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Mutual Fund Wealth-Creators



How many times you have experienced that, while having your lunch or dinner in a restaurant, even if the starters and main course were not so impressive, if the dessert was awesome, you are more likely to assign a better rating to the restaurant. This happens with most of us because the conditioning of our brain is such that it is the last experience that matters the most in your future decision making.

The same thing happens to your investment decision also. The latest returns or performance of an asset class determines how you view its future returns and whether you should invest or avoid investing in it. The equity market and its corollary the equity mutual funds have generated—most of them, if not all—negative returns in the last one year. This has led many of you to tighten your purse strings and moderate your investments in mutual funds. Currently, the inflows into the equity funds are at two-year low, which stands testimony to the slowdown. However, if you overcome this bias, you can see the clear picture and can make a rational investment decision. The mutual funds have generated one of the best returns for

their investors in the long run. For example, SBI Small Cap Fund in the last five years ending December 2018 has generated annualised return of almost 30%. What this means that if you had invested ₹1 lakh at the start of 2014, it would have become ₹3.69 lakh at the end of 2018, almost 3.7 times your original investment. This despite the year 2018 being one of the worst years for small-cap companies and mutual funds since 2008. This fund alone had witnessed a fall of 16 per cent in 2018. Therefore, we can see that mutual fund investments in the long term generate wealth for their investors.

In the following pages, we are listing down the top 5 funds in terms of returns from each major equity fund category, namely, large-cap, mid-cap and small-cap. To arrive at this list, we have considered the change in NAV in the last five years ending December 2018. Our analysis of historical returns shows that small-cap funds have generated the best returns in the last five years, followed by the mid-cap and large-cap funds. This was even after 2018 being a good year for the large-cap funds as, on an average, these funds created positive returns.

These are not our recommended list of schemes and the usual disclaimer of 'past returns may not be repeated in future' applies to these funds also.

Reliance Large Cap Fund

NAV (₹) 33.58
08 Mar., 2019

AUM (₹ Cr.) 11694.5
28 Feb., 2019

14.93%

*Expected Rate of Return in Next One Year

S&P BSE 100 - TRI

Benchmark

Sailesh Raj Bhan

Fund Manager (s)

TOP 3 Sectors

SECTOR	% TO NET ASSETS
Financial	35.48
Healthcare	11.26
Engineering	9.66



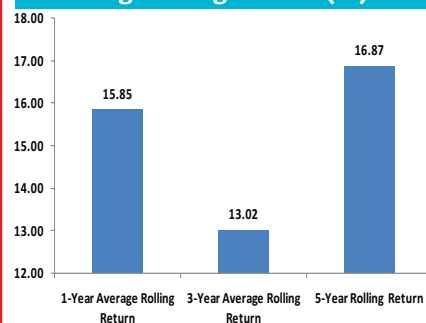
“The fund has consciously avoided momentum investing and overpaying for companies for short term gains. The emphasis on right businesses along with right valuations with a medium term investment horizon has been critical to fund's wealth creation journey”

Sailesh Raj Bhan, Deputy CIO - Equity Investments, Reliance Mutual Fund

Comparative Performance Between Fund & Benchmark



Average Rolling Returns (%)



* Expected one year return is based on the assumption that current holdings remain constant.

