

# MOTILAL OSWAL MUTUAL FUND

# MOST SHARES M50

## An Open Ended Exchange Traded Fund

NIFTY 50 REMIXED

### Fact Sheet November 2010

Dear Investors,

### Fund Manager Speak

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. It attempts to deliver superior investment performance by trying to allocate more capital to companies which are expected to deliver relatively stronger returns and less capital to companies which are expected to deliver relatively poorer returns.

During the month of November, the markets were volatile. Strong capital inflows in the first half of the month drove the markets up from 6,017 on 29th Oct to 6,300 as on 9th November 2010 i.e. by approximately 4.70%. However the uncertainty created by, first the "2G scam" and later the scam in the financial services sector, lead to the markets falling to 5,750 on 26th November 2010 i.e. by approximately 8.80 % but finally closed the month at 5,863 as on 30th November 2010. During this month, Bharti Airtel, Dr Reddy's Laboratories and Tata Motors moved up 10.60%, 7.70% and 6.60% respectively while Reliance Communication Ltd, Reliance Capital and Reliance Infrastructure declined by 27%, 20% and 18.50% respectively. The MOST 50 Basket performed in line with the market movements and moved up from 8,691 on 29th October to 9,099 on 9th November but thereafter fell to 8,215 on 26th November and finally closed at 8,370 on 30th Nov 2010, an underperformance of 1.11% compared to Nifty.

The MOST 50 Basket is, currently, overweight 18 companies, with allocation of 68% against an allocation of 22% by Nifty50 to these companies. This has contributed to an under-performance of 1.37% out of which 1.20% of underperformance has been contributed by the MOST 50 Basket's overweight position in Reliance Capital alone. The MOST 50 Basket is underweight on 27 companies, where the allocation is only 28.90% against an allocation of 74.80% by Nifty50. This underweight allocation also has contributed to an out-performance of 0.24% compared to the Nifty50 index. The overweight positions in Autos (Tata Motors, Bajaj Auto and Mahindra & Mahindra), and Gas (GAIL) and underweight positions in Oil (Reliance) has helped the performance of the MOST 50 Basket. However, its performance has been impacted by its overweight positions in Financial Services (Reliance Capital), Cement (J.P. Associates), Power (Tata Power and Power Grid) and Capital Goods (BHEL) along with its underweight positions in Telecoms (Bharti Airtel) and Oil (Reliance).

Uncertainty around global recovery, especially recovery of European economies, has increased. This has led to European Central Banks and the US Fed continuing their policies of quantitative easing and providing financial bail-out packages to the troubled economies. This uncertainty is expected to remain in the near future and will lead to volatility in capital inflows into emerging economies including India. On the domestic front, Indian economy recorded GDP growth of 8.90% in the September quarter with strong contribution by agriculture, services and manufacturing. Given the strong monsoons this year, agricultural sector is expected to show strong growth in the remaining period of this year. This along with strong GDP growth in the first two quarters of this year will go a long way in meeting the full year GDP growth targets of 8.50-9%. This strong economic growth coupled with corporate revenue growth is expected to help offset the volatility of capital inflows.

### Performance

	Benchmark		Scheme
	MOST 50 Basket	NIFTY*	M50^
Since Inception	7.27 %	8.62 %	6.15 %

(as on 30th November 2010) 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

### 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.

### 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. 50000 units and in multiples thereof.

### Scheme Details

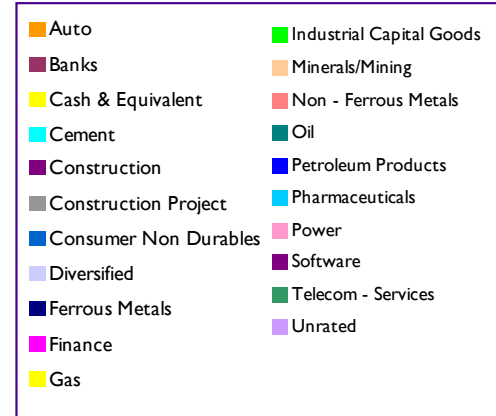
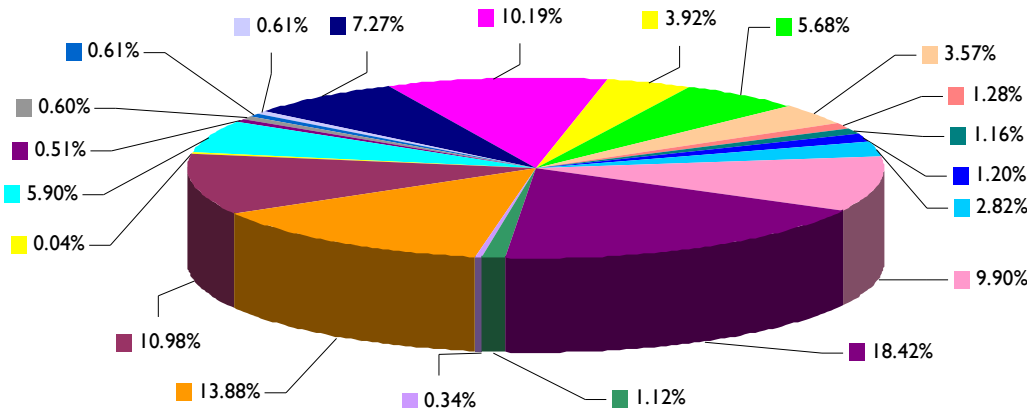
Date of Allotment	July 28, 2010	
NAV	₹ 82.8257	
AUM	279.51 (₹crores)	
Tracking Error*	0.64% (Annualised)	
Total Expense Ratio^	1.00% p.a.	
Standard Deviation	0.05 (per month)	
Sharpe Ratio#	0.15 (per month)	
Portfolio Turnover Ratio	0.53	
	with MOST 50	with Nifty 50
Beta	1.01	0.95
R-Squared	1.00	0.97

