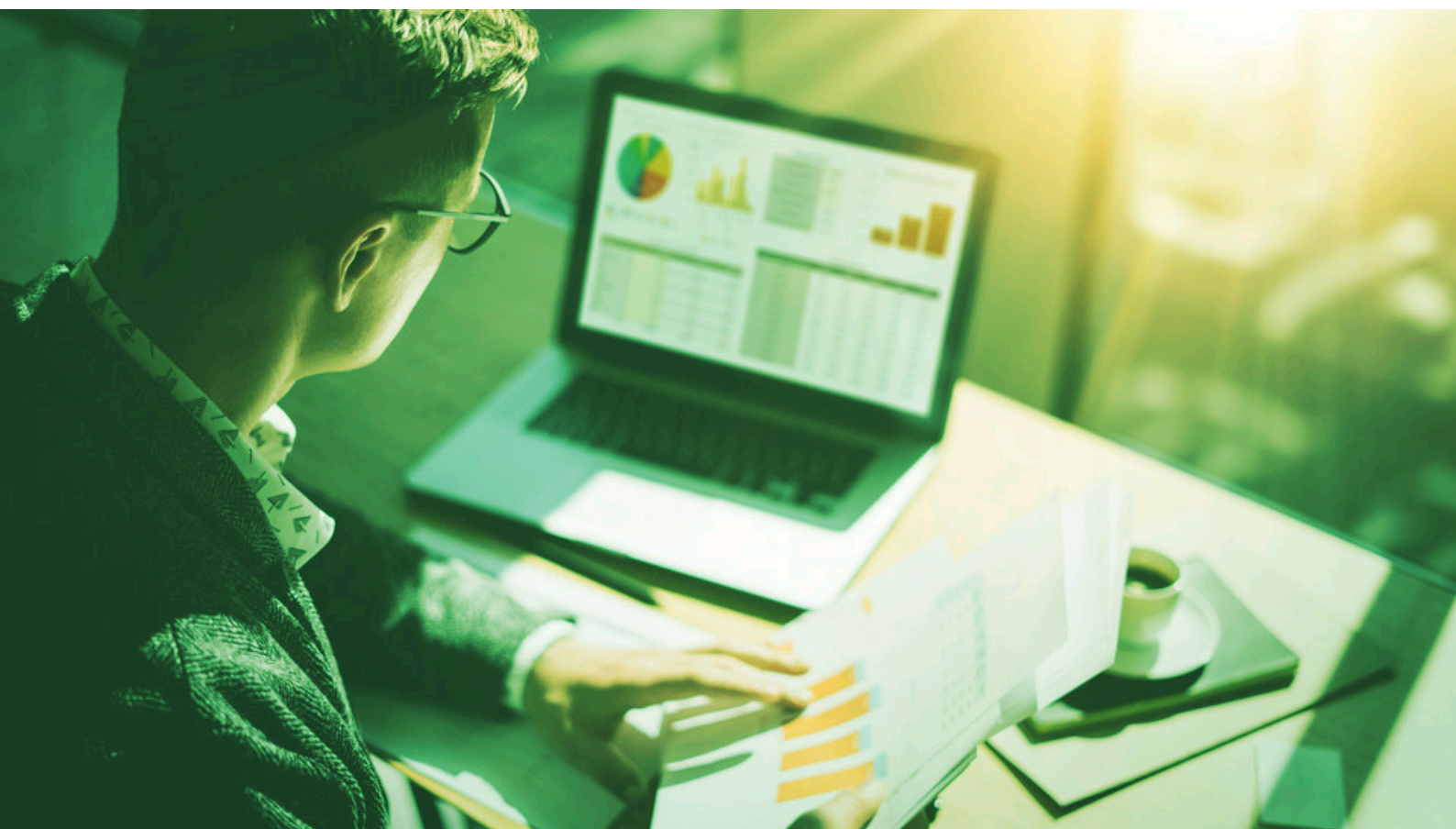


# MONTHLY MARKET INSIGHT

SEPTEMBER 2020

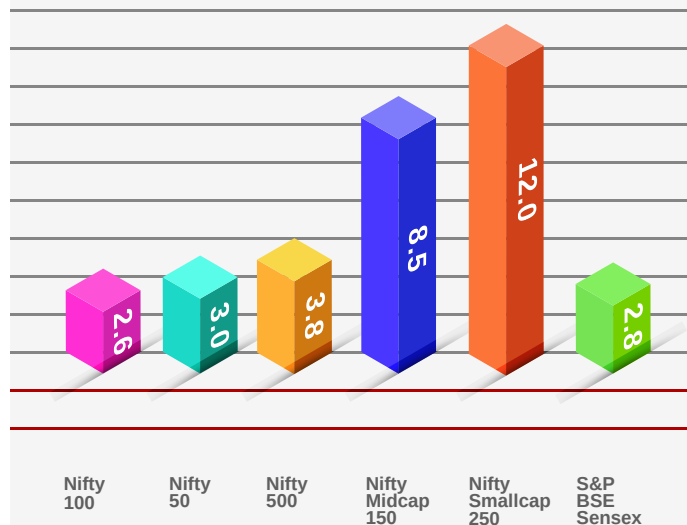




MARKET INDICATORS	RETURNS (%)			
	6M	1Y	3Y	5Y
Nifty 100	2.3	4.1	5.0	8.6
Nifty 50	2.4	4.3	6.0	8.7
Nifty 500	2.2	5.4	3.7	8.3
Nifty Midcap 150	2.0	12.3	1.7	9.3
Nifty Smallcap 250	0.8	9.1	-6.7	3.7
S&P BSE Sensex	1.8	4.6	8.0	9.4

All indices are TRI.

MARKET RETURNS (%) IN AUG-20



## HOW FUNDS HAVE PERFORMED

EQUITY-ORIENTED FUND RETURNS (%)			
CATEGORY	1Y	3Y	5Y
Large Cap	3.6	3.1	6.8
Large & Mid	6.2	1.7	7.3
Multicap*	5.2	1.8	7.0
ELSS	5.5	2.0	7.0
Mid cap	11.5	1.2	6.6
Small cap	13.9	-1.2	6.4
