

Financial planning chat with Abhinav Angirish



Are you at a loss while planning your finances? Do you find it difficult to save money?

Are you aware of the investment options available in the market? Do you know how to invest smartly, even with little money?

Should you buy mutual funds? Are they a profitable investment option? When and how should one buy mutual funds?

Talk to personal finance expert **Abhinav Angirish** on **Tuesday, December 22, 4 p.m.**, to get answers to your queries.

Abhinav Angirish - www.InvestOnline.in says, Hello, This is Abhinav Angirish, MD, Abchlor Investments - www.InvestOnline.in. Happy to answer any questions pertaining to Financial Investments & Planning.

ball asked, which is better dsp top 100 or dsp tiger fund .I have a time horizon of 2 yrs

Abhinav Angirish - www.InvestOnline.in answers, TIGER is a sector fund (Infrastructure). For 2 yrs, I would suggest the larg cap, top 100.

ball asked, i want to know prospects of relianc eregular savings fund and birla sunlife frontline equity fund. I am investing in them for last i yr through sip

Abhinav Angirish - www.InvestOnline.in answers, I assume it is the equity option of reliance savings. Both your fund are extremely well performing and I suggest to continue your investments in both.

cfp asked, Good Afternoon to you Mr. Abhinav. I am 29 and earning 33k pm. I have invested in MFs and PPF. Is it wise to invest in NPS?

Abhinav Angirish - www.InvestOnline.in answers, You are very young. You can afford to take higher risks. Look at equity funds thru SIP. Keep adding as much as you can. If you want, you can look at 10% allocation to pension.

sharma asked, hi, I'm looking for saving my tax by investing in Tax saving mutual funds. Please suggest few best performing tax saving mutual funds.

Abhinav Angirish - www.InvestOnline.in answers, HSBC Tax, Sundaram Tax Saver, Kotak Tax, Birla Tax Relief.

Kiran asked, Abhinav, Considering that I am pretty disciplined in my savings, I always thought Term Insurance policy + Tax saving MFs are better than ULIP's. Am I missing any point here?

Abhinav Angirish - www.InvestOnline.in answers, Bang on! You have the perfect strategy. Tax Saving MFs are nothing but equity funds with a lock-in for 3 years. Stay invested as long as you can!

vinod pawar asked, I've 100% units allocated to growth for my ULIP, do you think I should switch it to debts and once market corrects then switch them back to growth?

Abhinav Angirish - www.InvestOnline.in answers, Please avoid trading in ULIPs as it is difficult to time them. I assume that these have been invested for 8-10 years considering that it is an Insurance product. DONT TRY TO TIME THE UPS and DOWNS

mangesh asked, how beneficial it is to stay invested in stock market for period of five years from now

Abhinav Angirish - www.InvestOnline.in answers, 5 years as a strategy is always a great time to stay invested at any given time.

ball asked, hi, is tipp gud 4 retiremt planning. i can inveest upto 2,000 pm through sip

Abhinav Angirish - www.InvestOnline.in answers, TIPP is nothing but a hybrid debt fund. Which means more exposure to debt (abt 60-65%) and balance in equity. If you are over 45 and plan to retire in the next 10 years thestick with this fund. But if you have over 15 years, invest in a equity diversifed FUND thru SIP.

advise asked, Dear Abhinav,I have SIP's in 1)Rel RSF-Grth=5000,2)Sundaram select focus-5000,3)ICICI Pru Infra-5000,4)HDFC Top200=5000 and invested in Rel.growth,franklin bluechip,ICICI Pru dynamic fund,Fidelity intl.oppor.,ICICI Service industries.Please comment if at all any change shd. be done in these.I would like to start SIP of 5000 more ,suggest any good fund keeping my above portfolio in thought,what abt.Principal emerging Bluechip and HDFC Equity fund ?Please help.

Abhinav Angirish - www.InvestOnline.in answers, Hi! All you funds are good except fidelity. We recommend an exit in fidelity. Park the same as a STP (Systematic Transfer Plan) for HDFC Equity. Pricipal Emerging Bluechip should be your new one. It has given great returns in the last one year and looks promising going forward

saleem asked, Hi, I want to invest in SIP for at least Rs. 1000. Which is the best SIP available now?

Abhinav Angirish - www.InvestOnline.in answers, Pls look at Reliance Growth Fund or Reliance Reg Savings Fund - Equity Plan.

sanjib asked, hi abhinav, is there any Plan which gives an assured amount with high interest.

