

# **WEALTH** **CONVERSATIONS**

February 2022





# Asset Class Performance

Index	Compound Annualized Returns (%) – as on 31-Jan-2022					
	1Y	3Y	5Y	10Y	15Y	20Y
India – Equity (Nifty 50 TRI)	28.7	18.4	16.6	14.2	<b>11.4</b>	<b>16.5</b>
US – Equity (S&P 500 TRI in INR)	26.0	22.7	19.1	20.2	<b>14.1</b>	<b>11.7</b>
Debt*	4.0	7.1	6.9	8.0	<b>7.9</b>	<b>7.4</b>
Gold (in INR)	-1.3	12.6	10.3	4.5	<b>10.8</b>	<b>12.1</b>

Returns as on 31-Jan-2022

Source: MFI, gold.org, Investing.com, FundsIndia Research. As on 31-Jan-22. S&P 500 TR 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.



# Asset Class Performance (in multiples)

Index	Multiples (x times) – as on 31-Jan-2022					
	1Y	3Y	5Y	10Y	15Y	20Y
India – Equity (Nifty 50 TRI)	1.3x	1.7x	2.2x	3.8x	<b>5.1x</b>	<b>21.3x</b>
US – Equity (S&P 500 TRI in INR)	1.3x	1.8x	2.4x	6.3x	<b>7.2x</b>	<b>9.1x</b>
Debt*	1.0x	1.2x	1.4x	2.2x	<b>3.1x</b>	<b>4.2x</b>
Gold (in INR)	1.0x	1.4x	1.6x	1.6x	<b>4.7x</b>	<b>9.8x</b>

Returns as on 31-Jan-2022

Source: MFI, gold.org, Investing.com, FundsIndia Research. As on 31-Jan-22. S&P 500 TR 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.



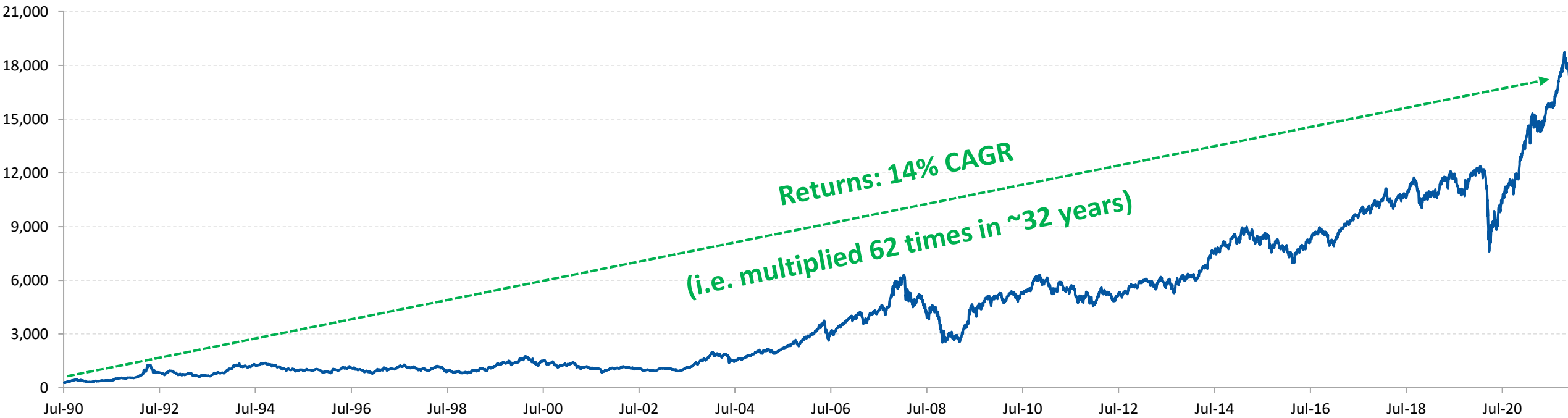


# Equity Returns & Volatility



# Indian Equity Markets – The long term story so far

Nifty 50 (Since Inception)





# India Equity Markets - Performance

Index	Compounded Annualized Returns (%) – as on 31-Jan-2022					
	1Y	3Y	5Y	10Y	15Y	20Y
Large Cap						
S&P BSE Sensex TRI	26.6	18.3	17.3	<b>14.5</b>	11.4	17.1
Nifty 50 TRI	28.7	18.4	16.6	<b>14.2</b>	11.4	16.5
Nifty 100 TRI	29.1	18.2	16.2	<b>14.7</b>	11.9	--
Mid Cap						
S&P BSE Mid Cap TRI	37.6	20.4	15.1	<b>16.9</b>	11.2	--
Nifty Midcap 150 TRI	46.2	22.6	15.6	<b>17.0</b>	13.8	--
Small Cap						
S&P BSE Small Cap TRI	63.7	29.3	18.8	<b>17.5</b>	10.8	--
Nifty Smallcap 250 TRI	61.3	26.3	15.7	<b>17.3</b>	12.0	--
Flexi Cap						
Nifty 500 TRI	33.4	19.7	16.5	<b>15.1</b>	11.7	18.2



# India Equity Markets - Performance (in multiples)

Index	Multiples (x times) – as on 31-Jan-2022					
	1Y	3Y	5Y	10Y	15Y	20Y
Large Cap						
S&P BSE Sensex TRI	1.3x	1.7x	2.2x	<b>3.9x</b>	5.0x	23.6x
Nifty 50 TRI	1.3x	1.7x	2.2x	<b>3.8x</b>	5.1x	21.3x
Nifty 100 TRI	1.3x	1.7x	2.1x	<b>3.9x</b>	5.4x	--
Mid Cap						
S&P BSE Mid Cap TRI	1.4x	1.7x	2.0x	<b>4.8x</b>	4.9x	--
Nifty Midcap 150 TRI	1.5x	1.8x	2.1x	<b>4.8x</b>	6.9x	--
Small Cap						
S&P BSE Small Cap TRI	1.6x	2.2x	2.4x	<b>5.0x</b>	4.7x	--
Nifty Smallcap 250 TRI	1.6x	2.0x	2.1x	<b>4.9x</b>	5.5x	--
Flexi Cap						
Nifty 500 TRI	1.3x	1.7x	2.1x	<b>4.1x</b>	5.2x	28.1x



# Global Equity Markets - Performance

Index (in INR)	Compounded Annualized Returns (% , in INR terms) – as on 31-Jan-2022					
	1Y	3Y	5Y	10Y	15Y	20Y
Nasdaq 100 TR	18.8	32.6	<b>27.6</b>	26.1	20.5	15.4
S&P 500 TR	26.0	22.7	<b>19.1</b>	20.2	14.1	11.7
MSCI World (represents Developed Markets)	17.4	16.6	<b>13.5</b>	--	--	--
MSCI Emerging Markets	-7.1	6.5	<b>8.0</b>	6.0	--	--



# Global Equity Markets - Performance (in multiples)

Index (in INR)	Multiples (x times) – as on 31-Jan-2022					
	1Y	3Y	5Y	10Y	15Y	20Y
Nasdaq 100 TR	1.2x	2.3x	<b>3.4x</b>	10.2x	16.3x	17.4x
S&P 500 TR	1.3x	1.8x	<b>2.4x</b>	6.3x	7.2x	9.1x
MSCI World (represents Developed Markets)	1.2x	1.6x	<b>1.9x</b>	--	--	--
MSCI Emerging Markets	0.9x	1.2x	<b>1.5x</b>	1.8x	--	--



On a 15Y Rolling basis, Large cap Index (Nifty 50 TRI) gave  
**>12% returns ~93% of the times** since Inception

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

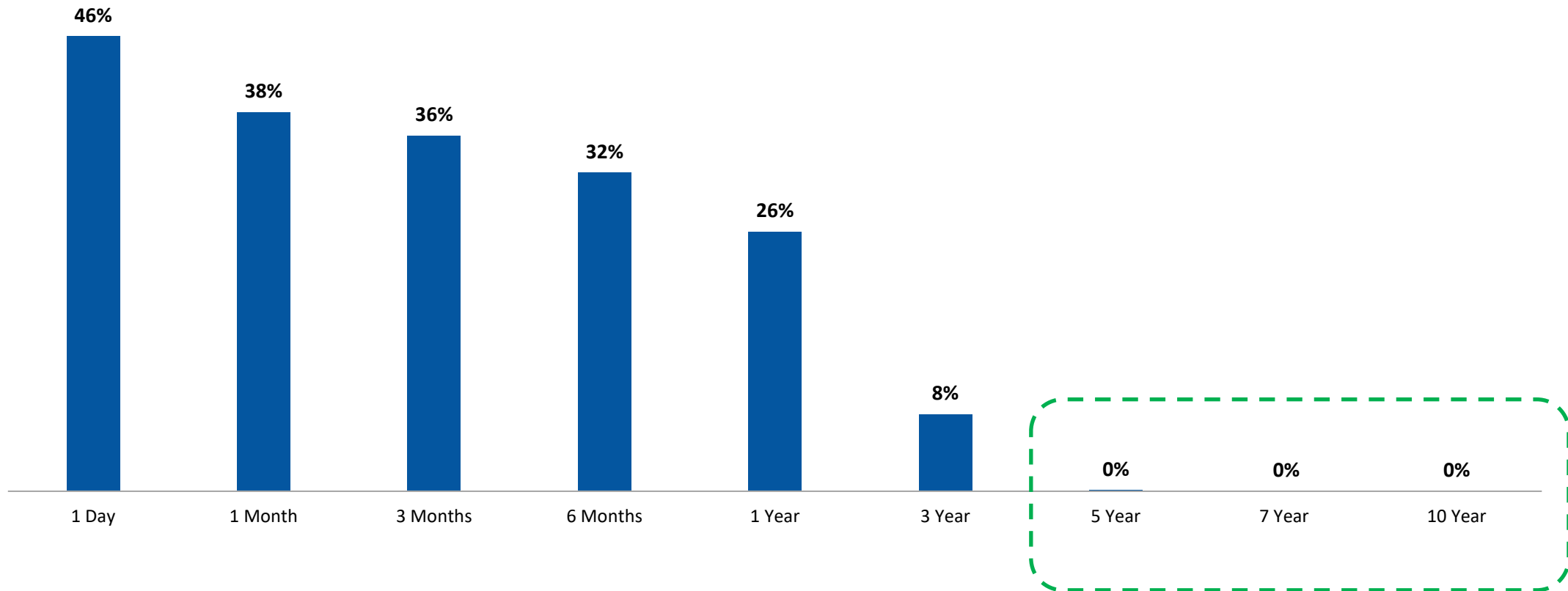
  

% No. of Times							
Less than 0%	0%	0%	0%	0%	0%	8%	26%
Less than 7%	0%	2%	2%	2%	16%	25%	37%
Greater than 7%	100%	98%	98%	98%	84%	75%	63%
Greater than 10%	100%	87%	80%	80%	69%	62%	57%
Greater than 12%	93%	76%	64%	63%	60%	53%	53%
Greater than 15%	40%	38%	48%	40%	38%	38%	46%



# Longer the time frame, lower the odds of negative returns

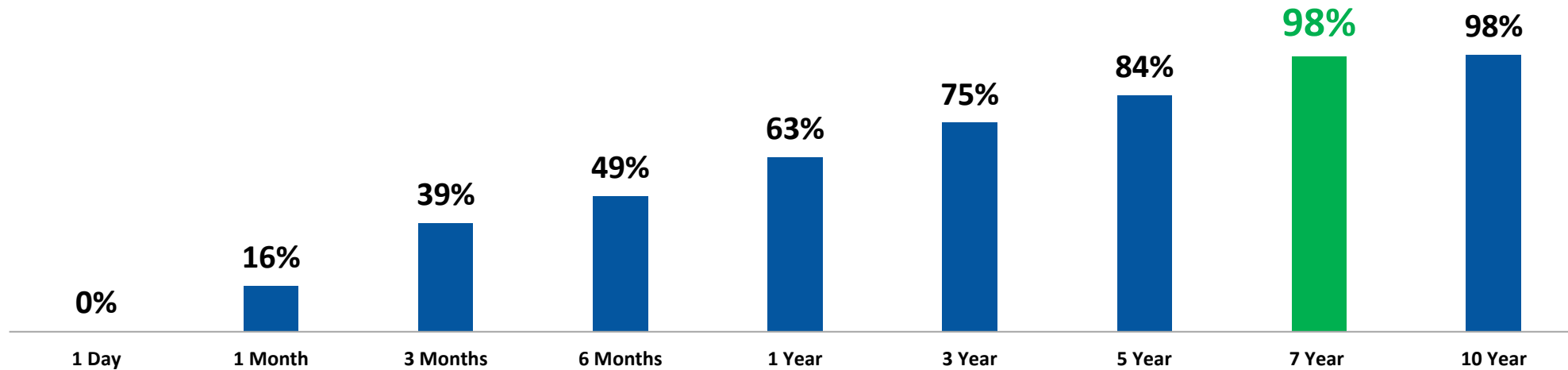
Nifty 50 TRI - % Instances of Negative Returns across Different Holding Periods



