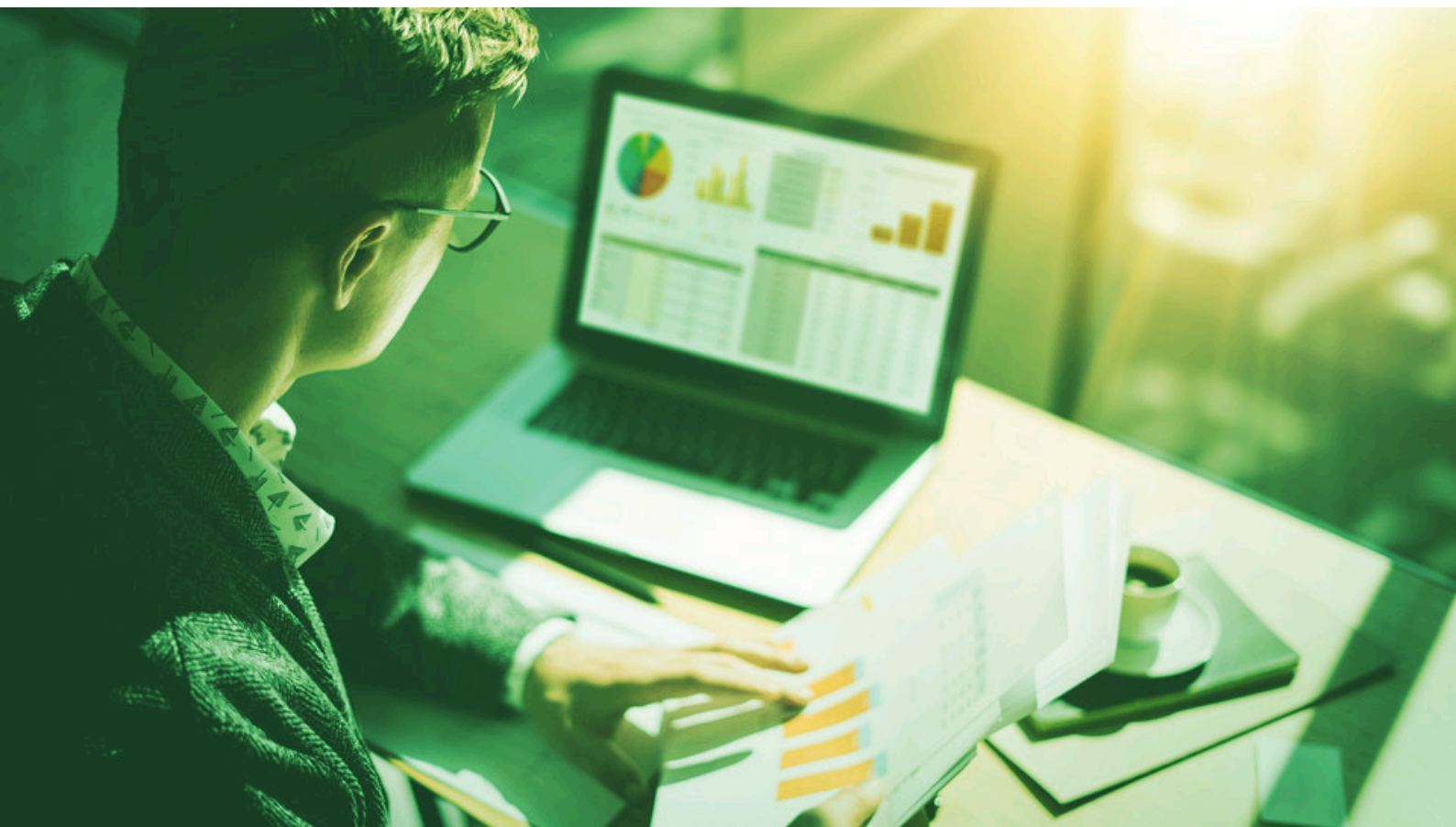


# MONTHLY MARKET INSIGHT

DECEMBER 2020

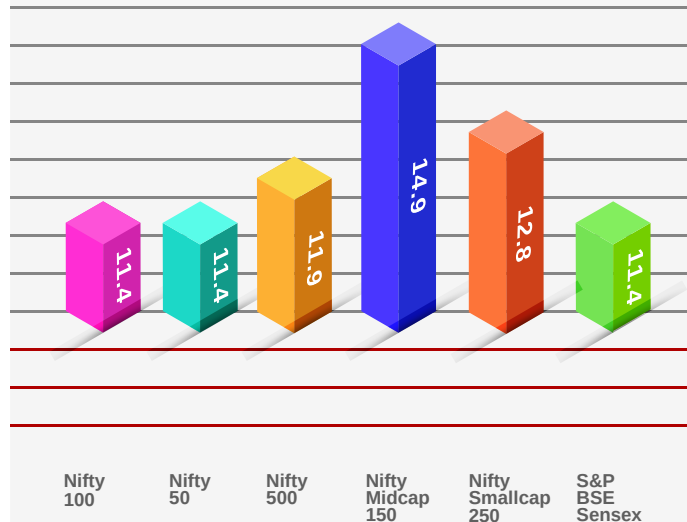




MARKET INDICATORS	RETURNS (%)			
	6M	1Y	3Y	5Y
Nifty 100	34.8	8.5	8.4	11.6
Nifty 50	36.2	8.7	9.6	11.7
Nifty 500	37.8	10.4	6.7	11.2
Nifty Midcap 150	48.3	19.1	3.5	11.8
Nifty Smallcap 250	59.1	17.3	-5.8	5.6
S&P BSE Sensex	37.2	9.5	11.4	12.5

All indices are TRI.

MARKET RETURNS (%) IN NOV-20



## HOW FUNDS HAVE PERFORMED

EQUITY-ORIENTED FUND RETURNS (%)			
CATEGORY	1Y	3Y	5Y
Large Cap	7.1	6.4	9.6
Large & Mid	9.5	4.0	9.9
Multicap*	9.0	4.1	9.3
ELSS	9.2	4.3	9.7
Mid cap	18.2	3.7	9.8
