

ADVICE SENSE PRESENTS

# INVESTONOMICS

INVESTING GUIDE | JANUARY 2019 to MARCH 2019

ADVICE SENSE  
BRINGS ITS  
FIFTH EDITION OF  
QUARTERLY INVESTMENT GUIDE  
INVESTONOMICS

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VIPASSANA  
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5TH  
EDITION  
*January to March*

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WEALTH MANAGEMENT • SIMPLY ETHICAL



## 2019 vs 2018 : Our Perspective

Everyone believes that year 2019 is going to be influenced by the general elections and its outcome, which is not entirely incorrect, however, if the recent state elections are referred, it highlights the market is not a slave to politics in long term. What matters more is - macro and micro economic fundamentals along with valuations and corporate earnings.

### 2018

After emerging from demonetization in 2016 and the implementation of GST in mid - 2017, the economy was seen to be returning to its growth trajectory towards the end of calendar year 2017 but 2018 brought with it, a series of events that could easily have derailed growth once again.

- o The rupee dollar exchange rate deteriorated during the year, largely due to rising crude oil prices, supported by fears of a trade war between the US and China and expectations of rising interest rates in the US.
- o Sharp rise in crude oil price for 3 quarters of calendar year 2018.
- o India was constantly haunted by the spectre of rising inflation (although it never really rose above its January 2018 peak of 5.07%) and prompted the RBI to raise its benchmark interest rate in two tranches of 25 basis points each as a pre-emptive measure leading to yields going up in 2018.
- o IL & FS defaulted in Sep, 18 leading to increase in perceived risk and coupled with rising interest rate expectations, caused systematic liquidity to dry up substantially.

Despite all these headwinds, the economy posted growth of above 7% in all three quarters (March, June and September 2018), peaking at 8.2% in the June quarter.

What gave the economy this inherent strength to bear domestic and international shocks and keep plodding on its growth path?

Firstly, financial inclusion has set in motion a great juggernaut, driven by MSME activities and consumption in small towns and rural areas. Looking ahead, it is this large base of consumers and producers that will drive India's growth story forward in the short to medium term, at least. Secondly, as 2018 ended, domestic and international macro-economic factors turned favourable for India, as rise in crude prices and fall in exchange rate got reversed, and scenario on these fronts became again positive for our country with global events that prompted adversities mellowing down. Thirdly, domestically, inflation has fallen to an all-time low of 2.33%. Fourthly, liquidity is fast returning to the financial sector due to a series of measures adopted by the RBI and the support of other apex bodies.

What is missing is that corporate earnings have not shown decent improvements, only a few signs of recovery.

## 2019

According to the Bank of America Merrill Lynch (BofA-ML) survey of fund managers for Dec, 53% of global fund managers expect global economic growth to weaken over the next 12 months. While the US - China trade war tops the list of biggest tail risks cited by investors, quantitative tightening and a slowdown in China are the other concerns. In fact, concerns about the US - China trade war have led the International Monetary Fund to cut its global growth forecast in Oct to 3.7% for both 2018 and 2019, down from 3.9% projected in July. Hence, apart from US markets which fell more than 20% in calendar year 2018, other big markets also witnessed a decent fall in 2018 like - China(- 25.5%), Japan(-14.9%) and the Philippines(-14.4%).

At the same time, India remains ahead of China to retain the tag of the world's fastest growing major economy. Industrial output remains resilient, consumption continues to be strong, and inflation is at multi year low. Though corporate earnings have not shown significant improvement, however, what makes scenario optimistic on this front(as well) is that growth drivers are changing from private consumption to investment in Q2FY2018 -19; gross fixed capital formation (GFCF) increased by 12.5% YoY recording the third consecutive quarter of double digit growth. This has implications as corporate earnings are more dependent on growth in capex. Large - cap heavy weight companies are thus witnessing support from improving growth cycle, macro stability and rising domestic appetite for equities, (reflected by DII flows).

### Our Views

We agree that while there is a pessimism in the markets globally and this may continue into the first quarter until better data emerges and hence we believe that markets could be volatile for the time being, but despite weaker global outlook, it is unlikely that world will go into a recession. So, uncertainty in the first half of the year presents opportunity to invest keeping in perspective the recovery in the second half of 2019. All the more because besides a few large cap companies, equity markets across sectors and markets caps has already seen price correction in 2018. So, more price and/or time correction in first half of 2019, would make markets look attractive on valuations. Thus, in our view, elections are mere "interruptions" that won't disrupt the nation's economic structure or business cycle, and markets would settle over time, until which one has to ride the volatility, and any fall is an investment opportunity for long-term. One must not forget, that when going gets tough, tough gets going.

Consumption as a theme (stocks like ITC, HUL, Havells, Godej Consumer products ) for example looks promising for 2019, as demand from rural and urban areas starts to pick up based on the various programs undertaken by the govt. At the same time, after price correction in auto (stocks like Maruti, M & M, Eicher Motors, Tata Motors), it also present an opportunity to invest from a medium - to long - term perspective. Private sector banks is the third sector ( stocks like ICICI bank, Axis bank, Kotak, Yes bank ) that present an investment opportunity.

Elections in 2019 seem to be different than elections of 2014, 2009 or 2004, as this year outcome seems unclear and uncertain; but is that really only the case in 2019? Elections outcomes have always been uncertain, but, in long term markets have followed macro - economic fundamentals and corporate earnings and not elections. While, patience and not investing in a hurry is extremely important, waiting to catch the bottom is dangerous. Sticking to one's asset allocation; maintaining the optimum balance of debt and equity and chasing asset valuations on forward earnings basis is a better approach than trying to time the market.

