

## Keep Calm. Stay Invested

***As market volatility continues from increasing Coronavirus cases worldwide, here is what Sampath Reddy, Chief Investment Officer, Bajaj Allianz Life, has to say:***

With the epicenter of Coronavirus having shifted from China to the rest of the world, we have been witnessing continued risk off sentiment across the globe. Indian markets, in line with its global peers have corrected significantly. We may continue to see further short-term market volatility, as the new cases of Coronavirus continue to escalate globally as well as domestically. However, it is during such times of extreme pessimism, that it is essential to have a disciplined approach and continue with one's investment decisions to achieve long term investment goals, and not panic and defer from the path.

In India, there has been a concerted effort by the Government departments, which have been taking several policy measures to curb the spread of Coronavirus. RBI too has been closely and continuously monitoring the situation and ensuring that financial markets remain adequately liquid and stable, and continue to function normally. RBI has been infusing liquidity into the system, which currently is in excess of Rs 2 trillion; which along with other policy tools like LTRO (Long Term Repo Operations) and OMO (Open Market Operations) is expected to help in transmission of the rate cuts and help revive the economy. Globally too, central banks and governments have been announcing several monetary as well as fiscal stimulus to revive economic growth.

As was highlighted in the previous note on market volatility, historically all such crises have proven to be good investment opportunities for investors over a medium to long term period. Hence, investors should continue to pay their renewal premiums and not try to time markets as it is difficult to catch the bottom of the markets accurately. With the markets having corrected significantly, valuations have become quite attractive. This offers some buying opportunity for long-term investors, and they can gradually start to deploy some money in equities (as per their risk profile).

**Bajaj Allianz Life's key equity funds have strong long-term performance track-record** - Most of our key active equity fund are rated 5-stars or 4-stars (and historically have been too) by independent fund rating agency Morningstar, indicating that they have managed to deliver better risk-adjusted returns over the long-term, and also protect downside risk (when compared to peer funds).

We will continue to put in our efforts to generate better risk-adjusted returns for investors over the long term, and over a market cycle (both up and down market).

Lastly, I'd urge all to take precautionary measures to combat Coronavirus threat, and at the same time, please take necessary steps to ensure your investments towards your long-term Life Goals are on track.

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