

Sharekhan Top SIP Fund Picks

November 2019

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Top SIP Fund Picks

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Sharekhan top SIP fund picks

Why SIP?

◆ Disciplined investing

Being disciplined is a key to investing success. Through a systematic investment plan (SIP) you can choose to invest fixed amounts in a mutual fund scheme which could be as low as Rs. 500 at regular intervals (like every month) for a chosen period of time (say for a year). The amount you invest every month or every quarter will be used to purchase units of a SIP of a mutual fund scheme. Small amounts set aside every month towards well performing SIP mutual fund schemes can make an investor achieve his financial goals in future.

◆ Invest in instruments that beat inflation

Equity investing can help you combat rising inflation that diminishes the value of your savings.

◆ SIP over a longer period can reduce the cost per unit

Example (see table below): An investment of Rs. 24,000 in a mutual fund resulted in a value of Rs. 25,200 after 12 months; whereas an SIP mutual fund investment of Rs. 2,000 per month grew to Rs. 27,095 after the same period.

◆ Fewer efforts to opt for SIP

The procedure to invest through SIP is easy. All you need to do is give post-dated cheques or opt for an auto debit of a specific amount towards SIP from your bank account. SIP plans are completely flexible. One can even start an SIP just by placing an order by logging into Sharekhan online mutual fund page. One can invest for a minimum of six months or for a long tenure. Also, there is an option of choosing the investment interval which could be monthly or quarterly.

Illustrative example

Month	Price per unit (Rs.)	One-time investment		SIP	
		Amount invested (Rs.)	Units purchased	Amount invested (Rs.)	Units purchased
Jan-10	20	24,000	1,200	2,000	100.0
Feb-10	18	--		2,000	111.1
Mar-10	14	--		2,000	142.9
Apr-10	22	--		2,000	90.9
May-10	26	--		2,000	76.9
Jun-10	20	--		2,000	100.0
Jul-10	18	--		2,000	111.1
Aug-10	17	--		2,000	117.7
Sep-10	15	--		2,000	133.3
Oct-10	18	--		2,000	111.1
Nov-10	20	--		2,000	100.0
Dec-10	21	--		2,000	95.2
Total investment (Rs.)			24,000		24,000
Average price (Rs.)			20		19
Total units purchased			1,200		1,290
Value of investment after 12 months (Rs.)			25,200		27,095

*NAV as on the 1st of every month. These are assumed NAVs in a volatile market.

(*invested on 1st day of every month)

