



## PHARMACEUTICALS EXPORT PROMOTION COUNCIL

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### FMCG, pharma funds turn top performers

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*Gold ETFs glitter as investors become cautious.*

Scorecard					
(in %)					
Funds	One-Month	Funds	3-month	Funds	6-month
FMCG	10.58	FMCG	15.97	FMCG	21.78
Pharma	5.57	Gold ETF	14.79	Pharma	20.9
Equity Diversified	4.68	Pharma	9.9	Gold ETF	12.01
Equity Technology	4.34	Banking	6.34	Banking	11.96
Equity Banking	2.48	Diversified	3.76	Diversified	5.22
Sensex	4.46		1.21		1.35
Nifty	4.45		1.21		2.14
CNX-500	5.6		2.5		1.21

Through this calendar year when the equity markets have been choppy, it is the FMCG and pharma linked funds and gold exchange traded funds (Gold ETFs) which have given investors the best returns.

During the last six months, FMCG-linked funds have given returns of 21.78 per cent, pharma funds 20.9 per cent and Gold ETFs 12.01 per cent, according to data available on the Value Research Web site. Nifty funds have given 2.14 per cent returns and Sensex funds 1.35 per cent. Debt funds have returned more than two per cent. During this period, small and midcap funds too outperformed the index linked funds.

The three month data reflect the same trend. In the last three months, FMCG-linked funds have given close to 16 per cent returns, Gold ETFs 14.79 per cent and pharma almost 10 per cent. Whereas, the Sensex linked funds have given marginal returns of 0.99 returns and the Nifty funds 1.21 per cent. Debt-linked funds have given a little more than one per cent in returns.

“All of this year, gold prices did not decline while the capital markets have been turbulent compared to gold. Gold is the best asset class so far this year and is the safest bet during uncertain times such as now,” said Mr Dharendra Kumar, Chief Executive Officer at Value Research.

Gold prices have surged to an all-time high this year. Gold has risen more than 12 per cent to Rs 18,770 in the last six months. The Sensex has been rather volatile this year, trading in the range of 15,000 and 18,000.

It has touched a high of 18,047 and a low of 15,960 this calendar year.

When the markets are choppy or in a bear phase, investors turn to defensive sectors such as FMCG and pharma, explained Mr Waqar Naqvi, Chief Executive Officer of Taurus Asset Management Company. “Funds that have high exposure to these stocks have done better during this time. During a bull market, typically, these stocks don't see much action,” he added.

Investors have been staying away from equity funds this year due to the volatile markets and have preferred to invest in debt funds.

Fund managers said that gold prices are likely to keep rising if the dollar continues to weaken and also if global uncertainty still prevails. They also said that markets are likely to be range-bound.  
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