WEALTH 360

OPULENCE WEALTH

BY OPULENCE WEALTH

NEW YEAR EDITION 16 | DEC 2023

New Year Resolution's Why do we Fail?

The Evolution of SIP's

Historical Data & Changes.

Table Of CONTENT

THE PSYCHOLOGY BEHIND WHY NEW YEAR RESOLUTIONS FAIL

When the clock strikes midnight signalling the start of a new year, many adults will have committed themselves to a New Year's resolution.

According to a Forbes Health/One Poll survey conducted in October of 2023, 61.7% of respondents say they feel pressured to set a New Year's resolution. In addition, many respondents are planning on setting multiple goals with 66.5% stating they plan on making three or more resolutions for the year ahead.1

Whether it is to reduce weight, save more money, or organise your personal finances, whether it is to get out of debt, develop a hobby, socialise more, travel more, or something else, many people enjoy making New Year's resolutions. And with so many individuals committing to goals for the new year, there is a sense of hope and optimism that change is possible. However, the reality is that over 90% of New Year's resolutions fail within a few months..

Why do we fail? or why aren't we consistent?

Why don't we keep our New Year's resolutions more consistently? Some of the reasons are that we are thinking too big, that we are not examining the 'why' behind them, and that we may not be ready for change.

So, why do we set resolutions in the first place? What is the psychology behind making such promises at the start of the year with such zeal, only to have them fade away within the first couple of months?

We investigated the **Five** most popular resolutions made by nearly every third individual who makes resolutions. Do not worry, we are also going to discuss how to turn failure into success.

1 Pursue a Coveted Hobby

While researching this point for you, I looked back and analysed at least ten hobbies that I wanted to pursue but could not. Most of these resolutions to learn or pursue a pastime are made on New Year's Eve.

Please correct me if I am wrong!!
I am aware that I am not,

Let us shed some additional light on...
Why do we fail?

It is because that is a long-awaited aspect of life, and there is a reason why it is not making an appearance in our daily lives. Lack of faith. We have a predisposition to be sceptical. What happens if it does not work? What would people say if they find out I am doing this at my age?

Let us fix this for you
Divide your two hours per week for that hobby and progressively increase it. Make it a part of your daily routine. If you must spend a lot of money on your passion, set aside 10% of your salary for it. Invest the same amount in SIPs so that your savings can grow. This will assist you in learning a new skill to improve your performance in your activity.

You never know when that step you are frightened to take will become your sole source of income in the future.

2 I Will Save More

Let us agree to differ, but this is at the top of the list for most of you, yes, you who all make money. Everyone wants to save a lot of money. Savings backed by a variety of goals such as more travel, purchasing a new car, or possibly purchasing a home.

Why do we fail here?
We do not cut back where we need to and expand where we need to.
Discretionary costs should be reduced, and a percentage of your pay should be invested to increase and grow your savings.

Let us fix this for you
20% of your salary should go into high return generating investments. And then with each salary rise increase your contribution.

3 Cutting on Unhealthy Lifestyle

Cutting on junk food, working out, hitting the gym, yoga, or oath to do regular health checkups to attain a healthier life.

Why do we fail here?
Online food ordering applications take up the most space on our smartphones. We spend too much time on our phones, scrolling late at night and then getting up late in the morning, running out of time to get to work.

Where is the time to go to the gym, do yoga, and so on?

Let us fix this for you
Uninstall all food-delivery apps for a month, and after that, you will not want to use them again. You can download as many healthy substitutes food applications as you like.
Sleep without your phone nearby.
Most importantly, get health insurance for yourself or, if you have dependents, get a floater.

This will not only help you live a healthier life, but it will also help you live in a less stressful atmosphere.

4 Hit that Destination in your Checklist

Everyone has a dream country, city, or location in mind. Many New Year's resolutions focus around visiting a new location or place. You could have Europe tour in mind or maybe a long awaiting visit to some spiritual location.

Why do we fail?
Lack of time and of course to have required funds on time.

Let us fix this for you
Set aside a percentage of your earnings for short-term goals. Begin with 10%. Invest through SIPs or if you receive a lump sum of money in your account, as most of us do with yearly or semi-annual bonuses. Put the money into some decent mutual funds. Seek the advice of a Certified Financial Planner. They will assist you in selecting the best fund for you based on the duration of your aim.
When you have money to travel you will apply for leaves to travel too that's human phycology.

