

**MAKE THE
RIGHT MOVES for
your Investments...**



WHICH PARAMETERS NEED TO BE KEPT IN MIND WHILE MAKING AN INVESTMENT ?



Returns

Risk/Volatility

Safety of Capital

Liquidity

Tax Efficient

WHAT ARE THE INVESTMENT OPTIONS ?

- ▶ Bank FD/ RD/ Debt Funds
- ▶ Gold
- ▶ **Equity** (through buying stocks or MF)

Lets see how do these options stack up based on investor requirements ?

DEBT/FD

PARAMETER	FIXED DEPOSITS	SMILEY	DEBT FUNDS	IMPACT
↔ Returns ↔	Returns in the range of 5-6%	☹️	Return in the range of 7-9%	☹️
↔ Risk/Volatility ↔	Low	😊	Low	😊
↔ Safety of Capital ↔	Guaranteed	😊	Not Guaranteed, but High	😐
↔ Liquidity ↔	High, but subject to Penal charges in cases of premature withdrawals	😊	High	😊
↔ Tax Efficient ↔	Highest Tax Rate	😐	Indexation benefit for investment more than 3 years	😊

GOLD

PARAMETER	GOLD	IMPACT
↔ Returns ↔	Equal to inflation	😞
↔ Risk/Volatility ↔	Average	😐
↔ Safety of Capital ↔	Average	😐
↔ Liquidity ↔	High, but with cost	😊
↔ Tax Efficient ↔	High	😞

- ▶ Historically, Gold has given returns equivalent to inflation.

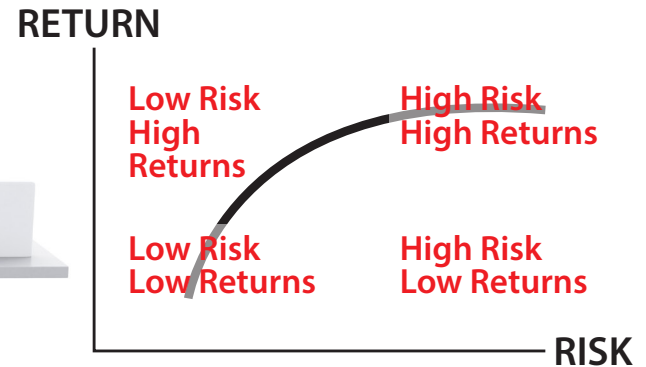
EQUITY

PARAMETER	EQUITY	IMPACT
↔ Returns ↔	High	😊
↔ Risk/Volatility ↔	High	😞
↔ Safety of Capital ↔	No Capital Guarantee	😞
↔ Liquidity ↔	High	😊
↔ Tax Efficient ↔	LTCG 10% only on Equity	😊

- ▶ Equities tend to beat inflation by a wide margin over longer term.

