

Systematic Investment Plan  
DSP BlackRock Investment Managers Ltd.

**S**imple  
Convenience of Auto Debit Facility

**I**ntelligent  
Benefit from the Power of Compounding

**P**ractical  
Ideal way to invest under any market condition

## Did you know ?

- ➔ If your current monthly expenses are Rs. 30,000/- per month, then after 20 years you will require Rs. 80,000/- a month to just maintain the same lifestyle!
- ➔ An education degree for your child which currently costs Rs. 10 lakh could cost over Rs. 25 lakh after 15 years!

# Individual Investor Needs: Investment Goals

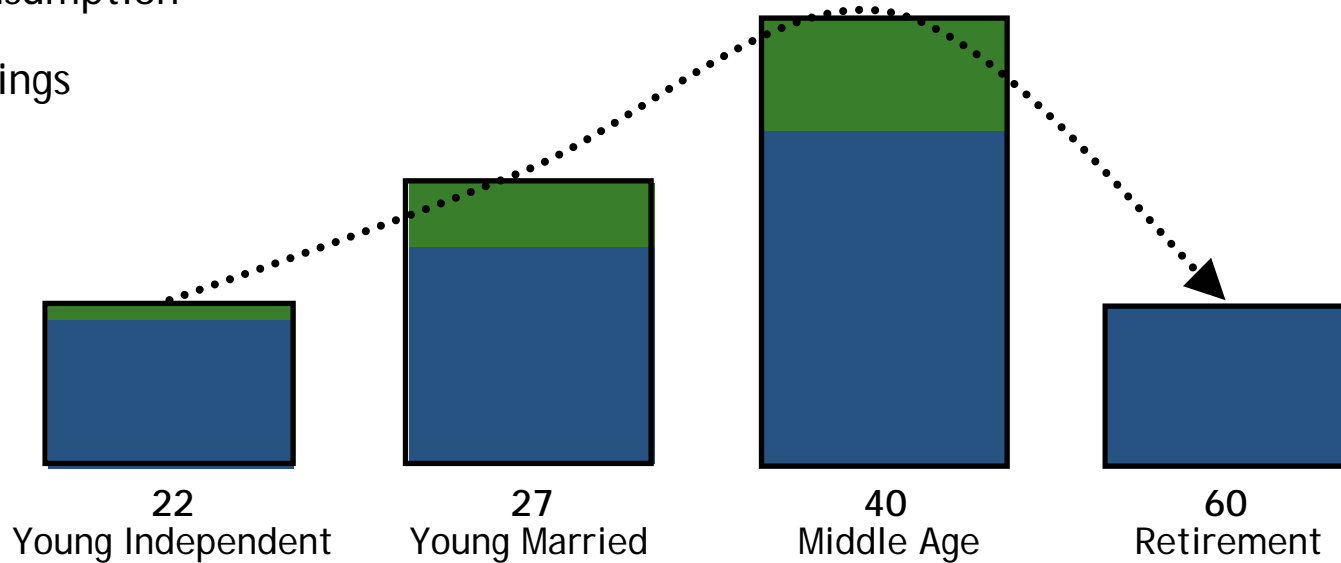
All individuals need to save for

- Retirement
- Child's education / marriage
- Medical emergency
- Other family obligations

