

INTRODUCING

 Nj ASSET
MANAGEMENT



Factor Investing

OLYMPIAD

A Competitive Edge on **FACTORS**

Momentum Factor

Low Volatility Factor

Value Factor

Quality Factor

Multi-Factor





ONE OF INDIA'S LARGEST MUTUAL FUND DISTRIBUTOR

A BUSINESS BUILT ON TRUST

“To reach new heights, the foundation has to be strong.”

Our mission is to transform the lives of people across India by ensuring their financial well-being. With a humble beginning in 1994, we are privileged today to impact the lives of countless families. A reputed name in the financial services industry, NJ Group today is expanding its horizons into diverse businesses.

We are driven with the passion for transforming lives, and we value trust above everything.

We are **BUILT ON TRUST**.



Started in
1994



Employees
1800+

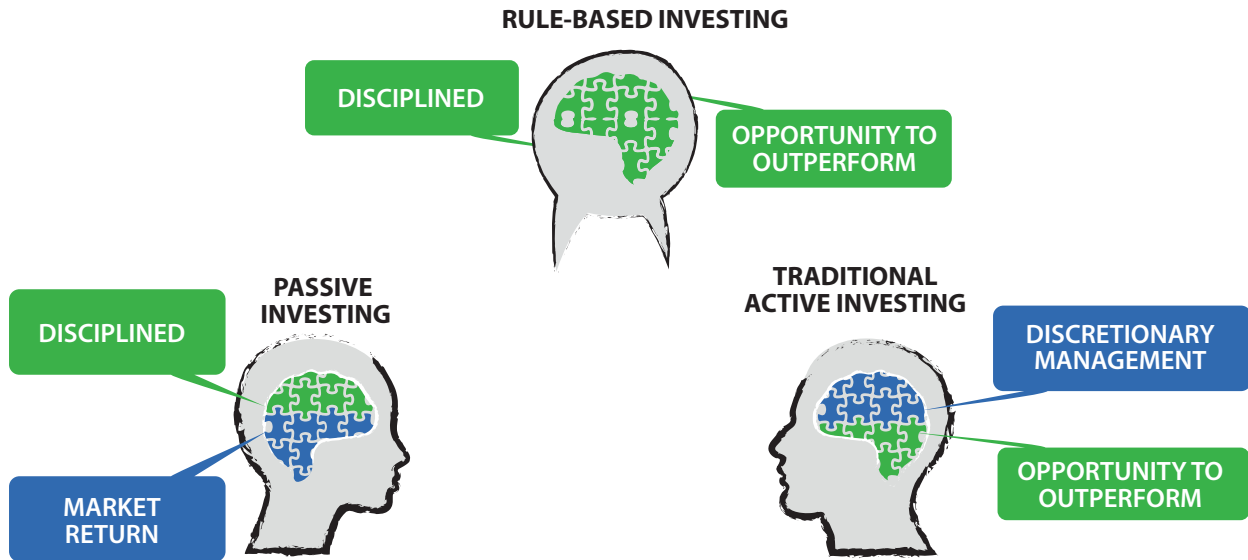


Assets Under Management
₹1,60,000* + Crore

Asset managed by various AMCs, Mobilised by NJ.

