

## QUANTUM LONG-TERM EQUITY FUND

The Quantum Long Term Equity Fund intends to give patient investors with a long-term investment horizon, an opportunity to grow the value of their investments over time by investing in companies listed on the Indian stock exchanges.

<b>CIO:</b>	Devendra Nevgi	<b>Inception Date :</b>	13th March, 2006
<b>Fund Manager:</b>	Atul Kumar	<b>NAV:</b> (as on September 28, 2007)	
<b>Investment Horizon:</b>	2 Years and more	<b>Growth Option</b>	Rs. 14.78
<b>Fund size:</b>	Rs. 40.44 Crore	<b>Dividend Option</b>	Rs. 14.78

### RETURNS

	QLTEF - Growth Plan	BSE-30 TRI
Since Inception(Compounded Annualised Return)	28.71%	38.99%
Last 1 Year	29.99%	41.77%

Past performance may or may not be sustained in the future. Inception date = 13th March 2006, Source for BSE-30 Total Return Index: Bombay Stock Exchange | Data for Growth option Above returns are calculated upto 28<sup>th</sup> September 07

### PORTFOLIO (AS ON SEPTEMBER 28, 2007 )

Sl. No	Name of the Instrument	Industry	Qty	Market Value (Rs Lakhs)	% to Net Assets
<b>EQUITY &amp; EQUITY RELATED:</b>					
Listed on the Stock Exchange					
1	Tata Power Co. Ltd.	Power	28,000	239.46	5.92%
2	State Bank Of India	Banks	10,887	212.37	5.25%
3	Tata Steel Ltd.	Ferrous Metals	23,450	199.41	4.93%
4	Aditya Birla Nuvo Ltd.	Textile Products	11,908	181.07	4.48%
5	HDFC Bank Ltd.	Banks	11,906	171.33	4.24%
6	Oil & Natural Gas Corporation Ltd.	Oil	17,525	167.87	4.15%
7	Infosys Technologies Ltd.	Software	8,770	166.34	4.11%
8	Tata Consultancy Services Ltd.	Software	15,390	162.63	4.02%
9	HDFC Ltd.	Finance	6,385	161.36	3.99%
10	Gail (India) Ltd.	Gas	41,918	158.76	3.93%
11	Hindustan Unilever Ltd.	Cons Non Durables	71,576	157.00	3.88%
12	Crompton Greaves Ltd.	Industrial Cap. Goods	47,136	156.82	3.88%
13	Power Trading Corporation Ltd.	Power	162,015	148.16	3.66%
14	IngVysya Bank	Banks	52,261	137.34	3.40%
15	Ranbaxy Laboratories Ltd.	Pharmaceuticals	28,545	124.00	3.07%
16	Jet Airways (India) Ltd.	Transportation	13,559	123.03	3.04%
17	Zee Entertainment Enterprises Ltd.	Media & Entertainment	33,221	113.77	2.81%
18	Bajaj Auto Ltd	Auto	4,250	107.94	2.67%
19	Bharat Petroleum Corporation Ltd	Petroleum Products	30,203	107.48	2.66%
20	Hindustan Petroleum Corp Ltd.	Petroleum Products	39,036	103.84	2.57%
21	Gujarat State Petronet Ltd.	Petroleum Products	146,000	95.48	2.36%
22	3I Infotech Ltd.	Software	63,000	93.11	2.30%
23	Tata Motors Ltd.	Auto	11,722	91.21	2.26%
24	Hero Honda Motors Ltd.	Auto	11,980	89.23	2.21%
25	Aventis Pharma Ltd	Pharmaceuticals	7,437	86.72	2.14%
26	Bharat Electronics Ltd	Industrial Cap. Goods	4,320	79.49	1.97%
27	Arvind Mills Ltd.	Textile Products	123,561	76.48	1.89%
28	Videsh Sanchar Nigam Ltd	Telecom - Services	16,050	70.39	1.74%
29	Raymond Ltd	Textile Products	21,400	69.36	1.72%
30	Geometric Software Solution Ltd.	Software	66,642	64.94	1.61%
31	Dr. Reddy's Laboratories Ltd.	Pharmaceuticals	9,076	58.90	1.46%

