

August, 2017

Price ₹ 2

Volume 11, Issue 8

A Monthly Publication from Wiseinvest Advisors Private Limited

# WEALTHWISE®

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With YOU, in meeting  
FINANCIAL CHALLENGES

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## Wealthwise

“Wealthwise” is a monthly publication brought to you by Wiseinvest Advisors, which is a quality investment advisory firm that specializes in mutual funds. Our CEO, Hemant Rustagi, is a well known personal finance expert. He brings with him an experience of more than 25 years in this field. He regularly writes articles for major national dailies and business magazines as well as appears as a personal finance 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 twelve 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. All you need to do is to just call up any of the offices or email your requirements at [information@wiseinvestadvisors.com](mailto:information@wiseinvestadvisors.com) and our professional advisors will do the rest.

Dear Investor,

Goods and Services Tax (GST), India's biggest tax reform, was launched at midnight at Parliament's historic Central Hall, by President Pranab Mukherjee and Prime Minister Narendra Modi. GST is the single biggest tax reform since India's independence in 1947 and has subsumed a slew of indirect taxes levied on goods and services. Although there are likely to be teething problems in its implementation, in the long run GST can be expected to reshape India's economy by providing buoyancy to government revenue due to increased tax compliance. A rough estimate puts its positive impact on India's GDP at 1.5- 2 percent.



India's benchmark Nifty conquered 10000 mark for the first time ever during the month. The Sensex also hit a historic peak of 32300 level. The markets have been doing extremely well since the presentation of the Union budget in the Parliament. So far this year, the Sensex and Nifty have gained around 21 percent and 22 percent respectively. However, the question on most investor's mind is whether there is a need to exercise some caution at these levels. While such dizzy heights in the market usually bring a mixed feeling of euphoria and skepticism for investors, there are factors such as steps being taken by the government for introducing reforms, lower inflation, strong domestic inflows, low oil prices and dovish commentary by the Federal Reserve that are making the market participants confident about continuation of the rally even as valuations remain high at around 19 times based on FY 18 earnings.

India's annual retail inflation eased in June 17 to its slowest in more than 5 years, as food prices fell, building pressure on the RBI to cut interest rates when it meets for its monetary policy review on August 2, 2017. With headline inflation rate remaining below the RBI's mid-term target of 4 percent for the past eight months, we expect it to cut rate by 25 basis points in its next policy review.

The impact of GST on your portfolio will be a mixed bag. On the positive side, it will boost the country's GDP and that should propel the markets to greater heights. Needless to say, your equity fund investments are likely to fare better going forward. On the flip side, your mutual fund investments will cost you slightly more on account of 3 percent hike from 15 percent service tax to 18 percent GST on some of the expenses that are a part of Total Expense Ratio (TER). However, the impact will depend on the current expense ratio of each of the funds as SEBI has capped the expenses for equity and debt funds. Even if there is a scope for the fund to charge this hike on account of GST, the impact will be minimal and hence this shouldn't be any cause for worry for you.

Warm regards,

**Hemant Rustagi**  
Editor

Address to be affixed here

## The Stock Market Performance During July 2017.

| Indices | 3rd July 2017 | 31st July 2017 | Change in (%) |
|---------|---------------|----------------|---------------|
| Sensex  | 31221.62      | 32514.94       | 4.14          |
| MIDCAP  | 14809.37      | 15389.57       | 3.92          |
| SMLCAP  | 15572.66      | 16093.56       | 3.34          |
| BSE-100 | 9958.78       | 10432.76       | 4.76          |
| BSE-200 | 4192.08       | 4381.53        | 4.52          |
| BSE-500 | 13314.72      | 13897.23       | 4.37          |

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# Market Outlook



NIFTY touched five digits first time ever in July. The index has delivered 23% return YTD, very much in line with global equity performance (MSCI-EM rose 24% YTD). The latest communication by the US central bank signaled gradual rate tightening path. Hopes of a better global growth and earnings has lifted appetite for risky assets. On the domestic front, market cheered the

country's transition to Goods and Services tax (GST) - envisaged to be a game changing reform in the economic history of India.

Adoption of GST makes the country a common market for all goods and services that come under the GST base. Such a large and transformational reform will have its fair share of glitches and would likely have been experienced irrespective of the timing of GST rollout. For instance, firms have run down their inventories in the run up to GST and may take a couple of months to replenish the stock. The business focus has been diverted towards near-term implementation challenges and in reassessing the viability of operations. Businesses, relying on tax avoidance as the main source of profitability, are reassessing their viability. There could be a growth hit in the first quarter.

