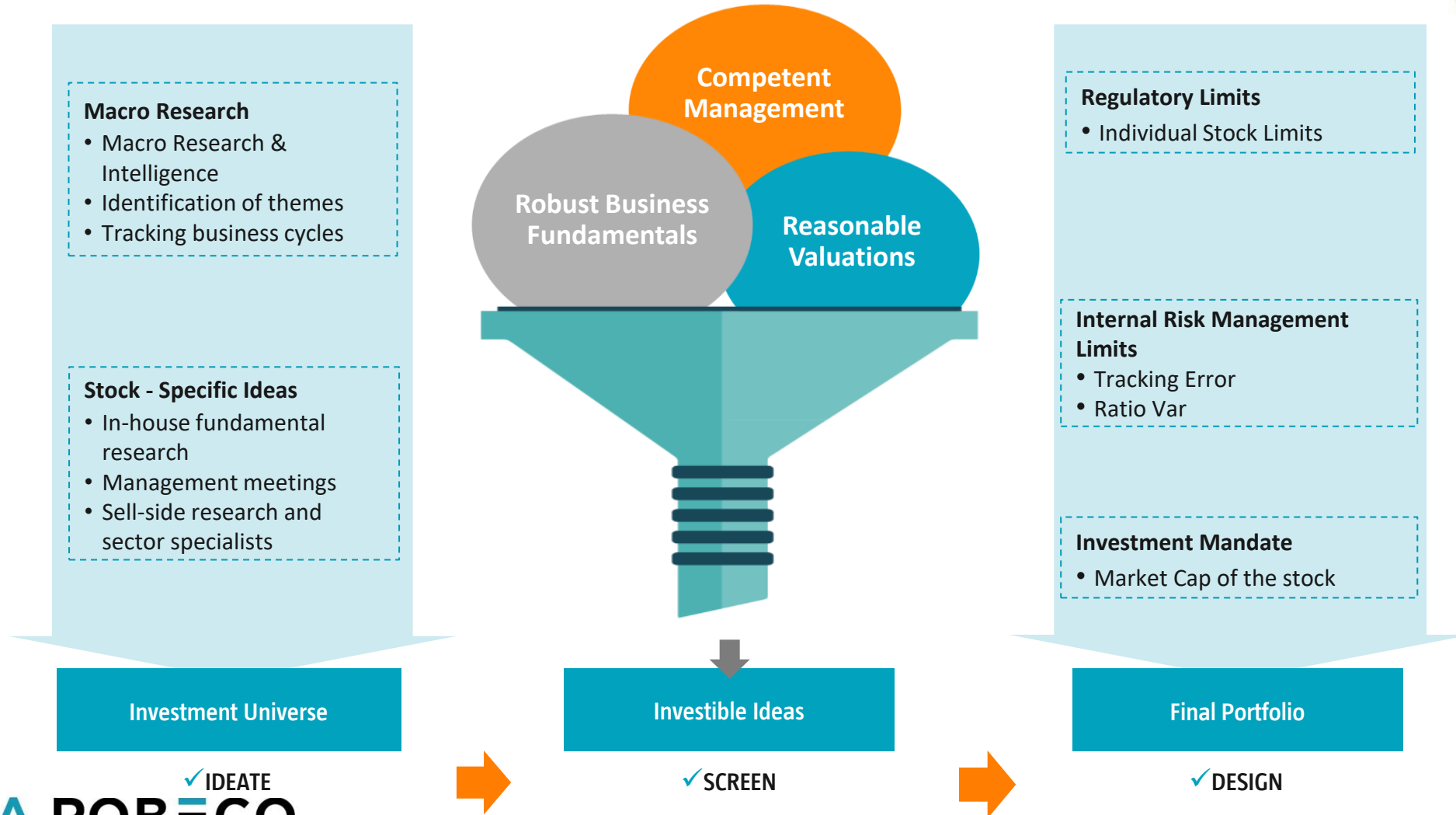
**Value investors generally pick up good businesses which are going through temporary downturn**



