

# WEALTHWISE®

**Wiseinvest®**  
With YOU, in meeting  
FINANCIAL CHALLENGES

Inside	Pg No.
Are You Doing Enough To Create Wealth?	2
Decisions That Can Impact Your MF Portfolio	3
Performance Of Select Funds	4
Don't Undermine Value Of Professional Advice	5
It's Time To Embrace Financial Planning	5
Aim To Be A Prudent Investor	6

## 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 around 30 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 fourteen 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,

The BJP led NDA swept through most parts of the country in the LS elections and became the only non-Congress government to return to power in the Indian political history. After Jawaharlal Nehru and Indira Gandhi, Narendra Modi also became the third prime minister of India who retained power for a second term with full majority in Lok Sabha.



Repeating its near improbable feat of landslide victory in North, East and West India with a vote share of nearly 50 percent, the NDA surpassed its last tally of 336 to achieve a super-sized number of 350 seats, out of the total 542 Lok Sabha seats. BJP itself won 303 seats across the country.

The unprecedented victory strengthened investor's confidence in the government's ability to tackle the economic slowdown. The benchmark indices hit an all-time high as Sensex touched 40,000 and Nifty crossed 12,000 for the first time on the counting day. The political stability as well as the expectations of continuity in reforms and development agenda augurs well for the stock market.

Besides, strong domestic and FII inflows are likely to drive the markets even higher from the current levels. However, it will be crucial to see how Modi government 2.0 would handle the challenges and ensure higher economic growth. Besides, global concerns such as US-China trade war and expansive valuations could result in volatility and limit upside for some time.

Clearly, the government will need to take urgent steps on eradicating farmer distress, prioritize judicial reforms, direct tax reforms, capitalize PSU banks, ease of doing business, continue infrastructure spending and simplify labour laws. Of course, the challenge would be to do some of these in a manner that fiscal deficit doesn't get beyond control.

Although, it is never a great idea to follow an event-based investment strategy for short-term gains, the present scenario warrants investors to revisit their long-term investment mix. It's time to review the current asset allocation and rebalance the same to make it growth oriented, if required. An exercise of portfolio rebalancing will allow you to increase allocation to equities in the right manner and in the right proportion.

Warm regards,

*Hemant Rustagi*

**Hemant Rustagi**  
Editor

Address to be affixed here

If undelivered, please return to:

**Wiseinvest Advisors Pvt. Ltd.**

602, 6th Floor, Sri Krishna Complex,  
Opposite Laxmi Industrial Estate,  
New Link Road, Andheri (W),  
Mumbai 400 053.  
Tel : 2673 2671 / 2673 2676

## The Stock Market Performance During May 2019.

Indices	2nd May 2019	31st May 2019	Change in (%)
Sensex	38,981.43	39,714.20	1.88
MIDCAP	14,798.23	15,096.18	2.01
SMLCAP	14,593.13	14,867.04	1.88
BSE-100	11,834.39	12,044.07	1.77
BSE-200	4,901.93	4,986.55	1.73
BSE-500	15,252.01	15,517.90	1.74

**SIP**  
Systematic Investment Plan

It's a smarter way to achieve all your dreams.



For more details:-

- Contact your financial advisor
- Visit us at [www.kotakmf.com](http://www.kotakmf.com)
- Call us on our toll-free number 1800 222 626

**kotak**  
Mutual Fund



### What is SIP?

SIP stands for Systematic Investment Plan. A mutual fund industry tool that helps you invest in small amounts regularly in a disciplined manner, without disrupting your monthly budget.



### Why start SIP?

It is an effective method of achieving your goals by breaking-up your big life dreams into smaller more achievable goals. You can invest as little as ₹500.



### How to start SIP?

Starting a SIP online is simple 4-step process. Log on to: <https://www.kotakmf.com/sip>

- 1 Decide your investment amount
- 2 Select your investment frequency
- 3 Set a Date
- 4 Choose a Mutual Fund for SIP

Once the set-up is complete, the process takes place automatically.

