

Sharekhan's top fund picks

Top equity fund picks

Data as on June 01, 2016

Scheme name	Star rating	NAV (Rs)	Returns (%)					
			Absolute 6 months	1 year	Compounded annualised		Since inception	
3 years								5 years
Large-cap funds								
SBI Bluechip Fund	*****	29.7	5.3	5.6	21.0	15.7	11.2	
Birla Sun Life Frontline Equity Fund	*****	165.0	3.6	1.2	18.3	13.5	22.6	
Reliance Top 200 Fund	*****	22.9	-3.2	-5.2	18.1	12.1	9.8	
Kotak 50	****	174.7	2.2	0.7	16.2	11.4	19.9	
UTI Top 100 Fund	****	48.2	1.4	-3.1	15.5	11.1	12.1	
Mid-cap funds								
DSP BlackRock Micro Cap Fund	*****	44.9	4.3	11.6	42.4	24.1	18.2	
Reliance Small Cap Fund	****	25.9	-5.5	7.9	40.0	21.4	18.2	
Franklin India Smaller Companies Fund	****	41.7	5.3	7.9	35.5	23.7	14.7	
Mirae Asset Emerging Bluechip Fund	*****	32.0	1.6	7.9	34.0	23.0	21.8	
HDFC Mid-Cap Opportunities Fund	****	38.4	1.5	2.2	28.9	19.2	16.2	
Multi-cap funds								
ICICI Prudential Value Discovery Fund	*****	113.9	-1.3	-1.5	27.9	18.1	22.9	
L&T India Value Fund	*****	24.9	-1.9	3.9	27.5	17.9	15.3	
SBI Magnum Multi Cap Fund	*****	34.4	4.1	5.8	23.0	14.7	12.3	
Franklin India Prima Plus	*****	454.6	3.2	2.1	22.6	15.4	19.2	
Kotak Select Focus Fund	****	23.3	1.3	1.6	21.5	14.9	13.4	
Tax-saving funds								
Axis Long Term Equity Fund	*****	31.1	3.0	1.2	26.5	19.9	19.3	
Birla Sun Life Tax Relief 96	****	22.0	2.1	2.4	24.0	14.9	10.0	
Franklin India Taxshield	*****	433.8	2.7	1.7	22.3	15.5	24.6	
BNP Paribas Long Term Equity Fund	****	29.6	0.7	-1.4	21.5	16.0	11.0	
DSP BlackRock Tax Saver Fund	****	33.2	2.3	3.5	21.3	14.5	13.6	
Thematic funds								
ICICI Prudential Exports and Other Services Fund	*****	44.3	-6.3	0.4	31.2	20.9	15.2	
Franklin Build India Fund	*****	29.2	1.0	-1.4	30.1	20.3	17.2	
Kotak Infrastructure & Economic Reform Fund	*****	15.4	4.0	0.3	23.3	11.0	5.4	
Sundaram Rural India Fund	****	29.5	10.5	15.1	22.4	14.2	11.3	
Birla Sun Life India GenNext Fund	****	55.8	5.1	1.9	19.2	17.8	17.2	

Top SIP fund picks (monthly SIP of Rs1,000)

(*invested on 1st day of every month)

