



PivotalFlowTM Financial

FINANCIAL WELLNESS

Smart Investing Solutions

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"Our job is to offer you, as a client, a service of the highest possible standard delivered by high caliber people with passion, experience and diligence."

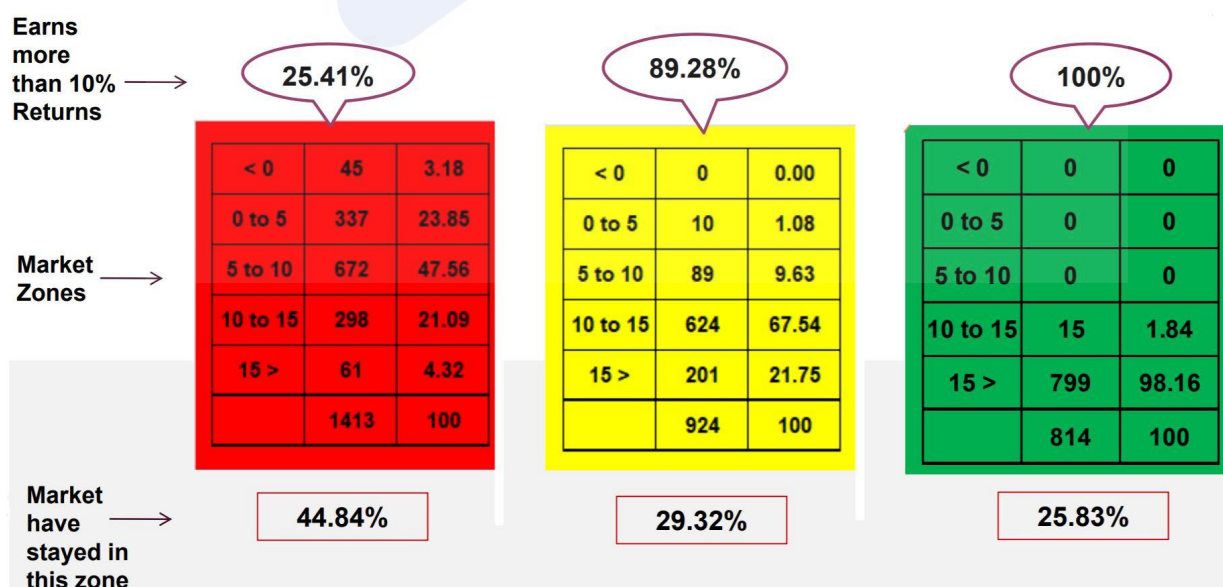
- Nikhil Khatiwala (Certified Financial Planner^{CM})

Smart Investing Solutions

This is an algo based profit booking strategy based on certain market valuation parameters like Index P/E ratio, P/B ratio and many others. These strategies are thoroughly back tested. The aim is to help our investors hold on to their financial gains and devise an exit strategy when markets seems to be overvalued and re-enter under favorable conditions.

We focus on getting our clients risk adjusted optimum returns rather than maximum returns and that is possible by protecting notional profits and converting that into downside protection strategy

Return Potential under various market conditions



Invest and Dis-invest at the right valuation is our mantra of **Smart Investing**.



Increase Equity Exposure in Cheap Market Valuations

Buy & Hold			
From 01-04-2010 to			
Scheme	31-01-2020 Peak	23-03-2020 Through	31-05-2020 Recovery
Sensex	8.70%	3.79%	6%
I Pru Bluechip	11.93%	6.93%	9.33%
I Pru Mid Cap	11.73%	6.22%	7.89%
I Pru Small Cap	11.13%	5.52%	6.44%
I Pru Multi Cap	11.21%	5.99%	8.09%

Normal Buy & Hold Investing Strategy

Smart Investing			
From 01-04-2010 to			
Scheme	31-01-2020 Peak	23-03-2020 Through	31-05-2020 Recovery
Sensex			
I Pru Bluechip	13.15%	9.55%	11.25%
I Pru Mid Cap	17.55%	13.75%	15.43%
I Pru Small Cap	13.39%	9.78%	11.48%
I Pru Multi Cap	14.74%	11.06%	12.76%

