

CEO's VIEW



KAILASH KULKARNI

CEO, L&T Mutual Fund

CEO Speak June 2021

The Indian Mutual Fund industry AUM has crossed the Rs 33 lakh crore milestones as on May 31, 2021. While compared to May, June saw the markets range-bound, the broad-based growth story continues. The small and mid-cap segments are looking up and sectors like IT, FMCG & pharma continue to be the growth sectors. There is also a decreasing trend in COVID infections across the country which is enabling economic activities. This coupled with the country's vaccination drive is giving confidence to people and companies to get their businesses up and running.

As the country opens slowly but cautiously, all of us often reflect and take stock on the gains and losses through these manic pandemic times. Human losses are undoubtedly immense and economic impact is also significant - it may still take some more time to gauge the extent of the real impact. However, there are definitely some key shifts that have been accelerated by this pandemic. Remote work, cloud kitchens, digital banking, online education - there has been innovation, but more importantly, there has been an accelerated adaptation to the new ways of working. Both these waves have taught the big corporations and the small investor one common thing - *It is time we embrace the convenience of Technology.*

Whether it is shopping on amazon, buying your groceries on Big Basket, using courier home pick up services or booking a cab through an app - technology has shown the convenience WOW to the consumers, hence seeing rapid adaption. This has been further triggered by COVID and as we know many fence sitters have also educated and accustomed themselves to tech.

In the BFSI space also we are seeing every organisation revisiting their tech enablement story and showing very clear steps towards real digitization and giving a seamless experience to the customer.

L&T Mutual Funds has been committed to keeping the customer at the center of every initiative and conversation always. We at L&T Mutual Fund have launched our own mobile app which is in line with our focus on customer experience - the L&T Invest Express app. One can transact or fulfill service requirements through this app on their smartphones - simple, user-friendly and convenient.

In these times when the markets are looking up across segments, we believe investors to also take stock of their financial goals, asset allocation and invest as per their risk appetite. Systematic Investment Plans (SIPs) still continue to be the wise way to keep investing in the equity markets and keep saving regularly. Investing at regular intervals shields one from the ups and downs in the market and averages out the return (which in the financial world we call the rupee cost averaging).

There will be some key data points to watch out for in the coming months. The monsoon progress, inflation, oil prices will show an impact on the markets. A lot will also depend on how India is able to build on the growth recovery, the ramped-up vaccine drive which should reduce any subsequent wave impacts. To all our investors, we would like to urge them to stick to the basics of investing. One must evaluate their portfolios, book profits if necessary, reinvest, or just stay invested.

And try and use L&T Invest Express App - we have tried to make the process and experience of investing simpler for you.

Source: AMFI

Disclaimer – The article (including market views expressed herein) is for general information only and does not have regard to specific investment objectives, financial situation and the particular needs of any specific person who may receive this information. The article provides general information and comparisons made (if any) are only for illustration purposes. Investments in mutual funds and secondary markets inherently involve risks and the recipient should consult their legal, tax and financial advisors before investing. Recipients of this document should understand that statements made herein regarding future prospects may not be realized. Recipient should also understand that any reference to the indices/ sectors/ securities/ schemes etc. in the article is only for illustration purpose and are NOT stock recommendation(s) from the author or L&T Investment Management Limited, the asset management company of L&T Mutual Fund ("the Fund") or any of its associates. Any performance information shown refers to the past and should not be seen as an indication of future returns. The value of investments and any income from them can go down as well as up. The distribution of the article in certain jurisdictions may be restricted or totally prohibited and accordingly, persons who come into possession of the article are required to inform themselves about, and to observe, any such restrictions.

Mutual Fund investments are subject to market risks, read all scheme related documents carefully.