UTI Mutual Fund

Haq, ek behtar zindagi ka.

10 YEARS

UTI SWATANTRA

An investor education initiative

STRIKING A BALANCE

SPENDING vs INVESTING

Here are the factors that could help you strike that important balance:

Your life savings are influenced by your ability to strike a balance between spending and investing. If you learn that skill at an early age, you may end up creating wealth for yourself and your family.

TAKE NOTE OF YOUR INCOME AND EXPENDITURE

To be able to proceed towards rational spending, you must first have a thorough understanding of your sources of income and expenses. Note down ordinary as well as extraordinary expenses. While listing down your sources of income, be sure that you consider your take-home salary.

MAKE THE MOST OF OFFERS

Shopping could give you happiness, but smart shopping can give you much more. Look for offers, discounts, seasonal sales and other promotional deals. You will save a certain sum even after buying what you desire. Use that money to invest, maybe in Liquid Mutual Funds first. You can then slowly transfer the money to Equity Funds through a Systematic Transfer Plan (STP).

ANALYSE YOUR PURCHASES

Do not spend randomly. Make a list of your wants and needs and prioritise them. Carefully allocate money towards each of your needs. If you refrain from impulsive buying, you get the time to analyse if you really have to spend on your wants.

GO FOR CREDIT ONLY IF YOU CAN REPAY

Swiping your card for your expenses may seem easy. However, sooner or later, you will have to pay the amount back. Keep your credit card usage to a minimum. To avoid EMIs, start SIPs (Systematic Investment Plans). After all, saving in instalment is better than paying in instalment.

OPT FOR DELAYED GRATIFICATION

Weigh the benefits of your choices. If you skip one cup of Cappuccino from a fancy café and invest that ₹500, you can become a crorepati over time and probably own the same café some day. Mutual Fund SIPs allow you to invest with even ₹500.

*This content was created exclusively for UTI Swatantra. Visit **http://www.utiswatantra.com** for more information

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