

MONTHLY INSIGHTS

DECEMBER 2021

Asset Class Performance

Index	Compound Annualized Returns (%) – as on 30-Nov-2021					
	1Y	3Y	5Y	10Y	15Y	20Y
India – Equity (Nifty 50)	31.0	16.0	15.6	13.4	10.2	14.8
US – Equity (S&P 500 in INR)	27.3	21.3	17.9	18.1	12.0	9.6
Debt*	4.0	7.5	7.0	8.1	7.9	7.5
Gold (in INR)	2.9	16.9	11.0	4.1	10.8	12.4

Returns as on 30-Nov-2021

Source: MFI, gold.org, Investing.com, FundsIndia Research. As on 30-Nov-21. S&P 500 returns are adjusted for USD-INR Exchange Rate. Debt*: Index calibrated based on the Debt Schemes - Aditya Birla SL Low Duration Fund, HDFC Low Duration Fund, Aditya Birla SL Corporate Bond Fund.



Equity Returns & Volatility

Indian Equity Markets – The long term story so far...

Nifty 50 (Since Inception)



India Equity Markets - Performance

Index	Compounded Annualized Returns (%) – as on 30-Nov-2021					
	1Y	3Y	5Y	10Y	15Y	20Y
Large Cap						
Nifty 50	31.0	16.0	15.6	13.4	10.2	14.8
S&P BSE Sensex	29.3	16.4	16.4	13.5	10.0	15.3
Nifty 100	32.0	15.9	15.3	13.9	10.6	--
Mid Cap						
S&P BSE Mid Cap	46.0	18.0	14.6	15.9	10.2	--
Nifty Midcap 150	50.5	21.9	18.1	18.7	13.1	--
Small Cap						
S&P BSE Small Cap	65.6	24.6	17.8	16.4	10.0	--
Nifty Smallcap 250	66.6	22.1	14.6	15.8	11.0	--
Flexi Cap						
Nifty 500	36.7	17.2	15.7	14.4	10.5	16.4

Global Equity Markets - Performance

Index (in INR)	Compounded Annualized Returns (% , in INR terms) – as on 30-Nov-2021					
	1Y	3Y	5Y	10Y	15Y	20Y
Nasdaq 100	44.7	32.1	29.9	26.3	19.9	--
S&P 500	42.1	19.8	19.4	18.9	12.1	10.0
MSCI World (represents Developed Markets)	39.7	16.7	16.1	--	--	--
MSCI Emerging Markets	15.6	10.3	9.4	--	--	--

Nifty 50 TRI – Rolling Returns

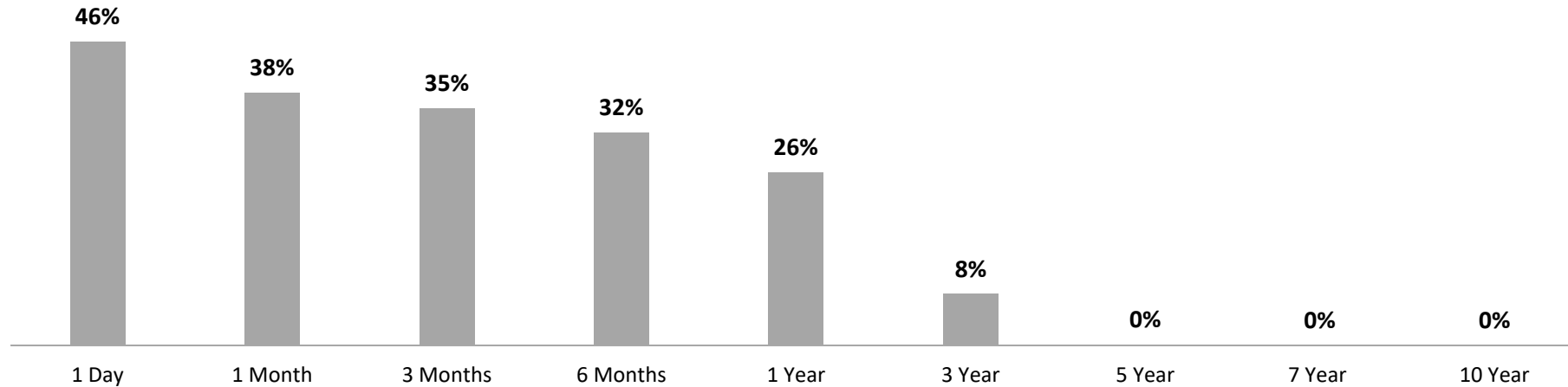
On a 15Y Rolling basis, Large cap Index (Nifty 50 TRI) gave
>12% returns ~95% of the times since Inception

	Rolling Returns Since Inception						
	15 Year	12 Year	10 Year	7 Year	5 Year	3 Year	1 Year
Average	15%	14%	14%	15%	16%	15%	17%
Maximum	19%	22%	22%	30%	47%	62%	108%
Minimum	11%	6%	5%	5%	-1%	-15%	-55%

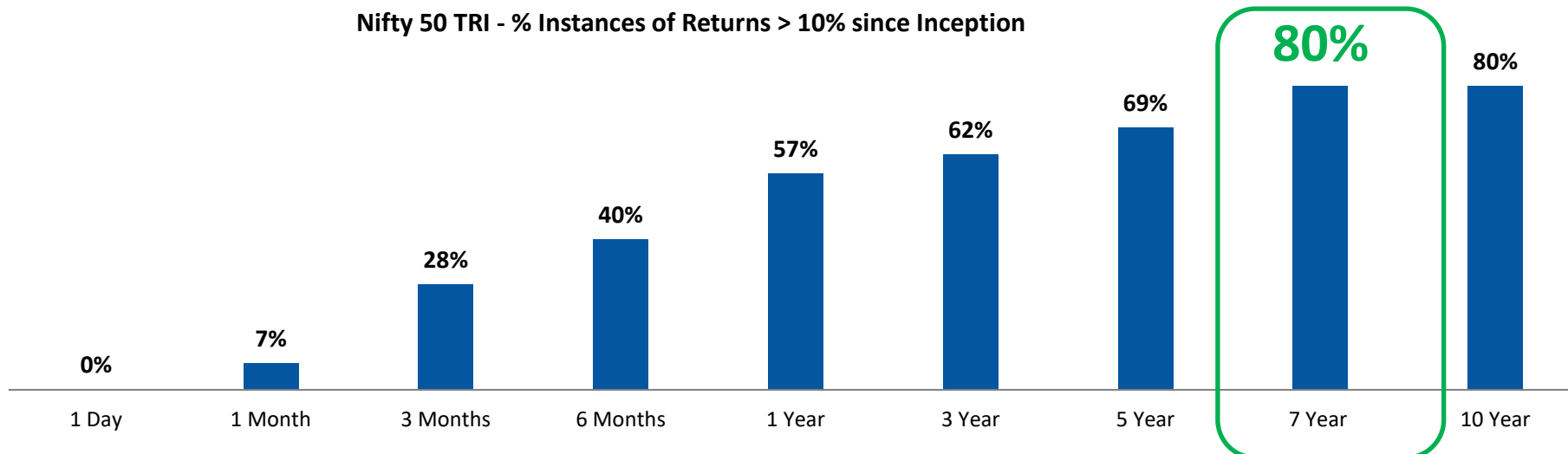
% No. of Times							
Less than 0%	0%	0%	0%	0%	0%	8%	26%
Less than 7%	0%	2%	2%	2%	16%	26%	38%
Greater than 7%	100%	98%	98%	98%	84%	74%	62%
Greater than 10%	100%	87%	80%	80%	69%	62%	57%
Greater than 12%	95%	76%	64%	63%	60%	52%	53%
Greater than 15%	41%	39%	48%	40%	38%	37%	46%

Longer the time frame, higher the odds of better returns

Nifty 50 TRI - % Instances of Negative Returns since Inception:
Historically, Increasing the investment time period has reduced the occurrence of Losses (Negative Returns)

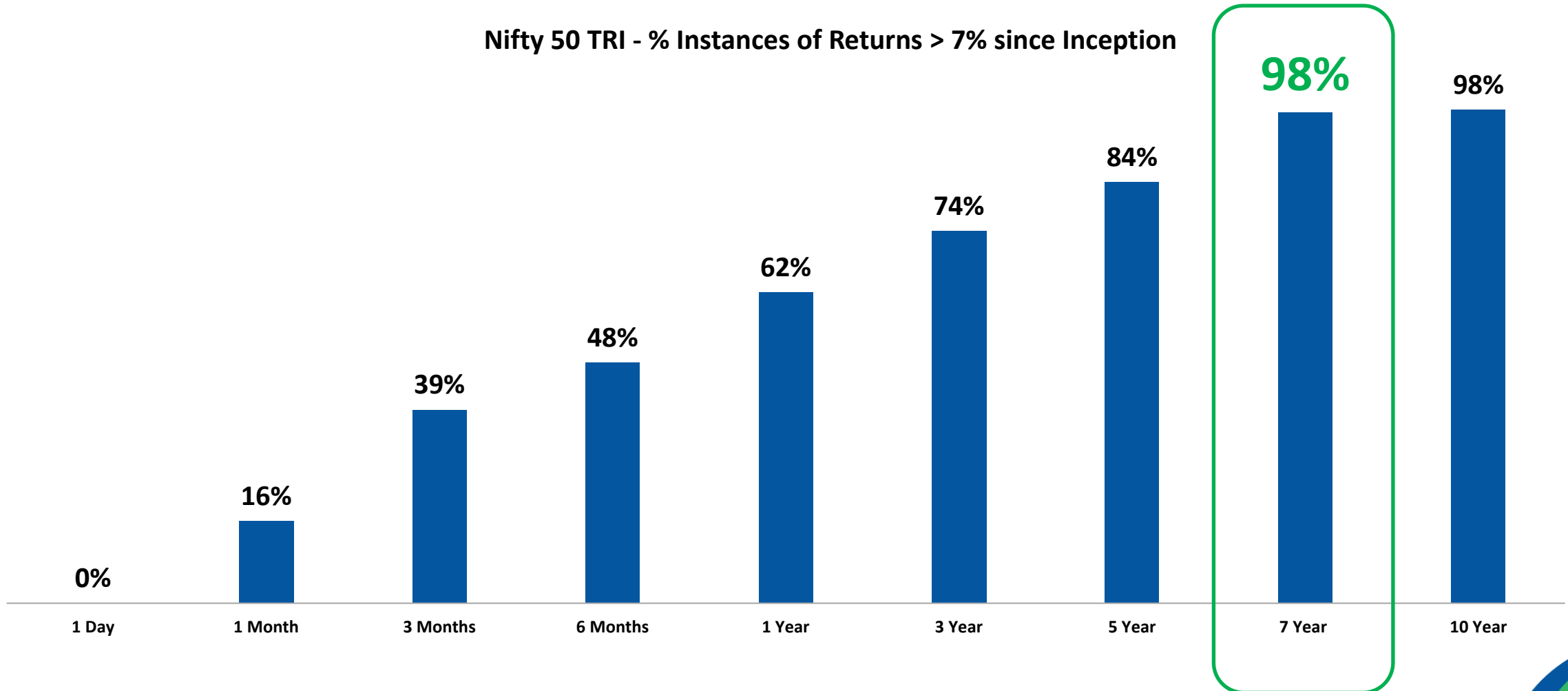


Nifty 50 TRI - % Instances of Returns > 10% since Inception

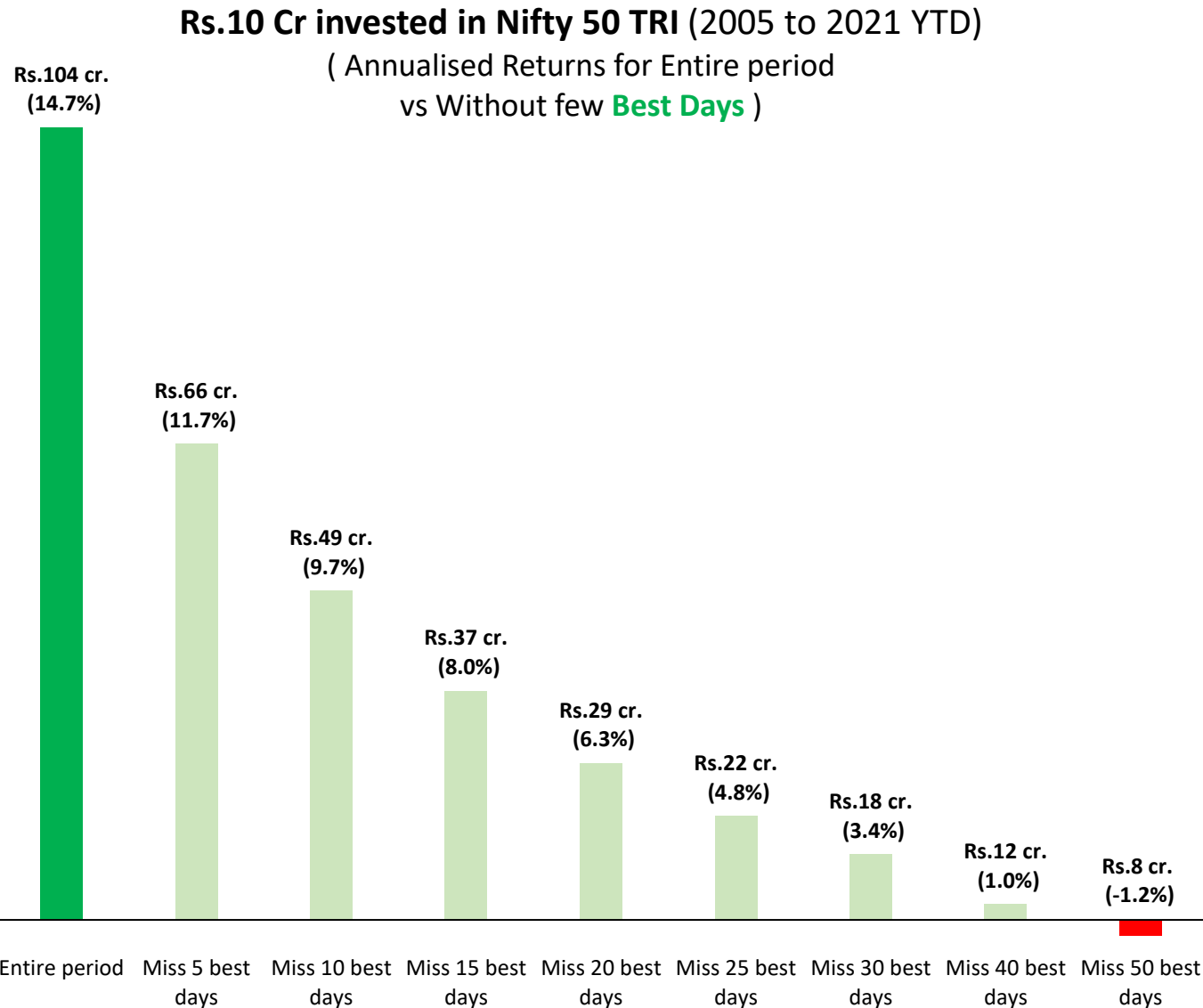


Longer the time frame, higher the odds of better than FD returns

Nifty 50 TRI - % Instances of Returns > 7% since Inception



Equity Returns are non linear - Missing a few best days in the market significantly reduces returns



