

MF Schemes

UNION BUDGET 2011-2012
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Foreign individuals can invest in Indian equities through MFs

Corporates will not find debt funds attractive with hike in dividend distribution tax

Budget emphasis on infrastructure to benefit dedicated sector funds

Higher allocation to farm sector and social schemes likely to benefit FMCG sector

Lower govt borrowing will ease pressure on interest rates, which will benefit debt funds

***** Poor **** Below Average ***** Average ***** Good ***** Excellent

EQUITY FUNDS FUNDS WITH STRONG PEDIGREE, EXPECTED TO EXCEL IN FUTURE

<p>BSL Frontline Equity Has shown exceptional long-term performance. Likely to keep it up AAUM (₹ cr) 2706 *****</p> <p>RETURNS (%) 3 Months -9.2 1 Year 9.5 3 Years 6.7 5 Years 17.6</p>	<p>Canara Rob. Eq. Diversified Fund has a good eye for emerging leaders and a good track record. AAUM (₹ cr) 391 *****</p> <p>RETURNS (%) 3 Months -7.6 1 Year 12.5 3 Years 7.6 5 Years 14.2</p>
<p>DSPBR Equity Multi-cap fund has impressed in all market conditions AAUM (₹ cr) 2326 *****</p> <p>RETURNS (%) 3 Months -10.2 1 Year 11.0 3 Years 7.8 5 Years 18.1</p>	<p>DSPBR Top 100 Equity Reg Actively-managed fund that has performed in all conditions AAUM (₹ cr) 2790 *****</p> <p>RETURNS (%) 3 Months -6.9 1 Year 9.9 3 Years 7.0 5 Years 17.2</p>
<p>Fidelity Equity Long-run outperformer's faith in Financial Services likely to pay AAUM (₹ cr) 3269 *****</p> <p>RETURNS (%) 3 Months -8.7 1 Year 16.9 3 Years 7.4 5 Years 16.2</p>	<p>Fidelity India Growth Finance is its top bet. To benefit from Budget's boost to sector AAUM (₹ cr) 350 *****</p> <p>RETURNS (%) 3 Months -8.4 1 Year 16.2 3 Years 7.6 5 Years -</p>
<p>Franklin India Bluechip Fund manager's faith in banking sector seems to be paying off AAUM (₹ cr) 3398 *****</p> <p>RETURNS (%) 3 Months -7.2 1 Year 12.2 3 Years 7.6 5 Years 15.2</p>	<p>Franklin India Prima Plus Has an enviable history, hence makes it to all lists of top funds AAUM (₹ cr) 1872 *****</p> <p>RETURNS (%) 3 Months -9.1 1 Year 10.3 3 Years 4.6 5 Years 15.0</p>
<p>HDFC Equity Finance and energy are its top bets, hence expected to do well AAUM (₹ cr) 8353 *****</p> <p>RETURNS (%) 3 Months -11.1 1 Year 17.7 3 Years 12.1 5 Years 17.9</p>	<p>HDFC Index Sensex Plus Middling performer has Finance and Technology as top bets AAUM (₹ cr) 56 *****</p> <p>RETURNS (%) 3 Months -8.5 1 Year 11.6 3 Years 5.2 5 Years 14.2</p>