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

## Are You Doing Enough To Create Wealth?

All of us aspire to create wealth over time so that there are sufficient financial resources at every stage of our lives. However, not many of us do enough to achieve this very important goal. Since wealth creation is an on-going process, it is important to create a portfolio suited to achieve this goal and follow an investment strategy that has the potential to deliver the desired results over a defined time horizon.

Remember, your time horizon begins when you initiate your investment process and ends when you need to take the money out, either as a lump sum or in a phased manner. The length of time you can remain invested is important because it can directly impact your ability to tackle risks associated with your investments. Longer time horizons allow you to take on greater risks, with a greater potential to earn better returns as some of that risks can be reduced by investing across different market environments. If you are keen to make wealth creation a realistic goal for yourself, here is what you need to do.

First, you need to realize the importance of staying ahead of inflation. Inflation is crucial as it reduces the value of your investment returns over time. Therefore, your portfolio returns must keep up with the rate of inflation to protect the value of your investments. Unfortunately, many of us either do not recognize the threat of inflation to our wealth creation process or are not sure about the right ways to tackle it.

As is evident, the key is to earn positive real rate of return. While the nominal return represents the growth rate of your money, the real rate of return represents the change in the purchasing power of your money. Simply put, it's actually the real rate of return that indicates whether your money is growing in value or not. Since most of us keep focus on the safety of capital and invest a major share of our investible surplus in traditional options offering guaranteed returns like FDs and small savings schemes, this important aspect of earning positive real of returns gets overlooked.

Equity, as an asset class, can help you stay ahead of inflation in the long run. However, tackling the risk of volatility in short and medium term can be quite a challenge. Considering that volatility in the stock market is a natural phenomenon, you must be prepared to face periods of ups and downs. Simply put, the key to investment success lies in tackling these volatile periods by following a disciplined approach and keeping focus on long-term investment goals.

A case in point is the current market situation. Even though the stock market appears to be in an indecisive phase at present, there is no reason for investors following a disciplined approach and/or investing in equity mutual funds with a clearly defined long-term time horizon to disrupt their investment process. Remember, events like general elections can drive the market in short-term but fundamentals rule in the long run. The father of value investing Benjamin Graham, explained this concept by saying that, in the short term, the stock market is a voting machine, but in the long run, it is a weighing machine.

Second important aspect in wealth creation process is the level of diversification in the portfolio. Diversification is important because it not only reduces the risk in your portfolio but also allows it to perform in different market conditions. Asset allocation is a form of diversification that reduces risk more than it compromises returns. When you invest in two different asset classes that tend to go in opposite directions in different market conditions, the combination is likely to have a stabilizing effect on your portfolio.

### A Note To Our Esteemed Readers

Wealthwise is being sent to some of you on a Complimentary basis as a part of our humble effort to ensure that more and more investors get the best from their investments. We sincerely hope that you would like the contents of Wealthwise and in some way benefit from it. However, if you do not wish to receive "Wealthwise" on a regular basis, please let us know by sending us a mail on [information@wiseinvestadvisors.com](mailto:information@wiseinvestadvisors.com). You can also write to us at our Corporate Office address mentioned on page 6.

## Power of SIP

It is a well known fact that regular investment through SIP in equity funds can produce amazing results. Of course, the key is to continue this process uninterruptedly for the defined time horizon. The table below highlights, how an investment of ₹ 10000 per month in different funds has grown over 5 & 10 Years. Data as on May 31,2019. SIP - 10th of every Month.