Small cap	23.2	0.2	9.0
Hybrid Aggressive	8.8	4.9	8.5

\* Includes Value, Dividend Yield and Focused funds

DEBT-ORIENTED FUND RETURNS (%)			
CATEGORY	6M	1Y	3Y
Hybrid Conservative	10.3	7.5	4.9
Medium duration*	4.1	5.5	6.4
Dynamic Bond	3.6	6.8	7.0
Credit Risk	1.3	-2.9	1.3
Debt Short term <sup>#</sup>	4.9	8.8	7.3
Debt Ultra - short term <sup>\$</sup>	3.5	5.0	5.9
Liquid	1.6	4.2	5.9

\* Includes Medium duration and Corporate debt funds

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

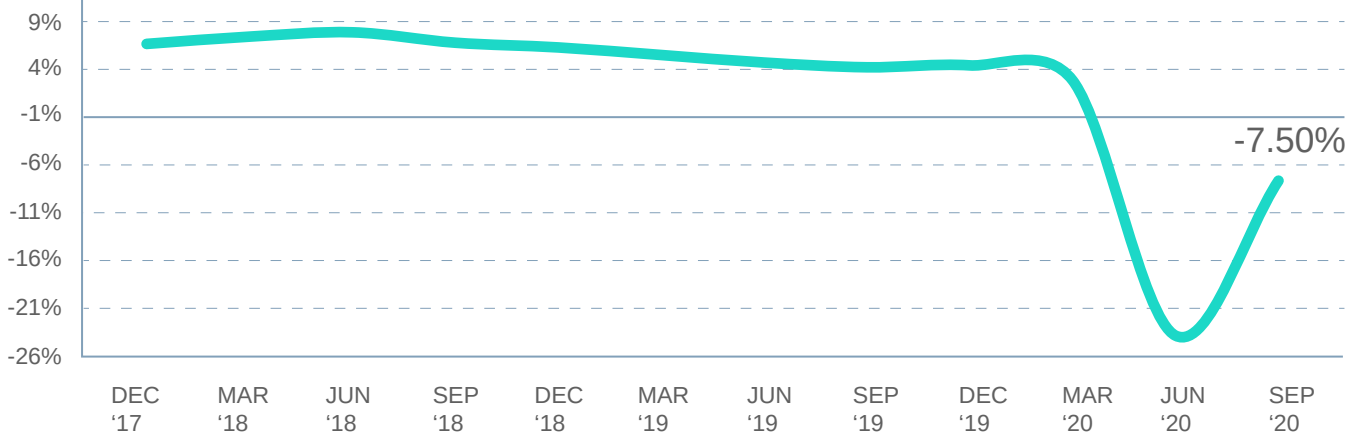
<sup>\$</sup> Includes low duration, ultra-short duration, money market and floater funds

