

# Colgate-Palmolive

Refer to important disclosures at the end of this report

## High promotions and weak margins impact earnings

- Colgate reported a 9% miss on earnings in Q2 due to lower gross margins amid higher input costs and higher ad spends. Volumes grew ~4% with sales growth of 5% - 2% below our estimates as higher promotional intensity resulted in lower price-led growth.
- Gross margin declined sharply by 230bps qoq due to higher input cost pressure, which is likely to continue. We, hence, reduce margin assumptions, factoring in a 120bps decline in operating margins in FY22. Moderation in ad spends may benefit marginally though.
- Colgate has stepped up its efforts but is yet to see a consistent improvement in growth trends. After few quarters of improvement, growth was slower in Q2. We expect that growth trends improve ahead with the help of innovations and GTM initiatives.
- We reduce FY22-24E earnings by 3-6%. Post the recent correction, valuations at 37x/33x FY23E/FY24E EPS appear reasonable. Retain Buy with a revised TP of Rs1,765 (Rs1,880 earlier), rolling forward to Dec'23E EPS. Rural slowdown remains a risk to estimates.

**Volumes up ~4%; sales growth lower due to high promotional intensity:** Colgate's revenue increased by 5%, with ~4% growth in domestic volumes (5% 2yr revenue CAGR). Promotional intensity was higher on a low base, resulting in lower price-led growth for the quarter. Sequential recovery in volumes has been healthy, with toothbrushes witnessing good growth. Colgate has stepped up its aggression and innovation efforts, with differentiated products (Diabetics toothpaste) and natural range (Vedshakti mouth spray, etc.); however, these steps are yet to drive improvement in growth trends. We expect that the continued focus on innovations and GTM initiatives should improve growth and market share ahead.

**Higher input prices dent margins:** Gross margins were down 130bps YoY (150bps below estimates), due to higher input prices and lower pricing growth at consumer end. EBITDA margins declined 220bps to 30% (softer decline of 80bps QoQ) due to lower gross margins and higher employee expenses and ad spends, up 9% and 13%, respectively. Input inflation, led by crude and crude derivatives, remains high. We factor in a 120bps decline in EBITDA margins in FY22.

**Valuations appear reasonable post recent correction; maintain Buy:** We reduce earnings estimates by 3-6% for FY22-24, factoring in lower margins due to high inflation. Post the recent correction, valuations at 37x/33x FY23E/FY24E EPS appear reasonable. Maintain Buy with a revised TP of Rs1,765 (Rs1,880 earlier), based on 40x Dec'23E EPS. (vs 40x Sep-23 earlier). Slowdown in rural demand remains a risk to estimates.

Please see our sector model portfolio (Emkay Alpha Portfolio): [Consumer Goods & Retail \(Page 8\)](#)

### Financial Snapshot (Standalone)

(Rs mn)	FY20	FY21	FY22E	FY23E	FY24E
Revenue	45,251	48,412	51,812	56,179	61,372
EBITDA	12,017	15,096	15,524	16,924	18,722
EBITDA Margin (%)	26.6	31.2	30.0	30.1	30.5
APAT	7,855	10,039	10,332	11,351	12,662
EPS (Rs)	28.9	36.9	38.0	41.7	46.6
EPS (% chg)	10.3	27.8	2.9	9.9	11.5
ROE (%)	51.7	72.7	88.6	95.5	102.6
P/E (x)	53.1	41.5	40.3	36.7	32.9
EV/EBITDA (x)	34.3	27.0	26.6	24.4	21.9
P/BV (x)	26.1	35.8	35.8	34.4	33.2

Source: Company, Emkay Research

<b>CMP</b>	<b>Target Price</b>
Rs 1,532 as of (October 25, 2021)	Rs 1,765 (▼) 12 months
<b>Rating</b>	<b>Upside</b>
BUY (■)	15.2 %

### Change in Estimates

EPS Chg FY22E/FY23E (%)	(2.7)/(5.5)
Target Price change (%)	(6.1)
Target Period (Months)	12
Previous Reco	BUY

### Emkay vs Consensus

EPS Estimates		
	FY22E	FY23E
Emkay	38.0	41.7
Consensus	39.7	43.5
Mean Consensus TP (12M)	Rs 1,814	

