

Plexus Management Services

NFO Review: Reliance Index Fund-Nifty Plan

NFO Review: Reliance Index Fund-Sensex Plan

Offer Period	9th Sep 2010 – 23rd Sep 2010
Scheme Type	An Open-ended index fund(s).
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 investment objective of the scheme is to replicate the composition of the Nifty, with a view to generate returns that are commensurate with the performance of the Nifty, subject to tracking errors.
Benchmark:	S&P CNX Nifty BSE Sensex
Fund Manager	Mr. Sailesh Raj Bhan.

Idea Distiller:

The passive fund management products were conspicuous by their absence in the biggest fund house of the country's product basket. It was there. It was discontinued. It's making a comeback.

Asset allocation:

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

Peer Scheme

Taurus Nifty Index

Track record:

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

Scheme DNA:

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

Comments:

The think tank at Reliance MF is always adept at spotting gaps in the investment basket. In fact, in the case of Index offering, this is merely a relaunch. Not so much to substantially increase the AUM but to plug a gap in their own product basket. Perhaps when the downturn happens, these Index funds could perhaps be the saviors, one day. And to attract "new investors".

Oomph appeal:

Very low. I would certainly not buy.