



Fund Factsheet September 2025

**"The two most powerful
warriors are patience and time"**

- Leo Tolstoy



Letter from the CEO

“Accidents often lead to discovery but the true concept is that you must be looking, researching or in the process of learning. The hallway conversation, a chance talk at a water cooler, a deeper look at what seems to be a failure - might all lead to unexpected and positive results, and accidental discoveries.”

Accidental Discoveries

Too many things happen entirely by accident.

Charles Goodyear was trying to find a way to use rubber better, because it became sticky in the summers and hard in the winters. He accidentally dropped a mix of rubber and sulphur on a stove, and strangely, it seemed to become flexible and stable - exactly what he was looking for. That's the process of vulcanization, which is what makes our tyres stable and reliable, and makes for waterproof clothing and so on.

Roy Plunkett was looking for a cooling liquid and found that a gas he was using had become a white powder that seemed to handle heat well and things just wouldn't stick to it. This became Teflon, and is used in cooking pans, car coatings and semantically when you try to blame politicians for anything.

Alexander Fleming came back from a holiday and found that ugh, a fungus was growing in a petri dish in his lab, but that also, the fungus seemed to retard the growth of bacteria. Penicillin was born - which eventually led to the first antibiotic.

Dr. Abdul Kalam, India's past president and earlier head of ISRO, once said that the scientific progress in making lighter material for rockets had an unforeseen use - in lighter and stronger "jaipur foots" - the artificial limbs for people unfortunately to have had amputations.

Accidents often lead to discovery but the true concept is that you must be looking, researching or in the process of learning. The hallway conversation, a chance talk at a water cooler, a deeper look at what seems to be a failure - might all lead to unexpected and positive results, and accidental discoveries.

As India finds itself battered with US tariffs and generally hypocritical statements from countries we have usually called friends, we have the platform that might just generate accidental discoveries. That textile

exporters might actually be able sell domestically, at a price higher than they get from the US. That making semiconductors in India might both be cheaper and more efficient for just the domestic economy. That rare-earths, for which we depend on China, are also abundant enough in India if we just choose to process it. That instead of making in India for the world, we could just make in India for India itself.

Accidental changes like this help the investing world, too. Because when companies see opportunity in a crisis, and head on to harness them, they can make substantial profit too. For the most part, India hasn't innovated that much, as it hasn't built a manufacturing culture. But things are changing, and possibly for the better: we learn when we make things, and accidentally discover what we have been missing.

The RBI's recent move will allow banks to fund acquisitions. Till now, even domestic acquisitions were funded by foreign banks. Banks can finally lend well against debt securities' collateral - very limited earlier - which will hasten the move to build deeper bond markets. Both these changes allow M&A to happen through debt, the most common way it's done worldwide. It probably took a little bit of a "tariff" tantrum for us to open up, but even if it accidentally allowed us more freedom, we're better off for it.

In the investing world, we keep finding things accidentally. A strategy, a stock, a process, an opportunity. It's only because we keep looking, and keep our mind as open as our eyes. To more accidental discoveries, and to more fun things to find!