Data as on June 01, 2016

Investment period		1 year		3 years		5 years	
Total amount invested (Rs)		12,000		36,000		60,000	
Funds would have grown to (Rs)	Nav (Rs)	Present value (Rs)	Avg. annual return (%)	Present value (Rs)	Avg. annual return (%)	Present value (Rs)	Avg. annual return (%)
Large-cap funds							
SBI Bluechip Fund	30	12,685	6.2	46,835	9.4	96,362	10.1
Birla Sun Life Frontline Equity Fund	165	12,506	4.6	44,059	7.2	89,701	8.5
Kotak 50	175	12,435	3.9	43,937	7.1	85,728	7.5
Franklin India Bluechip	364	12,576	5.2	43,775	6.9	84,457	7.2
ICICI Prudential Focused Bluechip Equity Fund	29	12,386	3.5	42,439	5.8	84,547	7.2
Mid-cap funds							
DSP BlackRock Micro Cap Fund	45	12,925	8.4	60,161	19.2	130,687	17.1
Franklin India Smaller Companies Fund	42	12,874	7.9	54,452	15.2	124,719	16.0
SBI Magnum Midcap Fund	64	12,834	7.6	54,338	15.1	121,478	15.4
Mirae Asset Emerging Bluechip Fund	32	12,561	5.1	53,643	14.6	118,736	14.9
UTI Mid Cap Fund	80	12,301	2.7	51,859	13.3	113,697	13.9
Multi-cap funds							
L&T India Value Fund	25	12,182	1.6	49,423	11.5	105,234	12.1
ICICI Prudential Value Discovery Fund	114	12,239	2.2	48,227	10.5	103,771	11.8
Franklin India Prima Plus	455	12,510	4.6	47,078	9.6	95,802	10.0
Kotak Select Focus Fund	23	12,360	3.3	45,845	8.6	94,157	9.6
BNP Paribas Dividend Yield Fund	35	12,190	1.7	44,603	7.6	90,065	8.6
Tax-saving funds							
Axis Long Term Equity Fund	31	12,378	3.4	48,196	10.5	105,078	12.1
Birla Sun Life Tax Relief 96	22	12,428	3.9	47,538	10.0	98,225	10.5
Franklin India Taxshield	434	12,467	4.2	46,710	9.3	94,930	9.8
Reliance Tax Saver (ELSS) Fund	44	12,093	0.8	45,944	8.7	95,904	10.0
BNP Paribas Long Term Equity Fund	30	12,204	1.8	45,213	8.1	93,371	9.4

Performance of hybrid and debt funds

Top Fund Picks (Hybrid)

Returns (%) <1 Year absolute and >1 year CAGR

Equity Balanced Schemes	Rating Stars	NAV	6 Months	1 Year	3 Years	5 Years	Since Inception
HDFC Balanced Fund	★★★★	111.2	2.6	3.0	21.2	14.3	16.5
L&T India Prudence Fund	★★★★	19.9	0.2	2.7	20.3	14.4	13.8
Tata Balanced Fund	★★★★	170.2	1.1	0.0	19.7	15.4	16.4
SBI Magnum Balanced Fund	★★★★★	97.9	1.5	3.1	19.2	14.6	16.2
Franklin India Balanced Fund	★★★★★	93.9	3.4	3.2	18.7	13.9	14.5
Debt MIP Schemes	AUM	NAV	6 Months	1 Year	3 Years	5 Years	Exp Ratio
Birla Sun Life MIP II - Wealth 25	1,028	31	4.2	5.2	13.3	11.5	2.3
ICICI Prudential MIP 25	1,218	32	3.2	5.7	11.3	10.6	0.5
Franklin India MIP	421	46	3.6	5.5	10.6	10.5	2.3
SBI Magnum MIP	351	33	4.4	7.9	9.5	10.1	2.7
BNP Paribas MIP	177	23	3.6	5.0	9.5	9.6	2.5
Equity Arbitrage Schemes	AUM	NAV	1 Months	3 Months	6 Months	1 Years	Exp Ratio
SBI Equity Savings Fund	187	11	2.1	6.9	4.9	7.4	2.8
DHFL Pramerica Equity Income Fund	37	26	1.7	4.7	4.3	6.4	1.8
ICICI Prudential Equity Income Fund	588	11	0.8	7.0	2.6	4.3	1.2
HDFC Equity Savings Fund	123	27	1.1	7.9	2.6	3.7	2.7
Reliance Equity Savings Fund	905	10	1.4	6.5	1.3	3.7	2.3

Note: A hybrid fund is a category of mutual fund that is made up of a mix of equity and debt portfolio

Top Fund Picks (Debt)

