MARIGOLD WEALTH

MONTHLY NEWSLETTER

ISSUE 6, APRIL 2025

Welcome to the April Edition of Marigold Wealth Monthly Insights!

At Marigold Wealth, we’re committed to equipping you with the insights and strategies needed to make informed financial decisions. This month, we bring you expert perspectives on mutual funds, equity markets, and wealth-building strategies, along with practical tips on personal finance.

Stay ahead, stay informed, and let’s build wealth together!

Market Overview

1. **Market Rebound: Nifty 50 rose 6.3% in March 2025, marking its highest gain since July 2024 after five months of decline. Over the last 12 months, Midcaps gained 7%, while Large Caps and Small Caps rose 5% each.**
2. **Strong Inflows: Foreign Institutional Investors (FIIs) recorded $2.0 Bn (₹17,000 Cr) in inflows, while domestic investors contributed $4.3 Bn (₹36,550 Cr), supporting market momentum.**
3. **Sectoral Performance: All major sectors ended in green in March. Top gainers included Utilities (+14%), Capital Goods (+14%), Oil & Gas (+12%), PSU Banks (+11%), and Metals (+11%). Technology was the only sector that declined (-1%).**
4. **India's Outperformance: India gained 6% in March, making it one of the best-performing markets globally. Other positive performers included Brazil (+6%), Indonesia (+4%), and China (+0.4%).**
5. **Global Market Trends: Several major global markets declined—Taiwan (-10%), US (-6%), Japan (-4%), UK (-3%), while Korea and Germany ended 2% lower each.**
6. **March 2025 GST Collection: Total ₹1.96 lakh crore, reflecting a 9.1% YoY growth and 9.9% MoM growth, indicating strong economic activity.**

Indian Equities Summary

Benchmark	March 2025	1 Month Returns (%)	1 Year Returns (%)
Sensex	77,414	5.76	5.11
Nifty 50	23,519	6.31	5.34
Nifty Small Cap	16,095	9.50	5.40
Nifty Mid Cap	51,672	7.84	7.48

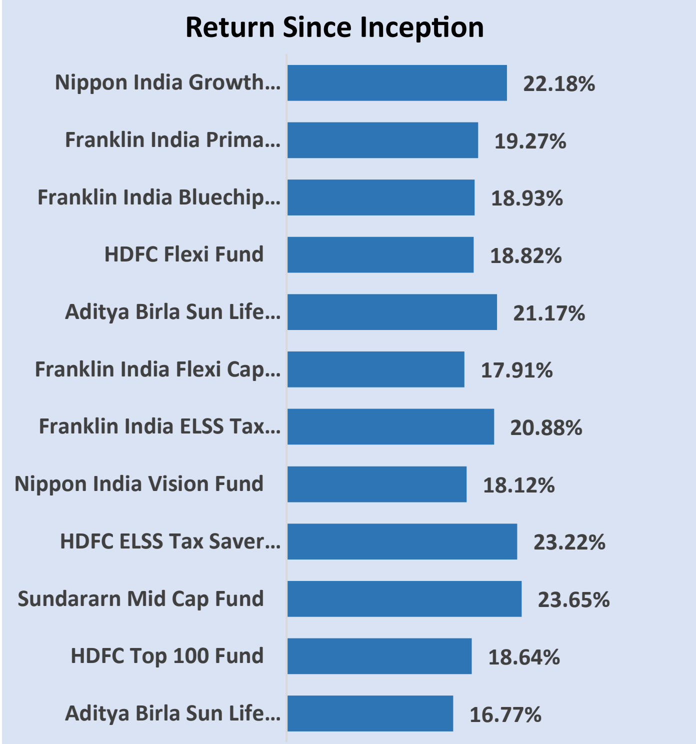
Commodity and Debt Watch

	March 2025	Monthly % Change
Gold	88,850	5.52
Silver	1,00,480	5.10
Indian 10 Years Gilt	6.58%	-
US 10 Year Yield	4.20%	-

