



THE SAVING PLUS VIEW

Volume - 6 Issue-106

MAR. 2015

Pgs : 4

MONTHLY

www.miconline.co.in

FOR PRIVATE CIRCULATION

Features

Pg. No.

- Valuation of SIP over 5, 7, 10 years 1
- Suggested Schemes for SIP 1
- Schemes for dividend payout 1
- Details of area rep. services 1
- Don't time the market 2
- Equity : No negative return over 15 years. 2
- Power of Compounding 3
- Wealth Creation Table 3
- ELSS Tax saving Best Tool over 5 years 4
- Sensex@New High 4
- FD List March ' 2015 4

LONG TERM HORIZON MAKES WEALTH

	2000 per month			5000 per month			10000 per month		
	5 years	7 years	10 years	5 years	7 years	10 years	5 years	7 years	10 years
	1,20,000	1,68,000	2,40,000	4,20,000	5,88,000	8,40,000	6,00,000	8,40,000	12,00,000
AXIS Equity	1,20,912	—	—	3,02,281	—	6,04,500	—	—	—
BNP Paribas Equity	1,67,043	2,08,612	5,44,463	4,17,606	5,21,528	13,61,155	8,35,211	10,43,056	27,22,311
BNP Paribas Midcap	1,24,493	—	—	3,11,231	—	—	6,22,461	—	—
BNP Paribas Long Term Equity	1,40,506	—	—	3,51,265	—	—	7,02,529	—	—
Birla SL Frontline Equity	2,21,601	2,48,918	6,30,356	5,54,004	6,22,294	15,75,889	11,08,009	12,44,588	31,51,778
Birla SL MNC Fund	1,92,233	2,68,598	8,62,325	4,80,583	6,71,496	21,55,811	9,61,165	13,42,992	43,11,621
ICICI Pru Valu Discovery	2,24,538	2,65,346	8,18,143	5,61,345	6,63,364	20,45,358	11,22,690	13,26,728	40,90,716
ICICI Pru Focussed Bluechip	1,69,783	2,31,812	5,48,290	4,24,458	5,79,528	13,70,723	8,48,916	11,59,056	27,41,446
ICICI Pru Tax Plan	1,92,500	2,32,503	6,19,211	4,81,253	5,81,258	15,48,028	9,62,505	11,62,515	30,96,055
UTI Midcap	1,82,702	2,09,026	7,43,164	4,56,754	5,22,563	18,57,910	9,13,507	10,45,125	37,15,819

Note :

- 1) The Schemes shown are SIP valuation as per the number of years invested.
- 2) Clearly shows the duration of 10 yrs. plus is always winner in any condition.
- 3) Schemes suggested.
- 4) AXIS Equity, BNP Paribas, BNP Midcap, BNP Long Term have not completed 7-10 years
- 5) Dividend is declared subject to surplus availability.

Large Cap	Mid Cap	ELSS Tax Saving	Diversified	M/Q Dividend
Axis Equity	Axis Midcap	Axis Long Term Equity	BNP Paribas Dividend Yield Fund	BNP Paribas Dividend Yield (M)
BNP Paribas Equity	BNP Paribas Midcap	BNP Paribas Long Term Equity	Birla Sun Life	ICICI Prudential Balanced Advantage (M)
ICICI Prudential Focussed Bluechip	ICICI Prudential Value Discovery	ICICI Prudential Tax Plan	Kotak Select	SBI Balanced Fund (Q)
Birla Sun Life Frontline Equity	Birla Sun Life Pure Value Fund	Reliance Tax Saver	ICICI Prudential Dynamic Fund	Kotak Balance (Q)
	UTI Midcap	IDFC Tax Advantage	IDFC Sterling Equity	

Beware & Be cautious : MR. SUBHASH & MR. RAJU who were working with us, are no more associated with our company from last 2-3 years. This is in public interest of our clients, that we won't be responsible for any such dealing done through them. They were the office runner boys only in our company. For any query on Mutual Fund, FD's, Bonds, Contact on the number mentioned in this newsletter or visit us on our new website : www.miconline.co.in. For all other areas, contact at office numbers.

FROM MANAGEMENT OF MICPL

On the spot Brokerage plus Collection of forms.



MERCHANT INVESTMENT CONSULTANCY PVT. LTD.

LUCKY MANSION, 1ST FLOOR, OPP. ABYUDAYA CO-OP. BANK LTD., 250/252, BAZAR GATE STREET, FORT, MUMBAI - 400 001.

Office Time Weekdays 10 a.m. to 6 p.m. • Saturday 10 a.m. to 4 p.m.

