

MUTUAL FUND UNLOCKED

DALAL STREET INVESTMENT JOURNAL

DEMOCRATIZING WEALTH CREATION

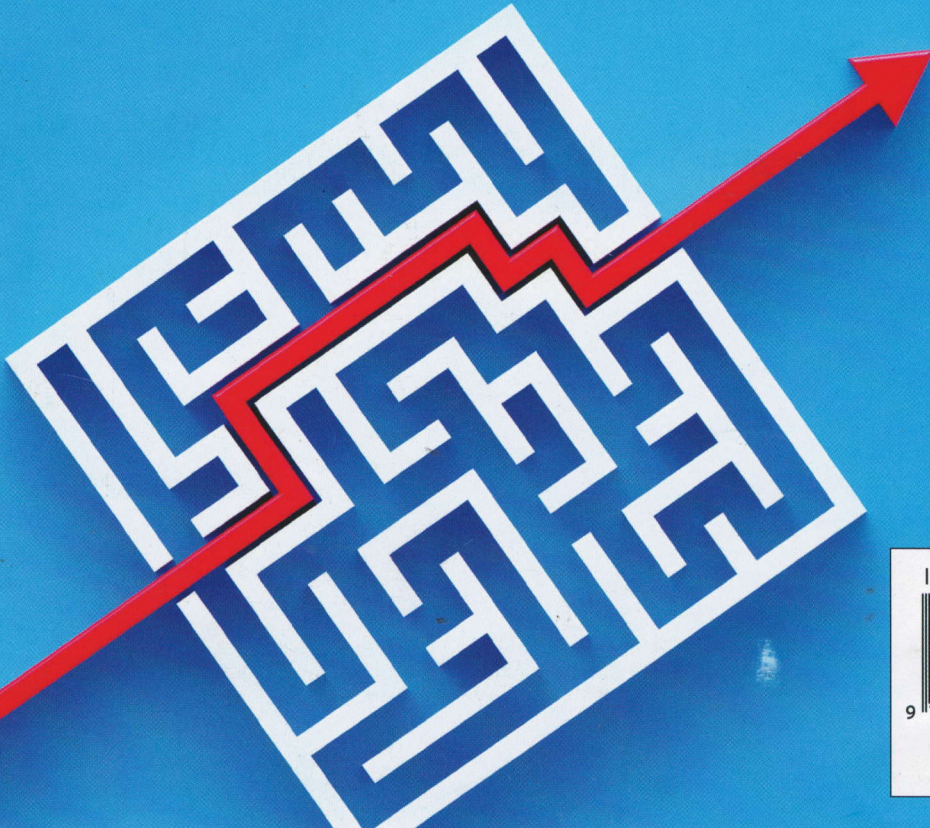
Sept 09 - 22, 2024 ■ Pages 68 ■ www.dsij.in ₹150

Special Report

Financial Planning For Your Child's Higher Education Abroad

Cover Story

Smart Beta Funds: Are They The Right Choice?



US \$ 10.15 UK £ 5.05 Sing \$ 10.60 Euro € 6.13

ISSN 0971-7579



9 770971 757005 >

Vol. 39 No. 21

Mumbai-400001 Date of posting Alternate Thursday & Friday, Published: Alternate Monday (September 02, 2024)
WPP License No MR/TECH/WPP-111/West/2024-26 Posted at Mumbai Patilka Channel Sorting Office,
RNI NO 43837/1986, Postal Registration No. MCW/325/2024-26 License to post without prepayment

DALAL STREET INVESTMENT JOURNAL

Vol. 39, No. 21 • SEPT 09 - 22, 2024



facebook.com/DSIJin



enquiry@dsij.in



www.dsij.in/apps.aspx



twitter.com/DSIJ



linkedin.com/in/DalalStreetInvestmentJournal

Smart Beta Funds: A Smarter Way to Invest

It's a well-known fact, supported by numerous studies, that many large-cap funds in India struggle to outperform their benchmarks. These benchmarks, which can easily be replicated by index funds, often leave investors searching for ways to generate alpha by exploiting market inefficiencies and cyclicalities. In this context, Smart Beta funds have emerged as a compelling alternative, offering a balanced approach that combines the stability of passive investing with the innovative potential of active management. Smart Beta funds provide a middle ground—neither fully passive nor overly aggressive.

