

NIVESH CHINTAN SAMACHAR



Volume : 3

Issue : 5

THANE

MAY 2025

4 Pages

₹ 3.00

INDIA STRENGTHENS ITS GLOBAL STANDING AMID US TARIFF TENSIONS



As global trade tensions escalate, India is strategically positioning itself as a critical economic and geopolitical partner for the United States. Amid the ongoing tariff crisis, India holds a notable upper hand, leveraging its expanding market, rising manufacturing prowess, and indispensable geopolitical relevance.

At the heart of India's advantage is its massive consumer market, now home to over 1.4 billion people (World Bank, 2024). With one of the fastest-growing middle classes globally, India presents rare and valuable growth opportunities for American businesses. Sectors such as technology, agriculture, and energy view India as essential for their future expansion. This strong consumer demand makes Washington wary of escalating tariff measures that could risk losing footholds in such a crucial economy (McKinsey Global Institute, 2023).

Moreover, the post-pandemic global supply chain realignment has placed India in an even stronger position. Efforts by multinational companies to adopt a "China Plus One" strategy have significantly benefited India. Companies like Apple, Tesla, and Micron are investing billions into Indian manufacturing facilities (Bloomberg, 2024), making India a preferred partner for production and supply diversification. These investments not only create jobs but also deepen the interdependence between the two nations' economies.

Strategically, India's importance to the United States extends beyond commerce. As tensions with China continue, the US is relying heavily on India to

maintain balance in the Indo-Pacific region. India's participation in the Quadrilateral Security Dialogue (Quad) — along with the US, Japan, and Australia — highlights its role as a key player in countering Chinese maritime and regional influence (Center for Strategic and International Studies, 2024). Any deterioration in US-India relations could weaken the broader strategic architecture that Washington has been carefully constructing.

In addition to market size and geopolitical strategy, India's export strengths offer it further leverage. Pharmaceuticals, IT services, textiles, and jewelry form a significant part of India's export basket. Notably, India supplies approximately 40% of the generic medicines consumed in the United States (USFDA, 2023), making it a crucial partner for American healthcare. Disruptions in these supply chains due to tariff hikes would have a direct negative impact on US consumers and businesses.

Domestically, initiatives like Atmanirbhar Bharat have enhanced India's self-reliance, reducing vulnerability to external economic shocks and enabling stronger negotiating power in international trade discussions (Government of India, 2023). India is no longer just an emerging market — it is a confident player setting its own terms.

Further reinforcing the partnership are the shared democratic values between the two nations. Despite its internal challenges, India remains the world's largest democracy, aligned with US interests in promoting a rules-based global order. Additionally, the influential Indian-American community, which

has made significant contributions to US sectors like technology, medicine, and academia, strengthens bilateral ties and ensures that India's interests are well-represented in American policymaking (Pew Research Center, 2024).

In conclusion, India's growing economic weight, strategic significance, and strong cultural ties position it as an indispensable partner for the United States. As the tariff crisis unfolds, India's enhanced bargaining power signals not just a momentary advantage, but a broader shift in the global balance of power — one where New Delhi plays an increasingly central role in shaping the future of global trade, diplomacy, and economic cooperation.

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HOW MUTUAL FUNDS CAN PERFORM BETTER DURING VOLATILE TIMES

Turning Market Turmoil into Investment Triumphs with the Right Strategies.

Market volatility often triggers anxiety among investors, but for mutual funds, it presents a unique opportunity to optimize strategies and deliver value. In turbulent times, the performance of mutual funds largely depends on the approach of fund managers, the fund's diversification, and the discipline of the investors.

One of the most critical factors is **diversification**. A well-diversified mutual fund, spread across sectors, geographies, and asset classes, tends to cushion the impact of market swings. Equity funds with a mix of large-cap, mid-cap, and sector leaders typically show greater resilience during volatile periods.

