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"A STUDY ON THE RELATIONSHIP BETWEEN PORTFOLIO TURNOVER, FUND'S AGE, PAST PERFORMANCE, AND FUND MANAGER'S TENURE WITH THE PERFORMANCE OF CHOSEN INFRASTRUCTURE FUND"

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ABSTRACT
This study examines the performance of Five Thematic Infrastructure funds from March 2014 to December 2018. We have used quarterly data from all these years for better comparison and analysis. Four factors, including Portfolio Turnover ratio, Past Performance, Age of the fund and Tenure of the fund managers, were used to compare the returns of the different schemes. All these Independent variables are playing very active role in affecting the dependent variable that is mutual fund returns. We discovered some interesting results after applying Pearson's correlation coefficient approach to the data we collected. The analysis showed that of the four variables, Portfolio Turnover and Past Performance were positively correlated with returns, but the other two, Fund's Age and Fund Manager tenure, were negatively correlated. We believe this study will be very useful in understanding the impact of each of these variables on fund performance.

KEYWORDS: *Mutual funds, performance evaluation, portfolio turnover, past performance, ageing of the fund*

INTRODUCTION
Since the founding of Unit Trust of India in 1963, the mutual fund industry in India has undergone nothing short of extraordinary growth. In the last ten years, the industry has seen an incredible boom, with the Asset under Management (AUM) rising triple. The AUM reached the Rs. 10 trillion threshold in 2014, marking the achievement of this financial milestone. The sector doubled in size in an astonishingly short period of time, surpassing the Rs. 20 trillion benchmarks in 2017. The Indian mutual fund industry's AUM astonishingly tripled in just three years, illustrating the sector's explosive growth. The mutual fund business in India is currently going through a strong and active expansion phase. Mutual funds are becoming the go-to investment option for more and more people as their knowledge of financial planning and investment options grows. The assets under management (AUM) of the industry have increased significantly as a result of a notable influx of new investors, which ranges from individual retail investors to institutional players. Technology developments and regulatory changes have further expedited the investing process, facilitating investors' access to mutual funds via online platforms and applications. The sector has also witnessed an explosion of creative fund offerings, from hybrid and theme funds to equity and debt funds, meeting the interests of a wide range of investors. In spite of periodic fluctuations in the market, the mutual fund sector in India is resilient and flexible, providing a diverse range of choices for investors to partake in the nation's economic expansion while skilfully mitigating their risks.

The number of folios has increased steadily over the last 75 months, which is a notable pattern in this growth trajectory. This trend highlights the continued popularity of mutual funds among Indian investors, particularly retail investors who are adopting this type of investing more and more. This broad appeal signals a fundamental change in investor preferences and a divergence from conventional investing possibilities. A thorough analysis of mutual fund performance is now necessary due to the dynamic shifts in investor behaviour that have occurred in the current environment. The study thoroughly examines a number of important variables and examines how they relate to mutual fund results. Portfolio turnover, a metric that sheds light on the fund's trading activities, is one of the important elements that is being examined. The research seeks to identify significant trends and correlations by looking at past performance, fund manager tenure, and fund age.

The primary objective is to unravel the intricate dynamics between these factors and mutual fund returns. Understanding these relationships is instrumental for investors, financial analysts, and policymakers alike. It not only provides valuable insights into the performance of mutual funds but also aids in predicting market trends and making informed investment decisions.

In essence, this period of rapid growth and evolving investor sentiments underscores the significance of studying mutual funds comprehensively. The multifaceted analysis undertaken in this study serves as a beacon, guiding investors through the intricate terrain of mutual fund investments, ultimately empowering them to navigate the financial landscape with confidence and acumen.

Sources: AMFI (Association of Mutual Funds of India)

REVIEW OF LITERATURE

Irwin, Brown FE (1965) examined issues with mutual fund performance, investment policy, portfolio turnover rate, and stock market effects. They discovered that the movement of stock prices was significantly influenced by mutual funds. They concluded that fund performance and portfolio turnover did not consistently correlate.

Howell, Michael. (2001) in his research found very interesting results He found that with the 10% increase in age/maturity of a manager there is a decline in the potential return by 0.4%. This study showed a negative relationship between age and returns.

