

Keep Calm. Stay Invested

In light of market volatility triggered from increasing Coronavirus concerns worldwide, here is what Sampath Reddy, Chief Investment Officer, Bajaj Allianz Life, has to say:

Indian markets have registered a healthy correction over the past few weeks, along with global markets, on the back of escalating Coronavirus concerns. Coronavirus has recently been declared a global pandemic by the World Health Organization (WHO) and has triggered risk-off sentiment in global markets. We may see further short-term market volatility as the new cases of Coronavirus continue to escalate globally. However, **in these volatile times, it is essential to make investment decisions that enable you to achieve your long-term investment goals, and not panic and defer from the path.**

- **Investments made in challenging times have generally been rewarding for investors over the medium to long term:** While the short term scenario is bound to create fear or panic amongst investors, and may influence them to withdraw from their investments or not pay their renewal premiums, it is good to note some historical trends on similar situations.
 - Market timing, as we know, is difficult; and it's difficult to catch the bottom and top of markets accurately. However, the prudent thing is to at-least get started, or not to panic and sell-off. Historical data has shown that investments made in challenging/volatile times, has generally been quite rewarding for investors over the medium to long term. We have seen this during various market downturns like during global financial crisis of 2008-09, European crisis of 2011, the market volatility during de-monetization etc.
 - With the sharp market correction, 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).
- **Our 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 deliver better risk-adjusted returns over the long-term, and also protect downside risk (when compared to peer funds).

Our endeavour will be to continue to generate better risk-adjusted returns for investors over the long term, and over a market cycle (both up and down market).

Kindly take all the precautionary measures to combat the Coronavirus threat, and at the same time, please use all the precautions to ensure your long-term investments towards your Life Goals are on track.

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