Every individual has one or more of the above goals

# Individual Investor: Life Stages

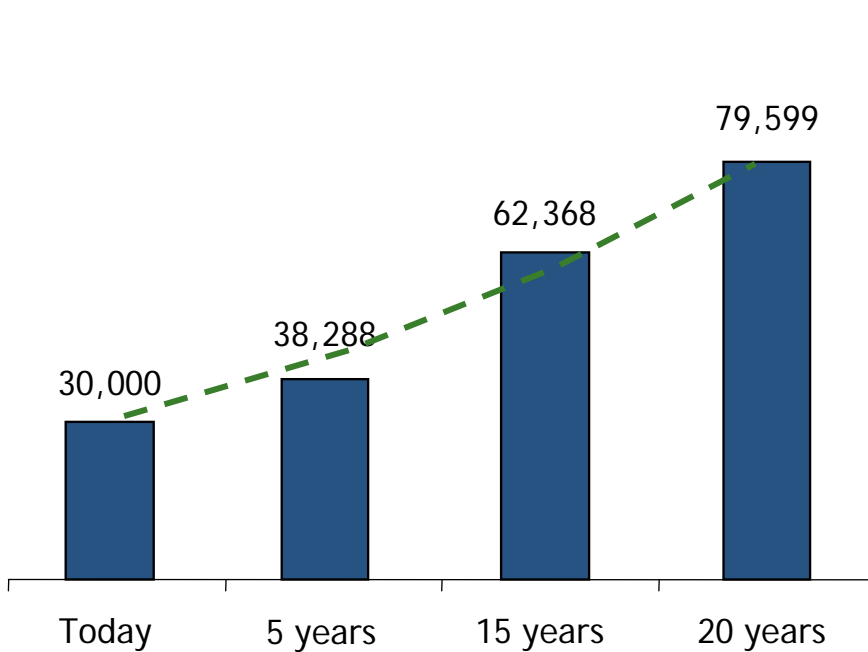
- Earnings (Consumption + Savings)
- Consumption
- Savings



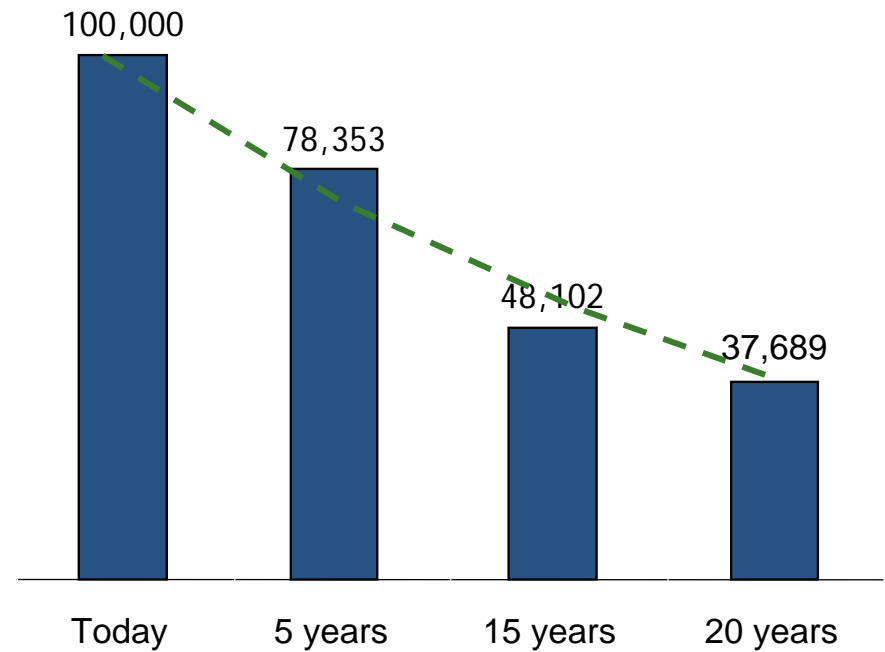
All individuals have a finite period to save for their investment goals