SBI Blue Chip Fund

NAV (₹) 37.28
08 Mar., 2019

AUM (₹ Cr.) 20395.5
28 Feb., 2019

16.01%

*Expected Rate of Return in Next One Year

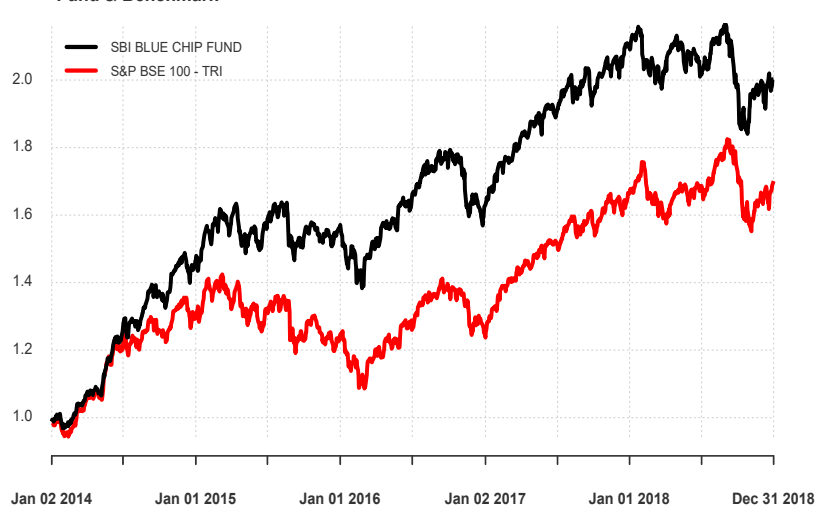
S&P BSE 100 - TRI

Benchmark

Sohini Andani

Fund Manager (s)

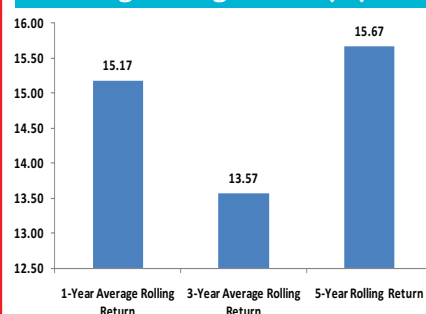
Comparative Performance Between Fund & Benchmark



TOP 3 Sectors

SECTOR	% TO NET ASSETS
Financial	34.97
FMCG	8.96
Automobile	8.35

Average Rolling Returns (%)



ICICI Prudential Bluechip Fund

NAV (₹) **40.55**
08 Mar., 2019

AUM (₹ Cr.) **20100.8**
28 Feb., 2019

15.17%

*Expected Rate of Return in Next One Year

NIFTY 100 - TRI

Benchmark

Anish Tawakley & Rajat Chandak

Fund Manager (s)

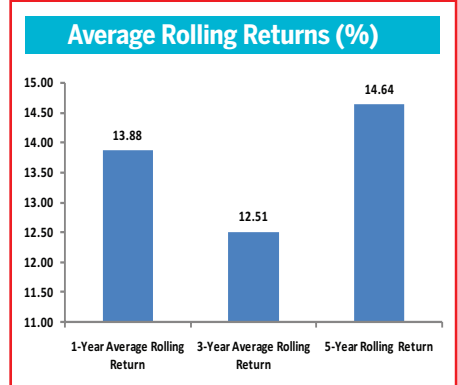
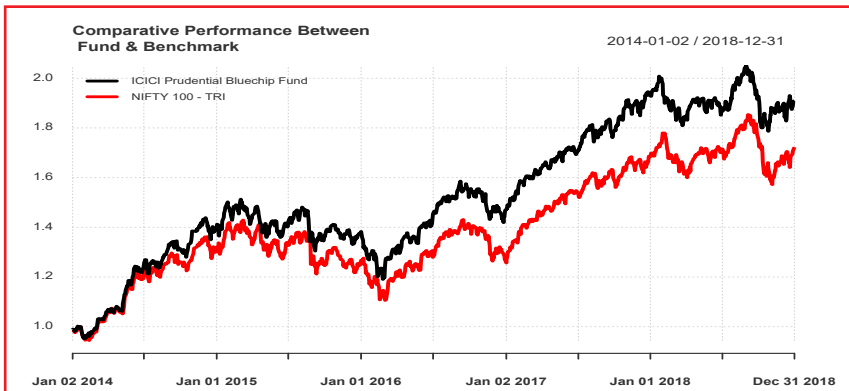
TOP 3 Sectors

SECTOR	% TO NET ASSETS
Financial	29.47
Energy	15.73
Technology	9.41



“Bottom-up approach in stock picking coupled with aggressive position in high conviction stocks have aided the fund in terms of its performance.”