However, once the system stabilizes, one can envisage significant efficiency and productivity gains for the Indian market. A common market should significantly ease the movement of goods and services across the country, reduce transactions costs and boost efficiency as firms will be forced to decide investments, supply chains and business models on economic criteria, rather than being constrained by tax considerations. The self-policing nature of the new taxation regime is likely to increase compliance, broaden the tax base and eventually boost tax revenues.

Even as the equity markets scale new peaks, volatility is at its lowest in more than two decades- both globally and in India. Volatility is a reflection of shifting market expectations. Expectations drive asset prices and are generally thought to be adaptive. Therefore, in the short run, low volatility will feed into itself. Another factor attributing to low volatility is the super-normal liquidity. With global physical asset investment being low, the easy money is finding its way in financial assets.

In India, continued optimistic expectations on growth despite consistent earnings downgrades in each of the last few years and unidirectional nature of FII and mutual fund inflows explains the fall in volatility.

Market is also gaining comfort in reform measures of the government. The reforms such as GST, transparent allocation of resources, focus on ease of doing business are bound to set economic systems in order and at some point should feed into enhanced productivity and hence growth. India's political stability has been getting reinforced throughout the year-first with sweeping majority in 2017 state elections and now the political juggling in Bihar last month.

For the equity market investor, the key takeaway is that if India's macro fundamentals remain robust (which they are presently), the growth 'expectation' story continues to hold, and if the global environment remains apathetic, this phase of low volatility and rich valuations (Sensex at 20 times 1 year forward earnings) might continue for some more time. Given the current rich valuations, investors need to moderate their return expectations from equity.

The potential events that could puncture this unidirectional move are further negative developments on the NPA front. Earnings trajectory, too, needs to be closely watched. Globally, while political risks have receded in Europe, they remain alive across the rest of the world with major geopolitical risks in North Korea and China. The risk of US economic policy disappointing is also high at this stage and remains an important risk to monitor. But as always, risks emanate at the time when least anticipated and from the source barely fathomed of.

In line with the market expectations, RBI cut the repo rate by 25bps to 6.00% as some of the inflation risks envisaged earlier this year had abated and growth has weakened. In our view, the current neutral stance of the RBI factors in the 4% inflation for Q4 FY18 and acknowledges that upside risks to inflation has receded. This sets a somewhat higher hurdle for further rate cuts in the near future. So unless significant downside inflation surprises continue, market participants will likely be hesitant to price in another 25bp cut just yet. Further, given that remonetisation has slowed considerably since July, RBI will have to continue to mop-up excess liquidity over the next few months. As such bond yields are unlikely to soften further in the near-term.

**Mr. Navneet Munot**  
Chief Investment Officer  
SBI Funds Management Pvt. Ltd.

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Note: Risk is represented as:

- (BLUE)** investors understand that their principal will be at low risk
- (YELLOW)** investors understand that their principal will be at medium risk
- (BROWN)** investors understand that their principal will be at high risk

**Mutual Fund:** Birla Sun Life Mutual Fund. **Asset Management Company/Investment Manager:** Birla Sun Life Asset Management Company Ltd. CIN: U65991MH1994PLC080811. **Registered Office:** One Indiabulls Centre, Tower - 1, 17th Floor, Jupiter Mill Compound, 841, S. B. Marg, Elphinstone Road, Mumbai - 400013.

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## Are Your Equity Fund Investments On The Right Track?

The stock market performance over the last one year or so has encouraged an increasing number of investors to include equity funds in their portfolio. This fact is clearly evident from money being mobilized by mutual funds from domestic investors. It is heartening to see most investors taking SIP route to invest in equity funds. It is a proven fact that a systematic approach allows investors to avoid committing a large amount at a particular market level. In fact, investors benefit from “averaging” as they get to invest in the stock market through well designed portfolios by professional fund managers. Moreover, this disciplined approach ensures that investors get into the habit of keeping some money aside for investment at a pre-defined interval say on a monthly basis rather than investing whatever is left on and off. Simply put, a disciplined approach eliminates uncertainty from investor's investment process.

Although the number of investors investing in mutual funds has swelled in the recent years, a large section of Indian investors has stayed away from this wonderful investment vehicle thereby compromising their financial future. Then there are those investors who invest with a clearly defined time horizon in equity and equity oriented funds but get tempted to either reduce their exposure to this asset class or exit completely every time the market turns volatile.

