

The impact of Investments in Lumpsum and the importance of Market Timing

www.mastersinnifty.com

For Lumpsum Investments:

What if someone invests in Equity Mutual Funds for 5 years without knowing the Market Timing

Lumpsum Capital (Rs.)	10000000
Investment Date	3rd Dec 2007
Equity NAV as on Investment Date (Rs.)	58.65
Units Alloted	170502.98
After 5 years	3rd Dec 2012
NAV after 5 years (Rs.)	58.7095
Total Value of Investment after 5 years	10010144.93
Absolute ROI (%age)	0.1
CAGR (%)	0.02

What if someone invests in Equity Mutual Funds for 10 years without knowing the Market Timing

Lumpsum Capital (Rs.)	10000000
Investment Date	3rd Dec 2007
Equity NAV as on Investment Date (Rs.)	58.65
Units Alloted	170502.98
After 10 years	3rd Dec 2017
NAV after 10 years (Rs.)	101.2775
Total Value of Investment after 10 years	17268115.94
ROI (%age)	72.68
CAGR (%)	5.61

What if someone invests in Equity Mutual Funds for 15 years without knowing the Market Timing

Lumpsum Capital (Rs.)	10000000
Investment Date	3rd Dec 2007
Equity NAV as on Investment Date (Rs.)	58.65
Units Alloted	170502.98
After 15 years	5th Dec 2022
NAV after 15 years (Rs.)	187.0105
Total Value of Investment after 15 years	31885848.25
ROI (%age)	218.86
CAGR (%)	12.29