Accumen Wealth Advisors Private Ltd
Market update –6th April, 2019

GLOBAL MARKETS – Weaker Growth prospects leading to Normalisation

Growth risks are overwhelming economies across the globe and forcing central banks to rethink policy. The Fed somehow pulled off another dovish surprise, signaling no interest-rate hikes in 2019, though market reaction was mixed. That shift opens the door for rate cuts across Asia as inflation remains subdued and economic growth slows. For now, Indonesia and the Philippines — among the most aggressive rate hikers last year — kept policy on hold, as did Thailand. Central banks in Europe were similarly subdued, with the U.K., Switzerland, Iceland and Russia all maintaining rates, though Norway — fueled by oil riches — raised its benchmark for the second time since September and signalled there's more to come.

Global growth prospects now look increasingly weaker across China, Europe and USA. Trade growth, a key artery in the global economy, has also slowed markedly, to around 4% in 2018 from 5.25% in 2017.

Crude markets have remained broadly supported, but purely by supply cuts led by producer group OPEC and by aggressive sanctions by the US against Iran and Venezuela. A consensus is yet to emerge when US could turn into a slowdown mode following the yield curve inversion last week. The average duration of lead months of inverted yield curve and US economy slipping into recession is 14 months and average duration of recession is 12 months. By this logic, US might plunge into recession by the end of 2019 or early 2020! Interestingly, a plot of Fed Fund Futures and Market clearly indicates US markets are pricing in a rate cut in second half of 2019. Countries like Canada and Mexico are also showing inverted yield curves. In India and other emerging economies, the spread is positive and quite large, however the spread could narrow down if the fears of global slowdown increase.

Inverted Yield Curve (10y minus 1y) and US Recession			
First Yield Curve Inversion	Lead (in months)	Recession Start Date	Duration of Recession (in months)
Dec-56	8	Aug-57	8
Sep-59	7	Apr-60	10
Dec-67	24	Dec-69	11
Mar-73	8	Nov-73	17
Sep-78	16	Jan-80	6
Sep-80	10	Jul-81	17
Feb-89	17	Jul-90	8
Apr-00	11	Mar-01	8
Jan-06	23	Dec-07	19
Average	**14**	-	**12**
Source: NBER, FRED, SBI Research			

World Equity Markets Performance (%) as on 4th Apr 2019

Countries	Exchange Name	Index Level	P/E (x)	P/B (x)	Divd Yield (%)	ROE (%)	1 Week (%)	1Month (%)	3Month (%)	6Month (%)	1 Year (%)	YTD (%)
Developed Market												
USA	S&P500	2873	15.5	2.9	2.2	18.9	2.4	2.9	13.5	-1	8.6	14.6
Europe	STOXX 600	388	13	1.6	4	12.6	2.8	3.3	12.9	2.1	5.5	14.8
UK	FTSE 100	7376	11.9	1.6	4.8	13.7	2	3.4	7.9	-0.6	4.9	9.6
Germany	DAX	11958	11.9	1.4	3.6	12.1	4.6	3.2	11.1	-2.3	0	13.3
France	CAC 40	5452	12.9	1.5	3.7	11.3	2.9	3.1	15.1	0.8	6	15.3
Japan	Topix	1620	11.8	1.1	2.6	9	2.4	-0.5	10.1	-10.1	-5	8.4
Australia	ASX 200	6233	15.2	1.9	4.7	12.6	0.9	0.2	10.9	0.9	8.2	10.4
Singapore	STI INdex	3316	12.2	1.1	4.2	8.7	3.5	2	8.4	2.6	-0.7	8.1
Hong Kong	Hang Seng	29936	10.7	1.2	3.8	11.1	4	3.4	16.8	12.4	1.4	15.8
Emerging Market												
India	Sensex	38685	15.7	2.4	1.7	15.6	0.4	7.3	8.4	10	17.2	7.3
China	Shanghai composite	3247	11	1.3	2.8	11.9	8.4	7.2	29.1	15.1	3.7	30.2
Brazil	Bovespa	94491	10.4	1.6	4.6	15.2	2.8	-0.1	2.9	13.9	12	7.5
Russia	RTS	2530	5.4	0.7	7.6	13	1.5	2.3	5.1	2.6	11.7	6.8
South Africa	Johnanesburg All share	57812	11.8	1.7	4	14.1	3.1	2.8	10.7	5.1	5.9	9.6
Korea	KOSPI	2207	9.9	0.9	2.4	8.6	3.7	0.7	9.8	-3	-8.4	8.1
Mexico	IPC	43340	12.1	1.7	3.6	14.4	0.9	2.2	2.1	-11	-8.7	4.1
Phillipines	PCOMP	7854	15	1.8	1.8	11.8	-0.3	2.3	1.2	10.7	-1.8	5.2
Turkey	XU100	95151	4.6	0.8	6.6	16.3	3.3	-8.7	7.1	0.7	-16.5	4.3

