

# Bas Itna Hi Chahiye!!!



SMALL INVESTMENT TO FULFILL OUR FINANCIAL GOALS...



FULFILL YOUR GOALS IN LIFE...

It is sensible to save money for family's financial goals and keep them financially secure. The negative effects of inflation will hardly leave us with anything in the end if we choose to save money in bank deposits or any other saving instruments that offers very less returns\*, while an investment with good returns will keep us financially secure. By investing our savings, in the right asset class for long term, we can ensure financial security for the future of our Family.







**FULFILL YOUR GOALS IN LIFE...**

**REAP "THE BENEFIT OF COMPOUNDING" THROUGH SIP**

# INFLATION

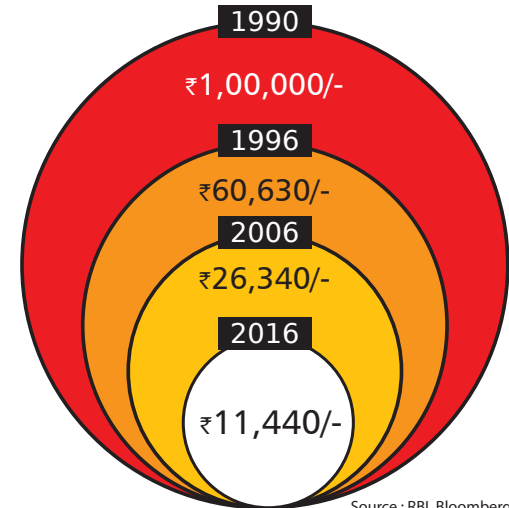
## THE BIGGEST HURDLE IN YOUR FINANCIAL GOALS ACHIEVEMENT

As per RBI estimates WPI inflation has grown by 6.8% in the last 30 years

				
	GOLD <sup>^</sup>	PETROL <sup>*</sup>	DIESEL <sup>*</sup>	MILK <sup>*</sup>
1990	₹ 3,200	₹ 9.84	₹ 4.08	₹ 6.00
2003	₹ 5,600	₹ 32.49	₹ 21.21	₹ 13.00
2016	₹ 31,200	₹ 68.00	₹ 62.00	₹ 52.00
Actual Inflation	9.2%	7.7%	11.0%	8.8%

<sup>^</sup>Rate per 10 gm, <sup>\*</sup>Rate per liter

How Inflation is eating your Money



Source : RBI, Bloomberg, Internal

Reduced value of money @ 8% inflation p.a.



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# INFLATION

## HOUSE HOLD EXPENSE

2005	2015	2025*
₹15,000/-	₹25,000/-	₹54,000/-

## HIGHER EDUCATION

2005	2015	2025*
₹3.16 lacs	₹14.45 lacs	₹32 lacs

Fees of PGDBM in IIM - Ahmedabad

## MARRIAGE COST

2005	2015	2025*
₹4-5 lacs	₹10-12 lacs	₹22-26 lacs

\*Cost in the year 2025 assumed at 8% inflation p.a. on 2015 prices



FULFILL YOUR GOALS IN LIFE...

