VALUE MUTUAL FUND



Wealth creation is an important aspect for every individual investor and there are mainly two styles, Growth Investing and Value investing. These are the 2 types of strategies followed by most investors. Let's go through a brief description of these two strategies.

A growth investment strategy mainly chases companies that have the prospects of exceptional earnings growth in the future irrespective of their current market price and other valuation factors.



On the other hand, value investors focus on the valuation of companies that appear cheaper than their intrinsic (fair) value. They believe the market is underestimating these stocks and sooner or later the price will rise to its fair value and deliver gains.



Why Value Investing?

Investors inclined towards value investing are those who are long term investors of what they believe are quality companies. They usually avoid following/chasing trends (sometimes known as contrarian views) and believe they should not be paying a price of a stock higher than its fundamental 'fair' value.
Value investing requires an intricate understanding of the portfolio company financials and investors may look at various valuation metrics to determine an intrinsic value based on which they take investment decisions. They might wait for a correction in market prices to buy their target companies and wait for the long term. When they feel these companies have become overpriced, they may sell them and look at other bargains.

Shreeniwas Gadiyar, Retirement + Estate Planning Advisor
AMFI-Registered Mutual Fund Distributor + SIF Distributor | ARN-56618
gadiyar@planyourdreams.in 9833570575 www.planyourdreams.in

Why Value Funds

Individual stock selection requires time, knowledge and effort which may not be feasible for most of us. We might not be able to manage risk and diversification. Mutual funds offer a way to enjoy value investing without the need of all the above points. Value funds are equity mutual funds where professional fund managers invest in stocks that are trading at a discount to their intrinsic value temporarily but have the potential to grow over the future. These types of funds generally invest more than 65% in equity.

One can follow the SIP investment strategy in a value fund when he is unsure about valuation or wants to create a corpus in the long term from monthly savings.

Past Performance of Value Funds

Scheme	1 Year	3 Year	5 Year	10 Year
Aditya Birla SL Pure Value Fund	-1.05	27.25	2.98	15.87
Axis Value Fund	2.39	-	-	-
Bandhan Sterling Value Fund	1.73	41.28	10.16	16.71
Canara Rob Value Fund	8.87	-	-	-
DSP Value Fund	3.75	-	-	-
HDFC Capital Builder Value Fund	1.09	27.42	8.2	14.44
HSBC Value Fund	4.75	31.65	9.84	17.99
ICICI Pru Value Discovery Fund	5.72	33.79	13.91	17.72
IDBI Long Term Value Fund	-0.82	23.97	-	-
Indiabulls Value Fund	-0.81	22.12	4.04	-
ITI Value Fund	6.46	-	-	-
JM Value Fund	8.3	29.22	11.17	15.42
Nippon India Value Fund	-0.46	29.59	10.5	15.11
Quant Value Fund	-1.07	-	-	-
Quantum Long Term Equity Value Fund	2.74	25.6	7.84	12.01
Tata Equity P/E Fund	5.74	25.68	8.44	16.34
Templeton India Value Fund	7.45	37.83	10.97	14.2
Union Value Discovery Fund	1.67	26.69	-	-
UTI Value Opp Fund	1.4	25.73	10.93	12.5
Category Average	3.04	29.13	9.08	15.3

Disclaimer: Mutual Fund investments are subject to market risks. Please read the scheme-related documents carefully before investing. Returns are not guaranteed. Returns over 1 year are annualised. The above is for illustration purposes only. Report Date - 24/04/2023 | Source : Masterstroke

Shreeniwas Gadiyar, Retirement + Estate Planning Advisor

AMFI-Registered Mutual Fund Distributor + SIF Distributor | ARN-56618

gadiyar@planyourdreams.in 9833570575 www.planyourdreams.in