Kamal Manocha  
Chief Strategist and Advisor



## Q2 2018 INDIAN CORPORATE EARNINGS



Corporate India reported a good set of numbers during the July-September 2018 quarter, thanks to gains from a low base during the corresponding quarter last fiscal year and a better-than-expected showing by metals and mining firms. The combined net profit of 1,889 companies across sectors was up 16.2 per cent year-on-year during the second quarter of 2018-19. It has grown at the fastest pace in the last seven quarters. More than two-thirds of the Nifty 50 companies either met or beat the average estimate in the quarter ended September.

Amongst financial services companies, Bajaj Finance was the best performer in NII terms (for the third consecutive quarter), in net profit terms, Axis Bank was the best performer with a profit after tax growth of 82.6%, owing to lower provisions. In the Non-BFSI segment, the best-performing companies were Reliance Industries (in net sales terms) and Coal India (in net profit terms). Bharti Airtel was the bad performer in terms of net sales and Tata Motors (which reported a loss on the back of challenges faced by its subsidiary Jaguar Land Rover in the UK) was another bad performer in terms of net profit, for the second consecutive quarter. Excluding corporate banks, Nifty profit growth in the second quarter came in at 12.8%. Nifty EBDITA margin (excluding financials, OMCs) contracted 40 basis points YoY to 20.7%. 66% of Nifty universe posted in-line or higher-than-estimated profit after tax.

But downgrades in earnings estimates continues. "In comparison to estimates provided in Q1FY19 result insights, the Nifty EPS estimates are revised downward by about 4.0% for CY18, 1.9% for CY19 and 1.1% for CY20. Further, Sensex EPS estimates are trimmed by 6.5% for CY18, 2.7% for CY19 and 0.8% for FY20, as per senior VP, head of research, Centrum Wealth Management.

For the past two years, we have been forecasting a turn in earnings which hasn't happened substantially. So, the markets will look forward to Q3 and FY 19 estimates along with the expected scenario with regards to the general elections and remain volatile.