Source: IIFL

INDIAN EQUITY MARKET OVERVIEW:

Valuation of BSE Small-cap index corrected 25% on P/B vs 9% for Nifty in the past one year. Post steep correction in valuation, small-caps are now back in favour; BSE Small-cap index is up 9% MTD vs 7% for Sensex. Whether this is a trend reversal or a temporary revival of animal spirits remains to be seen. Whilst market volatility is unlikely to subside at least until going into the next General Elections, high quality small-cap companies with sustainable competitive advantages should remain in the spotlight.

In February the street view was Indian Markets is un-investible till clarity emerges after the elections in May 2019. The retaliation to the Pulwama attack and the events unfolding after that has helped the existing NDA govt strengthen its position and leading to Market optimism of a pro market friendly govt remaining in power for another 5 years. The rally started by FPIs coming back in cash markets and buying across Banking & Financial Services (especially PSU Banks and corporate banks such as Axis & ICICI Bank), this lead to a lot of short-covering as well as HNI's coming back and buying across beaten down Mid & Small cap companies. Even On liquidity front, RBI should be commended for the several ingenious and bold moves in recent times to improve market microstructure, including the most recent step of swap transaction of augmenting liquidity management apart from frequent communication with markets.

Market Performance:

BSE Sensex return of 17.30% for FY2018-19 is the highest since FY2014-15 boosted by almost 8.00% gains for the month of March, 2019. For FY2018-19, Indian market outperformed most of its Asian peers with gains of ~17.00% compared to China (2.50%), Indonesia 4.50%, South Korea (12.50%) & Brazil 10.50%. The US markets posted 6.70% gains for FY2018-19. For last 5 years, the BSE Sensex has given ~72.00% absolute returns.

Amongst sectors, the gainers for FY2018-19 were IT – 26.30%/Bankex – 25.50%/FMCG – 14.10% while Telecom lost 22.30%/Auto lost 21.70% & Metals lost 14.80%.

We had a strong rally in mid and small caps in the last one month. Nifty-Midcap100 and Nifty-Smallcap100 indices are up by 11% and 15% from their recent lows between 18th February and 18th March. Market feels that one of the important reasons for this rally is de-escalation in geo-political risk and opinion polls showing positive vibes for the ruling party in the upcoming election. What we feel is that this could be the secondary factor whereas the main reasons are cheap prices and valuation given the tremendous fall between January 2018 and February 2019, and improved outlook in the future. Nifty Midcap Index was down by 24% and Small caps Index by 37% during the same time.

	March 2019	February 2019	Variance
BSE Sensex	38,673	35,867	7.82%
NSE Nifty	11,624	10,792	7.70%
BSE Mid-cap	15,480	14,318	8.11%
FPI Equity Investments	32,285 cr	17,675 cr	
MF Equity Investments	(5,423 cr)	438 cr	
USD v/s INR	69.15	70.72	2.22%
10-year G-Sec Yield	7.35%	7.40%	5bps down

Year ending	March 2019	March 2018	Variance
BSE Sensex	38,673	32,969	17.30%
NSE Nifty	11,624	10,114	14.93%
BSE Mid-cap	15,480	15,963	(3.03%)
FPI Equity Investments	7,845 cr	21,500 cr	
MF Equity Investments	80,848 cr	1,30,000 cr	
USD v/s INR	69.15	65.17	(6.11%)
10-year G-Sec Yield	7.35%	7.40%	5bps down

