Qode™

Qode Tactical Fund

October 2026

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Qode Tactical Fund

Qode Tactical Fund harnesses the power of momentum, systematically allocating to the strongest market trends while avoiding laggards. This allows the strategy to capture upside faster and deliver higher long-term returns compared to traditional approaches.

And the objective is not just to capture upside, but to enter at points where downside is already cushioned.

Core Pillars

The Qode Tactical Fund (QTF) is built on strong first principles that balance return generation with risk management.

At its heart, QTF follows a rules-based approach designed to capture market momentum, adapt dynamically to changing conditions, and deliver consistent wealth creation. These core pillars form the foundation of the strategy, ensuring that performance is not just driven by returns but also by resilience and efficiency over the long term.

Momentum Driven Alpha

Harnesses market momentum to capture trends and deliver superior returns

Tactical Rebalance

Dynamically shifts from defensive to aggressive portfolio based on market signals

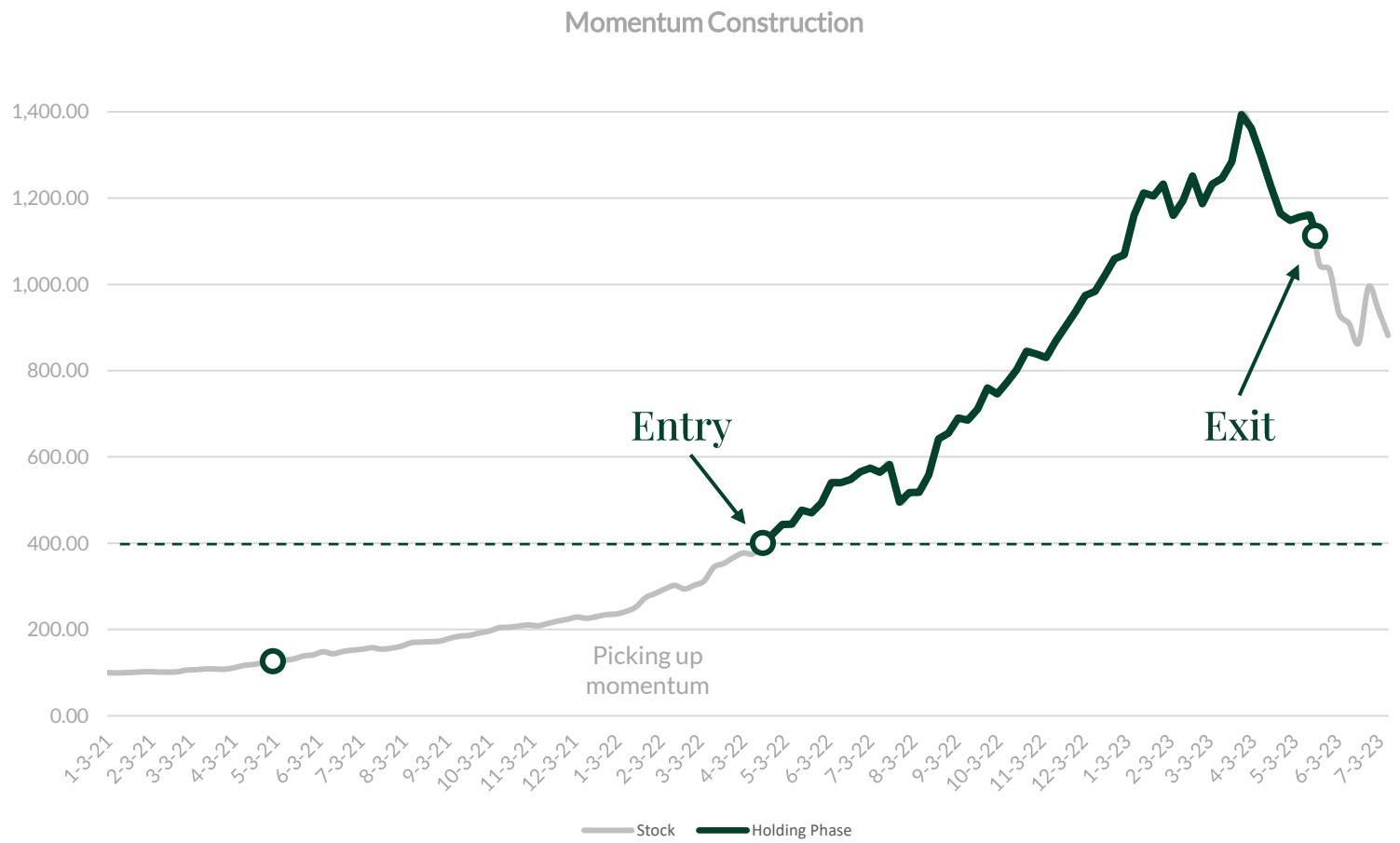
Tax Efficient

Built entirely with ETFs to optimize after-tax wealth creation.

Long Term Outperformance

Designed to consistently beat benchmarks while maintaining lower drawdowns.

First Principle Applied



Momentum investing captures a simple but powerful truth: **stocks that have been strong tend to stay strong, while laggards often continue underperforming**.