Many of the best days occur during worst declines (periods of high volatility)

2006: FII & DII - Heavy sell off

Fall: -30%

10% occurrences

S.N.	Date	Returns
8	15-Jun-06	6.3%
19	09-Jun-06	5.2%
30	30-Jun-06	4.4%

2008: Global Financial Crisis

Fall: -60%

57% occurrences

S.N.	Date	Returns
1	18-May-09	17.7%
3	31-Oct-08	7.0%
6	13-Oct-08	6.4%
7	28-Oct-08	6.4%
10	10-Nov-08	5.9%
12	25-Mar-08	5.8%
14	23-Jul-08	5.6%
15	14-Feb-08	5.5%
16	21-Nov-08	5.5%
17	03-Nov-08	5.5%
20	04-May-09	5.2%
21	10-Dec-08	5.2%
22	19-Sep-08	5.1%
23	02-Jul-08	5.0%
24	04-Dec-08	5.0%
25	02-Apr-09	4.9%
28	23-Mar-09	4.7%

2020: Covid-19 Pandemic

Fall: -40%

13% occurrences

S.N.	Date	Returns
2	07-Apr-20	8.8%
5	25-Mar-20	6.6%
11	20-Mar-20	5.8%
27	01-Feb-21	4.7%

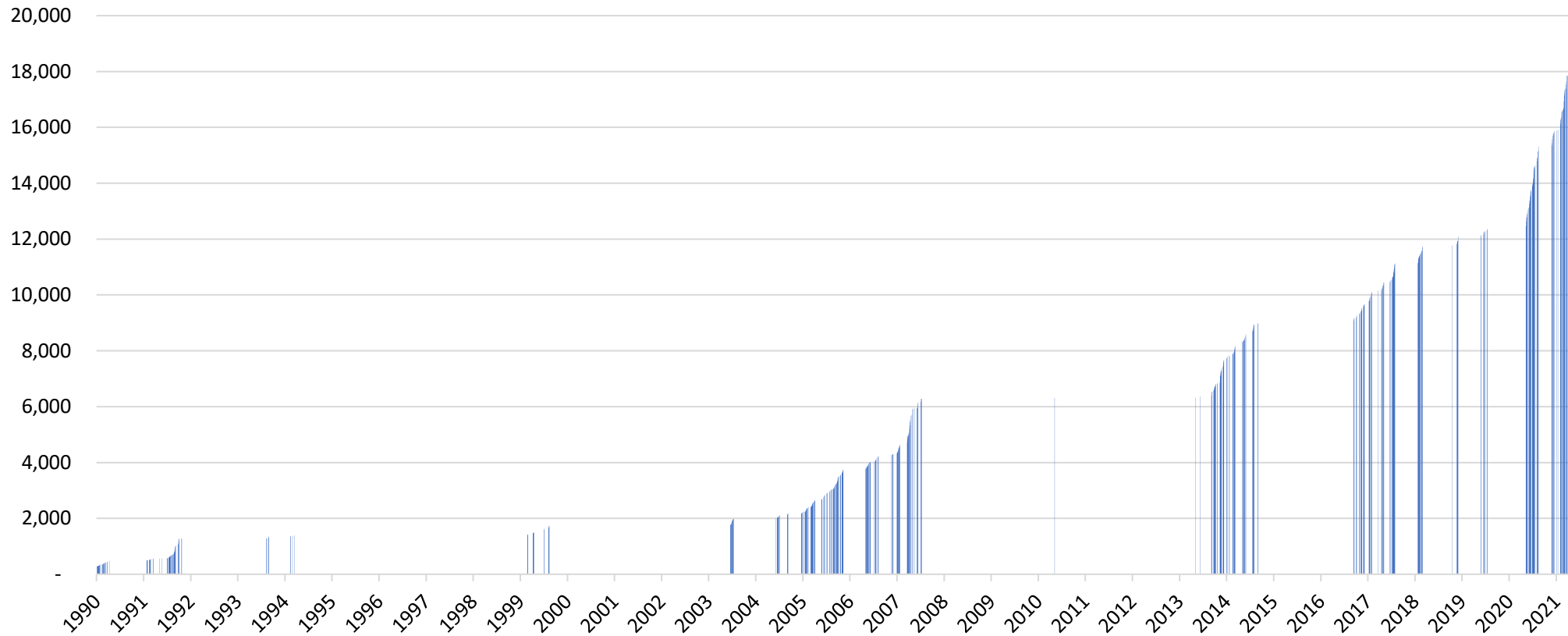
Others

20% occurrences

S.N.	Date	Returns
4	25-Jan-08	7.0%
9	23-Jan-08	6.2%
13	23-Oct-07	5.6%
18	20-Sep-19	5.3%
26	09-Oct-07	4.8%
29	15-Oct-07	4.5%

All Time Highs are a natural part of any growing asset class and not something to be feared

More than 500 New Highs Since 1990



Year wise Lumpsum Returns of Nifty 500 TRI (1996 to 2021)

Minimum	-56%	-23%	-12%	-9%	-1%	0%	5%	4%	4%	7%	6%	6%	7%	11%	12%	13%	13%	14%	13%	13%	13%	15%	14%	14%	14%
Maximum	108%	57%	51%	47%	50%	44%	32%	28%	30%	26%	24%	22%	21%	20%	20%	20%	18%	18%	18%	16%	16%	16%	15%	15%	14%
Average	20%	16%	15%	16%	15%	15%	16%	16%	16%	16%	16%	16%	15%	16%	16%	16%	16%	16%	16%	15%	15%	15%	15%	14%	14%
Years	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
Jan-96	-1%	4%	0%	19%	9%	3%	5%	14%	15%	17%	18%	22%	13%	17%	17%	13%	15%	14%	15%	14%	14%	15%	14%	14%	14%
Jan-97	10%	1%	27%	11%	4%	6%	16%	17%	19%	21%	24%	14%	18%	18%	14%	16%	15%	16%	15%	15%	16%	15%	15%	15%	
Jan-98	-7%	36%	12%	3%	5%	18%	18%	20%	22%	26%	14%	19%	19%	15%	16%	15%	16%	16%	15%	16%	15%	15%	15%	15%	
Jan-99	99%	23%	6%	8%	23%	23%	25%	26%	30%	17%	22%	21%	17%	18%	17%	18%	17%	16%	17%	16%	16%	16%	16%	16%	
Jan-00	-24%	-23%	-12%	9%	11%	15%	18%	23%	10%	16%	16%	12%	13%	13%	14%	13%	13%	14%	13%	13%	13%				
Jan-01	-21%	-5%	23%	22%	25%	27%	32%	15%	21%	21%	16%	17%	16%	17%	16%	15%	17%	16%	15%	15%					
Jan-02	15%	55%	41%	41%	40%	44%	22%	28%	27%	20%	21%	20%	21%	20%	18%	20%	18%	18%	18%						
Jan-03	108%	57%	51%	47%	50%	23%	30%	28%	21%	22%	20%	22%	20%	19%	20%	18%	18%	18%							
Jan-04	19%	28%	31%	39%	11%	20%	20%	13%	15%	14%	16%	15%	14%	15%	14%	14%	14%	14%							
Jan-05	39%	37%	46%	9%	21%	20%	12%	14%	13%	16%	14%	13%	15%	14%	13%	14%									
Jan-06	36%	50%	0%	17%	16%	8%	11%	10%	13%	12%	11%	13%	12%	12%	12%										
Jan-07	65%	-14%	11%	12%	3%	8%	7%	11%	10%	9%	11%	10%	10%	11%											
Jan-08	-56%	-9%	-2%	-9%	-1%	0%	5%	4%	4%	7%	6%	6%	7%												
Jan-09	86%	46%	16%	21%	17%	21%	17%	16%	18%	16%	15%	15%													
Jan-10	15%	-8%	5%	4%	11%	9%	8%	11%	10%	10%	11%														
Jan-11	-26%	0%	1%	9%	8%	7%	11%	9%	9%	10%															
Jan-12	35%	18%	25%	18%	15%	19%	16%	15%	15%																
Jan-13	4%	20%	13%	11%	16%	13%	12%	13%																	
Jan-14	39%	18%	14%	19%	15%	14%	14%																		
Jan-15	0%	3%	13%	9%	9%	11%																			
Jan-16	5%	20%	12%	11%	13%																				
Jan-17	37%	16%	14%	15%																					
Jan-18	-1%	4%	8%																						
Jan-19	9%	13%																							
Jan-20	18%																								

Illustration:

Years	1	2	3	4	5	6	7	8	9	10	11
Jan-10	15%	-8%	5%	4%	11%	9%	8%	11%	10%	10%	11%

For a Lumpsum investment started in Jan-10 in Nifty 500 TRI and continued for 4 years until Jan-14, the CAGR of the total investment was 4%. The same investment, when held for 8 years until Jan-18, the CAGR was 11%.

Year wise Lumpsum Returns of HDFC Flexi Cap Fund (1996 to 2021)

Minimum	-49%	-12%	-1%	-1%	6%	5%	11%	9%	9%	9%	10%	10%	9%	12%	14%	16%	17%	20%	19%	18%	18%	22%	21%	21%	20%
Maximum	154%	86%	67%	59%	58%	52%	43%	41%	42%	42%	40%	34%	34%	33%	29%	28%	28%	28%	26%	26%	25%	24%	23%	22%	20%
Average	28%	24%	24%	24%	23%	23%	24%	24%	24%	23%	23%	23%	22%	23%	23%	23%	23%	23%	23%	23%	22%	23%	22%	22%	20%
Years	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25
Jan-96	-22%	-3%	8%	34%	21%	16%	18%	28%	28%	31%	31%	33%	24%	28%	28%	24%	24%	23%	25%	23%	22%	23%	21%	21%	20%
Jan-97	20%	28%	61%	35%	26%	26%	37%	36%	39%	38%	40%	28%	33%	33%	28%	28%	26%	28%	26%	25%	25%	24%	23%	22%	
Jan-98	37%	86%	40%	28%	28%	41%	38%	41%	41%	42%	29%	34%	34%	28%	29%	27%	28%	26%	25%	26%	24%	23%	22%		
Jan-99	154%	42%	25%	25%	41%	39%	42%	41%	42%	29%	34%	34%	28%	28%	26%	28%	26%	24%	25%	24%	23%	22%			
Jan-00	-20%	-12%	-1%	22%	23%	29%	30%	33%	19%	26%	26%	20%	22%	20%	22%	20%	19%	20%	19%	18%	18%				
Jan-01	-3%	10%	41%	37%	42%	41%	43%	25%	32%	32%	25%	26%	24%	26%	24%	22%	23%	22%	21%	20%					
Jan-02	26%	69%	53%	56%	52%	52%	30%	37%	36%	28%	29%	26%	28%	26%	24%	25%	23%	22%	21%						
Jan-03	128%	69%	67%	59%	58%	31%	39%	38%	28%	29%	27%	29%	26%	24%	25%	23%	22%	21%							
Jan-04	26%	43%	41%	44%	17%	28%	28%	20%	21%	19%	22%	20%	19%	20%	18%	17%	17%								
Jan-05	63%	49%	51%	15%	29%	29%	19%	21%	19%	22%	19%	18%	19%	18%	17%	16%									
Jan-06	36%	45%	2%	21%	23%	13%	16%	14%	18%	15%	15%	16%	15%	14%	14%										
Jan-07	54%	-11%	17%	20%	9%	13%	11%	16%	13%	13%	15%	13%	13%	12%											
Jan-08	-49%	1%	10%	-1%	6%	5%	11%	9%	9%	11%	10%	10%	9%												
Jan-09	102%	61%	24%	27%	22%	27%	22%	20%	21%	19%	18%	17%													
Jan-10	29%	-3%	9%	7%	15%	12%	11%	14%	12%	11%	11%														
Jan-11	-27%	0%	1%	12%	8%	8%	12%	10%	9%	9%															
Jan-12	36%	18%	29%	20%	17%	20%	16%	15%	14%																
Jan-13	3%	26%	15%	13%	17%	13%	12%	12%																	
Jan-14	54%	21%	16%	21%	16%	14%	13%																		
Jan-15	-5%	1%	11%	8%	8%	7%																			
Jan-16	6%	20%	12%	11%	10%																				
Jan-17	36%	15%	12%	11%																					
Jan-18	-2%	2%	4%																						
Jan-19	7%	7%																							
Jan-20	7%																								

Illustration:

Years	1	2	3	4	5	6	7	8	9	10	11
Jan-10	29%	-3%	9%	7%	15%	12%	11%	14%	12%	11%	11%

For a Lumpsum investment started in Jan-10 in HDFC Flexi Cap Fund and continued for 4 years until Jan-14, the CAGR of the total investment was 7%. The same investment, when held for 8 years until Jan-18, the CAGR was 14%.