### Stock Details

Bloomberg Code	CLGT IN
Face Value (Rs)	1
Shares outstanding (mn)	272
52 Week H/L	1,823 / 1,434
M Cap (Rs bn/USD bn)	417 / 5.55
Daily Avg Volume (nos.)	5,29,739
Daily Avg Turnover (US\$ mn)	11.9

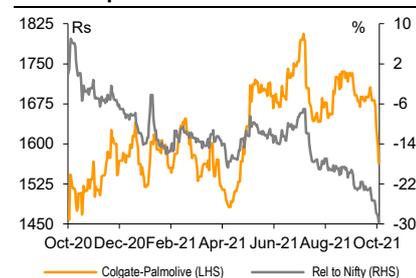
### Shareholding Pattern Sep '21

Promoters	51.0%
FIIIs	19.1%
DIIIs	7.4%
Public and Others	22.4%

### Price Performance

(%)	1M	3M	6M	12M
<b>Absolute</b>	(9)	(15)	1	5
<b>Rel. to Nifty (11)</b>	(25)	(19)	(32)	

### Relative price chart



Source: Bloomberg

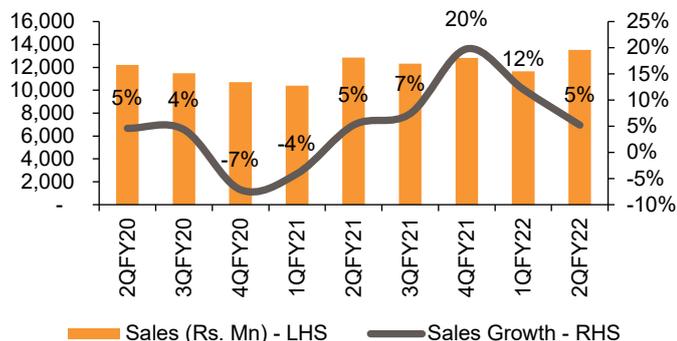
This report is solely produced by Emkay Global. The following person(s) are responsible for the production of the recommendation:

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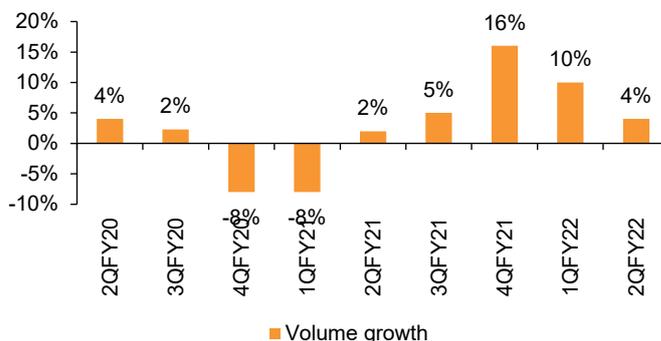
## Story in Charts

