



# Goal Based Investing & Portfolio Creation



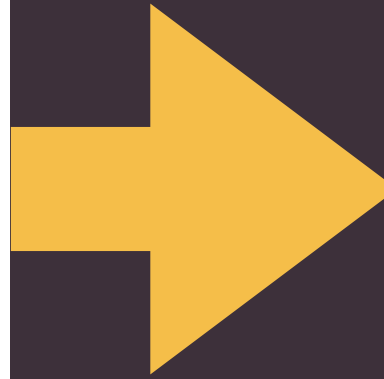
# Why there is Need for Investment?



Create a main store of wealth



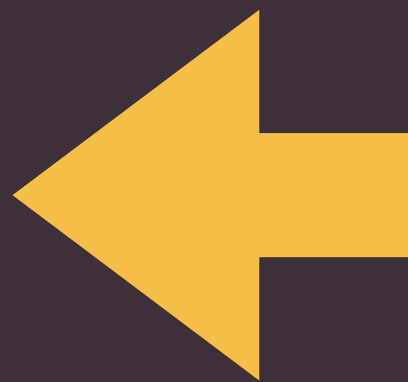
**Goal ?**



**Money in hand**



**Inflation  
rate**



**Final Amount to be**

Things to be considered before making an investment decision



**Age**



**Dependency**



**Liabilities**

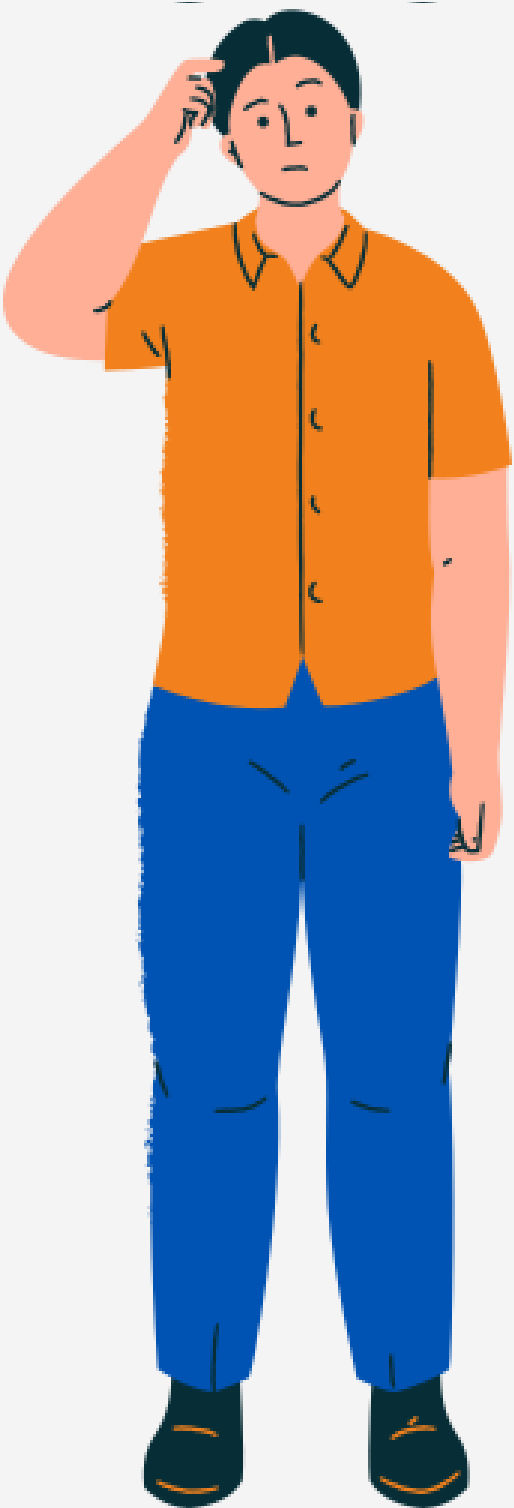


**Savings**

# Major Investment Options



# HOW TO INVEST?



100%  
Equity ?



Or Both ?



# INVESTING 100% IN EQUITY

## Pros

- Liquidity
- Diversification
- Ownweship stake
- High returns
- Easy accessibility

## Cons

- Volatility & Risk
- Market Uncertainty
- Lack of Control
- No guarantee of returns



