

How to earn maximum interest from Public Provident Fund (PPF)?

Deposit in Public Provident Fund (PPF) lumpsum at the start of the year by 5th April.

Interest on Public Provident Fund (PPF) is paid on lowest balance between 5th and last day of month. Deposit by 5th to earn maximum interest.

How is Return of Premium (ROP) Term plan different from Regular Term plan?

ROP Term plans return all premiums paid at maturity. In Regular Term insurance, no benefit is normally payable if the life assured survives the term.

Regular Term insurance plans are cost effective. ROP Term plans are 2 to 3 times expensive.

Which is a better approach to stock investing: Fundamental Analysis or Technical Analysis?

Fundamental Analysis involves forecasting stock prices on the basis of economic, industry and company statistics.

Technical Analysis involves forecasting stock prices based on chart patterns and price volume statistics.

Technical Analysis supplements Fundamental Analysis rather than a substitute for it.

What are the main features of Post office Monthly Income Scheme (MIS)?

Interest rate offered is 7.4% p.a. payable monthly. (effective 1.1.2024)

There is a lock in period of 5 years.

Investment is allowed in the multiples of INR 1000/-.

Maximum investment limit for single account is INR 9 lakhs and for joint account INR 15 lakhs.

Can be prematurely encashed after 1 year with deductions.

For those who don't have time to monitor investments on regular basis, which is the best way to invest money wisely?

Invest in Mutual Funds. Mutual fund is a professionally managed pool of money collected from large number of investors. Fund Managers invest this money in various financial instruments. Investor is a unit holder and increase in value of investments after deducting expenses is passed on to investors.

Types of mutual funds available in India for investment: Equity, Debt, Liquid and Hybrid.

Which is a better way to invest in equity mutual funds lump sum or through monthly SIPs?

If you decide to invest lump sum, the market from there can go either up or down. There is a risk. It is better not to try and predict the market.

Invest in equity mutual funds with a horizon of at least 5-6 years through SIP route every month on different dates. This will reduce the risk considerably.