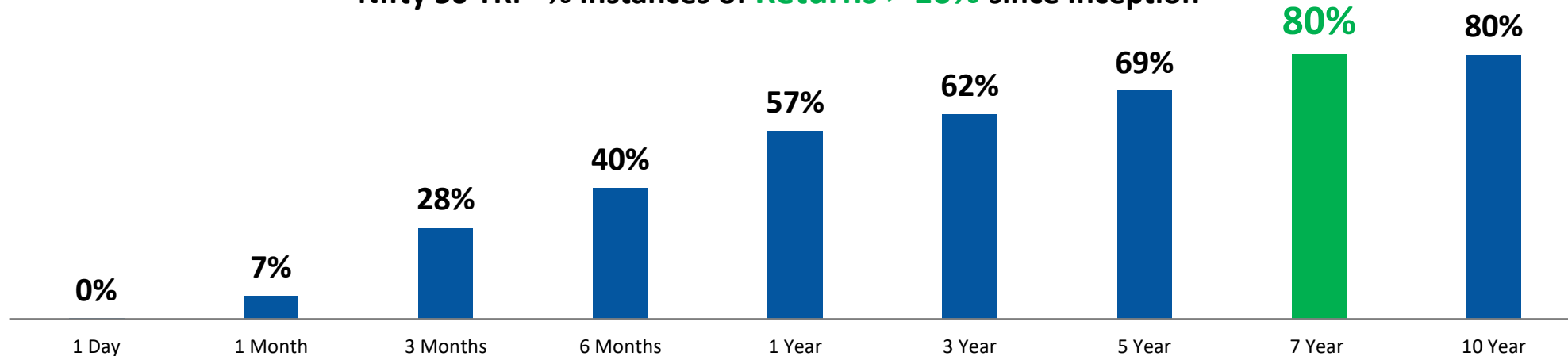


# Longer the time frame, higher the odds of better returns

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



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





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

Average	17%	15%	15%	15%	15%	15%	15%	15%	14%	14%	14%	14%	14%	14%	15%	15%	15%	15%	15%	14%	13%	14%
Max	97%	59%	60%	48%	47%	37%	30%	28%	26%	22%	21%	22%	20%	20%	19%	19%	18%	18%	18%	18%	15%	14%
Min	-53%	-19%	-13%	-6%	0%	2%	6%	4%	4%	6%	7%	6%	7%	8%	11%	11%	12%	12%	12%	10%	12%	13%
Year	1Y	2Y	3Y	4Y	5Y	6Y	7Y	8Y	9Y	10Y	11Y	12Y	13Y	14Y	15Y	16Y	17Y	18Y	19Y	20Y	21Y	22Y
Jan-00	-14%	-14%	-8%	9%	9%	14%	17%	22%	10%	15%	16%	12%	13%	13%	14%	13%	12%	13%	13%	13%	13%	13%
Jan-01	-15%	-5%	17%	16%	20%	23%	28%	14%	19%	19%	14%	16%	15%	16%	15%	14%	15%	14%	14%	14%	15%	
Jan-02	6%	38%	28%	31%	33%	37%	18%	24%	24%	18%	19%	18%	19%	17%	16%	17%	16%	16%	16%	17%		
Jan-03	79%	41%	40%	41%	44%	20%	27%	26%	19%	20%	19%	20%	18%	17%	18%	17%	17%	17%	17%			
Jan-04	11%	24%	30%	36%	11%	20%	20%	13%	15%	14%	16%	14%	13%	14%	14%	14%	14%	14%	14%			
Jan-05	39%	40%	46%	11%	22%	21%	13%	15%	15%	16%	14%	13%	15%	14%	14%	14%	14%	15%				
Jan-06	42%	49%	4%	18%	18%	10%	13%	12%	14%	12%	11%	13%	12%	12%	13%	13%						
Jan-07	57%	-11%	11%	13%	4%	8%	8%	11%	9%	9%	10%	10%	10%	11%	12%							
Jan-08	-50%	-7%	1%	-6%	0%	2%	6%	4%	4%	7%	7%	7%	8%	9%								
Jan-09	73%	44%	16%	20%	17%	20%	16%	15%	16%	15%	15%	15%	16%									
Jan-10	19%	-5%	6%	6%	11%	9%	8%	10%	10%	10%	11%	12%										
Jan-11	-24%	0%	2%	9%	7%	6%	9%	9%	9%	10%	11%											
Jan-12	30%	18%	23%	16%	13%	16%	14%	14%	15%	16%												
Jan-13	7%	19%	11%	10%	13%	12%	12%	13%	14%													
Jan-14	33%	14%	10%	15%	13%	13%	13%	15%														
Jan-15	-3%	1%	9%	9%	9%	11%	13%															
Jan-16	4%	16%	13%	13%	13%	15%																
Jan-17	29%	17%	16%	16%	18%																	
Jan-18	6%	10%	12%	15%																		
Jan-19	13%	15%	18%																			
Jan-20	16%	21%																				
Jan-21	25%																					

Returns >=10%
7 to <10%
0 to <7%
Less than 0%

How to read the table: Column 1 indicates the starting date of investment. The Row named 'Year' indicates the time frame on investment – 1Y, 2Y, 3Y etc  
For eg: If you invested on Jan-03, then your returns after 5 th year is 44%, 6<sup>th</sup> year is 20% etc



# Year wise Lumpsum Returns of HDFC Flexi Cap Fund (1995 to 2021)

Average	25%	22%	22%	23%	23%	22%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	23%	22%	22%	22%	22%	21%	20%	19%	18%
Max	155%	102%	78%	63%	60%	52%	43%	43%	44%	42%	40%	36%	34%	33%	29%	29%	29%	29%	26%	26%	26%	24%	23%	23%	23%	21%	18%
Min	-52%	-25%	-12%	-2%	-1%	4%	7%	7%	5%	6%	9%	9%	8%	9%	13%	14%	16%	18%	18%	15%	17%	18%	20%	19%	17%	18%	18%
Year	1Y	2Y	3Y	4Y	5Y	6Y	7Y	8Y	9Y	10Y	11Y	12Y	13Y	14Y	15Y	16Y	17Y	18Y	19Y	20Y	21Y	22Y	23Y	24Y	25Y	26Y	27Y
Jan-95	-27%	-25%	-12%	-2%	19%	11%	9%	11%	20%	21%	24%	25%	27%	19%	23%	24%	20%	21%	20%	21%	20%	19%	20%	19%	18%	18%	18%
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%	21%	
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%	23%		
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%	23%			
Jan-99	154%	42%	25%	25%	41%	39%	42%	41%	42%	29%	34%	34%	28%	28%	26%	28%	26%	24%	25%	24%	23%	22%	22%				
Jan-00	-20%	-12%	-1%	22%	23%	29%	30%	33%	19%	26%	26%	20%	22%	20%	22%	20%	19%	20%	19%	18%	18%	18%					
Jan-01	-3%	10%	41%	37%	42%	41%	43%	25%	32%	32%	25%	26%	24%	26%	24%	22%	23%	22%	21%	20%	21%						
Jan-02	26%	69%	53%	56%	52%	52%	30%	37%	36%	28%	29%	26%	28%	26%	24%	25%	23%	22%	21%	22%							
Jan-03	128%	69%	67%	59%	58%	31%	39%	38%	28%	29%	27%	29%	26%	24%	25%	23%	22%	21%	22%								
Jan-04	26%	43%	41%	44%	17%	28%	28%	20%	21%	19%	22%	20%	19%	20%	18%	17%	17%	18%									
Jan-05	63%	49%	51%	15%	29%	29%	19%	21%	19%	22%	19%	18%	19%	18%	17%	16%	17%										
Jan-06	36%	45%	2%	21%	23%	13%	16%	14%	18%	15%	15%	16%	15%	14%	14%	15%											
Jan-07	54%	-11%	17%	20%	9%	13%	11%	16%	13%	13%	15%	13%	13%	12%	14%												
Jan-08	-49%	1%	10%	-1%	6%	5%	11%	9%	9%	11%	10%	10%	9%	11%													
Jan-09	102%	61%	24%	27%	22%	27%	22%	20%	21%	19%	18%	17%	18%														
Jan-10	29%	-3%	9%	7%	15%	12%	11%	14%	12%	11%	11%	13%															
Jan-11	-27%	0%	1%	12%	8%	8%	12%	10%	9%	9%	11%																
Jan-12	36%	18%	29%	20%	17%	20%	16%	15%	14%	16%																	
Jan-13	3%	26%	15%	13%	17%	13%	12%	12%	14%																		
Jan-14	54%	21%	16%	21%	16%	14%	13%	16%																			
Jan-15	-5%	1%	11%	8%	8%	7%	11%																				
Jan-16	6%	20%	12%	11%	10%	14%																					
Jan-17	36%	15%	12%	11%	15%																						
Jan-18	-2%	2%	4%	11%																							
Jan-19	7%	7%	15%																								
Jan-20	7%	20%																									
Jan-21	35%																										

Returns >=10%

7 to <10%

0 to <7%

Returns >=10%

7 to <10%

0 to <7%

Less than 0%

How to read the table: Column 1 indicates the starting date of investment. The Row named 'Year' indicates the time frame on investment – 1Y, 2Y, 3Y etc

Source: MFI, FundsIndia Research.



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

Average	24%	21%	21%	21%	22%	21%	21%	22%	22%	22%	22%	22%	21%	21%	21%	22%	22%	22%	21%	21%	21%	21%	21%	20%	19%	19%	18%
Max	209%	119%	72%	58%	56%	50%	39%	41%	41%	40%	37%	33%	31%	30%	28%	27%	28%	26%	26%	26%	24%	23%	23%	23%	22%	21%	19%
Min	-48%	-22%	-12%	-3%	-2%	4%	7%	8%	7%	7%	9%	8%	8%	9%	13%	14%	17%	17%	16%	14%	16%	17%	19%	18%	16%	17%	18%
Year	1Y	2Y	3Y	4Y	5Y	6Y	7Y	8Y	9Y	10Y	11Y	12Y	13Y	14Y	15Y	16Y	17Y	18Y	19Y	20Y	21Y	22Y	23Y	24Y	25Y	26Y	27Y
Jan-95	-23%	-18%	-9%	1%	26%	14%	11%	12%	20%	21%	23%	25%	27%	19%	22%	19%	20%	19%	21%	20%	19%	20%	19%	18%	18%	18%	19%
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%	21%	
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%	22%		
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%	23%			
Jan-99	209%	45%	26%	24%	38%	36%	37%	39%	41%	28%	31%	30%	26%	26%	24%	26%	25%	24%	24%	22%	21%	21%	22%				
Jan-00	-32%	-20%	-8%	13%	15%	20%	24%	27%	16%	20%	20%	17%	18%	17%	19%	18%	17%	18%	17%	16%	16%	17%					
Jan-01	-5%	7%	33%	31%	34%	37%	39%	24%	28%	27%	22%	23%	22%	24%	22%	21%	22%	20%	19%	19%	20%						
Jan-02	20%	58%	47%	47%	47%	49%	28%	33%	31%	26%	26%	24%	26%	25%	23%	24%	22%	21%	21%	21%							
Jan-03	108%	62%	57%	55%	55%	30%	35%	33%	26%	27%	25%	27%	25%	23%	24%	22%	21%	21%	21%								
Jan-04	25%	36%	40%	44%	18%	25%	24%	18%	20%	18%	21%	20%	19%	19%	18%	17%	17%	18%									
Jan-05	48%	48%	51%	16%	25%	24%	17%	19%	18%	21%	19%	18%	19%	17%	16%	16%	17%										
Jan-06	49%	52%	7%	20%	20%	13%	16%	14%	18%	17%	16%	17%	15%	14%	14%	16%											
Jan-07	55%	-9%	12%	14%	7%	11%	10%	15%	14%	13%	14%	13%	12%	12%	14%												
Jan-08	-47%	-5%	3%	-2%	4%	4%	10%	9%	9%	11%	9%	9%	9%	11%													
Jan-09	69%	42%	19%	22%	19%	24%	21%	19%	20%	18%	16%	16%	18%														
Jan-10	19%	0%	10%	8%	17%	15%	13%	15%	13%	12%	12%	14%															
Jan-11	-16%	5%	5%	16%	14%	12%	14%	12%	11%	12%	14%																
Jan-12	32%	18%	30%	23%	19%	21%	17%	15%	15%	17%																	
Jan-13	5%	28%	20%	16%	19%	15%	13%	13%	16%																		
Jan-14	57%	28%	20%	22%	17%	14%	15%	17%																			
Jan-15	5%	5%	12%	8%	7%	9%	13%																				
Jan-16	4%	16%	9%	8%	9%	14%																					
Jan-17	30%	12%	9%	11%	16%																						
Jan-18	-4%	0%	5%	13%																							
Jan-19	3%	10%	19%																								
Jan-20	16%	27%																									
Jan-21	40%																										

Returns >=10%  
 7 to <10%  
 0 to <7%  
 Less than 0%

How to read the table: Column 1 indicates the starting date of investment. The Row named 'Year' indicates the time frame on investment – 1Y, 2Y, 3Y etc

Source: MFI, FundsIndia Research.