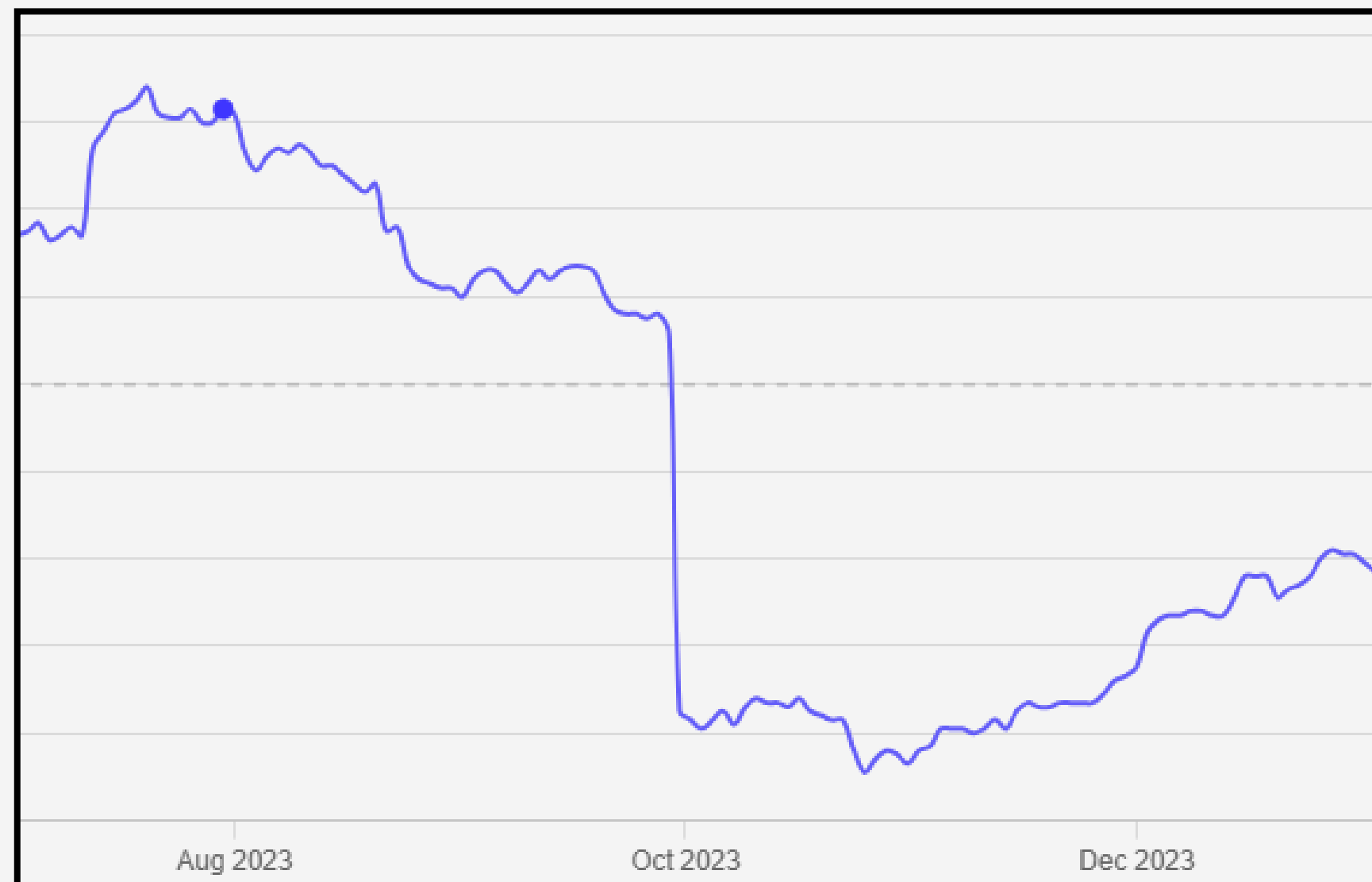
# Nifty 50

## PE Ratio



Source: [PE/Nifty50](#)

## PB Ratio



Source: [PE/Nifty50](#)