Year wise Lumpsum Returns of Franklin India Flexicap Fund (1995 to 2021)

Minimum	-47%	-20%	-9%	-2%	4%	4%	10%	9%	9%	11%	9%	9%	9%	12%	14%	16%	17%	18%	17%	16%	16%	19%	20%	19%	18%	18%
Maximum	209%	107%	68%	55%	55%	49%	39%	39%	41%	40%	37%	32%	31%	29%	27%	26%	27%	26%	25%	25%	24%	23%	22%	21%	20%	18%
Average	26%	22%	22%	22%	22%	21%	22%	22%	22%	22%	22%	22%	21%	21%	22%	22%	22%	22%	22%	21%	21%	21%	21%	20%	19%	18%
Years	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26
Jan-95	-23%	-18%	-9%	1%	26%	14%	11%	12%	20%	21%	23%	25%	27%	19%	22%	22%	19%	20%	19%	21%	20%	19%	20%	19%	18%	18%
Jan-96	-13%	-2%	10%	42%	23%	18%	18%	27%	27%	29%	30%	32%	23%	26%	26%	23%	23%	22%	24%	23%	22%	22%	21%	20%	20%	
Jan-97	11%	24%	68%	34%	25%	24%	34%	33%	34%	36%	37%	27%	30%	29%	25%	26%	24%	26%	25%	24%	24%	23%	22%	21%		
Jan-98	38%	107%	43%	29%	27%	38%	36%	37%	39%	40%	28%	31%	31%	26%	27%	25%	27%	26%	24%	25%	23%	22%	22%			
Jan-99	209%	45%	26%	24%	38%	36%	37%	39%	41%	28%	31%	30%	26%	26%	24%	26%	25%	24%	24%	22%	21%	21%				
Jan-00	-32%	-20%	-8%	13%	15%	20%	24%	27%	16%	20%	20%	17%	18%	17%	19%	18%	17%	18%	17%	16%	16%					
Jan-01	-5%	7%	33%	31%	34%	37%	39%	24%	28%	27%	22%	23%	22%	24%	22%	21%	22%	20%	19%	19%						
Jan-02	20%	58%	47%	47%	47%	49%	28%	33%	31%	26%	26%	24%	26%	25%	23%	24%	22%	21%	21%							
Jan-03	108%	62%	57%	55%	55%	30%	35%	33%	26%	27%	25%	27%	25%	23%	24%	22%	21%	21%								
Jan-04	25%	36%	40%	44%	18%	25%	24%	18%	20%	18%	21%	20%	19%	19%	18%	17%	17%									
Jan-05	48%	48%	51%	16%	25%	24%	17%	19%	18%	21%	19%	18%	19%	17%	16%	16%										
Jan-06	49%	52%	7%	20%	20%	13%	16%	14%	18%	17%	16%	17%	15%	14%	14%											
Jan-07	55%	-9%	12%	14%	7%	11%	10%	15%	14%	13%	14%	13%	12%	12%												
Jan-08	-47%	-5%	3%	-2%	4%	4%	10%	9%	9%	11%	9%	9%														
Jan-09	69%	42%	19%	22%	19%	24%	21%	19%	20%	18%	16%	16%														
Jan-10	19%	0%	10%	8%	17%	15%	13%	15%	13%	12%	12%															
Jan-11	-16%	5%	5%	16%	14%	12%	14%	12%	11%	12%																
Jan-12	32%	18%	30%	23%	19%	21%	17%	15%	15%																	
Jan-13	5%	28%	20%	16%	19%	15%	13%	13%																		
Jan-14	57%	28%	20%	22%	17%	14%	15%																			
Jan-15	5%	5%	12%	8%	7%	9%																				
Jan-16	4%	16%	9%	8%	9%																					
Jan-17	30%	12%	9%	11%																						
Jan-18	-4%	0%	5%																							
Jan-19	3%	10%																								
Jan-20	16%																									

Illustration:

Years	1	2	3	4	5	6	7	8	9	10	11
Jan-10	19%	0%	10%	8%	17%	15%	13%	15%	13%	12%	12%

For a Lumpsum investment started in Jan-10 in Franklin India Flexicap Fund and continued for 4 years until Jan-14, the CAGR of the total investment was 8%. The same investment, when held for 8 years until Jan-18, the CAGR was 15%.

Year wise 6M STP Returns of Nifty 50 TRI (2000 to 2021)

Average	13%	13%	14%	15%	15%	15%	15%	14%	14%	14%	14%	14%	14%	14%	15%	15%	15%	15%	15%	14%	13%
Max	93%	50%	49%	45%	46%	36%	28%	27%	24%	21%	20%	21%	20%	18%	19%	18%	17%	17%	18%	17%	15%
Min	-49%	-20%	-12%	-2%	1%	1%	6%	6%	6%	6%	7%	6%	7%	8%	11%	12%	12%	13%	12%	11%	12%
Years	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
Jan-00	-15%	-15%	-8%	8%	9%	13%	17%	21%	10%	15%	15%	11%	13%	12%	14%	13%	12%	13%	13%	13%	13%
Jan-01	-13%	-4%	18%	16%	21%	24%	28%	14%	19%	19%	15%	16%	15%	16%	15%	14%	15%	15%	14%	15%	
Jan-02	3%	35%	27%	30%	32%	36%	18%	24%	23%	17%	18%	17%	19%	17%	16%	17%	16%	16%	16%		
Jan-03	93%	46%	44%	43%	46%	22%	28%	27%	20%	21%	20%	21%	19%	18%	18%	18%	17%	17%			
Jan-04	20%	29%	33%	39%	13%	21%	21%	14%	16%	15%	17%	15%	14%	15%	14%	14%	14%				
Jan-05	41%	41%	46%	12%	22%	22%	14%	16%	15%	16%	15%	14%	15%	14%	14%	14%					
Jan-06	29%	42%	0%	15%	16%	8%	11%	10%	13%	11%	10%	12%	11%	12%	12%						
Jan-07	55%	-12%	10%	12%	4%	8%	8%	11%	9%	9%	10%	10%	10%	11%							
Jan-08	-41%	1%	7%	-2%	4%	4%	8%	7%	6%	8%	8%	9%	9%								
Jan-09	64%	40%	14%	18%	16%	18%	15%	14%	15%	14%	14%	14%									
Jan-10	22%	-4%	7%	7%	12%	9%	8%	11%	10%	10%	11%										
Jan-11	-18%	3%	5%	11%	8%	7%	10%	10%	10%	11%											
Jan-12	18%	13%	19%	13%	11%	14%	13%	13%	13%												
Jan-13	8%	20%	12%	10%	13%	12%	12%	13%													
Jan-14	28%	12%	9%	14%	12%	12%	13%														
Jan-15	-6%	-1%	8%	8%	9%	10%															
Jan-16	7%	18%	14%	13%	14%																
Jan-17	18%	12%	12%	13%																	
Jan-18	4%	9%	11%																		
Jan-19	9%	13%																			
Jan-20	37%																				

Year wise 6M STP Returns of Franklin India Flexicap Fund (1995 to 2021)

Average	18%	19%	20%	20%	21%	21%	21%	21%	22%	21%	21%	21%	21%	21%	21%	21%	21%	22%	21%	21%	21%	21%	21%	20%	19%	19%
Max	150%	99%	68%	56%	55%	46%	39%	38%	38%	39%	37%	32%	31%	29%	26%	26%	27%	26%	25%	24%	24%	23%	22%	22%	22%	20%
Min	-44%	-21%	-11%	-3%	-2%	3%	7%	8%	7%	7%	10%	8%	8%	10%	12%	14%	16%	17%	17%	15%	15%	18%	19%	18%	16%	17%
Years	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26
Jan-95	-19%	-16%	-8%	2%	27%	15%	11%	13%	21%	21%	23%	25%	27%	20%	22%	22%	20%	20%	19%	21%	20%	19%	20%	19%	18%	18%
Jan-96	-17%	-4%	8%	41%	22%	17%	17%	26%	26%	28%	30%	32%	23%	26%	25%	22%	23%	22%	23%	22%	21%	22%	21%	20%	20%	
Jan-97	7%	21%	66%	33%	24%	23%	33%	32%	34%	35%	37%	27%	29%	29%	25%	25%	24%	26%	25%	23%	24%	22%	21%	21%		
Jan-98	26%	98%	38%	26%	25%	36%	34%	36%	37%	39%	27%	31%	30%	26%	26%	25%	26%	25%	24%	24%	23%	22%	21%			
Jan-99	150%	30%	17%	18%	32%	31%	33%	35%	37%	25%	28%	28%	24%	24%	23%	25%	23%	22%	23%	21%	20%	20%				
Jan-00	-26%	-16%	-6%	15%	17%	22%	25%	29%	17%	21%	21%	17%	18%	17%	20%	19%	18%	18%	17%	16%	16%					
Jan-01	-5%	7%	34%	31%	35%	37%	39%	24%	28%	27%	22%	23%	22%	24%	22%	21%	22%	20%	19%	19%						
Jan-02	7%	49%	41%	42%	44%	46%	26%	31%	30%	24%	25%	23%	25%	24%	22%	23%	21%	20%	20%							
Jan-03	109%	62%	57%	55%	55%	30%	35%	33%	26%	27%	25%	27%	25%	24%	24%	22%	21%	21%								
Jan-04	26%	37%	41%	44%	18%	25%	25%	19%	20%	18%	21%	20%	19%	19%	18%	17%	17%									
Jan-05	45%	47%	50%	16%	25%	24%	17%	19%	17%	21%	19%	18%	19%	17%	16%	16%										
Jan-06	33%	43%	3%	17%	17%	11%	14%	13%	17%	15%	14%	16%	14%	13%	13%											
Jan-07	52%	-10%	11%	13%	7%	10%	10%	15%	14%	13%	14%	12%	12%	12%												
Jan-08	-36%	4%	9%	2%	7%	7%	13%	12%	11%	13%	11%	11%	11%													
Jan-09	66%	41%	18%	21%	18%	24%	21%	19%	20%	17%	16%	16%														
Jan-10	19%	0%	9%	8%	17%	15%	13%	15%	13%	12%	12%															
Jan-11	-12%	7%	7%	17%	15%	13%	15%	13%	12%	12%																
Jan-12	21%	13%	26%	20%	17%	19%	15%	14%	14%																	
Jan-13	8%	30%	21%	17%	19%	15%	13%	14%																		
Jan-14	50%	25%	18%	21%	15%	13%	14%																			
Jan-15	0%	2%	11%	7%	6%	8%																				
Jan-16	6%	18%	10%	8%	10%																					
Jan-17	18%	6%	5%	8%																						
Jan-18	-2%	1%	6%																							
Jan-19	1%	9%																								
Jan-20	36%																									

Year wise 6M STP Returns of HDFC Flexicap Fund (1995 to 2021)

Average	20%	20%	21%	22%	22%	22%	22%	23%	23%	23%	23%	23%	22%	22%	23%	23%	23%	23%	23%	22%	22%	22%	22%	21%	20%	19%
Max	123%	91%	67%	60%	57%	49%	43%	42%	41%	41%	39%	34%	34%	33%	29%	28%	28%	28%	26%	25%	25%	24%	23%	23%	23%	20%
Min	-48%	-22%	-11%	-1%	-1%	2%	8%	7%	5%	6%	9%	9%	8%	10%	12%	15%	15%	18%	19%	16%	17%	19%	20%	19%	17%	18%
Years	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26
Jan-95	-21%	-22%	-10%	0%	21%	13%	10%	12%	21%	22%	25%	26%	28%	20%	24%	24%	20%	21%	20%	22%	20%	20%	20%	19%	19%	18%
Jan-96	-20%	-2%	9%	35%	21%	17%	18%	28%	28%	31%	32%	33%	24%	28%	28%	24%	25%	23%	25%	23%	22%	23%	22%	21%	20%	
Jan-97	16%	26%	59%	34%	26%	26%	37%	35%	38%	38%	39%	28%	33%	32%	27%	28%	26%	28%	26%	25%	25%	24%	23%	22%		
Jan-98	27%	80%	37%	26%	26%	39%	37%	40%	39%	41%	28%	33%	33%	27%	28%	26%	28%	26%	25%	25%	24%	23%	22%			
Jan-99	112%	30%	18%	20%	36%	34%	38%	38%	40%	26%	32%	32%	26%	26%	25%	26%	24%	23%	24%	22%	22%	21%				
Jan-00	-21%	-12%	-1%	22%	23%	29%	30%	32%	19%	26%	26%	20%	21%	20%	22%	20%	19%	20%	19%	18%	18%					
Jan-01	0%	12%	42%	38%	43%	41%	43%	26%	33%	32%	25%	26%	24%	26%	24%	23%	23%	22%	21%	20%						
Jan-02	10%	58%	47%	50%	47%	49%	28%	35%	34%	26%	27%	25%	27%	24%	23%	24%	22%	21%	20%							
Jan-03	123%	67%	66%	58%	57%	30%	39%	37%	28%	29%	26%	28%	25%	24%	25%	23%	22%	21%								
Jan-04	28%	44%	41%	44%	17%	28%	29%	20%	21%	19%	22%	20%	19%	20%	18%	17%	17%									
Jan-05	60%	47%	50%	14%	28%	28%	18%	20%	18%	21%	19%	18%	19%	17%	17%	16%										
Jan-06	24%	38%	-1%	18%	20%	11%	14%	13%	17%	14%	14%	15%	14%	13%	13%											
Jan-07	50%	-12%	16%	19%	8%	12%	11%	15%	13%	12%	14%	13%	12%	12%												
Jan-08	-38%	12%	17%	4%	10%	9%	14%	12%	11%	13%	12%	11%	11%													
Jan-09	98%	60%	23%	26%	21%	26%	21%	19%	21%	18%	17%	16%														
Jan-10	28%	-3%	8%	7%	15%	12%	11%	14%	12%	11%	11%															
Jan-11	-22%	3%	3%	14%	10%	9%	13%	11%	10%	10%																
Jan-12	20%	11%	24%	16%	14%	17%	14%	13%	13%																	
Jan-13	7%	29%	16%	14%	18%	14%	13%	12%																		
Jan-14	45%	18%	14%	19%	14%	13%	12%																			
Jan-15	-5%	0%	11%	8%	7%	7%																				
Jan-16	14%	25%	15%	13%	12%																					
Jan-17	22%	9%	8%	8%																						
Jan-18	1%	4%	5%																							
Jan-19	3%	5%																								
Jan-20	29%																									