# 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%	13%
Max	93%	50%	49%	45%	46%	36%	28%	27%	24%	21%	20%	21%	20%	18%	19%	18%	17%	17%	18%	17%	15%	14%
Min	-49%	-20%	-12%	-2%	1%	1%	6%	6%	6%	6%	7%	6%	7%	8%	11%	12%	12%	13%	12%	11%	12%	13%
Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
Jan-00	-15%	-15%	-8%	8%	9%	13%	17%	21%	10%	15%	15%	11%	13%	12%	14%	13%	12%	13%	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%	15%	
Jan-02	3%	35%	27%	30%	32%	36%	18%	24%	23%	17%	18%	17%	19%	17%	16%	17%	16%	16%	16%	16%		
Jan-03	93%	46%	44%	43%	46%	22%	28%	27%	20%	21%	20%	21%	19%	18%	18%	18%	17%	17%	18%			
Jan-04	20%	29%	33%	39%	13%	21%	21%	14%	16%	15%	17%	15%	14%	15%	14%	14%	14%	14%	15%			
Jan-05	41%	41%	46%	12%	22%	22%	14%	16%	15%	16%	15%	14%	15%	14%	14%	14%	14%	15%				
Jan-06	29%	42%	0%	15%	16%	8%	11%	10%	13%	11%	10%	12%	11%	12%	12%	13%						
Jan-07	55%	-12%	10%	12%	4%	8%	8%	11%	9%	9%	10%	10%	10%	11%	12%							
Jan-08	-41%	1%	7%	-2%	4%	4%	8%	7%	6%	8%	8%	9%	9%	10%								
Jan-09	64%	40%	14%	18%	16%	18%	15%	14%	15%	14%	14%	14%	15%									
Jan-10	22%	-4%	7%	7%	12%	9%	8%	11%	10%	10%	11%	12%										
Jan-11	-18%	3%	5%	11%	8%	7%	10%	10%	10%	11%	12%											
Jan-12	18%	13%	19%	13%	11%	14%	13%	13%	13%	14%												
Jan-13	8%	20%	12%	10%	13%	12%	12%	13%	14%													
Jan-14	28%	12%	9%	14%	12%	12%	13%	14%														
Jan-15	-6%	-1%	8%	8%	9%	10%	12%															
Jan-16	7%	18%	14%	13%	14%	16%																
Jan-17	18%	12%	12%	13%	16%																	
Jan-18	4%	9%	11%	15%																		
Jan-19	9%	13%	17%																			
Jan-20	37%	31%																				
Jan-21	19%																					

Returns >=10%  
 7 to <10%  
 0 to <7%  
 Less than 0%

How to read the table: Column 1 indicates the starting date of investment – from which you deployed the amount via 6 month STP. The Row named ‘Year’ indicates the time frame on investment – 1Y, 2Y, 3Y etc

Source: MFI, FundsIndia Research.



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

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

Returns >=10%
7 to <10%
0 to <7%
Less than 0%

How to read the table: Column 1 indicates the starting date of investment – from which you deployed the amount via 6 month STP. The Row named ‘Year’ indicates the time frame on investment – 1Y, 2Y, 3Y etc



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

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

Returns >=10%

7 to <10%

0 to <7%

Less than 0%

Returns >=10%
7 to <10%
0 to <7%
Less than 0%

How to read the table: Column 1 indicates the starting date of investment – from which you deployed the amount via 6 month STP. The Row named ‘Year’ indicates the time frame on investment – 1Y, 2Y, 3Y etc



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

Returns >=10%  
 7 to <10%  
 0 to <7%  
 Less than 0%

How to read the table: Column 1 indicates the starting date of SIP. The Row named 'Year' indicates the time frame on investment – 1Y, 2Y, 3Y etc

Source: MFI, FundsIndia Research.



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

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

Returns >=10%
7 to <10%
0 to <7%
Less than 0%

How to read the table: Column 1 indicates the starting date of SIP. The Row named 'Year' indicates the time frame on investment – 1Y, 2Y, 3Y etc



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

Average	18%	19%	19%	20%	20%	19%	19%	20%	20%	20%	20%	19%	19%	19%	19%	19%	19%	19%	19%	19%	18%	18%	18%	18%	18%	19%	
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%	19%
Year	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
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%	19%
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%	19%	
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%	19%		
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%	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%	18%				
Jan-00	-32%	-9%	5%	34%	31%	33%	35%	36%	21%	25%	24%	19%	20%	19%	21%	20%	19%	19%	18%	17%	16%	17%					
Jan-01	3%	13%	46%	38%	39%	39%	40%	22%	27%	26%	20%	21%	19%	22%	20%	19%	19%	18%	17%	17%	18%						
Jan-02	13%	62%	44%	43%	42%	43%	20%	27%	25%	19%	20%	18%	21%	20%	18%	19%	17%	16%	16%	17%							
Jan-03	100%	49%	45%	44%	44%	17%	25%	24%	17%	18%	17%	20%	18%	17%	18%	16%	15%	15%	16%								
Jan-04	39%	41%	41%	43%	10%	22%	21%	13%	16%	14%	18%	17%	15%	16%	14%	13%	14%	15%									
Jan-05	50%	44%	45%	2%	19%	19%	10%	14%	12%	18%	16%	14%	16%	14%	13%	13%	15%										
Jan-06	42%	46%	-11%	17%	17%	7%	12%	11%	17%	15%	14%	15%	13%	12%	12%	14%											
Jan-07	58%	-28%	17%	17%	5%	12%	10%	17%	15%	13%	15%	13%	12%	12%	14%												
Jan-08	-50%	28%	23%	6%	13%	11%	19%	16%	14%	16%	13%	12%	12%	15%													
Jan-09	60%	30%	4%	14%	11%	21%	17%	14%	16%	13%	12%	12%	15%														
Jan-10	20%	-9%	11%	9%	21%	17%	14%	16%	13%	11%	12%	15%															
Jan-11	-22%	14%	11%	25%	18%	14%	17%	13%	11%	12%	15%																
Jan-12	27%	14%	31%	20%	15%	18%	13%	11%	12%	15%																	
Jan-13	16%	38%	20%	14%	18%	12%	10%	11%	15%																		
Jan-14	50%	16%	10%	16%	10%	8%	10%	15%																			
Jan-15	-1%	2%	15%	7%	6%	9%	15%																				
Jan-16	2%	18%	7%	5%	10%	16%																					
Jan-17	21%	3%	3%	10%	18%																						
Jan-18	-3%	2%	13%	21%																							
Jan-19	5%	21%	27%																								
Jan-20	47%	36%																									
Jan-21	27%																										
Returns >=10%																											
7 to <10%																											
0 to <7%																											
Less than 0%																											

Returns >=10%
7 to <10%
0 to <7%
Less than 0%

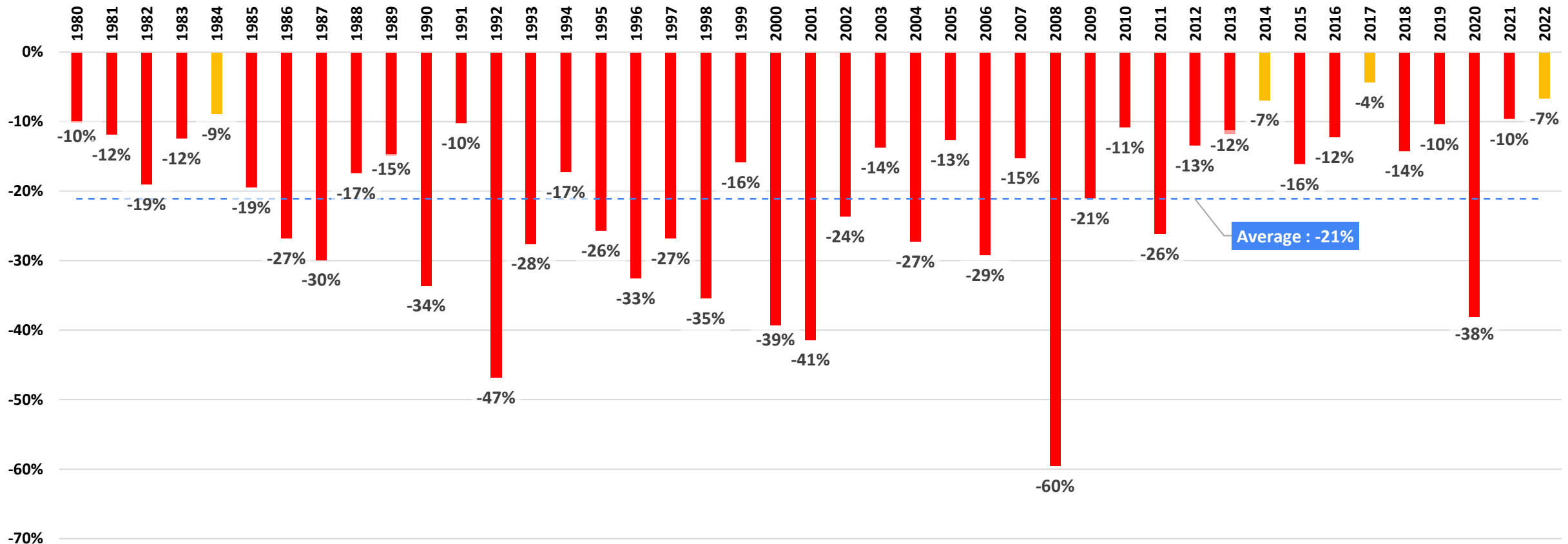
How to read the table: Column 1 indicates the starting date of SIP. The Row named 'Year' indicates the time frame on investment – 1Y, 2Y, 3Y etc

Source: MFI, FundsIndia Research.



# Equity Markets witness 10-20% temporary declines almost every year

Sensex : Year-wise Drawdown (1980 to 2022 -YTD)

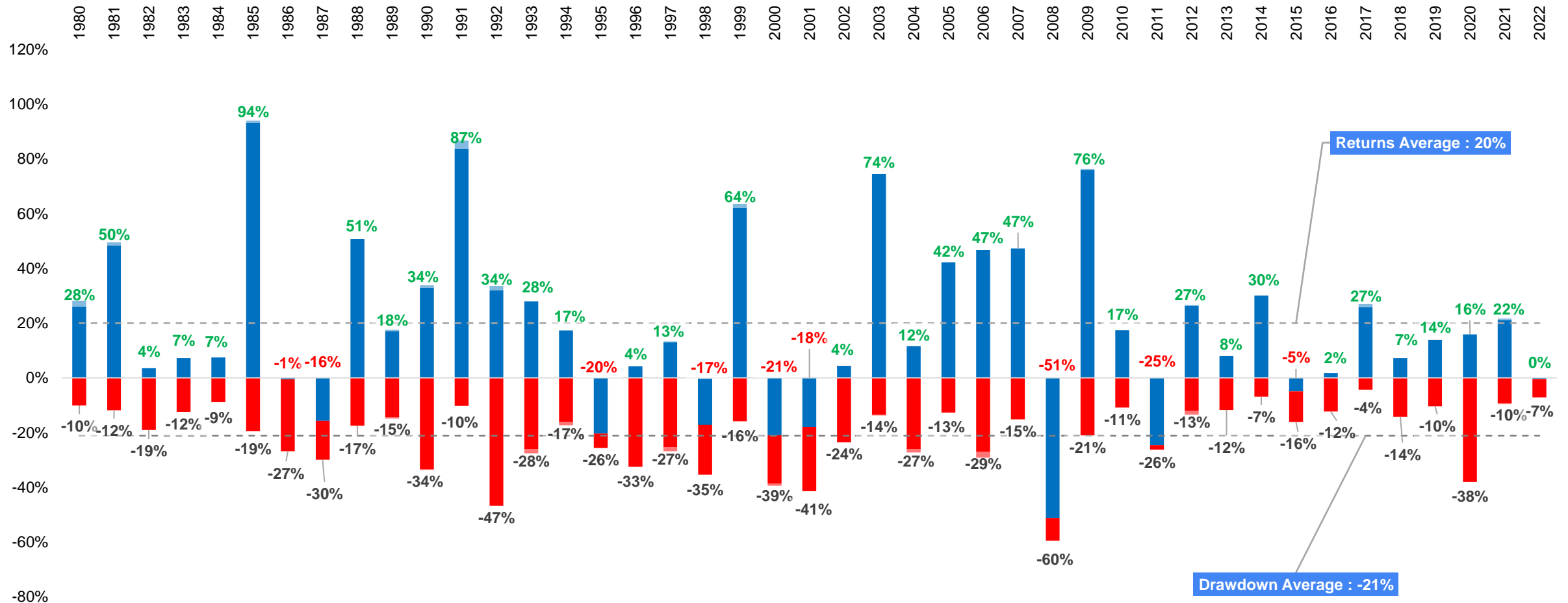


Only 3 out of the last 42 calendar years, had intra-year declines less than 10% (2022 not included).