Abhinav Angirish - www.InvestOnline.in answers, WOUld'nt everyone love a productlike this? Fixed HIGH returns. But, you can look at Debt products which give better returns than banks. Though they are not assured but once look at the investment structure and decide.

av8478 asked, hello i want to know tht a fresher can invest wht amount to enter in share market

Abhinav Angirish - www.InvestOnline.in answers, This will depend on your available cash flow and risk taking ability. We always suggest that freshers should rely on experts for equities to start with. MFs is the best way to start. Once you get the flavor of equities and understand it, you can look at direct equity.

kb asked, what is the best tax saving scheme right now?

Abhinav Angirish - www.InvestOnline.in answers, We are recommending HSBC Tax Saver and Sundaram Tax saver. Note that these are under the equity cloud.

rajin asked, I have a equity pf of Rs 1,00,000/-. How to build a debt portfolio to support equity portfolio. I am 26 yrs old.

Abhinav Angirish - www.InvestOnline.in answers, If possible, try to have an equal hedge over a period of time and look at a fixed return instrument. This would balance it. If you want a complete hedge then you need to invest a much higher amount in debt to cover up the losses in equity.

sidlunde asked, What market funds do u suggest one can invest in

Abhinav Angirish - www.InvestOnline.in answers, HDFC top 200, Birla SL Frontline Equity, Rel. Growth for equities. FOR debt, you must look at Flatinf rate or Short Term funds.

sudarsh asked, Lets say I intend to retire tomorrow and my current monthly expenses are about 40-50K. How much money do I need as savings to keep up to that kind of monthly expenses for the next 20 years considering inflation at 8-10%?

Abhinav Angirish - www.InvestOnline.in answers, HI! Broadly, you will need atleast corpus 1.85 cr in afixed instrument yielding 8%+.

DEBASIS asked, Should I buy mutual funds? Are they a profitable investment option? When and how should one buy mutual funds?

Abhinav Angirish - www.InvestOnline.in answers, Sure you must. This is best and cheapest way to take exposure in

market linked securities. Please visit our website, www.investonline.in for free registration and also look up the DEMO and link called 'What are Mutual Funds'

aa asked, HI ABHINAV, WHICH FUND IS BEST TO INVEST IN:- 1.HDFC TOP 200 2.PRINCIPAL LARGE CAP 3.ICICI FOCUSED EQUITY. I can invest for long term.

Abhinav Angirish - www.InvestOnline.in answers, Among the three, We recommend HFDC Top 200 considering the age / size and long term returns that the fund has delivered.

Puran asked, Hi which is the best life insurance for me to give best result after 16 years. my age is 30 yrs.

Abhinav Angirish - www.InvestOnline.in answers, We have always recommended TERM PLans for Insurance. Please treat Insurance as a RISK COVER and not an investment. There are better and much cheaper investment options to invest like MFs.

srinivas asked, i want invest Rs 70000 for tax saving this FY. Can u guide me. Srinivas

Abhinav Angirish - www.InvestOnline.in answers, Please invest in ELSS Schemes provided by almost all Fund Houses.

shyam asked, What stocks do you recommend at present levels for investing

Abhinav Angirish - www.InvestOnline.in answers, We are taking exposure and recommend only Large caps for liquidity reasons. Also, markets have had a good run up recently. Large caps would be safer bet. RIL, BHEL, L&T, Infy

VEENU asked, if i want to invest rs. 40000 every month for the next 1-1.5 years, what as per you is the best investment?

Abhinav Angirish - www.InvestOnline.in answers, 1.5 yrs is too short for Equities. Please look at short term or Floating rate Debt FUNds. If you can invest for 3 years and over, SIP..... SIP..... SIP. This is the best way. Look at how much maximum you can invest in SIPs.

Rajesh asked, Hello Sir, I have invested some money in DSP Blackrock Technology.com, How is this fund? does it good for long term investment.(3Yrs Horizon)

Abhinav Angirish - www.InvestOnline.in answers, It is a great fund with 96% last 1 year returns. Pls hold on to it. Though it is a sector fund, it is prone to high risk. As long as you do not cross 15% of your total portfolio, hold on to it.

shyam asked, How to trade niftybees, can we trade them online (Intraday) and how much quantity one has to buy

Abhinav Angirish - www.InvestOnline.in answers, Intraday, delivery all is allowed. Minimum qty is 1.

rp asked, hi Abhinav, what is better, to return the home loan or invest in equity. I am in 30% tax bracket no financial liability for next 5 year except home lone.

Abhinav Angirish - www.InvestOnline.in answers, It is always nice to see that equities are going such fantastic returns over the last 5 years and home loans are close to record low rates. However, we always recommend to avoid leverage investing. Always, clear your liabilities, do not carry debt burden. Then invest the balance or surplus in equities. Atleast, it will give you a 'good night' sleep!

sssss asked, Pls suggest some good ULIPs

Abhinav Angirish - www.InvestOnline.in answers, This is a very broad question. Please look at schemes of Birla SL Insurance. DREAM PLAN, Classic Life Premier. They are one of the best in the industry.

