



Monthly Factsheet
November 2015



Mutual Fund investments are subject to market risks,
read all scheme related documents carefully.

Macro Economy & Event Update

Global markets were mixed in November as expectations of U.S. Federal Reserve's rate hike and geo-political tensions kept the investors on tenterhooks. Organisation for Economic Cooperation and Development's (OECD) lowered global economic growth forecast which contributed to concerns. As it is already indicated by the European Central Bank that it may consider further easing measures to counter deflationary pressure and boost growth of the Euro zone economy, provided support to the markets.

Indian equity markets fell during the month on tepid international cues and weak economic data. Sentiment was also affected as hopes of rate cut by the Reserve Bank of India (RBI) were dampened since retail inflation rose to a four-month high in October.

Bond markets too felt the pinch after upbeat U.S. jobs data for October increased the possibility of a rate hike by the U.S. Federal Reserve in its December meeting. This raised concerns of foreign fund outflow from the Indian markets. Investor sentiments were dampened further after the outcome of the Assembly polls in Bihar did not come along market expectations. Concerns that the 23.55% rise in salaries and pensions of Central Government employees as proposed by the Pay Commission may affect India's fiscal deficit target also weighed on the market sentiment.

On the global front, disappointing Chinese trade data for October, wherein exports in the region fell for the fourth straight month in October, and the OECD's decision to lower its global growth outlook for next year added to investor concern. Moreover, Eurozone Finance Ministers refused to release a 2-billion euro tranche of loans to Greece after they failed to reach an agreement on several reforms. Weaker-than-expected Euro zone GDP data also weighed on sentiments. Investor sentiments were further dented as minutes of the Bank of Japan's latest policy review meeting showed that board members were worried about meeting the 2% inflation target due to the crisis in China and a planned sales tax hike. Chinese bourses witnessed selling pressure after official data showed profits earned by Chinese industrial enterprises fell for the fifth consecutive month in October.

Key Economic Indicators

Indicators	Current	Previous
WPI (Oct'15)	-3.81%	-4.54%
IIP (Sep'15)	3.60%	6.30%
CPI (Oct'15)	5.00%	4.41%

Event Update

India GDP growth from July to September stood at 7.4%

Government data showed that India's Gross Domestic Product (GDP) for the second quarter of the current financial year grew at 7.4% compared to 7% in the previous quarter and 8.4% in the same quarter of the previous year.

The manufacturing sector grew 9.3% compared to 7.2% in the previous quarter and 7.9% in the year-ago period. The agriculture sector also registered a growth 2.2% compared to 1.9% in the previous quarter and 2.1% in the same period of the previous year. The financial, insurance, real estate & professional services sector grew at 9.7% compared to 8.9% in the previous quarter, while the growth of 'trade, hotel, transport, communication & services related to broadcasting' sector slowed to 10.6% during the quarter under review compared to 12.8% in the previous quarter.

Fiscal deficit from April to October at 74% of full-year target

Government data showed that India's fiscal deficit for the period from April to October stood at Rs. 4.11 lakh crore or 74% of the budget estimate compared to 89.6% in the corresponding period of the previous year. Planned expenditure stood at 58.2% of the budget estimate as compared to 46.4% in the year-ago period.

Capital spending stood at 66.5% of the budget estimate compared to 45.9% in the previous year. Net tax receipts were Rs. 4.29 lakh crore in the first seven months of the fiscal year, which was 73% of the budget estimate compared to 52.3% in the corresponding period of the previous year. Total spending touched Rs. 10.22 lakh crore, which was 57.5% of the budget estimate compared to 53.6% in the year-ago period.

India's infrastructure output rose 3.2% in October

Government data showed that India's infrastructure output grew at 3.2% in October compared to September. However, growth came down significantly from 9% in the same period of the previous year. Output in the Cement and Fertilizer sectors grew 11.7% and 16.2% compared to a contraction of 1.2% and 7.0%, respectively. However, output in the Coal sector slowed to 6.3% compared to 16.4% in the same period of the previous year. Output in Crude Oil, Natural gas and Refinery products also contracted by 2.1%, 1.8% and 4.4%, respectively.