TEL. : (022) 6634 8150, 6633 6781, 6654 8097
6654 8098, 6654 8099 • FAX : (022) 2265 4898

E-mail : services@miconline.co.in
Website : www.miconline.co.in

DON'T TIME THE MARKET, SAYS EXPERTS

Timing the market is a **BAD IDEA**. Even the best **BRAINS** cant outsmart it

Inflation Eats the Wallet and Savings Day By Day

Link your Savings with Goal Based Investments : Child Education, Child Marriage, your Own Retirement

(A) Little Drop Of **WATER MAKE AN OCEAN**

FOR RETAIL INVESTORS, investing in mutual funds through SIP makes sense. After all, investing a lumpsum amount at the wrong time can severely affect your returns. Instead, investing regularly in a disciplined manner, helps discipline one's investment habits. Contributing small portions to your investment portfolio, on a regular basis, lets you align your investment to your income and financial goals. We all know that little drops of water make an ocean. If you continue to invest regularly, you would be able to build a stable portfolio gradually. So why risk it all by timing the market when optimal gains can be achieved through disciplined investing.

(B) Don't Let **EMOTIONS** cloud your **JUDGEMENT**

MANY GREAT BULL runs have slipped on panic. Investors, who put in their money systematically, hold on to it patiently and don't let emotions cloud their judgement, are the ones who gain in the long run. Remember, **time in the market is more important than timing the market** and SIP's in a way debar emotions from interfering in investment decisions.

(C) Things to keep in **MIND** when you **PICK A SIP**

- Chose an amount you are comfortable investing every month
- Decide on the date of ECS before signing up
- Ensure requisite funds on SIP date
- It normally takes 30 days to register and terminate the SIP after application, so plan accordingly
- In case you are investing in two different schemes, opt for two different dates. This will help you to average out your investment in a better way

(D) Be Patient with **SIP**

When The Market sees a slump, many investors discontinues their Sip fearing they might lose their money. When the market is on a roll, investors either redeem their investments or migrate to low-risk instruments such as fixed income or debt fund. SIP investments are not something that you should compare on a yearly basis. It works in the long-run, ideally over 10-15 years, when the market goes through many cycles, which they usually do.

(E) SIP your way to **FINANCIAL WELLNESS**

As An Investor, your focus should be on earning more and not timing the market. So invest in equity through SIP as per your financial goals and not market conditions. Patience and prudence with your investments will help you reach your financial goals early. All you need to do is a pick a fund with a good track record and invest in it regularly and gradually through SIP. SIP works best as a long term strategy and does not make your stomach churn when the market is in a fit fall place

(F) Start Your **SIP** today Because

- Makes you a disciplined investor
- Can be started with amount as small as Rs.1000/-
- Keeps you away from timing the market
- Helps you build a meaningful corpus(Wealth) gradually
- Helps you better tackle volatility by capturing both highs & lows of the market and balances risk by rupee cost averaging

(G) **IN PAST 35 YEARS BSE MARKET HAS GIVEN 16.65 % RETURNS**

- INSPITE OF two wars
 - INSPITE OF major financial scandals
 - INSPITE OF assassination of two prime ministers
 - INSPITE OF 10 different governments
 - INSPITE OF three recessionary periods
 - INSPITE OF an unfair share of natural calamities and disasters
 - INSPITE OF global crisis like DotCom Bubble of year 2000
 - INSPITE OF Sub prime crisis of year 2008
- NO NEGATIVE RETURN IS BEEN OBSERVED IN EQUITY SCHEMS FOR INVESTMENTS PERIOD OF 12 YEARS AND ABOVE

(H) **POWER OF COMPOUNDING**

Albert Einstein once noted that the most powerful force in the universe was the principle of compounding. In investing, this manifests itself through something called compound interest. Put in its simplest terms, the phrase compound interest means that you begin to earn interest income on your interest income, resulting in your money growing at an ever-accelerating rate.

DO YOU KNOW?

At the Rate of 15% Compounding what will be the value of RS 1/-	After 5 years RS 2/-	After 10 years RS 4/-	After 15 years RS 8/-	After 30 years RS 64/-
---	----------------------	-----------------------	-----------------------	------------------------

(I) Baby Step to a **Big Wallet**

The Other Fascinating beauty of SIP's is that it can help you accumulate a meaningful corpus(Wealth) over the years without pinching your wallet. For instance, if you started investing Rs.5,000 each month in BSE200 in 1999, the current value of your investment will be around Rs.36,96,697 ,with a compound annual growth rate (CAGR) return of 16 percent. Now isn't that a MAGICAL figure ? Mutual Fund is a relative investment product so the job of the fund manager is to beat market returns over the years. Even if the fund manager manages to outperform the benchmark , say by 5 percent and your scheme delivers 21 percent CAGR return , the value of your investment now would be over Rs.59,00,000

(J) How to Start **SIP**

When You Invest through SIP's, you have the flexibility to opt for Electronic Clearing Services (ECS) , which gives you the freedom of investing on a monthly or quarterly basis.

