

Investing Made Easy



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“Investment in Knowledge Pays the Best Interest”

~ Benjamin Franklin

Unravelling the Money and Investing Knots

- It is a separate another world - It is an integral part of the journey
- You need to be Rich to Invest
- Doubt about the guys who manage money - Your vibe attracts your tribe
- Fixed Ideas about how the Universe protects me (exclusion)

Other Very Common Myths :

- Talking or Thinking about Money is being Money Minded (or Bad)
- I am too young to invest, I am too old to invest
- Only regular salaried people should invest, my income is irregular
- I am not good with numbers
- I don't have enough time
- I don't have the expertise or knowledge
- I have lost or I know someone who has lost money in the market

What are your Big Rocks?

Jar



Rocks



Pebbles



Sand



Smart Investment Formula

$\text{Income} - \text{Expenditure} = \text{Savings}$

CANCEL

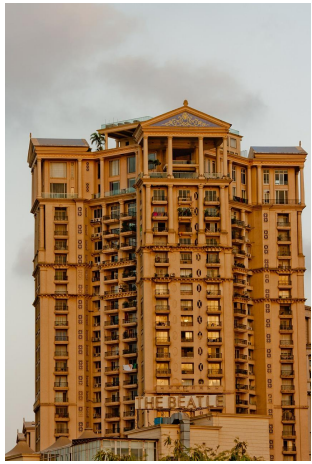


$\text{Income} - \text{Savings} = \text{Expenditure}$

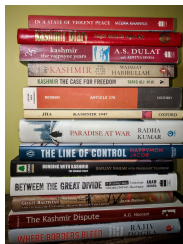
$\text{Income} - \text{Savings} - \text{Core Expenditure} = \text{Discretionary Expenditure}$

Save First Spend Later

Investing your Savings helps to Beat Inflation and Create Surplus



What do you need Money for? Know Thyself





Short and Medium Term (Needs and Wants)





Long Term Goals



Aspects of Financial Vision Board / Plan

Why Do it? Know Thyself, Identify Priorities, Creates Focus, Map, Motivation, Stay Away From Distraction, Persevere through Adversity, Action set in motion, Experience Small Successes.

SMART : Specific, Measurable, Attainable, Relevant, Time Bound.

Time Frame : Short Term, Medium Term, Long Term.

Power of Compounding



Lessons :

1. Start investing early, Stay Put
2. Keep your debts to the minimum

On a Chessboard- double the number of grains on each subsequent square.

How many grains of wheat would be on the chessboard at the finish? (64 squares) $1+2+4+8$ and so on...

By 16th sq = 32,768

By 20th sq = 524 K

Finally about 2000 times annual world production of grains

Exponential growth happens second half of the board, the last row.

Power of Compounding



In a pond there is a special lotus which gets doubles everyday and in 30 days the pond gets full of lotuses.

If the pond gets full in 30 days when was it half full?

Early Investing Benefits

	Maya	Jaya
Started Investing at the Age of	25	35
Monthly Investment	Rs. 10,000	Rs. 30,000
Invested (till the Age of 60)	35 years	25 years
Total Investment	Rs. 42 Lakh	Rs. 90 Lakh
Value of Investment at the age of 60	Rs. 6.5 Cr.	Rs. 5.7 Cr.

