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WEALTHWISE

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Wealthwise

“Wealthwise” is a monthly publication brought to you by Wiseinvest Advisors. Wiseinvest Advisors is a quality investment advisory firm that specializes in mutual funds. Though mutual funds are a simple way to invest money, you can get the best only if you get professional advice. Our CEO, Mr. Hemant Rustagi, is a well known mutual fund expert. He brings with him an experience of more than 24 years in this field. He regularly writes articles for major national dailies and business magazines as well as appears as a mutual fund expert on many investments related TV shows. Besides, our team of advisors has professionals who have spent years in the mutual fund industry. In the last five years, thousands of our clients have benefitted from our quality advice and have made mutual funds as the mainstay of their portfolio. You can benefit too from our expertise for your existing as well as new investments in mutual funds. All you need to do is to just call up any of the branches or email your requirements at information@wiseinvestadvisors.com and our professional advisors will do the rest.

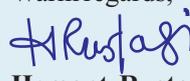
Dear Investor,

The stock market remained subdued during the month of July 2011 in the wake of many domestic and international factors. While on the domestic front, there were factors such as elevated headline inflation and a hike of 0.50% in the repo rate by the RBI, on the international front issues such as Moody's threat to cut the United States' triple A debt rating on account of the government's failure to raise its debt ceiling and the fear of negative fallout of the euro zone's debt crisis weighed heavily on the stock market. No wonder, the BSE Sensex was down by 3.01% during the month. However, the BSE Mid-cap and Small cap indices were up marginally to the tune of 0.20% and 0.99% respectively.



As the headline inflation continues to be above the comfort level of the RBI, it raised repo rates- the short term lending rates - by 0.50 per cent to 8 per cent on July 26, 2011. The hike in the repo rate was more the market expectations of 0.25 per cent. In what has turned out to be the longest rate hike cycle in a decade starting from March 2010, this was the eleventh hike by the RBI. The RBI has been increasing interest rates in a bid to contain rising inflation. The reverse repo rate - the short term borrowing rate - has now moved up from 6.5 per cent to 7 per cent. The cash reserve ratio (CRR) - the amount of funds that the banks have to keep with RBI - remains unchanged at 6 per cent. The central bank has also revised its inflation target from 6 per cent to 7 per cent for the fiscal-end. It has, however, retained the growth projection for the current fiscal at 8 per cent. As a hike in repo rates increases the lending cost of banks, all loans are likely to become costlier.

Needless to say, these are testing times for equity investors. In times like these, when debt and debt related options provide high returns, there can be temptations to abandon the equity market and move money into options that are not only safe but also provide healthy returns. While investing short term and medium term money in these options would certainly be a smart move, abandoning a long-term investment plan for the short term benefits may seriously jeopardise one's chances of achieving long-term success. It is important to put market declines in proper perspective and stick with the quality equity investments. The stock market has a history of rewarding investors who demonstrate the patience by waiting out the turbulent times.

Warm regards,

Hemant Rustagi
 Chief Executive Officer

Wiseinvest
 With YOU, in meeting
 FINANCIAL CHALLENGES

Address to be affixed here

The Stock Market performance during July 2011.

Indices	1st July 2011	29th July 2011	Change in (%)
Sensex	18762.80	18197.20	-3.01%
MIDCAP	6901.67	6915.31	0.20%
SMLCAP	8224.41	8305.58	0.99%
BSE-100	9793.58	9537.41	-2.62%
BSE-200	2314.72	2256.48	-2.52%
BSE-500	7270.10	7111.31	-2.18%



What does the world's tallest tree have in common with Kotak 50 and Kotak Opportunities?

Enjoy the advantage of sound investing.

A solid foundation is needed to sustain growth over time. It's the reason why the world's tallest tree is still growing even at 378.1 feet, after a lifespan of over a 1000 years. It's also why Kotak 50 and Kotak Opportunities are amongst our long running mutual funds in the market. And it has been the solid investment principles that we follow which has helped these funds deliver over time, helping those who invest with us to get the most out of their money.

Kotak 50	Amount (₹)
Investment amount (since inception on 29th Dec, 1998)	1,00,000
Value of investment (30th June 2011) 22.54% CAGR	12,72,302

Kotak 50 NAV: ₹ 30.51 (Div Option) on 30th June 2011, Returns <= 1 yr: Absolute; Returns > 1 yr: CAGR. ₹ 1 lakh invested in Kotak 50 would have become ₹ 1,04,557 (4.55%) in 1 year, ₹ 1,39,422 (11.71%) in 3 years, ₹ 1,92,115 (13.94%) in 5 years, ₹ 2,49,451 (13.95%) in 7 years and ₹ 9,44,685 (25.17%) in 10 years. Whereas ₹ 1 lakh invested in S&P Nifty would have become ₹ 1,06,300 (6.3%) in 1 year, ₹ 1,39,779 (11.81%) in 3 years, ₹ 1,80,443 (12.53%) in 5 years, ₹ 3,74,942 (20.78%) in 7 years, ₹ 5,08,929 (17.67%) in 10 years and ₹ 6,47,179 (16.1%) since inception.