# Value of Money over time

Impact of inflation on monthly expenses of Rs. 30,000 today



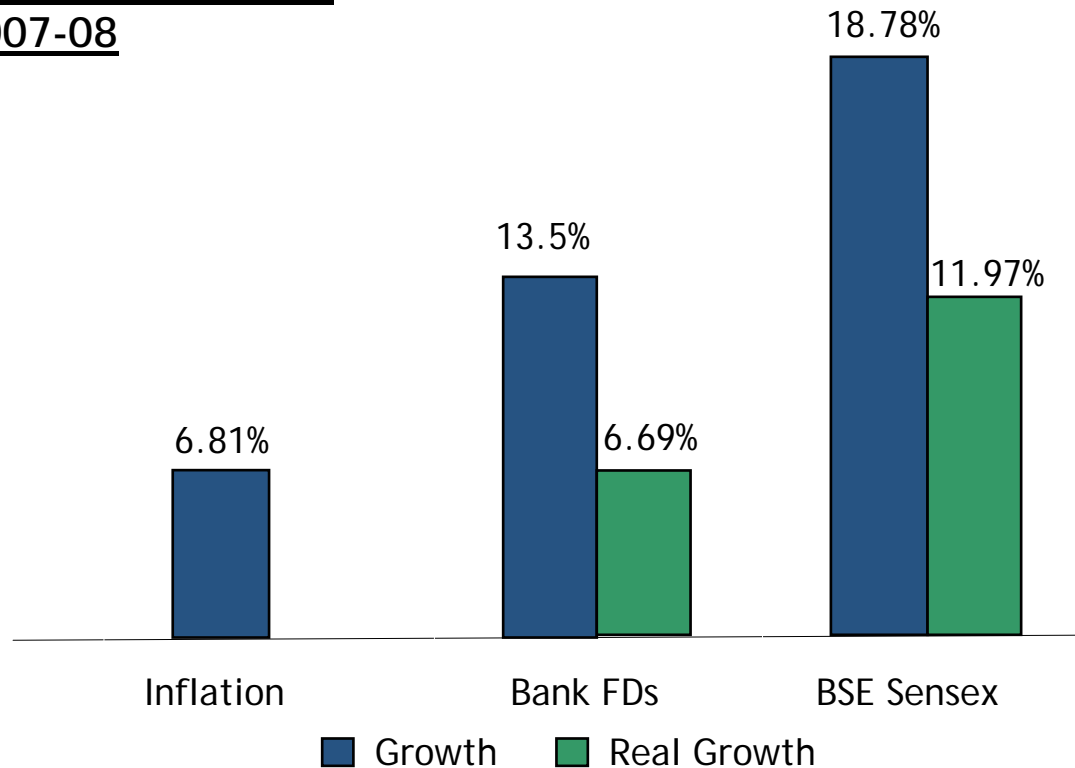
Value of Rs. 100,000 over time



Investors need to beat inflation

# Performance of Various Asset Classes

Cumulative annualised returns  
1983-84 to 2007-08



Equities outperform other asset classes over the long term

## Individual investors are scared of ...

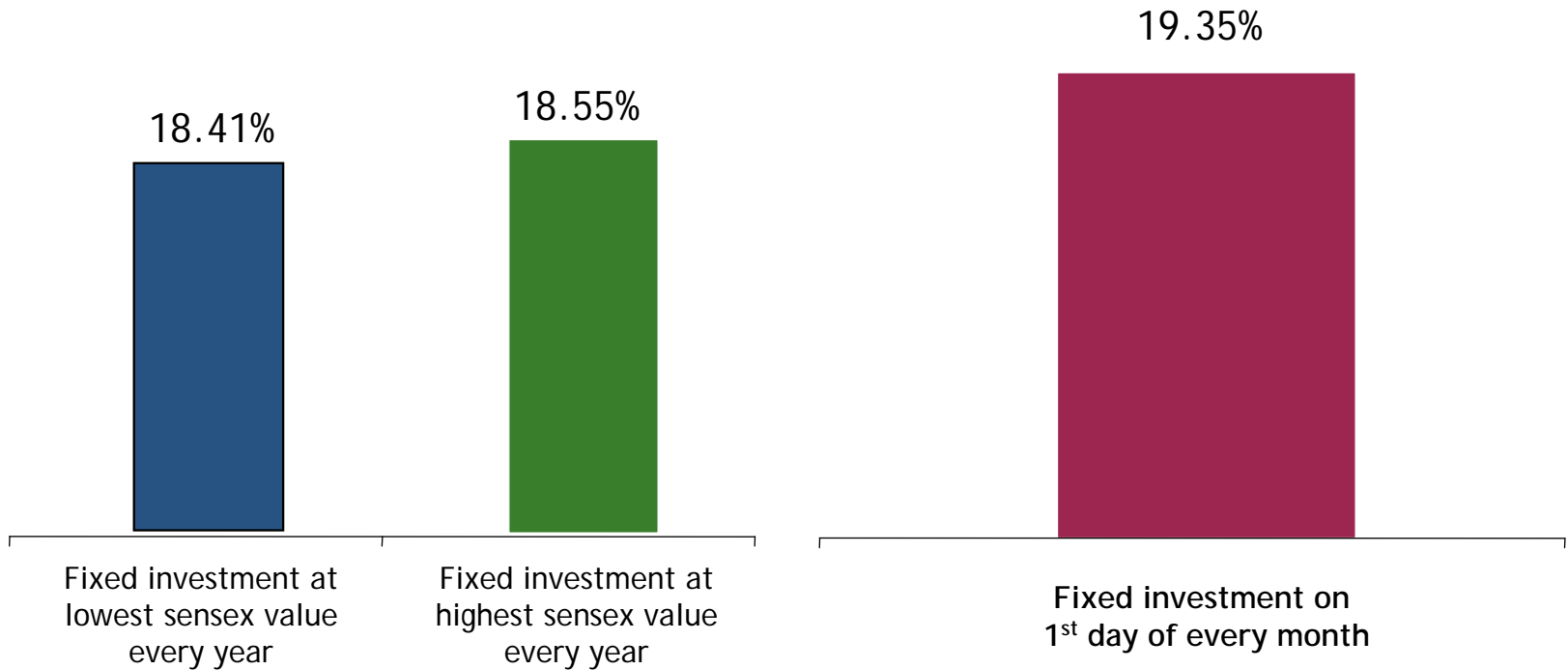
- The Downside Risk in Equities
- The Risk of Market Volatility
- The Risk of Market Timing



What else makes a material impact on  
investments in equity ?

# Investing in the BSE Sensex - 25 years

Returns are from 1982- Dec 2007



Market timing does not matter over the long term

# The Power of Compounding

	Debt Instrument	BSE Sensex Scenario A	BSE Sensex Scenario B
Monthly investment	Rs 5000	Rs 5000	Rs 5000
Assumed annualised return	10%	15%	20%
Final corpus	Rs. 43 lakh	Rs. 89 lakh	Rs. 1.9 crore

## Summary

Investors needs to save regularly and invest those savings in higher return assets to create wealth

Long Term Systematic Monthly Investment In equity schemes is ideal for this !