# Despite an intra-year decline of more than 10% nearly every year, 3 out of 4 years ended with positive returns!

Sensex (1980 to 2022) – Calendar Year Returns vs Drawdown



Only 9 years out of the last 42 years did the market end the year with negative returns, despite the markets having intra-year declines every year



# ~51% of the days, Sensex trades at a discount of 10% or more from peak levels

Drawdown from Peak	% of days the markets have traded below the drawdown threshold (Since Apr-1979)
< 0%	93%
< -5%	69%
<b>&lt; -10%</b>	<b>51%</b>
< -20%	30%
< -30%	17%
< -40%	9%
< -50%	2%



# Temporary Market Declines of 30-60%, historically has occurred once every 7-10 years

Historically, large market falls (of more than 30%) and subsequent recoveries have taken around 1-3 years

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

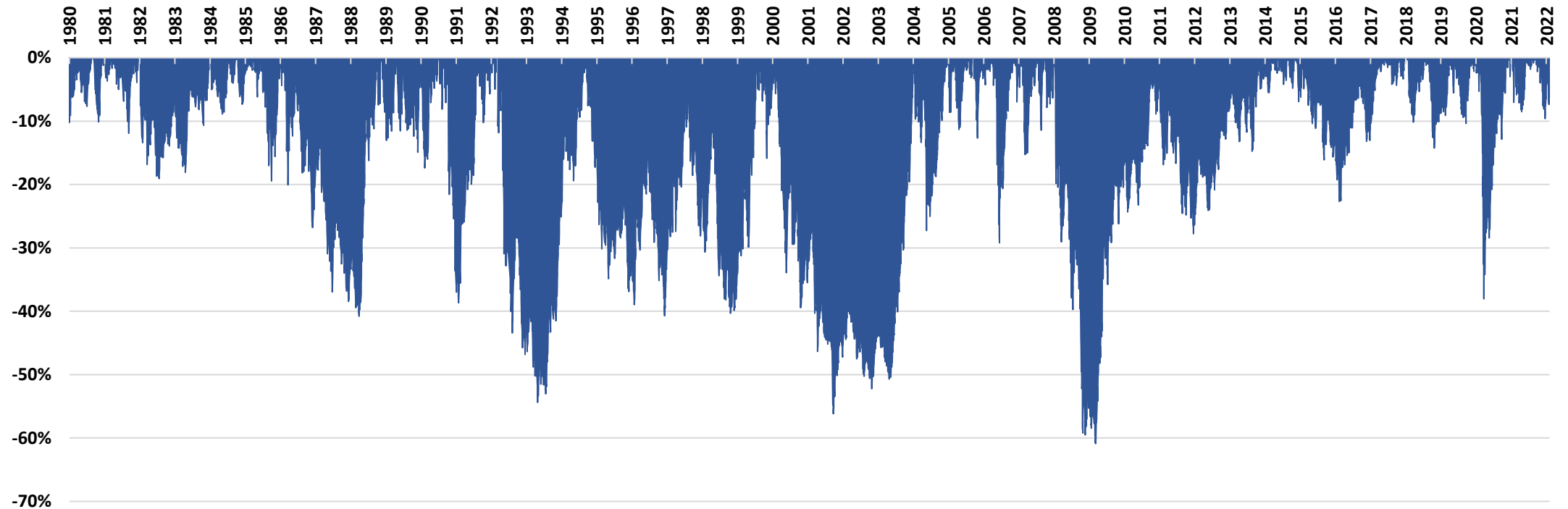
Average	1Y 1M	1Y 3M	2Y 4M
Max	2Y 3M	2Y 7M	4Y 10M
Min	2M	6M	8M



# Every decade saw 1 or 2 sharp declines >30%

## Frequency of Market Declines

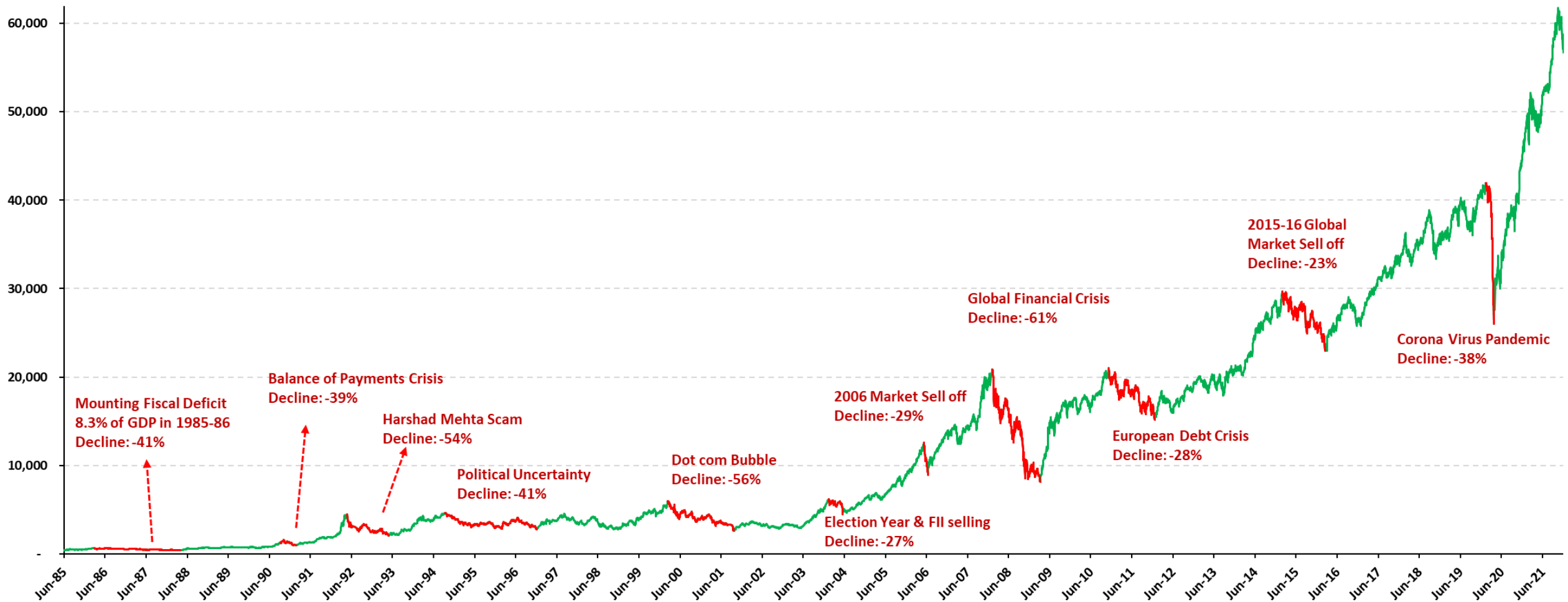
Sensex - Drawdown (1980 - 2022 YTD)



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%
2021-22	1					21.7%



# Despite several intermittent crises, Indian Equities have gone up over the long run mirroring earnings growth

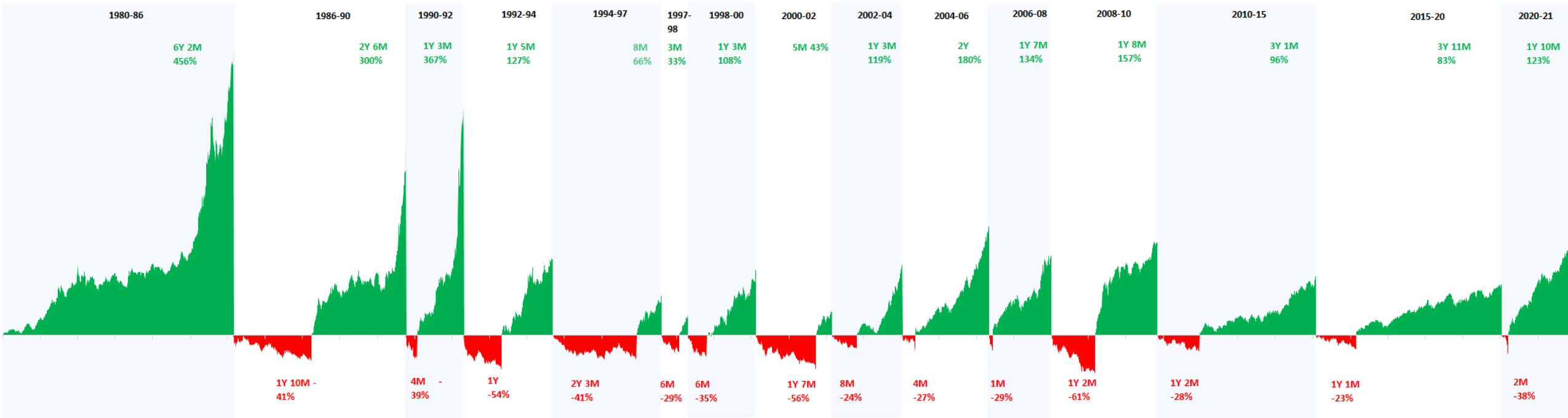




# Every crisis in the past has been followed by a recovery and further upside

## Sensex - Market Decline and Recovery (1980 to 2022 YTD)

Upsides are much higher than the Declines!





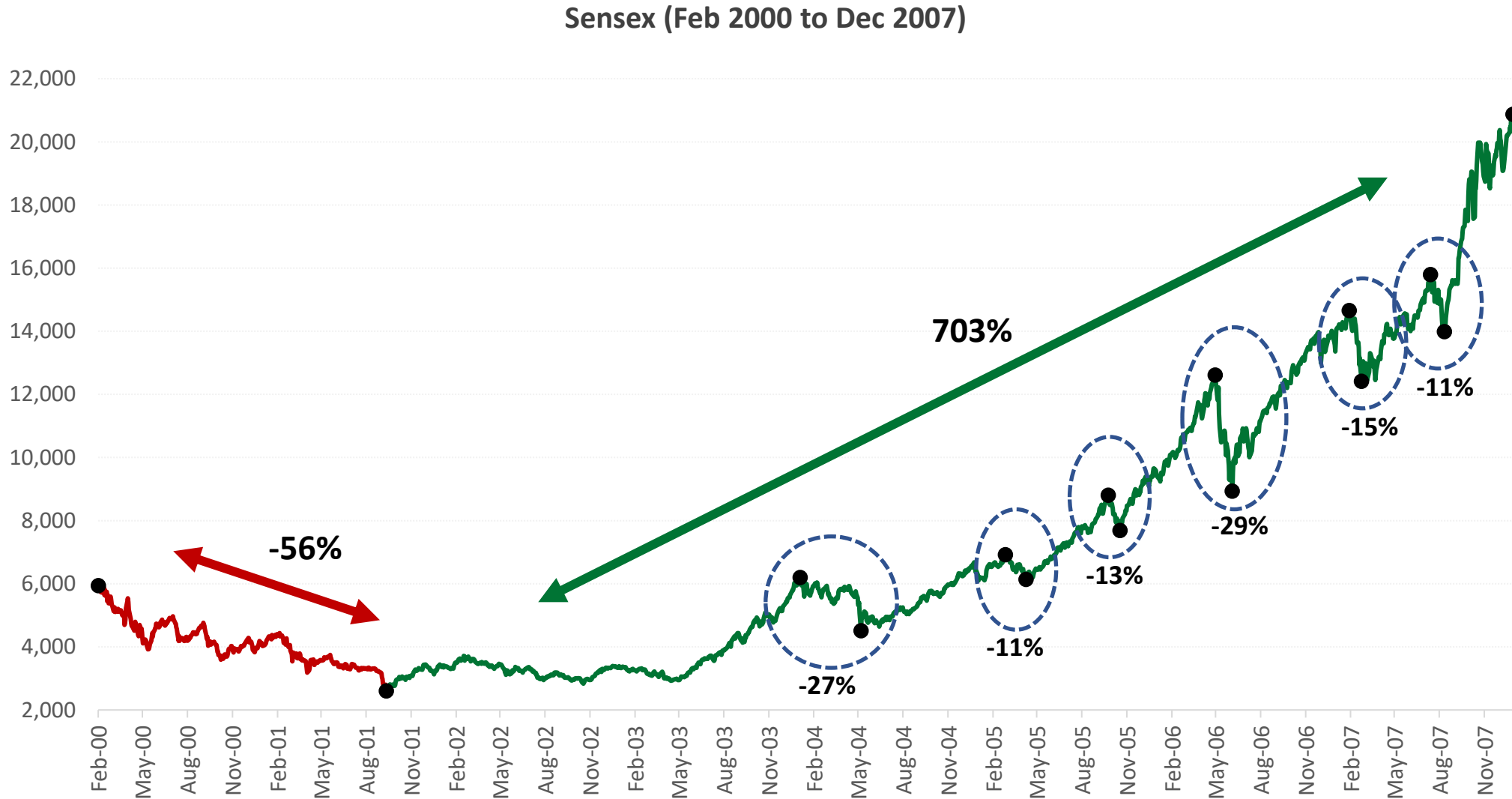
# Even if you invested right before a market crash, over long time frames the returns have still turned out to be decent

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%	7%	5%
2020 Covid Crash	-38%	19%	6%	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 31-Jan-22.



