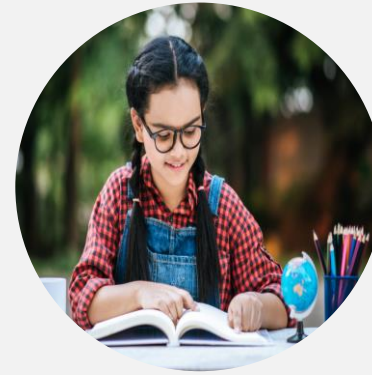
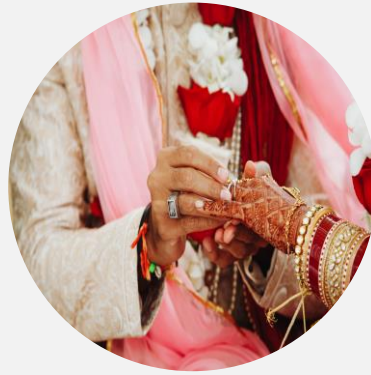


SYSTEMATIC INVESTMENT PLAN

We all have multiple **financial goals** in our life



CAR



HOME



MARRIAGE

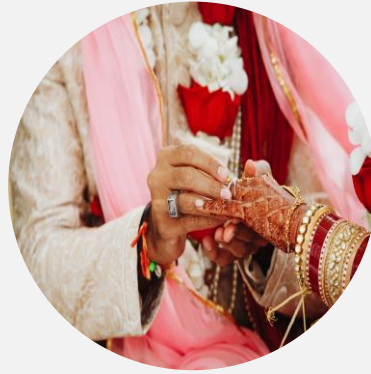


**CHILD'S
EDUCATION**



RETIREMENT

And each financial goal comes with a **timeline**



CAR

HOME

MARRIAGE

**CHILD'S
EDUCATION**

RETIREMENT

5 Years

10 Years

7 Years

18 Years

30 Years

Timeline

And each financial goal comes with a timeline & **a price tag**



Rs 15 Lakhs



Rs 70 Lakhs



Rs 25 Lakhs



Rs 70 Lakhs



Rs 10 Crore



CAR

5 Years



HOME

10 Years



MARRIAGE

7 Years



**CHILD'S
EDUCATION**

18 Years



RETIREMENT

30 Years

Timeline



These price tags may look **BIG!**

But you can still **achieve these financial goals** within your timeline by **investing SMALL amounts** regularly!

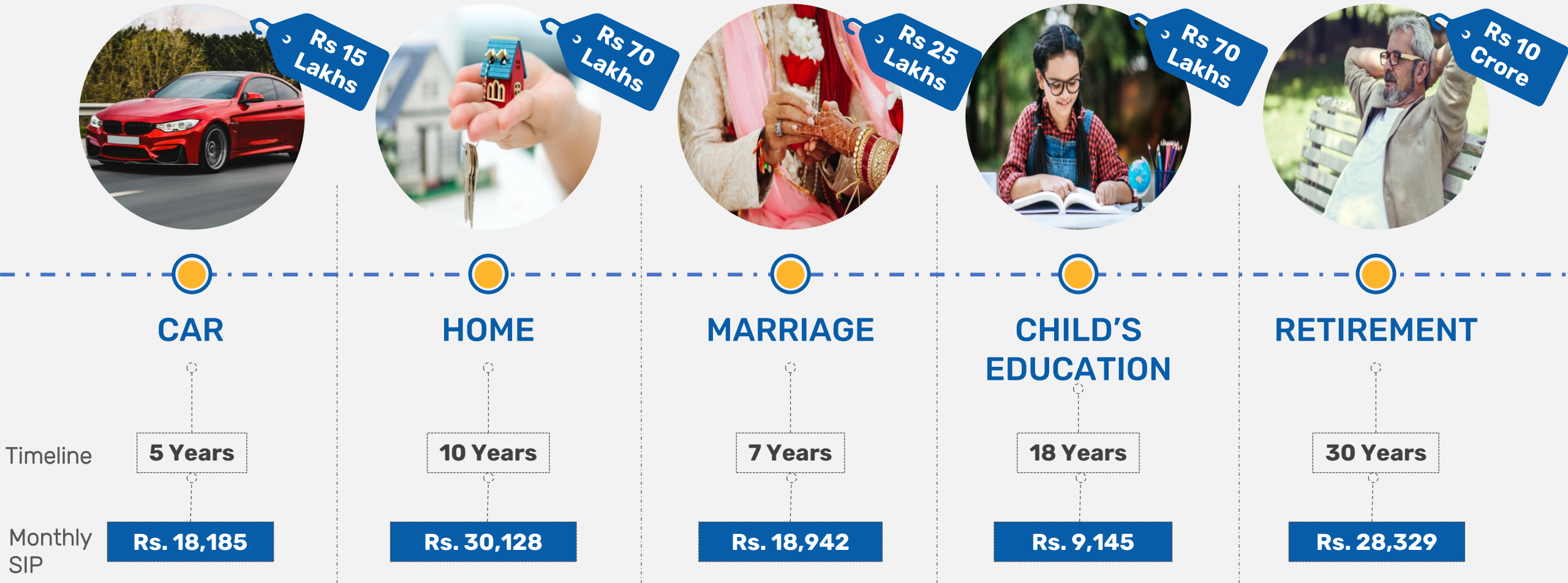
SIP – An Ultimate Financial Goal Planning Tool

With SIP or Systematic Investment Plan, you can invest a fixed amount at regular intervals in a mutual fund scheme of your choice.

And here's how it can help you achieve your goals.



SIP – An ultimate financial goal planning tool

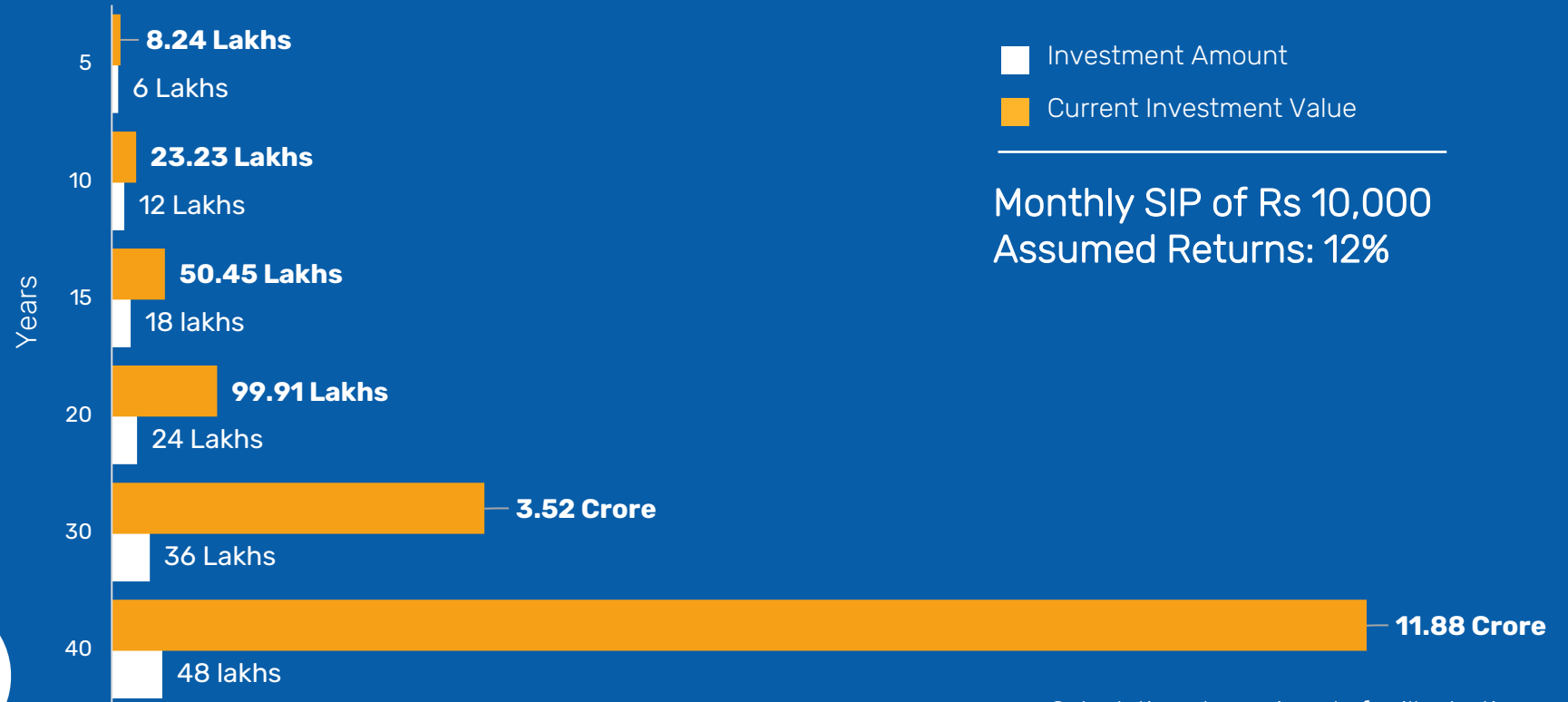


Assumed Returns 12% | Calculation shown is only for illustration purpose.