Ippolito (1989) found an insignificant relation between turnover and returns which indicated that frequent churning of portfolio generated incremental returns which were enough to meet their higher transaction cost.

Medhanie G. Mekonnen (2017) tried to find the relationship between Mutual Fund Type, Portfolio Turnover, Longevity, Management Turnover, and Performance. In the end, the result was very interesting and they found mutual fund longevity and management turnover did not explain any significant variance in mutual fund risk-adjusted-performance.

Vinita Bharat Manek (2016) studied open-ended diversified growth-oriented equity funds. The purpose of the paper aimed at finding the effect of portfolio turnover on mutual fund returns. As per the finding, portfolio turnover has a significant effect on the scheme's return. It is weakly positively related. A higher portfolio turnover manger may outperform the benchmark and index.

Redman, 2000 noted a negative correlation between portfolio turnover and pre-expense performance for actively managed portfolios, suggesting that turnover rates for these funds are not driven by superior information.

Sheng-Ching Wu (2014) examined paper to study the interaction between mutual fund performance and portfolio turnover. The results indicated that funds with higher portfolio turnover exhibit inferior performance in comparison with funds with lower portfolio turnover. The findings supported the assumption that active trading erodes performance.

Dr. JK Raju et.al. (2015), studied overview of mutual fund industry. He conducted studies on growth-oriented schemes of mutual funds which were in operation since last 10 years. The study concluded that rate of return from the mutual funds were higher than other available investment options and mutual funds were better investment options to trade-off between risk and return.

The most prominent study by Sharpe William F (1966) developed a composite measure of return and risk. He evaluated 34 open-ended mutual funds for the period 1944-63. Expense ratio was inversely related with the fund performance. The results depicted those good performances associated with low expense ratio and not with the size.

Guyatt, D., & Lukomnik, J. (2010), In this study they made the comparison of expected versus realized turnover in institutional equity portfolios and found that 65% of portfolios turnover are more than expected, some by very large amounts. Managers interviews indicated that they were aware that excessive turnover was potentially harmful to their clients.

Sheng-Ching Wu (2014) examined paper to study the interaction between mutual fund performance and portfolio turnover. The results indicated that funds with higher portfolio exhibit inferior performance in comparison with fund with lower portfolio turnover. The findings supported the assumptions that active trading erodes the performance.

Bogle (1998) argued that passively managed funds incur lower costs and outperform actively managed funds, while actively managed funds incur various costs such as operating and research expense which are measured by Expense Ratio.

Elton et al. (1996) discovered that risk-adjusted returns are negatively related to expense ratio and portfolio turnover after considering into account the difference in performance between small capitalization non-S&P 500 stocks and S&P 500 Stocks.

Aitenov Sanzhar (2013) examined the relationship between different characteristics of funds. The study showed interesting results like size of the fund, age of the funds and performance had negative impact on the expense ratio whereas other characteristics such as portfolio turnover, volatility of the returns has positive relationship as they increased the expense ratio.

Michel C. Jensen (1967), discussed risk-adjusted measures of portfolio performance of mutual funds and mangers ability towards funds return. He studied 115 mutual fund managers during 1945-65. The conclusion was that mangers were on an average and were not able to forecast security.

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RESEARCH GAP

After evaluating several studies, we discovered that there has not been much meaningful research done on thematic funds and their performance. We also discovered that several crucial factors, such as fund age or fund manager tenure, require additional attention because they play a big impact in generating mutual fund results. The underserved field of thematic funds offers a once-in-a-lifetime opportunity for both researchers and investors. In recent years, thematic funds, which focus on specific sectors, industries, or themes such as technology, healthcare, or sustainable energy, have grown in prominence. Understanding the complexities of thematic funds and their performance dynamics may provide significant insights into specialised investment techniques.

RESEARCH METHODOLOGY

To assess mutual fund performance, five infrastructure-related thematic mutual fund schemes that have been in operation for at least ten years were chosen. We collected data for the study from 2014 to 2018 (five years). Every year, data is collected on a quarterly basis. The entire study is based on secondary data published by Mutual Fund firms. The information was gathered from the AMFI website's Monthly Fund Fact Sheet (www.amfiindia.com). We used the Pearson correlation coefficient statistical technique to determine how closely the variables are related to one another.