Past performance may or may not be sustained in future. Returns assumed re-investment of all payouts during the period at the then prevailing NAV.

Kotak Opportunities	Amount (₹)
Investment amount (since inception on 9th Sept, 2004)	1,00,000
Value of investment (30th June 2011) 24.91% CAGR	4,54,790

Kotak Opportunities NAV: ₹ 45.47 (Growth Option) on 30th June 2011, Returns <= 1 yr Absolute; Returns > 1 yr: CAGR. ₹ 1 lakh invested in Kotak Opportunities would have become ₹ 1,02,087 (2.08%) in 1 year, ₹ 1,40,823 (12.08%) in 3 years and ₹ 2,01,023 (14.98%) in 5 years. Whereas 1 lakh invested in S & P CNX 500 would have become ₹ 1,02,310 (2.31%) in 1 year, ₹ 1,41,209 (12.19%) in 3 yrs, ₹ 1,76,470 (12.03%) in 5 years and ₹ 3,23,492 (18.82%) since inception.

SMS *KMF* to 5676788
mutualfund.kotak.com

 **kotak** Mutual Fund

Risk factors - Kotak 50 is an open-ended equity scheme. Investment Objective: To generate capital appreciation from a portfolio of predominantly equity and equity related securities. The portfolio will generally comprise of equity and equity related instruments of around 50 companies which may go up to 58 companies but will not exceed 50 at any point of time.
 Kotak Opportunities is an open-ended equity growth scheme. Investment Objective: To generate capital appreciation from a diversified portfolio of equity & equity related instruments.
 General Risks - Mutual Funds and securities investments are subject to market risks. There is no assurance that the Scheme's objective will be achieved. NAV of the Scheme's Units can go up / down depending on factors and forces affecting securities markets. Past performance of Sponsor / AMC / Fund does not indicate the scheme's future performance. Kotak 50 and Kotak Opportunities are only the names of the schemes and do not in any manner indicate either the quality of the schemes, future prospects or returns.
 Statutory details: Kotak Mahindra Mutual Fund is a Trust Indian Trust act, 1982. Investment Manager: Kotak Mahindra Asset Management Company Ltd. Sponsor: Kotak Mahindra Bank Ltd. Liability to: Nil. Trustee: Kotak Mahindra Trustee Company Ltd. Please read the Scheme Information Document (SID) and Statement of Additional Information (SAI) carefully before investing. SID and SAI are available on mutualfund.kotak.com

A strong foundation and growth.



Fidelity Equity Fund

Investment Objective

Fidelity Equity Fund (FEF) aims to generate long-term capital growth from a diversified portfolio of predominantly equity and equity-oriented securities.

The fund is managed by Mr. Sandeep Kothari & Anirudh Gopalakrishnan. The fund has a corpus of ₹ 3302.23 crores as on July 29, 2011.

Investment Strategy

The fund follows a “bottom-up” stock picking philosophy thereby selecting companies from their core strengths based on first hand research. Broadly speaking, the fund manager's goal is to select top quality, attractively valued stocks which have the best potential to perform. The fund does not have any sector, market cap, trend and investment style bias. The aim is simple: to own stocks regardless of size, sector or style so as to get the best results for its investors by following “go anywhere” approach.

Top 10 sectors as on June 30, 2011

Sector	Percentage (%)
Financial	23.95
Energy	14.48
Technology	10.18
Healthcare	6.96
FMCG	6.38
Services	6.20
Diversified	4.57
Automobile	4.35
Engineering	3.64
Metals	3.38

Top 10 holdings as on June 30, 2011

Company Name	% of Corpus
Reliance Industries	6.96
ICICI Bank	5.33
ITC	4.70
HDFC Bank	4.41
Infosys Technologies	4.31
Tata Consultancy Services	3.58
HDFC	2.77
Cipla	2.26
Dr. Reddy's Lab	2.05
Others	9.15

