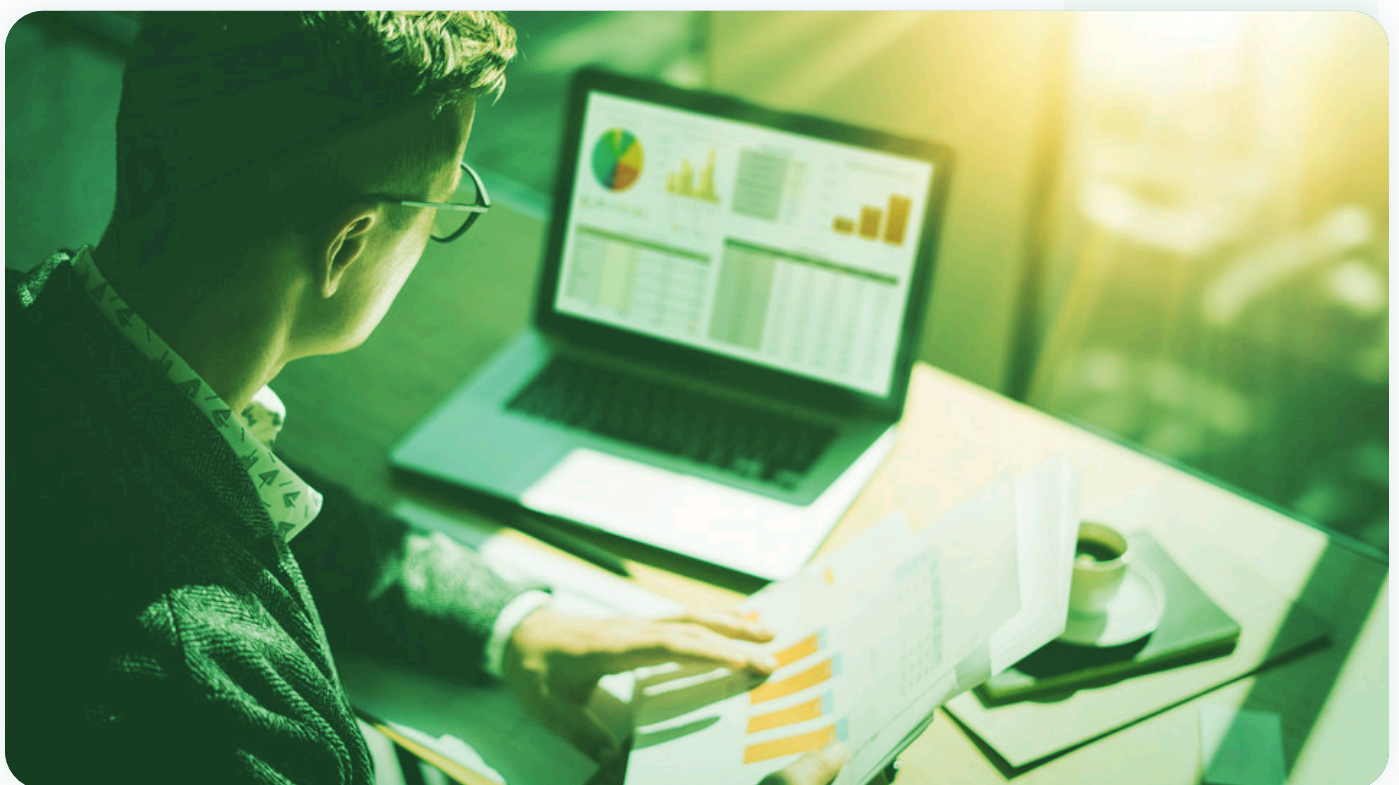




FUNDSINDIA

MONTHLY MARKET INSIGHT

MAR 2021

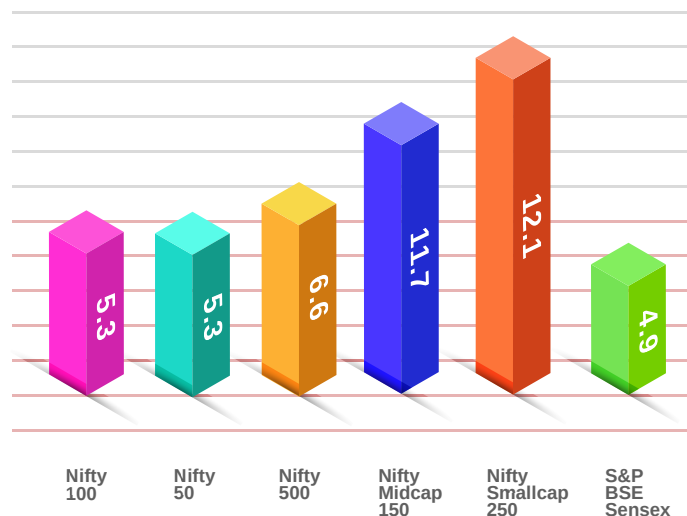




MARKET INDICATORS	RETURNS (%)			
	6M	1Y	3Y	5Y
Nifty 100	24.9	31.2	11.9	17.1
Nifty 50	25.3	31.4	12.9	17.1
Nifty 500	26.9	33.5	10.9	17.2
Nifty Midcap 150	33.8	41.9	9.9	19.6
Nifty Smallcap 250	36.8	44.5	1.7	15.1
S&P BSE Sensex	24.9	30.0	14.2	17.7

*All indices are TRI.

MARKET RETURNS (%) IN FEB-21



HOW FUNDS HAVE PERFORMED

EQUITY-ORIENTED FUND RETURNS (%)			
CATEGORY	1Y	3Y	5Y
Large Cap	26.2	10.3	15.1
Large & Mid	28.2	9.0	16.3
Multicap*	29.9	9.0	15.9
ELSS	28.7	9.0	16.1
