

Mega profit

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Equities

China small cap diversified basket

Upside: xx%

Time line (End of quarter)	Investment (USD)	Market value (USD)	Capital gain / (loss) USD	Risk analysis	Comments
Q3 2023 (Initiation)	100,000	100,000	0	Risk reward ratio is highly favorable (once in a decade event). A time horizon of around 2Y. Only systematic risk.	As per Kelly formula, a full capital allocation is warranted here. Another full allocation may be needed if the current down cycle in China equity exacerbates. Div yield of around 2%
Q1 2024					
Q2 2024					
Q3 2024					
Q4 2024					
Q1 2025					
Q2 2025					

- Diversified baskets are less riskier than sector baskets owing to lower correlation among their holdings
- It is well known that small cap indices typically deliver higher returns over large cap indices in the medium-long terms owing to size limitation for larger funds and less research coverage
- A prolonged adverse economic/business cycle and extreme pessimism over China presents a good juicy opportunity

Fixed Income

US 20Y+ treasury bond basket

Upside: xx%

Time line (End of quarter)	Investment (USD)	Market value (USD)	Capital gain / (loss) USD	Risk analysis	Comments
Q3 2023 (Initiation)	100,000	100,000	0	Risk reward ratio is highly favorable (once in 5Y event). A time horizon of around 2Y. Only interest rate risk as they are US sovereign bonds	As per Kelly formula, a full capital allocation is warranted here. It is appropriate to buy rate sensitive instruments like long-term credit near the peak of a rate cycle. Once the Fed starts to cut rates beginning 2024, a rate easing cycle should drive these securities sharply higher.
Q1 2024					
Q2 2024					
Q3 2024					
Q4 2024					
Q1 2025					
Q2 2025					

- Unlike equity and high yield bonds, developed market sovereign bonds contain mostly interest rate risk
- Income has increased significantly due to higher rates and distribution yield is currently around 4.5%
- The Fed's rapid tightening of rates since 2022 presents a great opportunity in US treasury market for a high future profit

REITS

Europe diversified REIT basket

Upside xx%

Time line (End of quarter)	Investment (EUR)	Market value (EUR)	Capital gain / (loss) EUR	Risk analysis	Comments
Q3 2023 (Initiation)	100,000	100,000	0	Risk reward ratio is highly favorable (once in a decade event). A time horizon of around 2Y.	As per Kelly formula, a full capital allocation is warranted here. Another full allocation may be needed if high interest rates hold longer in Europe and economic or political risks escalate
Q1 2024					
Q2 2024					
Q3 2024					
Q4 2024					
Q1 2025					
Q2 2025					

- This basket is exposed to a single sector, income generating real estate in Europe and hence more riskier than a diversified basket
- Political risk and rate hikes in Europe since the beginning of 2022 has led to a sharp drop in REIT valuations, which makes it attractive for a juicy capital gain in future
- Dividend yield is around 3% in EUR. This is an alternative asset class and tend to do well usually in a higher inflation environment