

JOURNEY2MONEY

Vol. No. 8 Issue No. 07

MUMBAI

Price Rs. 5.00

201, Sai Sadan, 76 / 78, Modi Street, Fort, Mumbai - 400 001 • Tel.: 6654 8814 / 15 • E-mail: support@journey2money.com • Web: www.journey2money.com



Vcare Investment Services Pvt. Ltd.

...We convert your money to wealth!

Modi 2.0: 40000, 45000, 50000 ++

The election results are finally out. Voters have given a strong mandate to the PM Narendra Modi led government for five more years. The strong mandate has in many ways allayed potential fears of political instability and reform slowdown. Thumping Majority: BJP on its own has won 303 seats which is 21 more than it had in 2014. It is the first time since 1984 that a party has been able to win a majority consecutively. NDA has obtained 353 seats which is 17 seats more than in 2014 (based on seats obtained by the pre-poll alliance at that time).

Continuity of Reforms:

- ❖ Rural voters seem to have reposed faith in the present government for its ability to deliver public goods more efficiently. On that line, the push for rural housing, sanitation, health and electrification is likely to continue.
- ❖ The government is also likely to boost up farm sector income and productive capabilities therefore investment in rural and irrigation infra can be expected.
- ❖ Other than that, the government seems intent on boosting its infrastructure spend. Going by the party manifesto, the government is aiming at investing US\$1 trillion to create modern infrastructure. This is likely to kick start the savings and investment cycle in the economy.
- ❖ The government is likely to continue to anchor at a 4% inflation target so as to reduce the cost of capital in the economy.

- ❖ Already hectic road construction activity is likely to pick up further pace as the BJP party manifesto aims to construct 60,000 km national highway in the next five years. Road construction was at 11km/day in 2014 to ~30 km/day in 2019 and targets for the same is 45 km/day ahead.
- ❖ Other than that, we can expect further tax reforms by push at simplification of GST and of direct taxes.
- ❖ The government is also likely to push for reforms in the banking sector & NBFCs and improve the land acquisition procedures.
- ❖ Metro rail – integral part of urban infra: With rapid urbanization and rising population, the government has been aggressively pushing metro rail network in the country.

Our Recommendation :

We believe going forward Consumption based funds, Banking & Financial Services Sector and Infrastructure Sector will do well. We suggest you to invest in Axis Multicap Fund, Edelweiss Multicap Fund, Mirae Asset Focused Fund, Axis Focused 25 Fund, etc. where allocation to Banking & Financial Services & Consumption based sectors are higher.



Piyush Desai - CEO

Happy Investing!

INDEX

EDITORIAL	Page 1
INVESTING IN SHARES (DIRECT EQUITY) V/S INVESTING IN EQUITY MUTUAL FUNDS: WHICH IS BETTER?	Page 2
3 REASONS TO NOT BUY A TERM PLAN	Page 3
SHOULD YOU HOLD YOUR MF INVESTMENTS OR CHURN THEM FREQUENTLY?	Page 3
MUTUAL FUND NEWS CORNER: MAY 2019	Page 4

We are proud to announce that we have completed 15 years in nurturing the investments of our esteemed clients. **A BIG THANK YOU** to all of you for your continued trust and support. We would love to carry on this relationship and be an integral part of your **Journey2Money for life!**

INVESTING IN SHARES (DIRECT EQUITY) V/S INVESTING IN EQUITY MUTUAL FUNDS: WHICH IS BETTER?

Hopefully, by now many of us are convinced that most of our long-term investments should be in equity. The next question to be tackled is how to do this.

For those who have never invested in equity, it's hard to know where to start. However, everyone knows there are two distinct ways of investing in equity. One is to choose direct stocks and buy and sell them yourself. The other is to invest through equity mutual funds. The final goal is the same: to benefit from the superior returns that equity investing offers.

Unless you are an expert investor, or are willing to put in the considerable amount of time and effort required to become one, it does

not make sense to invest in equities directly. Therefore, for beginners, the choice is quite straightforward: you must invest through mutual funds. I'm not saying that an individual can't be successful by investing directly. There are many who invest by themselves and get great results. However, in general, the odds are unfavorable. For every 100 who try, perhaps 5 or 10 will be successful. An even bigger problem is that even the few who succeed will probably do so only after many failures, and each of these failures will cause them some losses.