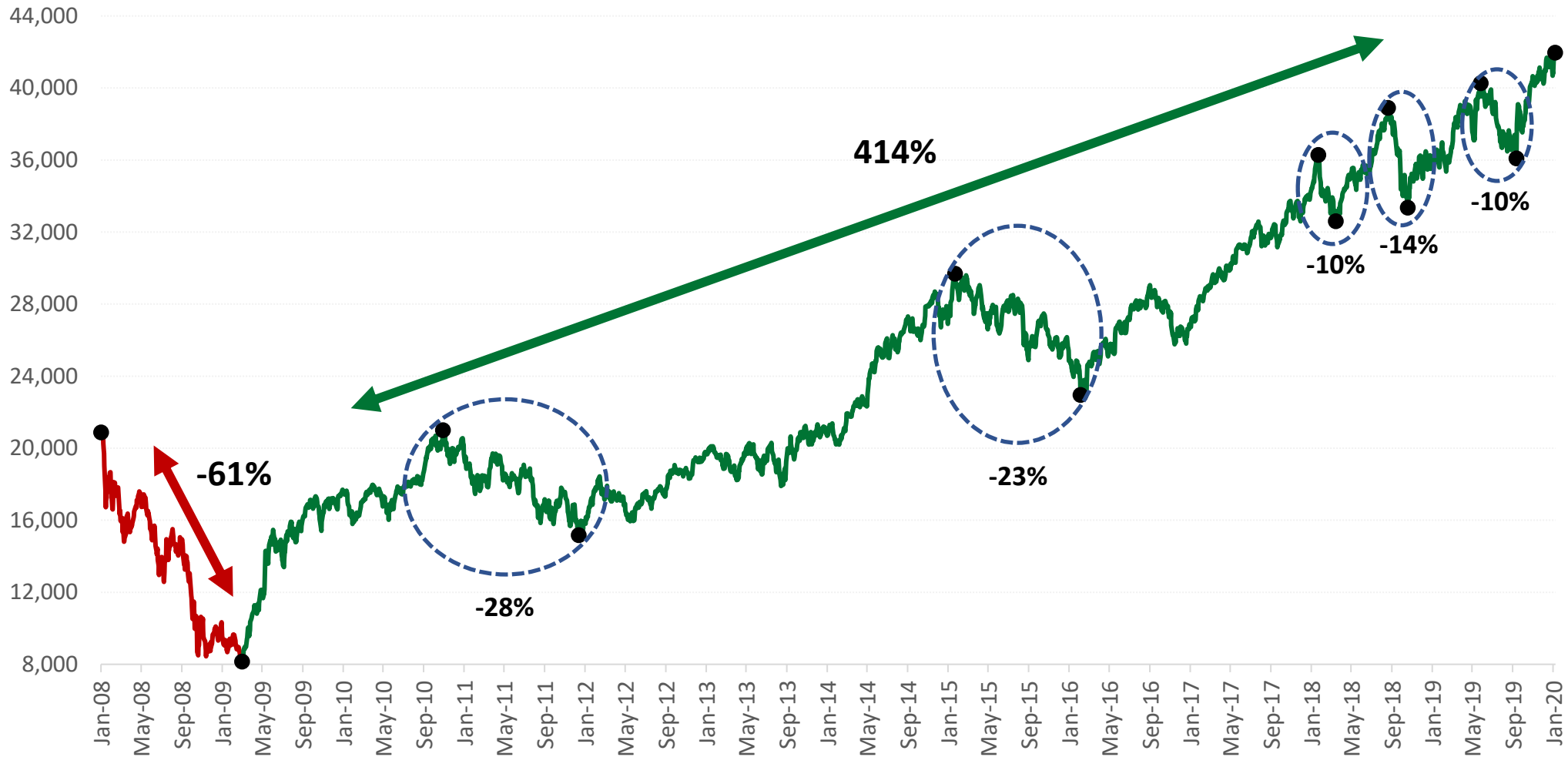
# Even Bull Markets have several intermittent declines





# Even Bull Markets have several intermittent declines

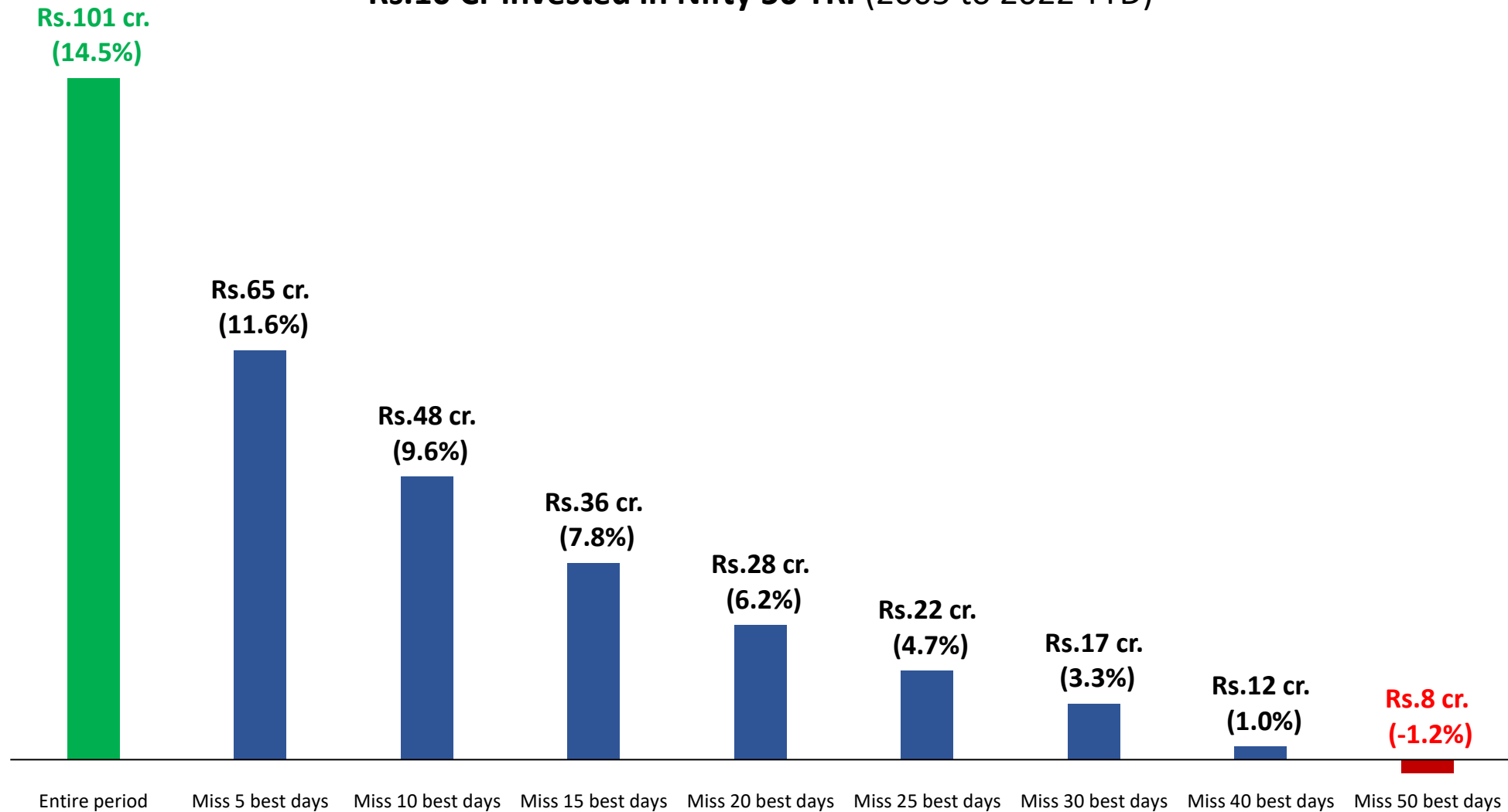
Sensex (Jan 2008 to Jan 2020)





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

Rs.10 Cr invested in Nifty 50 TRI (2005 to 2022 YTD)





