

Plexus Management Services
NFO Review: Principal Smart Fund

Offer Period	26 th Nov 2010 to 10 th Dec 2010
Scheme Type	Open Ended Dynamic/Opportunity
Unit Price & Subscription:	Unit Price : Rs. 10 per unit: Subscription : Rs. 5000
Load & options.	Entry load – NIL. Exit load - 1%- If redeemed/switched on or before completion of 365 days from the date of allotment. Nil – If redeemed/switched after completion of 365 days from the date of allotment. Options: Growth & Dividend
Fund Objective:	The primary objective of the scheme is to seek to generate long term capital appreciation with relatively lower volatility through systematic allocation of funds into equity; and in debt / money market instruments for defensive purposes.
Benchmark:	S&P CNX Nifty
Fund Manager	Mr. Rajat Jain

Idea Distiller:

The fund house wants to grow in new directions, having met with not much success in their current crop of offerings. This is one of the possible salvation “routes”.

Asset allocation:

Item	Percentage
Equity & Equity Related Instrument:	0%-100%
Debt & Cash equivalent:	0%-100%

Peer Scheme

ICICI Prudential Dynamic Fund

Track record:

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

Scheme DNA:

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

Comments:

The fund house does have a problem with consistency. We had a glimpse of better product management with Principal Large Cap but that performance has now ebbed. Its best to bypass the fund completely until the fund proves itself.

Oomph appeal:

I will certainly avoid it.