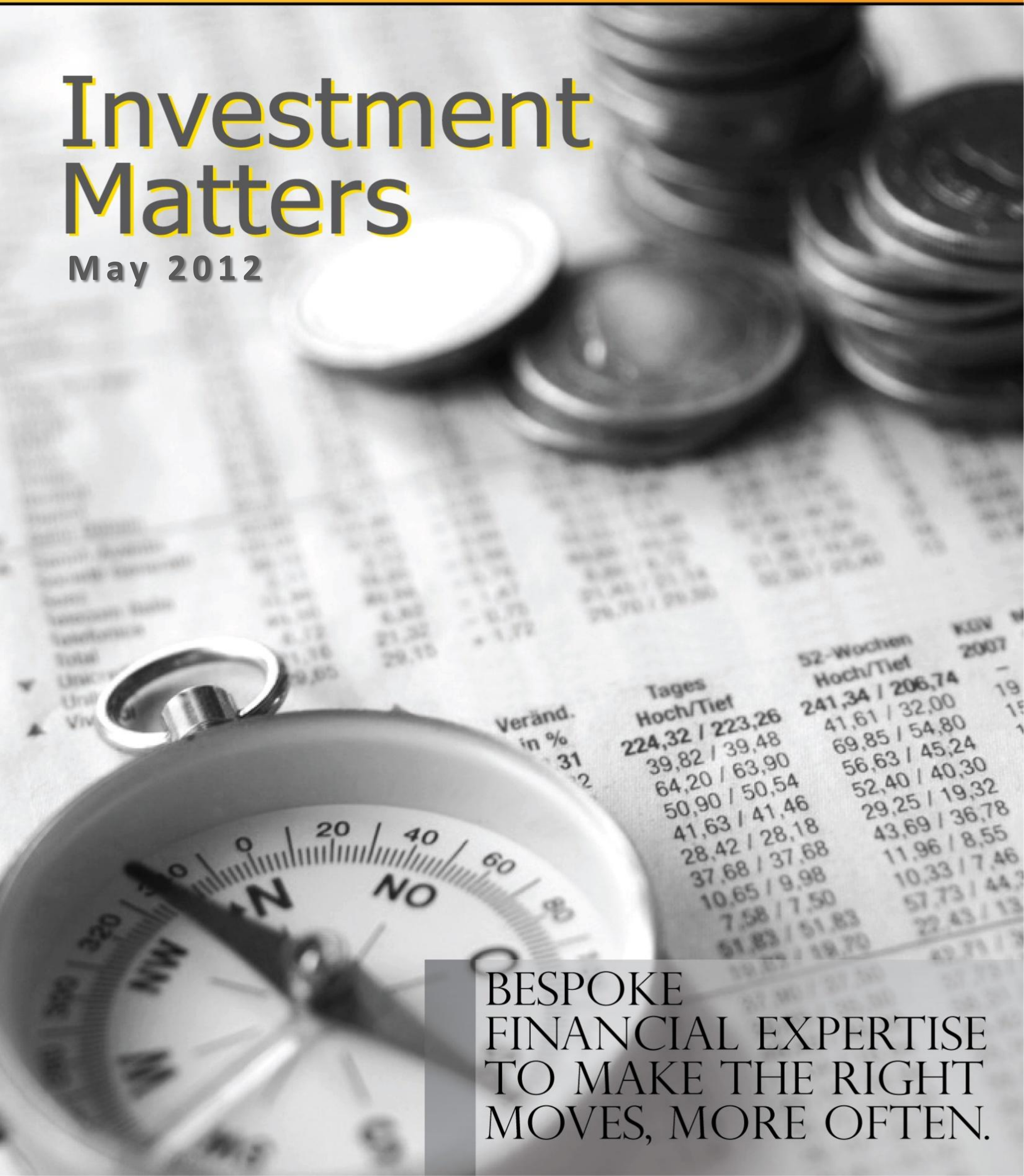
ALCHEMY
PRIVATE WEALTH

Investment Matters

May 2012



BESPOKE
FINANCIAL EXPERTISE
TO MAKE THE RIGHT
MOVES, MORE OFTEN.

EQUITY OUTLOOK FROM CIO'S DESK

The RBI surprised the market with a 50 bps cut in rates and bringing focus back to supporting growth rather than only inflation. We had written about this possibility (March newsletter) of government prodding the RBI to cut rates to support growth going ahead. However, RBI toned down expectations of further rate cuts indicating that the economy is operating below potential, but only with a modest output gap, and secondly, upside risks to inflation still persists. The central bank in our view is following the right approach and putting the ball back in the government's court by asking it to act on controlling fiscal deficit and work on improving the current account deficit in the long term.

As we have been highlighting, the inability of the government to control subsidies and bring down fiscal deficit continues to hamper growth prospects for India thereby affecting sentiment towards equity markets. The central government fiscal deficit can potentially be closer to 5.5-6% of GDP for FY13 if current state of affairs continues. Crude prices are a key determinant of the fiscal deficit and the high current account deficit. Right pricing of fuel in the domestic markets can bring a meaningful change in India's long term growth story. However, taking these unpopular decisions are not easy and needs strong political will at the centre. Post the recent state elections especially the UP elections, the current ruling coalition, which is already facing a difficult situation with most of its current allies, is now politically weaker. It would find it extremely difficult to pull through any serious reforms. A silver lining among all the bad news on fiscal deficit is that all state government combined fiscal deficit has been steady at closer to 2.4% of GDP, more positive is the fact that in terms of revenue deficit, state governments are performing much better with a close to 0% revenue deficit for FY12. Hence the combined fiscal deficit of central + state government continues to be steady, though has much room to improve going ahead.

Europe continues to be a region in news for the wrong reasons. Newsflow on the election verdict in a few countries like Greece, France, etc could result in uncertainties with respect to austerity measures and how that could potentially impact the fiscal support granted by EU/ECB. Officially on last count 10 European region countries have gone into recession with Q-o-Q degrowth in GDP for 2 consecutive quarters. Europe as a region will continue to grow at a slow pace till such time they are able to take care of their fiscal as well as high consumer leverage issues. The only upshot to poor growth could be its impact by way of lower oil prices which could be positive for India.