Data as on June 16, 2016

Scheme name	AAUM ** (Rs cr)	Returns (%) (simple annualised)				Exp* ratio (%)
		1 mth	3 mths	6 mths	1 yr	
Accruals						
Birla Sun Life Medium Term Plan	5,099	6.42	11.61	9.36	9.96	1.65
Reliance Medium Term Fund	5,815	8.21	9.72	8.50	8.59	0.68
HDFC Medium Term Opportunities Fund	4,124	7.64	11.54	9.15	8.90	0.28
Kotak Bond Short Term Plan	2,937	6.63	10.59	8.30	8.55	1.35
Crisil Short Term Bond Fund Index	--	7.52	10.09	8.59	8.85	--
Duration Funds						
Franklin India GSF - LTP	384	2.55	18.18	9.52	9.49	1.74
ICICI Prudential Long Term Gilt Fund	1,519	2.59	20.02	10.06	10.72	0.98
Birla Sun Life Dynamic Bond Fund	14,964	4.51	16.41	9.49	9.45	1.62
Reliance Dynamic Bond Fund	5,469	2.98	14.26	8.65	9.33	1.67
Crisil 10 Yr Gilt Index	--	1.31	10.20	9.59	9.90	--
Ultra Short term						
Birla Sun Life Savings Fund	11,855	7.27	10.3	8.78	9.02	0.78
SBI Ultra Short Term Debt Fund	7,885	7.65	9.32	8.38	8.41	0.39
ICICI Prudential Flexible Income Plan	14,922	6.51	9.62	8.31	8.78	0.26
Crisil Liquid Fund Index	--	6.99	8.26	7.69	7.97	--
Liquid						
SBI Premier Liquid Fund	30,123	7.64	8.42	8.07	8.07	0.16
BNP Paribas Overnight Fund	1,101	7.49	8.13	7.91	7.94	0.08
HDFC Liquid Fund	30,795	7.65	8.29	8.04	8.09	0.40
Crisil Liquid Fund Index	--	6.99	8.26	7.69	7.97	--

Tax rates for debt funds

Scheme	Ind./HUF (in %)	Corp. (in %)	NRI (in %)
Dividend Distribution Tax (payable by the scheme)			
Debt schemes	28.84 [^]	34.608 ^{**}	28.84 [^]
Money mkt schemes	28.84 [^]	34.608 ^{**}	28.84 [^]
[^] (25% + 12 % Surcharge + 3% cess) ^{**} (30% + 12 % Surcharge + 3% cess)			
Scheme	Ind./HUF (in %)	Corp. (in %)	NRI (in %)
Long-term capital gain (investments > 36 months)			
Debt schemes			
Without indexation	-	-	10% [^]
With indexation	20 [#]	20 ^{**}	20 [#] [^]
Short-term capital gain (investments = or < 36 months)			
Debt schemes*	30 [#]	30 ^{**}	30 [#] [^]
#Surcharge at 12% is to be levied in case of individual/HUF unit holders when their income exceeds Rs1 crore **Surcharge at 7% is to be levied for domestic corporate unit holders when their income exceeds Rs1 crore but less than Rs10 crore and ^Short-term/long-term capital gain tax will be deducted at the time of redemption in case of NRI investors only *Assuming investors fall in the highest tax bracket			

SIP calculator

Monthly SIP of Rs5,000

Expected rate of returns (pa)	Expected maturity value of your monthly investment (Rs)			
	Years to achieve financial goal			
	5	10	20	25
8%	369,834	920,828	2,964,736	4,786,833
10%	390,412	1,032,760	3,828,485	6,689,452
15%	448,408	1,393,286	7,579,775	16,420,369
25%	599,222	2,664,023	34,295,476	118,774,708

Crorepatri calculator

Target: Rs10,000,000

Expected rate of returns (pa)	Expected investment per month to achieve your goal (Rs)			
	Years to achieve financial goal			
	5	10	15	20
8%	135,196	54,299	28,708	16,865
10%	128,070	48,414	23,928	13,060
15%	111,506	35,887	14,775	6,597
25%	83,442	18,769	5,114	1,458