Scheme Name	Date of Launch	Investment Amount Per Month (₹)	5 Years			10 Years		
			Total Investment (₹ in lacs)	Current Value (₹ in Lacs)	Return % (XIRR)	Total Investment (₹ in lacs)	Current Value (₹ in Lacs)	Return % (XIRR)
Aditya Birla Sun Life Frontline Equity Fund	Aug-02	10000	6	7.67	9.89	12	23.59	13.03
Aditya Birla Sun Life Equity Fund	Aug-98	10000	6	7.95	11.32	12	25.61	14.57
HDFC Equity Fund	Jan-95	10000	6	8.14	12.29	12	24.41	13.67
HDFC Top 100 Fund	Oct-96	10000	6	8.22	12.70	12	23.74	13.15
ICICI Prudential Bluechip Fund	May-08	10000	6	7.96	11.38	12	24.22	13.52
IDFC Core Equity Fund - Regular Plan	Aug-05	10000	6	7.71	10.08	12	21.35	11.15
L&T Equity Fund	May-05	10000	6	7.5	8.99	12	22.48	12.12
Mirae Asset Emerging Bluechip Fund	Jul-10	10000	6	9.08	16.79	12	29.81	22.59
Principal Emerging Bluechip Fund	Nov-08	10000	6	8.02	11.70	12	29.89	17.45
SBI Bluechip Fund	Feb-06	10000	6	7.85	10.81	12	24.55	13.78
Franklin India Smaller Companies Fund	Jan-06	10000	6	7.4	8.44	12	30.49	17.83
SBI Magnum Global Fund	Sep-94	10000	6	7.13	6.94	12	25.08	14.17

**Past Performance may or may not be sustained in future.**

As with any investments in securities, the NAV of units can go up or down depending on the factors and forces affecting capital markets.

## Decisions That Can Impact Your MF Portfolio

Mutual funds are redefining the landscape of investors in our country. One of the major factors that works in favour of mutual funds is that they are a simple yet effective investment vehicle that allows investors to build a portfolio of varied options across different asset classes based on their risk profile and time horizon.

However, investing in them is not so simple as one has to make a number of decisions relating to how to invest in them, how to choose funds and work out the best investment strategy for investing in them. In fact, the level of investment success an investor can achieve will depend upon how some of these critical decisions are made. Here are a few of these and how investors can make the right choice.

### Direct Plan vs Regular Plan

It's a known fact that direct plans are cheaper for investors. However, considering the skill required for taking important steps like ascertaining asset allocation, choosing the right funds within an asset class, monitoring the progress of the portfolio, taking corrective measures and keeping focus on goals till the completion of defined time horizon, one must be sure about one's ability to do so efficiently. The inability to follow the right process can prove very costly either in the form of taking risk beyond one's capacity or earning below average returns and that can compel investors to compromise on some of their investment goals. As is evident, you must look beyond TER and then make a decision whether to go direct or not.

### SIP vs STP

Investors often struggle to decide whether to invest through SIP or STP. The fact remains that both these propagate systematic investing. For someone who has a lump sum amount but would like to invest in a disciplined manner, there are two choices. While one can enrol for SIP and allow the money to be moved into a pre-decided funds from savings bank account through NACH, under STP, the lump sum amount is invested either in a liquid or an ultra short-term fund and instructions are given to the fund house to transfer a fixed sum every month into a pre-decided fund

Broadly speaking, STP is a better option than SIP as liquid/ultra short-term income funds have the potential to provide higher return than savings bank account and hence one benefits from higher returns during the period of systematic transfer. Besides, there is always a possibility of money being utilized for something or the other if it remains in a bank account.

Needless to say, SIP remains a great option for someone looking to build a corpus for an investment objective to be achieved over a defined time horizon.

### Small vs large corpus of funds

The size of a fund can certainly be one of the factors in the decision-making process of investors. However, the impact varies depending on the kind of funds one intends to invest in. For certain categories of funds like liquid, ultra-short term, income funds and large cap oriented equity and equity related funds, the large size is not a handicap. Similarly, for small and mid-cap, sector and thematic funds, smaller size can be a positive as stock picking is a major differentiator for these funds. Besides, once the new TER becomes applicable from April 1, 2019, investors in larger funds will pay lower expenses as compared to the ones that have smaller corpus. However, this shouldn't make you compromise on the quality of fund you choose to invest in.

