

# Mutual funds investment opportunities in indian market



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Introduction: Mutual fund concept was first emerged in Dutch republic after the financial crisis (1772 to 1773) as investment funds (the precursor of today's mutual funds) by the Abraham Van Ketwitch. The trust name was Eendragt Maakt Magt ("unity brings strength"). the primary aim of this trust was the broaden the opportunities for the investors and companies. The mutual fund is the type of portfolio of stocks or bonds which brings people together to invest the money to purchase securities. Investors invest their money in mutual funds, these investors may be retail or institutional in nature. Mutual fund pools the money from investor and investor earn a return from it in different ways which depends on the type of securities. It is different from the investment in share market, mutual funds investors do not get the voting rights to its holder. The concept of the mutual fund is now more popular and has been recognized in the favor of business and investors Mutual fund takes money from the investors who want to invest their money in the market on their behalf. To manage the money, it charges some amount of fee from them Mutual fund is good investment scheme for those who do know about the investment. Investors can go for any mutual fund scheme based on their purpose for the investment. Investment can be done through two way either investor can invest directly investor can take help from the mutual fund advisor from the agency. If the investors directly want to invest money in the mutual funds, they can visit mutual fund official website or can visit the authorized branches with required documents. In the direct investment, the investor will have to go through many formalities, but it will save the money. Another option is the advisory firm which can help the investor to invest the money in the suitable scheme. (The Economic Times, 2018)

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Mutual Funds Schemes and opportunities in Indian market: Indian market is one of the biggest markets with full of opportunities to invest in mutual funds, there is the wide variety of mutual fund investment scheme in India based on funds category and risk level.

Types of Mutual Funds in India –

- Solution-oriented Mutual Funds
- Hybrid Mutual Funds
- Equity Mutual Funds
- Debt Mutual Funds

Research questions and objectives: The research aims at investment opportunities for the mutual fund in the local market (Indian market) and the international market. India is the fast-growing economy where there is always fluctuation in the market, the objective of this research is to find out the opportunities for the investors and business also the trend of the mutual fund impacting the economy. With the help of this research, we will have the clear idea about risk and benefit in mutual fund also when should be invested based on the suitable scheme for the investors in the Indian market. Investors always expect the high returns and lowest risk while they invest money in any kind of investment, therefore market analysis is very important to gain the maximum profit and low risk so objective of this study to seek out the opportunities and risk involved.

What are the opportunities in the Indian market?

How mutual fund can benefit the investors, public and companies?

What are the market trends of mutual funds?

Literature Review: Mutual fund schemes gaining the more popular in India market and investors are willing to invest their money in this but there is always the scope of improvements for the investors to invest their money for the right schemes and in the right direction to get a good return. There are much research has been done on mutual fund investment and market growth with opportunities, but very limited research literature is available on mutual fund investment opportunities in the Indian market. However, Europe, USA have focused on the mutual fund benefit and its growth while India has shown least interest on it.

Bijan Roy, et. al., conducted a research study on the conditional performance of Indian mutual funds. This Study used a conditional performance of a mutual fund with the sample of eighty-nine Indian mutual fund scheme. This research measured the performance of different mutual fund schemes with the unconditional and conditional form of Cost analysis pricing model (CAPM) in the result, Conditional variable brings the change and improves the performance of various mutual fund scheme the main cause was the reduction of negative timing coefficients.

Kshama Fernandes (2003) measured the implementation of the index fund in the Indian market. the measurement was to tracking the error of index funds in India. The consistency and level of tracking errors obtained by some well-run index fund suggest that attaining the low levels of tracking error can be possible in the Indian marketing condition.

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Financial advisor suggests that return from the market depends on the performance of the market in which investors are investing also currency rate of the global market, however, to invest in mutual fund investor should go for the analysis of different mutual fund scheme and expected future benefit. Investing in mutual fund needs a good advisory firm to evaluate the scheme and opportunities to invest in a mutual fund. The investor should get the advice for expertise before the investment in any schemes (Kathik Swaminathan2009)

investment in equity capital for short term such as one year is not preferable because the market is volatile. An investor should plan for long-term investments. Putting money in the mutual fund for short term is risky since the market is volatile one year is not considered to be a good period of time to invest money, investors should look up for the long-term scheme where they have the maximum chance of getting the high returns. (P Ankara Maalde 2005)

Research design and methods: The research that I intend to carry out will be based on primary data and secondary data collection method. My secondary research will focus on the annual report, published books and journals where I will gather the information on mutual fund investment benefit and risk to the investors. This research will not only focus on the opportunities in mutual fund investment for the Indian market but also the research will show the degree of risk involve in investment in the mutual fund scheme and how it can really help to the investors.

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My primary research would be carried out through the questionnaire and survey where I will be contacting the expertise from the finance and accounting field and will be doing an online survey to collect the information. Also, I will be contacting the few investors who have been investing and dealing in the mutual fund industry. This will also help me to understand the mutual fund scheme in a better way where to do my research. , having a fair representation from all the age groups and cities would give a reasonable sample. Primary research will be done with the help of Age group (25 to 35 and 35 to 40) people who are the experts in the field of investment and risk industry in Indian urban cities such as Mumbai, Bangalore, Chennai and Delhi, and Indore.

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