Monsoon will be a key event going ahead in India. Early indications suggest that FY13 monsoon will once again be normal. FY12 crop production has been at all time highs and the government is contemplating allowing exports for food grains in FY13, this has a potential to keep sentiment on the positive side among farmers thereby having positive impact on the consumption demand in the country.

We expect CY12 to be a year of stock picking with markets mostly range bound and better performing companies being rewarded for their consistent performance. Happy Investing.

Hiren Ved

Chief Investment Officer
Alchemy Capital Management Pvt. Ltd

DEBT OUTLOOK

Bond market cheered RBI policy but showed their concerns on following developments:

- Rating agency S&P though kept India's sovereign rating at BBB- but downgraded its outlook from stable to negative primarily due to slowing economic growth and widening current account deficit
- GAAR continued to overweigh the market sentiments with no clarity emerging on the taxation to global investing flows (FDI & FII)
- Widening Current account deficit and high fiscal deficit
- Depreciating Rupee

April month had its mixed bag of events with key economic indicators listed below:

- Inflation for the month of March remained steady at 6.89% compared to 6.95% for the previous month. Core inflation fell sharply to 4.66% from 5.75% in February.
- IIP for February came in 4.1% as compared to 1.1% in the previous month and 6.7% in the same month last year.
- Fiscal Deficit as a % of budgeted target stood higher at 94.6% in Apr-Feb FY12 compared to 68.6% last year.
- The rupee remained under pressure during the month with a sharp fall of about 2.6% and finally closing at 52.52 levels against dollar.
- The advance estimate of the GDP growth of 6.9 per cent for 2011-12 by the Central Statistics Office (CSO) came close to the Reserve Bank's baseline projection of 7.0 per cent.

Reserve Bank of India in its Annual Monetary Policy 2012-13 reduced the repo rate under the liquidity adjustment facility (LAF) by 50 basis points. The repo rate accordingly dropped from 8.5 to 8.0 per cent. RBI also in order to provide greater liquidity cushion, raised the borrowing limit of scheduled commercial banks under the marginal standing facility (MSF) from one per cent to two per cent of their net demand and time liabilities (NDTL).The larger than expected rate cut had a direct impact on the bonds market which saw yields falling 15 – 25 bps across the curve. However, sovereign and corporate curves grappled with supply pressures along with continued liquidity issues which saw them shed all the gains. 10 year government bond yields rose towards 8.65% - 8.70% towards the month close. Inflation outlook remained worrisome due to weakening INR and elevated crude oil prices.

Domestic systemic liquidity conditions improved in the early part of April in line with expectations. With government spending approximately INR 1,17,000 crores from the amount collected as advance taxes in March till mid of April reducing the deficit to INR 85,000 crores. However, consequent seasonal leakage on account of currency with public took liquidity deficit back to INR 1, 20,000 crores level. Moreover with the volatility seen in Rupee, RBI is expected to intervene in forex market hence affecting rupee liquidity.

We believe the longer end of the yield curve is expected to remain volatile given projected high fiscal deficit and government borrowing programme this fiscal. Short term rates are still at elevated levels given the stressed liquidity. Going forward we expect the yield curve to steepen bullishly (short end rates falling faster than long rates) over the next 2 – 3 months.

DEBT OUTLOOK

The short end rates currently are still highs hence we suggest short term funds with low average maturity and high carry in the portfolio as a superior investment option. Longer end of the curve would react once there is clear sign of RBI indicating policy rate cuts. Investors with higher risk appetite can invest a part of their portfolio in dynamic bond funds to play safe duration calls to generate better risk adjusted returns.

Rupesh Nagda

Head – Investments & Products
Alchemy Capital Management Pvt. Ltd

Alchemy High Growth

Bright Prospects for a Bright Future

Investment Strategy: The strategy aims to generate long-term returns by investing in equities across market capitalizations, but with a strong mid-cap bias.

Fund Manager: Mr. Chandraprakash Padiyar is a portfolio manager with over 10 years of research and investing experience. He is an MBA and CFA by qualification. He started his career in equity research and analysis at UTI Mutual Fund and later graduated to portfolio manager, managing assets across various equity schemes totaling Rs. 2,500 crores. He has been a portfolio manager with Alchemy since April 2007.

Strategy at a Glance

Category: Equity Diversified
Fund Style: Multi-cap Growth
Type: Open Ended
Launch Date: 08 May, 2002
Benchmark: BSE 500
Min. investment: Rs. 50 lacs

Portfolio Action: Equity markets remained weak during the month post a weak March 2012 with a fall of 0.9% on both the Nifty and the BSE 500. FII flows turned negative with net selling of $209 mn while DIIs bought net $172 mn.

As we have been highlighting, the inability of the government to control subsidies and bring down fiscal deficit continues to hamper growth prospects for India thereby affecting sentiment towards equity markets. The central government fiscal deficit can potentially be closer to 5.5-6% of GDP for FY13 if current state of affairs continues. A silver lining among all the bad news on fiscal deficit is that all state government combined fiscal deficit has been steady at 2.4% of GDP, more positive is the fact that in terms of revenue deficit, state governments are performing much better with a close to 0% revenue deficit for FY12. Hence the combined fiscal deficit of central + state government continues to be steady, though has much room to improve going ahead.

Monsoon will be a key event going ahead which can help sustain the current growth momentum for FY13. Early indications suggest that FY13 monsoon will once again be normal. FY12 crop production has been at all time highs and the government is contemplating allowing exports for food grains in FY13, this has a potential to keep sentiment on the positive side among farmers thereby having positive impact on the consumption demand in the country.

RBI, in a surprise move, cut the repo rate by 50bps to 8%. The cut was based on two considerations – growth slowdown (slowed to 6.1% in 3QFY12) and decline in core inflation (declined to 4.7% in March). However, RBI toned down expectations of further rate cuts indicating that the economy is operating below potential, but only with a modest output gap, and secondly, upside risks to inflation still persists.