Anish Tawakley, Head of Research, ICICI Prudential AMC



Aditya Birla Sun Life Focused Equity Fund

NAV (₹) **56.64**
08 Mar., 2019

AUM (₹ Cr.) **3944.4**
28 Feb., 2019

17.58%

*Expected Rate of Return in Next One Year

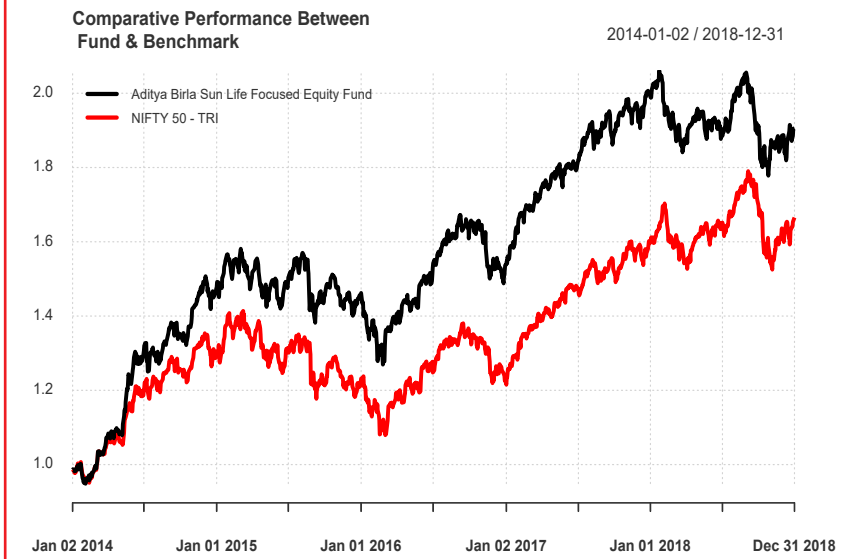
NIFTY 50 - TRI

Benchmark

Mahesh Patil

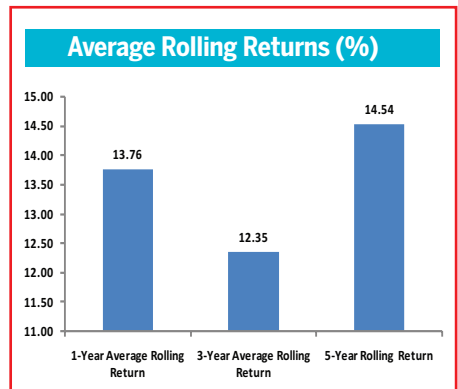
Fund Manager (s)

Comparative Performance Between Fund & Benchmark



TOP 3 Sectors

SECTOR	% TO NET ASSETS
Financial	38.48
Technology	11.95
Energy	11.61



Motilal Oswal Focused 25 Fund

NAV (₹) 20.66
08 Mar., 2019

AUM (₹ Cr.) 1031.9
28 Feb., 2019

15.05%

*Expected Rate of Return in Next One Year

NIFTY 50 - TRI

Benchmark

Siddharth Bothra, Abhiroop Mukherjee & Gautam Sinha Roy

Fund Manager (s)

TOP 3 Sectors

SECTOR	% TO NET ASSETS
Financial	47.96
Technology	11.05
Automobile	8.64



“ We use both quantitative and qualitative screening to narrow down on a core investment universe, which comply with our investment philosophy. From this universe we narrow down on our top conviction ideas across sectors. We do not shy from backing our top conviction ideas with adequate concentrated weights. ”