Hybrid Aggressive	5.3	2.7	6.5

\* Includes Value, Dividend Yield and Focused funds

DEBT-ORIENTED FUND RETURNS (%)			
CATEGORY	6M	1Y	3Y
Hybrid Conservative	2.1	5.9	3.9
Medium duration*	2.9	7.0	5.6
Dynamic Bond	3.5	6.9	5.8
Credit Risk	-2.8	-0.9	1.0
Debt Short term <sup>#</sup>	4.3	8.2	6.6
Debt Ultra - short term <sup>\$</sup>	3.3	6.2	5.9
Liquid	2.1	4.8	6.2

\* Includes Medium duration and Corporate debt funds

<sup>#</sup> Includes short duration and banking & PSU funds

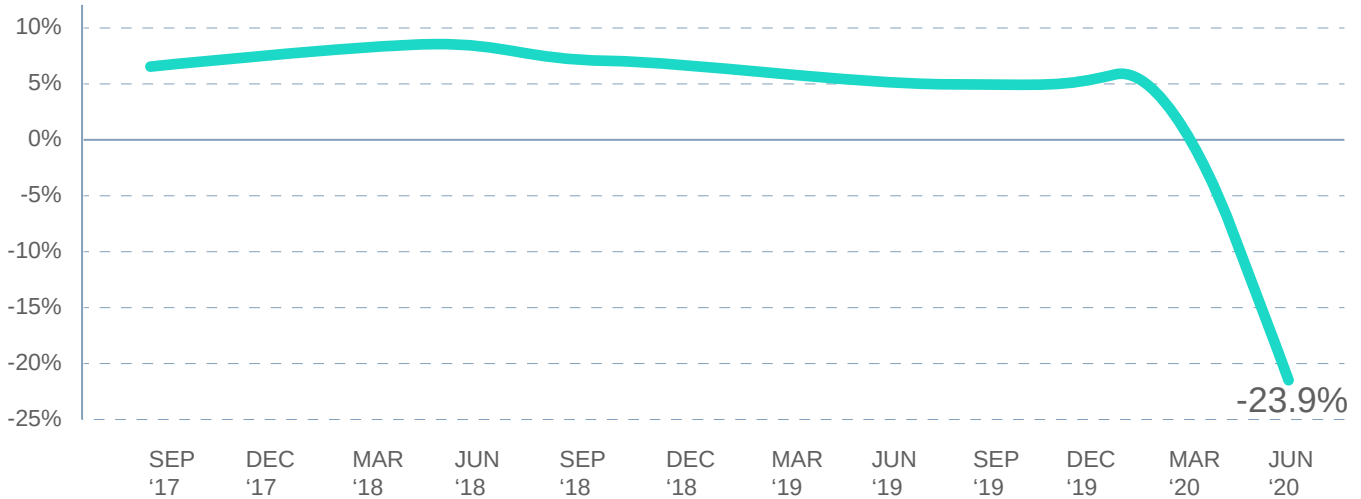
<sup>\$</sup> Includes low duration, ultra-short duration, money market and floater funds

