

Planning to start SIP to buy a house in Bangalore? Experts offer help

By Surbhi Khanna, Published on 2nd May 2025



Three Reddit users in the mutual fund community have sparked an online debate with starting their mutual fund investments of which two have a financial goal of buying an apartment in Bangalore within the next 5-10 years.

Out of these three users, two are above 30 years of age whereas one is 23 years old who has planned to start investment in two flexi cap funds - Parag Parikh Flexi Cap Fund and HDFC Flexi Cap Fund.

Many users suggested investing in Nifty based index funds, balanced advantage funds, and to add gold funds as well. ETMutualFunds reached out to a few experts who offered help for the first time investors.

Vishal Dhawan, CEO, Plan Ahead Wealth Advisors, a wealth management firm in Mumbai.

To the first time or to young investors, Dhawan recommends that equity-oriented mutual funds could be a good asset for investment as they can benefit from compounding and at the same time gold should make up a certain portion of their investment, with a view to reducing portfolio volatility with low correlation with other asset classes.

“The allocation of gold can increase or decrease to a certain extent based on the key factors that affect gold and mutual funds,” he recommended.

Sagar Shinde, VP of Research at Fisdor

Shinde recommended that to begin their journey, new investors can even start with hybrid funds — which invest in both equities and debt — offering a more balanced, less volatile experience.

He explained that SIPs (Systematic Investment Plans) in such funds help in developing a disciplined investment habit and gold, while a good hedge, should form only about 10–15% of the portfolio for diversification purposes, rather than being the primary investment choice.

Chethan Shenoy, Director and Head - Product & Research of Anand Rathi Wealth Limited

“For first-time or new investors, the first step would be to figure out your goals and investment horizon. Understand your risk and return objectives and then pick an appropriate asset allocation strategy to be followed in accordance with your risk and return appetite. A mix of equity and debt in the right proportions would be ideal, as they have low correlation with each other and provide portfolio diversification benefits,” Shenoy recommended.

One should always make an investment decision based on investment horizon, risk appetite, and goals.