As is evident, the lack of clarity on time horizon and volatile nature of the stock market creates certain dilemmas in the minds of investors. No wonder, they often feel compelled to make haphazard decisions. Investors must know that volatility is a natural phenomenon in the stock market and hence they must be prepared to stay invested during these volatile periods to benefit from the true potential of this asset class that can help them earn positive real rate of return i.e. gross returns minus taxes and inflation over the longer term.

If you have been a little indecisive about your investments in equity funds, here is what can help you become a better investor:

### Should I invest more money into equity funds now?

In a current market like situation, there is always a temptation to increase allocation to equity funds. However, decisions made with intent to time the market can backfire as several domestic and global factors keep affecting the mood of the market over short and medium term. Therefore, rather than allowing market conditions to decide your investments, you must follow an asset allocation strategy. The right way to decide your asset allocation would

be to follow a goal-based investment process wherein your time horizon and investment goals become the main considerations for deciding how much should go into equity and how much into debt.

While debt funds allow you to earn higher post-tax returns than traditional options like fixed deposits and small savings schemes, equity and equity oriented funds allow you to stay ahead of inflation over long-term. Remember, a well-defined time horizon allows you to handle market volatility in a much better way as you don't get tempted to take abrupt investment decisions.

### Should I make changes in my portfolio?

Considering that the stock market looks poised for a sustained rally, it's certainly the right time for investors to have a close look at performance and portfolio composition of equity funds in their portfolios. It's also the right time to rebalance the exposure to different segments of the market i.e. large, mid and small cap stocks. While the recent correction in the mid-cap segment provides an opportunity to increase the allocation to this segment for those who are under-weight, it's also time to pare exposure for those who have been investing heavily into this segment in the past couple of years.

Broadly speaking, a long-term investor should have around 30-40 percent exposure to mid and small caps. Out of the total allocation to these segments, around 70-80 percent should be invested in mid-caps and the rest in small caps. Simply put, don't look for excitement while investing in this asset class. If you don't feel confident about making the right decisions, you must allow the professionals to manage your portfolio.

To sum it up, it is important not to get carried away by the euphoria in the market. At the same time, for a disciplined long-term investor, there are ample opportunities to benefit from the stock market's new-found momentum.

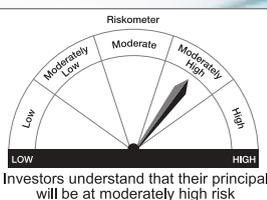
## A Note To Our Esteemed Readers

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# Performance Of Select Funds

Data as on July 28, 2017

## EQUITY FUNDS

### Diversified

| Fund                                 | Launch | 6 Mth* | 1 Year* | 2 Year** | 3 Year** | 5 Year** | 7 Year** | 10 Year** | 15 Year** |
|--------------------------------------|--------|--------|---------|----------|----------|----------|----------|-----------|-----------|
| Birla Sun Life Frontline Equity Fund | Aug-02 | 16.20  | 17.99   | 13.14    | 14.88    | 20.68    | 13.86    | 13.51     | —         |
| Birla Sun Life Equity Fund           | Aug-98 | 15.06  | 26.22   | 18.18    | 18.31    | 24.46    | 14.48    | 12.22     | 24.71     |
| Canara Robeco Equity Diversified     | Sep-03 | 18.84  | 20.16   | 8.67     | 11.67    | 16.10    | 11.71    | 12.58     | —         |
| Franklin India Prima Plus Fund       | Sep-94 | 16.06  | 16.71   | 11.89    | 17.72    | 21.23    | 15.18    | 13.46     | 23.98     |
| HDFC Equity Fund                     | Jan-95 | 16.92  | 22.81   | 13.28    | 12.86    | 19.23    | 12.47    | 13.49     | 24.82     |
| HDFC Top 200 Fund                    | Sep-96 | 16.35  | 21.78   | 13.76    | 12.60    | 18.00    | 11.91    | 13.36     | 24.74     |
| HSBC Equity Fund                     | Dec-02 | 17.01  | 20.80   | 13.78    | 11.99    | 15.96    | 10.06    | 9.40      | —         |
| ICICI Prudential Dynamic Plan        | Oct-02 | 11.26  | 20.59   | 14.74    | 12.58    | 18.55    | 13.13    | 12.71     | —         |
| ICICI Prudential Focused Bluechip    | May-08 | 15.85  | 18.22   | 12.99    | 13.69    | 18.80    | 13.80    | —         | —         |
| Kotak 50 Regular Plan                | Dec-98 | 15.04  | 14.15   | 10.08    | 14.15    | 17.33    | 11.35    | 10.60     | 21.85     |
| Kotak Select Focus Fund Regular Plan | Sep-09 | 18.10  | 22.90   | 16.24    | 20.23    | 23.28    | 15.71    | —         | —         |
| L&T Equity Fund                      | May-05 | 14.51  | 16.56   | 10.61    | 14.16    | 18.40    | 12.26    | 12.02     | —         |
| Motilal Oswal MOST Foc. Multicap 35  | Apr-14 | 21.30  | 29.58   | 17.85    | 27.42    | —        | —        | —         | —         |
| Reliance Top 200 Fund - Retail Plan  | Aug-07 | 20.06  | 22.39   | 12.03    | 15.46    | 20.15    | 13.75    | —         | —         |
| Invesco India Contra Fund            | Apr-07 | 16.50  | 22.75   | 13.57    | 18.08    | 22.96    | 14.45    | 13.73     | —         |
| SBI Bluechip Fund                    | Feb-06 | 15.31  | 14.80   | 12.31    | 16.53    | 21.23    | 14.09    | 11.24     | —         |
| UTI Opportunities Fund               | Jul-05 | 12.42  | 11.80   | 7.46     | 8.77     | 14.66    | 11.95    | 13.02     | —         |

