

MONTHLY REPORT - OCTOBER 2024

Dear Investors,

We have concluded the month of October 2024 and I take pleasure in sharing our performance in this month. We have incurred a **drawdown of -4.83%** which includes,

- (i) **Realised Loss** of **-2.02%**
- (ii) **Un-Realised Loss** of **-2.81%**

Comparison of SkyNine Ventures Portfolio with Market Indices: (from 1st October 2024 to 31st October 2024)

INDEX	Returns
NIFTY 50	- 7.28%
SENSEX	- 6.9%
NIFTY MIDCAP 100	- 7.4%
NIFTY SMALLCAP 100	- 4.47%
<u>SkyNine Ventures Portfolio</u>	<u>- 4.83%</u>

Our performance surpasses the major market indices. As spoken in the last report, a market correction with higher volatility was expected and it has not surprised us. We were prepared for it. 25% of the cash component that we were holding was used to buy the dip when Nifty 50 corrected around 5%-6% from its all-time high. Volatility is quite normal in the market. We shall keep doing what we do best, i.e., Outperform market indices when it is going up and restrict our drawdowns when the market corrects.



Market dynamics are changing. Momentum investing is likely to have muted returns in the upcoming year. We are slowly churning our portfolio towards value picks.

Here is some interesting data:

Start Date: April 1, 2005 End Date: August 31, 2024 Calendar Year Returns	Nifty 50	Nifty 500	Nifty Midcap 150	Nifty Midcap 150 Momentum 50 Index	Nifty 500 Momentum 50	Nifty 200 Momentum 30 Index
2005*	37.2%	36.2%	41.4%	56.3%	69.5%	39.6%
2006	39.8%	34.0%	26.9%	39.2%	58.8%	42.6%
2007	54.8%	62.5%	76.1%	84.7%	127.6%	99.3%
2008	-51.8%	-57.1%	-65.5%	-65.6%	-64.5%	-60.4%
2009	75.8%	88.6%	110.6%	85.1%	59.4%	67.2%
2010	17.9%	14.1%	18.5%	29.5%	19.3%	18.4%
2011	-24.6%	-27.2%	-32.1%	-18.8%	-21.6%	-17.3%
2012	27.7%	31.8%	44.3%	53.4%	49.7%	37.1%
2013	6.8%	3.6%	-3.0%	10.9%	11.8%	11.6%
2014	31.4%	37.8%	60.3%	73.5%	68.9%	47.9%
2015	-4.1%	-0.7%	8.4%	16.7%	10.6%	9.9%
2016	3.0%	3.8%	5.4%	5.0%	-2.1%	8.5%
2017	28.6%	35.9%	54.3%	72.9%	67.2%	54.5%
2018	3.2%	-3.4%	-13.3%	-17.5%	-11.5%	-2.4%
2019	12.0%	7.7%	-0.3%	4.9%	7.8%	9.7%
2020	14.9%	16.7%	24.4%	25.8%	19.9%	18.8%
2021	24.1%	30.2%	46.8%	77.1%	77.8%	52.1%
2022	4.3%	3.0%	3.0%	-0.4%	-8.3%	-6.4%
2023	20.0%	25.8%	43.7%	51.5%	46.7%	40.7%
2024*	16.1%	22.2%	28.4%	35.7%	39.4%	35.6%

Disclaimer: The securities quoted are for illustration only and are not recommendatory.

* implies incomplete years

The calendar year 2023 and 2024 has been very good for equities. The market always averages itself in the long run. Sometimes it is Price Correction, sometimes it is Time Correction. Considering the global macroeconomics, the Indian economy, and the forecasts, it is very unlikely that we will step into a bear market. Time correction can be certainly expected.



+91 8050069048



www.skynineventures.in

Address: No.3, 1st Floor, Above Mayura Bakery,
Giriamma Circle, Devanahalli, Bangalore -562110



Here is an example of how our portfolio of stocks is changing.

In the last 3 years, Bajaj Finance's profit growth has been close to 50% CAGR (note that it is not overall growth, this is CAGR!)

Stock price growth in the same period is close to 0%. The stock has fallen from 100+ PE to 25 PE now while we are on the edge of Repo Rate cuts.

We are refining our investment thesis with such facts and believing the numbers on P&L statements and balance sheets rather than betting on news, rumors, panics, and FOMO Investing.

With this, I conclude by saying, let us ignore the noise and focus on the numbers because the narrative can change anytime but the numbers and metrics stand strong.

Regards,

Dr. Akash R Prasad,
Managing Director,
SkyNine Ventures



+91 8050069048



www.skynineventures.in

Address: No.3, 1st Floor, Above Mayura Bakery,
Giriamma Circle, Devanahalli, Bangalore -562110