WPI contracted for the twelveth consecutive month in October

Government data showed that Wholesale Price Inflation (WPI) contracted for the twelveth consecutive month and stood at (-) 3.81% in October compared to (-) 4.54% in September. The rate of contraction slowed as pulses, vegetables and onions turned costlier. Pulses became dearer by 52.98% and onions by 85.66% in October. Wholesale prices remained in contraction mode in the three main categories of the wholesale price index (WPI); primary articles -0.36%; fuel and power -16.37%; and manufactured goods -1.67%. WPI for August has been revised to - 5.06% from the provisional estimate of - 4.95%.

Equity Market

Indian equity markets fell during the month as a series of weak global cues weighed on investor sentiments. Weak economic data and dampening hopes of rate cut by the Reserve Bank of India further hit the bourses. Meanwhile, buying interest found some support amid optimism over the passage of Goods & Service Tax Bill in the winter session of the Parliament.

On the BSE sectoral front, majority of the indices closed in red. S&P BSE Healthcare was the major laggard falling by 9.79% followed by S&P BSE Teck and S&P BSE IT, which fell 2.82% and 2.79%, respectively. S&P BSE Metal and S&P BSE Capital Goods fell 2.59% and 2.40%, respectively. Metal and mining stocks declined as deceleration in China's consumer inflation in October 2015 provided additional indication that demand remains weak in the world's second biggest economy. Meanwhile, S&P BSE Consumer Durables was the top gainer rising by 5.00% followed by S&P BSE Auto and S&P BSE Oil & Gas, which rose 4.39% and 2.90%, respectively.

On the global front, U.S. markets remained weak initially on uncertainty of rate hike by the Federal Reserve. Sentiments dampened further after the Organisation for Economic Cooperation and Development (OECD) lowered global economic growth forecast. However, the trend reversed after the minutes of the Federal Reserve's policy meeting provided clarity on the prospects of a December rate hike. Sentiment also got support after the European Central Bank indicated of further easing measures to boost the Euro zone economy.

European markets initially got support from better-than-expected economic data of the region. However, upside was limited due to disappointing Chinese trade data for October and the OECD's decision to lower its global growth outlook for next year. From the mid of the month, bourses got support as the minutes of latest ECB meeting revealed that policymakers are considering boosting the monetary stimulus in December. It also got support after the Euro zone inflation turned positive in October and German economic confidence report in November came stronger-than-expected.

Asian markets initially got support after a private survey revealed improvement in service sector data in China. Optimism over Chinese Government's five-year plan and minutes of Fed's policy meeting providing clarity on the timing of the interest rate hike further helped the sentiment. But trend reversed towards the end as minutes of the Bank of Japan's latest policy review meeting showed that board members were worried about meeting the 2% inflation target due to the crisis in China and a planned sales tax hike. Chinese bourses also witnessed pressure after official data showed profits earned by Chinese industrial enterprises fell for the fifth consecutive month in October.

Market Outlook

Market trend will be determined on outcome of 2 events – Winter session of parliaments and US Fed meeting. We believe that there is high probability of Fed's Increasing Interest rates, however to some extent it is being factored by the market. Lot of legislations including GST are pending to be passed, clearance of such bills will lead the market into new directions, till the time market is expected to be range bound.

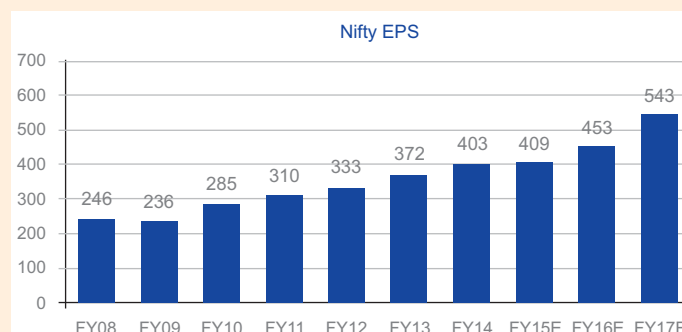
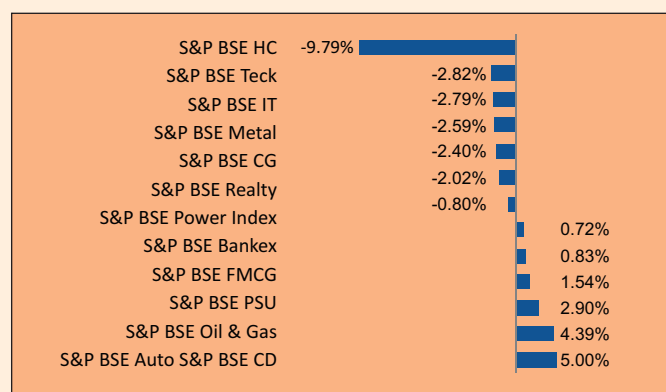
Domestic Indices Performance

