

**investment philosophy**

Reliance Life Insurance seeks consistent and superior long-term returns with a well-defined and disciplined investment approach symbolizing integrity and transparency to benefit all stakeholders.

Economy Indicators	30th May 08	30th April 08	Change
Rs./\$	42.47	40.52	-1.95
WPI Inflation	229.60	227.70	8.10%y-o-y
Forex Reserves (\$ bn)	316.17	312.87	3.30
Oil Price (\$ per Barrel)	127.49	110.56	16.93
Gold (Rs. per 10gm)	12175	11700	475

Investments	30th May 08	30th April 08	Absolute Change
FII (Rs Crs)	-5011.50	1074.80	-6086.30
Mf (Rs Crs)	63.50	-111.50	175.80

Indices	30th May 08	30th April 08	% Change
BSE Sensex	16,415.57	17,287.31	-5.04
S&P CNX Nifty	4,870.10	5,165.90	-5.73
CNX Mid Cap	6,562.70	7,004.80	-6.31
BSE Small Cap	8,133.04	8,773.57	-7.30

Global Indices	30th May 08	30th April 08	% Change
Dow Jones	12,638.32	12,820.13	-1.42
FTSE 100	6,068.13	6,090.36	-0.37
Hang Seng	24,533.12	25,914.15	-5.33
Nikkei	14,338.54	13,894.37	3.20

Sectoral Indices	30th May 08	30th April 08	% Change
CNX Infrastructure	4157.22	4492.19	-7.46
CNX Energy	8566.90	9503.48	-9.86
BSE Capital Goods	13150.64	13931.25	-5.60
BSE Bankex	7714.59	8819.68	-12.53
BSE Oil & Gas	10396.85	11505.79	-9.64
BSE IT	4643.79	4261.93	8.96

Fixed Income Indicators (%)	30th May 08	30th April 08	Absolute Change
NSE Mibor	8.00	6.26	1.74
91 Day T-Bill	7.48	7.35	0.13
182 Day T-Bill	7.53	7.45	0.08
1 year GOI Benchmark	7.88	7.75	0.13
5 Year GOI Benchmark	8.04	7.91	0.13
5 Year Corp Bond Benchmark	9.61	9.50	0.11
10 Year GOI Benchmark	8.10	7.92	0.18
10 Year US Benchmark	4.06	3.75	0.31

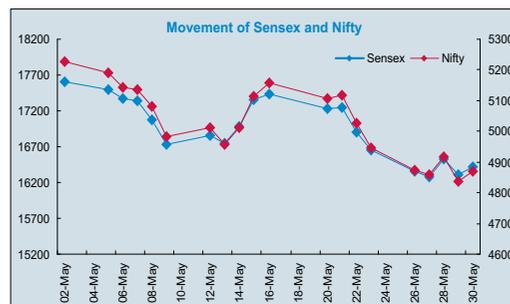
**the analyst**  
monthly factsheet

**fund snapshot**

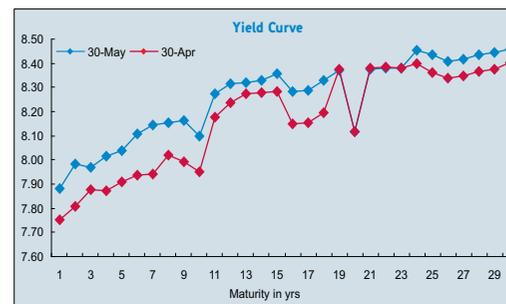
asset allocation	funds	gross return (CAGR*) (%) as on May 31, 2008				date of inception
		last 1 year	last 2 years	last 3 years	since inception	
100% equity	Ulip Equity	4.76%	19.77%	28.52%	28.48%	August, 2004
100% equity	Ulip Infrastructure	N.A.	N.A.	N.A.	N.A.	March, 2008
100% equity	Ulip Energy	N.A.	N.A.	N.A.	N.A.	March, 2008
100% equity	Ulip Midcap	N.A.	N.A.	N.A.	N.A.	March, 2008
80% equity, 20% debt	Ulip Super Growth	5.34%	N.A.	N.A.	5.34%	May, 2007
60% equity, 40% debt	Ulip High Growth	7.77%	N.A.	N.A.	13.89%	March, 2007
50% equity, 50% debt	Ulip Growth Plus	7.58%	N.A.	N.A.	12.27%	March, 2007
40% equity, 60% debt	Ulip Growth	7.90%	12.46%	15.34%	14.91%	August, 2004
20% equity, 80% debt	Ulip Balanced	8.94%	10.34%	11.28%	11.54%	February, 2003
100% bond instruments	Ulip Corporate Bond	9.97%	N.A.	N.A.	9.97%	May, 2007
100% Debt Instruments	Ulip Pure Debt	8.38%	N.A.	N.A.	8.34%	April, 2007
100% govt. securities	Ulip Gilt	6.15%	N.A.	N.A.	6.15%	May, 2007
100% money market instruments	Ulip Money Market Fund	9.24%	N.A.	N.A.	9.24%	May, 2007
100% money market instruments	Ulip Capital Secure	8.73%	8.22%	7.41%	6.37%	February, 2003

\*CAGR: Compounded Annual Growth Rate

**equity market update - may 2008**



**debt market update - may 2008**



**Market Review**

High crude oil prices, rising inflation, risk aversion amongst the global investors and softening global growth led to the fall in the month of May. The BSE Sensex fell by 871 points during the month to close at 16415.5 points, a decrease of 5.04%. On the other hand, the NSE Nifty depreciated by 5.73% to close at 4870.1 points; a drop of 295 points over the previous month's closing.

FII were net sellers to the extent of Rs 5,011.5 crore in May, after pumping in Rs 1,074.80 crore in April while MF's were net sellers to the extent of Rs 63.5 crore in May from Rs 160.70 crore in April.

The concerns over bad Q4 numbers were put to rest with the majority of companies reporting better than expected numbers. During the month we saw WPI inflation crossing 8% level which further weakened the market sentiments.

Rising inflation raised prospects of tighter policy decisions. Weak IIP caused a minor blip and higher interest rate expectations were reflected in the losses scored by rate sensitive sectors like banking. Realty and power sectors were the biggest losers, losing over 17% and 12%, respectively. The weakening rupee boosted the IT sector (+9%) which along with metals were the only sectoral indices to make gains over the month.

**Outlook:**

With the results season almost coming to an end, we believe that the market in the near term will take cues from the global markets. Rising crude oil prices and global liquidity drying up due to the credit crisis remain a cause of concern for the Indian markets. The market will also keep a watch on the impact of the anticipated petrol and diesel price hike which may lead to even higher inflation numbers and further rise in input costs.

**Market Review**

The bond yield curve moved in either direction in a wide range before ending higher with oil prices and inflation overshadowing all other factors. The 8.24% 2018 bond yield finished at 8.10% from 7.95%. It fell to a low of 7.77%.

Bonds started the month posting gains backed by improved liquidity before receiving a solid boost from weak industrial production data that expectations of tighter monetary policy for the time being.

Rising inflation and oil prices soon returned to hog the limelight, dragging bonds lower and selling was exacerbated by money market deficit later in the month. CRR hikes and successive bond auctions sucked out cash in the absence of investment inflows, drawing the market into a deficit.

Crude oil prices eased offering mild relief to sentiment though anxiety over an impending government decision over fuel prices remained. In addition to relief from crude prices, relaxation of ECB and FII investment norms announced by the government helped bonds to cut losses and steady as traders hoped that the rules would aid liquidity in the medium term.

The finance ministry announced an increase in the limit for FIIs in government and corporate bonds to \$5 billion and \$3 billion, respectively from \$3.2 billion and \$1.5 billion. The government also raised the ECB limit that a company can repatriate to \$50 million from \$20 million while infrastructure sector firms could now borrow \$100 million from abroad and services sector companies could avail of borrowings of up to \$100 million to import capital goods under the approval route. In other news, the RBI said it would conduct open market operations in the secondary market in oil bonds held by state run oil companies to provide liquidity to crude refiners.

The rupee lost two paise to the dollar in the month of May, ending at 42.46/47 hit by FII outflows, weak stock markets and high oil prices. Soft economic data added to the pressure on the rupee.

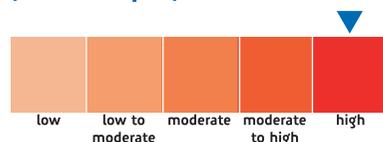
**Outlook:**

With inflation above 8%, yields are expected to harden further. Liquidity is expected to tighten further with advance tax and auction outflows in June. The ten-yr benchmark g-sec yield may remain in the range of 7.90% to 8.25%.

## fund objective

Provide high real rate of return in the long-term through high exposure to equity investments, while recognizing that there is significant probability of negative returns in the short-term. The risk appetite is 'high'.

## fund risk profile



## products & inception dates

Reliance Market Return Plan (MRP) - Equity Fund Option: Aug 9, 2004

Reliance Golden Year Plan (GYP) - Equity Fund Option: Mar 12, 2007

Reliance Automatic Investment Plan (AIP) - Equity Fund Option: May 28, 2007

Reliance Secure Child Plan (SCP) - Equity Fund Option: Nov 29, 2007

Reliance Wealth + Health Plan (WHP) - Equity Fund Option: Feb 27, 2008

Reliance Total Investment Plan Series I (TIPS I)-Equity Fund Option: Mar 19, 2008

Reliance Total Investment Plan Series II (TIPS II)-Equity Fund Option: Mar 19, 2008

## fund manager's report

The month of May saw markets losing momentum with high volatility. The negative trend was influenced by high crude oil prices and rising inflation globally. Looking at the very volatile conditions and the negative trend in the market, the holding in equities was kept at 98.46%.

## asset allocation

Equity: 100%

## benchmark construction

S&P CNX Nifty: 100%

# ULIP Equity Fund

details as on May 31, 2008

## fund performance

period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	4.76%	13.36%	33.44%	32.75%	-0.01	0.26
last 2 years (CAGR)	19.77%	25.92%	25.81%	25.06%	0.57	0.83
last 3 years (CAGR)	28.52%	32.62%	25.38%	24.88%	0.93	1.11
since inception (CAGR)	28.48%	33.00%	24.03%	23.53%	0.98	1.19
date of inception	august, 2004					

\*CAGR: Compounded Annual Growth Rate

## portfolio

security % to net assets 1-yr beta

### equity

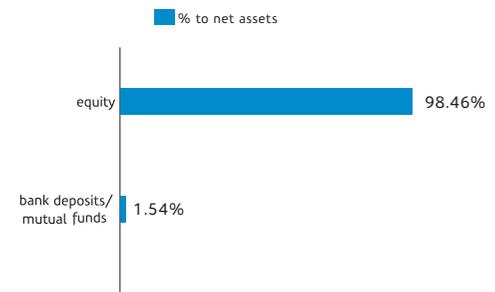
<b>CAP GOODS / ENGINEERING</b>	<b>16.06</b>	
LARSEN & TOUBRO	5.75	1.11
BHARAT HEAVY ELECTRICALS	2.85	1.08
AREVA T & D INDIA	2.33	0.51
ALSTOM PROJECTS INDIA	1.95	1.17
SIEMENS	1.19	1.07
CUMMINS INDIA	1.17	0.76
TRIVENI ENGINEERING AND INDUSTRIES	0.81	1.56
<b>OIL REFINERIES</b>	<b>13.34</b>	
RELIANCE INDUSTRIES	8.25	1.04
OIL & NATURAL GAS CORPORATION	2.97	0.83
RELIANCE PETROLEUM	1.12	1.08
BHARAT PETROLEUM	0.63	0.66
INDIAN OIL CORPORATION	0.37	0.91
<b>IT</b>	<b>13.10</b>	
INFOSYS TECHNOLOGIES	5.89	1.08
TATA CONSULTANCY SERVICES	4.46	0.84
WIPRO LTD	2.75	1.14
<b>BANKING &amp; FINANCE</b>	<b>11.07</b>	
ICICI BANK	3.94	1.48
HDFC	2.79	1.20
HDFC BANK	2.35	0.95
STATE BANK OF INDIA	1.54	0.93
BAJAJ FINSERV	0.45	1.00
<b>METALS</b>	<b>10.38</b>	
TATA STEEL	4.30	1.15
HINDALCO INDUSTRIES	3.30	1.28
STEEL AUTHORITY OF INDIA	2.78	1.46
<b>POWER</b>	<b>5.42</b>	
TATA POWER	2.27	0.85
NTPC	1.85	0.96
SUZLON ENERGY	1.31	1.19
<b>AUTOMOBILES</b>	<b>5.38</b>	
MARUTI SUZUKI INDIA	3.47	0.25
TATA MOTORS	1.92	0.57
<b>TELECOM</b>	<b>4.78</b>	
BHARTI AIRTEL	4.52	0.48
RELIANCE COMMUNICATIONS	0.26	1.02
<b>PHARMACEUTICALS</b>	<b>3.45</b>	
DIVIS LABORATORIES	2.75	1.01
CIPLA LIMITED	0.70	0.44
<b>REAL ESTATE</b>	<b>2.73</b>	
DLF LIMITED	2.01	1.97
UNITECH	0.72	1.45
<b>CEMENT &amp; CEMENT PRODUCTS</b>	<b>2.54</b>	
GRASIM INDUSTRIES	1.90	0.72
ACC LTD	0.63	0.55
<b>HOTELS</b>	<b>2.41</b>	
INDIAN HOTELS	2.41	1.07
<b>FERTILIZERS</b>	<b>2.39</b>	
GUJARAT NARMADA VALLEY FERTILISERS	1.64	1.07
GUJARAT STATE FERTILIZERS & CHEMICALS	0.75	0.68
<b>FMCG</b>	<b>1.88</b>	
ITC LTD	0.97	0.55
HINDUSTAN UNILEVER	0.91	0.32
<b>AVIATION</b>	<b>1.64</b>	
DECCAN AVIATION	1.64	1.37
<b>CONSTRUCTION</b>	<b>0.79</b>	
GAMMON INDIA	0.79	0.61
<b>AUTO ANCILLARY</b>	<b>0.79</b>	
AUTOMATIVE AXLES	0.79	0.48
<b>MEDIA</b>	<b>0.32</b>	
TELEVISION EIGHTEEN INDIA	0.32	0.65

