

E&R India Quality Top 40™

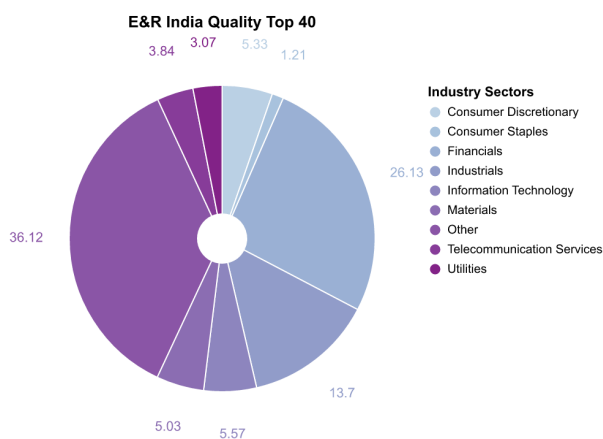
Inception date January 2020

Description

This model has been created to improve the statistical and scientific design flaws of the market capitalization methodology used in the benchmark, which is concentrated and weight obsessive. Unlike market capitalization methodology, which is risk-increasing and return-reducing due to its concentration, the 3N methodology developed by AlphaBlock is designed to deliver higher risk-weighted excess returns while maintaining low tracking error versus the respective benchmark.

1.Exceptional & Rich India Quality Top 40

1.1. Sector Breakdown (percentage)

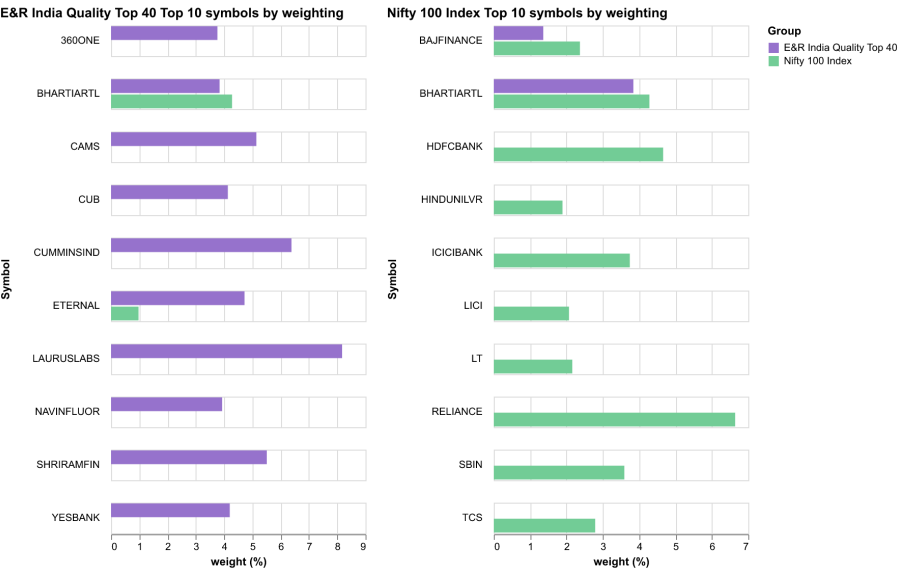


1.2. Top 10 Components

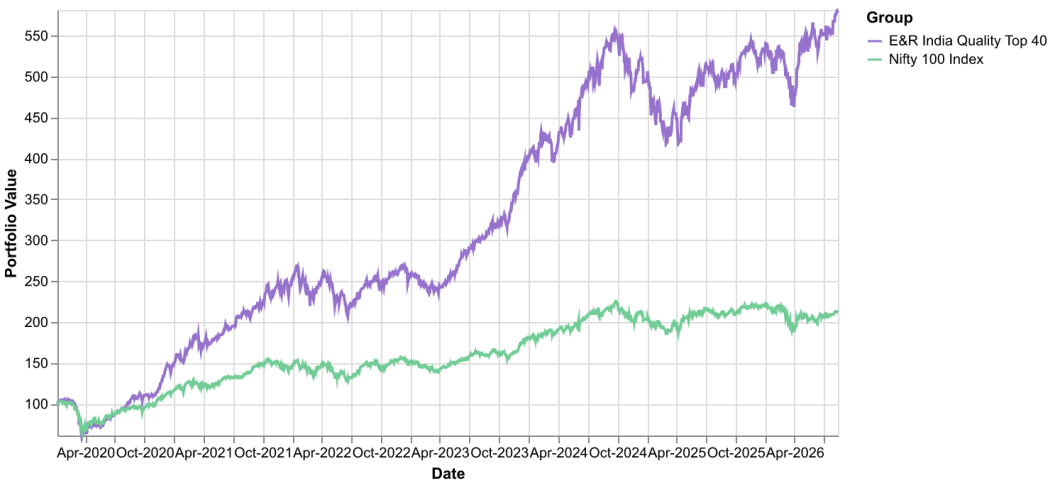
Nr./Symbol	Name	Current Price	P&L(%)	E&R India Quality Top 40 Proportion(%)
1 LAURUSLABS	Laurus Labs Ltd	1860.00	66.88	8.17
2 CUMMINSIND	Cummins	5375.90	30.20	6.38
3 SHRIRAMFIN	Shriram Transp	1127.00	12.48	5.51
4 CAMS	Computer Age Management Services Limited	787.00	5.02	5.14
5 ETERNAL	Eternal Limited	316.75	51.01	4.72
6 YESBANK	Yes Bank	22.65	34.34	4.20
7 CUB	City Union Bk	213.85	85.75	4.13
8 NAVINFLUOR	Navin Fluorine International Limited	8169.00	123.23	3.93
9 BHARTIARTL	Bharti Airtel Ltd	1919.00	-5.59	3.84
10 360ONE	360 ONE WAM LIMITED	1155.00	-7.56	3.76

