

Edelweiss Absolute Return Equity fund



As on 30th September, 2009

Scheme Features

Scheme Type

An Open Ended Equity Scheme

Benchmark

CRISIL MIP Blended Index

Date of Allotment

20th August 2009

Entry Load

Nil

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

Ratios

Standard deviation (Annualized) 2.73%

Sharpe ratio 0.53

Portfolio beta 0.41

R squared 0.39

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. Tarbir Shahpuri

Experience : 5 years

Managing the fund since inception

AUM as on September 30, 2009

Rs. 14.13 (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		
Tata Consultancy Services	Software	71.74
Reliance Industries	Petroleum Products	1.23
Maruti Suzuki India	Auto	1.19
Wipro	Software	1.18
Ranbaxy Laboratories	Pharmaceuticals	1.13
Indian Overseas Bank	Banks	1.04
Torrent Power	Power	1.01
Patri Computer Systems	Software	1.01
Mphasis	Software	1.00
Bajaj Auto	Auto	1.00
Essar Oil	Petroleum Products	1.00
Infosys Technologies	Software	0.83
ICICI Bank	Banks	0.76
Larsen & Toubro	Construction Project	0.75
Housing Development Finance Corporation	Finance	0.62
ITC	Consumer Non Durables	0.53
HDFC Bank	Banks	0.43
State Bank of India	Banks	0.43
Bharti Airtel	Telecom - Services	0.39
Oil & Natural Gas Corpn	Oil	0.30
Bharat Heavy Electricals	Industrial Capital Goods	0.28
Tata Steel	Ferrous Metals	0.21
Hindustan Unilever	Diversified	0.21
Sterile Industries (India)	Non - Ferrous Metals	0.19
Jindal Steel & Power	Ferrous Metals	0.17
Tata Power Co.	Power	0.16
Reliance Communications	Telecom - Services	0.16
Axis Bank	Banks	0.15
Grasim Industries	Cement	0.14
NTPC	Power	0.14
Mahindra & Mahindra	Auto	0.13
Reliance Infrastructure	Power	0.13
AIL (India)	Gas	0.12
DLF	Construction	0.12
Hero Honda Motors	Auto	0.11
Unitech	Construction	0.11
Tata Motors	Auto	0.11
Hindalco Industries	Non - Ferrous Metals	0.11
Cipla	Pharmaceuticals	0.10
Idea Cellular	Telecom - Services	0.09
Calm India	Oil	0.09
Reliance Capital	Finance	0.08
Punjab National Bank	Banks	0.08
Sun Pharmaceuticals Industries	Pharmaceuticals	0.08
Steel Authority of India	Ferrous Metals	0.08
Siemens	Industrial Capital Goods	0.06
ACC	Cement	0.06
Anbuja Cement	Cement	0.06
ABB	Industrial Capital Goods	0.06
Bharat Petroleum Corpn.	Petroleum Products	0.06
HCL Technologies	Software	0.06
Power Grid Corporation of India	Power	0.05
Reliance Power	Power	0.05
Suzlon Energy	Industrial Capital Goods	0.04
Tata Communications	Telecom - Services	0.02
National Aluminium Company	Non - Ferrous Metals	0.02
Listed / awaiting listing on the stock exchanges: Reversed Positions		
India Infoline	Finance	1.59
India Infoline Oct 2009	Finance	-1.59
ITC	Consumer Non Durables	1.68
ITC Oct 2009	Consumer Non Durables	-1.67
IDFC	Finance	1.84
IDFC Oct 2009	Finance	-1.85
Kingfisher Airlines	Transportation	2.03
Kingfisher Airlines Oct 2009	Transportation	-2.04
Bharat Petroleum Corpn.	Petroleum Products	2.24
Bharat Petroleum Corpn. Oct 2009	Petroleum Products	-2.25
Welspun Gujarat Stahl Rohren	Ferrous Metals	2.37
Welspun Gujarat Stahl Rohren Oct 2009	Ferrous Metals	-2.38
Reliance Industries	Petroleum Products	2.82
Reliance Industries Oct 2009	Petroleum Products	-2.80
Essar Oil	Petroleum Products	3.19
Essar Oil Oct 2009	Petroleum Products	-3.20
Sun Pharmaceuticals Industries	Pharmaceuticals	3.38
Sun Pharmaceuticals Industries Oct 2009	Pharmaceuticals	-3.37
Bharti Airtel	Telecom - Services	3.57
Bharti Airtel Oct 2009	Telecom - Services	-3.59
Indiabulls Real Estate	Construction	3.77
Indiabulls Real Estate Oct 2009	Construction	-3.79
Jaiprakash Associates	Cement	3.80
Jaiprakash Associates Oct 2009	Cement	-3.80
Lanco Infratech	Construction Project	3.90
Lanco Infratech Oct 2009	Construction Project	-3.92
Tech Mahindra	Software	5.39
Tech Mahindra Oct 2009	Software	-6.01
K.S. Oils	Consumer Non Durables	8.75
K.S. Oils Oct 2009	Consumer Non Durables	-8.72
OTHERS		
Bank Balance		28.26
Fixed Deposit		0.52
HDFC Bank	Unrated	7.03
HDFC Bank	Unrated	3.62
HDFC Bank	Unrated	3.55
CBLO / Reverse Repo Investments		
Other Current Assets (Liabilities)		11.08
		2.55
GRAND TOTAL		100.00