# NIFTY 50 COMPANIES FUNDAMENTALS (SEP 2018 vs SEP 2017)

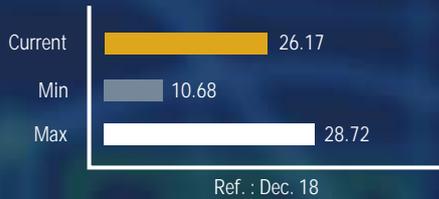
Name	Sector	Sep-17		Sep-18		YoY %-Change		LTP*	52w H*	52w L*	P/E*
		Net Sales (Rs mn)	PAT (Rs mn)	Net Sales (Rs mn)	PAT (Rs mn)	Change in Net Sales	Change in PAT				
ADANI PORTS & SEZ	MISCELLANEOUS	27,061	9,970	26,080	6,142	-3.60%	-38.40%	381	452	294	24.3
ASIAN PAINTS	PAINTS	42,742	5,110	46,391	4,979	8.50%	-2.60%	1380	1491	1090	63.1
AXIS BANK	BANKING	112,351	4,324	132,810	7,896	18.20%	82.60%	619	678	481	5636.8
BAJAJ AUTO	AUTOMOBILES	65,664	11,117	79,868	11,517	21.60%	3.60%	2685	3468	2420	18.5
BAJAJ FINANCE	FINANCE	30,862	5,569	42,559	9,235	37.90%	65.80%	2615	2994	1511	43.4
BAJAJ FINSERV	FINANCE	75,610	6,523	96,981	11,908	28.30%	82.60%	6404	7200	4500	25.7
BHARTI AIRTEL	TELECOM	217,769	7,647	204,225	859	-6.20%	-88.80%	313	543	277	104.4
BHARTI INFRATEL	TELECOM	16,587	3,080	17,202	3,608	3.70%	17.10%	265	383	242	31.6
BPCL	ENERGY	641,273	23,574	828,848	12,187	29.30%	-48.30%	356	523	239	9.3
CIPLA	PHARMACEUTICALS	40,824	4,350	40,119	3,661	-1.70%	-15.80%	514	678	503	33.4
COAL INDIA	MINING	181,483	3,689	221,981	30,847	22.30%	736.30%	236	317	228	13.4
DR. REDDYS LAB	PHARMACEUTICALS	35,598	3,054	38,175	5,074	7.20%	66.10%	2605	2750	1887	27.7
EICHER MOTOR	AUTOMOBILES	21,673	4,777	24,082	4,716	11.10%	-1.30%	21014	32237	20001	27.8
GAIL	ENERGY	124,097	13,096	192,753	19,630	55.30%	49.90%	350	399	295	14.4
GRASIM IND.	TEXTILES	136,457	10,622	167,950	-12,999	23.10%	-222.40%	816	1261	756	17.1
HCL TECH.	SOFTWARE	124,330	21,940	148,600	25,340	19.50%	15.50%	946	1125	876	14.4
HDFC	FINANCE	87,506	21,011	112,456	24,671	28.50%	17.40%	1983	2053	1645	23.7
HDFC BANK	BANKING	196,703	41,510	241,996	50,057	23.00%	20.60%	2127	2220	1829	28.9
HERO MOTOCORP	AUTOMOBILES	83,620	10,105	90,909	9,763	8.70%	-3.40%	3025	3825	2648	16.6
HINDALCO	ALUMINIUM	103,082	4,985	108,330	3,086	5.10%	-38.10%	215	284	192	30.0
HPCL	ENERGY	543,358	17,347	733,761	10,920	35.00%	-37.10%	255	435	163	6.0
HUL	FMCG	83,090	12,760	92,340	15,250	11.10%	19.50%	1781	1870	1281	67.4
ICICI BANK	BANKING	135,771	20,582	151,056	9,089	11.30%	-55.80%	364	375	257	67.5
INDIABULLS HOU. FIN.	FINANCE	30,670	8,429	39,804	10,349	29.80%	22.80%	840	1440	639	9.1
INDUSIND BANK	BANKING	42,084	8,801	54,381	9,203	29.20%	4.60%	1572	2038	1333	24.5
INFOSYS LTD	SOFTWARE	175,670	37,260	206,090	41,100	17.30%	10.30%	668	755	503	17.7
IOC	ENERGY	1,106,371	36,963	1,549,689	29,393	40.10%	-20.50%	137	214	105	5.8
ITC LTD	FOOD & TOBACCO	97,639	26,398	112,725	29,547	15.50%	11.90%	281	323	253	28.8
JSW STEEL	STEEL	168,180	8,360	215,520	20,890	28.10%	149.90%	287	428	262	7.7
KOTAK MAH. BANK	BANKING	60,729	14,407	73,111	17,474	20.40%	21.30%	1241	1417	993	37.4
L&T	ENGINEERING	264,468	19,943	320,808	25,934	21.30%	30.00%	1425	1470	1183	22.0
M&M	AUTOMOBILES	121,821	13,316	129,886	16,495	6.60%	23.90%	741	993	694	17.9
MARUTI SUZUKI	AUTOMOBILES	217,682	24,843	224,332	22,404	3.10%	-9.80%	7269	9929	6500	27.7
NTPC	POWER	196,988	22,855	222,611	20,561	13.00%	-10.00%	147	180	134	12.8
ONGC	ENERGY	189,649	51,307	279,892	82,646	47.60%	61.10%	147	213	135	7.5
POWER GRID	POWER	72,528	20,600	82,830	19,046	14.20%	-7.50%	195	216	174	12.9
RELIANCE IND.	ENERGY	950,850	80,970	1,460,180	95,480	53.60%	17.90%	1104	1329	871	19.0
SBI	BANKING	548,497	15,816	587,935	9,449	7.20%	-40.30%	294	333	232	-
SUN PHARMA	PHARMACEUTICALS	66,503	10,030	69,376	-1,070	4.30%	-110.70%	440	679	391	35.8
TATA MOTORS	AUTOMOBILES	701,560	19,916	721,121	-10,953	2.80%	-155.00%	168	444	155	49.6
TATA STEEL	STEEL	324,641	9,681	435,441	30,504	34.10%	215.10%	493	748	486	2.3
TCS	SOFTWARE	305,410	64,600	368,540	79,270	20.70%	22.70%	1919	3675	1711	25.6
TECH MAHINDRA	SOFTWARE	76,064	8,393	86,299	10,692	13.50%	27.40%	712	781	500	16.7
TITAN COMPANY	RETAILING	34,731	2,779	45,672	3,028	31.50%	9.00%	932	1000	732	67.8
ULTRATECH CEMENT	CEMENT	69,361	4,238	81,515	3,758	17.50%	-11.30%	3997	4600	3260	57.4
UPL LIMITED	CHEMICALS	37,700	3,000	42,570	2,840	12.90%	-5.30%	755	829	537	16.3
VEDANTA LTD	MINING	215,900	29,860	227,050	19,000	5.20%	-36.40%	193	356	190	4.5
WIPRO	SOFTWARE	134,234	21,896	145,410	18,837	8.30%	-14.00%	325	344	254	20.5
YES BANK	BANKING	48,003	10,027	72,312	9,647	50.60%	-3.80%	185	404	147	9.4
ZEE ENTERTAINMENT	MEDIA	15,821	5,908	19,759	3,859	24.90%	-34.70%	473	619	411	35.6

Disclaimer - For preparing the data, we have referred to [www.equitymaster.com](http://www.equitymaster.com), [www.screener.in](http://www.screener.in), [www.capitaline.com](http://www.capitaline.com). The data as of Sep 2018 is being compared with data as of Sep 2017.

\* Stock Prices and P/E data is as of 1st January 2019.

# TEN INVESTMENT INDICATORS AND THEIR HISTORICAL MAXIMUM AND MINIMUM

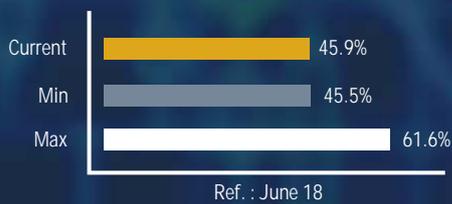
## 1 NIFTY PRICE TO EARNING RATIO



## 2 MARKET CAP TO GDP RATIO



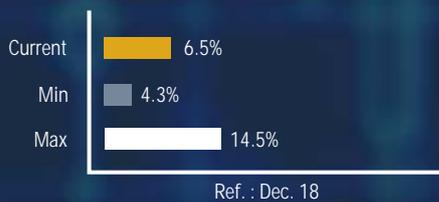
## 3 GOVERNMENT DEBT TO GDP RATIO



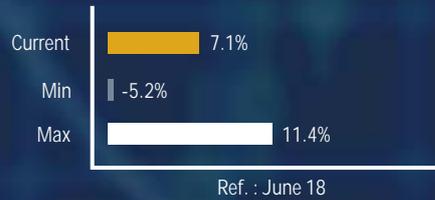
## 4 INFLATION RATE (CPI)