Let's analyze some facts about investing in Direct Equity Shares v/s investing through Mutual Funds:

Direct Equities

Name	Total Return 3 Years Annizd (current)	Total Return 5 Years Annizd (current)	Total Return 10 Years Annizd (current)
ITC Ltd	7.92	6.22	18.06
State Bank of India	20.40	7.28	7.38
Larsen & Toubro Ltd	17.99	9.66	10.33
Oil & Natural Gas Corp	11.17	-4.24	1.92
Bharti Airtel Ltd	3.54	2.84	-0.24
Sun Pharmaceuticals	-18.27	-7.17	13.48
Dabur India Ltd	12.09	16.95	22.45
Tata Steel Ltd.	17.40	3.31	4.26
Tata Motors Ltd.	-27.83	-15.70	10.97
Bank of Baroda	-1.99	-3.68	6.04
Punjab National Bank	0.69	-14.06	-2.10
Motherson Sumi	-2.26	6.38	28.16
Yes Bank Ltd.	-9.55	6.59	20.42
ACC Ltd	4.46	6.06	9.48

Mutual Fund Scheme

Legal Name	Total Return 3 Years Annizd (current)	Total Return 5 Years Annizd (current)	Total Return 10 Years Annizd (current)
Aditya Birla Sun Life Mid	9.57	14.14	14.72
Axis Midcap Growth	14.72	15.03	—
DSP Midcap Fund Growth	13.42	16.57	18.44
Edelweiss Mid Cap Fund	12.43	15.69	18.74
Kotak Emerging Equity	12.60	18.67	17.78
L&T Midcap Fund Growth	15.30	17.82	17.89
Canara Rebeco Emerging	16.78	20.02	21.42
DSP Equity Opportunities	13.70	14.79	14.53
Invesco India Growth	14.32	14.65	13.74
Kotak Equity Opportunities	14.45	14.98	13.74
L&T Large and Midcap	11.47	11.67	13.84
Mirae Asset Emerging	19.41	22.43	—
SBI Large & Midcap Fund	12.46	14.48	14.43
Sundaram Large and Mid	16.25	15.03	12.14

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.

Vcare Investment Services Pvt. Ltd.

For any of your requirements in:

- ❖ Mutual Funds
- ❖ Health Insurance (Mediclaime)
- ❖ Life Insurance (Term Plan)



Regd. Office: **Vcare Investment Services Pvt Ltd**
201 Sai Sadan, 76/78 Modi Street, Fort, Mumbai - 400 001
Tel.: 022 6654 8814 / 15, 4002 0893 / 94.

- ❖ Piyush Desai : 98203 00647
- ❖ Mehul Bheda : 98195 92326
- ❖ Priyesh Darbari : 99200 32541
- ❖ Bakul Mehta : 98211 23324

INVESTORS FROM VAPI / DAMAN CONTACT

Mr. Mukesh Dedhia : 94268 89416

201, Surbhi Apartment, Saikripa Society No.1,
Nani Daman, DAMAN - 396 210.

Journey2Money - Brand of Vcare Investment Services Pvt. Ltd.

Shop No. 4, Veena Sargam CHS Ltd. Near Axis Bank,
Opp. Balaji Hotel, Mahavir Nagar, Kandivali (W), Mumbai - 400067
Tel.: 022 6236 2201/02

Mr. Keyur Desai : 9833024371 • Mr. Ashish Shah : 9920990380

3 REASONS TO NOT BUY A TERM PLAN

Here's why you shouldn't buy a term plan.

Not everyone needs a term plan. You don't need to invest in good term insurance just because everybody says it's the right thing to do. Tax season may be in full swing, but that doesn't mean you are one of those people who value their hard-earned money and who want to avoid paying extra tax. A term plan might be a wise decision for those wanting to protect their financial dreams and aspirations, but you're among those who can achieve their dreams on their own, even with their low income and high financial liability situation.

So here we give you three reasons to not buy a term plan:

1. Because nothing will happen to you

Of course, you are invincible and can put a superhero to shame, right? When you're confident that nothing unfortunate can ever occur in your life that requires monetary protection, why buy a term insurance plan? You're one of those lucky individuals who get to go through life without anything tragic or unforeseen ever happen to them. So you definitely don't need to spend money on a term plan, which actually provides valuable financial protection for your family when you're gone.

Term Plan also provides protection to you in the form of cash payouts via a critical illness rider, if you're diagnosed with a major illness like organ failure, cancer or a heart attack. Even if you believe that cancer can never affect you, a critical illness can very quickly dry out your finances in an unprecedented way. Medical bills may mount up and you may be the sole breadwinner of the family, but since you're invincible you have absolutely nothing to worry about, right?

2. You can afford higher insurance premiums

Since you're already a superhero and can see yourself through any adversity, it goes without saying that having to pay a low premium for significant amount of coverage is not something that is likely to interest you. A term plan offers high coverage for a lower premium than most other insurance policies. In fact, the younger you are the lower your premium is going to be. But clearly you're someone who can afford to splurge on high insurance premiums and utilize a sizeable chunk of wealth you've accumulated for yourself.

3. You dislike tax saving

Yes, tax saving is a rather trivial affair, isn't it? Though you may be aware that a term plan offers you robust tax benefits under Section 80C of the Indian Income Tax Act, 1961, you don't want to avail of these benefits because you're a model citizen who wishes to pay extra taxes on his/her salary. So yes, even if a term plan offers you the golden chance to secure your loved ones' future by paying a nominal premium, you don't want to take advantage of it because you're immortal.