*In case components hit maximum weight constraints they are rebalanced back to lower inception weights.

1.3. Top 10 Comparisons



1.4. Performance Plot Since January 2020

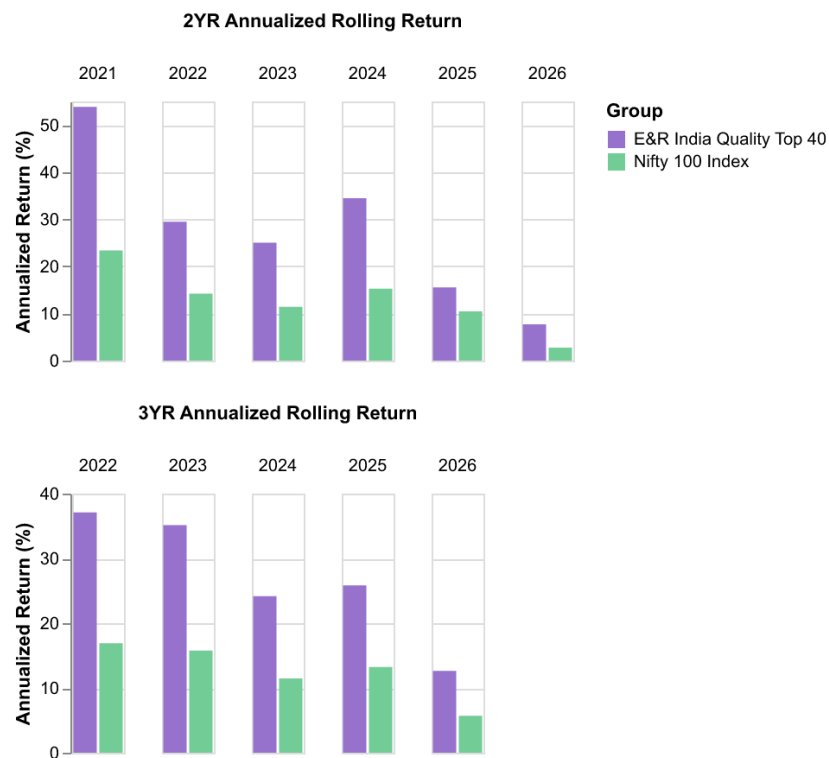


1.5. Performance Metrics

The table illustrates the performance across various parameters. The Performance (%) of Portfolio from different starting points, Current portfolio value of the funds invested at inception, Annualized (%) Returns, Annualized Standard Deviation (%), Average Tracking Error (%) and Average Information Ratio (%).

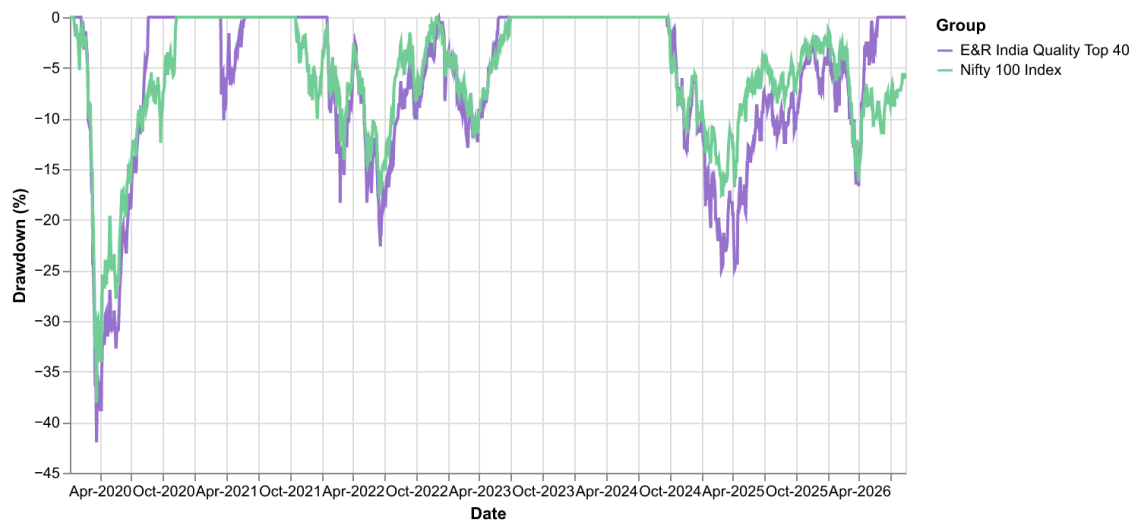
	NAME	E&R India Quality Top 40	Nifty 100 Index
1	Performance (%) since January 2021	286.90	81.86
2	Performance (%) since January 2023	123.84	39.77
3	Performance (%) since January 2026	8.53	-3.99
4	Current Portfolio Value (Invested in January 2020)	581.47	211.94
5	Annualized (%) Return (Since January 2020)	30.54	12.04
6	Annualized Std. Deviation (%)	21.40	17.45
7	Average Tracking Error (%)	11.00	-
8	Average Information Ratio	1.47	-

