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The persistent fall in the markets from September 2024 to March 2025 has finally brought some semblance of comfort in valuations. With large, mid and small cap indices having fallen 15-26 per cent from the peak, before slowly rallying in recent weeks, PE multiples have fallen across the board.

However, the continuing uncertainties on US trade tariffs with too much back and forth on announcements, volatile currency dynamics, questions on global growth and persisting geopolitical tensions mean that markets may continue to be choppy for a while.

Anchoring your portfolio to carefully chosen value names and quality picks can help stem the volatility and deliver over the long term.

Tata Equity P/E fund is a good choice for value investors wishing to create wealth over the long term of 7-10 years.

The fund invests at least 70 per cent of its assets in companies whose rolling PE ratios based on the past four quarters' earnings are less than the rolling P/E of the BSE Sensex stocks.

Tata Equity P/E has a track record of almost 21 years and has delivered healthy above-average returns over this period.

Investments can be made via the SIP route to average costs and ride out market volatility.

PROVEN PERFORMER

The scheme's performance over the past couple of decades has been healthy.

It has delivered 18.1 per cent compounded annually from its inception in June 2024.

In five-year rolling returns over the past the period of January 2013 to April 2025, Tata Equity P/E has delivered mean returns of 16.1 per cent.

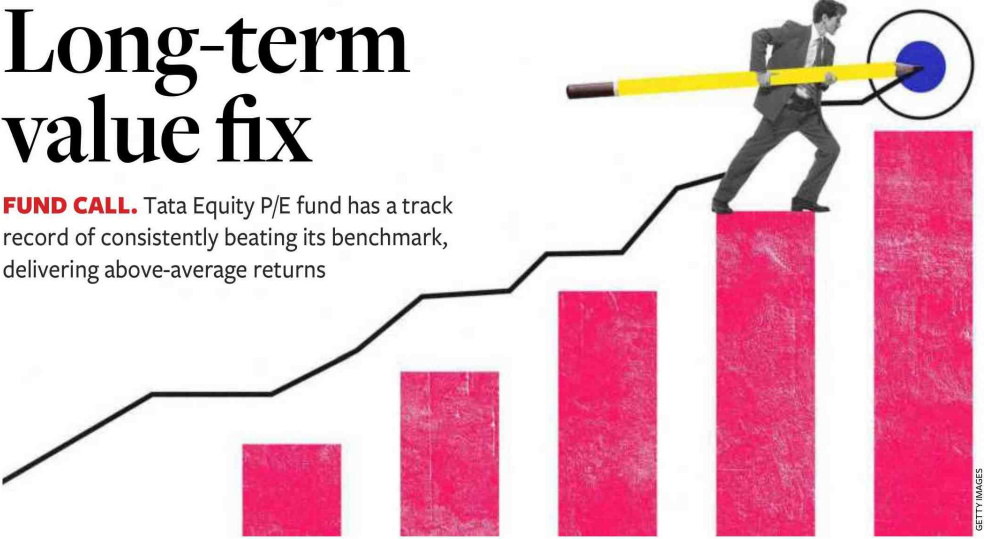
Its benchmark Nifty 500 TRI has managed average returns of 14.1 per cent over the same timeframe.

Also, in the aforementioned 12-year period, on a 5-year rolling basis, the scheme has beaten its benchmark nearly 69 per cent of the time, which is quite robust.

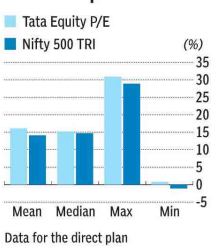
It has delivered more than 12 per cent nearly 68 per cent of the

Long-term value fix

FUND CALL. Tata Equity P/E fund has a track record of consistently beating its benchmark, delivering above-average returns

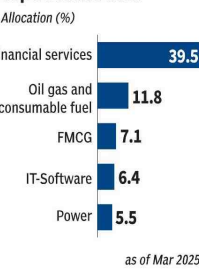


5-year rolling returns from Jan 2013-April 2025

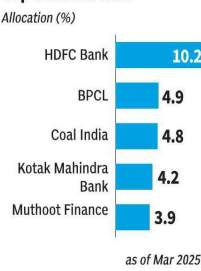


Source: ACE MF, Factsheet

Top 5 sectors held



Top 5 stocks held



WHY INVEST

- Sticks to value style
- Takes a flexicap approach to stock selection
- Delivers steady performance over the long term

A score of 100 indicates that a fund performs in line with its benchmark.

This is based on data from April 2022 to April 2025.

SMART PORTFOLIO CHURN

Tata Equity P/E fund takes a flexicap approach to stock selection.

Therefore, there is substantial proportion invested in mid and small caps as well, though large-caps dominate the portfolio.

In the last couple of years, the allocation to large-caps has been a little over 60 per cent.

So, mid and small-caps account for 30-35 per cent of the overall holdings.

As the portfolio is anchored to valuations, it suffers somewhat less during market corrections.

The fund manages to well-diversified and robust portfolio of 35-40 stocks without being too concentrated in any names barring the top few holdings.

Cash positions are taken to the tune of only 4-6 per cent of the portfolio.

Financial services, mainly banks, NBFCs and capital market companies, have always been the top holdings of Tata Equity P/E. Large banks and NBFCs have especially been resilient in the recent market correction over the past six months.

This has helped the fund hold forth and not suffer heavy drawdowns.

Oil, gas and consumable fuels have also been among the top holdings of the fund over the years, as valuations remain the comfort zone for companies in these segments.

It pared exposure to automobiles and auto components as the segments faced a slowdown and also the uncertainties of the US trade tariffs.

The correction in IT stocks has made the fund raise stakes in select companies of the space.

Large FMCG stocks, too, have corrected significantly, giving value opportunities for the fund to hike stakes in a few chosen names.

The fund sticks to the value style and does not go heavy on momentum-driven stocks even in the small-cap segment.

For investors willing to stay on for the long term and take periods of underperformance in their stride, Tata Equity P/E fund can be a rewarding investment.