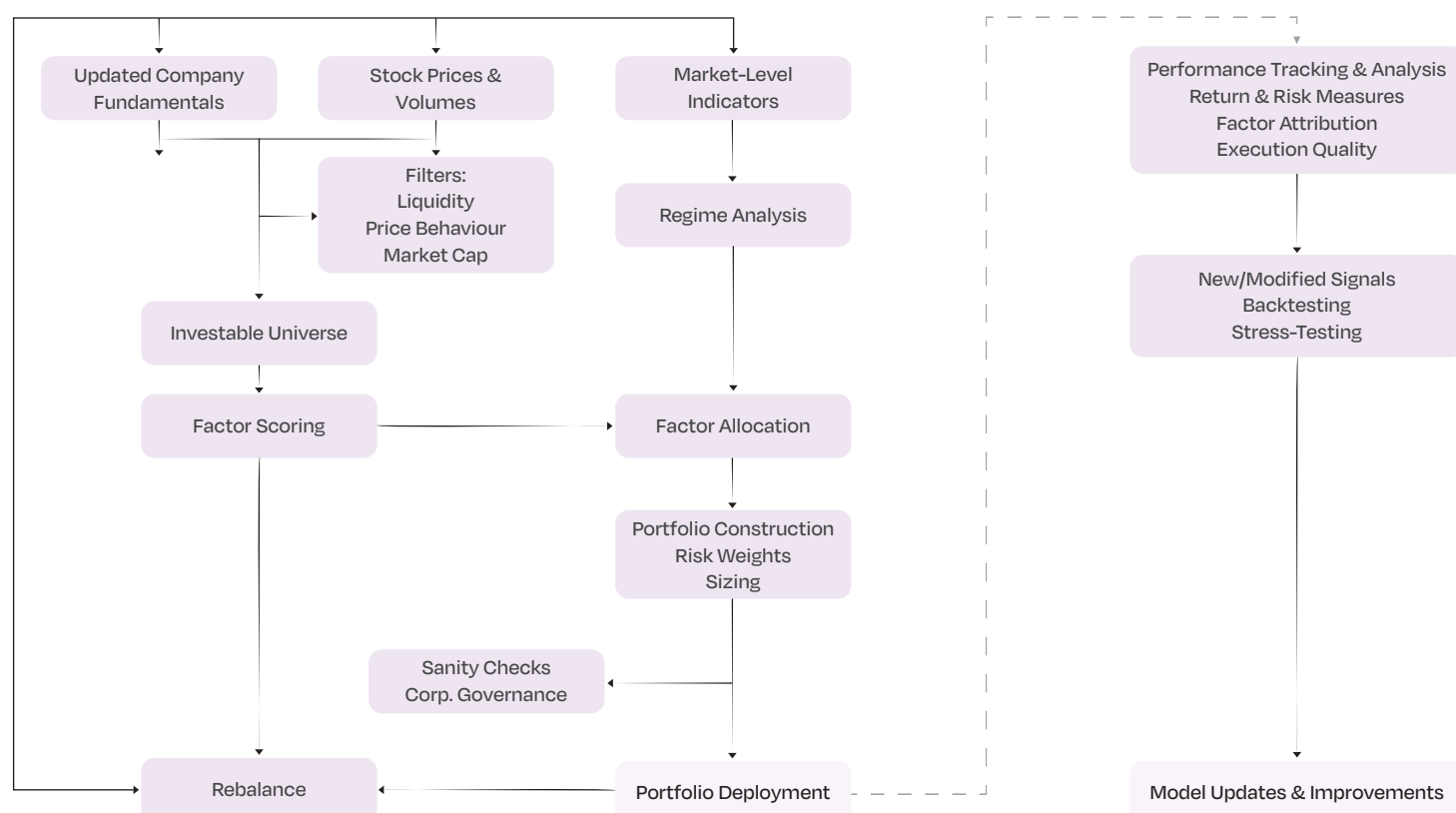
Deepak Shenoy - CEO, Capitalmind Asset Management Pvt. Ltd.

Capitalmind Flexi Cap Fund - Investment Framework

Capitalmind Flexi Cap Fund relies on a quantitative core with a human in the loop. We follow a rules-based framework that scans the entire listed universe. When momentum is strong, we lean into it. When conditions change, we shift toward other factors such as low risk, quality, or value if they offer a better risk-reward trade-off. As a flexi-cap fund we can allocate across large, mid, and small-cap stocks in any sector. In rough markets we may add hedges that help soften volatility.