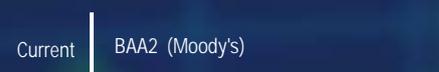
## 5 INTEREST RATE



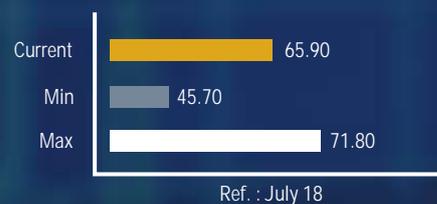
## 6 GDP ANNUAL GROWTH RATE



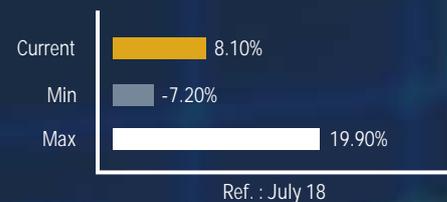
## 7 CREDIT RATING



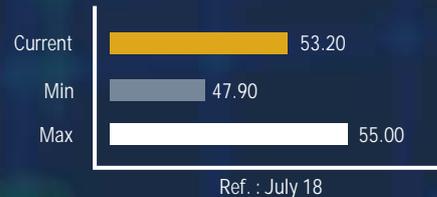
## 8 BUSINESS CONFIDENCE INDEX (BCI)



## 9 INDIA'S INDUSTRIAL PRODUCTION INDEX



## 10 MANUFACTURING PMI



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It all sounds very sophisticated,  
because it is.

But for you, we make it seamless.

The financial industry  
isn't designed to be fair

ADVICE SENSE IS **SIMPLY ETHICAL**

We make **countless smart decisions.**  
You just need to **make one.**

  
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# WHY INVEST IN EQUITY MARKETS THROUGH PORTFOLIO MANAGEMENT SERVICE

Indian stock market has seen four decades of remarkable history since 1979, where Sensex, the oldest index witnessed its journey from a level of 100, to now a level of 35000 during this period. Direct equity investing cult has thus taken deeper roots, and today there are a large number of investors who own equity portfolios in their demat accounts that they manage on their own basis inputs from broking companies, equity advisors and own views & analysis.

Because equity is highly volatile asset class, it requires an extensive research, as well as right investment temperament. Hence a self-managed equity portfolio seldom out-performs a professionally managed portfolio. And, over a longer period of time, the difference compounds and self-managed portfolios in general highly underperforms in comparison to the professionally managed portfolios.

Simply put, people who manage their own portfolios, on an average buy less of a quality as quality appears to be expensive and the investors' focus is on price, rather than value. Similarly, at the time of booking profit, stocks that are exited first are the ones that have undergone decent run up, as focus is on the price and gains rather than value and company's business. Eventually, because of this, quality keeps moving out of the portfolio and what remains is equity stocks that look cheap.

In a self-managed portfolio no-one is answerable to the investor, and it is generally very difficult for investor to evaluate his own decisions.

Professional management comes through two core investment products – Mutual Funds and PMS.

Mutual Funds are good, but are too much diversified and do not offer potential out-performance of a focussed and a concentrated approach that PMS brings in.

Here we present two major benefits of PMS vs Self-managed equity portfolio as well as MFs.

1. PMS Holdings are isolated and hence one investors portfolio is not impacted by other investors behaviour. Mutual funds being a retail product, follows a common pool approach, and investors are in general the public and thus is exposed to the vagaries of the behaviour of lacs of investors. Investors tend to invest in rising markets and there could be times of panic in rapidly falling markets. So, mutual fund gets more investment flows in the rising markets and it may happen at times that mutual funds are forced to buy more at higher levels, and sell in the falling markets on account of investors' panic selling. In case of a PMS, every investor has individual holdings in the demat account, so one investor's behaviour doesn't impact the other investors investment, and hence perform better in long term.

2. PMS creates a more concentrated portfolio and follows largely buy and hold strategy, so has a potential to generate superior long-term performance. Mutual Funds being products for mass retail investors tend to be regulated strictly; for instance, there are regulatory norms for benchmarking, scrip level exposure, investment patterns etc. More specifically in Mutual Funds, no stock can be over 10% of portfolio exposure. In PMS for instance; if a stock has 8% exposure and all things being static, this stock appreciates to become 12% of the portfolio, there is no compulsion to sell. There are times when a stock classified as mid cap appreciates over time and comes within the large cap basket. In a Mutual Fund scheme depending on investment universe defined the portfolio manager might be forced to sell. In a PMS, a portfolio manager may choose to have higher exposure as well as hold on to concentrated positions as long as they are delivering growth.

As often it is said that nothing comes easy, PMS requires more careful selection, slightly more documentation and a minimum investment commitment of Rs 25 lakhs.

Top 5 Strategies as per 1Y Return		
Strategy	Category	Return (Absolute)
AMBIT Coffee Can	Multi Cap Oriented	20.40%
INVESCO Large Cap	Large Cap Oriented	8.67%
ALCHEMY Select Stock	Multi Cap Oriented	2.80%
ICICI Largecap	Large Cap Oriented	2.62%
AXIS Brand Equity	Multi Cap Oriented	2.00%
Top 5 Strategies as per 5Y Return		
Strategy	Category	Return (CAGR)
MOTILAL NTDOP	Multi Cap Oriented	26.72%
INVESCO India Caterpillar	Mid Cap Oriented	25.50%
KOTAK SSV I	Multi Cap Oriented	25.36%
ALFAccurate AAA PMS	Multi Cap Oriented	25.36%
SUNDARAM Midcap	Mid Cap Oriented	23.20%
Our Recommended Strategies		
Strategy	Category	5Y Return (CAGR)
Invesco Large Cap	Large Cap Oriented	16.80%
ALFAccurate AAA PMS	Multi Cap Oriented	25.36%
Sundaram Midcap	Mid Cap Oriented	23.20%

Disclaimer - The returns have been collected from the respective PMS provider website and their monthly factsheets. Data provided is as of Nov'18.

