

HDFC MF

Weekend Bytes

A weekly series from HDFC Mutual Fund

New Parents, Lifelong Plans: Why Investing Early Matters



The arrival of a child is one of the happiest moments in life.

The moment you hold your baby for the first time, your priorities begin to shift. Those tiny fingers, sweet smiles, first words, and first steps - each becomes a cherished milestone for new parents. Your child becomes the center of your world, and you strive to provide and nurture them to the best of your ability.

However, these joyful moments also bring new responsibilities and financial realities.



Where Your Expenses Begin to Shift



Healthcare & Vaccinations: From birth to age 5, mandatory vaccines and regular paediatric check-ups could cost ₹20,000–₹50,000*.



Feeding & Diapers: Bottles, diapers, etc can together cost ₹5,000–₹8,000* a month.



Baby Essentials: Cribs, strollers, baby monitors, clothes, and toys add to the list.



Child Health Care: Medicines, health insurance, and emergency doctor visits are important recurring costs.



Celebrations & Milestones: From first birthdays to early school events, these moments often bring joy and added expenses.

*Source: Various public sources

Disclaimer: These are assumed expenses from public sources and may vary widely depending upon the standard of living and city of residence.

Amid these new commitments, long-term goals like education may seem distant. But as the table below shows, **delaying investments could make achieving these goals significantly harder.**

So how can parents plan better to be ready for their child's future goals?

The answer lies in ***starting early and investing regularly.***

The Rising Cost of Education

Fields of Professional Education	Cost in 2010	Cost in 2025	Monthly Savings Needed (If started in 2010)
MBA	Rs 6.34 Lakh	Rs 26.50 Lakh	Rs 6400
Engineering	Rs 2.06 Lakh	Rs 8.59 Lakh	Rs 2100
Medical	Rs 16.97 Lakh	Rs 70.89 Lakh	Rs 17200

*Source: Indian Institute of Management – Ahmedabad, IIT – Bombay, Manipal University – Mangalore. Costs depicted based on the education costs for the Post Graduate Programme in Management at Indian Institute of Management – Ahmedabad, B. Tech 4-year programme at IIT – Bombay (Fees extrapolated for 4-year course) & MBBS program at Manipal University - Mangalore. 2010 figures based on inflation assumed at 10% p.a. Monthly investment needed to build such corpus by 2025 based on a 15 Year SIP investment rate of return calculated using 15 Year Actual returns as on 30/09/2025 for Benchmark: NIFTY 50 Hybrid Composite Debt 65:35 Index - 10.30%. The above investment calculations are for illustrative purposes only and should not be construed as a promise on minimum returns and safeguard of capital. **Past Performance may or may not be sustained in future and is not a guarantee of any future returns.**

The message is clear:

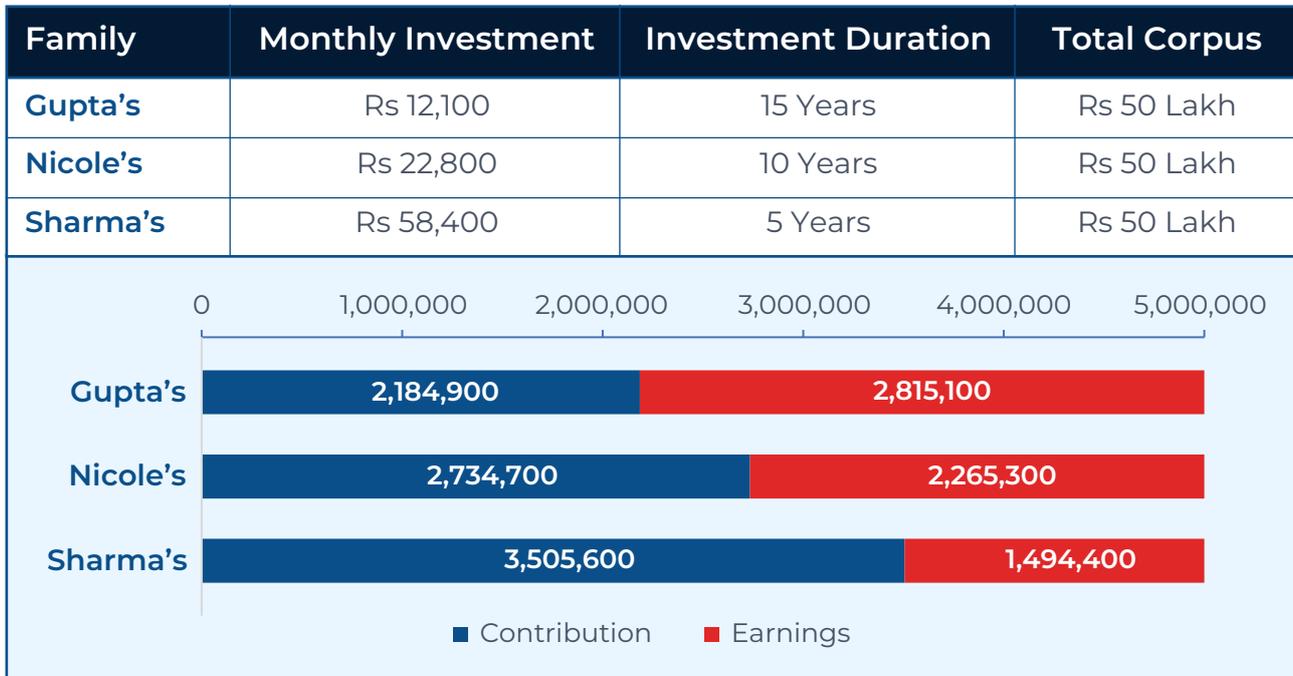
the cost of education has been rising steadily over the years.