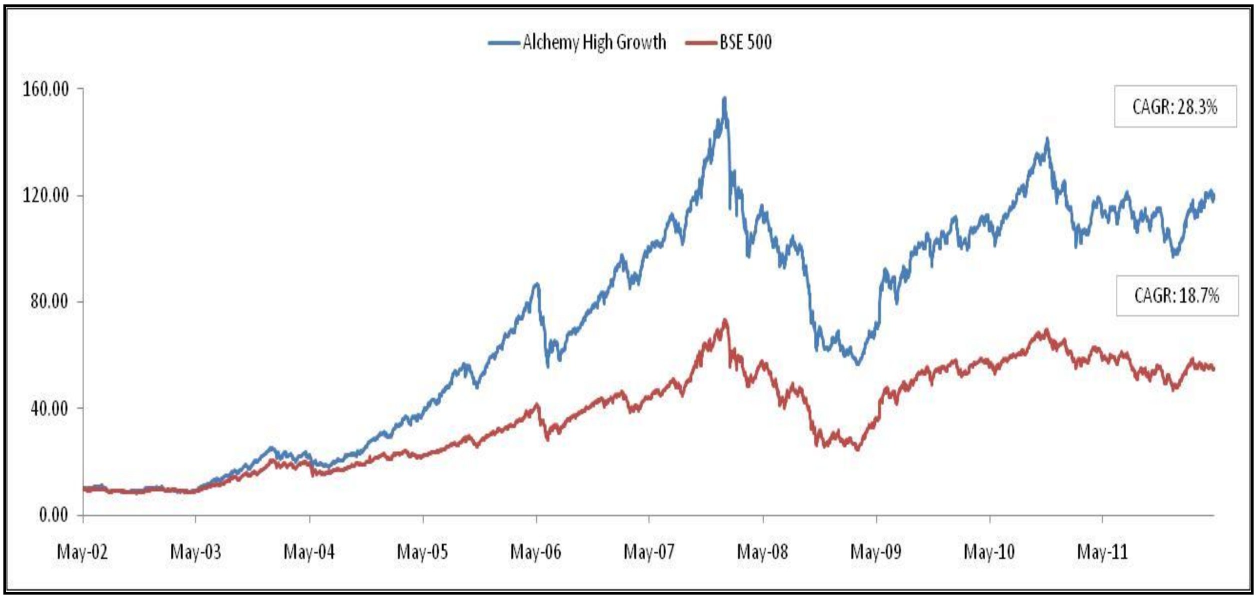
During the month we exited out of our telecom positions i.e. Bharti Airtel and Idea Cellular. TRAI (Telecom regulator) came out with its recommendations for spectrum auction pricing and refarming of spectrum. We think these recommendations can impact financials of the telecom sector negatively in a significant fashion and hence have decided to exit. Depending on the stand taken by the government, we will review our decision on this sector once again.

We are focused on companies having healthy balance sheets along with stable growth profile. Our preference for leaders in the respective sectors/themes have played out well over the past few years and expect the trend to continue going ahead.

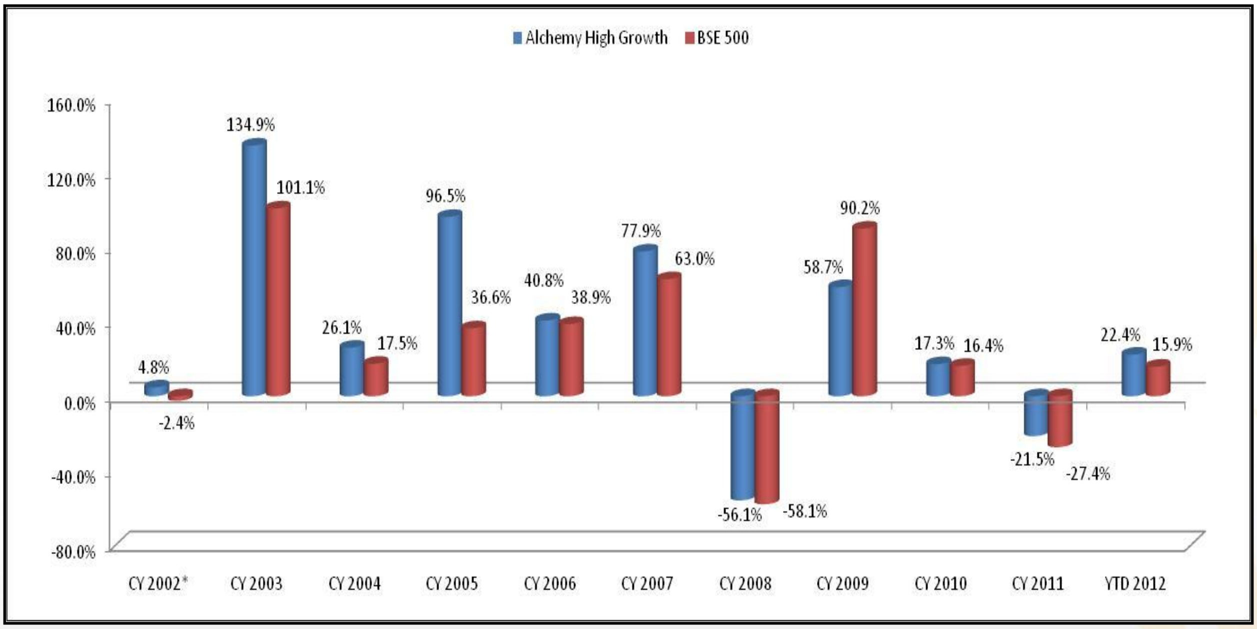
Overall we expect FY13 to be a year of stock picking with markets mostly range bound and better performing companies being rewarded for their consistent performance. We expect to continue to outperform the benchmark indices going ahead and deliver strong absolute returns over the long term.

Alchemy High Growth

Bright Prospects for a Bright Future



* CAGR as on 30 Apr, 2012



* From inception of product (08 May, 2002)

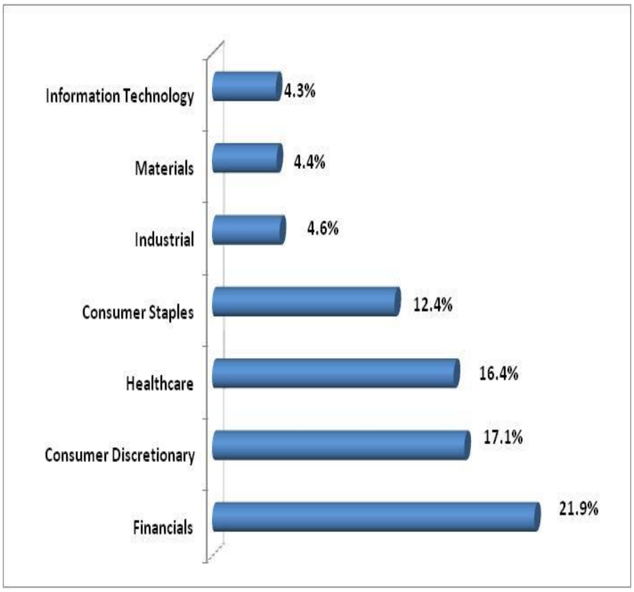
Note: The above returns are for a model portfolio; the investor's actual portfolio may differ.