**Exhibit 1: Slower revenue growth due to low price-led growth**



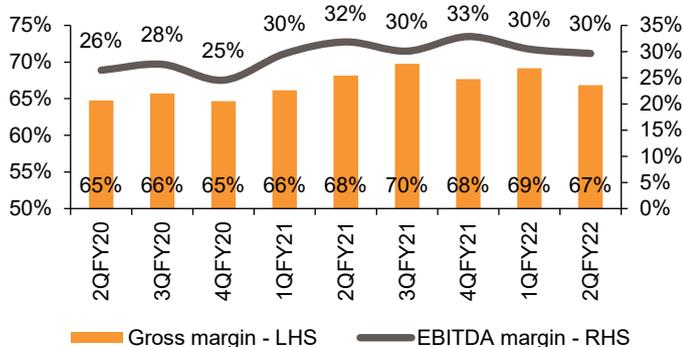
Source: Company, Emkay Research

**Exhibit 2: Indicative volume growth at ~4%, 2yr CAGR at 3%, similar to Q3/Q4 FY21**



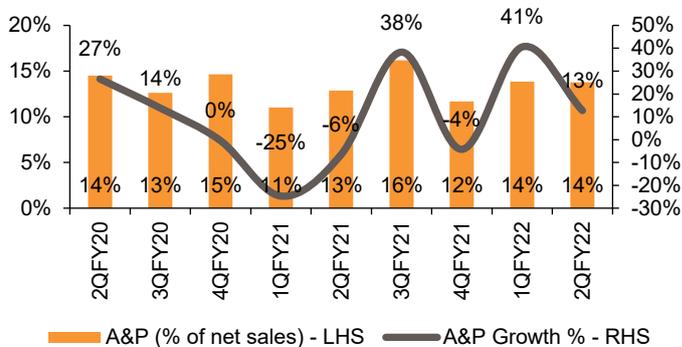
Source: Company, Emkay Research

**Exhibit 3: Higher input prices and insufficient pricing actions impact margins**



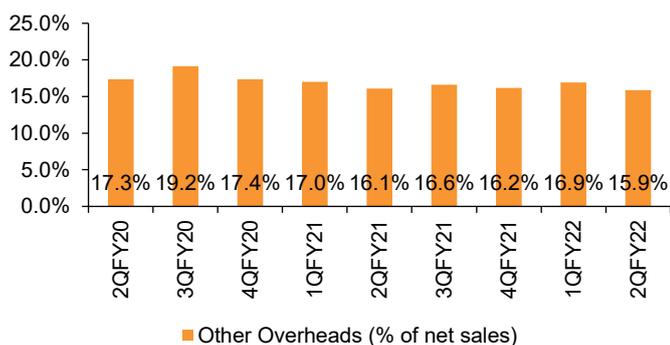
Source: Company, Emkay Research

**Exhibit 4: Increase in A&P investments to support innovations**



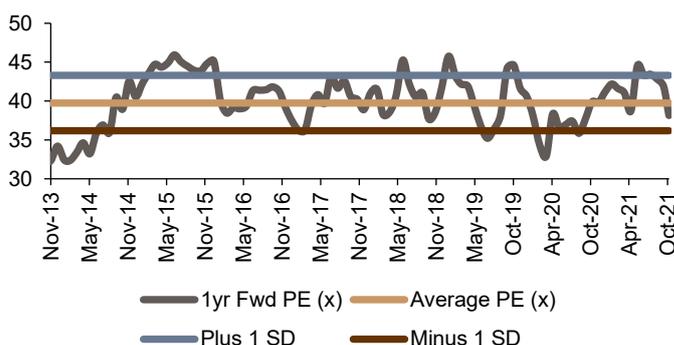
Source: Company, Emkay Research

**Exhibit 5: Cost savings limit the increase in other overhead spends QoQ**



Source: Company, Emkay Research

**Exhibit 6: One-year forward P/E band chart**



Source: Company, Emkay Research

**Exhibit 7: Actual vs. Estimates (Q2FY22)**

Rs mn	Actual	Emkay estimates	Consensus estimates	% variation		Comment
				Emkay	Consensus	
Revenues	13,524	13,751	13,705	-1.6%	-1.3%	Sales below estimates; volume growth of 4%
EBITDA	4,008	4,347	4,248	-7.8%	-5.7%	
EBITDA Margin (%)	29.6%	31.6%	31.0%	-198	-136	Dip in gross margin impacts operating margins
APAT	2,692	2,944	2,905	-8.6%	-7.3%	

Source: Company, Emkay Research

**Exhibit 8: Quarterly Performance (Standalone)**

Y/E, Mar (Rs. mn)	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	YoY (%)	QoQ (%)	1HFY21	1HFY22	YoY (%)
Revenue	12,855	12,319	12,832	11,660	13,524	5.2	16.0	23,261	25,184	8.3
Expenditure	8,762	8,613	8,614	8,108	9,517	8.6	17.4	16,088	17,624	9.5
Consumption of RM	4,096	3,725	4,149	3,597	4,486	9.5	24.7	7,620	8,083	6.1
as % of sales	31.9%	30.2%	32.3%	30.9%	33.2%			32.8%	32.1%	
Employee Cost	966	869	915	950	1,047	8.4	10.2	1,873	1,997	6.6
as % of sales	7.5%	7.1%	7.1%	8.1%	7.7%			8.1%	7.9%	
Advertising & SP	1,644	1,983	1,489	1,602	1,853	12.7	15.7	2,783	3,455	24.1
as % of sales	12.8%	16.1%	11.6%	13.7%	13.7%			12.0%	13.7%	
Other expenditure	2,056	2,036	2,062	1,959	2,131	3.7	8.8	3,812	4,090	7.3
as % of sales	16.0%	16.5%	16.1%	16.8%	15.8%			16.4%	16.2%	
EBITDA	4,093	3,706	4,218	3,552	4,008	-2.1	12.8	7,173	7,560	5.4
Depreciation	461	456	455	447	449	-2.6	0.4	915	896	-2.1
EBIT	3,632	3,251	3,763	3,105	3,559	-2.0	14.6	6,258	6,664	6.5
Other Income	76	99	66	52	65	-14.0	25.0	139	117	-15.4
Interest cost	18	19	16	15	15	-17.6	-2.6	38	30	
Exceptional items	0	0	0	0	0					
PBT	3,689	3,330	3,814	3,142	3,609	-2.2	14.9	6,358	6,751	6.2
Total Tax	947	847	667	810	917	-3.2	13.3	1,635	1,727	5.6
Reported PAT	2,742	2,484	3,147	2,332	2,692	-1.8	15.4	4,724	5,024	6.4
Extra ordinary items	0	0	-315	0	0			0	0	
Adjusted PAT	2,742	2,484	2,832	2,332	2,692	-1.8	15.4	4,724	5,024	6.4
Adjusted EPS (Rs)	10.1	9.1	10.4	8.6	9.9	-1.8	15.4	17	18	6.4