While SIP helps you
achieve financial goals
it also offers other benefits like

1. SIP allows you to benefit from **Power of Compounding**

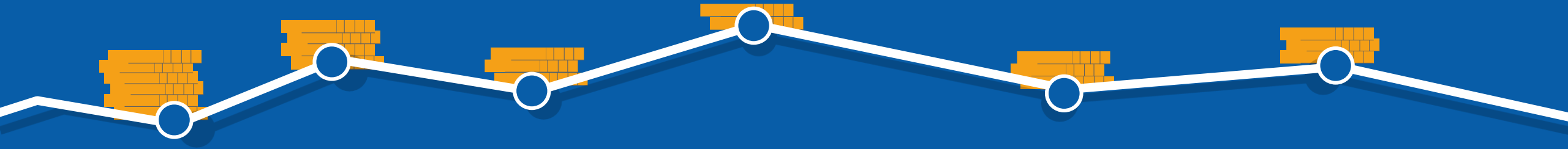
Often referred to as the "8th wonder of the world", Power of Compounding simply means earning interest on both the money you originally invested and the interest that money earns over time.



It's like a snowball effect, the longer you invest the bigger it gets.

2. SIP lets you average out the per unit buying cost (Rupee Cost Averaging)

SIP helps you purchase more units when the NAV is low and benefit from the market growth when the NAV is high.



	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6
SIP Amount (Rs.)	10,000	10,000	10,000	10,000	10,000	10,000
NAV (Rs.)	10.00	9.50	10.50	9.50	11.00	10.50
Units	1000	1053	952	1053	909	952

Total Investment
Rs. 60,000

Total Units 5919
Average NAV Rs. 10.2

Average Cost per Unit
(Rs. 60,000/5919) Rs. 10.1

In above illustration, we can see the average purchase cost comes out to be Rs. 10.1 whereas Average NAV is Rs. 10.2

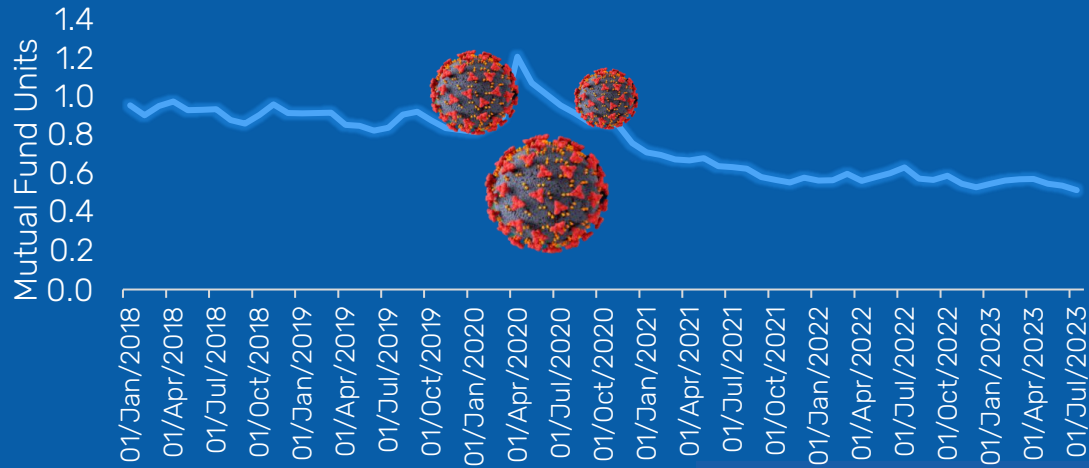
Under SIP, you really don't need to time the market. You can invest at predetermined intervals. When the market dips, you acquire more units for the same amount invested and vice-versa. This helps in averaging the cost of units purchased in the long term of investment.

2. SIP lets you average out the per unit buying cost (Rupee Cost Averaging)

SIP helps you to purchase more units during the market downturn.



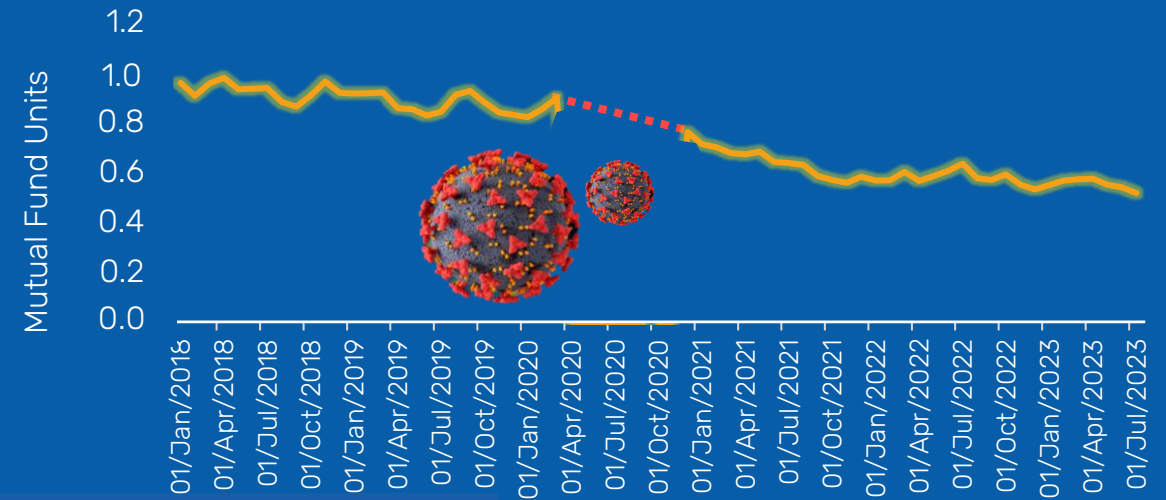
Person A
who invested consistently since Jan 2018



Person A collected more units when the market fell



Person B
who stopped his SIP during the Covid Crisis & restarted after market reached previous high



Person B failed to collect more units when the market fell

Data as on 31st July 2023

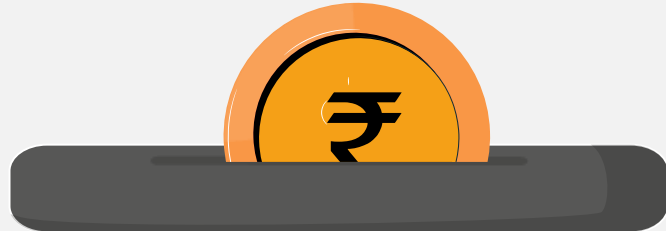
Assumed investments were made in Nifty 50

Past performance may or may not be sustained in the future



2. SIP lets you average out the per unit buying cost (Rupee Cost Averaging)

SIP helps you to purchase more units during the market downturn.



