



CkredenceTM Wealth

YOUR JOURNEY TO PROSPERITY

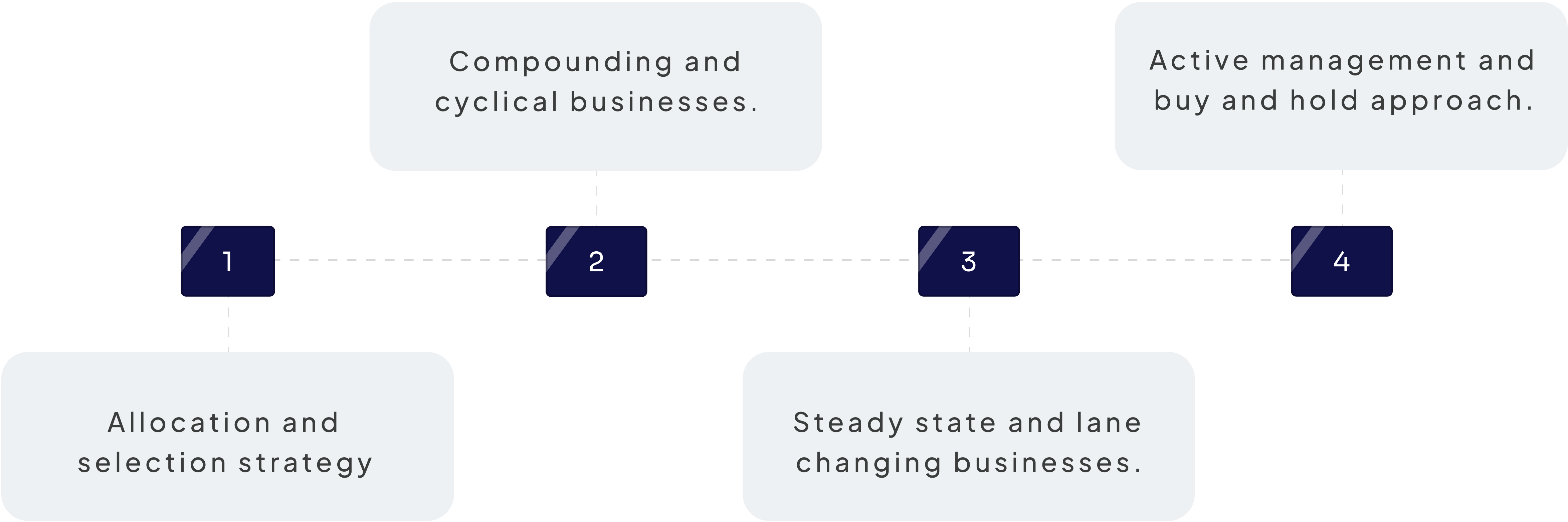
Portfolio Management Services | SEBI Registration no. INP000007164

Mastering the Art of Timing: Business Cycles and Your Investments

Core Philosophy



Balancing Act between



Respect Risk



Don't chase return
alone otherwise
risk will follow back
automatically



Risk adjusted returns
are smooth whereas
risk neglected returns
are highly volatile



Risk management
is an integral part
of any business.



While investing we
have to look at
Management risk,
business risk,
financial risk,
currency risk,
country risk.



While creating
portfolio we have to
look at Concentration
risk, over
diversification risk,
liquidity risk, sectoral
risk and valuation risk.

Make Volatility your Friend

Market
volatility
always brings
opportunity.

In stock market,
capital is finite but
opportunity is
infinite.

Outperformer
accepts mistakes,
underperformer
neglects opportunity.

1

2

3

4

5

6

Keep "ego &
rigidity" words out
of your investment
dictionary.

Loss is beautiful.

Develop an art
of timely
portfolio
reshuffling or
hire an artist.

Business Cycle Investment Approach



Advantages of going for Business Cycle Approach

Businesses go through earnings up and down cycle. There are various reasons for the same, but it can be bifurcated mainly into

Two Major Segment

Macro
Driven

Micro
Driven

Macro Reasons

Can further be divided into Two Segments

A - ECONOMIC FACTORS

Inflation

Policy Framework

Balance Of
Payments

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Interest Rates
Cycle

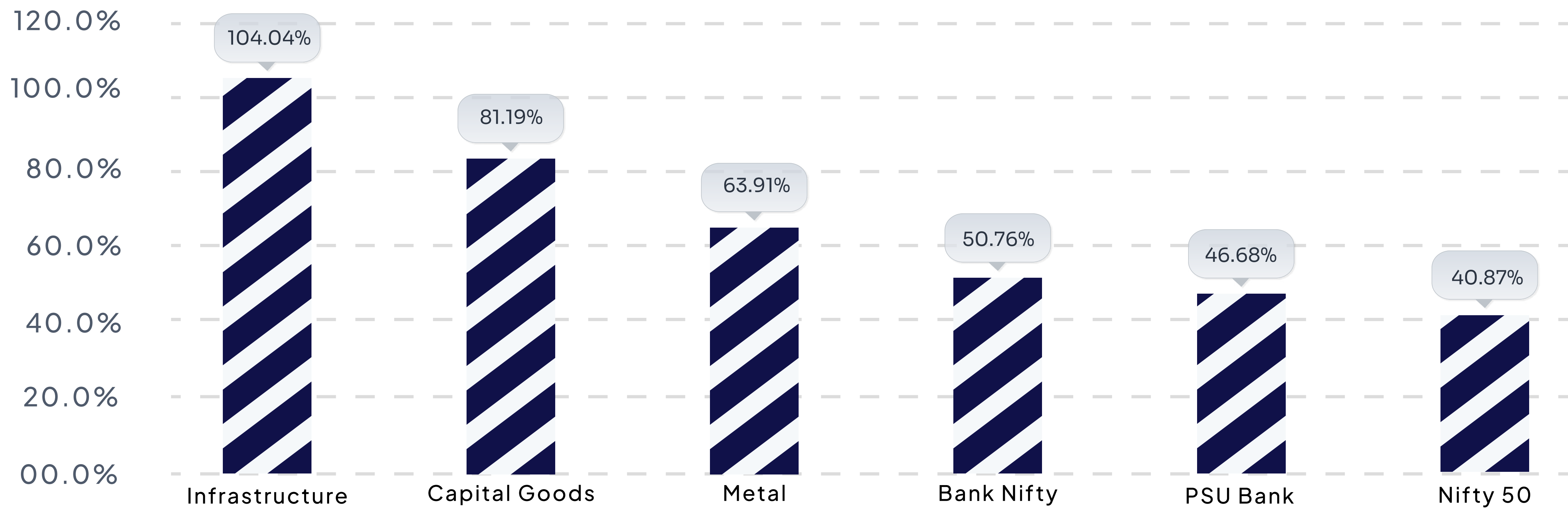
Political Stability

Examples of Business Cycle Turnaround and Turndown

Financial Year 03 - Financial Year 08

Benign interest rates, faster GDP growth, system wide huge NPAs in the base for banking system and gradual recovery of the same, global economic revival after 26/11 saga.