They enable you to harness proven investment factors that have historically outperformed in various market conditions, without veering too far from the benchmark indices. This makes them an excellent choice for investors looking to fine-tune their risk-return profiles without the stress of market timing and stock picking. However, while Smart Beta funds can be valuable, they are not without their complexities. Investors need to carefully evaluate the underlying factors, as different strategies will perform differently depending on market cycles.

These funds are not a one-size-fits-all solution, but with the right understanding and a clear investment objective, they can be a valuable addition to a diversified portfolio. In this issue's cover story, we delve into how Smart Beta funds work and how to choose one that aligns with your risk appetite. Additionally, we explore how to fund your child's foreign education using mutual funds and examine whether international funds can help hedge currency risk. We hope our insights will help you pick the right choices and guide you on a profitable investment journey.

Shashikant

Shashikant Singh
Executive Editor

Loan Against Mutual Funds

Loan against mutual funds was an interesting topic covered in the last edition. But what are the criteria an investor should look into while availing of loans against MFs?

- **Dhanashri Kamble**

Editor Responds : Thank you for writing to us. Availing of a loan against mutual funds is a smart way to access funds without liquidating your investments. However, not all mutual funds are eligible for such loans. Equity and debt mutual funds qualify, but some categories like liquid funds or ELSS may not. The loan-to-value (LTV) ratio is another crucial aspect, as it determines the amount you can borrow against your holdings.

Interest rates on loans against mutual funds are usually lower than those for personal loans but can vary between lenders. Comparing rates is essential to secure a favourable deal. Additionally, consider the loan tenure, which typically ranges from one to three years. Market fluctuations pose a risk, as a significant drop in the value of your funds could trigger a margin call, requiring additional collateral or partial repayment. While loans against mutual funds offer a flexible financing option, they require careful consideration.

Content

Cover Story

MF Page **02**

Smart Beta Funds: Are They The Right Choice?

Interview

Kailash Kulkarni

Chief Executive Officer, HSBC Mutual Fund

MF Page **09**

Special Report

Financial Planning For Your Child's Higher Education Abroad

MF Page **10**

Financial Planning

MF Page **13**

SUBSCRIBER COPY NOT FOR SALE

INDIA'S NO. 1 INVESTMENT MAGAZINE SINCE 1986

DALAL STREET INVESTMENT JOURNAL

DEMOCRATIZING WEALTH CREATION

Sept 09 - 22, 2024 ■ Pages 68 ■ www.dsij.in ₹150

Special Report

Is It The Right Time
To Get Into New-Age Stocks?

Cover Story

IPO Insights 2024

Mainboard Stability
Meets SME Potential

Inside

Mid-Cap Companies
2024

Analysis

Kaynes Technology India

IPO

US \$ 10.15 UK £ 5.05 Sing \$ 10.60 Euro € 6.13

ISSN 0971-7579



9 770971 757005 >

Vol. 39 No. 21

CONTENTS

Scan to read on app



www.dsij.in/apps.aspx

**DALAL STREET
INVESTMENT JOURNAL**
DEMOCRATIZING WEALTH CREATION

Vol. 39 No. 21 • SEPT 09 - 22, 2024

42

Cover Story

IPO

Initial Public Offering

IPO Insights 2024:

Mainboard Stability Meets SME Potential

23

**DALAL STREET
INVESTMENT JOURNAL**
DEMOCRATIZING WEALTH CREATION
PRESENTS

MID-CAPS 2024

Recommendations

10

Choice Scrip

12

Low Priced Scrip

14

Hot Chips

20

Analysis

Kaynes Technology India

Driven By Strong Growth Prospects



48

Special Report

Is It The Right Time To Get Into New-Age Stocks?



Regulars

- 06 Editor's Keyboard
- 07 Company Index
- 08 Market Watch
- 16 Technicals
- 18 Derivative Strategy
- 47 QueryBoard
- 50 Reviews
- 51 Kerbside

Subscribers can access the complete databank consisting of more than 3,500 companies on our website www.dsij.in

Spotlight sections are advertorials provided by the company & carried on "as is" basis.