Domestic Indices	30-Nov-15	1 Mth Ago	Chg %	YTD%
S&P BSE Sensex	26,146	26,657	-1.92	-4.95
Nifty 50	7,935	8,066	-1.62	-4.21
S&P BSE 200	3,365	3,404	-1.14	-1.98
Nifty Midcap 100	13,249	13,239	0.08	5.00
Nifty Div Opp	1,904	1,890	0.76	-12.06
S&P BSE Smallcap	11,636	11,315	2.84	3.66

Global Indices Performance

Global Indices	30-Nov-15	1 Mth Ago	Chg %	YTD%
Dow Jones	17,720	17,664	0.32	-0.63
FTSE	6,356	6,361	-0.08	-2.93
CAC	4,958	4,898	1.22	16.59
Hang Seng	21,996	22,640	-2.84	-7.80
Shanghai	3,445	3,383	1.86	2.83

Sectoral Performance (Monthly returns %)



Institutional Flows (Equity) As on November 30, 2015

(INR Cr)	Purchases	Sales	Net	YTD
FII Flows	66,879	73,953	-7,074	20,452
MF Flows	21,314	14,765	6,548	66,550
DII Flows	33,801	25,311	8,489	61,106

Source: Reuters, SEBI & IIFL Research

Debt Market

Bond yields rose during the month under review on concerns that the U.S. Federal Reserve will increase interest rates in December which could lead to foreign fund outflows from the Indian economy. The uptrend in bond yields continued on the back of fresh supply of debt papers from the weekly debt auctions. Concerns that the 23.55% rise in salaries and pensions of Central Government employees as proposed by the Pay Commission may affect India's fiscal deficit target also weighed on the market sentiment.

The yield on the 10-year benchmark bond rose by 15 bps to close at 7.79% against the previous month's close of 7.64%, after moving in the range of 7.63% to 7.79%.

Yield on Gilt Securities (annualized) increased across maturities in the range of 4 bps to 18 bps. Corporate bond yields also increased across the maturities in the range of 7 bps to 15 bps. Spread between AAA Corporate Bond and Gilt expanded across most of the maturities in the range of 1 bps to 8 bps barring 4- to 7-year maturities and 10-year paper that contracted in the range of 1 bps to 4 bps.

Market outlook

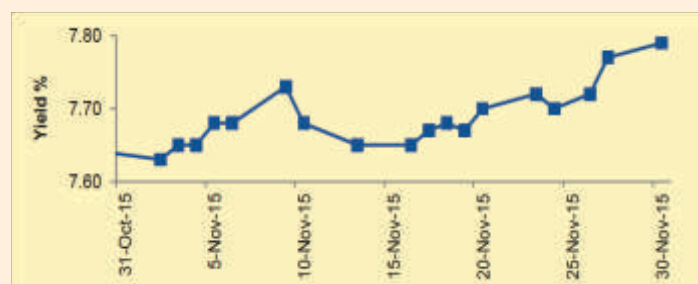
The monetary policy review by the U.S. Federal Reserve and the European Central Bank will determine the trend however hardening yielded of 10 year Gsec during last couple of weeks suggest that Fed's interest rate hike expectation is being factored.