Capitalmind Flexi Cap Fund: A systematic data-driven investment process to minimise human biases + drive continuous improvement





Mr. Anoop Vijaykumar – Head of Equity

The Night Shift: How Market Returns Happen While You Sleep

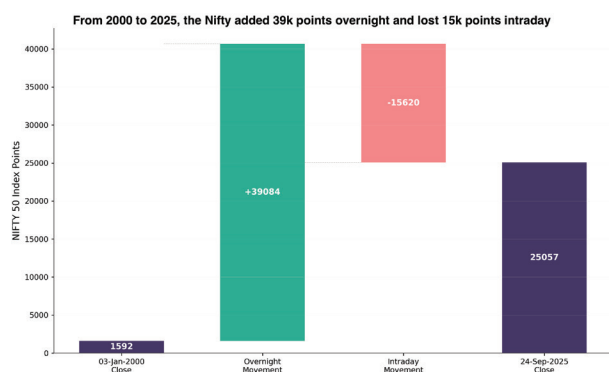
Picture this: It's 8.30am on a Monday morning and you're tuned into CNBC. It is abuzz with activity. Excited news anchors speak breathlessly of all the things that happened overnight that the informed investor absolutely has to know to start the trading day. As big bold graphics count down the time, the urgency peaks as the clock nears 9.15am. Investors and traders alike, tense, like sprinters at the start line awaiting the starting gun. At the sound of the starting bell, a frenzy of activity erupts, as millions of points of view on the direction of markets are put into action.

The same sequence plays out every weekday morning.

But what if I said that the most of that activity is counterproductive?

The Market's Best-Kept Secret Hidden in Plain Sight

Consider this: An investor who bought the NIFTY 50 at the close every day and sold at the open the next morning would have multiplied their wealth by nearly 100 times over the past 25 years. Meanwhile, their counterpart who bought at the open and sold at the close each day would have lost 84% of their capital. This isn't a thought experiment or a backtest gone wrong, it's the remarkable reality of markets.

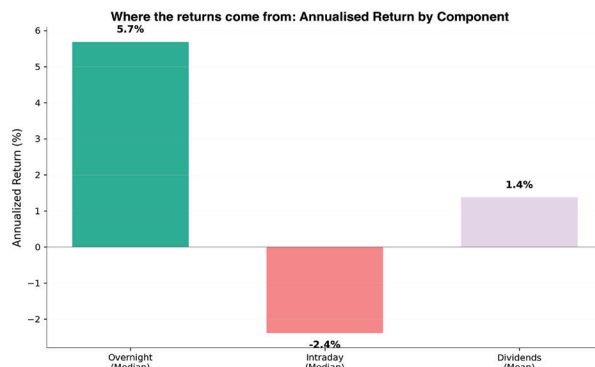


The waterfall chart above tells a story that challenges everything we think we know about when markets generate returns. Since 2000, the NIFTY 50 has climbed from 1,592 to 25,057 points, adding 23,465 points.

But here's where it gets interesting: overnight movements contributed a staggering 39,084 points

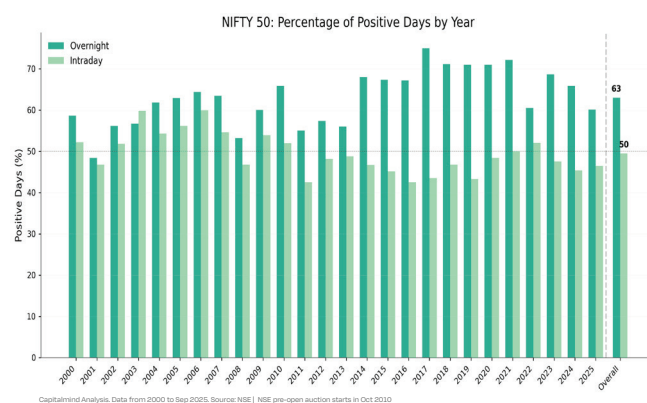
to this journey, while intraday movements actually subtracted 15,620 points.