### Sector, Specialty & Tax Saving

|                                      |        |       |       |       |       |       |       |       |       |
|--------------------------------------|--------|-------|-------|-------|-------|-------|-------|-------|-------|
| Canara Robeco FORCE Fund             | Sep-09 | 23.46 | 25.01 | 14.78 | 20.54 | 21.61 | 15.44 | —     | —     |
| ICICI Prudential Infrastructure Fund | Aug-05 | 13.19 | 18.78 | 8.03  | 10.60 | 15.47 | 7.42  | 8.36  | —     |
| Reliance Banking Fund                | May-03 | 29.14 | 35.96 | 20.63 | 20.61 | 22.68 | 15.91 | 18.50 | —     |
| Reliance Pharma Fund                 | Jun-04 | -2.00 | -7.43 | -2.46 | 9.52  | 16.90 | 13.83 | 17.34 | —     |
| Axis Long Term Equity Fund           | Dec-09 | 19.61 | 15.33 | 11.41 | 17.05 | 25.03 | 18.66 | —     | —     |
| HDFC Tax saver Fund                  | Mar-96 | 15.70 | 25.29 | 13.90 | 13.20 | 19.42 | 12.37 | 12.16 | 24.69 |
| HSBC Tax saver Equity Fund           | Jan-07 | 20.07 | 24.59 | 15.53 | 16.38 | 21.02 | 14.02 | 12.65 | —     |
| IDFC Tax Advantage (ELSS) Fund       | Dec-08 | 23.60 | 26.26 | 13.16 | 18.10 | 22.91 | 15.25 | —     | —     |
| Reliance Tax Saver (ELSS) Fund       | Sep-05 | 19.15 | 25.97 | 15.25 | 17.28 | 23.99 | 16.75 | 14.63 | —     |

### Midcap & Smallcap

|                                       |        |       |       |       |       |       |       |       |       |
|---------------------------------------|--------|-------|-------|-------|-------|-------|-------|-------|-------|
| Canara Robeco Emerging Equities       | Mar-05 | 24.34 | 31.42 | 18.55 | 26.21 | 30.87 | 21.71 | 16.71 | —     |
| DSP BlackRock Small and Mid Cap       | Nov-06 | 16.70 | 24.63 | 17.96 | 23.73 | 26.44 | 17.36 | 16.41 | —     |
| Franklin India Smaller Companies Fund | Jan-06 | 16.33 | 20.55 | 18.85 | 23.63 | 32.25 | 21.32 | 16.27 | —     |
| HDFC Mid-Cap Opportunities Fund       | Jun-07 | 17.97 | 26.39 | 19.22 | 23.17 | 27.46 | 20.31 | 18.26 | —     |
| ICICI Prudential Value Discovery Fund | Aug-04 | 10.82 | 10.16 | 8.96  | 14.38 | 22.98 | 16.49 | 17.07 | —     |
| IDFC Premier Equity Fund - Regular    | Sep-05 | 16.49 | 12.83 | 9.16  | 15.96 | 22.27 | 15.79 | 17.74 | —     |
| Motilal Oswal MOST Focused Midcap 30  | Feb-14 | 12.51 | 14.32 | 10.66 | 22.24 | —     | —     | —     | —     |
| SBI Magnum Global Fund                | Sep-94 | 13.80 | 11.77 | 7.54  | 16.22 | 23.13 | 16.21 | 12.78 | 26.23 |
| L&T India Value Fund                  | Jan-10 | 18.03 | 27.40 | 18.49 | 23.32 | 28.11 | 18.17 | —     | —     |
| Reliance Equity Opportunities Fund    | Mar-05 | 18.16 | 16.14 | 7.70  | 12.52 | 18.80 | 14.11 | 13.98 | —     |