(31-3-2003 to 31-01-2008)



Higher Govt. & Private Capex resulting in strong order-inflows & earnings CAGR for Capital Goods Companies

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	CAGR(%)		
ABB	2003-08	2008-20	2020-23
Order Book	43%	-1%	13%
Revenue	38%	2%	5%
PAT	32%	-4%	50%

	CAGR(%)		
Siemens	2003-08	2008-20	2020-23
Order Book	53%	1%	22%
Revenue	43%	5%	5%
PAT	47%	5%	12%

Favourable macros helped drive banking sector growth with improved fundamentals

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ICICI Bank Ltd.

9X Returns in 5 Years
From 2003–2008

Nifty delivered 6x returns
during same period

	CAGR(%)	
ICICI Bank	2003-08	2008-16
Advances Growth (%)	33%	9%
NNPA (%)	4.9% to 1.5%	1.5% to 2.7%

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State Bank of India Ltd.

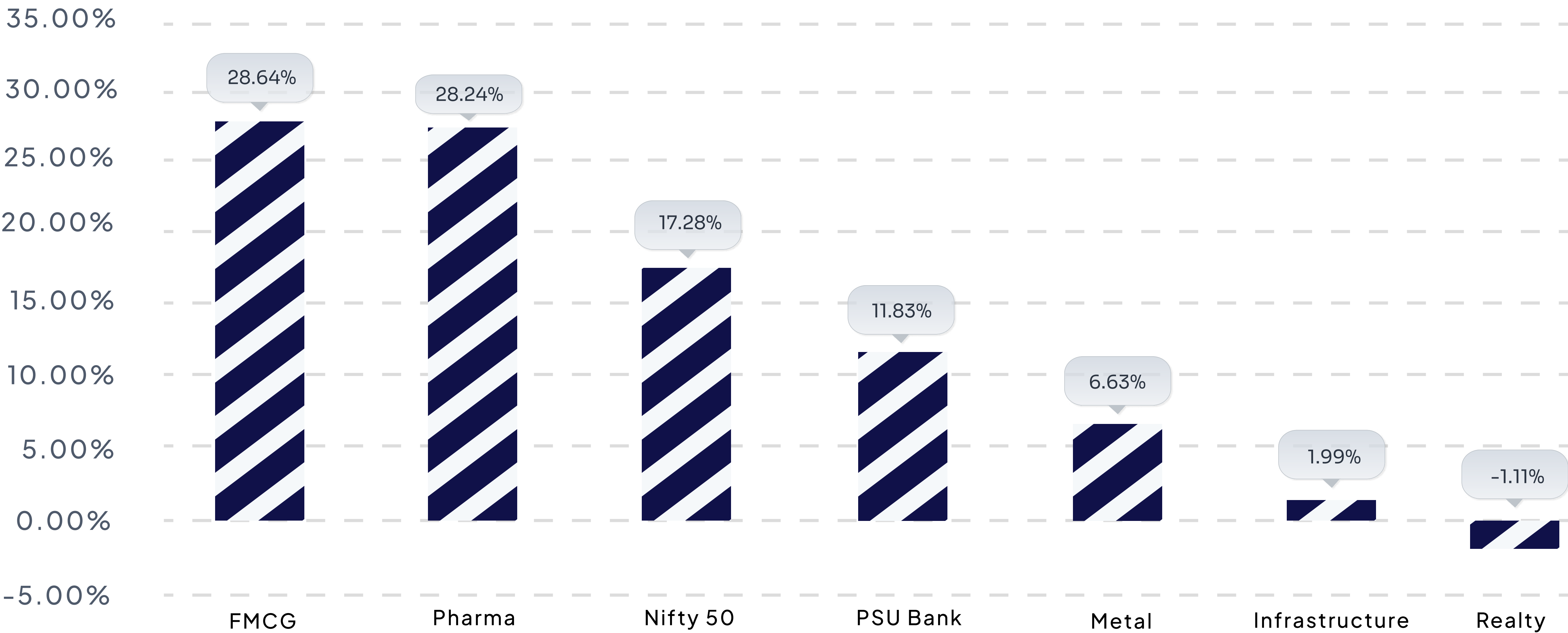
10X Returns in 5 Years
From 2003–2008

	CAGR(%)	
State Bank of India	2003-08	2008-15
Advances Growth (%)	25%	18%
NNPA (%)	4.5% to 1.8%	1.8% to 2.1%

Financial Year 09 – Financial Year 14

Very high inflation, lower real GDP growth, global economic slowdown amidst GFC.

(31-3-2009 to 31-03-2014)



Pharma

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	CAGR(%)	
	2009-15	2015-20
Lupin		
Revenue	23%	4%
EBITDA	14%	-8%
PAT	30%	-

Pushkarinvest21 published on TradingView.com, Oct 12, 2023 16:18 UTC+5:30



	CAGR(%)	
	2009-15	20015-20
Sun Pharma		
Revenue	36%	4%
EBITDA	23%	-2%
PAT	20%	-5%

Nestle India

Pushkarinvest21 published on TradingView.com, Oct 16, 2023 17:56 UTC+5:30

NESTLE INDIA , 1W, NSE O23550.00 H23550.00 L22975.05 C23108.55 -445.80(-1.89%)
Vol 86.608K

Nestle India Ltd.

2.8x returns during
2010-15 while Nifty
delivered 1.8x returns



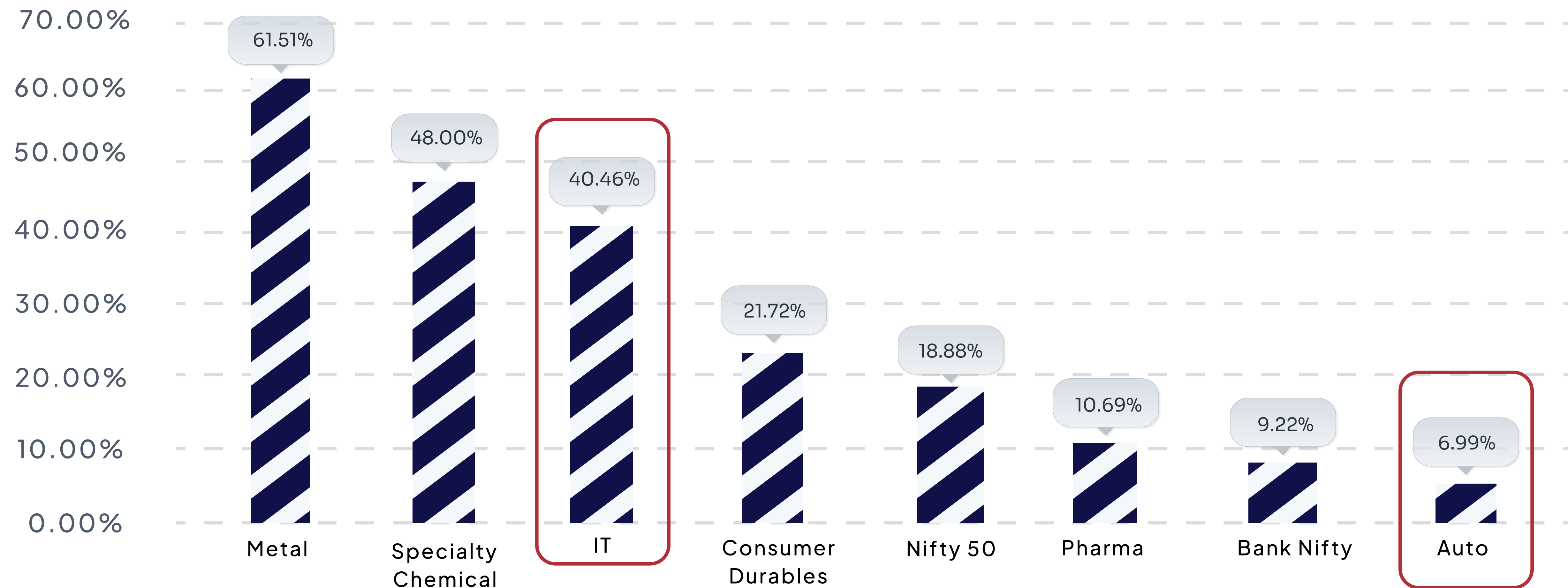
TradingView

CAGR(%)	
Nestle India	2008-14
Revenue	15%
EBITDA	15%
PAT	14%

Financial Year 21 - Financial Year 22

Due to sizable money printing by global central banks and benign interest rates across the world, we saw massive industry specific turnaround for metals, IT and Banks.

