

# MOTILAL OSWAL MUTUAL FUND

Fact Sheet February 2011



**MOST INNOVATIVE FUND OF THE YEAR**

MOTILAL OSWAL MUTUAL FUND  
**MOST SHARES M50**

(CNBC TV18 - CRISIL Mutual Fund Awards 2011)

**Eligibility Criteria & Methodology:** Motilal Oswal MOST Shares M50 ETF (MOST Shares M50) won the CNBC TV18 - CRISIL Mutual Fund Awards 2011 in the Category – Most Innovative Fund of the Year. In total 13 schemes/plans/themes were eligible for the award universe. Mutual fund schemes/plans/themes launched in 2010 across all categories and nominated by Asset Management Companies to CRISIL were considered for the award. The award is based on CRISIL's assessment of the product concept, marketing and distribution channels, timeliness of launch and mobilization attributable to the scheme. Past performance is no guarantee of future results. Rankings and Award Source: CRISIL Fund Services, CRISIL Ltd.

## Fund Manager Speak

Dear Investors,

Concerns arising out of increasing commodity prices, increasing agricultural commodity prices and increasing crude oil prices driven by political unrest in some oil producing countries influenced the markets. Nervousness around potential rollback of stimulus during the budget also impacted the markets. As a result, markets experienced their second successive negative month with Nifty dropping 3.14% from 5,506 on 31st Jan 2011 to 5,333 as on 28th Feb 2011 and the CNX Midcap index dropping 6.97% from 7,922.5 on 31st Jan 2011 to 7,370.1 as on 28th Feb 2011.

The last day of the month saw the markets greet the Union Budget with guarded optimism as the Hon'ble Finance Minister made no major changes in the tax structure (both direct and indirect) while presenting a stretch target for fiscal consolidation with a fiscal deficit target of 4.6% of GDP for FY12. He stated the intent for implementing reforms on Goods & Services Taxes and Direct Tax Code. These steps are expected to help the markets in the near future. However, oil price rise can play spoilsport as the political situation in oil rich countries is still uncertain.

### Motilal Oswal MOST Shares M50 ETF (MOST Shares M50)

Motilal Oswal MOST Shares M50 ETF (MOST Shares M50) invests in securities in the same proportion as the MOST 50 Basket. The MOST 50 Basket is a fundamentally weighted basket based on S&P CNX Nifty Index (Nifty 50), which invests in all 50 constituents of Nifty 50.

The MOST 50 Basket was impacted by market weakness. During the month, it underperformed Nifty by 2.55% falling by 5.66% from 7,955 to 7,505. The MOST 50 Basket is, currently, overweight 18 companies, with allocation of 67.5% against an allocation of 22.90% by Nifty 50 to these companies. This has contributed to an underperformance of 1.64%. The MOST 50 Basket is underweight on 27 companies, where the allocation is only 29.10% against an allocation of 73.70% by Nifty50. This underweight allocation contributed to an underperformance of 0.91% compared with Nifty.

The overweight positions in power and underweight positions in construction, and pharmaceuticals has helped the performance of the MOST 50 Basket. However, its performance has been impacted by its overweight positions in autos, cement, metals, industrial capital goods along with its underweight positions in consumer non-durables, oil & gas, banks & financial services and telecom services.

IISL has announced that Nifty will undergo changed on 25th March, 2011 when Grasim would be included and Suzlon would be excluded from the Index. MOST Shares M50 will be rebalanced on the same day.

### Motilal Oswal MOST Shares Midcap 100 ETF (MOST Shares M100)

Motilal Oswal MOST Shares Midcap 100 ETF (MOST Shares M100) is an open ended Index Exchange Traded Fund that invests in securities in the same proportion as the CNX Midcap Index. It attempts to deliver returns that correspond (before fee and expenses) to the performance of CNX Midcap Index, subject to tracking error. The CNX Midcap Index is an index developed and maintained by India Index Services & Products Ltd (IISL).

The units of the scheme were allotted to the investors on 31st Jan 2011 at a price of ₹ 7.9225. In conformity with the investment objective, the scheme had invested more than 95% of the corpus of the scheme in the underlying securities of the CNX Midcap Index on 31st Jan 2011. The units of the scheme were listed on the National Stock Exchange of India under the ticker M100 on 4th Feb 2011.

The scheme was impacted by market weakness. Its NAV declined 6.8% from ₹ 7.9268 on 31st Jan 2011 to ₹ 7.3839 as on 28th Feb 2011.