\*Against the benchmark MOST 50 Basket ^Year-to-date. # Risk free returns based on 365-days T-bill cut-off of 7.2009%, as on the last auction. (Data as on 30th Nov. 2010)

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

## Industry Allocation

(as on 30th Nov. 2010)



## Portfolio Holdings

(as on 30th Nov. 2010)

Equity	Weightage in M50	Weightage in Nifty50	Equity	Weightage in M50	Weightage in Nifty50	Equity	Weightage in M50	Weightage in Nifty50
ACC	0.63%	0.57%	ICICI Bank	3.91%	7.55%	Reliance Infrastructure	0.50%	0.68%
Ambuja Cements	0.64%	0.66%	Infosys Technologies	7.26%	8.47%	Reliance Power	0.63%	0.51%
Axis Bank	0.56%	2.01%	IDFC	0.58%	1.14%	Sesa Goa	3.57%	0.67%
Bajaj Auto	4.08%	1.23%	ITC	0.61%	5.22%	Siemens	0.59%	0.67%
Bharat Heavy Electricals	4.51%	2.01%	Jaiprakash Associates	4.63%	0.73%	State Bank of India	4.69%	4.44%
Bharat Petroleum Corpn.	0.57%	0.50%	Jindal Steel & Power	0.57%	1.42%	Steel Authority of India	3.28%	0.60%
Bharti Airtel	0.62%	2.53%	Kotak Mahindra Bank	0.64%	0.96%	Sterlite Industries ( India )	0.61%	1.47%
Cairn India	0.60%	0.78%	Larsen & Toubro	0.60%	5.96%	Sun Pharmaceuticals Ind.	0.70%	0.97%
Cipla	0.68%	1.00%	Mahindra & Mahindra	4.21%	1.95%	Suzlon Energy	0.58%	0.20%
DLF	0.51%	0.64%	Maruti Suzuki India	0.63%	1.08%	Tata Consultancy Services	0.74%	3.15%
Dr. Reddy's Laboratories	0.79%	1.29%	NTPC	0.54%	1.35%	Tata Motors	4.28%	2.31%
GAIL (India)	3.92%	1.27%	Oil & Natural Gas Corpn.	0.56%	2.42%	Tata Power Co.	4.84%	1.21%
HCL Technologies	3.65%	0.55%	Power Grid Corpn.	3.39%	0.31%	Tata Steel	3.42%	2.05%
HDFC Bank	0.58%	4.67%	Punjab National Bank	0.60%	0.93%	Wipro	6.77%	1.22%
Hero Honda Motors	0.68%	1.09%	Ranbaxy Laboratories	0.65%	0.50%			
Hindalco Industries	0.67%	1.55%	Reliance Capital	6.04%	0.42%	<b>Fixed Deposit</b>	0.34%	-
Hindustan Unilever	0.61%	1.80%	Reliance Communications	0.50%	0.51%	<b>Cash</b>	0.04%	-
HDFC	3.57%	5.12%	Reliance Industries	0.63%	9.61%	<b>Grand Total</b>	<b>100.00%</b>	<b>100.00%</b>

### 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) is the name of the Scheme and does not in any manner indicate either the quality of the Scheme, 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 ₹ 1 Lac towards setting up of the Mutual Fund. (6) The present scheme is not a guaranteed or assured return scheme. Please read the Scheme Information Document (SID) and Statement of Additional Information (SAI) carefully before investing.

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