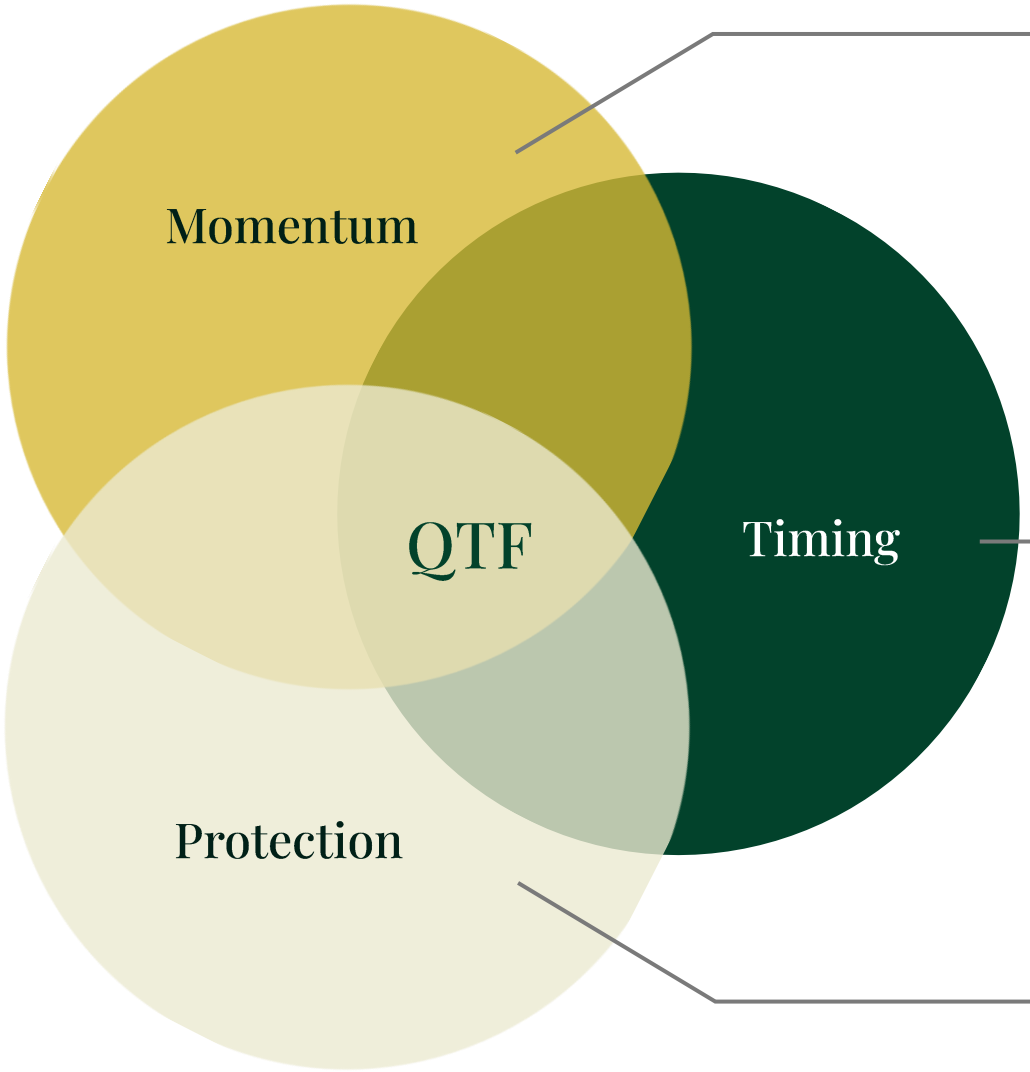
Momentum works by spotting stocks at the breakout stage, typically **after 3–12 months of sustained strength**. This is when it enters positions as new trends begin to emerge.

During the continuation phase, as more investors participate and the trend strengthens, momentum strategies stays invested to capture the major upside move.

When the exhaustion phase sets in and momentum fades, the strategy systematically exits, rotating into fresh leaders. This disciplined cycle allows the portfolio to ride winners while quickly cutting underperformers.

* The above data is for illustration purpose only

Portfolio Framework



Momentum

Acts as the primary return driver by capturing strong and sustained market trends. It provides the growth engine for the portfolio.

Timing

Enhances momentum by identifying the right opportunities at the right time. This allows the strategy to be more aggressive when conditions are favorable.

Protection

Adds resilience by shielding the portfolio from large drawdowns. Through tactical shifts and defensive hedges, it ensures that gains are preserved, and volatility is managed.