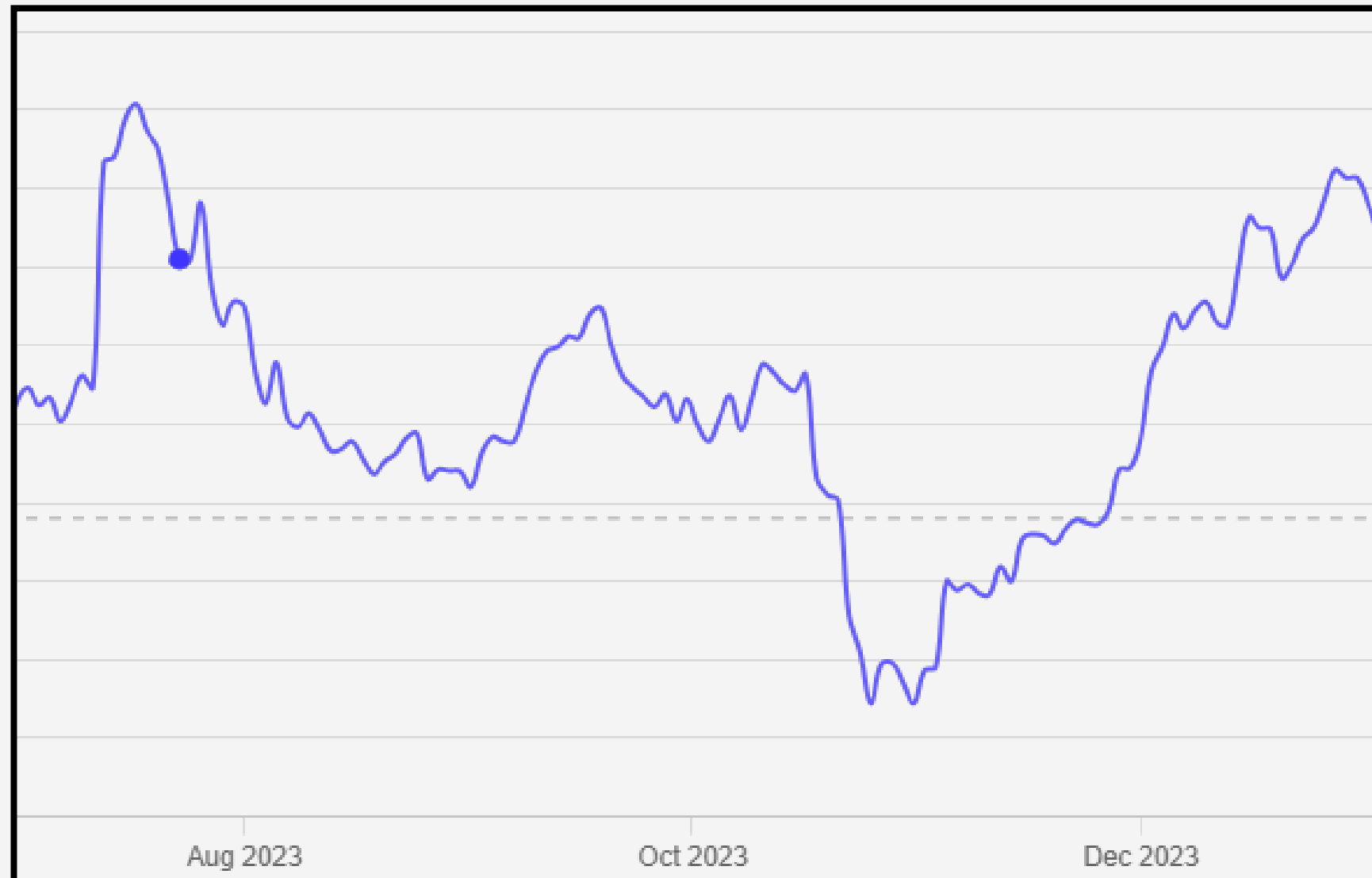


# BSE

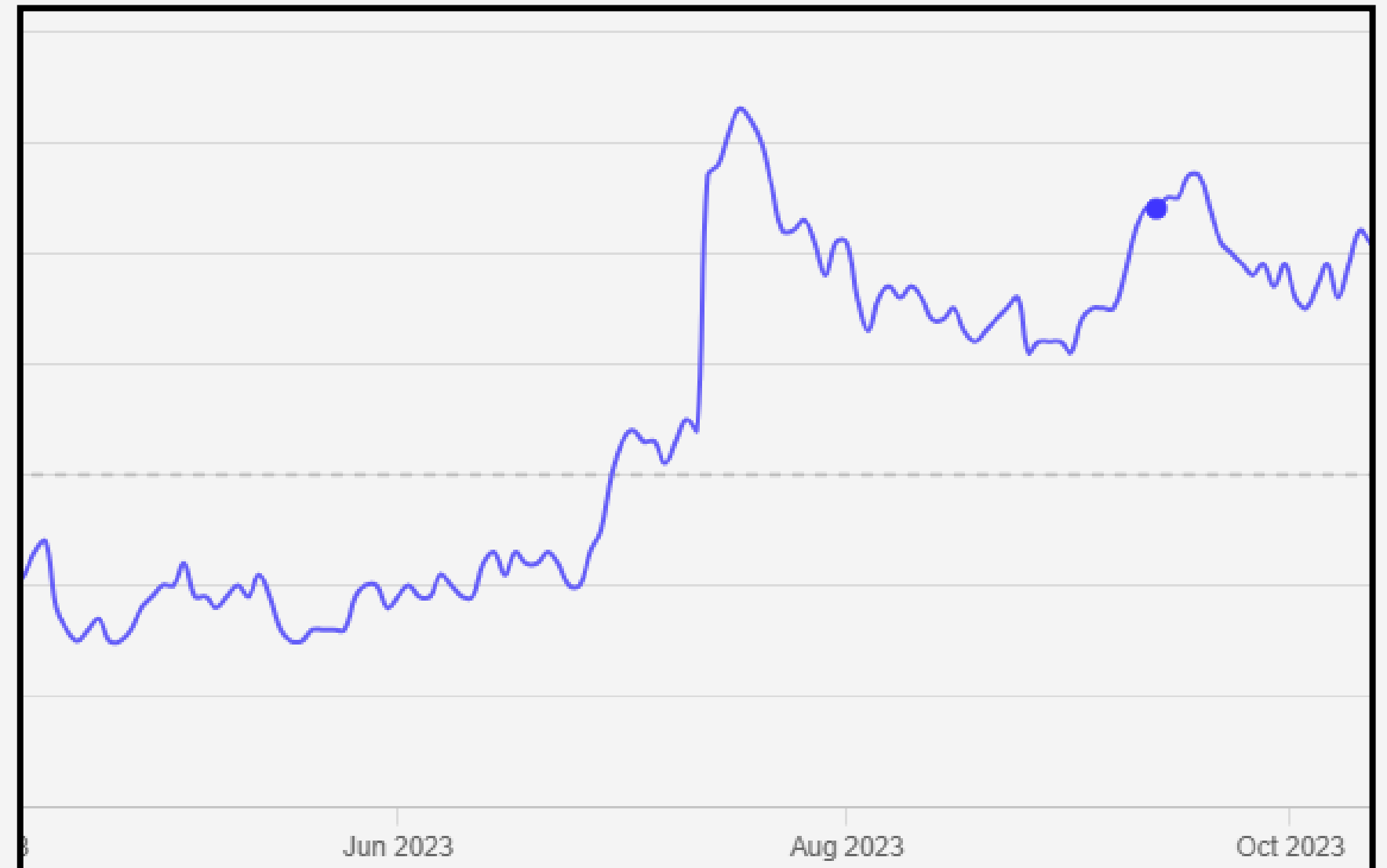
PE Ratio

Sensex

PB Ratio



Source: [PE/BSESensex](#)



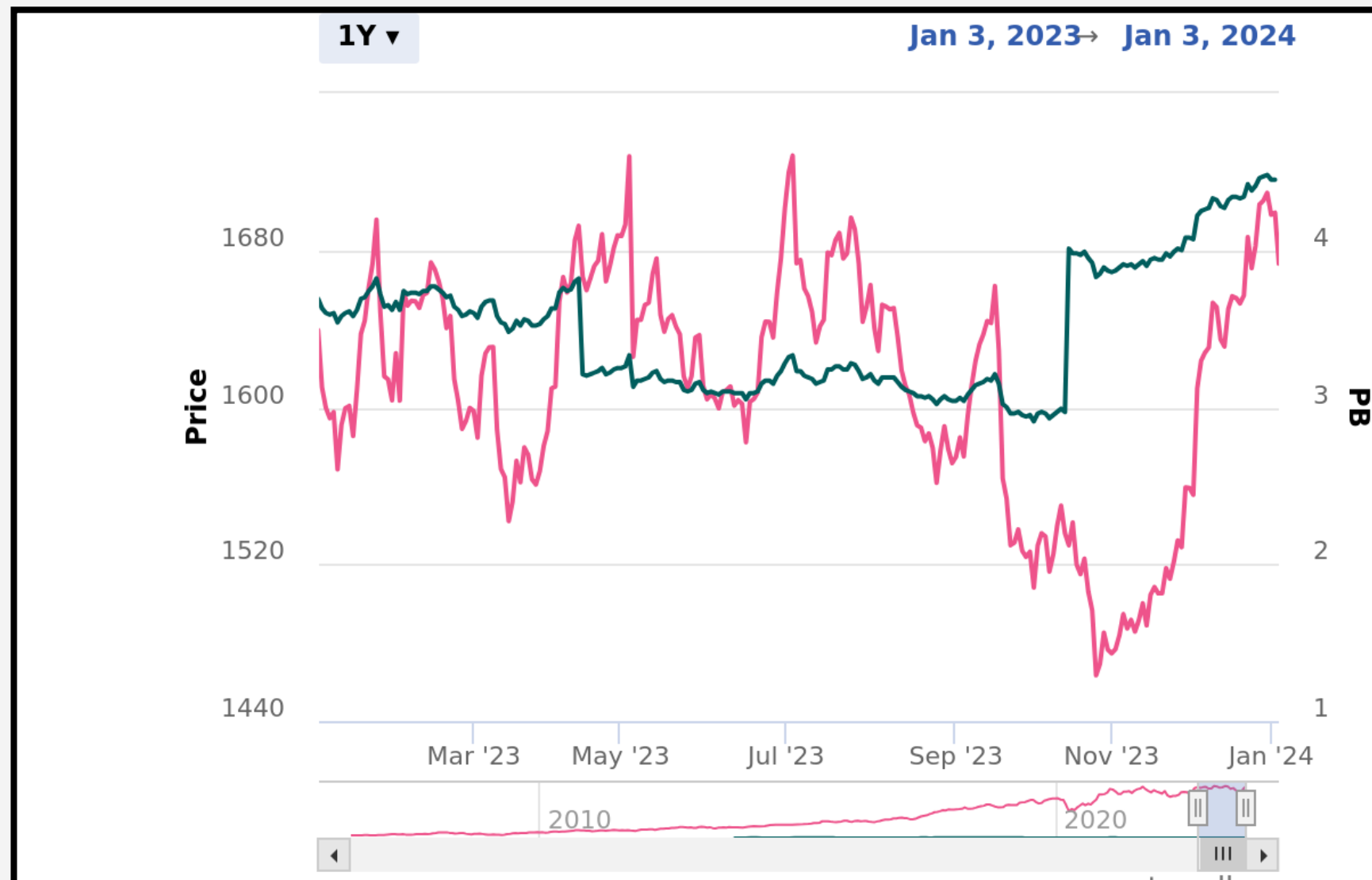
Source: [PE/BSESensex](#)

# Examples of Top performing stocks



# HDFC Bank Ltd.

## PE Ratio



Source: [PE/HDFC Bank](#)