SO INVESTMENTS ARE BASICALLY A TRADE OFF BETWEEN RISK AND RETURNS

- ▶ High Risk = High Returns
- ▶ Low Risk = Low Returns



**WHAT IF WE HAD AN OPTION OF GETTING
HIGH RETURNS WITH LOW RISK?**

TWO INVESTOR INVESTED ₹ 1 LAC



Mr. X

Invested in
Nifty 500

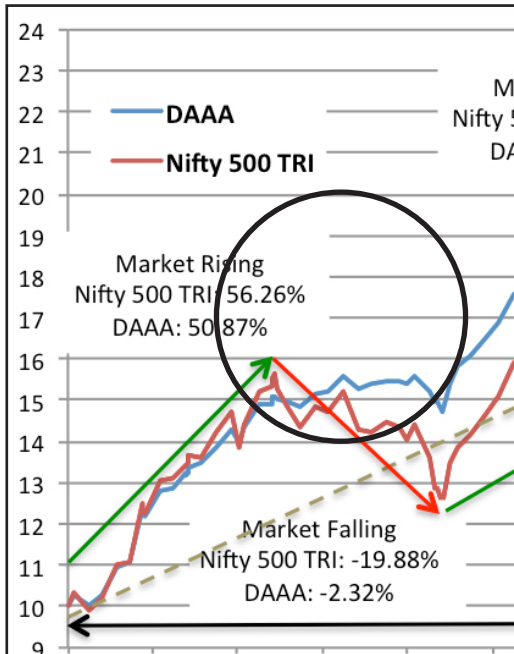


Mr. Y

Invested in
Equity & Debt
MF Schemes

CHANGE OF GOVERNMENT NIFTY 500 GOES FROM 4,756 TO 7,346

Market went up
from Oct'13 to
Mar'15



Mr. X

Period

16/12/13 - 03/03/15

Invested

₹1,00,000

Return

54.4%

Current Value

₹1,54,458/-



Mr. Y

Period

16/12/13 - 03/03/15

Invested

₹1,00,000

Return

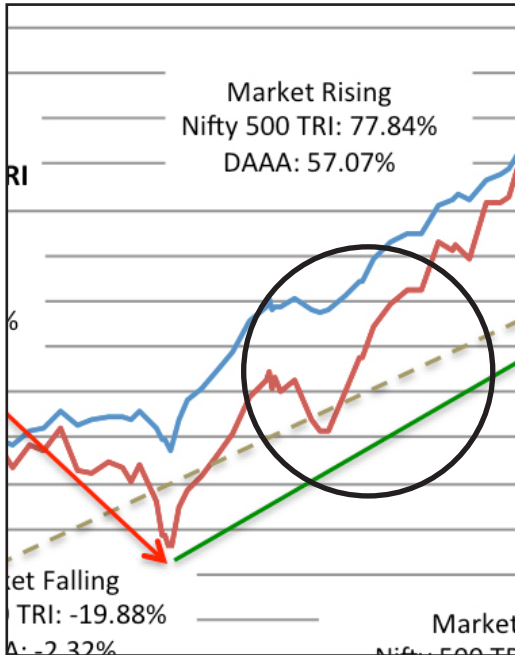
50.9%

Current Value

₹1,50,900/-

FALL IN THE MARKET NIFTY 500 FALL FROM 7,346 TO 5,833

Market fell for the next year



Mr. X

Period

03/03/15 - 12/02/16

Return

-20.6%

Current Value

₹1,22,645/-



Mr. Y

Period

03/03/15 - 12/02/16

Return

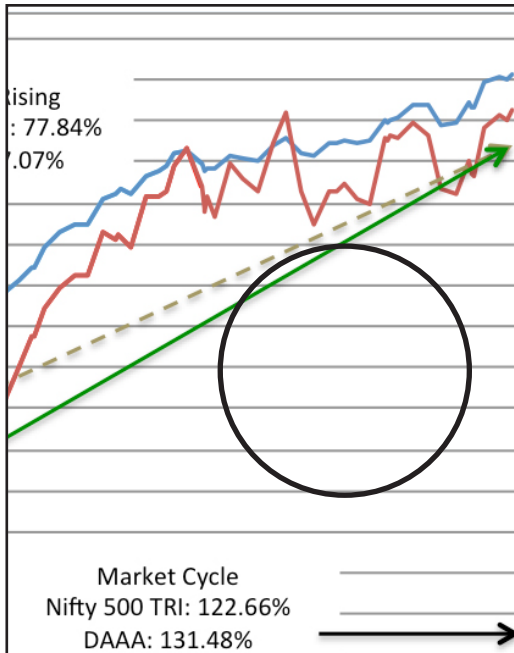
-2.3%

Current Value

₹1,48,300/-

MARKET RUNS AGAIN NIFTY 500 GOES FROM 5,833 TO 6,804

Market again started moving from Feb'16



Mr. X

Period

12/02/16 - 30/11/16

Return

21.4%

Current Value

₹1,48,928/-



Mr. Y

Period

12/02/16 - 30/11/16

Return

21.0%

Current Value

₹1,78,397/-

Mr. Y MADE HIGHER RETURNS



Mr. X

Period

16/12/13 - 30/06/21

Invested

₹1,00,000

Return

183%

Current Value

₹ 2,83,300/-

Mr. Y made high returns as his Equity and Debt allocation kept changing along with the market

