

## MANAGE YOUR MONEY



### Topic: Tools of Investments

#### What is Investment?

Investment is money put in the hope of earning profit, reducing cost or appreciating in value in future.

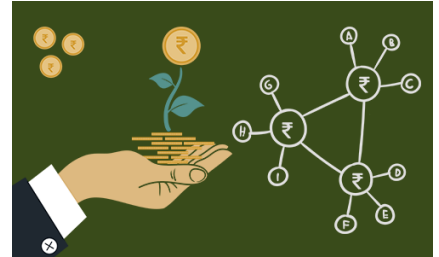
#### What is the importance of Investment?

When we invest, we use money we have, called principal, to buy assets that have the potential to increase in value, provide regular income, or do both.

As we accumulate these assets — typically stocks, bonds, and mutual funds — our net worth and our financial security grow.

#### What are various tools for Investment?

- Public Provident Fund
- Fixed Deposit/ Recurring Deposits
- Mutual Funds – SIP/ Lumpsum
- Investment in gold
- Equity
- Real estate



#### Public Provident Fund

- **Public Provident Fund (PPF)** scheme is a popular long term investment option backed by Government of India
- Offers safety with attractive interest rate and returns that are fully exempted from Tax



#### Fixed Deposit/ Recurring Deposit

- **Fixed deposit (FD)** is a financial instrument which provides investors with a higher rate of interest than a regular savings account, until the given maturity date
- **Recurring Deposit (RD)** is a special kind of Term Deposit which help people with regular incomes to deposit a fixed amount every month



#### Mutual Funds

- A mutual fund is a professionally-managed investment scheme, usually run by an asset management company that brings together a group of people and invests their money in stocks, bonds and other securities



#### Investment in gold

- Purchasing gold and securing for future requirement
- Investing in gold funds



#### Equity

- An **equity investment** refers to the buying and holding of shares of stock on a stock market by individuals and firms in anticipation of income from dividends and capital gains



#### Real Estate

- Real estate investing involves the purchase, ownership, management, rental and/or sale of real estate for profit