India Market Performance (%) as on 4th Apr 2019

	Last Price	1 Week	1Month	3Month	6Month	1 Year	YTD
		%	%	%	%	%	%
India's broad based Indices							
Sensex	38685	0.4	7.3	8.4	10	17.2	7.3
Nifty	11598	0.2	6.8	8.1	9.4	14.5	6.8
Defty	5896	1.7	11	10.6	18.3	9.3	9.4
BSE 100	11784	0.3	6.5	7	8.9	11.9	5.6
BSE 200	4896	0.3	6.5	6.6	8.8	9.9	5.2
BSE 500	15261	0.3	6.6	6.3	8.6	7.3	5
Nifty Jr	28021	0.5	4.4	1.1	5.6	-3.8	-0.6
Bse Mid cap	15413	0.6	6.3	1.7	7.1	-4.8	-0.2
Nse Mid Cap	18099	0.1	6.7	2.6	8.1	-4.9	1.2
BSE Small Cap	14938	0.1	6.8	2.4	5.7	-14.4	1.6
Sectoral Indian Indices							
Auto	19281	3.7	1.9	-3.1	-6.5	-22.5	-7.5
Bankex	33621	-1.6	10.9	10.5	21.1	24.8	10.7
Capital Goods	18319	-0.4	5.8	-0.4	7.6	-1.3	-2.7
Consumer Durables	23446	-1	9.1	14	26.4	8.3	13.3
FMCG	11643	-1	2	-0.6	4.6	11.6	-1.6
Health Care	14320	0.8	3.1	3.6	-1.6	6.6	2.8
IT	15379	1	0.1	10.7	1.6	27	9.2
Metal	11476	3.4	4.9	2.1	-15.7	-12.5	-3.1
Oil & Gas	14708	-2.9	5.5	8.9	5.8	1.3	7
Power	2029	0.4	9.7	3.2	4.5	-6	1.5
PSU (State Owned Enterprises)	7536	-0.5	9.8	5.1	5.5	-3.5	4.1
Realty	2111	2.2	17.5	15.6	27.2	-5.1	17.4
Teck(TMT)	7660	0.9	0.3	9.3	2.5	17.7	8.4

Source: IIFL

Net Investments by FPIs, DIIs, and MFs in the cash market (US$ mn)

Net Investments by FPIs, DIIs and MFs in the Equity cash market			
	FPIs	**DIIs**	**MFs**
CY2007	17,810	6,039	1,625
CY2008	(12,173)	16,940	3,325
CY2009	17,639	5,334	(1,169)
CY2010	29,322	(4,750)	(6,052)
CY2011	(512)	5,943	1,273
CY2012	24,548	(10,859)	(3,880)
CY2013	19,987	(13,042)	(3,602)
CY2014	16,162	(5,088)	3,915
CY2015	3,275	10,201	11,071
CY2016	2,902	5,434	7,092
CY2017	7,716	14,042	18,324
CY2018	(4,557)	15,900	17,528
CY2019	6,845	(1,763)	216

Source: Data as on 29th March 2019. Edelweiss, Economic Times, Kotak Institutional Equities, Bloomberg

Investing & Elections:

We will not take a chance on guessing on what the market will be like in 2019. Not because we don't want to, but simply because we don't know. We know at this time of the year, it is fashionable and probably expected to prognosticate about the next year, but we will refrain from that. Instead let us talk about a few important things that we should keep our eyes out for.

First, let's talk about the elephant in the room and get it out of the way - the general elections. Historically, Indian market has had large swings immediately before or after the general elections. However, if we have a Five Year view, elections and their results don't matter much. In 2004, Nifty went circuit down post-elections (Congress Govt came to power), and yet the market went on to have a great bull rally for the next three years. Exactly, the opposite happened in 2009 (Congress govt was re-elected and market went circuit up i.e. 20% and then did not do much for the next two -three years.

In the US elections, when Trump won, markets were expected to crash, yet they rallied. Recently, in the state elections, the ruling party lost in three major states, yet the market went up instead of falling as was generally expected.

We would argue that not only is it not possible to figure out election results, but it is not important to do so for investing.

Don't go by tags: Socialist, reformer, business-friendly, etc. are tags used by the media to describe the political ideologies or stances. But, don't let them fool you. Did you know that best stock-market performance came during V P Singh's 1989-1990 regime? The Sensex shot up by 73% in 11 months during the regime of a socialist PM who is knowing for accepting the recommendations of Mandal Commission.

Reform the norm: It is commonly believed that certain political ideologies are reform-friendly, while others are not. This may be an urban legend only. India's reform programme and economic direction move in the same direction, notwithstanding who is in charge. During the Janata Dal rule of 1989-90, Sebi was set up (Capital Controller of Issues was dismantled), restrictions on capital goods imports were eased and serious thought was given on trade policy reforms. Rao's 1991-96 government gave economic reforms a new meaning, with delicensing of industries, allowed 51% FDI under automatic route, NSE was set up, demat of shares happened, direct taxes and customs duties were slashed. Vajpayee's 1998-2004 dispensation initiated the privatization drive for Maruti, VSNL, CERC Act was brought in for power sector, Golden Quadrilateral project started and IRDA was set up, etc.