The 100 Bagger Club - MF schemes that became 100X

Fund Name	Inception Date	Value of 10k Invested	Money Grown By (X Times)	NAV
Nippon India Growth Fund	08-Oct-95	37.10 Lakhs	371 X	3,712
Franklin India Prima Fund	01-Dec-93	25.20 Lakhs	252 X	2,508
Franklin India Bluechip Fund	01-Dec-93	22.90 Lakhs	184 X	952
HDFC Flexi Fund	01-Jan-95	18.43 Lakhs	165 X	1,846
Aditya Birla Sun Life Flexi Cap Fund	27-Aug-98	16.53 Lakhs	153 X	1,652
Franklin India Flexi Cap Fund	29-Sep-94	15.26 Lakhs	138 X	1,520
Franklin India ELSS Tax Saver Fund	10-Apr-99	13.81 Lakhs	136 X	1,375
Nippon India Vision Fund	08-Oct-95	13.60 Lakhs	131 X	1,350
HDFC ELSS Tax Saver Fund	31-Mar-96	13.10 Lakhs	125 X	1,306
Sundararn Mid Cap Fund	19-Jul-02	12.50 Lakhs	108 X	1,235
HDFC Top 100 Fund	03-Sep-96	10.80 Lakhs	229 X	1,078
Aditya Birla Sun Life Equity Advantage Fund	24-Feb-95	10.00 Lakhs	100 X	825

NAV as of 28-03-2025



The story of mutual fund schemes that turned into **100-baggers** is a testament to the **power of patience** and **discipline** in investing. These schemes didn't achieve such phenomenal growth overnight; they **thrived over decades**, riding through market cycles and leveraging the magic of compounding.

For investors, the key takeaway is simple yet profound: **stay invested, stay disciplined, and trust the process**. By focusing on long-term goals, avoiding impulsive decisions, and consistently investing, you can unlock the potential for significant wealth creation. After all, wealth isn't built in a day—it's a marathon, not a sprint

"If you're not willing to own a stock for 10 years, do not even think to own for 10 minutes."

-Warren Buffet

SIP is Done – What Next? Here's How to Enjoy Your Wealth with SWP!

Investing through a **Systematic Investment Plan (SIP)** is a great way to build wealth over time. But what happens when you reach your financial goals? How do you start using that money without exhausting your corpus too soon?

This is where a **Systematic Withdrawal Plan (SWP)** comes into play. Just like SIP helps you invest in a disciplined way, **SWP allows you to withdraw money in a structured manner**, ensuring a steady flow of income while keeping your investments intact.

Let's dive into how SWP works, why it's a great tool for retirement, and how it can provide financial freedom in your golden years.

What is SWP and How Does it Work?

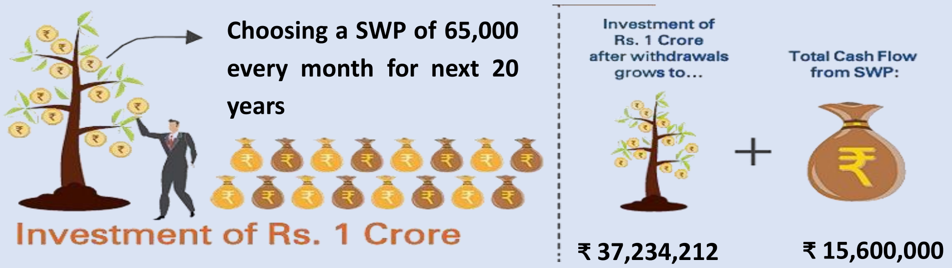
A **Systematic Withdrawal Plan (SWP)** allows investors to withdraw a fixed amount from their mutual fund investments at regular intervals (monthly, quarterly, or yearly). Instead of withdrawing a lump sum, **SWP helps you manage your withdrawals efficiently while keeping your money invested and growing.**

Example:

Imagine you are **60 years old** and have built a **₹1 crore** portfolio in a balanced mutual fund giving you a **12 % return p.a** . You need **₹65,000 per month** for your living expenses, so you start an SWP for the same amount.