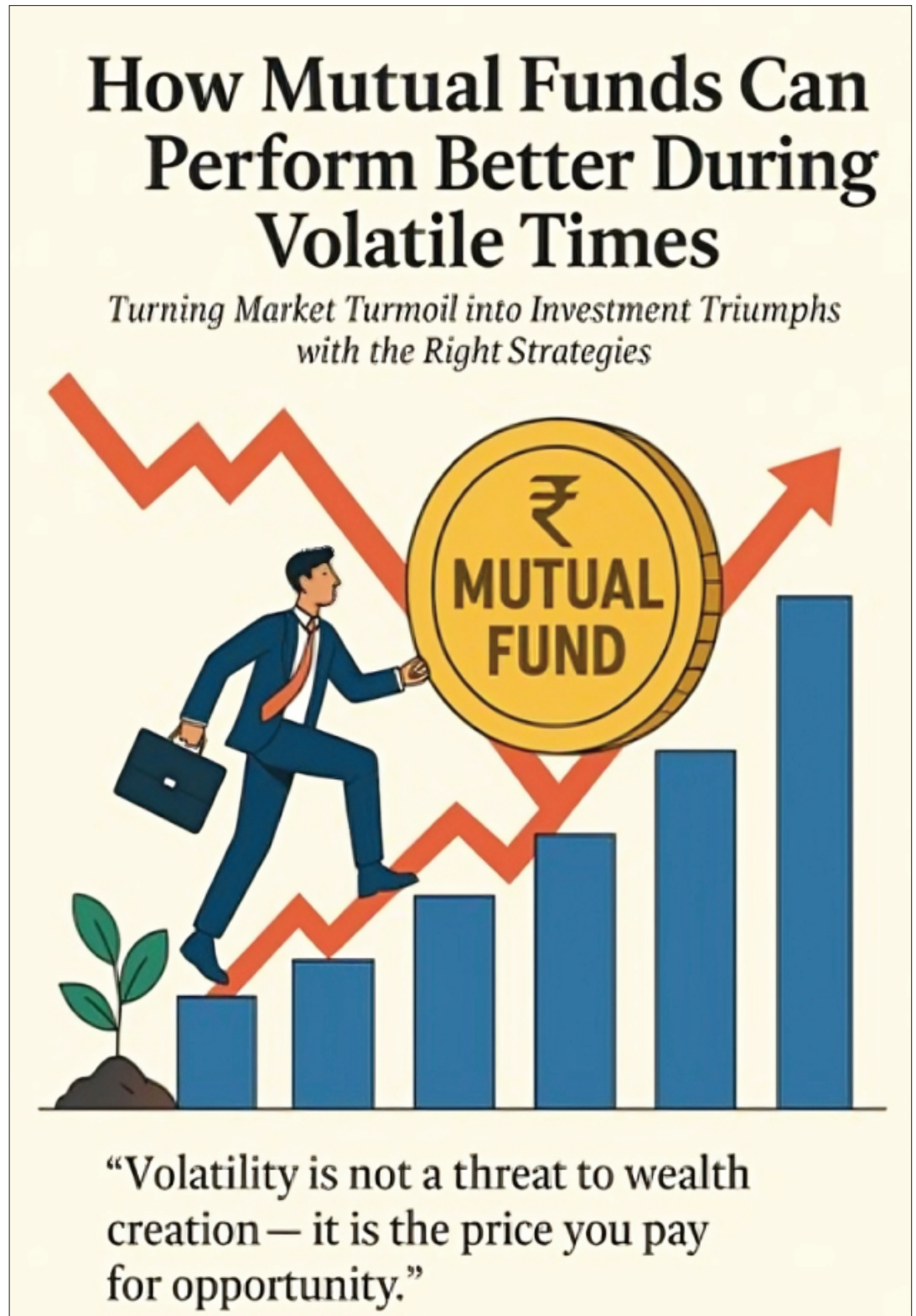
Active management becomes especially crucial. Skilled fund managers can tactically shift portfolios toward defensive sectors like healthcare, consumer staples, or utilities, which usually outperform during downturns. They can also identify undervalued stocks, allowing funds to benefit when markets recover.

Moreover, **Systematic Investment Plans (SIPs)** provide a strategic advantage. By investing consistently, investors buy more units when prices are low and fewer when prices are high, effectively averaging the cost over time. This rupee-cost averaging technique smoothens returns over market cycles.

Debt mutual funds also play a significant role. In times of equity volatility, funds focusing on high-quality bonds and government securities can offer stability to an overall investment portfolio.

Finally, **investor behaviour** is key. Staying invested rather than reacting emotionally ensures that investors benefit from eventual recoveries. Volatility is temporary, but a long-term approach to mutual fund investing has historically generated solid returns.