Source: MFI, FundsIndia Research. Average returns for each category as on November 30, 2020  
Returns over 1 year are annualised.  
Returns less than 1 year are absolute



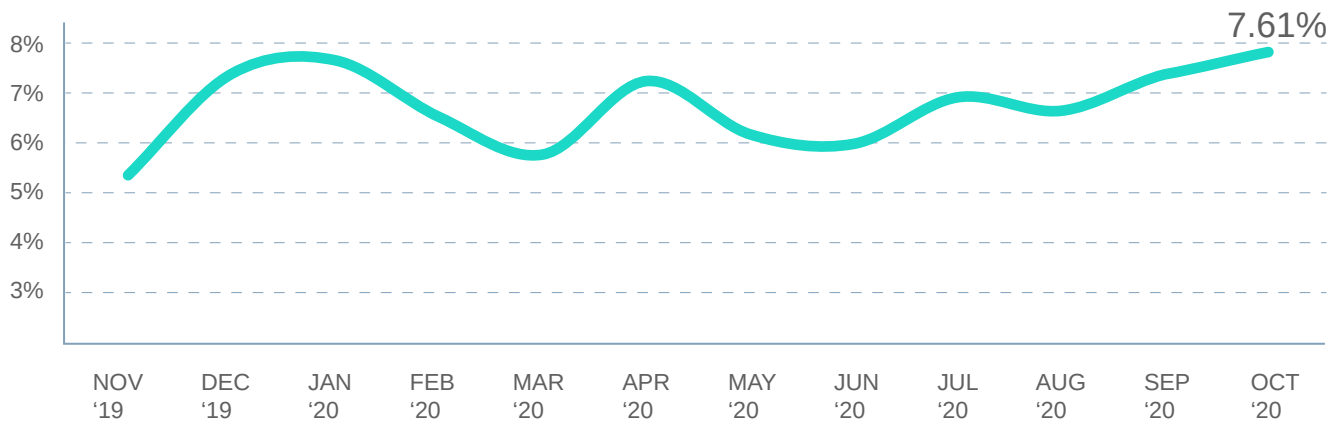
## MACRO TRENDS

## QUARTERLY GDP GROWTH RATE



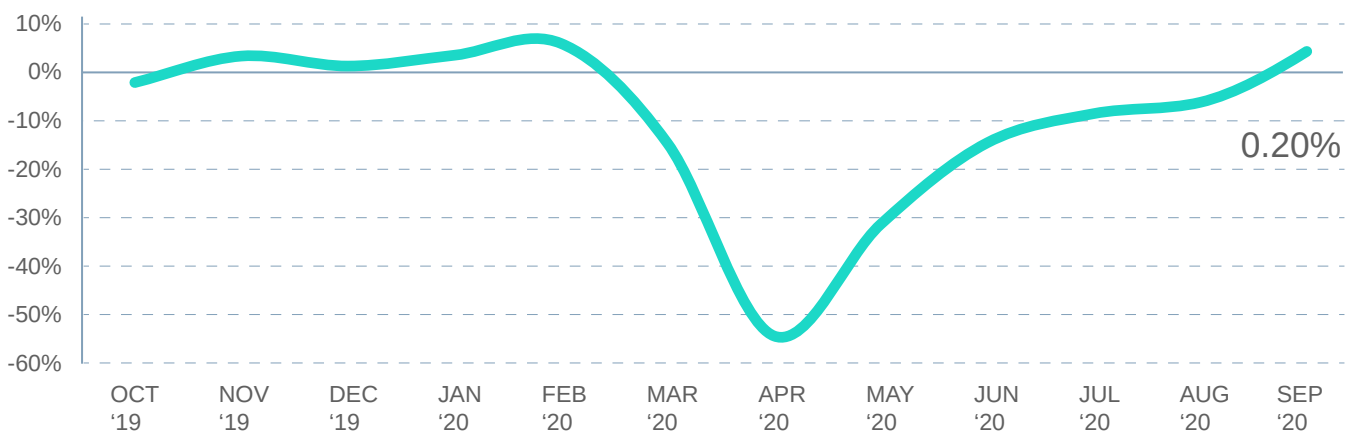
Source: NSO, MOSPI

## CONSUMER INFLATION

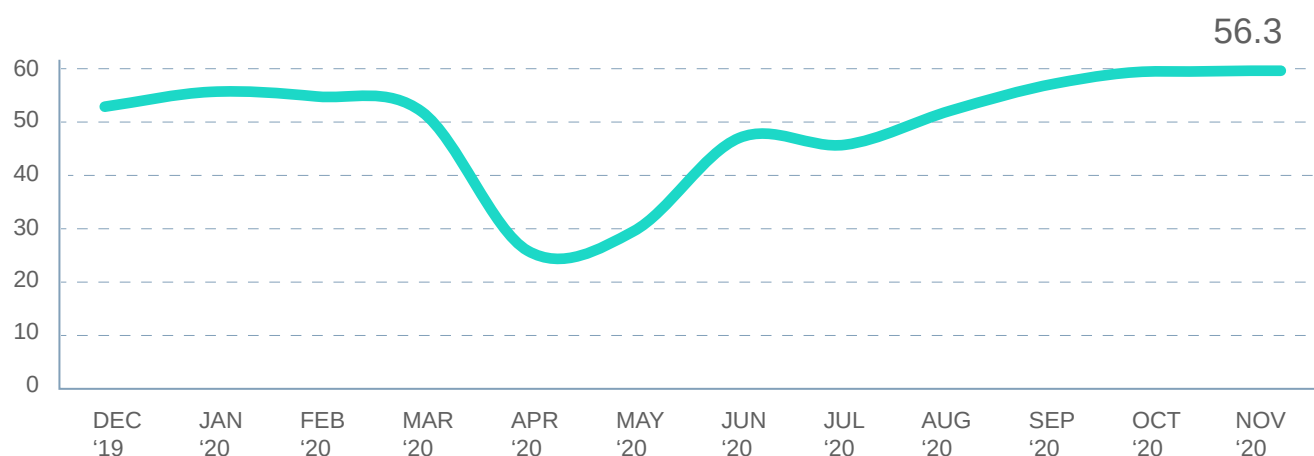


Source: NSO, MOSPI

## INDEX OF INDUSTRIAL PRODUCTION – GROWTH



Source: NSO, MOSPI

**MANUFACTURING PMI**

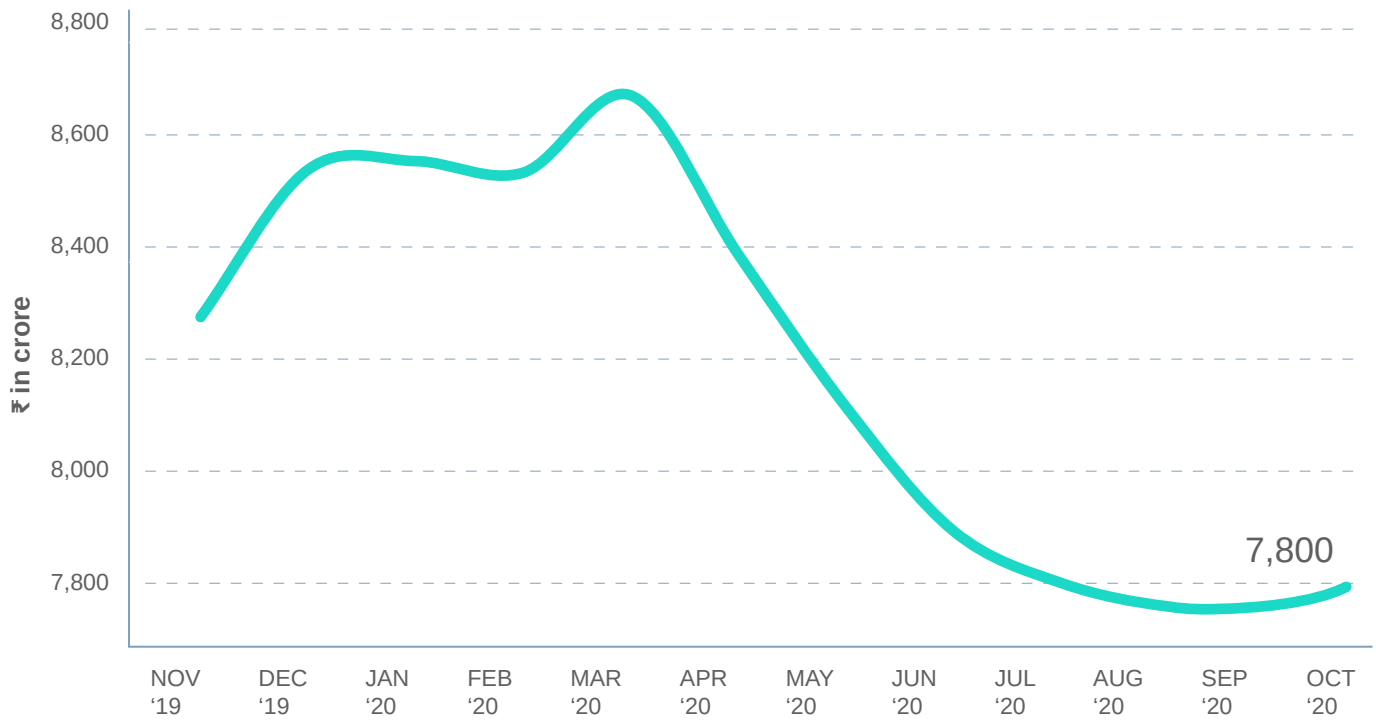
Source: Markit Economics

## The Newsmakers

- Gross Domestic Product (GDP) contracts 7.5% YoY for Q2 in FY-21 compared to the contraction of 23.9% for Q1 in FY-21. The Construction and