Mid cap	35.1	9.3	17.0
Small cap	42.6	6.3	16.8
Hybrid Aggressive	23.0	8.7	13.4

* Includes Flexicap, Value, Dividend Yield and Focused funds

DEBT-ORIENTED FUND RETURNS (%)			
CATEGORY	6M	1Y	3Y
Hybrid Conservative	6.1	9.0	6.0
Medium duration*	1.5	2.5	6.3
Dynamic Bond	1.4	3.0	7.2
Credit Risk	0.6	-5.7	1.5
Debt Short term [#]	2.4	6.6	7.0
Debt Ultra - short term ^{\$}	1.8	4.8	5.8
Liquid	1.5	3.7	5.6

* Includes Medium duration and Corporate debt funds

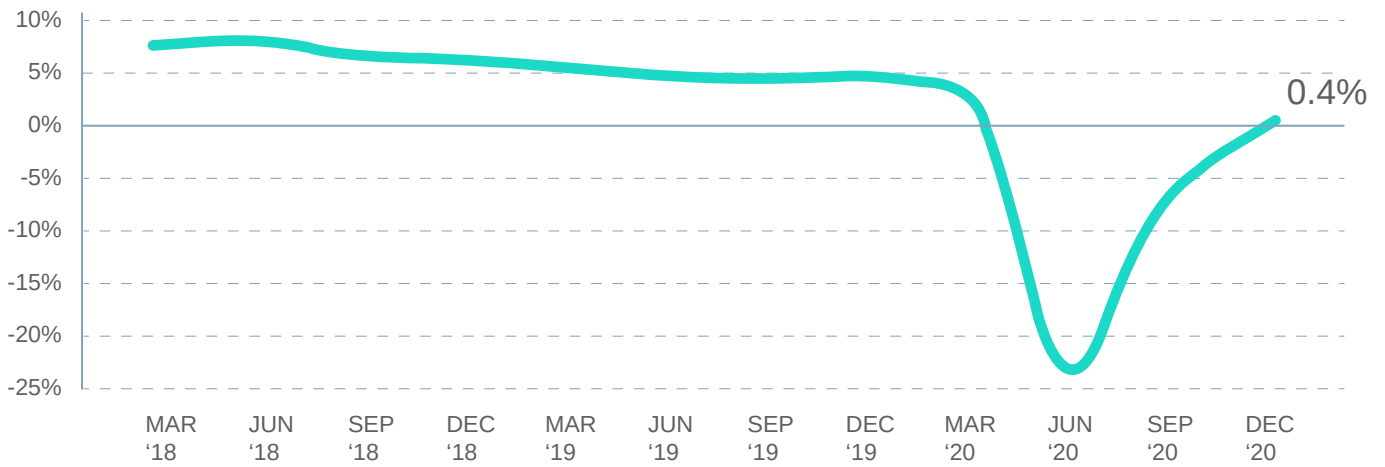
[#] Includes short duration and banking & PSU funds^{\$} Includes low duration, ultra-short duration, money market and floater funds