Performance as on July 29, 2011

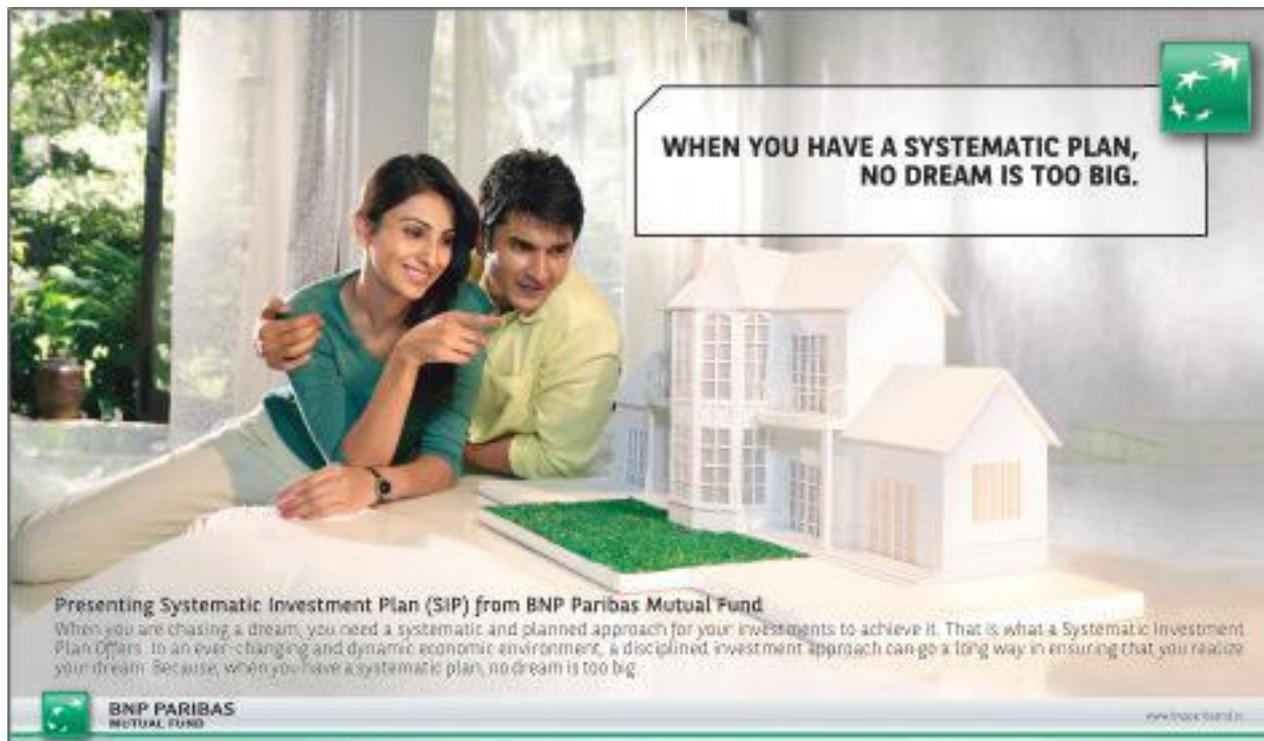
Fund	3 Month*	6 Month*	1 Year*	2 Year**
Fidelity Equity Fund	-2.61	1.80	2.60	19.06
BSE Sensex	-4.91	-1.08	1.14	9.51

*Absolute ** Annualised. Past performance may or may not be sustained in future.

Our recommendation

Considering the consistent performance of the fund over the years and the high level of diversification whereby investment is spread across a broad range of businesses, this fund has the potential to be a part of an investor's core portfolio. Investors looking to own a fund that can work well in the long run and help them in building wealth can consider investing in this fund.

To know more about this fund and/or to invest in this fund, please call any of our offices. The contact details have been provided on page 6.



Statutory Details: Sponsor: BNP Paribas Investment Partners Asia Ltd. Trustee: BNP Paribas Trustee India Pvt. Ltd. Investment Manager / AMC: BNP Paribas Asset Management India Pvt. Ltd. (Reg. Office of Trustee & AMC is at 5th Floor, French Bank Building, 62, Hornji Street, Fort, Mumbai - 400 001). BNP Paribas Mutual Fund has been constituted as a Trust in accordance with the provisions of the Indian Trusts Act, 1882 (2 of 1882) by the Sponsor and the Trustee as per the terms of the superceding Trust Deed. The Sponsor/ Associates are not responsible or liable for any loss resulting from the operation of the Schemes beyond the initial contribution of ₹ 1 lakh made by it towards setting up the Fund. **Risk Factors:** All mutual funds and securities investments are subject to market risks, and there can be no assurance that the Schemes' objectives will be achieved. Investment in Mutual Fund units involves investment risks such as trading volumes, settlement risk, liquidity risk, default risk including the possible loss of principal. As the price / value / interest rates of the securities in which the Schemes invest fluctuates, the NAVs of the Scheme may go up or down depending upon the factors and forces affecting the securities market. Various factors impact the value of the Schemes' investments include, but are not limited to, fluctuations in the bond markets, fluctuations in interest rates, prevailing political and economic environment, changes in government policy factors specific to the issuer of the securities, tax laws, liquidity of the underlying instruments, settlement periods, trading volumes etc. **The names of the Schemes do not in any manner indicate either the quality of the Schemes or their future prospects and returns.** Past performance of the Sponsor / AMC / Mutual Fund do not guarantee future performance of the Scheme. The Schemes do not guarantee or assure returns. Statement of Additional Information (SAI), Scheme Information Document (SID) & Key Information Memorandum cum Application forms (KIM) are available at AMC offices / AMC web-site: www.bnpparibasmi.in / Investor Service Centres / Distributors. **Please read the SAI, SID & KIM carefully in its entirety before investing and retain these documents for future references.**