All Mutual Funds(MF's) have predetermined dates of any given month on which an investor can make regular investments in SIP's. For Instance,if you receive yur salary on the first of every month, you can choose the seventh or tenth of every month as your SIP's date.

But if you get your salary,say by the end of the month, the first of the following month could be an ideal date. All fund house provide direct debit facility with major banks.

To start your SIP,you need to fill up a common application form along with an ECS mandate form.With the common application form you open an account with the fund house,which is called FOLIO / ACCOUNT number.With the ECS form you give your mandate to your bank to debit your account for the SIP amount you have chosen

(K) Worth every **PENNY**

What Rs.1000/-,Rs.2000/-,Rs.5000/-,Rs.1000/-,Rs.20000/- invested per month would end up as over period of 5 years,10 years,15 years,20 years at the rate of 8% CAGR,12% CAGR,15% CAGR

SIP INVESTMENT..... WEALTH CREATION MACHINE

POWER OF COMPOUNDING WITH 8%, 12%, 15% OVER 5, 10, 15 YEARS PERIOD.

Value Of SIP done for 5 Yrs (CAGR)					Value Of SIP done for 10 Yrs (CAGR)				
SIP AMOUNT	TOTAL INVST	8%	12%	15%	SIP AMOUNT	TOTAL INVST	8%	12%	15%
1000	60000	73,414	81,104	87,342	1000	1,20,000	1,81,284	2,24,036	2,63,018
2000	1,20,000	1,46,828	1,62,208	1,74,684	2000	2,40,000	3,62,568	4,48,072	5,26,036
5000	3,00,000	3,67,070	4,05,520	4,36,710	5000	6,00,000	9,06,420	11,20,180	13,15,090
10000	6,00,000	7,34,140	8,11,040	8,73,420	10000	12,00,000	18,12,840	22,40,360	26,30,180
20,000	12,00,000	14,68,280	16,22,080	17,46,840	20,000	24,00,000	36,25,680	44,80,720	52,60,360
Value Of SIP done for 15 Yrs (CAGR)					Suggested Schemes for SIP & Regular Investment				
SIP AMOUNT	TOTAL INVST	8%	12%	15%	Large Cap : Axis Equity, BNP Equity, ICICI Pru Focussed Bluechip, Birla Sun Life Frontline Diversified : Kotak Select Focus, ICICI Pru Dynamic, Birla SL Dividend Yield, UTI Opportunities, IDFC Premier Equity Midcap : Axis Midcap, BNP Mid Cap, ICICI Pru Value Discovery, IDFC Sterling Equity Tax Saver : Axis Long Term Equity, BNP Long Term Equity, Reliance Tax Saver, IDFC Tax Advtg. Monthly/Qtrly Dividend : BNP Dividend Yield, ICICI Pru Balanced Advantage, SBI Balanced, TATA Balanced, IDFC Dynamic Equity				
1000	1,80,000	3,39,778	4,75,932	6,16,366					
2000	3,60,000	6,79,556	9,51,864	12,32,732					
5000	9,00,000	16,98,890	23,79,660	30,81,830					
10000	18,00,000	33,97,780	47,59,320	61,63,660					
20,000	36,00,000	67,95,560	95,18,640	1,23,27,320					

All this schemes are well rated by value research and morning star with good track record. More details are available on www.miconline.co.in

The above SIP Ready Reckoner is for illustration purpose only. The SIP amount, tenure of SIP, expected rate of return are assumed figures for the purpose of explaining the concept of advantages of SIP investments. The actual result may vary from depicted results depending on scheme selected. It should not be construed to be indicative of scheme performance in any manner.

FOR DETAILS CONTACT : Mr.Anoll Merchaant / Mr.Uday Merchant +91-22 -66548097-98-99 |6634 8150 |6633 6781

Comparison of ELSS V/s PPF

The Table shows value of Rs. 1,00,000 invested every year in PPF, Sensex and Various ELSS Schemes valuation as on 30/10/2014

Scheme	1 Year	2 Years	3 Years	5 Years	7 Years	10 Years	12 Years	Value Research Rating
Axis Long Term Equity	1,67,843	3,59,968	5,74,686	-	-	-	-	5
BNP Paribas Long Term Equity	1,50,328	3,22,219	5,13,107	9,18,546	14,07,176	-	-	5
ICICI Pru Tax Plan	1,50,549	3,34,660	5,27,932	9,44,620	16,27,640	30,87,422	63,90,486	4
IDFC Tax Advtg	1,42,927	3,07,721	4,85,999	8,59,657	-	-	-	4
Reliance Tax Saver	1,95,481	3,87,782	6,13,274	10,84,115	17,74,660	-	-	5

SUMMARY

	1 Year	2 Years	3 Years	5 Years	7 Years
Maximum	1,95,481	3,59,968	6,13,274	10,84,115	17,74,660
Minimum	1,42,927	3,07,721	4,85,999	8,59,657	14,07,176
PPF @ Actual Rates	1,08,909	2,27,340	3,56,056	6,45,176	9,82,442

Past Performance may or may not sustain in future.