Here's how your withdrawals and portfolio will look over time (assuming an annual return of 12%):

- **For the next 20 years, you withdraw ₹65,000 per month**, totaling **₹1.56 crore** over two decades.
- **Even after these withdrawals, your portfolio will still have ₹3.72 Crores left!**



Benefits of SWP

- **Regular Cash Flow** – Provides a fixed income stream.
- **Rupee Cost Averaging** – Unlike lump sum redemptions, gradual withdrawals reduce market timing risk.
- **Tax Efficiency** – Compared to traditional fixed deposits (FDs), SWP from equity/debt funds can be more tax-friendly due to capital gains taxation.
- **Flexibility** – Investors can modify withdrawal amounts anytime.

Final Thoughts: Secure Your Future with SWP

SWP is more than just a withdrawal strategy—it's a smart way to turn your investments into a reliable income stream while keeping your money growing. It ensures that you don't outlive your savings, providing financial security and peace of mind.

Whether you're planning for **retirement or looking for a steady cash flow**, SWP helps you maintain financial independence without the fear of running out of funds.

The Hidden Traps in Investing – Are You Falling for These Biases?

Investing is as much about psychology as it is about numbers. Many investors unknowingly fall into cognitive traps that can hinder their financial success. Here are some common biases that can affect investment decisions:

Over-confidence Bias - Investors often overestimate their knowledge or ability to predict market movements, leading to risky decisions like excessive trading or chasing trends.

Example: If an investor has made a few successful trades, they might start investing larger amounts or picking riskier stocks, thinking they "know" how to beat the market—often without enough research or planning

Loss Aversion - The fear of losses often outweighs the joy of gains, causing investors to hold onto underperforming assets in the hope of recovery, rather than cutting losses.

An investor might sell stocks in a downturn to avoid further losses (loss aversion), even if it would have been better to hold on. Or, they may rush into a popular stock out of FOMO (fear of missing out), despite it not fitting their goals.

Herd Mentality - Following the crowd without proper analysis can lead to poor investment choices, especially during market bubbles or crashes.

Confirmation Bias - Seeking out information that supports pre-existing beliefs while ignoring contradictory evidence can result in skewed decision-making.

Familiarity Bias - Familiarity bias makes us stick with what we know, such as investing only in companies, industries, or markets we're familiar with. This "comfort zone" investing can limit growth potential and make a portfolio less diverse.

Example: An investor who works in tech might only invest in tech stocks, avoiding opportunities in healthcare, energy, or international markets, and potentially missing out on higher returns or lower risk

Recency Bias - Recency bias makes us place too much importance on recent events, assuming they're more likely to continue into the future. In investing, this can lead to believing that the current market trend—whether up or down—will keep going indefinitely.

Example: After a strong market rally, an investor might assume that the market will continue rising and invest heavily in stocks, overlooking signs of a potential downturn. Alternatively, after a market drop, they may avoid stocks entirely, expecting the decline to continue.

Anchoring Bias - Fixating on a specific reference point, such as the purchase price of an asset, can cloud judgment and prevent rational decision-making.

Portfolio Overlap: The Hidden Trap in Diversification

Imagine a football team where every player is a striker. While having goal-scorers is great, the team would struggle without defenders to protect the goal and midfielders to control the game. A well-balanced team, with players specializing in different roles, increases the chances of winning.

The same principle applies to investments—**diversifying across different asset types reduces the risk of a single failure.** However, just as too many players with overlapping roles can create inefficiencies, over-diversification can lead to portfolio overlap, reintroducing the very risks diversification aims to reduce.

Several factors contribute to portfolio overlap:

1. **Regulatory Guidelines**: Regulatory bodies, like SEBI, mandate specific investment allocations. For example, large-cap funds are required to invest a significant portion of their assets in the top 100 companies by market capitalization. This limited pool naturally leads to overlap.
2. **Fund House Investment Styles**: Different fund houses may have similar investment philosophies or strategies, leading them to pick comparable stocks for their portfolios.
3. Some stocks gain popularity due to strong performance, leading multiple fund managers to include them in their portfolios.