**total equity 98.46**

**total bank deposits/mutual funds 1.54**

**total net assets 100.00**

## asset allocation



## fund characteristics as on May 31, 2008

Fund Beta 0.99

## NAV as on May 31, 2008

Reliance Market Return Plan (MRP) - Equity Fund Option: Rs. 24.7939

Reliance Golden Year Plan (GYP) - Equity Fund Option: Rs. 12.3346

Reliance Automatic Investment Plan (AIP) - Equity Fund Option: Rs. 10.4765

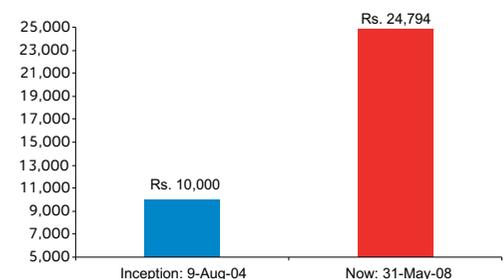
Reliance Secure Child Plan (SCP) - Equity Fund Option: Rs. 7.9973

Reliance Wealth + Health Plan (WHP) - Equity Fund Option: Rs. 8.7043

Reliance Total Investment Plan Series I (TIPS I)-Equity Fund Option: Rs. 10.8126

Reliance Total Investment Plan Series II (TIPS II)-Equity Fund Option: Rs. 10.8062

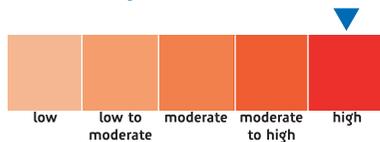
## growth of initial investment of Rs. 10,000 in MRP



## fund objective

Provide high rate of return in the long term through high exposure to equity investments in Infrastructure and allied sectors, while recognizing that there is a significant probability of negative returns in the short term. The risk appetite is 'high'

## fund risk profile



## products & inception dates

Reliance Total Investment Plan Series I (TIPS I) -Infrastructure Fund Option: Mar 19, 2008

Reliance Total Investment Plan Series II (TIPS II)-Infrastructure Fund Option: Mar 19, 2008

## fund manager's report

The month of May saw the infrastructure sector losing momentum. Looking at the negative trend in the sector, the holding in equities was kept at 94.37%

## asset allocation

Equity: 100%

## benchmark construction

CNX Infrastructure Index: 100%

# ULIP Infrastructure Fund

details as on May 31, 2008

## fund performance

period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	data not available as the fund has not completed a period of one year since inception					
date of inception	march, 2008					

\*CAGR: Compounded Annual Growth Rate

## portfolio

security % to net assets 1-yr beta

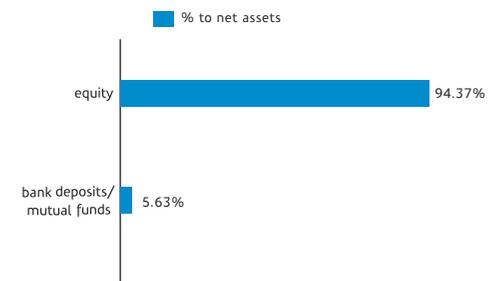
### equity

<b>POWER</b>	<b>23.66</b>	
NTPC	12.30	0.96
TATA POWER	4.29	0.85
SUZLON ENERGY	4.29	1.19
NEYVELI LIGNITE CORPORATION	2.78	1.34
<b>CAP GOODS / ENGINEERING</b>	<b>22.81</b>	
LARSEN & TOUBRO	8.78	1.11
BHARAT HEAVY ELECTRICALS	6.40	1.08
SIEMENS	2.29	1.07
PUNJ LLOYD	2.27	1.39
ABB	1.81	0.94
CROMPTON GREAVES	1.26	0.78
<b>TELECOM</b>	<b>17.16</b>	
BHARTI AIRTEL	16.07	0.48
TATA COMMUNICATIONS	1.09	0.94
<b>CONSTRUCTION</b>	<b>5.89</b>	
GMR INFRASTRUCTURE	2.70	1.47
JAIPRAKASH ASSOCIATES	2.61	2.17
IVRCL INFRASTRUCTURES	0.58	0.92
<b>OIL REFINERIES</b>	<b>5.23</b>	
RELIANCE INDUSTRIES	5.23	1.04
<b>TEXTILE</b>	<b>4.81</b>	
ADITYA BIRLA NUVO	4.81	0.80
<b>REAL ESTATE</b>	<b>4.59</b>	
UNITECH	2.50	1.45
DLF LIMITED	2.08	1.97
<b>METALS</b>	<b>3.63</b>	
TATA STEEL	2.52	1.15
HINDALCO INDUSTRIES	1.11	1.28
<b>BANKING &amp; FINANCE</b>	<b>2.71</b>	
HDFC LTD	1.54	1.20
IDFC	1.17	1.51
<b>LOGISTICS</b>	<b>0.92</b>	
CONTAINER CORPORATION OF INDIA	0.92	0.19
<b>HOTELS</b>	<b>0.90</b>	
INDIAN HOTELS	0.90	1.07
<b>CEMENT &amp; CEMENT PRODUCTS</b>	<b>0.89</b>	
GRASIM INDUSTRIES	0.89	0.72
<b>SHIPPING</b>	<b>0.73</b>	
SHIPPING CORPORATION OF INDIA	0.73	0.80
<b>AVIATION</b>	<b>0.45</b>	
DECCAN AVIATION	0.45	1.37
<b>total equity</b>	<b>94.37</b>	

**total bank deposits/mutual funds 5.63**

**total net assets 100.00**

## asset allocation



## fund characteristics as on May 31, 2008

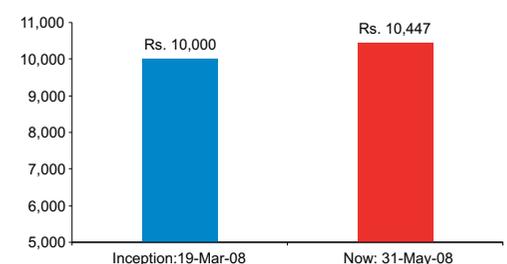
Fund Beta 1.03

## NAV as on May 31, 2008

Reliance Total Investment Plan Series I (TIPS I) - Infrastructure Fund Option: Rs. 10.4466

Reliance Total Investment Plan Series II (TIPS II)- Infrastructure Fund Option: Rs. 10.4419

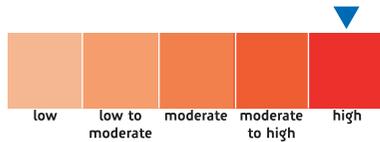
## growth of initial investment of Rs. 10,000 in TIPS-I



## fund objective

Provide high rate of return in the long term through high exposure to equity investments in Energy and allied sectors, while recognizing that there is a significant probability of negative returns in the short term. The risk appetite is 'high'

## fund risk profile



## products & inception dates

Reliance Total Investment Plan Series I (TIPS I) - Energy Fund Option: Mar 19, 2008

Reliance Total Investment Plan Series II (TIPS II) - Energy Fund Option: Mar 19, 2008

# ULIP Energy Fund

details as on May 31, 2008

## fund performance

period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	data not available as the fund has not completed a period of one year since inception					
date of inception	march, 2008					

\*CAGR: Compounded Annual Growth Rate

## portfolio

security % to net assets 1-yr beta

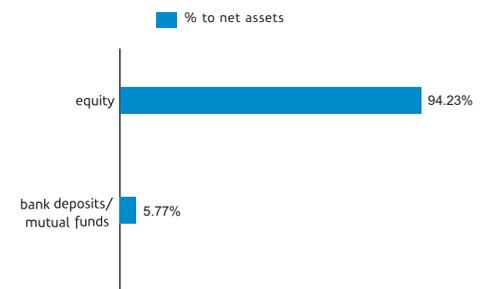
### equity

OIL REFINERIES	60.00	
RELIANCE INDUSTRIES	35.52	1.04
OIL & NATURAL GAS CORPORATION	13.58	0.83
RELIANCE PETROLEUM	8.21	1.08
INDIAN OIL CORPORATION	1.64	0.94
BHARAT PETROLEUM	1.05	0.66
POWER	17.31	
NTPC	11.70	0.96
TATA POWER	2.97	0.85
NEYVELI LIGNITE CORPORATION	2.65	1.34
CAP GOODS / ENGINEERING	10.41	
CROMPTON GREAVES	1.62	0.78
BHARAT HEAVY ELECTRICALS	1.54	1.08
CUMMINS INDIA	1.45	0.76
PUNJ LLOYD	1.34	1.39
ALSTOM PROJECTS INDIA	1.28	1.17
ABB	1.20	0.94
AREVA T & D INDIA	1.09	0.51
SIEMENS	0.90	1.07
OIL EXPLORATION	2.91	
CAIRN INDIA	2.91	1.21
GAS	2.23	
GAIL (INDIA)	2.23	0.85
CONSTRUCTION	1.36	
JAIPRAKASH ASSOCIATES	1.36	2.17
<b>total equity</b>	<b>94.23</b>	

**total bank deposits/mutual funds 5.77**

**total net assets 100.00**

## asset allocation



## fund characteristics as on May 31, 2008

Fund Beta 1.01

## NAV as on May 31, 2008

Reliance Total Investment Plan Series I (TIPS I) - Energy Fund Option: Rs. 10.1054

Reliance Total Investment Plan Series II (TIPS II) - Energy Fund Option: Rs. 10.1179

## fund manager's report

The month of May saw the energy sector losing momentum. Looking at the negative trend in the sector, the holding in equity was kept at 94.23%.

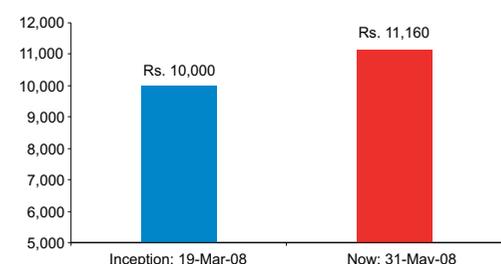
## asset allocation

Equity: 100%

## benchmark construction

CNX Energy Index: 100%

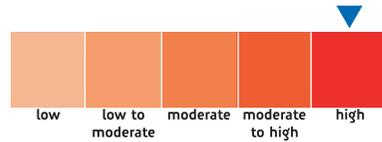
## growth of initial investment of Rs. 10,000 in TIPS-I



## fund objective

Provide high rate of return in the long term through high exposure to equity investments in Midcap companies while recognizing that there is significant probability of negative returns in the short term. The risk appetite is 'high'

## fund risk profile



## products & inception dates

Reliance Total Investment Plan Series I (TIPS I)-Midcap Fund Option: Mar 19, 2008

Reliance Total Investment Plan Series II (TIPS II)-Midcap Fund Option: Mar19, 2008

## fund manager's report

The month of May saw the midcap sector losing momentum. Looking at the negative trend in the sector, the holding in equity was kept at 92.95%.

