

IMMUNISE YOUR CHILD'S FUTURE



Here's a handy chart that will help you immunise your child's investment future.

WHERE TO INVEST										
BEFORE BIRTH	1 MONTH	6 MONTHS	1 YEAR	3 YEARS	5 YEARS	10 YEARS	15 YEARS	21 YEARS	25 YEARS	27-30 YEARS
<p>MONTHLY INCOME PLAN (MIP): A new baby comes with additional daily expenses. MIP can come really handy. If you start while you plan for your child or before it is born, you can manage to accumulate a sizeable amount of money. Invest systematically every month until your child starts earning.</p> <p>LIQUID FUND: At the same time, prepare for emergencies, medical or otherwise. For this purpose, you can invest a small amount every month in a Liquid Fund. It can help you earn better rates than bank deposits. You can redeem a portion of this whenever required.</p> <p>SHORT-TERM DEBT FUND: Now that your hospitalisation expenses for delivery are over, it's time to start saving for your child's Kindergarten and Day care.</p> <p>BALANCED FUND: Simultaneously, start a Balanced Fund for your child's School and Junior College expenditures. Don't forget to count the tuition class fees in your calculations.</p> <p>EQUITY/INDEX FUNDS: Since this is a longer duration, take Equity exposure for 10 years. This builds wealth for your child's college education. Invest through SIP every month.</p> <p>STP TO DEBT MF: After 10 years, your priority is capital protection. Do this three years before college.</p> <p>MIX OF BLUE-CHIP FUND AND LONG-TERM DEBT FUND: Invest in a mix of Equity and Debt Funds to save for your child's wedding expenditure, which now runs into lakhs of rupees.</p> <p>GOLD ETFs: Marriages in India are incomplete without Gold. Be ready for your child's Gold needs and invest in Gold ETFs. This way, you can invest amounts as small as ₹ 500 every month.</p> <p>MULTI-CAP FUND: Your responsibilities don't end with your child. Wouldn't you want to gift your grandchild? Assuming that the rate of interest is 15%, even a monthly SIP of Rs 500 can accumulate to ₹ 7.6 lakh over a 20-year period.</p>										

HOW TO USE THIS TABLE:

- 1) Every single investment mentioned here could be conducted as a mixture of a Systematic Investment Plan (SIP) and lump sum investment. Ideally, we prefer an SIP as it reduces your monthly investment.
- 2) For each of your child's milestones like Kindergarten, School, College, etc., set a 'Goal' amount. Then calculate how much you have to invest every month using our SIP calculator online.
- 3) Create separate portfolios for each 'Goal'. This will ensure you track your investments right and don't misuse Funds earmarked for other goals.