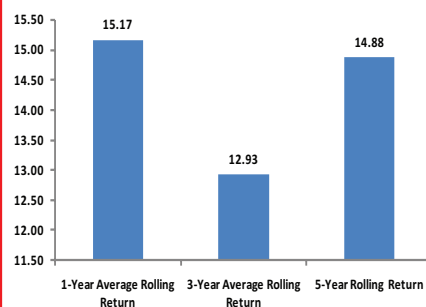
Siddharth Bothra, Sr. VP & Fund Manager, MOAMC

Comparative Performance Between Fund & Benchmark

2014-01-02 / 2018-12-31



Average Rolling Returns (%)



L&T Midcap Fund

NAV (₹) 129.49
08 Mar., 2019

AUM (₹ Cr.) 3732.9
28 Feb., 2019

16.22%

*Expected Rate of Return in Next One Year

Nifty Midcap 100 - TRI

Benchmark

Soumendra Nath Lahiri & Vihang Naik

Fund Manager (s)

Comparative Performance Between Fund & Benchmark

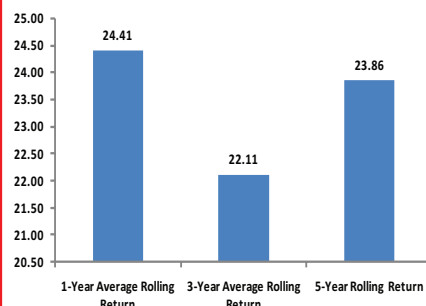
2014-01-02 / 2018-12-31



TOP 3 Sectors

SECTOR	% TO NET ASSETS
Financial	18.46
Construction	13.89
Healthcare	10.54

Average Rolling Returns (%)



Kotak Emerging Equity Scheme

NAV (₹) 37.36
08 Mar., 2019

AUM (₹ Cr.) 3535.2
28 Feb., 2019

14.26%

*Expected Rate of Return in Next One Year

Nifty Midcap 100 - TRI

Benchmark

Pankaj Tibrewal

Fund Manager (s)

TOP 3 Sectors

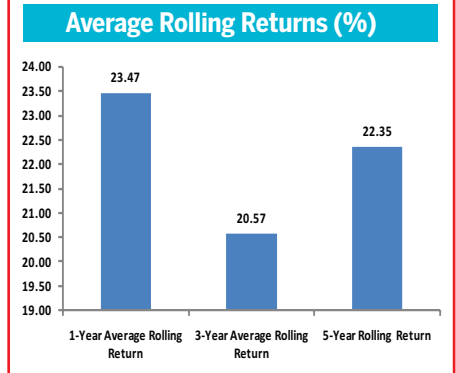
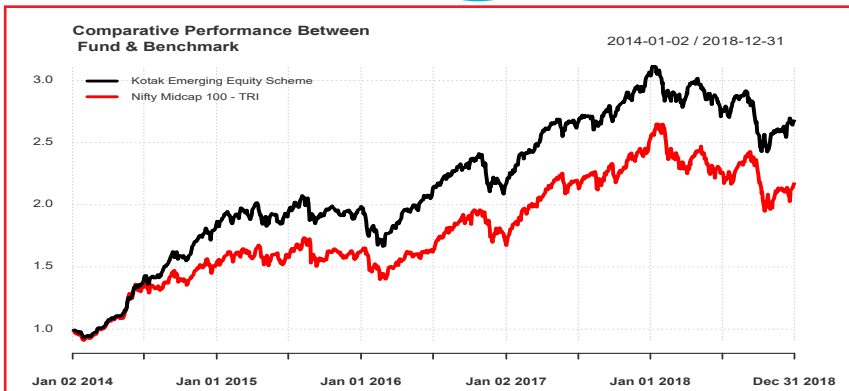
SECTOR	% TO NET ASSETS
Financial	19.79
Engineering	14.83
Chemicals	14.33



“ We believe that the key factor which has helped the fund generate superior performance has been our philosophy to invest in good businesses run by competent and honest promoters, generating strong cash flows and return on capital over longer periods of time. ”