The Anatomy of a Market Anomaly



Capitalmind Analysis. Data from 2000 to Sep 2025. Source: NSE | Note: Median used for overnight/intraday (less affected by outliers), Mean for dividends

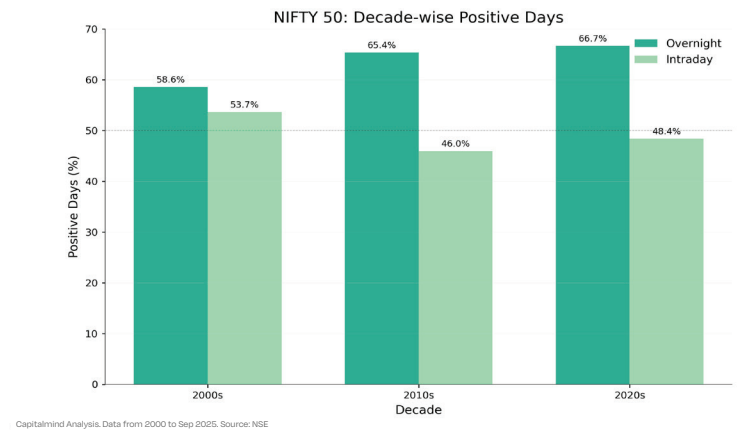
Breaking down the returns into their components reveals the stark asymmetry: overnight returns have delivered 5.7% annually (median), while intraday returns have destroyed value at -2.4% annually. Dividends, at 1.4%, play a supporting but minor role in this drama. This isn't just statistical noise, it's a persistent phenomenon that has survived multiple market cycles, regulatory changes, and the evolution of India's capital markets.



Capitalmind Analysis. Data from 2000 to Sep 2025. Source: NSE | NSE pre-open auction starts in Oct 2010

What makes this particularly fascinating is its consistency across time. The data spans 25 years, encompassing the dot-com bubble, the global financial crisis, demonetization, GST implementation, COVID-19, and countless other market-moving events. Yet through it all, the pattern persists with remarkable stability. It became more pronounced since 2010 when NSE started the pre-market auction that runs from 9.00am to 9.15am before regular trading starts.

The Persistence of the Overnight Premium



The decade-wise analysis reveals this isn't a recent phenomenon or a quirk of modern markets. In the 2000s, overnight sessions were positive 58.6% of the time versus 53.7% for intraday. By the 2010s, the gap widened dramatically, 65.4% positive overnight sessions versus just 46% for intraday. The 2020s have maintained this trend, with overnight win rates at 66.7% against intraday's 48.4%.

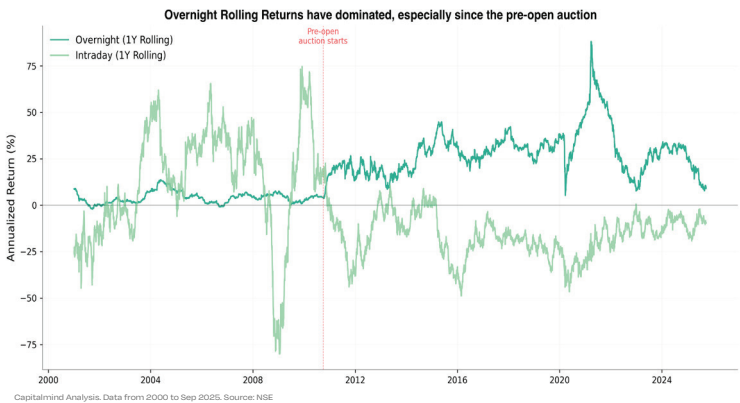
NIFTY 50: Decade-wise Return Components Analysis

Decade	Overnight Positive %	Intraday Positive %	Avg Overnight Return (bps)	Avg Intraday Return (bps)	Avg Dividend Return (bps)
2000s	58.6%	53.7%	1.8	4.5	0.6
2010s	65.4%	46.0%	10.3	-6.4	0.5
2020s	66.7%	48.4%	11.6	-5.9	0.5
Overall	63.0%	49.5%	7.3	-2.0	0.5

Capitalmind Analysis. Data from 2000 to Sep 2025. Source: NSE

The table data shows average overnight returns have actually strengthened over time, from 1.8 basis points daily in the 2000s to 11.7 basis points in the 2020s. Meanwhile, intraday returns have oscillated between positive and negative territory but consistently underperformed their overnight counterparts.

