

MAKE THE RIGHT MOVES for your Investments...



WHICH PARAMETERS NEED TO BE KEPT IN MIND WHILE MAKING AN INVESTMENT ?



WHAT ARE THE INVESTMENT OPTIONS ?

- ▶ Bank FD/ RD/ Debt Funds
- ▶ Gold
- ▶ **Equity** (through buying stocks or MF)

Lets see how do these options stack up based on investor requirements ?

DEBT/FD

PARAMETER	FIXED DEPOSITS	SMILEY	DEBT FUNDS	IMPACT
 Returns	Returns in the range of 7-9%		Return in the range of 7-9%	
 Risk/Volatility	Low		Low	
 Safety of Capital	Guaranteed		Not Guaranteed, but High	
 Liquidity	High, but subject to Penal charges in cases of premature withdrawals		High	
 Tax Efficient	Highest Tax Rate		Indexation benefit for investment more than 3 years	

GOLD

PARAMETER	GOLD	IMPACT
Returns	Equal to inflation	☹️
Risk/Volatility	Average	😐
Safety of Capital	Average	😐
Liquidity	High, but with cost	😊
Tax Efficient	High	☹️

- ▶ Historically, Gold has given returns equivalent to inflation.

EQUITY

PARAMETER	EQUITY	IMPACT
Returns	High	😊
Risk/Volatility	High	😞
Safety of Capital	No Capital Guarantee	😞
Liquidity	High	😊
Tax Efficient	No Tax on LTCG	😊

- ▶ Equities tend to beat inflation by a wide margin over longer term.