## asset allocation

Equity: 100%

## benchmark construction

Nifty Midcap 50: 100%

# ULIP Mid Cap Fund

details as on May 31, 2008

## fund performance

period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	data not available as the fund has not completed a period of one year since inception					
date of inception	march, 2008					

\*CAGR: Compounded Annual Growth Rate

## portfolio

security % to net assets 1-yr beta

### equity

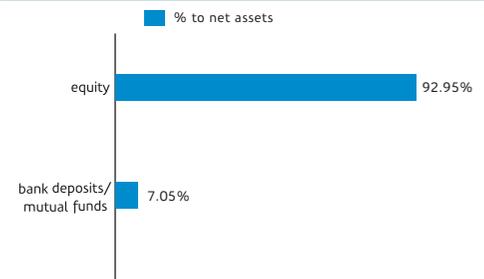
CAP GOODS / ENGINEERING	11.67	
PUNJ LLOYD	2.70	1.39
BEML	2.24	0.88
LARSEN & TOUBRO	2.12	1.11
ALSTOM PROJECTS INDIA	1.81	1.17
VOLTAS LIMITED	1.81	0.95
AIA ENGINEERING	0.99	0.73
PHARMACEUTICALS	9.18	
DIVIS LABORATORIES	3.06	1.01
LUPIN	2.56	0.29
WOCKHARDT	1.48	0.57
JUBILANT ORGANOSYS	1.35	0.74
NICHOLAS PIRAMAL INDIA	0.73	0.17
BANKING AND FINANCE	8.19	
CORPORATION BANK	1.87	1.18
ALLAHABAD BANK	1.42	1.14
ANDHRA BANK	1.20	0.82
SYNDICATE BANK	1.04	1.10
FEDRAL BANK	0.96	0.69
CANARA BANK	0.87	0.93
JAMMU & KASHMIR BANK	0.84	0.42
CONSTRUCTION	7.98	
IVRCL INFRASTRUCTURES	2.32	0.92
HINDUSTAN CONST	2.11	1.10
NAGARJUNA CONSTRUCTION	1.96	0.94
PATEL ENGINEERING	1.59	0.87
POWER	7.91	
LANCO INFRATECH	2.79	1.24
TATA POWER	2.63	0.85
CESC	2.50	0.92
IT	6.84	
ROLTA INDIA	2.68	0.64
MPHASIS	1.79	1.16
MOSER BAER	1.36	1.22
TATA CONSULTANCY SERVICES	1.02	0.84
SHIPPING	5.95	
GREAT EASTERN SHIPPING	3.01	0.54
SHIPPING CORPORATION OF INDIA	2.95	0.80
OIL REFINERIES	5.47	
CHENNAI PETROLEUM CORPORATION	2.26	0.73
RELIANCE INDUSTRIES	2.25	1.04
RELIANCE PETROLEUM	0.95	1.08
CEMENT & CEMENT PRODUCTS	4.68	
INDIA CEMENTS	1.85	1.23
SHREE CEMENT	1.36	0.35
KESORAM INDUSTRIES	0.77	0.63
BIRLA CORPORATION	0.69	0.86
FMCG	4.67	
TITAN INDUSTRIES	2.50	1.51
TATA TEA	2.17	0.57
FERTILISERS	3.70	
TATA CHEMICALS	3.70	0.86
REAL ESTATE	3.46	
BOMBAY DYEING	1.66	1.01
ANSAL PROPERTIES & INFRASTRUCTURE	1.03	1.44
PENINSULA LAND	0.78	1.47
AUTO ANCILLARY	2.42	
AMTEK AUTO	1.47	0.99
EXIDE INDUSTRIES	0.95	0.83
AUTOMOBILES	1.93	
ASHOK LEYLAND	1.93	0.50
TELECOM	1.91	
TATA TELESERVICES (MAHARASHTRA)	1.91	0.94
GAS	1.61	
PETRONET LNG	1.61	1.21
LOGISTICS	1.27	
CONTAINER CORPORATION OF INDIA	1.27	0.19
PIPES	1.20	
MAHARASHTRA SEAMLESS	1.20	0.73
RETAIL	1.18	
VISHAL RETAIL	1.18	0.49
SUGAR	1.06	
BAJAJ HINDUSTAN	1.06	1.28
HOTELS	0.66	
HOTEL LEELA VENTURE	0.66	0.92

total equity 92.95

total bank deposits/mutual funds 7.05

total net assets 100.00

## asset allocation



## fund characteristics as on May 31, 2008

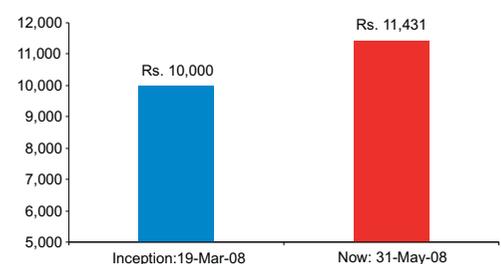
Fund Beta 0.86

## NAV as on May 31, 2008

Reliance Total Investment Plan Series I (TIPS I)-Midcap Fund Option: Rs. 11.4305

Reliance Total Investment Plan Series II (TIPS II)-Midcap Fund Option: Rs. 11.4414

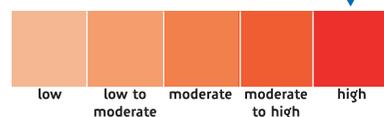
## growth of initial investment of Rs. 10,000 in TIPS-I



## fund objective

Provide high rate of return in the long term through high exposure to equity investments, while recognizing that there is significant probability of negative returns in the short-term, which will be moderated through some exposure to debt. The risk appetite is 'high'

## fund risk profile



## products & inception dates

Reliance Automatic Investment Plan (AIP) - A Option: May 28, 2007

Reliance Wealth + Health Plan (WHP) - A Option: Feb 27, 2008

## fund manager's report

The month of May saw markets losing momentum with high volatility. The negative trend was influenced by high crude oil prices and rising inflation globally. Looking at the very volatile conditions and the negative trend in the market, the holding in equities was kept at 74.92%.

The fund has 5.02% exposure to gilts, 11.83% exposure to corporate bonds, similar to that of the previous month, and 8.23% exposure to short term assets like CDs and MFs to take advantage of higher yields in these instruments

## asset allocation

Debt.: 20%  
Equity: 80%

## benchmark construction

CRISIL ST Bond Index: 20%  
S&P CNX Nifty: 80%

# ULIP Super Growth Fund

details as on May 31, 2008

## fund performance

period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	5.34%	13.39%	26.59%	26.29%	0.01	0.31
since inception (CAGR)	5.34%	13.19%	26.59%	26.29%	0.01	0.31
date of inception			may, 2007			

\*CAGR: Compounded Annual Growth Rate

## portfolio

security	% to net assets	rating/1-yr beta
----------	-----------------	------------------

### corporate bonds

10.05% NABARD 11-06-14	2.05	AAA
9.50% NABARD SER IX I 15-10-12	1.54	AAA
5.85% POWER FINAN CORP 01-08-10	1.46	AAA
7% POWER FINANCE 24-12-11	1.35	AAA
9.25% EXIM BANK 13-12-02	1.22	AAA
9.90% TATA SONS 20-05-11	0.78	AAA
9.20% HDFC LTD 09-02-12	0.77	AAA
8.65% HDFC LTD 12-09-11	0.76	AAA
6.10% IRFC 13-05-10	0.73	AAA
10% NABARD SER IX 14-05-12	0.47	AAA
9.25% Power Grid Corporation 09/02/2013	0.38	AAA
9.76% IRFC 03-07-12	0.31	AAA

**total corporate bonds 11.83**

### gilts

		SOVEREIGN
8.24% GOI 22-04-18	2.11	
7.27% GOI 03-09-13	1.50	
7.38% GOI 03-09-2015	1.26	
7.44% GOI SPL OIL BOND 23-03-12	0.15	

**total gilts 5.02**

### equity

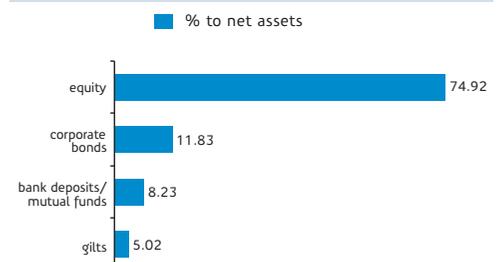
<b>OIL REFINERIES</b>	<b>11.91</b>	
RELIANCE INDUSTRIES	7.25	1.04
OIL & NATURAL GAS CORPORATION	2.84	0.83
RELIANCE PETROLEUM	1.44	1.08
BHARAT PETROLEUM	0.38	0.66
<b>CAP GOODS / ENGINEERING</b>	<b>9.19</b>	
LARSEN & TOUBRO	3.42	1.11
BHARAT HEAVY ELECTRICALS	1.32	1.08
AREVA T & D INDIA	1.05	0.51
ALSTOM PROJECTS INDIA	0.88	1.17
CUMMINS INDIA	0.73	0.76
SIEMENS	0.64	1.07
CROMPTON GREAVES	0.58	0.78
ABB	0.56	0.94
<b>IT</b>	<b>8.94</b>	
INFOSYS TECHNOLOGIES	4.56	1.08
TATA CONSULTANCY SERVICES	2.17	0.84
SATYAM COMPUTERS	1.28	0.85
WIPRO LTD	0.93	1.14
<b>BANKING &amp; FINANCE</b>	<b>8.59</b>	
ICICI BANK	2.08	1.48
HDFC BANK	1.74	1.20
STATE BANK OF INDIA	1.70	0.93
HDFC BANK	1.38	0.95
FEDERAL BANK	0.99	0.69
AXIS BANK	0.70	1.18
<b>METALS</b>	<b>6.24</b>	
TATA STEEL	3.16	1.15
HINDALCO INDUSTRIES	1.64	1.28
STERLITE INDUSTRIES	0.84	1.07
STEEL AUTHORITY OF INDIA	0.60	1.46
<b>POWER</b>	<b>5.84</b>	
NTPC	3.01	0.96
TATA POWER	2.25	0.85
SUZLON ENERGY	0.59	1.19
<b>TELECOM</b>	<b>4.99</b>	
BHARTI AIRTEL	4.29	0.48
RELIANCE COMMUNICATIONS	0.71	1.02
<b>PHARMACEUTICALS</b>	<b>4.00</b>	
DIVIS LABORATORIES	1.82	1.01
SUN PHARMACEUTICALS	0.77	0.27
CIPLA LIMITED	0.73	0.44
JUBILANT ORGANOSYS	0.68	0.74
<b>AUTOMOBILES</b>	<b>2.35</b>	
MARUTI SUZUKI INDIA	1.10	0.25
MAHINDRA & MAHINDRA LTD	0.66	0.33
TATA MOTORS	0.59	0.57
<b>REAL ESTATE</b>	<b>2.02</b>	
DLF LIMITED	1.46	1.97
UNITECH	0.56	1.45
<b>FMCG</b>	<b>2.01</b>	
ITC LTD	1.02	0.55
HINDUSTAN UNILEVER	0.99	0.32
<b>CONSTRUCTION</b>	<b>1.62</b>	
JAIPRAKASH ASSOCIATES	0.91	2.17
GAMMON INDIA	0.71	0.61
<b>CEMENT &amp; CEMENT PRODUCTS</b>	<b>1.37</b>	
GRASIM INDUSTRIES	0.85	0.72
ACC LTD	0.53	0.55
<b>HOTELS</b>	<b>0.93</b>	
INDIAN HOTELS	0.93	1.07
<b>OIL EXPLORATION</b>	<b>0.82</b>	
CAIRN INDIA	0.82	1.21
<b>RETAIL</b>	<b>0.76</b>	
PANTALON RETAIL	0.76	0.96
<b>FERTILIZERS</b>	<b>0.72</b>	
GUJARAT NARMADA VALLEY FERTILISERS	0.72	1.07
<b>TEXTILE</b>	<b>0.68</b>	
ADITYA BIRLA NUVO	0.68	0.80
<b>AVIATION</b>	<b>0.67</b>	
DECCAN AVIATION	0.67	1.37
<b>LOGISTICS</b>	<b>0.66</b>	
CONTAINER CORPORATION OF INDIA	0.66	0.19
<b>MEDIA</b>	<b>0.61</b>	
ZEE ENTERTAINMENT ENTERPRISES	0.61	0.50

**total equity 74.92**

**total bank deposits/mutual funds 8.23**

**total net assets 100.00**

## asset allocation



## fund characteristics as on May 31, 2008

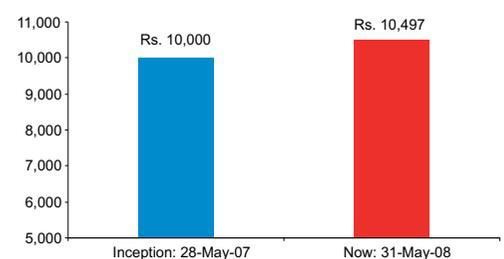
M.Duration of debt portfolio: 2.45 years  
YTM of debt portfolio: 8.68%  
Beta of equity portfolio: 0.96

## NAV as on May 31, 2008

Reliance Automatic Investment Plan (AIP) - A Option: Rs. 10.4972

Reliance Wealth + Health Plan (WHP) - A Option: Rs. 8.9495

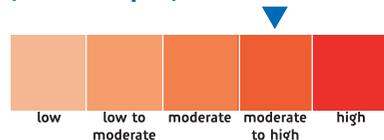
## growth of initial investment of Rs. 10,000 in AIP



## fund objective

Provide, in the long-term, returns which are significantly higher than the inflation rate, through high exposure to equity investments, while recognizing that there is some probability of negative returns in the short-term. The risk appetite is 'moderate to high'

## fund risk profile



## products & inception dates

Reliance Money Guarantee Plan (MGP) – F Option: Mar 1, 2007

## fund manager's report

The month of May saw markets losing momentum with high volatility. The negative trend was influenced by high crude oil prices and rising inflation globally. Looking at the very volatile conditions and the negative trend in the market, the holding in equities was kept at 56.40%.

