

DSP BlackRock Mutual Fund launches DSP BlackRock Focus 25 Fund - Conviction. Selection. Concentration.

April 22, 2010: DSP BlackRock Mutual Fund announced the launch of DSP BlackRock Focus 25 Fund. This is an open ended equity growth scheme investing largely in companies, which are amongst the top 200 companies by market capitalisation. The portfolio will limit exposure to companies beyond the top 200 companies by market capitalization to 20% of the net asset value. The Scheme will normally hold equity and equity-related securities including equity derivatives, of upto 25 companies.

The scheme will have a concentrated portfolio adopting a highly flexible investment approach. Concentrated portfolios are often the result when managers seek to sharpen the focus with regard to stock selection and therefore stock weightage in the portfolio.

What is rationale for launching a fund with this strategy?-

In a market which has risen significantly over the last one year, there has been significant performance divergence not only among sectors but also amongst stocks within these sectors. This highlights the fact that besides sector selection, stock selection is extremely important.

A significant percentage of risk paring on account of diversification can be achieved with relatively fewer stocks, provided they are not of a similar type. While adding more stocks increases the degree of diversification, the ability of the scheme to generate relatively higher returns recedes as the number of stocks in the portfolio increases.

Equity schemes managed by us have delivered consistent long term performance which is a testimony to the stock selection skills of our investment team. The concentrated portfolio will enable the fund manager to sharpen his focus with regard to stock selection & portfolio construction and allows investors to benefit from the fund manager's stock selection ability.

Speaking to media Mr. S. Naganath said "We are pleased to announce the launch of DSP BlackRock Focus 25 Fund and believe that this fund will appeal greatly to investors who are seeking a concentrated equity portfolio.

Scheme Features

Name of Scheme	DSP BlackRock Focus 25 Fund
Type of Scheme	Open Ended Equity Growth Scheme
Launch Date	April 23, 2010
Benchmark	BSE Sensex
Fund Manager	Apoorva Shah Vinit Sambre (for managing the overseas investment in the Scheme)
Minimum investment amount	Rs. 5,000/- and multiples of Re. 1/- thereafter
Options Available	Growth; Dividend (Payout Dividend & Reinvest Dividend)

DSP BlackRock Focus 25 Fund (DSPBRF25F) - Investment Objective: The primary investment objective of the Scheme is to generate long-term capital growth from a portfolio of equity and equity-related securities including equity derivatives. The portfolio will largely consist of companies, which are amongst the top 200 companies by market capitalisation. The portfolio will limit exposure to companies beyond the top 200 companies by market capitalization upto 20% of the net asset value. The Scheme will normally hold equity and equity-related securities including equity derivatives, of upto 25 companies. Further, the Scheme will also have at least 95% of the invested amount (excluding investments in debt securities, money market securities and cash and cash equivalents) across the top 25 holdings in the portfolio. The Scheme may also invest in debt and money market securities, for defensive considerations and/or for managing liquidity requirements. There can be no assurance that the investment objective of the Scheme will be realized. **Asset Allocation:** 1(a) Equity and equity related securities, which are amongst the top 200 companies by market capitalization* - 65% - 100%; 1(b) Equity and equity related securities, which are beyond the top 200 companies by market capitalization - 0% - 20%; Of 1(a) and 1(b) above, investments in ADRs, GDRs and foreign securities - 0% - 25%; 2. Debt securities, money market securities and cash and cash equivalents - 0% - 35%. **The portfolio will largely consist of companies, which are amongst the top 200 companies by market capitalisation. The portfolio will limit exposure to companies beyond the top 200 companies by market capitalization to 20% of the net asset value. The Scheme will also have at least 95% of the invested amount (excluding investments in debt securities, money market securities and cash and cash equivalents) across the top 25 holdings in the portfolio.*

Terms of Issue: Rs. 10/- per Unit (During NFO). Min. Investment: Rs. 5,000 and multiples of Re. 1/- thereafter. **Load Structure & Expenses:** Entry Load - NIL. Exit Load: 1.00% for holding period < 12 months, NIL for holding period >= 12 months. **Investor Benefits & General Services:** During Continuous Offer, sale (at Purchase Price) and redemption (at Redemption Price) on all Business Days (Redemption normally within 3 Business Days). SIP, SWP, STP & Nomination facilities available subject to terms and conditions as per the Scheme Information Document (SID) and Statement of Additional Information (SAI). Declaration of NAV for each Business Day by 9 p.m. of same Business Day.

Statutory Details: DSP BlackRock Mutual Fund was set up as a Trust and the settlors/sponsors are DSP ADIKO Holdings Pvt. Ltd. & DSP HMK Holdings Pvt. Ltd. (collectively) and BlackRock Inc. (Combined liability restricted to Rs. 1 lakh). Trustee: DSP BlackRock Trustee Company Pvt. Ltd. Investment Manager: DSP BlackRock Investment Managers Pvt. Ltd. **Risk Factors:** Mutual funds, like securities investments, are subject to market and other risks and there can be no assurance that the Scheme's objectives will be achieved. As with any investment in securities, the NAV of Units issued under the Scheme can go up or down depending on the factors and forces affecting capital markets. Past performance of the sponsor/AMC/mutual fund does not indicate the future performance of the Scheme. Investors in the Scheme are not being offered a guaranteed or assured rate of return. Each Scheme is required to have (i) minimum 20 investors and (ii) no single investor holding >25% of corpus. If the aforesaid point (i) is not fulfilled within the prescribed time, the Scheme concerned will be wound up and in case of breach of the aforesaid point (ii) at the end of the prescribed period, the investor's holding in excess of 25% of the corpus will be redeemed as per SEBI guidelines. DSPBRF25F is the name of the Scheme and does not in any manner indicate the quality of the Scheme, its future prospects or returns. For scheme specific risk factors, please refer the Scheme Information Document. For more details, please refer the Scheme information Document, Statement of Additional Information and Key Information Memorandum cum Application Forms, which are available on the website, www.dspblackrock.com, and at the ISCs/Distributors. Please read the Scheme Information Document and Statement of Additional Information carefully before investing.