

April 21, 2008

AIG World Gold Fund

@ Rs 10/unit during NFO Period
NFO closing May 14, 2008

Analyst:

Nikesh Choudhary
nikeshchoudhary@bajajcapital.com

Fund Manager: (Domestic Investment)

Mr. Ruchir Parekh

A fund designed to participate in international gold equities by investing in AIG PB Equity Fund Gold.....!

Investment objective

It is an open-ended fund of funds scheme that seeks to provide long term capital appreciation by investing predominantly in units of AIG PB Equity Fund Gold. The Scheme may, at the discretion of the Investment Manager, also invest in the units of other similar overseas mutual fund schemes. The Scheme may also invest a certain portion of its corpus in debt and money market securities and/or units of debt/liquid schemes of Mutual Funds, in order to meet liquidity requirements from time to time.

Issue Details

Minimum Investment	Rs. 5,000/-
Benchmark	Financial Times Gold Mines Total - Price Index
Option	Growth, Dividend-Payout and Reinvestment

Investment Strategy

The scheme will invest in international gold securities through an international gold equity fund. AIG PB Equity Fund Gold, which is the underlying fund invests worldwide mainly in stocks issued by companies engaged primarily in the extraction, processing and marketing of gold. Furthermore, upto a maximum of 25% of the assets can be invested in companies engaged in extracting, processing or marketing other precious metals, gems and colored metals.

Load Structure (During NFO period)

Entry Load	Investment Amt (Rs) Below 5 Cr: 2.25% 5 Cr & above: NIL
Exit Load	Below 5 Cr: 1% (if redeemed within 1 year otherwise- NIL) 5 Cr & above: 0.5% (if redeemed within 6 months otherwise- NIL)

Conclusion

This is second launch on gold equities theme after DSPML World Gold Fund, which has delivered high returns in short period because of good run in gold prices. Gold as an investment class offer diversification in the portfolio. But the fund carries higher risk than Gold ETF's because it invests in gold equities which are more volatile than gold bullion. So this fund is suitable for investors who seek to diversify their portfolio and have a long term investment outlook with high risk appetite.

Asset Allocation

Units of AIG PB Equity Fund &/or other similar overseas mutual fund schemes	80-100%
Debt & Money Market Securities	0-20%

Performance of other equity schemes of the Fund

Returns as on April 17, 2008.					
Scheme – Growth	3 mth	6 mth	9 mth	1 Year	Since Inception
AIG India Equity Fund	-22.52	-15.71	-2.13	N.A	2.18
AIG Infrastructure and Economic Reform Fund	N.A	N.A	N.A	N.A	-13.48

*All returns have been taken as absolute and not annualized.

Risk Factors: Mutual Fund investments are subject to market risk. Please read the offer document carefully before investing.

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