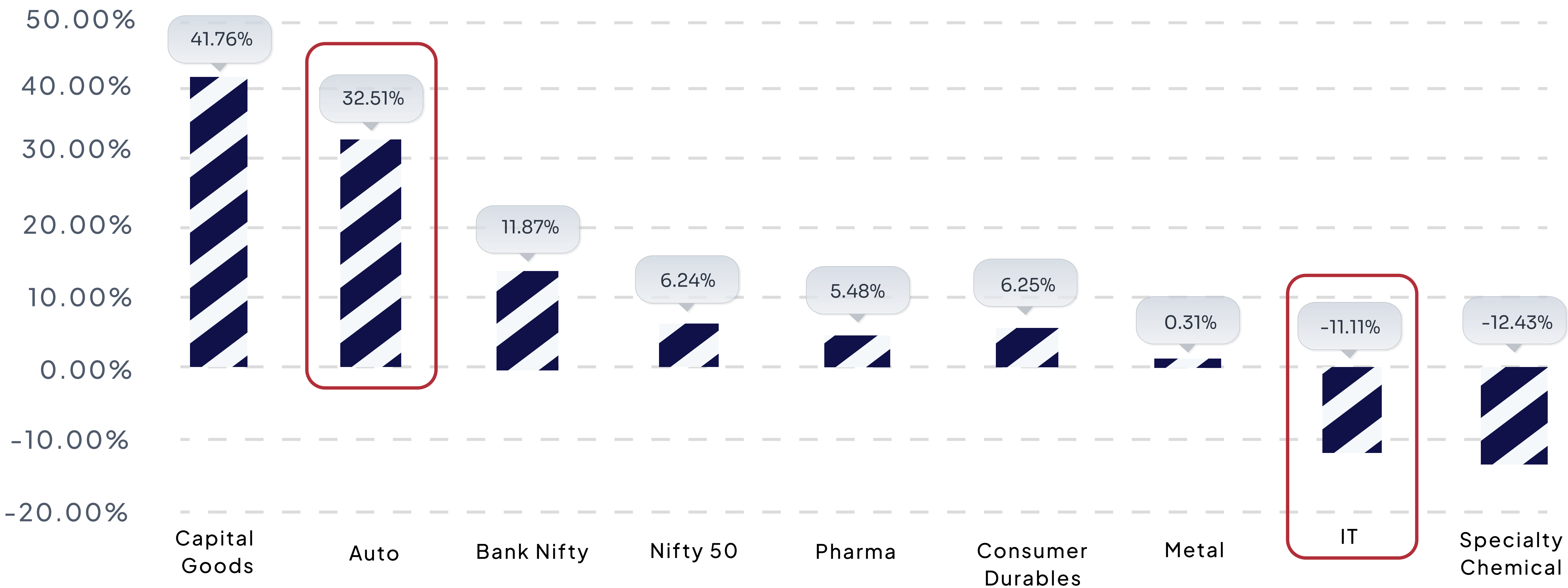
(31-3-2021 to 31-03-2022)



Financial Year 23 until Now

Sharp spike in global inflation amidst Russia – Ukraine war led to global monetary tightening and sharp increase in global interest rates. This led to meaningful de-rating of valuation multiples of high PE stocks and sectors which were positively impacted during Covid-19 such as IT and Metal.

(31-3-2022 to 31-10-2023)



Macro Reasons

Can further be divided into Two Segments

B - INDUSTRY SPECIFIC FACTORS

Demand
Supply Equilibrium

1

2

Capex Program
and
Capacity Utilization

Entry of New
Sizable Player

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Technological
Shift

Government
Policies

5

6

Global
Geopolitical
Stability

Healthy demand along with supply crunch resulted in improved dynamics of hotel sector

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Indian Hotels Co. Ltd.

Demand supply disequilibrium led to 4× returns in 2.5 years

Nifty grew by 1.7× during the same period

	CAGR(%)	
Indian Hotels	2008-19	2019-23
Revenue	4%	7%
EBITDA	-1%	21%
PAT	-2%	37%

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Chalet Hotels Ltd.

3.5× returns in 2.5 years

	CAGR(%)		
Chalet Hotels	March 19'	March 23'	20019-23
Revenue	987.2	1128.5	3%
EBITDA	319.2	490.6	11%
PAT	-7.6	185.8	Loss to Profit