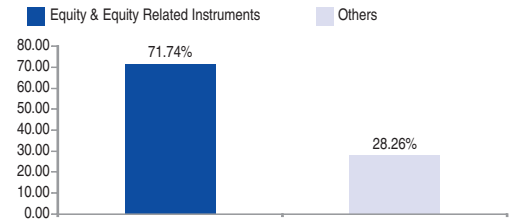
Notes:
Total Exposure to derivative instruments (excluding reversed positions) as on 30/09/2009 : Nil
Fixed Deposit placed under margin: Rs. 2 cr

NAV as on 30th September, 2009 In Rs. Per Unit

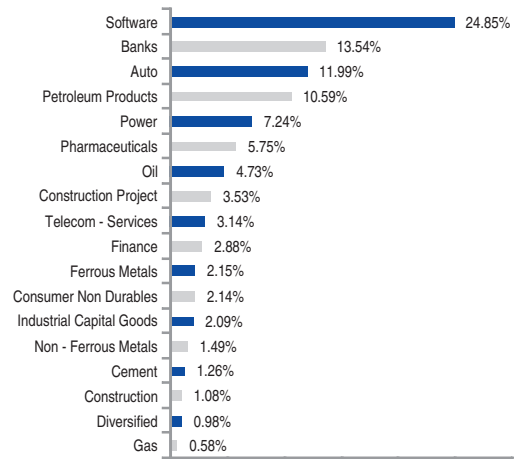
Growth Option	10.11
Dividend Option	10.11

**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.

Asset Allocation



Sector Classification (% to equity holdings)



Performance as on 30th September, 2009

Scheme Name	Absolute Returns (In %)		
	NAV (30-Sep-09)	1 Month	*Since Inception
Edelweiss Absolute Return Equity Fund - Growth***	10.11	1.00	1.10
CRISIL MIP Blended Index		2.05	2.47

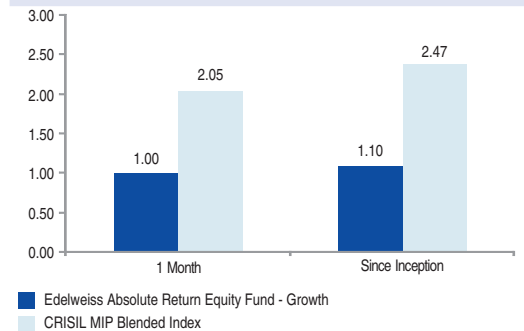
Source: www.mutualfundsindia.com

Past performance may or may not be sustained in future.

*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 of 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.**