Investments are subject to market risks, please read the disclosure document carefully before investing. Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments. Portfolio Management Services are market linked and do not offer any guaranteed /assured returns.



Funds	Corpus	Performance								Expense	
		AUM (cr.)	1 M	3 M	6 M	1 Y	2 Y	3 Y	5 Y	S.I	Regular
<b>Equity Contra/Value/Focused/Index</b>	<b>AUM (cr.)</b>	<b>1 M</b>	<b>3 M</b>	<b>6 M</b>	<b>1 Y</b>	<b>2 Y</b>	<b>3 Y</b>	<b>5 Y</b>	<b>S.I</b>	<b>Regular</b>	<b>Direct</b>
Invesco India Contra Fund (G)	2842	0.82%	0.94%	1.31%	-1.97%	20.46%	16.36%	22.37%	19.24%	2.20%	0.98%
Axis Focused 25 (G)	6455	1.37%	0.80%	-1.50%	1.84%	22.26%	16.52%	18.54%	16.28%	2.24%	0.77%
SBI Focused Equity Fund (G)	3261	2.92%	3.92%	1.59%	-2.79%	19.10%	13.53%	19.64%	14.63%	2.34%	1.47%
L&T India Value Fund (G)	7919	0.04%	0.04%	-0.71%	-10.67%	12.78%	11.52%	22.56%	19.76%	2.09%	1.44%
Tata Equity P/E Fund (G)	5021	1.19%	0.81%	-2.69%	-6.09%	14.91%	15.57%	21.63%	17.98%	2.08%	0.96%
ICICI Pru Nifty Next 50 Index Fund (G)	327	1.99%	3.21%	0.05%	-8.39%	15.72%	13.14%	17.38%	15.18%	0.85%	0.44%
<b>Equity Multi Cap Funds</b>	<b>AUM (cr.)</b>	<b>1 M</b>	<b>3 M</b>	<b>6 M</b>	<b>1 Y</b>	<b>2 Y</b>	<b>3 Y</b>	<b>5 Y</b>	<b>S.I</b>	<b>Regular</b>	<b>Direct</b>
Mirae Asset India Equity Fund (G)	9697	0.19%	1.66%	4.05%	0.22%	18.24%	15.06%	19.84%	17.96%	2.02%	0.79%
Aditya Birla SL Equity Fund (G)	10092	0.41%	3.86%	1.36%	-3.03%	14.43%	15.03%	20.09%	17.76%	1.97%	1.07%
Kotak Standard Multicap Fund (G)	21369	0.89%	2.01%	2.06%	0.16%	16.63%	14.64%	20.02%	17.55%	1.93%	0.92%
Edelweiss Multi-Cap Fund (G)	182	0.36%	0.84%	-0.05%	-3.64%	19.35%	12.97%	-	10.36%	2.48%	0.75%
SBI M Multicap Fund (G)	6192	1.49%	2.05%	0.61%	-4.42%	15.06%	12.30%	19.69%	16.90%	2.29%	1.17%
<b>Equity Large Cap</b>	<b>AUM (cr.)</b>	<b>1 M</b>	<b>3 M</b>	<b>6 M</b>	<b>1 Y</b>	<b>2 Y</b>	<b>3 Y</b>	<b>5 Y</b>	<b>S.I</b>	<b>Regular</b>	<b>Direct</b>
Edelweiss Large Cap Fund (G)	140	0.26%	-0.54%	0.91%	10.57%	23.86%	15.79%	18.25%	21.40%	1.60%	0.73%
Axis Bluechip Fund (G)	3295	0.76%	2.22%	0.42%	8.05%	22.88%	13.71%	15.91%	15.55%	2.30%	0.91%
Reliance Large Cap Fund (G)	11410	1.39%	2.59%	6.16%	0.87%	18.77%	13.42%	18.27%	15.77%	2.24%	1.26%
<b>Equity Large and Mid Cap</b>	<b>AUM (cr.)</b>	<b>1 M</b>	<b>3 M</b>	<b>6 M</b>	<b>1 Y</b>	<b>2 Y</b>	<b>3 Y</b>	<b>5 Y</b>	<b>S.I</b>	<b>Regular</b>	<b>Direct</b>
Mirae Asset Emerging Bluechip Fund (G)	6130	1.69%	5.16%	5.77%	-4.75%	19.58%	17.37%	28.27%	24.82%	2.26%	0.87%
Can Robeco Emerging equities (G)	3937	0.93%	1.23%	-1.69%	-8.18%	18.92%	13.63%	26.99%	22.71%	2.05%	0.96%
Principal Emerging Bluechip (G)	2021	0.78%	0.72%	-2.81%	-10.02%	16.44%	15.02%	24.17%	20.86%	2.12%	1.25%
<b>Equity Mid Cap</b>	<b>AUM (cr.)</b>	<b>1 M</b>	<b>3 M</b>	<b>6 M</b>	<b>1 Y</b>	<b>2 Y</b>	<b>3 Y</b>	<b>5 Y</b>	<b>S.I</b>	<b>Regular</b>	<b>Direct</b>
L&T Mid Cap Fund (G)	3438	1.44%	3.10%	-1.22%	-11.23%	16.77%	14.70%	25.28%	21.78%	2.17%	1.49%
Kotak Emerging Equity (G)	3314	3.09%	4.77%	-1.36%	-10.71%	13.75%	13.17%	24.65%	19.13%	2.14%	0.80%
Invesco India Mid Cap Fund (G)	245	2.97%	4.67%	5.09%	-3.61%	18.95%	13.32%	23.19%	20.15%	2.69%	1.01%
Edelweiss Mid Cap Fund (G)	787	1.70%	0.60%	-4.98%	-14.57%	14.35%	10.46%	22.57%	19.65%	2.36%	0.83%
<b>Equity Small Cap</b>	<b>AUM (cr.)</b>	<b>1 M</b>	<b>3 M</b>	<b>6 M</b>	<b>1 Y</b>	<b>2 Y</b>	<b>3 Y</b>	<b>5 Y</b>	<b>S.I</b>	<b>Regular</b>	<b>Direct</b>
SBI Small Cap Fund (G)	1281	2.06%	0.96%	-0.44%	-18.64%	21.13%	14.63%	31.41%	27.08%	2.49%	1.47%
Reliance Small Cap Fund (G)	7227	0.70%	1.22%	-3.18%	-15.69%	17.89%	14.06%	27.96%	25.08%	2.30%	1.20%
HDFC Small Cap Fund (G)	5672	1.43%	2.15%	-0.90%	-6.69%	23.16%	17.44%	21.65%	19.09%	2.16%	0.66%
L&T Emerging Businesses Fund (G)	5392	1.95%	2.55%	-2.69%	-12.94%	20.83%	17.48%	-	22.27%	2.19%	0.88%
<b>Equity ELSS/Tax Saving</b>	<b>AUM (cr.)</b>	<b>1 M</b>	<b>3 M</b>	<b>6 M</b>	<b>1 Y</b>	<b>2 Y</b>	<b>3 Y</b>	<b>5 Y</b>	<b>S.I</b>	<b>Regular</b>	<b>Direct</b>
Mirae Asset Tax Saver Fund (G)	1209	0.63%	2.98%	4.55%	-1.14%	21.66%	19.96%	-	20.01%	2.03%	0.35%