Year wise SIP Returns of Nifty 50 TRI (2000 to 2021)

Average	13%	14%	14%	15%	15%	15%	14%	14%	13%	13%	13%	13%	13%	13%	13%	13%	13%	13%	13%	13%	13%
Max	92%	53%	44%	40%	40%	37%	34%	30%	22%	21%	20%	17%	17%	17%	16%	15%	15%	15%	14%	15%	15%
Min	-100%	-50%	-24%	-8%	-4%	-2%	0%	2%	3%	4%	5%	5%	5%	6%	7%	8%	9%	10%	10%	10%	12%
Years	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
Jan-00	-20%	-15%	-2%	25%	21%	24%	27%	30%	13%	20%	20%	14%	15%	14%	16%	14%	13%	14%	14%	13%	14%
Jan-01	-9%	4%	35%	27%	29%	31%	34%	14%	21%	21%	14%	16%	15%	16%	14%	13%	14%	14%	14%	14%	
Jan-02	12%	53%	33%	34%	34%	37%	14%	22%	21%	14%	16%	15%	16%	14%	13%	14%	14%	13%	14%		
Jan-03	92%	39%	37%	37%	40%	11%	21%	21%	12%	15%	13%	15%	13%	12%	14%	13%	13%	13%			
Jan-04	35%	36%	36%	40%	5%	19%	19%	9%	12%	12%	14%	12%	11%	13%	12%	12%	12%				
Jan-05	47%	39%	43%	-2%	17%	18%	7%	11%	10%	13%	11%	10%	12%	11%	11%	12%					
Jan-06	36%	46%	-16%	15%	16%	4%	9%	9%	13%	10%	9%	11%	11%	11%	11%						
Jan-07	61%	-34%	15%	17%	2%	9%	8%	13%	10%	9%	11%	11%	11%	11%							
Jan-08	-62%	25%	22%	1%	10%	9%	14%	10%	9%	12%	11%	11%	12%								
Jan-09	57%	31%	-1%	11%	10%	15%	11%	9%	12%	11%	11%	12%									
Jan-10	25%	-14%	8%	8%	15%	10%	8%	12%	11%	11%	12%										
Jan-11	-29%	11%	10%	17%	11%	9%	13%	11%	11%	12%											
Jan-12	23%	13%	21%	11%	9%	13%	12%	12%	13%												
Jan-13	14%	24%	10%	7%	13%	11%	11%	13%													
Jan-14	27%	4%	4%	13%	10%	11%	12%														
Jan-15	-7%	1%	14%	10%	11%	13%															
Jan-16	3%	18%	11%	12%	14%																
Jan-17	19%	9%	11%	14%																	
Jan-18	4%	10%	16%																		
Jan-19	13%	23%																			
Jan-20	47%																				

Year wise SIP Returns of Franklin India Flexicap Fund (1995 to 2021)

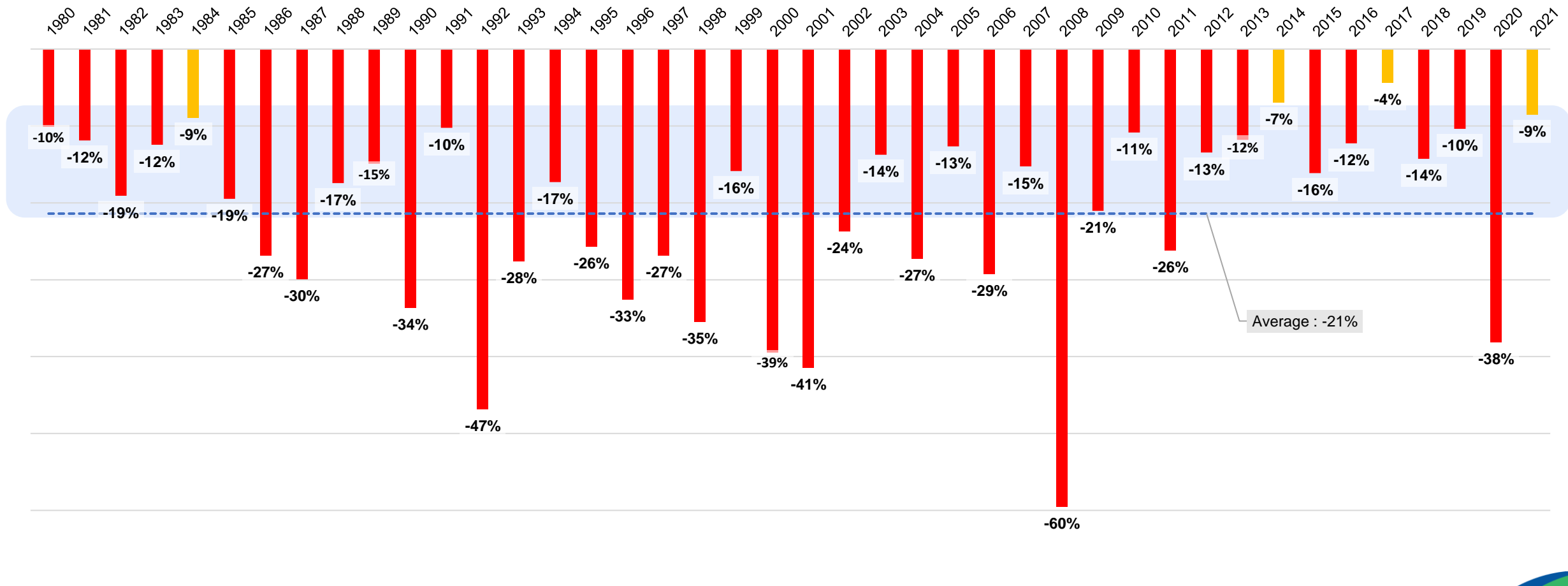
Average	18%	18%	19%	20%	20%	19%	19%	20%	20%	20%	20%	19%	19%	19%	19%	19%	19%	19%	19%	19%	19%	19%	18%	18%	18%	18%
Max	131%	92%	72%	57%	46%	43%	40%	36%	35%	35%	34%	33%	31%	26%	26%	25%	22%	23%	23%	22%	21%	21%	20%	19%	19%	19%
Min	-83%	-41%	-24%	-16%	-10%	-6%	-2%	1%	3%	4%	5%	6%	6%	7%	8%	9%	11%	12%	13%	14%	14%	15%	16%	16%	16%	17%
Years	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26
Jan-95	-30%	-20%	-4%	11%	43%	23%	17%	17%	27%	26%	28%	29%	31%	22%	25%	24%	21%	21%	20%	22%	21%	20%	20%	19%	18%	18%
Jan-96	-21%	0%	17%	55%	27%	18%	18%	29%	28%	30%	31%	33%	23%	26%	25%	21%	22%	21%	22%	21%	20%	21%	19%	18%	18%	
Jan-97	1%	24%	70%	30%	19%	19%	31%	30%	31%	32%	34%	23%	26%	25%	21%	22%	21%	22%	21%	20%	21%	19%	18%	18%		
Jan-98	31%	92%	28%	15%	16%	32%	30%	32%	33%	35%	22%	26%	25%	21%	21%	20%	22%	21%	20%	20%	19%	18%	18%			
Jan-99	131%	12%	3%	9%	31%	29%	31%	33%	35%	21%	25%	24%	20%	21%	19%	21%	20%	19%	19%	18%	17%	17%				
Jan-00	-32%	-9%	5%	34%	31%	33%	35%	36%	21%	25%	24%	19%	20%	19%	21%	20%	19%	19%	18%	17%	16%					
Jan-01	3%	13%	46%	38%	39%	39%	40%	22%	27%	26%	20%	21%	19%	22%	20%	19%	19%	18%	17%	17%						
Jan-02	13%	62%	44%	43%	42%	43%	20%	27%	25%	19%	20%	18%	21%	20%	18%	19%	17%	16%	16%							
Jan-03	100%	49%	45%	44%	44%	17%	25%	24%	17%	18%	17%	20%	18%	17%	18%	16%	15%	15%								
Jan-04	39%	41%	41%	43%	10%	22%	21%	13%	16%	14%	18%	17%	15%	16%	14%	13%	14%									
Jan-05	50%	44%	45%	2%	19%	19%	10%	14%	12%	18%	16%	14%	16%	14%	13%	13%										
Jan-06	42%	46%	-11%	17%	17%	7%	12%	11%	17%	15%	14%	15%	13%	12%	12%											
Jan-07	58%	-28%	17%	17%	5%	12%	10%	17%	15%	13%	15%	13%	12%	12%												
Jan-08	-50%	28%	23%	6%	13%	11%	19%	16%	14%	16%	13%	12%	12%													
Jan-09	60%	30%	4%	14%	11%	21%	17%	14%	16%	13%	12%	12%														
Jan-10	20%	-9%	11%	9%	21%	17%	14%	16%	13%	11%	12%															
Jan-11	-22%	14%	11%	25%	18%	14%	17%	13%	11%	12%																
Jan-12	27%	14%	31%	20%	15%	18%	13%	11%	12%																	
Jan-13	16%	38%	20%	14%	18%	12%	10%	11%																		
Jan-14	50%	16%	10%	16%	10%	8%	10%																			
Jan-15	-1%	2%	15%	7%	6%	9%																				
Jan-16	2%	18%	7%	5%	10%																					
Jan-17	21%	3%	3%	10%																						
Jan-18	-3%	2%	13%																							
Jan-19	5%	21%																								
Jan-20	47%																									

Year wise SIP Returns of HDFC Flexicap Fund (1995 to 2021)

Average	19%	20%	20%	21%	21%	20%	21%	21%	21%	21%	20%	20%	20%	20%	20%	20%	19%	20%	20%	20%	19%	19%	19%	19%	18%	19%
Max	107%	85%	67%	54%	48%	44%	42%	38%	37%	36%	36%	34%	32%	29%	29%	27%	24%	24%	24%	23%	22%	22%	21%	20%	19%	19%
Min	-95%	-49%	-26%	-14%	-9%	-6%	-1%	1%	2%	3%	4%	6%	6%	7%	8%	9%	11%	13%	14%	14%	15%	16%	17%	17%	17%	19%
Years	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26
Jan-95	-31%	-27%	-2%	12%	38%	23%	17%	18%	29%	28%	31%	31%	32%	23%	27%	27%	22%	23%	22%	23%	21%	21%	21%	20%	19%	19%
Jan-96	-28%	5%	20%	49%	27%	19%	20%	32%	31%	33%	33%	34%	24%	28%	28%	23%	24%	22%	24%	22%	21%	22%	20%	19%	19%	
Jan-97	13%	28%	62%	30%	20%	21%	34%	32%	35%	34%	36%	24%	29%	29%	23%	24%	22%	24%	22%	21%	22%	20%	19%	19%		
Jan-98	39%	79%	29%	16%	18%	35%	33%	36%	35%	36%	23%	29%	29%	23%	24%	22%	23%	21%	20%	21%	20%	19%	18%			
Jan-99	101%	12%	5%	12%	35%	33%	36%	35%	37%	22%	28%	28%	22%	23%	21%	23%	21%	19%	20%	19%	18%	17%				
Jan-00	-24%	-5%	10%	40%	35%	39%	37%	38%	22%	29%	28%	21%	22%	20%	23%	20%	19%	20%	18%	18%	17%					
Jan-01	10%	18%	53%	43%	45%	42%	42%	22%	30%	30%	22%	23%	21%	23%	20%	19%	20%	18%	18%	17%						
Jan-02	17%	69%	48%	49%	44%	44%	20%	30%	29%	20%	22%	20%	22%	19%	18%	19%	18%	17%	16%							
Jan-03	107%	52%	52%	44%	44%	16%	28%	28%	18%	20%	18%	21%	18%	17%	18%	16%	15%	15%								
Jan-04	42%	50%	41%	42%	8%	25%	25%	14%	17%	15%	19%	16%	15%	16%	15%	14%	13%									
Jan-05	63%	40%	43%	-1%	23%	24%	11%	15%	13%	18%	15%	14%	16%	14%	13%	12%										
Jan-06	31%	43%	-16%	22%	23%	8%	13%	11%	17%	14%	13%	15%	13%	12%	12%											
Jan-07	57%	-32%	25%	25%	7%	13%	11%	18%	14%	12%	15%	13%	12%	12%												
Jan-08	-54%	40%	33%	7%	15%	12%	19%	14%	13%	16%	13%	12%	12%													
Jan-09	81%	43%	3%	15%	11%	20%	14%	13%	16%	13%	12%	11%														
Jan-10	29%	-17%	9%	7%	19%	13%	11%	15%	12%	11%	11%															
Jan-11	-38%	12%	9%	23%	14%	12%	16%	12%	11%	11%																
Jan-12	27%	13%	29%	15%	12%	17%	13%	12%	11%																	
Jan-13	19%	36%	15%	11%	18%	12%	11%	10%																		
Jan-14	41%	7%	7%	17%	11%	9%	9%																			
Jan-15	-7%	4%	18%	10%	9%	9%																				
Jan-16	10%	24%	11%	9%	9%																					
Jan-17	26%	6%	6%	9%																						
Jan-18	3%	5%	10%																							
Jan-19	6%	16%																								
Jan-20	43%																									

