

Edelweiss ABSOLUTE RETURN EQUITY fund



As on 31st March, 2010

Scheme Features

Scheme Type

An Open Ended Equity Scheme

Benchmark

CRISIL MIP Blended Index

Date of Allotment

20th August 2009

Entry Load

Nil[§]

[§]In terms of SEBI circular no. SEBI/IMD/CIR No. 4/168230/09 dated June 30, 2009, no entry load will be charged by the Scheme to the investor effective August 1, 2009. Upfront commission shall be paid directly by the investor to the AMFI registered Distributors based on the investors' assessment of various factors including the service rendered by the distributor.

Exit Load

- Upto 30 days - 1%
- Above 30 days - Nil

Total Expense Ratio (Current)**

1.25%

Options

Growth and Dividend

Facilities (Under Dividend Option)

Reinvestment, Payout & Sweep Facility
(Default Facility - Dividend Reinvestment)

Default Option

Growth

Minimum Investment

Minimum of Rs. 5,000/- and in multiples of Re. 1/- thereafter.

Minimum Additional Investment Amount

Minimum of Rs. 1000/- and in multiples of Re. 1/- thereafter

Minimum Redemption Amount

- Minimum of 50 units & in multiples of 1 unit thereafter or Rs. 500 & in multiples of Re. 1/- thereafter.

- For demat transactions, minimum redemption would be mandatorily 50 units.

- In case of the investors/ units holders having available balance less than Rs. 500/- or less than 50 units in their respective folio on the day of submission of valid redemption request, for the respective plan, the minimum redemption limit would be the available balance.

Ratios

Standard deviation (Annualized) 4.64%

Sharpe ratio 1.87

Portfolio beta 0.51

R squared 0.48

Risk Free Rate considered for the above = 7.70% pa. (10 year G sec bond)

Since the scheme has been launched on Aug 09 and the performance history is available only for a very short period Portfolio Turnover have not been computed for this month.

Fund Manager

Mr. Paul Parampreet

Experience : Around 5 years

Managing the fund since: 4 February, 2010

AUM as on March 31st, 2010

Rs. 14.80 (in Cr.)

Investment Objective

The primary objective of the scheme will be to generate absolute returns with low volatility over a longer tenure of time. The scheme will invest in arbitrage opportunities, equity derivative strategies, pure equity investments and the balance in debt and money market instruments. The Scheme proposes to allocate assets to both equity and debt markets based upon the market view. However there is no assurance that the investment objective of the scheme will be realized.

Portfolio

Name of Instrument	Sector	% of Net Assets
Equity & Equity Related Instruments Listed / awaiting listing on the stock exchanges		
75.78		
Micro Inks	Chemicals	3.25
Pradip Overseas #	Textile Products	2.80
Bajaj Auto	Auto	2.33
Shriram Transport Finance Co.	Finance	2.31
Zee News	Media & Entertainment	2.28
Bharat Electronics	Industrial Capital Goods	2.13
Lupin	Pharmaceuticals	2.12
Ceekay Daikin	Auto Ancillaries	2.03
Balaji Distilleries	Consumer Non Durables	1.80
Tata Motors	Auto	1.75
JSW Steel	Ferrous Metals	1.70
Grasim Industries	Cement	1.70
Sun Pharmaceuticals Industries	Pharmaceuticals	1.37
Hindustan Unilever	Diversified	1.36
Container Corporation of India	Transportation	1.35
UltraTech Cement	Cement	1.34
Asian Paints	Consumer Non Durables	1.34
NTPC	Power	1.33
GlaxoSmithKline Pharmaceuticals	Pharmaceuticals	1.33
ITC	Consumer Non Durables	1.31
Hindustan Petroleum Corporation	Petroleum Products	1.30
Bharat Petroleum Corpn.	Petroleum Products	1.30
Bosch	Auto Ancillaries	1.29
Dr. Reddy's Laboratories	Pharmaceuticals	1.29
Oplia	Pharmaceuticals	1.29
Debur India	Consumer Non Durables	1.28
Indian Oil Corporation	Petroleum Products	1.28
Mphasis	Software	1.21
Bank of India	Banks	0.94
Hindalco Industries	Non - Ferrous Metals	0.92
Sesa Goa	Minerals / Mining	0.91
Steel Authority of India	Ferrous Metals	0.91
Sun TV Network	Media & Entertainment	0.89
Canara Bank	Banks	0.88
Ranbaxy Laboratories	Pharmaceuticals	0.88
National Aluminium Company	Non - Ferrous Metals	0.88
Bank of Baroda	Banks	0.88
Ambuja Cement	Cement	0.88
Adani Enterprises	Trading	0.87
Power Finance Corporation	Finance	0.87
Rural Electrification Corporation	Finance	0.86
Tata Steel	Ferrous Metals	0.86
Idea Cellular	Telecom - Services	0.85
Suzlon Energy	Industrial Capital Goods	0.84
NHPC	Power	0.84
Hindustan Zinc	Non - Ferrous Metals	0.84
Neyveli Lignite Corporation	Power	0.82
Adani Enterprises	Trading	0.00
Listed / awaiting listing on the stock exchanges: Reversed Positions		
IDBI Bank Apr 2010	Banks	(0.80)
IDBI Bank	Banks	(0.80)
Reliance Natural Resources Apr 2010	Gas	(1.62)
Reliance Natural Resources	Gas	(1.60)
Kingfisher Airlines Apr 2010	Transportation	(1.73)
Kingfisher Airlines	Transportation	(1.72)
Zee Entertainment Enterprises Apr 2010	Media & Entertainment	(1.90)
United Spirits Apr 2010	Consumer Non Durables	(1.91)
United Spirits	Consumer Non Durables	(0.85)
Essar Oil Apr 2010	Petroleum Products	(2.83)
Essar Oil	Petroleum Products	(2.81)
Videocon Industries Apr 2010	Consumer Durables	(4.23)
Videocon Industries	Consumer Durables	(4.20)
DERIVATIVES		
NIFTY Index Future Apr 2010	Index Future	(10.23)
Others		
24.22		
Cash & Cash Equivalents		
Fixed Deposit		
HDFC Bank	Unrated	7.13
HDFC Bank	Unrated	3.67
HDFC Bank	Unrated	3.60
CBLO / Reverse Repo Investments		
13.25		
Net Receivable/Payable		
(3.43)		
Grand Total		
100.00		