**7% HIGHER
RETURN WITH
LOWER RISK**



Mr. Y

Period

16/12/13 - 30/06/21

Invested

₹1,00,000

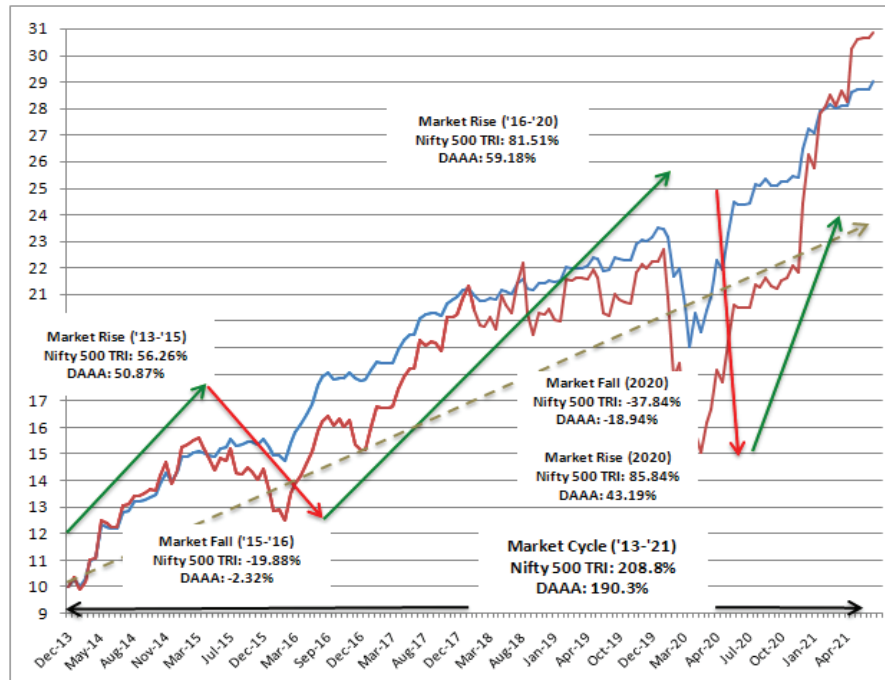
Return

190%

Current Value

₹2,90,300/-

RISE LOWER TO MARKET BUT FALL LOWER DURING MARKET FALL



* Till 30 Jun 2021

Mr. **Y** Invested in



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WHAT IS MARS?

- ▶ **MARS = Mutual Fund Automated Rebalancing System**
- ▶ It allocates your money between Equity and Debt based on market valuation and invests in Top Performing Equity MF Schemes
- ▶ The Asset Allocation in MARS is reviewed on a half yearly basis while the scheme rebalancing is done once a year

HOW WAS MARS ABLE TO DO THIS ?

- ▶ MARS uses a research model to find out correct allocation to Equity based on current valuations.
- ▶ So if markets are expensive, MARS will allocate less amount to Equity and if markets are cheap, the Equity Allocation will go up
- ▶ It sounds so easy, but it's easier said than done!!

MARS ASSET ALLOCATION TIME LINE

Date	Equity (%)	Debt (%)	Nifty 500	Sensex	PE Nifty 500*
16/12/13	80	20	4,756	20,660	18.32
27/05/14	60	40	5,844	24,550	20.74
27/08/14	55	45	6,355	26,560	31.33
03/03/15	40	60	7,346	29,594	25.28
12/02/16	65	35	5,833	22,986	20.02
09/09/16	30	70	7,576	28,797	28.56
01/03/17	50	50	7,755	28,984	26.76
31/08/17	40	60	8,695	31,730	29.63
05/03/18	25	75	9,136	33,747	30.37
07/09/18	25	75	9,875	38,390	34.08
09/04/19	40	60	9,678	38,939	31.26
04/10/19	50	50	9,092	37,673	27.47
13/03/20	70	30	8,163	34,103	25.72
08/04/20	85	15	7,161	29,894	22.31
27/07/20	70	30	9,025	37,935	31.77
20/08/20	50	50	9,369	38,220	36.40
05/10/20	35	65	9,516	38,974	41.39
05/04/21	25	75	12,299	49,159	35.85
03/06/21	45	55	13,381	52,232	31.30

* As per new formula of calculating Nifty PE ratio w.e.f 31st Mar, 2021

MONTHLY ASSET ALLOCATION TIMELINE

(ONLY FOR FRESH PURCHASES AND TOP UPS)