# THE RIGHT WAY

SIMPLE, SMART & TIME TESTED  
FORMULA TO ACHIEVE GOALS

START EARLY

+

INVEST IN RIGHT ASSET CLASS

+

SAVE REGULARLY

=

# GOAL ACHIEVEMENT

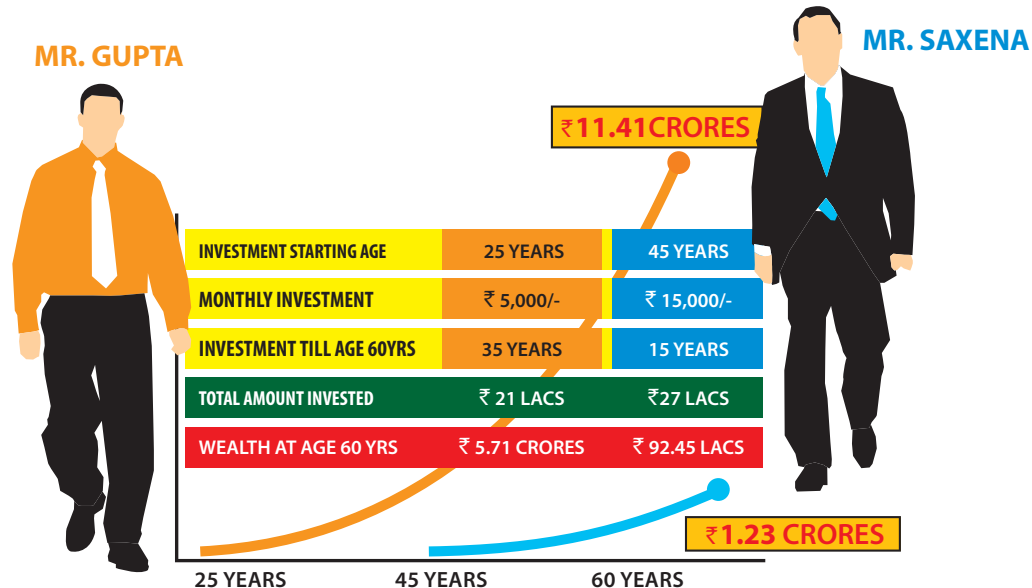


FULFILL YOUR GOALS IN LIFE...

# START EARLY

## GIVE TIME TO YOUR INVESTMENT RATHER THAN TIMING AND BENEFIT FROM THE 'POWER OF COMPOUNDING'

Systematic investing has a compounding effect on your investments. In the long term, an investment as low as ₹ 10,000/- per month swells up into a huge corpus. This can be best explained by the following graph. The graph shows advantages of starting early. If an investor starts early, even with lower invested amount he can create a large corpus.



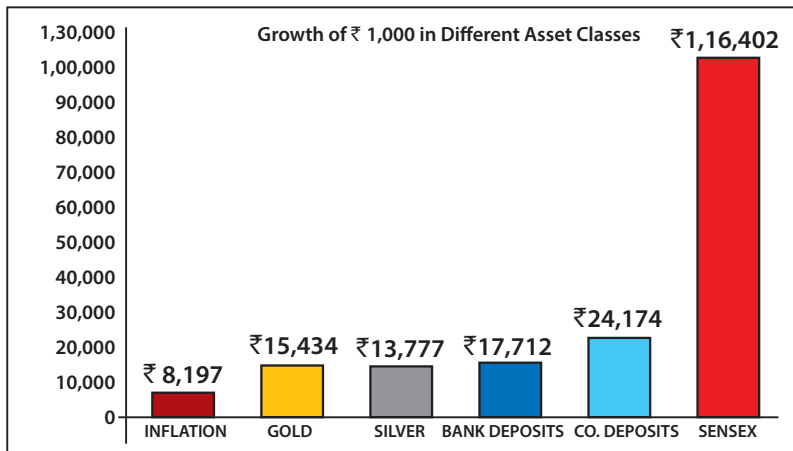
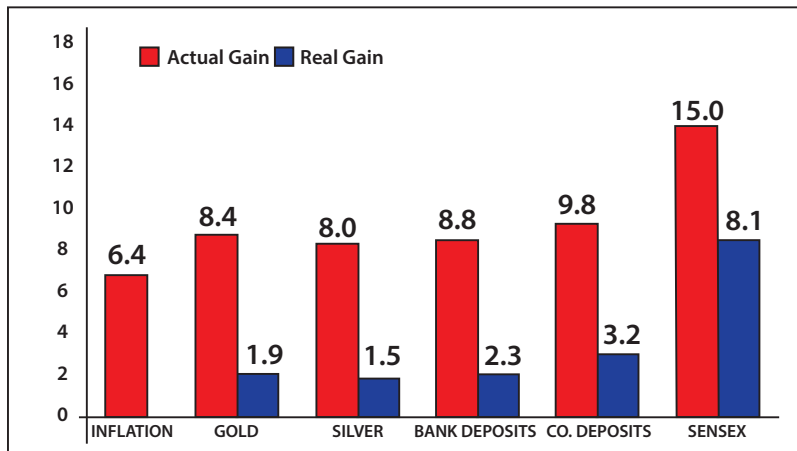
The above example is merely an illustration to explain the benefit of investing at an early age. Returns are assumed at 15% CAGR. Assumed that SIP investment are done regularly every month. No guarantee or assurance of return is being offered by any mutual fund or NJ. The actual result may vary from depicted results depending on scheme selected.