For example, Rohan invests in **Nippon India Large Cap Fund** and **HDFC Large Cap Fund**. When he checks the overlap:

1. Common stocks**:** 27 **(51% overlap)**
2. Unique stocks in HDFC Large Cap Fund**:** 16
3. Unique stocks in Nippon India Large Cap Fund**:** 45

Despite investing in two funds, over half of his portfolio is exposed to the same stocks, reducing the diversification benefit

High portfolio overlap can have several adverse effects:

1. **Concentration Risk:** Holding multiple funds with overlapping assets increases exposure to specific stocks. If these stocks underperform, it can disproportionately impact your entire portfolio.
2. **Diminished Returns:** Overlap can lead to redundant investments, limiting the potential for gains from diverse sources.
3. **Increased Costs:** Managing multiple funds with similar holdings can result in higher fees without the benefit of true diversification.

Detecting and Managing Portfolio Overlap

1. **Utilize Online Tools:** There are various websites which offer tools to compare mutual fund portfolios and identify overlaps.
2. **Diversify Across Categories and Fund Houses**: Instead of investing in multiple funds within the same category or from the same fund house, consider spreading your investments across different categories and managers to achieve broader exposure.
3. **Align Investments with Financial Goals**: Ensure each fund in your portfolio serves a distinct purpose aligned with your financial objectives, reducing unnecessary redundancy.

While diversification remains a cornerstone of sound investment strategy, it's essential to be mindful of portfolio overlap. By actively monitoring and managing your investments, you can maintain a balanced portfolio that mitigates risks without falling into the trap of over-diversification. Remember, the goal is to cultivate a well-tended garden of investments, where each addition contributes to the overall health and yield of your financial landscape.

Unclaimed Wealth: How ₹68,000+ Crore Lies Forgotten in Banks and Insurance

The issue of unclaimed money with banks and insurance companies has become a growing concern in India. According to recent estimates, a staggering **₹82,000 crore** remains unclaimed across various financial entities, including banks, insurance providers, mutual funds, and provident funds. These funds represent a mix of dormant bank accounts, unclaimed proceeds from insurance policies, and other financial instruments that have been left untouched for years.


₹22k cr lies unclaimed with life insurance cos

Reason: Untraceable Nominees Due To Lack Of Awareness, Changes In Family Status, Or Demise

Why Do Life Insurance Funds and Bank Deposits Go Unclaimed?

Reasons for Unclaimed Money:

1. **Lack of Awareness:** Families of deceased individuals are often unaware of the existence of bank accounts, insurance policies, or investments.
2. **Dormant Accounts**: Savings or current accounts become inactive if there is no transaction for a year and are classified as dormant after two years. If left untouched for 10 years, the funds are transferred to the Depositor Education and Awareness Fund (DEAF).
3. **Migration or Relocation:** People moving to different cities or countries may lose track of their accounts or policies.
4. **Incomplete Documentation**: Missing or incomplete documentation can prevent beneficiaries from claiming the funds.
5. **Neglect or Forgetfulness**: Policyholders or account holders may simply forget about their investments or deposits over time.