PMS PRODUCT PERFORMANCE

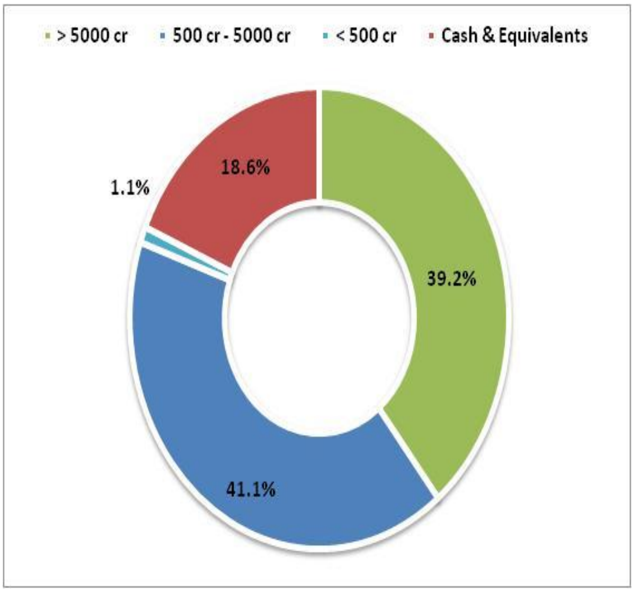
Alchemy High Growth

Bright Prospects for a Bright Future

TOP SECTORS (%)



MARKET CAP ALLOCATION



PERIODIC RETURNS

Period	Alchemy High Growth	Benchmark
6 Month	4.3%	-1.0%
1 Yr	2.4%	-9.8%
3 Yr	21.1%	17.4%
5 Yr	4.0%	4.8%
Since Inception	28.3%	18.7%

RATIO ANALYSIS

Parameter	Alchemy High Growth (since inception)	Benchmark (since inception)
Std. Dev.	23.8%	25.7%
Sharpe	0.84	0.40
Beta	0.77	1

As on 30 Apr, 2012

Alchemy Leaders

Quest for the Best

Investment Strategy: The strategy aims to generate long-term returns by investing in large-cap equities.

Fund Manager: Mr. Chandraprakash Padiyar is a portfolio manager with over 10 years of research and investing experience. He is an MBA and CFA by qualification. He started his career in equity research and analysis at UTI Mutual Fund and later graduated to portfolio manager, managing assets across various equity schemes totaling Rs2,500 crores. He has been a portfolio manager with Alchemy since April 2007.

Strategy at a Glance

Category:	Equity Diversified
Fund Style:	Large-cap Growth
Type:	Open Ended
Launch Date:	21 Dec, 2006
Benchmark:	S&P CNX Nifty
Min. investment:	Rs50 lacs

Portfolio Action: Equity markets remained weak during the month post a weak March 2012 with a fall of 0.9% on both the Nifty and the BSE 500. FII flows turned negative with net selling of $209 mn while DIIs bought net $172 mn.

As we have been highlighting, the inability of the government to control subsidies and bring down fiscal deficit continues to hamper growth prospects for India thereby affecting sentiment towards equity markets. The central government fiscal deficit can potentially be closer to 5.5-6% of GDP for FY13 if current state of affairs continues. A silver lining among all the bad news on fiscal deficit is that all state government combined fiscal deficit has been steady at 2.4% of GDP, more positive is the fact that in terms of revenue deficit, state governments are performing much better with a close to 0% revenue deficit for FY12. Hence the combined fiscal deficit of central + state government continues to be steady, though has much room to improve going ahead.

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RBI, in a surprise move, cut the repo rate by 50bps to 8%. The cut was based on two considerations – growth slowdown (slowed to 6.1% in 3QFY12) and decline in core inflation (declined to 4.7% in March). However, RBI toned down expectations of further rate cuts indicating that the economy is operating below potential, but only with a modest output gap, and secondly, upside risks to inflation still persists.

During the month we exited out of our telecom positions i.e. Bharti Airtel and Idea Cellular. TRAI (Telecom regulator) came out with its recommendations for spectrum auction pricing and refarming of spectrum. We think these recommendations can impact financials of the telecom sector negatively in a significant fashion and hence have decided to exit. Depending on the stand taken by the government, we will review our decision on this sector once again.

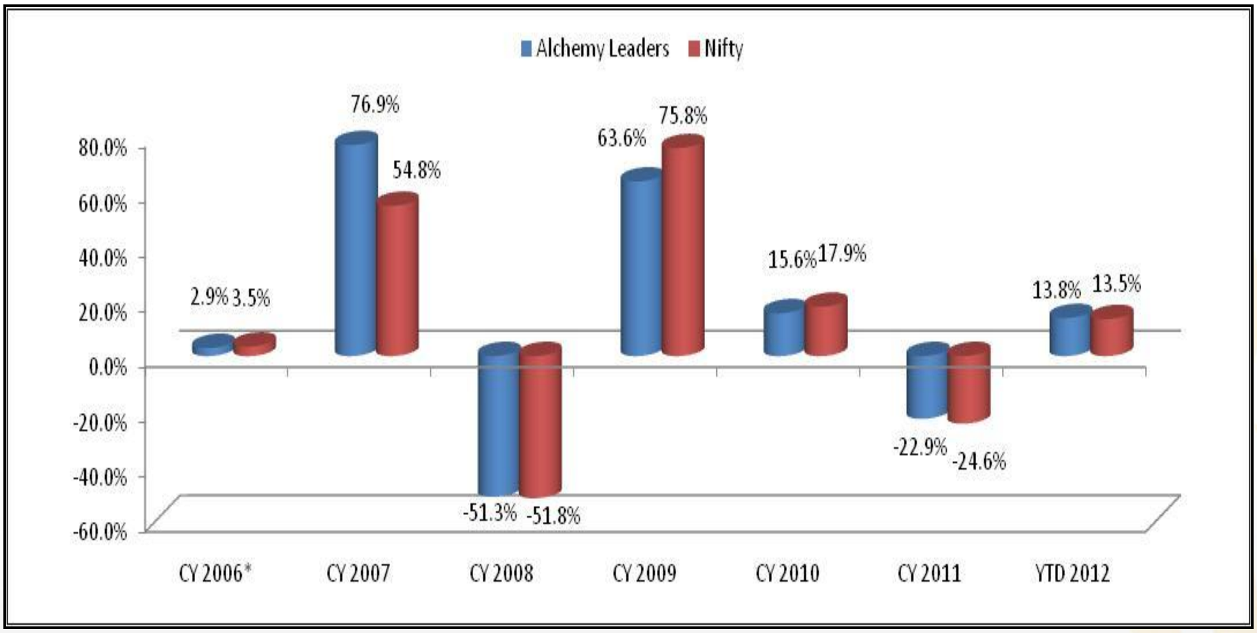
We are focused on companies having healthy balance sheets along with stable growth profile. Our preference for leaders in the respective sectors/themes have played out well over the past few years and expect the trend to continue going ahead.