1.6. Annualized Rolling Return



1.7. Drawdown Analysis

A daily time series plot illustrating drawdowns of more than 10% from peak equity.



Portfolio Drawdowns						Benchmark Drawdowns						
Nr./Portfolio Drawdowns (%)	Start date	End date	Maximum (%)	Days		Nr./Benchmark Drawdowns (%)	Start date	End date	Maximum (%)	Days		
1	-	7-Feb-20	21-Aug-20	-42.01	196		1	-	17-Jan-20	9-Nov-20	-38.10	297
2	-	16-Mar-21	26-May-21	-10.18	71		2	-	18-Oct-21	29-Nov-22	-17.56	407
3	-	5-Dec-22	29-May-23	-22.64	175		3	-	1-Dec-22	30-Jun-23	-11.48	211
4	-	23-Sep-24	26-May-26	-24.93	610		4	-	26-Sep-24	13-Aug-26	-17.53	686

Bibliography

- [1] Matia, Kaushik and Pal, Mukul and Stanley, H. Eugene and Salunkay, H., Scale-Dependent Price Fluctuations for the Indian Stock Market. EuroPhysics Letters, Aug 2003
- [2] M. Pal, M. Shah, A. Mitroi, Temporal Changes in Shiller's Exuberance Data, SSRN, Feb 2011
- [3] M. Pal, Mean Reversion Framework, SSRN, May 2015
- [4] M. Pal, Markov and the Mean Reversion Framework, SSRN, May 2015
- [5] M. Pal, Momentum and Reversion, Aug 2015
- [6] M. Pal, What is Value, SSRN, Sep 2015
- [7] M. Pal, M. Ferent, Stock Market Stationarity, SSRN, Sep 2015
- [8] M. Pal, Reversion Diversion Hypothesis, SSRN, Nov 2015
- [9] M. Pal, How Physics Solved your wealth problem, SSRN, Oct 2016
- [10] M. Pal, Human AI, SSRN, Jul 2017
- [11] M. Pal, The Size Proxy, Aug 2017
- [12] M. Pal, The Beta Maths, SSRN, Mar 2017
- [13] Maureen, O. Bhattacharya, A. ETFs and Systematic Risk. CFA Research Institute, Jan 2020
- [14] M. Pal, [3N] model of life, SSRN, Apr 2021
- [15] M. Pal, The S&P 500 Myth, SSRN, Jul 2022
- [16] M. Pal, The Snowball Effect, SSRN, Jul 2022
- [17] M. Pal, Mechanisms of Psychology, SSRN, Jun 2022
- [18] M. Pal, The [3N] model of life, SSRN, Feb 2023
- [19] M. Pal, R. Fenesi, O.D. Cigan, A.G. Berciu, R.C. Tiric, F. Pal, D. Todor, E.H. Dulf, Revolutionizing Active Investing With Machine Learning, SSRN, Jan 2024
- [20] M. Pal, R.C. Tiric, F. Pal, Machine Beta, Statistical Factors, Non-Linear Mechanisms And The [3N] Methodology, SSRN, Jan 2024



This product is driven by AlphaBlock Research:

Mukul Pal

mukul@alphablock.org

Florina Pal

florina@alphablock.org

Bianca Bradea

bianca.bradea@alphablock.org

Ciprian Tiric

ciprian.tiric@alphablock.org

Oliviu Cigan

oliviu.cigan@alphablock.org

CONFIDENTIALITY NOTICE: The information contained in this communication is intended solely for the use of the individual or entity to whom it is addressed and others authorized to receive it. It may contain confidential or legally privileged information. If you are not the intended recipient you are hereby notified that any disclosure, copying, distribution or taking any action in reliance on the contents of this information is strictly prohibited and may be unlawful. If you have received this communication in error, please notify us immediately by responding to this email and then delete it from your system. We are neither liable for the proper and complete transmission of the information contained in this communication nor for any delay in its receipt.



alphablock



241 Renforth Drive, Toronto, M9C 2K8, Ontario, Canada



contact@alphablock.org