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# RIGHT ASSET CLASS

## EQUITY MARKET HAS OUTPERFORMED ALL OTHER INVESTMENT AVENUES



### Growth in Different Asset Classes from March - 1981 to March - 2016

Source: Gold-Handbook of Statistics on Indian Economy, RBI. Silver - Handbook of Statistics on Indian Economy, RBI. Sensex - www.bseindia.com, Co Deposits - assumed (1% higher than Bank FD Rate). Bank Deposits - Handbook of Statistics on Indian Economy, RBI. Inflation(WPI) - Handbook of Statistics on Indian Economy, RBI

It is evident from the graph that in the long term, equity investments have outperformed other investment avenues and has beaten inflation by a huge margin.

Equity mutual funds over a long-term horizon offer better risk-return pay off

+

Liquidity, Transparency and Convenience



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# INVEST REGULARLY

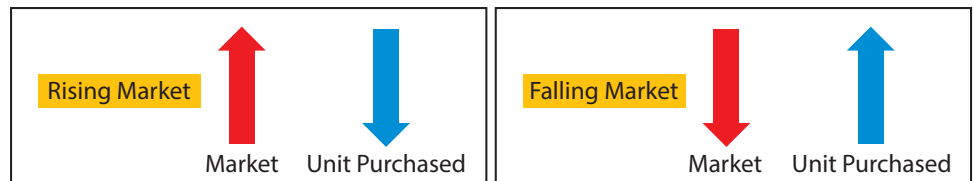
## DISCIPLINED INVESTING THROUGH SIP

Every investor dreams of buying at a low price and selling at a higher price. But, how does one know whether any given time is the right time to buy or sell? Many retail investors try to judge the market movements and end - up losing their money in the long term.

A more successful strategy is 'Rupee Cost Averaging' wherein you invest a fixed amount regularly. Thus you purchase more when the prices are low and purchase less when prices are high. SIP investments takes advantage of this strategy.

Month	NAV (₹)	Mr. SIP investor		Mr. One Time Investor	
		Amount Invested (₹)	Units Bought	Amount Invested (₹)	Units Bought
1	10	1000	100.00	4000	400
2	8	1000	125.00	0	0
3	9	1000	111.11	0	0
4	11	1000	90.91	0	0
Total units accumulated		427.02		400	
Value of investment (₹)		4697.22 @ NAV ₹11		4400 @ NAV ₹11	
Avg. price / unit		9.36		10	

The above example is merely an illustration of 'Rupee Cost Averaging'. The NAVs and returns generated are purely indicative and do not depict the performance of any mutual fund scheme. The actual results may vary from the depicted figures. No guarantee or assurance of return is being offered by the Mutual Fund or NJ.



SYSTEMATIC INVESTMENT PLAN (SIP) AN IDEAL WAY TO REDUCE RISK

AVERAGE COST PER UNIT < AVERAGE PURCHASE PRICE PER UNIT



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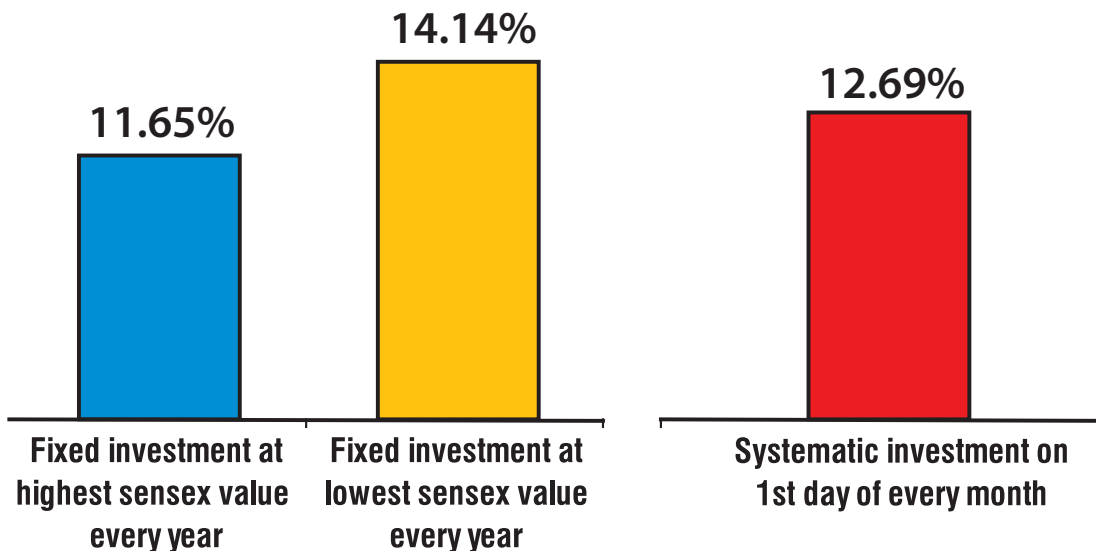