The allocation to gilts was at 9.59%, similar to April. The allocation to short term assets was slightly lower than April at 13.41%. The allocation to corporate bonds was increased marginally to 18.46% from 16.94% in April owing to attractive investment opportunities in corporate bonds.

## asset allocation

Debt.: 40%  
Equity: 60%

## benchmark construction

CRISIL ST Bond Index: 40%  
S&P CNX Nifty: 60%

# ULIP High Growth Fund

details as on May 31, 2008

## fund performance

period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	7.77%	12.58%	20.46%	19.84%	0.14	0.38
since inception (CAGR)	13.89%	15.18%	18.87%	17.88%	0.47	0.57
date of inception			march, 2007			

\*CAGR: Compounded Annual Growth Rate

## portfolio

security	% to net assets	rating/1-yr beta
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### corporate bonds

10.10% POWER GRID CORP 12-06-12	1.70	AAA
10.20% HDFC LTD 13-04-10	1.69	AAA
9.90% TATA SONS 20-05-11	1.69	AAA
9.80% POWER FINANCE CORP 22-03-12	1.69	AAA
9.59% NABARD SER IX 11-10-12	1.67	AAA
9.25% EXIM BANK 13-12-02	1.65	AAA
6.31% EXIM BANK 17-01-10	1.60	AAA
9.68% IRFC 03-07-10	1.35	AAA
8.25% IDBI OMNI BOND SER III 26-05-11	0.77	AA+
10% NABARD 18-06-10	0.74	AAA
9.65% NABARD SER IX 10-09-10	0.74	AAA
10.75% IL & FS LTD SER XI 29-03-09	0.68	AAA
9.50% INDIAN HOTEL 28-02-12	0.66	AA+
7.60% ICICI BANK 30-12-15	0.63	AAA
9.80% POWER FIN CORP SER XXXVIII 20-09-12	0.51	AAA
10.10% POWER GRID CORP 12-06-11	0.34	AAA
9.76% IRFC 03-07-12	0.34	AAA
9.76% IRFC 03-07-12	0.35	AAA

**total corporate bonds 18.46**

### gilts

		SOVEREIGN
8.24% GOI 22-04-18	2.20	
7.27% GOI 03-09-13	2.11	
7.37% GOI 16-04-14	1.94	
9.39% GOI 02-07-11	1.72	
5.87% GOI 02-01-10	0.97	
7.38% GOI 03-09-2015	0.64	

**total gilts 9.59**

### equity

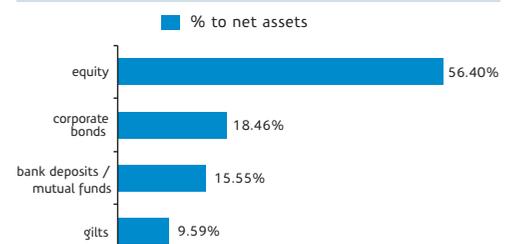
<b>OIL REFINERIES</b>	<b>8.96</b>	
RELIANCE INDUSTRIES	5.47	1.04
OIL & NATURAL GAS CORPORATION	2.14	0.83
RELIANCE PETROLEUM	1.07	1.08
BHARAT PETROLEUM	0.28	0.66
<b>CAP GOODS / ENGINEERING</b>	<b>6.93</b>	
LARSEN & TOUBRO	2.56	1.11
BHARAT HEAVY ELECTRICALS	0.98	1.08
AREVA T & D INDIA	0.80	0.51
ALSTOM PROJECTS INDIA	0.67	1.17
CUMMINS INDIA	0.55	0.76
SIEMENS	0.50	1.07
CROMPTON GREAVES	0.44	0.78
ABB	0.42	0.94
<b>IT</b>	<b>6.73</b>	
INFOSYS TECHNOLOGIES	3.45	1.08
TATA CONSULTANCY SERVICES	1.63	0.84
SATYAM COMPUTERS	0.95	0.85
WIPRO LTD	0.69	1.14
<b>BANKING &amp; FINANCE</b>	<b>6.48</b>	
ICICI BANK	1.57	1.48
HDFC	1.32	1.20
STATE BANK OF INDIA	1.29	0.93
HDFC BANK	1.04	0.95
FEDERAL BANK	0.74	0.69
AXIS BANK	0.53	1.18
<b>METALS</b>	<b>4.63</b>	
TATA STEEL	2.21	1.15
HINDALCO INDUSTRIES	1.24	1.28
STERLITE INDUSTRIES	0.62	1.07
STEEL AUTHORITY OF INDIA	0.55	1.46
<b>POWER</b>	<b>4.44</b>	
NTPC	2.29	0.96
TATA POWER	1.70	0.85
SUZLON ENERGY	0.44	1.19
<b>TELECOM</b>	<b>3.74</b>	
BHARTI AIRTEL	3.23	0.48
RELIANCE COMMUNICATIONS	0.51	1.02
<b>PHARMACEUTICALS</b>	<b>3.00</b>	
DIVIS LABORATORIES	1.40	1.01
SUN PHARMACEUTICALS	0.57	0.27
CIPLA LTD	0.55	0.44
JUBILANT ORGANOSYS	0.48	0.74
<b>AUTOMOBILES</b>	<b>1.88</b>	
MARUTI SUZUKI INDIA	0.85	0.25
MAHINDRA & MAHINDRA LTD	0.58	0.33
TATA MOTORS	0.46	0.57
<b>REAL ESTATE</b>	<b>1.51</b>	
DLF LIMITED	1.09	1.97
UNITECH	0.41	1.45
<b>FMCC</b>	<b>1.49</b>	
ITC LTD	0.76	0.55
HINDUSTAN UNILEVER	0.73	0.32
<b>CONSTRUCTION</b>	<b>1.20</b>	
JAIPRAKASH ASSOCIATES	0.68	2.17
GAMMON INDIA	0.52	0.61
<b>CEMENT &amp; CEMENT PRODUCTS</b>	<b>1.05</b>	
GRASIM INDUSTRIES	0.66	0.72
ACC LTD	0.39	0.55
<b>HOTELS</b>	<b>0.67</b>	
INDIAN HOTELS	0.67	1.07
<b>OIL EXPLORATION</b>	<b>0.61</b>	
CAIRN INDIA	0.61	1.21
<b>RETAIL</b>	<b>0.57</b>	
PANTALOON RETAIL	0.57	0.96
<b>FERTILIZERS</b>	<b>0.55</b>	
GUJARAT NARMADA VALLEY FERTILISERS	0.55	1.07
<b>TEXTILE</b>	<b>0.51</b>	
ADITYA BIRLA NUVO	0.51	0.80
<b>AVIATION</b>	<b>0.51</b>	
DECCAN AVIATION	0.51	1.37
<b>LOGISTICS</b>	<b>0.49</b>	
CONTAINER CORPORATION OF INDIA	0.49	0.19
<b>MEDIA</b>	<b>0.45</b>	
ZEE ENTERTAINMENT ENTERPRISES	0.45	0.50

**total equity 56.40**

**total bank deposits/mutual funds 15.55**

**total net assets 100.00**

## asset allocation



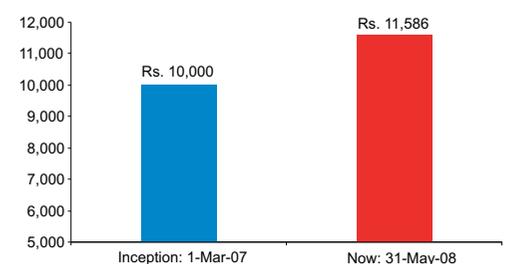
## fund characteristics as on May 31, 2008

M.Duration of debt portfolio: 2.18 years  
YTM of debt portfolio: 8.54%  
Beta of equity portfolio: 0.96

## NAV as on May 31, 2008

Reliance Money Guarantee Plan (MGP) – F Option: Rs. 11.5859

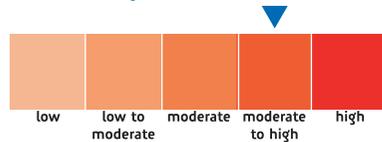
## growth of initial investment of Rs. 10,000 in MGP



## fund objective

Provide, in the long-term, returns which are significantly higher than the inflation rate, through high exposure to equity investments, while recognizing that there is some probability of negative returns in the short-term. The risk appetite is 'moderate to high'.

## fund risk profile



## products & inception dates

Reliance Money Guarantee Plan (MGP) - E Option: Mar 1, 2007

Reliance Automatic Investment Plan (AIP) - B Option: May 28, 2007

Reliance Wealth + Health Plan (WHP) - B Option: Feb 27, 2008

## fund manager's report

The month of May saw markets losing momentum with high volatility. The negative trend was influenced by high crude oil prices and rising inflation globally. Looking at the very volatile conditions and the negative trend in the market the holding in equities was kept at 45.14%

The allocation to gilts was increased slightly to around 10.73% from 9.94% in April to increase portfolio duration. Allocation to short term assets was increased to 18.36% from 17.91% in April. Allocation to corporate bonds was increased to 25.78% from 22.86% in April due to attractive yields in corporate bonds

## asset allocation

Debt.: 50%  
Equity: 50%

## benchmark construction

CRISIL ST Bond Index: 50%  
S&P CNX Nifty: 50%

# ULIP Growth Plus Fund

details as on May 31, 2008

## fund performance

period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	7.58%	12.12%	16.86%	16.62%	0.15	0.43
since inception (CAGR)	12.27%	14.12%	15.53%	14.98%	0.47	0.61
date of inception	march, 2007					

\*CAGR: Compounded Annual Growth Rate

## portfolio

security	% to net assets	rating/ 1-yr beta
----------	-----------------	----------------------

### corporate bonds

5.85% POWER FINAN CORP 01-08-10	3.22	AAA
8.65% HDFC LTD 12-09-11	2.95	AAA
9.50% NABARD SER IX I 15-10-12	2.71	AAA
9.65% NABARD SER IX I 10-09-10	2.43	AAA
10.05% NABARD 11-06-14	2.16	AAA
9.90% TATA SONS 20-05-11	1.53	AAA
9.20% HDFC LTD 09-02-12	1.50	AAA
8.95% HDFC LTD 29-10-10	1.50	AAA
6.10% IRFC 13-05-10	1.43	AAA
9.25% EXIM BANK 13-12-02	1.19	AAA
7% POWER FINANCE 24-12-11	1.17	AAA
7.60% ICICI BANK 30-12-15	1.09	AAA
6.10% POWER GRID CORPORATION 17-07-10	0.71	AAA
10% NABARD SER IX 14-05-12	0.61	AAA
9.35% IL & FS LTD 22-10-10	0.60	AAA
8.50% EXIM BANK MD 26-09-11	0.59	AAA
10.10% POWER GRID CORP 12-06-11	0.38	AAA

