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Editorial


**VCARE INVESTMENT
SERVICES PVT. LTD.**

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SENSEX AND NIFTY SCALE FRESH PEAK; WHAT'S DRIVING THE INDICES HIGHER?

Sensex marked a new all-time high, nearly touching the 72,000 mark, with year-to-date gains now at 18 per cent; Nifty on the other hand surpassed 21,500 levels and notched a record high of 21,593!!

Here are the factors that are propelling a new high on Indian indices:

Strong macroeconomic data

PM Modi recently said that India's GDP of 7.7 per cent in the first six months of FY24 is a reflection of the country's strengthening economy and the transformative reforms carried out in the last 10 years. The sentiment has given a boost to Indian equities, which have risen phenomenally after the ruling party's landslide win in three state assembly elections.

The RBI, in its policy outcome revealed last month, said that it sees an increase in private consumption, a strengthening of manufacturing, as well as buoyancy in the services market. Additionally, it sees the drag from external demand to moderate. Amid this landscape, the central bank has painted a positive outlook for the Indian economy, with real GDP for FY24 pegged at 7 percent.

FII buying: Return of FIIs a big positive

Foreign portfolio investors (FPIs) injected Rs. 26,505 crore into the Indian equity markets in the first six trading sessions of December on expectations of political stability after the BJP stormed to power in three major states and robust economic growth. This came following a net investment of Rs. 9,000 crore in October. Before this, overseas investors withdrew Rs. 39,300 crore in August and September, data from the depositories showed.

Global and domestic cues favour the continuation of the ongoing rally in the market despite high valuations. FIIs turning buyers, strong DII inflows, exuberant retail investors, and a thriving IPO market supported by strong economic fundamentals can sustain the rally in the short run, ignoring the high valuations.

"If you don't teach children what to do with their money, marketing and advertising will gladly show them how to spend it."

- Linsey Mills

Global central banks hint at rate cut

After policymakers are convinced that the US Federal Reserve is done hiking interest rates as inflation in the US slips back to the Fed's target, many analysts believe that the US Fed will begin its rate-cutting cycle as early as next year. These rate cuts usually drives the inflows from debt to the equity markets.

Crude Oil

Amid recessionary fears in the US and China, together with a slowdown in demand, the commodity has been languishing for quite a while. Crude prices rose last month as US efforts towards re-stocking the essential commodity's stock gained some support. Nevertheless, a Brent crude price below \$80 per barrel is seen as a positive for Indian equities.

Upbeat primary market

Amid the positive momentum in Indian equities, more than 150 initial public offerings (IPOs) have already been listed on the exchanges. "Notably, a large number of IPOs have also been listed at premium, making this a win-win situation for investors. However, this space needs to be seen with caution, as it remains to be seen if the euphoria will continue in the upcoming election year too, according to the Bank of Baroda's note on IPO analysis.

Technical factors

The near-term uptrend status of the market remains intact, and present consolidation or minor weakness could eventually result in Nifty resuming its sharp upside further in the short term. The next overhead resistance to be watched is around 21,721, and immediate support is at 20,940 levels.

You may ask "What should I do in the current market situation? Buy, sell or stay put?"

My answer is very simple. Irrespective of the market valuation, if you stick to your investment objectives and continue your SIPs, you will definitely earn very good returns in the long run!

Keyur Desai
Editor



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PAGE 1

Should You Buy A Car At The Start Of Your Career?

SHOULD YOU BUY A CAR AT THE START OF YOUR CAREER?

Many of us dream of owning a car. But buying and maintaining your first car can be a daunting affair given the price rise, increase in interest rates, and fuel prices and other costs related to maintaining a car. The scale of the expense can make shopping for a vehicle stressful - especially for younger, first-time buyers who tend to have less-established credit histories and lower savings. Consider these factors before you commit to buying a car.

DO THE MATH



Cars may be a necessity for many people. But owning a car with a loan can strain your budget. It can lock you to a car for six or even seven years. For instance, to buy a car that costs Rs 12 lakh today, you need Rs 1.2-1.8 lakh for a down payment. The tenure of a car loan tends to be for 3-5 years.

For a Rs 10 lakh loan (assuming you already made Rs 2 lakh down payment) at 9% for a four-year loan, the monthly EMI would be Rs 24,885. The total interest would be about Rs 2 lakh over four years. This is the extra amount you pay over and above the original Rs 12 lakh car cost.