Margins (%)	2QFY21	3QFY21	4QFY21	1QFY22	2QFY22	(bps)	(bps)	1HFY21	1HFY22	(bps)
Gross Margin	68.1	69.8	67.7	69.1	66.8	-130	-230	67.2	67.9	70
EBIDTA	31.8	30.1	32.9	30.5	29.6	-220	-80	30.8	30.0	-80
EBIT	28.3	26.4	29.3	26.6	26.3	-190	-30	26.9	26.5	-40
EBT	28.7	27.0	29.7	26.9	26.7	-200	-30	27.3	26.8	-50
PAT	21.3	20.2	22.1	20.0	19.9	-140	-10	20.3	19.9	-40
Effective Tax rate	25.7	25.4	17.5	25.8	25.4	-30	-40	25.7	25.6	-10

Source: Company, Emkay Research

**Exhibit 9: Revision in earnings estimates**

Y/E, Mar (Rs. mn)	FY22E			FY23E			FY24E		
	Earlier	Revised	% Change	Earlier	Revised	% Change	Earlier	Revised	% Change
Revenues	52,637	51,812	-1.6	57,487	56,179	-2.3	62,808	61,372	-2.3
EBITDA	15,903	15,524	-2.4	17,813	16,924	-5.0	19,574	18,722	-4.4
EBITDA Margin (%)	30.2	30.0	-20 bps	31.0	30.1	-90 bps	31.2	30.5	-70 bps
APAT	10,613	10,332	-2.7	12,013	11,351	-5.5	13,295	12,662	-4.8
EPS (Rs)	39.0	38.0	-2.7	44.2	41.7	-5.5	48.9	46.6	-4.8

Source: Company, Emkay Research

**Exhibit 10: Revenue Growth Assumptions**

	FY20	FY21	FY22E	FY23E	FY24E
Toothpaste Volume Growth	1%	4%	5%	5%	6%
Toothpaste Realization growth	1%	4%	3%	3%	3%
Revenue (Rs mn)	45,251	48,412	51,812	56,179	61,372
Growth	1%	7%	7%	8%	9%

Source: Company, Emkay Research

## Exhibit 11: Relative Valuation

	Price (Rs)	Mcap (Rs bn)	Reco	Target Price (Rs)	EPS (Rs)			P/E (x)			EV / EBITDA (x)		
					FY22E	FY23E	FY24E	FY22E	FY23E	FY24E	FY22E	FY23E	FY24E
Asian Paints	2,918	2,799	Hold	2,800	29.6	42.3	53.5	98.6	69.0	54.5	63.0	45.9	36.8
Berger Paints	718	697	Sell	650	9.5	12.0	14.2	75.5	60.0	50.6	47.5	38.2	32.3
Britannia	3,631	875	Buy	4,300	73.0	85.5	97.1	49.8	42.5	37.4	36.3	31.9	28.3
<b>Colgate</b>	<b>1,532</b>	<b>417</b>	<b>Buy</b>	<b>1,765</b>	<b>38.0</b>	<b>41.7</b>	<b>46.6</b>	<b>40.3</b>	<b>36.7</b>	<b>32.9</b>	<b>26.6</b>	<b>24.3</b>	<b>21.9</b>
Dabur	581	1,028	Hold	625	10.8	12.6	14.5	53.9	46.1	40.2	42.4	36.2	31.6
Emami	523	232	Buy	620	16.2	18.3	20.6	32.3	28.6	25.4	23.8	21.0	18.6
GCPL	942	964	Hold	1,030	18.3	21.3	24.3	51.5	44.2	38.7	36.5	31.8	27.7
HUL	2,456	5,770	Hold	2,700	37.5	43.7	50.1	65.4	56.2	49.1	44.9	38.5	33.7
ITC	233	2,873	Buy	270	11.6	13.6	15.1	20.1	17.1	15.5	14.9	12.7	11.5
Marico	556	718	Buy	630	10.6	12.3	14.0	52.3	45.2	39.7	38.2	33.1	29.1
Nestle	18,696	1,803	Hold	17,500	242.0	286.3	335.0	77.3	65.3	55.8	52.9	45.2	38.9
Pidilite	2,286	1,162	Sell	1,730	25.5	32.2	36.6	89.7	71.0	62.4	61.9	49.6	43.9
Radico Khaitan	1,116	149	Buy	1,090	23.2	28.6	33.8	48.2	39.0	33.0	31.6	26.1	22.3
United Breweries	1,627	430	Buy	1,900	18.5	31.9	37.2	88.1	50.9	43.7	46.4	30.0	25.8
United Spirits	826	600	Buy	970	12.2	17.1	19.9	67.6	48.4	41.6	41.7	31.9	27.3

