Twitter Thread by #ESG compliant verbal farts

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Holy shit. 8000 crores raised IN NFOs in a month. Look at the schemes, all pointless garbage!

https://t.co/jZoancOqqa



If you look closely, 4 out of the 6 top NFOs in terms of money raised are from bank owned NFOs. These AMCs are notoriously skilled at selling garbage funds through their banking channels. They've turned mis-selling into an art. They're are Picasso's of mis-selling

One would be excused for thinking these are intent based allocations by investors which isn't the case. These funds would've been sold mis-sold by any way possible. Bank RMs are incentivized to do so.

Otherwise, in a country where people don't understand a simple mutual funds, expecting people to understand a worthless and pointless ESG fund a d then allocating 1500 crores is a mega stretch. ICICI Pru too had raised 1000+cr for its ESG fund.

The fact that these new funds are raising so much money to me is a negative. In a time like this, where will retail investors find fresh money to allocate? Which means they must doing stupid things like selling other funds.

Look at funds closely. One of the funds are doing anything unique which isn't on offer. Worse yet, many of these funds don't even have an investment thesis, its just pure fluff and gas.

As long as there are gullible investors, AMCs will continue to milk them for all they can. It's not surprising that only about 20-30% of all equity assets stay invested in equity funds for more than 5 years ■

To the investors, just because an NFO is available at Rs 10 doesn't mean, you'll become rich. But this stupidity will continue and this is another long pointless rant in a series of pointless rant.

For people who want to listen, remember, what's good for the AMCs is rarely good for the investors.

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But, I'll bet that that NFO gold rush isn't yet done. AMCs will rush all sorts of nonsense and garbage funds in the coming months. This bull market milking of gullible idiots will continue until this party ends.