## HYBRID

### Equity, Debt Oriented & Multi Asset Class

|                                     |        |        |        |        |        |        |       |       |       |
|-------------------------------------|--------|--------|--------|--------|--------|--------|-------|-------|-------|
| Birla Sun Life Balanced '95 Fund    | Feb-95 | 12.53  | 16.00  | 13.46  | 15.97  | 19.20  | 13.57 | 13.50 | 20.32 |
| Canara Robeco Balance Fund          | Feb-93 | 13.03  | 17.18  | 10.43  | 14.75  | 17.28  | 13.23 | 13.16 | 19.75 |
| DSP BlackRock Balanced Fund         | May-99 | 10.62  | 17.26  | 12.21  | 16.75  | 17.33  | 11.98 | 12.48 | 19.73 |
| HDFC Balanced Fund                  | Sep-00 | 15.04  | 20.69  | 15.22  | 16.42  | 20.02  | 15.54 | 15.69 | 19.32 |
| HDFC Prudence Fund                  | Feb-94 | 13.07  | 21.54  | 14.41  | 13.88  | 18.65  | 13.57 | 14.38 | 22.91 |
| ICICI Prudential Balanced Advantage | Dec-06 | 9.04   | 11.73  | 10.33  | 11.95  | 16.61  | 13.31 | 11.10 | —     |
| ICICI Prudential Balanced Fund      | Nov-99 | 10.71  | 19.77  | 14.25  | 15.68  | 20.47  | 15.87 | 12.65 | 18.83 |
| Kotak Balance Regular Plan          | Nov-99 | 10.40  | 15.71  | 12.54  | 13.04  | 15.29  | 11.00 | 10.13 | 17.82 |
| L&T India Prudence Fund             | Jan-11 | 15.09  | 18.26  | 13.20  | 16.99  | 20.50  | —     | —     | —     |
| Reliance Regular Savings Fund - Bal | Jun-05 | 16.34  | 19.31  | 14.22  | 15.59  | 18.96  | 13.33 | 15.24 | —     |
| SBI Magnum Balanced Fund            | Dec-95 | 12.61  | 13.86  | 11.14  | 14.62  | 19.62  | 12.97 | 11.80 | 20.74 |
| Tata Balanced Fund - Regular Plan   | Oct-95 | 10.28  | 11.42  | 9.14   | 14.38  | 18.71  | 14.30 | 13.63 | 20.67 |
| Axis Triple Advantage Fund          | Aug-10 | 7.9271 | 5.5107 | 7.6045 | 7.9884 | 8.7725 | —     | —     | —     |
| Kotak Equity Savings Fund           | Oct-14 | 6.94   | 10.23  | 8.57   | —      | —      | —     | —     | —     |

### Arbitrage Funds

| Funds                                  | Launch | 3 Mth* | 6 Mth* | 1 Year* | 2 year** | 3 Year** | 5 Year** | 7 Year** | 10 Year** |
|--|--------|--------|--------|---------|----------|----------|----------|----------|-----------|
| ICICI Prudential Equity Arbitrage Fund | Dec-06 | 1.51   | 2.93   | 6.13    | 6.32     | 6.86     | 7.96     | 8.21     | 7.47      |
| IDFC Arbitrage Plus Fund               | Jun-08 | 1.46   | 2.38   | 5.88    | 6.30     | 6.55     | 7.33     | 7.63     | —         |
| Kotak Equity Arbitrage Fund            | Sep-05 | 1.55   | 3.02   | 6.19    | 6.33     | 6.91     | 7.80     | 8.03     | 7.53      |
| Invesco India Arbitrage Fund           | Apr-07 | 1.38   | 2.92   | 5.91    | 6.15     | 6.77     | 7.30     | 7.62     | 7.14      |