Mining segments declined by 8.6% and 9.1% respectively while the Financial Services contracted 8.1%. The Trade, Hotels, Transport and Communication segment growth rate declined by 15.6%. Agriculture, Manufacturing and Electricity sectors registered positive growth rate of 3.4%, 0.6% and 4.4% respectively.
- Consumer Price Index (CPI) Inflation rate is 7.6% in Oct-20, compared to 7.3% in Sep-20. The inflation rate exceeded the upper tolerance limit (6%) set by RBI for the seventh straight month. The rise in prices of Food and Beverages by 10.1%, is the key reason for the inflation to remain at higher levels.
- The Index of Industrial Production (IIP) growth rate expanded 0.2% in Sep-20, compared to -8.0% in Aug-20. The output rose in Sep-20 after declining for six consecutive months due to the effect of Pandemic. The expansion is mainly led by the output growth in Electricity (4.9%) and Mining (1.4%). Manufacturing segment contracted by 0.6%.
- The Manufacturing Purchasing Managers' Index (PMI) stood at 56.3 in Nov-20. The growth is led by consumer goods, new export orders and pick-up in demand. The index value, although down from 58.9 in Oct-20, reflects a sharp rate of expansion.
- Gross GST Revenue Collection in Nov-20 stood at Rs. 1.05 lakh crores, largely unchanged compared to the collection in Oct-20. The GST Revenues remained above 1 lakh crore for the second consecutive month and are 1.4% higher than the collections in Nov-19.