## PB Ratio



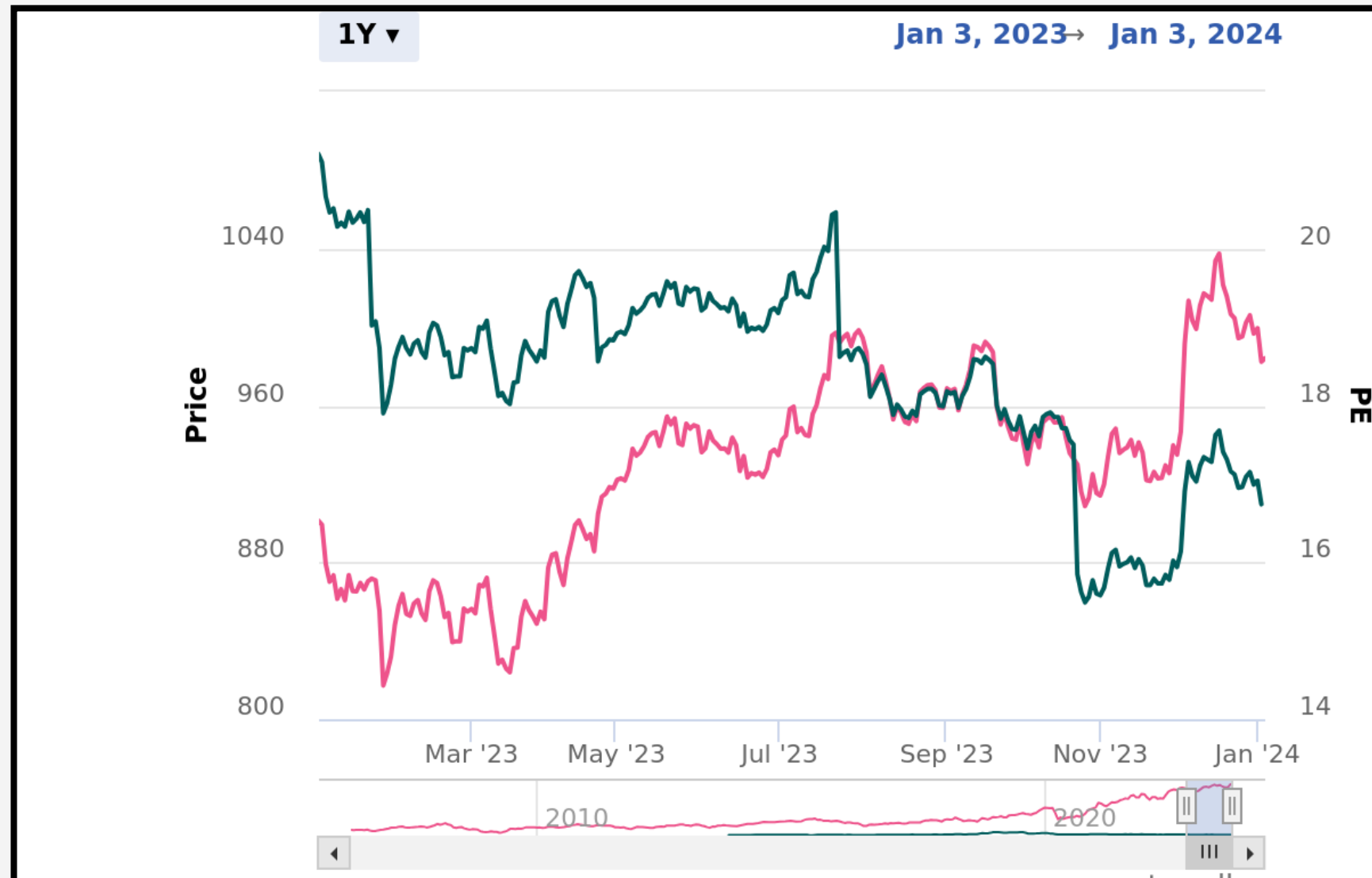
Source: [PE/HDFC Bank](#)

# ICICI Bank

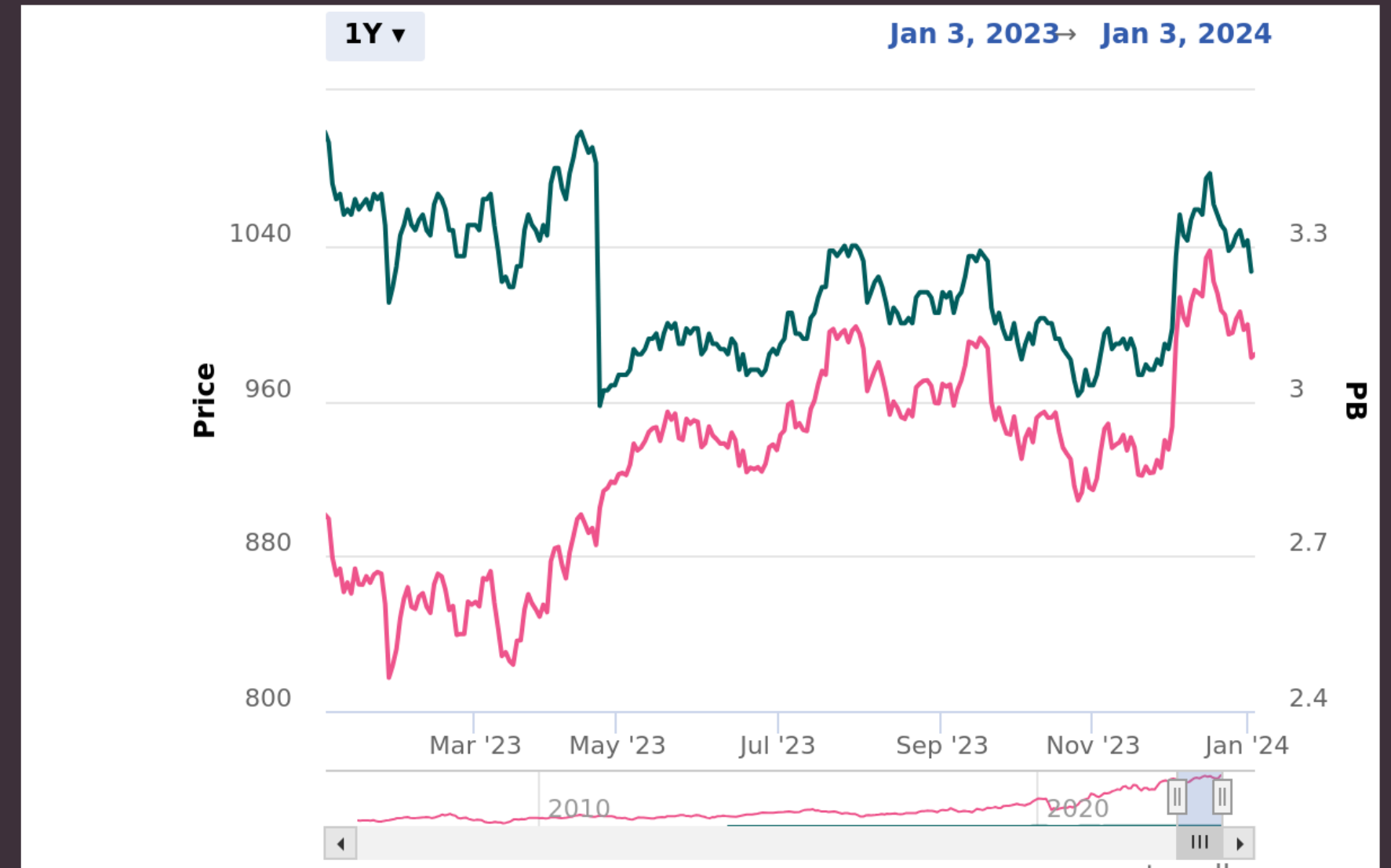
## PE Ratio

# Ltd.

## PB Ratio



Source: [PE/ICICI Bank](#)