Gautam asked, What's the danger of using a market timing strategy?

Abhinav Angirish - www.InvestOnline.in answers, How does one time it? We have to be an astrologer to do so.... That's the BIGGEST RISK!! Look at SIPs if you want to avoid timing it. NOONE can time it!

shyam asked, What stocks do you recommend at present levels for investing

Abhinav Angirish - www.InvestOnline.in answers, Please look at only large caps at this time and only if you feel that the valuation is attractive. Look at banks, FMCG sector

sat asked, Is any tax implication if ULIP is surrendered after completing years?

Abhinav Angirish - www.InvestOnline.in answers, You are liable to pay surrender charges which are pretty high in nature. It is tax free from the date of investment as under section 10 (10)d, premium should be 20% of the sum assured to make it tax free.

raju asked, Is this a right time to construct a house with available money and remaining by bank loan

Abhinav Angirish - www.InvestOnline.in answers, Yes. You can buy online through the exchange (Nifty) for intraday or delivery and can be bought in multiples of 1.

SANKalp asked, Investment in properties is always a best option, WHAT YOU THINK ????

Abhinav Angirish - www.InvestOnline.in answers, Real Estate, Equities, Debt etc are all different classes with each one having their individual risks and rewards. One must strictly follow their asset allocation based on their risk profile. Real Estate investments are non liquid and high capital requirements which one must remember.

shyam asked, do you see inflation rising from here on

Abhinav Angirish - www.InvestOnline.in answers, Yes. You can see inflation touching 6.5-7% in the next 3 months.

JKV asked, HI ABHINAV I AM INVESTING THROUGH SIP IN HDFC TOP 200, DSPBR TOP 100, RELIANCE GORWTH, BSL MID CAP, MAGNUM CONTRA AND KOTAK - 30. MY GOAL IS TO CREATE WEALTH IN LONG TERM. HOW DO YOU RATE MY FUND SELECTION, SOL. BSL MID CAP. THANKS

Abhinav Angirish - www.InvestOnline.in answers, Hi! I would rate the selection as foll: 1. HDFC Top 200 2. Rel. Growth Fund 3. Birla S Midcap 4. Kotak K 30 5. DSO Top 100 6. Magnum Contra

u asked, HI, I have invested in the following MF fund, pls suggest if any changes: 1)Reliance Growth-Growth 2)Sundaram P Mid Cap growth 3)HDFC Equity-Growth 3)Franklini india Prima plus 4)ICICI Infra 5)Reliance Vision 6)Reliance power I am planning to start SIP, can i start among the above listed MF. Kindly suggest if any changes.

Abhinav Angirish - www.InvestOnline.in answers, You are in a good set of funds. I hope they are and will be held for long. Rel Power is a high beta fund as it is a sector specific. It is also a good fund for SIP. Other funds are primarily diversified equity. You can also have SIP started in these. SIP in sectors specific funds like Rel Power should not be over 15% to avoid sector correction effect on your portfolio.

shyam asked, with the dollar index rising, do you find our stock market will go under correction upto 15000 at least

Abhinav Angirish - www.InvestOnline.in answers, Sure. Dollar gaining heat will effect the indices. Talking abt levels, we dont specify as a policy. But at any time, you should be ready to witness upto 20% correction in markets.

dk asked, I have 1lakh rupee which i can invest for a period of 20yrs. Pls suggest where should i invest.

Abhinav Angirish - www.InvestOnline.in answers, Firstly, I must say that your horizon for investment is fantastic! You can look at an equal split between a large cap and midcap fund. Look at the Birla SL Frontline Equity Fund, HDFC Equity Fund & Sundaram Select Midcap Fund.

shyam asked, do you find gold as an attractive investment at present levels

Abhinav Angirish - www.InvestOnline.in answers, Gold is always a hedge against inflation. However, since the past few years, lot of hedge funds, investors have started trading in gold which has become one of the largest traded commodities. This has made it expensive in a very short period. Ab Abchlor, we believe that in the short term gold will correct but in the long term it is a great bet!

moloy asked, how safe is it to invest in MFs now?

Abhinav Angirish - www.InvestOnline.in answers, Hello moloy, Investments in MFs are subject to market risks as they fluctuate with the movements of the underlined security like Money Market or Equities. However, if you are referring to Equities, most of the top performing funds, have performed and beaten their benchmarks exceptionally well. What one needs to understand is that he/she needs to be invested for the long term. 3-5 years is what we recommend.

Abhinav Angirish - www.InvestOnline.in says, Dear All, that would be all for today. Hope you enjoyed the replies and I would be happy to take more questions next time. Please log on to www.InvestOnline.in for investing in Mutual Funds online. We are offering FREE Registration, NO Transaction costs and NO entry load. An absolutely free site.