<p>HDFC Top 200 A Goliath that has kept its investors' faith for over 10 years AAUM (₹ cr) 9489 *****</p> <p>RETURNS (%) 3 Months -10.4 1 Year 14.2 3 Years 10.2 5 Years 17.8</p>	<p>ICICI Prudential Growth Its recent exposure to auto has worked for the fund AAUM (₹ cr) 372 *****</p> <p>RETURNS (%) 3 Months -6.6 1 Year 10.2 3 Years 4.1 5 Years 12.5</p>
<p>IDFC Imperial Equity - A Follows a cautious strategy but its returns make it a worthy pick AAUM (₹ cr) 486 *****</p> <p>RETURNS (%) 3 Months -10.1 1 Year 5.4 3 Years 4.6 5 Years -</p>	<p>IDFC Premier Equity - A With FMCG as top bet, likely to benefit from pro-agri Budget AAUM (₹ cr) 1829 *****</p> <p>RETURNS (%) 3 Months -13.7 1 Year 13.9 3 Years 8.8 5 Years 22.0</p>
<p>Principal Large Cap With 20+% allocation to Finance, will benefit from the Budget AAUM (₹ cr) 467 *****</p> <p>RETURNS (%) 3 Months -9.7 1 Year 9.2 3 Years 3.8 5 Years 16.1</p>	<p>Quantum Long Term Equity Its buy & hold strategy is ideal for long-term investors AAUM (₹ cr) 62 *****</p> <p>RETURNS (%) 3 Months -9.7 1 Year 17.9 3 Years 12.2 5 Years -</p>
<p>Reliance Reg Savings Equity Likely to benefit from increased spending on infrastructure AAUM (₹ cr) 3392 *****</p> <p>RETURNS (%) 3 Months -13.0 1 Year 4.8 3 Years 3.5 5 Years 22.2</p>	<p>Sundaram Select Midcap Among better funds in this space but recent performance hit AAUM (₹ cr) 2333 *****</p> <p>RETURNS (%) 3 Months -16.3 1 Year 5.2 3 Years 5.1 5 Years 15.6</p>
<p>Tata Pure Equity Its focus on consumption augurs well for its prospects AAUM (₹ cr) 668 *****</p> <p>RETURNS (%) 3 Months -15.1 1 Year 4.3 3 Years 2.9 5 Years 12.8</p>	<p>Templeton India Growth Value-based strategy has helped produce strong track record AAUM (₹ cr) 841 *****</p> <p>RETURNS (%) 3 Months -11.5 1 Year 8.1 3 Years 6.7 5 Years 16.1</p>
<p>UTI Equity Has invested in auto and FMCG, two beneficiaries of this budget AAUM (₹ cr) 2187 *****</p> <p>RETURNS (%) 3 Months -9.6 1 Year 11.2 3 Years 7.3 5 Years 12.1</p>	<p>UTI Opportunities Should capitalise on its top bets: Financial and FMCG AAUM (₹ cr) 1587 *****</p> <p>RETURNS (%) 3 Months -9.1 1 Year 12.2 3 Years 7.9 5 Years 12.7</p>