# Many of the best days occur in the middle of worst decline periods

## 2006: FII & DII - Heavy sell off

**Market Fall: -30%**

### 10% of Top 30 Best Days

	Date	1 Day Returns
8	15-Jun-06	6.3%
19	09-Jun-06	5.2%
30	30-Jun-06	4.4%

## 2008: Global Financial Crisis

**Market Fall: -60%**

### 57% of Top 30 Best Days

S.N.	Date	1 Day 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 Crisis

**Market Fall: -40%**

### 13% of Top 30 Best Days

S.N.	Date	1Day 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

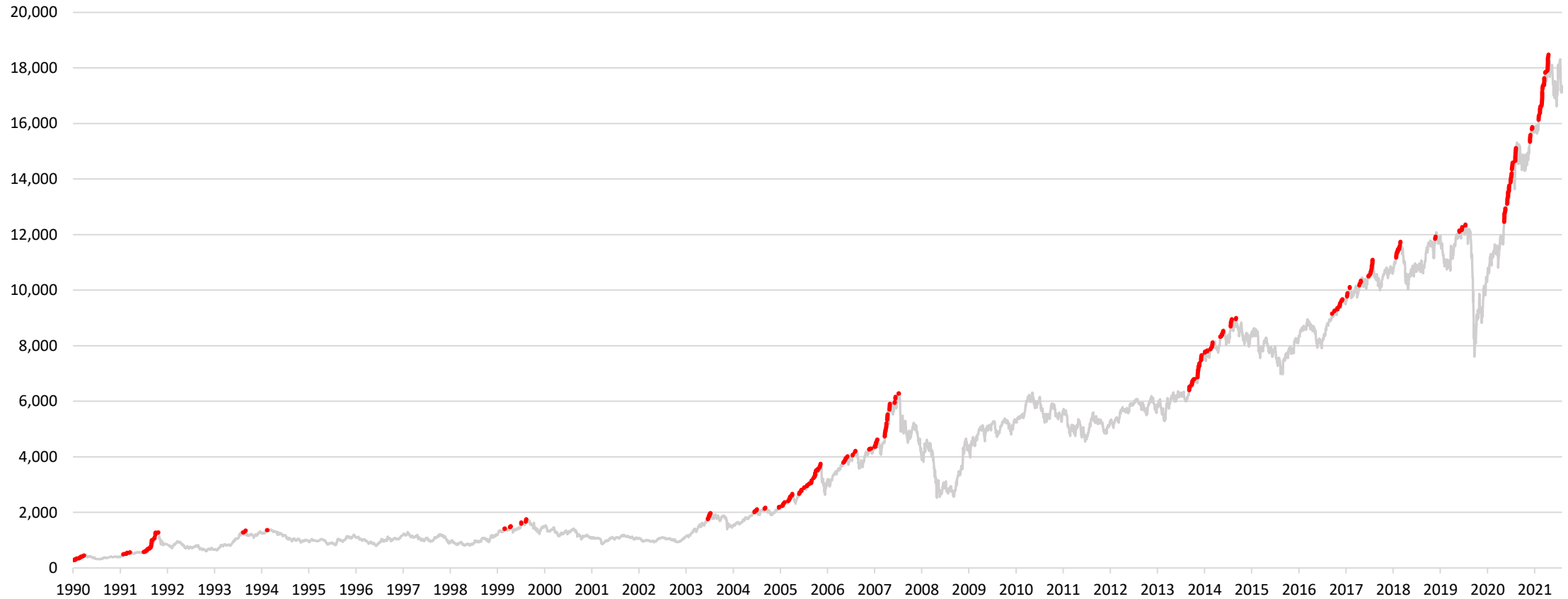
### 20% of Top 30 Best Days

S.N.	Date	1 Day 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





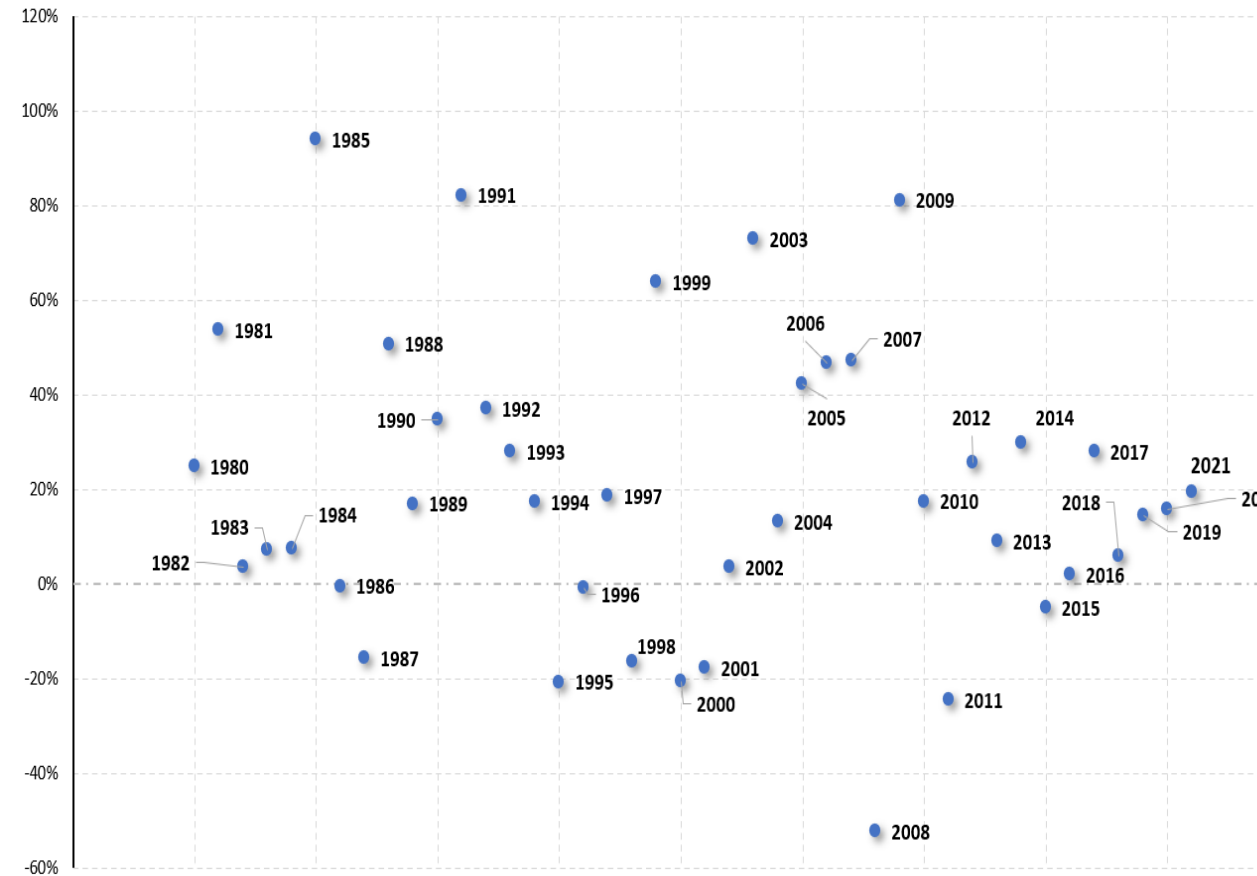
# All Time Highs automatically don't imply a market fall & majority of times, returns were strong in the next 1 year

Nifty 50 TRI (Jan-2000 to Jan-2022)	1 Y Returns	3 Y Returns	5 Y Returns
Average	15%	11%	11%
>20%	39%	18%	11%
>15%	50%	20%	23%
>12%	61%	31%	43%
>10%	64%	42%	56%
>8%	66%	58%	68%
>0%	74%	87%	100%
<0%	26%	13%	0%

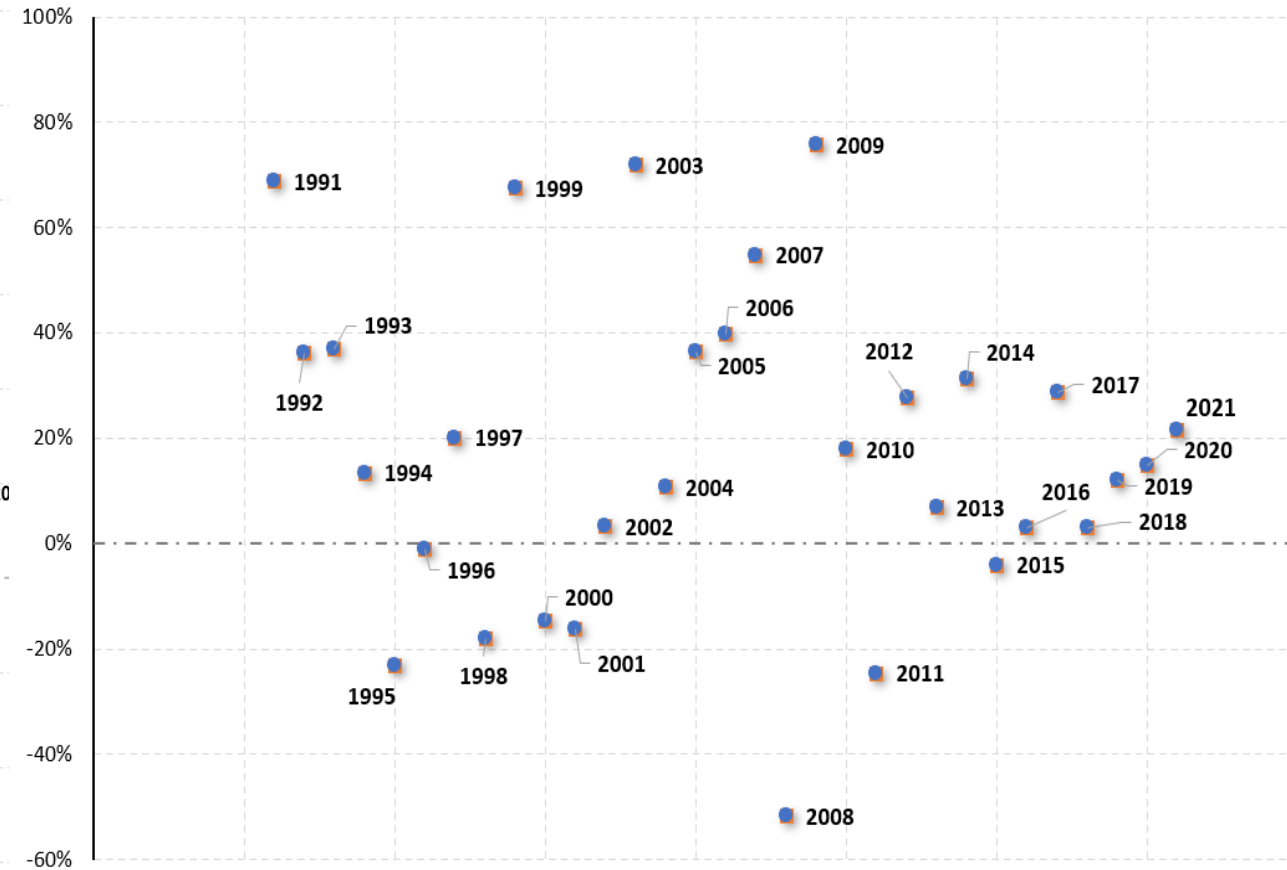


# Calendar year returns are volatile & rarely resemble long term averages

Sensex - Calendar Year Returns



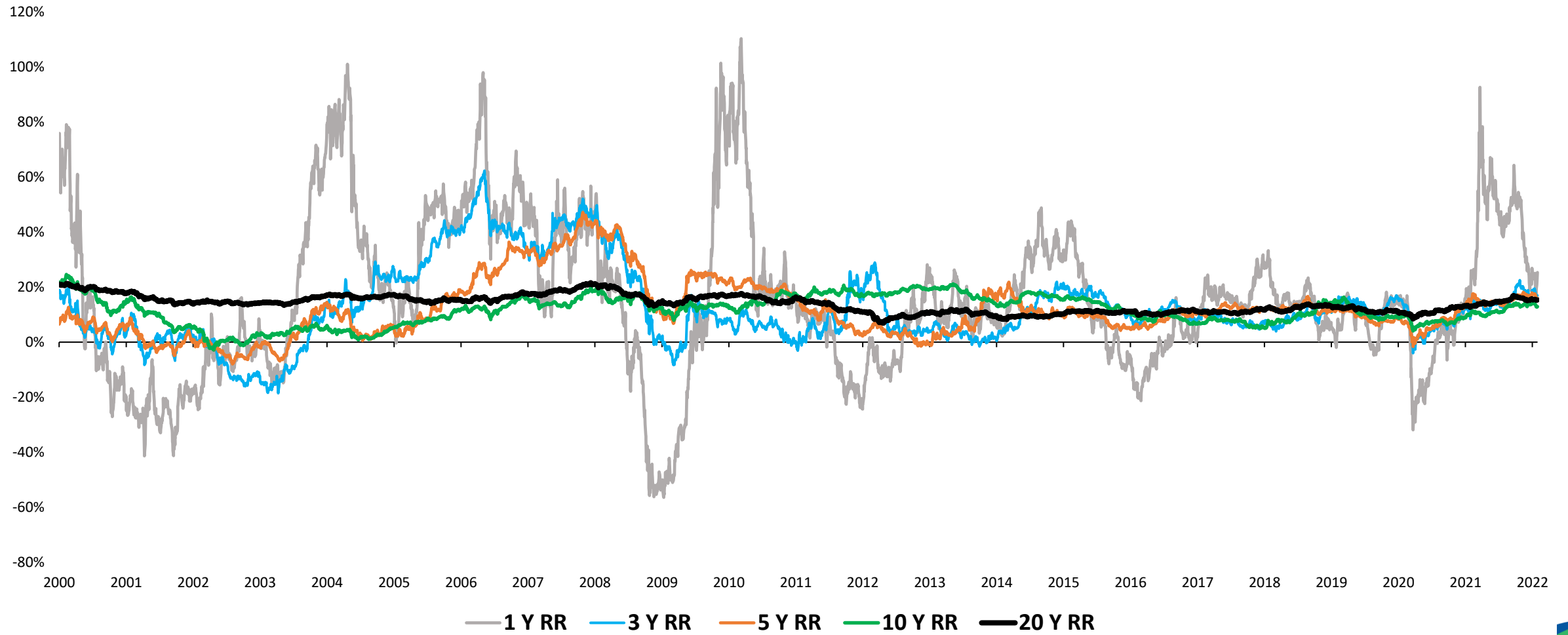
Nifty 50 - Calendar Year Returns





# Equities appear less volatile the less you look at them

Sensex - Rolling Returns (1980 to 2022 YTD)





- 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)