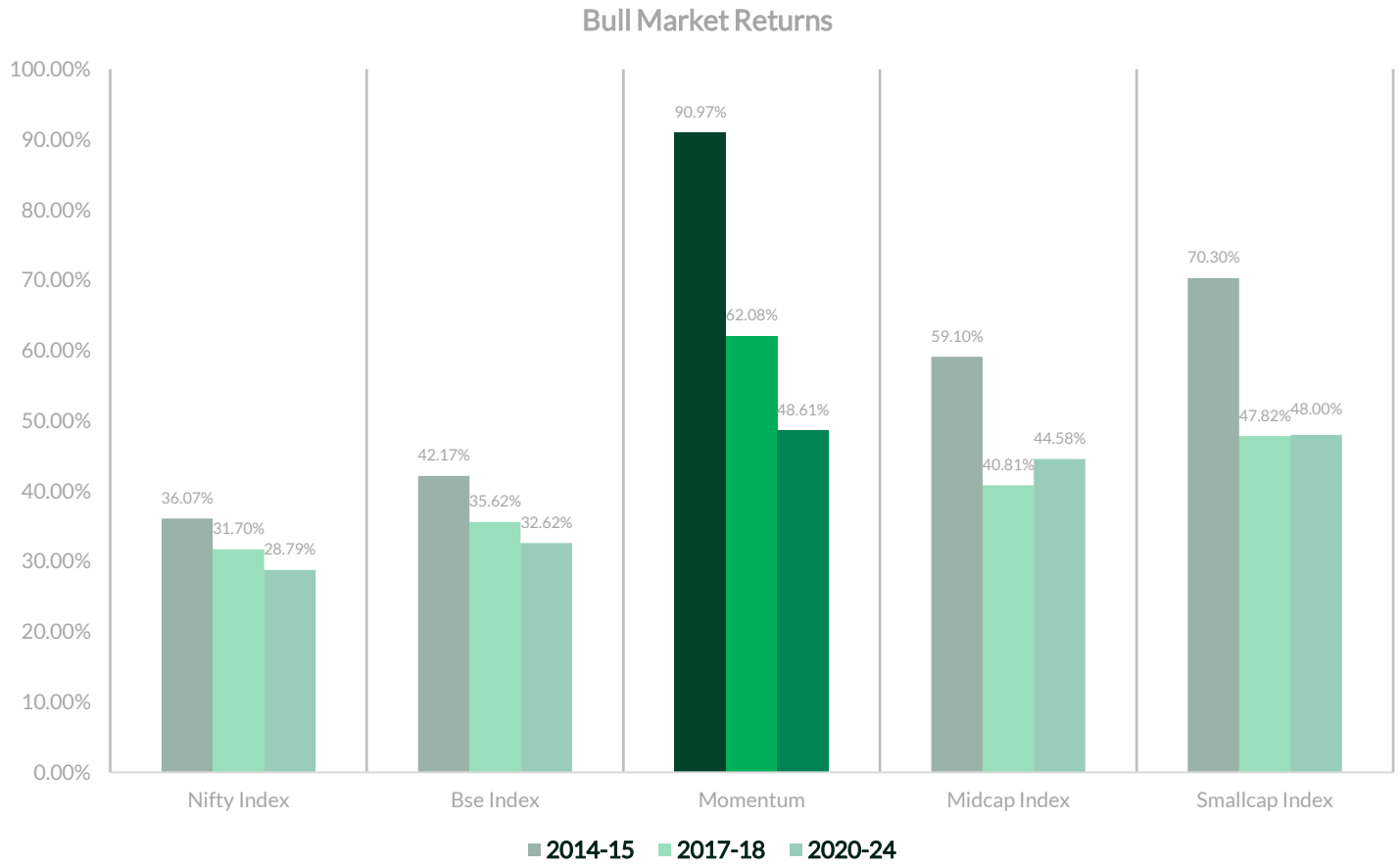
Momentum

Momentum is the **engine of aggression** in QTF.

Momentum as a factor, has **consistently delivered superior performance** across bull markets compared to traditional indices. While Nifty, BSE, and broader indices show steady gains, momentum strategies capture outsized returns by riding strong market trends.

Even as market cycles evolved over 2014-15, 2017-18, and 2020-24, momentum stood out by outperforming peers, highlighting its ability to adapt and capture leadership stocks in different environments.

This demonstrates why **momentum is the core driver in QTF**: it not only amplifies returns in upcycles but also provides a robust edge over broad indices, making it a high-conviction return engine.



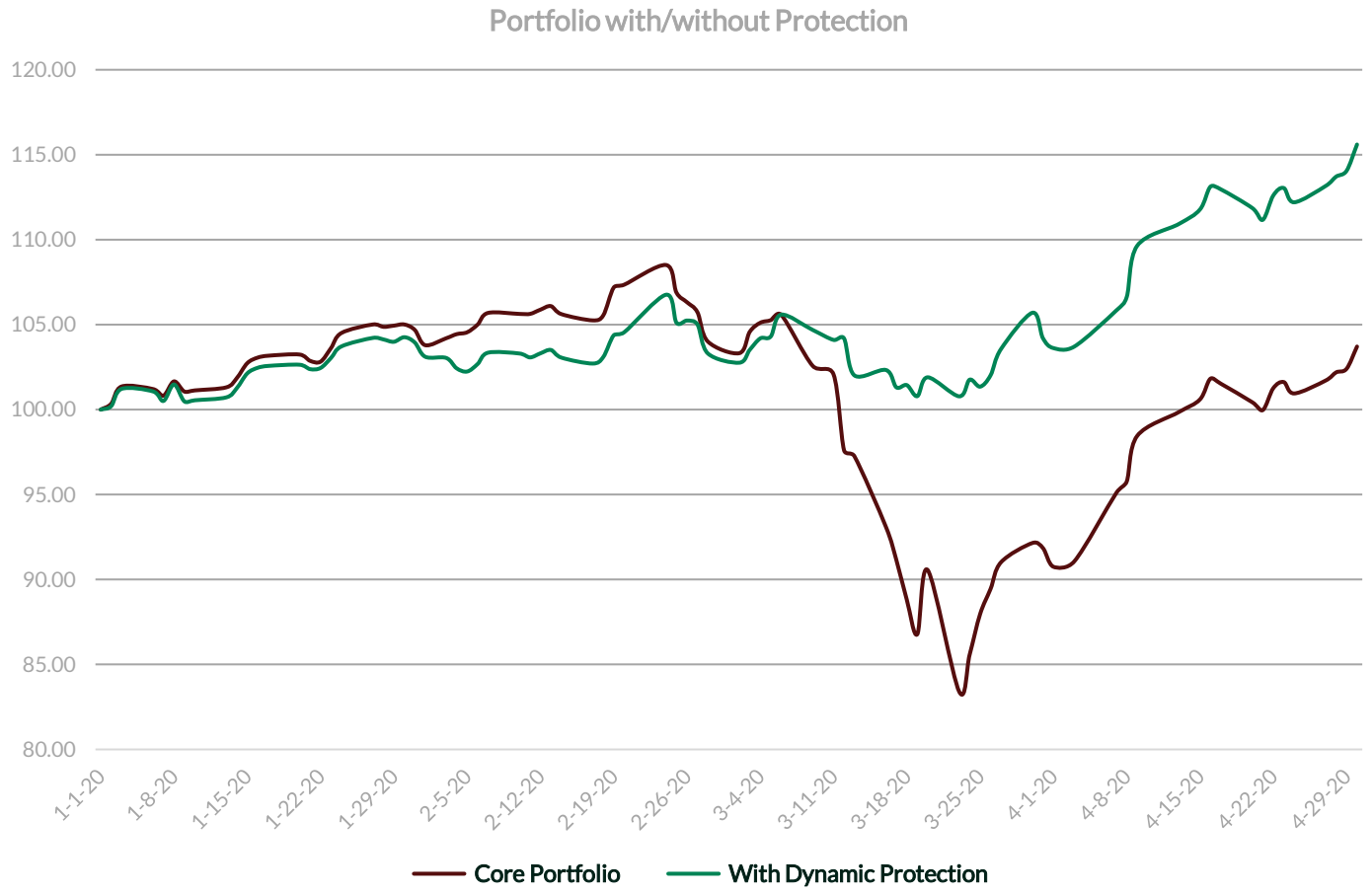
All figures represent annualized returns for comparison purposes.