**total corporate bonds 25.78**

### gilts

		SOVEREIGN
8.24% GOI 22-04-18	4.28	
5.48% GOI 12-06-09	2.96	
7.38% GOI 03-09-2015	2.47	
7.37% GOI 16-04-14	0.73	
7.44% GOI SPL OIL BOND 23-03-12	0.29	

**total gilts 10.73**

### equity

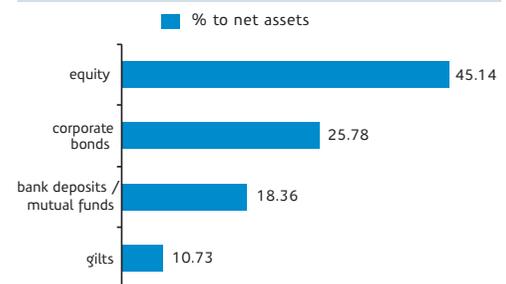
<b>OIL REFINERIES</b>	<b>7.21</b>	
RELIANCE INDUSTRIES	4.39	1.04
OIL & NATURAL GAS CORPORATION	1.72	0.83
RELIANCE PETROLEUM	0.87	1.08
BHARAT PETROLEUM	0.22	0.66
<b>CAP GOODS / ENGINEERING</b>	<b>5.53</b>	
LARSEN & TOUBRO	2.06	1.11
BHARAT HEAVY ELECTRICALS	0.79	1.08
AREVA T & D INDIA	0.63	0.51
ALSTOM PROJECTS INDIA	0.53	1.17
CUMMINS INDIA	0.44	0.76
SIEMENS	0.40	1.07
CROMPTON GREAVES	0.34	0.78
ABB	0.34	0.94
<b>IT</b>	<b>5.41</b>	
INFOSYS TECHNOLOGIES	2.77	1.08
TATA CONSULTANCY SERVICES	1.31	0.84
SATYAM COMPUTERS	0.76	0.85
WIPRO LTD	0.56	1.14
<b>BANKING &amp; FINANCE</b>	<b>5.19</b>	
ICICI BANK	1.26	1.48
HDFC	1.06	1.20
STATE BANK OF INDIA	1.04	0.93
HDFC BANK	0.83	0.95
FEDERAL BANK	0.58	0.69
AXIS BANK	0.42	1.18
<b>METALS</b>	<b>3.82</b>	
TATA STEEL	1.94	1.15
HINDALCO INDUSTRIES	1.00	1.28
STERLITE INDUSTRIES	0.50	1.07
STEEL AUTHORITY OF INDIA	0.38	1.46
<b>POWER</b>	<b>3.48</b>	
NTPC	1.76	0.96
TATA POWER	1.37	0.85
SUZLON ENERGY	0.35	1.19
<b>TELECOM</b>	<b>3.00</b>	
BHARTI AIRTEL	2.58	0.48
RELIANCE COMMUNICATIONS	0.42	1.02
<b>PHARMACEUTICALS</b>	<b>2.41</b>	
DIVIS LABORATORIES	1.11	1.01
SUN PHARMACEUTICALS	0.46	0.27
CIPLA LTD	0.44	0.44
JUBLANT ORGANOSYS	0.40	0.74
<b>AUTOMOBILES</b>	<b>1.49</b>	
MARUTI SUZUKI INDIA	0.68	0.25
MAHINDRA & MAHINDRA LTD	0.45	0.33
TATA MOTORS	0.37	0.57
<b>REAL ESTATE</b>	<b>1.21</b>	
DLF LIMITED	0.88	1.97
UNITECH	0.33	1.45
<b>FMCG</b>	<b>1.20</b>	
ITC LTD	0.61	0.55
HINDUSTAN UNILEVER	0.59	0.32
<b>CONSTRUCTION</b>	<b>0.91</b>	
JAIPRAKASH ASSOCIATES	0.54	2.17
GAMMON INDIA	0.37	0.61
<b>CEMENT &amp; CEMENT PRODUCTS</b>	<b>0.84</b>	
GRASIM INDUSTRIES	0.53	0.72
ACC LTD	0.32	0.55
<b>HOTELS</b>	<b>0.52</b>	
INDIA HOTELS	0.52	1.07
<b>OIL EXPLORATION</b>	<b>0.49</b>	
CAIRN INDIA	0.49	1.21
<b>RETAIL</b>	<b>0.45</b>	
PANTALON RETAIL	0.45	0.96
<b>FERTILIZERS</b>	<b>0.43</b>	
GUJARAT NARMADA VALLEY FERTILISERS	0.43	1.07
<b>TEXTILE</b>	<b>0.40</b>	
ADITYA BIRLA NUVO	0.40	0.80
<b>AVIATION</b>	<b>0.40</b>	
DECCAN AVIATION	0.40	1.37
<b>LOGISTICS</b>	<b>0.39</b>	
CONTAINER CORPORATION OF INDIA	0.39	0.19
<b>MEDIA</b>	<b>0.37</b>	
ZEE ENTERTAINMENT ENTERPRISES	0.37	0.50

**total equity 45.14**

**total bank deposits/mutual funds 18.36**

**total net assets 100.00**

## asset allocation



## fund characteristics as on May 31, 2008

M.Duration of debt portfolio: 2.09 years  
YTM of debt portfolio: 9.07%  
Beta of equity portfolio: 0.96

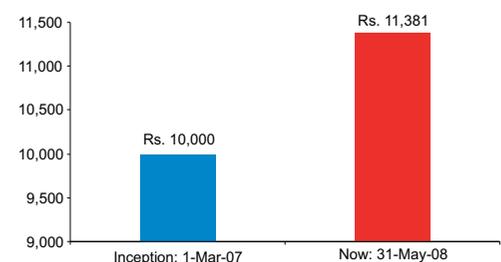
## NAV as on May 31, 2008

Reliance Money Guarantee Plan (MGP) - E Option: Rs. 11.3801

Reliance Automatic Investment Plan (AIP) - B Option: Rs. 10.7164

Reliance Wealth + Health Plan (WHP) - B Option: Rs. 9.4194

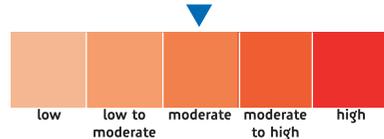
## growth of initial investment of Rs. 10,000 in MGP



## fund objective

The investment objective of the fund is to provide investment returns that exceed the rate of inflation in the long-term while maintaining moderate probability of negative returns in the short-term. The risk appetite is defined as 'moderate'.

## fund risk profile



## products & inception dates

Reliance Market Return Plan (MRP) - Growth Fund Option: Aug 9, 2004

Reliance Golden Year Plan (GYP) - Growth Fund Option: Mar 12, 2007

Reliance Money Guarantee Plan (MGP) - D Option: Mar 1, 2007

Reliance Secure Child Plan (SCP) - H Option: Nov 29, 2007

## fund manager's report

The month of May saw markets losing momentum with high volatility. The negative trend was influenced by high crude oil prices and rising inflation globally. Looking at the very volatile conditions and the negative trend in the market the holding in equities was kept at 38.56%.

The allocation to corporate bonds was increased slightly to 30.30% from 28.94% in April due to attractive yields in corporate bonds. Correspondingly, the G-sec allocation was at 12.89% slightly lower from 13.27% in April. The allocation to short term bank deposits and mutual funds was at 18.25%. The portfolio is at its desired asset allocation

## asset allocation

Debt.: 60%  
Equity: 40%

## benchmark construction

CRISIL ST Bond Index: 60%  
S&P CNX Nifty: 40%

# ULIP Growth Fund

details as on May 31, 2008

## fund performance

period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	7.90%	11.54%	14.38%	13.40%	0.20	0.49
last 2 years (CAGR)	12.46%	15.14%	11.06%	10.32%	0.67	0.98
last 3 years (CAGR)	15.34%	17.00%	10.63%	10.11%	0.97	1.19
since inception (CAGR)	14.91%	16.07%	9.97%	9.45%	0.99	1.17
date of inception	august, 2004					

\*CAGR: Compounded Annual Growth Rate

## portfolio

security	% to net assets	rating/1-yr beta
----------	-----------------	------------------

### corporate bonds

9.68% IRFC 03-07-10	3.61	AAA
8.25% IDBI OMNI BOND SER III 26-05-11	3.13	AA+
9.58% EXIM BANK 04-09-09	2.72	AAA
10.35% HDFC LTD 16-05-17	2.65	AAA
9.50% NABARD SER IX I 15-10-12	2.65	AAA
8.95% HDFC LTD 29-10-10	2.41	AAA
7.15% IND OIL BOND 10-06-12	2.05	AAA
9.80% POWER FINANCE CORP SER XXXVIII 20-09-12	1.91	AAA
7.39% POWER GRID CORP 22-09-11	1.63	AAA
9.80% TATA STEEL 07-05-11	1.63	AAA
9.50% INDIAN HOTEL 28-02-12	1.61	AA+
9.90% TATA SONS 20-05-11	1.10	AAA
9.05% EXIM BANK 06-11-10	1.07	AAA
8.65% HDFC LTD 12-09-11	0.79	AAA
9% TATA SONS 27-07-10	0.54	AAA
8.40% EXIM BANK 28-09-10	0.53	AAA
9.35% IL & FS LTD 22-10-10	0.27	AAA

**total corporate bonds 30.30**

### gilts

gilts		SOVEREIGN
8.24% GOI 22-04-18	3.01	
7.44% GOI SPL OIL BOND 23-03-12	2.22	
7.49% GOI 16-04-17	1.30	
7.37% GOI 16-04-14	1.20	
7.33% OIL COMP GOI BOND 07-03-09	1.10	
5.48% GOI 12-06-09	1.06	
7.38% GOI 03-09-2015	1.04	
7.27% GOI 03-09-13	0.84	
5.87% GOI 02-01-10	0.68	
11.40% GOI 31-08-08	0.42	
8.35% GOI 14-05-22	0.02	

**total gilts 12.89**

### equity

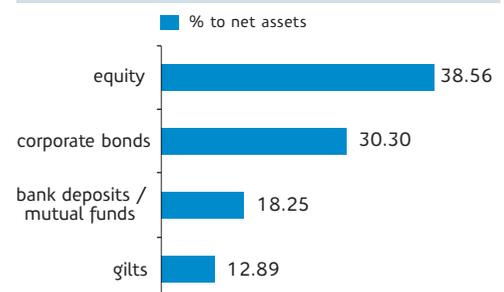
<b>OIL REFINERIES</b>	<b>6.07</b>	
RELIANCE INDUSTRIES	3.66	1.04
OIL & NATURAL GAS CORPORATION	1.48	0.83
RELIANCE PETROLEUM	0.73	1.08
BHARAT PETROLEUM	0.19	0.66
<b>CAP GOODS / ENGINEERING</b>	<b>4.78</b>	
LARSEN & TOUBRO	1.76	1.11
BHARAT HEAVY ELECTRICALS	0.68	1.08
AREVA T & D INDIA	0.56	0.51
ALSTOM PROJECTS INDIA	0.47	1.17
CUMMINS INDIA	0.39	0.76
SIEMENS	0.32	1.07
CROMPTON GREAVES	0.31	0.78
ABB	0.29	0.94
<b>IT</b>	<b>4.66</b>	
INFOSYS TECHNOLOGIES	2.37	1.08
TATA CONSULTANCY SERVICES	1.13	0.84
SATYAM COMPUTERS	0.66	0.85
WIPRO LTD	0.50	1.14
<b>BANKING &amp; FINANCE</b>	<b>4.48</b>	
ICICI BANK	1.08	1.48
HOUSING DEVELOPMENT FINANCE CORPORATION	0.91	1.20
STATE BANK OF INDIA	0.89	0.93
HDFC BANK	0.72	0.97
FEDERAL BANK	0.52	0.69
AXIS BANK	0.36	1.18
<b>POWER</b>	<b>3.08</b>	
NTPC	1.60	0.96
TATA POWER	1.18	0.85
SUZLON ENERGY	0.30	1.19
<b>METALS</b>	<b>2.81</b>	
TATA STEEL	1.24	1.15
HINDALCO INDUSTRIES	0.85	1.28
STERLITE INDUSTRIES	0.43	1.07
STEEL AUTHORITY OF INDIA	0.29	1.46
<b>TELECOM</b>	<b>2.61</b>	
BHARTI AIRTEL	2.22	0.48
RELIANCE COMMUNICATIONS	0.39	1.02
<b>PHARMACEUTICALS</b>	<b>2.11</b>	
DIVIS LABORATORIES	0.98	1.01
SUN PHARMACEUTICALS	0.39	0.27
CIPLA LTD	0.38	0.44
JUBILANT ORGANOSYS	0.36	0.74
<b>AUTOMOBILES</b>	<b>1.29</b>	
MARUTI SUZUKI INDIA	0.58	0.25
MAHINDRA & MAHINDRA LTD	0.38	0.33
TATA MOTORS	0.32	0.57
<b>REAL ESTATE</b>	<b>1.04</b>	
DLF LIMITED	0.75	1.97
UNITECH	0.29	1.45
<b>FMCG</b>	<b>1.03</b>	
ITC LTD	0.52	0.55
HINDUSTAN UNILEVER	0.51	0.32
<b>CONSTRUCTION</b>	<b>0.86</b>	
JAIPRAKASH ASSOCIATES	0.48	2.17
GAMMON INDIA	0.38	0.61
<b>CEMENT &amp; CEMENT PRODUCTS</b>	<b>0.72</b>	
GRASIM INDUSTRIES	0.45	0.72
ACC LTD	0.27	0.55
<b>HOTELS</b>	<b>0.43</b>	
INDIAN HOTELS	0.43	1.07
<b>OIL EXPLORATION</b>	<b>0.42</b>	
CAIRN INDIA	0.42	1.21
<b>RETAIL</b>	<b>0.40</b>	
PANTALOON RETAIL	0.40	0.96
<b>FERTILISERS</b>	<b>0.39</b>	
GUJARAT NARMADA VALLEY FERTILISERS	0.39	1.07
<b>TEXTILE</b>	<b>0.36</b>	
ADITYA BIRLA NUVO	0.36	0.80
<b>AVIATION</b>	<b>0.36</b>	
DECCAN AVIATION	0.36	1.37
<b>LOGISTICS</b>	<b>0.35</b>	
CONTAINER CORPORATION OF INDIA	0.35	0.19
<b>MEDIA</b>	<b>0.31</b>	
ZEE ENTERTAINMENT ENTERPRISES	0.31	0.50

