

BRICS ADVANTAGE

Advantage is a bi-directional trading model. **Target-based trend following** is the underlying philosophy of this trading system. The system uses an exposure-based approach to determine the position size at the time of trade initiation.

Nifty Futures holds well above the immediate support range of 5200-5220 - pulls back over 45 points to post a close at 5299. The cash market volumes pick up marginally on a day-on-day basis, but are still below the 5-day average mark. The underlying trend stays UP and we maintain our upside targets of 5400-5406 with immediate resistance at 5350. On the downside, immediate supports stay at 5200-5220.

We maintain our all-long portfolio with 6 live trades, of which 4 are in-the-money. BILT and UNITECH stays as our best performing stocks - returns 6.2% and 4.1% respectively. We rework on the stop loss levels which takes our average open risk down to 6.7%. For the week ahead we look to add fresh long trades specially from the relatively stronger space. Trade Well.

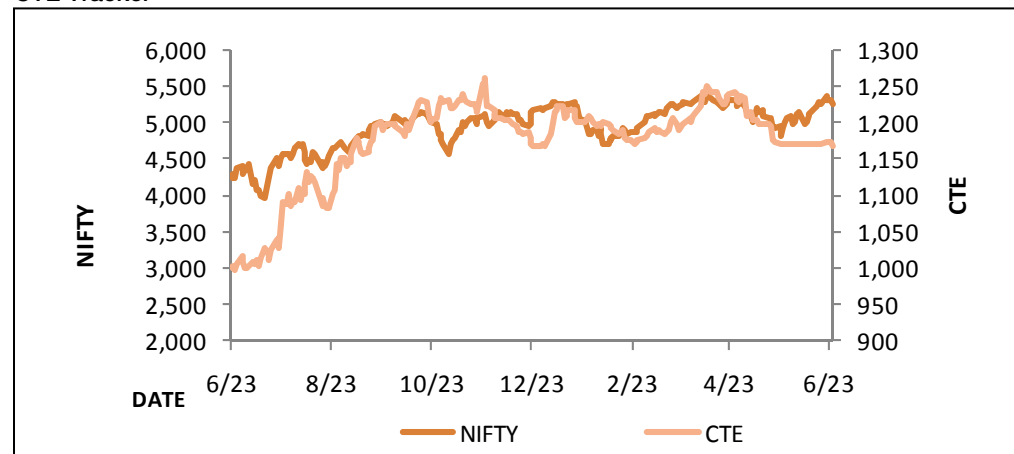
Portfolio Status

	(Rs)
INITIAL CORPUS	10,000,000
REALISED PROFIT/ LOSS	1,717,346
UNREALISED PROFIT/ LOSS	-17,829
CURRENT TOTAL EQUITY (CTE)	11,699,517
RETURN ON EQUITY (%)	17.00

