



# Mutual Fund Recommendation

Mutual funds are a great investment tool for investors looking to invest in Indian equity markets, especially for investors who are wary of investing directly into equities or debt market.

In this report, we have hand-picked mutual fund schemes for investment after a rigorous analysis based on various qualitative and quantitative parameters including scheme performance, risk-return analysis, consistency of performance, fund manager's profile and track record, portfolio churning and fund house's investment process.

## Equity Portfolio Recommendation

The equity portfolio recommendation section of the report consists of a three mutual fund model portfolios designed for investors with different risk appetite, namely, aggressive, moderate and conservative.

### Aggressive: High Risk, High Return

Scheme Name	Latest NAV*	Launch Date	Asset Allocation	Returns (%)				Fund Type
				One Year	Three Years	Five Years	Since Inception	
Franklin India Flexi Cap Fund	62.5211	Mar-05	15%	19.07	23.50	11.72	18.87	Large-Midcap
IDFC Premier Equity Fund	72.4769	Sep-05	25%	18.45	25.39	15.09	21.84	Mid-Cap
DSP BlackRock Micro Cap Fund	42.505	Jun-07	15%	36.04	35.79	18.35	19	Mid-Cap
Birla Sun Life Frontline Equity Fund	161.49	Aug-02	20%	12.73	20.12	10.96	23.64	Large-Midcap
ICICI Prudential Dynamic Plan	179.617	Oct-02	25%	2.30	17.12	10.15	25.01	Large-Midcap

### Moderate: Medium Risk, Medium Return

Scheme Name	Latest NAV*	Launch Date	Asset Allocation	Returns (%)				Fund Type
				One Year	Three Year	Five Years	Since Inception	
Franklin India Flexi Cap Fund	62.5211	Mar-05	15%	19.07	23.50	11.72	18.87	Large-Midcap
Reliance Equity Opportunities Fund	73.7911	Mar-05	25%	12.80	20.70	13.16	20.92	Multi Cap
Templeton India Growth Fund	189.3146	Jul-07	10%	10.53	17.39	6.91	16.66	Multi Cap
ICICI Pru Focused Bluechip Equity	28.79	May-08	20%	8.54	17.76	10.62	15.42	Large Cap
Franklin India Bluechip	354.5039	Dec-93	30%	13.88	19.42	8.98	21.52	Large Cap

**Conservative: Low Risk, Low Return**

Scheme Name	Latest NAV*	Launch Date	Asset Allocation	Returns (%)				Fund Type
				One Year	Three Year	Five Years	Since Inception	
ICICI Prudential Focused Bluechip Equity Fund	28.79	May-08	25%	8.54	17.76	10.62	15.42	Large Cap
Nifty BeES	824.3577	Dec-01	15%	4.73	13.48	6.79	16.25	Large Cap
Reliance Equity Opportunities Fund	73.7911	Mar-05	25%	12.80	20.70	13.16	20.92	Multi Cap
HDFC Prudence Fund	376.724	Feb-94	35%	7.72	17.73	11.07	18.21	Hybrid
Franklin India Bluechip	354.5039	Dec-93	30%	13.88	19.42	8.98	21.52	Large Cap

**OTHER RECOMMENDED SCHEMES**

Scheme Name	Latest NAV*	Launch Date	Returns (%)				Fund Type
			One Year	Three Year	Five Years	Since Inception	
Templeton India Growth Fund	189.3146	Sep-96	10.53	17.39	6.91	16.66	Multi Cap Fund
ICICI Prudential Indo Asia Equity Fund	19.86	Oct-07	9.75	20.59	12.19	8.99	Large-Midcap Fund
Tata Ethical Fund	133.0045	May-96	18.23	23.30	13.09	16.70	MidCap Fund
HDFC Equity Fund	454.086	Jan-95	3.85	17.22	8.51	20.16	Multi Cap Fund

NAV and Returns as on 06<sup>TH</sup> Oct 2015; Returns < 1 yr annualised, > 1 yr compounded annualized

**Monthly Income Plans - Recommendation**

Is it for me ?	Yes, if you have a conservative risk profile, yet want a pinch of equities
Bank Equivalent to	Fixed Deposits
Tax Benefit	Better post-tax returns, for investors in higher tax bracket
Composition	Debt & Money Market Instruments; 5-25% in Equities

Below is the list of recommended MIPs for investment:

Scheme Name	Type	Launch Date	Returns (%)			
			One Year	Three Years	Five Years	Since Inception
Reliance MIP	Hybrid Debt	Jan 2004	13.14	11.76	9.59	11.07
Birla Sun Life MIP II - Savings 5	Hybrid Debt	May 2004	12.86	10.77	9.92	9.26
HDFC Prudence Fund	Hybrid Debt	Feb 1994	7.72	17.73	11.07	18.21
HDFC MIP - LTP - Growth	Hybrid-Equity	Dec 2003	10.84	11.42	9.23	11.38