Protection

Momentum strategies are powerful return generators, but they come with a natural trade-off - larger drawdowns during sharp market corrections. Left unmanaged, these drawdowns can test investor discipline and erode compounding.

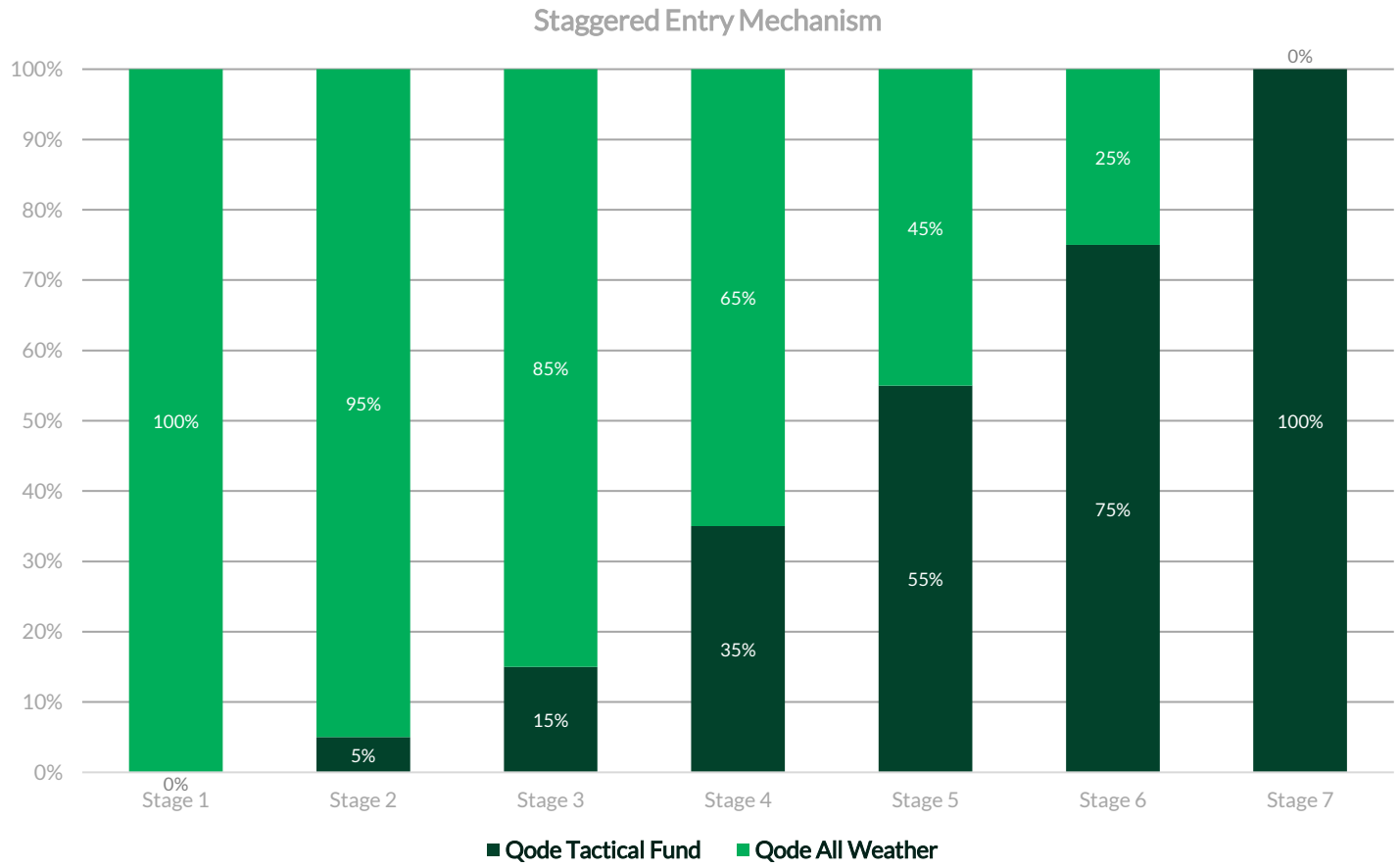
QTF adds a **dynamic protection layer** on top of the momentum portfolio. Using derivative hedges and risk-based triggers, this layer cushions the portfolio during downturns.

It ensures that while investors capture the full benefit of momentum's upside, the downside is actively managed and kept within controlled limits.



*Data is backtested from 01-04-2014 to 28-11-2024 & live from 28-11-2024 to 31-07-2025

Timing



Our philosophy mirrors Warren Buffett's discipline: **be aggressive only when the odds improve**.