**TOTAL (A)** 3,975.31 98.31%

#### MUTUAL FUNDS

1	QLF-Growth Option	273,221.45	30.27	0.75%
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**TOTAL (B)** 273,221.45 30.27 0.75%

#### CASH & EQUIVALENT

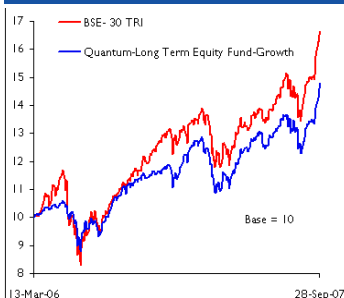
1	CBLO / Reverse Repo Investments		36.98	0.91%
2	Cash Balance		10.16	0.25%
3	Net Receivable / (Payables)		-9.02	-0.22%

**TOTAL (C)** 38.12 0.94%

**GRANDTOTAL** 4,043.70 100.00%

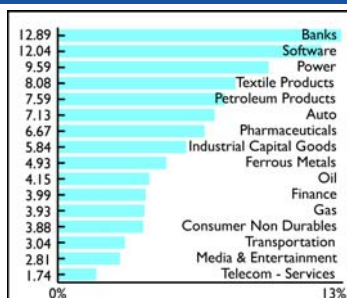
Notes: (1) The Scheme has no exposure to derivative product, foreign securities, ADRs and GDRs.  
(2) Portfolio Turnover Ratio [Sells / (Buys+ Sells)]: Since Inception - 0.14, For Sept 07 - 0.00

### PERFORMANCE



Past performance may or may not be sustained in the future.

### SECTOR ALLOCATION



## QUANTUM LIQUID FUND

The Quantum Liquid Fund gives retail investors with 'extra' cash, sensible short term returns when compared to returns from savings accounts; without taking any undue risks.

<b>CIO:</b>	Devendra Nevgi	<b>NAV:</b> (as on September 30, 2007)	
<b>Fund Manager:</b>	Arvind Chari	<b>Growth Option :</b>	Rs. 11.0864
<b>Investment Horizon:</b>	Upto 3 months	<b>Monthly Dividend Option :</b>	Rs. 10.0102
<b>Inception Date :</b>	7th April, 2006	<b>Daily Dividend Option :</b>	Rs. 10.0000
<b>Fund size:</b>	Rs. 20.79 Crore		

### RETURNS

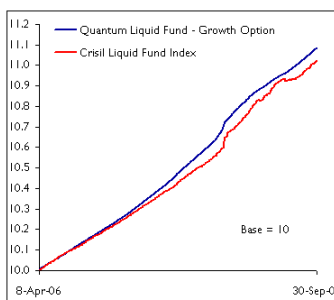
	QLF - Growth Option	CRISIL Liquid Index
Since Inception(Compounded Annualised Return)	7.1922%	6.7845%
Last 1 Year	7.8265%	7.3689%

Past performance may or may not be sustained in the future. Inception date = 7th April 2006, Source for CRISIL Liquid Fund Index: www.amfindia.com | Data for the Growth option Above returns are calculated upto 30<sup>th</sup> September 07