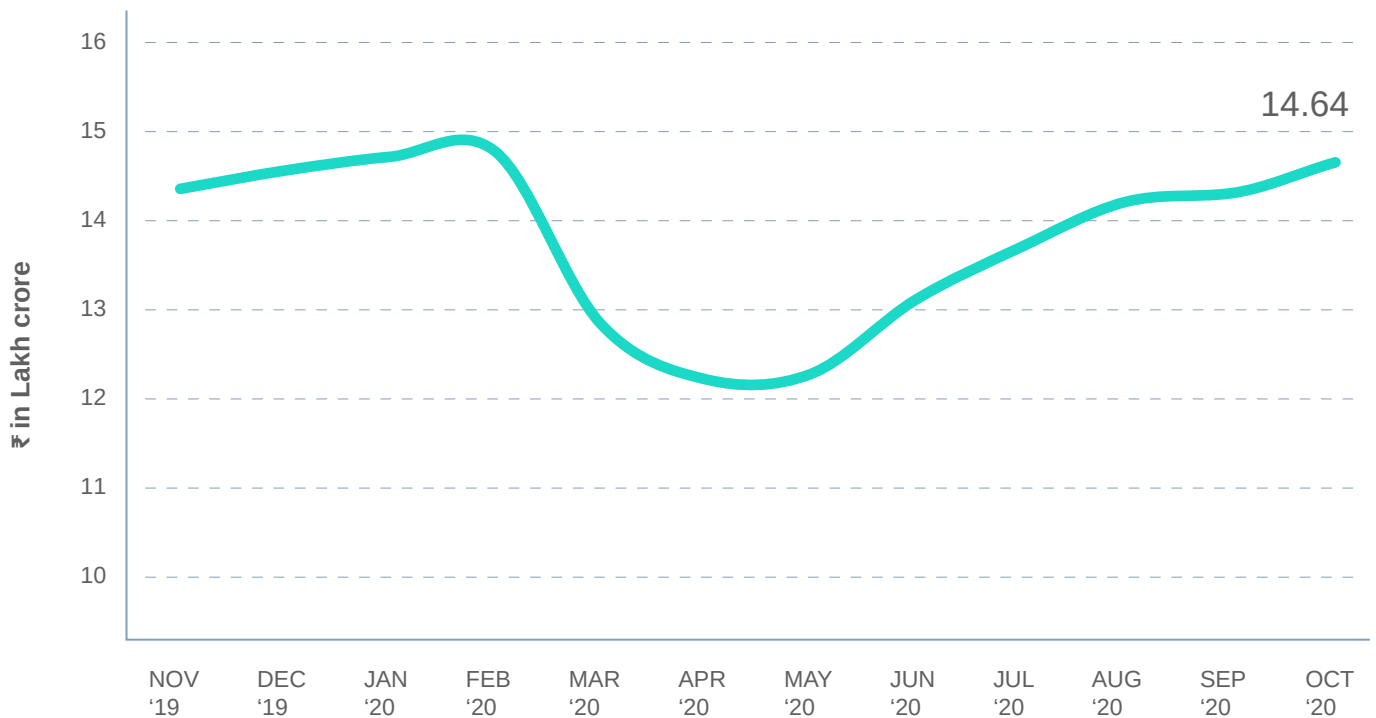


### INDUSTRY SIP INFLOWS OVER THE LAST 12 MONTHS



Source: AMFI

### TOTAL RETAIL AND HNI AUM



Source: AMFI



## WHAT OUR RESEARCH TEAM IS SAYING

### Confused about tax saving? Here are Two Solid ELSS Funds to consider

This is that time of the year (albeit, a bit delayed due to the pandemic) where we start getting a flurry of texts, mails and all other sorts of reminders to file our income tax returns for FY 2019-20. The deadline for the same currently stands at Dec 31, 2020 for individual taxpayers.

While this is the tax-filing season, we also need to keep an eye on tax saving for FY 2020-21. The end of FY 2020-21 is fast approaching – just four full months to go (how time flies..!)

If you haven't invested in a tax-saving ELSS (Equity Linked Savings Scheme) yet, then you might want to consider getting it done now rather than push it to the last minute.

[Click here to read more](#)

### Sliding Doors, Covid-19 and the Equity SIP Investor

*Have you seen the movie Sliding Doors?*

Sliding Doors is a 1998 romantic-comedy-drama film with a super cool plot.

For those yet to see the movie, here is a quick glimpse into the story...

When Helen (Gwyneth Paltrow), a London ad executive, is fired from her job and rushes out to catch a train, two scenarios take place. In one, she gets on the train and comes home to find her boyfriend, Gerry (John Lynch), in bed with another woman. In the second, she misses the train and arrives after the woman has left.

How Helen's life unfolds in these two different versions forms the rest of the story.

Now you are obviously wondering – "What does this have to do with investing?"

[Click here to read more](#)

### Explore our New Category of Blogs on NFOs

The page provides At-a-glance information of the New Fund Offers launched by the fund houses.

[Click here to read more](#)