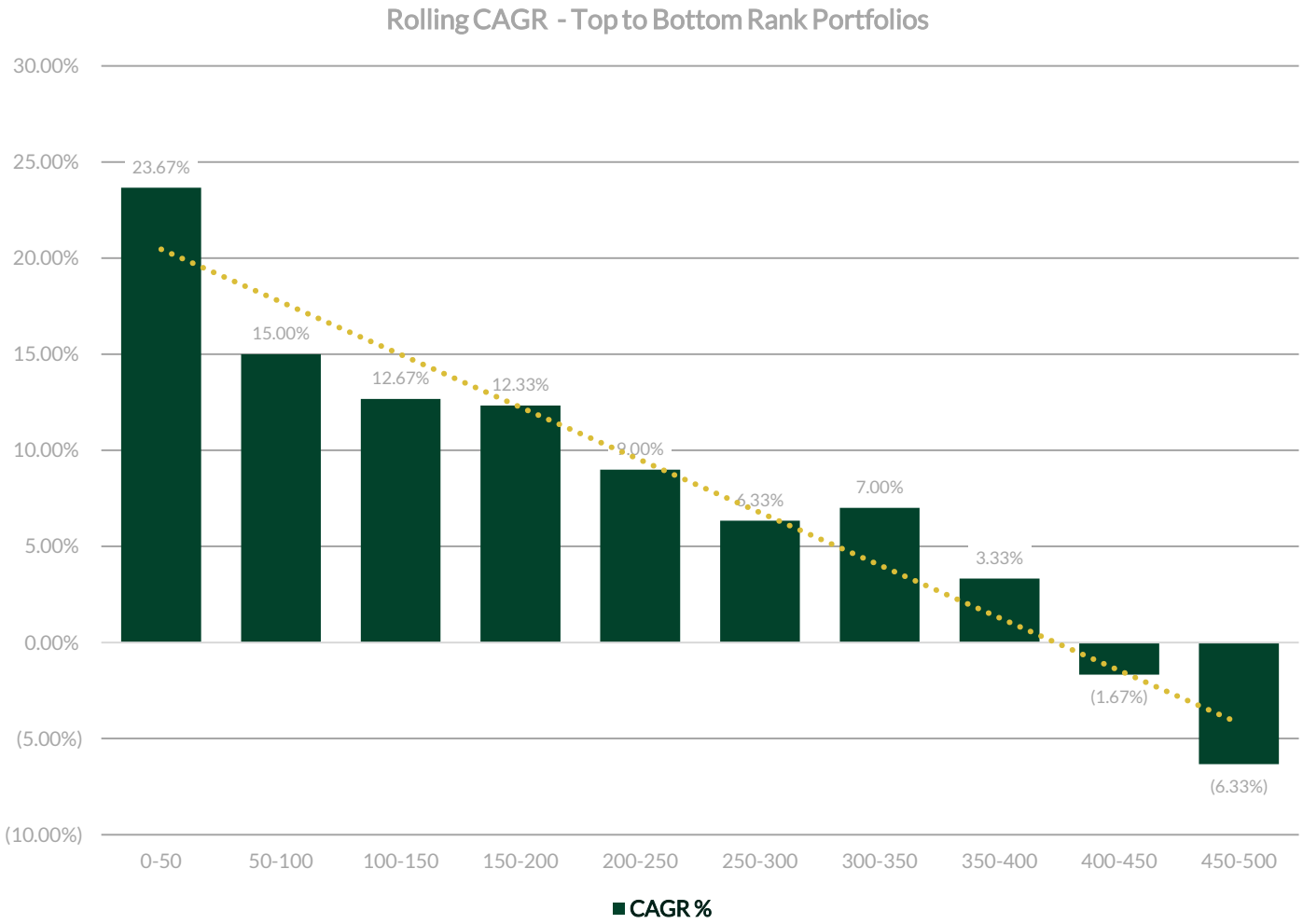
QTF **scales into momentum as markets fall** through a contrarian allocation ladder. This results in **lower time-underwater** and a smoother investment journey.

The philosophy behind this approach is simple: **protect first, then grow**.

By being aggressive only when the odds improve, QTF reduces the risk of steep drawdowns and minimizes the time investors spend underwater. This systematic timing framework allows the strategy to balance capital protection with growth, delivering a smoother investment journey compared to traditional equity allocations.

Robustness Checks

Return Robustness



Stocks in the top momentum ranks consistently deliver superior returns, while those at the bottom destroy wealth.

QTF systematically taps into this edge by allocating capital to the **higher-ranked momentum buckets** and avoiding the laggards.

The smooth gradient from high positive returns at the top to negative returns at the bottom highlights the clarity and robustness of the ranking mechanism.

The takeaway: **momentum is not random**. It is a repeatable and quantifiable driver of outperformance and QTF harnesses it in a disciplined, scalable way.

All figures represent annualized returns for comparison purposes.

