

As on 30th April 2024

Fund features

Investment Style

Long Short | Multi – Strategy

Structure

Category III Alternate Investment Fund

Tenure

Open-ended

Fund details

Investment Manager

ASK Long-Short Fund Managers Pvt. Ltd.

Inception Date

31st January 2024

Lock-in Period

Nil

Entry & Exit load

Nil

Fund Investment specifics

Subscription

Month-end / Mid-month (as per discretion of IM)

Minimum Subscription

₹.1.00 cr. (INR. One Crore)

Redemption

Month-end (5 day notice)

NAV Frequency

Monthly

About the Fund

The ASK Absolute Return Fund is a multi-strategy fund, which aims to deliver better risk adjusted returns with an endeavor to generate 100-150 bps net alpha (post fees & tax) over liquid fixed income alternatives from a 12+ month investment horizon and focus on low volatility and fewer drawdowns

Portfolio Performance

As on 30th April 2024



Monthly Returns (%)

CY – 2024	February	March	April	CYT-D -2024
Fund	1.70	2.42	2.50	6.77
NSE 50 Arbitrage Index	0.50	0.69	0.58	1.78

Note:

All performance nos. are gross of fees & taxes and in absolute INR terms, considered for A2 share class – 31 January 2024 series. Performance are subject to market risk and the data quoted represent past performance, which is no guarantee of future results. The fund is an absolute return fund, the NSE 50 Arbitrage Index is only for reference and is not the benchmark index.

Portfolio Snapshot

As on 30th April 2024



Sector Allocation (%) ¹



	Long	Short	Net
Consumer Discretionary	7.4	-5.4	2.1
Consumer Staples	1.8	-0.8	1.0
Energy	0.0	-0.5	-0.5
Financials	6.1	-3.9	2.2
Health Care	3.4	-0.4	3.0
Industrials	6.0	0.0	6.0
Information Technology	1.3	-1.7	-0.5
Materials	3.3	-4.5	-1.2
Utilities	1.8	-0.7	1.0

¹) The Global Industry Classification Standard | Level 1 is used to derive the component economic sectors of the Fund. Sector allocation does not display cash & cash equivalent investments.

Portfolio Exposure



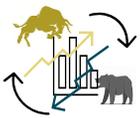
Long Exposure (%)	31.0
Short Exposure (%)	-17.9
Gross Exposure (Long + Short) (%)	48.9
Net Exposure (Long - Short) (%)	13.1

For the above computation : Exposure under Stock & Index Options, and Cash & cash equivalent positions have been excluded from the above exposure computation.

Portfolio Update



Mid and Small cap indices outperformed large caps in the month of April. As we approach the outcome of general elections and Q4 earnings we expect increased volatility, both on relative and absolute terms. Our market view remains aligned with earnings growth over the next year. India's robust macro fundamentals, position it as a favoured investment destination, which is likely to sustain rich market valuations. Our gross exposure is likely to stay in line with longer term averages, but as we are moving closer to the general elections results, we may increase our hedge ratio to keep the portfolio protected from tail risks.



Fund Manager Commentary



April was an eventful month, with global markets witnessing elevated geopolitical tension, while crude surged towards USD 93 before settling back to USD 86, concurrently election season was at its peak, and global yields spiking particularly from India and U.S. Despite this, what surprised was volatility falling to recent lows for India. April 2024 saw a rebound in Mid and Small cap indices, post a sharp correction March.

In line with expectations, RBI maintained its policy rate and indicated towards shallower rate cut. Meanwhile the Fed statement in the last FOMC meeting was dovish compared to market expectations. We are focusing more on growth outcomes as that would drive future monetary policy action. Our stance continues of a shallower rate cut but with a slight delay. Recent U.S. GDP print was disappointing alongside weaker employment reports, and, in our opinion, these are crucial factors for future monetary policy actions.

Key domestic event currently is the election outcome. It appears that, the market is now factoring in political continuity which is indicated by different pre-polls survey. Said so, there will be uncertainty till the outcome of the actual results after which the focus will shift to economic policy and union budget. We expect fiscal prudence will take precedence and government to come with some long-term factor reforms to facilitate accelerated private capital expenditure.

Q4 earnings so far is largely in-line with IT sector being an exception where most companies missed estimates. Rural recovery though elusive but commentary is turning around by select corporates indicating a positive change. Additionally, IMD forecast for monsoon also augurs well for rural focused theme.

Fund Manager



Vaibhav Sanghavi
CEO, Fund Manager

22 Years of Industry Experience



Piyush Shah
CIO, Fund Manager

23 Years of Industry Experience

Disclaimer

This product update ("note") is in relation to ASK Absolute Return Fund ("Fund"), a scheme of ASK Alternative Investment ("Trust"), an alternative investment fund managed by ASK Long-Short Fund Managers Pvt Ltd ("Manager") and which is registered with the Securities and Exchange Board of India ("SEBI") as a [Category III Alternative Investment Fund] under the SEBI (AIF) Regulations, 2012 ("AIF Regulations") bearing registration number IN/AIF3/23-24.

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ASK Absolute Return Fund

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Disclaimer –contd.

Risk Factor

- The fund's investments are primarily in listed securities, and any fluctuations in the market prices of these securities can directly impact the overall value of the Fund. It is important to note that there are no guarantees or assurances of returns or payouts, and this fund does not offer principal protection to investors.
- In addition to listed securities, the Fund also invests in derivatives for hedging purposes, portfolio rebalancing, and opportunistic directional calls on stocks and indices. Derivative products are leveraged instruments that can result in both significant gains and losses for investors, depending on various factors such as underlying asset prices, volatility, tenor, and interest rates.
- The Fund may also allocate investments in fixed income instruments, which come with the risk of default in principal and/or interest payments, as well as risks associated with changes in market interest rates and credit spreads. It is essential for investors to be aware of these risks before considering investing in this fund.
- Past performance of the Fund over a specific period may not necessarily reflect future results, and the track record of the Investment Manager and its affiliates may not be indicative of future success with the Fund's investments. Investors should carefully consider all these factors before making any investment decisions.

Conflict of Interest

- ASK Hedge Solutions operates as a subsidiary of ASK Asset and Wealth Management Group, which is backed by Blackstone, and serves as the Investment Manager for ASK Absolute Return Fund.
- ASK Asset and Wealth Management, collectively known as "ASK Group" along with its affiliates and subsidiaries, is involved in various financial services such as distribution, wealth management, asset management, portfolio management, and equity capital markets.
- The term "ASK Group" refers to the relevant entity/entities within the group as required by the context.
- Conflicts, whether actual, potential, or apparent, may arise due to the diverse business activities conducted by ASK Group. ASK Group has established policies and procedures to address conflicts that may arise from its business activities, and its directors, partners, and employees are expected to act in good faith in all dealings.
- Personnel, from ASK Hedge Solutions and its advisors will dedicate their time to the Fund as deemed reasonably necessary, despite having responsibilities for other companies, projects, and clients within the ASK Group. This may lead to conflicts of interest in managing time and resources between the Fund and other entities, but the ASK personnel will provide services based on their best judgment and not exclusively for the Fund.

Each prospective investor, by accepting delivery of this note agrees to the foregoing.

For more information, please connect with your Relationship Manager