

SAMM Wealth

PORTFOLIO RETURNS - XIRR

NOVEMBER 2025

V_0.0

OVERVIEW

Informed Investor deal with various Asset classes. Also, he / she aims for higher returns on the investments.

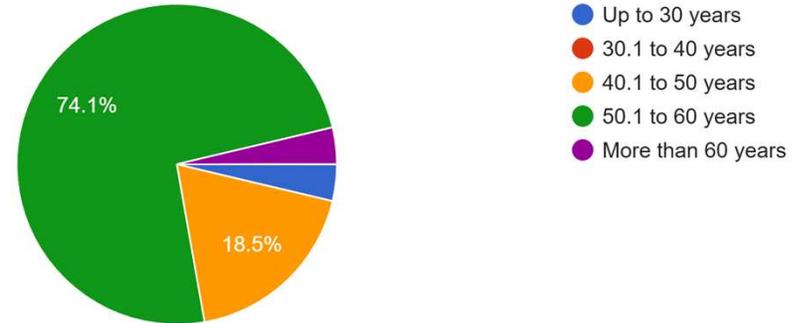
A survey was conducted amongst small group of investors , who are from different age group, income backgrounds, etc. to get the flavor of investor community.

Respondents are mainly from following places : Mumbai, Thane, Pune, Bangalore, Vietnam.

Age Group – respondents are from different age groups viz: Less than 30 Years, 30 to 40 Years, 40 to 50 Years, 50 to 60 Years and above 60 years.

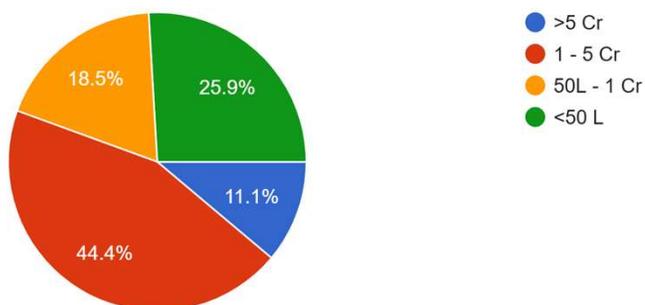
Though not clear from the data gathered , but a likely reason for larger number of respondents from age group (50 to 60 Years) is because of prerequisite like '*investments over longer duration (5 years or more) and cumulative returns over 50%.*'

Age group



FUND SIZE & XIRR

Portfolio size OR Fund size considered for this survey



Majority respondents have considered **FUND size** INR 1Cr to 5Cr while answering the questions, but not necessarily total investment.

About 63% respondents are from combined group of INR 50L to 5Cr fund value.

XIRR stands for Extended Internal Rate of Return. This is a method used to calculate returns on investments where there are multiple transactions happening at different times

Mathematically, **XIRR is that single rate of return, which when applied to every installment (and redemptions if any) would give the current value of the total investment.**

XIRR is investor's personal rate of return.

Generally '**rate of return**' and '**Compounded Annual Growth Rate**' are known terminologies to many but **XIRR** is not so commonly used.

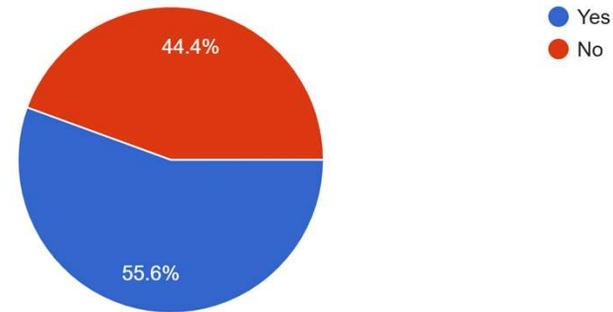
UNDERSTANDING XIRR

Over 55% respondents do not know about XIRR.

It is investor's actual return on investments.

Investors are usually aware about all terminologies related to LOANS, but oblivious to such important parameters when it comes to investment. Life is a paradox.

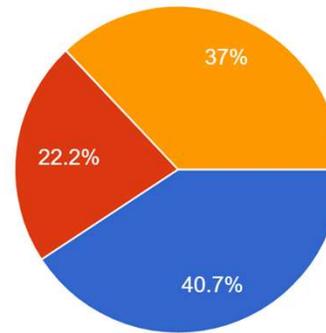
I know what XIRR is



Based on interaction with many investors, a common observation is that they are aware about returns on fix-deposit. But when it comes to intermittent or periodical investments (eg: SIP, SEP, recurring deposits, Laddering, etc.) and withdrawals, there is lack of understanding about '*effective returns*'. AMC websites usually have information about CAGR but same level of information is not available on XIRR with few popular AMCs.

