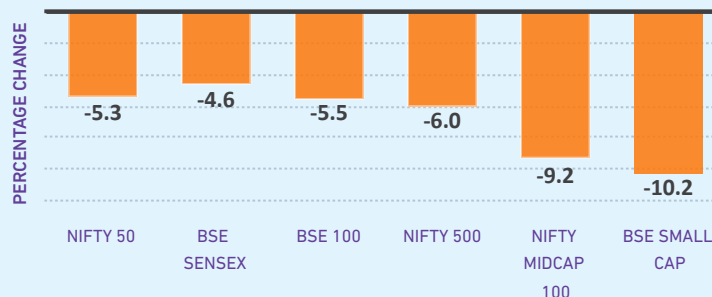
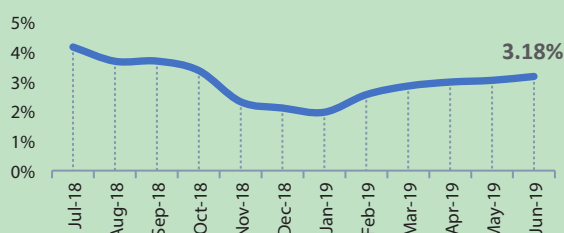
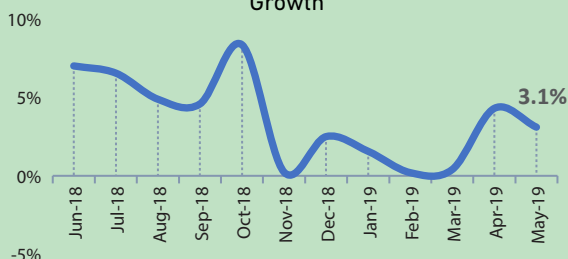
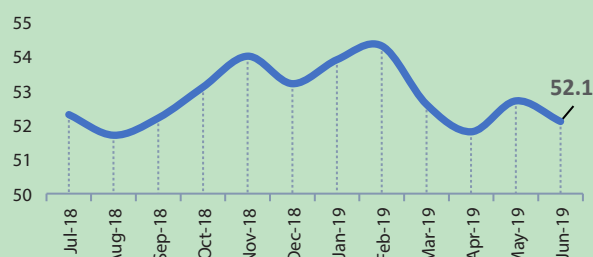


Market Indicators	Returns (%)			
	6M	1Y	3Y	5Y
Nifty 50	2.7	-2.1	8.8	7.6
BSE Sensex	3.4	-0.3	10.1	7.7
BSE 100	1.4	-3.6	8.2	7.5
Nifty 500	0.5	-6.3	7.2	7.9
Nifty Midcap 100	-5.8	-15.7	2.5	8.0
BSE Small Cap	-8.9	-23.5	1.0	4.9
Prices of Gold	4.8	17.3	4.0	4.5
Nifty Aggressive	5.1	4.0	9.5	9.2
Nifty Conservative	7.1	10.8	8.2	9.2

Performance as on Jul 31, 2019
Returns over one year are annualised.

MARKETS LAST MONTH

MACRO TRENDS
Consumer Inflation

Index of Industrial Production Growth

Nikkei Manufacturing PMI


Source: MOSPI and Markit Economics

THE NEWSMAKERS

- Markets continued their downward slide in July, after a disappointing Union Budget and a bleak macroeconomic outlook hurt investor sentiment.
- India's GDP growth** moderated in 2018-19 with a growth of 6.8%, lower than 7.2% in 2017-18. Yet, India continues to be the fastest-growing major economy in the world.
- After three successive months of above ₹1 lakh crore collection, **GST revenue** fell below ₹1 lakh crore in June. According to the Finance Ministry, the gross GST collection in June was up 4.5% y-o-y.
- Index of Industrial Production (IIP)** growth came in at 3.1% for the month of May 2019 compared with an upwardly revised growth of 4.3% (a rise of 3.4% was originally reported) in Apr 2019.
- Consumer inflation** accelerated to 3.2% in Jun from 3.1% in May. **WPI inflation** softened to a 23-month low of 2.02% in June.
- The IMF stated that the **global economy** is expected to expand by 3.2% in 2019, down 0.1% from its April forecast and 0.3% below the estimate at the start of the year. It also cut its annual growth forecast for India by 0.3% for 2019 and 2020, to 7% and 7.2% respectively.
- US economic data pointed at a possibility of US Fed **cutting interest rates** in July, giving investors brief respite.