# TIME IS IMPORTANT

MARKET TIMING DOES NOT MATTER OVER THE LONG TERM

"Best market timing (almost impossible) has yielded less than 2% additional return than systematic investment. Time to go systematic."

## INVESTING IN THE BSE SENSEX - 28 YEARS



Period from January 1988 to September 2016

Data source: [www.bseindia.com](http://www.bseindia.com); capital market



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# SENSEX RETURNS

YEAR	SENSEX	INVESTMENT
1979	100	₹1,00,000
2016	27866	₹2,78,66,000

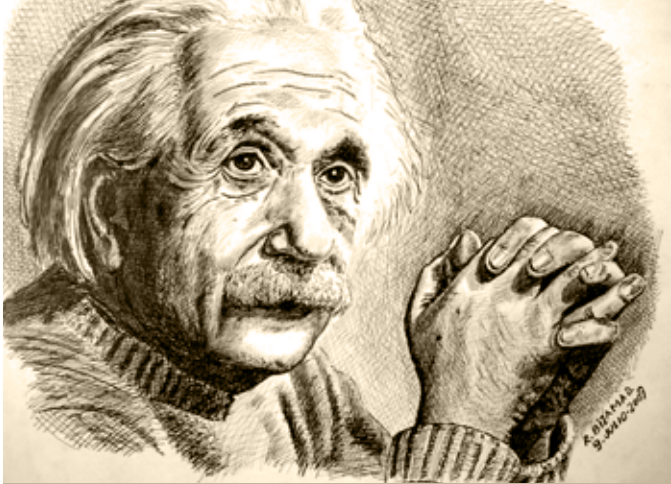
\*As on 30 Sep 2016

IN PAST 36 YEARS BSE SENSEX  
HAS GIVEN **16.20%** RETURNS



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# POWER OF COMPOUNDING



Albert Einstein once noted that the most powerful force in the universe was the principle of compounding. In investing, this manifests itself through something called compound interest. Put in its simplest terms, the phrase compound interest means that you begin to earn interest income on your interest income, resulting in your money growing at an ever-accelerating rate.

DO YOU KNOW?

At the Rate of 15% Compounding  
what will be the value of

₹ 1/-

After 5 years

After 10 years

₹ 2/-

₹ 4/-

After 15 years

After 30 years

₹ 8/-

₹ 64/-

Give maximum TIME to  
your investment to get most of  
POWER OF COMPOUNDING



FULFILL YOUR GOALS IN LIFE...

# SYSTEMATIC INVESTMENT PLAN (SIP)

**Systematic Investment Plan (SIP)** is a tool that allows you to invest in mutual funds through small, periodic instalments.

SIPs help you set aside a fixed amount every month for investments thus contributing towards your goals. For Investment purpose, we often wait to collect a large amount of money and investment it all at once. Through **SIP** you can start with smaller amount on a monthly basis and create wealth over the long term.



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# BENEFITS OF SIP

- ▶ Imparts financial discipline to life
- ▶ Invest irrespective of market conditions
- ▶ Cost averaging helps neutralise market volatility
- ▶ Get benefit of “Power of Compounding”

Each Drop of Water is essential to make a Mighty Ocean. Every Rupee Saved is a Rupee Earned to Secure the Future.