Pankaj Tibrewal

Sr. VP & Fund Manager (Equity), Kotak Mahindra AMC



Edelweiss Mid Cap Fund

NAV (₹) 25.78
08 Mar., 2019

AUM (₹ Cr.) 810.90
28 Feb., 2019

14.73%

*Expected Rate of Return in Next One Year

Nifty Midcap 100 - TRI

Benchmark

Harshad Patwardhan

Fund Manager (s)

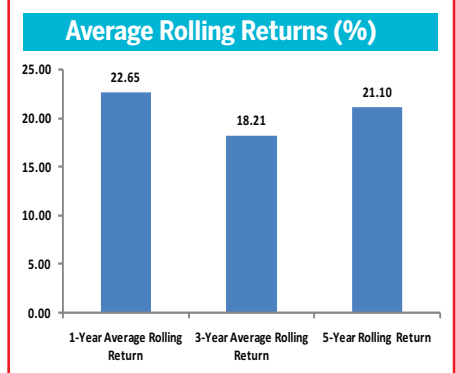
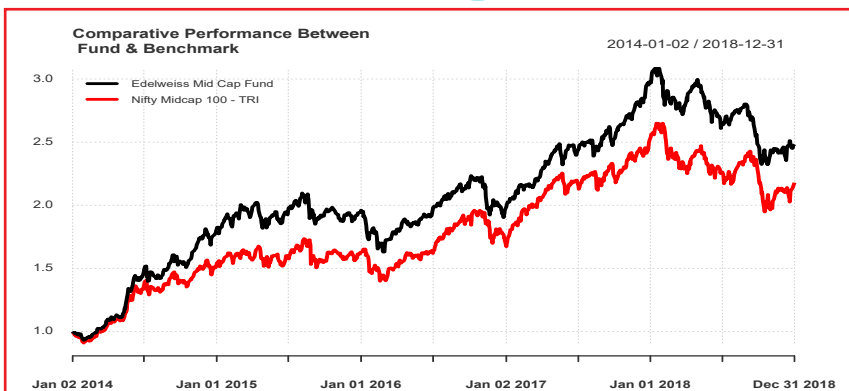
TOP 3 Sectors

SECTOR	% TO NET ASSETS
Financial	23.09
Services	13.29
Healthcare	11.73



“ Our strategy for wealth creation involves investing in a portfolio of well run businesses with large reinvestment potential. We focus on identifying growth businesses which are relatively under-recognized. This way our investors benefit both from compounding of earnings as well as valuation re-rating of portfolio businesses. ”

Harshad Patwardhan, CIO - Equity of Edelweiss Asset Management Limited



HDFC Mid-Cap Opportunities Fund

NAV (₹) 52.93
08 Mar., 2019

AUM (₹ Cr.) 20538.8
28 Feb., 2019

17.50%

*Expected Rate of Return in Next One Year

Nifty Midcap 100 - TRI

Benchmark

Chirag Setalvad & Amar Kalkundrikar

Fund Manager (s)

Comparative Performance Between Fund & Benchmark

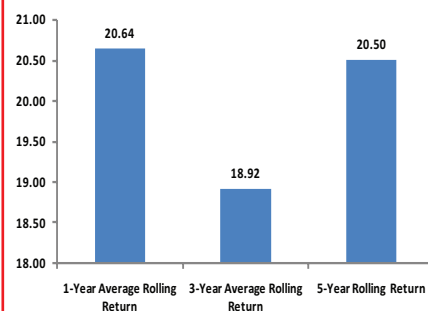
2014-01-02 / 2018-12-31



TOP 3 Sectors

SECTOR	% TO NET ASSETS
Financial	22.65
Engineering	10.72
Chemicals	9.63

Average Rolling Returns (%)



Franklin India Prima Fund

NAV (₹) 927.31
08 Mar., 2019

AUM (₹ Cr.) 6491.2
28 Feb., 2019

14.35%

*Expected Rate of Return in Next One Year

Nifty Midcap 150 - TRI

Benchmark

R. Janakiraman & Hari Shyamsunder

Fund Manager (s)

