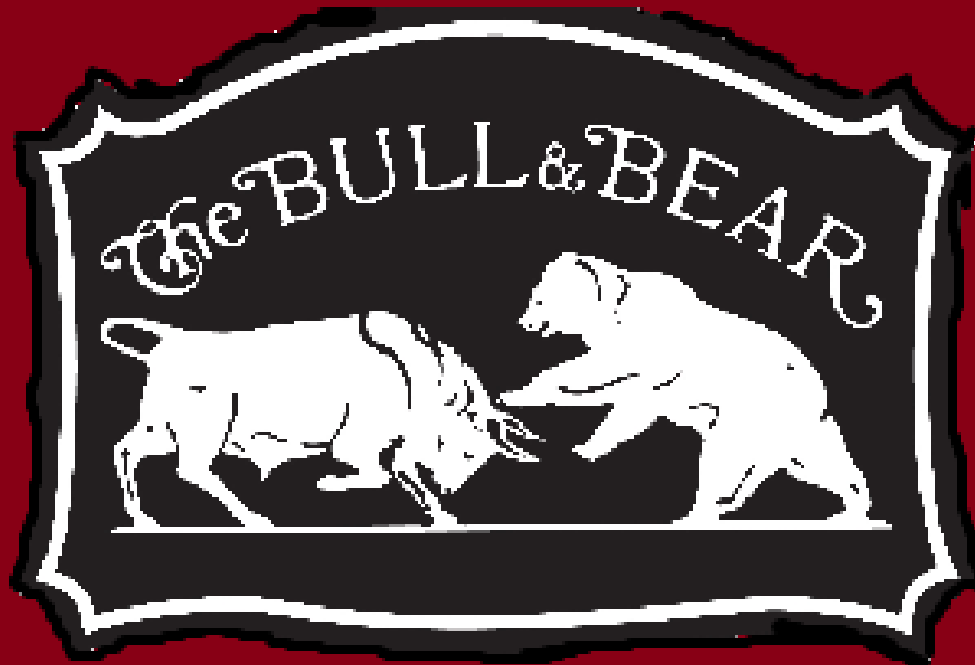


## HBJ Hedge Fund Portfolio



**- An Opportunistic Absolute return Portfolio**

★ Our key objective is to execute the right Equity strategies based on Market conditions to help clients get good absolute returns. Our Fund would be using a wide variety of Investment strategies across various Asset classes to position itself for strong Risk-adjusted returns. This Fund Portfolio needs to be replicated at your end.

# Medium Term – Hedge Fund Guidance

- Increase Allocation levels to around 85% Equities :

We are currently invested for only around 25% of our overall Hedge Fund Portfolio. The sharp run up in markets doesn't warrant a rush into higher allocations immediately. We would be aggressively capitalizing on any corrections in the market place. We would be slowly increasing our allocations to Equities to around 85% of our overall Portfolio value by the end of this Financial year.

- Park Cash in good Short Term Liquid Funds to Capitalize on Opportunities :

While the increased allocations would take some time, we would be using such an opportunity to park our Cash in good short term Liquid Funds and earn some interest out of it. This liquidity is encashable anytime and hence over the next 3 months, you will see us buying more liquid funds in our Portfolio. This would allow us to be patient and operate only in case of attractive opportunities.

- Core Portfolio Picks Vs Others ratio to be maintained at 40: 60 in FY-15:

We believe that the current Market conditions is more suited to bet on Tactical positions, Intelligent speculation etc and not Core Portfolio bets. Hence, we believe that our ratio of Core Portfolio picks will continue to languish around 40% this year. While we would eventually like to take it to 60%, we don't see such a situation happening in FY-15.

- Increase allocations to Momentum bets over next 6 Months :

We understand the importance of being present in Momentum businesses in a Bull Market. Hence, we would like to increase exposure to stocks such as V-Mart, SKS Micro Finance which have momentum in terms of Investor attraction, Quarterly results, Growth rates etc. Watch out for more action in this space.