XIRR REVIEW

I review XIRR periodically to check if my investment is on track, or if course correction is required.

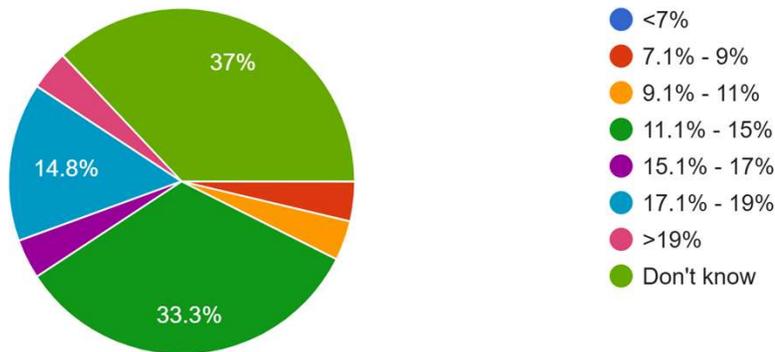


- Yes
- No
- I don't know what XIRR is

Only 40% respondents periodically review XIRR.

PORTFOLIO RETURNS – XIRR

XIRR of accumulated funds



Interesting data was observed on XIRR informed by the respondents.

37% respondents get XIRR in the range of 11%-15%

14% respondents get XIRR in the range of 17% -19%.

Less than 4% respondents get over 19% XIRR

Higher the portion of equity in funds, higher the XIRR.

Some anomalies were observed in the data e.g.: There are more respondents who review XIRR than those who know what XIRR is. As respondent count increases, percentage error due to such anomalies will go down.

PORTFOLIO RETURNS – XIRR

Majority of respondents have equity component in investments (either one folio or cumulative of multiple investments).

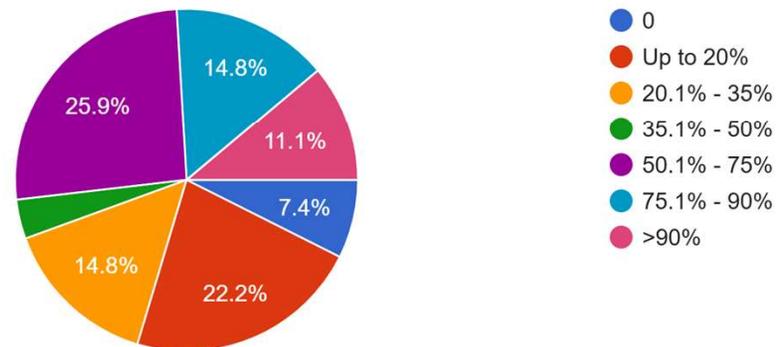
11% respondents have over 90% equity portion of funds.

14.8% respondents have between 75% - 90% equity component of funds.

25.9% respondents have 50% to 75% equity component of funds.

Most of these respondents have higher XIRR

Equity % in the fund



PORTFOLIO RETURNS – SUMMARY

From the responses , it was observed that Higher the equity portion, higher the XIRR. Over 50% respondents had XIRR in 11% to 19% range, which is decent with different equity allocations i.e. from 35% to 90%. Respondents with >90% equity and 'no' equity were very low in numbers (approx. 10%). This could be due to specific folio selected by skilled investors to answer survey questions OR very conservative investment approach.

60% respondents do not monitor XIRR to in order to track performance of their investments.

Respondents investing in GOLD were relatively less in number and none with portion in folio over 20% .

On sample basis few respondents were contacted . Through the discussion it was noticed that for Individuals with lower XIRR certain things were common viz: either equity portion was on lower side, frequent trading habits, over diversification, etc.

Many respondents were ignorant of *"effects of frequent trading, availability and access to professional to manage investments."* Also, the understanding of *risk management* related to equity investment was limited.

Hesitation in discussing personal finance with others including professionals also leads to sub-par returns.

Disclaimer : The survey , data collection and the analysis is ongoing process and not conclusive. Investors should not take decisions based on this discussion material, which is for investor awareness and educational purpose. Investors are advised to consult their respective Financial Advisers before taking Investment decisions.