Source – <https://www.valueresearchonline.com>, <https://www.mutualfundindia.com>

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Debt   Arbitrage   Hybrid	Attributes			Performance							Expense	
Debt - AAA Oriented	YTM	Mod Duration	Credit Quality	1 M	3 M	6 M	1 Y	2 Y	3 Y	S.I	Regular	Direct
Franklin - India Banking & PSU Debt Fund (G)	9.04%	1.97	High	1.29%	3.70%	5.28%	7.28%	7.01%	8.04%	8.56%	0.56%	0.19%
Tata - Medium Term Fund (G)	9.85%	1.90	High	1.00%	3.21%	4.64%	6.11%	5.83%	8.05%	8.82%	1.35%	0.40%
Reliance - Prime Debt Fund (G)	9.33%	0.88	High	0.89%	2.49%	4.07%	7.31%	7.22%	8.02%	8.59%	0.74%	0.34%
Tata - Money Market Fund (G)	9.48%	0.39	High	0.93%	-3.67%	-3.51%	0.04%	3.33%	4.74%	6.81%	0.18%	0.11%
ICICI Pru - Floating Interest Fund (G)	9.26%	0.36	High	0.79%	2.18%	4.00%	7.41%	7.52%	8.29%	8.90%	1.32%	0.57%
DHFL Pramerica - Ultra Short Term Fund (G)	9.47%	0.32	High	0.91%	2.51%	4.27%	8.06%	7.55%	7.93%	8.80%	0.50%	0.25%
Franklin - India Savings Fund (G)	8.32%	0.30	High	0.81%	2.29%	4.09%	7.73%	7.53%	7.84%	8.57%	0.34%	0.16%
L&T - Money Market Fund (G)	8.31%	0.28	High	0.82%	2.20%	4.06%	7.89%	7.94%	8.51%	1.58%	0.74%	0.29%
UTI - Ultra Short Term Fund (G)	9.63%	0.27	High	0.80%	2.23%	4.00%	7.65%	7.47%	8.13%	8.88%	0.96%	0.43%
Reliance - Money Market Fund (G)	8.24%	0.22	High	0.84%	2.33%	4.22%	8.03%	7.35%	7.47%	8.22%	0.25%	0.15%
Reliance - Liquid Fund (G)	7.71%	0.10	High	0.62%	1.94%	3.83%	7.53%	7.14%	7.34%	8.16%	0.23%	0.15%
Debt - Credit Opportunities	YTM	Mod Duration	Credit Quality	1 M	3 M	6 M	1 Y	2 Y	3 Y	S.I	Regular	Direct
Axis - Strategic Bond Fund (G)	9.85%	1.90	Medium	1.04%	2.93%	4.58%	7.40%	7.77%	9.34%	9.46%	1.05%	0.41%
ICICI Pru - Medium Term Bond (G)	9.73%	1.61	Medium	0.72%	2.15%	3.57%	5.95%	6.69%	8.21%	8.91%	1.54%	0.75%
DHFL Pramerica - Short Maturity Fund (G)	10.70%	1.08	Medium	0.89%	2.38%	3.89%	6.48%	7.09%	8.35%	9.12%	1.36%	0.52%
Franklin - India Low Duration (G)	10.62%	0.90	Medium	1.01%	2.89%	4.80%	8.83%	8.74%	9.16%	9.64%	0.78%	0.42%
Tata - Corporate Bond Fund (G)	9.01%	0.83	Medium	0.93%	2.48%	1.57%	4.80%	5.85%	6.87%	8.07%	1.01%	0.28%
L&T - Low Duration Fund (G)	9.50%	0.83	Medium	0.90%	2.47%	4.08%	7.08%	7.90%	8.63%	8.91%	0.96%	0.52%
Kotak - Low Duration Fund (G)	9.75%	0.77	Medium	0.88%	2.39%	4.29%	8.14%	8.03%	8.60%	8.85%	1.05%	0.28%
DHFL Pramerica - Low Duration Fund (G)	10.26%	0.57	Medium	0.88%	2.45%	4.24%	7.90%	7.74%	8.40%	9.12%	1.24%	0.68%
Debt - Credit Risk	YTM	Mod Duration	Credit Quality	1 M	3 M	6 M	1 Y	2 Y	3 Y	S.I	Regular	Direct
Reliance - Credit Risk Fund (G)	11.00%	1.75	Low	1.02%	2.50%	4.16%	6.99%	7.48%	8.64%	9.39%	1.66%	0.98%
Aditya Birla SL - Credit Risk Fund (G)	11.60%	1.53	Low	0.95%	2.82%	3.95%	7.74%	8.51%	9.40%	9.33%	1.78%	0.68%
Invesco - India Credit Risk Fund (G)	14.82%	1.10	Low	0.92%	2.58%	1.99%	4.87%	6.36%	8.13%	8.88%	1.50%	0.75%
Franklin - India Ultra Short Bond Super Ins (G)	9.61%	0.47	Low	0.89%	2.77%	4.76%	8.81%	8.54%	8.95%	9.47%	0.41%	0.34%
Arbitrage	YTM	Mod Duration	Credit Quality	1 M	3 M	6 M	1 Y	2 Y	3 Y	S.I	Regular	Direct
Reliance - Arbitrage Fund (G)				0.37%	1.69%	3.38%	7.46%	6.77%	6.92%	7.99%	1.05%	0.35%
Axis - Arbitrage Fund (G)		NA		0.23%	1.79%	3.38%	6.98%	6.52%	6.96%	7.38%	1.00%	0.28%
ICICI Pru - Equity Arbitrage Fund (G)				0.33%	1.65%	3.36%	6.86%	6.51%	6.82%	8.01%	0.95%	0.35%
Hybrid	YTM	Mod Duration	Credit Quality	1 M	3 M	6 M	1 Y	2 Y	3 Y	S.I	Regular	Direct
Principal - Hybrid Equity Fund (G)		NA		1.00%	0.85%	1.29%	-0.49%	17.24%	15.16%	15.04%	2.17%	1.34%
Mirae - Asset Hybrid Equity Fund (G)				0.40%	2.61%	4.62%	2.80%	15.70%	14.02%	12.11%	2.17%	0.36%