Date	Equity (%)	Debt (%)	Nifty 500 TRI
01/06/2020	85	15	12,092
01/07/2020	85	15	12,904
27/07/2020	70	30	13,636
01/08/2020	65	35	13,655
20/08/2020	50	50	14,171
01/09/2020	40	60	14,286
01/10/2020	35	65	14,321
01/11/2020	30	70	14,543
01/12/2020	30	70	16,432
01/01/2021	25	75	17,557
01/02/2021	25	75	17,857
01/03/2021	25	75	18,505
01/04/2021	25	75	18,717
01/05/2021	35	65	18,802
02/06/2021	45	55	20,211
01/07/2021	45	55	20,552

HOW DOES MARS FIT IN INVESTMENT PARAMETERS

PARAMETER	MARS	IMPACT
↔ Returns ↔	High	😊
↔ Risk/Volatility ↔	Low	😐
↔ Safety of Capital ↔	Low risk of Loss of capital if invested for 3 years and above	😊
↔ Liquidity ↔	High	😊
↔ Tax Efficient ↔	LTCG 10% only on Equity	😊

IS THERE ONLY 1 INVESTMENT OPTION IN MARS ?

- ▶ No, MARS offers Multiple investment options based on risk profile and need of the customers
- ▶ MARS Portfolios are available in 2 types
- ▶ DAA – Dynamic Asset allocation Portfolios
(Asset Allocation in these portfolios changes with market valuations)
- ▶ Fixed Asset Allocation
(The AA remains fixed)

DYNAMIC ASSET ALLOCATION PORTFOLIOS

DAA PORTFOLIO	EQUITY ALLOCATION	DEBT ALLOCATION	INVESTOR SUITABILITY
Aggressive	0 - 100%	0 - 100%	Medium to High Risk Profile Investors
Moderate	0 - 60%	40 - 100%	Low to Medium Risk Profile Investors
Conservative	0 - 30%	70 - 100%	Low Risk Profile Investors

- ▶ 3 Types of Portfolios are available to chose with Dynamic Asset Allocation Theme
- ▶ Ex- If Asset Allocation in Aggressive Portfolio is 80% in Equity, Equity Allocation in Moderate Portfolio will be 48% and in conservative will be 24%

FIXED ASSET ALLOCATION PORTFOLIOS

FAA PORTFOLIOS	EQUITY	DEBT	INVESTOR SUITABILITY
Balanced Portfolio	65-80	0-35	Medium to High Risk Profile Investors
SIP Aggressive Portfolio	100	0	High Risk Profile Investors
SIP Diversified Portfolio	100	0	High Risk Profile Investors
ELSS Portfolio	100	0	High Risk Profile Investors
E 100	100 %	0%	High Risk Profile Investor
E 90	90 %	10 %	High Risk Profile Investor
E 80	80 %	20 %	Medium to High Risk Profile Investors
E 70	70 %	30 %	Medium to High Risk Profile Investors
E 60	60 %	40 %	Medium Risk Profile Investors
E 50	50 %	50 %	Medium Risk Profile Investors
E 40	40 %	60 %	Low to Medium Risk Profile Investors
E 30	30 %	70 %	Low to Medium Risk Profile Investors
E 20	20 %	80 %	Low Risk Profile Investors
E 10	10 %	90 %	Low Risk Profile Investors

- ▶ 14 Portfolios are available with Fixed Asset Allocation Theme.
- ▶ These portfolios are rebalanced once in a year

PERFORMANCE OF DAA AGGRESSIVE

	6 M	1 Year	2 Year	3 Year	5 Year	7 Year	Since Inception
DAA-AGGRESSIVE	6.63	24.55	13.95	11.32	11.46	12.40	15.18
Nifty 500 TRI	17.64	60.77	19.44	15.01	15.40	13.08	16.12
Avg. Equity Proportion	33	42	49	42	41	44	46

- ▶ Performance is as on 30 Jun 21
- ▶ Inception Date for DAA Aggressive is 16 Dec 13
- ▶ Returns for one year or less period are on an absolute basis and for more than a year period are on CAGR basis
- ▶ Avg. Equity proportion is based on equity proportion of the model portfolio
- ▶ Clients performance may differ from the model portfolio performance.
- ▶ Past Performance may or may not sustain in the future.