*As on 30 October 2023

Rule-Based Investing: Best of Both Worlds

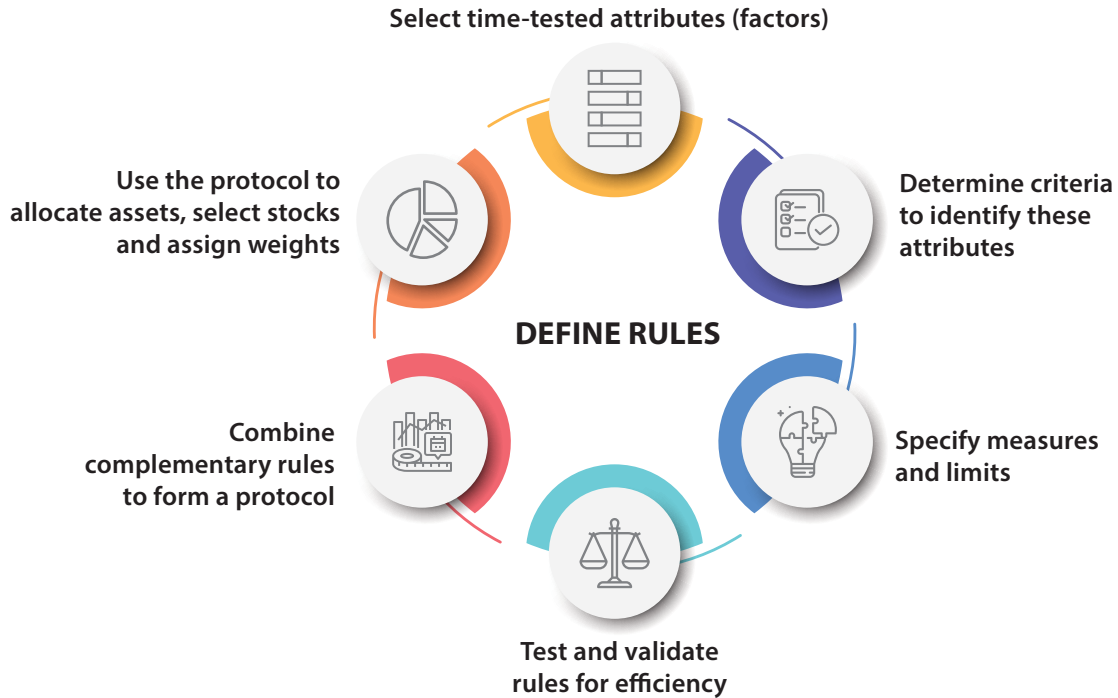


Traditional Active Vs Passive Vs Rule-based Investing

	Passive	Traditional Active	Rule-Based
Investment Decision-Making	No Active Investing	Active Investing (Mostly Qualitative)	Active Investing (Only Quantitative)
Objective	Market/Index Return	Generate Outperformance	Generate Outperformance
Use of Factors	Depends on the Benchmark Index	Not very predominant	Predominant
Portfolio Characteristics	Same as Benchmark	Different from Benchmark	Different from Benchmark

Factor Investing is known by many names—*Rule-based Active Investing*, *Quantitative Investing*, *Quants*, *Smart Beta*, and *Smart Alpha* are a few commonly used terms

Understanding Rule-Based Investing



Factors are the parameters based on which professionals make investment decisions.

4 Main Investment Factors



**QUALITY
FACTOR**



**VALUE
FACTOR**

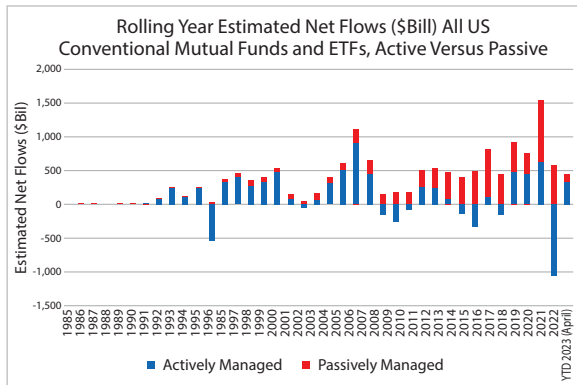


**LOW VOLATILITY
FACTOR**

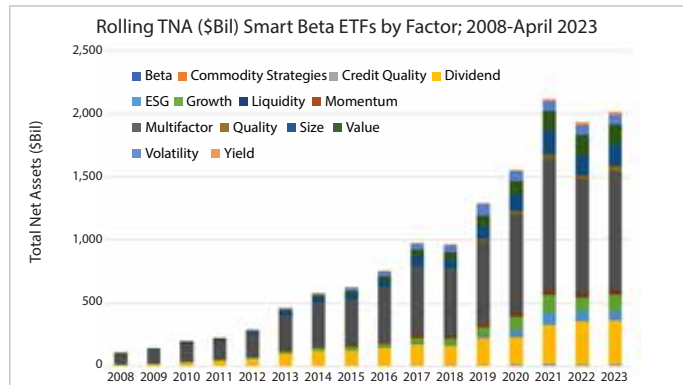


**MOMENTUM
FACTOR**

Rise of Factor Investing over Traditional Investment in Developed Markets



Source : Bloomberg, Lipper Alpha Insight. Data as of April 2023.



Source: Bloomberg, Lipper Alpha Insight, LSEG. Data as of April 2023.