SO INVESTMENTS ARE BASICALLY A TRADE OFF BETWEEN RISK AND RETURNS

- ▶ High Risk = High Returns
- ▶ Low Risk = Low Returns



**WHAT IF WE HAD AN OPTION OF GETTING
HIGH RETURNS WITH LOW RISK?**

TWO INVESTOR INVESTED ₹ 1 LAC



Mr. X

Invested in
Nifty 500

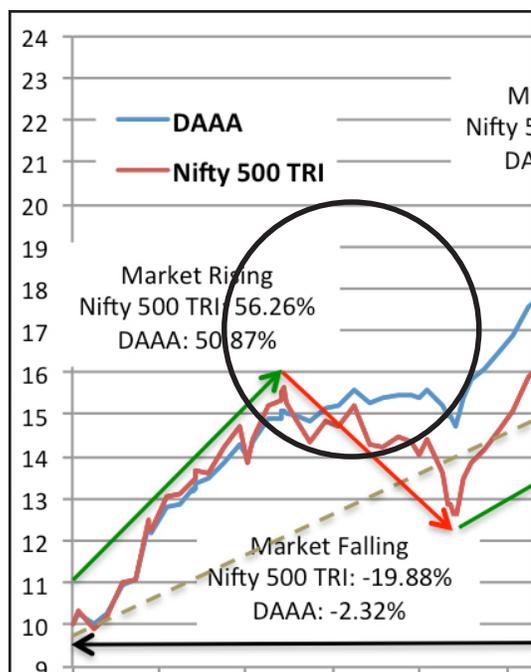


Mr. Y

Invested in
Equity & Debt
MF Schemes

CHANGE OF GOVERNMENT NIFTY 500 GOES FROM 4,756 TO 7,346

Market went up from Oct'13 to Mar'15



Mr. X

Period
16/12/13 - 03/03/15

Invested
₹1,00,000

Return
54.4%

Current Value
₹1,54,458/-



Mr. Y

Period
16/12/13 - 03/03/15

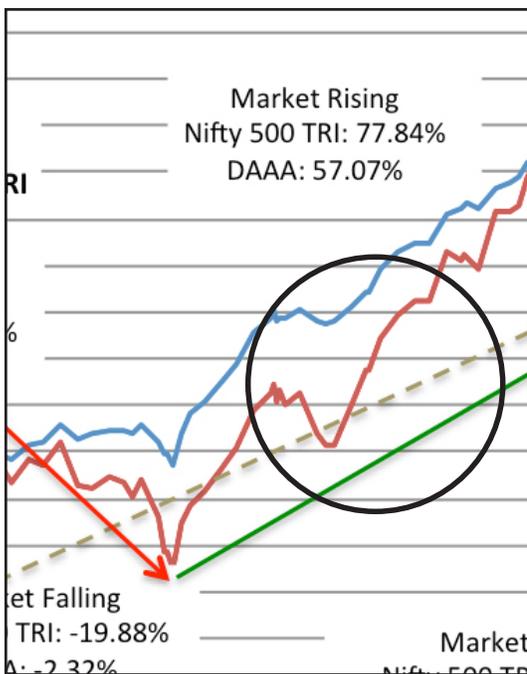
Invested
₹1,00,000

Return
50.9%

Current Value
₹1,50,900/-

FALL IN THE MARKET NIFTY 500 FALL FROM 7,346 TO 5,833

Market fell for the next year



Mr. X

Period

03/03/15 - 12/02/16

Return

-20.6%

Current Value

₹1,22,645/-



Mr. Y

Period

03/03/15 - 12/02/16

Return

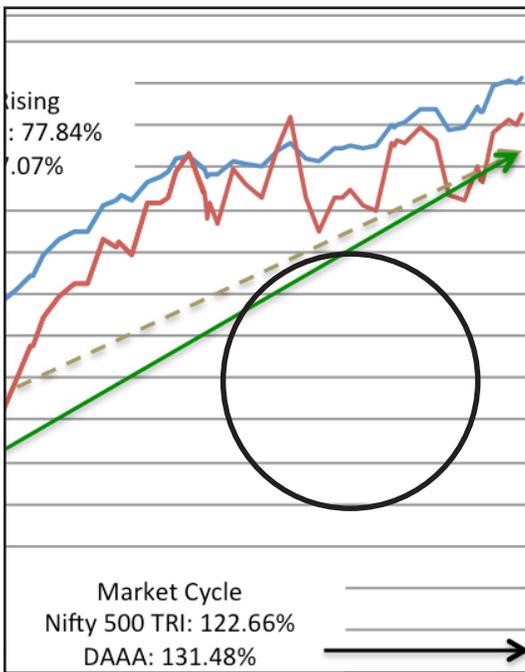
-2.3%

Current Value

₹1,48,300/-

MARKET RUNS AGAIN NIFTY 500 GOES FROM 5,833 TO 6,804

Market again started moving from Feb'16



Mr. X

Period

12/02/16 - 30/11/16

Return

21.4%

Current Value

₹1,48,928/-



Mr. Y

Period

12/02/16 - 30/11/16

Return

21.0%

Current Value

₹1,78,397/-

Mr. Y MADE HIGHER RETURNS



Mr. X

Period

16/12/13 - 30/11/16

Invested

₹1,00,000

Return

48.9%

Current Value

₹1,48,928/-

Mr. Y made high returns as his Equity and Debt allocation kept changing along with the market