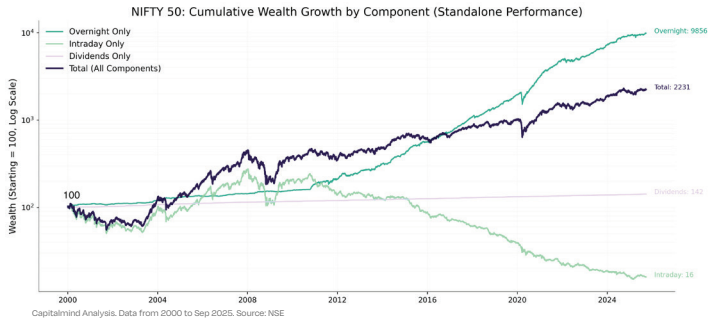
The Rolling Reality Check



The rolling one-year returns chart reveals the dynamic nature of this relationship. Notice the vertical red line marking October 2010 when pre-open auctions began – a significant market structure change that facilitates incorporating all relevant overnight information, before markets open. The overnight premium has shown remarkable resilience, though it does experience

periods of weakness, particularly during extreme market stress like 2008 and 2020.

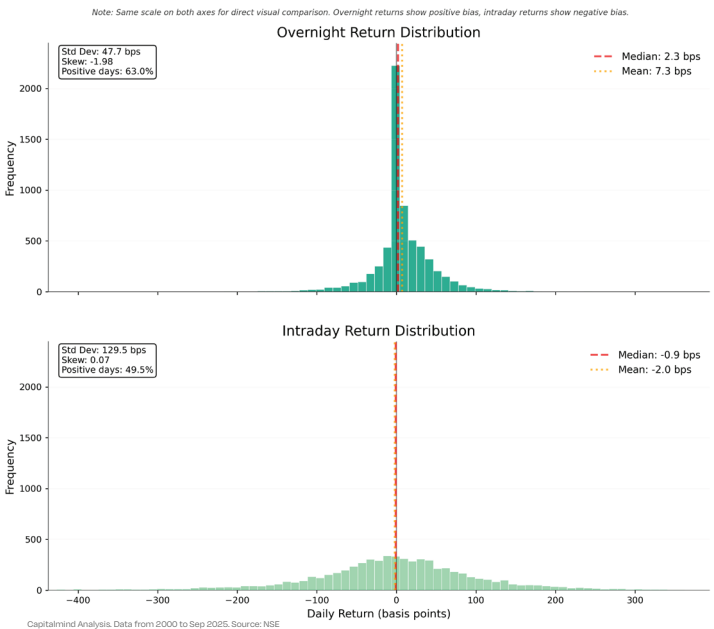
Buy the Close, Sell the Open



Perhaps no chart illustrates the power of this phenomenon more dramatically than the cumulative wealth growth comparison. On a logarithmic scale, the overnight-only strategy shows exponential growth, reaching nearly 100x returns. The intraday-only strategy, by contrast, leads to capital destruction, ending at just 16% of the starting value. The combined strategy (actual index returns) falls somewhere in between, demonstrating how the negative intraday returns act as a persistent drag on overall performance.

Understanding the Mechanism

Tight Overnight Clusters vs Wild Intraday Swings



The distribution analysis reveals the statistical underpinnings of this anomaly. Overnight returns cluster tightly around a positive mean with lower volatility (standard deviation of 47.7 basis points), while intraday returns show much higher dispersion (129.5 basis points) with a negative skew. The -0.023 correlation coefficient confirms a weakly negative relationship between overnight and intraday returns.

The higher Sharpe ratio of overnight returns (lower volatility, positive returns) versus intraday returns (higher volatility, negative returns) suggests that traditional risk models may need recalibration. What we perceive as "risky" intraday trading might actually be risk without commensurate reward.

²The overnight drift – Boyarchenko, Larsen, Whelan
persistent historically, may not continue indefinitely.