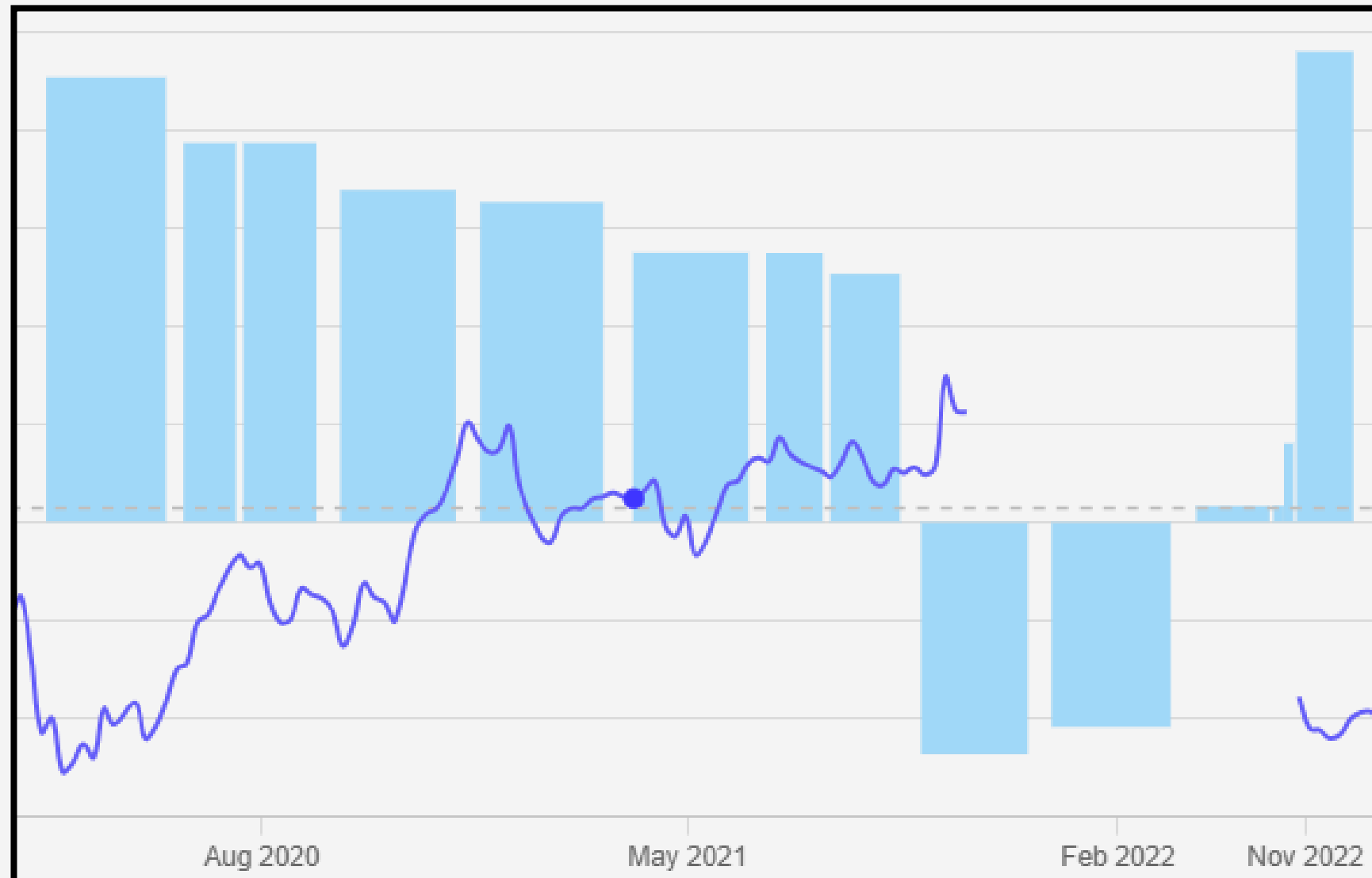
Source: [PE/ICICI Bank](#)



**Examples of  
Poor  
performing  
stocks**

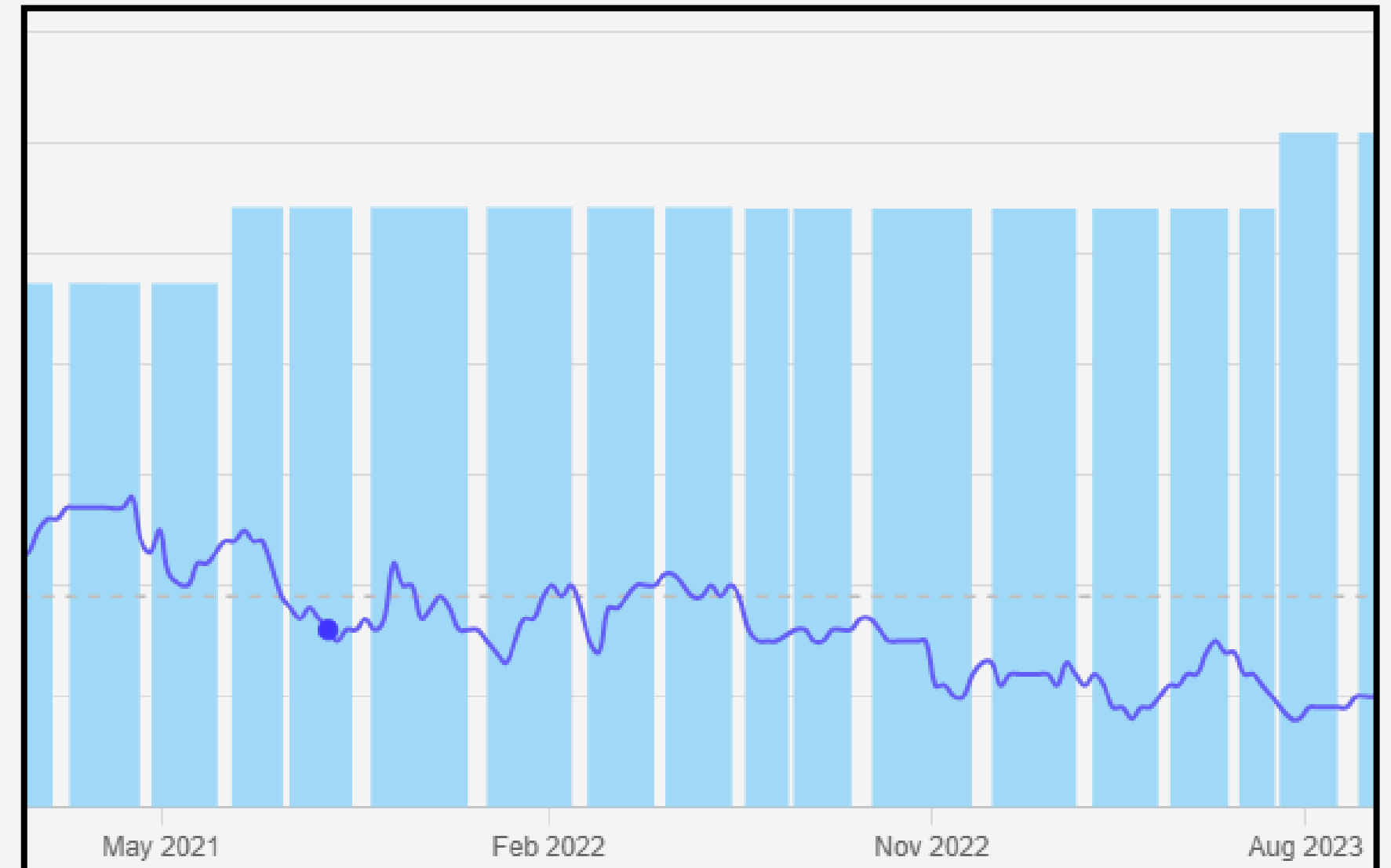
# Bandhan Bank Ltd.

