

12:53 PM   25 OCT <b>LIVE</b>	ಸೆನ್ಸೆಕ್ಸ್ <b>32,949</b> ▲ 342.36	ನಿಫ್ಟಿ 50 <b>10,273</b> ▲ 65.35	ಬೆನ್ಚ (ಎಂಸಿಎಕ್ಸ್) (₹/10 ಗ್ರಾ... <b>29,437.00</b> ▼ -104.00	ಯುಎಸ್ ಡಿ/ಭಾರತೀ... <b>65.11</b> ▲ 0.05		ಈ-ಟಿ ಮಾರುಕಟ್ಟೆಗಳ ಆಪ್ ಅನ್ನು ಡೌನ್‌ಲೋಡ್ ಮಾಡಿ 	CHOOSE LANGUAGE <b>KAN</b>	<b>LIVE TV</b>
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# Can I invest in smallcap schemes with a five-year horizon?

BY ET ONLINE | OCT 24, 2017, 02:32 PM IST

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I am 25 years old and I would like you to review my **portfolio**. I have monthly SIPs in **DSPBR Micro Cap Fund (Rs 3,000)**, **Reliance Small Cap Fund (Rs 3,000)**. The **investment horizon** is five years and the prime objective is capital appreciation.  
--Akash Kothari



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**Vishal Dhawan, Founder, Plan Ahead Wealth Advisors, responds:**

Apart from the investment horizon, the selection of mutual fund schemes also depends on multiple factors, ranging from risk tolerance to the ability to handle downside volatility. Both the funds that you have selected are smallcap-oriented funds. They are exposed to significant volatility due to the market capitalisation that they are exposed to. Thus, they are ideally suited to investment horizon of 10 years plus, especially in an environment where smallcaps are trading at a significant premium to largecap stocks. Since your investment horizon is only five years, we would suggest switching (in a tax-efficient manner) to a more conservative portfolio, comprising of balanced funds. You may consider selecting **HDFC Balanced Fund - Growth** and **L&T India Prudence Fund - Growth**.

Time to make some money! Earn returns as high as 25% p.a.  
Faircent

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