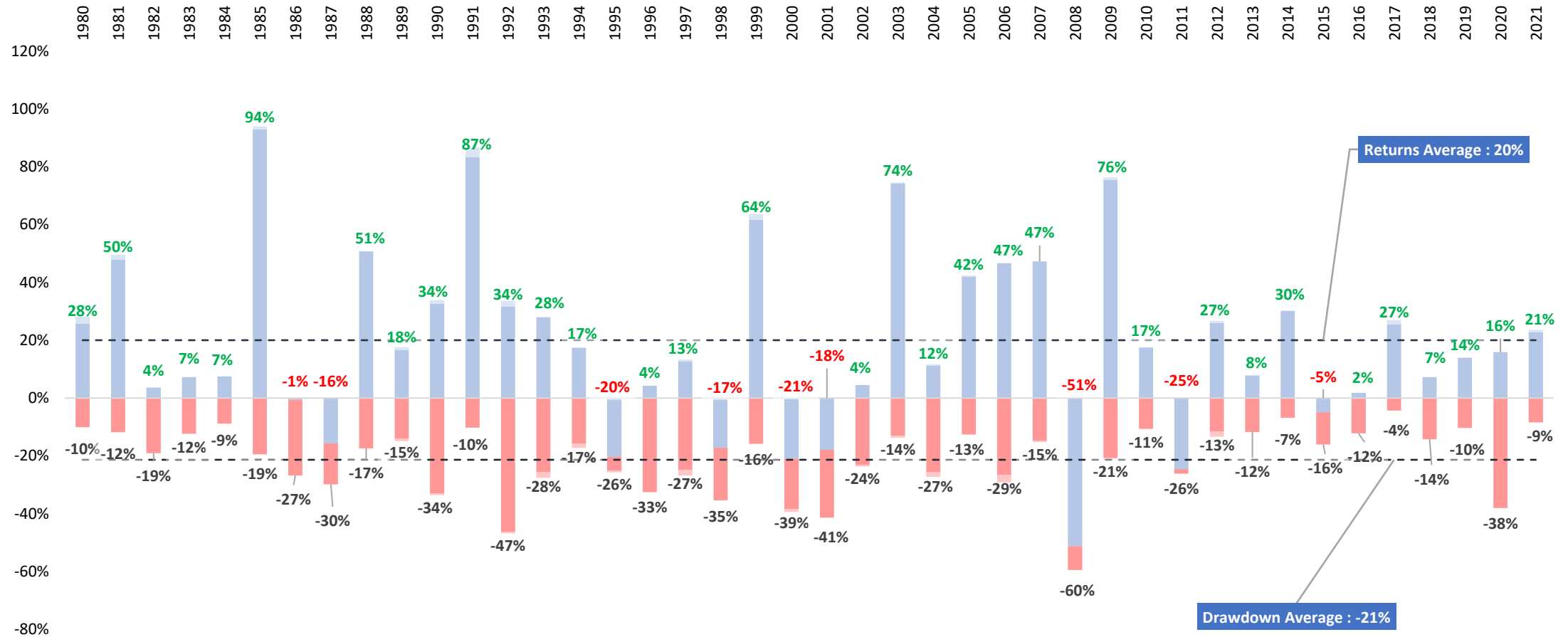
Equity Markets have 10-20% temporary declines almost every year

Sensex : Year-wise Drawdown (1980 to 2021)



3 out of 4 years ended up with positive returns despite the intra-year decline

Sensex (1980 to 2021) - CY Returns vs Drawdown

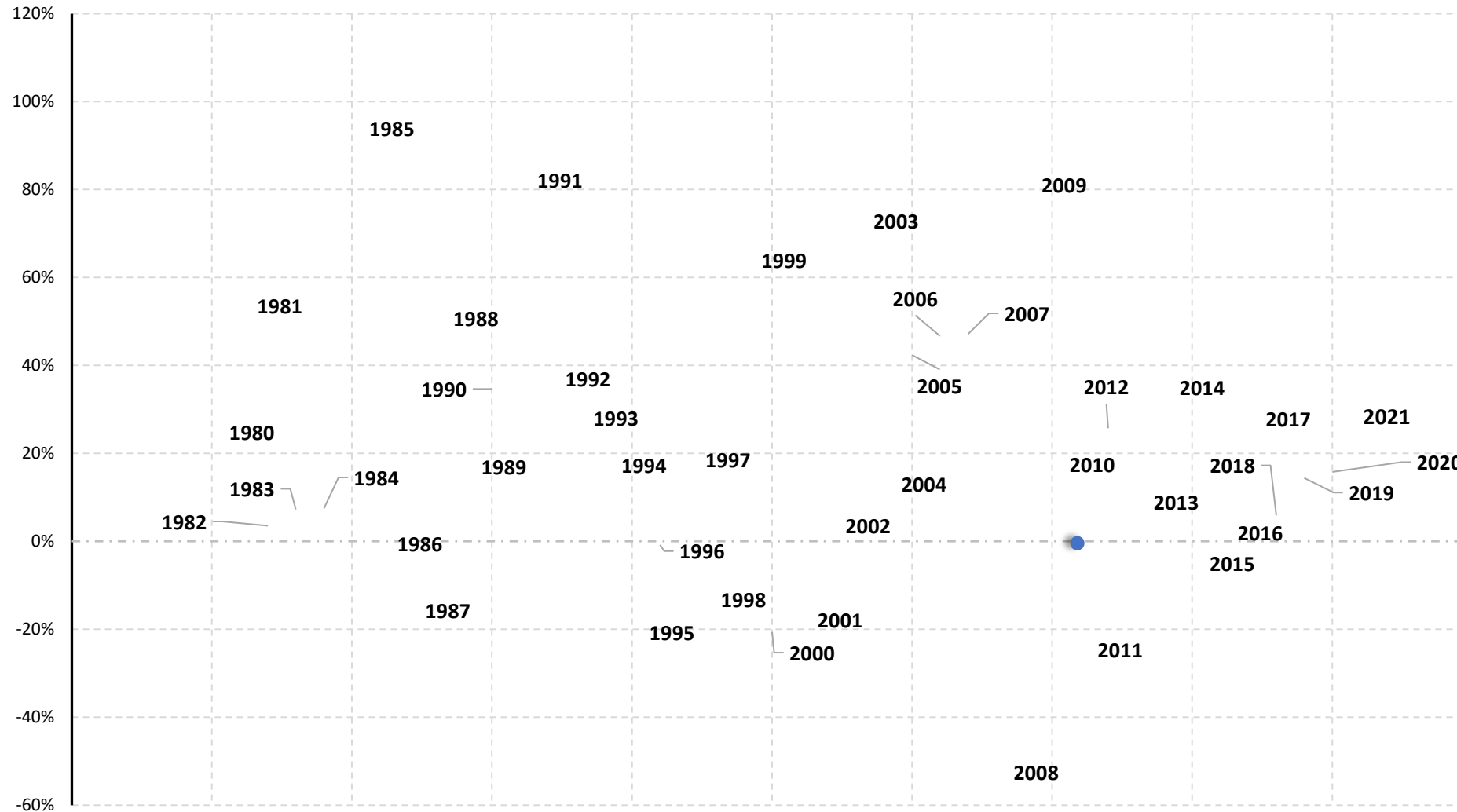


Out of 41 years, while markets always had an interim decline, only in 9 years did the market end the year with negative returns.

3 out of 4 years, the markets ended the year in positive – despite the temporary decline!

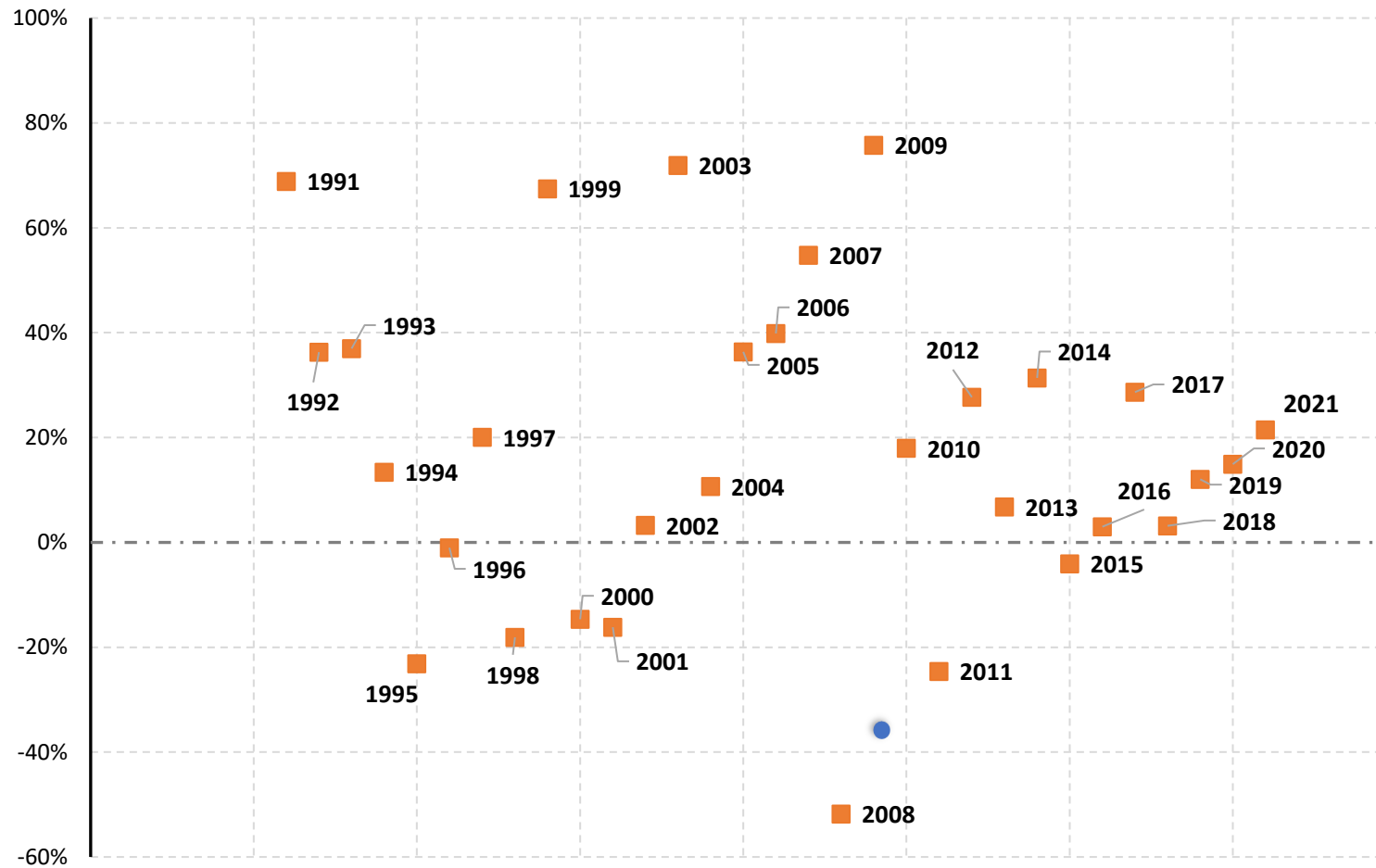
Sensex – Calendar Year Returns

Sensex - Calendar Year Returns



Nifty 50 – Calendar Year Returns

Nifty 50 - Calendar Year Returns



Market falls of 30-60%, historically have occurred once every 7-10 years

Historically, bear markets and subsequent recoveries have taken around 1-3 years

Market Declines above 30%

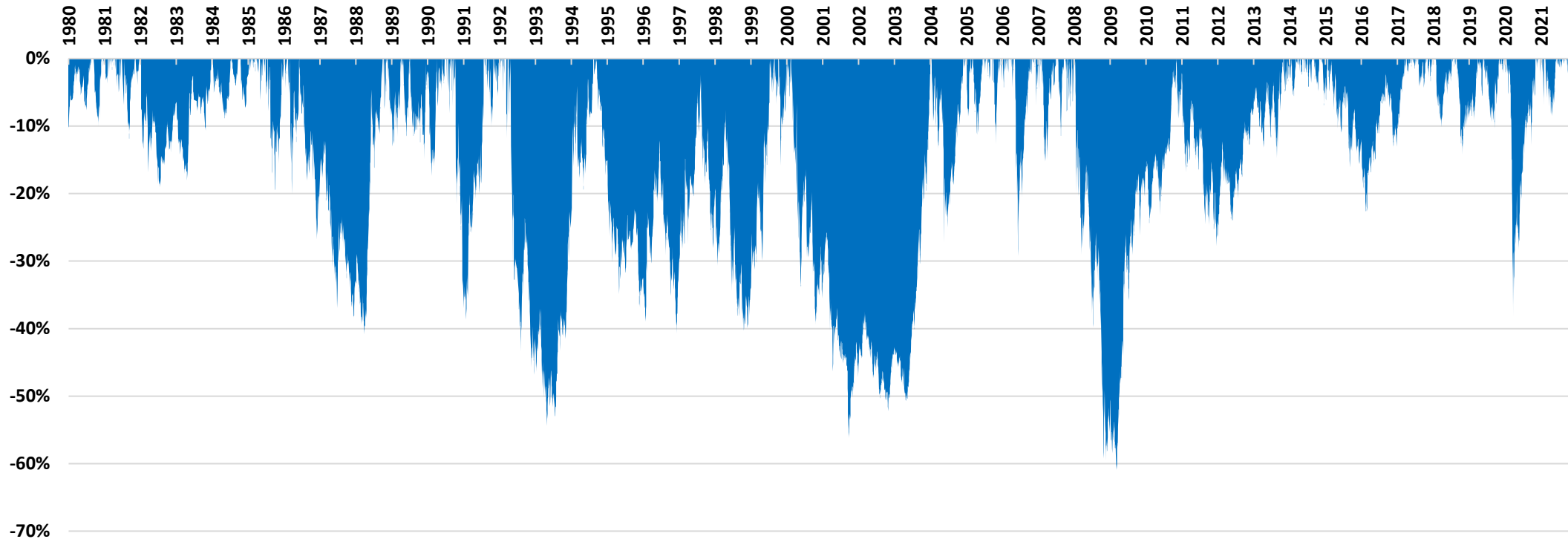
Peak Date	Peak Value	Trough Date	Trough Value	Fall from Peak	Recovery Date	Sensex Value	Time Taken for Fall (in yrs)	Time Taken to Recover (in yrs)	Fall + Recovery (in yrs)
04-Jun-86	659	28-Mar-88	390	-41%	30-Sep-88	663	1Y 10M	6M	2Y 4M
09-Oct-90	1,559	25-Jan-91	956	-39%	26-Jul-91	1,600	4M	6M	10M
22-Apr-92	4,467	26-Apr-93	2,037	-54%	12-Aug-94	4,508	12M	1Y 4M	2Y 4M
12-Sep-94	4,631	04-Dec-96	2,745	-41%	14-Jul-99	4,710	2Y 3M	2Y 7M	4Y 10M
21-Apr-98	4,281	20-Oct-98	2,764	-35%	05-Jul-99	4,306	6M	8M	1Y 2M
11-Feb-00	5,934	21-Sep-01	2,600	-56%	02-Jan-04	6,027	1Y 7M	2Y 3M	3Y 10M
08-Jan-08	20,873	09-Mar-09	8,160	-61%	04-Nov-10	20,894	1Y 2M	1Y 8M	2Y 10M
14-Jan-20	41,952	23-Mar-20	25,981	-38%	09-Nov-20	42,597	2M	8M	10M

