

**Plexus Management Services**  
**NFO Review: Reliance Gold Savings Fund**

<b>Offer Period</b>	<b>14<sup>th</sup> Feb 2011 – 28<sup>th</sup> Feb 2011</b>
<b>Scheme Type</b>	An Open Ended FOF ETF
<b>Unit Price &amp; Subscription:</b>	Unit Price: Rs. 10 per unit. Subscription : Rs. 5000
<b>Load &amp; options.</b>	Entry Load : For subscription upto Rs. 1 Cr: 1.50%, For subscriptions > Rs 1 Crs and above: Nil Exit Load: For subscriptions of less than Rs 1 Cr per purchase transaction <ul style="list-style-type: none"> <li>• 1% if redeemed/switched out on or before completion of 1 year from the date of allotment</li> <li>• Nil if redeemed/switched out after completion of 1 year from the date of allotment</li> <li>• For redemption of Rs 1 Crs and above: Nil</li> </ul> Options: Growth Option & Dividend
<b>Fund Objective:</b>	The primary investment objective of the scheme is to seek capital appreciation by investing in units of Gold Exchange Traded Funds and domestic money market securities.
<b>Benchmark:</b>	Domestic Price of Physical Gold
<b>Fund Manager</b>	Hiren Chandaria

**Idea Distiller:**

ETF investments require an investor to have a demat account. However, the number of demat holders is not adequate to service the requirements of all interested participants. The fund aims to take away the hassle of a demat account for investing in gold through the Fund – of – Fund route.

**Asset allocation:**

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

**Peer Scheme**

**ICICI Prudential Gold Exchange Traded**

**Track record:**

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

**Scheme DNA:**

**Unique Idea:** ★★☆☆☆  
**Return Possibility:** ★★☆☆☆  
**Risk:** ★★☆☆☆  
**Opera ability:** ★★★★★

**Risk of Investing:** Gold in the last two years have seen a huge upside. However, expectations of repeating the same performance is limited, given the fact that the global recovery in markets and economies is well under way and hedging dollars with gold is witnessing limited action.

**Return possibility:** Very difficult to see very steep upside inn prices of gold for the current year and beyond. However, as a hedge against equity it could work for a short while.

**Comments:** My personal opinion is from current levels versus equity, gold would be an underperformer.

**Oomph appeal:** High. Because a large investor base with appetite for gold but without a demat account is going to get introduced to mutual funds.