Monthly SIP of Rs. 10,000

Person A invested consistently irrespective of market situation & accumulated Rs 1.72 Lakhs more than Person B

Person B managed to save Rs 80,000 by stopping SIP during Covid crisis but accumulated Rs 1.72 Lakhs less corpus

Person A		Person B	Difference
67	Total SIP Instalments	59	8
Rs 6,70,000	Total Investment	Rs 5,90,000	80,000
51.3	Units Accumulated*	43.5	7.8
Rs 10,12,733	Current Investment Value	Rs 8,40,162	1,72,571
14.72%	XIRR	12.61%	2.11%

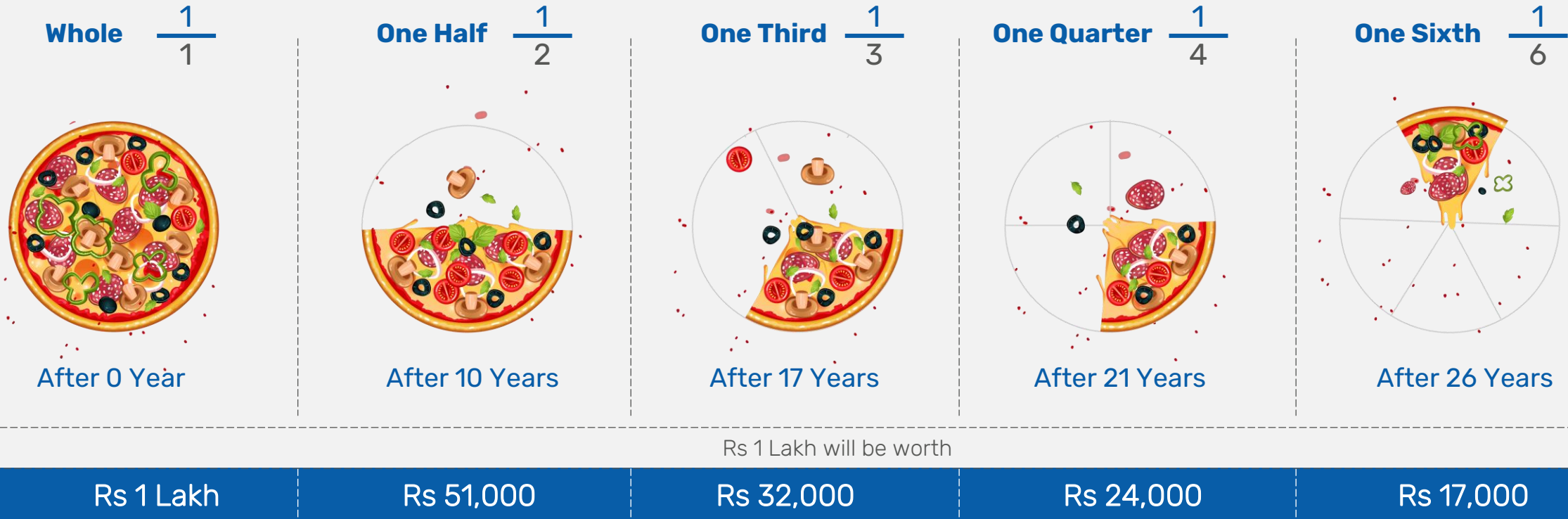
Data as on 31st July 2023

Assumed investments were made in Nifty 50

Past performance may or may not be sustained in the future

3. SIP helps **combat Inflation**

Inflation eats away the purchasing power of money overtime.

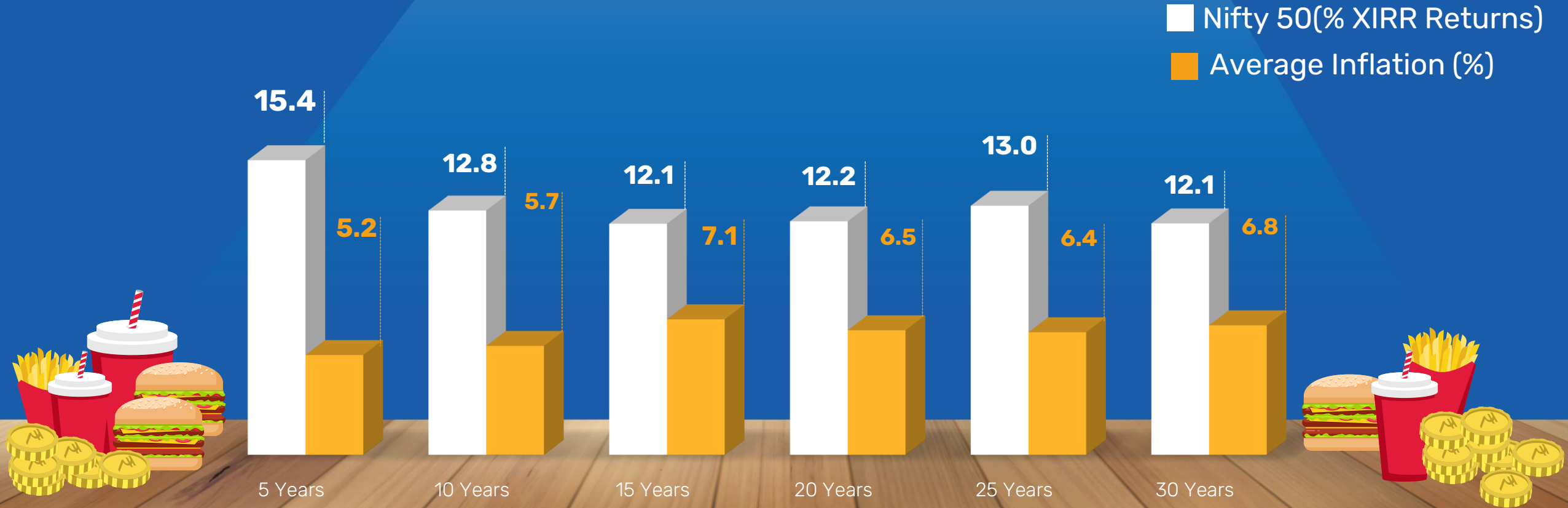


Inflation Rate: 6.5%

Therefore, simply saving money won't help. It's important to grow your money faster than the rate of inflation.

3. SIP helps combat Inflation

SIP in Equities can help you earn inflation beating returns.



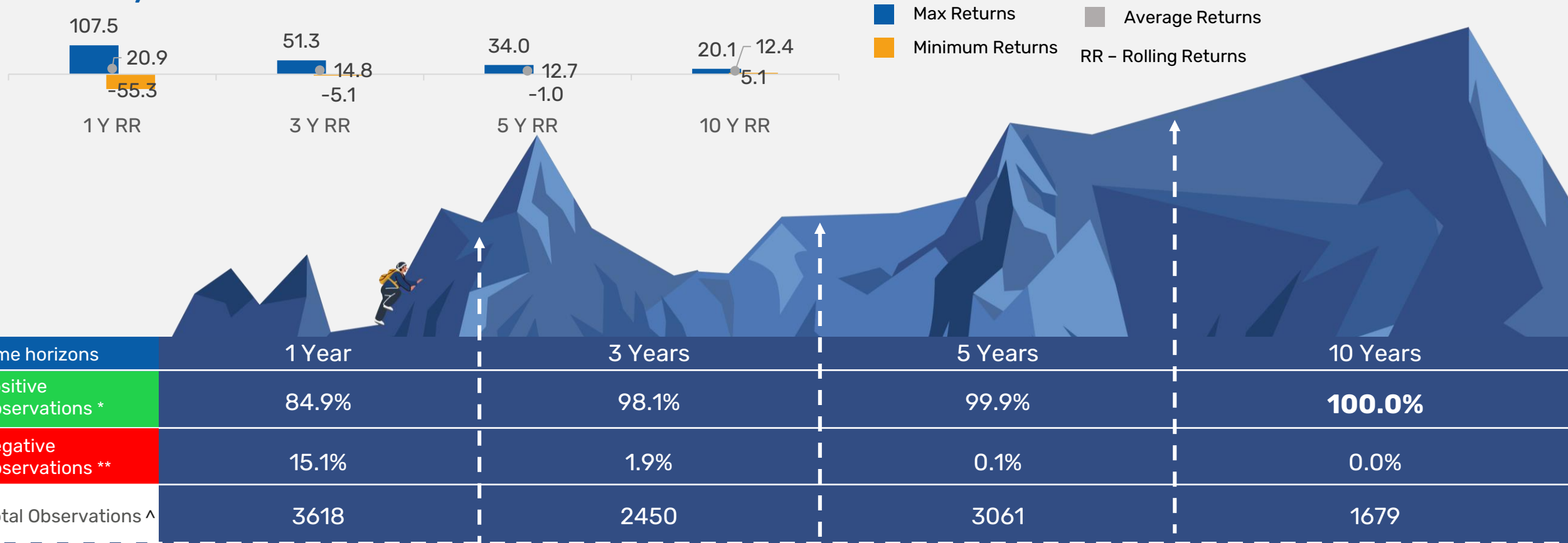
Over the years SIP in Nifty 50 has managed to not just beat inflation but also deliver significant returns

Source: ACEMF | worlddata.info | XIRR Returns | Data as on 31st July 2023 | Past performance may or may not be sustained in the future

4. SIP lets you befriend Volatility

SIP in Equities is like having a smart friend who helps you to navigate you through the twists & turns of the stock market, making your investment journey smoother and more rewarding in the long run.