Data as on October 01, 2019

SIP INVST (Monthly Rs. 1,000)*			1 year		3 years		5 Year	
Total amount invested			12,000		36,000		60000	
Scheme Name	Riskometer	NAV	Present Value (Rs.)	Compounded annualised return (%)	Present value (Rs.)	Compounded annualised return (%)	Present value (Rs.)	Compounded annualised return (%)
Large Cap Fund								
Axis Bluechip Fund - Growth	Moderately High	31	13,200	22.7	44,946	15.8	83,545	13.6
Mirae Asset Large Cap Fund - Reg - Growth	Moderately High	50	12,204	3.8	39,966	7.3	77,112	10.3
ICICI Prudential Bluechip Fund - Growth	Moderately High	42	12,251	4.6	39,316	6.1	73,817	8.5
Kotak Bluechip Fund - Reg - Growth	Moderately High	234	12,445	8.2	39,319	6.1	72,031	7.5
UTI Mastershare Unit Scheme - Growth	Moderately High	121	12,212	3.9	39,002	5.6	71,328	7.1
Nippon India Large Cap Fund - Growth	Moderately High	33	11,833	-3.0	38,470	4.6	72,190	7.6
HDFC Top 100 Fund - Growth	Moderately High	471	11,836	-3.0	38,408	4.5	72,124	7.5
S&P BSE Sensex TRI		55845	12,437	8.1	41,845	10.6	77,675	10.6
Large & Mid Cap Fund								
Invesco India Growth Opportunities Fund - Growth	Moderately High	34	12,435	8.0	40,351	8.0	76,192	9.8
Sundaram Large and Mid Cap Fund - Reg - Growth	Moderately High	35	12,450	8.3	40,221	7.8	77,134	10.3
Mirae Asset Emerging Bluechip Fund - Growth	Moderately High	53	12,293	5.4	39,821	7.0	81,035	12.4
DSP Equity Opportunities Fund - Reg - Growth	Moderately High	221	12,482	8.9	38,597	4.8	74,159	8.7
Kotak Equity Opportunities Fund - Reg - Growth	Moderately High	118	12,252	4.6	38,362	4.4	72,746	7.9
SBI Large & Midcap Fund - Growth	Moderately High	215	12,058	1.1	38,113	4.0	71,229	7.0
Principal Emerging Bluechip Fund - Growth	Moderately High	101	12,070	1.3	36,695	1.3	72,005	7.5
ICICI Prudential Large & Mid Cap Fund - Growth	Moderately High	312	11,930	-1.3	36,606	1.2	68,224	5.3
S&P BSE LargeMidCap TRI		5481	12,205	3.8	39,434	6.4	73,998	8.6
Mid Cap Fund								
Axis Midcap Fund - Growth	Moderately High	37	12,634	11.8	41,825	10.6	77,705	10.6
DSP Midcap Fund - Reg - Growth	Moderately High	53	12,235	4.3	37,030	2.0	71,891	7.4
Kotak Emerging Equity Scheme - Reg - Growth	Moderately High	38	12,169	3.1	36,714	1.4	71,029	6.9
Franklin India Prima Fund - Growth	Moderately High	916	11,912	-1.6	36,231	0.4	68,997	5.7
Edelweiss Mid Cap Fund - Growth	High	26	12,006	0.1	35,909	-0.2	67,989	5.1
ICICI Prudential MidCap Fund - Growth	Moderately High	90	11,742	-4.7	35,310	-1.3	66,405	4.1
BNP Paribas Mid Cap Fund - Growth	High	31	11,974	-0.5	34,977	-2.0	64,850	3.2
S&P BSE Mid Cap TRI		16,587	11,532	-8.4	34,061	-3.8	65,725	3.7
Small Cap Fund								
Axis Small Cap Fund - Reg - Growth	Moderately High	30	13,094	20.7	41,214	9.5	77,865	10.7
SBI Small Cap Fund - Growth	Moderately High	52	12,401	7.4	38,386	4.5	78,197	10.9
HDFC Small Cap Fund - Growth	Moderately High	38	11,164	-14.8	35,088	-1.8	70,115	6.4
Kotak Small Cap Fund - Reg - Growth	Moderately High	69	12,147	2.7	35,081	-1.8	66,497	4.2
Nippon India Small Cap Fund - Growth	Moderately High	37	11,543	-8.2	34,426	-3.0	69,315	5.9
L&T Emerging Businesses Fund - Reg - Growth	High	22	11,362	-11.4	33,823	-4.2	69,769	6.2
Aditya Birla Sun Life Small Cap Fund - Growth	Moderately High	30	11,001	-17.6	30,370	-11.4	59,170	-0.6
S&P BSE Small Cap TRI		15,362	11,256	-13.2	31,468	-9.0	59,852	-0.1
Focused Fund								
Axis Focused 25 Fund - Growth	Moderately High	29	12,951	17.9	42,361	11.5	82,038	12.9
SBI Focused Equity Fund - Growth	Moderately High	144	12,689	12.9	41,595	10.2	79,039	11.3
Sundaram Select Focus - Reg - Growth	Moderately High	180	12,436	8.1	40,804	8.8	75,645	9.5
Aditya Birla Sun Life Focused Equity Fund - Growth	Moderately High	58	12,189	3.5	38,185	4.1	70,814	6.8