Source: MFI, FundsIndia Research. Average returns for each category as on February 28, 2021.
Returns over 1 year are annualised.
Returns less than 1 year are absolute

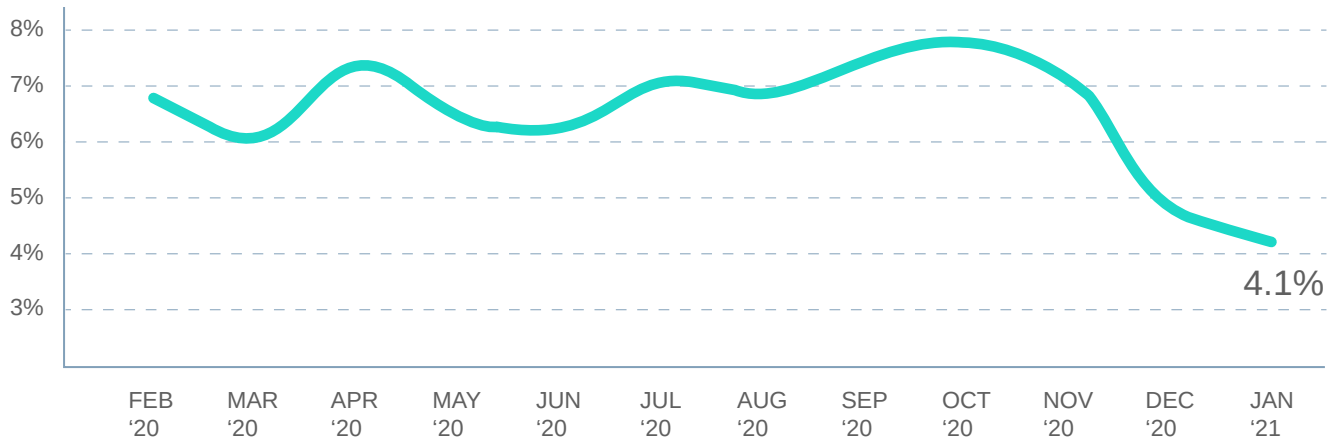


MACRO TRENDS

QUARTERLY GDP GROWTH RATE

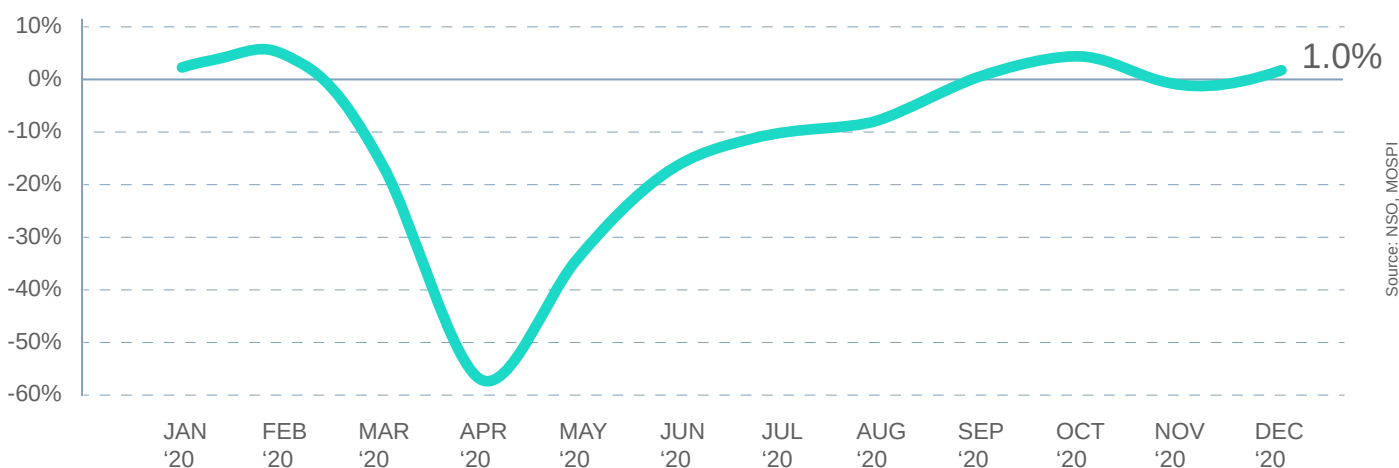


CONSUMER INFLATION

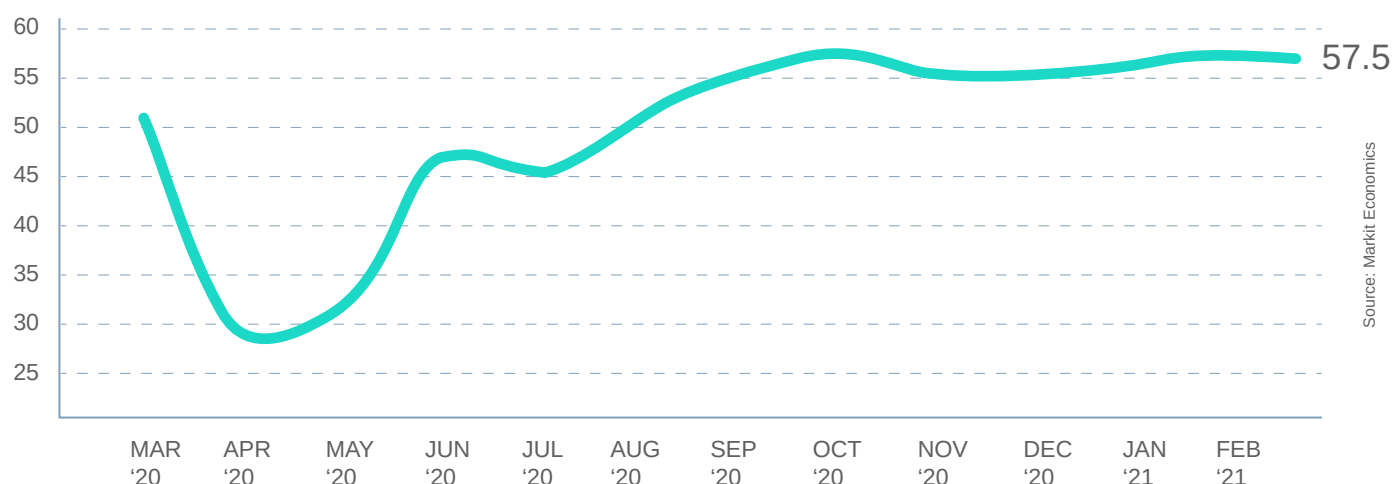


Source: NSO, MOSPI

INDEX OF INDUSTRIAL PRODUCTION – GROWTH



Source: NSO, MOSPI

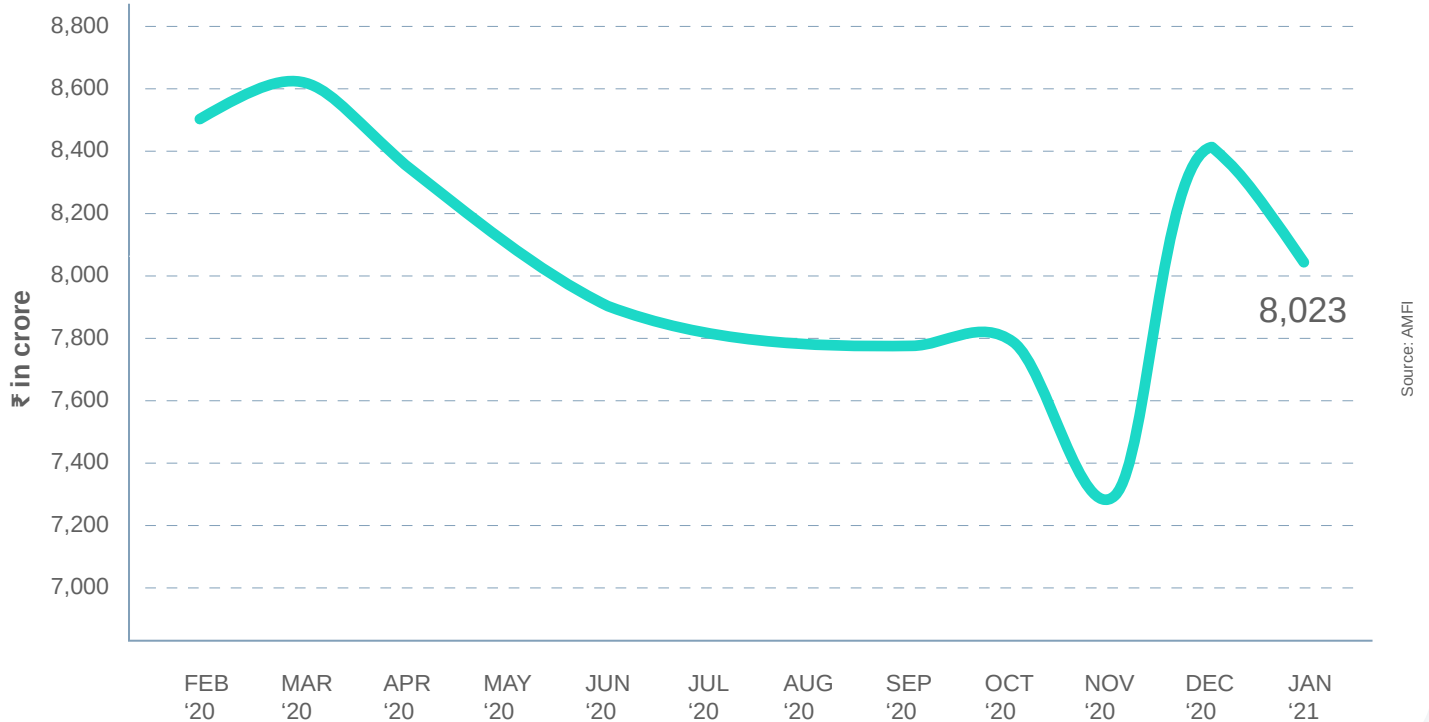
**MANUFACTURING PMI**

The Newsmakers

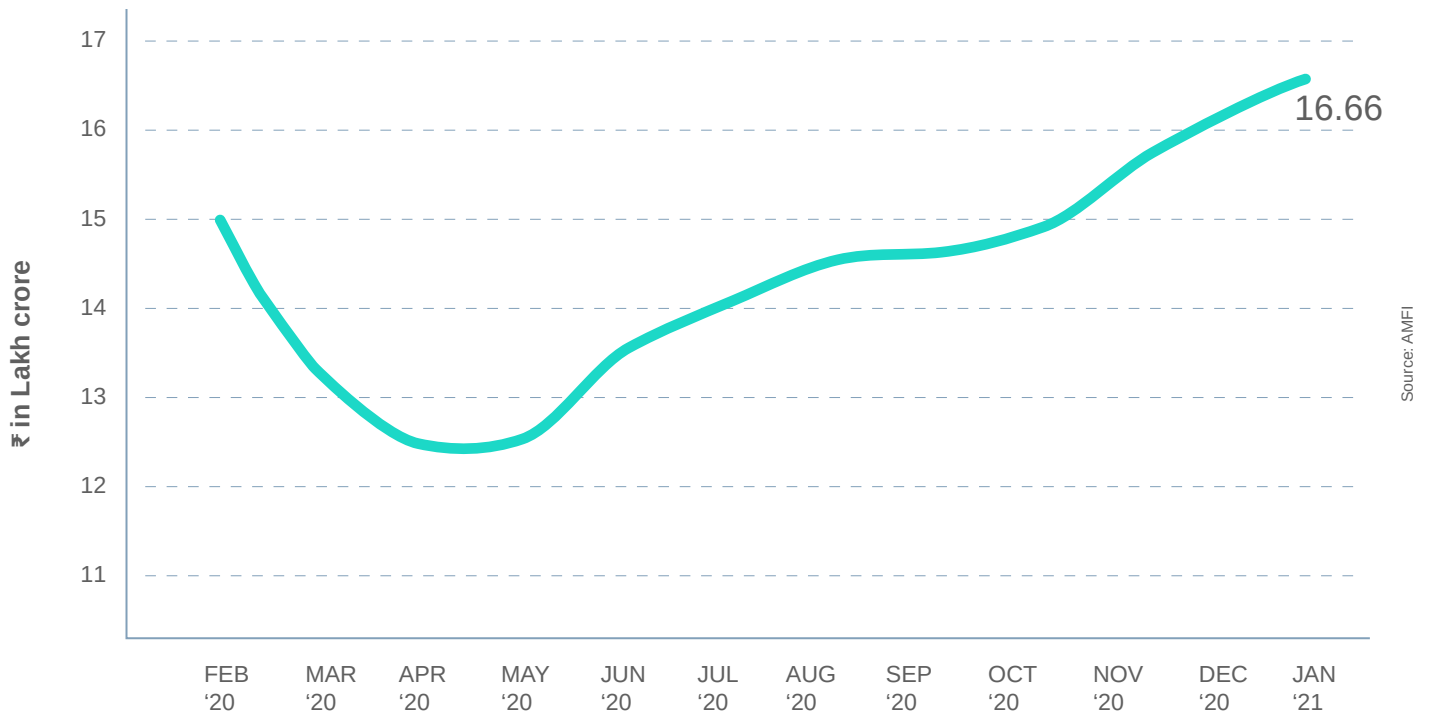
- Gross Domestic Product (GDP) rose 0.4% YoY for Q3 in FY-21 compared to the contraction of 7.5% for Q2 in FY-21. Electricity, Gas, Water Supply & Utility Services segment registered maximum growth rate (7.3%) among all sectors while the Trade, Hotels, Transport, Communication and Broadcasting Services segment witnessed maximum contraction (7.7%) among all sectors. Some other key sectors that grew during