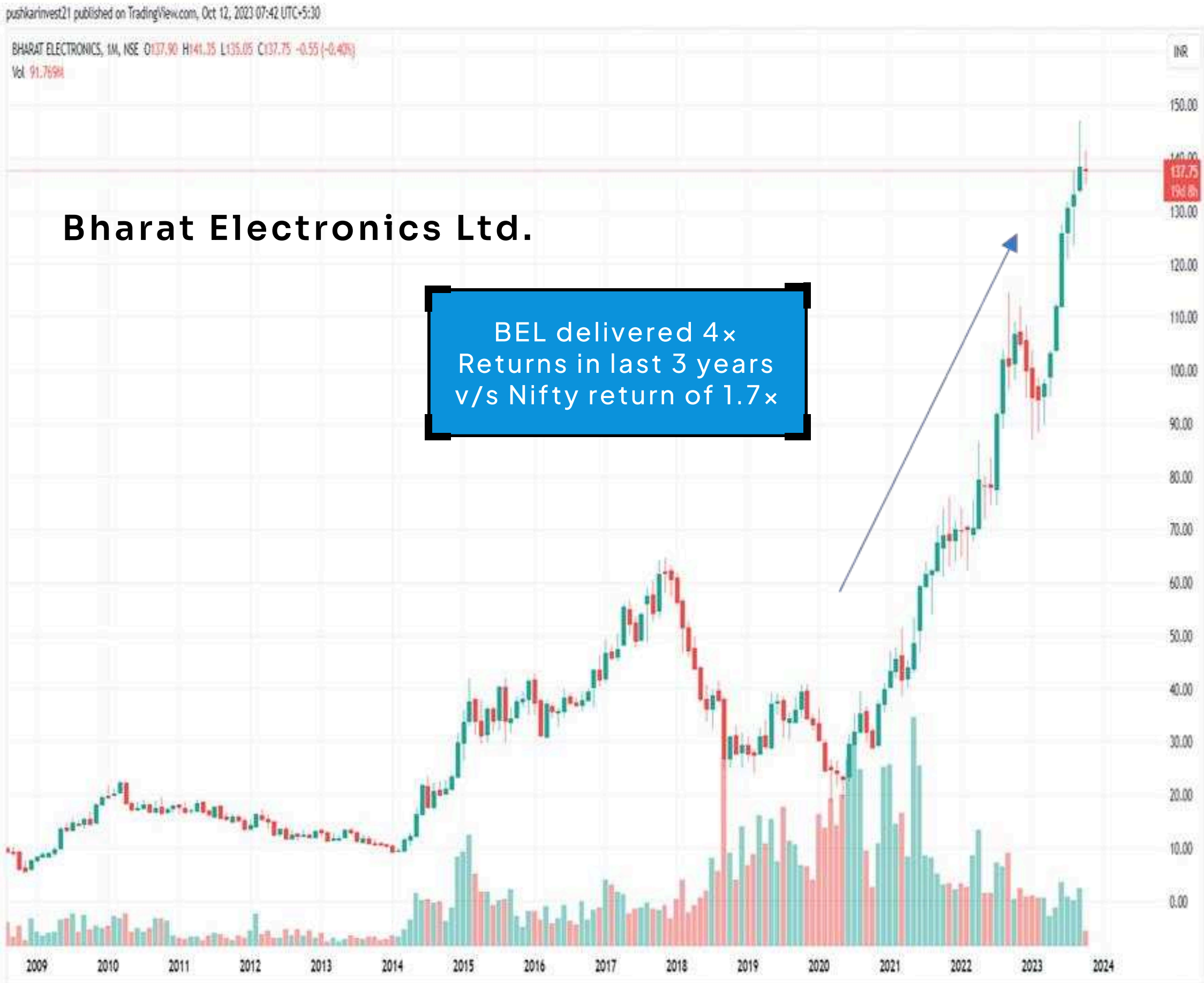
Favorable Govt. policies with focus on domestic manufacturing
changed earnings trajectory for players like Dixon



TradingView

CAGR(%)	
Dixon Technologies	2020-23
Revenue	40%
EBITDA	21%
PAT	28%

Higher focus on domestic manufacturing by the Govt. has led to better growth prospects for Indian manufacturers



CAGR(%)	
Bharat Electronics	2019-23
Revenue	10%
EBITDA	9%
PAT	12%



CAGR(%)	
Hindustan Aeronautics	2019-23
Revenue	8%
EBITDA	19%
PAT	27%

Jio's Foray in Telecom led to consolidation in the sector

Players Pre-2016

>>	Bharti Airtel	<<
>>	BSNL / MTNL	<<
>>	Idea	<<
>>	Reliance Com	<<
>>	Systema	<<
>>	Tata Docomo	<<
>>	Videocon	<<
>>	Vodafone	<<

Jio's entry in 2016 changed the competitive landscape with falling tariff rates and reduction of data charges

Players in 2022

>>	Bharti Airtel	<<
>>	BSNL / MTNL	<<
>>	Reliance Jio	<<
>>	Vodafone-Idea	<<

Micro Reasons

Management
Change

Product Life
Cycle

End Of
Legal Issues

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Mergers &
Acquisition

Vertical & Horizontal
Integration /
Expansion

Recovery Of
Bad Debts

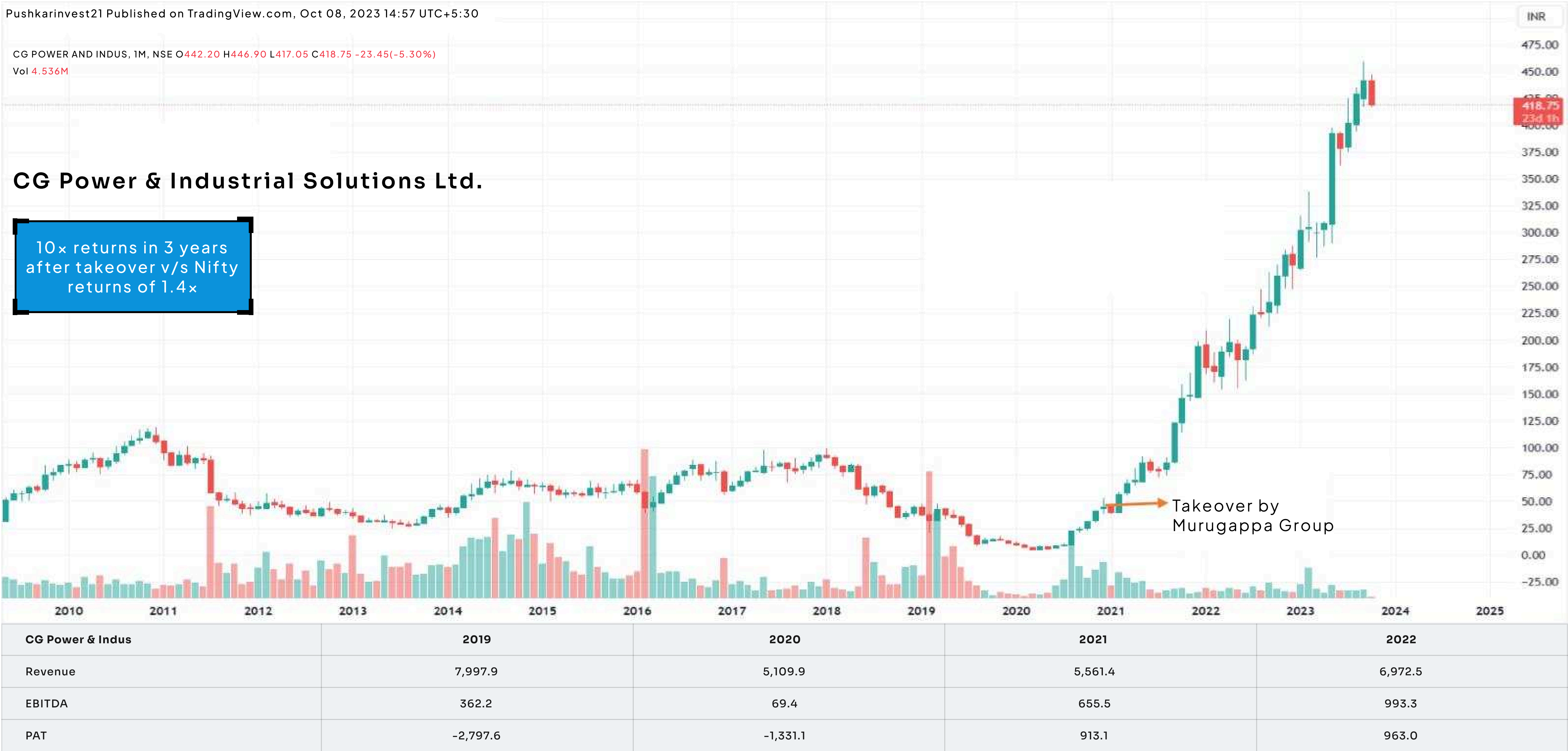
Change in Key Management Person does play an important role!!!