Product Labelling and Riskometer

Scheme Name

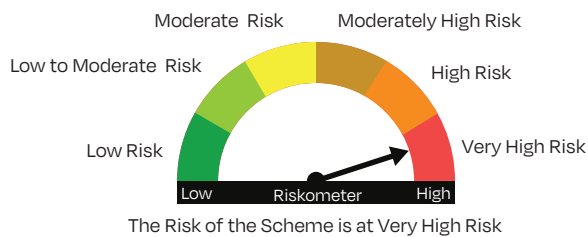
Capitalmind Flexi Cap Fund

This product is suitable for investors who are seeking*-

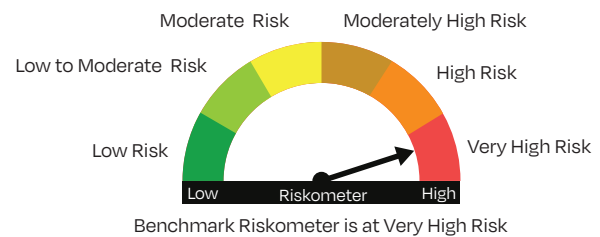
- ▶ Long term wealth creation
- ▶ Investment predominantly in equity and equity related instruments across large cap, mid cap and small cap stocks

(An open-ended dynamic equity scheme investing across large cap, mid cap & small cap stocks)

Scheme Riskometer



Benchmark (Nifty 500 TRI) Riskometer



* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.

Capitalmind Flexi Cap Fund

(An open ended dynamic equity scheme investing across large cap, mid cap & small cap stocks.)

Investment Objective

To generate long-term wealth creation by investing predominantly in equity & equity related instruments across market capitalization i.e. large-cap, mid-cap and small-cap stocks. However, there is no assurance or guarantee that the investment objective of the Scheme will be achieved.

Scheme Details

NAV (IN ₹) (as on 30 September, 2025)

Direct Growth	9.6446
Regular Growth	9.6233

Aum (IN ₹ Crore)

Month-end AUM	150.04
AAUM	132.40

Date of Allotment: 4th August 2025

Benchmark: NIFTY 500 TRI

Fund Managers

Mr. Anoop Vijaykumar (Head of Equity) (Managing fund since inception & overall experience of 20+ years)

Mr. Prateek Jain (Head of Fixed Income) (Managing fund since Aug 2025 & overall experience of 15+ years)

Fund Features

Scheme Category: Flexi Cap Fund

Plans: Regular Plan and Direct Plan

Options: Growth Option only

Minimum Application Amount (lumpsum): ₹5000

Systematic Investment Plan (SIP): ₹1000

Entry Load: N.A

Dividend History: N.A

Exit Load: 1% of applicable NAV (if redeemed within 365 days from date of allotment of units)

Total Expense Ratio (TER)

Regular Plan	2.37%
Direct Plan	0.97%

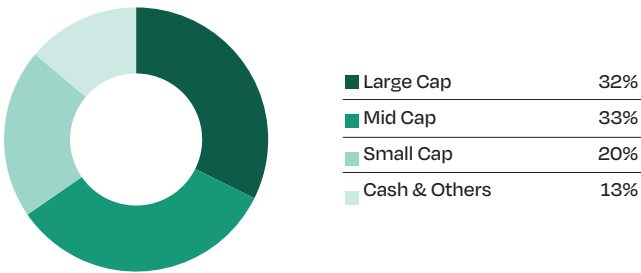
Quantitative Measures

Portfolio Turnover	0.34
Standard Deviation	N.A
Beta	N.A
Sharpe Ratio	N.A
R-Squared	N.A