# **Current Hedge Fund Portfolio**

# Previous Month Portfolio

Position	Call Type	Entry Date	Quantity	BUY Rate	BUY Value	Current Rate	Current Value	Un-Realized Profit/ Loss	% of Overall Portfolio	Dividends
Indiabulls Housing Finance	Core Portfolio Pick	25/06/2014	361	361	130321	626.2	226058.2	73.46	6.44	31369
PTC India Financials	Momentum Stock	27/03/2015	2375	50.5	119937.5	39.75	94406.25	-21.29	2.69	2375
V-Mart Retail	Mid-Term Bet	25/06/2014	148	340	50320	516	76368	51.76	2.17	540.2
SKS Microfinance	Momentum Stock	25/06/2014	213	275	58575	559.1	119088.3	103.31	3.39	0
JM Financials	Momentum Stock	07-11-14	6489	35.45	230035.05	40.25	261182.25	13.54	7.44	7893
Talwalkars Fintess	Mid-Term Bet	07-02-14	636	195	124020	218.2	138775.2	11.90	3.95	667.5
TV Today Network	Coat-tailing/ Cloning	10-07-14	1000	208	208000	312.9	312900	50.43	8.91	2500
Ratnamani Metals & Tubes	CAPEX Trade	11-07-14	390	502.05	195799.5	495.15	193108.5	-1.37	5.50	2684
Heritage Foods	Multibagger Bet	12.08/2014	500	271	135500	515	257500	90.04	7.33	1500
Zensar Technologies	Relative Value Call	15/12/2014	123	586	102550	969.85	119291.55	16.33	3.40	4025
Apar Industries	CAPEX Trade	19/1/2015	260	366	95160	475.1	123526	29.81	3.52	2340
Indian Terrain Fashion	Tactical Position	23/2/2015	1933	119.5	230993.5	131.7	254576.1	10.21	7.25	0
Phoenix Lamps	Mid-Term Bet	21/1/2015	800	110	88000	109.85	87880	-0.14	2.50	0
All Cargo Logistics	Cyclical Trade	28-05-15	974	160.0	155840	154.55	150531.7	-3.41	4.29	1394
HSIL	Tactical Position	08-05-15	844	265.3	223913.2	307.50	259530.0	15.91	7.39	4851
Shriram City Union Finance	Tactical Position	25-08-15	143	1598.8	228628.4	1549.90	221635.7	-3.06	6.31	225
L&T Gilt Fund - Growth Plan	Tactical Position	07-02-14	7478	30.5	228079	37.878	283251.684	24.19	8.07	0
Treehouse Education	Core Portfolio Pick	29/09/2015	550	292	160600	77.1	42405	-73.60	1.21	0
Kolte Patil Developers Ltd	Core Portfolio Pick	08-01-16	1241	120.3	149292.3	113	140233	-6.07	3.99	0
Total BUY Value				2915564.45		3362247.43		15.32	65469	