### PORTFOLIO (AS ON SEPTEMBER 30, 2007 )

Sl. No	Name of the Instrument	Ratings	Market Value (Rs Lakhs)	% to Net Assets
<b>(A) SHORT TERM DEBT INSTRUMENTS (FLOATING)</b>				
Unlisted/Privately placed instruments				
1	Usha Martin Ltd.	PR1+	200.00	9.62%
2	Madras Cement Ltd.	A1+	200.00	9.62%
3	Muller India Credit Company Ltd.	A1+	100.00	4.81%
<b>TOTAL (A)</b>			<b>500.00</b>	<b>24.06%</b>
<b>(B) SHORT TERM DEBT INSTRUMENTS (FIXED)</b>				
1	Kotak Mahindra Prime Ltd.	PI+	300.00	14.43%
2	SREI Infrastructure Fin. Ltd.	A1+	200.00	9.62%
<b>TOTAL (B)</b>			<b>500.00</b>	<b>24.06%</b>
<b>(C) MONEY MARKET INSTRUMENTS</b>				
Certificate of Deposits				
1	Indian Bank Ltd	FI+	499.66	24.04%
2	Develpment Credit Bank Ltd.	PI+	297.24	14.30%
	CBLO / Reverse Repo		52.97	2.55%
<b>TOTAL (C)</b>			<b>849.87</b>	<b>40.89%</b>
<b>(D) FIXED DEPOSITS &amp; NET RECEIVABLES</b>				
	Fixed Deposits		210.00	10.10%
	Net Receivable / (Payables)		18.66	0.90%
<b>TOTAL (D)</b>			<b>228.66</b>	<b>11.00%</b>
<b>GRANDTOTAL</b>			<b>2,078.53</b>	<b>100.00%</b>

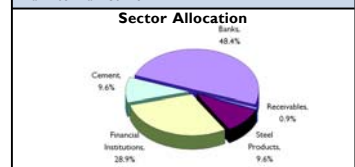
### PERFORMANCE



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### PORTFOLIO CHARACTERISTICS

Portfolio Characteristics	At the end of the month	Average during the month
Weighted Average Maturity	61 days	74 days
% of portfolio with Mark-to-Market risk	0.00%	0.00%



### Statutory Information and Risk Factors

**Investment Objective:** QLTEF's investment objective is to achieve long-term capital appreciation. QLF's investment objective is to provide optimal returns with moderate levels of risk and high liquidity. **Asset Allocation:** QLTEF will primarily invest in Equity and Equity related securities, but may invest in money market instruments to meet liquidity needs. QLF will invest in Money Market and other short term debt instruments having maximum repricing tenor of one year. **Terms of Issue:** QLTEF is an open-ended Equity Scheme offering Growth and Dividend Plans. The units can be subscribed/redeemed at the applicable load, on all business days during the continuous offer. QLF is an open-ended Liquid Scheme offering Growth, Daily Dividend Re-investment and Monthly Dividend Payout Plans. The units can be subscribed /redeemed at the applicable NAV, subject to applicable load, on all business days during the continuous offer. **Entry Load:** Nil in case of both QLTEF and QLF. **Exit Load:** in case of QLTEF: On redemption/switchout within 6 months of allotment- 4%, after 6 months but within 12 months- 3%, after 12 months but within 18 months-2%, after 18 months but within 24 months-1%, after 24 months-Nil. In case of QLF: Nil. **Statutory Details:** Quantum Mutual Fund (the Fund) has been constituted as a Trust under the Indian Trusts Act, 1882. **Sponsors:** Quantum Advisors Private Limited. (liability of Sponsor limited to Rs. 1,00,000/-) **Trustee:** Quantum Trustee Company Private Limited. **Investment Manager:** Quantum Asset Management Company Private Limited (AMC). The Sponsor, Trustee and the Investment Manager are incorporated under the Companies Act, 1956. **Risk Factors:** Investments in mutual funds are subject to market risks including uncertainty of dividend distributions and the NAV of the schemes may go up or down depending upon the factors and forces affecting the securities markets and there is no assurance or guarantee that the objectives of the scheme will be achieved. The past performance of the Sponsor has no bearing on the expected performance of the scheme. Quantum Long-Term Equity Fund and Quantum Liquid Fund are the names of the schemes and do not in any manner indicate either the quality of the Schemes, its future prospects or returns. Scheme specific risk: QLTEF and QLF are the first equity and liquid schemes being launched by the AMC. The AMC has no previous experience in managing equity or liquid schemes. Equity and Equity related instruments are by nature volatile and prone to price fluctuations due to both macro and micro factors. QLF proposes to invest the portfolio in debt and money market instruments. Trading volumes, settlement periods and transfer procedures may restrict the liquidity of these investments of the QLTEF and QLF. Please read the Offer Document of QLTEF and QLF before investing. Offer Document/Key Information Memorandum/Application Form available at the Quantum AMC Office at 107, Regent Chambers, Nariman Point, Mumbai-400021.