Presenting Systematic Investment Plan (SIP) from BNP Paribas Mutual Fund
 When you are chasing a dream, you need a systematic and planned approach for your investments to achieve it. That is what a Systematic Investment Plan Offers. In an ever-changing and dynamic economic environment, a disciplined investment approach can go a long way in ensuring that you realize your dream. Because, when you have a systematic plan, no dream is too big.

BNP PARIBAS MUTUAL FUND

Kotak 50

Kotak 50 is diversified equity fund having a bias towards large cap & whose objective is to give maximum capital appreciation by using both 'top down' as well as 'bottom up' approach for portfolio construction.

The fund is managed by Mr. Pradeep Kumar & Mr. Krishna Sanghvi. The corpus is ₹ 863.31 crores as on July 29, 2011.

Investment Philosophy & Strategy

The fund follows top down as well as bottom up approach for portfolio construction. In top down analysis, fund does economic and industry analysis to arrive overweight and underweight position in various sectors. To manage the risk, fund invests across all sectors.

In bottom up approach, fund uses fundamental analysis to select stocks across sectors. In fundamental analysis of companies; in addition to normal company analysis, fund uses additional parameters to select stocks, which should help to create alpha.

The Strategy followed by the fund is as follows:

- 50-60% exposure to the companies, having industry best RoE/RoCE and margins and inline or better growth rate than the industry & which display **leadership** qualities over the years.
- 10% exposure to the companies, which are **uniquely positioned**, i.e. which normally grow faster than the industry and have expanding RoE/RoCE and margins.
- 10% exposure to the companies, which have lot of **intrinsic value**, which are ignored or still not recognised by the market.
- 10% exposure to the companies, which have potential to become **large cap**, going forward.
- 15-20% exposure to **commodities**, whereas call on underline commodity cycle is critical to select the stocks.

Performance as on July 29, 2011

Fund	3 Month*	6 Month*	1 Year*	2 Year**
Kotak 50	-1.4	2.68	1.73	12.59
BSE Sensex	-4.91	-1.08	1.14	9.51

*Absolute ** Annualised. Past performance may or may not be sustained in future.

Top 10 sectors as on June 30, 2011

Sector	Percentage (%)
Energy	23.74
Financial	17.80
Technology	14.83
Healthcare	8.07
FMCG	7.24
Communication	4.49
Diversified	4.12
Metals	3.77
Engineering	3.07
Chemicals	2.92

Top 10 holdings as on June 30, 2011

Company Name	% of Corpus
Punjab National Bank	7.96
Reliance Industries	6.13
Infosys Technologies	6.13
HDFC Bank	6.06
ICICI Bank	5.60
ITC	5.31
Tata Consultancy Services	5.19
Bharti Airtel	4.49
Power Grid Corp.	3.74
NTPC	3.42

Our recommendation

Kotak 50 has had a long-term track record. For years, the fund remained among the top quartile in the diversified equity fund category. The fund lost some of its sheen over the couple of years as the performance slowed down. However, we believe that with a more refined investment strategy in place, the fund's performance is likely to improve in the coming months. It's time for investors to have a relook at the fund and make it a part of their core portfolio slowly and steadily.

To know more about this fund and/or to invest in this fund, please call any of our offices. The contact details have been provided on page 6.

CANARA ROBECO
Mutual Fund

Small Is Powerful
SYSTEMATIC INVESTMENT PLAN. INVEST A LITTLE, EVERY MONTH.

An investor education initiative brought to you by Canara Robeco Mutual Fund.

Mutual Fund investments are subject to market risks. Read the Offer Document carefully before investing.