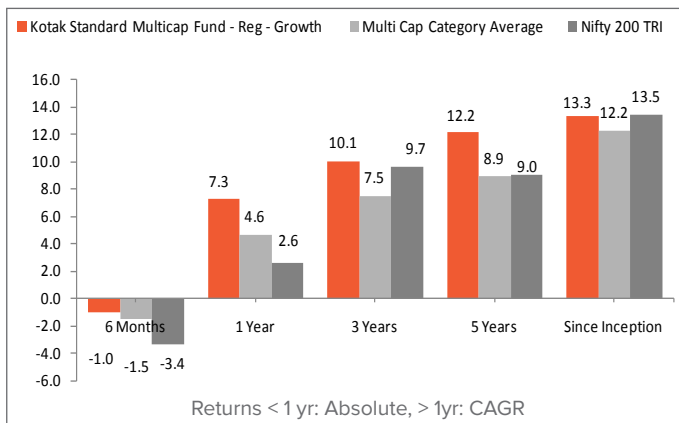
SIP INVST (Monthly Rs. 1,000)*			1 year		3 years		5 Year	
Total amount invested			12,000		36,000		60000	
Scheme Name	Riskometer	NAV	Present Value (Rs.)	Compounded annualised return (%)	Present value (Rs.)	Compounded annualised return (%)	Present value (Rs.)	Compounded annualised return (%)
Franklin India Focused Equity Fund - Growth	Moderately High	39	11,943	-1.0	37,568	3.0	69,891	6.2
ICICI Prudential Focused Equity Fund - Ret - Growth	Moderately High	29	11,700	-5.4	36,412	0.8	66,435	4.2
S&P BSE 500 TRI		17,481	12,123	2.3	38,638	4.9	72,784	7.9
Multi Cap Funds								
Canara Robeco Equity Diversified Fund - Growth	Moderately High	134	12,370	6.8	40,454	8.2	74,873	9.1
Kotak Standard Multicap Fund - Reg - Growth	Moderately High	35	12,362	6.7	39,735	6.9	76,281	9.9
SBI Magnum Multi Cap Fund - Growth	Moderately High	49	12,546	10.1	39,668	6.8	75,653	9.5
HDFC Equity Fund - Growth	Moderately High	634	11,803	-3.6	37,926	3.6	71,226	7.0
Nippon India Multi Cap Fund - Growth	Moderately High	92	11,727	-4.9	37,567	2.9	68,038	5.1
ICICI Prudential Multicap Fund - Growth	Moderately High	279	11,811	-3.4	37,450	2.7	70,465	6.6
Aditya Birla Sun Life Equity Fund - Growth	Moderately High	705	12,052	1.0	37,414	2.7	72,244	7.6
Principal Multi Cap Growth Fund - Growth	Moderately High	134	11,720	-5.1	36,276	0.5	70,054	6.3
S&P BSE 500 TRI		17,481	12,123	2.3	38,638	4.9	72,784	7.9
Value & Contra Funds								
Kotak India EQ Contra Fund - Reg - Growth	Moderately High	52	12,304	5.6	40,369	8.0	76,178	9.8
Invesco India Contra Fund - Growth	Moderately High	46	11,975	-0.5	38,584	4.8	74,448	8.8
Tata Equity P/E Fund - Reg - Growth	Moderately High	132	12,117	2.2	37,017	1.9	72,890	8.0
HDFC Capital Builder Value Fund - Growth	Moderately High	273	11,591	-7.4	36,162	0.3	68,668	5.5
IDFC Sterling Value Fund - Reg - Growth	Moderately High	45	11,148	-15.1	33,205	-5.5	63,838	2.5
S&P BSE 500 TRI		17,481	12,123	2.3	38,638	4.9	72,784	7.9
Tax-saving funds (ELSS)								
Axis Long Term Equity Fund - Growth	Moderately High	47	12,872	16.4	42,199	11.2	78,989	11.3
BNP Paribas Long Term Equity Fund - Growth	Moderately High	39	12,756	14.1	39,792	7.0	71,921	7.4
DSP Tax Saver Fund - Growth	Moderately High	49	12,658	12.3	39,714	6.9	75,909	9.7
Invesco India Tax Plan - Growth	Moderately High	50	12,253	4.7	39,199	5.9	73,593	8.4
Kotak Tax saver - Reg - Growth	Moderately High	44	12,307	5.7	38,990	5.6	73,148	8.1
ICICI Prudential Long Term Equity Fund (Tax Saving) - Reg - Growth	Moderately High	360	11,862	-2.5	37,689	3.2	69,512	6.0
Aditya Birla Sun Life Tax Relief 96 - Growth	Moderately High	30	11,891	-2.0	37,406	2.7	71,057	6.9
L&T Tax Advantage Fund - Reg - Growth	Moderately High	52	11,864	-2.5	36,215	0.4	69,193	5.8
Nifty 500 TRI		13,841	12,115	2.1	38,575	4.8	72,584	7.8
BNP Paribas Mutual Fund Equity schemes								
Scheme Name	Riskometer	Scheme Category	Present Value (Rs.)	Compounded annualised return (%)	Present Value (Rs.)	Compounded annualised return (%)	Present Value (Rs.)	Compounded annualised return (%)
BNP Paribas Large Cap Fund - Growth	Moderately High	Large Cap	13,019	19.2	41,505	10.0	75,215	9.3
BNP Paribas Long Term Equity Fund - Growth	Moderately High	ELSS	12,756	14.1	39,792	7.0	71,921	7.4
BNP Paribas Multi Cap Fund - Growth	Moderately High	Multi Cap	12,522	9.7	38,245	4.2	71,088	6.9
BNP Paribas Mid Cap Fund - Growth	High	Mid Cap	11,974	-0.5	34,977	-2.0	64,850	3.2
BNP Paribas Focused 25 Equity Fund - Reg - Growth	Moderately High	Focused	12,628	11.7	--	--	--	--
BNP Paribas India Consumption Fund - Reg - Growth	High	Thematic	13,098	20.7	--	--	--	--
BNP Paribas Substantial Equity Hybrid Fund - Reg - Growth	Moderately High	Aggressive Hybrid	12,846	15.9	--	--	--	--