### Multi-cap vs large, mid and small cap funds

Ideally, average equity fund investors should have an exposure of around 50-60 percent in large cap and the rest in a mix of mid and small cap stocks. Considering that after SEBI's decision to categorize and rationalize funds, small cap funds have a much wider investment universe, a significant part of allocation to these two segments can be invested in small cap funds. However, maintaining this allocation can be a difficult process if investors decide to invest in large, mid and small cap funds separately. Therefore, multi-cap funds can be a great option to maintain this allocation as fund managers rebalance the portfolio from time to time without making any dent in investor's returns by way of taxes.



## Are your dreams matching reality?

**Mutual Funds**  
Aditya Birla Sun Life Mutual Fund

Inflation, debt, lifestyle expenditure, miscellaneous spending... there are multiple forces at work trying to keep you from achieving your dreams. With costs racing way ahead of income, do you find yourself settling for cheaper substitutes of your original dream?

Dream on! And realise every one of those dreams with your **Sabse Important Plan** which is a **Systematic Investment Plan**.

<https://sipnow.birlasunlife.com/>

**ADITYA BIRLA CAPITAL**

PROTECTING INVESTING FINANCING ADVISING  
[adityabirlacapital.com](http://adityabirlacapital.com)

A joint venture with Sun Life

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

# Performance Of Select Funds

Data as on May 31, 2019

## EQUITY FUNDS

### Large Cap, Large & Midcap, Multi Cap

Fund	Launch	6 Mth*	1 Year*	2 Year**	3 Year**	5 Year**	7 Year**	10 Year**	15 Year**
ABSL Frontline Equity Fund	Aug-02	6.93	5.78	7.14	11.66	12.07	16.63	13.83	18.96
Aditya Birla Sun Life Equity Fund	Aug-98	5.39	3.82	6.63	14.39	14.12	18.85	14.20	19.62
Axis Bluechip Fund	Jan-10	10.91	10.83	15.68	15.39	13.15	17.12	—	—
Axis Focused 25 Fund	Jun-12	8.12	3.13	12.65	16.90	15.84	—	—	—
Franklin India Equity Fund	Sep-94	5.71	3.03	5.64	9.49	13.47	16.42	14.07	18.82
HDFC Equity Fund	Jan-95	12.94	13.74	10.22	15.89	12.23	16.28	15.13	19.97
HDFC Top 100 Fund	Oct-96	12.78	15.55	10.78	15.85	11.99	15.67	13.97	19.64
HSBC Large Cap Equity Fund	Dec-02	9.74	5.72	8.31	12.71	10.37	13.50	10.34	15.54
ICICI Prudential Bluechip Fund	May-08	8.07	7.19	9.79	13.98	12.67	16.05	14.95	—
IDFC Core Equity Fund - Regular Plan	Aug-05	4.60	0.71	5.26	13.04	12.17	14.63	10.83	—
Kotak Bluechip Fund - Regular Plan	Dec-98	9.60	7.20	7.89	11.21	12.58	14.91	12.04	17.18
Kotak Standard Multicap Fund Regular	Sep-09	11.48	11.38	9.71	16.39	16.81	19.52	—	—
L&T Equity Fund	May-05	5.64	0.00	5.82	11.80	11.66	14.89	13.76	—
Mirae Asset Large Cap Fund	Apr-08	8.75	11.42	11.21	16.50	16.29	19.29	17.60	—
Mirae Asset Emerging Bluechip Fund	Jul-10	10.01	10.22	9.64	19.41	22.40	25.72	—	—
Motilal Oswal Multicap 35 Fund	Apr-14	6.80	0.51	5.79	14.66	19.72	—	—	—
Reliance Large Cap Fund	Aug-07	10.87	13.59	12.00	16.66	14.73	17.37	13.99	—
Reliance Multi Cap Fund	Mar-05	9.17	11.78	10.75	14.13	12.54	16.22	17.62	—
Invesco India Contra Fund	Apr-07	6.24	3.58	11.12	16.13	16.52	19.32	16.30	—
SBI Bluechip Fund	Feb-06	9.91	5.94	7.88	11.11	14.26	17.48	13.27	—
Principal Emerging Bluechip Fund	Nov-08	4.86	-3.07	5.76	14.95	17.92	21.90	18.45	—