IISL has announced that the CNX Midcap Index also will undergo change on 25th March when ABB Ltd, Oil India Ltd, Opto Circuits Ltd, Power Finance Corporation of India and Suzlon Energy Ltd would be included in the Index and Asian Paints Ltd, Crompton Greaves Ltd, HMT Ltd, Rashtriya Chemicals & Fertilizers Ltd and Shriram Transport Finance Company would be excluded from the index. MOST Shares M100 will be rebalanced on the same day.

- Mr. Rajnish Kumar Rastogi

# MOTILAL OSWAL MUTUAL FUND

# MOST SHARES M50

## An Open Ended Exchange Traded Fund

### NIFTY 50 REMIXED

### About the Scheme

Scheme Name	Motilal Oswal MOST Shares M50 ETF (MOST Shares M50)
Type of Scheme	An open ended Exchange Traded Fund
Investment Objective	The Scheme seeks investment return that corresponds (before fees and expenses) generally to the Performance of the MOST 50 Basket (Underlying Basket), subject to tracking error. However, there can be no assurance or guarantee that the investment objective of the Scheme would be achieved.
Benchmark	MOST 50 Basket and S&P CNX Nifty Index
Continuous Offer	On NSE: Investors can buy/sell units of the Scheme in round lot of 1 unit and in multiples thereof. Directly with the Mutual Fund: Investors can buy/sell units of the Scheme only in creation unit size i.e. 50,000 units and in multiples thereof.

### Scheme Details

Date of Allotment	July 28, 2010	
NAV	₹ 74.1115	
AUM	182.29( ₹crores)	
Tracking Error*	0.57% (Annualised)	
Total Expense Ratio^	1.00% p.a.	
Standard Deviation	0.06 (per month)	
Sharpe Ratio#	-0.21(per month)	
Portfolio Turnover Ratio	0.85	
	with MOST 50	with Nifty 50
Beta	1.00	0.98
R-Squared	1.00	0.96

\*Against the benchmark MOST 50 Basket ^Year-to-date. # Risk free returns based on 365-days T-bill cut-off of 7.6752% , as on the last auction. (Data as on 28 Feb. 2011)

### Performance

	Benchmark		Scheme
	MOST 50 Basket	NIFTY*	M50^
6 month	-5.23%	-1.28%	-6.13%
Since Inception	-3.83%	-1.19%	-5.02%

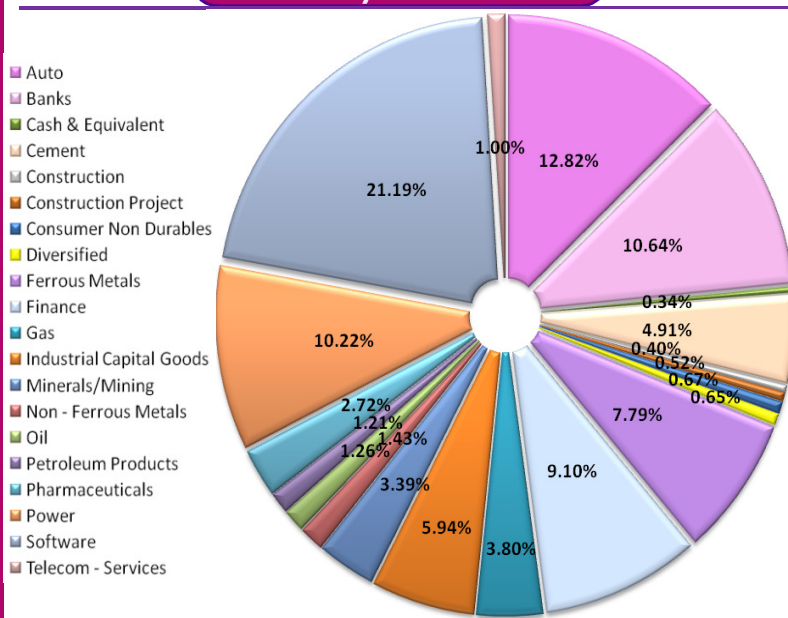
(as on 28 Feb. 2011) Note: Returns shown above are absolute returns. Past performance may or may not be sustained in future. \*S&P CNX Nifty Index ^MOST Shares M50

NSE Symbol	M50	ISIN Code	INF247L01015
Bloomberg Code	MOST M50	Entry Load	N. A.
Reuters Code	M50.NS	Exit Load	NIL

### Fund Manager

Fund Manager	Mr. Rajnish Kumar Rastogi
Experience	He has 14 years of experience in the Financial Services Industry. He has been managing this fund since inception.

