



Knowledge Initiative

Dear Patrons,

Greetings from Net Brokers!

We are pleased to share our monthly newsletter “**Knowledge Initiative**” for December 2014.

We thank you for reading and acknowledging our newsletter every month. Knowledge Initiative Team is committed to bring you more educative and informative articles in the Financial Year 2014-15.

We would very much appreciate your feedback which consistently helps us in improving and upgrading the contents.

Also send us your questions or queries related to any financial product.

The Issue includes:

1. What to expect in the Year 2015
2. Trouble managing your money: Signs that say it all
3. Myths on Health Insurance that Stand Untrue
4. Reasons for Compelling Young Buyers to Gurgaon
5. Investment Opportunities in Real Estate



Akhil Chugh

Warm Regards,

**Akhil Chugh
Director**



What to expect in the Year 2015

India as an economy has itself placed as an emerging market amongst countries of the world. The structural reforms by the new government such as shift from public to private sector, total factor productivity, deepening of financial markets has given boost to the current state towards a positive transformation.

The year 2014 has already witnessed exceptional returns of more than 30% and investors hold high hopes for 2015 as well. The bullishness in the Indian market will continue and Nifty is likely to give 15% returns if not 30% by the end of 2015. The sentiment of the investors in the coming year is positive and interest in equities to be high.

The centre has some key initiatives to consider: efforts to make India a better place to do business, tax reforms to kick start growth, fiscal consolidation to stem inflation, realignment of subsidies to make economy more productive and boost infrastructure spending to lift growth.

Indian markets could see a sharp rise in the domestic flows in equities. Foreign income flows have been strong in the last 12 months and expect to be the same for the next 12 – 24 months in India. Indian equities are benefiting from the start of a new growth cycle, a benign global environment resulting in a positive shift in terms of trade and reforms, which can lift India's potential growth rate.

Retail investor participation is yet to happen in the Indian markets, but green shoots are already becoming visible in the Mutual Fund data.

Overseas investors have pumped in close to Rs 20,000 crore in the Indian capital markets since the month of November, on the hopes from the government's reform agenda and the trend that is likely to continue. However, they see the debt markets to remain in focus as interest rates are likely to soften in 2015.

Since the beginning of the year 2014, foreign investors have made a net investment of Rs 2.4 lac crore (\$39.4 billion) into the country's securities market. This includes a net investment of a little over Rs 93,000 crore in equities and Rs 1.45 lac crore into the debt market.

No matter whatever the market levels are in the coming year, keep on continuing with your Systematic Investment Plan (SIP) in mutual funds. Stop/exit SIP only if you are nearing the financial goals. If you have not yet started SIPs, do it today itself. In SIPs, we don't time the market; we spend time in the market. This is one of the best ways to invest into equities.

For more information on Systematic Investment Plans (SIP), contact us on mail@netbrokers.co.in



Trouble managing your money: Signs that say it all

Recognizing you may need professional money help is the first step in the right direction towards better financial health. Sometimes, getting to that first step can be tricky. How do you know if you actually need help? We all know the basic indicator of too much credit card debt. However, recognizing these additional signs could amount to financial life saving.

Let's take a look at some important signs:

No Retirement Plans: When an individual starts his career, his primary focus is to flourish in his work and earn a good monthly income. When he reaches his early 30's and is doing well for himself, a quaint thought of RETIREMENT strikes his mind. But there is no time for acting on it. By the time he starts to work on it, he's already crossed his 40's.

