

PERFORMANCE EVALUATION OF SELECT OPEN-ENDED EQUITY SCHEMES OF KOTAK MUTUAL

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ABSTRACT

This paper provides a platform to investigate the performance persistence of open-ended equity schemes in an emerging economy: India. To study the performance, I considered Kotak mutual's one year Net Asset Values (NAVs) of all open-ended equity schemes. To test the performance of the mutual fund schemes I calculated monthly returns of the portfolio to analyse the growth potential of the schemes. Secondly, I calculated the total risk of the portfolio to assess the risk level in various schemes. I also calculated the Beta of the portfolio to assess the fund's reaction to market changes. Finally, to measure the risk-adjusted performance of the fund units I used Sharpe index. The study reveals that there is no performance persistence of fund units in all the months. The study also finds that there is inability of fund managers in timing the market.

KEY WORDS : Beta, Mutual fund, NAV, Risk, Sharpe index.

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