OBJECTIVE OF THE RESEARCH

The present study is concerned with the following objective:

- To examine the performance of selected schemes on the basis of Portfolio Turnover, Ageing of the Fund, Tenure of the Fund Managers, Past Performance, and find out the correlation between these variables and return.

SIGNIFICANCE OF STUDY

In today's complex financial landscape, understanding the intricacies of mutual fund investments is paramount for investors aiming to maximize their returns and manage risks effectively. This study serves as a crucial resource, offering valuable insights into the diverse variables that influence mutual fund returns. By delving into factors such as market trends, fund manager expertise, expense ratios, and historical performance, investors can gain a comprehensive understanding of how these variables interplay and impact the overall performance of mutual funds. Armed with this knowledge, investors are empowered to make informed decisions when selecting mutual fund schemes, ensuring that their investments align with their financial goals and risk tolerance. The ability to analyse and interpret these variables equips investors with the tools they need to navigate the dynamic investment landscape, ultimately fostering a sense of confidence and security in their financial choices. As the financial markets continue to evolve, the wisdom derived from this study will prove invaluable, providing a foundation upon which investors can build successful and resilient investment portfolios.

DATA COLLECTION AND SOURCES

I have considered Five Thematic Mutual Fund Schemes:

1. HDFC Infrastructure Fund
2. ICICI Infrastructure Fund
3. UTI Infrastructure Fund

4. INVESCO Infrastructure Fund
5. Birla Sun Life Infrastructure Fund

Source: https://www.amfiindia.com/investor-corner/online-center/trackmfinvestment.html (AMFI India website)

THEORETICAL FRAMEWORK

Portfolio Turnover

Portfolio turnover is an important indicator in the mutual fund industry, providing vital insight into the fund manager's trading activity and investing strategy. It essentially monitors how frequently assets within a fund are bought and sold. A high portfolio turnover shows that the fund manager is making active investing decisions, buying and selling securities within the fund on a regular basis. A low turnover, on the other hand, indicates a more passive approach, where investments are held for longer periods of time, indicating a buy-and-hold strategy. The turnover rate is computed by taking the total value of new securities purchased or the number of securities sold, whichever is less, during a certain time period, usually a year. The fund's Net Asset Value (NAV) is then divided by this amount. NAV is a crucial metric for assessing a fund's performance since it shows the market value per share of each security in the fund. A high turnover rate could be a sign of an actively managed fund that regularly looks for fresh possibilities and modifies its holdings in reaction to shifts in the market. Active management entails greater transaction costs, which can affect investors' returns because of fees and taxes related to purchasing and selling shares, even though it may result in higher returns. On the other hand, low turnover rate funds are frequently linked to passive investment approaches such as exchange-traded funds, or ETFs. These funds aim to replicate the performance of a specific market index by holding a diversified portfolio of securities. Since they require fewer transactions, they tend to have lower operating expenses, making them a cost-effective choice for many investors.

Ageing of Fund

For investors, understanding a fund's ageing is crucial since it offers important context for understanding the fund's stability and past performance. Investors can gain insight into the fund manager's experience navigating different market situations over time by looking at the fund's age, which is determined from the fund's inception date. An investor can examine historical trends and evaluate the fund's resilience to various market cycles by examining older funds, which typically indicate a longer track record. A fund's ability to adjust to shifting investment philosophies and economic conditions can also be determined by how old the fund is. An assurance of security to prospective investors may come from funds that have withstood the test of time and developed strong investment strategies and risk management procedures. Furthermore, the aging factor can influence investors' confidence levels; a fund with a longer history might instil more trust in investors' minds, as it demonstrates the fund's ability to sustain and grow over an extended period.

Investors must be aware, though, that even while an older fund may have a longer track record, performance in the future is not guaranteed. Because of their dynamic nature and wide range of unknown events, the financial markets are not always reliable predictors of future performance. Prior to making investing decisions, investors should perform thorough research and take into account a number of aspects, including the fund's age, investment strategy, and management's experience. In summary, the aging of a fund serves as a valuable metric for investors, providing historical context and a sense of the fund's stability and adaptability. While an older fund may inspire confidence, investors must exercise due diligence and consider multiple factors when making investment choices to mitigate risks and make informed decisions.