Year	Opening Balance	Interest paid during the year	Principal paid during the year	Closing Balance
1	Rs. 10,00,000	Rs. 81,176	Rs. 2,17,445	Rs. 7,82,555
2	Rs. 7,82,555	Rs. 60,778	Rs. 2,37,843	Rs. 5,44,712
3	Rs. 5,44,712	Rs. 38,466	Rs. 2,60,154	Rs. 2,84,558
4	Rs. 2,84,558	Rs. 14,062	Rs. 2,84,558	Rs. 0

Principal Amt: Rs. 10,00,000 · Interest Amt: Rs 1,94,482 · Total Amt Payable: Rs. 11, 94, 482

NOT BEING PREPARED BEFORE BUYING A CAR CAN LEAD TO A PURCHASE YOU'LL LATER REGRET. SO YOU SHOULD SET YOUR BUDGET FIRST. HERE'S HOW YOU CAN PLAN FOR IT.



Stability in finances and employment

Car is a depreciating asset. The moment you drive your new car out from the showroom, it's value goes down by 10%. By the end of first year, the value is almost down by 30%. Buying a car entails paying EMI, down payment, interest, car insurance, timely service and maintenance costs and fuel expenses. Make sure that you are financially stable to get a loan and service the EMIs in a timely manner.

Do you have a stable job?

If you have just begun your career, chances are that your employment is not steady or permanent. In such a scenario, purchasing a car on loan may not be a great option. If you miss out on timely payments, it can dent your credit score. Thus, renting a car may be a better option until you are on a solid footing when it comes to finance.



How to fund your car?

In the long-term, you should understand the impact of a car loan on your other goals. Unfortunately, car is not an asset and its value depreciates over time. Alternatively, first-time car buyers upgrading from two-wheelers or public transportation could consider a used car which could make economic sense.

Rather than taking a loan, you can consider investing through Systematic Investment Plans (SIP) to save for your dream car within a



time frame set by you. For buying a car which costs Rs 10 lakh today, you will have to start an SIP of around Rs 27,266 per month for three years to accumulate Rs 11.57 lakh, factoring in 5% inflation.

#Source: PGIM India Mutual Fund



A well-balanced team delivers in all conditions.

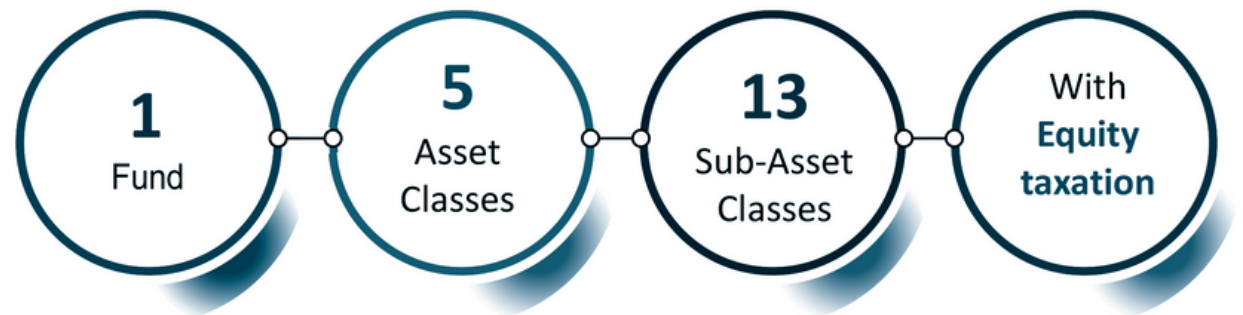


Introducing **Bandhan Multi Asset Allocation Fund**

NFO OPENS: 10TH JANUARY 2024 | NFO CLOSES: 24TH JANUARY 2024

WHAT IS ASSET ALLOCATION?

Asset Allocation refers to allocating money across different asset classes to minimize portfolio volatility and thereby improve risk-adjusted returns.

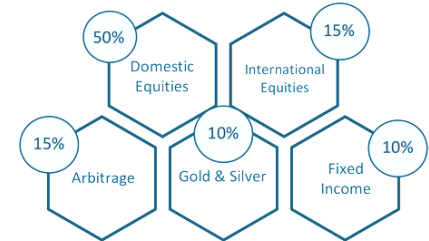


Source/Disclaimer- The current strategy is subject to change within the limits of SID. The asset/sub-asset class may or may not be part of our portfolio/strategy/ schemes. It should not be construed as investment advice to any party.