How to Prevent Funds from Going Unclaimed

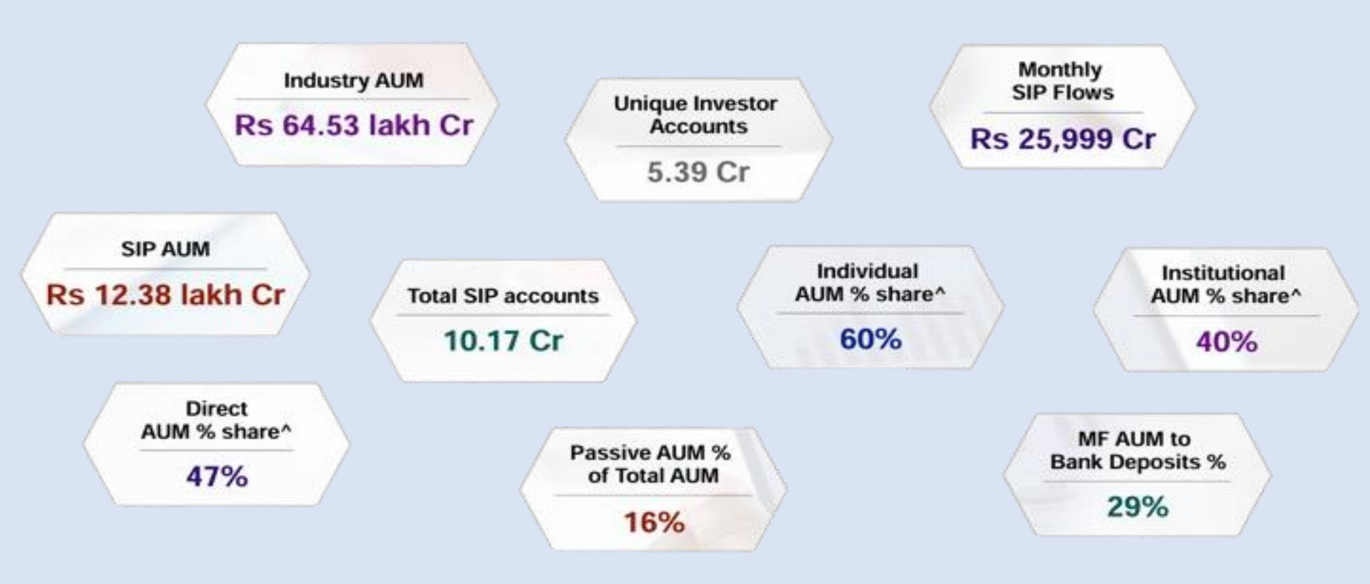
1. **Regularly Update Nominee Details**: Inform your insurance provider and bank of any changes in family structure.
2. **Keep Beneficiaries Informed**: Ensure nominees know about policies, account details, and the claim process.
3. **Maintain Proper Documentation**: Store policy documents, account details, nominee in formation, and insurer contacts in an accessible place.

How to Check and Claim Unclaimed Life Insurance and Bank Deposits:

1. **Check on Official Portals:**
   - **IRDAI Portal:** Helps search for unclaimed life insurance funds.
   - **RBI's UDGAM Portal**: A centralized platform to track unclaimed deposits across multiple banks.