In conclusion, mutual funds can navigate volatile times successfully with diversification, active management, systematic investing, and disciplined investor behavior. Rather than fearing



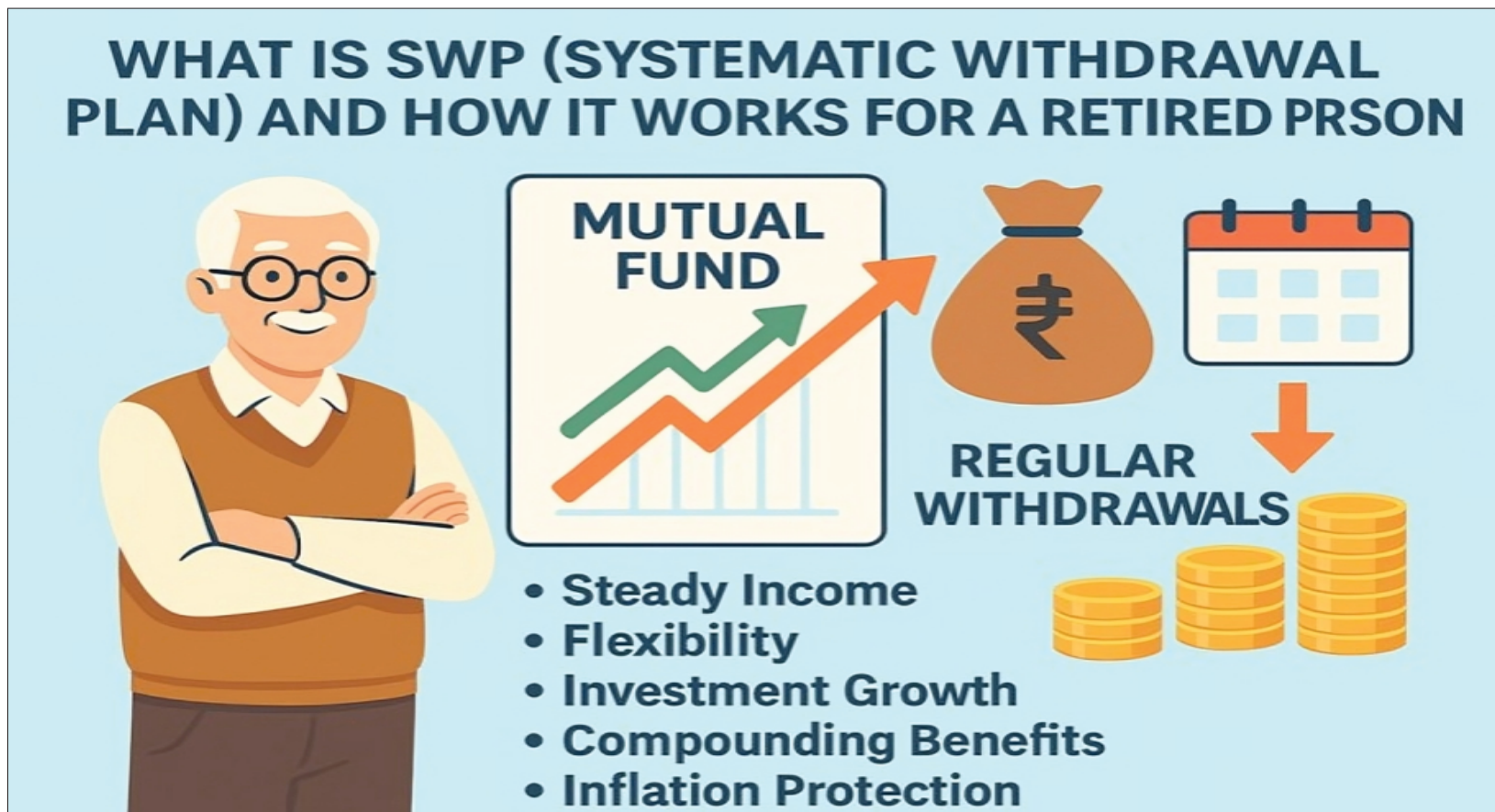
volatility, smart investors and fund managers use it as a tool for long-term wealth creation.

“Volatility is not a threat to wealth creation – it is the price you pay for opportunity.”

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WHAT IS SWP (SYSTEMATIC WITHDRAWAL PLAN) AND HOW IT WORKS FOR A RETIRED PERSON



A Systematic Withdrawal Plan (SWP) allows mutual fund investors to withdraw a fixed amount of money regularly, making it an ideal solution for retirees who need a steady income stream while still keeping their investments in the market.

