

## Plexus Management Services

### NFO Review: IDBI Nifty Junior Index Fund

<b>Offer Period</b>	2 <sup>nd</sup> Sep 2010 – 15 <sup>th</sup> Sep 2010
<b>Scheme Type</b>	An Open-ended index fund
<b>Unit Price &amp; Subscription:</b>	Unit Price : Rs. 10 per unit: Subscription : Rs. 5000
<b>Load &amp; options.</b>	Entry load – NIL. Exit load - 1% for exit (Repurchase / Switch-out / SWP / STP) on or before 1 year from the date of allotment for the subscriptions received during the NFO period. Options: Growth & Dividend
<b>Fund Objective:</b>	To invest in the stocks and equity related instruments comprising the CNX Nifty Junior Index in the same weights as these stocks represented in the Index with the intent to replicate the performance of the Total Returns Index of CNX Nifty Junior Index.
<b>Benchmark:</b>	CNX Nifty Junior Index
<b>Fund Manager</b>	Mr. Gautam Kaul.

#### Idea Distiller:

It's a new fund house, it has got to make up its bouquet of offerings. The small cap and mid cap index has been sizzling of late and investor's appetite is high. Since IDBI MF sees itself more as an Index specialist, the Nifty Junior Index fund is a natural fit for the times and the company.

#### Asset allocation:

Item	Percentage
Debt & Cash equivalent:	0%-5%
Equity	95%-100%

#### Peer Scheme

ICICI Prudential Nifty Junior Index Fund

#### Track record:

Management	Fund Manager
Risk: n/a	Risk: n/a
Return: n/a	Return: n/a

#### Scheme DNA:

Unique Idea:



Return Possibility:



Risk:



Opera ability/Complexity:



#### Risk of Investing:

The small cap space is typically one that is determined by opportunism and fleet footwork. The spaced is awash with opportunities and as the markets recover, interest is bound to increase in small caps, even from current levels. However, following an index passively is unlikely to yield even index returns as regular calibration is difficult and the number of stocks is high, compared to index constituents (50 only).

#### Comments:

The fund manager is a debt specialist. The fund house is yet to prove its mettle.

Investment space is rewarding primarily to opportunity seekers.

Perhaps the idea for the fund is to work up the performance history and then go to the investors, all cylinders firing. But, there are more profitable actively managed funds out there.

#### Oomph appeal:

Low. I would pass.