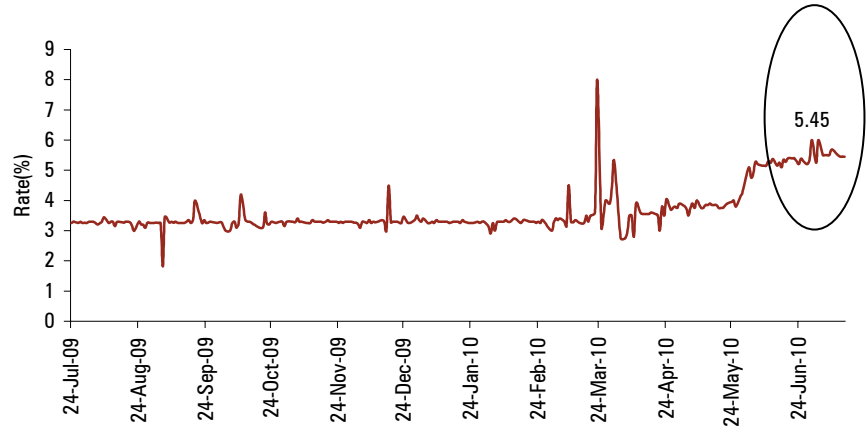


View Positive

Liquid Funds

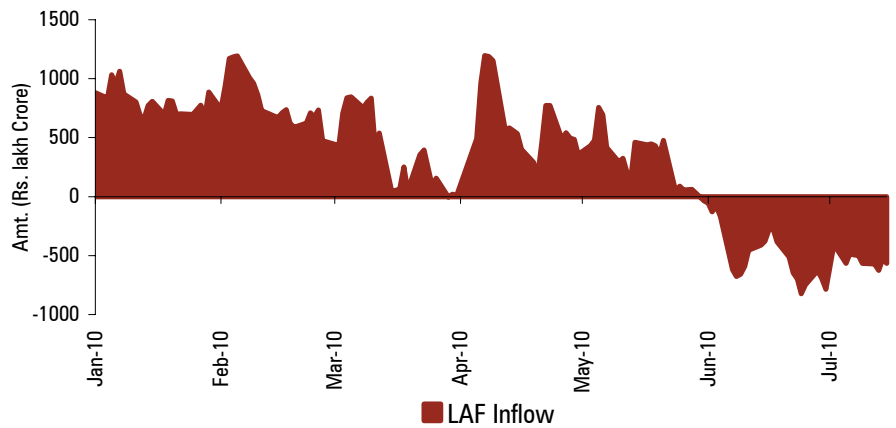
- Call Rates have risen on account of liquidity crunch due to money raised by telecom company and advance tax outgo
- We believe that money market rates are at attractive levels and trade off is in favour of investing. Liquid funds provide good investment opportunity
- Current Month shall see inflows coming in to play the high yield game.

Call Rates have risen on account of liquidity crunch due to money raised by telecom company and advance tax outgo



Source: Bloomberg, ICICIdirect.com

Liquidity as measured under the LAF...

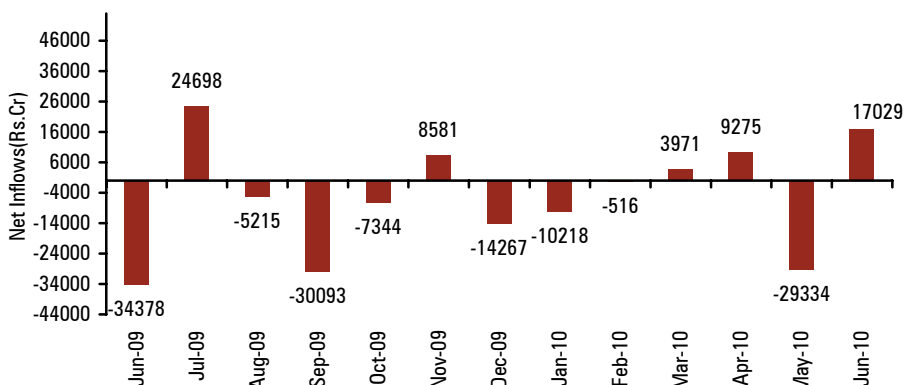


Source: Bloomberg, ICICIdirect.com Research

Call rates at 5.45% attracted investors in to the liquid funds ...

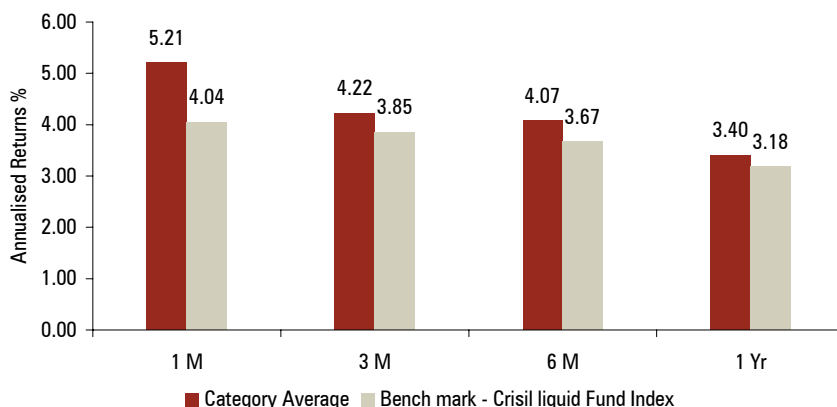
After October when the regulatory change came in to effect liquid funds had lost their sheen , it is now that these funds offer some investment opportunity as the call rates have risen sharply

Net fund flow (Total purchase – Total sales)



Source: AMFI, ICICIdirect.com Research

High call rates have helped funds post higher return



Source: Crisil Fund Analyser, ICICIdirect.com Research

Note : Annualised returns as on July 15, 2010

Top recommended funds

Particulars/Period	1 M	3 M	6 M	1 Yr
Birla Sun Life Cash Manager	4.84	4.43	4.19	4.18
HDFC Cash Management Fund - Savings Plan	5.26	4.86	4.56	4.58
HDFC Liquid Fund - Growth	4.99	4.65	4.27	4.30
Reliance Liquid Fund - Treasury Plan	4.70	3.88	3.36	2.91
UTI Money Market Fund	4.41	4.22	4.05	4.08
Benchmark - Crisil liquid Fund Index	4.04	3.85	3.67	3.18
Category Average	5.21	4.22	4.07	3.40

Source: Crisil Fund Analyser, ICICIdirect.com Research

Note : Annualised returns as on July 2010