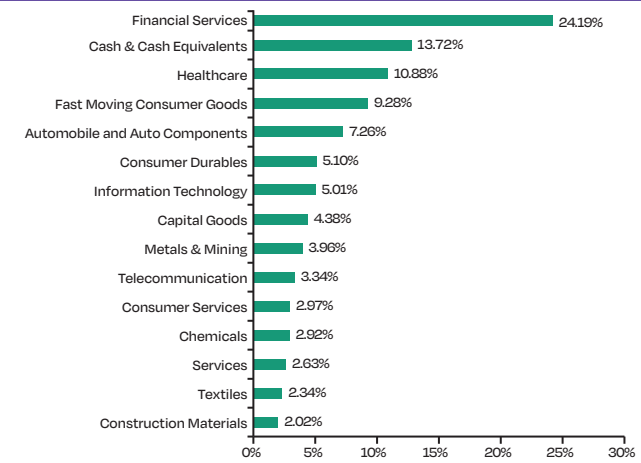
N.A as the Scheme has not completed 3 years.

Fund Performance/
Returns & SIP Returns: The Scheme has not completed 6 months, hence, performance of this scheme is not disclosed.

Market Cap Allocation



Sector Allocation



Portfolio (As on 30 September, 2025)

Issuer Name	%of AUM
Equity & Equity related	84.03%
Bajaj Finance Limited	3.85%
One 97 Communications Limited	3.35%
Bharti Airtel Limited	3.34%
HDFC Bank Limited	2.95%
Fortis Healthcare Limited	2.94%
Radico Khaitan Limited	2.76%
Maruti Suzuki India Limited	2.74%
InterGlobe Aviation Limited	2.63%
ICICI Bank Limited	2.61%
Gillette India Limited	2.51%
Marico Limited	2.45%
The Indian Hotels Company Limited	2.43%
Page Industries Limited	2.34%
Infosys Limited®	2.31%
Amber Enterprises India Limited	2.30%
PG Electroplast Limited	2.25%
Krishna Institute Of Medical Sciences Limited	2.22%
Sarda Energy & Minerals Limited	2.15%
Laurus Labs Limited	2.14%
Authum Investment And Infrastructure Limited	2.13%
Aster DM Healthcare Limited	2.08%
Indian Bank	2.03%
JK Cement Limited	2.02%
Bajaj Finserv Limited	1.97%
National Aluminium Company Limited	1.82%
Eicher Motors Limited	1.79%
Mahindra & Mahindra Limited	1.76%
Muthoot Finance Limited	1.60%

Issuer Name	%of AUM
Britannia Industries Limited	1.56%
HCL Technologies Limited	1.47%
APL Apollo Tubes Limited	1.40%
The Federal Bank Limited	1.38%
UPL Limited	1.25%
Coforge Limited	1.24%
Multi Commodity Exchange of India Limited	1.17%
Choice International Limited	1.16%
Divi's Laboratories Limited	0.99%
Shyam Metals and Energy Limited	0.98%
CEAT Limited	0.98%
Welspun Corp Limited	0.94%
Paradeep Phosphates Limited	0.92%
Navin Fluorine International Limited	0.75%
Dixon Technologies (India) Limited	0.55%
Cartrade Tech Limited	0.54%
Hitachi Energy India Limited	0.53%
Transformers And Rectifiers (India) Limited	0.53%
Acutaas Chemicals Limited	0.51%
Arbitrage and Futures	
Infosys Limited®	-2.29%
Tbill	3.29%
TREPS	10.56%
Net Receivable / Payable	2.12%
Grand Total	100.00%

@ Hedged by offsetting derivative position

How to Read a Mutual Fund Factsheet?



Fund Manager:

An employee of an asset management company such as mutual fund or life insurer, who manages investments of the scheme. He is usually part of a larger team of fund managers and research analysts.



Application Amount For Fresh Subscription:

This is the minimum investment amount for a new investor entering in a mutual fund scheme.



Minimum Additional Amount:

This is the minimum investment amount for an existing investor in a mutual fund scheme.



SIP:

Systematic Investment Plan (SIP) is an organized way of investing in Mutual Fund. It helps in building long term wealth through a disciplined approach of investing at pre-defined intervals ranging from daily, weekly, monthly and quarterly.