## DEBT

### Income, Short Term & Ultra Short Term Funds

| Funds                               | Launch | 1 Mth* | 3 Mth* | 6 Mth* | 1 Year* | 2 Year** | 3 Year** | 5 Year** |
|-------------------------------------|--------|--------|--------|--------|---------|----------|----------|----------|
| Birla Sun Life Short Term Opp. Fund | May-03 | 0.93   | 2.73   | 2.97   | 8.47    | 9.38     | 9.60     | 9.90     |
| Birla Sun Life Dynamic Bond Fund    | Sep-04 | 0.73   | 4.80   | 3.07   | 8.39    | 10.39    | 11.15    | 10.23    |
| Birla Sun Life Medium Term Plan     | Mar-09 | 0.95   | 3.25   | 4.20   | 9.79    | 10.07    | 10.30    | 10.39    |
| HDFC Corporate Debt Opp. Fund       | Mar-14 | 0.85   | 2.53   | 3.75   | 9.60    | 9.97     | 10.31    | —        |
| Kotak Income Opp. Fund              | May-10 | 0.83   | 2.13   | 3.53   | 9.08    | 9.52     | 9.62     | 9.34     |
| Invesco India Short Term Fund       | Mar-07 | 0.77   | 2.36   | 2.97   | 7.88    | 8.12     | 8.31     | 8.07     |
| Invesco India Bank Debt Fund        | Dec-12 | 0.63   | 1.88   | 2.93   | 6.83    | 7.00     | 7.19     | —        |
| Reliance Regular Savings Fund-Debt  | Jun-05 | 0.85   | 2.28   | 3.86   | 9.16    | 9.22     | 9.48     | 9.38     |
| SBI Magnum Income Fund              | Nov-98 | 0.78   | 3.26   | 4.50   | 11.54   | 10.94    | 10.60    | 9.20     |
| L&T Income Opportunities Fund       | Oct-09 | 0.86   | 2.44   | 3.89   | 9.53    | 9.56     | 9.93     | 9.11     |
| BNP Paribas Flexi Debt Fund         | Sep-04 | 0.62   | 3.99   | 3.19   | 9.92    | 10.32    | 10.72    | 9.96     |
| BNP Paribas Money Plus Fund         | Oct-05 | 0.63   | 1.83   | 3.34   | 7.22    | 7.62     | 7.86     | 8.30     |
| Kotak Treasury Advantage Fund       | Aug-04 | 0.67   | 1.88   | 3.61   | 7.52    | 7.91     | 8.34     | 8.67     |
| L&T Ultra Short Term Fund           | Apr-03 | 0.73   | 1.93   | 3.62   | 7.58    | 8.07     | 8.32     | 8.72     |
| Kotak Banking and PSU Debt Fund     | Dec-98 | 1.04   | 2.79   | 3.74   | 9.13    | 9.04     | 9.01     | 9.05     |

\*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 2017

| Scheme name                        | Date       | Dividend declared in ₹ Per unit |
|------------------------------------|------------|---------------------------------|
| Tata Balanced Fund - Regular (MD)  | 07/07/2017 | 0.46                            |
| ICICI Pru Balanced Fund (MD)       | 07/07/2017 | 0.24                            |
| Edelweiss DEAF - (D)               | 10/07/2017 | 0.22                            |
| L&T Business Cycles - Regular (D)  | 14/07/2017 | 1.00                            |
| ICICI Pru Dynamic Plan (D)         | 14/07/2017 | 0.24                            |
| Principal Balanced (D)             | 17/07/2017 | 0.17                            |
| Mirae Asset Prudence Fund - RP (D) | 17/07/2017 | 0.25                            |
| UTI Balanced Fund (D)              | 19/07/2017 | 0.27                            |
| JM Arbitrage Advantage (QD)        | 19/07/2017 | 1.80                            |
| Birla SL Pure Value Fund (D)       | 20/07/2017 | 3.23                            |
| Sundaram Equity Multiplier (D)     | 20/07/2017 | 0.50                            |
| Tata Equity P/E Fund (D) (TO-A5%)  | 21/07/2017 | 1.20                            |
| ICICI Pru Dividend Yield - RP (D)  | 21/07/2017 | 1.93                            |
| JM Equity Fund (D)                 | 22/07/2017 | 3.90                            |
| Mirae Emerging Bluechip Fund (D)   | 24/07/2017 | 2.50                            |
| Mirae (I) Opportunities-RP (D)     | 24/07/2017 | 1.70                            |
| HDFC Prudence Fund (D)             | 25/07/2017 | 0.30                            |
| Taurus Star Share (D)              | 26/07/2017 | 0.70                            |
| Taurus Bonanza Fund (D)            | 26/07/2017 | 5.35                            |
| L&T India Special Situations(D)    | 27/07/2017 | 0.22                            |
| Kotak Classic Equity - Regular (D) | 28/07/2017 | 0.70                            |
| ICICI Pru Value Fund - Sr 6-RP (D) | 28/07/2017 | 0.75                            |
| ICICI Pru Value Fund - Sr 5-RP (D) | 28/07/2017 | 0.75                            |
| ICICI Pru Value Fund - Sr 2-RP (D) | 28/07/2017 | 0.75                            |
| DSP-BR Balanced Fund (D)           | 28/07/2017 | 0.21                            |
| Can Robeco India Opport. - RP-(D)  | 28/07/2017 | 0.25                            |
| Can Robeco FORCE - RP (D)          | 28/07/2017 | 1.50                            |
| Birla Sun Life Top 100 (D)         | 28/07/2017 | 1.91                            |
| Birla SL New Millennium (D)        | 28/07/2017 | 1.05                            |