## **Portfolio Updates**

**No Changes for the month of May-16.**

# HBJ Hedge Fund Portfolio (as on 17<sup>th</sup> May, 2016)

Position	Call Type	Entry Date	Quantity	BUY Rate	BUY Value	Current Rate	Current Value	Un-Realized Profit/ Loss	% of Overall Portfolio	Dividends
Indiabulls Housing Finance	Core Portfolio Pick	25/06/2014	361	361	130321	721	260281	99.72	7.20	31369
PTC India Financials	Momentum Stock	27/03/2015	2375	50.5	119937.5	38.4	91200	-23.96	2.52	2375
V-Mart Retail	Mid-Term Bet	25/06/2014	148	340	50320	508	75184	49.41	2.08	540.2
SKS Microfinance	Momentum Stock	25/06/2014	213	275	58575	626.3	133401.9	127.75	3.69	0
JM Financials	Momentum Stock	07-11-14	6489	35.45	230035.05	45	292005	26.94	8.08	7893
Talwalkars Fintess	Mid-Term Bet	07-02-14	636	195	124020	196.6	125037.6	0.82	3.46	667.5
TV Today Network	Coat-tailing/ Cloning	10-07-14	1000	208	208000	327	327000	57.21	9.04	2500
Ratnamani Metals & Tubes	CAPEX Trade	11-07-14	390	502.05	195799.5	513	200070	2.18	5.53	2684
Heritage Foods	Multibagger Bet	12.08/2014	500	271	135500	510.5	255250	88.38	7.06	1500
Zensar Technologies	Relative Value Call	15/12/2014	123	586	102550	970	119310	16.34	3.30	4025
Apar Industries	CAPEX Trade	19/1/2015	260	366	95160	475.1	123526	29.81	3.42	2340
Indian Terrain Fashion	Tactical Position	23/2/2015	1933	119.5	230993.5	134.7	260375.1	12.72	7.20	0
Phoenix Lamps	Mid-Term Bet	21/1/2015	800	110	88000	111	88800	0.91	2.46	0
All Cargo Logistics	Cyclical Trade	28-05-15	974	160.0	155840	147.85	144005.9	-7.59	3.98	1394
HSIL	Tactical Position	08-05-15	844	265.3	223913.2	309.00	260796.0	16.47	7.21	4851
Shriram City Union Finance	Tactical Position	25-08-15	143	1598.8	228628.4	1625.45	232439.4	1.67	6.43	225
L&T Gilt Fund - Growth Plan	Tactical Position	07-02-14	7478	30.5	228079	37.85	283042.3	24.10	7.83	0
Treehouse Education	Core Portfolio Pick	29/09/2015	550	292	160600	80.15	44082.5	-72.55	1.22	0
Kolte Patil Developers Ltd	Core Portfolio Pick	08-01-16	1241	120.3	149292.3	121.2	150409.2	0.75	4.16	0
Total BUY Value					2915564.45		3466215.85	18.89		65469

# Portfolio Statistics

Portfolio value	3466215.85
Current Cash Position	149487
Dividends	65469

Realized Profits/ Losses	499583.06
Total Profits/ Losses	1115703.16
Overall Portfolio Value at CMP	3615703.16

# **Current Asset Allocation**



## Allocation in Hedge Fund Portfolio(as on 17<sup>th</sup> May, 2016)

Current Portfolio Break - Up	
Total Number of Positions	20
<u>Allocation %</u>	100%
Cash	4.13
Liquid Funds	7.83
Core Bets	12.58
Non-Directional Positions	0
Speculative Bets	75.46

**Historical Transactions till date**

# Historical Transactions in the Portfolio

Position	Type	Date	Quantity	Price	Transaction Value
DB Corp	Core Portfolio Pick	25/06/2014	238	316	75208
Indiabulls Housing Finance	Core Portfolio Pick	25/06/2014	198	279	55242
NMDC	Core Portfolio Pick	25/06/2014	414	181	74934
Sanghvi Movers	Core Portfolio Pick	25/06/2014	532	141	75012
V-Mart Retail	Mid-Term Bet	25/06/2014	148	340	50320
Ramco Systems	Turnaround Idea	25/06/2014	250	200	50000
Rallis India	Tactical Bet	25/06/2014	223	224	49952
SKS Microfinance	Momentum Stock	25/06/2014	363	275	99825
Talwalkars Fitness	Mid-Term Bet	07-02-14	445	193	85885
L&T Gilt Fund - Growth Plan	Tactical Position	07-02-14	10000	30.5	305000
Indiabulls Housing Finance	Core Portfolio Pick	07-08-14	400	353	141200
JM Financials	Momentum Pick	07-11-14	5000	34	170000
Vaibhav Global	Mid-Term Bet	08-05-14	200	838	167600
Vardhman Textiles	Intelligent Speculation	08-12-14	200	452	90400
Heritage Foods	Multibagger Bet	08-12-14	500	271	135500
Kitex Garments	Core Portfolio Pick	26/8/2014	350	340	119000
Bajaj Electricals	Relative Bet	09-09-14	350	281	98350
TV Today Network	Coat-tailing/ Cloning	10-07-14	500	208	104000
Ratnamani Metals & Tubes	CAPEX Trade	11-07-14	200	535	107000
Zensar Technologies	Relative Value Call	15/12/2014	175	586	102550
Apar Industries	CAPEX Trade	19/1/2015	200	386	77200
Phoenix Lamps	Mid-Term Bet	22/1/2015	800	110	88000
Rallis India	Tactical Bet	22/1/2015	223	231	51513
Indian Terrain Fashion	Tactical Call	23/2/2015	150	620	93000
Kitex Garments	Tactical Call	23/2/2015	150	514	77100
NMDC	Core Portfolio Bet	27/3/2015	414	125	51750
SKS Micro Finance	Momentum Stock	27/3/2015	150	443	66450
PTC India Financial Services	Momentum Stock	27/3/2015	2375	50.5	119937.5
Apar Industries	CAPEX Trade	29-03-15	60	346	20760
Kitex Garments	Core Portfolio Pick	28-05-15	200	827	165400
Indian Terrain Fashion	Tactical Position	28-05-15	100	639.5	63950