Kotak Standard Multicap Fund

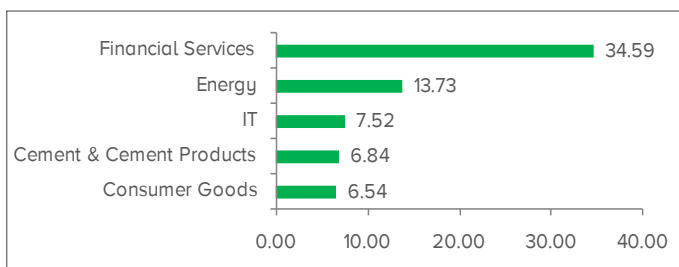
Objective

The investment objective of the scheme is to generate long-term capital appreciation from a portfolio of equity and equity related securities, generally focused on a few selected sectors. There is no assurance that the investment objective of the Scheme will be achieved.

Scheme's performance



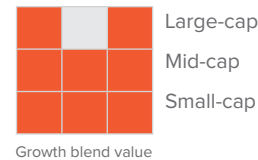
Top 5 sectors



Key features

- Fund Category : Multi Cap
- Scheme Riskometer : Moderately High
- Launch Date : September 11, 2009
- Minimum Investment : Rs. 5,000
- Load Structure : If redeemed bet. 0 Year to 1 Year
Exit Load is 1%
- Fund Manager : Harsha Upadhyaya
- Latest NAV (Gr.) : Rs. 35.21
- Latest NAV (Div.) : Rs. 22.17
- Expense Ratio (%) : 1.71
- AUM : Rs. 26,991 cr
- Benchmark Index : Nifty 200 TRI

Style box analysis



Holdings by market cap

Particulars	%
Top 5 holdings	29.6
Top 10 holdings	45.3

Top 10 stock holdings (total no. of scrips: 55)

Company name	% of net assets
Reliance Industries	6.66
HDFC Bank	6.65
ICICI Bank	6.54
Larsen & Toubro	5.19
Axis Bank	4.53
Infosys	4.10
Tata Consultancy Services	3.42
Ultratech Cement	2.90
Nifty	2.71
Petronet Lng	2.60

