

# Monash Absolute Investment Fund

(APIR MON001AU)



6% p.a Target Distribution



Double Digit returns since inception



Long/Short Australian Equities



Proven Track Record

## January 2022 Fund Update

During January the Fund fell -8.65% (after fees). This compares to a total return of -6.35% for the S&P/ASX200 and -9.00% for the Small Ords.

Over the month interest rate expectations rose in the US, as members of the Fed made increasingly hawkish statements in response to inflation concerns. For example, the US 3 year rate rose from 0.95%pa to 1.37%pa. The move in longer US rates was similar, with the 10 year bond yield rising from 1.09%pa to 1.51%pa.

It was this increase in the longer rates which really effected the long duration growth stocks that trade on high near term valuation multiples, particularly technology stocks. The S&P/ASX All Technology Index fell an impressive -15.33% for the month.

The Fund's exposure to technology has fallen over the last 6 months as we have exited previously successful investments like Afterpay (ASX: APT), Kogan (ASX: KGN) and Temple and Webster (ASX: TPW).

The portfolio's net exposure to the market has stayed relatively high during this time as we have added stocks to the portfolio such as John Lyng (ASX: JLG), OFX Group (ASX: OFX) and QBE Insurance (ASX: QBE).

We have also been building some positions (long and short) ahead of reporting season where we expect earnings surprises or outlook statements to drive prices.

Pleasingly this month none of our companies reported stock specific bad news. The fall in the portfolio was relatively evenly spread across our holdings. The one notable event was a capital raise from Telix (ASX: TLX) which we had fortuitously trimmed not long before hand, due to its price strength.

<sup>1</sup> Past performance is not indicative of future performance. Returns may differ due to different tax treatments.

## Return Summary (after all fees)

1 Month	3 Months
-8.65%	-5.07%
3 Years (p.a.) <sup>1</sup>	1 Year
21.17%	6.74%



Our Investment team: Sebastian Correia, Simon Shields and Shane Fitzgerald



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## Monthly Portfolio Metrics

Outlook Stocks (Long)	<b>15 Positions: 74%</b>
Outlook Stocks (Short)	<b>3 Positions: -7%</b>
Event, Pair and Group (Long)	<b>3 Positions: 22%</b>
Event, Pair and Group (Short)	<b>0 Positions: 0%</b>
Cash	11%
Gross Exposure	103%
Net Exposure	89%

## Return Summary Since Inception<sup>4</sup> (after fees)<sup>5</sup>

CYTD	-8.65%
FYTD	0.30%
1 Month	-8.65%
3 Month	-5.07%
6 Month	2.05%
1 Year	6.74%
2 Years (p.a.)	16.02%
3 Years (p.a.)	21.17%
4 Years (p.a.)	12.99%
5 Years (p.a.)	13.13%
7 Years (p.a.)	10.32%
Since Inception <sup>4</sup> (p.a.)	11.89%

## Portfolio Analytics Since Inception<sup>4</sup>

Sharpe Ratio	0.63
Sortino Ratio	1.11
Standard Deviation (p.a.)	16%
Positive Months	63%
Maximum Drawdown	-29%
Avg. Gross Exposure	91%
Avg. Net Exposure	79%
Avg. Beta	0.66
Avg. VAR	1.3%

<sup>4</sup> Inception date 2 July 2012.

<sup>5</sup> Past performance is not indicative of future performance.

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For more information about MAIF and the strategy, please refer to the Monash Investors website at [www.monashinvestors.com](http://www.monashinvestors.com). You can also [follow us on Livewire here](#) or [subscribe to our updates here](#)

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