Smart Investing Strategy →

Normal Buy and Hold Strategy VS Smart Investing

Investment Zones and Types of Funds

We've divided the Algo Number into 3 different zones

Green Zone - Invest in Equity Funds

Yellow Zone - Invest in Equity Funds

Red Zone - Invest in Liquid or Equity Asset Allocation Funds

ALGO Bands, Investment Triggers and Investment Zones

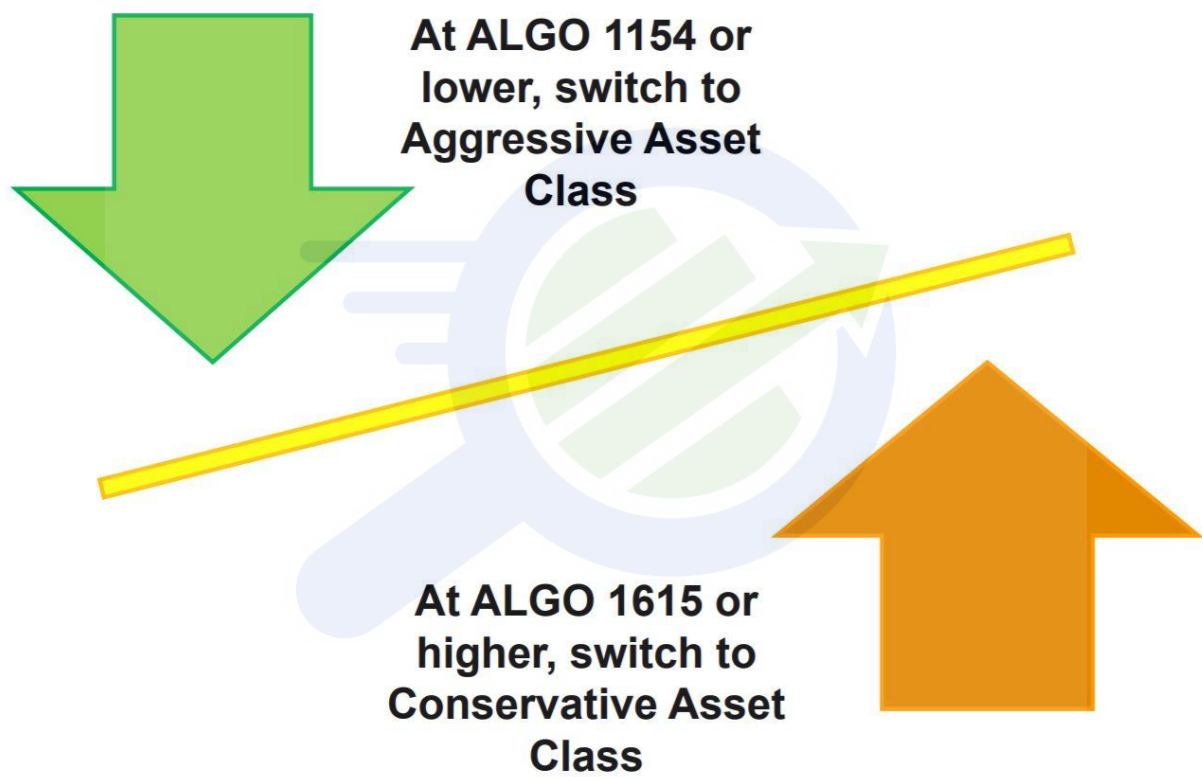
ALGO			Investment Zone
From	To	Equity Allocation (in %)*	
0	922	100	← Green
923	1038	90	
1039	1153	80	
1154	1268	70	← Yellow
1269	1383	60	
1384	1499	50	
1500	1614	40	
1615	1729	30	← Red
1730	1844	20	
1845	+	0	

Triggers

Fund Types and its Asset Allocation

Equity Fund			
Type of Security*	Maximum	Minimum	Risk Profile
Equity and other equity related instruments.	100%	80%	Medium-High
Debt, Units of Mutual Fund schemes, Money market instruments, Cash & Cash Equivalents	20%	0%	Low-Medium
Asset Allocation Fund / Dynamic Asset Allocation Fund / Balanced Advantage Fund			
Equity and equity derivatives (equity hedged exposure)	100%	0%	High
Debt securities , Gold*, Money Market	100%	0%	Low-Medium