Volatility reduces with increase in investment horizon



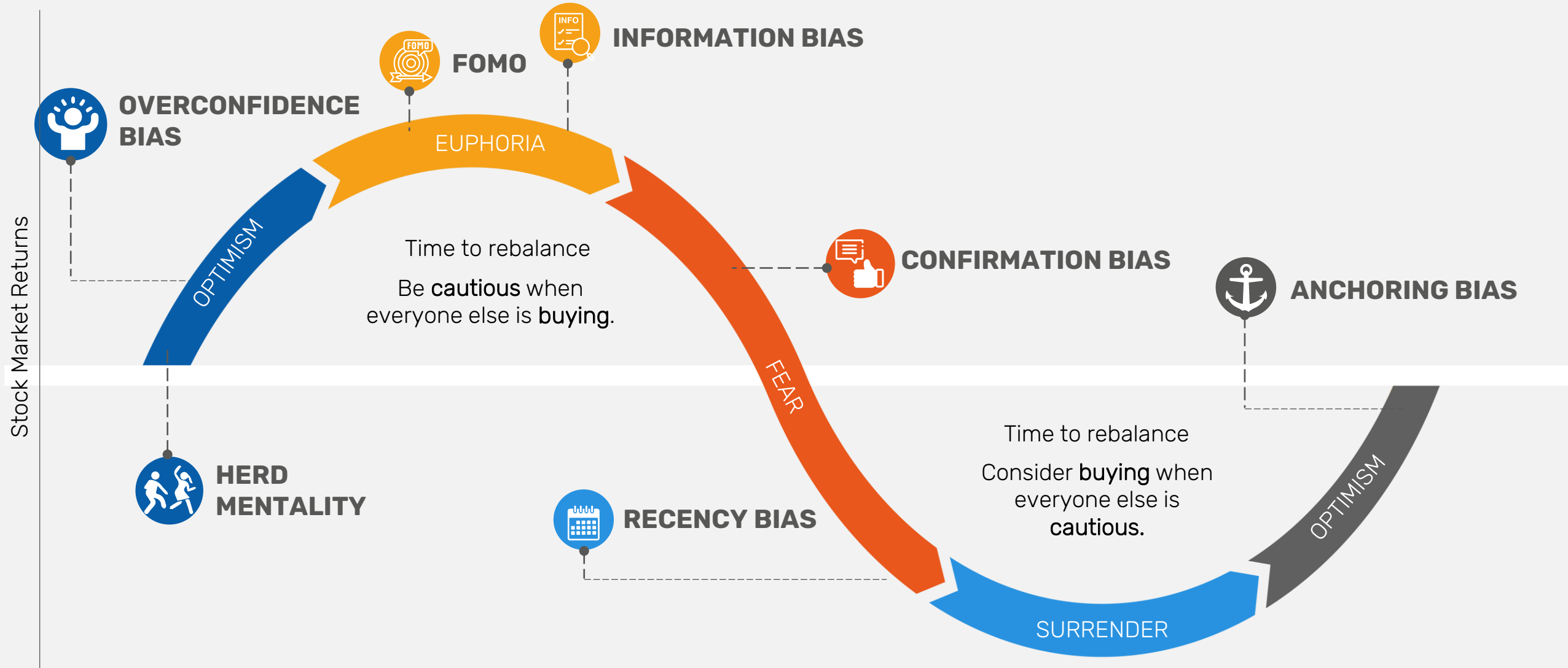
Volatility is a short term phenomenon, as the period of investment increases volatility reduces.

20 years ending on 31st July 2023 | Past performance may or may not be sustained in the future

*No of days the index has generated positive returns on daily rolling basis. | **No of days the index has generated negative returns on daily rolling basis. | ^Number of days analysed.

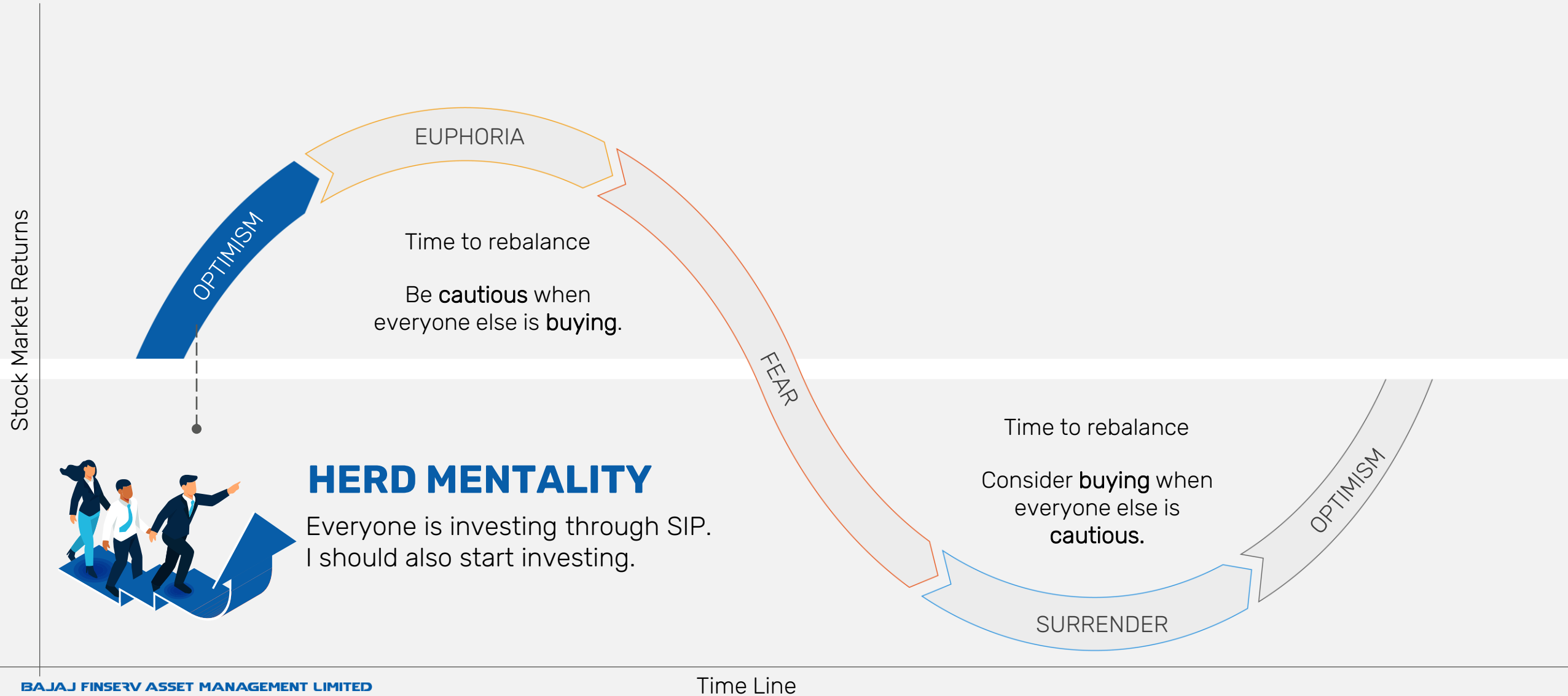
5. Overcome biases with SIP by your side

Short-term emotions often dictate our long-term investment decisions.