Overall we expect FY13 to be a year of stock picking with markets mostly range bound and better performing companies being rewarded for their consistent performance. We expect to continue to outperform the benchmark indices going ahead and deliver strong absolute returns over the long term.

Alchemy Leaders

Quest for the Best

* CAGR as on 30 Apr, 2012



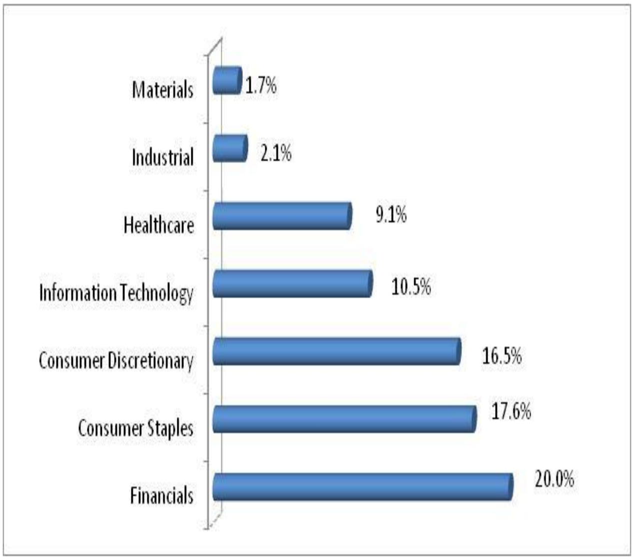
* From inception of product (21 December, 2006)

Note: The above returns are for a model portfolio; the investor's actual portfolio may differ.

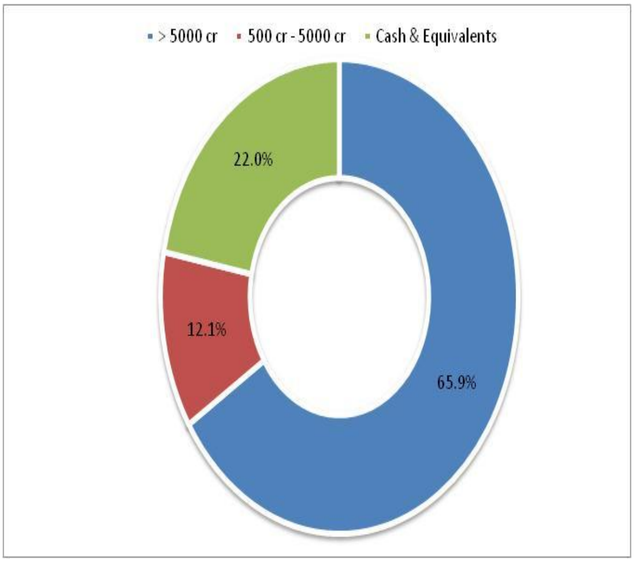
Alchemy Leaders

Quest for the Best

TOP SECTORS (%)



MARKET CAP ALLOCATION



PERIODIC RETURNS

Period	Alchemy Leaders	Benchmark
6 Month	1.6%	-1.5%
1 Yr	-3.5%	-8.7%
3 Yr	15.6%	14.7%
5 Yr	4.6%	5.1%
Since Inception	7.5%	6.0%

As on 30 Apr, 2012

RATIO ANALYSIS

Parameter	Alchemy Leaders (since inception)	Benchmark (since inception)
Std. Dev.	20.9%	29.2%
Sharpe	-0.04	-0.08
Beta	0.63	1

Wealth Insight

The Indian equity markets continue to be driven by FII flows. Slowing FII buying has seen markets trend down. FII flow for the past month turned negative with net selling of $209 mn while DIIs bought net $172 mn. Equity markets remained weak during the month post a weak March 2012 with a fall of 0.9% on both the Nifty and the BSE 500. It has been a tough time for equity investors since equity as an asset class has under-performed other asset classes for couple of years now. Times have been challenging, however we believe trend reversal is imminent. Investors based on their risk appetite should enter equity funds through systematic planning and maintain the discipline of asset allocation. We believe that better value and visibility is available in a lot of mid and small cap companies, therefore to investors who are willing to tap in the opportunities thrown by equity markets we have allocated 70%, 40% and 10% in equities under Aggressive, Moderate and Conservative asset allocation portfolios respectively.

On the debt market side RBI's larger-than-expected rate cut led to yields falling 15 – 25 bps across the curve. However, sovereign and corporate curves grappled with supply pressures along with continued liquidity issues which saw them shed all the gains. 10 year government bond yields rose towards 8.65% - 8.70% towards the month close. We believe the longer end of the yield curve is expected to remain volatile given projected high fiscal deficit and government borrowing programme this fiscal and thus are neutral with negative bias. Short term rates are still at elevated levels given the stressed liquidity. Going forward we expect the yield curve to steepen bullishly (short end rates falling faster than long rates) over the next 2 – 3 months. The short end rates currently being high we suggest short term funds with low average maturity and high carry in the portfolio as a superior investment option. Longer end of the curve would react once there is clear sign of RBI indicating policy rate cuts. Investors with higher risk appetite can invest a part of their portfolio in dynamic bond funds to play safe duration calls to generate better risk adjusted returns. We have allocated 80%, 50% and 20% in debt under Conservative, Moderate and Aggressive asset allocation portfolios respectively.