Average	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%
Max	14%	12%	10%	9%	9%	9%	9%	8%	9%	9%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%
Min	1%	3%	5%	5%	6%	7%	6%	6%	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%	7%	8%
Year	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21
Jan-01	11%	11%	9%	8%	7%	7%	8%	8%	7%	7%	7%	8%	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%	7%	
Jan-03	6%	5%	5%	5%	6%	7%	7%	6%	7%	7%	7%	7%	7%	7%	7%	7%	7%	8%	7%		
Jan-04	3%	4%	5%	6%	8%	7%	6%	7%	7%	7%	7%	7%	8%	7%	7%	7%	8%	7%			
Jan-05	5%	6%	7%	9%	7%	7%	7%	7%	8%	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%	8%					
Jan-07	10%	12%	8%	7%	8%	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%	8%							
Jan-09	1%	3%	5%	6%	6%	7%	7%	7%	7%	7%	7%	8%	7%								
Jan-10	5%	7%	8%	8%	8%	8%	8%	8%	8%	8%	8%	8%									
Jan-11	9%	9%	9%	9%	9%	9%	9%	8%	8%	9%	8%										
Jan-12	10%	9%	9%	9%	9%	9%	8%	8%	9%	8%											
Jan-13	8%	9%	9%	9%	8%	8%	8%	8%	8%												
Jan-14	10%	9%	9%	8%	8%	8%	8%	8%													
Jan-15	8%	9%	8%	8%	8%	8%	8%														
Jan-16	9%	8%	7%	8%	8%	7%															
Jan-17	7%	7%	7%	8%	7%																
Jan-18	7%	8%	8%	7%																	
Jan-19	9%	9%	7%																		
Jan-20	9%	7%																			
Jan-21	4%																				

Returns >=8%
6 to <8%
0 to <6%
Less than 0%

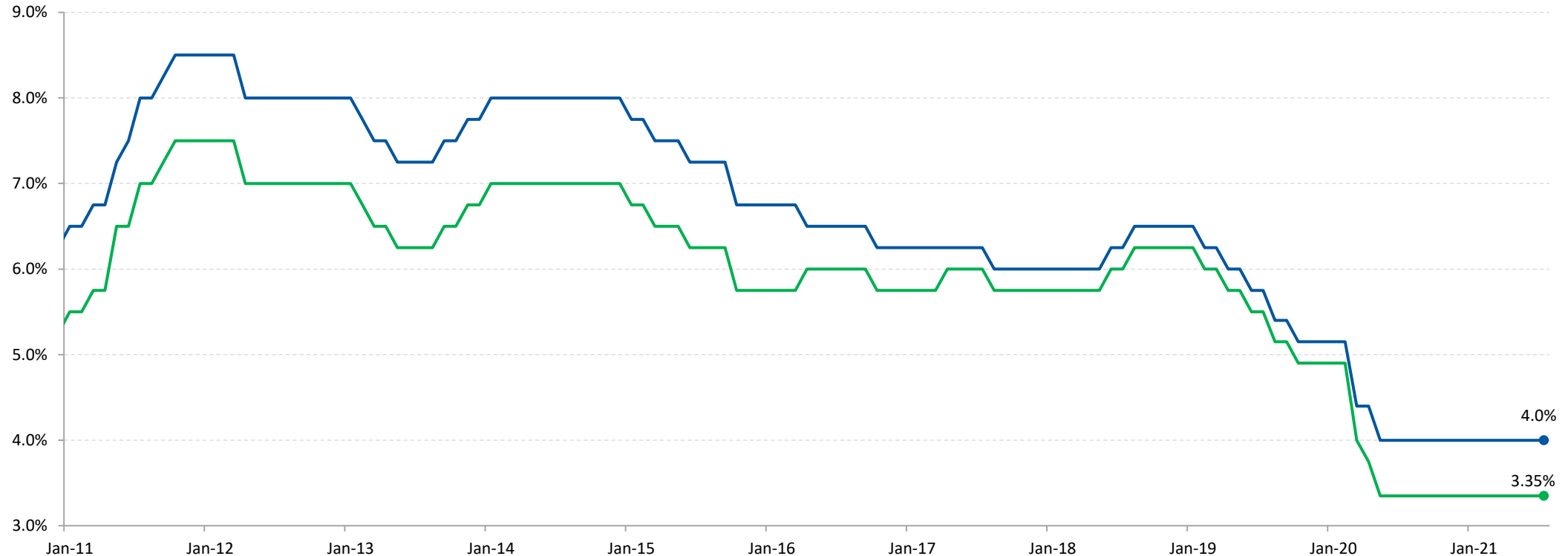
How to read the table: Column 1 indicates the starting date of SIP. The Row named 'Year' indicates the time frame on investment – 1Y, 2Y, 3Y etc

Source: MFI, FundsIndia Research. \*Debt: Index calibrated based on the Debt Schemes - Aditya Birla SL Low Duration Fund, HDFC Low Duration Fund, Aditya Birla SL Corporate Bond Fund.



# 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 (%)

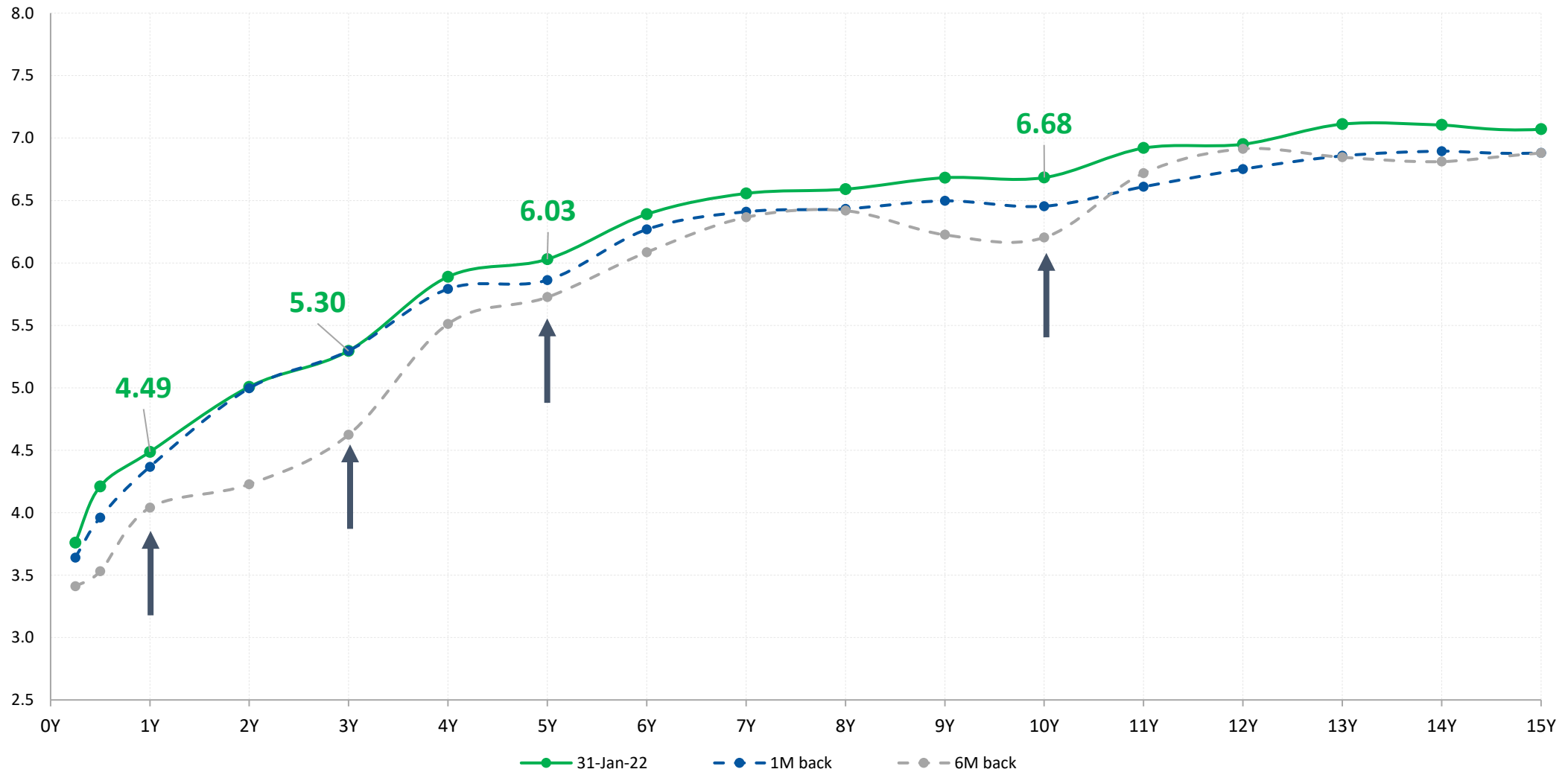


1Y Gsec (%)





# India GSec Yield Curve – Yields have gradually started to increase





# FD Rates continue to remain low

## 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	5.10	5.00	5.03

### 2 to 3 Years

HDFC Bank	ICICI Bank	SBI Bank	PNB Bank	Bank FD Average
5.20	5.20	5.10	5.10	5.15

### 3 to 5 Years

HDFC Bank	ICICI Bank	SBI Bank	PNB Bank	Bank FD Average
5.40	5.45	5.30	5.25	5.35

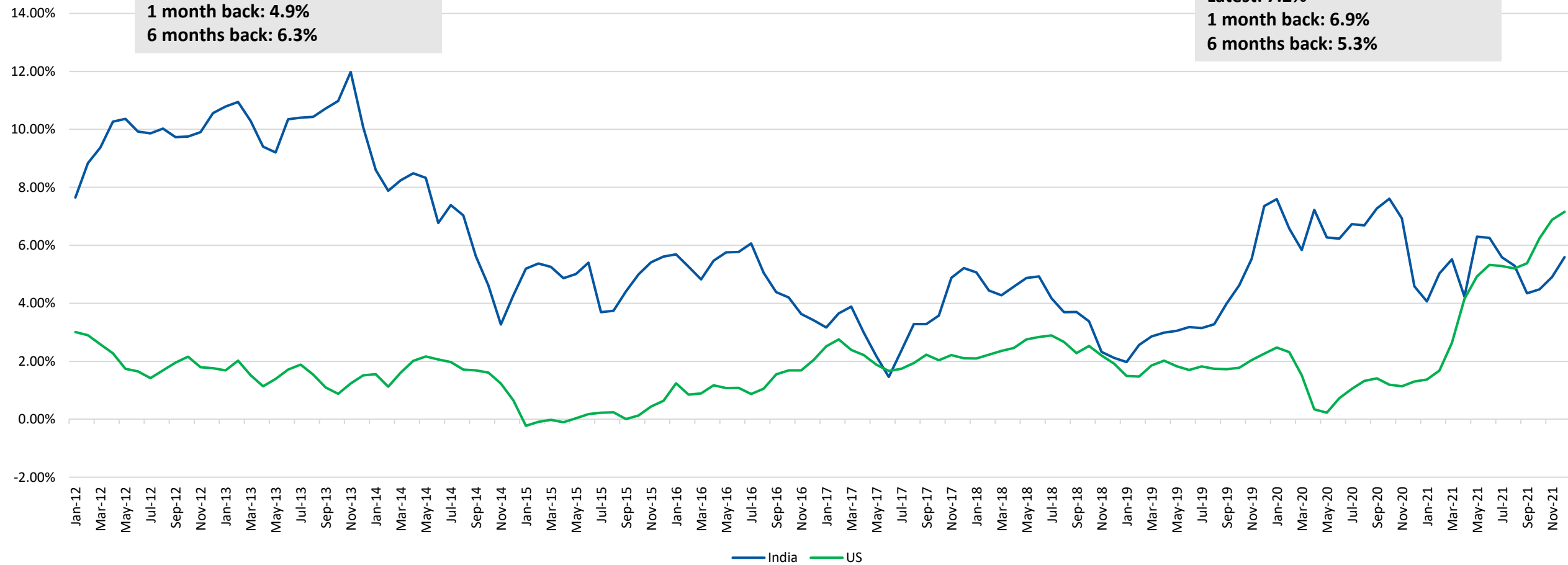


# US & India Inflation - Inching up

Inflation (YoY %)