# Historical Transactions in the Portfolio

All Cargo Logistics	Cyclical Trade	28-05-15	300	323.0	96900
Indiabulls Housing Finance	Core Portfolio Pick	10-08-15	95	631.6	60000.1
Ramco Systems	Turnaround Idea	05-08-15	58	1034.5	60000
All Cargo Logistics	Cyclical Trade	05-08-15	187	320.9	60000
Indiabulls Housing Finance	Core Portfolio Pick	05-08-15	95	789.5	75000
HSIL	Tactical Position	05-08-15	254	295.3	75000
HSIL	Tactical Position	25-08-15	288	260	75000
Shriram City Union Finance	Cyclical Trade	25-08-15	45	1647.0	75000
L&T Gilt Fund - Growth Plan	Tactical Position	25-08-15	1420	35.2	50000
Indiabulls Housing Finance	Core Portfolio Pick	29/09/2015	47	744.7	35000
L&T Gilt fund Growth Plan	Tactical Position	29/09/2015	1102	36.3	40000
Treehouse Education	Core Portfolio Pick	29/09/2015	240	312.5	75000
Treehouse Education	Core Portfolio Pick	29/10/2015	310	277.4	86000
Vardhman Textiles	Intelligent Speculation	08-01-16	200	806.9	161380
Sanghvi Movers	Core Portfolio Pick	08-01-16	208	360.1	74901
Shriram City union Finance	Tactical Position	08-01-16	65	1529.0	99385
Kolte Patil Developers Ltd	Tactical Position	08-01-16	517	145.0	74965
Ramco Systems	TurnAround Idea	12-02-16	192	660.25	126768
Sanghvi Movers	Core Portfolio Pick	12-02-16	324	296.0	95904
Indian Terrain Fashion	Tactical Position	12-02-16	683	108.7	74242
HSIL	Tactical Position	12-02-16	302	245.3	74066
Kolte Patil Developers Ltd	Tactical Position	12-02-16	724	102.7	74355
DB Corp	Core Portfolio Pick	11-03-16	238	322	76636
Talwalkars	Mid-Term bet	11-03-16	191	200.1	38219
Ratnamani Metals	Capex Trade	11-03-16	88	435.2	38293
Zensar Technologies	Relative Value Call	13-04-16	52	969.85	50432
Ratnamani Metals Tube	Mid-Term bet	13-04-16	102	495.2	50505



# HBJ Hedge Fund Portfolio

- An Opportunistic Absolute return Portfolio

Directional  
Stratergies

Multi Directional  
Strategies

Non-Directional  
Stratergies

Momentum  
Investing

Tactical  
Positions

Intelligent  
Speculation

Long Term  
Investments

Earnings  
based Bets

Swing  
Trades



Event  
Driven

Relative  
Value

Risk  
Arbitrage

Special  
Situation

Deep Value  
Bets

Dividend  
Yield Plays



**SPIN-OFF**  
To  
**PAY-OFF**

**THANK YOU**