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# Vipassana Experience

Vipassana is a meditation technique that was discovered by the Rishis of ancient India when human civilization began. Over thousands of years, it has undergone many iterations to conform to various ideologies and lead to emergence of various religions and practices. Some 2500 years ago, Sidharth Gautam ( The Buddha ) famously rediscovered Vipassana in its purest form by attaining enlightenment through awareness and equanimity. Awareness implies “knowing things exactly as they are” and Equanimity mean full surrender and being perfectly okay with whatever is happening in the moment.

Vipassana is non-sectarian therefore, not any religion. It is based on Dharama, the Universal law. This understanding is extremely important. We have always used the word Dharama while – alluding - to a particular religion - Hindu Dharama, Jain Dharama, Muslim Dharama, Sikh Dharama, Christianity Dharama, Bodh Dharama. This is because we have lost its true meaning as per ancient language. The actual meaning of Dharam is “what one holds”, or “what mind is holding at this moment”. In more simple words, “what are the attributes - of one’s matter (body) and mind (soul)”. Let’s understand with example: the Dharama of fire is to burn itself and to burn others. Fire burns, and ice cools. These are their universal laws; their innate nature. If fire doesn’t burn itself and others, it cannot be fire. Similarly, dharama of sun is to give heat and light, dharama of moon is to give cool and reflect light.

If i am holding ill will, animosity, anger, the dharma of my innate creation is that it will burn me and others around me. As at this moment, I am the vessel containing fire, so vessel will be the first victim, then the fire and heat will spread in the environment around it. It is innate nature. Similarly, if I am holding the pure state of mind, it will reflect love, compassion, joy, peace and success. So, dharma can be understood as the innate technology and operating mechanism of every matter and mind. Characteristics of content one holds at any moment determines what it reflects at that moment. This is Dharama - the universally accepted law.

The Vipassana Essence: The instructions seems to be simple: all you need to do is sit still, observe your breath, be aware of sensations on your body, and allow your thoughts to flow with zero judgment. But as I tried, I discovered over and over again, these instructions are extremely difficult to follow as one is not chanting any word, neither using any tempo of breathing. So, one is barely able to sit in one posture for a few minutes. This is the essence of Vipassana – knowing things as they really are. With 4-5 group sittings giving attention to one’s natural breathing over an hour or so, one’s sense of observation becomes sharp enough to experience the body’s sensations which are never observed otherwise in any form of yoga, meditation, chanting, prayer or satsang. From here, the discovery begins. These sensations are basically the scientific reality of our body. These are caused by atoms with which body (matter) is made of. Each of these atoms is rising and dying at a pace of  $10^{21}$  times in 1 second and this “Bhav’ of evolution is what makes us feel sensations. Each atom at its surface is made of 5 elements i.e. earth, fire, air, water and space and hence these 5 elements are

constantly rising and dying with in us in various proportions depending upon what we eat, in what conditions we live and what contents we are carrying. This is the foremost and basic awareness that one gets to experience within one-self as a result of first 2 days of Vipassana experience.