Past Performance

Investors assessing a mutual fund scheme's potential need to consider past performance as a crucial criterion. Investors can learn more about the performance of a fund over a given time period, frequently from its creation, by examining past returns. Investors are able to evaluate the profitability of their investment because this performance data is usually given in percentage form.

Examining historical performance gives investors an idea of how well the fund will perform in various market and economic environments. A fund that has produced good returns year after year is a sign of competent fund management and wise investment choices. On the other hand, a fund with inconsistent or negative returns may indicate instability or poor choices, which should concern investors considering investing. However, it is critical to proceed with caution while analysing prior performance data. While historical returns might provide useful information, they are not indicative of future performance. Changes in market trends, economic developments, or changes in the fund's management team can all have an impact on a fund's future results. As a result, while making investing selections, investors should consider historical performance as one of several criteria. Additionally, investors need to consider the timeframe over which the performance is evaluated. Short-term fluctuations may not accurately represent the fund's overall stability and potential for long-term growth. Long-term performance data, spanning several years or more, can offer a more comprehensive view of the fund's consistency and resilience.

Furthermore, past performance can help investors examine a mutual fund's historical returns and predict its probable profitability. It should, however, be considered alongside other significant variables such as the fund's investment strategy, management team, and fees. Diversifying information sources and undertaking extensive research are critical practices for making sound investing selections.

Tenure of the Fund Manager

An important consideration when assessing the stability and performance of a mutual fund is the fund manager's tenure. Investors can gain important insights about a fund manager's experience and skill in managing the fund's investments by looking at the duration of the manager's tenure, which is often indicated in years. A long-serving fund manager is a sign of continuity and stability in the management style of the fund.

A long-term track record, preferably spanning five to ten years, is considered a key indicator of a fund manager's investing ability. During this period, the manager faces various market conditions and economic cycles, allowing investors to assess their performance across different scenarios. Consistent positive performance over an extended period suggests that the fund manager has a robust investment strategy and risk management skills.

A longer tenure also helps the fund manager gain a thorough understanding of the goals and investment philosophies of the fund. Being familiar with the particular objectives and tactics of the fund can help with decision-making and improve alignment with investor expectations. Since it increases their trust in the manager's abilities, investors frequently favor fund managers who have proven over a number of years to be adept at navigating the complexity of the financial markets. Long-term relationships between fund managers and mutual funds also encourage investor loyalty and trust. When a fund manager has a track record of success, investors are more likely to stick with the fund because they have faith in the manager's ability to provide steady returns over time. Investor trust in fund managers is increased when they can profit from market upswings and withstand downturns with success.

In conclusion, one of the most important factors that investors should take into account when assessing mutual funds is the fund manager's tenure. A longer and successful tenure not only shows the manager's expertise and experience but also inspires trust in the manager's ability to handle a variety of market conditions and the performance of the fund. Because they value the stability, consistency, and knowledge that experienced fund managers bring to the table, investors frequently give priority to their funds.

HYPOTHESIS

Ho: There is no significant relationship between Portfolio Turnover and Fund Returns.

Ho: There is no significant relationship between ageing of the fund and Fund Returns.

Ho: There is no significant relationship between Past Performance and Fund Returns.

Ho: There is no significant relationship between the Tenure of the fund manager and Fund Returns.

ANALYSIS AND INTERPRETATION

The Pearson Correlation Coefficient, a statistical technique for determining the direction and strength of a linear relationship between two variables, was utilised in our investigation. The coefficient provides accurate information on the nature of the relationship between two numbers, ranging from -1 to 1. Perfect positive correlation, or one in which the increases of one variable are proportionate to the rises of the other, is denoted by a correlation coefficient of 1. A coefficient of -1, on the other hand, denotes a perfect negative correlation, meaning that when one variable rises, the other falls proportionately. Positive or negative values that are closer to 0 signify a weaker correlation and suggest a narrower linear relationship between the variables. The correlation strength is determined by the magnitude of the coefficient; the higher the value, the stronger the association. This statistical tool provides insightful information about patterns and trends in the data, assisting researchers and investors in determining the extent to which changes in one variable can anticipate changes in another.

In addition to offering a qualitative knowledge of the correlations between variables, our study quantifies the strength and direction of these relationships by utilising the Pearson Correlation Coefficient. By enabling a more accurate interpretation of the data, this research helps investors make well-informed judgements based on solid statistical evidence.