Continuity in thought: Our country's political opponents may be die-hard adversaries, but their thinking on economic policies are not very different. If disinvestment was started by Congress, NDA continued it. If original insurance sector reforms were started by the NDA regime of Vajpayee, it was continued by Manmohan Singh's UPA and further carried forward by the second NDA dispensation led by Narendra Modi. Aadhaar was introduced in UPA time and it was enhanced further by NDA with the Jan Dhan-Aadhaar-Mobile (JAM) concept.

Movement of India's stock market under various governments

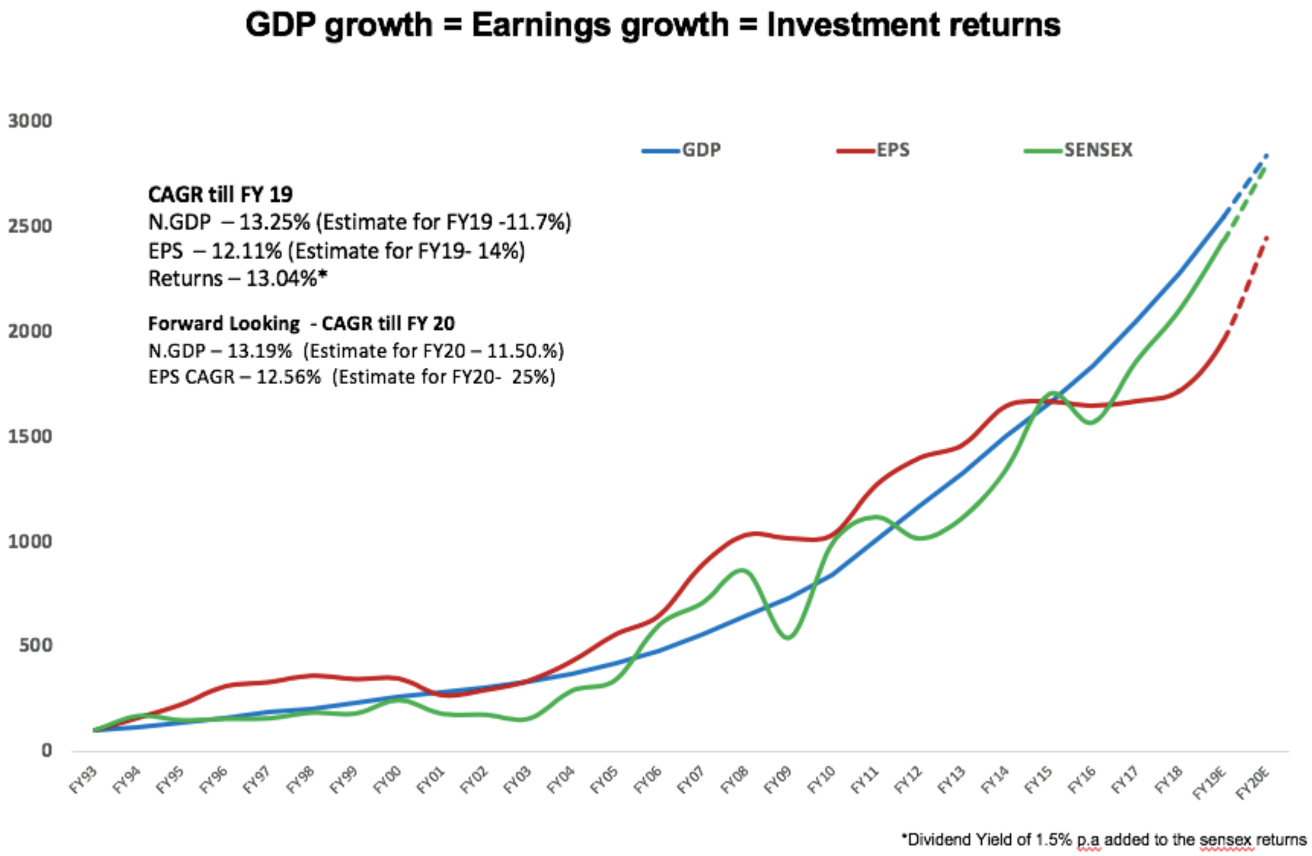
Government-headed by	Start	End	Tenure	Market returns (%)
Janata Party - Mr. Morarji Desai	April-79	July-79	4 months (*)	15.86
Janata Party - Mr. Charan Singh	July-79	June-80	1 year	5.43
Congress - Mrs. Indira Gandhi	July-80	October-84	4 years 3 months	20.28
Congress - Mr. Rajiv Gandhi	November-84	November-89	5 years	20.82
Janata Dal - Mr. V.P. Singh	December-89	November-90	11 months	73.43
Janata Dal - Mr. Chandrashekar	November-90	June-91	8 months	6.15
Congress - Mr. P.V. Narasimha Rao	June-91	May-96	4 years 11 months	24.46
NDA - Mr. Atal Bihari Vajpayee	May-96	May-96	13 days	2.30
United Front - Mr. H.D. Deve Gowda	June-96	April-97	11 months	3.10
United Front - Mr. I.K. Gujral	April-97	March-98	10 months	1.30
NDA - Mr. Atal Bihari Vajpayee	March-98	May-04	6 years 2 months	3.31
UPA - Dr. Manmohan Singh	May-04	May-14	10 years	17.66
NDA - Mr. Narendra Modi	May-14	Till date	4 years 5 months	10.68