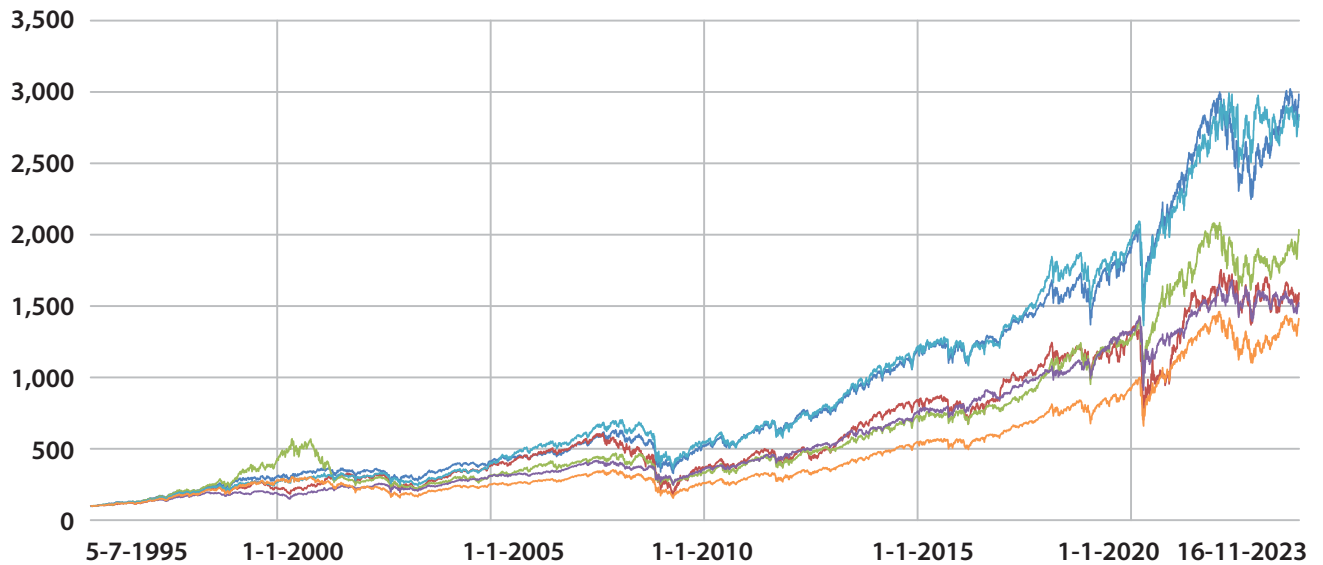
- Steady YoY inflows in Passive Funds vis-a-vis Active Funds.
- Sustained growth in Smart Beta ETFs over the last 15 years.

- ▶ Smart Beta ETFs account for close to 40% of US equity ETFs.
- ▶ Smart Beta ETFs' AUM has surpassed \$2 trillion

Performance of US Factor Indices

Historical Performance of S&P's Factor Indices vs S&P 500 Benchmark

- S&P 500 Quality
- S&P 500 Enhanced Value
- S&P 500 Momentum
- S&P 500 Low Volatility
- S&P 500 QVM Multi-factor
- S&P 500



Source: Bloomberg, S&P Dow Jones Indices LLC.
Data for the Period: 5th July 1995 to 16th November 2023.

- NJ Asset Management (NJAM) is part of the NJ Group which includes NJ Wealth, India's largest non-bank mutual fund (MF) distributor, contributing more than ₹1,60,000 Cr to the assets managed by the Indian MF Industry.
- The NJ Group is based out of Surat in Gujarat and has presence in more than **180 locations** with over **1,800 employees**.
- NJAM started operations in 2010 with Portfolio Management Services (PMS) and in 2021 as a Mutual Fund (MF).
- NJAM currently manages more than ₹8,200* Cr in assets across both MF & PMS verticals.
- NJAM follows a factor-based approach for all our PMS and MF offerings to determine asset allocation, select stocks and assign weights to these.
- This approach uses advance data analytics to analyze past data and develop rules that identify the presence of investment factors. Complementary rules are then combined into models and portfolio decisions are made using these without any human intervention.
- This puts the onus of performance on the rules that we use and makes them the cornerstone of all our efforts
- We have created our own database and analysis engine, NJ's Smart Beta Platform, which allows our researchers to test strategies on more than 20 years of market and fundamental data for over 1,190 companies.