### Midcap & Smallcap

Axis Midcap Fund	Feb-11	6.72	4.33	13.93	14.72	15.02	20.49	—	—
DSP Midcap Fund - Regular Plan	Nov-06	6.52	-1.80	3.42	13.42	16.55	19.01	18.42	—
HDFC Mid-Cap Opportunities Fund	Jun-07	6.22	-3.24	4.02	12.98	15.91	19.94	20.30	—
Kotak Emerging Equity Scheme	Mar-07	8.62	-1.67	4.30	12.60	18.65	20.16	17.76	—
Franklin India Smaller Companies Fund	Jan-06	7.14	-8.23	1.16	9.55	16.31	22.82	19.25	—
HSBC Small Cap Equity Fund	May-05	4.33	-14.72	-0.58	8.06	13.19	16.70	12.29	—
L&T India Value Fund	Jan-10	6.54	0.98	4.22	13.94	16.69	20.48	—	—
SBI Magnum Global Fund	Sep-94	2.84	-0.57	6.36	7.98	13.23	17.06	16.71	21.63

### Sectoral / Thematic Fund & Tax Saving

ICICI Prudential Banking and Financial	Aug-08	17.75	14.76	11.04	23.01	19.04	23.11	19.72	—
Reliance Banking Fund	May-03	17.06	10.25	11.27	20.05	15.77	18.99	17.11	20.97
Reliance Pharma Fund	Jun-04	-5.73	6.62	8.87	2.84	10.48	14.34	18.99	—
Canara Robeco Consumer Trends Fund	Sep-09	6.21	4.45	10.31	15.90	16.09	17.96	—	—
SBI Consumption Opportunities Fund	Jul-99	0.33	-5.20	8.25	13.65	14.25	16.68	23.04	20.54
Tata India Consumer Fund - Regular	Dec-15	-5.40	-8.95	10.06	18.45	—	—	—	—
Axis Long Term Equity Fund	Dec-09	8.35	5.02	12.99	14.20	16.75	21.07	—	—
HDFC Tax saver Fund	Mar-96	9.03	5.24	4.50	13.08	10.34	14.62	13.96	19.34
HSBC Tax Saver Equity Fund	Jan-07	7.89	0.73	3.73	11.68	12.04	16.23	13.55	—
IDFC Tax Advantage (ELSS) Fund	Dec-08	7.36	-0.91	7.95	14.97	14.96	18.42	15.13	—
Mirae Asset Tax Saver Fund - Regular	Dec-15	8.68	10.27	11.76	19.96	—	—	—	—

## HYBRID

ABSL Equity Hybrid '95 Fund	Feb-95	4.98	1.35	4.58	9.36	11.80	14.80	13.20	16.80
Canara Robeco Equity Hybrid Fund	Feb-93	8.18	8.80	9.02	13.00	13.23	14.92	13.55	17.23
HDFC Hybrid Equity Fund	Sep-00	8.14	6.89	7.39	12.41	13.49	15.91	16.11	—
ICICI Prudential Balanced Advantage	Dec-06	6.42	7.33	8.32	10.51	11.07	—	—	—
ICICI Prudential Equity & Debt Fund	Nov-99	8.26	8.37	7.67	13.68	13.51	16.41	15.22	16.09
Invesco India Dynamic Equity Fund	Oct-07	6.07	2.58	6.20	11.04	11.15	—	—	—
Kotak Equity Hybrid Fund - Regular	Nov-99	10.77	5.88	5.31	10.30	10.24	12.13	10.79	14.94
L&T Hybrid Equity Fund	Feb-11	5.06	1.47	4.67	10.53	12.76	15.59	—	—
Principal Hybrid Equity Fund	Jan-00	5.16	3.29	9.36	15.21	12.77	15.62	12.31	14.39
Reliance Equity Hybrid Fund	Jun-05	1.74	-1.41	4.11	9.22	11.33	14.11	13.21	—
SBI Equity Hybrid Fund	Dec-95	9.94	8.84	11.27	12.31	14.06	17.05	13.05	17.40
HDFC Equity Savings Fund	Sep-04	5.92	7.04	6.16	11.11	8.97	—	—	—
IDFC Equity Savings Fund - Regular	Jun-08	4.87	5.82	5.36	5.77	6.15	—	—	—
Kotak Equity Savings Fund - Regular	Oct-14	4.40	6.57	7.44	8.65	—	—	—	—
Reliance Equity Savings Fund	May-15	1.76	1.00	3.76	7.01	—	—	—	—