The MCX Gold price closed at Rs 29175 as on 30th April 2012 posting a rise of 3.9% m-o-m and YTD gain of 7.6%. On long term basis gold continues to remain strong and spurring investment in gold looks attractive. We believe that gold is going to be firm and post new highs in coming times due to uncertainty in global markets. Therefore to tap this opportunity we have allocated 10% of portfolio towards gold across all asset allocation portfolios.

Our focus continues on monitoring key economic and policy indicators. Firstly the trends in the interest rate scenario in coming times. Second being the GDP growth numbers along with the general demand in the economy, third current account and fiscal deficit number and lastly crude prices and inflation. We expect interest rates to start easing out from current levels but would continue to remain volatile throughout the year.

We believe Markets, be it equity, fixed income or commodities tends to be volatile and keep throwing opportunities with equal risks. Prudent investment strategy is to follow asset allocation process. We are of firm belief that one can ride any market crisis if he religiously follows the asset allocation while planning his or her investments. Based on our understanding of different asset classes we suggest following asset allocation for different profiles:

Asset Allocation			
Asset Class	Conservative	Moderate	Aggressive
Debt	80	50	20
Equity	10	40	70
Gold	10	10	10
Sub Asset Allocation			
Short term fund	40	30	10
Dynamic Funds	30	20	10
Gilts	0	0	0
Hybrid	10	0	0
Gold	10	10	10
Large Cap Equity	5	20	20
Diversified funds	5	20	30
Mid cap equity	0	0	20
Thementic equity	0	0	0
Total	100	100	100

Asset Allocation strategy for Conservative profile:

The objective is to conserve the capital along with growth at optimal returns i.e. better then bank deposit. We recommend an asset mix of 10% in Equities, 10% in Gold and 80% in Debt. Equity allocation should be strictly in large cap funds and diversified funds with better risk management approach. The equity allocation should be staggered over six months to ride the volatility. Debt allocation is through the mix of short term debt portfolios and dynamic bond funds. We expect yields to be range bound between 8.15% to 8.60% and short term yield would be at elevated levels due to tight liquidity. We expect short term yields to fall from these levels over next 1-2 months as RBI pauses it's tightening cycle in terms of policy rates and hence done major allocation in short term and medium term funds. 30% is allocated to dynamic bond funds to capture the any fall in long term bond yields. High inflation could be a risk to interest rates. We have allocated 10% in Gold which is considered as the best hedge against inflation and a safe haven in turbulent times.

Asset allocation strategy for Moderate profile:

The objective of Moderate portfolio is to generate optimal rate of return with medium risk. We recommend an asset mix of 40% in Equity, 10% in Gold and 50% in Debt. Equity allocation should be diversified in products carrying less risk and it is prudent to stagger over next six months. We have allocated 20% to large cap equity funds and 30% in diversify equity funds. Debt allocation is through the mix of short term debt portfolios and dynamic bond funds. We expect yields to be range bound between 8.15% to 8.60% and short term yield would be at elevated levels due to tight liquidity.

We expect short term yields to fall from these levels over next 1-2 months as RBI pauses it's tightening cycle in terms of policy rates and hence done major allocation in short term and medium term funds. High inflation could be a risk to interest rates. We have allocated 10% in Gold which is considered as the best hedge against inflation and a safe haven in turbulent times.

Asset Allocation strategy for Aggressive profile:

Our research suggests that equities are poised for better growth in medium to long term. Markets are fairly valued at this point of time. We recommend asset split of 70% in Equities, 10% in Gold and 20% in Debt. Under equities, allocation is properly diversified between different styles of investments and themes to bring in more consistency in the portfolio return. We expect mid and small caps would post better returns going forward as the valuation gap between CNX Midcap index and Nifty has widen to 450bps, so we have allocated 20% in pure mid and small cap portfolios, 30% in diversified & value strategy and 20% in large cap portfolio. We recommend investments in equities to be staggered over next six months to ride the market volatility. Debt allocation should be through and short term debt. We have allocated 10% in Gold which is by far the best hedge against inflation and considered as safe haven in turbulent times.

Reference Model Portfolio for 100% Equity Profile:

Aggressive 100% equity portfolio		Scheme Returns (%)						Portfolio Returns (%)					
		1 month	3 months	6 Months	1 Year	3 Years	5 Years	1 month	3 months	6 Months	1 Year	3 Years	5 Years
DSP BlackRock Small and Midcap Fund - Growth	10%	0.73	11.05	0.83	-4.22	33.24	10.26	0.07	1.11	0.08	-0.42	3.32	1.03
Fidelity Equity Fund - Growth	10%	-1.16	3.02	-1.94	-6.54	22.64	9.07	-0.12	0.30	-0.19	-0.65	2.26	0.91
HDFC Equity Fund - Growth	10%	-0.83	6.34	1.39	-9.34	26.84	11.40	-0.08	0.63	0.14	-0.93	2.68	1.14
HDFC Top 200 - Growth	10%	-1.09	4.81	0.52	-7.43	22.77	12.23	-0.11	0.48	0.05	-0.74	2.28	1.22
ICICI Prudential Discovery Fund - Growth	10%	2.55	11.64	9.92	-0.92	34.96	13.16	0.26	1.16	0.99	-0.09	3.50	1.32
ICICI Prudential Focused Bluechip Equity Fund - Ret - Growth	10%	-0.98	3.46	-0.37	-3.98	22.90	--	-0.10	0.35	-0.04	-0.40	2.29	--
Mirae Asset India Opportunities Fund - Reg - Growth	10%	-0.90	4.94	1.47	-3.86	27.88	--	-0.09	0.49	0.15	-0.39	2.79	--
Reliance Equity Opportunities Fund - Growth	10%	1.95	10.66	6.22	2.29	34.81	11.53	0.19	1.07	0.62	0.23	3.48	1.15
Tata Equity P/E Fund - Growth	10%	-3.20	5.14	1.27	-7.70	23.35	10.95	-0.32	0.51	0.13	-0.77	2.33	1.09
UTI Opportunities Fund - Growth	10%	-1.47	4.91	2.62	1.73	24.55	14.88	-0.15	0.49	0.26	0.17	2.46	1.49
Total	100%							-0.44	6.60	2.19	-4.00	27.39	--
S&P Nifty		-0.90	3.16	-2.10	-8.70	14.73	5.12	-0.90	3.16	-2.10	-8.70	14.73	5.12
CNX Midcap		-3.12	7.66	3.19	-8.88	24.59	7.32	-3.12	7.66	3.19	-8.88	24.59	7.32