Source: MFI, FundsIndia Research. Average returns for each category as on August 31, 2020  
Returns over 1 year are annualised.  
Returns less than 1 year are absolute

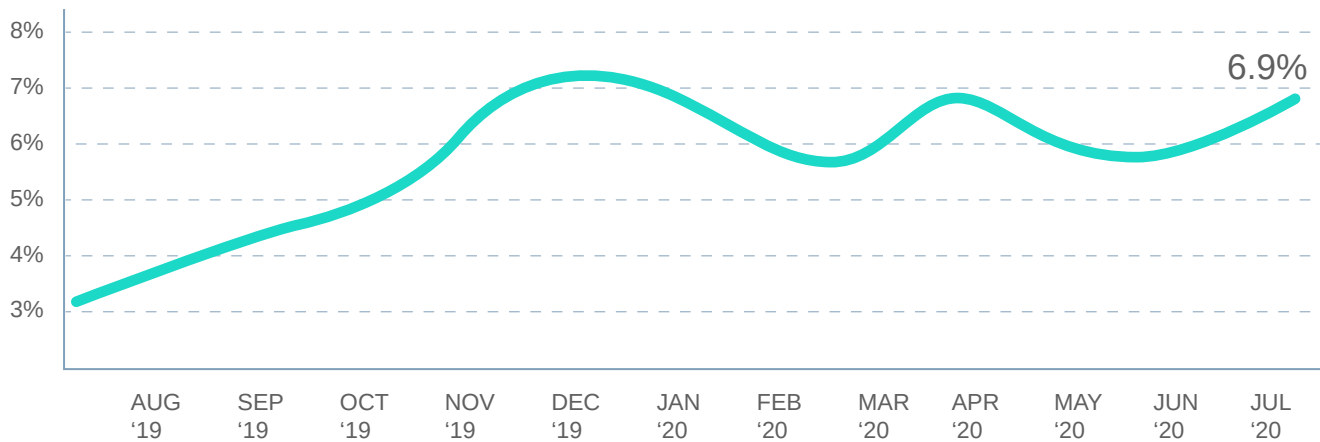


## MACRO TRENDS

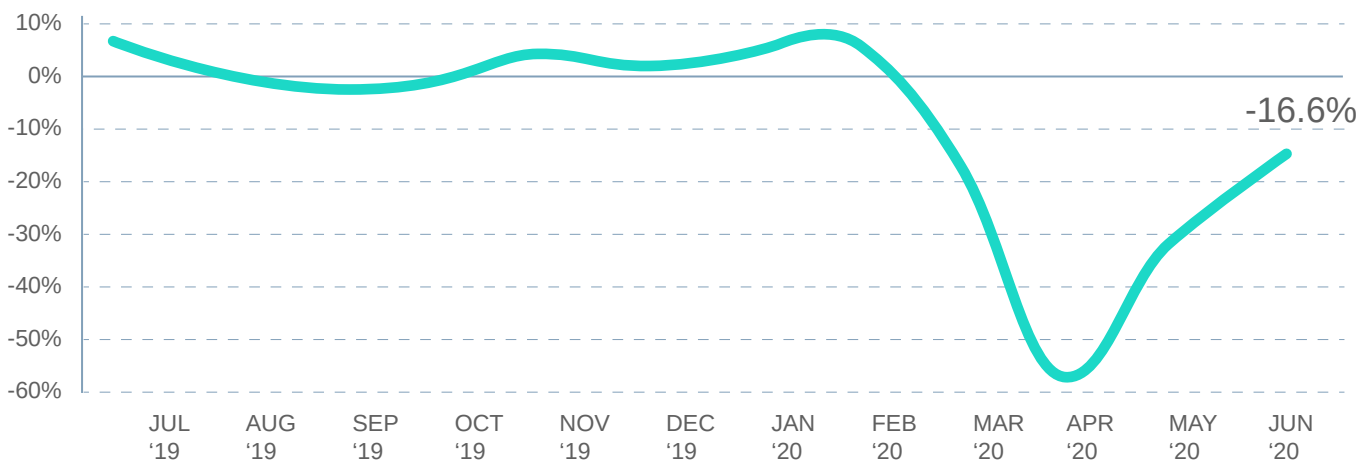
## QUARTERLY GDP GROWTH RATE

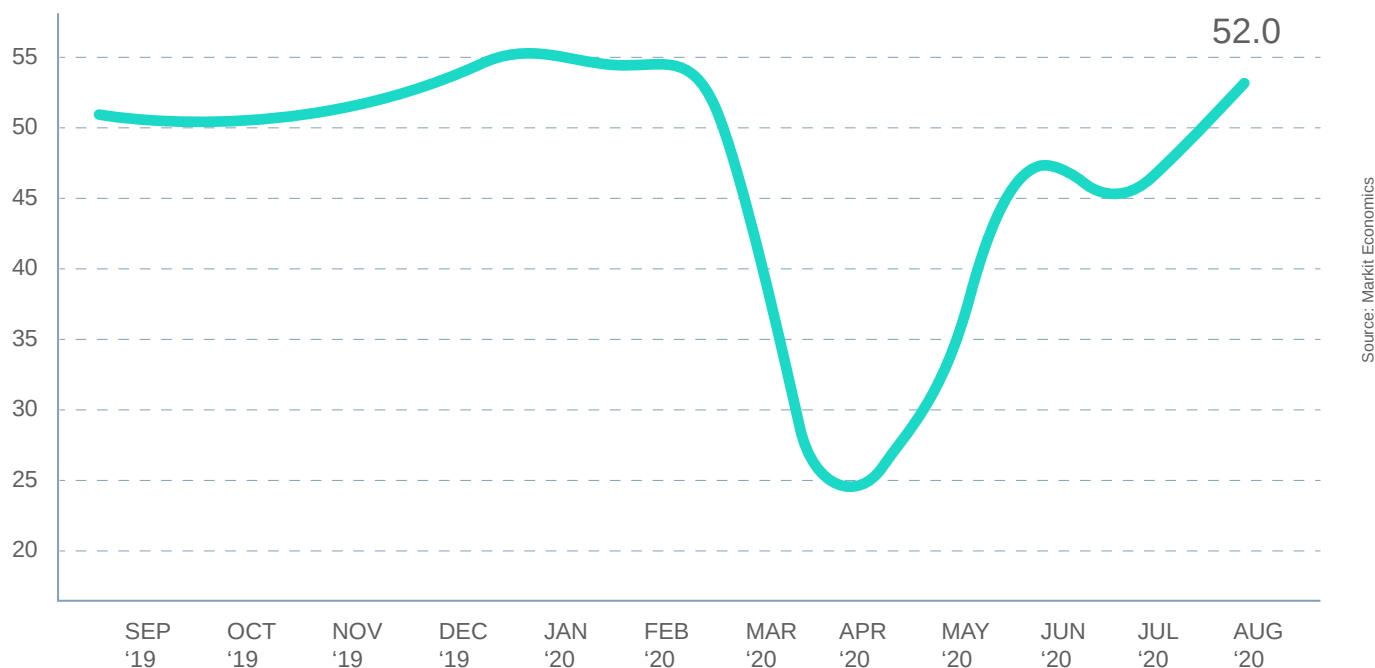


## CONSUMER INFLATION



## INDEX OF INDUSTRIAL PRODUCTION – GROWTH



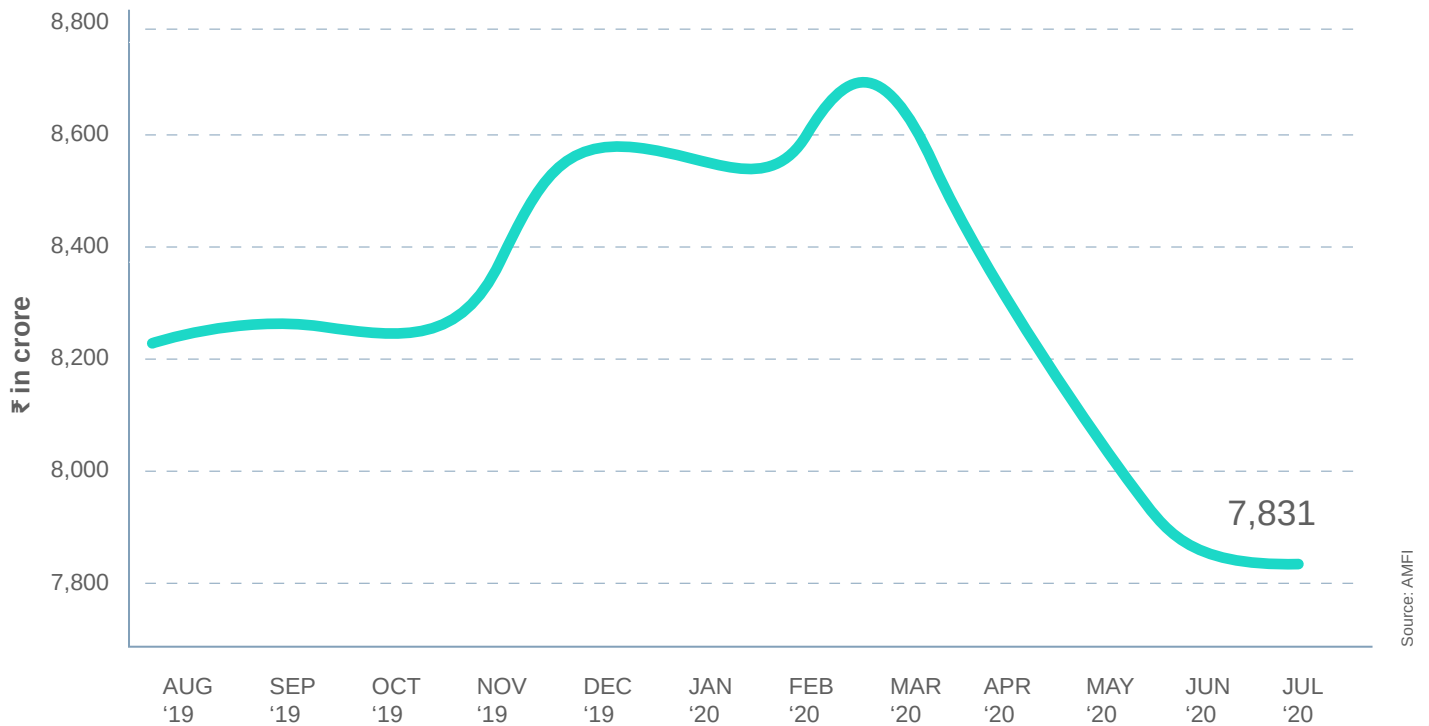
**MANUFACTURING PMI**

## The Newsmakers

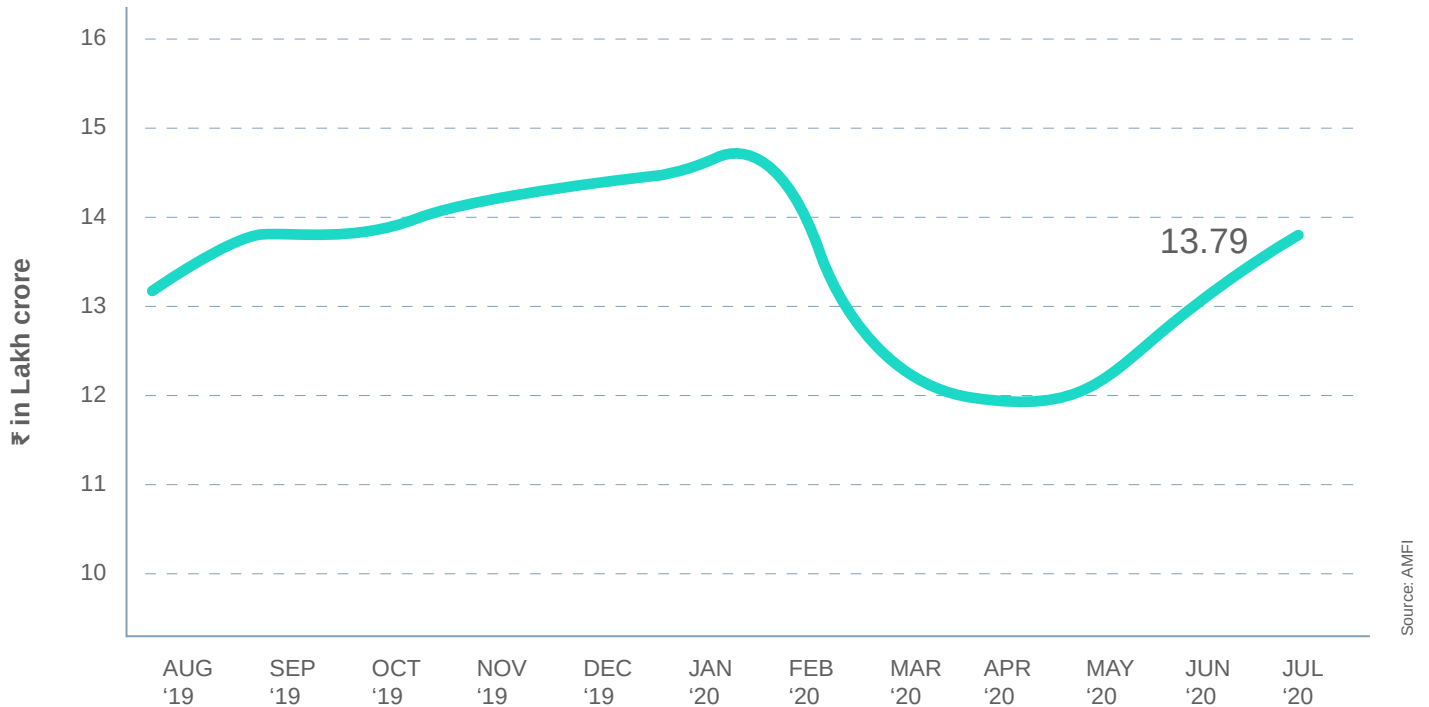
- Gross Domestic Product (GDP) declined by 23.9% YoY for Q1 in FY-21 compared to 3.1% for Q4 in FY-20. The Construction and Manufacturing segments contracted 50.3% and 39.3% respectively while mining output fell by 23.3%. The Trade, Hotels, Transport and Communication segment growth rate declined by 47.4%. The Financial Services sector registered -5.3% growth rate while Agriculture, Forestry and Fishing is the only industry which registered a positive growth rate of 3.4%.