5 Go with the Flow

By Go with the flow we mean to less overthink and enjoy more life. Basically, reducing stress at all costs and live a happy life.

Why do we fail?
Unhealthy Lifestyle, Bad money decisions and No work life balance.

Let us fix this for you
Work on your lifestyle by upgrading your simple everyday items like as Save money, make better financial decisions with the advice of a financial planner, get insurance, and spend at least one day with your favourite

So, at the end of this article, I hope we can all agree that everything is interconnected here. All the concerns raised above make a lot of sense. Whether it is about completing your new year's resolve or your goals, which are already listed on your checklist in the short- and long-term areas. Everything we do is driven by consistency.

THE EVOLUTION OF SIP OVER THE YEARS

For millions of Indians, investing in mutual funds has become a vital element of their financial planning. The increased popularity of Systematic Investment Plans (SIPs) is a significant contribution to this trend. This article delves into the history of SIPs in India, tracing the evolution and growth of this investment approach that has changed the way people invest in mutual funds. SIPs, or Systematic Investment Plans, are a disciplined and hassle-free way to invest in mutual funds.

Investors agree to deposit a set amount on a regular basis, often monthly, into a mutual fund scheme of their choice.
This allows companies to spread their investment costs out across time, reducing the risks associated with market volatility.
Because of their flexibility, affordability, and potential for long-term wealth growth, SIPs have emerged as an appealing alternative for investors of all income levels.

1 The Introduction of Mutual Funds in India

The first mutual fund in India, the Unit Trust of India (UTI), was established in 1963 by the Government of India and the Reserve Bank of India. It was only in 1987 that the market opened for other players, with the entry of public sector banks and financial institutions.
The liberalization of the Indian economy in the 1990s led to the further expansion of the mutual fund industry, attracting private and foreign players. In the 90s, the mutual fund industry started to gain momentum, and the concept of SIPs was introduced to Indian investors.

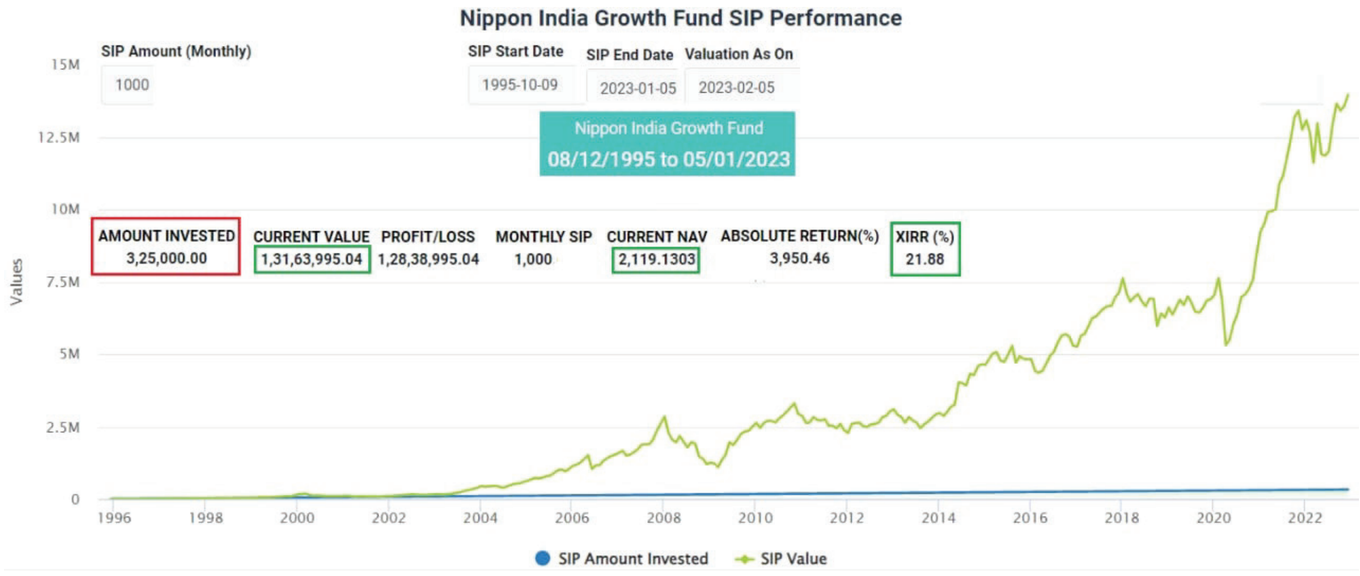
And, unfortunately, investors did not appreciate it. SIPs were first limited to a few mutual fund schemes and were not as popular as they are today. because of investor unwillingness. It takes time to get to and build a name for yourself in the market.
However, the early 2000s saw a change in the Indian mutual fund landscape.