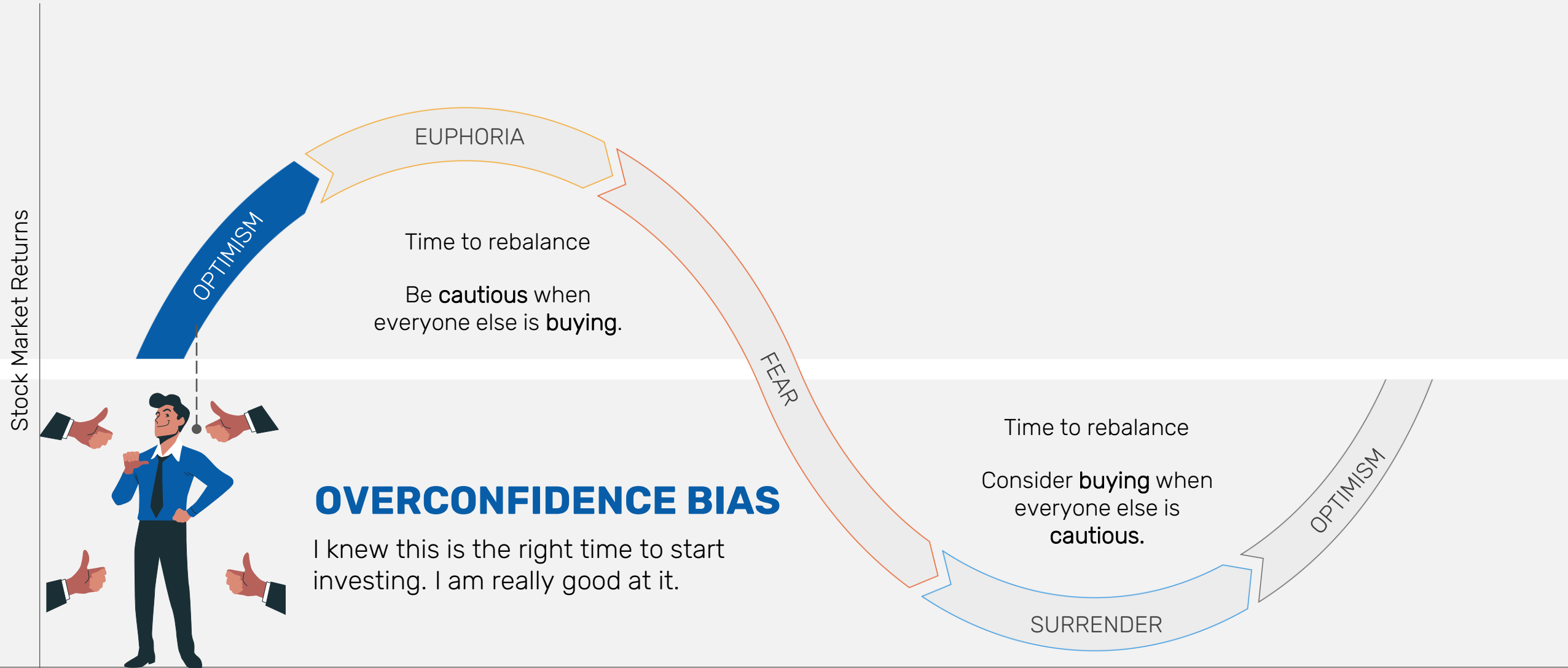
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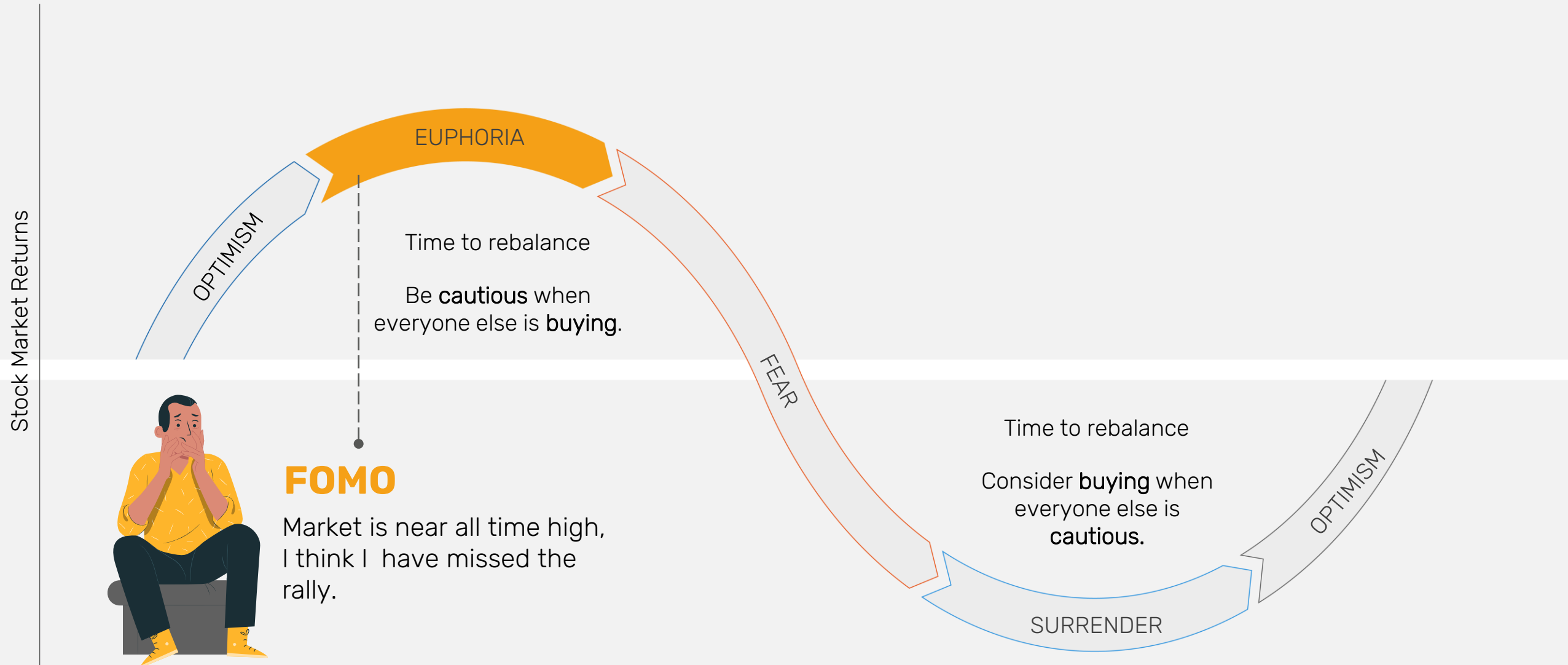
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