## ARBITRAGE FUNDS

Funds	Launch	3 Mth*	6 Mth*	1 Year*	2 year**	3 Year**	5 Year**
ICICI Prudential Equity Arbitrage Fund	Dec-06	2.02	3.17	6.57	6.24	6.30	6.73
Invesco India Arbitrage Fund	Apr-07	1.90	2.95	6.17	6.00	6.10	6.56
Kotak Equity Arbitrage Fund Regular	Sep-05	2.03	3.25	6.73	6.43	6.41	6.79

## DEBT

### Debt Oriented & Ultra Short Term Debt Fund

Funds	Launch	1 Mth*	3 Mth*	6 Mth*	1 Year*	2 Year**	3 Year**	5 Year**
ABSL Short Term Opportunities Fund	May-03	1.47	2.96	4.74	8.96	6.91	7.65	8.40
Aditya Birla Sun Life Medium Term Plan	Mar-09	0.41	1.76	1.32	4.03	4.83	6.50	7.99
HDFC Credit Risk Debt Fund - Regular	Mar-14	1.24	2.82	4.36	7.90	6.11	7.47	8.56
Kotak Credit Risk Fund Regular Plan	May-10	1.10	2.54	4.34	7.82	6.57	7.68	8.41
Invesco India Short Term Fund	Mar-07	1.38	2.83	4.93	8.42	6.23	7.01	7.35
Reliance Credit Risk Fund	Jun-05	0.87	-0.41	1.60	5.05	5.19	6.61	7.73
SBI Magnum Income Fund	Nov-98	2.27	3.98	5.46	8.96	5.84	8.00	8.49
L&T Credit Risk Fund	Oct-09	0.79	2.13	3.57	6.61	6.01	7.34	8.28
Kotak Savings Fund Regular Plan	Aug-04	0.82	2.14	4.25	8.18	7.34	7.47	7.95
L&T Ultra Short Term Fund	Apr-03	0.78	2.08	4.17	8.05	7.30	7.47	7.92
Kotak Banking and PSU Debt Fund	Dec-98	1.85	3.36	5.71	9.99	7.40	8.04	8.25