Source: Company, Emkay Research

**Key Financials (Standalone)****Income Statement**

Y/E Mar (Rs mn)	FY20	FY21	FY22E	FY23E	FY24E
<b>Revenue</b>	<b>45,251</b>	<b>48,412</b>	<b>51,812</b>	<b>56,179</b>	<b>61,372</b>
<b>Expenditure</b>	<b>33,234</b>	<b>33,316</b>	<b>36,288</b>	<b>39,255</b>	<b>42,650</b>
<b>EBITDA</b>	<b>12,017</b>	<b>15,096</b>	<b>15,524</b>	<b>16,924</b>	<b>18,722</b>
Depreciation	1,979	1,825	1,922	1,988	2,065
<b>EBIT</b>	<b>10,037</b>	<b>13,271</b>	<b>13,602</b>	<b>14,936</b>	<b>16,658</b>
Other Income	492	304	364	401	441
Interest expenses	96	73	80	80	80
<b>PBT</b>	<b>10,434</b>	<b>13,502</b>	<b>13,887</b>	<b>15,257</b>	<b>17,018</b>
Tax	2,269	3,148	3,555	3,906	4,357
Extraordinary Items	310	315	0	0	0
Minority Int./Income from Assoc.	0	0	0	0	0
<b>Reported Net Income</b>	<b>8,165</b>	<b>10,354</b>	<b>10,332</b>	<b>11,351</b>	<b>12,662</b>
<b>Adjusted PAT</b>	<b>7,855</b>	<b>10,039</b>	<b>10,332</b>	<b>11,351</b>	<b>12,662</b>

**Balance Sheet**

Y/E Mar (Rs mn)	FY20	FY21	FY22E	FY23E	FY24E
Equity share capital	272	272	272	272	272
Reserves & surplus	15,670	11,387	11,382	11,853	12,275
<b>Net worth</b>	<b>15,942</b>	<b>11,659</b>	<b>11,654</b>	<b>12,125</b>	<b>12,547</b>
<b>Minority Interest</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Loan Funds</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Net deferred tax liability	(1,689)	(2,122)	(2,122)	(2,122)	(2,122)
<b>Total Liabilities</b>	<b>14,253</b>	<b>9,536</b>	<b>9,532</b>	<b>10,003</b>	<b>10,424</b>
<b>Net block</b>	<b>11,229</b>	<b>10,647</b>	<b>10,425</b>	<b>10,137</b>	<b>9,773</b>
<b>Investment</b>	<b>186</b>	<b>186</b>	<b>186</b>	<b>186</b>	<b>186</b>
<b>Current Assets</b>	<b>10,477</b>	<b>14,028</b>	<b>9,114</b>	<b>10,684</b>	<b>12,505</b>
Cash & bank balance	4,213	8,676	3,488	4,689	6,036
Other Current Assets	815	739	739	770	811
<b>Current liabilities &amp; Provision</b>	<b>9,539</b>	<b>16,773</b>	<b>11,643</b>	<b>12,453</b>	<b>13,488</b>
<b>Net current assets</b>	<b>938</b>	<b>(2,746)</b>	<b>(2,528)</b>	<b>(1,769)</b>	<b>(983)</b>
Misc. exp	0	0	0	0	0
<b>Total Assets</b>	<b>14,253</b>	<b>9,536</b>	<b>9,532</b>	<b>10,003</b>	<b>10,425</b>