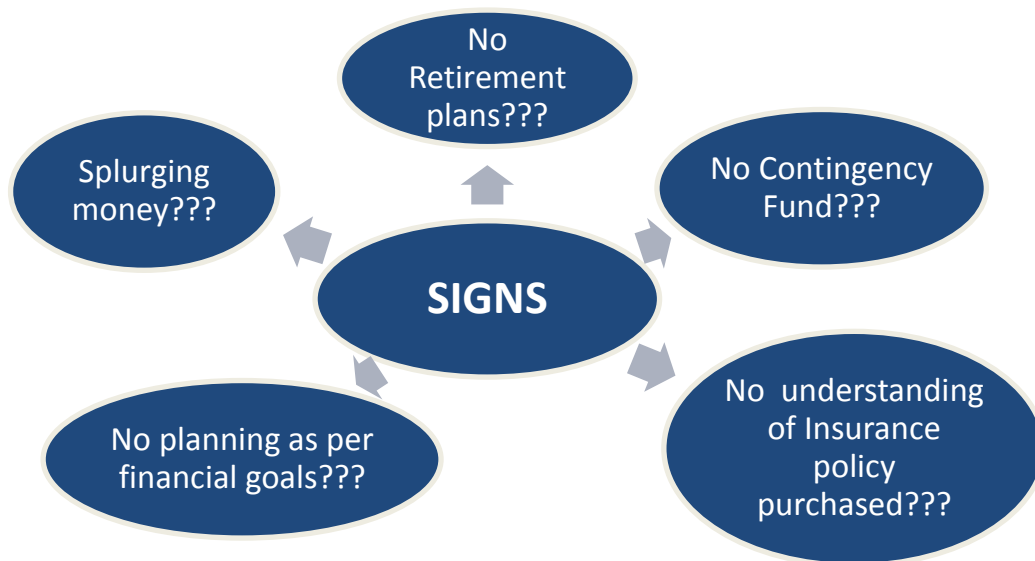
But, then it is also rightly said, "BETTER LATE THAN NEVER". Contacting your financial advisor to plan your retirement can be worked on. The advisor will understand certain factors and create a RETIREMENT PLAN for you. The factors can be: At what age do you want to retire? What is your life expectancy? How much have you already saved and what are the returns you expect to earn on it?

No Contingency Fund: 'What if' are probably the two most unused words in the financial space. There are millions of people who have made no arrangements for eventualities or emergencies. The question they need to ask is: what would my family do if I died today?

Besides buying adequate life and health insurance, an individual must also have indulged in basic estate planning. Writing a will allows you to choose who receives your assets after your death. Without a will, your heirs may find it difficult to access what is rightfully theirs. A financial advisor will not only help you draft a will, but also advise you on the most appropriate ways to distribute your assets.

Splurging Money: Do you spend 80% of your salary by 15th of every month? Are most of your payments through plastic money? You could fix the problem by drawing up a household budget and establishing some ground rules about spending. However, this is easier said than done, especially if you have been a spendthrift.

If you are living beyond your means and don't have any money to invest after all your expenses, you certainly need professional guidance. A financial advisor could bring order to the mess by prioritising your spending and allocating resources to your crucial goals.



No Planning as per Financial Goals: Starting of your career, you heard the terms “Mutual fund investments” and “Tax saving option – ELSS” which sounded fascinating and began to randomly invest in 2 – 3 schemes recommended by your friends. The resultant after a period of time is a portfolio that is totally unmanaged and not yielding the kind of returns you would have expected to.

A financial advisor, in a regular scenario, links your financial goals to your investments. He keeps a long term horizon to gain maximum returns. He tracks your portfolio on a regular basis and updates you on its performance.

No Understanding of Insurance Policy Purchased: Had you purchased an insurance policy, as per your friend’s recommendation at work and not read on the terms and conditions of the policy. This is found to be a regular feature with a lot of us. A financial advisor can guide you on the suitable policy, which covers you and your family with a clear understanding on the product you are paying for.

For instance, the advisor may suggest term insurance, instead of the costly endowment policy the agent is trying to push. He may suggest a basic floater health insurance policy for your entire family, instead of a critical illness plan that covers specific diseases.

Hence, Financial Planning forms mandatory activity for every salaried or self employed professional to undertake in the above scenario. We often consider magazines, television, websites to produce a wealth of investing information on a daily basis, but do we really have time of evaluate it all to make the best investment decisions? It becomes extremely important to have a financial advisor who can offer you professional expertise and insight to create and manage your portfolio with a long term view. Net Brokers is diligently in contact with its client by giving them a weekly update on email and a half yearly update on the portfolio they hold.

Warren Buffet quotes
"SOMEONE IS
SITTING IN THE
SHADE TODAY
BECAUSE SOMEONE
PLANTED A TREE
LONG TIME AGO"

*Net Brokers helps you build
a SHADE OF WEALTH by
taking systematic steps
TODAY.*

Your **BIG DECISIONS**
are on the priority list
of **NET BROKERS**. Let
us help you with
them.