# Portfolio Structure



# Canara Robeco Investment process



# Stringent Risk management is the Key



Risk control process to manage risks through various tools such as stock limit and sector limit; to ensure that the portfolio liquidity is maintained without compromising on the return



We believe that optimal diversification would help achieve the desired level of consistency in return

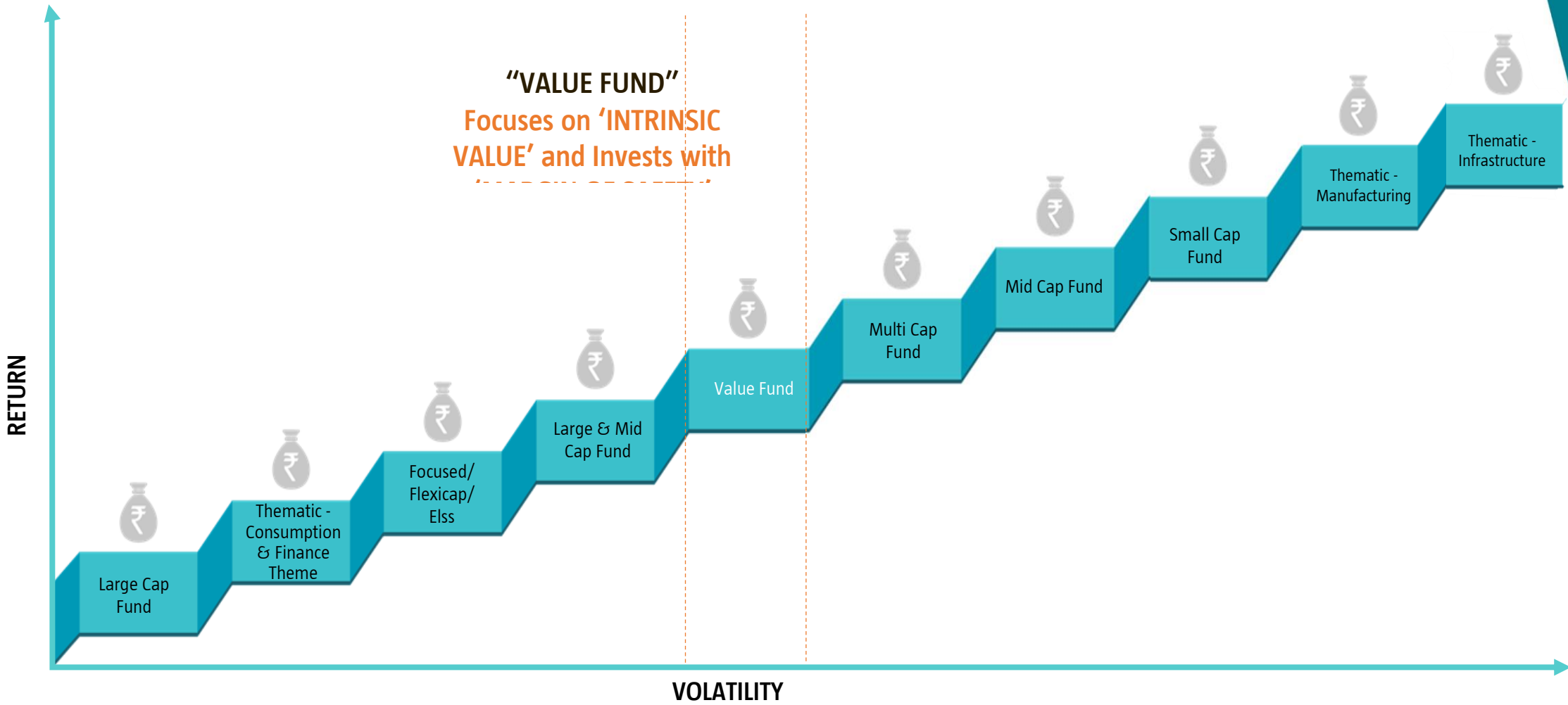


Our aim is to identify securities, which offer favourable risk adjusted returns



With the aim of controlling risks, the investment team will carry out rigorous in-depth analysis of the securities proposed to be invested in – ongoing monitoring

