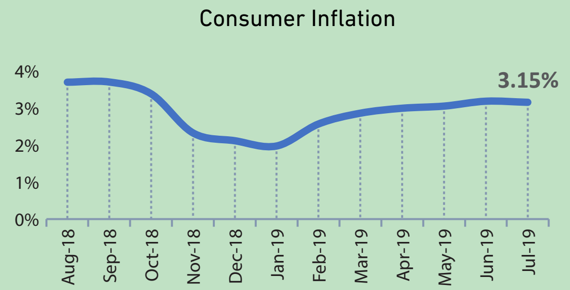
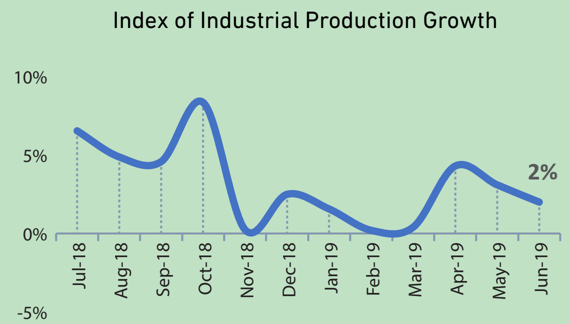
MONTHLY MARKET INSIGHT AUGUST 2019

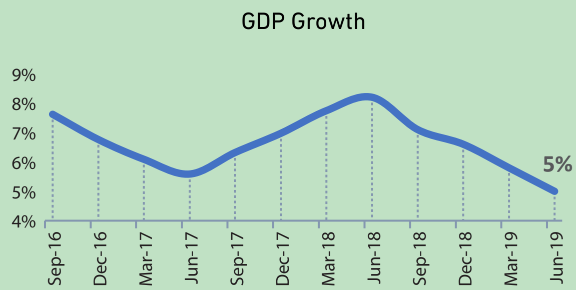
Market Indicators	Returns (%)			
	6M	1Y	3Y	5Y
Nifty 50	2.1	-5.6	8.0	6.7
BSE Sensex	4.1	-3.5	9.6	7.0
BSE 100	1.4	-7.2	7.4	6.8
Nifty 500	0.2	-10.0	6.4	7.1
Nifty Midcap 100	-6.4	-21.2	0.7	7.1
BSE Small Cap	-8.4	-26.7	-0.2	4.1
Prices of Gold	16.6	28.8	7.7	6.8
Nifty Aggressive	4.6	1.3	8.9	8.6
Nifty Conservative	7.5	10.5	7.9	9.1

Performance as on Aug 30, 2019
Returns over one year are annualised.

MACRO TRENDS

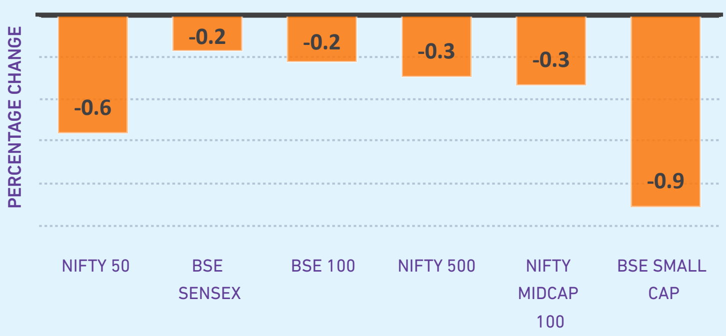






Source: MOSPI and Markit Economics

MARKETS LAST MONTH



THE NEWSMAKERS

- Amid slowing growth and concerns over global factors, the markets remained sluggish through the month
- India's GDP growth rate for the April-June '19 quarter fell to 5% due to a collapse in growth of manufacturing. With this, India has once again lost the tag of the fastest-growing major economy to China.
- India's factory production marginally increased in July as the Manufacturing PMI rose to 52.5. Services sector activities in July not only returned to growth territory from contraction in the previous month, but expanded to a 12-month high on new business orders, as the Services PMI rose to 53.8.
- **GST collection** was slightly over ₹1 lakh crore in May, up 6.7% from May 2018. This is still below what is needed to avoid compensating states for revenue losses.
- **CPI** inflation dropped marginally to 3.15% in July 2019 from 3.18% in June. Food inflation has continued to remain benign.
- **Index of Industrial Production** (IIP) slipped to 2%. The drop was mainly because of the poor performance of manufacturing and mining sectors.
- Mid-month, the US had announced that it will delay the imposition of tariffs on some Chinese goods till the festive season. However, the respite didn't last long as there was no further progress during the month.