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 our branch 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.

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Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

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## Personal Finance Queries

### Transcript of personal finance queries answered by our CEO on moneycontrol.com

**Hello Sir, I am Santosh and 30 yrs old. I want to save a reasonable fund for my children's study and marriage. But I am new in MF. Recently one of my friend suggests me to invest in MF by SIP mode. So I invest 5000 in HDFC MF- 1500 in HDFC Capital Builder Fund (G), 2000 in HDFC Equity Fund (G) and 1500 in HDFC Mid Cap Opportunities Fund (G). Can you please give your opinion about my portfolio. Should I stick with this or should I switch to any other MF. I want to invest in long term with low risk. Please suggest me. Thanks - Santosh**

**Answer:** Your friend has indeed given you the right advice as investing in equity funds thru SIP for important long-term goals like children's education and marriage can produce fantastic results provided you continue to follow this disciplined approach irrespective of the market conditions. However, it is equally important to choose your funds well both in terms of investment philosophy and exposure to different segments of the equity market. In your case, you are invested in three equity funds but they all belong to the same fund house. While I agree that pedigree of the fund house can be an important criterion in the select process, it is important to diversify also in terms of different fund houses as you benefit from their expertise. My recommendation would be to opt for one of the funds i.e. Kotak Select Focus or Motilal MOST Focused Multicap 35 Fund in place of HDFC Capital Builder fund. Since you have also mentioned about your risk appetite being low, you need to realize that in the long run inflation is a far bigger risk than the risk of losing capital. Hence, you need to invest in asset class like equity that has the potential to beat inflation over the longer term. However, you must be prepared to face volatility in short term to benefit from the true potential of this asset class. Remember, if you invest systematically over the longer term, you can not only reduce the impact of volatility on your portfolio but also turn it to your advantage by benefitting from averaging.

**I have a corpus of ₹ 60 Lakhs. I would like to invest the entire amount in small & midcap equity funds where the returns currently are around 25% for 1 year. As the current market is bullish, is there a risk for the next 1-2 years. My advisor is suggesting that I go for balanced funds. Please advice. - Kannan**

**Answer:** While past performance is one of the criterions in the fund selection process, relying completely on it can be a risky strategy. No doubt, mid and small cap funds can help you improve portfolio returns over time, investing

the entire amount in these funds is not advisable. In your case, your time horizon is only 1-2 years which is not ideal for equity investing, irrespective of the potential of the market. At best, you can consider investing in hybrid funds like equity savings and balanced advantage fund and that too with some flexibility in your time horizon. These funds have a varying degree of exposure to equities, arbitrage and debt instruments. You can consider investing in a combination of Kotak equity savings, HDFC equity savings and ICICI Pru Balanced Advantage fund. Remember, balanced funds have an exposure of 65 percent or more to equity and the remaining is invested in debt instruments. Needless to say, even this is an aggressive asset allocation for 1-2 years.