**30% HIGHER
RETURN WITH
LOWER RISK**



Mr. Y

Period

16/12/13 - 30/11/16

Invested

₹1,00,000

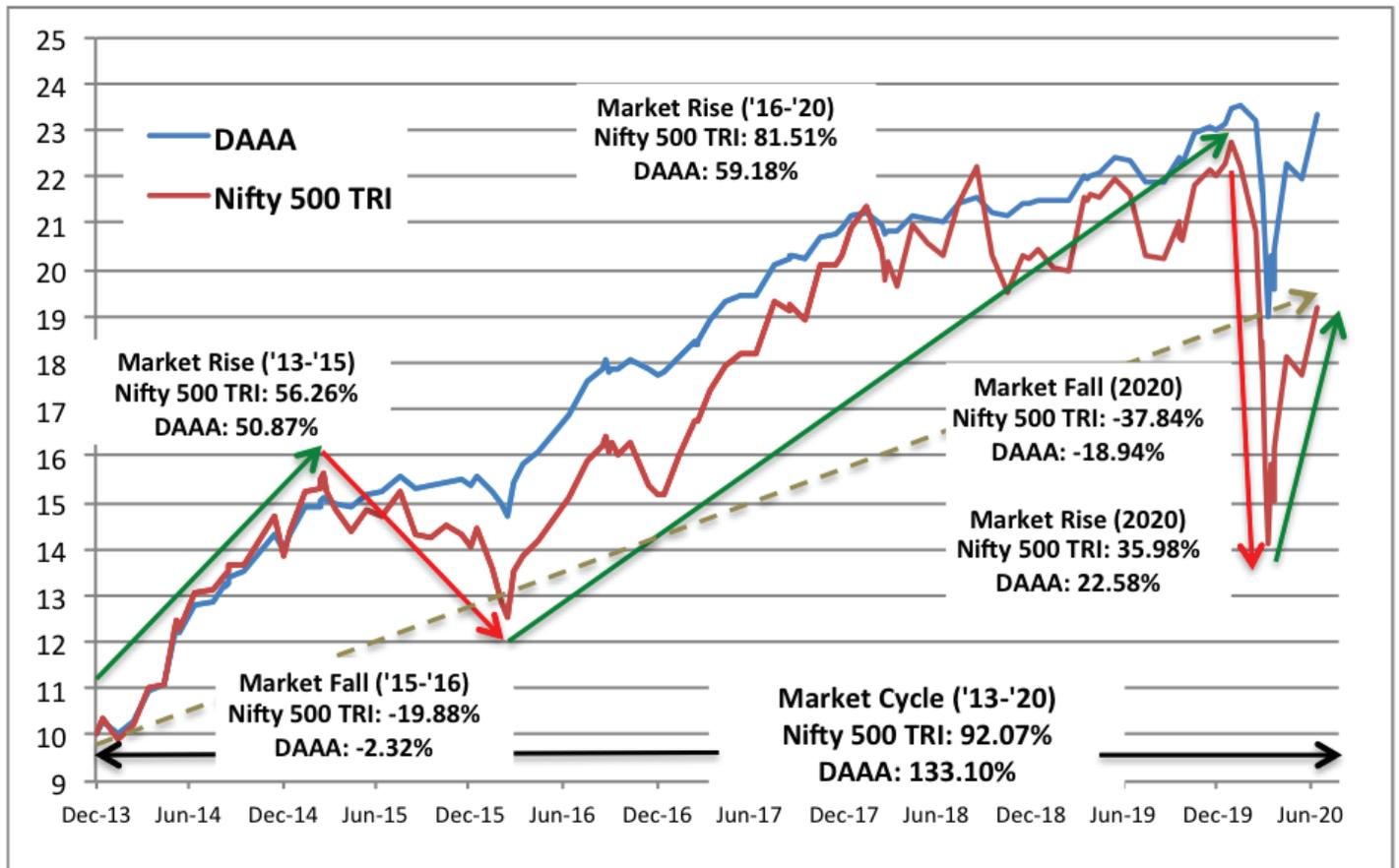
Return

78.4%

Current Value

₹1,78,397/-

RISE LOWER TO MARKET BUT FALL LOWER DURING MARKET FALL



Mr. **Y** Invested in



MAKE THE RIGHT MOVES for your Investments...



WHAT IS MARS?

- ▶ **MARS = Mutual Fund Automated Rebalancing System**
- ▶ It allocates your money between Equity and Debt based on market valuation and invests in Top Performing Equity MF Schemes
- ▶ The Asset Allocation in MARS is reviewed on a half yearly basis while the scheme rebalancing is done once a year

HOW WAS MARS ABLE TO DO THIS ?

- ▶ MARS uses a research model to find out correct allocation to Equity based on current valuations.
- ▶ So if markets are expensive, MARS will allocate less amount to Equity and if markets are cheap, the Equity Allocation will go up
- ▶ It sounds so easy, but it's easier said than done!!

MARS ASSET ALLOCATION TIME LINE

Date	Equity (%)	Debt (%)	Nifty 500	Sensex	PE Nifty 500
16/12/13	80	20	4756	20659.52	18.32
27/05/14	60	40	5844.2	24591.51	20.74
27/08/14	55	45	6355.15	26560.15	31.33
03/03/15	40	60	7345.55	29593.73	25.28
12/02/16	65	35	5833.4	22986.12	20.02
09/09/16	30	70	7575.55	28797.25	28.56
01/03/17	50	50	7754.7	28161.64	26.76
31/08/17	40	60	8694.95	31730.49	29.63
05/03/18	25	75	9136.1	33746.78	30.37
07/09/18	25	75	9875.2	38389.82	34.08
09/04/19	40	60	9677.75	38939.22	31.26
04/10/19	50	50	9091.65	37673.31	27.47
13/03/20	70	30	7360.35	30690.02	25.72
07/04/20	85	15	7149.00	30067.21	22.93

MONTHLY ASSET ALLOCATION TIMELINE (ONLY FOR FRESH PURCHASES AND TOP UPS)

Date	Equity (%)	Debt (%)	Nifty 500
01/07/2019	40	60	14481.11
01/08/2019	45	55	13362.08
01/09/2019	45	55	13449.3
01/10/2019	50	50	13840.55
01/11/2019	45	55	13840.55
01/12/2019	45	55	14729.77
01/01/2020	40	60	14843.29
01/02/2020	45	55	14421.13
01/03/2020	50	50	13875.34
13/03/2020	70	30	12273.34
01/04/2020	70	30	10186.74
07/04/2020	85	15	10770.05
01/05/2020	85	15	12072.43
01/06/2020	85	15	12092.03

HOW DOES MARS FIT IN INVESTMENT PARAMETERS

PARAMETER	MARS	IMPACT
 Returns	High	
 Risk/Volatility	Low	
 Safety of Capital	Low risk of Loss of capital if invested for 3 years and above	
 Liquidity	High	
 Tax Efficient	No Tax on LTCG	

IS THERE ONLY 1 INVESTMENT OPTION IN MARS ?