Performance of Select Funds

Data as on July 29, 2011

EQUITY FUNDS

Diversified

Fund	Launch	1-Month*	3-Month*	6-Month*	1-Year*	2-Year**	3-Year**	5-Year**
Birla Sun Life Frontline Equity	Aug-02	-1.66	-3.10	0.78	1.93	14.25	16.61	17.87
Canara Robeco Equity Diversified	Sep-03	0.13	-0.07	4.52	4.44	19.09	20.26	18.93
DSPBR Top 100 Equity Reg	Mar-03	-2.34	-3.30	0.85	4.19	12.89	14.93	17.64
DSPBR Equity	Apr-97	0.26	-1.85	2.86	3.80	18.59	17.16	19.78
Fidelity Equity	May-05	-0.99	-2.61	1.80	2.60	19.09	18.14	17.93
Fidelity India Growth	Oct-07	-0.65	-2.26	1.68	2.88	18.99	18.33	—
Franklin India Flexi Cap	Mar-05	-1.73	-3.22	1.96	3.56	16.40	18.14	14.64
HDFC Equity	Jan-95	-1.09	-3.13	1.78	5.45	22.87	23.61	19.46
HDFC Top 200	Oct-96	-1.25	-3.09	1.77	4.27	16.89	20.34	19.20
ICICI Prudential Dynamic	Oct-02	-1.01	-2.85	1.98	5.10	19.61	16.58	17.63
ICICI Prudential Focused Bluechip	May-08	-0.36	-1.61	4.16	8.74	19.82	21.07	—
ICICI Prudential Discovery	Aug-04	0.72	-1.95	3.14	3.87	25.62	26.49	17.23
Kotak 50	Dec-98	-1.09	-1.40	2.68	1.73	12.59	10.40	13.99
Kotak Opportunities Fund	Sep-04	-0.51	-2.17	1.20	-0.66	12.27	11.02	15.24
Reliance Regular Savings Equity	Jun-05	0.50	-3.14	-0.11	-1.18	15.41	16.32	21.47
Reliance Equity Opportunities	Mar-05	0.07	0.88	5.98	6.41	30.40	23.78	18.12
Tata Equity PE	Jun-04	0.22	-3.92	1.10	2.04	18.73	15.79	19.27
Templeton India Equity Income	May-06	-1.58	-6.86	-4.43	6.31	16.56	12.95	16.20

Sector, Specialty & Tax Saving

Reliance Banking Retail	May-03	-0.88	-5.33	2.72	7.42	28.66	30.24	30.09
Franklin FMCG	Mar-99	3.07	10.09	18.64	18.86	31.69	28.4	18.08
Franklin Pharma	Mar-99	1.17	2.82	5.63	14.08	40.86	32.69	22.36
Reliance Pharma	Jun-04	1.37	5.36	9.05	13.24	44.73	37.51	30.53
Canara Robeco Equity Tax Saver	Mar-93	0.54	0.65	4.96	4.68	20.84	23.91	21.99
Fidelity Tax Advantage	Feb-06	-0.52	-2.28	1.93	2.71	20.4	19.02	18.19
HDFC Tax saver	Mar-96	-0.52	-0.76	2.71	4.12	21.38	20.70	15.45

Midcap & Smallcap

Birla Sun Life Dividend Yield Plus	Feb-03	0.76	-0.66	5.06	4.52	24.06	26.63	19.72
DSPBR Small and Mid Cap Reg	Nov-06	3.72	1.72	7.30	5.38	29.09	23.10	—
IDFC Premier Equity	Sep-05	3.70	2.18	7.67	4.61	25.38	22.11	28.19
IDFC Small & Midcap Equity	Mar-08	3.61	1.24	8.38	4.81	25.44	27.07	—
Sundaram Select Midcap Reg	Jul-02	3.84	4.80	9.77	7.64	23.63	20.91	16.9
UTI Dividend Yield	May-05	0.43	-2.50	2.02	6.42	20.87	20.89	20.55
UTI Master Value	Jun-98	2.25	-1.43	5.72	5.41	28.84	20.97	17.51

Hybrid: Equity Oriented

Fund	Launch	1-Month*	3-Month*	6-Month*	1-Year*	2-Year**	3-Year**	5-Year**
DSPBR Balanced	May-99	0.38	-0.85	3.14	4.31	15.2	14.48	16.11
HDFC Balanced	Sep-00	1.07	2.88	10.16	11.39	24.21	21.07	16.93
HDFC Prudence	Feb-94	0.60	0.64	5.46	7.67	23.32	24.09	19.49
Reliance Regular Savings Balanced	Jun-05	0.12	-1.31	1.24	1.54	14.88	20.09	15.24