Planning early could make it easier to manage financial goals in the long run.



The Cost of Delay: A Tale of Three Families

Let's take a simple example. Three families Gupta's, Nicole's, and Sharma's - all aim to build a Rs 50 Lakh education fund for their children. The only difference? When they begin their investment journey.



Source: Internal Calculation. Rate of return for the above illustration is calculated using Actual 15 Year, 10 Year, 5 Year returns as on 30th September, 2025 of Benchmark: NIFTY 50 Hybrid Composite Debt 65:35 Index. The above figures are rounded off to nearest hundred. The above calculations are for illustrative purposes only and should not be construed as a promise on minimum returns and safeguard of capital. **Past Performance may or may not be sustained in future and is not a guarantee of any future returns.**

The later you start, the less your money works for you!

So, the mantra to Smart Investing for your child's future are:



Start early and invest regularly:

Let time and compounding work together



Stay invested long-term:

A long term perspective helps you to stay focused on your goals rather than short-term market movements.



Review Your Asset Allocation:

As your child grows, so do your responsibilities. Revisit your portfolio periodically to ensure it reflects your evolving goals and risk appetite.



Have a goal in mind:

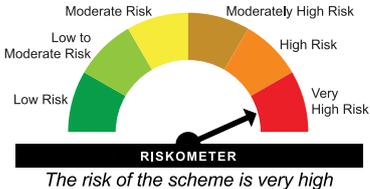
education, higher studies or future milestones.

That’s where **HDFC Children’s Fund** could be a meaningful choice. An open-ended fund for investment for children having a lock-in for at least 5 years or till the child attains age of majority (whichever is earlier).

Investing in **HDFC Children's Fund** is a proactive way to save for your child's future. With rising education costs and other expenses, starting early can help alleviate financial stress later on. The fund's long investment horizon aims to help your investments to grow over time, while aiming to provide a financial cushion that can help your child follow their aspirations.

Because in the end, the best gift a parent can give isn’t just education, **it’s the financial readiness for every dream.**



Name of Scheme	This product is suitable for investors who are seeking*:	SCHEME RISKOMETER#
<p>HDFC Children's Fund</p> <p>[An open ended fund for investment for children having a lock-in for atleast 5 years or till the child attains age of majority (whichever is earlier)]</p>	<ul style="list-style-type: none"> • Capital appreciation over long term • Investment in equity and equity related instruments as well as debt and money market instruments. 	 <p>The risk of the scheme is very high</p>
<p>*Investors should consult their financial advisers if in doubt about whether the product is suitable for them. # For latest riskometer, investors may refer to the Monthly Portfolios disclosed on the website of the Fund viz. www.hdfcfund.com Scheme Riskometer as on September 30, 2025</p>		

Views expressed above are indicative and should not be construed as investment advice or as a substitute for financial planning. Due to the personal nature of investments, investors are advised to seek professional advice before investing.

MUTUAL FUND INVESTMENTS ARE SUBJECT TO MARKET RISKS, READ ALL SCHEME RELATED DOCUMENTS CAREFULLY.

Mission: To be the wealth creator for every Indian

Vision: To be the most respected asset manager in the world