Average	1Y 1M	1Y 3M	2Y 4M
Max	2Y 3M	2Y 7M	4Y 10M
Min	2M	6M	8M

Every decade saw 1-2 sharp declines of >30%

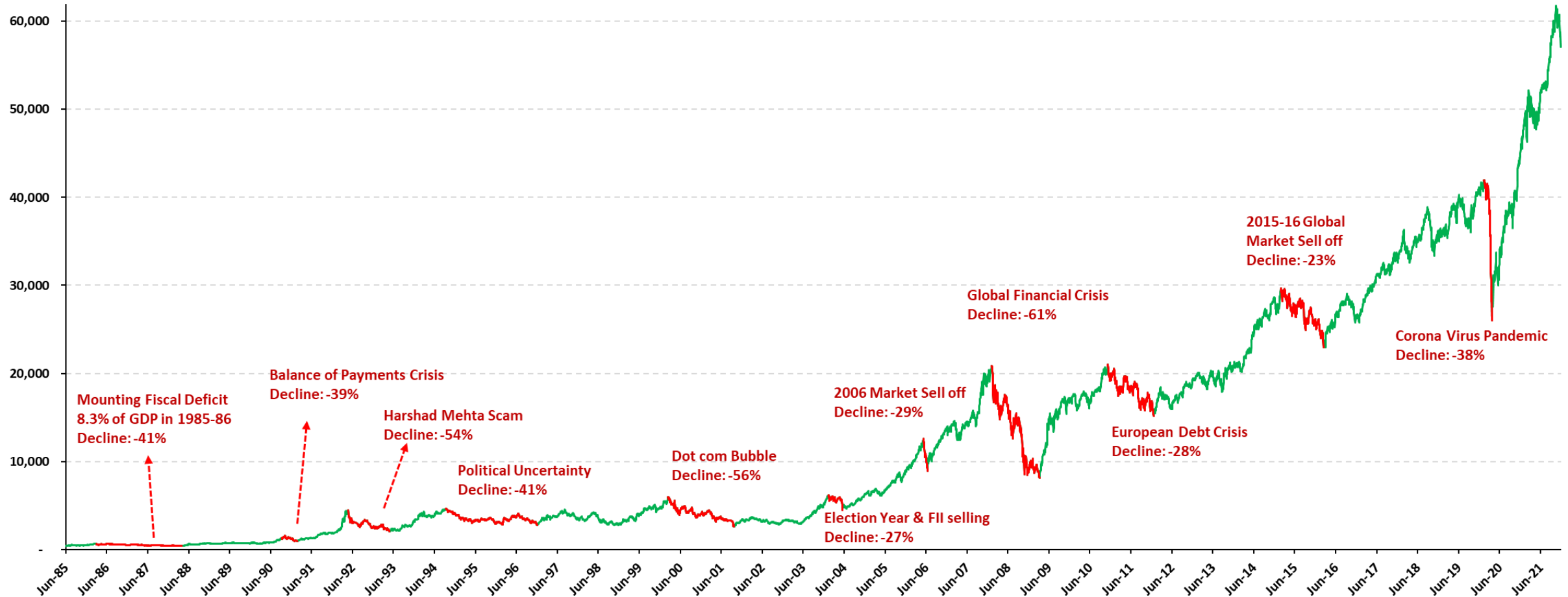
Frequency of Market Declines

Sensex - Drawdown (1980 - 2021)



Decade	Number of declines in the given range					Returns CAGR (%)
	10 to 20%	20 to 30%	30 to 40%	40 to 50%	50 to 60%	
1981-90	7			1		21.3%
1991-00	2		1	1	1	14.2%
2001-10	3	2			2	17.9%
2011-20	2	2	1			8.8%

Despite all the major intermittent crisis, Indian Equities have gone up in the long run mirroring earnings growth



Every Crisis in the past has been followed by a recovery and further upside

Sensex - Market Decline and Recovery (1980 to 2021-YTD)

Upsides are much higher than the Declines!



Even if you invested right before a market crash, over long time frames the returns have still turned out to be decent

Major Falls > 20% since 2000	Absolute Decline	Nifty 50 TRI Lumpsum CAGR (When Invested at Peaks before the Fall)	Debt	Inflation
2000 Dotcom Bubble	-50%	13%	8%	6%
2004 Indian Election Uncertainty	-30%	14%	7%	7%
2006 Global Rate Hike Selloff	-30%	12%	8%	7%
2008 Global Financial Crisis	-59%	9%	8%	7%
2010 European Debt Crisis	-27%	11%	8%	7%
2015 Global Market Selloff (Yuan Devaluation)	-22%	11%	8%	5%
2020 Covid Crash	-38%	20%	7%	6%

Source: FundsIndia Research, MFI; FI Debt Index comprising of ABSL Low Duration Fund, HDFC Low Duration Fund & ABSL Corporate Bond Fund is considered as the debt option; Inflation % is based on the Cost Inflation Index; Returns as on 30-Nov-21.

- 1. Over the Long Term (10-15 years) Equity has provided returns above inflation**
- 2. Long Term Return Expectation = Inflation + 4-6% but...**
- 3. 10-20% decline happens almost every year**
- 4. 30-60% Decline should be a part of expectation for every 7-10 years**



Debt Returns

Year wise Lumpsum Returns of Debt (2001 to 2021)

Minimum	1%	3%	5%	5%	6%	7%	6%	6%	7%	7%	7%	7%	7%	7%	7%	7%	7%	8%	8%	8%
Maximum	14%	12%	10%	9%	9%	9%	9%	8%	9%	9%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%
Average	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%
Years	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Jan-01	11%	11%	9%	8%	7%	7%	7%	8%	7%	7%	7%	8%	8%	8%	8%	8%	8%	8%	8%	8%
Jan-02	10%	8%	6%	6%	6%	7%	8%	7%	7%	7%	7%	7%	7%	8%	8%	8%	8%	8%	8%	
Jan-03	6%	5%	5%	5%	6%	7%	6%	6%	7%	7%	7%	7%	7%	7%	7%	7%	7%	8%		
Jan-04	3%	4%	5%	6%	8%	7%	6%	7%	7%	7%	7%	7%	8%	7%	7%	7%	8%			
Jan-05	5%	6%	7%	9%	7%	7%	7%	7%	8%	8%	8%	8%	8%	8%	8%	8%				
Jan-06	7%	8%	10%	8%	7%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%					
Jan-07	10%	12%	8%	7%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%						
Jan-08	14%	7%	6%	7%	8%	8%	8%	8%	8%	8%	8%	8%	8%							
Jan-09	1%	3%	5%	6%	6%	7%	7%	7%	7%	7%	7%	8%								
Jan-10	5%	7%	8%	8%	8%	8%	8%	8%	8%	8%	8%									
Jan-11	9%	9%	9%	9%	9%	9%	9%	8%	8%	9%										
Jan-12	10%	9%	9%	9%	9%	9%	8%	8%	9%											
Jan-13	8%	9%	9%	9%	8%	8%	8%	8%												
Jan-14	10%	9%	9%	8%	8%	8%	8%													
Jan-15	8%	9%	8%	8%	8%	8%														
Jan-16	9%	8%	7%	8%	8%															
Jan-17	7%	7%	7%	8%																
Jan-18	7%	8%	8%																	
Jan-19	9%	9%																		
Jan-20	9%																			

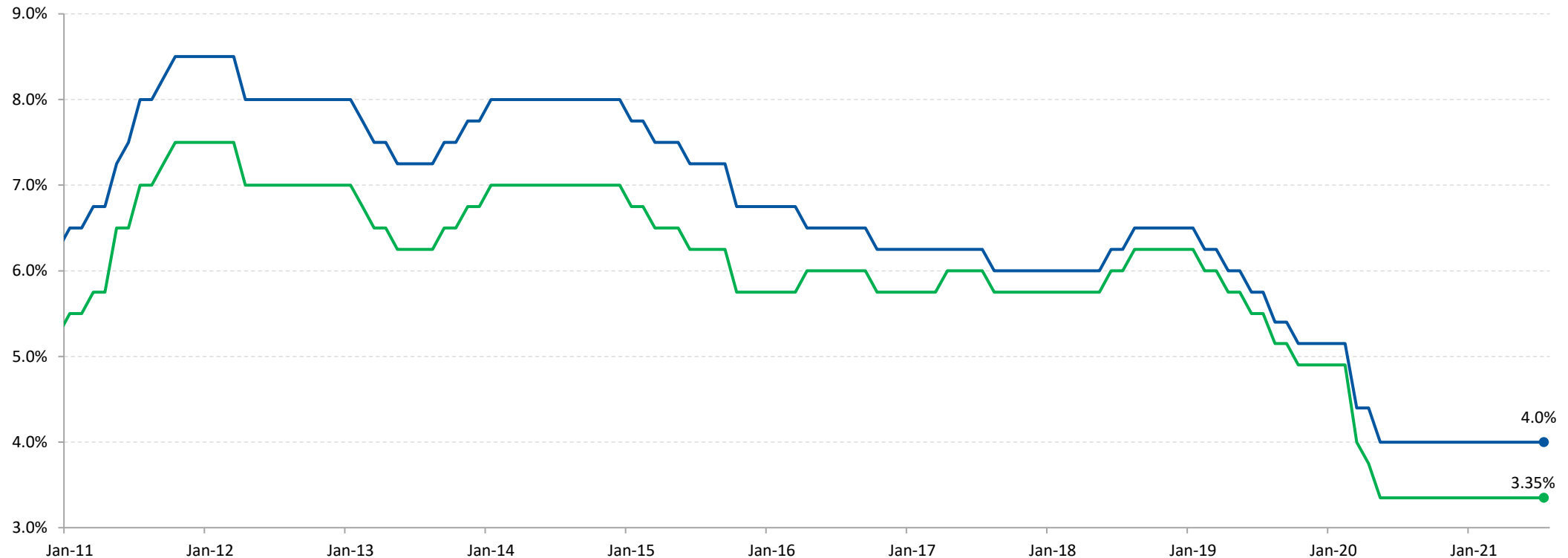
Illustration:

Years	1	2	3	4	5	6	7	8	9	10	11
Jan-10	5%	7%	8%	8%	8%	8%	8%	8%	8%	8%	8%

For a Lumpsum investment started in Jan-10 in Debt* Funds and continued for 4 years until Jan-14, the CAGR of the total investment was 8%. The same investment, when held for 8 years until Jan-18, the CAGR was 8%.

India – Repo and Reverse Repo

Repo Rate and Reverse Repo Rate



The Monetary Policy Committee, in its recent announcement on 08-Dec-21, kept the rates unchanged but maintained its 'accommodative' stance as long as necessary till growth is put on a path of sustainable recovery, while ensuring that inflation remains within the target going forward. The RBI on a 'whatever it takes' stance to revive growth.