- Consumer Price Index (CPI) Inflation stood at 6.9% in the month of Jul-20 compared to 6.1% in Jun-20. The current Inflation rate is beyond the upper tolerance limit (6%) set by RBI. The rise in inflation in Jul-20 is mainly due to increase in the prices of Meat and Fish segment (18.8%) and Pulses and Products segment (15.9%). The Consumer Food Price Inflation stood at 9.6% in Jul-20 compared to 7.9% in Jun-20.
- The Index of Industrial Production (IIP) growth rate stood at -16.6% for the month of Jun-20 compared to -33.9% in May-20. The production in Mining, Manufacturing and Electricity sectors contracted by 19.8%, 17.1% and 10.0% respectively in Jun-20.
- The Manufacturing Purchasing Managers' Index (PMI) for Aug-20 stood at 52.0 compared to 46.0 in Jul-20. The Manufacturing PMI has signalled growth (PMI > 50 indicates improvement) for the first time in the last five months. Improvement in customer demand, increase in output, expansion in new orders placed and resumption of business operations are the key reasons for improvement in the manufacturing PMI.
- Gross GST Revenue Collection for the month of Aug-20 stood at 0.86 lakh crores, compared to 0.98 lakh crores in Aug-19. The Ministry of Finance stated the following key reasons for lower tax collection in Aug-20 compared to Aug-19:
  - The revenue from imports of goods is 77% of revenue in Aug-19 and the revenue from domestic transaction is 92% of revenue in Aug-19.
  - The government has relaxed the filing of returns for the taxpayers with the business turnover less than Rs. 5 Crore till Sep-20.



### INDUSTRY SIP INFLOWS OVER THE LAST 12 MONTHS



### TOTAL RETAIL AND HNI AUM





## What our research team is saying

### What Should I Do About My Equity Exposure?

Some Concerns Running in Your Mind...

Concern 1: Bear markets usually have a lot of false upside rallies. What if this turns out to be one?

As seen from previous bear markets, there are usually several false upside rallies before the actual recovery. What if the current rally is a false rally?

[Click here to read more](#)

### 6 Eccentric People Who Can Change The Way You Approach Gilt Funds

In recent times, we have been receiving a lot of queries on –

**Is it the right time to invest in Gilt funds?**

Instead of straight away revealing our views, we wanted to use this as an opportunity to introduce you to our thinking process.

We have realized that some of the best decisions come from changing the way we think about problems, and examining them from different viewpoints.

So, instead of approaching this question from a single point of view, we will be approaching this via 6 different vantage points.

Let us check what our 6 different friends have to tell us..

[Click here to read more](#)

Please note the naming convention of our current Monthly Market Insights edition for the data as of 31-Aug-20 is **Monthly Market Insights – September 2020**. Henceforth, all FundsIndia Monthly Market Insights editions are named by the Month of Publication with the data as of the preceding month of Publication.

