

AMBIT DEBT EDGE PORTFOLIO

FACTSHEET | JULY 2024

An open-ended, medium-term, flexible debt strategy investing in debt and money market securities with a dynamic approach across maturity and rating profiles.

INVESTMENT OBJECTIVE

The primary objective of the strategy is to generate inflation beating returns whilst protecting and preserving capital.

INVESTMENT FRAMEWORK

- Twin-Pronged Strategy built-in around opportunity identification, efficient execution, real time monitoring and fine tuning the portfolio to achieve optimal balance between accrual and capital gain.
- Yield generation in terms of meticulously researched debt opportunities to lock in current high yields across the rating spectrum, taking advantage of the temporary situational illiquidity premium. Well-crafted, strongly covenanted and exclusive securities that generate constant accrual yield irrespective of market conditions and without volatility.
- Yield enhancement in terms of capital gains by taking advantage of mispriced credits, spread compression, corporate action/events, rating upgrades, directional investments in the yield curve moving downwards, and opportunistic investments.
- Low maturity in credit papers, water-tight covenants, regular amortization of principal, predefined interest pay-out, diversification, concentration limits and tactical duration investments governed by strict risk reward framework.
- Typically, a minimum 50% of the portfolio would be invested in AAA to AA- and A1+ debt rated securities and the balance would be opportunistically invested in select A+ to A- rated securities, with a maximum exposure capped at 30% for A-, 40% for A and 50% for A+ of the entire portfolio

FUND ATTRIBUTES

Portfolio Manager:	Malay Shah
Investment Horizon:	12 to 18 months
Ideal minimum investment:	INR 2 Crores
Benchmark:	CRISIL composite Bond Fund Index
Indicative Portfolio Yield:	3%-6% over rate of inflation
Fixed Fee:	0.95% per annum, computed on daily NAV on the portfolio, charged on anniversary or exit, whichever is earlier. OR
Variable Fee:	20% of the alpha generated over benchmark returns on anniversary or exit, whichever is earlier.
Exit Load:	1% , if redeemed or switched out on or before completion of 3 months from the date of allotment of units, 0.5% , if redeemed or switched out after completion of 3 months and before completion of 6 months from the date of allotment of units, and Nil , if redeemed or switched out after completion of 6 months from the date of allotment of units.

CREDENTIALS



Malay Shah is the portfolio manager for Fixed Income asset class at Ambit Asset Management. He has more than 22 years of experience in the Indian Fixed Income markets, across the spectrum of fixed-income asset class: interest rate trading, macro economic research, credit analysis, wealth house advisory, fund raising & treasury solutions. Prior to joining Ambit, he was Head – Fixed Income Fund Management Team at Indiabulls Mutual Fund, Head - Fixed Income at Peerless Mutual Fund, Senior Rates Trader at Derivium Capital, and an initial start at the fixed income desk of Parag Parikh Capital.

FEATURES

- SLR Safety Liquidity Returns thesis
- Bespoke Portfolio Options
- Investment Grade Debt
- Fixed / Variable Fee Structures
- Active Management
- Regular Interest payouts

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