Currency and Commodity Market

The Indian rupee weakened more than two percentage points against the dollar, tracking decline in domestic equity markets and dollar demand from importers. Weak Chinese manufacturing data for October further raised concerns over the growth prospects of the global economy and increased losses in rupee. The domestic currency dropped further on increasing possibility of a rate hike by the U.S. Federal Reserve in December. However, during the month, losses were restricted due to intervention by the Reserve Bank of India and on expectation of further foreign fund inflows after the Government recently eased foreign direct investment norms.

Brent crude prices fell on persistent worries about future demand outlook from China. Oil prices witnessed more pressuredue to concerns about oversupply after Gulf oil producers delayed some field maintenance until next year to keep production high. Oil prices fell further after Saudi Aramco, Saudi Arabia's largest oil producer, said it will not cut production in 2016.

10-Year Benchmark Bond (7.72% GS 2025) Movement



Source: Reuters

Spread Movement

Spreads		AAA	AA+	AA	AA-
30-Nov-15	1 Yr	45	66	89	121
	3 Yr	36	52	80	113
	5 Yr	24	45	77	110
Previous Month	1 Yr	37	79	99	131
	3 Yr	36	50	74	108
	5 Yr	28	49	75	108

Source: Reuters

Yield (%)	30-Nov-15	30-Oct-15
10 Year G-Sec	7.79	7.64
5 Year G-Sec	7.85	7.68
Certificate of Deposit		
3-Month	7.30	7.27
6-Month	7.53	7.36
12-Month	7.62	7.52
Commercial Papers		
3-Month	7.71	7.69
6-Month	7.98	7.89
12-Month	8.19	8.06

Event Calendar

Release Date	Event	Country
10-Dec-15	Bank of England Monetary Policy Review	U.K.
11-Dec-15	Index of Industrial Production (Oct)	India
14-Dec-15	Consumer Price Index (Nov)	India
14-Dec-15	Wholesale Price Index (Nov)	India
16-Dec-15	U.S. Fed Monetary Policy Review	U.S.

Source : ICRA online Ltd., IIFL Research.

IIFL India Growth Fund

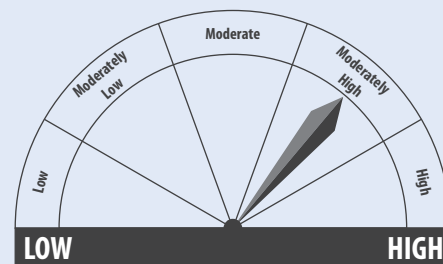
An Open-ended Equity Scheme



This product is suitable for investors who are seeking*

- capital appreciation over long term;
- Investment predominantly in equity and equity related instruments.

*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.



Investors understand that the principal will be at moderately high risk

Scheme Details

NAV (30-11-2015) :

Regular Plan Growth option : ₹10.6746

Regular Plan Dividend option : ₹10.6746

Direct Plan Growth option : ₹10.8204

Direct Plan Dividend option : ₹10.8204

Date of allotment : Oct 30, 2014

Net AUM : ₹ 17127 Lakhs

Avg. Monthly AUM : ₹ 17100 Lakhs

Load Structure:

Entry Load: Nil; Exit Load: Nil

Minimum application :

₹5000 and in multiples of ₹100 thereafter.

Monthly SIP option: ₹1000 per month for a minimum period of six months.

Quarterly SIP option: ₹1500 per quarter for a minimum period of 4 quarters.

Plans offered : Regular plan & Direct plan.

Options offered : Growth & Dividend option.

Total Expense Ratio :

Regular Plan : 2.43% p.a.

Direct Plan : 1.18% p.a.

Portfolio Turn Over Ratio : 0.98

based on 1 year monthly data

Bloomberg code: IIFGRRG IN

About the Scheme

Objective: The investment objective of the scheme is to generate long term capital appreciation for investors from a portfolio of equity and equity related securities. However there can be no assurance or guarantee that the investment objective of the scheme would be achieved.

