

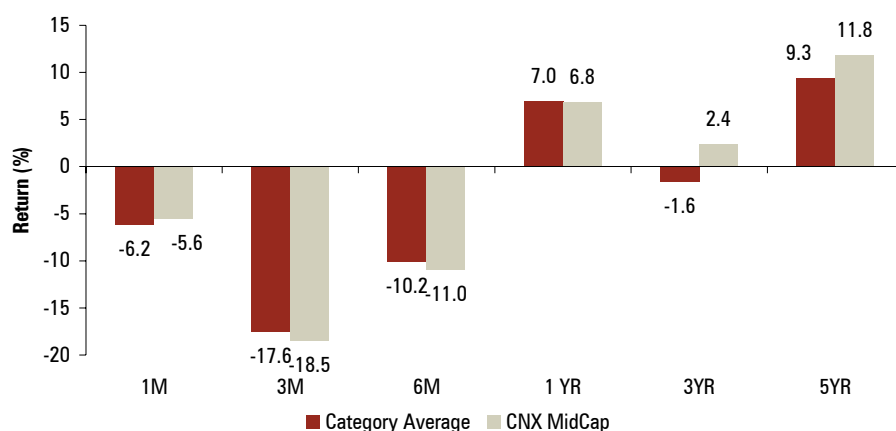
View
Short-term: Neutral
Long-term: Positive

Equity Midcap Funds

- Midcaps and small caps fund were hit badly with the category losing 6% in the current month
- With the Budget on the cards, the rally will be in select midcap stocks for the near term
- A severe correction in quality midcaps has brought them to attractive valuations. These funds are likely to outperform if the rally continues post the Budget
- Though these funds offer a good opportunity for investment, the interim volatility will still remain higher
- In this category, stock selection as well as fund selection plays a greater role as it is a high-risk high-return game with huge deviation in returns among the best and worst performers

The midcap funds are alpha generators. However, they are risky bets with higher variation in the best and worst fund performance, Proper selection plays a key role....

Category average vs. Benchmark Indices



Source: CRISIL Fund Analyser, ICICIdirect.com Research

Note : % Returns are as on Feb 15, 2011, Returns above 1 yr are CAGR returns

Negative & positive bias funds

Top Recommended Equity Mid Cap Funds

Scheme Name	6 M	1 Yr	3 Yrs
ICICI Prudential Discovery Fund	-1.51	16.68	16.66
IDFC Premier Equity Fund - Plan A	-9.99	13.90	9.10
Sundaram BNP Paribas Select Midcap	-6.08	10.07	6.85
Category Average	-10.16	6.98	-1.65
CNX Midcap	-11.01	6.80	2.37

Negative Bias Funds

Scheme Name	6 M	1 Yr	3 Yrs
JM Small and Midcap Fund	-19.00	-11.74	-28.97
JM Emerging Leaders Fund	-19.00	-6.62	-22.36
SBI Magnum Midcap Fund	-11.86	-1.02	-9.52
Category Average	-10.16	6.98	-1.65
CNX Midcap	-11.01	6.80	2.37

Source: CRISIL Fund Analyser, ICICIdirect.com Research

Note : % Returns are as on Feb 15, 2011, Returns above 1 yr are CAGR returns