Notes:

* Total Exposure to illiquid securities is 0.00% of the portfolio; i.e. Rs. 0.00 lakhs

Pending Listing on Stock Exchange

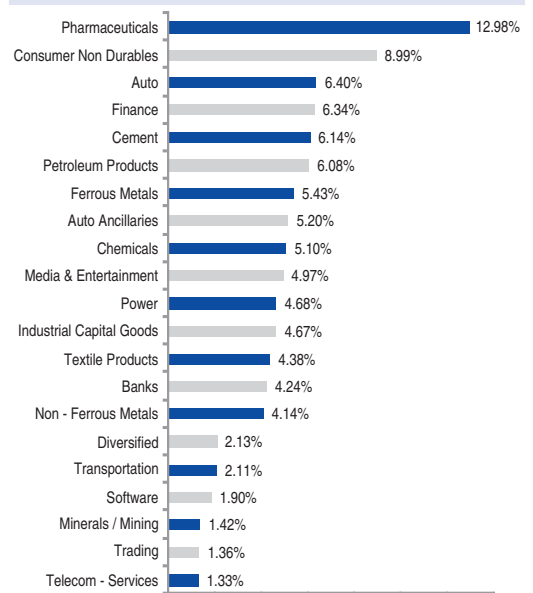
Fixed Deposit placed under margin : Rs. 200 (in Lakhs)

Total Exposure to derivative instruments (excluding reversed positions) as on 31/03/2010 :

Rs (142.06) (in Lakhs)

**Current year to date ratio to average AUM. AMC reserves the right to change the expense ratio within the limits prescribed in the Scheme Information Document.

Sector Classification (% to equity holdings)



NAV as on 31st March, 2010

In Rs. Per Unit

Growth Option	10.49
Dividend Option	10.49

Performance as on 31st March, 2010

Scheme Name	NAV (31-Mar-10)	Absolute Returns (In %)			
		1 Month	3 Months	6 Months	*Since Inception
Edelweiss Absolute Return Equity Fund - Growth***	10.49	3.1465	3.5538	3.7587	4.9000
CRISIL MIP Blended Index		1.6600	1.2800	2.9600	5.5100

Source: www.mutualfundsindia.com

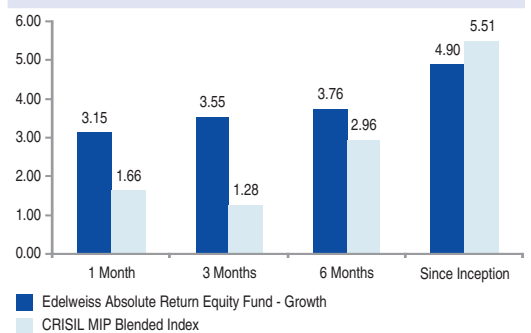
Past performance may or may not be sustained in future.

The above information is not necessarily indicative of future results and may not necessarily provide a basis for comparison with other investments.

*Inception Date August 20, 2009

***Performance of the dividend plan for the investor would be net of the dividend distribution tax, as applicable.

Fund Performances VS Benchmark Index



Risk Factors: Edelweiss Absolute Return Equity Fund is only the name of the scheme and does not in any manner indicate either the quality of the scheme, its future prospects and return. All Mutual Fund and securities investments are subject to market risk and there can be no assurance that the schemes' objectives will be achieved. As with any investment in securities, the NAV of the Units issued under the Scheme can go up or down depending on the factors and forces affecting the capital markets. Past performance of the Sponsor and their Affiliates/AMC/Mutual Fund & its Scheme(s) does not indicate the future performance of the Scheme and may not necessarily provide a basis for comparison with other investments. Investment in Mutual Fund Units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal. As the price / value / interest rates of the securities in which the scheme invests fluctuates, the value of your investment in the scheme may go up or down. Investors are not being offered any guaranteed / assured returns under any scheme of Edelweiss Mutual Fund.

Statutory Details: Edelweiss Mutual Fund is set up as a Trust under the Indian Trust Act, 1882 by Edelweiss Capital Limited. **Sponsor:** Edelweiss Capital Limited (ECL) (liability restricted to initial contribution of Rs. 1 Lac). **Trustee:** Edelweiss Trusteeship Company Limited (ETCL), a Company registered under the Companies Act, 1956 **Investment Manager:** Edelweiss Asset Management Limited (EAML), a Company registered under the Companies Act, 1956. Copy of the Statement of Additional Information (SAI) / Scheme Information Document (SID) and Key Information Memorandum (KIM) can be obtained from any of our Investor Services Centers as well as from our website www.edelweissmf.com. **Mutual Fund investments are subject to market risks. Please read the Statement of Additional Information (SAI) & Scheme Information Document (SID) of the respective schemes carefully before investing.**