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

## Dividends declared by equity and equity-oriented funds during the month of May 2019

Scheme name	Date	Dividend declared in ₹ Per unit
ICICI Prudential Equity & Debt Fund	02/05/2019	0.20
Tata Hybrid Equity Fund	03/05/2019	0.35
ICICI Prudential Balanced Advantage Fund	08/05/2019	0.06
ICICI Prudential Multi-Asset Fund	08/05/2019	0.20
DSP Tax Saver Fund	10/05/2019	0.40
UTI Multi Asset Fund	13/05/2019	0.08
Reliance Large Cap Fund	13/05/2019	0.09
LIC MF Equity Hybrid Fund - Plan A	14/05/2019	0.10
ICICI Prudential Exports and Services Fund	15/05/2019	1.68
Invesco India Dynamic Equity Fund	16/05/2019	0.13
Sundaram Select Focus	16/05/2019	0.22
DHFL Pramerica Hybrid Equity Fund	17/05/2019	0.17
Reliance Hybrid Bond Fund	20/05/2019	0.05
Franklin India Equity Hybrid Fund	20/05/2019	1.75
Sundaram Equity Hybrid Fund	21/05/2019	0.14
Sundaram Rural and Consumption Fund	21/05/2019	0.44
UTI Hybrid Equity Fund	22/05/2019	0.19
L&T Dynamic Equity Fund	23/05/2019	0.12
L&T Large and Midcap Fund	23/05/2019	0.17
Sundaram Mid Cap Fund	23/05/2019	0.18
Sundaram Small Cap Fund	23/05/2019	0.31
Aditya Birla Sun Life Balanced Advantage Fund	24/05/2019	0.12
Kotak Emerging Equity	24/05/2019	1.61
HDFC Balanced Advantage Fund	27/05/2019	0.31
Axis Equity Saver Fund	28/05/2019	0.06
LIC MF Equity Hybrid Fund - Plan A	28/05/2019	0.10
Reliance Balanced Advantage Fund	28/05/2019	0.16
DSP Equity & Bond Fund	28/05/2019	0.21
Kotak Equity Opportunities Fund	28/05/2019	0.42
Sundaram Large and Mid Cap Fund	28/05/2019	0.44
ICICI Prudential Regular Savings Fund	29/05/2019	0.12
ABSL Commodity Equities Fund - Regular Plan - Global Agri Plan	29/05/2019	0.76

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.

## Don't Undermine Value Of Professional Advice

It is heartening to see how investing through systematic investment plans (SIP) is steadily becoming an integral part of the strategy adopted by mutual fund investors. Another emerging trend is aligning these regular contributions to specific long-term goals. The change in the attitude of investors is evident from the fact that despite the intermittent bouts of volatility over the last 15 months or so, SIP inflows haven't got affected. Although a situation akin to current market tests the patience and perseverance of even the disciplined investors, they reap the benefits of "averaging" once the market stabilizes and the rally becomes broad-based.

In this entire process, investment advisors have played an important role by handholding investors and guiding them through the challenging times. Many times, this is not really appreciated as the impact of advice during rough times can't be quantified in terms of gains in the portfolio. In fact, as soon as the market settles down, the value of advice is forgotten.

The recent data published by Association of Mutual Funds in India on SIP longevity highlights how investors find it difficult to remain focused in the absence of help from advisors. The data shows that only 9% the direct plan investors continued their SIP for over 5 years. However, under the regular plans, 19% of investors continued their SIP after 5 years.

Therefore, considering that equity has an important role to play in long-term wealth building, seeking professional advice can make a significant difference. Although investing in a regular plan is more expansive as compared to a direct plan, the benefits of keeping the asset allocation intact far outweigh the increased cost in the long run. Besides, working with an advisor ensures that portfolio is monitored in a disciplined manner.

Then, there are investors who often face the dilemma of whether to invest directly in stocks or take the mutual fund route. While investing directly can be more profitable, investing in stocks can be quite tricky as considerable research has to be carried out trying to forecast the performance of the economy, industries and the companies. For someone who is not familiar with the process, it can be quite overwhelming.

Therefore, to begin with, it makes sense to entrust the job of managing money to a professional fund manager who not only has access to research but also has the capability to make rational decisions. Besides, investing in a mutual fund rather than directly in stocks has many other advantages. Apart from being an easy method of investing, it is much easier to track performance as one has to track only one price, that is, the net asset value, instead of several stock prices.

**This article written by our CEO, Hemant Rustagi, was published in DNA Money on May 15, 2019.**

## 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 Adviser Department at our Andheri office or mail us on [iad@wiseinvestadvisors.com](mailto:iad@wiseinvestadvisors.com)**

## Aim To Be A Prudent Investor

Investing money judiciously holds the key to your long-term investment success. However, in reality, we often leave some loose ends in our investment process that either expose us to unwarranted risks or make us compromise on some of the important goals of our lives. In fact, we even suffer from certain misconceptions that cloud our investment decisions.

Considering that investing is an ongoing process, you must aim to be a prudent investor. Here are some of the aspects of your investment process that must remain your priority at the start as well as during the defined time horizon and how you need to tackle them.