## PE Ratio



Source: [PE/Bandhan Bank](#)

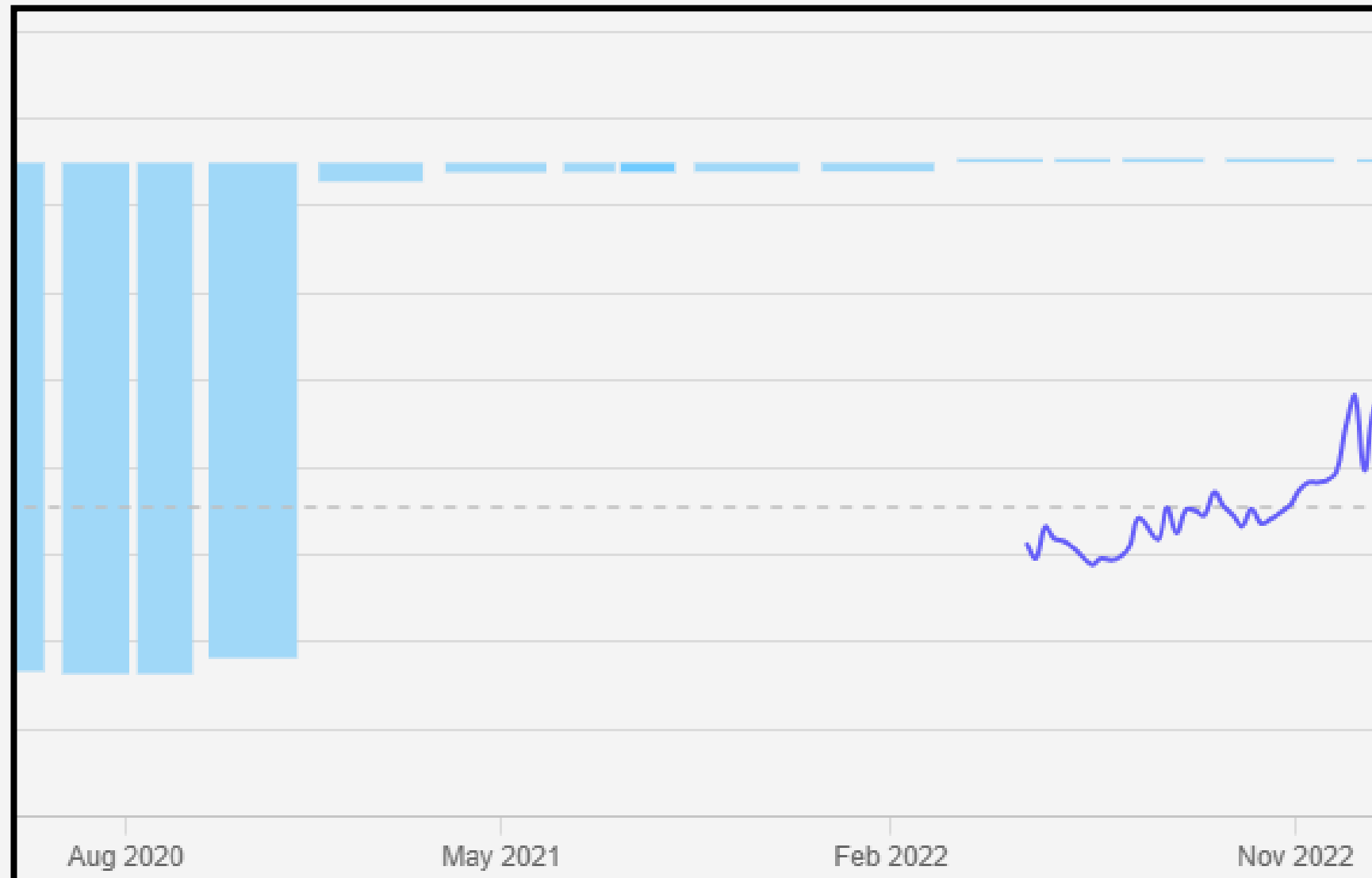
## PB Ratio



Source: [PE/Bandhan Bank](#)

