

SIPs for women

Many women still don't like to handle investments. It's time this changed.

Women are fast bridging the gender gap in most professions. It's common to find women in areas which were once considered to be male bastions. However, many women are still hesitant to handle investments. Many depend on the male member in their families. The primary reason for this is the legacy of stereotypical gender roles, wherein managing finances has long been considered a man's domain. Unfortunately, many women grow up with these stereotypes deeply ingrained. This makes it difficult for them to become a confident investor. While it's always an advantage that the male member in a family is financially educated, it's doubly beneficial when the woman also is financially prudent. A wise, financially literate woman can steer the entire household towards prosperity.

Making returns from one's investments has nothing to do with one's gender. After all, your mutual fund doesn't know whether you are a male or a female. So, for women, the first step is to dispense with the notion that she can't handle saving and investing. Today many women are earning handsomely, which itself means that they are also capable of managing money. We all have seen our mothers managing household finances, that too in conjunction with their professional roles in many cases. What's more, our finance minister is a woman. Many women, like Indra Nooyi, Kalpana Morparia, Aruna Jayanthi, Gita Gopinath, Kiran Mazumdar Shaw, have been the top bosses. This shows that women are geared to handle demanding roles, including financial responsibilities.

The next step is to educate yourself about the basics of investing. Today there are ample sources available to learn investing. At its core, investing is all about discipline. You have to just keep repeating the right actions over time. This

is also the very essence of systematic investment plans or SIPs. SIPs are an effective method to accumulate corpus for your long-term goals, such as retirement, children's education and children's wedding. With SIPs, you can also achieve your other aspirational goals, such as a foreign tour. Once you have picked a good equity fund, all you need to do is to keep investing in it regularly through SIPs.

Many working women complain of a lack of time as they have to manage both their jobs and families.

Since SIPs are automatic by their very nature, this further simplifies the task of wealth creation. Every month or on your desired date, money will be deducted from your account and invested in the equity fund of your choice. This puts wealth creation on autopilot and frees up your time for family and profession.

Since women tend to stay away from investing, they may not be comfortable with the volatility in equity. This makes them stick to traditional investments like fixed deposits and the PPF, which don't lose value on the face but when adjusted against inflation, their returns turn insufficient. SIPs help here too. With SIPs, you invest through the market's ups and downs and hence average your investment cost. This inherent feature of SIPs actually makes volatility your friend.

Women can be the progenitor of the investment revolution in the country. The penetration of financial products in the country is still at its nascent stage. A large part of Indians' assets is still tied in real estate or gold, which actually provide less returns than equity over the long term. By investing in mutual funds through SIPs, women can expedite the progress of financial products. A financially savvy woman will also make her children financially smart. This will start the virtuous cycle for the entire nation.

