

# Monash Absolute Active Trust

## Hedge Fund (ASX : MAAT)



6% p.a Target  
Distribution



Buy and Sell on  
the ASX or direct



Long/Short  
Australian Equities



Proven Track  
Record<sup>1</sup>

### August 2022 Fund Update

In August, the Fund rose 1.74% (after fees). This compares to an increase of 1.18% for the S&P/ASX200 and a rise of 0.58% for the Small Ords.

August was a reporting season month during which companies disclose their full year results. On balance there were less large surprises or extreme movements than usual, though some stood out.

Our best result was Lovisa (ASX: LOV) which rose 30% for the month due to stronger sales and earnings than expected, and guidance that its store roll out program was accelerating. Our largest detractor was City Chic (ASX: CCX) which fell -29% for the month on the back of a result that saw an unexpectedly large increase in its inventory levels, but was otherwise in line with expectations.

The portfolio benefitted from two of our smaller holdings receiving take-over approaches. In both cases the targets seem of a mind to accept the bids and the stocks rose strongly. Nearmap (ASX: NEA) rose 49% and PTB Group (ASX: PTB) rose 35%.

We will discuss outcomes from the reporting season and the performance of our portfolio in more detail during the post reporting season webinar next week.

We continued to cover our shorts during August as business anecdotes and economic data indicated that consumer spending was holding up better than we had previously feared. As August progressed we also continued to take advantage of low prices in certain stocks and added them to the portfolio, as well as topping up selected existing holdings. As a result over August the Fund's net exposure increased from 67% to 81%.

Our focus for adding new stocks was on businesses that have strong pricing power and very strong competitive advantages. For example, we purchased James Hardie (ASX: JHX) and REA Group (ASX: REA). These companies have both fallen very significantly in price due to weakness in the housing market. Even if they were to fall further from here, we are prepared to be patient as we are certain that in time they will deliver a strong upside payoff<sup>1</sup>.

<sup>1</sup> Inception date is 28 May 2021. Past performance is not indicative of future performance.

### Return Summary<sup>1</sup> (after all fees)

1 Month	3 Months
+1.70%	+7.40%
1 Year	Since Inception
-9.90%	-0.50% pa



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

This fund is appropriate for investors with "High" and "Very High" risk and return profiles. A suitable investor for this fund is prepared to accept high risk in the pursuit of capital growth with a medium to long investment timeframe. Investors should refer to the [TMD](#) for further information.

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### Monthly Portfolio Metrics

Outlook Stocks (Long)	<b>14 Positions: 63%</b>
Outlook Stocks (Short)	<b>2 Positions: -3%</b>
Event, Pair and Group (Long)	<b>4 Positions: 22%</b>
Event, Pair and Group (Short)	<b>1 Positions: -1%</b>
Cash	19%
Gross Exposure	90%
Net Exposure	81%

### Return Summary Since Inception (after fees)<sup>3</sup>

CYTD	-12.76%
FYTD	8.73%
1 Month	1.74%
3 Month	7.44%
6 Month	-0.21%
1 Year	-9.87%
Since Inception pa	-0.46%

### Portfolio Analytics Since Inception<sup>2</sup>

Sharpe Ratio	0.57
Sortino Ratio	1.00
Standard Deviation (p.a.)	16%
Positive Months	61%
Maximum Drawdown	-29%
Avg. Gross Exposure	91%
Avg. Net Exposure	79%
Avg. Beta	0.67
Avg. VAR	1.3%

<sup>2</sup>Due to lack of MAAT history, data from Monash Absolute Investment Fund (MAIF) (inception date 2 July 2012) has been used. Glossary of terms can be found on the Fund's website at [www.monashinvestors.com/glossary/](http://www.monashinvestors.com/glossary/)

<sup>3</sup>Inception date is 28 May 2021. Past performance is not indicative of future performance.

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For more information about MAAT 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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