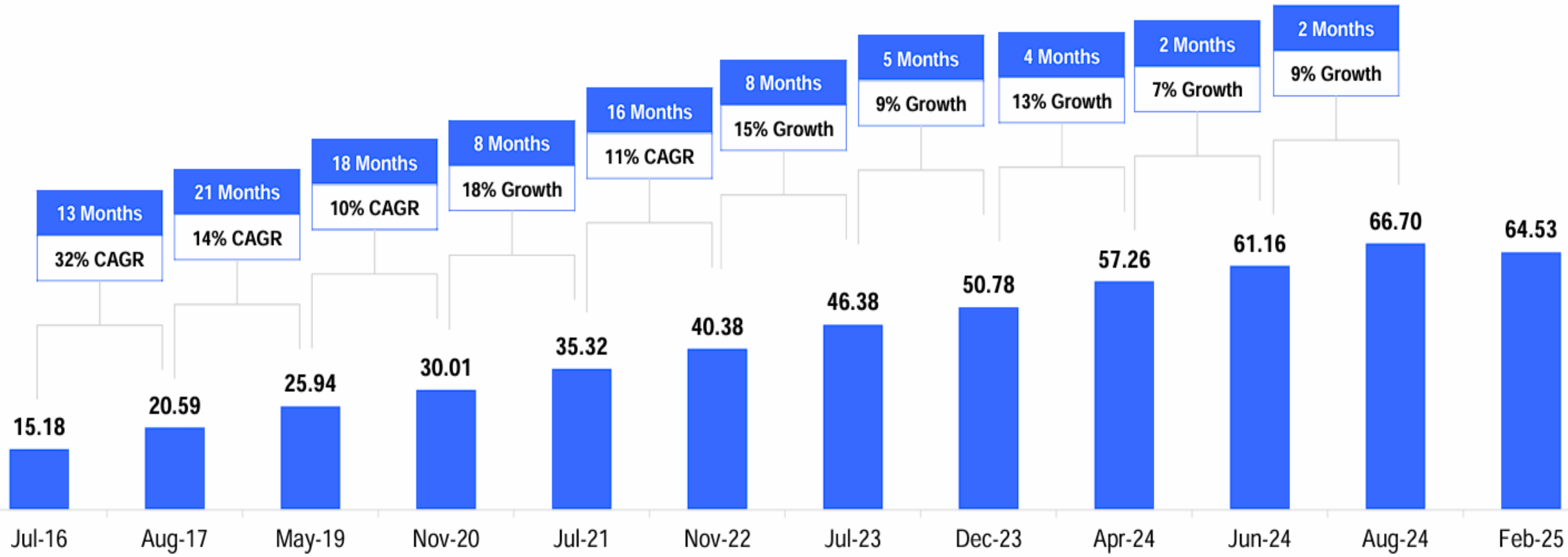
2. **Contact the Insurance Company or Bank**: Most insurers and banks have dedicated helplines or online portals for checking and claiming unclaimed funds.
3. **Gather Required Documents:** You will typically need proof of policy or account ownership, identity and address proof, a death certificate (if applicable), and a legal heir certificate (if required).
4. **Submit a Claim Request**: Once documents are verified, the insurer or bank will process the claim and transfer the amount to the rightful beneficiary.
5. **Seek Legal Help if Necessary**: If there are disputes or unclear nominations, consulting a financial advisor or legal expert can help.

Mutual Fund Industry Data



1. The Indian Mutual Fund industry's AUM grew by **18.3%** in the last year, reaching **₹64.53 lakh crores**.
2. **1 crore** new unique investors were added, bringing the total to **5.39 crore** unique investors.
3. SIP AUM saw an **18%** increase, reaching **₹12.38 lakh crores**.
4. Total SIP accounts grew by **24%**, reaching **10.17 crore**.
5. The MF AUM to Bank Deposits ratio increased to **29% in Feb 2025**, up from **27% a year ago**.