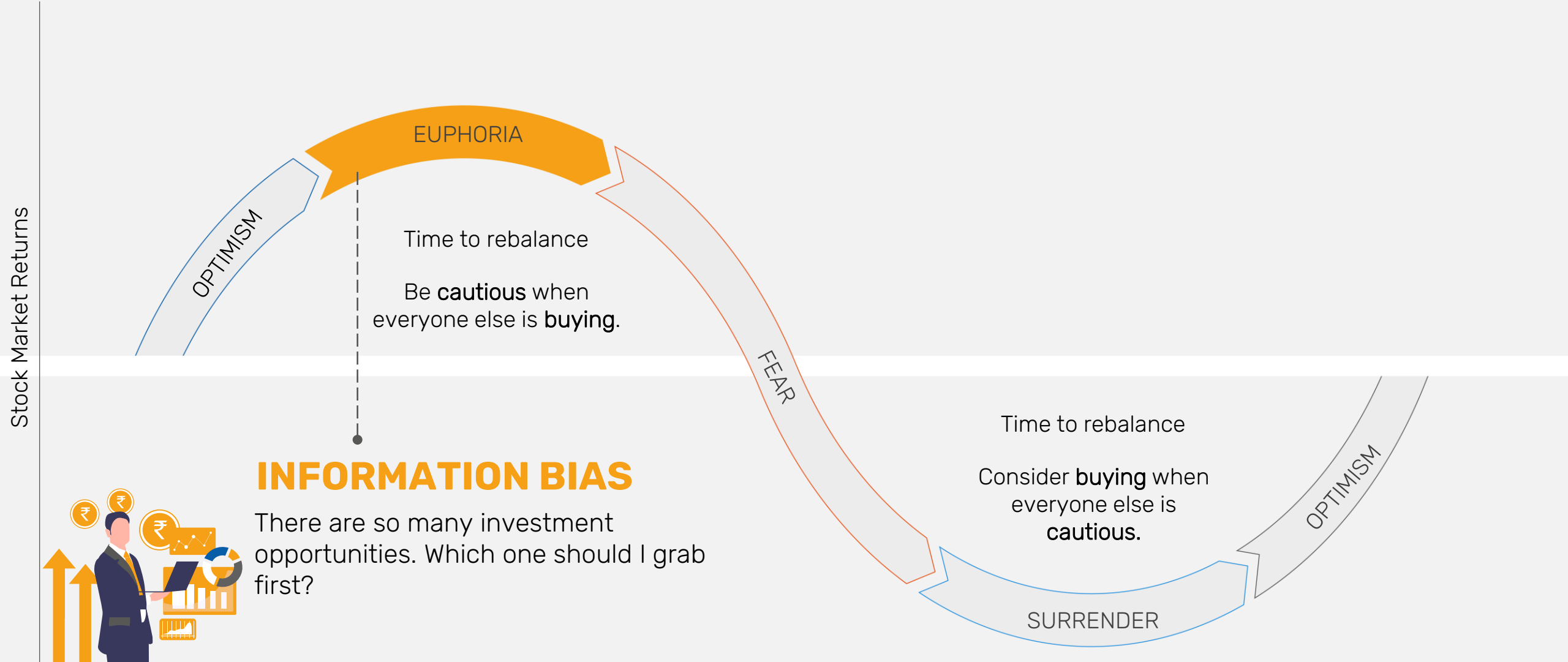
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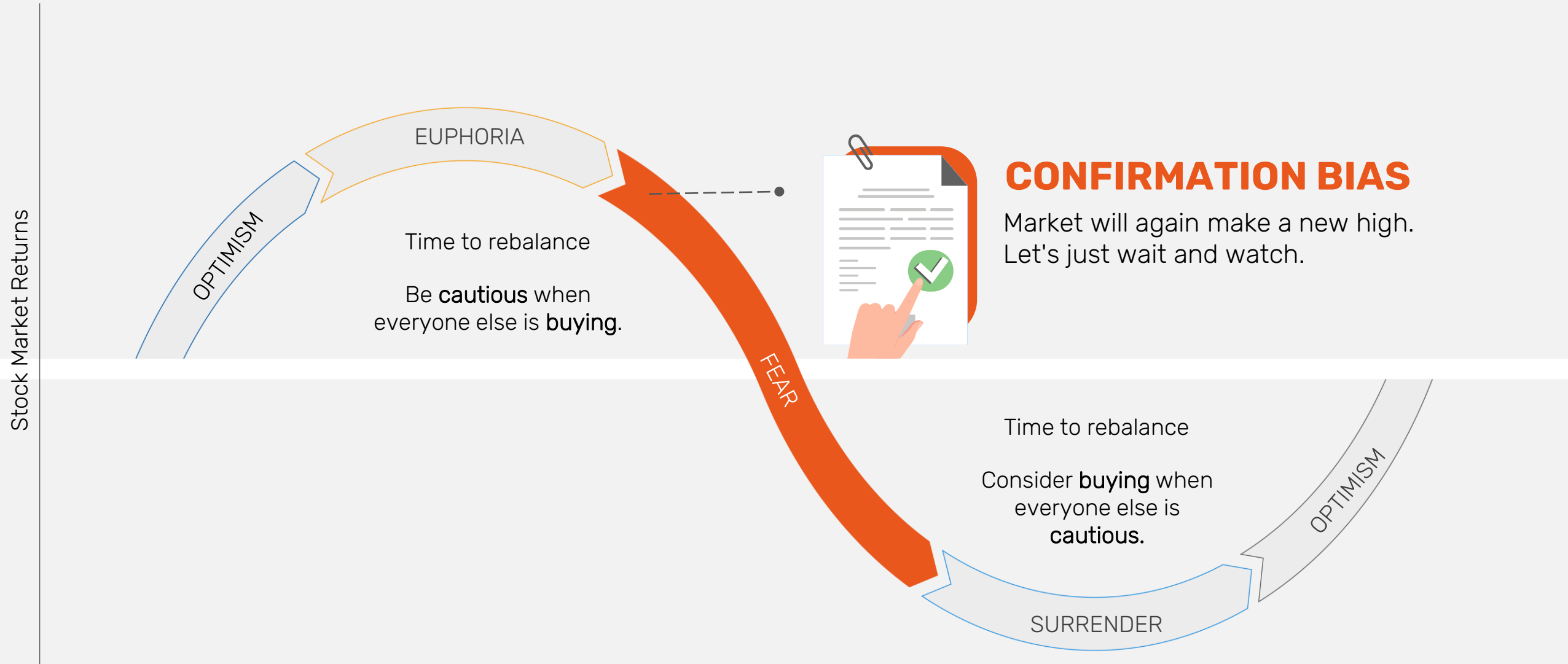
INFORMATION BIAS