## How Do You Achieve Your Financial Goals

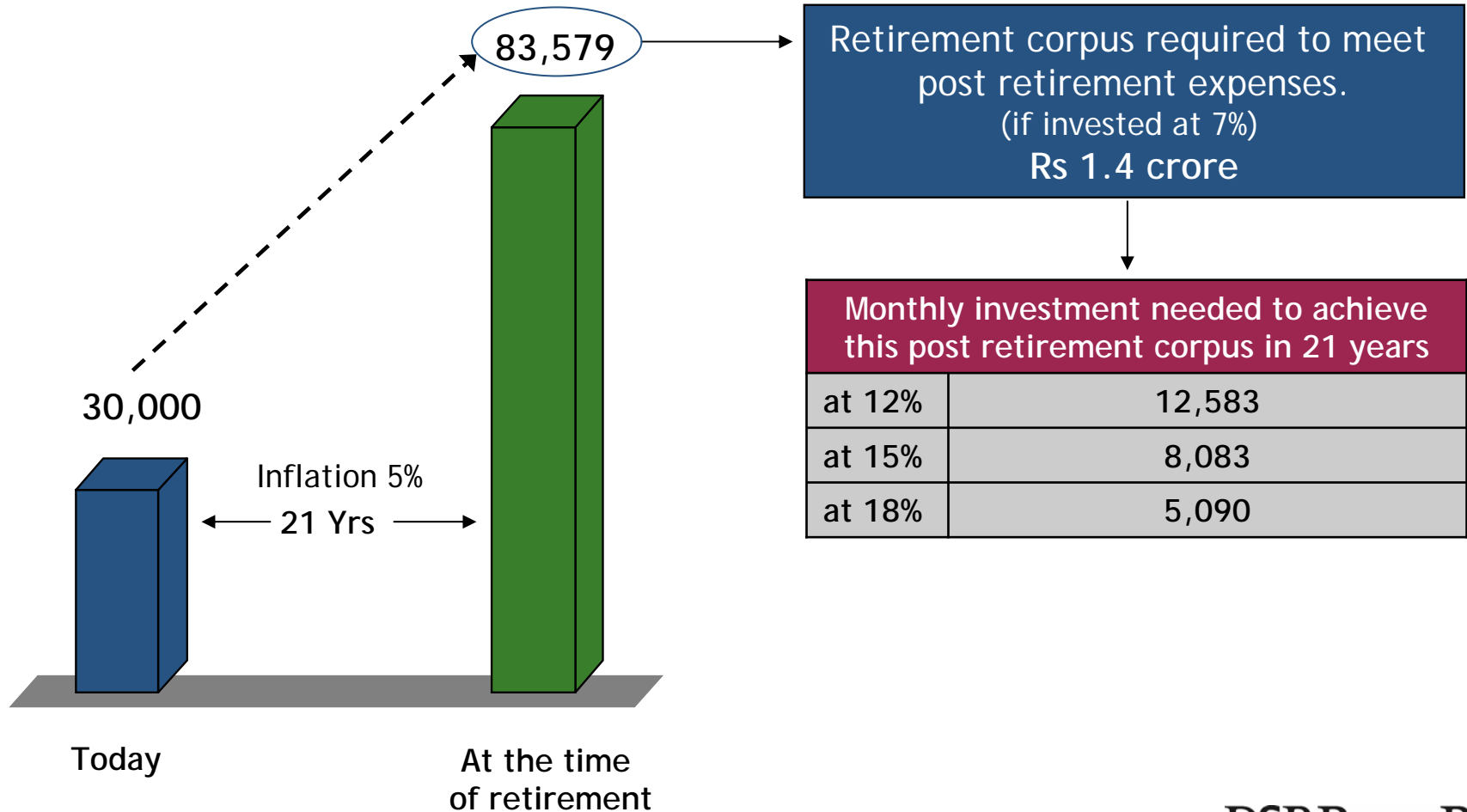
→ Retirement

→ Child's education

→ Family commitments - medical emergency, etc

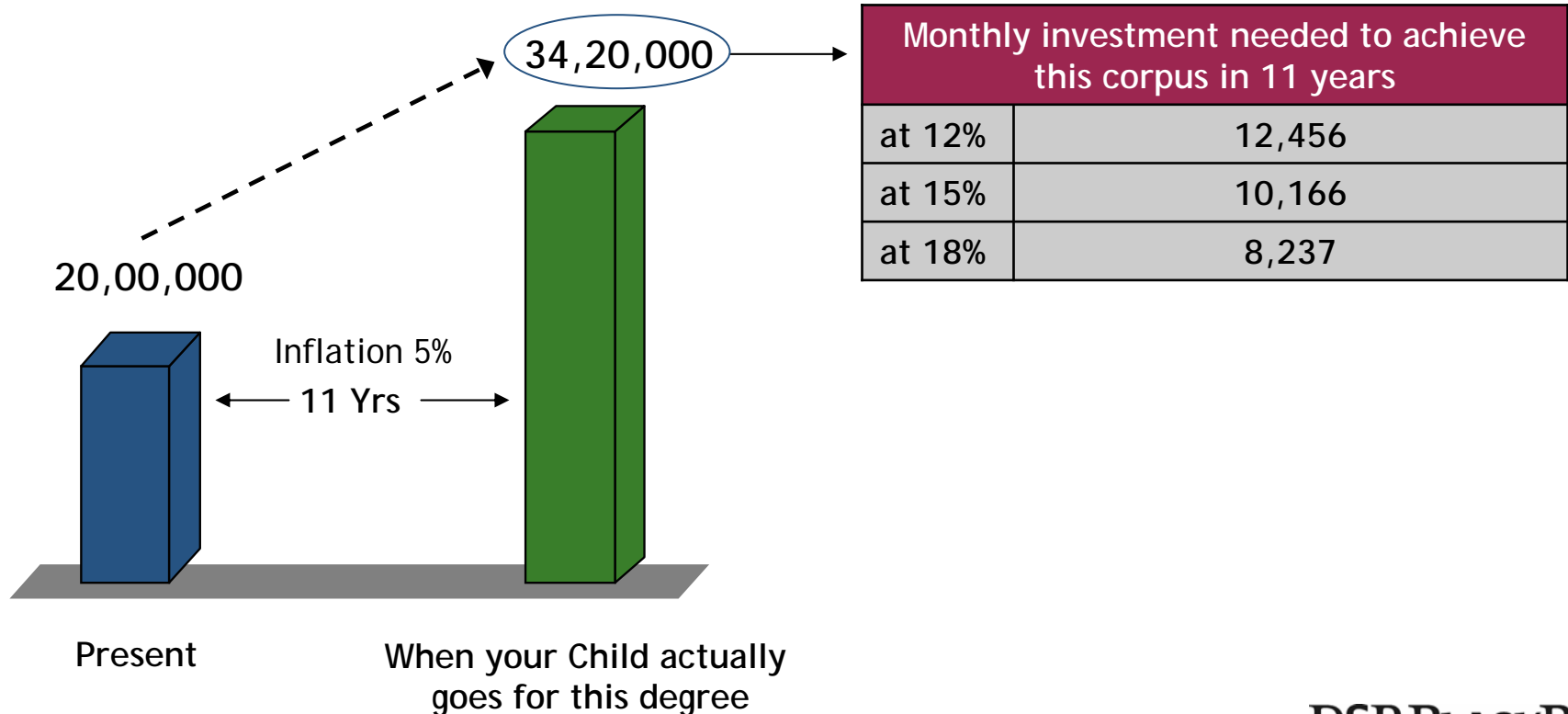
# Retirement Planning

## Monthly Household Expenses



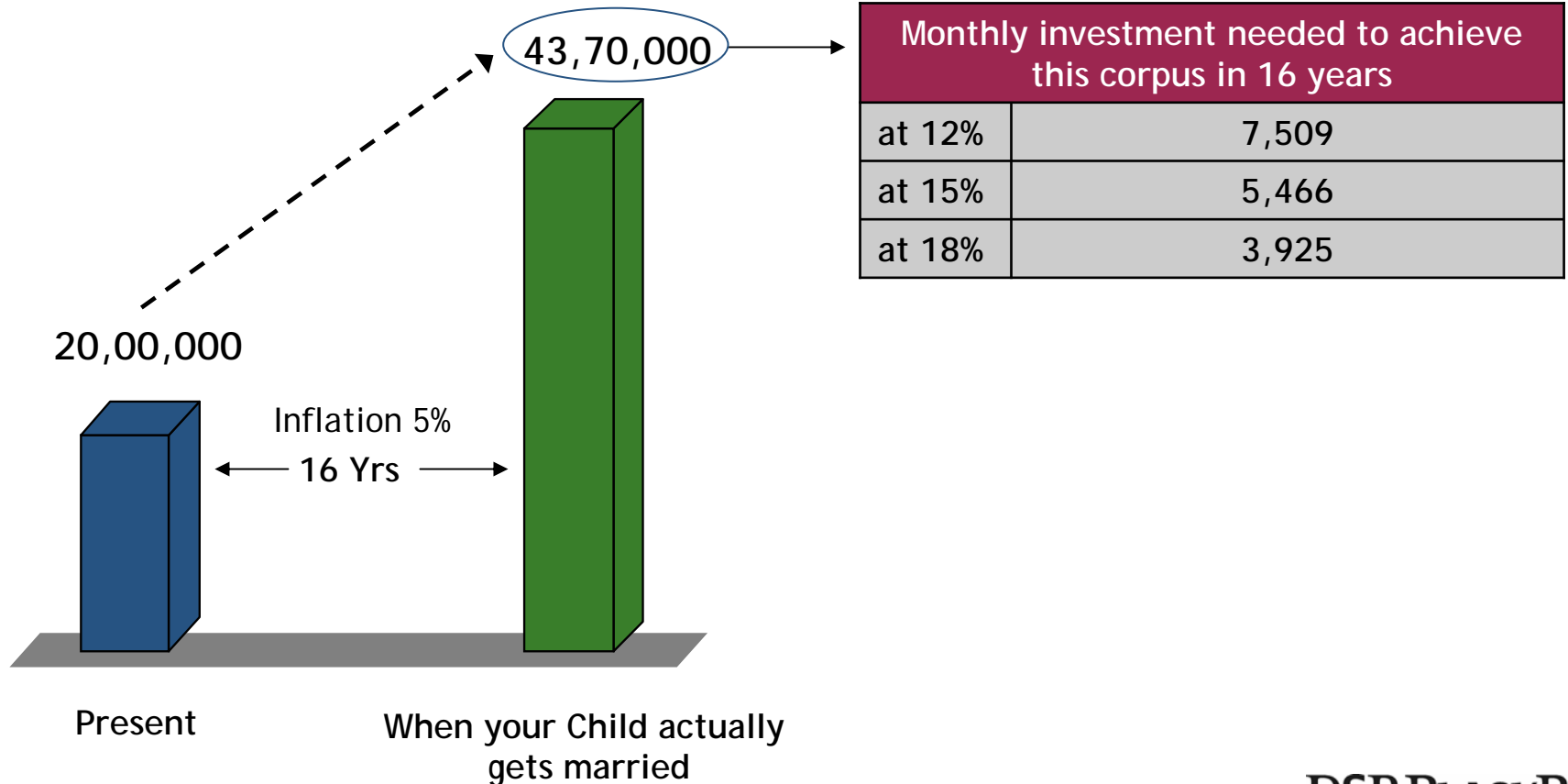
# Retirement Planning

## Educational Degree for Child



# Retirement Planning

## Child's Marriage





# So What Are The Benefits Of Investing Through A Systematic Investment Plan?

# Benefits of Investing Systematically

## The Benefit of Long Term Equity Investment

- Equities give superior returns among all asset classes over the long term