	CAGR(%)	
	2015-20	2020-23
Whirlpool		
Revenue	11%	4%
EBITDA	15%	-18%
PAT	18%	-23%

	CAGR(%)	
	2017-22	
Jubilant FoodWorks		
Revenue	11%	
EBITDA	35%	
PAT	49%	

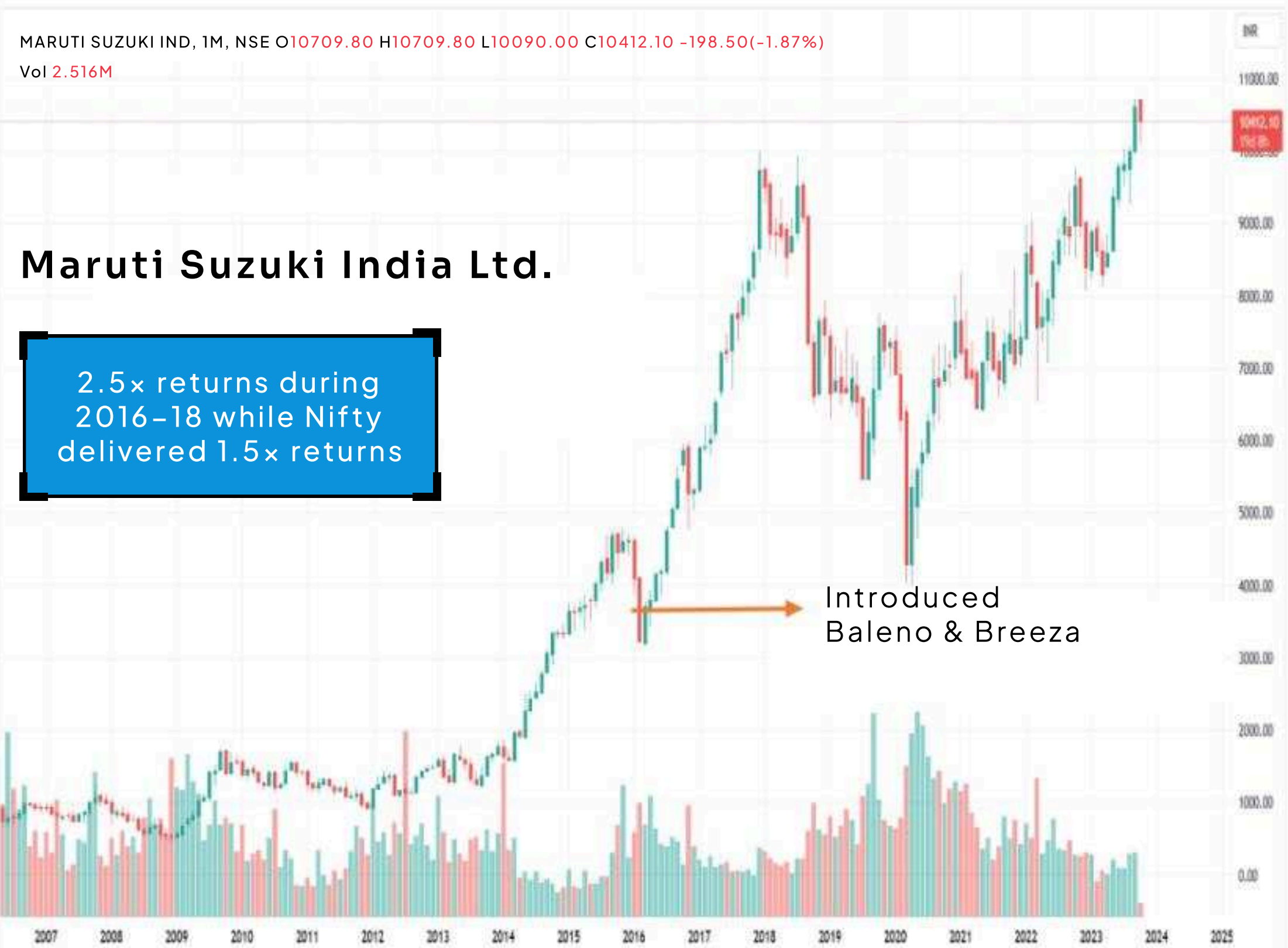
Takeover of CG Power by Murugappa Group did changed Company's fortunes



Enhanced product offerings along with focus on newer technology helped both players garner market share

Ckredence WealthTM
Your Journey to Prosperity

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	CAGR(%)	
	2010-14	2014-18
Maruti		
Revenue	11%	17%
EBITDA	12%	29%
PAT	2%	29%

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	Mar 19'	Mar 20'	Mar 21'	Mar 22'	Mar 23'
Tata Motors					
Untils Sold (In Lakhs)	2.3	1.4	2.2	3.7	5.4
Revenue	15,052	10,772	16,606	31,515	47,868
EBIT Margin%	-9.3	-25.3	-9.5	-2.0	1.0
Market Share	6.3	4.8	8.0	11.4	13.5

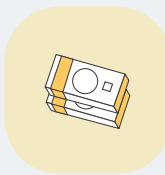
As it is rightly said, market is slave of earnings, objective of the fund is to scout for earnings up cycle where worst seems to be already discounted or is behind. Earnings up cycle generally co-inside with perception change of market participants and hence valuations re-rating. However, valuation re-rating is by-product of earnings up-cycle, so we must not pay too much attention towards it.

Salient Features

Business Cycle Fund



Play on Migration from
Business Headwinds/
Disbelief to Tailwinds/Belief



Stock Count 20 - 35
Stocks



Benchmark Agnostic,
Absolute Return Product
with Low Churn

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Mix of Top Down and
Bottom Up Approach