\* NAV and Returns as on 06<sup>TH</sup> Oct 2015; Returns < 1 yr annualised, > 1 yr compounded annualized

**Tax Saving Fund Recommendation**

Is it for me ?	Yes, if you are interested in the dual benefit of equity market participation and tax saving
Tax Benefit	Under section 80C of income tax, investments of upto Rs 1,50,000 in tax-saving funds are eligible for deduction from gross total income No long term capital gains on withdrawal, dividends are tax free
Composition	Equities

Scheme Name	Latest NAV*	Launch Date	Returns (%)			
			One Year	Three Years	Five Years	Since Inception
Axis Long Term Equity Fund	31.0146	Dec 2009	21.30	29.38	18.44	21.66
ICICI Prudential Long Term Equity Fund	28.34	Jan 2013	9.65	-	-	13.02
IDFC Tax Advantage (ELSS) Fund	38.3813	Dec 2008	14.20	22.72	11.94	21.94
Franklin India Taxshield	428.7348	Apr 1999	19.83	23.50	13.92	25.58

\*NAV and Returns as on 06<sup>TH</sup> Oct 2015; Returns < 1 yr annualised, > 1 yr compounded annualized

## Gold Fund Recommendation



Is it for me ?	Yes, if gold is a preferred asset class of your investment portfolio
Equivalent to	Buying gold jewellery
Tax Benefit	No wealth tax levied
Composition	Gold

In India as of now there are a total of nine Gold ETFs, of which we recommend the following:

Name of the Scheme	NSE Code	Inception
Gold Benchmark Exchange Traded Fund	GOLDBEES	March 2008
Kotak Gold Exchange Traded Fund	KOTAKGOLD	June 2007
Reliance Gold Exchange Traded Fund	RELGOLD	November 2007

## Liquid and Ultra Short Term Fund Recommendation

Is it for me ?	Yes, if you want to park surplus funds for short-time duration
Bank Equivalent to	Saving Account
Tax Benefit	Better after tax yields than bank savings and fixed deposits
Composition	Money market securities

Top recommended liquid and ultra short term funds:

Scheme Name	Latest NAV*	AAA/LA AA/A1+ /P1+/PR 1+/F1+S OV	One Month	Three Months	Six Months	One Year	Since Inception	AUM as on 30 <sup>th</sup> Sep 2015 (Rs in Cr.)	Modified Duration (in days)	Expense Ratio (%)
Axis Liquid Fund	1614.5591	100.00%	7.56	7.88	8.18	8.62	8.3	6849	45	0.07
Axis Treasury Advantage Fund	1621.3683	100.00%	10.32	8.76	8.74	8.87	8.38	1852	185	0.85
Baroda Pioneer Treasury Advantage Fund	1669.3013	100.00%	10.56	9.04	9.14	9.52	8.49	2537	237.50	0.58
Birla Sun Life Cash Manager Fund	245.4259	100.00%	9.36	8.28	8.12	8.7	7.46	7708	237.50	0.97
Birla Sun Life Cash Plus	389.4436	99.10%	7.68	7.88	8.18	8.64	7.48	20481	29.2	0.12
HDFC Cash Mgmt-Savings(G)	3041.4431	97.26%	7.56	7.76	8.1	8.57	7.25	8719	29	0.09
IDFC Ultra Short Term Fund	20.4375	100.00%	10.2	8.96	8.88	9.27	7.63	3594	274	0.44

Scheme Name	Latest NAV*	AAA/LA AA/A1+ /P1+/PR 1+/F1+S OV	One Month	Three Months	Six Months	One Year	Since Inception	AUM as on 30 <sup>th</sup> Sep 2015 (Rs in Cr.)	Modified Duration (in days)	Expense Ratio (%)
Kotak Treasury Advantage Fund	23.2638	100.00%	8.88	8.64	8.62	9.16	7.86	4511	171.55	0.47
L&T Ultra Short Term Fund(G)	23.6557	88.78%	9.72	8.48	8.34	8.93	7.44	1968	226.30	0.56
Pramerica Liquid Fund	1554.3198	100.00%	7.68	7.88	8.16	8.64	8.99	1177	32.85	0.10
Reliance Money Manager Fund(G)	1997.728	100.00%	9.60	8.44	8.5	8.87	8.42	12507	174	0.62
Tata Liquid Fund - HIP	2368.5981	100.00%	7.8	7.92	8.16	8.58	7.39	2373	21.9	0.43
UTI Floating Rate Fund - STP	2353.9622	100.00%	10.2	8.52	8.62	8.98	7.32	6019	248.2	0.33
UTI Treasury Advantage Fund	1984.2213	100.00%	10.2	8.84	8.88	9.3	8.44	10311	251.85	0.23

NAV and Returns as on 06<sup>th</sup> Oct 2015, Returns < 1 yr annualised, > 1 yr compounded annualised.

**We recommend investing in a basket of mutual fund schemes. But also refrain from overdiversification**

Have a query?

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