# Institutional Master Report

**5-Stock Weekly Rebalance Strategy** — Powered by the Proprietary *Horny Bull Market Setup*

QUANTITATIVE STRATEGY | HNI GRADE | WEEKLY REBALANCE

# Strategy Philosophy — Core Edge

> Participate aggressively in high-probability bull markets — and completely avoid low-conviction environments.

This strategy is a **regime-based momentum allocation model** built on one powerful principle: capital should only be deployed when the odds are decisively favorable. Rather than remaining perpetually exposed to market noise, the system activates only when its proprietary *Horny Bull Market Setup* signals a high-conviction regime.

The result is a strategy that earns its returns through **selective, concentrated aggression** — not passive exposure. It is designed for investors who understand that the greatest risk is not volatility, but **misallocated conviction**.

# Strategy Framework

## Portfolio Construction

- **Universe:** Concentrated 5-stock portfolio
- **Rebalancing:** Weekly
- **Activation Filter:** Proprietary Horny Bull Market Setup

## Risk Mechanism

→ **Active Phase**

Fully invested in Top 5 Momentum Leaders

→ **Inactive Phase**

100% Cash — Zero market exposure

# The Dual Advantage

### Compounding in Trends

When the regime filter activates, the strategy deploys full capital into top momentum leaders — capturing trend expansion and sector leadership in their most powerful phase.

### Capital Protection in Noise

When conditions are unfavorable, the strategy exits entirely. No exposure means no erosion — preserving dry powder for the next high-probability opportunity.

# Performance Snapshot

## 340%

### Total Return

Cumulative strategy return since inception

## 30.2%

### CAGR

Compound annual growth rate

## 9.72%

### Max Drawdown

Peak-to-trough equity erosion

## 2.2X

### Alpha vs Nifty

Benchmark CAGR: 13.91%


Strategy CAGR of **30.2%** versus benchmark CAGR of **13.91%** — delivering approximately **2.2X the index return** with a fraction of the drawdown.

# Risk-Adjusted Strength

Raw returns matter — but **risk-adjusted returns** separate institutional-grade strategies from retail speculation. This strategy scores on every dimension that sophisticated allocators care about.

1

### Sharpe Ratio ~0.90

Strong reward per unit of total risk taken, consistently above passive index exposure.

2

### Sortino: Strong Downside Control

Downside deviation is structurally suppressed through regime filtering — not luck.

3

### Avg Annual Return ~30%+

Sustained outperformance across multiple market cycles and regimes.

4

### Max Drawdown <10%

Highly controlled equity curve — institutional-grade capital preservation.

This is **institutional-grade risk management** — not retail-style volatility tolerance.

# Year-Wise Performance

| Year | Return | Insight |
| --- | --- | --- |
| 2020 | 7.73% | Base formation |
| 2021 | **55.61%** | Strong bull capture |
| 2022 | 7.63% | Sideways protection |
| 2023 | **61.54%** | Momentum acceleration |
| 2024 | **51.80%** | Sustained leadership |
| 2025 | -0.44% | Capital preservation |
| 2026 | 0.00% | Cash / inactive phase |

Three explosive years — 2021, 2023, and 2024 — drove the majority of compounded wealth creation. Weak years registered near-zero, not deep losses.

# Critical Insight — Client Gold

**Major wealth is created in selective years.** The strategy is engineered to capture those moments explosively — and hibernate when they are absent.

### Explosive Years

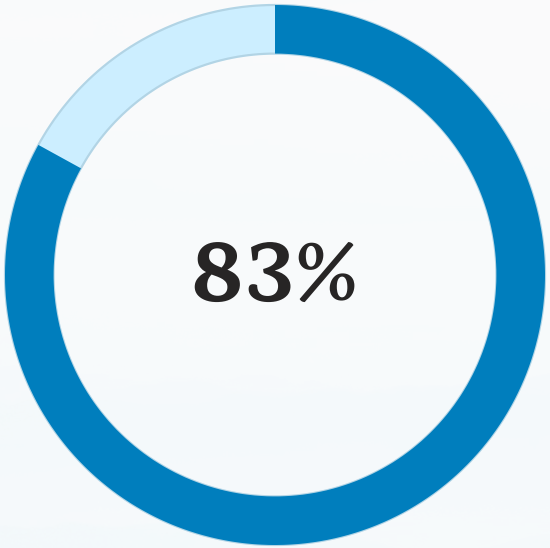
- **2021:** +55.61% — Full bull capture
- **2023:** +61.54% — Momentum acceleration
- **2024:** +51.80% — Sustained leadership