Market Cap Agnostic
Flexi Cap Fund

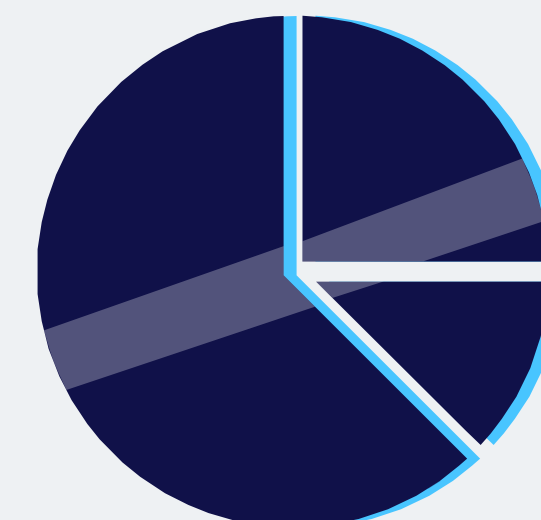


Single Sector Allocation as high
as 40% with focus on 4-6
Sectors

Risk Exposure for Business Cycle Fund



Non – Linear Returns



High Single Sectorial Exposure

Why Us

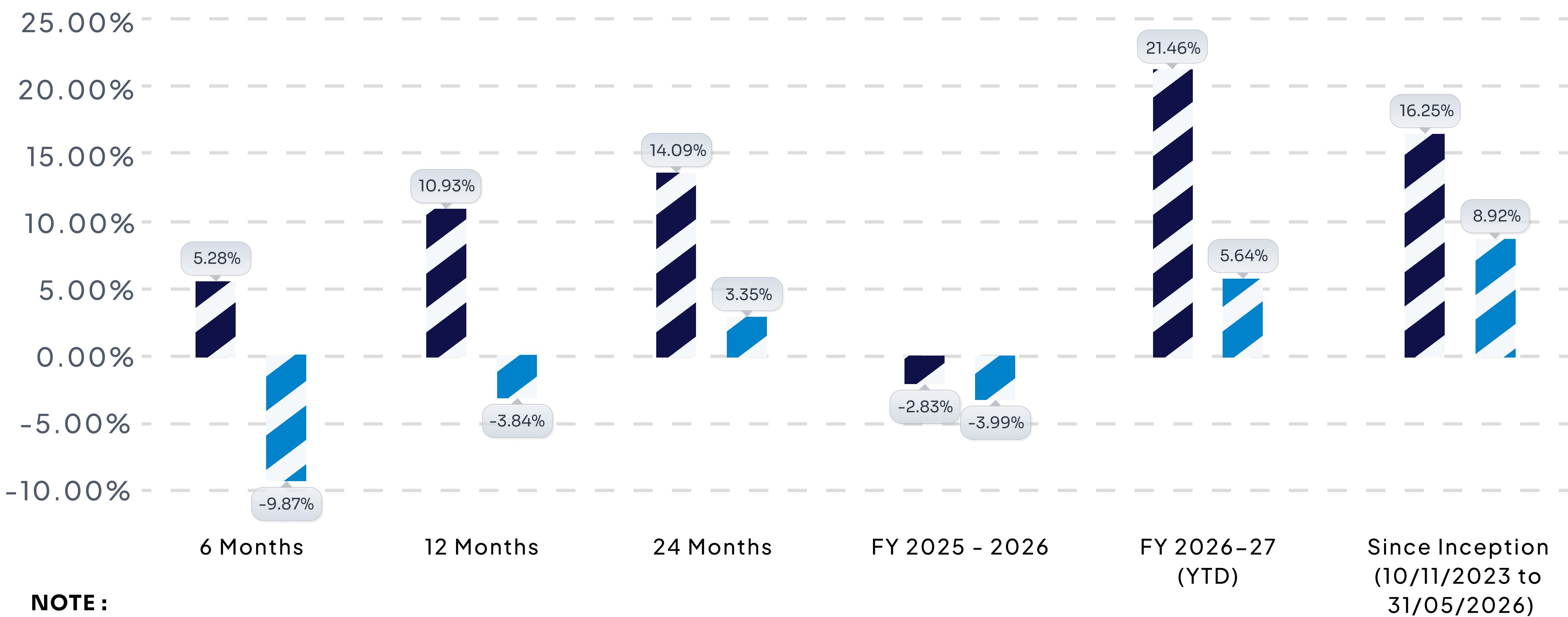


Business Cycle Fund v/s Nifty 50 TRI

Our Portfolio

NIFTY 50 TRI

As On Date : 31.05.2026



NOTE :

- All Portfolio Returns are in TWRR(Annualised).
- Past performance of the portfolio does not indicate the future performance of any of the strategies.
- Returns are after fees and all expenses.
- Performance data provided above is not verified by any regulatory authority/SEBI

Top 10 stocks

Business Cycle Investment Approach

As On Date : 31.05.2026

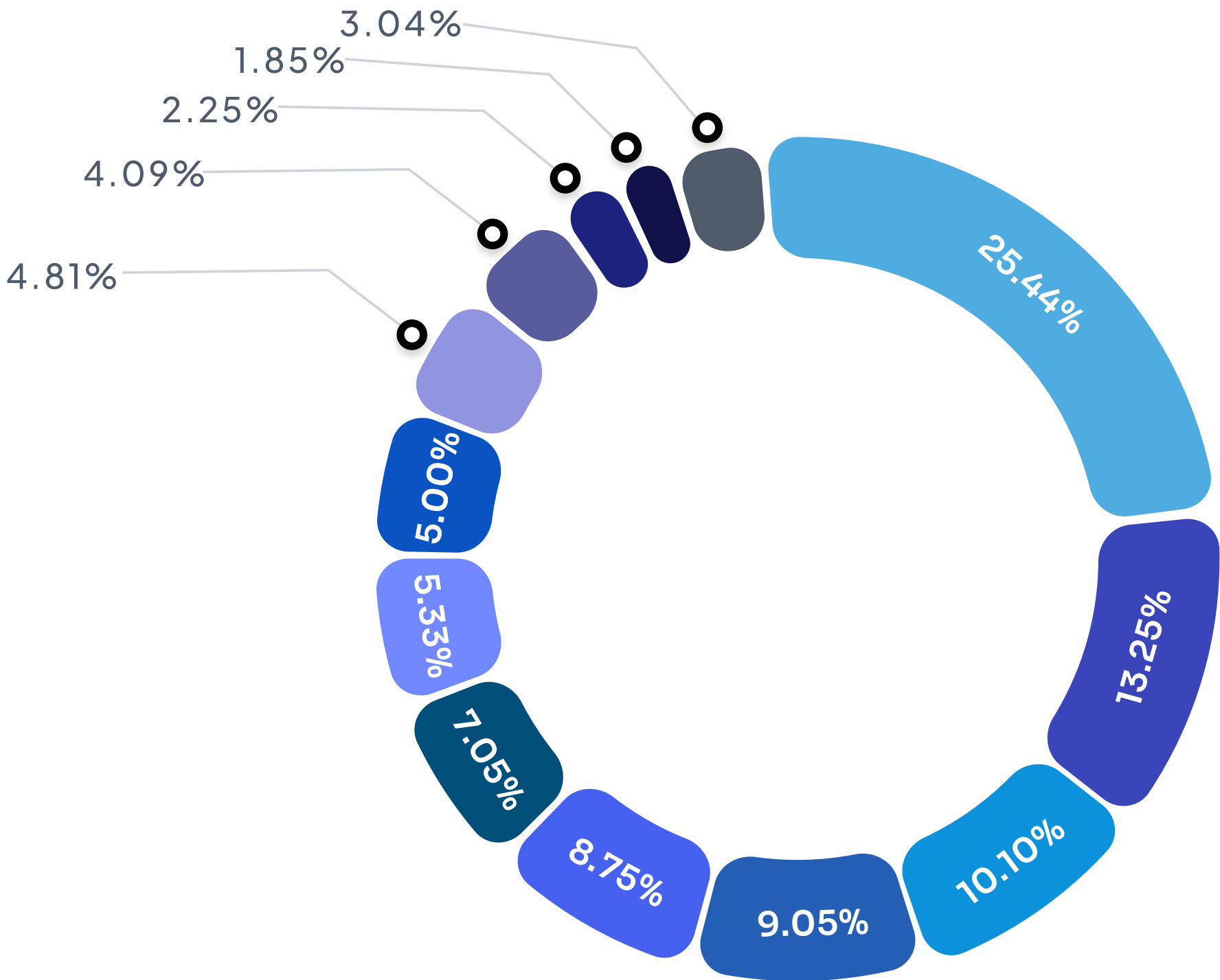
SR.NO	HOLDINGS	Wt (%)	SR.NO	HOLDINGS	Wt (%)
1	Laurus Labs Ltd.	12.60	6	Bajaj Auto Ltd.	3.88
2	Motilal Oswal Nifty Energy Etf	7.05	7	Astra Microwave Products Ltd.	3.60
3	Aditya Birla Sun Life Nifty Healthcare Ltd.	4.22	8	Arvind Ltd.	3.48
4	Cochin Shipyard Ltd.	4.10	9	Nestle India Ltd.	3.43
5	Hindustan Zinc Ltd.	4.08	10	Emcure Pharmaceuticals Ltd.	3.23

The Stock(s)/Sectors) mentioned in this material do not constitute any recommendation of the same and the portfolios/Scheme may or may not have any future positions in these Stock(s) /Sectors). Past Performance may or may not sustain in future.