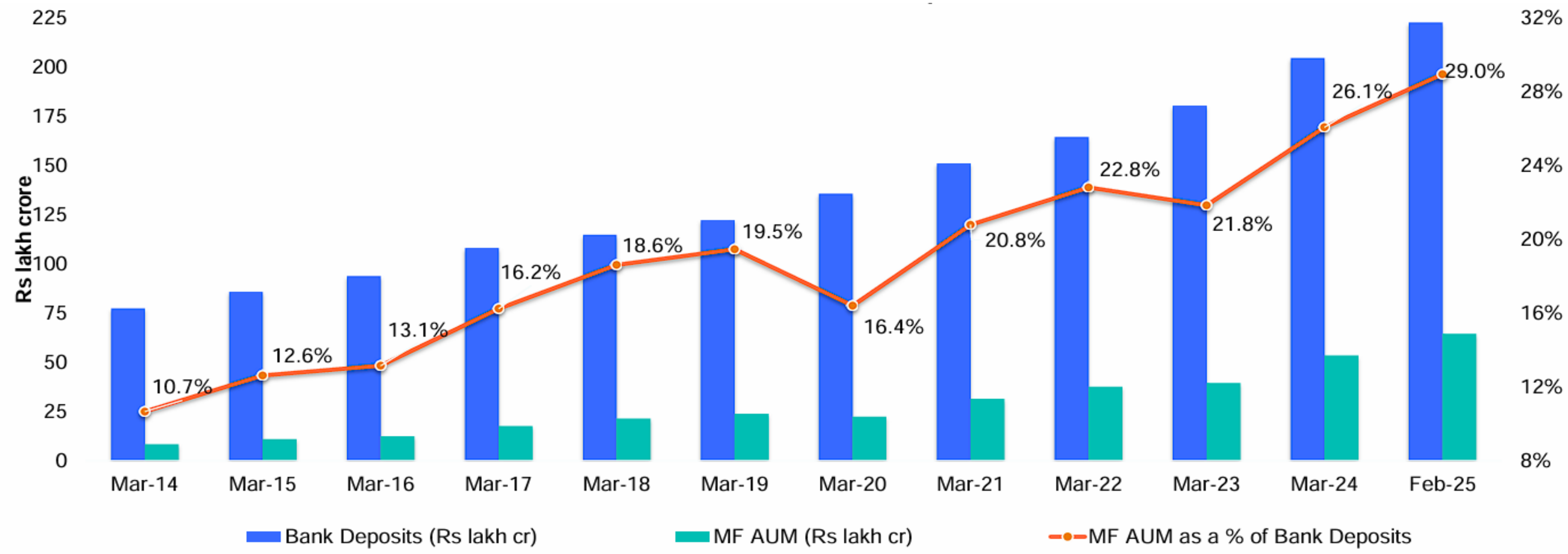
Industry AUM @ INR 64.5 Lakh Cr



1. **Consistent Growth Over the Years** – The investment value has increased significantly from 15.18 in July 2016 to 64.53 in February 2025, showcasing strong long-term growth.
2. **Industry AUM** grew by **19% CAGR** in the last 5 years and **18% CAGR** in the last 10 years.

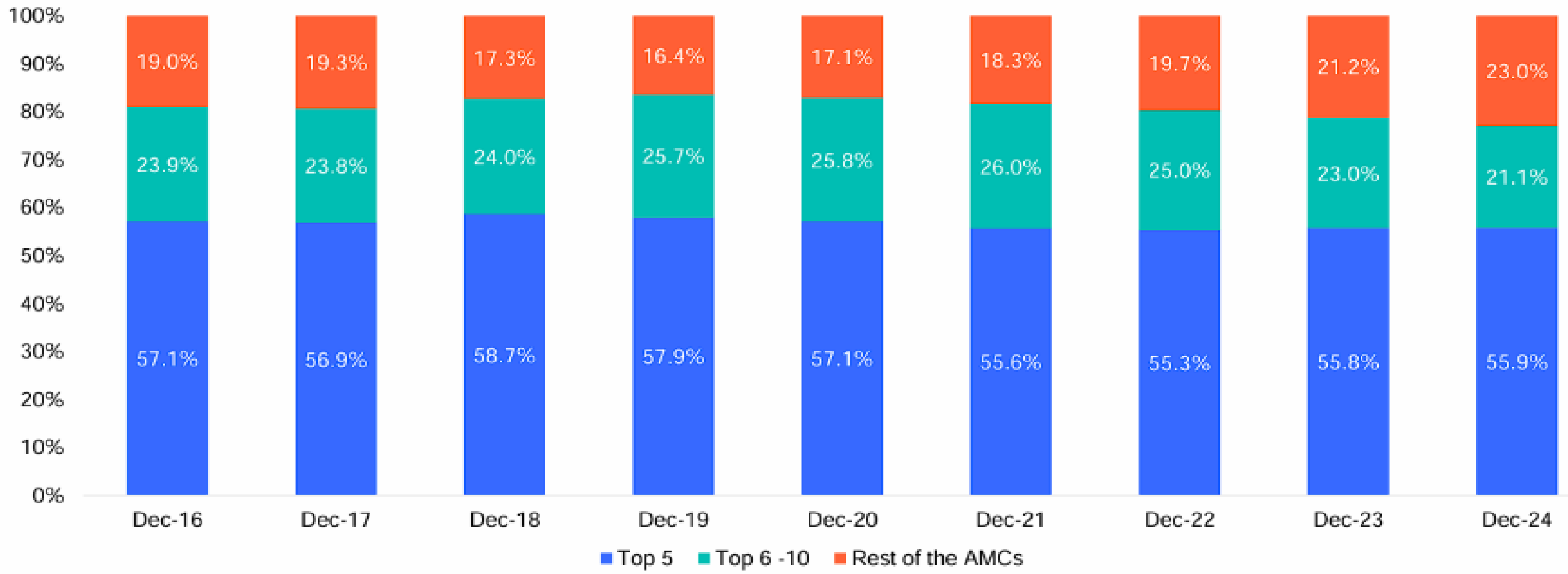
Source: AMFI, Franklin Tempelton Presentation