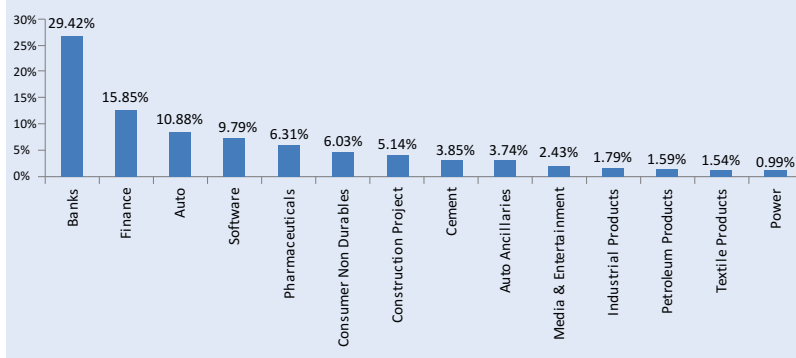
Benchmark: Nifty 50

Fund Manager: Mr. Bandi, aged 37 years, is a Science graduate and a Chartered Accountant with 15 years of experience in the financial services industry. Mr.Bandi has been managing fund since its inception.

Top 15 Holdings as on November 30, 2015

Name of Instrument	Industry	% to Net Assets
HDFC Bank Ltd	Banks	10.10%
Bajaj Finance Ltd	Finance	9.82%
Tata Motors Ltd DVR Shares	Auto	8.46%
Sun Pharmaceuticals Industries Ltd	Pharmaceuticals	6.31%
Kansai Nerolac Paints Ltd	Consumer Non Durables	6.03%
State Bank of India	Banks	5.62%
Kotak Mahindra Bank Ltd	Banks	5.54%
Larsen & Toubro Ltd	Construction Project	5.14%
Tech Mahindra Ltd	Software	5.09%
Bajaj Finserv Ltd	Finance	4.05%
Grasim Industries Ltd	Cement	3.85%
ICICI Bank Ltd	Banks	3.81%
HCL Technologies Ltd	Software	3.05%
Exide Industries Ltd	Auto Ancillaries	2.49%
Oriental Bank Of Commerce	Banks	2.43%
Top 15 Equity Holding		81.79%
Total Equity Holding		99.35%
Net Cash & Cash Equivalent		0.65%
Total		100%

Industry Allocations*



*Industry allocations as per AMFI classifications.

IIFL Nifty fund has been merged into IIFL India Growth Fund w.e.f. 24-July-2015.

IIFL Dividend Opportunities Index Fund fund has been merged into IIFL India Growth Fund w.e.f. 06-April-2015

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

IIFL Dynamic Bond Fund

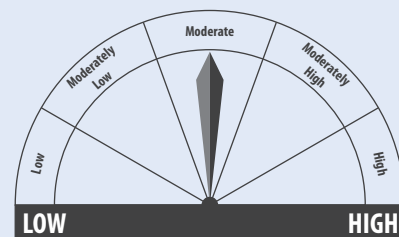
An Open ended Income Scheme



This product is suitable for investors who are seeking*

- Income and long term gains
- Investment in a range of debt and money market instruments of various maturities;

*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.



Investors understand that the principal will be at moderate risk

Scheme Details

NAV (30-11-2015) :

Regular Plan Growth : ₹ 11.7679

Regular Plan Bonus : ₹ 11.7679

Direct Plan Growth : ₹ 11.9123

Dividend option	Regular Plan	Direct Plan
Monthly	₹ 10.9488	₹ 11.0910
Quarterly	₹ 11.3559	₹ 11.4984
Half yearly	₹ 11.3559	-

Note: Bonus plan and Monthly & Half yearly Dividend payout options are discontinued no new investors can invest in the said option, existing investors remain invested in the said options.

Date of allotment : June 24, 2013

Net AUM : ₹ 1453 Lakhs

Avg. Monthly AUM : ₹ 1352 Lakhs

Dematerialization : D-mat option available

Load Structure :

Entry Load : Nil,

Exit Load : Nil

Exit Load (For SIP): Nil

Plans offered : Regular Plan and Direct Plan

Options offered (Under each plan) : Dividend & Growth

Minimum Application Amount :

₹10,000 and in multiples of ₹100 thereafter.

Systematic Investment Plan (SIP) availed.

Monthly option- ₹1000 per month for a minimum period of six months.

Quarterly Option - ₹1500 per quarter for a minimum period of 4 quarters.

Total Expense Ratio :

Regular Plan : 0.94 % p.a.

