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SHARE SHOT

HNIs back with appetite for investments

Brokers & wealth managers line up goodies to woo prized clients



STOCK THEM UP

- HNIs being wooed with new portfolio management services
- Some wealth managers floating JVs with peers to create new products
- HSBC Asset Management adds new PMS scheme - HSBC Amanah India Shariah Portfolio
- Religare Macquarie announces wealth advisory services
- SMC Wealth Management, in JV with Sanlam, launches a pair of schemes under PMS

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HIGH net worth individuals (HNIs) are back in action. After a few months of lull, HNIs have begun to approach brokers and wealth managers to invest sizeable funds in the equity market. Several fund managers have confirmed to **SundayET** that HNIs are now willing to re-enter the market. And in order to provide just-in-time services to their prized clients and grab a piece of their investment, brokers are unfolding several products and adopting various strategies.

Clients are being lured to new portfolio management services (PMS) or new schemes under the existing PMS umbrella. Some wealth managers are also entering joint ventures with their peers to create new products and access new markets.

Prasanth Prabhakaran, senior V-P & all-India head of broking at Kotak Securities, said HNI clients have become bullish on the equity markets again and are "ready to make investments now." Dheeraj Sachdev, head of fund management, equity, with HSBC Global Asset Management, added, "HNI investors are optimistic on the equity market and have started investing gradually through various routes such as PMS, mutual funds or even direct equity."

HSBC Asset Management (India) has recently added a new PMS scheme called HSBC Amanah India Shariah Portfolio, under its portfolio management services. According to Vikramaaditya, CEO of HSBC Asset Management (India), this product is an actively managed, open-ended equity offering whereby HNIs can invest in companies complying with Islamic Shariah principles. Religare Macquarie, a joint venture between Religare Enterprises and Macquarie Group, too, recently announced their wealth advisory service under the campaign of "active wealth management", mainly to cater to HNI clients.

SMC Wealth Management Services in a JV with Sanlam, too, has launched a pair of schemes under PMS. DK Agarwal, MD, SMC Wealth Management, said, "We have launched two products—arbitrage scheme and growth scheme. The arbitrage scheme is for HNIs having less risk appetite and expecting consistent returns on a regular basis, while growth scheme is for HNI clients aspiring for higher returns by putting money in the equity market and ready to take a comparatively higher risk."

According to Securities & Exchange Board of India (Sebi), a minimum of Rs 5 lakh is required to enter a PMS scheme. But the minimum investments differ from scheme to scheme. For instance, the threshold investment required in HSBC Amanah India Shariah Portfolio is Rs 25 lakh, it's Rs 50 lakh for individuals and Rs 1 crore for corporate clients for SMC wealth management-arbitrage scheme.

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