The growth of SIP and mutual fund is the hard push of SEBI and AMFI.
SEBI has been instrumental in framing investor-friendly regulations, streamlining the investment process, and promoting transparency in the mutual fund industry.
AMFI, on the other hand, has focused on spreading awareness and improving financial literacy through various investor education initiatives.

2 The Surge

SIPs have grown at an exponential rate in India during the last decade.
The total amount invested through SIPs has increased steadily, as has the number of SIP accounts. This is due to a variety of factors, including increased financial literacy, extensive awareness efforts, and the ease of use of digital investment platforms.

Here is a real-life example of one of the finest growths seen in a Mid Cap fund over 3 decades.



Here you see a real SIP illustration of one the oldest mutual fund. We chose this fund so that we can show you what a long-term regular investment can do to your overall portfolio.

SIP Amount – 1000
Start Date- 09 Oct 1995
Value as on – 05 Feb 2023

Total amount invested- INR 3,25,000/-. Value as on 05 Feb 2023 – INR 1,31,63,995.04/-, the corpus is growing at the rate of 21% Cagr.

In addition to these reasons, substantial product advancements have occurred in the Indian mutual fund market in recent years.

According to the most recent AMFI (Association of Mutual Funds in India) data, **monthly inflows into the mutual fund industry via Systematic Investment Plans reached an all-time high of 17k crores in November 2023.**

This milestone has been reached because many new investors have become convinced of the procedure that instils discipline and consistency in their investments.

The total number of new accounts has surpassed 7.5 cr.

3 The Future

As India's SIP history develops, the future is bright. Now that technology is developing and new investors are entering the sector, the future seems bright. SEBI and AMFI, for example, are expected to continue their efforts to promote SIPs, ensuring that investors have access to a transparent and well-regulated investment environment.
Furthermore, the current digital transformation is poised to change the way consumers invest in SIPs.

4 Conclusion

The history of SIP in India displays an incredible story of growth and evolution.
SIPs have altered the way people invest in mutual funds throughout the years, providing a disciplined and convenient method to wealth growth.
With continuing regulatory support, technological developments, and increased financial knowledge, the popularity of SIPs in India is projected to skyrocket in the coming years.

PERSONAL FINANCE FOR NEWLY WEDS

One of the most important moments in your life is getting married. There is so much to think about: the flowers, the diamond, the dress, the venue, the photos, and so on. When you return from your honeymoon, your everyday life as a married person begins, as do the responsibilities of managing the finances of a new household with your husband. According to recent studies, many couples rate money as one of the most important variables in marital happiness. It is one of the primary causes of marital stress.

Let us discuss some basic money tips to help you have a smoother financial life.

1 Money Management

The first step is to determine how financially compatible you and your spouse are. You could be conservative, while your partner could be aggressive. You may believe that the stock market is the finest place to invest, whilst your spouse may believe that bank FDs are the best place to invest. You should explain your money management approach to your spouse, and you should comprehend your spouse's money management style. Both of you must weigh the benefits and drawbacks of your respective money management styles. Then you must develop a mutually agreed-upon combined money management style.

2 Update your Details in Prevailing Investments & Govt. Records

You may have moved to your in-laws' house or to a new location entirely. It is recommended to take proactive steps such as changing your address, changing your name (if relevant), changing your nominee, and changing your will (if applicable).

3 Divide Financial Responsibilities

You must design a format for both of you to smooth expenses. You may do this by dividing the outflows. For E.g.- Rent (if applicable), electricity, liabilities (if any) or loans (if any).

4 Define a Budget

You need to create a workable budget for your family that gives extra money and life. This budget should consider both of your income, the individual expenses and family expenses.

5 Create an Emergency Fund

You need to accrue savings for some surprise situations like loss of job, break in job or sudden expenses like a major repair to your car or house. Generally, the emergency fund needs to be in the range of 3 to 6 month of family expenses.