Comparative Performance Between Fund & Benchmark

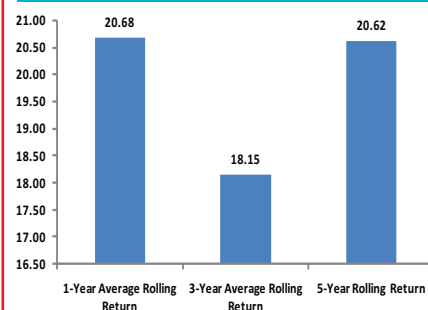
2014-01-02 / 2018-12-31



TOP 3 Sectors

SECTOR	% TO NET ASSETS
Financial	19.18
Engineering	11.66
Automobile	8.71

Average Rolling Returns (%)



SBI Small Cap Fund

NAV (₹) 50.40
08 Mar., 2019

AUM (₹ Cr.) 1604.5
28 Feb., 2019

8.23%

*Expected Rate of Return in Next One Year

S&P BSE Small-Cap - TRI

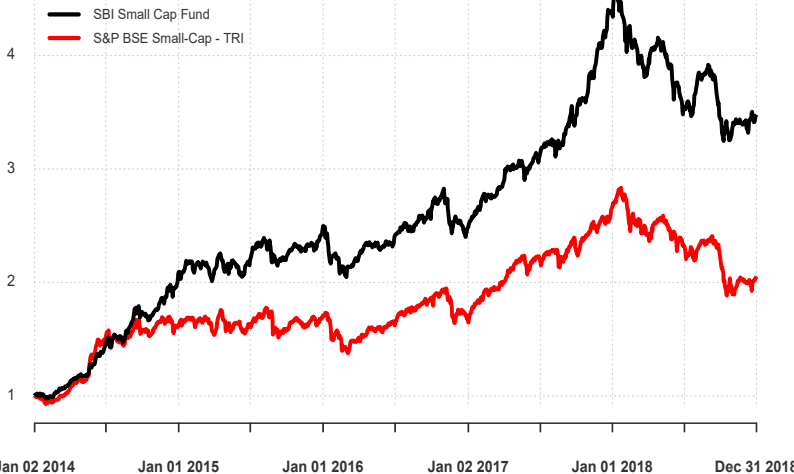
Benchmark

R. Srinivasan

Fund Manager (s)

Comparative Performance Btw Fund & Benchmark

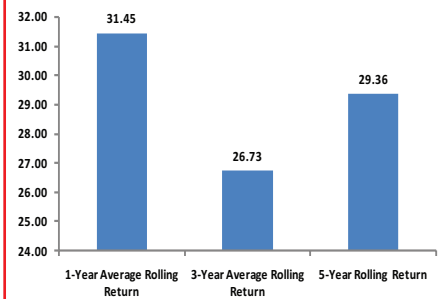
2014-01-02 / 2018-12-31



TOP 3 Sectors

SECTOR	% TO NET ASSETS
FMCG	19.96
Financial	15.19
Engineering	13.45

Average Rolling Returns (%)



Reliance Small Cap Fund

NAV (₹) 39.16
08 Mar., 2019

AUM (₹ Cr.) 7244.9
28 Feb., 2019

15.33%

*Expected Rate of Return in Next One Year

S&P BSE Small-Cap - TRI

Benchmark

Samir Rachh & Dhrumil Shah

Fund Manager (s)

TOP 3 Sectors

SECTOR	% TO NET ASSETS
Engineering	14.31
Chemicals	13.40
Financial	12.64



“Most important thing which has worked for us is the support of our investors. They stood by us even during bad times and kept long term outlook and faith- which enables us to take long term calls.”

