

Discover how ETFs can enhance your portfolio at the Making ETFs More Mutual webinar today at 4pm. Register Now!

YOU ARE HERE: Home News Business Personal Finance

Last Updated : Sep 04, 2020 11:10 AM IST | Source: Moneycontrol.com

Women outshine men in equity investments during COVID-19

Women appear to have displayed better financial maturity

Profit Nahi to Brokerage Nahin

Delivery: Zero Brokerage. Intraday: Rs 15 per Order. Margin: 25 Times



Listen to the Audio Version of the Article

05:02



Powered by Trinity Audio

Rachna Monga Koppikar

In March, when the Coronavirus Pandemic locked us inside our homes, Sudha (name changed), a homemaker based in Thane (a Mumbai suburb) spent her afternoons in front of her broker's website. As



stock prices (within the BSE Sensex) fell by 23 per cent, Sudha used the opportunity to buy stocks with her surplus. "I gradually deployed more savings in shares during March and April," says Sudha. She manages her family's finances with the help of a financial planner and invests directly in stocks, by doing her own research.

Sudha represents the emerging class of Indian women who not only take active interest in money management, but are also learning to deal with volatility in the financial markets. "The onus of investing wisely and responsibly is much more when you manage someone else's money," she feels.



Women outshine men in equity investments during COVID-19



COVID-19 impact: Auto industry urges govt to put new emission norms on...



M3M Group clocks R sale of residential a



Women score on decision-making

RELATED NEWS

**Green shoots in aviation?
Emirates restores salaries across board**

Tiny Maharashtra village offers window into India's surging COVID-19 caseload

Avoid these behavioural biases while investing in volatile markets

To understand how women managed their finances during the Pandemic, Moneycontrol spoke to seven leading financial planners. They say, anecdotally, that women who actively invest their or their family's funds have, in the past five months, taken balanced decisions about their finances with a sharp focus on their long-term goals.

Amit Bivalkar, Director, Chief Executive Officer at Sapient Wealth Advisors and Brokers says that while making investment decisions, women have become more risk-

conscious, as they take a slow and steady approach to investing. He cites the example of an entrepreneur who invested her lump-sum savings in stocks during March this year.

Tejal Gandhi, Founder of Money Matters shares a similar story. She has a client who is a doctor, and transferred her fixed deposits to equity funds in March, despite the sharp crash in the equity markets that preceded it. Another client of hers used the contingency fund to tide over expenses during the lockdown period. "Since they have been following our guideline of keeping contingency funds and investing goals in mind, they could use it at the right time, she says."

Making victorious long-term purchases

Neil Stewart, Professor of Behavioural Science at The Warwick Business School researched 2800 investors and found that women outperformed men in stocks by 1.8 percent points. His study revealed that women also take a more long-term perspective, trading less frequently. "This possibly means women are investing more to support their financial goals, whereas men are attracted to what they see as the thrill of investing," it concluded.

While there is no such empirical evidence of returns earned by women vis-à-vis men in India, Sapna Narang, Managing Partner at Capital League Private Wealth Management agreed that even under stressful circumstances, women can completely articulate their financial goals.

In March, the Sensex, fell by 23 per cent. Debt fund investors were worried too, as Franklin Templeton Investments wound up a few of its debt schemes due to corporate defaults. This led to anxiety among investors about their debt fund holdings.

Get Your Company Credit R

Protect Your Professional Investment. Ge
Bank Today



Women outshine men in equity investments during COVID-19



COVID-19 impact: Auto industry urges govt to put new emission norms on...



M3M Group clocks R sale of residential a



and Founder Fynomics, started calling her clients in March to understand if there was any change in their job or income status. Women were much more proactive (vis-à-vis men) to alert her about an impending job losses or salary cuts, which helped Nisha re-allocate their funds to tide over any crisis. Some women were very clear about paying off liabilities by re-allocating holiday funds, even though there was no foreseeable job risk.

Gandhi of Money Matters also saw lot of her millennial clients panic and stop their systematic investments. Once they realised that they may only face a salary cut, they re-initiated their investments.

Renu Maheshwari, CEO and Principal Advisor at Finscholarz Wealth Managers often received calls from women who asked for re-assurance about their capital being safe. “Most women clients were worried about preserving their capital,” she says, echoing Amit Bivalkar’s experiences with his clients. In Bangalore, Dilshad Billimoria, Director, Dilzer Consultants says a few women clients reduced their monthly expenditure during the pandemic but none of them stopped their systematic investments.

A new mindset during pandemic stress

Going by the experience of financial planners, women appear to have displayed financial maturity contrary to the popular perception that they aren’t active participants in financial matters.

In times to come, women could be the ones who not only lead household budgets, but steer family investments the way Archana Raha, a working professional in her early fifties, does. A few years ago, her husband was shell-shocked to see her equity-laden portfolio outperform his fixed deposit holdings. Since then, while she has been actively investing in stocks and equity funds, she is cautious about investing her husband’s savings in equity funds. As lifestyle expenses came down during the pandemic, she diverted more of their savings on expenses to equity funds.

(The writer is a money coach for women and freelance personal finance)

First Published on Sep 3, 2020 10:32 am

TAGS #Covid-19 #Investment #Women

PROMOTED CONTENT

Recommended by



What will become of China’s Belt and Road initiative across Asia? Watch now

[CNA - Insight](#)



Jeff Bezos Drops \$16 Million on Another Manhattan Pad to Create a ‘Vertical’ Dream Home

[Mansion Global](#)



Where Do The Richest Americans Live?

[Mansion Global](#)



Women outshine men in equity investments during COVID-19



COVID-19 impact: Auto industry urges govt to put new emission norms on...



M3M Group clocks R sale of residential a