HOW FUNDS HAVE PERFORMED

EQUITY-ORIENTED FUND RETURNS (%)

	1Y	3Y	5Y
LargeCap	-2.8	7.3	8.7
Large & Mid	-5.9	7.1	10.1
Multicap*	-6.1	6.9	9.3
ELSS	-5.9	7.2	9.7
Midcap	-11.2	4.4	10.1
Smallcap	-15.0	3.6	10.4
Hybrid Aggressive	-3.0	6.1	8.4

* Includes Value, Dividend Yield and Focused funds

DEBT-ORIENTED FUND RETURNS (%)

	6M	1Y	3Y
Hybrid Conservative	2.8	3.3	5.5
Medium duration	2.0	5.2	6.2
Dynamic Bond	5.5	9.6	6.6
Credit Risk	1.0	3.4	5.8
Short term [#]	3.2	7.0	6.6
Ultra-short term [§]	2.0	5.6	6.5
Liquid	3.4	6.8	6.8

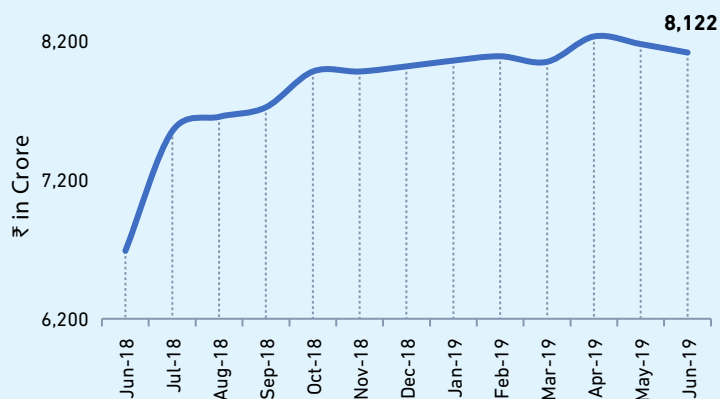
[#] includes short duration and banking & PSU funds

[§] includes low duration, ultra-short duration, money market and floater funds

Average returns for each category as of Jul 31, 2019.

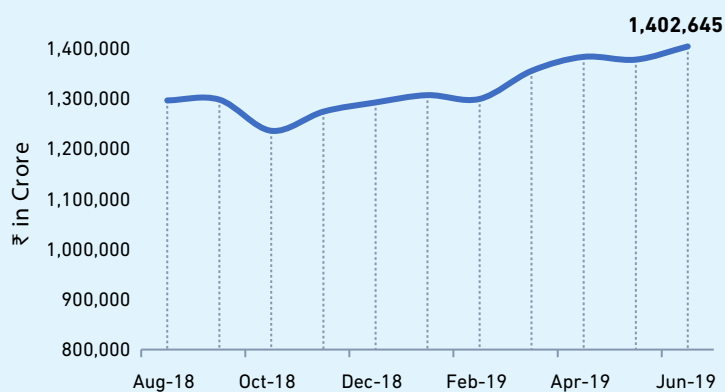
Returns over 1 year are annualised.

Industry SIP Inflows over the last 12 months



Source: AMFI

Total Retail and HNI AUM



Source: AMFI

WHAT OUR RESEARCH TEAM IS SAYING



Spike in gilt fund returns – should you invest?

1-year returns of most gilt funds are in double digits. Reliance Gilt fund, for instance, had a one-year return of 16.6% as of 12th July 2019, while UTI Gilt fund had given 15% in the same period. But, should you invest?

- Gilt funds invest in securities with medium to long-term horizon. Such bonds are traded on the exchange and experience high price volatility
- Falling repo rate and other macro-economic indicators point to a low-interest rate climate. This is pushing up bond prices and in turn NAV of the funds
- Even though this provides an opportunity to make quick gains, gilt funds can be highly volatile. It calls for a tactical approach and betting on interest rates

Read on to find out more

Why it's important to resist peer pressure

There's always a pressure to keep up with your social circles. But as your income increases, it is easy to get carried away with these lifestyle changes. That is why it becomes all the more important to plan your finances.

- While you are focusing on upgrades, important goals like children's education or your retirement may get left behind
- Higher paying jobs don't automatically translate into higher savings; you need to make conscious efforts to cut back on certain expenses
- Make a plan and stick to it; if you fall short of your target, make sure you make up for it later

These simple guidelines help you achieve your long-term goals. Read the entire [article](#) here