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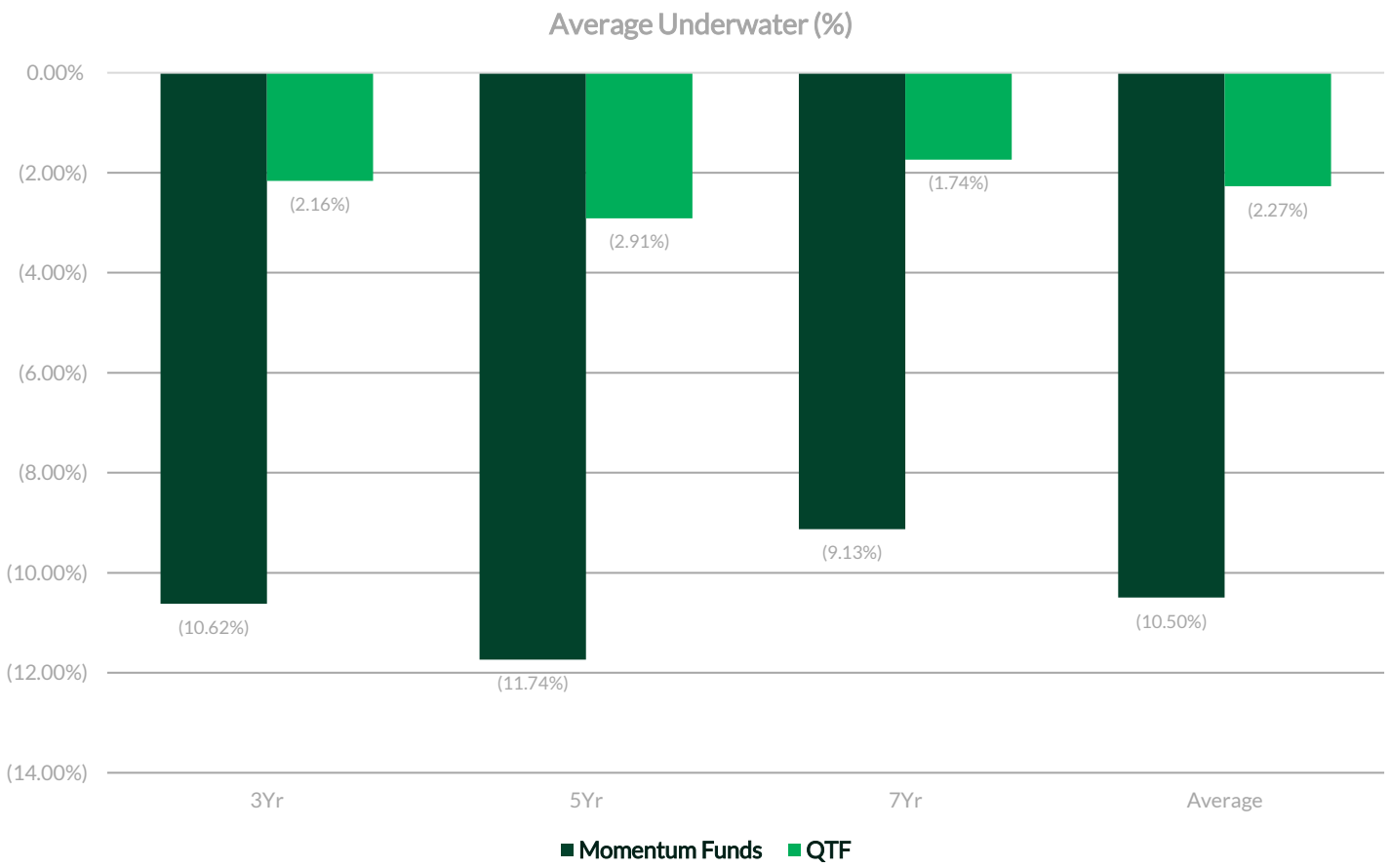
Minimized Underwater

Being **underwater** means the portfolio is trading below its starting point. The longer it stays underwater, the harder it becomes for investors to stay invested, as patience and confidence are tested.

While momentum funds have historically delivered strong returns, they often come with long and painful drawdowns. These extended periods underwater can erode investor discipline, making it difficult to realize the full benefit of the strategy.

QTF is designed to address this weakness. By **combining momentum with protective overlays**, it reduces the time spent underwater by nearly **80%** across horizons, ensuring quicker recoveries, smoother compounding, and a much more comfortable investor journey.



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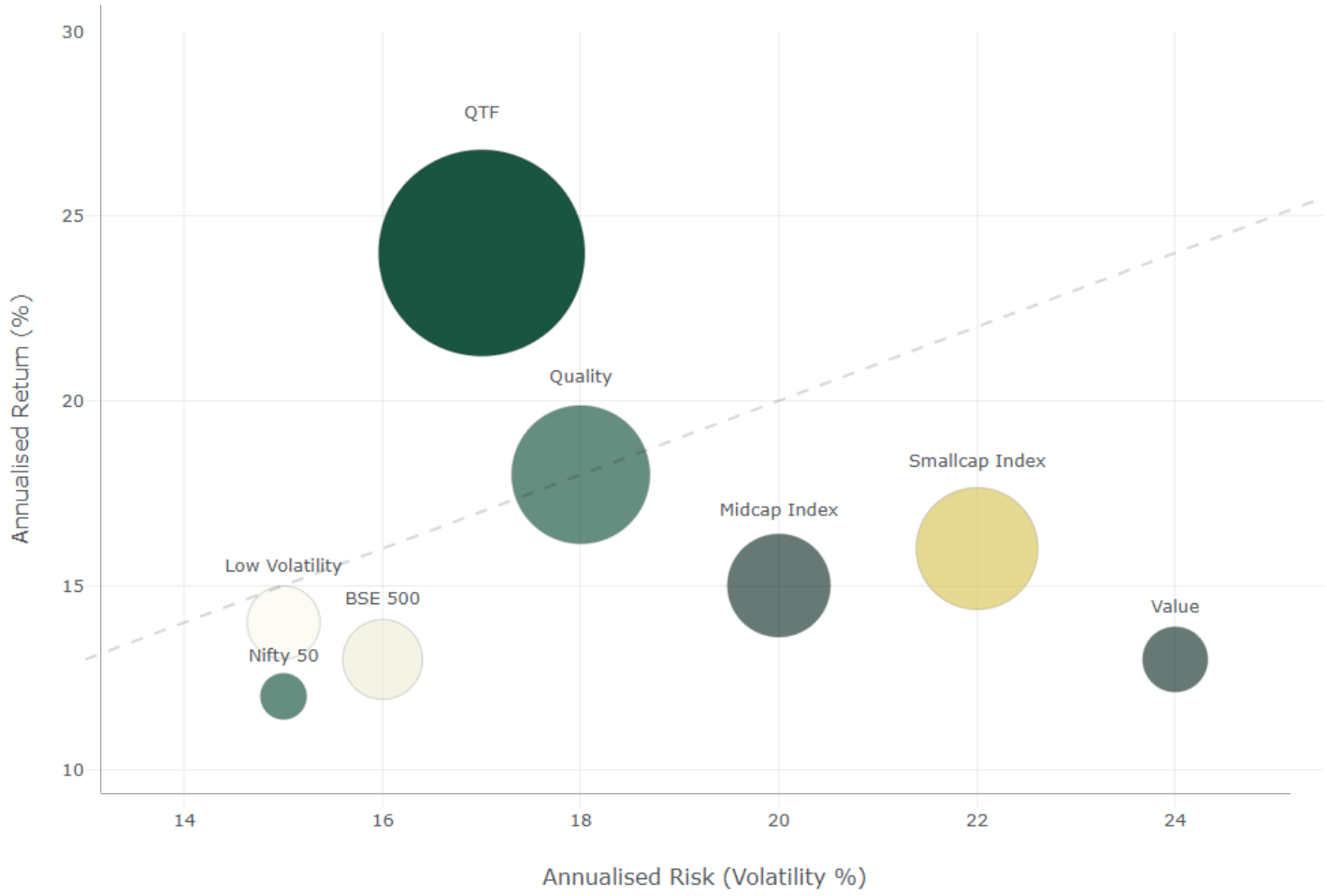
Risk Adjusted Characteristics