### Weak Years

- **2022:** +7.63% — Flat, not destructive
- **2025:** -0.44% — Near-zero erosion
- **2026:** 0.00% — Fully inactive, capital safe

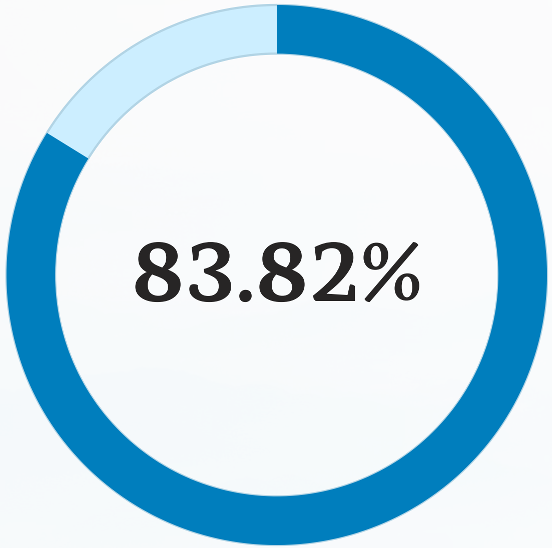
# Consistency Metrics

Beyond headline CAGR, the strategy demonstrates **remarkable statistical consistency** — a hallmark of a systematic, rules-based process rather than discretionary luck.



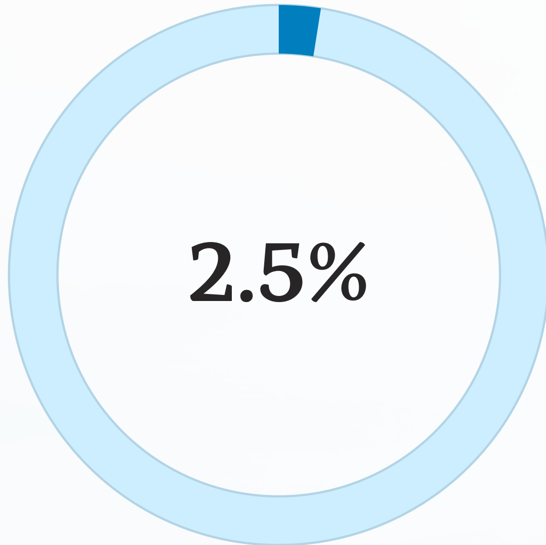

### Positive Years

Consistent annual positive performance across the track record




### Positive Months

Monthly win rate demonstrating reliable capital growth




### Avg Monthly Return

Average monthly gain in positive months

Downside periods are **controlled, not compounding losses** — average negative year registers near 0%, preserving the equity base for the next explosive phase.

# Drawdown Control — The Real Edge

Most strategies fail investors not through lack of return, but through **catastrophic drawdowns** that destroy psychology and force capitulation at the worst moments. This strategy is engineered differently.

### ~9.7%

Max Drawdown — well below industry norms

### Zero

Deep equity erosion events

### Minimal

Recovery cycle duration

> Smooth Equity Curve → Better Investor Behavior → Higher Real Returns

# Strategy Behavior — When Market is Favorable

### Top 5 Momentum Leaders

Capital is concentrated into only the highest-momentum stocks in the universe — ensuring maximum exposure to the strongest trends in the market.

### Sector Leadership + Trend Expansion

The portfolio captures sector rotation and trend expansion at their most powerful phase — where institutional money is actively flowing.

### Momentum Clustering Effect

By concentrating in 5 leaders, the strategy benefits from momentum clustering — winners tend to keep winning within confirmed bull regimes.