DEBT LOWER BORROWING, SOFTENING RATES TO BENEFIT FUNDS

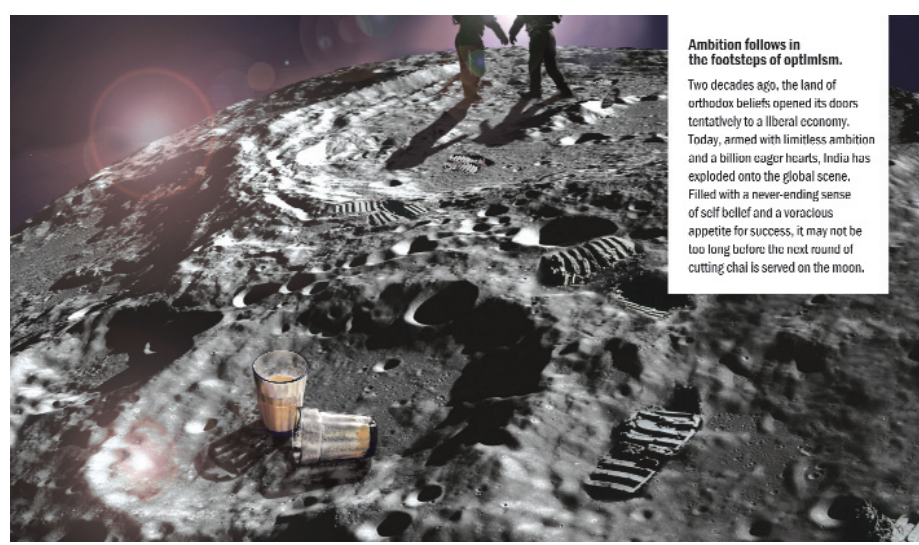
<p>BSL Dynamic Bond Ret Lower fiscal deficit might benefit as yields expected to soften AAUM (₹ cr) 5305 *****</p> <p>RETURNS (%) 3 Months 1.3 1 Year 5.4 3 Years 8.8 5 Years 8.6</p>	<p>Canara Robeco Income With an average maturity of 5.30 years, is gearing for a fall in rates AAUM (₹ cr) 253 *****</p> <p>RETURNS (%) 3 Months 1.5 1 Year 5.9 3 Years 13.3 5 Years 10.2</p>
<p>Canara Robeco ST Inst A new kid, but has already made its mark among its peers AAUM (₹ cr) 95 *****</p> <p>RETURNS (%) 3 Months 1.8 1 Year 5.9 3 Years - 5 Years -</p>	<p>IDFC SSI Medium-term - A Has a concentrated portfolio. May get a boost from rate decline AAUM (₹ cr) 277 *****</p> <p>RETURNS (%) 3 Months 0.9 1 Year 5.9 3 Years 9.1 5 Years 8.3</p>
<p>Sahara Income Small size allows it to adjust portfolio according to situation AAUM (₹ cr) 5 *****</p> <p>RETURNS (%) 3 Months 2.0 1 Year 6.0 3 Years 9.6 5 Years 8.8</p>	<p>Templeton India ST Inc. Inst Consistent top performer, has done well in all market situations AAUM (₹ cr) 1404 *****</p> <p>RETURNS (%) 3 Months 1.2 1 Year 5.8 3 Years 9.0 5 Years 8.8</p>

SECTORAL AGRI, INFRA AND BANKING FUNDS ARE THE MAIN BENEFICIARIES

<p>Canara Robeco Infra. Strong contender in the category, expected to do well in long run AAUM (₹ cr) 156 *****</p> <p>RETURNS (%) 3 Months -8.1 1 Year 6.2 3 Years -0.9 5 Years 12.2</p>	<p>Franklin FMCG Likely to benefit from measures to improve agriculture sector AAUM (₹ cr) 50 *****</p> <p>RETURNS (%) 3 Months -9.2 1 Year 22.5 3 Years 17.5 5 Years 12.9</p>
<p>ICICI Pru Infrastructure Hike in infrastructure allocation will boost performance AAUM (₹ cr) 3421 *****</p> <p>RETURNS (%) 3 Months -9.2 1 Year 2.2 3 Years -2.5 5 Years 16.3</p>	<p>Magnum FMCG Performance picking up. Agri bets will drive performance AAUM (₹ cr) 33 *****</p> <p>RETURNS (%) 3 Months -9.4 1 Year 27.2 3 Years 21.6 5 Years 11.2</p>
<p>Reliance Banking Retail Positives for sector will help the best-performing banking fund AAUM (₹ cr) 1636 *****</p> <p>RETURNS (%) 3 Months -12.5 1 Year 36.1 3 Years 16.8 5 Years 25.9</p>	<p>Reliance Div Power Sector Should capitalise on tax-break given to sector in Budget AAUM (₹ cr) 4603 *****</p> <p>RETURNS (%) 3 Months -17.9 1 Year -10.2 3 Years -1.7 5 Years 20.6</p>
<p>Sundaram Rural India Reg Government's pro-rural and inclusive policies will help AAUM (₹ cr) 283 *****</p> <p>RETURNS (%) 3 Months -16.6 1 Year 9.7 3 Years -4.2 5 Years -</p>	<p>Tata Infrastructure Large-cap fund will benefit from increased government spending AAUM (₹ cr) 1996 *****</p> <p>RETURNS (%) 3 Months -14.6 1 Year -1.3 3 Years -5.2 5 Years 12.3</p>
<p>UTI Banking Sector Reg Lower govt borrowings will soften rates and benefit fund. AAUM (₹ cr) 250 *****</p> <p>RETURNS (%) 3 Months -12.5 1 Year 24.6 3 Years 9.0 5 Years 20.7</p>	<p>UTI Transp. & Logistics Budget's boost to hybrid and electric vehicles a boost to sector AAUM (₹ cr) 71 *****</p> <p>RETURNS (%) 3 Months -19.9 1 Year 8.8 3 Years 14.9 5 Years 5.5</p>