- DSP BlackRock Mutual Fund has a track record of consistent good performance relative to its peers

## The Benefits of Systematic Monthly Investment

- Takes out the risk of market timing
- Adds the benefits of the power of compounding and rupee cost averaging

## Flexibility

- You can choose from a wide array of schemes
- You can decide to keep invested amounts in an earlier scheme & invest future SIP installments into a new scheme

## Added Convenience

- Auto debit facility across over 25 locations in India
- Regular account statements
- Redemption request directly credited into your bank account

# The Power of Compounding

Table Illustrating the power of compounding (12% CAGR)

Monthly Investments for a period of →	12% return per annum				
	5 years	10 years	15 years	20 years	25 years
2,000	1.65 Lacs	4.65 Lacs	10.09 Lacs	19.98 Lacs	37.95 Lacs
5,000	4.12 Lacs	11.62 Lacs	25.23 Lacs	49.96 Lacs	94.88 Lacs
10,000	8.25 Lacs	23.23 Lacs	50.46 Lacs	99.91 Lacs	1.90 Crore
15,000	12.37 Lacs	34.85 Lacs	75.69 Lacs	1.50 Crore	2.85 Crore
20,000	16.50 Lacs	46.47 Lacs	100.92 Lacs	2.00 Crore	3.80 Crore
25,000	20.62 Lacs	58.08 Lacs	126.14 Lacs	2.50 Crore	4.74 Crore
50,000	41.24 Lacs	1.16 Crore	2.52 Crore	5.00 Crore	9.49 Crore