PERFORMANCE OF FAA PORTFOLIO

	6 M	1 Year	2 Year	3 Year	5 Year	7 Year	Since Inception
FAA E100	16.54	55.08	19.66	14.93	15.10	14.95	18.58
Nifty 500 TRI	17.64	60.77	19.44	15.01	15.40	13.08	16.12
Balanced	12.93	40.92	17.07	13.37	NA	NA	10.77
Avg. Aggressive Hybrid	14.72	45.78	16.02	12.15	NA	NA	10.00
SIP Aggressive Portfolio	14.15	76.59	49.17	31.97	NA	NA	26.40
Nifty Midcap 100 TRI	12.80	76.75	51.02	31.78	NA	NA	25.83

- ▶ Performance is as on 30 Jun 21
- ▶ Inception Date for FAA E100 is 16 Dec 13
- ▶ Inception date for Balanced Portfolio is 11 Sep 17; Inception Date of SIP Aggressive Portfolio is 10 Jan 18
- ▶ Returns for one year or less period are on an absolute basis and for more than a year period are on CAGR basis
- ▶ Returns of SIP Aggressive Portfolio represents SIP Returns.
- ▶ Clients performance may differ from the model portfolio performance.
- ▶ Past Performance may or may not sustain in the future.

ROLLING RETURN OF DAA AGGRESSIVE

DAA AGGRESSIVE	1 YEAR ROLLING	2 YEAR ROLLING	3 YEAR ROLLING	5 YEAR ROLLING
NO OF OBSERVATIONS	79	67	55	31
AVERAGE RETURNS	13.43	11.44	11.30	11.37
OBS. WITH NEGATIVE RETURNS	3	1	0	0
MAXIMUM RETURN	48.90	23.39	21.89	16.48
MINIMUM RETURN	-7.93	-1.27	2.35	6.26

NIFTY 500 TRI	1 YEAR ROLLING	2 YEAR ROLLING	3 YEAR ROLLING	5 YEAR ROLLING
NO OF OBSERVATIONS	79	67	55	31
AVERAGE RETURNS	13.34	10.08	10.74	10.50
OBS. WITH NEGATIVE RETURNS	17	6	2	0
MAXIMUM RETURN	77.58	27.69	17.97	17.29
MINIMUM RETURN	-26.62	-10.26	-3.14	1.29

- ▶ Period: 31 Dec 2013 to 30 Jun 2021
- ▶ Returns are on a CAGR basis
- ▶ Observations are based on monthly data

ROLLING RETURN OF FAA E100

FAA E100	1 YEAR ROLLING	2 YEAR ROLLING	3 YEAR ROLLING	5 YEAR ROLLING
NO OF OBSERVATIONS	79	67	55	31
AVERAGE RETURNS	15.66	11.77	11.94	11.81
OBS. WITH NEGATIVE RETURNS	15	7	2	0
MAXIMUM RETURN	71.51	28.93	25.41	18.35
MINIMUM RETURN	-21.62	-9.29	-2.58	3.05

NIFTY 500 TRI	1 YEAR ROLLING	2 YEAR ROLLING	3 YEAR ROLLING	5 YEAR ROLLING
NO OF OBSERVATIONS	79	67	55	31
AVERAGE RETURNS	13.34	10.08	10.74	10.50
OBS. WITH NEGATIVE RETURNS	17	6	2	0
MAXIMUM RETURN	77.58	27.69	17.97	17.29
MINIMUM RETURN	-26.62	-10.26	-3.14	1.29

- Period: 31 Dec 2013 to 30 Jun 2021
- Returns are on a CAGR basis
- Observations are based on monthly data

PORTFOLIO REBALANCING AND SCHEME CHANGE

- ▶ **Asset Allocation of Dynamic Portfolios is rebalanced twice in a year in April and October**
- ▶ **Asset Allocation of Fixed Portfolios is rebalanced once in a year in April**
- ▶ **Scheme change is done once in a year in April. In case a scheme does not qualify for investment as per NJ research, the investment in that scheme is redeemed and allocated to another fund**
- ▶ **The entire investment and rebalancing process is automated, the client only has to press a single button to complete his investment**

There are no

CHARGES

Its absolutely

FREE

SHIFT YOUR INVESTMENTS TO



- ▶ **Equity investment with much lower risk**
- ▶ **Multiple Portfolios Available as per investor risk profile**
- ▶ **Fully automated, only 1 click required**
- ▶ **Better risk adjusted returns**
- ▶ **Money invested in better performing schemes at all times**
- ▶ **All this at no extra cost!!**



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