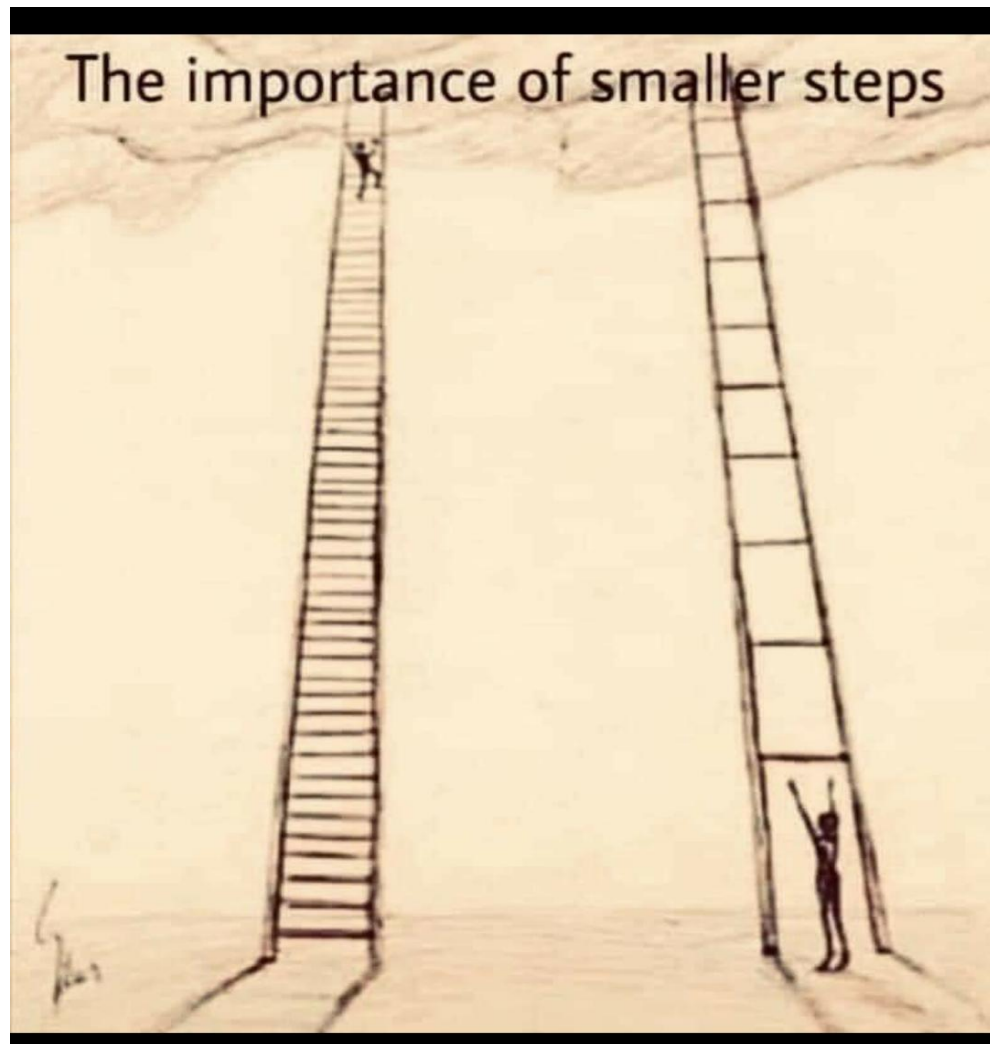
Rate of Return assumed is 12%

Lessons

- Start Investing Early
- Invest Regularly with Discipline
- Stay invested for the long term
- No amount is small
- Keep your debts to the minimum

Be Wise About

Instant Gratification and Delayed Gratification



Diversification - Asset Classes

Time Horizon	Long	Equity	High
	Medium	Hybrid /Mixed	Moderate
	Short	Debt / Liquid	Low
			Risk Profile

Types of Investment Instruments

- **Stocks, Shares**
- **Mutual Funds**
- **Fixed Deposits**
- **PPF**
- **Property**
- **Gold**
- **Pension Plan**
- **Insurance**
- **Cryptocurrency**

DIVERSIFY as per your Goals and Risk Appetite

Make Informed Choices and Seek Help and Advice of experts in Each Field

BSE Sensex Movement



Learnings : Diversify, Embrace Risk, Stay on the Path, Manage your Emotions by being Disciplined

Equities : Shares and Stocks

Shares/ Stocks/ Scripts

What kind of Investor are you?

Knowledge and Expertise : Fundamental Analysis, Technical Analysis

Willing to invest your time, What else could you be doing with your time?

Difference between Trading and Investing

Risk Appetite - Capacity to Absorb Market Volatility, how do you handle it?

Mutual Funds

Mutual Fund is an Investment vehicle where many investors pool their money to earn returns over a period of time..

Benefits : Professional Expertise, Managed by experts- fund managers for a fee, Regulated Market, Returns, Liquidity, Diversification, Tax Benefits

Based on Asset Class:

Equity Funds : Portfolio of Stocks , Large Cap, Small cap, Theme Specific, Index Based (Exchange Traded Funds)

Debt Funds : Government Securities and Corporate Bonds

Liquid Funds : Money Market Instruments

Hybrid/ Balanced Funds : Equity and Debt

Based on Structure : Open Ended ; Closed Ended

Based on Investment Objective : Growth (Capital Appreciation), Income, Liquid, Tax Saving

Mutual Funds are subject to Market Risks. Please read the offer document before investing

Mutual Funds

Systematic Investment Plan (Power of Compounding)

- Small Amount, As low as Rs. 500
- Disciplined Approach
- Rupee / Dollar Cost Averaging

Systematic Transfer Plan (Channel Lump sum Investments)

Systematic Withdrawal Plan - A way to generate regular income

Diversification

- Across Asset Classes
- Across Within Instruments
- Across Time Horizon (Liquidity)

Why?

- Call on Economy - Symbol of the Growth of the Country
- Support the Employment, Industries
- You are growing along with the economy
- Absorb Risk (Something is falling and Something is gaining) Allows you to absorb volatility, Fall less, Live to fight another day.



Key Principles to Remember While Investing

Know Yourself

Save Before You Spend

Stay Low on Debts

Start Early ; Start Now (Power of Compounding)

Long Term View (Regular Discipline)

Diversify (Asset Allocation)

Keep Learning, Make Informed Choices and Take Advice

Thank You!