**Cash Flow**

Y/E Mar (Rs mn)	FY20	FY21	FY22E	FY23E	FY24E
<b>PBT (Ex-Other income) (NI+Dep)</b>	<b>9,941</b>	<b>13,199</b>	<b>13,522</b>	<b>14,856</b>	<b>16,578</b>
Other Non-Cash items	0	0	0	0	0
Chg in working cap	(1,370)	7,713	(5,406)	442	561
<b>Operating Cashflow</b>	<b>8,871</b>	<b>19,965</b>	<b>6,928</b>	<b>13,860</b>	<b>15,367</b>
Capital expenditure	(1,213)	(792)	(1,700)	(1,700)	(1,700)
<b>Free Cash Flow</b>	<b>7,658</b>	<b>19,173</b>	<b>5,228</b>	<b>12,160</b>	<b>13,667</b>
Investments	125	0	0	0	0
Other Investing Cash Flow	(492)	(304)	(364)	(401)	(441)
<b>Investing Cashflow</b>	<b>(1,088)</b>	<b>(792)</b>	<b>(1,700)</b>	<b>(1,700)</b>	<b>(1,700)</b>
Equity Capital Raised	0	0	0	0	0
Loans Taken / (Repaid)	(777)	0	0	0	0
Dividend paid (incl tax)	(6,558)	(14,687)	(10,336)	(10,880)	(12,240)
Other Financing Cash Flow	(133)	50	0	0	0
<b>Financing Cashflow</b>	<b>(7,564)</b>	<b>(14,709)</b>	<b>(10,416)</b>	<b>(10,960)</b>	<b>(12,320)</b>
<b>Net chg in cash</b>	<b>219</b>	<b>4,463</b>	<b>(5,188)</b>	<b>1,200</b>	<b>1,347</b>
Opening cash position	3,994	4,213	8,676	3,488	4,689
<b>Closing cash position</b>	<b>4,213</b>	<b>8,676</b>	<b>3,488</b>	<b>4,689</b>	<b>6,036</b>

Source: Company, Emkay Research

**Key Ratios**

<b>Profitability (%)</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22E</b>	<b>FY23E</b>	<b>FY24E</b>
EBITDA Margin	26.6	31.2	30.0	30.1	30.5
EBIT Margin	22.2	27.4	26.3	26.6	27.1
Effective Tax Rate	21.7	23.3	25.6	25.6	25.6
Net Margin	18.0	21.4	19.9	20.2	20.6
ROCE	73.1	114.1	146.5	157.0	167.4
ROE	51.7	72.7	88.6	95.5	102.6
RoIC	123.8	369.7	748.6	369.3	517.8

<b>Per Share Data (Rs)</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22E</b>	<b>FY23E</b>	<b>FY24E</b>
EPS	28.9	36.9	38.0	41.7	46.6
CEPS	36.2	43.6	45.0	49.0	54.1
BVPS	58.6	42.9	42.8	44.6	46.1
DPS	20.0	54.0	38.0	40.0	45.0

<b>Valuations (x)</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22E</b>	<b>FY23E</b>	<b>FY24E</b>
PER	53.1	41.5	40.3	36.7	32.9
P/CEPS	43.3	35.9	34.7	31.9	28.9
P/BV	26.1	35.8	35.8	34.4	33.2
EV / Sales	9.2	8.5	8.0	7.4	6.7
EV / EBITDA	34.3	27.0	26.6	24.4	21.9
Dividend Yield (%)	1.3	3.5	2.5	2.6	2.9

<b>Gearing Ratio (x)</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22E</b>	<b>FY23E</b>	<b>FY24E</b>
Net Debt/ Equity	(0.3)	(0.7)	(0.3)	(0.4)	(0.5)
Net Debt/EBIDTA	(0.4)	(0.6)	(0.2)	(0.3)	(0.3)
Working Cap Cycle (days)	(26.4)	(86.1)	(42.4)	(42.0)	(41.7)

<b>Growth (%)</b>	<b>FY20</b>	<b>FY21</b>	<b>FY22E</b>	<b>FY23E</b>	<b>FY24E</b>
Revenue	1.4	7.0	7.0	8.4	9.2
EBITDA	(2.8)	25.6	2.8	9.0	10.6
EBIT	(6.8)	32.2	2.5	9.8	11.5
PAT	5.3	26.8	(0.2)	9.9	11.5