As on 30 Apr, 2012 Source: MFI ICRA

ALCHEMY PRIVATE WEALTH

RECOMMENDED FUNDS

Recommended Funds	Returns (%)							
Equity Large cap	Risk Level	Suggested Horizon	1 Months	3 Months	6 Months	1 Year	3 Years	5 Years
Birla Sun Life Frontline Equity Fund - Plan A - Growth	Level 5	3 -5 years	-0.19	4.51	-0.56	-7.24	20.20	9.55
DSP BlackRock Top 100 Equity Fund - Growth	Level 5	3 -5 years	-0.03	4.79	2.88	-2.53	19.54	10.73
Franklin India Bluechip - Growth	Level 5	3 -5 years	-2.51	2.77	-1.29	-4.69	20.90	9.59
HDFC Top 200 - Growth	Level 5	3 -5 years	-1.09	4.81	0.52	-7.43	22.77	12.23
ICICI Prudential Focused Bluechip Equity Fund - Ret - Growth	Level 5	3 -5 years	-0.98	3.46	-0.37	-3.98	22.90	--
UTI Opportunities Fund - Growth	Level 5	3 -5 years	-1.47	4.91	2.62	1.73	24.55	14.88
S&P Nifty			-0.90	3.16	-2.10	-8.70	14.73	5.12
Equity Diversified	Risk Level	Suggested Horizon	1 Months	3 Months	6 Months	1 Year	3 Years	5 Years
DSP BlackRock Equity Fund - Growth	Level 5	3 -5 years	0.13	6.72	1.94	-5.26	23.22	--
HDFC Equity Fund - Growth	Level 5	3 -5 years	-0.83	6.34	1.39	-9.34	26.84	11.40
ICICI Prudential Dynamic Plan - Growth	Level 5	3 -5 years	-1.92	4.69	2.11	-5.17	22.35	9.15
Mirae Asset India Opportunities Fund - Reg - Growth	Level 5	3 -5 years	-0.90	4.94	1.47	-3.86	27.88	--
Reliance Equity Opportunities Fund - Growth	Level 5	3-5 years	1.95	10.66	6.22	2.29	34.81	11.53
S&P Nifty			-0.90	3.16	-2.10	-8.70	14.73	5.12
Equity Absolute Return Strategy	Risk Level	Suggested Horizon	1 Months	3 Months	6 Months	1 Year	3 Years	5 Years
Edelweiss Absolute Return Fund - Growth	Level 3	1-2 years	-0.17	1.73	2.89	4.25	--	--
Equity Mid cap & Small cap	Risk Level	Suggested Horizon	1 Months	3 Months	6 Months	1 Year	3 Years	5 Years
DSP BlackRock Small and Midcap Fund - Growth	Level 6	3 -5 years	0.73	11.05	0.83	-4.22	33.24	10.26
HDFC Mid-Cap Opportunities Fund - Growth	Level 6	3 -5 years	0.43	11.84	7.74	4.80	34.35	--
IDFC Premier Equity Fund - Plan A - Growth	Level 6	3 -5 years (Only SIP)	1.55	8.37	1.40	2.66	31.07	18.46
IDFC Sterling Equity Fund - Growth	Level 6	3 -5 years	4.05	14.75	6.90	1.13	30.94	--
UTI Master Value Fund - Growth	Level 6	3 -5 years	-0.50	6.51	-2.13	-8.89	30.40	11.47
CNX Midcap			-3.12	7.66	3.19	-8.88	24.59	7.32
Equity Value funds	Risk Level	Suggested Horizon	1 Months	3 Months	6 Months	1 Year	3 Years	5 Years
ICICI Prudential Discovery Fund - Growth	Level 6	3 -5 years	2.55	11.64	9.92	-0.92	34.96	13.16
Tata Equity P/E Fund - Growth	Level 5	3 -5 years	-3.20	5.14	1.27	-7.70	23.35	10.95
S&P Nifty			-0.90	3.16	-2.10	-8.70	14.73	5.12
Equity Sector funds	Risk Level	Suggested Horizon	1 Months	3 Months	6 Months	1 Year	3 Years	5 Years
Reliance Banking Fund - Growth	Level 8	5 years	-0.59	5.26	2.73	-12.18	28.95	19.59
Reliance Pharma Fund - Growth	Level 8	5 years	4.51	8.05	5.45	4.42	42.86	22.06
Equity Index fund	Risk Level	Suggested Horizon	1 Months	3 Months	6 Months	1 Year	3 Years	5 Years
Franklin India Index Fund - NSE Nifty Plan - Growth	Level 5	3 -5 years	-1.05	2.63	-2.73	-8.72	14.59	4.76
GS Nifty BeES	Level 5	3 -5 years	-0.94	3.18	-2.03	-7.76	15.54	5.85
UTI Nifty Fund - Growth	Level 5	3 -5 years	-1.02	2.82	-2.67	-8.96	14.11	4.39
S&P Nifty			-0.90	3.16	-2.10	-8.70	14.73	5.12
Balance funds	Risk Level	Suggested Horizon	1 Months	3 Months	6 Months	1 Year	3 Years	5 Years
HDFC Prudence Fund - Growth	Level 5	3 -5 years	0.33	7.06	4.06	-0.13	27.27	13.35
Reliance RSF - Balanced - Growth	Level 4	3 -5 years	0.31	7.18	3.96	-2.23	20.33	13.49
Tata Balanced Fund - Growth	Level 4	3 -5 years	0.68	6.83	4.04	1.97	22.49	10.59
Crisil Balanced Fund Index			-0.76	2.33	0.03	-3.13	11.80	6.74