HEALTH INSURANCE



LIFE INSURANCE



CHILDREN
EDUCATION



RETIREMENT



REAL ESTATE



TAX PLANNING



net brokers
Private Wealth Management
we know your investment needs



How much health
insurance do I need?



How much life insurance
do I need?



How much money would I
require for my child's
higher education?



How much should I save
for retirement?



Should I rent or buy a
house?



How much tax can I save
for this year?

For more details, contact us on mail@netbrokers.co.in



Myths on Health Insurance that Stand Untrue

Let's have a look at the Myths on Health Insurance in a common man's mind. We have a column which clears the myths and gives you real facts.

Health insurance is required only if one is unfit

• In today's time, illnesses like dengue, malaria have become very common, which can happen to a normal health person. Also, health insurance covers injuries due to accidents/violence.

One should choose their health insurance policy on the basis of the premium

• One cannot depend on the amount of premium to choose the plan / policy. There are other features to be considered such as deductible, sub-limits while selecting the health insurance policy.

One does not get health cover if he smokes or drinks

• There is no such thing as someone who consumes tobacco or alcohol, does not get a health cover. There might be a possibility of a higher premium, due to higher risk.

Health insurance policy would pay only in case of hospitalisation

• A health insurance policy covers day care treatments as well as hospitalisation expenses. To name a few, surgical expenses, nursing, medicines, room expenses, diagnostic material and many more.

The employer already has me covered under the group health cover

• Group health covers offered by corporates have a limit defined, which may not be enough as a health insurance policy. The desired covers may not be there, which you expect in a normal health plan.

There is no need to declare a pre-existing disease, as it will call for a waiting period

• Claim rejection is something that a client can face, if he does not declare his pre-existing disease. So, ideally a customer should declare all at the time of buying the policy.



Reasons Compelling Young Buyers to Gurgaon

Young and enterprising people today want to live life to the fullest; they want the best of everything, the best job, the biggest properties, and the best opportunities in life. The Millennium City, Gurgaon seems to fit the bill perfectly and hence the high demands in the real estate market. Most of the property buyers in Gurgaon today belong to the age group of 30 to 40 years, with 60% to 67% of transactions made by them.

Reasons Compelling Young Buyers to Gurgaon:

- Daily travels from Gurgaon to Delhi are energy sapping, boring, monotonous, and expensive as well. So, young commuters want to resolve their travel woes by shifting their base to the city.
- Located just 15 kilometer from New Delhi towards the south, the city is at tantalizing distance from the nation's capital. So, GenNext can get all the benefits of the Metro without experiencing the congestion, burgeoning traffic, and the myriad problems big city life invariably brings.
- Gurgaon gives easily accessibility with metro connectivity or a swift transport, especially during peak traffic hours. Intra city connectivity through rapid metro Gurgaon corridor is an ad on to address the need of local residents.
- High propensity of getting lucrative jobs in the Millennium City.
- Robust Social Infrastructure includes Lifestyle needs and Entertainment galore- a string of shopping malls (Ambience Mall) and eateries on M.G. Road, world-renowned entertainment centers like Kingdom of Dreams, several well-equipped hospitals, and good educational institutions.
- NRIs returning home to Delhi and nearby areas are settling in Gurgaon instead, because of the lifestyle and real estate choices available here. While this may come as a surprise to many, young people are realizing that the career opportunities available here and not that forthcoming even overseas.

Overall, it is good news for the real estate market by all indications. Indian economy is showing signs of resurgence brought on in parts due to the presence of a stable new government at the Centre. This coupled with the keenness of young buyers surely bodes well for an industry that has been lying low for some years now.

Investment Opportunities in Real Estate

Outlook for Indian property markets has improved among both domestic and overseas investors with the formation of a stable government at the Centre. The positive sentiment can be measured from the fact that global real estate funds focused on India are seeking to raise \$6 billion in new capital, on top of \$1.6 billion raised in the first seven months of 2014.

Net Brokers presents to you lucrative options in the real estate division for December 2014.

