

Plexus Management Services
New Fund Framework: Posted 25th Jun 2010 to 23rd July 2010
NFO Review: HDFC Gold ETF

Offer Period	25 th Jun 2010 to 23 rd July 2010
Scheme Type	Open Ended Gold ETF
Unit Price & Subscription:	Unit Price : Rs. 100 per unit Subscription : Rs. 5000
Load & options.	Entry Load : NIL; Exit Load: NIL
Fund Objective:	The investment objective of the scheme is to generate returns that are in line with the performance of gold (and gold related instruments including derivatives – as and when permitted by SEBI), subject to tracking errors.
Benchmark:	Domestic Price of Physical Gold
Fund Manager	Mr. Anil Bamboni

Idea Distiller:

Gold as an investible medium has been seeing amongst its best times in a long while. Clearly the fund is aimed at cornering a share of the market where the selling proposition is kept simple and of course plugging a gap in the product bouquet the fund has on offer.

Asset allocation:

Item	Percentage
Gold Bullion:	90%-100%
Debt & Cash equivalent:	0-10%

Peer Scheme

SBI Gold Exchange Traded

Track record:

Management	Fund Manager
Risk: ★ ★	Risk: ★ ★
Return: ★ ★	Return: ★ ★

Risk: ★ ★

Return: ★ ★

Scheme DNA:

Unique Idea ★ ★
Return Possibility ★ ★
Risk ★ ★
Opera ability/Complexity ★ ★

Comments:

Clearly there is a substantial interest in quick money making options and gold figures very prominently in the list. But, there is enough news flow to suggest gold might be near its medium term high. Conversely, the unabated appetite for gold, especially from mature risk averse investors lends credence to the idea that gold prices have some way to go before it flattens. Its your poison, decide if you have to drink it or dump it. Personally I favour the idea of getting out of gold and definitely not putting in any more money. But if one has to choose between one Gold ETF or the other, its anybody's guess.....most are the same anyway and fund manager's scope is hardly there.