Hybrid: Debt Oriented

Fund	Launch	1-Month*	3-Month*	6-Month*	1-Year*	2-Year**	3-Year**	5-Year**
Canara Robeco MIP	Apr-01	0.86	1.8517	4.3877	6.8454	8.3367	12.0262	11.9032
HDFC MIP LTP	Dec-03	0.5227	1.2553	4.145	6.9037	10.2584	14.5049	11.7069
Reliance MIP	Dec-03	0.6449	0.9374	3.676	5.5816	9.5621	15.2483	11.7297
FT India Dynamic PE Ratio FoF	Oct-03	-0.3676	-0.2573	3.1936	6.1728	10.3275	14.2453	14.1377

Debt Oriented & Ultra Short Term Debt Fund

Funds	Launch	1 Week*	1 Month*	3 Months*	6 Months*	1 Year*	2 year**	3 Year**
Birla Sun Life Dynamic Bond Ret	Sep-04	0.064	0.9769	2.5465	4.8224	7.2541	6.572	8.8984
BNP Paribas Flexi Debt Reg	Sep-04	-0.3704	-0.0314	1.3759	3.479	4.551	3.9183	9.2848
Templeton India Short-term Income Ret	Jan-02	0.0766	0.7230	2.3293	4.6743	7.0986	7.1594	9.5627
Templeton India Income Opportunities	Dec-09	0.0566	0.7550	2.3109	4.6817	7.1032	—	—
BNP Paribas Money Plus Reg	Oct-05	0.1584	0.6872	2.1299	4.3568	7.8228	6.3112	7.193
Kotak Floater LT	Aug-04	0.1760	0.7544	2.2543	4.5125	8.0037	6.4989	7.0839

*Absolute ** Annualised. Past performance may or may not be sustained in future.

Dividends declared by equity and equity-oriented funds during the month of July 2011

Scheme name	Date	Dividend declared in ₹ Per unit
Escorts High Yield Equity (D)	07/07/2011	0.40
Tata Equity P/E Fund (D) (TO-A5%)	11/07/2011	1.50
Edelweiss E.D.G.E. Top 100 -C (D)	19/07/2011	1.00
Edelweiss E.D.G.E. Top 100 -A(D)	19/07/2011	1.00
Franklin High Growth Cos (D)	22/07/2011	0.50
Tata Dividend Yield Fund (D)	27/07/2011	1.00

Please check whether you have received dividend for the fund/s that you may have in your portfolio out of this list. In case, you do not maintain any portfolio statement, Wiseinvest Advisors can do that for you free of charge. Once we have the details, we would send your updated statement every month. You can contact our corporate office or any of the branches to avail of this free service.

Mutual funds, like securities investments, are subject to market and other risks. As with any investments in securities, the NAV of units can go up or down depending on the factors and forces affecting capital markets.



Choose a healthy investment.

In today's volatile market, it pays to have a healthy investment plan. HDFC MF Systematic Investment Plan (SIP) is a simple, convenient and disciplined way to meet your financial goals. It invests a minimum of ₹ 500 every month, irrespective of market conditions. Truly, a healthy way to invest!

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Disclaimer: HDFC MF SIP does not assure a profit or guarantee protection against loss in a declining market. HDFC Mutual Fund is not guaranteeing or promising or forecasting any returns. **Risk Factors:** All mutual funds and securities investments are subject to market risks and there can be no assurance that the Scheme's objectives will be achieved and the NAV of the Scheme may go up or down depending upon the factors and forces affecting the securities market. Past performance of the Sponsors and their affiliates / AMC / Mutual Fund and its Scheme(s) do not indicate the future performance of the Scheme of the Mutual Fund. There is no assurance or guarantee to unit holders as to the rate of dividend distribution nor that dividends will be paid regularly. Investors in the Schemes are not being offered any guaranteed / assured returns. The NAV of the units issued under the Schemes may be affected, inter-alia by changes in the interest rates, trading volumes, settlement periods, transfer procedures and performance of individual securities. The NAV will inter-alia be exposed to Price / Interest Rate Risk and Credit Risk. **Please read the Scheme Information Document and Statement of Additional Information before investing.** In view of individual nature of tax consequences, each investor is advised to consult his/ her own professional tax advisor. **Statutory Details:** HDFC Mutual Fund has been set up as a trust sponsored by Housing Development Finance Corporation Limited and Standard Life Investments Limited (liability restricted to their contribution of ₹ 1 lakh each to the corpus) with HDFC Trustee Company Limited as the Trustee (Trustee under the Indian Trusts Act, 1882) and with HDFC Asset Management Company Limited as the Investment Manager.

Investment Success requires Planning, Perseverance and Prudence

One of the key ingredients to achieve success including investment success is to have a plan in place. However, while making an investment plan, it is essential to consider certain key factors like one's current financial situation, investment objectives, attitude towards risk and time horizon. Besides, it would help to know that risk is an inherent part of investing and will always be an important issue. Since there is a direct co-relation between performance and risk, it is important to understand the "risk" associated before making an investment. Unfortunately, whenever the term risk is used, most investors equate it with the loss in principal.