**AUM number includes the total of NJ MF & NJ PMS products as on 31/10/2023.*





We are committed to spreading literacy regarding **FACTOR BASED** Investing.

NJ's
**FACTOR
BOOK**

NJ's
**CHART
BOOK**

**THE
FACTOR
FRONTIER**



Explore the world of factor based investing on our website www.njmutualfund.com where you can access resources such as NJ's Factor Book, NJ Chartbook, The Factor Frontier, blogs and other factor related information.

About the Competition

NJ Factor Olympiad: An Annual Factor Investing Challenge for India's Premier Business Schools. This competition presents a remarkable opportunity for students to tackle real-world challenges encountered by investment managers. Our competition leverages factor investing, a well-established investment approach, globally that is fast gaining ground in India for portfolio construction. We invite eligible B-School students to assemble teams of five and take part in this distinctive and demanding competition! Join the challenge now.



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Candidate Eligibility: The Competition is open to all students currently enrolled full-time in the MBA program.

JOIN THE CHALLENGE NOW



Visit : www.njfio.com

Prizes and Recognition



ALL FINALISTS WILL GET
A PARTICIPATION CERTIFICATE

Participating in the competition gives you a unique edge in the world of factor investing. You will gain knowledge and experience in one of the fastest growing fields in asset management, providing you with skills that would be highly valued by any asset management firm.



Visit : www.njfo.com

Why Participate?

Hands-On Skills:

Develop practical skills in quantitative analysis, risk management, and portfolio optimization.

Competitive Advantage:

Take on a distinctive factor investing challenge, set yourself apart from peers.

Networking:

Connect with industry professionals and fellow participants for future opportunities.

Career & Resume Boost:

Gain expertise in a high-growth field, adding to your resume and enhancing your job prospects.

Real-World Application:

Apply academic knowledge to solve a real investment problem, bridging theory and practice.

Prizes and Recognition:

Win prizes and gain recognition for your factor investing expertise.



Visit : www.njfiio.com



Participation Rules:

- The competition is open to all students currently enrolled full-time in an MBA program.
- Teams of 5 students are needed. No student can be in two different teams.
- Teams must choose a name. Names have to be unique and cannot be changed once chosen.
- The competition will use a case study format based on an investment dilemma that contestants are required to address using a factor investing approach. Details of the case study will be provided when the competition opens.
- Teams will have to fill a response format based on their analysis and solution. The format will be provided by NJ AMC.
- NJ AMC may ask students for more information from contestants, if needed.
- The competition allows the opportunity to use the NJ Smart Beta platform, a proprietary factor investing database and analysis platform. Contestants will have access to it 15 days before the competition begins to get acquainted with the platform and explore the exciting world of factor investing.
- Based on an analysis of the responses, 8 teams will be selected for the finals. NJ AMC's decision on this selection will be final.
- Teams selected for the final will present their case study results and defend their analysis in front of an esteemed panel of judges.
- The final round will be conducted in Surat at a date to be decided.
- Travel and accommodation for teams chosen for the finals will be borne by NJ.
- All the finalists will receive a participation certificate and gift hamper.
- Registration begins on Feb 1, 2024.
- Competition will be held from Mar 15, 2024 till 5 April 2024.
- We encourage you to participate in a healthy ethical manner. Any foul play will result in immediate disqualification of the team.



Visit : www.njfo.com



A state of art factor research platform

NJ Smart Beta is a proprietary research platform developed by NJ AMC. The NJ Smart Beta platform allows researchers to use a wide range of factor parameters that have been rigorously tested for robustness and analyse present favourable risk and return characteristics.

One of the key features of the NJ Smart Beta platform is its ability to dynamically combine multiple factors, weighting methodologies, and select a suitable universe for constructing model portfolios. This flexibility allows researchers to tailor portfolios according to specific investment objectives and preferences.

To support the platform, we have curated a vast dataset covering data from over 1190 companies spanning a period of 20 years. This rich and extensive dataset provides the foundation for sound research and informed decision-making, enhancing the reliability and accuracy of our investment strategies.

For the competition, we encourage participants to use the NJ Smart Beta platform to help solve the case study. It provides them with access to institutional grade factor based research platform. The use of NJ Smart Beta is NOT mandatory for solving the case study.

To learn more about the NJ Smart Beta platform and its capabilities, we invite you to watch our informative video.



Scan to watch video

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REGISTER NOW



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 info@njfio.com

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