### Industry Allocation



(as on 28 Feb. 2011)

### Top 10 Holdings

Sr. No.	Equity	Weightage in M50
1	Infosys Technologies	7.97%
2	Wipro	7.90%
3	Reliance Capital	4.94%
4	Tata Power Co.	4.82%
5	State Bank of India	4.60%
6	Bharat Heavy Electricals	4.58%
7	HCL Technologies	4.47%
8	Tata Motors	4.19%
9	Tata Steel	3.96%
10	Power Grid Corporation of India	3.95%

(as on 28 Feb. 2011)

## About the Scheme

Scheme Name	Motilal Oswal MOST Shares Midcap 100 ETF (MOST Shares M100)
Type of Scheme	An open ended Index Exchange Traded Fund
Investment Objective	The Scheme seeks investment return that corresponds (before fees and expenses) to the performance of CNX Midcap Index (Underlying Index), subject to tracking error. However, there can be no assurance or guarantee that the investment objective of the Scheme would be achieved.
Benchmark	CNX Midcap Index
Continuous Offer	On NSE: Investors can buy/sell units of the Scheme in round lot of 1 unit and in multiples thereof. Directly with the Mutual Fund: Investors can buy/sell units of the Scheme only in creation unit size i.e. 2,50,000 units and in multiples thereafter

## Scheme Details

Date of Allotment	January 31, 2011		
NAV	₹ 7.3838		
AUM	125.11 (₹crores)		
(Data as on 28 Feb. 2011)			
NSE Symbol	M100	ISIN Code	INF247L01023
Bloomberg Code	MOST M100	Entry Load	N. A.
Reuters Code	M100.NS	Exit Load	NIL

## Performance

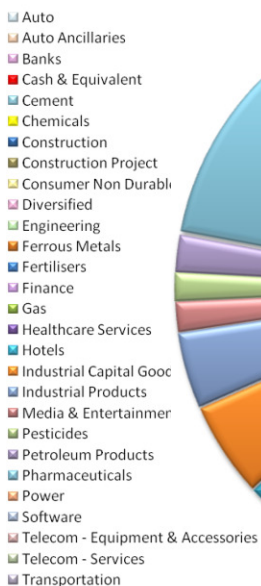
	Benchmark	Scheme
	CNX Midcap Index	M100^
Since Inception	-6.97%	-6.80%

(as on 28 Feb. 2011) Note: Returns shown above are absolute returns. **Past performance may or may not be sustained in future.** ^MOST Shares M100

## Fund Manager

Fund Manager	Mr. Rajnish Kumar Rastogi
Experience	He has 14 years of experience in the Financial Services Industry. He has been managing this fund since inception.

## Industry Allocation



(as on 28 Feb. 2011)

## Top 10 Holdings

Sr. No.	Equity	Weightage in M100
1	Asian Paints	3.69%
2	Shriram Transport Finance Co.	3.33%
3	Crompton Greaves	3.11%
4	UltraTech Cement	3.05%
5	Lupin	3.03%
6	Union Bank of India	2.37%
7	Titan Industries	2.31%
8	Cummins India	2.12%
9	Exide Industries	2.11%
10	Yes Bank	2.04%

(as on 28 Feb. 2011)

## Risk Disclosure and Disclaimer

**Statutory Details:** Constitution: Motilal Oswal Mutual Fund has been set up as a trust under the Indian Trust Act, 1882. Trustee: Motilal Oswal Trustee Company Ltd. Investment Manager: Motilal Oswal Asset Management Company Ltd. Sponsor: Motilal Oswal Securities Ltd.

**Risk Factors:** (1) All Mutual Funds and securities investments are subject to market risks and there can be no assurance that the Scheme's objectives will be achieved (2) As the price / value / interest rates of the securities in which the Scheme invests fluctuates, the Net Asset Value (NAV) of units issued under the Scheme may go up or down depending upon the factors and forces affecting the securities market (3) Past performance of the Sponsor/AMC/Mutual Fund and its affiliates does not indicate the future performance of the Scheme and may not provide a basis of comparison with other investments (4) Motilal Oswal MOST Shares M50 ETF (MOST Shares M50) and Motilal Oswal MOST Shares Midcap 100 ETF (MOST Shares M100) are the name of the Schemes and does not in any manner indicate either the quality of the Schemes, its future prospects and returns. Investors are therefore urged to study the terms of offer carefully and consult their Investment Advisor before they invest in the Scheme (5) The Sponsor is not responsible or liable for any loss or shortfall resulting from the operation of the Mutual Fund beyond the initial contribution made by it of an amount of Rs. 1 Lac towards setting up of the Mutual Fund (6) The present Schemes are not guaranteed or assured return Schemes. Please read the Scheme Information Document (SID) and Statement of Additional Information (SAI) carefully before investing.