SIP v/s FD: A Simple Decision Workbook for Smarter Investing

Not sure whether to choose SIP or Fixed Deposit?
This workbook by MINTIT will help you decide step by step.
You don't need market knowledge or financial jargon. Just answer a few simple questions honestly, and by the end, you'll know which option suits your goals better—or how to balance both.

Section 1: Understanding the Two Options

Before you decide, let's get the basics clear.

A Fixed Deposit (FD) is designed to offer stability and predictable returns. You know exactly how much you'll get at maturity, which makes FDs suitable for short-term needs and capital protection.

A Systematic Investment Plan (SIP) invests your money gradually into mutual funds, usually equity-oriented, over time. Returns are not fixed, but SIPs are built for long-term growth and wealth creation.

Section 2: What Are You Investing For?

Different goals need different strategies. Write down your primary investment goal below.

What's your main goal? (tick one or write your own):

- Emergency Fund
- Child's Education
- Retirement
- Buying a House
- Wealth Creation
- Buying a Car
- Other: ________________

Now answer the next part honestly…

When will you need this money?

- Less than 3 years
- 3–5 years
- 5–10 years
- More than 10 years

Short-term goals usually need stability. Long-term goals need growth.

Section 3: Time Horizon Test

Time is one of the most important factors in investing. Ask yourself:

- Can I stay invested without touching this money for several years?
- Am I comfortable seeing temporary ups and downs if the long-term potential is higher?

Circle what feels true for you:

"I need certainty, even if returns are lower"
OR
"I can handle short-term fluctuations for better long-term growth"

The longer your time horizon, the more equity-friendly your investment can be.

Section 4: Inflation Reality Check

Inflation quietly increases the cost of everything— education, healthcare, housing, and daily expenses.

Now reflect:

- Do I want my money to only stay safe? **OR**
- Or do I want it to grow faster than rising costs?

Tick what matters more to you today:

- Protecting capital
- Growing purchasing power

FDs protect money. SIPs aim to grow its real value over time.

Section 5: Risk Comfort Check (No Right or Wrong)

Risk is not about markets—it's about your behaviour.

Answer yes or no:

- I get anxious when markets fall
- I check my investments frequently
- I prefer steady outcomes over variable ones

If you answered "yes" to most, you may prefer stability initially.

If you answered "no" or felt neutral, you may be ready for gradual equity exposure through SIPs.

SIPs reduce risk not by avoiding markets, but by spreading investments over time.

Section 6: SIP vs FD – Your Personal Fit

Based on your answers so far, see which side you lean towards:

You may prefer FDs if:

- Your goal is short-term
- You need assured returns
- Capital protection is your priority

You may prefer SIPs if:

- Your goal is long-term
- You want to beat inflation
- You can stay invested through market cycles

Section 7: Your First Simple Action

You don't need to decide everything today.

Your next small step could be:

- Keep emergency funds in FDs
- Start a small SIP to experience equity investing
- Learn more before committing
- Review goals with guidance

Starting small is better than staying stuck.

The Right Choice Is the Informed One

There is no universally "safe" or "risky" investment, only choices that are aligned or misaligned with your goals.

This workbook is meant to give you clarity, not pressure.

When you're ready to take the next step, you can start your journey with guided support, goal-based planning, and disciplined investing using the MINTIT app.

Download the app to begin your SIP journey—when it feels right for you. They say that the right time to plant a tree was 20 years ago and the second right time is now.

Stop Thinking. Start SIPing.

Download the Mintit App Today.

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