**Daily SIP Vs Weekly SIP via Liquid fund & doing STP & SIP. Which is better Daily SIP or Weekly SIP in the current market?**

**Answer:** There is nothing to prove that daily/weekly SIPs have an edge over monthly SIP. In fact, daily/weekly SIPs make the process more cumbersome. As for the choice between STP and SIP, the key deciding factor would be whether you want to create a corpus through regular savings or want to avoid investing a lump sum at a particular market level. Therefore, if you have a lump sum but would like to invest at different market levels, you can opt for a combination of lump sum and STP. Considering that liquid funds have the potential to provide higher returns than bank SB, it makes sense to go for STP.

**Are MF investment safe & secured as bank FD? - Sonu K**

**Answer:** We need to put safety in proper perspective to answer your question. While bank deposits are perceived to be safe, mutual funds are perceived risky as they are market linked products. In reality, while there have been instances of banks going bust in the past, mutual funds can't suffer this fate as they are established as a trust. It is also important to know that your bank deposits are insured for up to ₹ 1 lakh and that includes both the principal and interest accrued. Of course, there are attendant risks depending upon the asset allocation of mutual funds schemes that you invest in. Also, it is important to know that in the long-run inflation is a far bigger risk than the risk of losing capital. If you intend to invest for short and medium term time horizon, there are options of investing in debt and hybrid funds. Therefore, if you select funds through an asset allocation process and follow a disciplined investment process, these risks can be reduced significantly.

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**Mutual Fund investments are subject to market risks, read all scheme related documents carefully.**

## It's Time To Embrace Financial Planning

Financial planning is the process of making informed money management decisions to secure your future. Financial planning helps to achieve financial goals and meet personal priorities, taking into consideration available resources, responsibilities, risk appetite and lifestyle. A financial plan lays down the allocation of savings across various asset classes to achieve an appropriate risk-reward balance.

### Do you need a financial plan?

All individuals and families regardless of age or income need a financial plan so that they know that they are saving enough for retirement, education funds or a new home. A financial plan gives you the discipline necessary to save money. A qualified and experienced financial planner can help you plan your investments so that you get the best returns for your risk level by spreading your investments into the different asset classes as well as investment options.

Wiseinvest Advisors is a SEBI registered Investment Adviser (Registration No. INA000000664). To maintain an arm's length distance between our Advisory and Execution services, we have set up a separate department named Investment Adviser Department (IAD).

We can help you achieve your goals by providing comprehensive fee based financial planning and making recommendations of financial products that suit your requirements the most. Our mission is to help you overcome uncertainty and take control of your finances and move confidently towards achieving your goals. The basis of fee calculation is the complexity of the engagement.

Remember, financial planning doesn't have to be an intimidating process. We have qualified and experienced advisers who can make financial planning a simple and fruitful process for you.

### Our process:

- Step 1:** The first meeting provides an opportunity for you and us to get to know each other. You also get an opportunity to decide whether we have the capability to fulfill all your requirements.
- Step 2:** Establish a clear understanding of your goals and objectives as well as analyze your current situation. We have a discussion to determine what you want to achieve with your wealth.
- Step 3:** Determine your risk profile through discussion and a psychometric test. This enable us to find out how much risk you would like to and need to take to achieve your goals.
- Step 4:** Develop your unique financial plan. This will also include the recommended asset allocation and various investment options that suit your needs. While doing this, we also analyze your current investments. We present a final version of your customized financial plan so that you're positioned to move forward.
- Step 5:** Implement the investment plan. There would be no obligation on you to choose Wiseinvest Advisors to implement the recommendations made in the financial plan.
- Step 6:** We'll meet regularly to proactively address changes in your circumstances, as well as those in the markets, economy and taxes.

**If you are keen to start the process of financial planning, you can get in touch with Investment Advisers at our Andheri office.**

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| <p>* Investors should consult their financial advisers if in doubt about whether the product is suitable for them.</p>   | <p>Investors understand that their principal will be at moderately low risk</p> |

**Mutual fund investments are subject to market risks, read all scheme related documents carefully.**

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Edited, Published and Printed by Mr. Hemant Kumar Rustagi, on behalf of **Wiseinvest Advisors Pvt. Ltd.** from 602, 6th Floor, Sri Krishna Complex, Opp. Laxmi Ind. Estate, New Link Road, Andheri West, Mumbai 400053 at **AdvantEdge Offset Printers**, K-7 Rizvi Park, S V Road, Santacruz (W), Mumbai 400 054. Design by **Mosaic Design**. Copyright reserved © 2007. All rights reserved in favour of Wiseinvest Advisors Pvt. Ltd.