Size of Correlation	Interpretation
.90 to 1.00 (−.90 to −1.00)	Very high positive (negative) correlation
.70 to .90 (−.70 to −.90)	High positive (negative) correlation
.50 to .70 (−.50 to −.70)	Moderate positive (negative) correlation
.30 to .50 (−.30 to −.50)	Low positive (negative) correlation
.00 to .30 (.00 to −.30)	negligible correlation

source: towardsdatascience.com

After applying the correlation technique, we found the following results.

Table 1 - Portfolio Turnover and Return

Sr. No.	**Schemes**	***Portfolio turnover***
1	HDFC Infrastructure Fund	0.565188
2	ICICI Infrastructure Fund	-0.11829
3	UTI Infrastructure Fund	0.660027
4	INVESCO Infrastructure Fund	0.462736
5	Birla Sun Life Infrastructure Fund	0.286965

Figure - 1

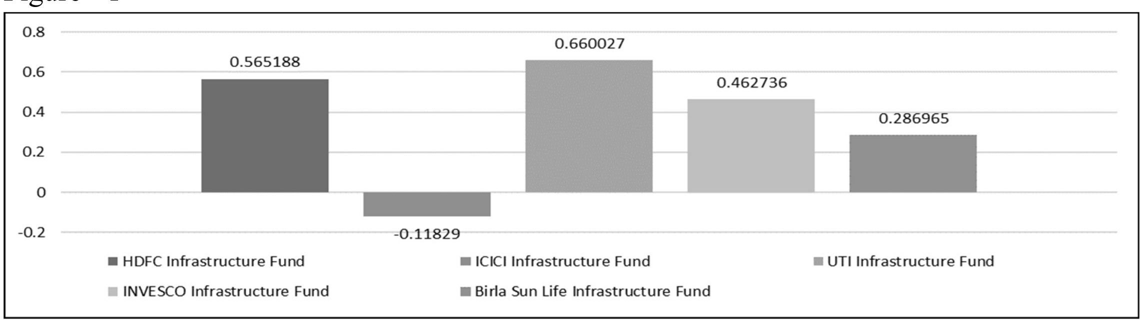


Table – 2 - Ageing of the fund and Return

Sr. No.	**Schemes**	***Ageing of the Fund***
1	HDFC Infrastructure Fund	-0.63028
2	ICICI Infrastructure Fund	-0.4639
3	UTI Infrastructure Fund	-0.30909
4	INVESCO Infrastructure Fund	-0.56854
5	Birla Sun Life Infrastructure Fund	-0.54585

Figure - 2

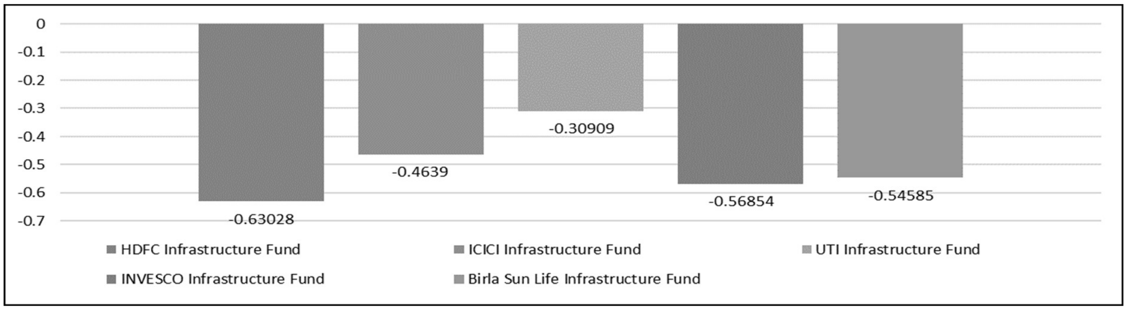


Table – 3 - Past Performance and Return

Sr. No.	**Schemes**	***Past performance***
1	HDFC Infrastructure Fund	0.530219
2	ICICI Infrastructure Fund	0.840088
3	UTI Infrastructure Fund	0.798323
4	INVESCO Infrastructure Fund	0.068252
5	Birla Sun Life Infrastructure Fund	0.304911