<b>Quarterly (Rs mn)</b>	<b>Q2FY21</b>	<b>Q3FY21</b>	<b>Q4FY21</b>	<b>Q1FY22</b>	<b>Q2FY22</b>
Revenue	12,855	12,319	12,832	11,660	13,524
EBITDA	4,093	3,706	4,218	3,552	4,008
<b>EBITDA Margin (%)</b>	<b>31.8</b>	<b>30.1</b>	<b>32.9</b>	<b>30.5</b>	<b>29.6</b>
PAT	2,742	2,484	3,147	2,332	2,692
<b>EPS (Rs)</b>	<b>10.1</b>	<b>9.1</b>	<b>11.6</b>	<b>8.6</b>	<b>9.9</b>

Source: Company, Emkay Research

<b>Shareholding Pattern (%)</b>	<b>Sep-20</b>	<b>Dec-20</b>	<b>Mar-21</b>	<b>Jun-21</b>	<b>Sep-21</b>
Promoters	51.0	51.0	51.0	51.0	51.0
FIs	15.7	16.6	16.9	18.6	19.1
DIs	10.8	10.1	10.0	8.2	7.4
Public and Others	22.5	22.3	22.1	22.2	22.4

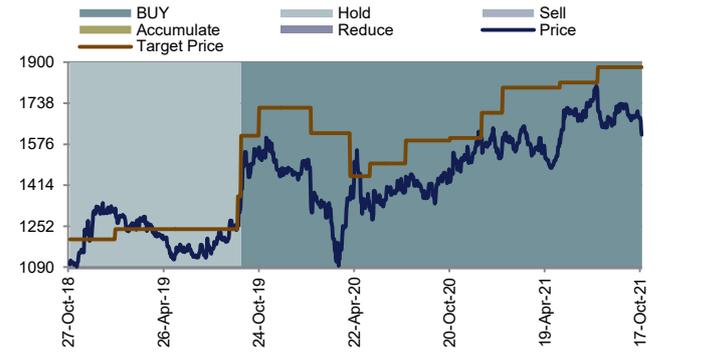
Source: Capitaline

## RECOMMENDATION HISTORY TABLE

Date	Closing Price	TP	Period (months)	Rating	Analyst
29-Jul-21	1,710	1,880	12m	Buy	Ashit Desai
18-May-21	1,581	1,820	12m	Buy	Ashit Desai
29-Jan-21	1,603	1,800	12m	Buy	Ashit Desai
20-Dec-20	1,600	1,700	12m	Buy	Ashit Desai
21-Oct-20	1,427	1,600	12m	Buy	Ashit Desai
29-Jul-20	1,448	1,590	12m	Buy	Ashit Desai
22-May-20	1,313	1,500	12m	Buy	Ashit Desai
14-Apr-20	1,357	1,450	12m	Buy	Ashit Desai
31-Jan-20	1,329	1,620	12m	Buy	Ashit Desai
25-Dec-19	1,474	1,720	12m	Buy	Ashit Desai
24-Oct-19	1,564	1,720	12m	Buy	Ashit Desai
20-Sep-19	1,397	1,610	12m	Buy	Ashit Desai
14-Sep-19	1,254	1,370	12m	Hold	Ashit Desai
18-Jul-19	1,204	1,240	12m	Hold	Ashit Desai
27-May-19	1,180	1,240	12m	Hold	Ashit Desai
09-Apr-19	1,231	1,240	12m	Hold	Ashit Desai
24-Jan-19	1,322	1,240	12m	Hold	Ashit Desai
30-Oct-18	1,100	1,200	12m	Hold	Ashit Desai

Source: Company, Emkay Research

## RECOMMENDATION HISTORY CHART



Source: Bloomberg, Company, Emkay Research

## Emkay Alpha Portfolio – Consumer Goods & Retail



### Analyst: Ashit Desai

#### Contact Details

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#### Sector

Consumer Goods & Retail

#### Analyst bio

Ashit Desai holds a PGDM and FRM (US GARP) with 13 years of research experience on the sell side. His team currently covers 24 stocks in the Indian Consumer and Retail space.