QTF demonstrates superior return robustness by consistently delivering some of the **highest returns while maintaining only a moderate level of risk**.

This balance makes it especially compelling for investors who want strong performance without taking on unnecessary volatility.

Unlike traditional indices, where higher returns usually come at the cost of significantly higher risk, QTF manages to capture momentum-driven upside in a far more efficient manner. **It converts price trends into meaningful alpha while avoiding the sharp swings that erode confidence and capital**.

Its clear positioning above the trend line highlights how QTF repeatedly outperforms peers on a risk-adjusted basis. This demonstrates not just higher returns, but also resilience across cycles and efficiency in compounding wealth — providing investors with both growth and stability in the long run.

All figures represent annualized returns for comparison purposes.

*Data is backtested from 01-04-2014 to 28-11-2024 & live from 28-11-2024 to 31-07-2025

Performance Metrics

Performance Metrics

PERFORMANCE	1M	3M	6M	1 Year	SINCE INCEPTION
Qode Tactical Fund	-4.29%	-5.84%	-6.04%	4.44%	8.38%
NIFTY Midcap 150	-3.75%	-9.04%	-4.33%	-4.53%	0.52%

METRICS	STD DEV	AVG DRAWDOWN	MAX DRAWDOWN	BETA	SHARPE RATIO	SORTINO RATIO
Qode Tactical Fund	18.42%	-3.11%	-12.18%	0.47	0.18	0.31
Nifty Midcap 150	23.60%	-4.65%	-18.94%	1.00	-0.27	-0.36

The performance metrics highlight QTF's ability to deliver stronger long-term returns with lower risk compared to the NIFTY Midcap 150.

Since inception, QTF has nearly doubled the benchmark's returns while maintaining lower volatility, shallower drawdowns, and a significantly higher Sharpe and Sortino ratio, demonstrating both superior efficiency and better downside protection.

*Since Inception return is presented as CAGR (annualized). All other periods indicate absolute returns.

*Data is live as on 31-10-2026

Monthly Returns

	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	TOTAL
2014				2.00%	8.74%	10.24%	0.31%	5.33%	8.81%	2.75%	5.76%	3.31%	**57.81%**
2015	5.82%	1.81%	3.85%	-1.24%	4.29%	1.15%	5.61%	0.74%	-0.39%	2.41%	-0.84%	0.87%	**26.55%**
2016	-1.28%	-6.21%	6.58%	3.77%	-0.03%	2.11%	4.99%	1.60%	1.55%	2.89%	-3.16%	-4.85%	**7.36%**
2017	9.81%	7.15%	4.00%	4.11%	-0.38%	2.01%	4.50%	0.40%	2.95%	7.13%	3.50%	6.61%	**65.29%**
2018	-2.71%	-3.08%	-2.73%	4.13%	-4.99%	-3.09%	3.29%	8.43%	-9.59%	-2.65%	-0.48%	-1.27%	**(14.84%)**
2019	-3.99%	-0.59%	5.89%	-2.54%	0.76%	-0.65%	-6.19%	-0.94%	1.90%	6.39%	0.75%	0.70%	**0.78%**
2020	6.56%	-2.68%	-3.12%	11.40%	-6.66%	7.87%	4.72%	3.48%	5.83%	-1.60%	7.83%	2.80%	**40.97%**
2021	1.20%	14.64%	7.70%	1.65%	4.49%	3.66%	2.01%	6.07%	5.62%	-0.54%	-1.89%	3.62%	**58.98%**
2022	1.33%	-2.07%	6.68%	-3.24%	-3.61%	-4.88%	10.92%	6.58%	3.01%	0.56%	-0.38%	-4.75%	**9.14%**
2023	-4.37%	0.08%	1.41%	4.65%	6.11%	3.90%	6.34%	3.64%	6.36%	-0.06%	11.29%	6.87%	**56.01%**
2024	6.35%	-1.35%	0.54%	7.28%	4.30%	1.46%	4.32%	0.77%	-0.19%	-2.87%	0.44%	-0.83%	**21.57%**
2025	-3.19%	-3.09%	5.50%	9.56%	2.08%	3.35%	-4.77%	-1.67%	2.11%	3.14%	1.99%	-2.78%	**11.86%**
2026	2.04%	5.96%	-1.43%	5.19%	3.16%	-0.27%	-3.00%	1.73%	-3.29%	-4.29%			**5.33%**