Direct Plan : 0.44 % p.a.

Asset Allocation :

Debt Market Instruments : 0% - 100%

Money Market Instruments : 0% - 100%

YTM : 6.97%

Modified Duration : 0.06 Yrs

Average Maturity : 0.06 Yrs

Bloomberg code : IIFDBDB IN

About the Scheme

Objective : The investment objective of the scheme is to generate income and long term gains by investing in a range of debt and money market instruments of various maturities. The scheme will seek to flexibly manage its investment across the maturity spectrum with a view to optimize the risk return proposition for the investors.

Benchmark : CRISIL Composite Bond Fund Index.

Fund Manager : Mr. Amey Mashilkar

Mr. Mashilkar, aged 28 years, is MBA from IIM Bangalore. He has 3 years of experience in portfolio advisory cross fixed income, equity, real estate and commodities. Prior to Joining IIFL AMC he was associated with Kotak Wealth Management Ltd.

Mr. Mashilkar has been managing the current fund since 27-Apr-2015.

Holdings as on November 30, 2015

Sector / Rating		Percent
Certificate of Deposit		
IDBI Bank Ltd	CRISIL A1+	34.32%
Axis Bank Ltd	CRISIL A1+	34.02%
ICICI Bank Ltd	ICRA A1+	24.07%
Corporation Bank	CRISIL A1+	17.20%
Commercial Paper		
Reliance Capital Ltd	CRISIL A1+	14.79%
Export Import Bank of India	CRISIL A1+	12.36%
Small Industries Dev Bank of India	CARE A1+	12.35%
BONDS & NCDs		
Housing Development Finance Corporation Ltd.	CRISIL AAA	34.53%
CBLO / Reverse Repo & Net Current Asset		-83.64%
Total		100%

Scheme Performance

Indices	30 Sept 2013 - 30 Sept 2014	30 Sept 2014 - 30 Sept 2015	Since Inception CAGRS	PTP Return (INR)
IIFL Dynamic Bond Fund-Regular plan	12.85%	12.10%	7.52%	11791
IIFL Dynamic Bond Fund-Direct plan	13.41%	12.72%	8.06%	11925
Benchmark*	12.56%	12.81%	8.65%	12074
Additional Benchmark**	13.76%	10.77%	6.02%	11421

As on September 30, 2015

* Crisil Composite Bond Fund Index,** Crisil 10 yr Gilt Index

Point to Point (PTP) returns in INR is based on standard investment of INR 10,000 made on the inception date*Inception date 24-June-2013

IIFL Dynamic Bond Fund - Monthly Dividend Plan

Date	Gross Dividened (Per Unit)	CUM -NAV- Regular Plan	CUM -NAV- Direct Plan
25-Aug-15	0.05	₹ 10.8867	₹ 11.0111
27-Oct-15	0.05	₹ 11.0464	₹ 11.1834
24-Nov-15	0.05	₹ 10.9879	₹ 11.1291

Dividend is gross dividend. To arrive at the net dividend payable for corporate and non-corporate investors applicable dividend distribution tax, if any, needs to be adjusted respectively. Past performance may or may not be sustained in future. After payment of dividend the NAV has fallen to the extent of payout and distribution taxes if applicable. Monthly income is not assured and is subject to availability of distributable surplus.

IIFL Dynamic Bond Fund - Quarterly Dividend Plan

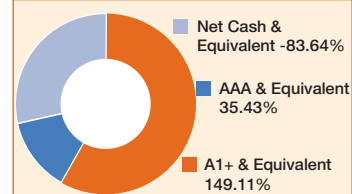
Date	Gross Dividened (Per Unit)	CUM -NAV- Regular Plan	CUM -NAV- Direct Plan
6-Apr-15	0.29	11.7567	11.8597

IIFL Dynamic Bond Fund - Half Yearly Dividend Plan

Date	Gross Dividened (Per Unit)	CUM -NAV- Regular Plan	CUM -NAV- Direct Plan
6-Apr-15	0.29	11.7567	-

IIFL Short term income fund has been merged into IIFL Dynamic bond fund w.e.f 22-Dec-2014

Rating Profile



Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

IIFL Liquid Fund

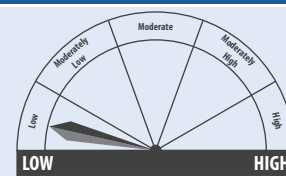
An Open-ended Liquid Scheme



This product is suitable for investors who are seeking*

- Income over short term horizon
- Investments in money market and short term debt instruments, with maturity not exceeding 91 days;

*Investors should consult their financial advisers if in doubt about whether the product is suitable for them.