6 Protection Covers

You may not have any dependents or have a small number of dependents. You could not have thought about life insurance or settled for less coverage. This is the time to seriously consider life insurance. Similarly, make proper health-care plans to protect yourself from unforeseen financial difficulties in times of need.

7 Set Combined Financial Goals

You should both spend some quality time discussing financial goals such as purchasing a home, taking an international vacation, and so on. This is an excellent time to start thinking about retirement. Once you have determined your overall financial objectives, you will need to devise a strategy to reach them. You must examine the growth rate of your income, inflation on your spending, the time assigned to attain certain goals, and the estimated rate of return from various investment options.

Above and beyond the well-discussed issues, it is always recommended to consult with a Certified Financial Planner for more systematic preparation. They are qualified to assess and make recommendations based on your financial position.

To be financially successful, both partners must work together. As a newlywed spouse, you have lots of time and opportunities. I am confident that you will achieve your life goals together with the help of this checklist and the advice of a financial planner.

OLD VS NEW TAX REGIME: WHICH IS BETTER?

The Budget 2023 has created considerable uncertainty among taxpayers over the option between the old and new tax regimes. The government has included several incentives in the 2023 Budget to support the implementation of the new system. These adjustments indicate that the government intends for taxpayers to migrate to the new system and eventually phase it out. Even though the new regime is now the default, the old regime will continue to exist.

Old Tax Regime – All Deductions Available BUT Higher Tax Rates

New Tax Regime – Reduced Tax Rates BUT No Deductions

3 Benefits of New Regime

1. ***Higher Tax Rebate Limit:*** Full tax rebate on an income up to ₹7 lakhs has been introduced. Whereas this threshold is ₹5 lakhs under the old tax regime. This means that taxpayers with an income of up to ₹7 lakhs will not have to pay any tax at all under the new tax regime!

2. ***Standard Deduction of ₹50,000:*** This deduction was only available under the old regime, has now been extended to the new tax regime as well. This, along with the rebate, makes ₹7.5 lakhs as your tax-free income under the new regime.

3. ***Simpler Tax Structure & Streamlined Tax Slabs:*** The new tax regime has a simpler tax structure as compared to the old tax regime. You no longer must worry about claiming various deductions and exemptions. The tax exemption limit has been increased to ₹3 lakhs and the new tax slabs are:

Total Income	Rate of Tax
up to ₹3,00,000	Nil
₹3,00,001- ₹6,00,000	5%
₹6,00,001- ₹9,00,000	10%
₹9,00,001- ₹12,00,000	15%
₹12,00,001- ₹15,00,000	20%
₹15,00,001 and above	30%

1. ***Exemptions and Deductions:*** You can opt for various exemptions and deductions under the old regime tax. There are around 70 deductions and exemptions under this system to help you save taxes. The tax saving investment instruments help create long-term wealth. The popular options for deductions against the salary include –
Leave Travel Allowance
House rent allowance
Deductions available under Section 80TTA/80TTB (on interest from savings account deposits)
Home loan principal and interest
Tax relief on interest paid on home loan for self-occupied or vacant property

2. ***Tax-saving deductions under Chapter VI-A (80C,80D, 80E,80CCC, 80CCD, 80D, 80DD, 80DDB, 80EE, 80EEA, 80EEB, 80G, 80GG, 80GGA, 80GGC, 80IA, 80-IAB, 80-IAC, 80-IB, 80-IBA, etc)-*** these popular tax-saving investment options include Life insurance premiums, Equity-Linked Saving Scheme (ELSS), National Pension Scheme (NPS), Public Provident Fund (PPF), Children's tuition fee, Health insurance policy premiums, donations to trusts, donations to political parties, interest paid on loans taken for higher education, etc.

Slab rates under the old tax regime are as follows-

Total Income	Rate of Tax
up to ₹2,50,000	Nil
₹2,50,001- ₹5,00,000	5%
₹5,00,001- ₹10,00,000	20%
₹10,00,001 and above	30%

Old vs New Tax Regime: Which one to choose?

The new income tax regime is designed to accommodate those who prefer minimal deductions or wish to avoid the burden of extensive tax preparation. Both the old and new tax regimes possess advantages and disadvantages. The previous tax structure encourages taxpayers to cultivate a habit of saving, while the new tax structure Favors employees with lower earnings and investments, resulting in fewer deductions and exemptions. The new tax system is considered safer and simpler, involving fewer records, and reducing the potential for tax evasion fraud. However, due to the unique nature of individual deductions and exemptions, a thorough comparison of the two regimes is necessary to determine the best fit for each person.