A Low-Impact Budget for MF Investors

Funds will continue to generate returns from market movements



TAPROOT INDIA
The ubiquitous cutting chai glass on the moon represents the relentless drive of Indians. The spirit of enterprise the cutting chai stands for has time and again beaten the "backward" and "poor" tag that India and Indians have had to encounter

How the Funds Were Rated...
VALUE RESEARCH STAR Rating is a composite measure of a fund's return with risk relative to its peers in the category. Risk is measured by taking a fund's return for each month since its launch and comparing it to the returns given by a riskless investment. For equity funds, the ratings for two time periods (3 & 5 years) are combined. For debt funds, the ratings are based on an 18-month weekly risk-adjusted performance

BUDGET 2011 DOES NOT MAKE any major changes in the structure of fund investments. For corporate investors, the dividend distribution tax on debt fund investments has been increased, removing their tax advantage over bank deposits. This takes away one of the imperatives for investing in these funds. The budget also allows equity mutual funds to access foreign investors. While this market will take some time to develop, it isn't something that will impact the returns that domestic fund investors can generate.

From the perspective of immediate investment prospects for MF investors, this is a low-impact budget. Fund investors' gains will largely come from the direction that equities take in general, rather than any differentiated impact for specific sectors or corporates.

The budget has a rural push. There are no major funds with this specific focus.

However, given that growing rural prosperity and disposable incomes are now well correlated with FMCG markets, we are including FMCG funds.

Higher plan outlay and continued all-round emphasis for infrastructure will boost the sector.

Moreover, the relaxation of FII investment in infrastructure bonds will give infrastructure companies easy access to credit.

For allied sectors like cements and power, the reduction in import duty on raw materials and equipment will benefit the companies related to this sector.

Lower-than-expected government borrowings will lessen the pressure on the money market, freeing up more resources for corporates. Banks will be under less pressure to participate in the gilts market. It will indirectly lead to a fall in interest rates, which will boost the treasury gains of banks. Hence we are including banking funds and longer term debt funds.

Lack of expected negatives is little bit positive for the auto industry, while realty may be able to take some comfort from the relaxation of limits for low-cost housing.

MONEY BEING EATEN UP BY TAX?

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FOR THE 3RD YEAR RUNNING

The ICRA 7-Star Gold Award ELSS category

FOR THE 3RD YEAR RUNNING

CNBC-TV18-CRISIL Mutual Fund of the Year Award 2011 ELSS category

FOR THE 2ND YEAR RUNNING

Morningstar Fund Awards (India) ELSS (Tax Savings) category

Past performance is no guarantee of future results.