the period Q3 in FY-21 are Financial, Real Estate & Professional Services (6.6%), Construction (6.2%) and Agriculture, Forestry and Fishing (3.9%).
- Consumer Price Index (CPI) Inflation rate further eases to a 16-month low rate at 4.1% in Jan-21 from 6.9% in Nov-20 and 4.6% in Dec-20. The vegetable prices dropped by 15.8% in Jan-21 compared to the decline of 10.4% in Dec-20. This has led Food and Beverages group's inflation rate easing to 2.7% in Jan-21 from 3.9% in Dec-20.
- The Index of Industrial Production (IIP) growth rate expanded 1.0% in Dec-20 compared to 1.9% contraction in Nov-20. The production in Electricity and Manufacturing segments grew 5.1% and 1.6% respectively while the Mining sector contracted 4.8%.
- The Manufacturing Purchasing Managers' Index (PMI) stood at 57.5 in Feb-21 compared to 57.7 in Jan-21. Robust increase in total orders and rise in production are the key reasons for the expansion (PMI >50 indicates expansion) for the seventh straight month since Aug-20.
- Gross GST Revenue collection stood at Rs. 1.13 Lakh Cr in Feb-21, compared to 1.19 Lakh Cr in Jan-21. The revenue collection in Feb-21 increased by 7.4% compared to the revenue collection in the same month of the previous calendar year. It also marks the fifth straight month of GST Revenue collection above Rs. 1 Lakh Cr.
- RBI, in its Monetary Policy Committee (MPC) review, decided to keep rates unchanged but maintained its 'accommodative' stance as long as necessary to revive growth and mitigate the impact of COVID-19 on the economy while ensuring that inflation remains within the target going forward.
 - Repo rate remains unchanged at 4.0%
 - Reverse Repo remains unchanged at 3.35%
 - As the government's debt manager and banker, the RBI will ensure the orderly completion of the market borrowing programme in a non-disruptive manner (Gross market borrowing of the Centre for 2021-22 is budgeted at INR 12 lakh crore)