- ▶ **No, MARS offers Multiple investment options based on risk profile and need of the customers**
- ▶ **MARS Portfolios are available in 2 types**
- ▶ **DAA – Dynamic Asset allocation Portfolios
(Asset Allocation in these portfolios changes with market valuations)**
- ▶ **Fixed Asset Allocation
(The AA remains fixed)**

DAA PORTFOLIO	EQUITY ALLOCATION	DEBT ALLOCATION	INVESTOR SUITABILITY
Aggressive	0 - 100%	0 - 100%	Medium to High Risk Profile Investors
Moderate	0 - 60%	40 - 100%	Low to Medium Risk Profile Investors
Conservative	0 - 30%	70 - 100%	Low Risk Profile Investors

- ▶ **3 Types of Portfolios are available to chose with Dynamic Asset Allocation Theme**
- ▶ **Ex- If Asset Allocation in Aggressive Portfolio is 80% in Equity, Equity Allocation in Moderate Portfolio will be 48% and in conservative will be 24%**

FAA PORTFOLIOS	EQUITY	DEBT	INVESTOR SUITABILITY
Balanced Portfolio	65-80	0-35	Medium to High Risk Profile Investors
SIP Aggressive Portfolio	100	0	High Risk Profile Investors
SIP Diversified Portfolio	100	0	High Risk Profile Investors
ELSS Portfolio	100	0	High Risk Profile Investors
E 100	100 %	0%	High Risk Profile Investor
E 90	90 %	10 %	High Risk Profile Investor
E 80	80 %	20 %	Medium to High Risk Profile Investors
E 70	70 %	30 %	Medium to High Risk Profile Investors
E 60	60 %	40 %	Medium Risk Profile Investors
E 50	50 %	50 %	Medium Risk Profile Investors
E 40	40 %	60 %	Low to Medium Risk Profile Investors
E 30	30 %	70 %	Low to Medium Risk Profile Investors
E 20	20 %	80 %	Low Risk Profile Investors
E 10	10 %	90 %	Low Risk Profile Investors

- ▶ **14 Portfolios are available with Fixed Asset Allocation Theme.**
- ▶ **These portfolios are rebalanced once in a year**

PERFORMANCE OF DAA AGGRESSIVE

	12 Month	24 Month	36 Month	60 Month	Since Inception
DAA-AGGRESSIVE	4.28	5.25	6.18	8.88	13.81
Nifty 500	-11.22	-2.70	1.76	5.45	10.49
Avg. Equity Proportion	56	42	41	43	47

- ▶ Performance is as on 30 June 20
- ▶ Inception Date for DAA Aggressive is 16 Dec 13
- ▶ Returns for one year or less period are on an absolute basis and for more than a year period are on CAGR basis
- ▶ Avg. Equity proportion is based on equity proportion of the model portfolio
- ▶ Clients performance may differ from the model portfolio performance.
- ▶ Past Performance may or may not sustain in the future.

PERFORMANCE OF FAA PORTFOLIO

	12 M	24 M	36 M	60 M	Since Inception
FAA E100	-7.62	-1.04	1.71	6.42	13.82
Nifty 500 TRI	-11.22	-2.70	1.76	5.45	10.49
Balanced	-2.71	1.70	NA	NA	1.65
Avg. Aggressive Hybrid	-7.33	-2.04	NA	NA	-0.89
SIP Aggressive Portfolio	-8.26	-7.10	NA	NA	-7.47
Nifty Midcap 100 TRI	-8.75	-10.05	NA	NA	-10.47

- ▶ Performance is as on 30 June 20
- ▶ Inception Date for FAA E100 is 16 Dec 13
- ▶ Inception date for Balanced Portfolio is 11 Sep 17; Inception Date of SIP Aggressive Portfolio is 10 Jan 18
- ▶ Returns for one year or less period are on an absolute basis and for more than a year period are on CAGR basis
- ▶ Returns of SIP Aggressive Portfolio represents SIP Returns.
- ▶ Clients performance may differ from the model portfolio performance.
- ▶ Past Performance may or may not sustain in the future.

PORTFOLIO REBALANCING & SCHEME CHANGE

- ▶ **Asset Allocation of Dynamic Portfolios is rebalanced twice in a year in April and October**
- ▶ **Asset Allocation of Fixed Portfolios is rebalanced once in a year in April**
- ▶ **Scheme change is done once in a year in April. In case a scheme does not qualify for investment as per NJ research, the investment in that scheme is redeemed and allocated to another fund**
- ▶ **The entire investment and rebalancing process is automated, the client only has to press a single button to complete his investment**

There are no

CHARGES

Its absolutely

FREE



SHIFT YOUR INVESTMENTS TO



- ▶ Equity investment with much lower risk
- ▶ Multiple Portfolios Available as per investor risk profile
- ▶ Fully automated, only 1 click required
- ▶ Better risk adjusted returns
- ▶ Money invested in better performing schemes at all times
- ▶ All this at no extra cost!!



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