### EAP sector portfolio

Company Name	BSE200 Weight	EAP Weight	OW/UW (%)	OW/UW (bps)	EAP Weight (Normalised)
<b>Consumer Goods &amp; Retail</b>	<b>9.94</b>	<b>9.94</b>	<b>0%</b>	<b>0</b>	<b>100.00</b>
Asian Paints	1.29	0.45	-65%	-84	4.48
Berger Paints	0.17	0.00	-100%	-17	0.00
Britannia Industries	0.42	0.50	19%	8	5.00
Colgate-Palmolive	0.20	0.21	6%	1	2.14
Dabur India	0.33	0.35	6%	2	3.51
Emami	0.11	0.11	-1%	0	1.06
Godrej Consumer Products	0.35	0.33	-4%	-1	3.36
Hindustan Unilever	2.10	1.56	-26%	-54	15.68
ITC	1.98	2.00	1%	2	20.12
Marico	0.28	0.31	10%	3	3.09
Nestle India	0.65	0.39	-40%	-26	3.92
Pidilite Industries	0.34	0.00	-100%	-34	0.00
Radico Khaitan	0.00	0.37	NA	37	3.73
United Breweries	0.11	0.51	374%	40	5.11
United Spirits	0.00	0.29	NA	29	2.91
Varun Beverages	0.12	0.18	55%	6	1.83
ABFRL	0.07	0.10	42%	3	1.03
Jubilant FoodWorks	0.27	0.25	-9%	-2	2.48
Page Industries	0.21	0.46	122%	25	4.60
Titan Company	0.96	1.12	16%	16	11.25
TCNS Clothing	0.00	0.22	NA	22	2.22
Westlife Development	0.00	0.25	NA	25	2.49
<b>Cash</b>	<b>0.00</b>	<b>0.00</b>	<b>NA</b>	<b>0</b>	<b>0.00</b>

Source: Emkay Research

\* Not under coverage: Equal Weight

■ High Conviction/Strong Over Weight ■ High Conviction/Strong Under Weight

### Sector portfolio NAV

	Base					Latest
	1-Apr-19	23-Oct-20	23-Apr-21	23-Jul-21	22-Sep-21	22-Oct-21
EAP - Consumer Goods & Retail	100.0	104.0	118.2	133.3	150.2	147.6
BSE200 Neutral Weighted Portfolio (ETF)	100.0	100.0	113.9	126.5	142.3	134.7

\*Performance measurement base date 1<sup>st</sup> April 2019

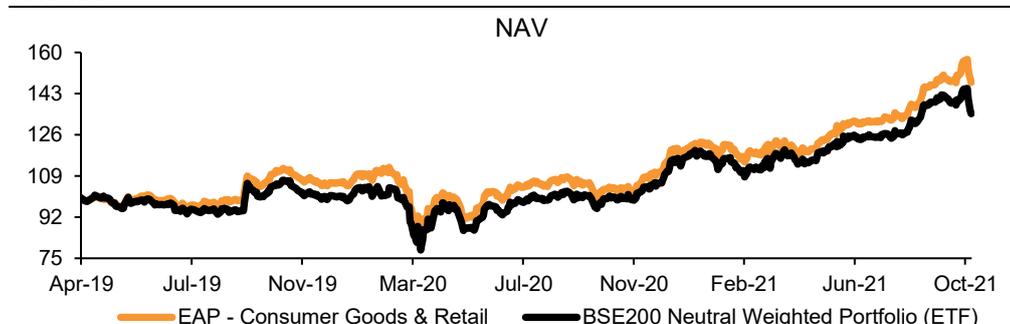
Source: Emkay Research

### Price Performance (%)

	1m	3m	6m	12m
EAP - Consumer Goods & Retail	-1.7%	10.7%	24.9%	42.0%
BSE200 Neutral Weighted Portfolio (ETF)	-5.3%	6.5%	18.3%	34.7%

Source: Emkay Research

### NAV chart



Source: Emkay Research

Please see our model portfolio (Emkay Alpha Portfolio): [Nifty](#)

Please see our model portfolio (Emkay Alpha Portfolio): [SMID](#)

“Emkay Alpha Portfolio – SMID and Nifty are a supporting document to the Emkay Alpha Portfolios Report and is updated on regular intervals”

## Emkay Rating Distribution

Ratings	Expected Return within the next 12-18 months.
BUY	Over 15%
HOLD	Between -5% to 15%
SELL	Below -5%

Completed Date: 26 Oct 2021 01:00:24 (SGT)

Dissemination Date: 26 Oct 2021 01:01:24 (SGT)

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