INDUSTRY SIP INFLOWS OVER THE LAST 12 MONTHS



TOTAL RETAIL AND HNI AUM





What our Research Team is saying

Equity Markets – What Next?

Every day, when I start from my home to office (a routine which I badly miss in the new “work from home” life), I roughly know how long it takes to reach my office. Under normal traffic conditions, it takes me around 40-50 minutes in a car. This helps me plan on when to start in order to reach office on time.

But I also know that there will be those rare occasions, where there is a major traffic breakdown in the city, heavy rains etc where it might take a much longer time.

I am sure all of us have a similar approach when it comes to planning for our daily office travel.

What if we apply the same approach to our investing?

[Click here to read more](#)

This Is All You Need To Construct A Solid Equity Portfolio – Your 5 Fingers!

Last week, an old college friend of mine had called. He wanted to invite me for his housewarming party as he had recently purchased a new house. During our conversation about work, life after college etc, he made a passing remark that he would have invested in equity funds too had they not been so daunting.

Think about it. This came from someone who just bought a house after months and months of research.

Buying a house is a fairly detailed and long drawn process. You need to...

Decide the budget -> Decide the location -> Search for properties offline/online -> Physically Inspect shortlisted properties -> Perform due diligence -> Secure housing loan -> Make the purchase -> And then, finally complete the registration.

Phew!!

Now here comes the shocker. Even for a person who is ready to put in so much effort, equity mutual fund investing seems to be extremely complex and confusing.

Why would this be?

[Click here to read more](#)