Switch between Conservative to Aggressive Asset Class and vice versa



Smart Investing in SIP

We select two schemes from the same Fund House, as given below

1. Asset Allocation or Debt Fund
2. Equity Fund

Now, when we are

1. **Red Zone** - Investment in Asset Allocation or Debt Fund
2. **Yellow Zone** - Investment in Equity Fund
3. **Green Zone** - Investment in Equity Fund

Further, when the Algo moves from Red Zone to Green Zone and vice versa, we also switch all units in underlying category as below

1. **Red to Green** - Switch all units from Asset Allocation or Debt Funds to 100% Equity Funds
2. **Green to Red** - Switch all units from 100% Equity Funds to Asset Allocation or Debt Funds.

NIFTY 50						
Strategy	SIP Value Rs. 23.10 lacs		SIP Value Rs. 14.70 lacs		SIP Value Rs. 3.40 lacs	
	01-04-2001 to 31-03-2020	% CAGR	01-01-2008 to 31-03-2020	% CAGR	01-07-2017 to 31-03-2020	% CAGR
SIP Karo Bhool Jao	59.52	9.25%	19.06	4.13%	2.61	-18.64%
Exit Strategy SIP	112.00	14.85%	25.91	8.84%	3.25	-3.29%
NIFTY Mid Cap 100						
Strategy	SIP Value Rs. 23.10 lacs		SIP Value Rs. 14.70 lacs		SIP Value Rs. 3.40 lacs	
	01-04-2001 to 31-03-2020	% CAGR	01-01-2008 to 31-03-2020	% CAGR	01-07-2017 to 31-03-2020	% CAGR
SIP Karo Bhool Jao	78.00	11.38%	18.96	4.05%	2.25	-27.84%
Exit Strategy SIP	262.00	21.62%	37.50	14.33%	3.33	-1.42%

Smart Investing in STP

Value STP is basically transferring from core scheme such as Liquid Funds to either 100% Equity or Asset Allocation Funds based on the functioning of the Algo with increasing or decreasing switch amounts.

Now, when we are

1. **Red Zone** - 1X
2. **Yellow Zone** - 3X
3. **Green Zone** - 5X

X : STP amount per month

Period : 60 Months

Red to Green - Switch all units from Asset Allocation or Debt Funds to 100% Equity Funds

Green to Red - Switch all units from 100% Equity Funds to Asset Allocation or Debt Funds.

1X – 3X – 5X Formula – Which schemes and what amount in which bands?

	From	To	Equity Allocation (in %)*
5X STP in Equity →	0	922	100
	923	1038	90
	1039	1153	80
3X STP in Equity →	1154	1268	70
	1269	1383	60
	1384	1499	50
	1500	1614	40
	1615	1729	30
1X STP in DAAF ←	1730	1844	20
	1845	+	0

DAAF = Dynamic Asset Allocation Fund like BAF or Dynamic

Regular STP Over 1 Year v/s Value STP Over 5 Years

The following is an example STP From 01-Jan-15 to 29-May-20

Core Scheme (lump sum investment)		If Switch to Asset Allocation (According to Algo)		If Switch to Equity (According to Algo)		
ICICI Pru Equity Savings		ICICI Prudential Balanced Advantage Fund		ICICI Prudential Large & Mid Cap Fund		
Initial Investment Rs. 60 Lacs	ICICI Pru Equity Savings Fund	ICICI Pru Large & Mid Cap Fund	ICICI Pru Balanced Advantage Fund	Value As On 28-Feb-20	Strategy Outperformance (v/s Value STP)	Returns (CAGR)
Only STP	6.92 Lacs	62.32 Lacs		69.24 Lacs	16.32 Lacs	2.68%
Value STP			85.56 Lacs	85.56 Lacs		6.77%

As you can see if you did a normal STP (60 Lacs) you would have made Rs. 69.24 Lacs whereas in our strategy you would have made Rs. 85.56 Lacs, an out performance of approx. 16.32 Lacs





PivotalFlowTM Financial

To Invest

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A venture of Renuka Investments

*Thank
you!*