Figure - 3

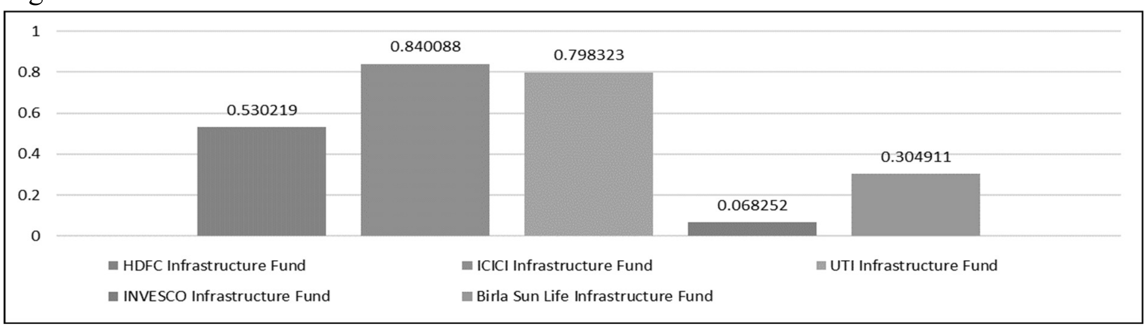
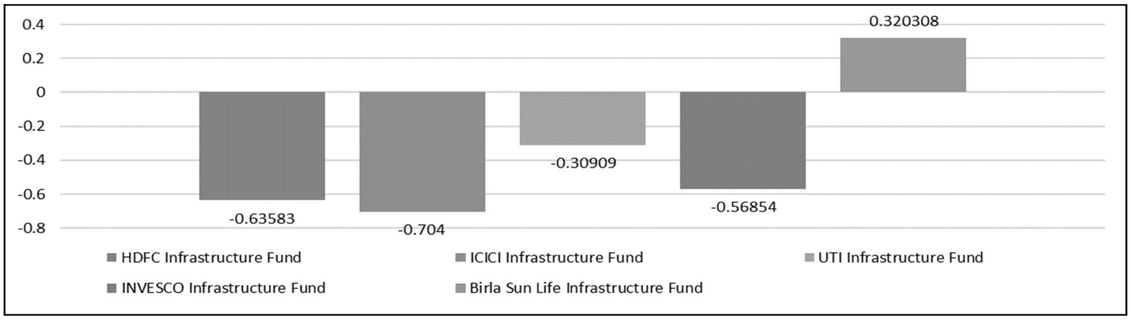


Table – 4 - Tenure of the Fund Manager and Return.

Sr. No.	**Schemes**	***Tenure of the fund manager***
1	HDFC Infrastructure Fund	-0.63583
2	ICICI Infrastructure Fund	-0.704
3	UTI Infrastructure Fund	-0.30909
4	INVESCO Infrastructure Fund	-0.56854
5	Birla Sun Life Infrastructure Fund	0.320308

Figure - 4



FINDING AND SUGGESTIONS

After analysing the data, we found a significant relationship between the variables.

Portfolio Turnover and Return

The relationship between mutual fund portfolio turnover and return is an essential issue for both investors and fund managers. Portfolio turnover refers to the frequency with which assets within a mutual fund are acquired and sold over a given time period. A high turnover indicates active management, in which the fund manager frequently buys and sells equities, whereas a low turnover indicates a more passive, buy-and-hold strategy. Understanding the relationship between portfolio turnover and return is crucial for investors who want to make the best investment decisions possible.

- ***Positive Relationship:***

The UTI Infrastructure Fund's significant positive correlation value of 0.66002 suggests a strong positive relationship between portfolio turnover and return. This means that when the manager actively buys and sells assets inside the fund, the fund's returns tend to rise. This favourable relationship could be attributed to the fund manager's ability to capitalise on market opportunities and make timely investment decisions, resulting in higher returns. for investors.

- ***Negative Relationship:***

The ICICI infrastructure scheme, on the other hand, has a -0.11829-correlation coefficient between portfolio turnover and return. A negative correlation means that when turnover increases, so do the fund's returns. This scenario could be caused by higher trading charges associated with frequent buying and selling, which could diminish the fund's overall returns. Furthermore, fast buying and selling may result in short-term capital gains taxes, cutting net returns for investors dramatically.