Scheme analysis

With a long history of more than ten years, the scheme has outperformed both the benchmark Nifty 200 TRI Index and the Multi-cap category average in the past five and three years, respectively. Despite a volatile and uncertain market, the scheme has continued to perform well. It has provided returns of 12.2% over the past five years, as against returns of 9% and 8.9% offered by Nifty 200 TRI Index and Multi-cap category average, respectively, in the same period. Over the past three years, the scheme has generated a compound annual growth rate (CAGR) of 10.1%, whereas the Nifty 200 TRI Index and the Multi-cap category average have reported CAGRs of 9.7% and 7.5%, respectively. In recent months, the scheme has given a return of -1% as compared to -3.4% return posted by the Nifty 200 TRI Index and -1.5% return generated by the Multi-cap category average.

The scheme has about 55 stocks in its portfolio. Nearly 93% of its net assets are invested in equity and the balance lies in debt and money-market instruments. The top 10 stocks form about 45% of the scheme's portfolio. The scheme has invested nearly 35% of its funds in the financial services sector stocks and it has allocated 13.73% and 7.52% of funds, respectively, to Energy and IT stocks.

Mutual Fund Selection Criteria

Equity Mutual Funds

Equity Mutual Fund selection within a particular category is done on two broad parameters, namely 'Returns' and 'Risk'. Our selection process helps to identify funds with a track record of giving superior returns consistently compared to the category benchmark and peers. Along with superior returns, it is also important to factor in risk and volatility in returns to take a holistic investment decision. Equity Mutual Fund rating is decided by giving different weightages to the below mentioned risk and return parameters.

1. **'Returns' - measured across 1, 3 and 5-year SIP returns:** To rank the funds we give a 10% weightage to 1-year SIP performance, 20% to 3-year SIP performance and 25% to 5-year SIP performance.
2. **'Risk' - captured through Sharpe ratio, Sortino ratio and Information ratio:** These ratios are widely used in the Mutual Fund industry to measure risk-adjusted returns of a Mutual Fund scheme. The Sharpe Ratio considers Standard Deviation to measure a portfolio's risk-adjusted returns, whereas the Information Ratio measures the ability of the portfolio manager to

provide excess returns relative to category benchmark on a consistent basis. We also consider Sortino Ratio, which is similar to the Sharpe Ratio, except that it uses downside deviation instead of standard deviation in the denominator. We give equal weightage (15% each) to the Sharpe Ratio, the Information Ratio and the Sortino ratio to finally arrive at the ranking of a Mutual Fund scheme in a particular category.

In addition to quantitative analysis, we also use qualitative factors to filter out relatively smaller fund houses or funds with small asset size to minimise allied risk.

Fixed Income or Debt Mutual Fund

In the Fixed Income Mutual Fund segment, the selection is done by considering returns, along with other criteria like credit quality, volatility, yield to maturity, modified duration, expense ratio etc. Also, the ranking depends upon macro-economic factors like the view on interest rates and the economic cycle. Overall, we follow a conservative approach while recommending Debt Mutual Funds with a clear focus on minimising risks rather than chasing marginally excess returns.

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- Mutual funds, like securities investments, are subject to market and other risks and there can be no assurance that the objectives of any of the schemes of the Fund will be achieved. Please read the Offer Document carefully in its entirety prior to making an investment decision.
- The NAV of units issued under the Schemes of mutual funds can go up or down depending on the factors and forces affecting capital markets and may also be affected by changes in the general level of interest rates. The NAV of the units issued under the scheme 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.
- Past performance of any scheme of the Mutual fund do not indicate the future performance of the Schemes of the Mutual Fund. Sharekhan shall not responsible or liable for any loss or shortfall incurred by the investors.
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As per the Equity Linked Savings Scheme, 2005, investments made under the scheme qualify for tax benefits under Section 80C of Income Tax Act, 1961, and shall be locked-in for a period of 3 years from the date of allotment of units.

Sharekhan may offer or distribute Mutual Fund schemes of BNP Paribas Asset Management India Private Limited as both entities are part of the same group BNP Paribas SA.

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