Sector Allocation

As On Date : 31.05.2026

- Healthcare
- Automobile and Auto Components
- Capital Goods
- Chemicals
- Metals & Mining
- Miscellaneous
- FMCG
- Textiles
- Consumer Durables
- Financial Services
- Oil, Gas & Consumable Fuels
- IT
- Cash On Hand (Liquid)



Portfolio Investment Summary : Business Cycle Investment Approach

CATEGORY	Holdings (%)
LARGE - CAP	27.20
SMALL - CAP	40.41
MID - CAP	29.35
ETF	0.00
Cash On Hand - Liquid Fund	3.04
Total Of All Assets	100.00

Returns generated despite of all odds

Series of FED
Rate Hikes

Multiple State
Elections

Debt-Ceiling
Crisis

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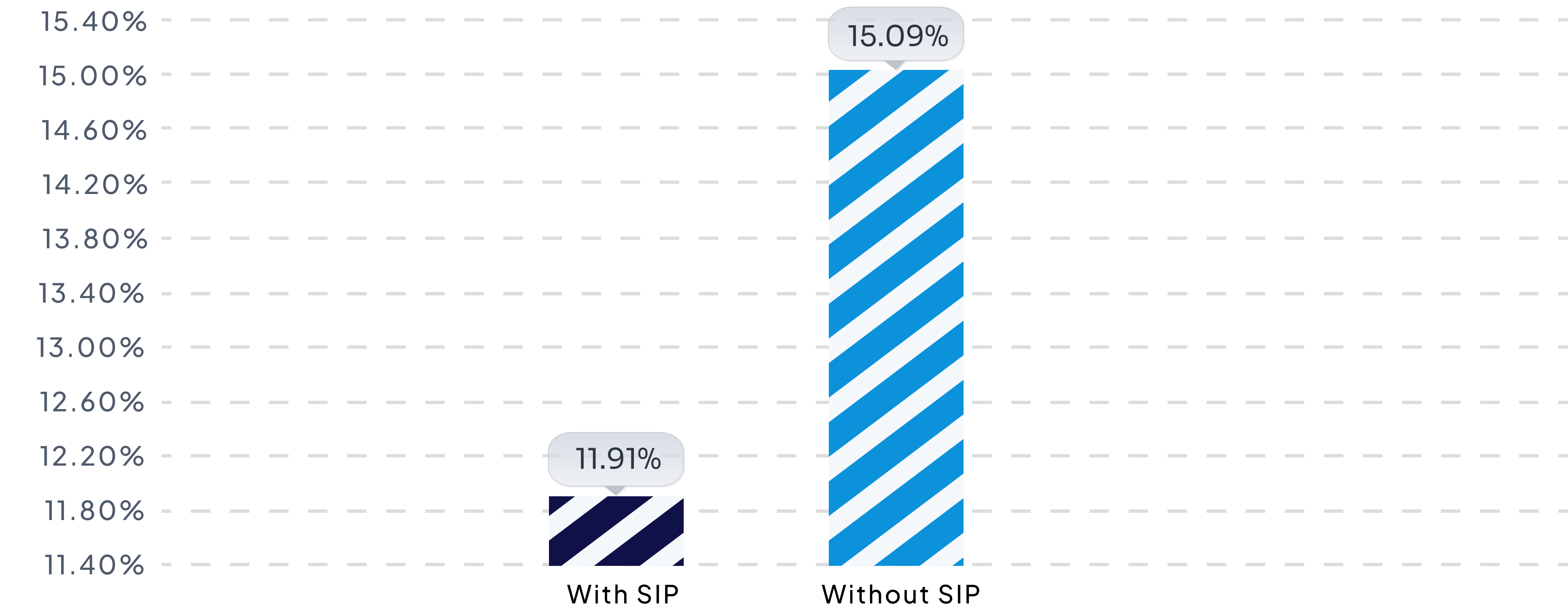
Russia
Ukraine War

Big Chinese Real
Estate Default

Consistency is the KEY!

All Weather CAGR Returns – Since Inception (11/06/21)