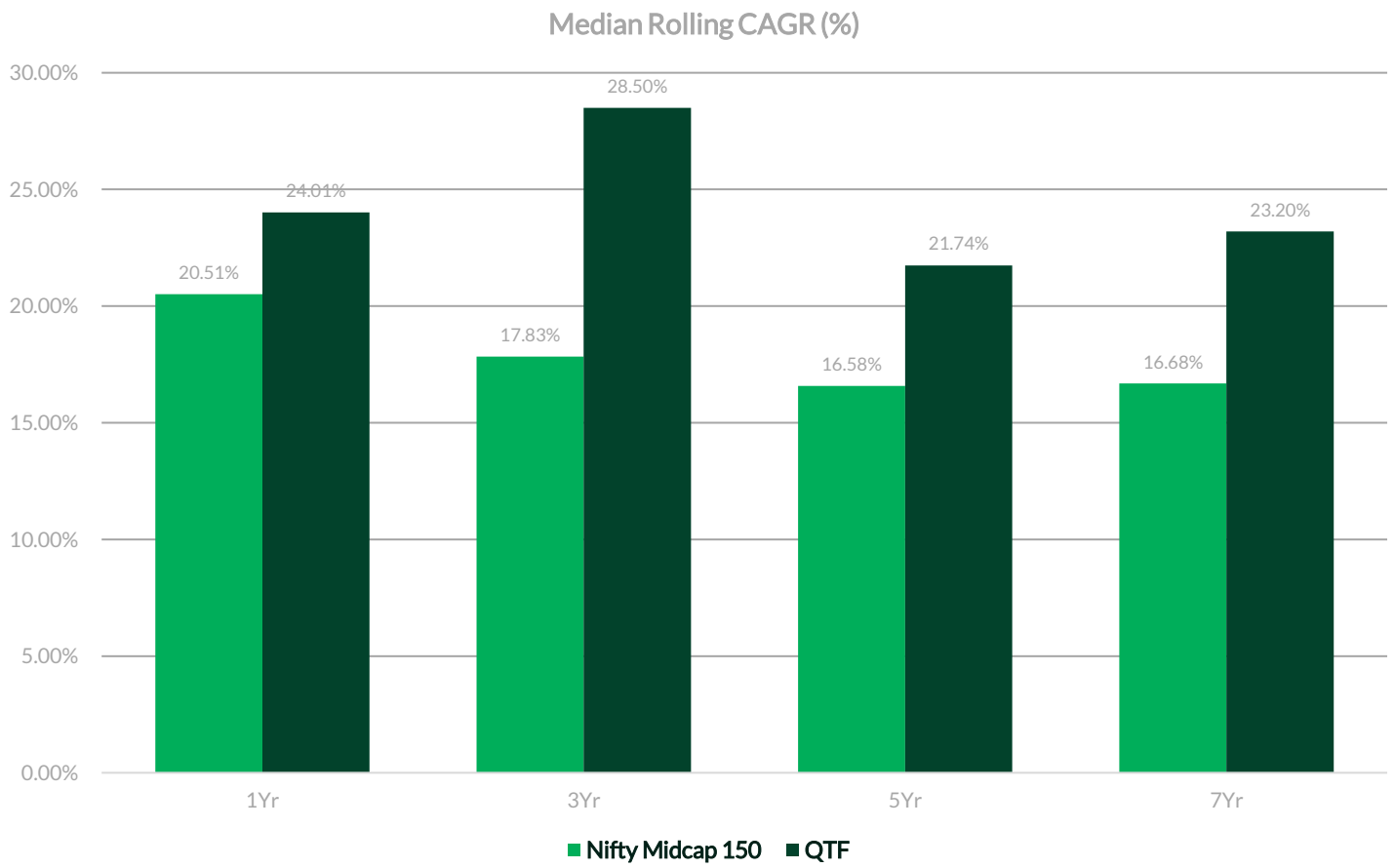
*Data is backtested from 01-04-2014 to 28-11-2024 & live from 28-11-2024 to 31-10-2026

Rolling Returns

Qode Tactical Fund demonstrates significantly **more consistent rolling returns** compared to the Nifty Midcap 150, with stronger median returns and notably shallower drawdowns across all time periods.

By combining momentum-driven alpha with protective overlays, the fund smoothens return profiles that would otherwise be volatile and unpredictable. This balance ensures that investors experience fewer extended drawdowns, making it **easier to stay invested through different market environments**.

Ultimately, this consistency highlights QTF's strength in delivering stable long-term performance with lower downside risk.



All figures represent annualized returns for comparison purposes.

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Ideal Investor Profile

Ideal Investor Profile

1 Aggressive Growth Seeker

For investors aiming to capture the highest possible returns through a disciplined, momentum-driven strategy.

They benefit from early trend participation that compounds into outsized long-term gains.

2 Smartly Protected

For investors who value dynamic downside protection that keeps their growth journey smoother and more resilient.

This ensures wealth creation continues without being derailed by sharp market shocks.

Reduced Time Underwater 3

Ideal for investors who want their capital to recover faster after market declines, minimizing periods of being underwater compared to traditional equity portfolios.

This faster bounce-back supports consistent compounding and reduces emotional stress during drawdowns.

Tax Efficient 4

Perfect for those seeking higher net returns through an ETF-only structure that minimizes tax drag.

Lower frictional costs enhance long-term compounding and make the strategy more investor-friendly.

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