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# SIP PERFORMANCE

## EQUITY NOT RISKY IN LONG TERM PERFORMANCE OF SIP IN DIVERSIFIED EQUITY MF SCHEMES

15 yrs Performance Returns on ₹10,000 invested per month	
Category	CAGR (%)
Avg of MF Schemes	19.30%
Sensex	13.44%

**Current Value (₹)**  
**89,90,370\***  
**53,85,390**

(Total number of schemes covered : 33, Returns as on 30 Sep, 2016  
SIP Amount of ₹10,000 per month. Total investment ₹18 Lacs)

<b>SIP ₹10,000/- PER MONTH</b> <b>INVESTED ₹ 18 LACS</b>	<b>CURRENT VALUE</b> <b>₹ 89.90* LACS</b>
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\*Returns as on 30 Sep, 2016. For Schemes with dividend option, dividend reinvestment has been considered on the date of dividend. Investment assumed to be done on 10th of every month. Source: Internal

There are 33 equity funds, which have completed 15 years, the average SIP return of 33 diversified equity funds is 19.30% over last 15 years. So someone who had started with SIP of ₹10,000 in Oct 2001, has accumulated ₹89.90 Lacs as on 30th Sep, 2016. (on an investment of ₹18 Lacs over the 15 year period).



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YOU CAN DO SO MUCH THROUGH YOUR MOBILE...



NOW MANAGE YOUR WEALTH THROUGH MOBILE WITH

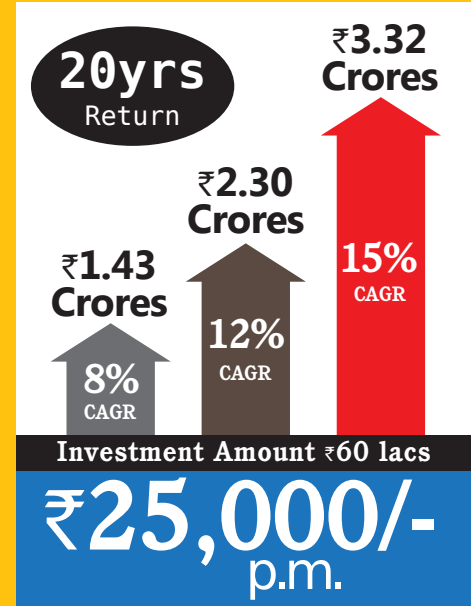
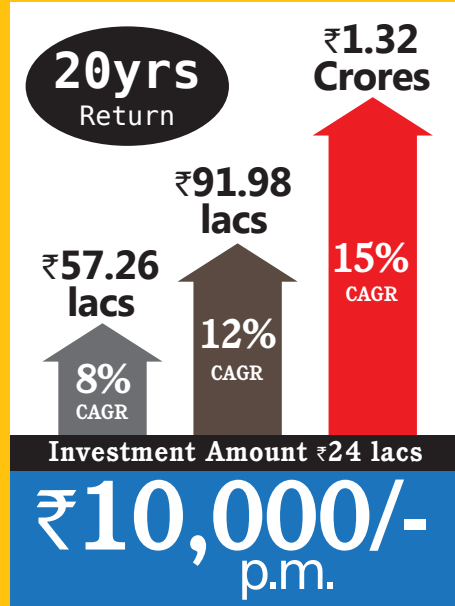
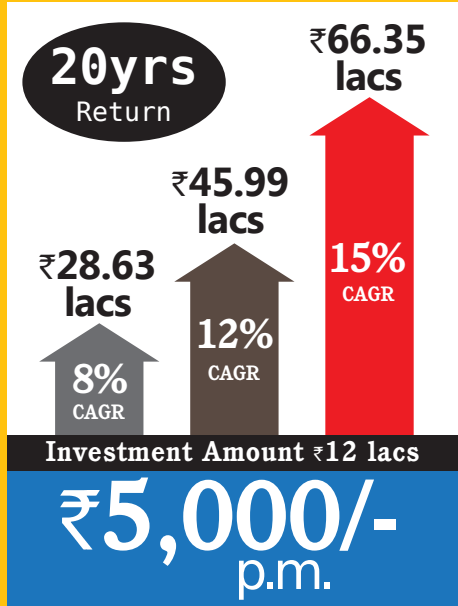


NJ E-Wealth Account is a comprehensive platform where you can view your entire wealth at a single place, be it in Mutual Funds, Direct Equity, ETFs, IPOs, Bonds together with their current valuation. Not only that you can also transact from anywhere in the world in all these products and buy, sell or switch your investments in any product simply through your computer or smart phone.



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# SIP FOR LONG TERM CAN GIVE YOU THE MAXIMUM RETURN



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**THANK  
YOU!**