- ☒ With SIP
- ☐ Without SIP

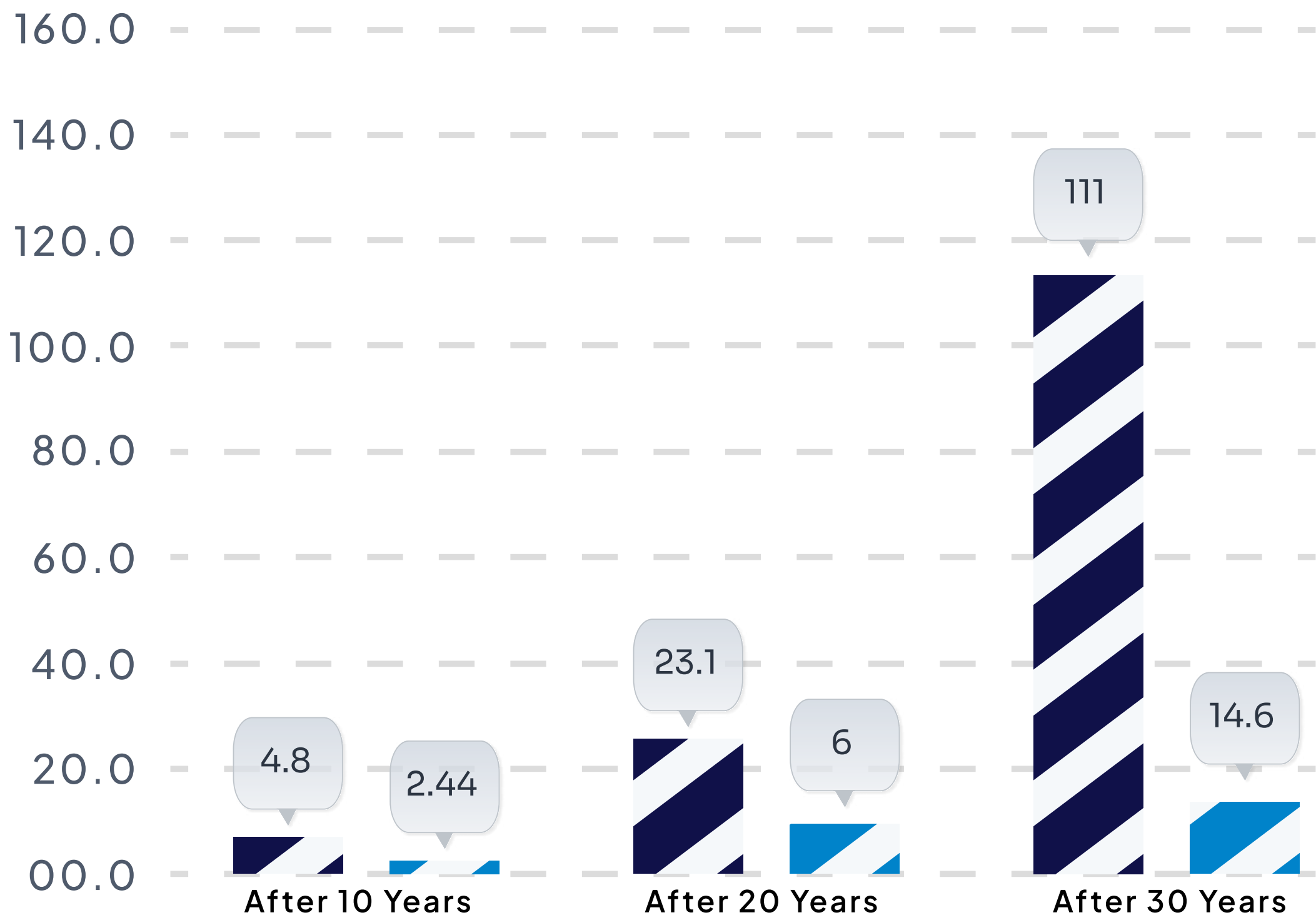


As on 31-05-2026

Dream v/s Reality

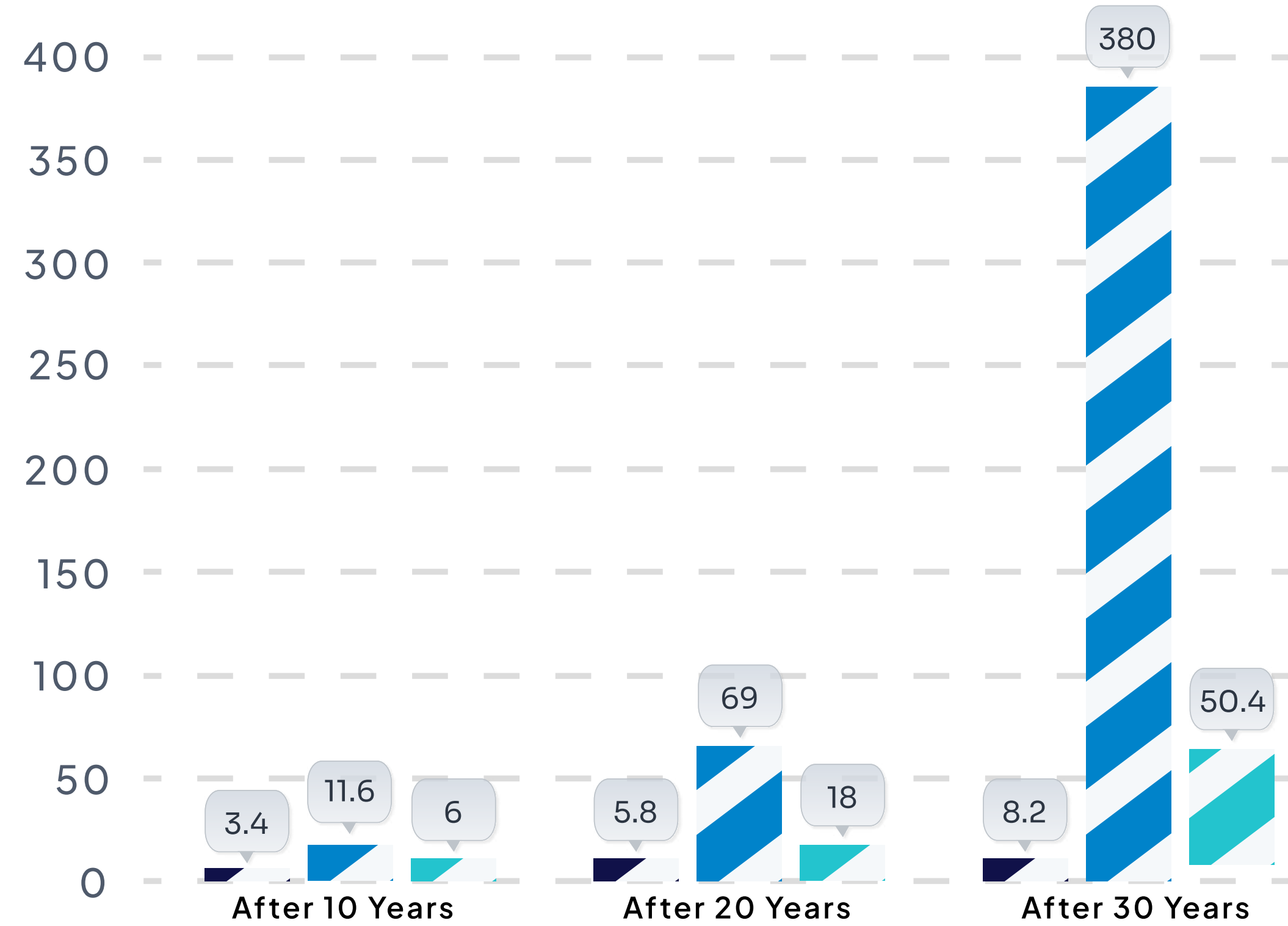
Initial Investment – 1 Cr

☒ Value ☐ Inflation Adjusted



Expected Rate of Return – 17% Expected Inflation – 7%

☒ Amount Invested ☒ Value ☐ Inflation adjusted Value



About Fund Manager

Mr. Kartik Mehta

- /01** He has worked for over 20 years in Indian Equity markets and fund management. To begin with, he has years of experience in Asset Alliance Securities (P) Ltd, Mumbai, later at Sushil Financial Services (P) Ltd, Mumbai. Preceding the success he was employed at Canara Robeco Asset Management Company Limited, Mumbai, and also, at IDFC Asset Management Company Limited, Mumbai. The years of experience justifies his knowledge and expertise.
- /02** Excellent track record of generating superior returns without compromising on risk.
- /03** Believe in keeping fine balance between top-down and bottom-up approach and capturing entire market cap value chain across the sectors.
- /04** Believer of superior earnings (less volatile, better predictable) with higher margin of safety. An engineer with masters in finance.



RISK FACTOR AND DISCLAIMER

Equities as an asset class carry a higher risk in comparison to debt. While risk cannot be totally eliminated, it can be mitigated through a well-designed investment strategy. However, this objective may not be fully achieved due to various reasons such as unfavourable market movements, misjudgement by portfolio manager, adverse political or economic developments etc. Any information contained in this material shall not be deemed to constitute an advice, an offer to sell/purchase or as an invitation to do for security of any entity and Ckredence Wealth Management Pvt Ltd and its employees/directors shall not be liable for any loss, damage, liability what so ever for any director indirect loss arising from the use of this information. All opinions, figures, charts/graphs, estimates and data included in this presentation are as on date and are subject to change without notice. Past performance of the Portfolio Manager does not indicate the future performance of any of the strategies. This or any material is provided to parties that are clients/ potential clients of Ckredence Wealth Management Pvt Ltd. Investments in Securities are subject to market and other risks and there is no assurance or guarantee that the objectives of any of the strategies of the Portfolio Management Services will be achieved. Client has an option to invest with us directly without availing the services of Distributors.

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Depository: National Services Depository Ltd. Custodian – Orbis Financial Corporation Ltd Banker- Indusind Bank Ltd.
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Your Journey to Prosperity

**Need Help?,
Talk to an Expert**