# Strategy Behavior — When Market is Unfavorable

### What the Strategy Does NOT Do

- Does not hold positions through drawdowns
- Does not average down on losing trades
- Does not stay invested "for the long term" blindly
- Does not generate unnecessary trading costs

### What It Does Instead

- **No trades** — silence is a position
- **No unnecessary exposure** — regime filter enforces discipline
- **Capital preserved in cash** — dry powder for the next opportunity

This is not an always-in-market strategy. It is an **only-in-right-market strategy.**

# Hidden Edge — Cash Is a Position

> Where most strategies bleed capital in adverse conditions, this strategy treats cash as an active, strategic allocation — not a failure state.

1. **2022**

   Flat return — avoided the broader market drawdown entirely

2. **2025**

   -0.44% — near-zero erosion while many strategies suffered

3. **2026**

   Fully inactive — 100% capital preserved in cash

# The Capital Preservation Advantage

### ❌ What Bad Strategies Do

Lose money aggressively in bad markets

Enter long recovery cycles after drawdowns

Force investors to stay invested at wrong times

### ✔️ What This Strategy Does

Preserve capital in full during inactive phases

Wait patiently for high-probability setups

Re-enter aggressively when the regime confirms

# Trade Characteristics

Understanding the trade profile is essential for institutional allocators evaluating strategy behavior and execution feasibility.