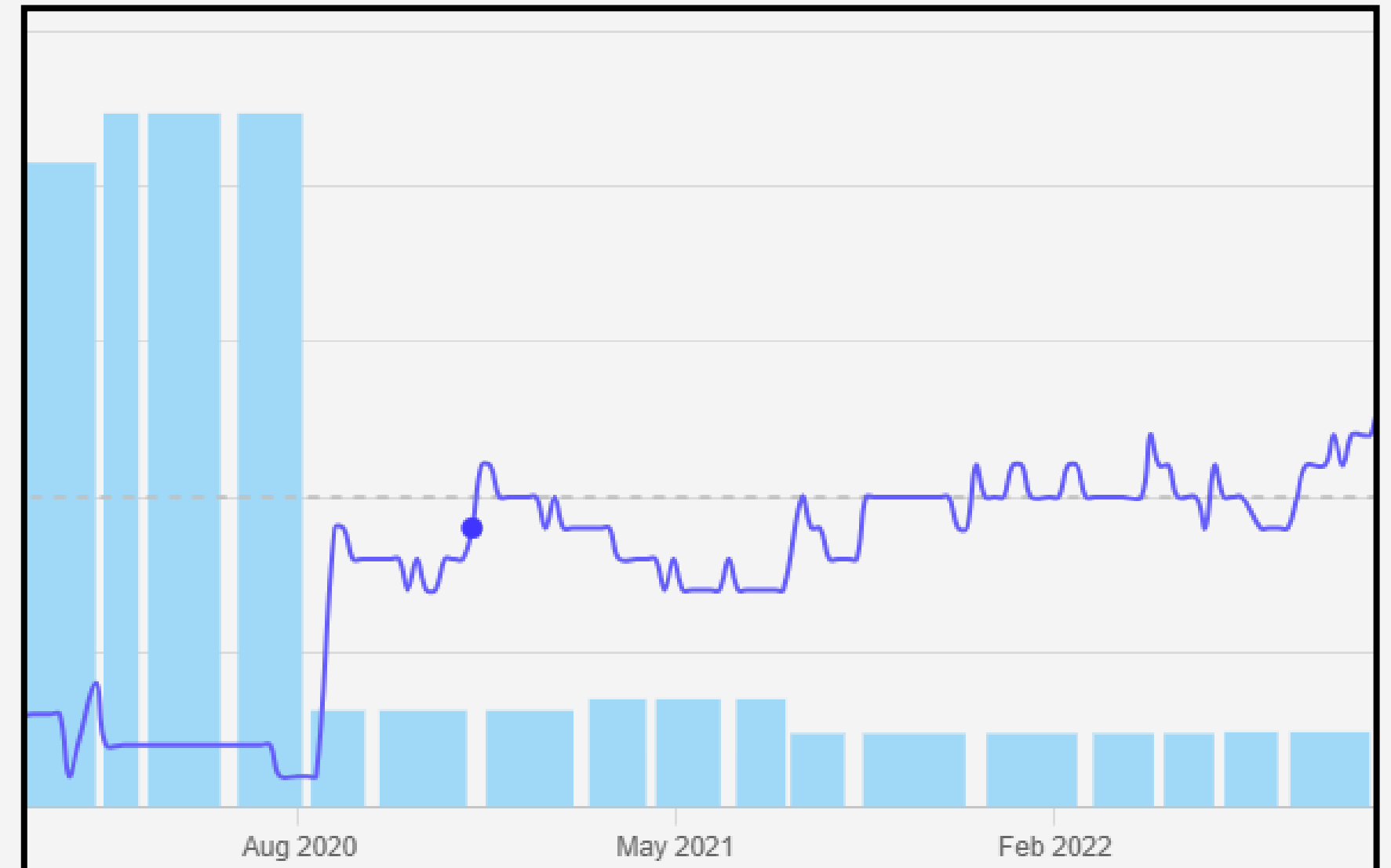
# Yes Bank Ltd.

## PE Ratio



[Source: PE/Yes Bank](#)

## PB Ratio



[Source: PE/Yes Bank](#)

# Investment Options in Debt Market

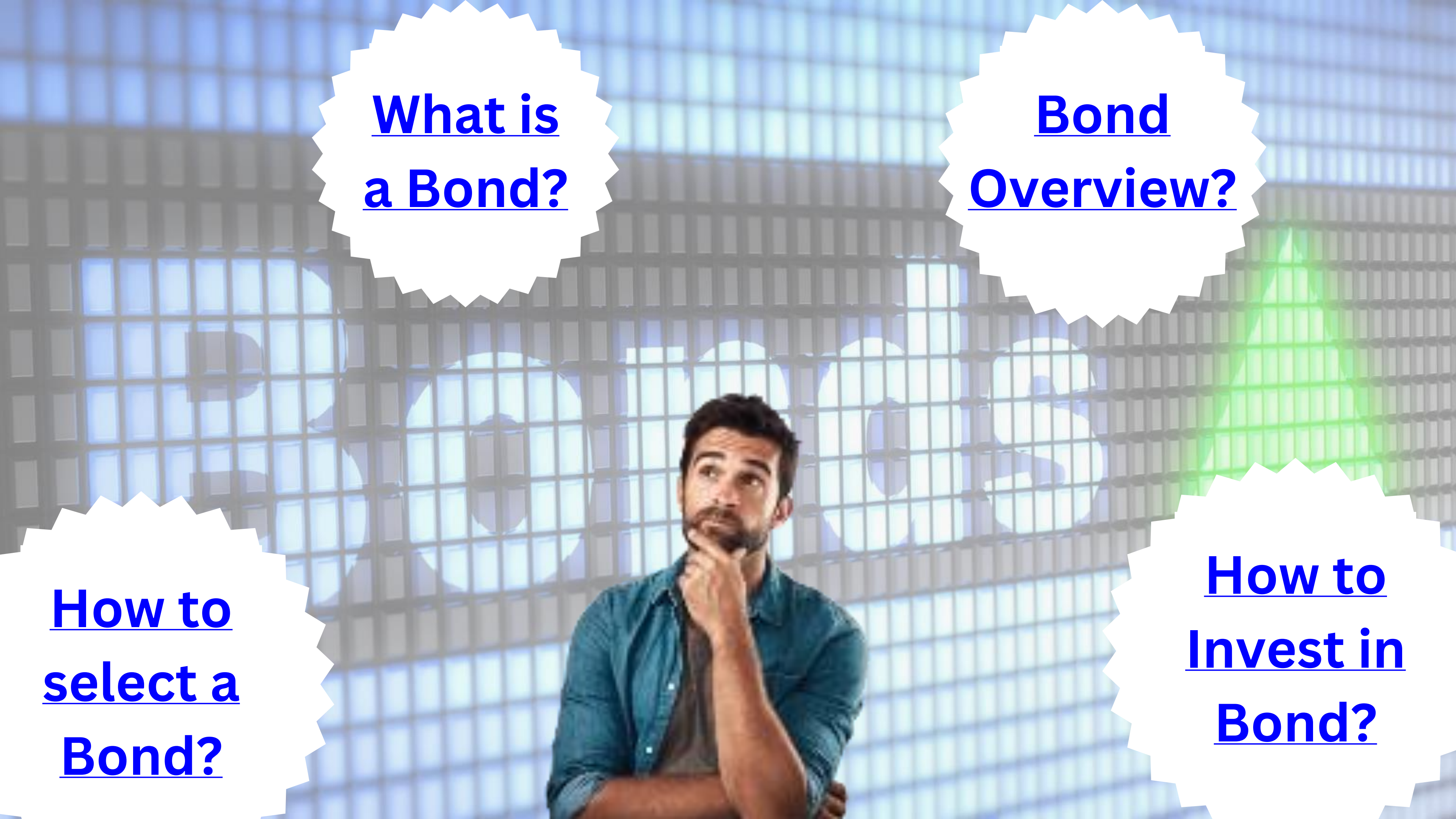


**Mutual Funds**



**BONDS**





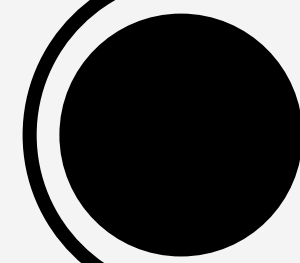
What is  
a Bond?