In other words, many investors tend to ignore the risk of inflation on their investment. The level and the type of risk depends on your time horizon i.e. the length of time you have to achieve your investment objectives. For a short-term time horizon, volatility is bigger risk than inflation. Therefore, a short-term investment strategy should focus on capital protection thru a portfolio consisting of interest bearing securities.

Conversely, for a long-term investment, the average return rate becomes more important than volatility. The historical data suggests that over the longer term, volatility tends to work itself out due to offsetting of good years against bad years. Besides, for a long-term investor, compounding plays an important role. Simply put, compounding helps you make money on the money that you have already earned.

A critical factor in the decision making process is to know how you feel about the risk involved in an asset class. If you have the temperament and the capacity to take higher risk in order to enhance your returns, your portfolio should reflect that. The capacity to take risk would depend on your circumstances and financial situation. It is important to know that the type or

class of securities you own i.e. equity or debt, is much more important than the security itself.

Even for making investment in mutual funds, the process is no different. To get the best from mutual funds, you need to decide on the right level of risk tolerance. It helps in customizing fund category allocations as well as suitable fund selection. Before making a final selection of the funds, you must examine the quality of the portfolio as well as the performance track record.

Go for consistency

The consistency in the fund performance is the key for the long term success. For example, let us consider a fund that rises 50% in one year and falls 30% in the next year. At the end of the 2 years period, an initial investment of ₹ 10,000 will become ₹ 10,500. On the other hand, if the money had been put in a fund that rose 30 % in the first year but dropped only 10% in the second, the investment would be worth ₹ 11,700 - a difference of around 12% over a period of two years.

While all of us hope that the fund that we are invested in should continue to do well consistently, in reality there are certain time periods when the fund's performance may slip or become inconsistent. While it does not help to panic every time the fund gives inconsistent returns, it certainly helps if one is prepared to deal with such a situation.

If the fund falls in line with its benchmark index, it should not be much cause for concern. On the other hand, if the fund goes down when its peers are going up, it can be a warning signal. Therefore, one needs to measure the performance of the fund in comparison with its peer group. However, before

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Reliance SIP Insure is a special facility available to the investors in selective schemes of Reliance Mutual Fund subject to such limits, operating guidelines, terms and conditions as may be prescribed by Reliance Capital Asset Management Limited (RCAM)/Reliance Mutual Fund from time to time. Free life insurance cover provided as a part of an add on feature called as 'Reliance SIP Insure' (available in select schemes of Reliance Mutual Fund) is arranged and funded by Reliance Capital Asset Management Limited through 'Reliance Group-Term Assurance scheme/plan' (JIN 121N006V01) of Reliance Life Insurance Company Limited (Reg. 121). The sum assured will be an amount equivalent to the aggregate balance of unpaid SIP installments, subject to a maximum of Rs.10 lakhs per investor across all schemes / plans and folios. For further details on SIP Insure facility including the load structure, terms of insurance etc. refer to the Notice Cum Addendum No 12 issued in the year 2011 and Scheme Information Documents of the respective schemes offering the said facility. **Statutory Details:** Reliance Mutual Fund has been constituted as a trust in accordance with the provisions of the Indian Trusts Act, 1882. **Sponsor:** Reliance Capital Limited. **Trustee:** Reliance Capital Trustee Company Limited. **Investment Manager:** Reliance Capital Asset Management Limited (Registered Office of Trustee & Investment Manager: "Reliance House" Nr. Mardia Plaza, Off. C.G. Road, Ahmedabad 380 006). The Sponsor, the Trustee and the Investment Manager are incorporated under the Companies Act 1956. The Sponsor is not responsible or liable for any loss resulting from the operation of the Scheme beyond their initial contribution of Rs.1 lakh towards the setting up of the Mutual Fund and such other accretions and additions to the corpus. **Risk Factors:** Mutual Funds and securities investments are subject to market risks and there is no assurance or guarantee that the objectives of the Scheme will be achieved. As with any investment in securities, the NAV of the Units issued under the Scheme can go up or down depending on the factors and forces affecting the capital markets. The name of the Schemes do not in any manner indicate either the quality of the Scheme; its future prospects or returns. Past performance of the Sponsor/AMC/Mutual Fund is not indicative of the future performance of the Scheme. The NAV of the Scheme may be affected, interalia, by changes in the market conditions, interest rates, trading volumes, settlement periods and transfer procedures. For details of scheme features and for Scheme specific risk factors, please refer to the Scheme Information Document which is available at all the DISC / Distributors / www.reliancecapital.com. **Please read the Scheme Information Document and Statement of Additional Information carefully before investing.**

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Investment Success requires...

