

Chat Transcript



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Vikaas Sachdeva | CEO, Edelweiss Asset Management

Building a portfolio of mutual funds

● Chat Transcript

moderator: Dear Moneycontrol user, welcome to the Master Your Money chat session with Vikaas Sachdeva who will answer your queries relating to Mutual Fund. So fire away your questions!

moderator: If you are not able to view Questions / Answers: Click on Tools -> Internet Options -> on General Tab click Settings button -> Select Every visit to page option -> click OK button

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vaibhav724: HDFC Top 200 1500 per month DSP BR Micro cap fund 1500 per month HDFC Gold fund 2000 per month HDFC Prudence fund 1500 per month I want to invest for 15 years. Should I hold these funds or add some new funds. VAIBHAV

Vikaas Sachdeva: At the outset, I think you need to find out whether these funds fit your risk profile and your goals. All these funds are good, and from reputed fund houses. However, I would recommend that you stick to one fund house only. Also, be sure not to invest in too many schemes. Select the schemes in consultation with your financial advisor

world19: How are mutual funds different from portfolio management schemes?

Vikaas Sachdeva: Mutual fund schemes are collective investment vehicles which are tax efficient, with a defined investment objective. Min investment amount is usually 5000/- and as low as 100/- in an SIP PMS schemes are the High net worth investor who wants a lot more customization in his portfolio. Min investment amount is usually 25 lakhs

yakshitgoda: hello sir, i am 21 yrs, should i go for SIP (i can invest 10000 per month) in Aggressive growth fund or a Hybrid fund ? thanks

Vikaas Sachdeva: Go in for an aggressive growth fund if your horizon is long term. At 21, you can afford to invest as much as possible, but not in too many funds

earth20: sir i am a fresher in investment so as mutual fund schemes invest in stock markets only, are they suitable for me?

Vikaas Sachdeva: Of course. Talk to a financial advisor. Go for a large cap fund to start with

world19: sir is there any tax benefits for investing in mutual fund units?

Vikaas Sachdeva: Yes, there are Equity mutual funds have a capital gains structure akin to Stocks. In addition, dividends are tax free in the hands of the investor

krunalmak01: Dear Sir, I want to invest Rs. 1000 in Balanced Fund. Can u please suggest in which fund should i invest?

Vikaas Sachdeva: The first question you need to ask yourself is why balanced funds and nothing else? Is it your interpretation to your financial goals or is it a financial advisor guiding you. As in most things, self help may not be the best help for your portfolio Moneycontrol.com lists down the best balanced funds with enviable track records. Pick one

udayachandran: I expect a consistent 12% return on my investments. Where can park my investments? what type of mutual funds can I choose? Please advise.

Vikaas Sachdeva: Let me answer this question differently as MFs cannot indicate or guarantee returns You first need to indicate your risk profile and the tenure for which you would like to hold on to your investments A good financial advisor will then structure - and monitor - a basket of investments offered under the MF umbrella which will take you closer to your goal. My immediate sense is that over an investment period of 5 years plus, a judicious mix of equity debt and gold should help you achieve your goal

pritsingh13: Hi Vikaas, I m investing 2Kpm in ICICI pru focused bluechip equity (G), 2kpm in HDFC top 200 (G), 2Kpm in IDFC sterling fund (G) and 1Kpm in reliance gold saving fund (G). Already invested lumpsum 25K in HDFC prudence fund (G). Can you please comment on my existing portfolio and suggest something else as well.

Vikaas Sachdeva: Portfolio is good, although a financial planner would have ideally advised you not too much of diversification Volatility is a key issue with investments in today's day and age. Look at buttressing your portfolio with an "Absolute Return" fund offered today. Should be able to bring down volatility in your portfolio without compromising on returns

rockme26: Hi Renu, i have SIP of Rs 2000 in IDFC premier equity fund, SIP of Rs 2000 in DSP Black Rock, Rs 1500 in UTI Oppurtunities (G), Rs 1000 in HDFC top 200 fund, 1000 in Franklin Blue chip fund, Rs 2500 in SBI ETF fund, Rs 2800 in UTI ETF SIP and Rs 10000 invested in Relaince gold saving fund. My age is 27 and investment time is 5-10 years and i want to invest Rs 5000 more. Please suggest