As on 30 Apr, 2012
Source: MFI ICRA

RECOMMENDED FUNDS

Recommended Funds	Returns (%)								
MIP-Conservative	Risk Level	Suggested Horizon	1 Months	3 Months	6 Months	1 Year	3 Years	5 Years
Birla Sun Life MIP II - Savings 5 - Growth	Level 2	1 year+	0.82	2.62	5.18	9.40	8.04	10.48
UTI - MIS - Advantage Fund - Growth	Level 3	1 year+	0.68	2.96	3.46	4.49	9.24	8.57
Crisil MIP Blended Index			0.49	2.06	3.82	5.62	6.98	7.11
MIP-Aggressive	Risk Level	Suggested Horizon	1 Months	3 Months	6 Months	1 Year	3 Years	5 Years
HDFC MIP - LTP - Growth	Level 3	2 year+	0.34	3.34	4.43	4.97	12.26	10.18
ICICI Prudential MIP 25 - Growth	Level 3	2 year+	1.20	3.47	4.73	6.89	9.64	7.56
Reliance MIP - Growth	Level 3	2 year+	1.29	3.74	6.89	7.32	10.67	11.47
Crisil MIP Blended Index			0.49	2.06	3.82	5.62	6.98	7.11
Short term debt (Investment horizon: 3 - 6 Months)	Risk Level	Suggested Horizon	1 Months	3 Months	6 Months	1 Year	3 Years	5 Years
DWS Cash Opportunities Fund - Reg - Growth	Level 1	3 - 6 months	11.48	10.42	10.06	9.78	6.86	--
Religare Credit Opportunities Fund - Reg - Growth	Level 1	3 - 6 months	10.42	9.85	9.73	9.60	--	--
Templeton India Low Duration Fund - Growth	Level 1	3 - 6 months	11.67	10.61	10.23	10.18	--	--
Short term debt (Investment horizon: 6 - 18 Months)	Risk Level	Suggested Horizon	1 Months	3 Months	6 Months	1 Year	3 Years	5 Years
Pramerica Short Term Income Fund - Growth	Level 1	6 - 12 months	12.65	9.53	9.92	10.17	--	--
PRINCIPAL Income Fund - STP - Growth	Level 1	6 - 12 months	9.38	9.47	9.97	9.73	7.58	8.61
HDFC Short Term Plan - Growth	Level 2	6 - 12 months	11.26	8.37	9.32	9.10	6.71	9.04
IDFC SSIF - MTP - Plan A - Growth	Level 2	6 - 12 months	12.98	8.83	10.87	10.17	8.41	9.12
Reliance Short Term Fund - Growth	Level 2	6 - 12 months	11.52	8.58	9.74	8.74	6.54	8.78
Templeton India STIP - Growth	Level 2	18 months	12.55	9.34	9.26	9.43	8.44	9.38
CRISIL Short-Term Bond Fund Index			10.09	8.60	8.82	8.58	6.07	7.58
Income funds	Risk Level	Suggested Horizon	1 Months	3 Months	6 Months	1 Year	3 Years	5 Years
Birla Sun Life Dynamic Bond Fund - Ret - Growth	Level 2	1 year+	12.06	9.22	10.83	10.15	7.46	9.45
IDFC D B F- Plan A - Growth	Level 2	1 year+	11.76	8.44	12.64	11.43	5.41	9.29
Reliance RSF - Debt - Growth	Level 2	1 year+	10.58	7.89	8.99	8.93	6.59	6.46
SBI Dynamic Bond Fund - Growth	Level 2	1 year+	9.33	8.43	14.32	12.38	7.97	4.45
Crisil Composite Bond Fund Index			10.06	7.76	9.75	8.18	5.31	6.78
Ultra Short Term Funds	Risk Level	Suggested Horizon	1 Months	3 Months	6 Months	1 Year	3 Years	5 Years
HDFC Cash Mgmt Fund - Treasury Advantage - Ret - Growth	Level 1	In days	10.55	9.77	9.28	9.07	6.79	7.35
Pramerica Ultra Short Term Bond Fund - Growth	Level 1	In days	10.02	9.80	9.84	9.75	--	--
Reliance Money Manager Fund - Retail - Growth	Level 1	In days	10.58	9.58	9.37	9.21	6.89	7.52
Tata Floater Fund - Growth	Level 1	In days	10.86	9.77	9.72	9.62	7.19	7.84
Crisil Liquid Fund Index			8.64	9.04	8.84	8.57	6.07	6.84
Liquid Funds	Risk Level	Suggested Horizon	1 Months	3 Months	6 Months	1 Year	3 Years	5 Years
Birla Sun Life Cash Manager - Growth	Level 0	In days	10.69	9.19	9.10	9.08	6.61	7.13
BNP Paribas Overnight Fund - Growth	Level 0	In days	9.83	9.38	9.12	9.05	6.80	6.96
HDFC Cash Mgmt Fund - Savings Plan - Growth	Level 0	In days	10.57	10.26	9.80	9.54	6.96	7.48
Crisil Liquid Fund Index			8.64	9.04	8.84	8.57	6.07	6.84
Floating rate funds	Risk Level	Suggested Horizon	1 Months	3 Months	6 Months	1 Year	3 Years	5 Years
Birla Sun Life Floating Rate Fund - STP - Growth	Level 0	In days	10.35	10.01	9.67	9.52	7.06	7.43
Reliance FRF - ST - Growth	Level 0	In days	11.82	9.49	9.33	9.33	7.05	7.63
Crisil Liquid Fund Index			8.64	9.04	8.84	8.57	6.07	6.84
Gilt funds	Risk Level	Suggested Horizon	1 Months	3 Months	6 Months	1 Year	3 Years	5 Years
Birla Sun Life G Sec Fund - LT - Growth	Level 2	18 months	1.66	0.05	12.24	8.07	7.41	9.03
ICICI Prudential GFTP - Growth	Level 2	18 months	5.33	5.82	7.29	6.72	4.23	8.47
UTI Gilt Advantage Fund - L T P - Growth	Level 2	18 months	13.66	5.84	12.85	8.95	5.52	7.67
Motilal Oswal MOSt 10 Year Gilt Fund - L T P - Growth	Level 2	18 months	-0.07	-2.55	--	--	--	--
Crisil 10 Yr Gilt Index			2.56	-0.90	8.89	3.94	1.51	6.12

For MIP (Conservative, Aggressive), returns for < 1 year: absolute, for >1 year: annualised.
For Debt and Liquid schemes, returns for all periods are annualised.

As on 30 Apr, 2012
Source: MFI ICRA

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