MF AUM to Bank Deposits (%) Grew 3X in 10 years



1. MF AUM has grown consistently over the years, reaching **29% of total bank deposits by Feb 2025**, up from just **10.7% in Mar 2014**.
2. While bank deposits have grown, the faster growth of mutual fund investments suggests that investors are looking for **wealth creation opportunities beyond fixed-income options.**

Share of AMC's in the total AUM



Smaller AMCs are Gaining Market Share – The market share of the rest of the AMCs has grown from **16.4% in Dec 2019** to **23.0% in Dec 2024**, indicating that investors are becoming more open to exploring funds beyond the largest players. This shift suggests increased diversification and a more competitive mutual fund industry.

Source: AMFI, Franklin Tempelton Presentation

Get Your Mutual Fund Portfolio Reviewed for Free!

Are you looking to optimize your mutual fund investment portfolio?

Take advantage of a free portfolio review by expert **Arvind Datta**, a mutual fund distributor registered with AMFI.

☑ Why choose this review?

- **Comprehensive Analysis:** Understand how your investments align with your financial goals.
- **Personalized Guidance**: Receive tailored strategies for better returns and risk management.
- **Professional Expertise:** Benefit from insights backed by years of industry experience.

Don’t miss this opportunity to get expert guidance—absolutely free! Email us at **marigoldwealth@gmail.com** to book your review today.

Know Your Distributor : Arvind Datta

Your financial journey is in **trusted hands**. Here's a brief about your distributor’s qualifications and experience:

- **Training:** 16 months of rigorous training at the **Indian Military Academy, Dehradun**.
- **Education: MBA in Finance** from the prestigious **FMS, University of Delhi.**
- **Banking Expertise**: **24 years** in **banking and financial services**, including senior roles at HDFC Bank, Citibank, and First Abu Dhabi Bank, and Noor Bank in the UAE.
- **Global Perspective**: In-depth exposure **to Indian and international financial markets**, ensuring a holistic approach to wealth creation. With this unique blend of **discipline, academic rigor, and industry expertise**, your investments are managed with unmatched professionalism and insight.

Ready to Take Charge of Your Financial Future?

Welcome to Marigold Wealth!

At Marigold Wealth, we excel in assisting individuals and families in creating lasting wealth through smart and personalized investments. Whether you are at the beginning of your financial journey or seeking to optimize your portfolio, we are here to guide you every step of the way.

What We Offer:

Tailored Investment Strategies: Customized plans to meet your unique financial goals.

Expert Insights: In-depth knowledge of mutual funds, equities, and wealth-building products.

Comprehensive Support: Ongoing assistance to ensure your investments are on the right track.

Contact Us Today: Let's discuss how we can help you achieve your financial aspirations. Reach out to us to schedule a consultation.

Arvind Datta

AMFI Registered Mutual Fund Distributor ARN-243605

Email: marigoldwealth@gmail.com

Address : First Floor, Ganpati Plaza 25, Neshvilla Road, Dehradun

Phone no. : +91 81260 52802

Website : www.arvinddatta.com

Linkedin: Marigold Wealth