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INVEST WITH THE WORLD'S MUTUAL FUND MANAGER

* ICRA Award: Fidelity Tax Advantage Fund has been ranked as a Seven-Star/Best Fund and a Five-Star Fund in the 'Open-Ended Equity Linked Savings Scheme (ELSS)' category for its 3-year and 1-year performance respectively till December 31, 2010. The ranks are an outcome of an objective and comparative analysis against various parameters, including: risk adjusted return, fund size, company concentration, portfolio turnover and liquidity. The ranking methodology did not take into account entry and exit loads imposed by the Fund. There were 23 schemes and 34 schemes considered for the 3-year and 1-year performance respectively in 'Open-Ended Equity Linked Savings Scheme (ELSS)' category for the ranking exercise. The rank is neither a certificate of statutory compliance nor any guarantee on the future performance of Fidelity Tax Advantage Fund. Ranking Source & Publisher: ICRA Online Limited. Morningstar Award: Fidelity Tax Advantage Fund – Dividend has been awarded the Morningstar Fund Awards (India) in the 'India Open-Ended ELSS (Tax Savings)' category for its one-year and three-year performance ending December 31, 2010. The methodology eliminates schemes based on fund size, below-median calendar year returns, and allocates a score on the basis of returns in one-year and three-year periods and the risk rank for a three-year period. The methodology also includes various qualitative measures like the portfolio manager's tenure with the fund, the fund's deviation from its investment mandate, among others. There were 18 fund classes considered in 'India Open-Ended ELSS (Tax Savings)' category for the award exercise. Loads were not considered while calculating returns. The award should not be construed as an offer, the solicitation of an offer, to buy or sell securities, by Morningstar. It is neither a certificate of statutory compliance nor any guarantee on the future performance. Ranking Source: Morningstar India. CNBC-TV18-CRISIL Award: Fidelity Tax Advantage Fund won the CNBC-TV18-CRISIL Mutual Fund of the Year Award 2011 in the Equity Linked Savings Schemes Category. In total 25 schemes were eligible for the award universe. Schemes present in all four quarterly CRISIL CPRs were considered for the award. The award is based on consistency of the Scheme's performance in the four quarterly CRISIL CPR rankings released during the calendar year 2010. The individual CRISIL CPR parameter scores averaged for the four quarters were further multiplied by the parameter weights as per the CRISIL CPR methodology to arrive at the final scores. For more information visit www.crisil.com. Ranking Source: CRISIL Fund Services, CRISIL Ltd. Scheme Classification: An open-ended equity linked savings scheme. Investment Objective: To generate long-term capital growth from a diversified portfolio of predominantly equity and equity-related securities • Loads - Exit: NIL. No Exit Load/CDSC will be chargeable in case of switches made between different options of the Scheme. No Exit Loads will be chargeable in case of; (i) Units allotted on account of dividend reinvestments; and (ii) Units issued by way of bonus, if any. Risk Factors: Mutual funds, like securities investments, are subject to market risks and there is no guarantee against loss in the Scheme or that the Scheme's objectives will be achieved. • As with any investment in securities, the NAV of the Units issued under the Scheme can go up or down depending on various factors and forces affecting capital markets. • Past performance of the Sponsor/the AMC/the Mutual Fund does not indicate the future performance of the Scheme. • Fidelity Tax Advantage Fund is the name of the Scheme, and this does not in any manner indicate the quality of the Scheme, its future prospects or returns. • Units issued under the Scheme will not be redeemed until the expiry of 3 years from the date of their allotment, thus restricting the ability to realise returns on such investments for the first 3 years. • Investments in the Scheme will be affected by trading volumes, settlement periods, volatility, price fluctuations, inability to sell securities, disinvestment of holdings of any unlisted stocks prior to target date of disinvestment, credit risk and interest rate risk. • Please read the Scheme Information Document and Statement of Additional Information carefully before investing. Please consult your tax adviser before investing. Statutory: Fidelity Mutual Fund (the Fund) has been established as a Trust under the Indian Trusts Act, 1882, by FIL Investment Advisors (liability restricted to Rs. 1 Lakh), FIL Trustee Company Private Limited, a company incorporated under the Companies Act, 1956, with a limited liability is the Trustee to the Fund, FIL Fund Management Private Limited, a company incorporated under the Companies Act, 1956, with a limited liability is the Investment Manager to the Fund. Fidelity, Fidelity International and Pyramid Logo are trademarks of FIL Limited.