Investors understand that the principal will be at Low risk.

Scheme Details

NAV (30-11-2015) :

Regular Plan Growth : ₹ 1173.8414

Direct Plan Growth : ₹ 1175.0524

Dividend option Regular Plan

Daily Div. Reinv. ₹ 1000.0000

Weekly ₹ 1006.1437

Date of allotment : Nov. 13, 2013

Net AUM : ₹ 8410 Lakhs

Avg. Monthly AUM : ₹ 8134 Lakhs

Load Structure :

Entry Load : Nil

Exit Load : Nil

Plans offered : Regular Plan and Direct Plan

Options offered (Under each plan) : Growth Option & Dividend Option

Minimum Application Amount :

New Purchase - ₹ 5,000 and in multiples of ₹ 100 thereafter.

Additional purchase - ₹ 1000 and in multiples of ₹ 100 thereafter

Total Expense Ratio :

Regular Plan : 0.23 % p.a.

Direct Plan : 0.17 % p.a.

Asset Allocation :

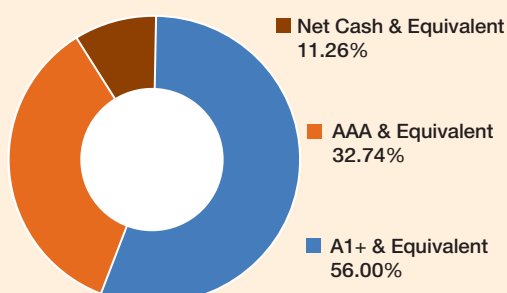
Money market and debt instruments with residual maturity up to 91days 0% - 100%.

YTM : 7.34%

Modified Duration : 0.08 yrs

Average Maturity : 0.09 Yrs

Rating Profile



About the Scheme

Investment Objective:

To provide liquidity with reasonable returns in commensuration with low risk through a portfolio of money market and debt securities with residual maturity of up to 91days. However, there can be no assurance that the investment objective of the Scheme will be achieved

Benchmark: CRISIL Liquid Fund Index

Fund Manager: Mr. Amey Mashilkar

Mr. Mashilkar, aged 28 years, is MBA from IIM Bangalore. He has 3 years of experience in portfolio advisory cross fixed income, equity, real estate and commodities. Prior to Joining IIFL AMC he was associated with Kotak Wealth Management Ltd.

Mr. Mashilkar has been managing the current fund since 27-Apr-2015.

Holdings as on November 30, 2015

Certificate of Deposit**		
Andhra Bank	CARE A1+	5.90%
Kotak Mahindra Bank Ltd	CRISIL A1+	5.06%
Corporation Bank	CRISIL A1+	2.97%
ICICI Bank Ltd	ICRA A1+	1.78%
Commercial Paper		
Kotak Mahindra Investments Ltd	CRISIL A1+	11.80%
National Bank For Agriculture and Rural Development	CRISIL A1+	11.75%
Export Import Bank of India	CRISIL A1+	9.73%
Small Industries Dev Bank of India	CARE A1+	3.80%
Reliance Capital Ltd	CRISIL A1+	3.21%
BONDS & NCDs		
Housing Development Finance Corporation Ltd	CRISIL AAA	11.90%
Kotak Mahindra Prime Ltd	CRISIL AAA	7.50%
Small Industries Dev Bank of India	CRISIL AAA	7.38%
Tata Sons Ltd	CRISIL AAA	5.96%
CBLO & Net Current Asset		11.26%
Total		100.00%

Scheme Performance

Indices	30 September 2014 - 30 September 2015	Since Inception CAGR§	PTP Return (INR)
IIFL Liquid Fund-Regular plan	8.06%	8.22%	11602
IIFL Liquid Fund-Direct plan	8.11%	8.27%	11613
Benchmark*	8.56%	8.93%	11747
Additional Benchmark**	8.50%	8.82%	11725

As on September 30, 2015

*Crisil Liquid Fund Index,** Crisil 91 Day T-Bill Index

Point to Point (PTP) returns in INR is based on standard investment of INR 10,000 made on the inception date

§Inception date 13-Nov-2013

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

Fund Manager

An employee of the asset management company such as a mutual fund or life insurer, who manages investments of the scheme. He is usually part of a larger team of fund managers and research analysts.