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taking any decision based on the performance of a fund that invests in a particular segment of the market, the level of volatility that the segment itself may be witnessing becomes critical. A good fund manager can ensure that the fund is less volatile.

Follow a scientific way to track your portfolio

It is a well known fact that different segments of the market perform differently at different times. As a particular segment begins performing well, its impact reflects in the performance of funds focusing on that segment. While the fund's performance itself is critical, it is necessary to compare your scheme's performance with that of other schemes in the same category over different time periods. The performance of a scheme is best measured in terms of total returns. Total return is the percentage of change in the Net Asset Value (NAV), with the ending NAV being adjusted to take into account the dividend distributions made by the fund.

Besides, you should hold a fund long enough to evaluate its performance i.e. around one year or so. Many of us make the mistake of either holding onto funds for too long or exit in a hurry. If one takes a wrong decision, there is always a risk of missing out on good rallies in the market or getting out too early thus missing out on potential gains.

Any selling decision should be based on a thorough analysis. It is quite common to see many investors err on the side of selling funds without giving them time to show what they can do. That's why, proper selection of funds becomes an important activity. If one selects well at the start, one can avoid these situations occurring frequently.

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Value Research Fund Rating



Some of the portfolio holdings as on June 30, 2011. Past performance is no guarantee of future results.

Compounded Annual Returns as on June 30, 2011
(Retail - Growth Option)

	1 Year	3 Years	Since Inception
ICICI Prudential Focused Bluechip Equity Fund	13.47%	22.52%	17.92%
S&P CNX Nifty	6.30%	11.81%	4.38%

Past performance may or may not be sustained in future



To invest, consult your financial advisor or log on to www.icicipruamc.com

Value Research Rating Methodology: ICICI Prudential Focused Bluechip Equity Fund (IPFBEF) (Retail Option and Institutional Option I) has been rated 5 stars in Equity-Large Cap category out of 41 schemes denoting the fund is in top 10% category in terms of historical risk adjusted returns. Rating is based on weighted average monthly returns for last 3 year periods ended 30-06-2011. For detailed methodology refer www.valueresearchonline.com. These ratings do not take into consideration any entry or exit load. Value Research does not guarantee the accuracy.

Disclaimer: The mention of the above stocks is not an endorsement by the Mutual Fund and AMC of their soundness or a recommendation to buy or sell these stocks.

Benchmark is S&P CNX Nifty. The allotment NAV has been taken as ₹ 10.00 for since inception returns. Inception date of the scheme is 23/05/2008. NAV of Retail Growth Option is considered for calculation of performance without considering load. The performance shown above is not necessarily indicative of future results and the same may not necessarily provide the basis for comparison with other investments. **Statutory Details:** Settlor of ICICI Prudential Mutual Fund (IPMF): ICICI Bank Ltd. and Prudential plc; IPMF was set up as a Trust sponsored by the settlor in accordance with the provisions of Indian Trust Act, 1882. **Trustee:** ICICI Prudential Trust Ltd. (IPTL); **Investment Manager:** ICICI Prudential Asset Management Co. Ltd. (IPAMCL); IPTL & IPAMCL are incorporated under Companies Act, 1956. **Liability:** Liability of IPMF/ Sponsors/IPTL/IPAMCL is limited to Rs. 22.2 lacs collectively. Past performance of the Sponsors, AMC, Fund, and Trustee has no bearing on the expected performance of the mutual fund or any of its schemes. **Risk Factors:** All investments in Mutual Fund and securities are subject to market risks and the NAV of the Schemes may go up or down, depending upon the factors and forces affecting the securities markets and there can be no assurance that the fund's objectives will be achieved. **Investment objective:** IPFBEF seeks to generate long-term capital appreciation by investing in about 20 companies in the large cap domain. However, there can be no assurance that the investment objective of the Scheme will be realized. **Entry Load:** Not applicable; **Exit Load:** for Redemption/ Switch out made upto one year from the date of allotment: 1% of applicable NAV; Else NIL. **Investments in the Scheme may be affected by concentration risk, trading volumes, settlement periods, volatility, price fluctuations, liquidity risks, derivative risk, market risk, currency risk for investments in foreign securities, lending & borrowing risks, risks associated with investing in securitised debt, credit & interest rate risks relating to debt investment. IPFBEF is only the name of the scheme and do not in any manner indicate either the quality of the Scheme or their future prospects and returns. Please read the Scheme Information Document and Statement of Additional Information of the Scheme carefully before investing.**

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