Overall Positive Relationship:

The overall positive relationship across the four out of five schemes implies that, in most cases, active management strategies, as indicated by higher portfolio turnover, lead to enhanced returns for investors. Active management allows fund managers to respond swiftly to market movements, sector trends, and economic developments, potentially generating alpha (returns above a benchmark index) for investors.

Ageing of the fund and Return

Following a detailed review of the data, a significant adverse correlation between fund aging and returns was discovered across all five schemes. Correlation values ranging from -0.30909 in UTI Infrastructure Fund to -0.63028 in HDFC Infrastructure Fund show a significant inverse relationship between the fund's tenure and its performance.

- ***Negative Relationship***

A negative correlation between fund ageing and returns suggests that, in general, as a mutual fund matures or grows older, its returns tend to decline. This research implies that older funds may experience difficulties in delivering high returns, possibly due to variables such as increasing competition, larger fund size, and difficulties in locating profitable investment opportunities.

- ***Overall Relationship between Ageing of the Fund and Return:***

When the correlation coefficients across all five schemes are considered, the overall relationship between fund aging and returns can be categorized as moderately negative. While the correlation numbers are not extraordinarily low, they do show a distinct trend of declining returns as the fund ages. This development has implications for both investors and fund managers.

Past Performance and Return

The Pearson correlation coefficient study demonstrated a constant and positive association between past performance and return across all five schemes. The intensity of this link varies, with the correlation coefficient peaking at 0.84008 in the case of ICICI Infrastructure Fund and falling to 0.06825 in the case of INVESCO Infrastructure Fund. This means that, in general, mutual funds with a solid track record of performance likely to generate larger returns.

- ***Overall Relationship between Past Performance and Return***

In summary, the analysis suggests a moderately positive relationship between past performance and return in the five schemes under consideration. This finding has important implications for investors. Funds with a strong historical performance are more likely to continue delivering competitive returns, although it's important to note that past performance is not a guarantee of future results. Investors should consider various factors, including their own financial goals and risk tolerance, before making investment decisions. Additionally, fund managers should continue to focus on maintaining and enhancing their fund's performance to attract and retain investors in an increasingly competitive market.

Tenure of the Fund Manager and Return

The surprising finding of a negative link between fund manager tenure and returns in four out of five schemes is interesting. A negative correlation, particularly one as strong as -0.704 in the ICICI Infrastructure Fund, shows that as the term of the fund management increases, returns tend to decrease. This conclusion contradicts the widely held idea that longer-tenured fund managers typically offer superior performance due to their experience and knowledge about the fund's objectives. The positive relationship discovered in Birla Sun Life Infrastructure Fund (0.32030) stands out as the exception among the five plans. Returns in this fund tend to rise as the fund manager's tenure grows.

- ***Overall Finding on Tenure of the Fund Manager and Return:***

The negative relationship between the tenure of the fund manager and return in four out of five schemes challenges conventional assumptions in the investment world. Typically, a long-serving fund manager is seen as a positive indicator, reflecting experience and stability. However, the starkly negative correlation in schemes like ICICI Infrastructure Fund, with a coefficient as low as -0.704, raises intriguing questions about the dynamics of fund management. On the contrary, the positive correlation observed in Birla Sun Life Infrastructure Fund, with a coefficient of 0.32030, suggests that a longer tenure can sometimes lead to higher returns, emphasizing the nuanced nature of this relationship.

This unexpected result highlights the need for a more thorough examination of the variables influencing fund performance that are connected to the tenure of the fund management. It necessitates a thorough examination taking into account the manager's tenure with the fund in addition to their investing approaches, flexibility in responding to market fluctuations, and capacity for creativity in the face of changing financial environments. For a precise understanding of how tenure affects investment returns, analysts and investors should evaluate the distinctive management strategies used by each fund. This highlights the complexity of fund management and contradicts popular belief. It emphasises how important it is to conduct in-depth research before making any investing decisions.

Overall Relationship Analysis of all the Schemes

In the comprehensive evaluation of various factors impacting mutual fund performance, distinct patterns have emerged, shaping the overall understanding of the relationship between return and key variables.

Positive Correlation with Portfolio Turnover and Past Performance:

Portfolio Turnover: Return and portfolio turnover have a positive association, which implies that actively managed funds with larger turnover rates typically perform better. This association may arise from the fund manager's capacity to react quickly to shifts in the market, grasping lucrative opportunities and maximising investor profits.

