

# DSP BLACKROCK TECHNOLOGY.COM FUND

MAKING TECHNOLOGY WORK FOR YOU

DSP BLACKROCK  
MUTUAL FUND



## Investment Strategy

- The focus of this scheme is on the TMT (Technology, Media and Telecom) sectors.
- While the IT/Technology sector is dependent on the US and external demand, both Media and Telecom sectors play on domestic India centric demand. This combination of external and domestic demand drivers allow the fund manager to hedge the portfolio as factors affecting these drivers vary. This also allows the Scheme to manage the currency risk of Rupee sensitive and Dollar or external currency sensitive stocks by changing the weights of the external and domestic sectors from time to time.
- The outlook on all the three sectors is bullish in the long term. The IT sector exposes investors to the secular positive trend in outsourcing globally where India has a sustainable leadership position. The media and telecom sectors expose investors to the growth of GDP; rising telecom

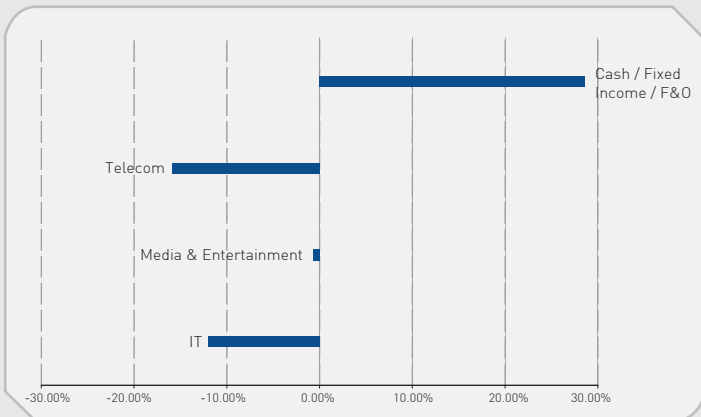
penetration; rising internet and broadband penetration and the growth of news and entertainment sub sectors.

- Growing incomes and education levels are expected to benefit the news and entertainment industry substantially. Falling telephone and internet tariffs shall increase the penetration of telephony and PCs to the huge rural population which is uncovered, thus offering latent demand.
- All the three sectors offer defensive characteristics, as business cycles are unlikely to affect the secular and largely inelastic demand of the three sectors.

**In short, this scheme offers a defensive growth into a diversified basket which aims to offer higher than GDP growth. It could be relatively non correlated to diversified funds, thus adding value to fund portfolios by way of diversification.**

## Active Allocation Analysis

Sector allocation comparison of DSPBRTF vs. BSE TECK Index.



## Portfolio

Top 10 Stocks	% to Net Assets	Top 3 Sectors	% to Net Assets
Bharti Airtel	20.35%	IT	42.65%
Infosys Technologies	18.94%	Telecom	25.14%
Allied Digital Services	5.22%	Media & Entertainment	3.60%
HCL Technologies	4.27%		
Tata Consultancy Services	4.11%		
Mphasis	3.80%		
Geodesic Information Systems	2.22%		
Sun TV Network	1.85%		
Tanla Solutions	1.61%		
Tulip Telecom	1.54%		

**Asset size:**  
Rs. 50.58 crore as on  
February 28, 2009

## Sector Outlook

### Information Technology:

- While the uncertainty on software services demand looms large on the sector, we feel some of the stocks are pricing in most of the negative news which explains their outperformance. The present conditions would increase the gap between the players - helping companies with strong management expertise eat into the market share of the weaker players - leading to significant differences in stock performance.
- Apart from offshore IT services companies, the fund is very well diversified into other segments. Increasing competition and consumer awareness is driving rapid automation and demand for IT systems in India and hence the domestic system integration and infrastructure management segments are going to see unprecedented growth. Content aggregation and software products are some of the other segments the fund is bullish on.

### Telecom Services

- While competitive intensity in the sector remains a concern, 3G spectrum auction and other incremental regulations in the industry will increase the gap between the leaders and competition.
- The sector continues to positively surprise on monthly mobile subscriber additions which we believe will continue in the near future.

### Media and Entertainment

- Broadcasting majors should benefit tremendously from the rapidly growing DTH subscriber base.
- While advertising spend is expected to decline for the national players, regional media companies are in a very strong position to weather the storm in the industry.

## Comparative Performance

as on February 27, 2009

Period	CAGR	
	DSP BlackRock Technology.com Fund - Regular Plan (Growth Option)	BSE TEck Index*
Last 6 months <sup>^</sup>	(47.34)%	(43.50)%
Last 1 year	(54.61)%	(47.96)%
Last 3 years	(6.85)%	(10.84)%
Last 5 years	10.94%	7.68%
Since inception**	3.07%	(2.51)%

The "Returns" shown do not take into account the entry load. Hence, actual "Returns" would be lower than those shown. \*BSE TEck Index as of February 27, 2009 was 1,736.47 \*\*Note: As per the SEBI standards for performance reporting, the "since inception" returns are calculated on Rs. 10/- invested at inception. For this purpose the inception date is deemed to be the date of allotment, i.e. 16-May-2000. NAV as on February 27, 2009 was Rs. 13.046 (Growth). <sup>^</sup>Absolute Returns. **Past performance may or may not be sustained in future and should not be used as a basis for comparison with other investments.**

## Features

- Minimum investment and minimum additional purchase
  - Regular Plan: Rs. 5,000/- and Rs. 1,000/- thereafter.
  - Institutional Plan: Rs. 5 crore and Rs. 1,000/- thereafter.

### • Options available (for both plans)

- Growth
- Dividend
  - Payout Dividend - Reinvest Dividend

### • Entry load:

Nil for Direct Investments; for others:  
Regular Plan (For Regular & SIP Purchase)  
For investments < Rs. 5.0 crore: 2.25%  
For investments >= Rs 5.0 crore: Nil

Institutional Plan: Nil

## Dividend History (Regular Plan)

Record Date	Dividend per Unit (Rs.)	NAV (Rs.)
4-Jan-08	10.00	37.138

Dividend payout is on a face value of Rs. 10/-  
Post declaration of the dividend, the NAV of the scheme will fall to the extent of the dividend pay out and statutory levy, if any.

### • Exit load :

Regular Plan (For Regular & SIP Purchase)

For holding period: < 6 months: 1%  
>= 6 months but < 12 months: 0.50%  
>= 12 months: Nil

Institutional Plan: Nil

**DSP BlackRock Technology.com Fund (DSPBRTF)** is an open ended growth Scheme, seeking to generate long term capital appreciation, and whose secondary objective is income generation and the distribution of dividend from a portfolio constituted of equity and equity related securities concentrating on the Investment Focus of the Scheme. **Asset Allocation:** Equity & equity-related securities: 80-100%. Fixed Income Securities (Debt & money market securities) 0%-20% (Debt securities are deemed to include securitised debts). **Features:** Declaration of NAV on all Business Days. Sale and redemption of Units on all Business Days at Purchase Price and Redemption Price respectively. **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 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/Plan 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/Plan 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. DSPBRTF 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 (SID). **For more details, please refer the Key Information Memorandum cum Application Forms, which are available on the website, www.dspblackrock.com, and at the ISCs/Distributors. Please read the SID and Statement of Additional Information carefully before investing.**

### For more information

- Call our toll free number 1800-345-4499 or
- Visit our website : [www.dspblackrock.com](http://www.dspblackrock.com)