How SWP Works:

- Investment in Mutual Funds:** A retiree invests a lump sum in a mutual fund, typically in equity or debt funds. Once the investment is made, the SWP is activated to begin regular withdrawals.
- Regular Withdrawals:** The retiree chooses to withdraw a fixed amount (e.g., ₹10,000 or ₹20,000) on a monthly, quarterly, or yearly basis, according to their needs.
- Capital & Returns:** Withdrawals are made from both the principal and returns generated by the fund. The goal is to ensure that withdrawals are sustainable without depleting the capital too quickly.
- Flexibility:** The retiree can adjust the withdrawal amount and frequency based on changing financial needs, like medical expenses or personal circumstances.
- Taxation:** Tax on SWP withdrawals depends on the mutual fund type. Equity funds with long-term investments (held for more than a year) have favourable tax treatment, while debt funds are taxed based on the holding period.

How SWP Benefits Retirees:

- Steady Income:** SWP provides retirees

with a regular cash flow, similar to a pension, ensuring they can cover living and medical expenses.

- Flexibility:** Retirees can modify withdrawal amounts and frequency to meet changing needs, such as an increase in medical expenses.
- Investment Growth:** SWP allows withdrawals without selling investments in bulk. The remaining portfolio continues to grow, especially in equity-based funds.
- Compounding Benefits:** Even as money is withdrawn, the remaining corpus continues to generate returns, making the income source sustainable.
- Inflation Protection:** SWPs allow retirees to adjust withdrawal amounts for inflation, helping maintain the real value of income over time.

Example:

Suppose a retiree invests ₹20 lakh in an equity mutual fund with an 8% annual return. They choose to withdraw ₹15,000 per month.

- **Monthly Withdrawal:** ₹15,000 is withdrawn every month.
- **Growth:** The remaining balance continues to grow at 8% per year.
- **Over time,** even though the retiree is withdrawing money regularly, the portfolio continues to grow, ensuring long-term sustainability of their income without depleting the initial investment too quickly.

Risks to Consider:

- Market Volatility:** Market downturns may affect the value of the mutual fund. Retirees may need to adjust SWP amounts if the fund underperforms.
- Inflation:** Without adjusting the withdrawal amount for inflation, retirees risk losing purchasing power.
- Withdrawal Rate:** High withdrawals relative to the fund's returns can deplete the corpus faster than expected.

References:

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Conclusion:

SWP is an excellent tool for retirees seeking a consistent and flexible income stream from their mutual fund investments. It provides the benefits of steady withdrawals, tax efficiency, and the potential for long-term capital growth while allowing retirees to maintain control over their finances. However, retirees should carefully plan their withdrawal amounts and choose appropriate mutual funds to balance their income needs with market risks. Consulting with a financial advisor can help tailor an SWP strategy to meet specific goals and ensure sustainability over the long term.

MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISK. PLEASE READ THE OFFER DOCUMENT BEFORE INVESTING.

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WHY TERM INSURANCE IS IMPORTANT FOR YOUNG PARENTS

Term insurance is crucial for young parents for several reasons:

1. Financial Security for Dependents:

If something were to happen to the primary breadwinner, term insurance ensures that the family, especially children, will have financial support to maintain their lifestyle, cover daily expenses, and pursue future goals like education and marriage.

2. Affordable Premiums:

When purchased at a young age, term insurance is relatively inexpensive. Securing a policy early allows young parents to lock in lower premiums for higher coverage, offering significant value over time.

3. Pay Off Debts:

Many young parents have financial obligations like home loans, car loans, or education loans. A term insurance policy ensures these debts are paid

off without burdening the family if something happens to the policyholder.

4. Peace of Mind:

Knowing that there's a safety net for the family provides peace of mind, allowing young parents to focus on building their future without constantly worrying about potential risks to their loved ones.

5. Covering Future Expenses:

Besides current expenses, term insurance helps young parents plan for future costs like their children's education, wedding, and other major life events. It serves as a cushion to ensure these financial goals are met.

6. No Investment Pressure:

Unlike endowment plans or ULIPs (Unit Linked Insurance Plans), term insurance focuses purely on providing a death benefit, meaning parents don't have to worry about investment

FOR YOUNG PARENTS



- | | |
|-------------------------------------|--------------------------|
| • Financial Security for Dependents | Peace of Mind |
| • Affordable Premiums | Covering Future Expenses |
| • Pay Off Debts | No Investment |

returns, making it a straightforward and essential choice for risk protection.

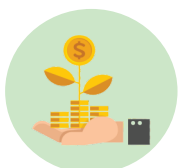
Term insurance is an affordable way for young parents to ensure their family's financial security in case of their untimely absence. It's a simple, yet powerful, tool to safeguard the future of loved ones.

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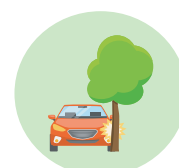
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