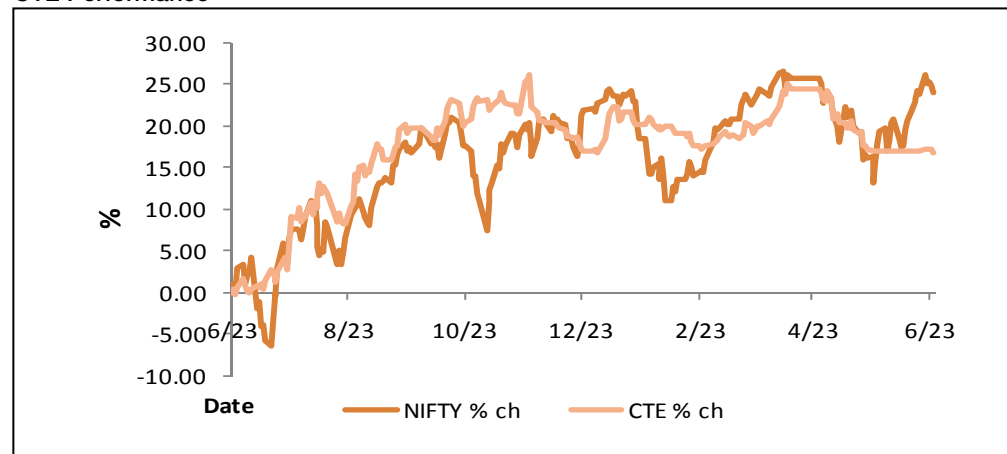
Nifty v/s CTE

	NIFTY	CTE	(Rs)
INCEPTION	4247	1,000	23-Jun-09
CURRENT	5289	1,170	6-Jul-10
% CHANGE	24.53	17.00	
CALENDAR DAYS			373

CTE Tracker



CTE Performance



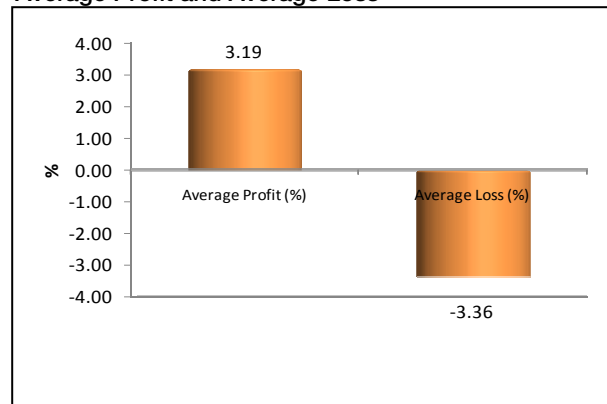
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LIVE TRADES											
Sector	Stock	Open at	Current Stop Loss	Price Objectives		Last Close	Age (days)	Abs. Return	Return (%)	Peak Return (%)	Comments
				p.o. 1	p.o. 2						
OTHERS	BILT	32.3	30.0	38	42	34.3	5	2.0	6.2	2.5	
REALTY	IBREALEST	153.0	144.0	175	190	156.6	8	3.6	2.4	4.4	Stop Loss ⬆
TRANSPORT	ABGSHIP	270.0	245.0	300	320	257.9	11	-12.2	-4.5	2.5	Stop Loss ⬆
FINANCE	INDIABULLSFIN	141.0	130.0	152	158	141.2	12	0.2	0.1	5.7	
REALTY	UNITECH	71.0	68.0	80	89	73.9	15	2.9	4.1	6.8	Stop Loss ⬆
BANKING	KOTAK BANK	783.0	736.0	835	905	765.6	15	-17.5	-2.2	3.1	Stop Loss ⬆

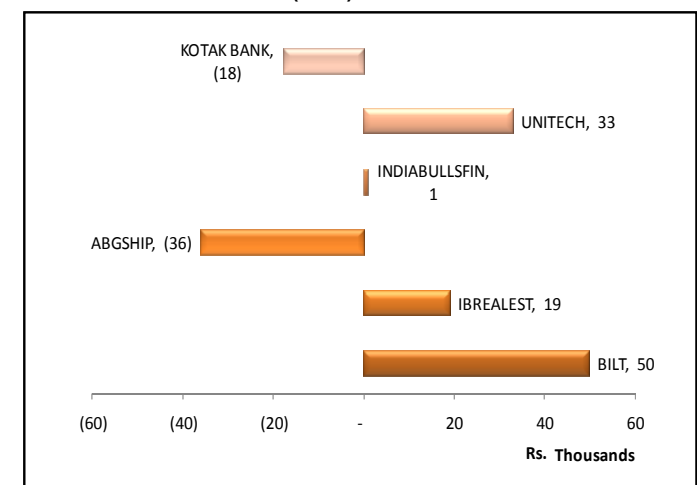
Current Status

Total Live Trades (#)	6
Winners (#)	4
Losers (#)	2
Strike Rate	67%
Trades met target (#)	0
Risk-free trades (#)	0

Average Profit and Average Loss



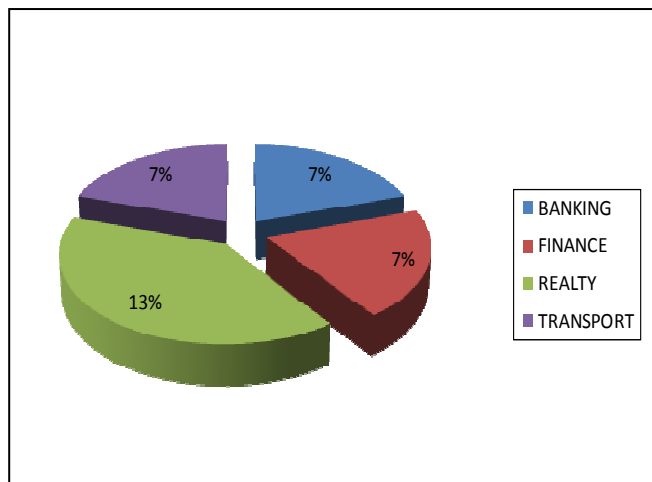
Unrealised Profit / Loss (Abs.)