There are so many investment opportunities. Which one should I grab first?



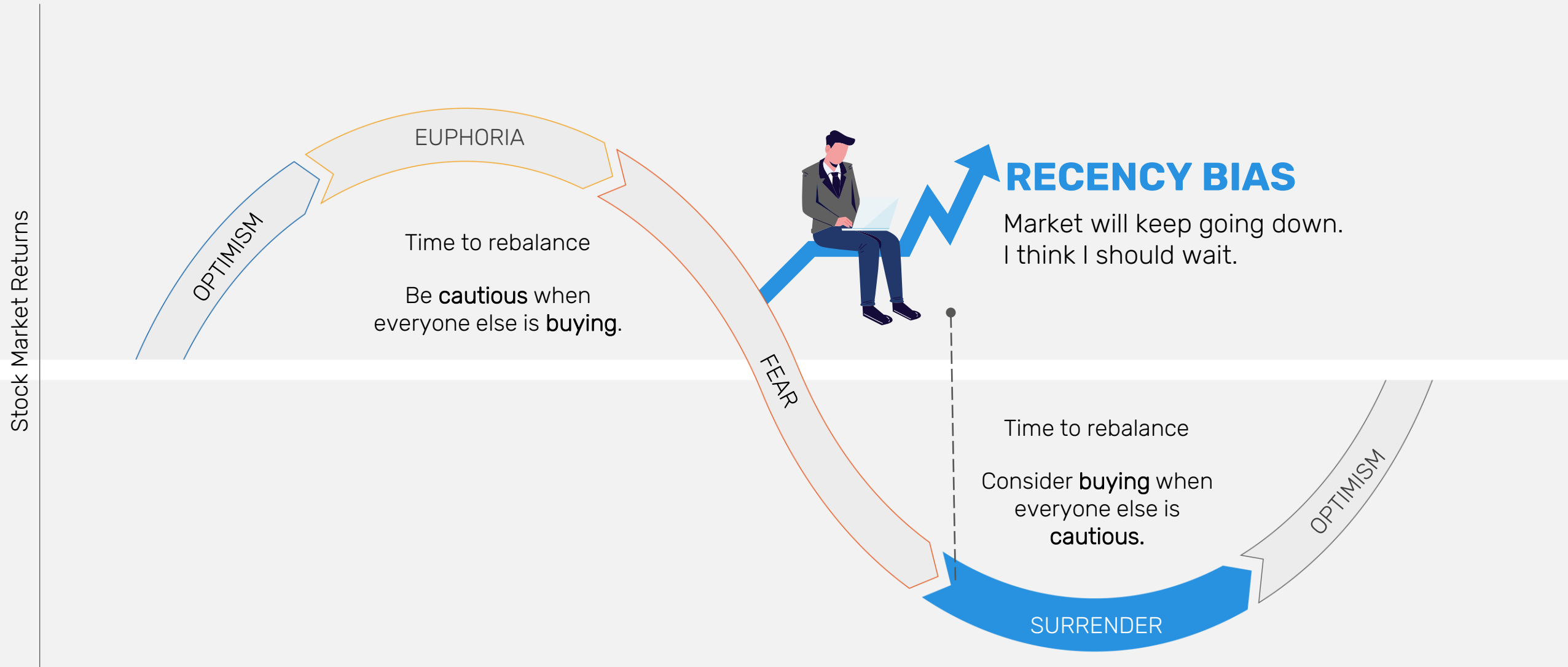
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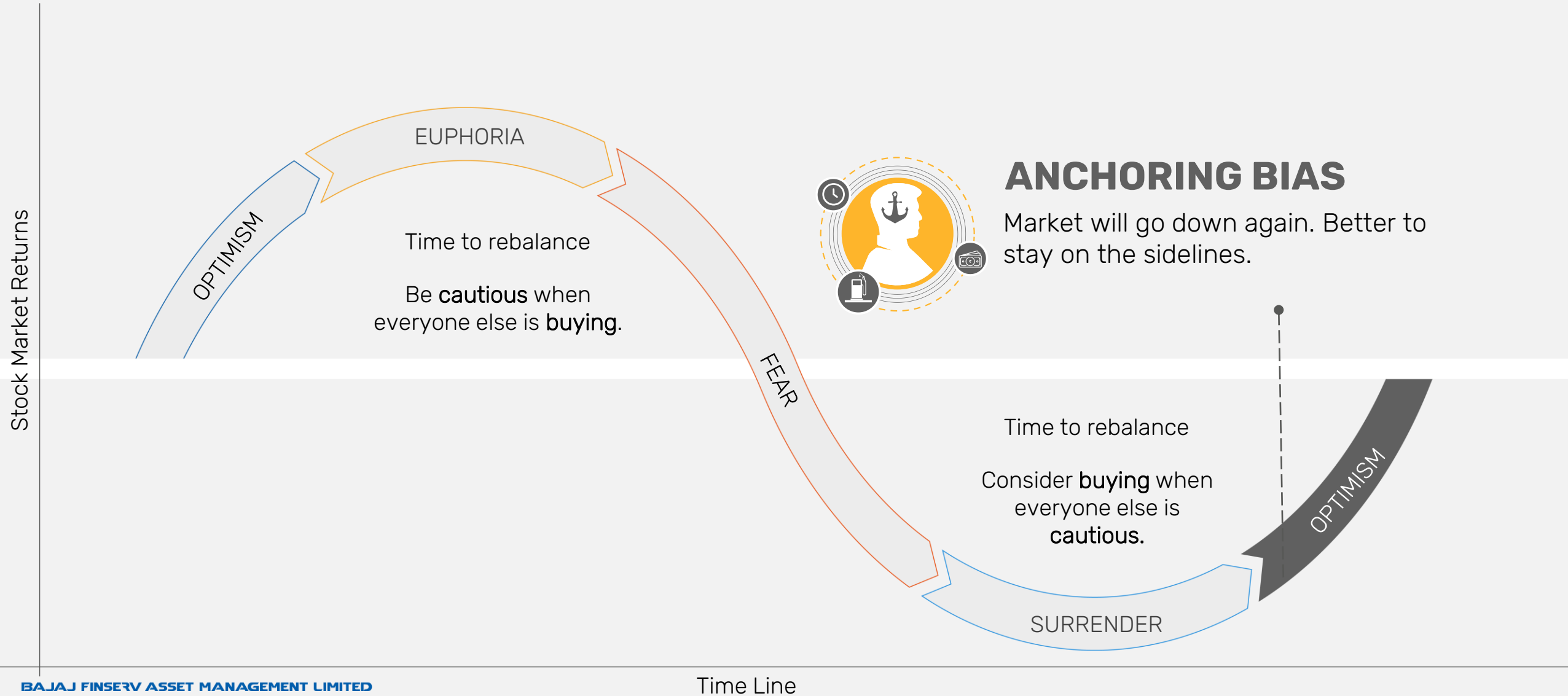
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5. Overcome biases with SIP by your side

Short-term emotions often dictate our long-term investment decisions.



SIP helps you to

overcome such emotional biases
by making investing easier and more
disciplined.

6. SIP offers **Flexibility**



Investment Amount

With SIP, you get to decide how much money you want to invest regularly. It can be a small amount like Rs 500 or Rs 1,000, or any other sum that fits your pocket.



Frequency

You can choose the frequency of your SIP investment and invest either weekly, monthly or quarterly as per your convenience.



Tenure

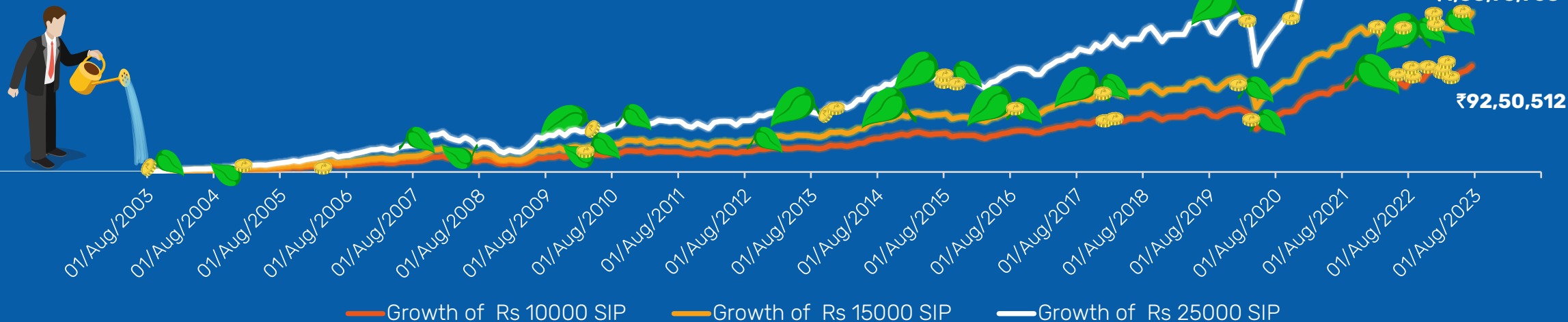
You can choose how long you want to continue your SIP that can be for a few months, a few years, or even for an indefinite period.

7. SIP helps you **create Wealth** in the long term

SIP in equities helps you create wealth by enabling regular and disciplined investing, benefiting from the power of compounding and long-term growth potential in the equity market.

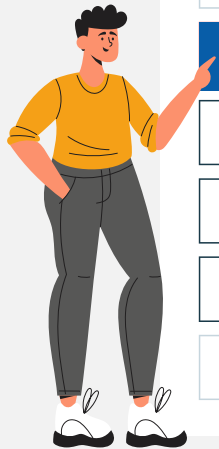
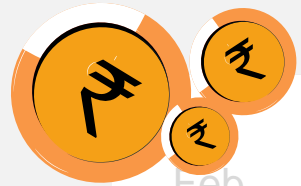
Long term Wealth Creation through monthly SIP in Nifty 50 TRI

XIRR - 12.23%



Source: ACEMF | Data as on 31st July 2023 | Past performance may or may not be sustained in the future

1 Choosing SIP date makes a huge difference.



Feb

29	30	31	1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	1	2	3	4
5	6	7	8	9	10	11

Myth

Fact

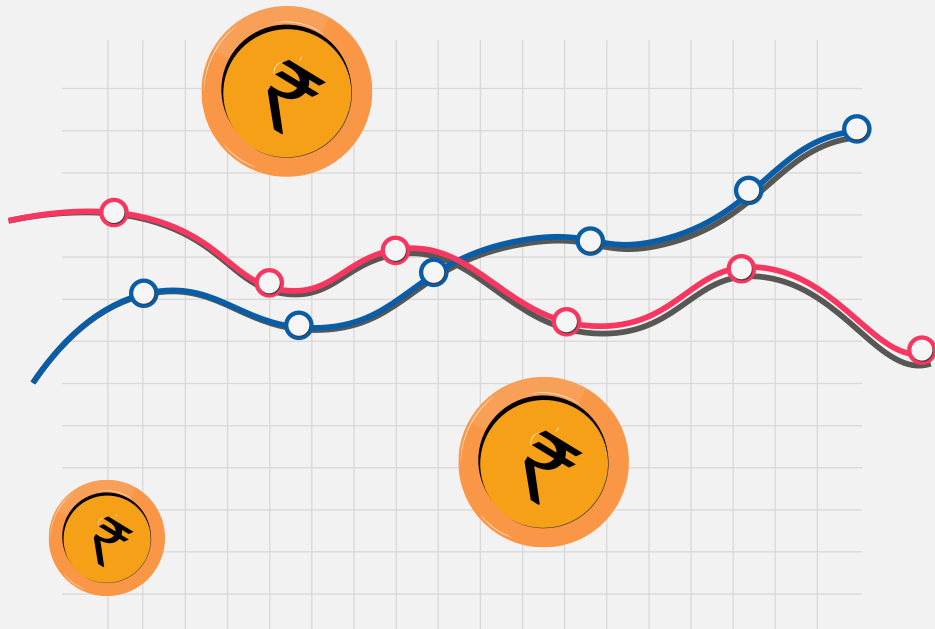
10 years SIP Returns (%) in Nifty 50 TRI