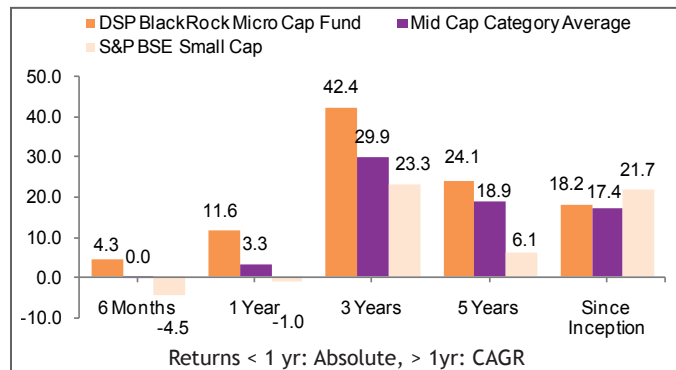
Fund of the month

DSP BlackRock Micro Cap Fund

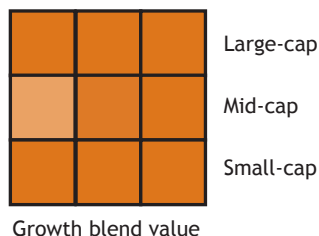
Objective

The primary investment objective of this scheme is to generate long-term capital appreciation from a portfolio that predominantly constitutes equity and equity-related securities (which are not part of the top 300 companies by market capitalisation). From time to time, the investment manager will also seek participation in other equity and equity-related securities to achieve optimal portfolio construction. This shall be the fundamental attribute of the scheme.

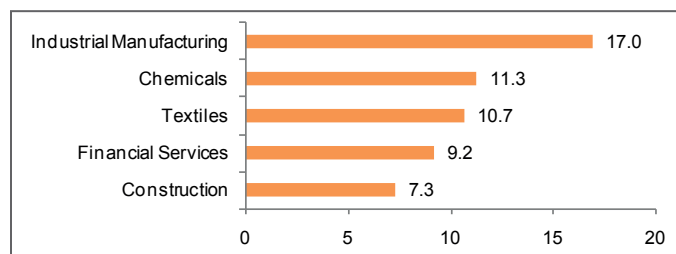
Scheme's performance



Style box analysis



Top 5 sectors



Key features

- **Fund category** : Mid-cap
- **Launch date** : June 14, 2007
- **Minimum investment** : Rs1,000
- **Load structure** : If redeemed bet. 0 month to 12 month, exit load is 1%
- **Fund manager** : Vinit Sambre, Jay Kothari
- **Latest NAV (gr.)** : Rs44.9
- **Latest NAV (div.)** : Rs27.3
- **Expense ratio (%)** : 2.49
- **AUM** : Rs2,213.86 cr
- **Benchmark Index** : S&P BSE Small-cap

Holdings by market cap

Particulars	%
Nifty 50	-
Nifty Free Float Mid-cap 100	14.0
Nifty Free Float Small-cap 100	-
BSE Sensex	-
Top 5 holdings	17.7
Top 10 holdings	31.7

Top 10 stock holdings (total no. of scrips: 60)

Company name	% of net assets
K P R Mill	3.83
Sharda Cropchem	3.72
SRF	3.62
Eveready Industries India	3.41
Atul	3.10
Navin Fluorine International	3.08
Aarti Industries	2.94
Finolex Cables	2.77
APL Apollo Tubes	2.63
DCB Bank	2.62

Scheme analysis

With more than nine years of experience, the fund has been an outstanding performer in comparison with both the benchmark index, S&P BSE Small Cap, and the category average. Despite the volatility and uncertainties in the Indian market, the fund has performed better than its peers, giving returns of 11.6% over the past one year as against the return of -1.0% and 3.3% given by the S&P BSE Small Cap index and the category average, respectively. Over the long-term horizon of three years, the fund has grown at 42.4% compounded annual growth rate (CAGR) while the S&P BSE Small Cap index and the category average have grown at a CAGR of 23.3% and 29.9%, respectively. In the recent months, the fund has garnered returns of 4.3%, compared to -4.5% and 0% return posted by the S&P BSE Small Cap index and the Mid Cap Category Average, respectively.

At present, the fund has about 60 stocks in its portfolio. It has nearly 96% of its net assets exposed to equity while the rest is exposed to other money-market instruments. The top 10 stocks form about 31.7% of the portfolio. The fund has invested nearly 17% of its funds in the Industrial Manufacturing sector followed by Chemicals and Textiles, with 11.3% and 10.7% allocations, respectively.

