

# Why should everyone invest in

# MUTUAL FUNDS?

There are several investment products for an investor looking to deploy his money. However, the wide range of benefits that one gets from mutual funds makes it a 'must have' in any portfolio.

## The core benefits

The following are the benefits that an investor can enjoy just by the design of these products.

### Professional management

As an investor, you know very well how difficult it is to pick the right stocks or bonds to invest in the prevailing economic conditions. It is difficult to spend time and efforts in doing the necessary research to make the right picks. This is precisely where mutual funds come handy because you have well qualified and experienced professionals doing the job on your behalf.

### Diversification

Through Mutual Funds, even the most modest investment amount is spread across different securities (shares, bonds, CDs, CPs & Gold etc.) so that your risk is minimized. The same diversification may not be feasible if you went about investing directly.

### Low investible amount

You do not need a huge amount to start investing in mutual funds. By choosing the mutual fund route, you get the opportunity of owning a diversified portfolio of stocks or bonds with just a few thousand rupees. In investing directly, a similar sum would not be able to buy more than a handful of shares of a single blue chip company. This indeed is more applicable in debt markets where the minimum investment sizes are typically in lakhs of rupees.

### Multiple assets

Mutual funds offer you the convenience of investing in shares, bonds, gold and even in a combination of these in varied proportions. A mutual fund is like a one stop shop for your asset allocation and diversification needs.

### Scope for automation

In your tight work schedule, the last hassle you would want is to repeatedly search for your cheque book to invest your savings. The same would hold true if you wanted a steady cash inflow from your investment periodically. Here is where mutual funds score high because you can automate your operations using their SYSTEMATIC facility. You may invest or withdraw or even transfer funds from one scheme to another of the same fund house at periodic intervals with just a standing instruction.

Mutual funds are for all seasons and all reasons. You can simplify your investment activity greatly even while enjoying the benefits fully by picking mutual funds as your preferred investment product.