# FUND POSITIONING



# Who should invest in this fund?

Patient investors seeking **value approach to investing** – with focus on investing in stocks having adequate margin of safety

Investors with a **long-term investment horizon** of at least 3 years

Investors looking for a fund with a potential to **deliver better risk adjusted returns** in the long term

Investors focusing on **underlying businesses and looking for diversification / differentiated portfolio**

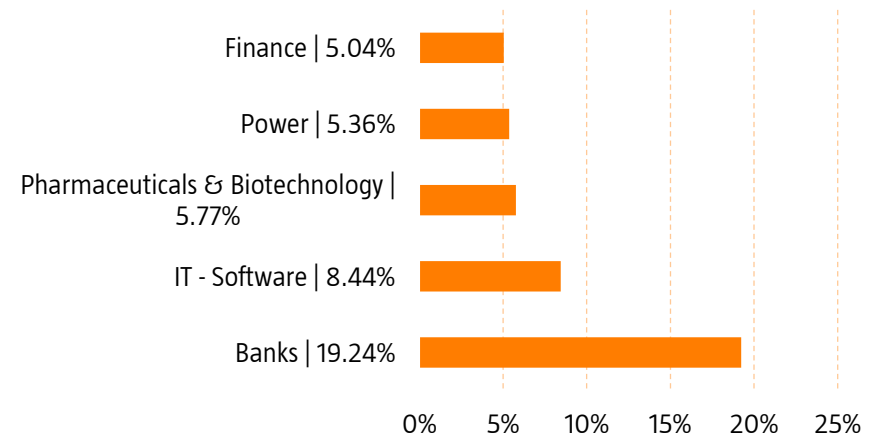


# Portfolio Highlights

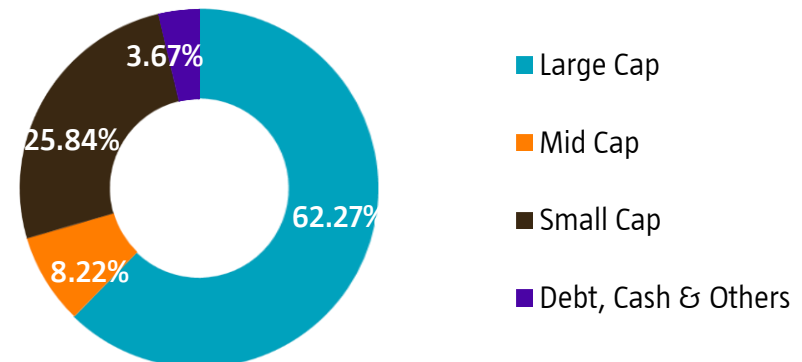
Top 10 Holdings	Industry Classification	% of Net Assets
ICICI Bank Ltd	Banks	6.85%
HDFC Bank Ltd	Banks	6.63%
Infosys Ltd	IT - Software	4.43%
NTPC Ltd	Power	4.34%
Reliance Industries Ltd	Petroleum Products	3.96%
Bharti Airtel Ltd	Telecom - Services	3.87%
Larsen & Toubro Ltd	Construction	2.67%
State Bank of India	Banks	2.57%
Brigade Enterprises Ltd	Realty	2.45%
Varun Beverages Ltd	Beverages	2.30%

Quant	Values
Total No. of Stocks	59
Top Stock Holding (%)	6.85%
Top 10 Stocks Holding (%)	40.07%
Top 3 Industries (%)	33.45%
Top 5 Industries (%)	43.85%