Project	Type	BSP/Sq.ft	Cost
Godrej Premia Towers, Sector 104, Dwarka Expressway Gurgaon	Residential	7349	1.25 Cr onwards
Emaar Gurgaon Greens - Sector 102, Dwarka Expressway, Gurgaon	Residential	7250	1.20 Cr onwards
Sunworld Arista, Sector 168, Noida Expressway - Assured Buyback, Returns @ 35% p.a	Residential	-	43.50 Lac onwards
Eros Sampoonam, Noida Extension, Greater Noida	Residential	3350	48 Lac onwards
ATS Pristine, Sector 150, Noida Expressway	Residential	6200	1.08 Cr onwards
Mahagun Meadows, Sector 150, Noida Expressway	Residential	4270	Lac onwards
Raheja Revanta, Sector 78, Gurgaon	Residential	7675	1.20 Cr onwards
Cyberwalk, Manesar, Gurgaon – Assured Returns @ 12% p.a	Commercial	6000	30 Lac onwards
Vatika One India Next, Sector 82 A, Gurgaon – Assured Returns @ 10.5% p.a	Commercial	8667	43 Lac onwards
Emaar MGF, Capital Towers, M. G. Road, Sector 26, Gurgaon	Commercial	19500	2.65 Cr onwards



For more information on Real Estate Projects, contact us on mail@netbrokers.co.in

New Investment Offers

- Mutual Funds**

New Funds Offers

Fund	Category	Type	Open	Close	Asset Allocation (Debt: Equity)
Baroda Pioneer Equity Trigger Fund - Series I - Plan A	Equity	Closed-end	05- Dec	19-Dec	100% Equity
Birla Sun Life Emerging Leaders Fund - Series 5	Equity	Closed-end	15- Dec	26-Dec	100 % Equity
DWS Hybrid Fixed Term Fund - Series 33 (1100 Days)	Hybrid- Debt	Closed-end	13- Jan	27- Jan	80:20
ICICI Prudential Capital Protection Oriented Fund - Series VII - 1284 Days - Plan C	Hybrid- Debt	Closed-end	10- Dec	24-Dec	80:20
ICICI Prudential Growth Fund - Series 6	Equity	Closed-end	19- Dec	02- Jan	100% Equity
SBI Dual Advantage Fund - Series VI	Hybrid- Debt	Closed-end	10- Dec	24-Dec	80:20
UTI Focused Equity Fund - Series II (1102 Days)	Equity	Closed-end	04- Dec	18-Dec	100% Equity

Fixed Maturity Plans

Fund	Tenure (Days)	Opening	Closing	Asset Allocation
ICICI Prudential Fixed Maturity Plan - Series 76 - 1100 Days - Plan D	1100	15-Dec	19-Dec	100% Debt
ICICI Prudential Fixed Maturity Plan - Series 76 - 1100 Days - Plan E	1100	22-Dec	29-Dec	100% Debt
Reliance Fixed Horizon Fund - XXVII - Series 15	1198	05-Dec	09-Dec	100% Debt
Reliance Fixed Horizon Fund - XXVIII - Series 1	1206	05-Dec	09-Dec	100% Debt

- Non-Convertible Debentures**

Issue Name	Interest Rate	Opening	Closing	Face Value Per Bond	Minimum Bonds
Muthoot Finance Limited NCDs	11.25 % p.a.	19-Oct	18-Dec	Rs.1,000	10 Bonds and in multiples of 1 Bond thereafter

For more information on New Investment Offers, contact us on mail@netbrokers.co.in

FIXED DEPOSITS

**Earn Assured Returns up to 11.95 % p.a.
 Offered By Renowned Companies**

S.No.	Company Name	Period			3 Years Yield (In %)	Senior Citizen	
		1 Year	2 Year	3 Year		(additional Rate)	(Yield in %)
1	DHFL 14 Months/ 40 Months	9.75/ 9.85			9.83/11.03	0.40	10.28/ 11.56
2	Shriram Transport Finance Unnati Deposits	9.25	9.75	10.50	11.64	0.25	11.95
3	Mahindra & Mahindra Finance Ltd	9.25	9.75	10.00	11.03	0.25	11.34
4	Bajaj Finance LTD	9.25	9.40	9.65	10.61	0.25	11.52
5	HDFC LTD	9.40	9.40	9.40	10.31	0.25	10.61

* The rates of interest are applicable as on the data mentioned herein above. The rate may be revised at the sole discretion of the respective companies inviting the Fixed Deposits without Further Notice.



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