**total equity 38.56**

**total bank deposits/mutual funds 18.25**

**total net assets 100.00**

## asset allocation



## fund characteristics as on May 31, 2008

M.Duration of debt portfolio: 2.23 years  
YTM of debt portfolio: 8.95%  
Beta of equity portfolio: 0.96

## NAV as on May 31, 2008

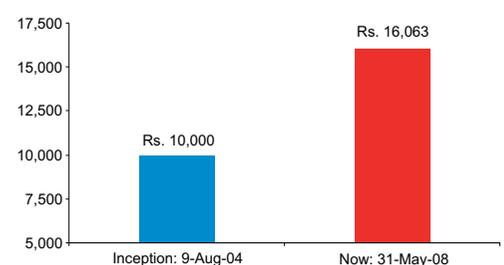
Reliance Market Return Plan (MRP) - Growth Fund Option: Rs. 16.0627

Reliance Golden Year Plan (GYP) - Growth Fund Option: Rs. 12.8140

Reliance Money Guarantee Plan (MGP) - D Option: Rs. 11.3402

Reliance Secure Child Plan (SCP) - H Option: Rs. 9.3117

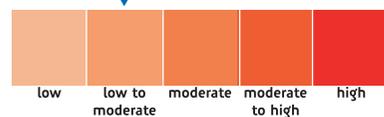
## growth of initial investment of Rs. 10,000 in MRP



## fund objective

The investment objective of the fund is to provide investment returns that exceed the rate of inflation in the long-term while maintaining a low probability of negative returns in the short-term. The risk appetite is defined as 'low to moderate'.

## fund risk profile



## products & inception dates

Reliance Golden Year Plan (GYP) - Balanced Fund Option: Feb 10, 2003

Reliance Market Return Plan (MRP) - Balanced Fund Option: Aug 9, 2004

Reliance Automatic Investment Plan (AIP) - C Option: May 28, 2007

Reliance Secure Child Plan (SCP) - G Option: Nov 29, 2007

## fund manager's report

The month of May saw markets losing momentum with high volatility. The negative trend was influenced by high crude oil prices and rising inflation globally. Looking at the very volatile conditions and the negative trend in the market the holding in equities was kept at 19.54%.

The allocation to gilts was at 17.70% and for corporate bonds, was at 37.71%, similar to that of the previous month. The allocation to short-term bank deposits and mutual funds was increased slightly to 25.05% from 24.01% in the previous month. The portfolio is at the desired asset allocation with these changes. However we propose to buy gilts and bonds as and when attractive opportunities are available

## asset allocation

Debt.: 80%  
Equity: 20%

## benchmark construction

CRISIL ST Bond Index: 80%  
S&P CNX Nifty: 20%

# ULIP Balanced Fund

details as on May 31, 2008

## fund performance

period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	8.94%	10.09%	7.63%	6.99%	0.52	0.73
last 2 years (CAGR)	10.34%	11.22%	5.95%	5.45%	0.90	1.14
last 3 years (CAGR)	11.28%	11.64%	5.63%	5.23%	1.12	1.27
since inception (CAGR)	11.54%	10.46%	4.86%	4.82%	1.35	1.13
date of inception			february, 2003			

\*CAGR: Compounded Annual Growth Rate

## portfolio

security	% to net assets	rating/1-yr beta
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### corporate bonds

9.90% TATA SONS 20-05-11	2.10	AAA
8% EXIM BANK 27-09-09	2.07	AAA
0% HDFC 22-09-08	1.82	AAA
9% TATA SONS 27-07-10	1.75	AAA
9.68% IRFC 03-07-10	1.66	AAA
9.50% NABARD SER IX I 15-10-12	1.63	AAA
9.80% ICICI BANK LTD 10-02-13	1.58	AAA
9.50% INDIAN HOTEL 28-02-12	1.54	AA+
8.40% EXIM BANK 28-09-10	1.52	AAA
0% IDFC 27-06-08	1.45	AAA
10% NABARD SER IX 14-05-12	1.24	AAA
9.35% LIC HOUSING FINANCE LTD 23-11-12	1.23	AAA
10.20% HDFC LTD 13-04-10	1.05	AAA
9.80% POWER FINANCE CORP 22-03-12	1.05	AAA
9.80% POWER FINANCE CORP SER XXXVIII 20-09-12	1.04	AAA
9.65% NABARD SER IX 10-09-10	1.04	AAA
9.68% IRFC 03-07-08	1.04	AAA
9.80% TATA STEEL 07-05-11	1.04	AAA
9.24% L & T FINANCE 30-07-10	1.04	AA+
9.40% TATA TEA LTD 08-11-10	1.03	AA+
8.50% HDFC LTD. 29-08-09	1.03	AAA
7.20% HDFC 03-06-10	0.96	AAA
8.50% EXIM BANK MID 26-09-11.	0.87	AAA
9.50% NABARD 29-06-10	0.83	AAA
9.35% IL & FS LTD 22-10-10	0.79	AAA
10.10% POWER GRID CORP 12-06-11	0.76	AAA
6.25% ULTRATECH CEMENT 25-06-09	0.71	AAA
6.50% HINDALCO LTD 06-09-09	0.64	AA
10.75% IL & FS LTD SER XI 29-03-09	0.63	AAA
5.75% IDFC 08-08-08	0.62	AAA
9.76% IRFC 03-07-12	0.61	AAA
9.25% EXIM BANK 13-12-02	0.51	AAA
10% NABARD 18-06-10	0.42	AAA
9.20% HDFC LTD 09-02-12	0.41	AAA
<b>total corporate bonds</b>	<b>37.71</b>	

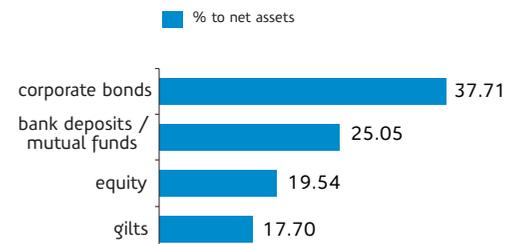
### gilts

		SOVEREIGN
7.37% GOI 16-04-14	3.29	
7.38% GOI 09-2015	2.44	
8.24% GOI 22-04-18	1.25	
7.27% GOI 03-09-13	2.21	
7.44% GOI SPL OIL BOND 23-03-12	1.59	
5.48% GOI 12-06-09	1.42	
5.87% GOI 02-01-10	1.41	
7.99% GOI 09-07-17	1.03	
7.33% OIL COMP GOI BOND 07-03-09	0.72	
6.96% GOI SPL OIL BOND 30-03-09	0.53	
7.49% GOI 16-04-17	0.50	
9.39% GOI 02-07-11	0.20	
11.40% GOI 31-08-08	0.11	
<b>total gilts</b>	<b>17.70</b>	

### equity

<b>OIL REFINERIES</b>	<b>3.09</b>	
RELIANCE INDUSTRIES	1.87	1.04
OIL & NATURAL GAS CORPORATION	0.75	0.83
RELIANCE PETROLEUM	0.37	1.08
BHARAT PETROLEUM	0.10	0.66
<b>CAP GOODS / ENGINEERING</b>	<b>2.42</b>	
LARSEN & TOUBRO	0.90	1.11
BHARAT HEAVY ELECTRICALS	0.35	1.08
AREVA T & D INDIA	0.29	0.51
ALSTOM PROJECTS INDIA	0.24	1.17
CUMMINS INDIA	0.20	0.66
CROMPTON GREAVES	0.16	0.78
SIEMENS	0.15	1.07
ABB	0.15	0.94
<b>IT</b>	<b>2.37</b>	
INFOSYS TECHNOLOGIES	1.21	1.08
TATA CONSULTANCY SERVICES	0.57	0.84
SATYAM COMPUTERS	0.23	1.20
WIPRO LTD	0.25	1.14
<b>BANKING &amp; FINANCE</b>	<b>2.28</b>	
ICICI BANK	0.55	1.48
HDFC	0.46	1.20
STATE BANK OF INDIA	0.46	0.93
HDFC BANK	0.36	0.95
FEDERAL BANK	0.22	0.69
AXIS BANK	0.18	1.18
<b>POWER</b>	<b>1.57</b>	
NTPC	0.81	0.96
TATA POWER	0.60	0.85
SUZLON ENERGY	0.15	1.19
<b>METALS</b>	<b>1.77</b>	
TATA STEEL	0.57	1.15
HINDALCO INDUSTRIES	0.44	1.28
STERIS INDUSTRIES	0.22	1.07
STEEL AUTHORITY OF INDIA	0.15	1.46
<b>TELECOM</b>	<b>1.32</b>	
BHARTI AIRTEL	1.13	0.48
RELIANCE COMMUNICATIONS	0.19	1.02
<b>PHARMACEUTICALS</b>	<b>1.08</b>	
DIVIS LABORATORIES	0.50	1.01
SUN PHARMACEUTICALS	0.27	0.27
CIPLA LTD	0.19	0.44
JUBILANT ORGANOSYS	0.18	0.74
<b>AUTOMOBILES</b>	<b>0.65</b>	
MARUTI SUZUKI INDIA	0.30	0.25
MAHINDRA & MAHINDRA LTD	0.20	0.33
TATA MOTORS	0.16	0.57
<b>REAL ESTATE</b>	<b>0.53</b>	
DLF LIMITED	0.38	1.97
UNITECH	0.15	1.45
<b>FMCG</b>	<b>0.53</b>	
ITC LTD	0.27	0.55
HINDUSTAN UNILEVER	0.26	0.32
<b>CONSTRUCTION</b>	<b>0.33</b>	
JAIPRAKASH ASSOCIATES	0.24	2.17
GAMMON INDIA	0.19	0.61
<b>CEMENT &amp; CEMENT PRODUCTS</b>	<b>0.37</b>	
GRASIM INDUSTRIES	0.23	0.72
ACC LTD	0.14	0.55
<b>HOTELS</b>	<b>0.24</b>	
INDIAN HOTELS	0.24	1.07
<b>OIL EXPLORATION</b>	<b>0.21</b>	
CAIRN INDIA	0.21	1.21
<b>RETAIL</b>	<b>0.20</b>	
PANTALOON RETAIL	0.20	0.96
<b>FERTILIZERS</b>	<b>0.20</b>	
GUJARAT NARMADA VALLEY FERTILISERS	0.20	1.07
<b>AVIATION</b>	<b>0.18</b>	
DECCAN AVIATION	0.18	1.37
<b>TEXTILE</b>	<b>0.18</b>	
ADITYA BIRLA NUVO	0.18	0.80
<b>LOGISTICS</b>	<b>0.18</b>	
CONTAINER CORPORATION OF INDIA	0.18	0.19
<b>MEDIA</b>	<b>0.16</b>	
ZEE ENTERTAINMENT ENTERPRISES	0.16	0.50
<b>total equity</b>	<b>19.54</b>	
<b>total bank deposits/mutual funds</b>	<b>25.05</b>	
<b>total net assets</b>	<b>100.00</b>	

## asset allocation



## fund characteristics as on May 31, 2008

M.Duration of debt portfolio: 1.89 years  
YTM of debt portfolio: 8.60%  
Beta of equity portfolio: 0.96

## NAV as on May 31, 2008

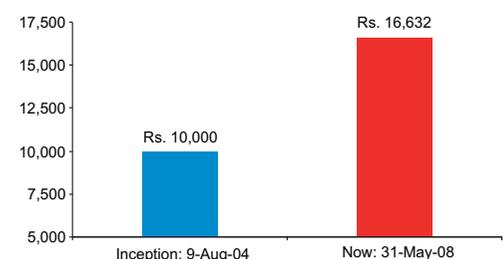
Reliance Golden Year Plan (GYP) - Balanced Fund Option: Rs. 14.1439

Reliance Market Return Plan (MRP) - Balanced Fund Option: Rs. 14.1340

Reliance Automatic Investment Plan (AIP) - C Option: Rs. 10.8324

Reliance Secure Child Plan (SCP) - G Option: Rs. 9.8290

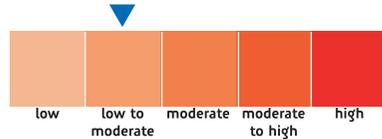
## growth of initial investment of Rs. 10,000 in MRP



## fund objective

Provide returns that exceed the inflation rate, while taking some credit risk (through investments in corporate debt instruments) and maintaining a moderate probability of negative return in the short-term. The risk appetite is 'low to moderate'.