## Top 5 Sector break up (% to NAV)



## Market Capitalization (%)



# Fund Facts

<b>Name of the Scheme</b>	<b>Canara Robeco Value Fund</b>			
<b>Type</b>	An open-ended equity scheme following a value investment strategy			
<b>Investment Objective</b>	The fund aims to generate long-term capital appreciation from a diversified portfolio of predominantly equity and equity related instrument, with higher focus on value stocks. There is no assurance or guarantee that the investment objective of the scheme will be realized.			
<b>Asset Allocation</b>		Indicative allocations (% of total assets)		Risk Profile
		Minimum	Maximum	
	Equity and Equity-related Instruments	65%	100%	Medium to High
	Debt and Money Market Instruments	0%	35%	Low to Medium
	Units issued by REITs and InvITs	0%	10%	Medium to High
	Units of MF schemes	0%	5%	Medium to High
	Equity Exchange Traded Funds	0%	10%	Medium to High
<b>Plans &amp; Options</b>	Regular Plan & Direct Plan (a) Growth (b) Income Distribution cum capital withdrawal option: - Payout of Income Distribution cum capital withdrawal option - Reinvestment of Income Distribution cum capital withdrawal option			
<b>Load Structure</b>	Entry Load: Nil Exit Load: In respect of each redemption / switch-out of units, 1% - if redeemed/switched out within 365 days from the date of allotment. Nil - if redeemed/switched out after 365 days from the date of allotment.			
<b>Fund Manager</b>	Vishal Mishra, Silky Jain			
<b>AUM (in Crs)</b>	1,264.17 Crs.			
<b>Benchmark</b>	BSE 500 Index TRI			

# Performance of Fund Manager

## Fund Manager: Mr. Vishal Mishra

Scheme Names	CAGR (%)							
	1 Year Return		3 Years Return		5 Years Return		Since Inception	
	Scheme	Benchmark <sup>a</sup>	Scheme	Benchmark <sup>a</sup>	Scheme	Benchmark <sup>a</sup>	Scheme	Benchmark <sup>a</sup>
CANARA ROBECO INFRASTRUCTURE	61.65	75.66	29.06	36.87	28.66	31.99	15.73	-
CANARA ROBECO ELSS TAX SAVER	36.71	35.79	13.90	15.64	20.80	19.83	19.57	17.83
CANARA ROBECO BLUE CHIP EQUITY FUND	33.51	32.09	12.71	14.01	17.92	17.81	13.51	12.65
CANARA ROBECO VALUE FUND	38.48	35.79	20.88	15.64	N.A	-	20.94	15.65
CANARA ROBECO MULTI CAP FUND	40.50	39.56	N.A	-	N.A	-	31.93	32.05

Note:

- Mr. Vishal Mishra manages 5 open-ended schemes of Canara Robeco Mutual Fund.
- Period for which scheme's performance has been provided is computed basis last day of the month-end preceding the date of advertisement
- Different plans shall have a different expense structure. The performance details provided herein are of Regular plan - Growth Option
- Past performance may or may not be sustained in the future.
- : Corresponding values not available
- N.A.- Not Applicable because scheme is in existence for less than 3 years or 5 years respectively.

## Assistant Fund Manager: Ms. Silky Jain

Scheme Names	CAGR (%)							
	1 Year Return		3 Years Return		5 Years Return		Since Inception	
	Scheme	Benchmark <sup>a</sup>	Scheme	Benchmark <sup>a</sup>	Scheme	Benchmark <sup>a</sup>	Scheme	Benchmark <sup>a</sup>
CANARA ROBECO VALUE FUND	38.48	35.79	20.88	15.64	N.A	-	20.94	15.65

Note:

- Ms. Silky Jain manages 1 open-ended scheme of Canara Robeco Mutual Fund.
- Period for which scheme's performance has been provided is computed basis last day of the month-end preceding the date of advertisement
- Different plans shall have a different expense structure. The performance details provided herein are of Regular plan - Growth Option
- Past performance may or may not be sustained in the future.
- : Corresponding Benchmark values not available
- N.A.- Not Applicable because scheme is in existence for less than 5 year.



## Disclaimer

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**Mutual Fund investments are subject to market risks, read all scheme related documents carefully**