			14.15 ₁	14.16 ₂	14.17 ₃	14.16 ₄
14.15 ₅	14.18 ₆	14.18 ₇	14.16 ₈	14.14 ₉	14.16 ₁₀	14.18 ₁₁
14.19 ₁₂	14.17 ₁₃	14.18 ₁₄	14.18 ₁₅	14.19 ₁₆	14.17 ₁₇	14.16 ₁₈
14.17 ₁₉	14.16 ₂₀	14.21 ₂₁	14.22 ₂₂	14.21 ₂₃	14.21 ₂₄	14.24 ₂₅
14.23 ₂₆	14.22 ₂₇	14.22 ₂₈				

Day wise Returns

Long term wealth creation through SIP is independent of date selection. In the long run, the markets largely rationalizes the returns irrespective of the dates. Hence selection of a particular date of a month for SIP is a myth.

2 Timing the market is important.



Myth

Fact

“

The true investor welcomes **volatility**.

– Warren Buffett ”

In the equity investments, the odds of generating returns are only bettered with time. Hence time spent in the market is more important than timing the market.

	Rolling Returns				
CAGR Returns in Sensex	5 year	7 year	10 year	12 year	15 year
Instances (Less than 8 %)	23%	23%	18%	9%	3%
Instances (More than 8%)	71%	77%	82%	91%	97%

Probability of earning better returns increases with the increase in investment horizon.

The returns mentioned above are only for illustrative purpose. This does not assure or guarantee the rate of return. Past performance may or may not be sustained in the future

3 You need a large amount to invest in mutual funds.



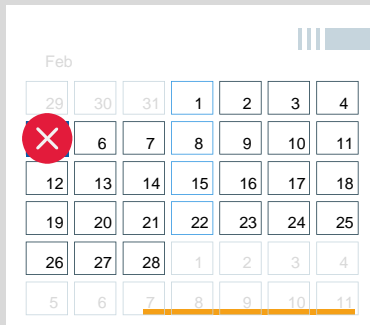
Myths

Facts



Investments in SIPs can be done with small amounts as mutual funds offer a minimum investment amount of Rs. 500 for Systematic Investment Plans (SIPs).

4 You attract huge penalty in case you miss an SIP instalment.



Mutual Funds do not penalise you for a missed instalment and contrary to common misconceptions, there are no actions taken by the asset management company (AMC).

NO PENALTY!

However, there may be bank penalty.

5 SIP offers guaranteed returns and never incurs any loss.



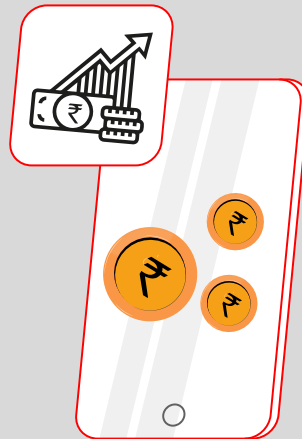
Myths

Facts

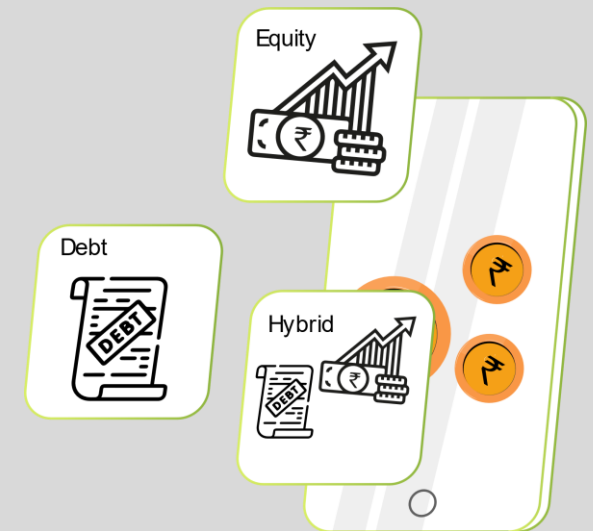


SIP helps you to generate wealth over the long term by helping you invest in mutual funds in a disciplined manner. However, there is no guarantee of returns in an SIP.

6 SIP can only be done in equity funds.

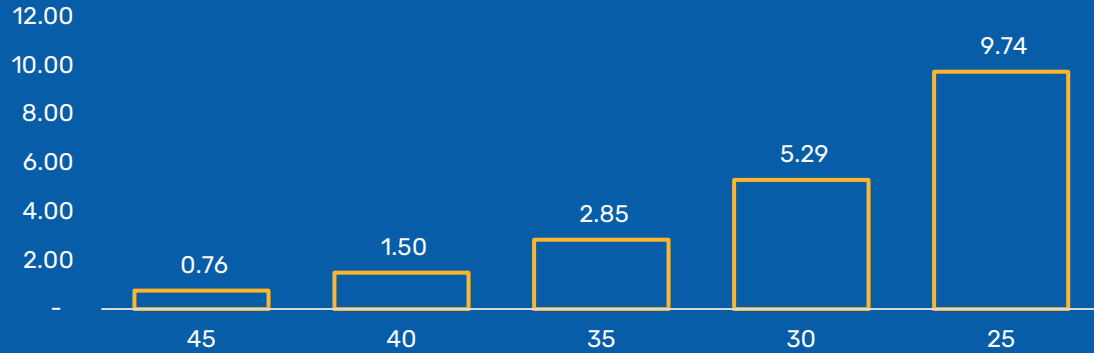


Irrespective of the fund type, using SIP you can invest across Equity, Debt/Fixed Income and Hybrid Funds.



SIP works best when you **start early**

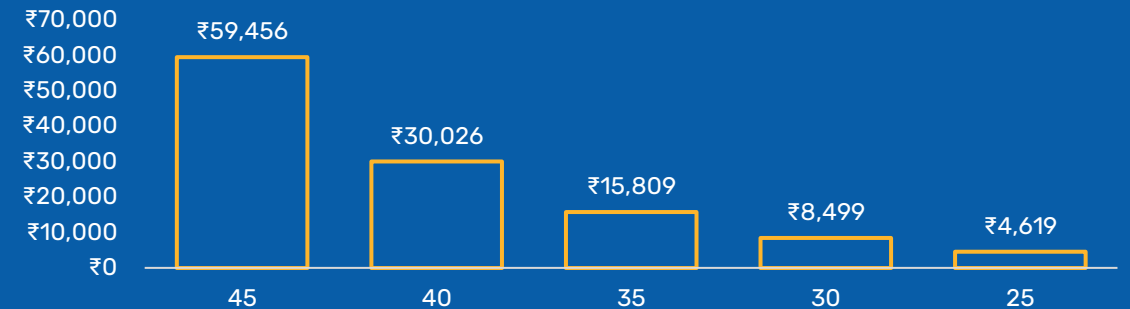
Corpus (in crore) that you can accumulate with Rs. 15,000 Monthly SIP by the time you turn 45 years of age



You can create bigger corpus when you start early

You would achieve ~3.5X more wealth with same amount of monthly SIP if you start today instead of starting after 10 years.

Monthly SIP required to accumulate Rs 3 Crore at the age of 60



You need to invest less to create the same corpus when you start early

To achieve a long-term financial goal, your monthly SIP amount today would be lesser by ~70% than the monthly amount after 10 years.

The best time to start an SIP is TODAY!

Investing in equities over the
long term through SIP
& staying invested
till you achieve your goals is the key!



“

**WEALTH IS THE ABILITY TO
FULLY EXPERIENCE LIFE.**

”

- Henry David Thoreau

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Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

THANK YOU 