

Headlines: Active Investing helps NPS funds outperform large-cap funds

Source: Economic Times

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Active Investing helps NPS Funds Outperform Large-cap Funds

NEW DELHI: One year after they were allowed to stop mirroring the benchmark indices and invest actively, equity funds of NPS have outperformed large-cap diversified funds by almost 200 basis points and Nifty by over 330 basis points. Equity funds of NPS gave 14.51% average returns in the past one year while large-cap mutual fund category clocked 12.59% and Nifty rose 11.15%.

The best performing NPS equity fund, UTI Retirement Solutions,

has given 16.29% returns. Only five large-cap equity mutual funds have done better than this in the past one year.

The scheme's investment in quality stocks that are not in the benchmark indices has paid off handsomely. It holds shares of Exide Industries (₹1.08 crore), Jubilant Foodworks (₹93.95 lakh), LIC Housing Finance (₹58.45 lakh), Cadila (₹47.23 lakh) and Biocon (₹10.08 lakh), all of which have performed well in the past one year.

—Babar Zaidi



Surging Ahead

Funds/Index	1-year return (%)
UTI Retirement Solutions	16.29
SBI Pension Fund	15.52
Kotak Pension Fund	14.52
HDFC Pension Fund	14.26
ICICI Prudential Pension Fund	14.17
LIC Pension Fund	13.72
Reliance Capital Pension Fund	13.11
Average NPS equity fund	14.51
Large-cap equity funds	12.59
Nifty index	11.15

DATA AS ON 16 SEPT 2016, SOURCE: VALUE RESEARCH

YOGESH