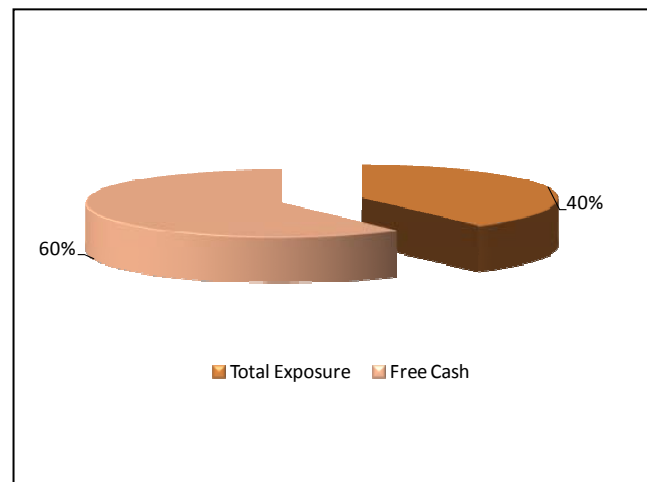
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RISK ANALYTICS												
Stock	L/S	Initial holding (# shares)	Current holding (# shares)	Open at	CMP	Initial stop	Current stop	Initial risk (%)	Current risk (%)	Position heat (%)	Off trade peak	Profits protected (%)
BILT	LONG	24,806	24,806	32.3	34.3	29.5	30.0	8.5	7.0	12.4	-3.6%	0.0
IBREALEST	LONG	5,229	5,229	153.0	156.6	143.0	144.0	6.5	5.9	8.0	2.0%	0.0
ABGSHIP	LONG	2,963	2,963	270.0	257.9	242.0	245.0	10.4	9.3	5.0	6.8%	0.0
INDIABULLSFN	LONG	5,674	5,674	141.0	141.2	129.0	130.0	8.5	7.8	7.9	5.3%	0.0
UNITECH	LONG	11,268	11,268	71.0	73.9	66.0	68.0	7.0	4.2	8.0	2.5%	0.0
KOTAK BANK	LONG	1,022	1,022	783.0	765.6	730.0	736.0	6.8	6.0	3.9	5.1%	0.0

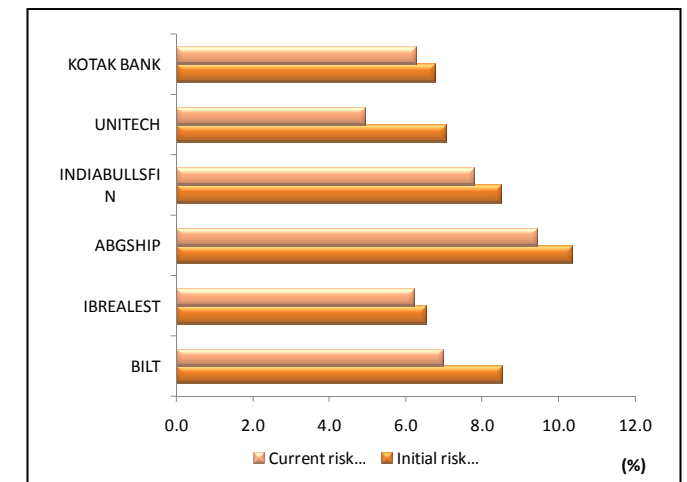
Sectoral Exposure



Portfolio Exposure



Stock Risk Tracker



BRICS ADVANTAGE

TRADING RULES

Advantage is a bi-directional trading model.

Our entire trading system is based on “**Target-based Trend Following**” as the underlying philosophy. We do not predict or forecast markets or price level, on the contrary our approach towards trading is more reactive and systematic in nature.

We use an exposure-based approach to determine the position size at the time of trade initiation. At this point we exactly know —

how much to buy <> at what rate to buy <> how much risk should be taken per trade <> when to exit the trade (if it's a winner or loser).

Exposure is based on a fixed number of maximum trades at any point of time, which is 15. This indicates that approximately Rs. 6,66,666 (or 0.66 mn) is deployed per trade.

Risk Analytics is the strength of this product. We strongly follow precise rules for bet sizing and trade maintenance. Current market price, equity level in an account, and market volatility are few basic parameters which adhere a high weightage in our trading system.

Advantage is a trading product and hence comes with all attendant risks. However, the use of appropriate stop losses will ensure limiting risks to a defined proportion of capital. Moreover, it has been found that defined and limited losses (when stop losses are hit) are better than unlimited drawdown caused by holding the position.

GLOSSARY

CURRENT TOTAL EQUITY (CTE) is a sum of initial corpus, realized profit/ loss and unrealized profit/loss.

INITIAL RISK is calculated on trade initiation price and initial stop loss.

CURRENT RISK is difference between trade initiation price and current stop loss.

AGE of a particular trade is given in terms of Calendar days and not trading sessions.

POSITION HEAT is the difference between current market price and current stop loss. This percentage indicates how much one is willing to risk (by not squaring at current market price) with respect to the current stop loss.

PEAK RETURN is the maximum percentage gain that the trade returned post initiation.

% OFF TRADE PEAK is the difference between the highest high (for longs) during the life-span of the trade and current market price. This figure indicates how much the trade has given back from its highest point post trade initiation.

COMMENTS is the actionable column under live trades table. Any update of Stop loss, Price Objectives or Exit/Book Partial Profits is highlighted here.

PROFITS PROTECTED is highlighted only when current stop loss is above (for a long position) or below (for a short position) the initiation price. It shows in percentage terms how much of the open profits have been protected.

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