

Mutual Funds

Hybrid Mutual Funds

Hybrid Schemes

The aim of hybrid funds is to provide both growth and regular income as such schemes invest both in equities and fixed income securities in the proportion indicated in their offer documents. These are appropriate for investors looking for moderate growth. They generally invest 40-60% in equity and debt instruments. These funds are also affected because of fluctuations in share prices in the stock markets. However, NAVs of such funds are likely to be less volatile compared to pure equity funds.

Balanced Fund: These are open ended fund with an equity & debt asset allocation mostly in favour of equity in excess of 65%, to entitle them the equity oriented scheme status.

The primary investment objective of the scheme is to generate long term capital appreciation and current income from a portfolio that is invested in equity and equity related securities as well as in fixed income securities.

Monthly Income Plan: These are open ended fund with no guarantee of monthly income. It can only pay income in case of availability of distributable surplus. They have a pre defined asset allocation of equity & debt, mostly in favour of debt and are thus placed in moderate risk return category.

The primary investment objective of the scheme is to seek to generate reasonable regular returns through investments in debt and money market instruments and also to generate long term capital appreciation by investing a portion in equity and equity related instruments.

Some Hybrid schemes of mutual funds

Birla Sl Mip li Wealth 25	Icici Prudential Monthly Income Plan
Dsp Black Rock Balanced Fund	Reliance Regular Savings Fund-Balanced Option
Sbi Magnum Monthly Income Fund	Sbi Magnum Balanced Fund
Ft India Balanced Fund (Ftibf)	Sundaram Bnp Paribas Balanced Fund
Hdfc Balanced Fund	Tata Balanced Fund