Application Amount for Fresh Subscription

This is the minimum investment amount for a new investor in a mutual fund scheme.

Minimum Additional Amount

This is the minimum investment amount for an existing investor in a mutual fund scheme.

Yield to Maturity

The Yield to Maturity or the YTM is the rate of return anticipated on a bond if held until maturity. YTM is expressed as an annual rate. The YTM factors in the bond's current market price, par value, coupon interest rate and time to maturity.

SIP

SIP or systematic investment plan works on the principle of making periodic investments of a fixed sum. It works similar to a recurring bank deposit. For instance, an investor may opt for an SIP that invests Rs 500 every 15th of the month in an equity fund for a period of three years.

NAV

The NAV or the net asset value is the total asset value per unit of the mutual fund after deducting all related and permissible expenses. The NAV is calculated at the end of every business day. It is the value at which the investor enters or exits the mutual fund.

Benchmark

A group of securities, usually a market index, whose performance is used as a standard or benchmark to measure investment performance of mutual funds, among other investments. Some typical benchmarks include the Nifty, Sensex, BSE200, BSE500, 10-Year Gsec.

Entry Load

A mutual fund may have a sales charge or load at the time of entry and/or exit to compensate the distributor/agent. Entry load is charged at the time an investor purchases the units of a mutual fund. The entry load is added to the prevailing NAV at the time of investment. For instance, if the NAV is Rs. 100 and the entry load is 1 %, the investor will enter the fund at Rs. 101.

Note: SEBI, vide circular dated June 30, 2009 has abolished entry load and mandated that the upfront commission to distributors will be paid by the investor directly to the distributor, based on his assessment of various factors including the service rendered by the distributor.

Exit Load

Exit load is charged at the time an investor redeems the units of a mutual fund. The exit load is deducted from the prevailing NAV at the time of redemption. For instance, if the NAV is Rs. 100 and the exit load is 1%, the redemption price would be Rs.99 per unit.

Modified Duration

Modified duration is the price sensitivity and the percentage change in price for a unit change in yield.

Standard Deviation

Standard deviation is a statistical measure of the range of an investment's performance. When a mutual fund has a high standard deviation, it means its range of performance is wide, implying greater volatility.

Sharpe Ratio

The Sharpe Ratio, named after its founder, the Nobel Laureate William Sharpe, is a measure of risk-adjusted returns. It is calculated using standard deviation and excess return to determine reward per unit of risk.

Beta

Beta is a measure of an investment's volatility vis-a-vis the market. Beta of less than 1 means that the security will be less volatile than the market. A beta of greater than 1 implies that the security's price will be more volatile than the market.

AUM

AUM or assets under management refers to the recent | updated cumulative market value of investments managed by a mutual fund or any investment firm.

Holdings

The holdings or the portfolio is a mutual fund's latest or updated reported statement of investments/securities. These are usually displayed in terms of percentage to net assets or the rupee value or both. The objective is to give investors an idea of where their money is being invested by the fund manager.

Nature of Scheme

The investment objective and underlying investments determine the nature of the mutual fund scheme. For instance, a mutual fund that aims at generating capital appreciation by investing in stock markets is an equity fund or growth fund. Likewise, a mutual fund that aims at capital preservation by investing in debt markets is a debt fund or income fund. Each of these categories may have sub-categories.

Rating Profile

Mutual funds invest in securities after evaluating their creditworthiness as disclosed by the ratings. A depiction of the mutual fund in various investments based on their ratings becomes the rating profile of the fund. Typically, this is a feature of debt funds.