

TEAM UP WITH THE BEST FUNDS FOR A BETTER PORTFOLIO

Selection of right players makes a successful football team. Likewise, it is important for you to select the right Mutual Fund for a better portfolio. Let us assist you in case you are off-track. Here are some pointers to watch out while selecting MF schemes.



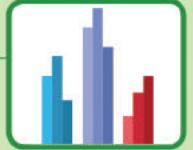
1 TAKE STOCK

Just like you first see how many players you already have, check your existing investments. How have you invested till date? If you are a beginner, you have it easier. Existing investors need to plan based on prior investments.



2 CHECK GOALS

Next, eye your trophy! List out all your goals to be achieved in chronological order along with the amount you need to fulfil that goal. This is essential to move on to the next step of deciding your investments.



3 PORTFOLIOS

Think about how you will gather the Funds to buy players. Similarly, break your goal amount with the number of years available to get your annual and monthly investment amount. This will help you figure out your required return.



4 SELECT FUND TYPE

Based on your goal duration and return, you will have to select the Fund type. Usually, opt for Equity Funds for long term goals and Balanced Funds for medium term goals. In the short term, capital protection is the priority. So opt for Debt Fund.



5 PAST RETURNS

Once you have selected the Fund type, you have to select the actual scheme. This can be done on the basis of past returns and your risk profile. The latter is because similar Funds can have different risk exposures. E.g. Sectoral Funds are riskier than Diversified Funds.



6 SIP

Next, put in place a request for Systematic Investment Plan (SIP). You may actually need more than one SIP request form to be filled. This can also be done online. Ensure the SIP duration matches your goal's duration.



KEY TAKEAWAYS:

1

Your investments depend on the current state of your finances as well as future goals.

2

Quantify your goal amount and identify your annual investment. It depends on the time too.

3

Based on the number of years and risk, you can select from Equity, Debt and Balanced MFs. Invest through SIP.