Past Performance: Its positive correlation with historical performance highlights the importance of historical data. Investments with a solid track record have a higher chance of staying profitable. This association suggests that investors might choose funds based on historical performance as a trustworthy signal, but a thorough analysis should take other factors into account as well.

Negative Correlation with Ageing of the Fund and Tenure of the Fund Manager:

Ageing of the Fund: The negative association shown with the fund's age shows that mutual funds lose some of their capacity to provide large returns as they get older. A change towards more conservative investment techniques as funds mature, market saturation, or higher fund sizes could all be contributing factors to this reduction. When choosing long-term funds, investors should weigh these considerations, striking a balance between stability and possible growth.

Tenure of the Fund Manager: The negative correlation with the tenure of the fund manager raises interesting questions about the interplay between experience and adaptability. While long-serving managers may bring stability, they might face challenges in adapting to changing market dynamics. Investors need to assess the manager's ability to innovate and adjust strategies over time, understanding that a manager's lengthy tenure does not guarantee superior returns.

In conclusion, the complicated relationships that exist between return and significant variables indicate how complex mutual fund performance is. By doing in-depth evaluations, taking a number of variables into account, and changing their investing strategies to maximize returns while effectively managing risks, investors can successfully negotiate this complexity.

CONCLUSION

This study has provided significant insights into the performance of mutual funds by illustrating the various elements that influence fund returns. Although these results are important, they also imply that much more research has to be done. We may be able to learn more about mutual funds by looking into additional variables such as the fund manager's background and the range of schemes they oversee. There is still a lot to learn about this intricate topic, and future investigation may provide even more answers. Furthermore, a comprehensive understanding of mutual fund performance might be obtained through examination more closely at the dynamics of investor behavior and market conditions. It could potentially be beneficial for investors and fund managers to investigate the relationship between economic indicators, investor attitudes, global market movements, and mutual fund results. It could also be quite important to look into how the regulatory framework affects fund management techniques. It may be possible to better understand how legal frameworks and market dynamics interact by examining how various rules and policies impact fund performance and investor choices.

Moreover, carrying out long-term research could highlight patterns and trends in mutual fund performance, allowing for a more thorough examination of the fund's behaviour over time. To fully capture the cyclical character of financial markets and comprehend how mutual funds adjust to shifting economic conditions, long-term research is important. To put it simply, there are many different aspects and variables that go into the field of mutual fund performance. For the purpose of improving investment strategies, directing policy decisions, and enabling both experienced and inexperienced investors to make wise selections, further study in this area is essential. As academics continue to delve into the complexities of mutual funds, the body of knowledge they uncover can have a substantial impact on the financial industry, providing more secure and profitable investing options for both individuals and organisations.

Future Research Opportunities:

The effect of a fund manager's years of experience on fund performance may be examined in order to shed light on the importance of experience and industry knowledge in navigating the unstable financial markets. This investigation may yield vital information for investors regarding the significance of managerial experience when choosing a fund. Schemes Managed by Fund Manager: Analysing the performance of the fund manager across a range of schemes may help identify trends and tactics used in a variety of market niches. Investors may be able to properly diversify their portfolios with the help of an understanding of how a manager's skill translates into various investing scenarios. Market Trends and Economic data: Examining how fund performance relates to more general market trends, economic data, or geopolitical developments may provide a thorough understanding.

In addition to these factors, it is crucial to investigate the impact of fund size and fund expenses on mutual fund performance. Fund size, often measured in terms of assets under management (AUM), can influence a fund's ability to generate returns. Larger funds might face challenges in finding suitable investment opportunities without significantly impacting the market, while smaller funds could be more agile but might lack resources for in-depth research.

Understanding the optimal fund size concerning performance can guide investors in selecting funds that align with their investment goals and risk tolerance.

Management fees and operational costs, for example, might have a direct impact on investors' returns. Investigating the relationship between expense ratios and fund performance over time can assist investors in making cost-effective decisions. Lower-expense funds may deliver larger net returns to investors, making them appealing long-term investments. Comparing fund performance to expense ratios may provide useful insights into the cost-efficiency of various mutual funds.

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