The following estimate will broadly help you decide between old vs the new tax regime:
When total deductions are ₹1.5 lakhs or less: New regime will be beneficial
When total deductions are more than ₹3.75 lakhs: Old regime will be beneficial
When total deductions are between ₹1.5lakhs to ₹3.75 lakhs: will depend on your income level

Comparative Analysis of Income Tax on 10L Gross Salary-

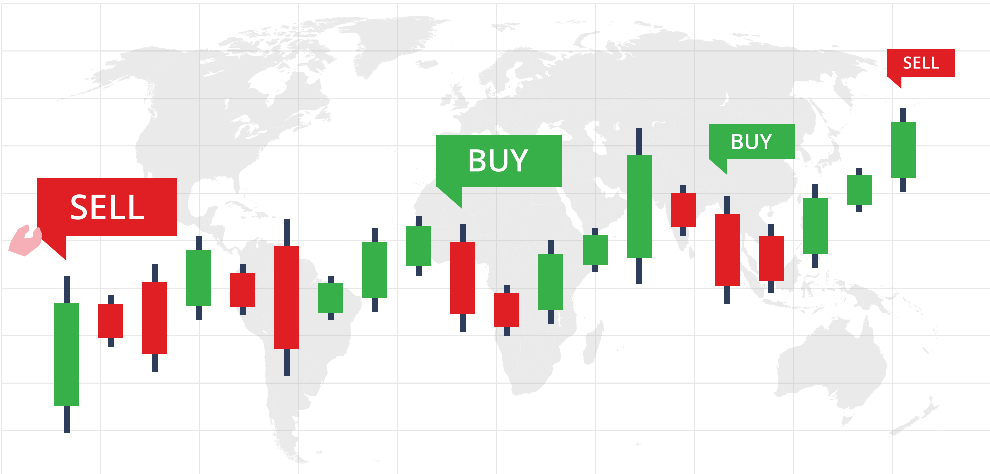
	Old Regime	New Regime
Gross Salary Income	10,00,000	10,00,000
Less: Standard Deduction	-50,000	-50,000
Less: Housing Loan interest deduction	-2,00,000	-
Less: Deduction under 80C Life Insurance, tuition fee	-1,50,000	-
Less: Deduction under 80CCD(1b) NPS Contribution	-50,000	-
Less: Deduction under 80D Mediclaim of self & family	25,000	-
Less: Deduction under 80D - Mediclaim/Expenditure for Senior Citizen Parents	-50,000	-
Net Taxable Income	4,75,000	9,50,000
Income tax payable	Nil	54,600

The author, CA Shivam Arora is a practicing Chartered Accountant (Partner at SAR & Company, Chartered Accountants having offices at Delhi & Noida) with more than 7 years of professional cum practical experience in Direct Tax, Indirect Tax, litigation & compliance matters. If you have any query then author can be reached out at shivam@casar.co.in or www.linkedin.com/in/cashivam

HISTORICAL DATA & CHANGES
DEC 2023

INDEX & COMMODITIES	VALUE/PRICE 01-DEC-2023	VALUE/PRICE 22-DEC-2023**	% CHG
BSE SENSEX	67481.19	71106.96	5.37%
NIFTY 50	20267.90	21349.40	5.33%
BSE MID CAP	34586.76	35882.68	3.74%
BSE SMALL CAP	40565.96	42001.75	3.53%
GOLD ₹/10GM	62700.00	62865.00	0.24%
SILVER ₹/01 GM	76547.00	75759.00	-1.02%
USD/INR	1/83.35	1/83.17	-0.21%
BRENT CRUDE (₹/BARREL)	6383.00	6224.00	-2.49%

NOTE: MARKET GLANCE IS FOR GENERAL INFORMATION ONLY AND NOT MEANT TO SERVE AS A PROFESSIONAL GUIDE/ INVESTMENT ADVICE / INTENDED TO BE AN OFFER OR SOLICITATION FOR THE PURCHASE OR SALE OF ANY FINANCIAL PRODUCT OR INSTRUMENT OR MUTUAL FUND UNITS.