### Risk management

The first step in investment process should be to have adequate risk cover in the form of a life insurance cover, a health insurance and an emergency fund. A proper risk management ensures that dependants in the family do not have to face any financial hardship in case of an unfortunate event of the death of the sole or any of the earning members of the family.

While many investors own insurance policies, they generally focus on traditional investment policies like endowment, whole-life and unit-linked insurance plans. As a result, they end up paying a substantial part of their investments towards the premium of these policies and that too without getting an adequate risk cover. Even the returns in the traditional plans are so low that they struggle to beat inflation. Therefore, a combination of a term plan and mutual funds should be preferred.

### Fund selection

Fund selection is very important as the stock-picking ability of the fund managers as well as their investment strategies are usually the major differentiators between different funds. Hence, the focus should be on the quality of the portfolio.

It is also important to consider longer term performance of funds, rather than relying on short term one. It is equally important to analyze the performance

in the right manner, that is, to compare it with fund's benchmark and its peer group. Investors must know that funds investing in different segments of the market behave differently when the market does well, and also when it spirals down.

### Portfolio tracking

It is heartening to see an increasing number of investors taking their fund selection process seriously and looking beyond past performance by focussing on factors such as consistency in performance as well as investment philosophy and the strategy followed by the fund manager. However, monitoring the performance of funds in the right way remains an area where investors often falter.

The dilemma that many investors face is about the frequency at which portfolio needs to be reviewed and what should be the strategy to exit from non-performing funds. Investors get into the habit of tracking performance on a daily basis and that compels them to make haphazard changes in the portfolio. While reviewing one's portfolio is one of the key elements to achieve investment success on a consistent basis, frequent reviews can be counter-productive as funds having varying degree of exposure to equities are likely to react to market movements in both positive and negative manner. However, these funds perform well over the longer term and that helps investors achieve some of their important goals.

If you are looking to work out a strategy to monitor the progress of your portfolio, it will be a good idea to begin with a half-yearly review. However, make sure that review is not done with a sole purpose of making changes in the portfolio. Simply put, do not allow short term performance to drive your decisions. Do not make the mistake of either holding on to funds for too long or selling them in a hurry without giving sufficient time to fund managers to show the results of their investment philosophies and strategies.

**This article written by our CEO, Hemant Rustagi, was published in Dalal Street Investment Journal May 27 - June 9, 2019.**

### WISEINVEST ADVISORS PVT. LTD.

(CIN No.: U74140MH2003PTC142921)

#### Corporate Office

**Andheri :** 602, 6<sup>th</sup> Floor, Sri Krishna Complex, Opposite Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai 400 053.

Tel : 2673 2671 / 2673 2676. E-mail : [information@wiseinvestadvisors.com](mailto:information@wiseinvestadvisors.com)

#### Branch

**Thane :** 502, 5<sup>th</sup> Floor, Pratibha Premises, Near Teen Petrol Pump, Panchpakhadi, Thane West - 400 602.

Tel : 2537 1567 / 2539 1306. E-mail : [information1@wiseinvestadvisors.com](mailto:information1@wiseinvestadvisors.com)

[www.wiseinvestadvisors.com](http://www.wiseinvestadvisors.com)

**DISCLAIMER:** All reasonable care has been taken to ensure that the information contained herein is neither misleading nor untrue at the time of publication, but we make no representation as to its accuracy or completeness. All information is provided without any liability whatsoever on the part of Wiseinvest Advisors Private Limited.

**RISK FACTORS:** Mutual funds, like securities investments, are subject to market and other risks and there can be no assurance that the scheme's objectives will be achieved. As with any investments in securities, the NAV of units can go up or down depending on the factors and forces affecting capital markets. Please read the offer document before investing.

Edited, Published and Printed by Mr. Hemant Kumar Rustagi, on behalf of **Wiseinvest Advisors Pvt. Ltd.** from 602, 6<sup>th</sup> 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.