**India CPI**  
**Latest: 5.6%**  
**1 month back: 4.9%**  
**6 months back: 6.3%**

**U.S. CPI**  
**Latest: 7.2%**  
**1 month back: 6.9%**  
**6 months back: 5.3%**





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

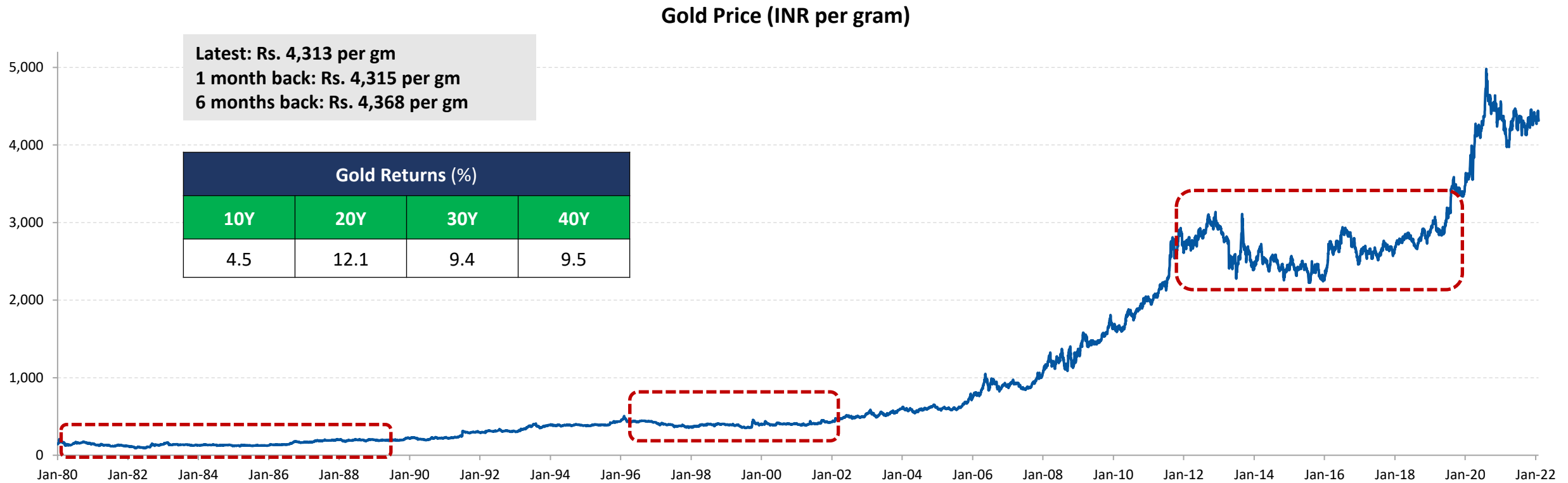




# Gold Returns



# Gold Returns have beaten inflation in the long term but goes through long temporary periods of subdued returns





# Year wise Lumpsum Returns of Gold (1980 to 2021)

Average	10%	9%	9%	9%	9%	9%	9%	9%	9%	10%	10%	10%	10%	10%	10%	10%	10%	9%	9%	9%	9%	9%	9%	9%	10%	10%	10%	10%	10%	10%	10%	10%	9%	9%	9%	9%	9%	9%	9%	9%	9%	
Max	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%	11%	10%	10%	10%	10%	10%	9%	9%	9%
Min	-22%	-9%	-8%	-5%	-3%	-1%	1%	1%	3%	4%	4%	5%	6%	6%	7%	7%	5%	6%	5%	5%	5%	6%	6%	6%	7%	7%	8%	8%	9%	9%	9%	9%	8%	8%	8%	8%	8%	8%	9%	9%	9%	
Year	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	42
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%	9%
Jan-81	-22%	-3%	-5%	-5%	-3%	2%	4%	4%	4%	4%	6%	6%	8%	7%	7%	7%	5%	6%	5%	5%	5%	6%	6%	6%	7%	7%	8%	8%	9%	9%	10%	10%	9%	9%	8%	8%	8%	8%	8%	9%	9%	
Jan-82	19%	5%	2%	2%	7%	9%	8%	8%	7%	10%	9%	11%	10%	10%	9%	7%	7%	7%	7%	7%	8%	8%	7%	8%	9%	9%	10%	10%	10%	11%	11%	10%	10%	9%	9%	9%	9%	9%	9%	10%	9%	
Jan-83	-8%	-6%	-3%	4%	7%	6%	6%	6%	9%	8%	10%	9%	9%	8%	7%	7%	7%	6%	6%	7%	7%	7%	8%	8%	8%	9%	10%	10%	11%	11%	10%	9%	9%	9%	9%	9%	9%	10%	9%			
Jan-84	-4%	-1%	8%	11%	9%	9%	8%	11%	10%	12%	11%	11%	10%	8%	8%	7%	7%	7%	8%	8%	8%	9%	9%	10%	10%	11%	11%	11%	10%	10%	9%	9%	9%	9%	10%	10%	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%	10%	11%	11%	11%	12%	12%	11%	10%	10%	10%	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%	10%	11%	10%					
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%	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%	9%	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%	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%	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%	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%	10%	9%													
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%	9%	10%	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%	9%														
Jan-95	13%	5%	-2%	0%	1%	1%	1%	4%	5%	5%	6%	7%	8%	9%	10%	11%	12%	12%	10%	10%	9%	9%	9%	9%	9%	10%	9%															
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%	9%	10%	9%																
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%	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%	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%	11%																			
Jan-00	1%	3%	10%	11%	8%	11%	12%	13%	14%	15%	16%	17%	16%	14%	13%	11%	11%	11%	11%	11%	12%	11%																				
Jan-01	4%	14%	14%	10%	13%	14%	14%	16%	16%	17%	18%	18%	15%	14%	12%	12%	12%	11%	12%	13%	12%																					
Jan-02	25%	19%	12%	15%	16%	16%	18%	18%	19%	20%	19%	15%	14%	13%	12%	12%	12%	13%	12%																							
Jan-03	14%	7%	12%	14%	15%	17%	17%	18%	19%	18%	15%	14%	12%	12%	11%	11%	12%	12%	12%	12%																						
Jan-04	0%	10%	14%	15%	17%	18%	19%	20%	19%	15%	13%	12%	11%	11%	11%	11%	12%	11%																								
Jan-05	22%	22%	20%	22%	22%	22%	23%	22%	16%	15%	13%	12%	12%	12%	12%	13%	12%																									
Jan-06	21%	19%	22%	22%	22%	23%	22%	16%	14%	12%	12%	11%	11%	12%	13%	12%																										
Jan-07	17%	23%	22%	22%	24%	22%	15%	13%	11%	11%	10%	10%	11%	12%	11%																											
Jan-08	29%	24%	24%	25%	23%	15%	13%	10%	10%	10%	10%	12%	11%																													
Jan-09	19%	22%	24%	21%	12%	10%	7%	8%	8%	8%	9%	10%	9%																													
Jan-10	24%	27%	22%	10%	9%	6%	6%	6%	7%	8%	10%	8%																														
Jan-11	29%	20%	6%	5%	2%	4%	4%	4%	6%	8%	7%																															
Jan-12	12%	-4%	-2%	-4%	-1%	0%	1%	4%	6%	5%																																
Jan-13	-18%	-8%	-8%	-4%	-2%	0%	3%	5%	4%																																	
Jan-14	2%	-3%	1%	3%	4%	6%	9%	8%																																		
Jan-15	-8%	1%	3%	4%	7%	10%	8%																																			
Jan-16	11%	8%	8%	11%	14%	11%																																				
Jan-17	6%	7%	12%	15%	12%																																					
Jan-18	8%	15%	19%	13%																																						
Jan-19	21%	24%	15%																																							
Jan-20	28%	11%																																								
Jan-21	-3%																																									
<div>Returns &gt;=10%</div> <div>7 to &lt;10%</div> <div>0 to &lt;7%</div> <div>Less than 0%</div>																																										

Returns >=10%

7 to <10%

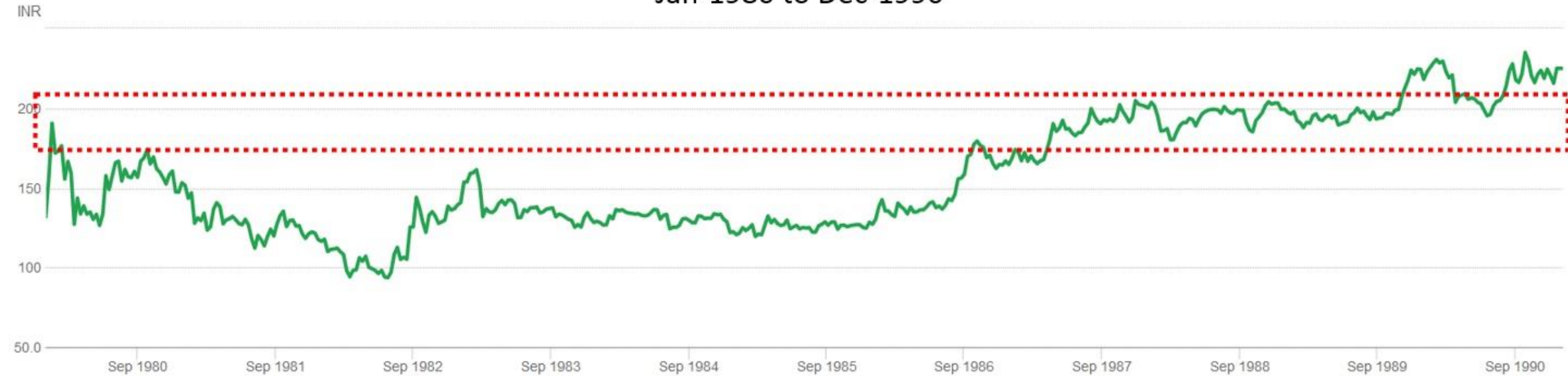
0 to <7%

Less than 0%



# 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



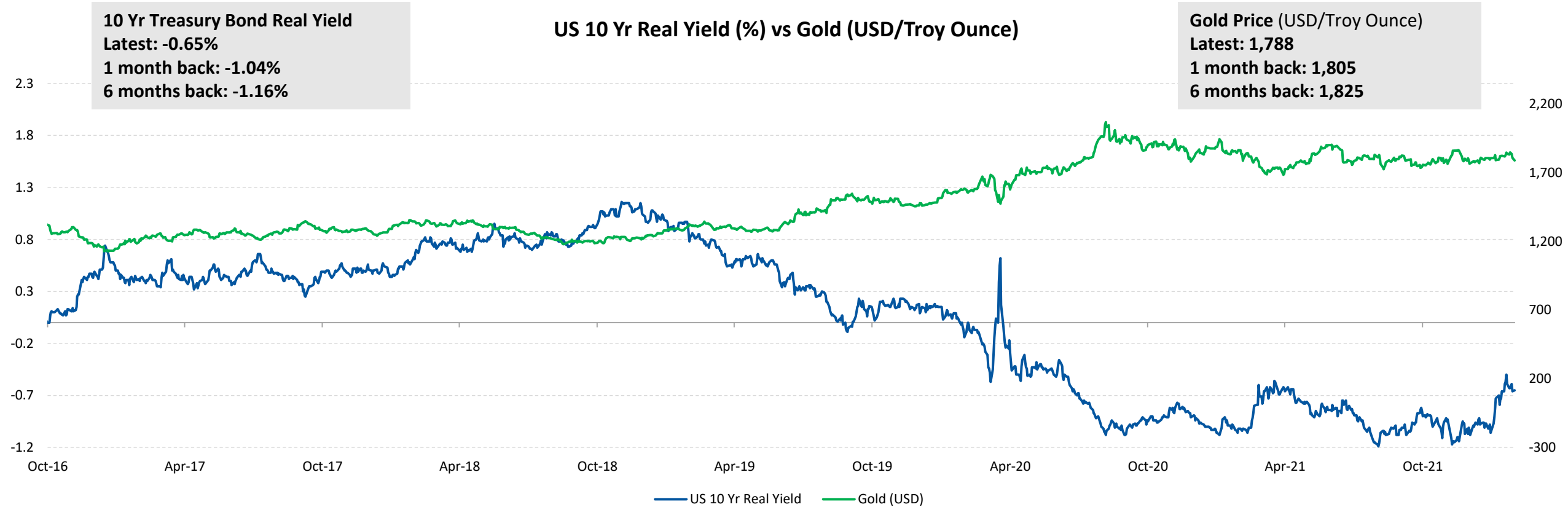


# 2012-2019: It took gold 7 years to hit its 2012 peak once again





# Gold shows inverse correlation to US Real Yields





- 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

**Latest: Rs. 74.53**  
**1 month back: Rs. 74.30**  
**6 months back: Rs. 74.34**

INR Depreciation (%)					
1Y	3Y	5Y	10Y	15Y	20Y
2.2	1.6	2.0	4.2	3.6	2.2







# 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 63.3%
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 48.2%
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%	Multi Cap 31.6%
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%	International 30.8%
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%	Large cap 25.6%
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 3.8%
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 -2.7%

Note:

Real Estate: Returns based on RBI House Price Index. CY-2010 Returns since 01-Apr-10. CY-2021 Returns as on 31-Dec-2021. CY-2021 Real Estate Returns as on 30-Sep-21.

Large cap: Nifty 50 TRI, Mid cap: Nifty Midcap 150 TRI, Small cap: Nifty Smallcap 250 TRI, Multi cap: 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.

Source: MFI, RBI, gold.org, FundsIndia Research



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Our mailing address is:

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