Source: Internal

Invest Systematically to Benefit from the Power of Compounding

# The Power of Compounding

Table Illustrating the power of compounding (15% CAGR)

Monthly Investments for a period of →	15% return per annum				
	5 years	10 years	15 years	20 years	25 years
2,000	1.79 Lacs	5.57 Lacs	13.54 Lacs	30.32 Lacs	65.68 Lacs
5,000	4.48 Lacs	13.93 Lacs	33.84 Lacs	75.80 Lacs	1.64 Crore
10,000	8.97 Lacs	27.87 Lacs	67.69 Lacs	1.52 Crore	3.28 Crore
15,000	13.45 Lacs	41.80 Lacs	1.02 Crore	2.27 Crore	4.93 Crore
20,000	17.94 Lacs	55.73 Lacs	1.35 Crore	3.03 Crore	6.57 Crore
25,000	22.42 Lacs	69.66 Lacs	1.69 Crore	3.79 Crore	8.21 Crore
50,000	44.84 Lacs	1.39 Crore	3.38 Crore	7.58 Crore	16.42 Crore

Source: Internal

Invest Systematically to Benefit from the Power of Compounding

# The Power of Compounding

Table Illustrating the power of compounding (20% CAGR)

Monthly Investments for a period of →	20% return per annum				
	5 years	10 years	15 years	20 years	25 years
2,000	2.07 Lacs	7.65 Lacs	22.69 Lacs	63.23 Lacs	1.73 Crore
5,000	5.17 Lacs	19.12 Lacs	56.71 Lacs	1.58 Crore	4.31 Crore
10,000	10.35 Lacs	38.24 Lacs	1.13 Crore	3.16 Crore	8.63 Crore
15,000	15.52 Lacs	57.35 Lacs	1.70 Crore	4.74 Crore	12.94 Crore
20,000	20.69 Lacs	76.47 Lacs	2.27 Crore	6.32 Crore	17.25 Crore
25,000	25.86 Lacs	95.59 Lacs	2.84 Crore	7.90 Crore	21.57 Crore
50,000	51.73 Lacs	1.91 Crore	5.67 Crore	15.81 Crore	43.13 Crore

Source: Internal

Invest Systematically to Benefit from the Power of Compounding



A Rupee Saved Is A Rupee Earned  
- A Long Journey Begins With A Small Step

# Disclaimer

**Statutory Details:** DSP BlackRock Mutual Fund was set up as a Trust and the settlors/sponsors are DSP ADIKO Holdings Pvt. Ltd. & DSP HMK Holdings Pvt. Ltd. (collectively) and BlackRock Inc. (Combined liability restricted to Rs. 1 lakh). Trustee: DSP BlackRock Trustee Company Pvt. Ltd. Investment Manager: DSP BlackRock Investment Managers Ltd.

**Risk Factors:** Mutual funds, like securities investments, are subject to market and other risks and there can be no assurance that the Schemes' objectives will be achieved. As with any investment in securities, the NAV of Units issued under the Schemes can go up or down depending on the factors and forces affecting capital markets. Past performance of the sponsor/AMC/mutual fund does not indicate the future performance of the Schemes. Investors in the Schemes are not being offered a guaranteed or assured rate of return. Each Scheme/Plan is required to have (i) minimum 20 investors and (ii) no single investor holding >25% of corpus. If the aforesaid point (i) is not fulfilled within the prescribed time, the Scheme/Plan concerned will be wound up and in case of breach of the aforesaid point (ii) at the end of the prescribed period, the investor's holding in excess of 25% of the corpus will be redeemed as per SEBI guidelines. For more details, please refer the Key Information Memorandum cum Application Forms, which are available on the website, [www.dspblackrock.com](http://www.dspblackrock.com), and at the ISCs/Distributors.

Please read the SID and Statement of Additional Information carefully before investing.