Bond  
Overview?

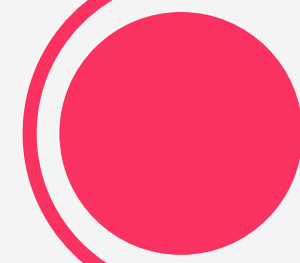
How to  
select a  
Bond?

How to  
Invest in  
Bond?

# What are BONDS?



**Fixed Income Securities**



**Coupon Payments and Yield**



**Credit  
Ratings**



**Tradability, Penalty-free exit**



**Unaffected by volatility**

# TYPES OF BONDS

G-  
secs

Corporate  
Bonds

Soveriegn  
Gold Bonds

Public

- Navratnas
- PSUs

Privat

- Banks<sup>e</sup>
- NBFCs
- Mutual Funds

Source:

[Bondbazaar.com](http://Bondbazaar.com)

# Yield and its types

Yield represents the return an investor receives in relation to the price paid for the investment.

## TYPES OF YIELDS

### Current Yield

Annual interest income divided by the current market price of the bond.

### Yield to Maturity (YTM)

The total return expected if the bond is held till maturity.

### Yield to Call (YTC)

The return if the bond is called back by the issuer before maturity.

# How to calculate Yield?

You need

0 Current Price

10 Face Value

03 Coupon Rate

04 Years to Maturity



[Yield Calculator](#)

issued by the government of a country, typically through the Reserve Bank of India

fixed rate of interest, paid semi-annually

fixed tenure, often around 8 years, with an option to exit after a specific period, typically after the 5th year



backed by physical gold reserves held by the issuing government

can be traded on stock exchanges

SGBs are denominated in grams of gold, allowing investors to buy bonds equivalent to a specific weight of gold.

# How to calculate SIP?

In EXCEL,

```
=PMT(rate, nper, pv, [fv], [type])
```

[EXAMPLES](#)

Rate



Expected Rate of Return

NPER



Time period

R

PV

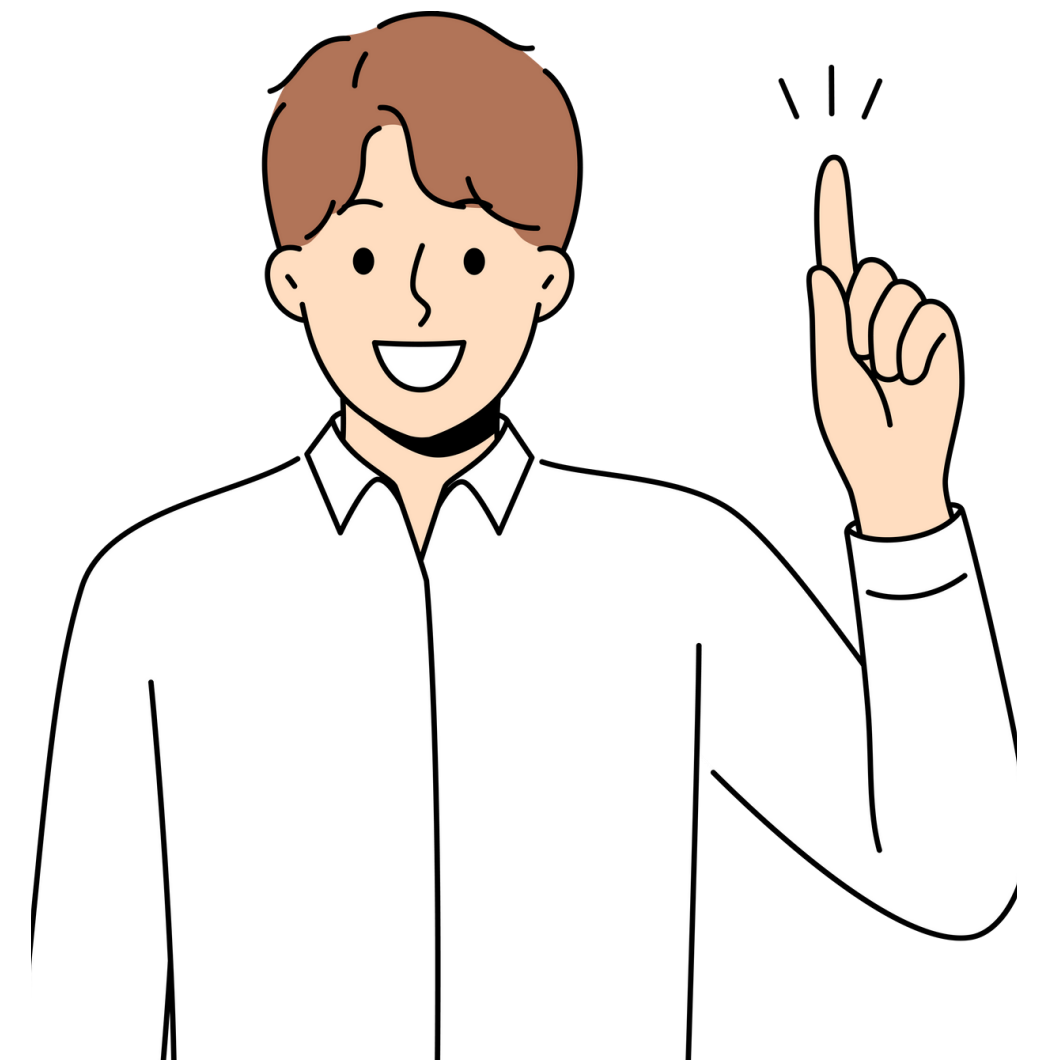


Present value of investment

FV



Future value of investment



# How to calculate returns on SIP?

You need

0

Monthly Investment

1

0

Expected Return Rate

03

Time Period



[SIP Calculator](#)



# Taxation on Bonds

Securities	Listed (12 months holding period)		Unlisted (36 months holding period)	
	STCG	LTCG	STCG	LTCG
Bonds	Slab Rate	10%	Slab Rate	20%

# Taxation on Shares

Securities	Listed (1 year holding period)		Unlisted (2 years holding period)	
	STCG	LTCG	STCG	LTCG
Shares	15%	10%	Slab Rate	20%

# Tax on Mutual Funds

Securities	Equity Mutual Funds (1 year holding period)		Debt Mutual Funds (3 years holding period)		Dividend
	STCG	LTCG	STCG	LTCG	
Tax Rates (including cess)	15%	10% (for gains over 1 lakh)	Slab Rate	20%	Slab Rate

## Tax on SGBs →

Annual Interest rate of 2.5% is taxable at **SLAB RATE**.



# THANK YOU

## ANY QUESTIONS?

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