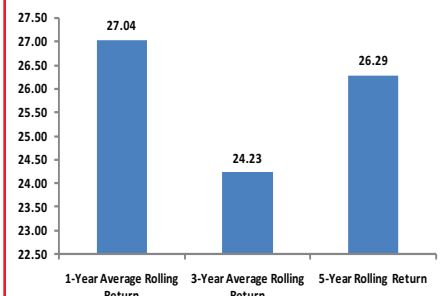
Samir Rachh, Fund Manager, Reliance Mutual Fund

Comparative Performance Between Fund & Benchmark

2014-01-02 / 2018-12-31



Average Rolling Returns (%)



DSP Small Cap Fund

NAV (₹) 52.93
08 Mar., 2019

AUM (₹ Cr.) 5634.8
28 Feb., 2019

14.04%

*Expected Rate of Return in Next One Year

S&P BSE Small-Cap - TRI

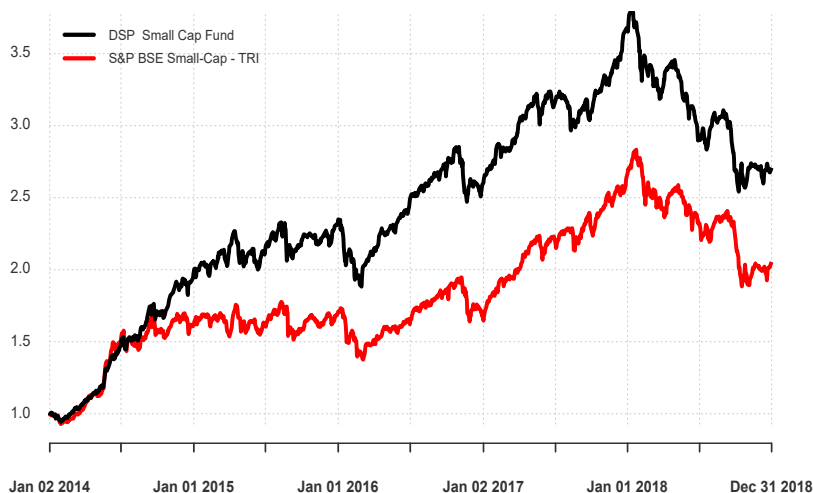
Benchmark

Vinit Sambre & Resham Jain

Fund Manager (s)

Comparative Performance Between Fund & Benchmark

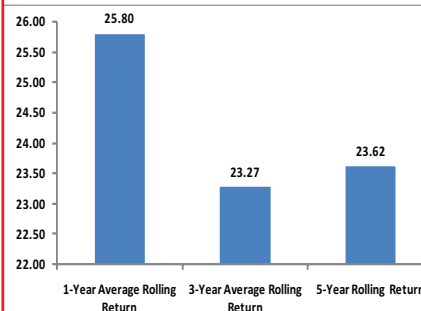
2014-01-02 / 2018-12-31



TOP 3 Sectors

SECTOR	% TO NET ASSETS
Financial	17.37
Chemicals	15.88
Healthcare	12.37

Average Rolling Returns (%)