HOW FUNDS HAVE PERFORMED

EQUITY-ORIENTED FUND RETURNS (%)

	1Y	3Y	5Y
LargeCap	-5.8	6.2	7.5
Large & Mid	-9.6	5.9	8.1
Multicap*	-9.5	5.4	7.3
ELSS	-9.1	5.7	6.4
Midcap	-13.7	3.2	8.5
Smallcap	-17.5	2.3	8.7
Hybrid Aggressive	-5.2	4.6	5.6

** Includes Value, Dividend Yield and Focused funds*

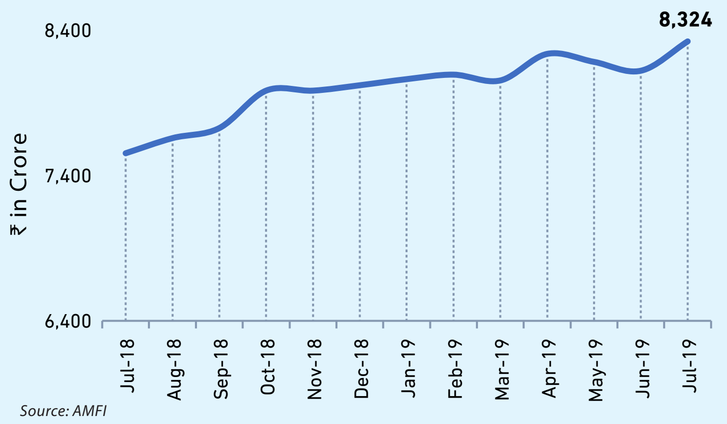
DEBT-ORIENTED FUND RETURNS (%)

	6M	1Y	3Y
Hybrid Conservative	3.1	2.9	5.2
Medium duration	2.3	5.1	6.0
Dynamic Bond	5.8	9.8	5.8
Credit Risk	1.8	3.9	5.5
Short term#	4.1	8.0	6.7
Ultra-short term$	3.1	6.7	6.5
Liquid	3.4	6.6	6.3

 # includes short duration and banking & PSU funds
$ includes low duration, ultra-short duration, money market and floater funds

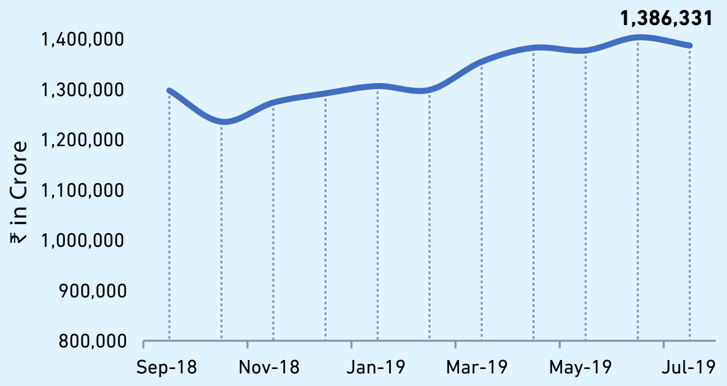
Average returns for each category as of Aug 30, 2019.
Returns over 1 year are annualised.

Industry SIP Inflows over the last 12 months



Source: AMFI

Total Retail and HNI AUM



Source: AMFI

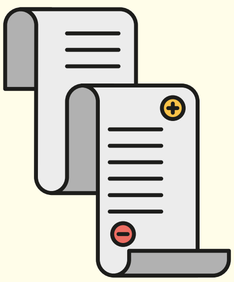
WHAT OUR RESEARCH TEAM IS SAYING

Why it's important to start investing early

Spending too much money enjoying life at a young age may severely hamper how much you can enjoy life at an older age. Here we give you three reasons why you should start saving early.

- Money invested early gets more time to compound and grow
- Once you get into the habit of saving, you end up saving regularly and build a bigger corpus
- Even if you start small, starting early will help you accumulate a bigger corpus

Read on to find out more



Repo rates – How they affect the economy

When the economy is going through a phase of high inflation or low growth, the Reserve Bank of India changes the repo rate to control either of them. But what is this "repo rate", which is in the news every couple of months? And how does it affect the common man?

- Repo rate is the rate at which RBI lends money to banks
- Repo rates affect the overall cost of funds for banks
- Hence the rates that you get on your loans and deposits are affected by Repo rates

Read on to find out more