



#BQMutualFundShow: What Women Should Consider While Investing In Mutual Funds

by Niraj Shah
@_nirajshah

Updated on August 26, 2017, 4:06 pm
Published on August 26, 2017, 4:06 pm



BloombergQuint

Here are edited excerpts from the conversation.

Q : What are the fund options for a woman investor who has a steady stream of income and expenses and who may be therefore a bit more conservative and also for a homemaker who doesn't have a steady flow of income?

A : Shalini Dhawan: There are many fund options. For a salaried woman, she could take a balanced fund or a hybrid fund option with an SIP within that, where if she is investing Rs

100 then Rs 65 goes into the equity market and Rs 35 goes into the fixed income segment.

She could look at an SIP within that.

Based on our research and long-term experience of suggesting to clients, there is an HDFC Balanced Fund which has a good track record. We also have balanced fund in the Birla AMC, Birla Balance 95 is also a good option. While suggesting funds we also keep in mind that there has to be a long-term track record that a particular scheme has shown because that instills confidence in someone who is looking at mutual funds for the first time.

If we shift to the homemaker scenario, she could look at balanced funds but I would suggest a liquid or a debt option. Because she could be doing a recurring deposit or a bank fixed deposit and is comfortable with a straight-line investing method. So, it could be easier to explain to her a debt fund and systematic investment in a debt fund because in likeness it's close to an RD. That could be one difference. Probably take a span of six months or a year before you graduate a homemaker to the next set such as a hybrid fund rather than going for a diversified or equity-oriented fund.

Q : If a homemaker woman wants to buy a piece of jewellery five years down the line and if she can borrow the money from her husband, then what should she do?

A : Shalini Dhawan: If she can borrow money from her husband and get into a gold SIP which are available from mutual funds today which are gold savings fund. They take your money and invest it into a gold ETF or in physical gold and therefore you do not have to put a lump sum. You can invest every month in a five-year horizon. Investing in a gold fund is exactly like saving to buy a piece of jewellery. The corpus that she is generating will be very much line in with which she is hoping to end up with. So, that is the choice. One name is the Reliance Gold Savings which invests in Reliance Gold ETFs which is originally the benchmark BeES now bought over by Reliance.

BloombergQuint

Stay Updated With [Markets News](#) On BloombergQuint