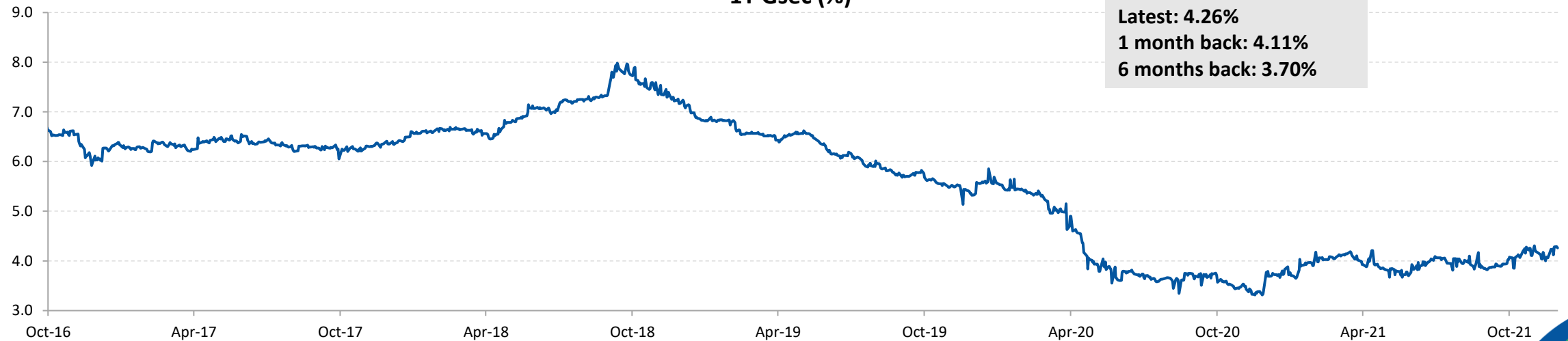
- Repo rate unchanged at 4.0%
- Reverse Repo unchanged at 3.35%
- Inflation forecast for FY22 reduced from 5.7% to 5.3%
- Growth forecast for FY22 retained at 9.5%

India – 10Y and 1Y Government Bond Yields

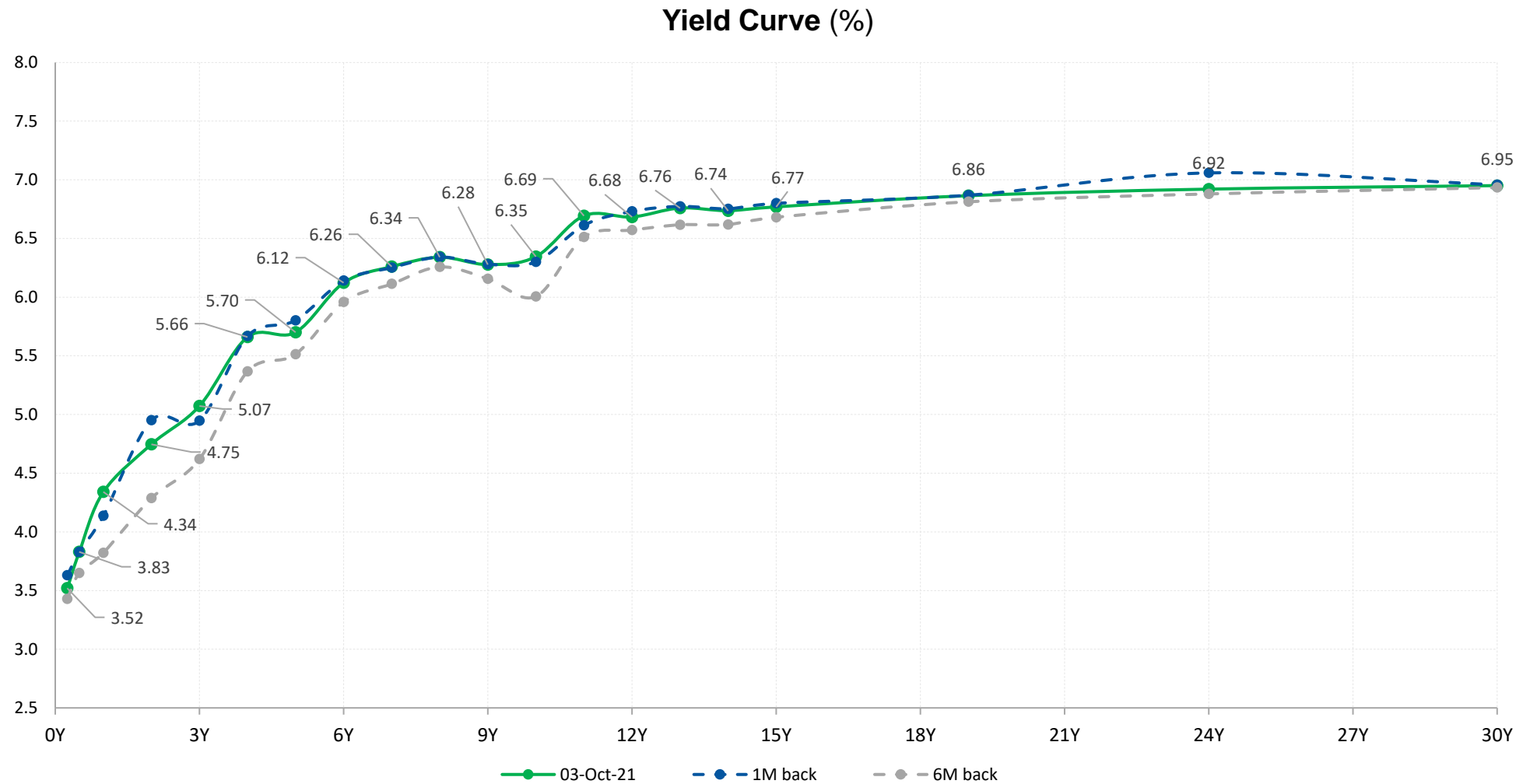
10Y Gsec (%)



1Y Gsec (%)



India GSec - Yield Curve



FD Rates have come down compared to the past

FD Rate of Large Banks

Upto 6 Months				
HDFC Bank	ICICI Bank	SBI Bank	PNB Bank	Bank FD Average
3.50	3.50	3.90	3.80	3.68

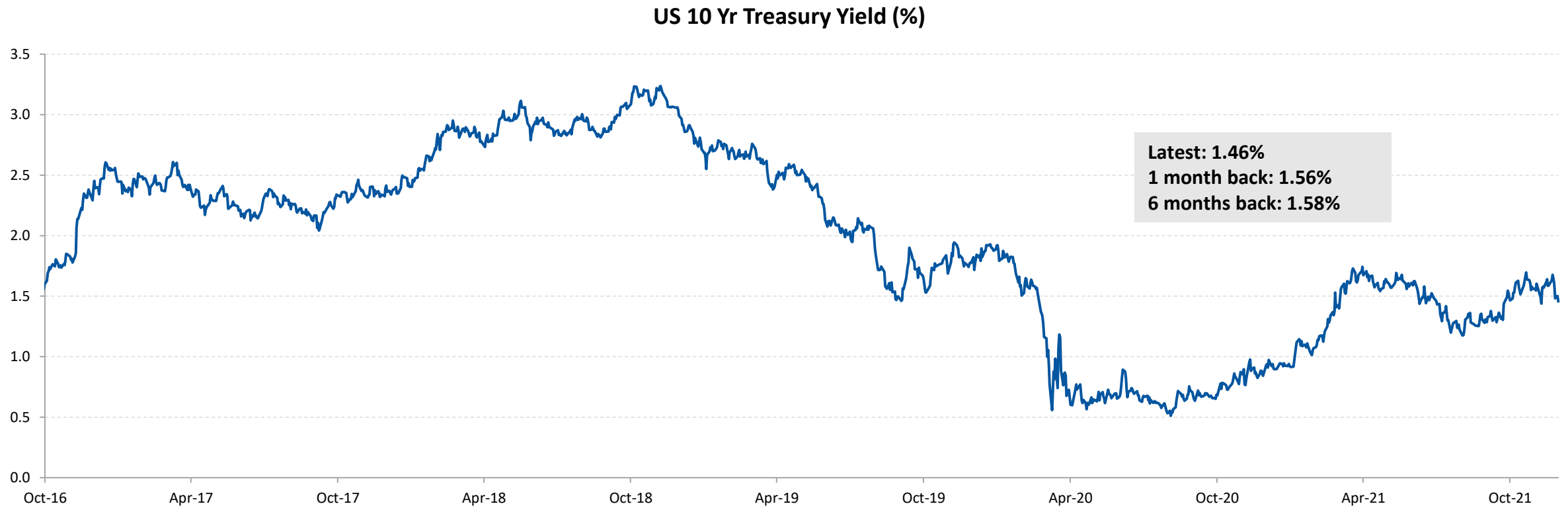
6 Months to 1 Year				
HDFC Bank	ICICI Bank	SBI Bank	PNB Bank	Bank FD Average
4.90	4.40	4.40	4.40	4.53

1 to 2 Years				
HDFC Bank	ICICI Bank	SBI Bank	PNB Bank	Bank FD Average
5.00	5.00	5.00	5.00	5.00

2 to 3 Years				
HDFC Bank	ICICI Bank	SBI Bank	PNB Bank	Bank FD Average
5.15	5.20	5.10	5.10	5.14

3 to 5 Years				
HDFC Bank	ICICI Bank	SBI Bank	PNB Bank	Bank FD Average
5.35	5.40	5.30	5.25	5.33

10Y U.S Government Bond Yields



- 1. Over the Long Term (10-15 years) Debt has provided returns above inflation**
- 2. Long Term Return Expectation = Inflation + 1-2%**
- 3. Taxation Advantage over FDs when held for >3 years**
- 4. High Credit Quality, Shorter Duration Debt Funds should form a part of your Core Debt Portfolio**



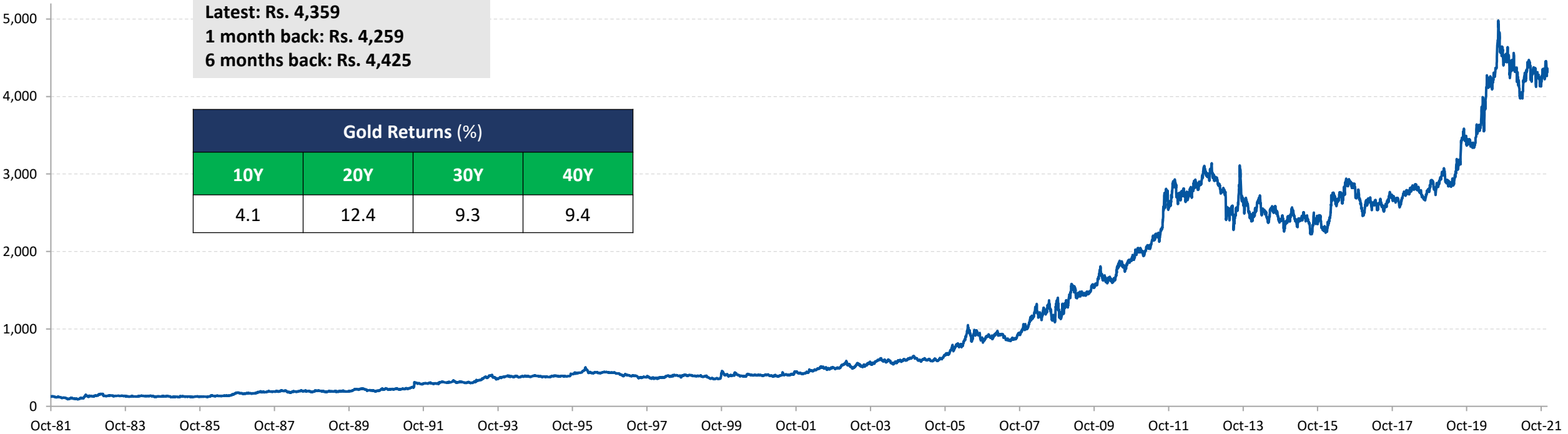
Gold Returns

Gold - Long Term Returns

Gold Price (INR per gram)

Latest: Rs. 4,359
1 month back: Rs. 4,259
6 months back: Rs. 4,425

Gold Returns (%)			
10Y	20Y	30Y	40Y
4.1	12.4	9.3	9.4



Year wise Lumpsum Returns of Gold (1980 to 2021)

