

MF body to promote debt products

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Kolkata: Buoyed by the grand success of the campaign 'Mutual Fund Sahi Hai,' the Association of Mutual Funds in India (AMFI) looks all set to launch a new commercial focusing on the debt issues of mutual funds (MF). The tagline could be like 'FD jaisa lagta hai' comparing the MF debt products with fixed deposit in terms of returns and the risk involve in it. So far, AMFI has focused on equity aspect of MFs in its series of campaigns, where the debt aspect was not in the forefront. But with the volatile market, the debt product could well be a good choice for retail investors, feels AMFI.

AMFI deputy CEO of AMFI Balakrishna Kini disclosed this during an interactive session on MFs here recently organised by

Ticker Plant in association with the Bengal National Chamber of Commerce & Industry (BNCCI).

Kini pointed out that it is now planning to promote mutual fund debt products as well. "There will be new campaign including TV commercial on debt products soon. The motto is to popularise the MF debt products among retail investors. We are also trying to make MFs from push to pull product," he said.

Unlike the equity products of mutual funds, the debt products are predominantly institutional, where retail participation is minimal. "So far, the debt products is a tool of treasury management," he added.

According to him, AMFI has also got an approval from Sebi for appointing brand ambassador for MF campaigns. How-

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► 'FD jaisa lagta hai' tagline to project debt MFs for their FD-like returns & risk

► Till date, AMFI has focused on equity aspect of MFs in its campaigns

► Now, AMFI feels, amid the volatile mkt, a debt product could be a choice

► There'll be a new campaign on debt MFs



ever, he pointed out that it is yet to take a call on that.

Arindam Saha, joint CEO and director of Ticker Plant, also feels that there is a need to promote debt products as well. "When the market is volatile and uncertain pure debt funds

or at least hybrid funds are better options. However, people may have to scale down their expectations, still investors can achieve more than FD-related returns. Such calculations and understanding needs analytical software support," he added.

Earlier, Kini added that the systematic investment plan (SIP) has reached Rs 8,000 crore mark per month. "This is the power of retail. We are getting Rs 96,000 crore yearly from SIP, which is retail money. Now, long-term retail money is coming which would help to stabilise the market and the dependence on foreign institutional investors will also go down," he added. Recalling the massive growth of MF industry in the last one decade, he added that from just Rs 3.25 lakh crore industry in 2007, MF crossed Rs 10 lakh crore mark in June 2014.