Franklin India Smaller Companies Fund

NAV (₹) 52.85
08 Mar., 2019

AUM (₹ Cr.) 6777.2
28 Feb., 2019

15.91%

*Expected Rate of Return in Next One Year

Nifty Smallcap 250 - TRI

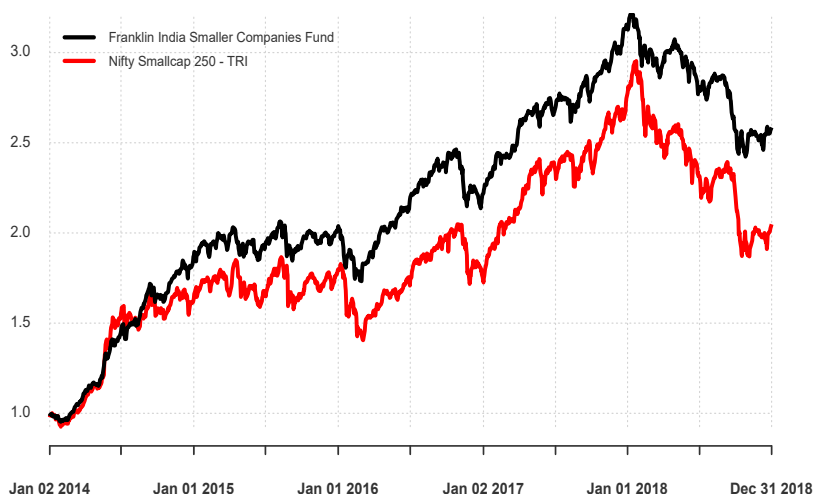
Benchmark

R. Janakiraman & Hari Shyamsunder

Fund Manager (s)

Comparative Performance Between Fund & Benchmark

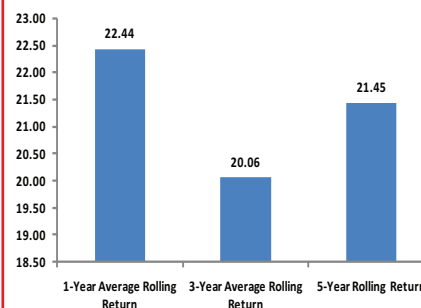
2014-01-02 / 2018-12-31



TOP 3 Sectors

SECTOR	% TO NET ASSETS
Financial	20.62
Construction	11.25
Chemicals	10.80

Average Rolling Returns (%)



Axis Small Cap Fund

NAV (₹) **27.17**
08 Mar., 2019

AUM (₹ Cr.) **222.8**
28 Feb., 2019

9.37%

*Expected Rate of Return in Next One Year

Nifty Smallcap 100 - TRI

Benchmark

Anupam Tiwari

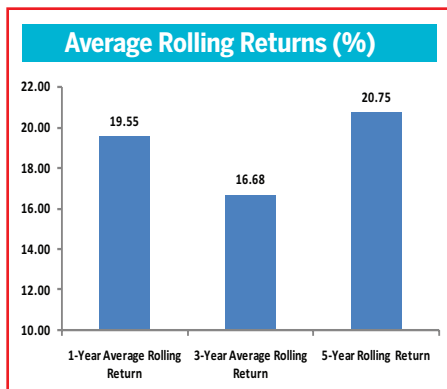
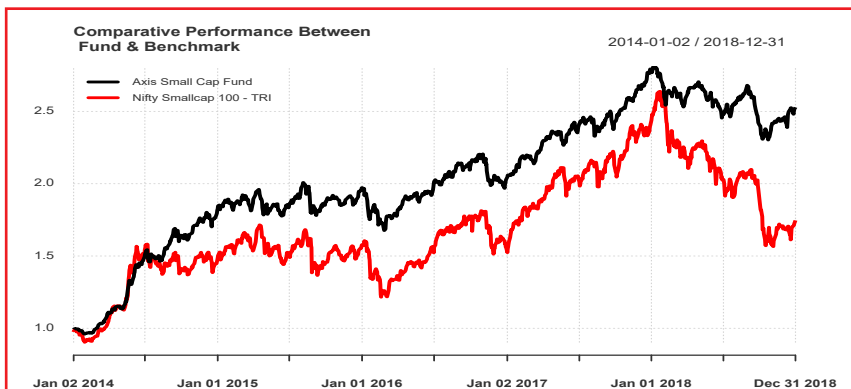
Fund Manager (s)

TOP 3 Sectors	
SECTOR	% TO NET ASSETS
Consumer Durable	11.02
Financial	10.86
Construction	9.89



“The portfolio construction process is geared towards building a cross-sectional compact portfolio with an aim to minimize the overall portfolio risk. Since our approach to investing is long term, the portfolio churn remains low. As stock holders, we believe in remaining invested through a business cycle to reap the rewards of business strategy. This has worked well for us as evidenced through our portfolio over the years.”

Anupam Tiwari, Equity Fund Manager, Axis Mutual Fund



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