Minimum	-22%	-9%	-8%	-5%	-3%	-1%	1%	1%	3%	4%	4%	5%	6%	6%	7%	7%	5%	6%	5%	5%	5%	5%	6%	6%	6%	7%	7%	8%	8%	9%	9%	9%	9%	8%	8%	8%	8%	8%	8%	9%	
Maximum	31%	27%	24%	25%	24%	23%	23%	22%	19%	20%	19%	18%	16%	15%	15%	13%	12%	12%	13%	13%	12%	12%	12%	12%	12%	12%	12%	11%	11%	11%	10%	10%	10%	10%	11%	10%	10%	10%	10%	9%	9%
Average	10%	9%	9%	9%	9%	9%	9%	9%	10%	10%	10%	10%	10%	10%	10%	9%	9%	9%	9%	9%	9%	9%	9%	9%	9%	10%	10%	10%	10%	10%	10%	10%	9%	9%	9%	9%	9%	9%	9%	9%	
Years	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36	37	38	39	40	41
Jan-80	10%	-7%	1%	-1%	-2%	-1%	3%	5%	4%	5%	5%	7%	7%	8%	7%	8%	7%	6%	6%	6%	5%	5%	6%	6%	6%	7%	7%	8%	8%	9%	9%	10%	10%	9%	9%	8%	8%	8%	8%	8%	9%
Jan-81	-22%	-3%	-5%	-5%	-3%	2%	4%	4%	4%	4%	6%	6%	8%	7%	7%	7%	5%	6%	5%	5%	6%	6%	6%	7%	7%	8%	8%	9%	9%	10%	10%	9%	9%	8%	8%	8%	8%	8%	9%		
Jan-82	19%	5%	2%	2%	7%	9%	8%	8%	7%	10%	9%	11%	10%	10%	9%	7%	7%	7%	7%	8%	8%	7%	8%	9%	9%	10%	10%	10%	11%	11%	10%	10%	9%	9%	9%	9%	9%	10%			
Jan-83	-8%	-6%	-3%	4%	7%	6%	6%	6%	9%	8%	10%	9%	9%	8%	7%	7%	7%	6%	6%	7%	7%	8%	8%	8%	9%	10%	10%	11%	11%	10%	9%	9%	9%	9%	9%	9%	10%				
Jan-84	-4%	-1%	8%	11%	9%	9%	8%	11%	10%	12%	11%	11%	10%	8%	8%	7%	7%	7%	8%	8%	8%	8%	9%	9%	10%	10%	11%	11%	10%	10%	9%	9%	9%	9%	10%	10%					
Jan-85	2%	15%	17%	12%	12%	10%	13%	12%	14%	12%	12%	11%	9%	9%	8%	8%	8%	9%	9%	8%	9%	9%	10%	11%	11%	11%	12%	12%	11%	10%	10%	10%	10%	10%	10%	10%					
Jan-86	29%	25%	16%	14%	12%	15%	14%	15%	13%	13%	12%	9%	9%	9%	8%	8%	9%	9%	9%	9%	10%	10%	11%	11%	12%	12%	12%	11%	11%	10%	10%	10%	10%	10%	11%						
Jan-87	21%	10%	9%	8%	12%	11%	13%	11%	12%	10%	8%	8%	7%	7%	7%	8%	8%	8%	8%	9%	9%	10%	11%	11%	12%	12%	10%	10%	9%	10%	9%	9%	10%	10%							
Jan-88	0%	4%	4%	10%	10%	12%	10%	11%	9%	6%	7%	6%	6%	6%	7%	7%	7%	8%	8%	9%	10%	10%	11%	11%	11%	10%	10%	10%	9%	9%	9%	9%	10%	10%							
Jan-89	8%	7%	14%	12%	15%	12%	12%	10%	7%	7%	7%	6%	6%	7%	8%	7%	8%	9%	9%	10%	11%	11%	12%	12%	11%	10%	9%	10%	9%	9%	10%	10%									
Jan-90	5%	17%	13%	17%	13%	13%	10%	7%	7%	7%	6%	6%	7%	8%	7%	8%	9%	9%	10%	11%	11%	12%	12%	11%	10%	9%	10%	9%	10%	10%	10%										
Jan-91	31%	18%	21%	15%	14%	11%	7%	7%	7%	6%	6%	8%	8%	7%	8%	9%	10%	11%	11%	12%	12%	12%	11%	10%	10%	10%	10%	10%	10%	10%											
Jan-92	6%	16%	10%	11%	8%	4%	4%	4%	4%	4%	6%	6%	6%	7%	8%	8%	9%	10%	11%	12%	12%	10%	10%	9%	9%	9%	9%	9%	10%												
Jan-93	27%	12%	12%	8%	3%	4%	4%	4%	4%	6%	6%	6%	7%	8%	9%	10%	10%	11%	12%	12%	10%	10%	9%	9%	9%	9%	10%														
Jan-94	-2%	5%	3%	-2%	0%	1%	1%	1%	3%	4%	4%	5%	7%	7%	9%	9%	10%	11%	11%	9%	9%	8%	8%	8%	8%	9%	9%														
Jan-95	13%	5%	-2%	0%	1%	1%	4%	5%	5%	6%	7%	8%	9%	10%	11%	12%	12%	10%	10%	9%	9%	9%	9%	9%	9%	10%															
Jan-96	-3%	-9%	-3%	-2%	-1%	0%	3%	4%	4%	5%	7%	8%	9%	10%	11%	12%	12%	10%	9%	9%	9%	9%	9%	10%																	
Jan-97	-14%	-4%	-2%	-1%	0%	4%	5%	5%	6%	8%	9%	10%	11%	12%	13%	13%	11%	10%	9%	9%	9%	9%	10%	10%																	
Jan-98	7%	5%	4%	4%	8%	9%	8%	9%	11%	11%	13%	13%	14%	15%	15%	12%	12%	11%	11%	10%	10%	11%	11%																		
Jan-99	3%	2%	3%	8%	9%	8%	10%	11%	12%	13%	14%	15%	16%	15%	13%	12%	11%	11%	11%	10%	11%	12%																			
Jan-00	1%	3%	10%	11%	8%	11%	12%	13%	14%	15%	16%	17%	16%	14%	13%	11%	11%	11%	11%	11%	12%																				
Jan-01	4%	14%	14%	10%	13%	14%	14%	16%	16%	17%	18%	18%	15%	14%	12%	12%	11%	12%	13%																						
Jan-02	25%	19%	12%	15%	16%	16%	18%	18%	19%	20%	19%	15%	14%	13%	12%	12%	12%	12%	13%																						
Jan-03	14%	7%	12%	14%	15%	17%	17%	18%	19%	18%	15%	14%	12%	12%	11%	11%	12%																								
Jan-04	0%	10%	14%	15%	17%	18%	19%	20%	19%	15%	13%	12%	11%	11%	11%	12%																									
Jan-05	22%	22%	20%	22%	22%	22%	23%	22%	16%	15%	13%	12%	12%	12%	13%																										
Jan-06	21%	19%	22%	22%	22%	23%	22%	16%	14%	12%	12%	11%	11%	12%																											
Jan-07	17%	23%	22%	22%	24%	22%	15%	13%	11%	11%	10%	10%	11%	12%																											
Jan-08	29%	24%	24%	25%	23%	15%	13%	10%	10%	10%	10%	10%	12%																												
Jan-09	19%	22%	24%	21%	12%	10%	7%	8%	8%	8%	9%	10%																													
Jan-10	24%	27%	22%	10%	9%	6%	6%	6%	7%	8%	10%																														
Jan-11	29%	20%	6%	5%	2%	4%	4%	4%	6%	8%																															
Jan-12	12%	-4%	-2%	-4%	-1%	0%	1%	4%	6%																																
Jan-13	-18%	-8%	-8%	-4%	-2%	0%	3%	5%																																	
Jan-14	2%	-3%	1%	3%	4%	6%	9%																																		
Jan-15	-8%	1%	3%	4%	7%	10%																																			
Jan-16	11%	8%	8%	11%	14%																																				
Jan-17	6%	7%	12%	15%																																					
Jan-18	8%	15%	19%																																						
Jan-19	21%	24%																																							
Jan-20	28%																																								

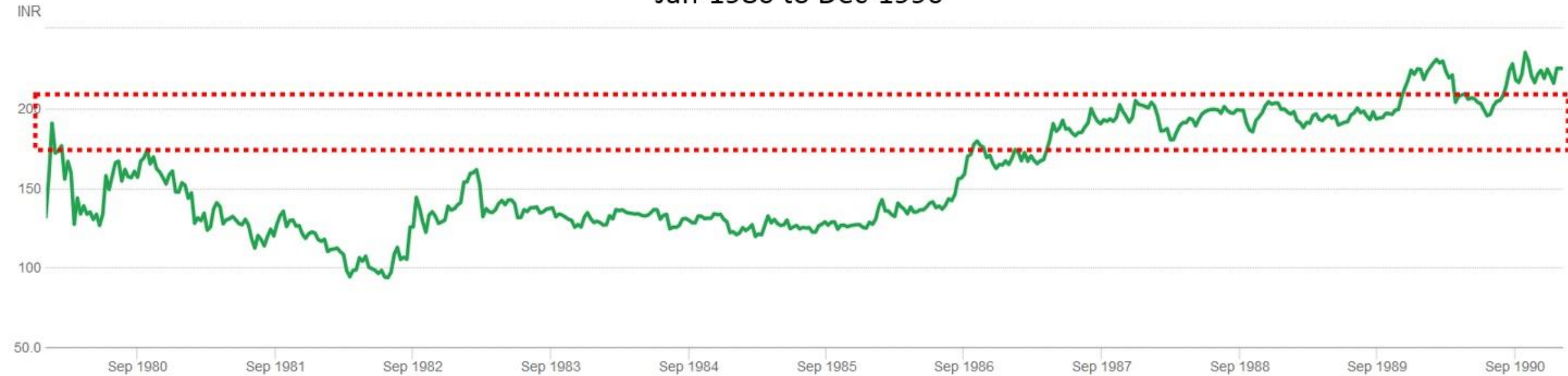
Illustration:

Years	1	2	3	4	5	6	7	8	9	10	11
Jan-10	24%	27%	22%	10%	9%	6%	6%	6%	7%	8%	10%

For a Lumpsum investment started in Jan-10 in Gold and continued for 4 years until Jan-14, the CAGR of the total investment was 10%. The same investment, when held for 8 years until Jan-18, the CAGR was 6%.

1980-1990: *It took gold 10 years to hit its 1980 peak once again*

Jan-1980 to Dec-1990



1996-2003: *It took gold 8 years to hit its 1996 peak once again*



2012-2019: *It took gold 7 years to hit its 2012 peak once again*



Gold shows inverse correlation to US Real Yields

10 Yr Treasury Bond Real Yield
Latest: -1.07%
1 month back: -0.96%
6 months back: -0.84%

Gold Price (USD/Troy Ounce)
Latest: 1,804
1 month back: 1,769
6 months back: 1,899

US 10 Yr Real Yield (%) vs Gold (USD/Troy Ounce)



- 1. Over the Long Term (10-15 years) Gold has provided returns above inflation**
- 2. Long Term Return Expectation = Inflation + 1-3% but...**
- 3. Gold also goes through extended interim periods of subdued returns**
- 4. Gold Returns in INR are driven by**
 1. Gold Price (in USD) – inversely correlated to US Real Yields
 2. Currency (USD-INR) movement



Currency

USD INR Exchange Rate





Diversification

All Asset Classes Go Through Good and Bad Times

– Respect Diversification!

Calendar Year-wise Performance of Asset Classes

CY-2010	CY-2011	CY-2012	CY-2013	CY-2014	CY-2015	CY-2016	CY-2017	CY-2018	CY-2019	CY-2020	CY-2021
Gold 24.2%	Gold 29.4%	Mid cap 46.7%	International 48.8%	Small cap 71.7%	Small cap 11.3%	International 14.9%	Small cap 58.5%	Gold 8.4%	International 34.9%	Gold 27.6%	Small cap 55.0%
Mid cap 20.1%	Real Estate 26.3%	Small cap 40.4%	Real Estate 10.1%	Mid cap 62.7%	Real Estate 9.8%	Gold 10.9%	Mid cap 55.7%	Debt 6.9%	Gold 21.1%	Small cap 26.5%	Mid cap 44.1%
Large cap 19.2%	International 21.1%	Multi Cap 33.5%	Debt 8.5%	Multi Cap 39.3%	Mid cap 9.7%	Debt 9.2%	Multi Cap 37.7%	Real Estate 5.1%	Large cap 13.5%	Mid cap 25.6%	International 28.5%
Small cap 17.6%	Debt 9.0%	Large cap 29.4%	Large cap 8.1%	Large cap 32.9%	Debt 8.3%	Real Estate 8.3%	Large cap 30.3%	Large cap 4.6%	Multi Cap 9.0%	International 21.2%	Large cap 28.3%
Multi Cap 15.3%	Large cap -23.8%	Real Estate 25.1%	Multi Cap 4.8%	Real Estate 16.9%	International 6.5%	Mid cap 6.5%	International 14.5%	International 4.2%	Debt 8.7%	Multi Cap 17.9%	Multi Cap 22.9%
International 10.9%	Multi Cap -26.4%	International 20.3%	Mid cap -1.3%	International 15.9%	Multi Cap 0.2%	Multi Cap 5.1%	Real Estate 7.2%	Multi Cap -2.1%	Real Estate 3.0%	Large cap 16.1%	Debt 3.6%
Debt 4.7%	Mid cap -31.0%	Gold 11.7%	Small cap -6.4%	Debt 9.6%	Large cap -3.0%	Large cap 4.4%	Debt 6.4%	Mid cap -12.6%	Mid cap 0.6%	Debt 9.5%	Real Estate 0.2%
Real Estate -0.6%	Small cap -35.1%	Debt 9.6%	Gold -18.0%	Gold 2.2%	Gold -7.9%	Small cap 1.4%	Gold 6.0%	Small cap -26.1%	Small cap -7.3%	Real Estate 2.2%	Gold -1.7%

Note:

Real Estate: CY-2010 Returns since 01-Apr-10. CY-2021 Returns as on 30-Nov-2021. CY-2021 Real Estate Returns as on 30-Sep-21.

Largecap: Nifty 50 TRI, Midcap: Nifty Midcap 150 TRI, Smallcap: Nifty Smallcap 250 TRI, Flexicap: Nifty 500 TRI, International: S&P 500 TRI.

Debt: Index calibrated based on the Debt Schemes - Aditya Birla SL Low Duration Fund, HDFC Low Duration Fund, Aditya Birla SL Corporate Bond Fund.

Disclaimer: Wealth India Financial Services Pvt. Ltd is registered under the SEBI (Research Analyst) Regulations, 2014 (SEBI Regulations) as a Research Analyst vide Registration No. INH200000394.

The analyst for this report certifies that all the views expressed in this report accurately reflect his / her personal views about the subject company or companies, and its / their securities. No part of his / her compensation was / is / will be, directly / indirectly related to specific recommendations or views expressed in this report.

This material is for the personal information of the authorized recipient, and no action is solicited on the basis of this. It is not to be construed as an offer to sell, or the solicitation of an offer to buy any security, in any jurisdiction, where such an offer or solicitation would be illegal.

We have reviewed the report, and in so far as it includes current or historical information, it is believed to be reliable, though its accuracy or completeness cannot be guaranteed. Neither Wealth India Financial Services Pvt. Ltd., nor any person connected with it, accepts any liability arising from the use of this document. The recipients of this material should rely on their own investigations and take their own professional advice. Price and value of the investments referred to in this material may go up or down. Past performance is not a guide for future performance.

We and our affiliates, officers, directors, and employees worldwide:

Do not have any financial interest in the subject company / companies in this report;

Do not have any actual / beneficial ownership of one per cent or more in the company / companies mentioned in this document, or in its securities at the end of the month immediately preceding the date of publication of the research report, or the date of public appearance;

Do not have any other material conflict of interest at the time of publication of the research report, or at the time of public appearance;

Have not received any compensation from the subject company / companies in the past 12 months;

Have not managed or co-managed the public offering of securities for the subject company / companies in the past 12 months;

Have not received any compensation for investment banking, or merchant banking, or brokerage services from the subject company / companies in the past 12 months;

Have not served as an officer, director, or employee of the subject company;

Have not been engaged in market making activity for the subject company;

This document is not for public distribution. It has been furnished to you solely for your information, and must not be reproduced or redistributed to any other person.

Our mailing address is:

Uttam Building, Third Floor,
No. 38 & 39, Whites Road,
Royapettah,
Chennai – 600014