

Portfolio Optimisation: Case study 2

A customer approached SSS investments seeking help to improve his returns from the existing portfolio. After understanding his current investments and requirements, we optimised his portfolio as below.

Objective of the investment: The customer is about 45 years old and his objective was to have a retirement fund post his retirement at 60 years. So there is a 15 years' time period available

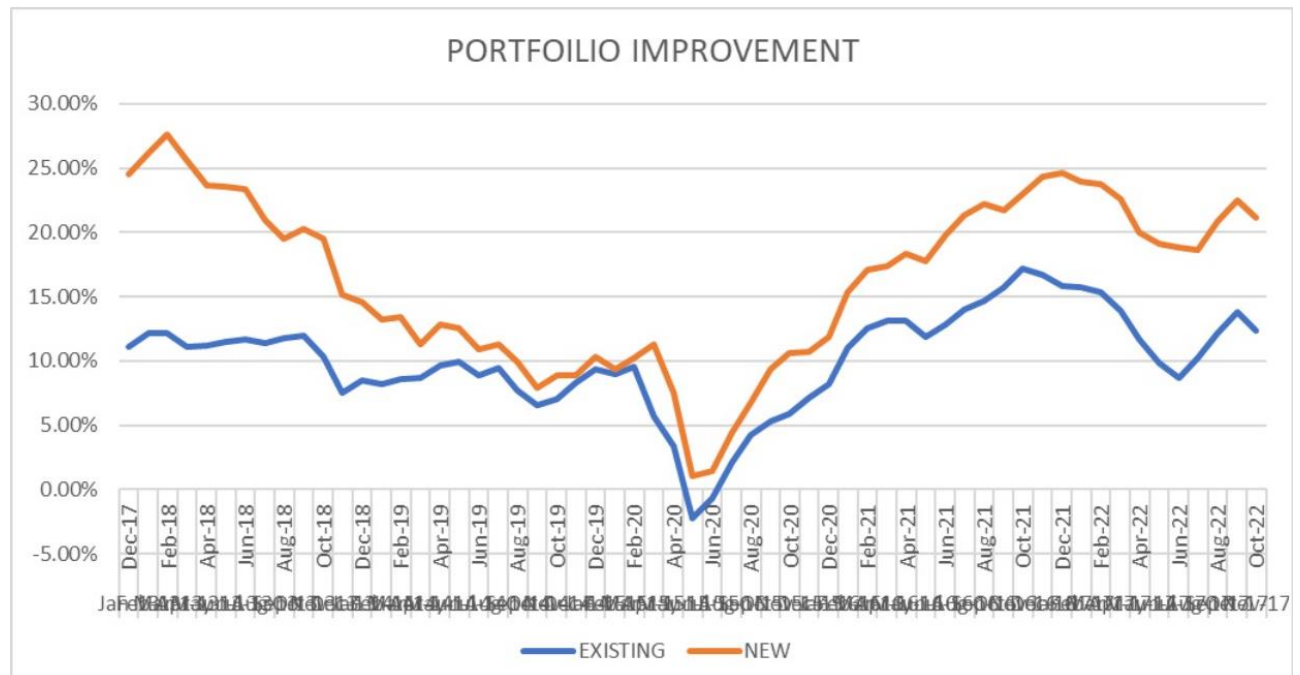
Existing investments and challenges

customer was investing in 4 funds with 25% in each. There was one fund from each category as below

Fund category	# Funds-old	# Funds -new
Flexi cap	1	1
Large and midcap	1	0
Value	1	0
Hybrid	0	1
Global fund	1	0
Small cap	0	1
sectorial	0	1
Total	4	4

The weightage of the funds was altered to improve the returns and add diversification through hybrid, small cap and sectorial funds considering that there is a good time available (15 years)

Returns optimisation





out of 59 data points used for the study, 17 times the new portfolio has given returns more than 18% over a 5-year period

Range of returns

	EXISTING	NEW
min	-2.24%	1.03%
max	17.16%	27.65%
avg	10.08%	16.36%

impact of the changes

Average 6% improvement over 15 years will have an effect of 53 Lakhs for a sip of 20k monthly (the new portfolio has ability to give more than 1.5x of the old portfolio returns)