After 3rd and 4th or 5th day of practice, one starts to experience the innate nature and structure of each atom, beneath its outside surface, where lies the mind (soul) in it. Hence, we say there lies a consciousness in each atom. With experience, one understands mind (soul) is made of 4 parts – “Consciousness, Intellect, Vedana and Sanskara” and this is the structure, technology or innate natural mechanism on the basis of which each atom is functioning. Our consciousness “gets to know things”, Intellect “gets to understands them”, Vedana “feels and “We react “. Sanskara, the 4th part of Mind “records the “overall experience”. Mind (Soul), which we know is immortal captures these experiences over many past life times, and this leads a building of a deep and strong behaviour pattern. The instant reaction mechanism, fears, instincts that we find in us today is the result of all past experiences that are recorded (sanskara) in our mind and we carrying from one life to another. Over thousands of life times, it has become very strong. Hence, one is naturally getting pulled to 5 evils - lust, anger, greed, attachment and ego.

As such, the 10 days Vipassana retreat that I attended are designed to reduce distractions and provide conducive environment to experience the true nature and functioning of one’s body and mind. For 10 days, you agree to live in complete silence, called Noble Silence, along with strangers with whom you cannot even make eye contact. Predictably, men and women are completely separated. You must handover your phone, valuables, and you are not allowed to read, write, or exercise (even yoga is prohibited!). You must adhere to a vegetarian diet, you’re offered two meals - BF and Lunch ( sorry no dinner ), a rigorous timetable, day begins at 4 am, you meditate for 120 hours over 10 days.

After 7 Days of being in Vipassana, one gets to see within one self the hidden reasons responsible for our fears, thoughts, miseries, reactions, and happiness by experiencing the innate nature of our mind. 8th and 9th day starts the glimpses of wisdom from within i.e. “We have evolved after taking many forms to reach the stage of human being”. We need to break old Sanskaras of Cravings and Aversions that our mind ( soul) is carrying to experience the next stages of evolution. Unless we break our old behaviour pattern of cravings and aversions, it’s an on-going chakra; unaware living and constant pains in various forms of life times.

While in Vipassana, as soon, one sees the urge to bring in a change emerging within, dharma, our innate technology throws an instant blissful sensation – and craving goes – away at that moment. So, regular practice thus is said to the tool to get rid of old Sanskaras, which is the key to break the cycle of birth and death to reach the next stage of evolution, Nirvana.

Rewind :- Because, each atom (body matter) is in constant state of “bhav “ meaning sensations rising and dying, each craving ( felt by body sensations ) is also in a constant bhav, rising and dying constantly. The urge to control cravings arise from Awareness ( with self-experience ), and as a result of this awareness, Mind (soul) which is deep inside structure of each atom throws a pure blissful sensation to the outside surface of atom; its whole chemistry gets transformed leading to craving going away, making us Equanimous. It doesn’t just stop here. As craving and aversions was our old

behaviour, efforts to control this, reverses the direction of energy and creates a new behaviour. As the collection of old Sanskaras used to resist change, the creation of one new Sanskara (behaviour), now starts to assist in the process of change. As change is realised, sense of freedom is experienced, and one is filled with Gratitude and Compassion. Once the old contents of mind ( Soul ) begin to get replaced with new contents of gratitude and compassion, universal power ( whom we know as God ), holds us and begins to help us in your journey. As a result, life becomes free from fears, compulsive behaviours, constant cravings, one becomes extremely serene, focussed, confident, sharp successful and happy.

We were released from Noble Silence on the afternoon of Day 10. Unbelievable, but I didn't really feel like talking. What in the world would I say to these men with whom I had been practicing together without knowing anything about them. For 10 long days, we had silently eaten together, slept in close quarters, meditated in varying ways, and felt each other's pains and joys. What words could capture the depth of my experience. I wish everyone whom I have known experiences this. These were the thoughts.

'Hello,' was the initial simple and meaningful word that came my way. For the first time, I looked straight into the eyes of my roommate and partner who had sat behind me in the Hall for about 100 hours. As his face relaxed into a smile, I was delighted by his grace.

As each man commented, his voice seemed foreign when he emerged from silence. We were all initially curious about each other's retreat experiences. The curiosity shifted to wondering who each other was in 'the real world.' I was heartened to learn that I was in great company. I had been meditating near strong thinkers who had arrived from very different or distant places for learning this ultimate wisdom.

I am reminded of many other things that happened in 2018, and amongst all other things, as per the UN World happiness report released during the year, India ranked 133 on this list of 156 nations studied behind Pakistan, Bhutan, Bangladesh, and Sri-Lanka. The research report truly mentions that money and wealth are important factors responsible for happiness, but are not the only ingredients in the recipe for happiness. Contents of our mind are responsible for our happiness and not just external conditions. So, What really is keeping even successful and wealthy ones unhappy? It is the habit pattern of always wanting more and more. The more we are running for more, the more we are unhappy. Why are we being pulled into the compulsive craving of always wanting more? Why can't we pause, get happy with gratitude for the moment for what we have? If we do so, our efficiencies increase many fold, our happiness increases many fold. The only way out is Awareness, Equanimity and Gratitude. This is exactly what Vipassana Experience teaches. My experience made me serene, confident, engaged, and thoughtful. I recommend Vipassana retreat to everyone. This (free!) experience is very -transformational.

Experienced by: Kamal Manocha

Location: Dhamma Thali, Jaipur

Duration: 23rd Dec 2018 to 3rd Jan 2019

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## Data Sources

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