In all seriousness, however, term plans are a necessary component of your financial planning if you're a mere mortal like the rest of us. Term plans are insurance products in the purest form and it provides flexible and customizable products to keep your loved ones secure.

Safeguarding your loan liabilities and your family's financial future is one of the best decisions you could make.

FOR TERM PLAN DETAILS:

CONTACT MR. MEHUL BHEDA : 98195 92326

SHOULD YOU HOLD YOUR MF INVESTMENTS OR CHURN THEM FREQUENTLY?

Imagine you decide to drive up from Mumbai to Leh. You get in the car and switch on the GPS. Along the way you find a lot of traffic but there's another route that is lighter. You take a U turn and get on that but a while later there are a lot of cars here too and you take a break until the traffic eases. A few hours later you check the GPS, find that another route is moving faster and head there.

We could go on and on but the point is: will you get anywhere close to Leh at this rate?

Now, you might say you would never do something this ridiculous. But that is what we do with our mutual fund investments. **When one fund is underperforming, we sell it and move the money into another fund or park it in the account until something better comes up. And when a fund performs well, we feel we should book profits and reinvest**

the profits in another fund.

These might be viable strategies, subject to advisor guidance, for equity. However, mutual funds are professionally-managed investment funds that pools money from many investors.

The fund management team is not just responsible for selecting the stocks but is also accountable and so would buy/hold/sell the stock basis their reading of the market. They are experts who are far more informed and experienced.

And it is the work of a professional financial advisory firm like Vcare to keep an eye on these funds and the team behind them. We ensure that we select the best, basis your short and long term objectives and your risk appetite. But, once we do that, all you must do is keep an eye on the route from time to time and don't forget to keep refueling. Other than that, sit back, enjoy the ride.

MUTUAL FUND NEWS CORNER: MAY 2019

- ❖ IDFC MF lifts limitation of Rs. 2 lakh from IDFC Focused Equity Fund
In 2017, the fund house suspended lumpsum investment of over Rs. 2 lakh from the scheme citing overvaluation.
- ❖ Election results 2019: Brace yourself for a very good rally for next 18-24 months: Sunil Subramaniam, Sundaram Mutual Fund.
- ❖ Reliance Capital to exit mutual fund business, sell entire stake in Reliance Nippon Life. AMC Japan's Nippon Life to increase its stake to 75% in Reliance Nippon Life AMC.
- ❖ Fund Manager change in schemes of Reliance Mutual Fund with effect from 20th May - Reliance Vision existing FM: Ashwani Kumar; New FM: Meenakshi Dawar & Sanjay Doshi.
- ❖ Reliance Growth existing FM: Dhruvil Shah & Manish Gunwani; New FM: Dhruvil Shah, Manish Gunwani & Tejas Sheth.
- ❖ Unmasked Aadhaar is not a valid KYC proof. KRAs reject Aadhaar proof if the first 8 digits of the number are not masked properly.
- ❖ DSP Mutual Fund launches DSP Quant Fund: NFO Period 20th May - 3rd June 19. Distributors drive mutual fund SIP story - 88% of the SIP contribution in March 2019 came from regular plans. Mutual Fund has now become an industry with Rs. 25 lakh crore AUM.
- ❖ 91% of direct plan investors discontinue their SIPs within 5 years. Overall, 18% of the industry's SIP AUM has been invested for more than 5 years.
- ❖ UTI Mutual Fund has proposed to change the name of their UTI India Lifestyle Fund to UTI India Consumer Fund with effect from 10th May 2019.
- ❖ Edelweiss Mutual Fund has decided to change the fund manager of Edelweiss Long Term Equity Fund (Tax Savings) with effect from 30th April 2019. Existing FM: Harshad Patwardhan; New FM: Harsh Kothari & Pratik Dharmshi.




Plan

**a destination wedding
for your little angel!**

START INVESTING NOW



POSTAL REG. No. MCS/098/2018-20
Posted at Mumbai Patrika Channel Sorting Office
on 5th & 6th of Every Month.

From : VCARE INVESTMENT SERVICES PVT. LTD.
201, Sai Sadan, 76/78, Modi Street, Fort, Mumbai-400 001 • Tel.: 6654 8814/15
E-mail: support@journey2money.com • Web: www.journey2money.com

Disclaimer: All possibility efforts have been taken made to present factually correct data. However, the publication is not responsible, if despite this, error may have crept in inadvertently or through oversight. This bulletin has been prepared by vcare investment services pvt. ltd. and is meant for use by the recipient and not for circulation. It should not be considered to be taken as an offer to sell or a solicitation to buy any security. All investments are subject to the financial and other details provided by the Company or Government Body or Post Office or AMC etc., to be fully understood and read by the investor before investing and we as a publisher shall not be responsible in any manner whatsoever. Insurance is a subject matter of solicitation.

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.