TOP MEMES


When i learn about stock market from WOLF CFD.
Mai..Mereko Sab Ata Hai..
Mai Expert Hun


* Retail Investor
Penny Penny Penny .. I don't like it
I Avoid
But Penny Stocks like me
I Can't Avoid


Today's Market Summary
Bear
Bull


Stock in Watchlist
Same Stock After My Position
profitmust.com


When I get the stock pick right...
Me
My Friend


When i learn about stock market from WOLF CFD.
Mai..Mereko Sab Ata Hai..
Mai Expert Hun

EVENT CORNER

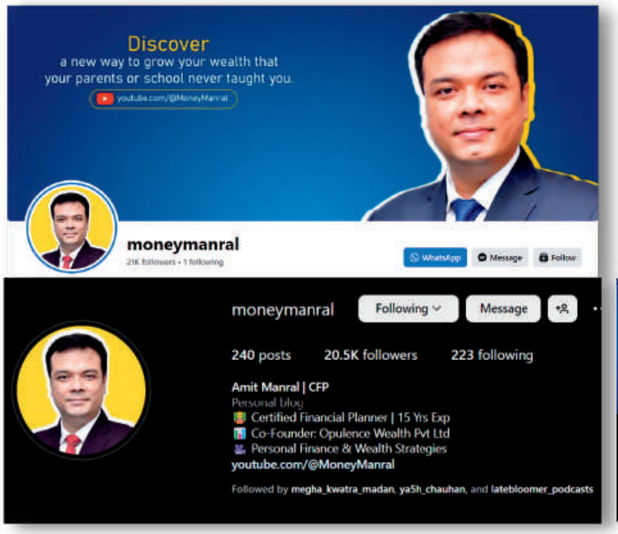
Celebrating 10yrs of Opulence Wealth

MEDIA PAGE

Watch the newest release overviews, a feature insights, video, tutorials and more!

OUR YOUTUBE CHANNEL - MONEY MANRAL

Follow us on Instagram and like us on Facebook to stay tuned for more videos about financial concepts, tips & tricks, and more! We encourage you to subscribe to our YouTube channel as well, so you can be notified whenever new videos are posted!



SUBSCRIBE US ON YOUTUBE
FOLLOW US INSTAGRAM
FOLLOW US FACEBOOK

OUR NEWSLETTER - WEALTH 360

Don't forget to check our previous newsletters,

Newsletter link: https:/fopulencewealth.com/our-newsletter/

Scan the QR code to visit the above link.

CONTACT US

Details & More

Being intentional about improving your financial situation is the beginning of financial success. Focus on your financial goals and take the necessary action to achieve them.

#OPULENCEWEALTH

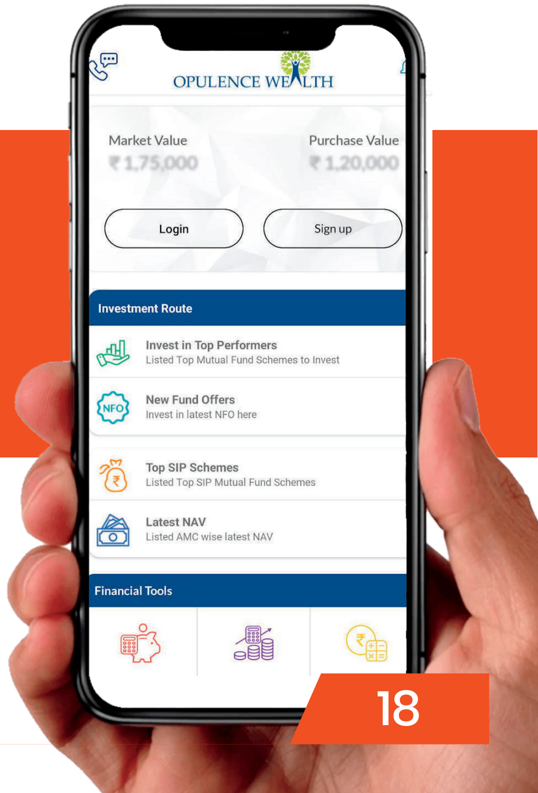
OPULENCE WEALTH

GET IT ON Google Play

(Tap to download)

Download on the App Store

(Tap to download)



C-78, Sector 63, Noida: 201301

+91-9953551177

info@opulencewealth.com

www.opulencewealth.com