Vikaas Sachdeva: You have a well diversified portfolio. A top up in any equity scheme which you have invested in earlier makes a lot of sense rather than scouting around for a new name

iyersatya: My MF portfolio is as below, total amount invested as on today on SIP is 1,73,000 DSP-BR Top 100 Equity - Rs2000/- HDFC Gold Fund - Rs2000/- HDFC Prudence Fund - Rs2000/- ICICI Pru Discovery Fund-Rs1000 IDFC Premier Equity-Rs2000 Kotak Opportunities Fund-Rs1000 Question-1)Are these funds the right mix for a good portfolio 2)Should i continue investing for longer period or should i look at switching some funds. 3)i would like to invest Rs2k more per month, which fund will you suggest

Vikaas Sachdeva: a) These are good funds with a longish track record. Worth holding on to b) I really don't know your age or risk profile, but if you are in your late 20s or early 30s - or have a higher risk taking capability, this seems to be a good mix. Of course, having a financial planner on your side is always useful c) Top up one of your existing investments. I never recommend too much of diversification unless there is a need to I don't see too much of debt in your portfolio. Maybe a good debt option makes sense

udayachandran: In the volatile market, is it good to choose balanced funds, gold funds instead of other equity funds which concentrates 100% equity?

Vikaas Sachdeva: Balanced funds for the conservative investor is my vote here for a lumpsum investment If it is equity, it has to be SIP However, there are funds like "Absolute Return" funds or "Quant" funds which are excellent vehicles to ride on the volatility prevalent in such situations

a.hemant2006: Franklin India Blue Chip 5000 Per Month, HDFC Midcap Opportunities 7000 Per Month, UTI Oppurtunities 3000 Per Month, Birla Gold Fund 2000 Per Month. Age: 29 Target: 1 Crore, 15-16 Years....Is the fund allocation right?

Vikaas Sachdeva: Interesting portfolio. For a time frame of 15-16 years, back of the envelope calculations indicate that they should be enough Two caveats, however. Have a good financial advisor monitor your portfolio regularly Don't ignore debt as an investment option

rockme26: i have SIP of Rs 2000 in IDFC premier equity fund, SIP of Rs 2000 in DSP Black Rock, Rs 1500 in UTI Oppurtunities (G), Rs 1000 in HDFC top 200 fund, 1000 in Franklin Blue chip fund, Rs 2500 in SBI ETF fund, Rs 2800 in UTI ETF SIP and Rs 10000 invested in Relaince gold saving fund. My age is 27 and investment time is 5-10 years and i want to invest Rs 5000 more. Please suggest

Vikaas Sachdeva: Seems to be a conservative portfolio for someone who is so young ! My guess is that you have either some liabilities on your plate (Housing loan etc) or that you also have other assets like direct equity or property which is why your financial advisor has recommended you to be on the safer side My view is that having an ETF and a large cap fund in your portfolio is more of the same thing./ Also, one ETF is as good as the other. You can stick to one

guest: sir, im student 21, looking for investment options. can manage to spend 4000 per month, last month i started hdfc top 200 fund of sip 1000.. can u please suggest me other best options.. looking for long term benefits

Vikaas Sachdeva: Good to see someone so young starting off so early in the investment space My sense is that you stick to one fund house currently. Overdiversification does not make sense

greedyrohit: Hi, my age is 24 and I am a investor in Stock market. 3 months before i opened account in ICICI prudential Focussed Equity Blue chip fund (Rs 2000)and HDFC TOP 200(Rs 1000). please suggest my decisions are correct or nt . I can start one more SIP of 1000 rs per month?Please suggest which fund should be considered.

Vikaas Sachdeva: Excellent choice. Your financial advisor has recommended good funds. Stick to them. Top up your investments in existing funds as and when required There are some fund houses which offer "trigger based SIPs" and "prepaid SIPs" which can help your investments into equity whenever the markets are volatile. Have a look at them

moderator: Thank you, Mr Sachdeva for giving us your expert views, we hope to see you more often with us at moneycontrol.com. This chat has now ended. Thank you everyone for participating.