NAV:

Net asset value or NAV is the total asset value per unit of the mutual fund after deducting all related and permissible expenses. The NAV is calculated at the end of every business day and it is the value at which investors enter or exit the mutual fund.



Benchmark:

A group of securities, typically a market index, whose performance is used as a standard or benchmark to assess the performance of mutual funds and other investments. A few common benchmarks are the Nifty, Sensex, BSE 200, BSE 500, and 10-year Gsec.



Exit load:

When an investor redeems mutual fund units, exit load is charged. At redemption, the exit load is subtracted from the current NAV. For instance if the NAV is Rs. 100.0000 and the exit load is 1%, on redemption, the investor will receive Rs. 99.0000.



Standard Deviation:

Standard deviation is statistical measure of the range of an investment's performance. When a mutual fund has a high standard deviation, it means its range of performance is wide, implying greater volatility. 500, and 10-year Gsec.



Sharpe Ratio:

The Sharpe Ratio is measure of risk-adjusted returns. It is calculated using standard deviation and excess return to determine reward per unit of risk. 500, and 10-year Gsec.



Beta:

Beta is a measure of an investment's volatility vis-à-vis the market. A beta of greater than 1 implies that the security's price will be more volatile than the market. Beta of less than 1 means that the security will be less volatile than the market.



AUM:

Assets under management or AUM refers to the recent cumulative market value of investments managed by Mutual fund or any investment firm.



Holdings:

The holdings or the portfolio is a mutual fund's latest or updated reported statement of investments/securities. These are usually displayed in terms of percentage to net assets or the rupee value or both. The objective is to give investors an idea of where their money is being invested by the fund manager.



Nature of Scheme:

The investment objective and underlying investments determine the nature of the mutual fund scheme.

For instance, a mutual fund that aims at generating capital appreciation by investing in stock markets is an equity fund or growth fund. Likewise, a mutual fund that aims at capital preservation by investing in debt markets is a debt fund or income fund. Each of these categories may have sub-categories.

Capitalmind Asset Management Pvt. Ltd.

Disclaimers

This document is issued by Capitalmind Asset Management Private Limited ("the AMC") and is intended solely for informational purposes. It does not constitute an offer, invitation, recommendation, or solicitation to buy or sell any units of mutual fund schemes or any other financial product. The views and opinions expressed herein are those of the person(s) and may not necessarily reflect the views of the AMC or its affiliates. The information contained herein is derived from publicly available sources, internally developed data, and third-party research, which are believed to be reliable but has not been independently verified by the AMC its officers, the Trustee, the Fund, nor any of their affiliates or representatives assumes any responsibility for the accuracy, reasonableness, or completeness of the information. Any third party referred to in this document does not assume any liability in relation to such data.

Mutual Fund investments are subject to market risks, read all scheme-related documents carefully. Past performance may or may not be sustained in the future and is not a guarantee of future results. The performance of the scheme may vary depending on market conditions, economic developments, and fund manager decisions. Returns mentioned, if any, are for illustrative purposes only and should not be construed as a forecast or promise of returns.

The information provided is not intended to be, nor should it be construed as, investment, legal, tax, or accounting advice. Investors should consult their independent financial advisors, legal counsel, or tax professionals before making any investment decision. The AMC, its directors, officers, employees, and affiliates accept no liability for any direct, indirect, or consequential loss or damage arising from the use of this material.

This material may contain confidential and proprietary information and is intended solely for the addressee(s). It should not be copied, reproduced, redistributed, or shared with any other person or entity without the prior written consent of the AMC. Unauthorized use or disclosure may result in legal liability.

Product labelling, risk-o-meter classification, benchmark references, and investment suitability disclosures are as per SEBI (Mutual Funds) Regulations, 1996 and AMFI guidelines, and are subject to change. All data is as of the date mentioned and may be subject to revision.



www.capitalmindmf.com



[@capitalmindMF](https://twitter.com/capitalmindMF)



[Capitalmind Mutual Fund](#)



[capitalmindmutualfund](https://www.instagram.com/capitalmindmutualfund)

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.