3 REASONS TO INVEST IN BANDHAN MULTI ASSET ALLOCATION FUND

1. Leverages the power of strategic asset mix

The fund aims to invest in asset classes that have relatively low correlation to each other. Combining these asset classes may lead to relatively stable returns.



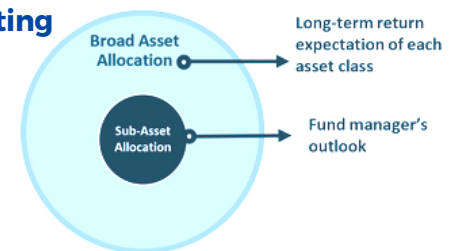
2. Transparent and Effective Strategy



The Bandhan Multi Asset Allocation employs strategic asset allocation, transparently outlining how assets are allocated across different broad asset classes and effectively mitigating personal biases.

3. Combines the art and science of Multi Asset Investing

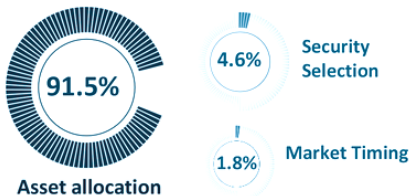
- Broad asset allocation is based on the long-term return expectations of each asset class.
- While the sub-asset allocation is based on the fund manager's outlook to capitalize on short-term opportunities.



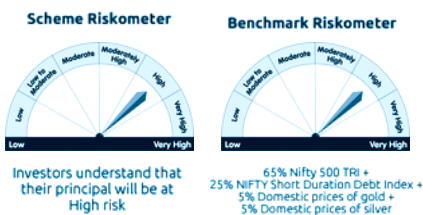
Source/Disclaimer- Strategic asset allocation involves setting target allocations across various asset classes and rebalancing regularly to stay close to the assigned allocation. The current strategy is subject to change within the limits of SID. The asset/sub-asset classes mentioned above are used to explain the concept and are for illustration purposes only. It should not be used to develop or implement an investment strategy.

Asset Allocation determines portfolio outcomes

A pivotal 1986 study* emphasized that asset allocation is the single most important factor that determines portfolio return variability. Factors like security selection and market timing have little impact on long-term results.



Source: *BHB - Determinants of portfolio return variability. Other factors that contribute to portfolio return variability account for 2.1%



BENCHMARK	65% Nifty 500 TRI + 25% NIFTY Short Duration Debt Index + 5% Domestic prices of gold + 5% Domestic prices of silver	EXIT LOAD	For 10% of investment: Nil For remaining investment: 0.5% if redeemed/switched out within 30 days from the date of allotment.
MINIMUM APPLICATION AMOUNT	Lumpsum purchase - Rs. 1000/- and in multiples of RS. 1/- thereafter SIP - Rs. 100/- and in multiples of Re. 1 thereafter [Minimum 6 installments] SWP - Rs. 200/- and any amount thereafter; STP - Rs. 500/- and any amount thereafter		

Mutual fund investments are subject to market risks. Please read all scheme-related documents carefully before investing.

Presenting Care Supreme

JOURNEY2 MONEY

PRESENTING carē supreme

REDEFINING THE VALUE THAT YOU GET FROM YOUR HEALTH INSURANCE



Up to

600%

Increase in Total Coverage*



Unlimited

Automatic Recharge for Related & Unrelated Illnesses



Earn up to

30%

Discount on Renewal#



Unlimited

E-consultation with General Physician^



Up to

100%

of Sum Insured on Ambulance Cover**

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- Pay the premium as per the city you live in
- AYUSH treatment coverage up to 100% of Sum Insured
- Coverage for treatment expenses at home up to 100% of Sum Insured under - Domiciliary Hospitalization
- Advance technology methods covered up to 100% of Sum Insured
- No reduction in Cumulative Bonus even if you claim

*Up to 100% due to Cumulative Bonus and Up to 500% with Cumulative Bonus Super (Optional Cover) for 5 consecutive years.
#Through Active days fitness program under Wellness Benefit (Optional Cover). **100% of SI available only for ₹15 Lakh and above SI on road ambulance, For SI below ₹15 lakh - up to ₹10,000. ^As per the empanelled list of general physician within the company network.



PLAN YOUR RETIREMENT TODAY WITH MUTUAL FUNDS

Mutual fund investments are subject to market risks.
Please read all scheme-related documents carefully before investing.

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