Sensex@ New High

WHAT INVESTORS SHOULD DO ?

Those who are already invested

- Do not sell if you do not need money.

Those who are first time investors.

- Do not invest a lumpsum amount in one shot.
- Take the systematic investment route and spread your funds over several months.
- Take the mutual fund route rather than direct equity. - Times of India 10/2/2015

List of Fixed Deposit for the Month of March 2015

Company Name	Interest Rate in (%)				Senior Citizen	Minimum Investment	Interest Mode Available
	12M	24M	36M	48M			
Mahindra & Mahindra Financial Services Ltd	9.00	9.25	9.25	9.25	0.25	10000	HQ
Bajaj Finance	9.25	9.40	9.65	9.25	0.25	10000	M/Q/H/Y
Bajaj Finance	9.75 (15M)					10000	M/Q/H/Y
DHFL - Aashray Deposit Plus	9.50	9.75	9.75	9.60	0.40	10000	M/Q/H/Y
DHFL - Swayam Sidha Deposit	9.80 (500 Days)				0.40	10000	M/Q/H/Y
DHFL - Aashray Deposit Single	9.75 (14M)					10000	M/Q/H/Y
DHFL - Aashray Deposit Trust	9.75 (13M)					10000	M/Q/H/Y
DHFL - Aashray Deposit	9.85 (40M)				0.40	10000	M/Q/H/Y
Shriram Unnati Deposit	9.25	9.75	10.25	10.25	0.25	25000	Q/H/Y
Shriram City Union Finance Ltd	9.25	9.75	10.25	10.25	0.25	25000	M/Q/H/Y
PNB Housing Finance Ltd	9.25	9.25	9.25		0.25	20000	H
LIC Housing Finance Ltd	8.90	9.00	9.20			10000	H
Gruh Finance Ltd	8.75	8.75	8.75	8.50	0.25	1000	M/Q/Y
HDFC Ltd. Regular Deposits	9.25	9.25	9.30	9.30	0.25	20000	M/Q/H/Y
HDFC Premium Deposits	15 months 9.25 22 months 9.30						M/Q/H/Y
	30 months 9.25 44 months 9.30						M/Q/H/Y
Capital Gain Bonds V/s 54 EC Tax Saving							
R. E. C. Ltd. - 54 EC Bonds				6.00			
NHA of India - 54 EC Bonds				6.00			

DISCLAIMER : 1) Investment done in Mutual Funds, Company Fixed Deposits, Bonds etc. are subject to Market Risk. Investors are required to read the offer documents and application forms carefully before investing. 2) We act as the distributor between the company and the investor, we wont be responsible for any market losses occurred in investments in mutual funds & company fixed deposits. 3) Please confirm interest rates before applying, we don't take any responsibility for change in interest rates & loss occurred due to same. 4) Company FD investments are unsecured in nature. 5) We don't promote or recommend any schemes, investors need to clarify & understand the details of every investments done by them.

Editor and Published by : Anoll Merchaant on behalf of Merchant Investment Consultancy Pvt. Ltd., 250/252, Bazar Gate Street, Fort, Mumbai-1, Printed at Somani Printing Press, 14-A, J. R. Boricha Marg, Sitaram Mill Compound, Lower Parel, Mumbai - 400 013.



MERCHANT INVESTMENT CONSULTANCY PVT. LTD.

250/252, BAZAR GATE STREET, 1ST FLOOR, LUCKY MANSION, NEAR APNA BAZAR, FORT, MUMBAI-400 001,

LAND MARK : 10 MINUTES FROM V. T. STATION

Tel. : 6633 6781, 6634 8150, 6654 8097, 6654 8098, 6654 8099

Fax : (022) 2265 4898 • E-mail : services@miconline.co.in

Website : www.miconline.co.in

From : MERCHANT INVESTMENT CONSULTANCY PVT. LTD.
250/252, BAZAR GATE STREET, 1ST FLOOR, LUCKY MANSION,
NEAR APNA BAZAR, FORT, MUMBAI-400 001,

Note : Every care has been taken to publish the information / articles.
However editor, publisher, printer will not be responsible for any error/change in rates etc.
when publishing the same. Kindly read the form before advising, investing.