## fund risk profile



## products & inception dates

Reliance Automatic Investment Plan (AIP) – Corporate Bond Fund Option: May 28, 2007

Reliance Wealth + Health Plan (WHP) – Corporate Bond Fund Option: Feb 27, 2008

Reliance Total Investment Plan Series I (TIPS I)–Corporate Bond Fund Option: Feb 22, 2008

Reliance Total Investment Plan Series II (TIPS II) –Corporate Bond Fund Option: Feb 22, 2008

## fund manager's report

The exposure to corporate bonds was slightly higher at 68.34% compared to 67.61% in April. Balance was invested in short term bank FDs, CDs and mutual funds. We intend to increase exposure to corporate bonds to 80-90% as and when attractive investments are available.

## asset allocation

Bond Instruments: 100%

## benchmark construction

CRISIL Composite Bond Index: 100%

# ULIP Corporate Bond Fund

details as on May 31, 2008

## fund performance

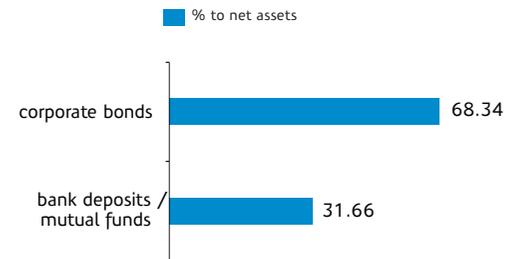
period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	9.97%	7.71%	2.23%	2.55%	2.23	1.06
since inception (CAGR)	9.97%	7.71%	2.23%	2.55%	2.23	1.06
date of inception	may, 2007					

\*CAGR: Compounded Annual Growth Rate

## portfolio

security	% to net assets	rating
<b>corporate bonds</b>		
9.40% TATA TEA LTD 08-11-10	9.66	AA+
9.05% EXIM BANK 06-11-10	9.64	AAA
8.88% IDFC 07-01-11	9.59	AAA
8.38% POWER FINANCE CORP 11-12-09	7.67	AAA
10.05% NABARD 11-06-14	5.95	AAA
9.45% RECL LTD 04-04-13	3.88	AAA
9.32% HDFC LTD 17-12-12	3.85	AAA
7.39% POWER GRID CORP 22-09-11	3.30	AAA
9.80% TATA STEEL 07-05-11	1.95	AAA
9.47% POWER GRID CORPORATION 31-03-13	1.94	AAA
9.20% HDFC LTD 09-02-12	1.93	AAA
8.75% IRFC 07-01-13	1.90	AAA
0% HDFC 22-09-08	1.89	AAA
6.25% ULTRATECH CEMENT 25-06-09	1.70	AAA
7.10% POWER GRID CORP 18-02-09	1.34	AAA
9.50% NABARD 29-06-10	0.97	AAA
9.76% IRFC 03-07-12	0.59	AAA
9.25% EXIM BANK 13-12-02	0.58	AAA
<b>total corporate bonds</b>	<b>68.34</b>	
<b>total bank deposits/mutual funds</b>	<b>31.66</b>	
<b>total net assets</b>	<b>100.00</b>	

## asset allocation



## fund characteristics as on May 31, 2008

M.Duration of debt portfolio: 1.72 years  
YTM of debt portfolio: 9.09%

## NAV as on May 31, 2008

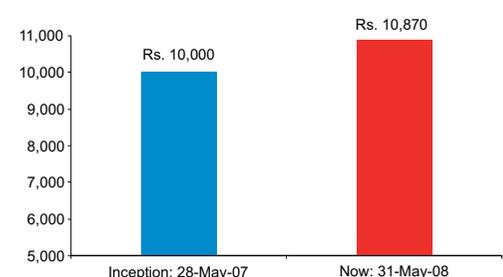
Reliance Automatic Investment Plan (AIP) – Corporate Bond Fund Option: Rs. 10.8702

Reliance Wealth + Health Plan (WHP) – Corporate Bond Fund Option: Rs. 10.1909

Reliance Total Investment Plan Series I (TIPS I)–Corporate Bond Fund Option: Rs. 10.1174

Reliance Total Investment Plan Series II (TIPS II) –Corporate Bond Fund Option: Rs. 10.1150

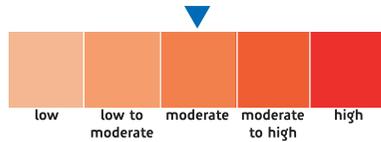
## growth of initial investment of Rs. 10,000 in AIP



## fund objective

Provide steady investment returns achieved through 100% investment in debt securities, while maintaining moderate probability of negative returns in the short-term. The risk appetite is defined as 'moderate'.

## fund risk profile



## products & inception dates

Reliance Money Guarantee Plan (MGP) - Return Shield Option: Apr 9, 2007

Reliance Secure Child Plan (SCP) - Return Shield Option: Dec 27, 2007

## fund manager's report

The exposure to gilts was slightly lower at 23.21% compared to 25.92% in April. Exposure to corporate bonds was increased to 43.19% from 40.70% in April. The exposure to short term assets was at 33.61% and We intend to purchase bonds and gilts as and when attractive investments are available.

## asset allocation

Debt Instruments: 100%

## benchmark construction

CRISIL Composite Bond Index: 100%

# ULIP Pure Debt Fund

details as on May 31, 2008

## fund performance

period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	8.38%	7.71%	1.29%	2.55%	2.62	1.06
since inception (CAGR)	8.34%	7.30%	1.25%	2.36%	2.68	0.97
date of inception	april, 2007					

\*CAGR: Compounded Annual Growth Rate

## portfolio

security % to net assets rating

### corporate bonds

5.85% POWER FINAN CORP 01-08-10	5.90	AAA
9.90% TATA SONS 20-05-11	4.43	AAA
9.35% LIC HOUSING FINANCE LTD 23-11-12	4.34	AAA
8.65% HDFC LTD 12-09-11	4.28	AAA
8.40% EXIM BANK 28-09-10	3.22	AAA
10% NABARD SER IX 14-05-12	2.22	AAA
9.65% NABARD SER IX 10-09-10	2.20	AAA
9.80% TATA STEEL 07-05-11	2.20	AAA
9.20% HDFC LTD 09-02-12	2.17	AAA
8.38% POWER FINANCE CORP 11-12-09	2.16	AAA
10% NABARD 18-06-10	1.77	AAA
9.76% IRFC 03-07-12	1.33	AAA
9.50% NABARD 29-06-10	1.10	AAA
9.35% IL & FS LTD 22-10-10	1.09	AAA
9% TATA SONS 27-07-10	1.09	AAA
8.50% EXIM BANK MD 26-09-11	1.07	AAA
7.60% ICICI BANK 30-12-15	0.99	AAA
9.50% NABARD SER IX I 15-10-12	0.66	AAA
10.10% POWER GRID CORP 12-06-11	0.56	AAA
7.20% HDFC 03-06-10	0.42	AAA

**total corporate bonds 43.19**

### gilts

SOVEREIGN

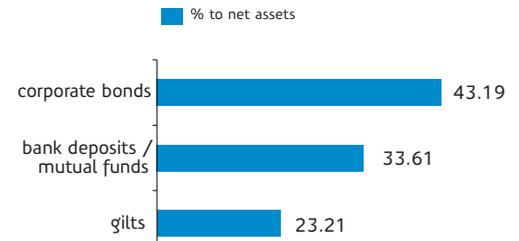
8.24% GOI 22-04-18	8.35
7.27% GOI 03-09-13	6.16
364 Days TBILL 29-08-08	4.32
9.39% GOI 02-07-11	2.28
7.38% GOI 03-09-2015	2.10

**total gilts 23.21**

**total bank deposits/mutual funds 33.61**

**total net assets 100.00**

## asset allocation



## fund characteristics as on May 31, 2008

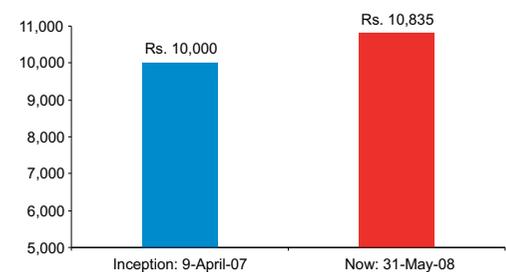
M.Duration of debt portfolio: 2.06 years  
YTM of debt portfolio: 8.69%

## NAV as on May 31, 2008

Reliance Money Guarantee Plan (MGP) - Return Shield Option: Rs. 10.8346

Reliance Secure Child Plan (SCP) - Return Shield Option: Rs. 10.2223

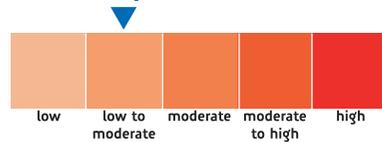
## growth of initial investment of Rs. 10,000 in MGP



## fund objective

Provide returns that exceed the inflation rate, without taking any credit risk (sovereign risk only) and maintaining a low probability of negative return in the short-term. The risk appetite is 'low to moderate'.

## fund risk profile



## products & inception dates

Reliance Automatic Investment Plan (AIP) - Gilt Fund Option: May 28, 2007

Reliance Wealth + Health Plan (WHP) - Gilt Fund Option: Feb 27, 2008

Reliance Total Investment Plan Series I (TIPS I)-Gilt Fund Option: Mar 19, 2007

Reliance Total Investment Plan Series II (TIPS II)-Gilt Fund Option: Mar 19, 2007

## fund manager's report

The allocation to gilts was around 69%, slightly lower than that of the previous month. The allocation to short term assets like Bank FDs, CDs and MFs was around 31% of the portfolio. As the fund faces volatile flows, a higher percentage of cash is kept.