## 140+

### Total Trades

Across the full live track record

## 2.2

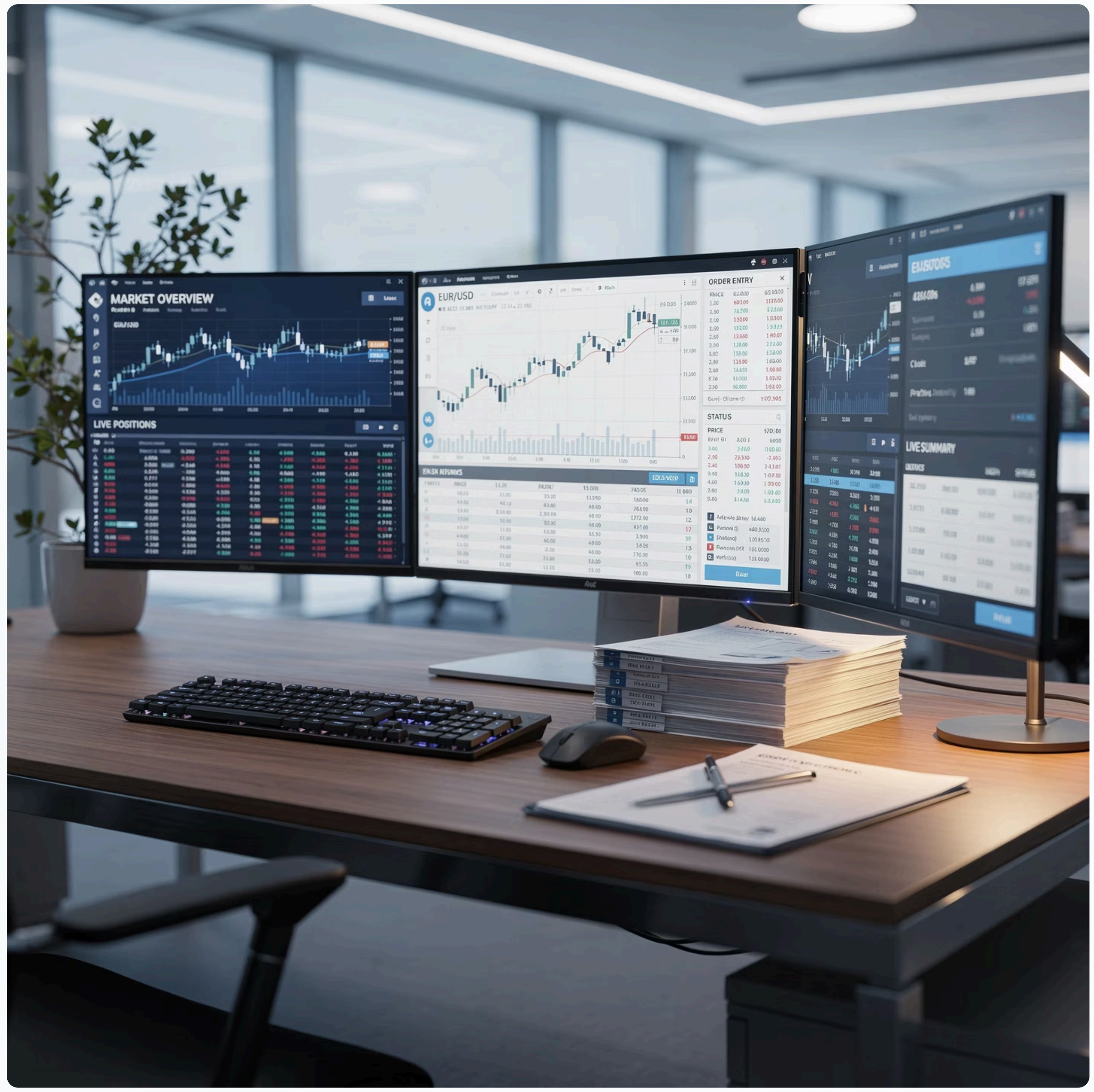
### Avg Monthly Churn

Low turnover — 2.1 to 2.3 trades per month

## 55%

### Positive Trades

Win rate of approximately 53–56%




**Key Insight:** Returns are not driven by high accuracy. They are driven by **trend capture** — letting winners run aggressively while cutting losers decisively. A 55% win rate combined with asymmetric payoff is the formula for institutional-grade compounding.

# Why This Strategy Stands Out

**Regime Filter**

**Steps Aside in Downturns**

**Concentrated Momentum**

**Top 5 Leaders Only**

Two structural advantages set this strategy apart from virtually every momentum-based approach available to institutional and HNI allocators. The regime filter eliminates the single biggest source of return destruction — participation in unfavorable markets. Concentrated momentum then maximizes the capture rate when conditions are ideal.

# Edge #1 — The Regime Filter

> Most strategies lose in bad markets. This one steps aside completely.

The proprietary *Horny Bull Market Setup* functions as a binary regime classifier. When the filter is off, the strategy holds zero equity exposure — no partial hedges, no defensive rotations, no hoping. This absolute discipline is rare in the industry and is the primary source of the strategy's exceptional drawdown control.

### Filter ON

Full deployment. Top 5 momentum leaders. Maximum conviction.

### Filter OFF

Zero exposure. 100% cash. No exceptions. No overrides.

# Edge #2 — Concentrated Momentum

Diversification is the enemy of outperformance. This strategy embraces concentration as a feature — not a risk. By allocating exclusively to the **Top 5 Momentum Leaders**, the portfolio captures sector leadership and trend clustering at maximum intensity.

### Only 5 Stocks

Concentration ensures every position has meaningful impact on returns

### Leaders, Not Laggards

Systematic selection of the strongest momentum names in the universe — no averaging down, no value traps

# The Allocator's Summary

### Structural Downside Protection

Max drawdown under 10% — achieved through regime filtering, not luck or hedging costs.

### Explosive Upside in Bull Regimes

Three years exceeding 50% annual return — compounding capital at rates that redefine wealth creation timelines.

### Systematic, Rules-Based Execution

Zero discretion. Zero emotion. A process that repeats with precision regardless of market narrative or sentiment.

### 2.2X Benchmark Alpha

Delivering more than double the Nifty CAGR with a fraction of the drawdown — the defining metric for institutional capital allocation.

# Final Perspective

> The highest-returning strategies are not the ones that are always in the market. They are the ones that know exactly *when* to be in — and when to step away.

This strategy represents a disciplined synthesis of **regime intelligence, momentum science, and risk engineering**. It is not designed for investors seeking constant activity — it is designed for investors seeking **superior risk-adjusted compounding** over full market cycles.

**340.50%**

Total return since inception

**30.20%**

Annualized CAGR

**<10%**

Maximum drawdown

**2.2X**

Alpha over benchmark

Capital that compounds at 30%+ annually — with institutional-grade downside control — is not a product. It is a **structural advantage**.