Mutual fund

Benefits of MF-IN-DEMAT

- **Simplicity & ease:** You can purchase/redeem/flexi SIP in over 1,000 schemes through NSE.
- **Instant order placement:** Now you can place or modify orders instantly between 9.00am and 2.00pm.
- **Dematerialised mutual fund units:** You can transfer your existing mutual fund portfolio to your demat account.
- **Single view of all your holdings:** You will have a consolidated demat statement showing a single view of all your holdings in equities and mutual funds across AMCs.
- **Instant transaction proof:** You can view order details instantaneously on placing orders on the MF-IN-DEMAT platform.
- **No additional KYC:** For demat account holders, no additional KYC is needed.

Systematic Investment Plan (SIP)

- **Disciplined investing:** Through SIP you can choose to invest fixed amounts (as low as Rs500) in a mutual fund scheme at regular intervals (like every month or every quarter) for a chosen period of time (say for a year).
- **Accumulate wealth:** Set aside a small amount every month through SIP and achieve financial goals like buying a car or a house.
- **Beat inflation:** Equity investing can help you combat inflation that diminishes the value of your savings.
- **Rupee cost averaging:** A regular investment in a mutual fund scheme can reduce the cost of acquiring mutual fund units over a longer period as you end up buying more units when the price is low and fewer units when the price is high.
- **Fewer efforts:** You can start an SIP by simply placing an order by logging on to Sharekhan's online mutual fund page. Click on the "SIP" button and fill in the SIP amount, SIP date etc and provide the information asked by the system.

Tax-saving mutual fund schemes

- **Tax waiver (ELSS):** Tax benefit on investments up to Rs150,000.

Fund ranking procedure

Top equity funds: We have identified the best equity-oriented schemes available in the market today based on the following five parameters: the past performance as indicated by the one-year, two-year and three-year returns, the Sharpe ratio and Information ratio.

For our final selection of schemes, we have generated a total score for each scheme giving 60% weightage each to the relative performance as indicated by the one-year, two-year and three-year returns, 20% weightage to the relative performance as indicated by the Sharpe ratio and the remaining 20% to the relative performance as indicated by the Information ratio of the scheme.

Top SIP funds: We have identified the best equity scheme for SIP investment based on three parameters: minimum corpus

- **Lower lock-in-period:** These schemes have a lower lock-in period of three years as compared with the other tax saving avenues. A mandatory lock-in for three years inculcates a long-term investment habit.
- **Superior return:** Investments in equity over a long term have historically delivered better returns than the "guaranteed return" avenues.
- **Tax-free gain:** Dividends and long-term gains are tax-free (these schemes give you the twin options of tax savings and capital gains).
- **SIP:** Investors can opt for a systematic investment plan and keep on investing small amounts periodically, say on a monthly basis.

Knowledge Today

- **Interest rate risk:** Risk of gain or loss on a security due to possible changes in interest-rate levels. When interest rates rise, the market value of a debt security will fall, and vice versa.

How to place orders in Sharekhan MF-IN-DEMAT

- Log on to www.sharekhan.com and click on "Login".
- Click on "Mutual Funds".
- A welcome screen will be displayed after accepting terms and conditions.
- For the first time log in on the online mutual fund page; click and accept terms and conditions.
- Click on "Place Order".
- Transfer funds from the bank account to the mutual fund pool account or allocate funds from the trading account to the mutual funds pool account.
- Select scheme available under MF-IN-DEMAT and confirm order.
- Successful order placement page is displayed.

as indicated by at least 10% of the average category-corpus, the past performance as indicated by one-year, three-year and five-year returns and the risk returns ratios, namely Sharpe, Information and Sortino.

Sharekhan mutual fund ranking scale

Stars	Description
★★★★★	For top 10 percentile of the eligible schemes
★★★★	Next 22.5 percentile of the eligible schemes
★★★	Next 35 percentile of the eligible schemes
★★	Next 22.5 percentile of the eligible schemes
★	

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