## asset allocation

Government Securities: 100%

## benchmark construction

I-Sec Composite Sovereign Bond Index:100%

# ULIP Gilt Fund

details as on May 31, 2008

## fund performance

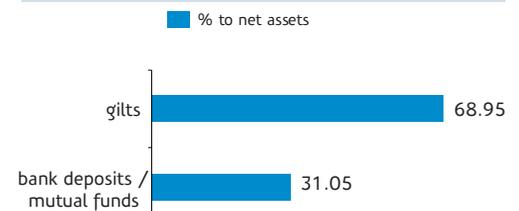
period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	6.15%	7.23%	1.30%	4.14%	0.88	0.54
since inception (CAGR)	6.15%	7.23%	1.30%	4.14%	0.88	0.54
date of inception	may, 2007					

\*CAGR: Compounded Annual Growth Rate

## portfolio

security	% to net assets	rating
<b>gilts</b>		
<b>SOVEREIGN</b>		
11.40% GOI 31-08-08		1.91
9.85% GOI 16-10-15		0.10
7.27% GOI 03-09-13		26.25
9.39% GOI 02-07-11		9.99
5.48% GOI 12-06-09		14.26
5.87% GOI 02-01-10		14.14
8.24% GOI 22-04-18		2.30
<b>total gilts</b>	<b>68.95</b>	
<b>total bank deposits/mutual funds</b>	<b>31.05</b>	
<b>total net assets</b>	<b>100.00</b>	

## asset allocation



## fund characteristics as on May 31, 2008

M.Duration of debt portfolio: 1.94 years  
YTM of debt portfolio: 8.02%

## NAV as on May 31, 2008

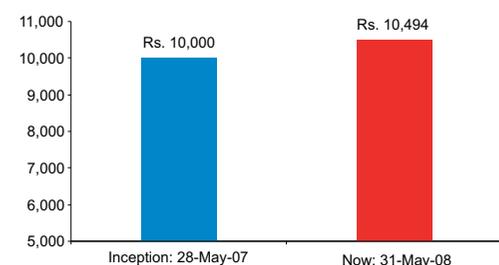
Reliance Automatic Investment Plan (AIP) - Gilt Fund Option: Rs. 10.4939

Reliance Wealth + Health Plan (WHP) - Gilt Fund Option: Rs. 10.0187

Reliance Total Investment Plan Series I (TIPS I)-Gilt Fund Option: Rs. 9.9735

Reliance Total Investment Plan Series II (TIPS II)-Gilt Fund Option: Rs. 9.9790

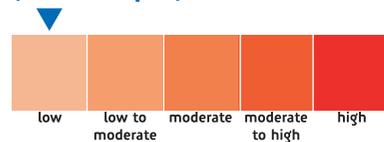
## growth of initial investment of Rs. 10,000 in AIP



## fund objective

Maintain the capital value of all contributions (net of charges) and all interest additions, at all times. The risk appetite is 'low'.

## fund risk profile



## products & inception dates

Reliance Automatic Investment Plan (AIP) - Money Market Fund Option: May 28, 2007

Reliance Wealth + Health Plan (WHP) - Money Market Fund Option: Feb 27, 2008

Reliance Total Investment Plan Series I (TIPS I) - Money Market Fund Option: Mar 19, 2008

Reliance Total Investment Plan Series II (TIPS II) - Money Market Fund Option: Mar 19, 2008

## fund manager's report

Presently the investments of this fund are mostly in Certificate of deposits and Fixed Deposits at around 98.91% of the portfolio which is giving the highest yield among money market instruments. The balance is in short term assets like CBLO and Mfs

## asset allocation

Money Market Instruments : 100%

## benchmark construction

CRISIL Liquid Bond Index: 100%

# ULIP Money Market Fund

details as on May 31, 2008

## fund performance

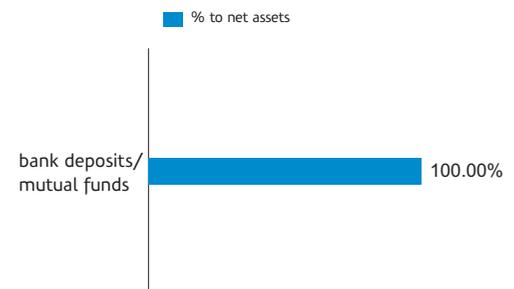
period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	9.24%	6.82%	0.11%	0.43%	38.43	4.25
since inception (CAGR)	9.24%	6.82%	0.11%	0.43%	38.43	4.25
date of inception			may, 2007			

\*CAGR: Compounded Annual Growth Rate

## portfolio

security	% to net assets
total bank deposits/mutual funds	100.00
total net assets	100.00

## asset allocation



## fund characteristics as on May 31, 2008

M.Duration of debt portfolio: 0.26 years  
YTM of debt portfolio: 8.91%

## NAV as on May 31, 2008

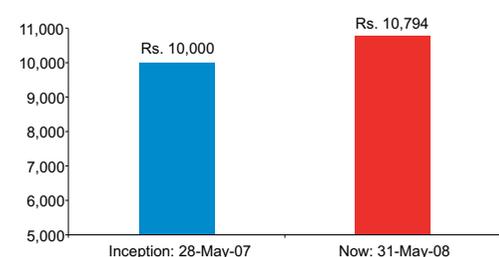
Reliance Automatic Investment Plan (AIP) - Money Market Fund Option: Rs. 10.7939

Reliance Wealth + Health Plan (WHP) - Money Market Fund Option: Rs. 10.1968

Reliance Total Investment Plan Series I (TIPS I) - Money Market Fund Option: Rs. 10.1476

Reliance Total Investment Plan Series II (TIPS II) - Money Market Fund Option: Rs. 10.1495

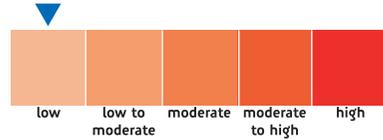
## growth of initial investment of Rs. 10,000 in AIP



## fund objective

Maintain the capital value of all contributions (net of charges) and all interest additions, at all times. The risk appetite is 'extremely low'.

## fund risk profile



## products & inception dates

Reliance Golden Year Plan (GYP) - Capital Secure Fund Option: Feb 10, 2003

Reliance Market Return Plan (MRP) - Capital Secure Fund Option: Aug 9, 2004

## fund manager's report

The allocation to CDs (certificate of Deposits) and bank fixed deposits was increased to 100% from 93% in April to take advantage of high yields in these instruments. The fund continues to outperform its benchmark

### asset allocation

Money Market Instruments : 100%

### benchmark construction

Yield on 182-day T.Bills : 100%

# ULIP Capital Secure Fund

details as on May 31, 2008

## fund performance

period	gross fund return	benchmark return	fund standard deviation	benchmark standard deviation	fund sharpe ratio	benchmark sharpe ratio
last 1 year	8.73%	7.60%	0.42%	0.15%	8.91	17.16
last 2 years (CAGR)	8.22%	7.47%	0.41%	0.15%	7.77	16.12
last 3 years (CAGR)	7.41%	6.98%	0.47%	0.26%	5.13	7.73
since inception (CAGR)	6.37%	5.82%	0.50%	0.45%	2.74	1.85
date of inception	february, 2003					

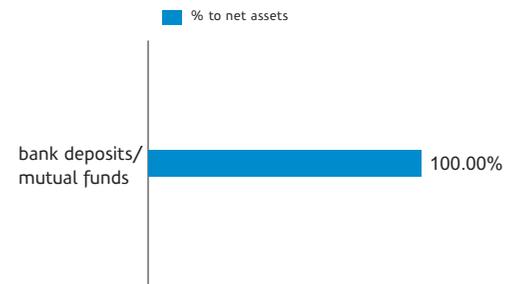
\*CAGR: Compounded Annual Growth Rate

## portfolio

security % to net assets

total bank deposits/mutual funds	100.00
total net assets	100.00

## asset allocation



## fund characteristics as on May 31, 2008

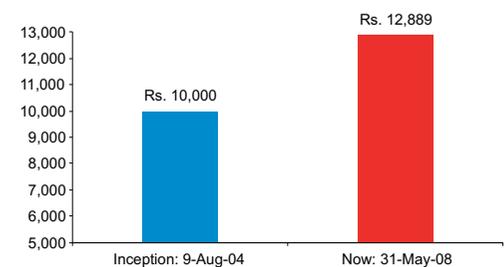
M.Duration of debt portfolio: 0.15 years  
YTM of debt portfolio: 9.04%

## NAV as on May 31, 2008

Reliance Golden Year Plan (GYP) - Capital Secure Fund Option: Rs. 12.2593

Reliance Market Return Plan (MRP) - Capital Secure Fund Option: Rs. 12.2227

## growth of initial investment of Rs 10,000 in MRP



## the analyst expressions

### Gross Fund Return

- ✓ Benchmark Return
- ✓ Fund Standard Deviation
- ✓ Fund Sharpe Ratio
- ✓ Benchmark Sharpe Ratio
- ✓ Modified Duration of Debt Portfolio
- ✓ Fund Beta

### Gross Fund Return

This is the return calculated on an NAV basis plus the fund management fees which are debited periodically to the fund. We calculate gross fund returns in order to give uniformity while evaluating fund management performance as the fund management fees vary from company to company.

### Benchmark Return

A benchmark is a standard against which the investment performance of a fund can be measured. Benchmarks are pre-determined primarily on the basis of the asset allocation structure of the fund. Benchmarks can be readily available in the market or have to be constructed. The CNX Nifty is a readily available benchmark for our equity portfolio manager as the equity fund primarily invests in equities.

### Fund Standard Deviation

Risk of investing in a fund is identified by the volatility of the fund's periodic returns. Standard deviation measures the volatility of the fund's returns. Standard deviation for a particular time period gives us the deviation from the mean returns for that fund during that period. Higher the standard deviation greater is the volatility and therefore, greater is the risk of investing in that fund.

### Fund Sharpe Ratio

Sharpe Ratio of a fund tells us how much return the fund has been able to generate per unit of risk. The higher the Sharpe Ratio, the better the performance of a fund from the risk point of view.

The excess return generated by a fund for a particular time is first calculated by subtracting the risk free rate from the rate of return generated by that fund. Dividing this result by the standard deviation of the fund return, one can obtain the Sharpe Ratio.

### Benchmark Sharpe Ratio

Just as fund returns are compared to a benchmark return, the Sharpe Ratio of the fund is also compared to the Benchmark's Sharpe Ratio in order to evaluate the risk-adjusted performance.

### Modified Duration of Debt Portfolio

Modified Duration indicates the sensitivity of the value of the debt portfolio to any given change in interest rates. Modified duration represents a weighted average of the time periods to maturity. The weights for each time period are equal to the present values of the cash flows in each time periods. Modified duration gives one a 'rule of thumb' – the percentage change in the price of a bond is the duration multiplied by the change in interest rates.

### Fund Beta

Beta measures the risk of a security (say a particular stock) in relation to its broad market. The broad market is generally defined as the specified benchmark index. The beta assigned to the benchmark index is 1. Beta of the stock describes the sensitivity of the price of the stock to the benchmark index. The fund beta is the sum of the weighted individual stock betas in the portfolio.

## investment strategy and risk control

- ✓ Macro Analysis
- ✓ Appreciation of Market Dynamics
- ✓ Meeting Investment Objectives vis-à-vis Risk Appetite
- ✓ Asset Allocation Strategy
- ✓ Security Selection – Portfolio Construction
- ✓ Benchmarks
- ✓ Risk Management/ Portfolio Evaluation/ Diagnostics
- ✓ Governance and Processes

**Macro analysis** of the economy is carried out by tracking the trends in key economic indicators.

**Market dynamics** are also studied apart from the above to determine our view of the changes likely in the interest rate scenario and equity market movements. Price movements in the market are monitored at all times along with factors that affect them such as the prevailing market sentiments, cash flows in the market and views/actions of key market participants including institutional investors like FIIs and mutual funds. For analyzing the debt markets, yield curve movements and changes in its shape are also studied.

The **risk appetite and investment objective** is clearly defined for each fund keeping in mind the investment horizon, liquidity requirements etc.

A range of acceptable holdings under each asset class is determined at the investment policy level. The **asset allocation** primarily takes into account, the investment objectives, regulatory issues and the likely risk return matrix to obtain a potential return which is the highest achievable for the risk that is assumed. Within the strategic asset allocation, the fund managers determine the weights of the various asset classes; primarily factoring in the developing market scenarios.

Based on the investment objectives of each fund option, a rigorous **security selection** process is followed. The fixed income fund manager identifies cheaper securities across the yield curve and builds a basket of securities to arrive at the optimum level of yield within the range of pre-determined 'duration' for the entire portfolio after paying particular attention to the liquidity position and the liquidity premium on the securities. An active fund management style is followed on the equity portfolios. A core portfolio of stocks is first created driven by a top-down approach and a research based bottom-up stock selection method is followed.

**Benchmarks** are pre-determined for each fund based on the most appropriate indices available in the market or by constructing proxy benchmarks out of multiple indices. Performance of each fund is continuously tracked based on the benchmarks and recalibrated.

A statistical analysis is carried out to determine that the **risk levels** are in tune with the risk appetite of the particular fund. Statistical tools such as the standard deviation and risk-adjusted return measures such as the Sharp ratio are calculated in order to compare the returns generated per unit of risk vis-à-vis benchmarks.

The investment policy has been designed by the **Board** to cover regulatory guidelines, the various product investment objectives, risk appetite strategic asset allocation and the investment style. It is ensured that the portfolio is always kept compliant with the relevant regulations. Our rigorous process and risk/compliance controls are well documented.

# the analyst

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