Notes: (1) Market returns calculated as CAGR returns by the BSE Sensitive Index during the respective periods. (*) (2) The BSE Sensitive Index was instituted in April 1979. Therefore, the four-month period of the Janata Party denotes the time when the Index was available. The Janata government took over in March 1977. Source: 'How important is an election result to a stock market investor', DHFL Pramerica Mutual Fund.

In short, there isn't much correlation between political stance and market returns. Investors should not invest based on anticipated political outcomes. It is actually important to see the big picture, rather than worry about micros.

As we have seen over the years, successive governments despite being led by so-called different political ideologies have stuck to business continuity and even with policies. Policy tweaks have happened, but the direction of reforms has not been diametrically opposite.

Hence, it is important for investors to invest based on fundamentals India is a $2.5 trillion economy today. At the current pace, we should double in 8-9 years and then double again in another 8-9 years. In this while, the market cap should also go up substantially from current levels, as Over a long term Nominal GDP Growth = Earnings Growth = Market Returns.



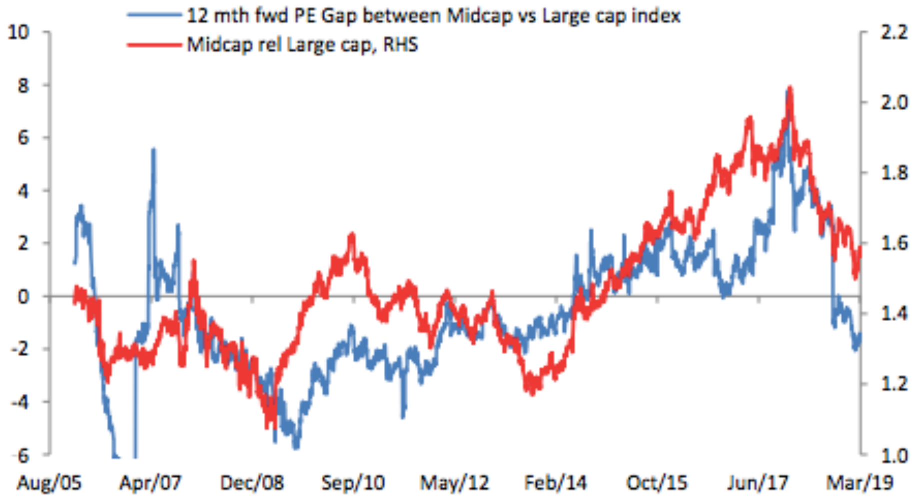
Source: UNIFI Capital

Mid-cap vs. large-cap valuations:

Mid-cap valuations have corrected after December 2017 and are now trading at a 10% discount to Nifty vs. 38% premium at that time (12-month forward PE). On price to-book mid-caps are trading around LTA compared with large-caps. Current mid-cap12-month forward PE is 16x vs. large-cap PE of 17.6x. As the divergence between large-caps and mid-caps is high, we believe the broader market will recover soon – this has already started in the pre-election rally.

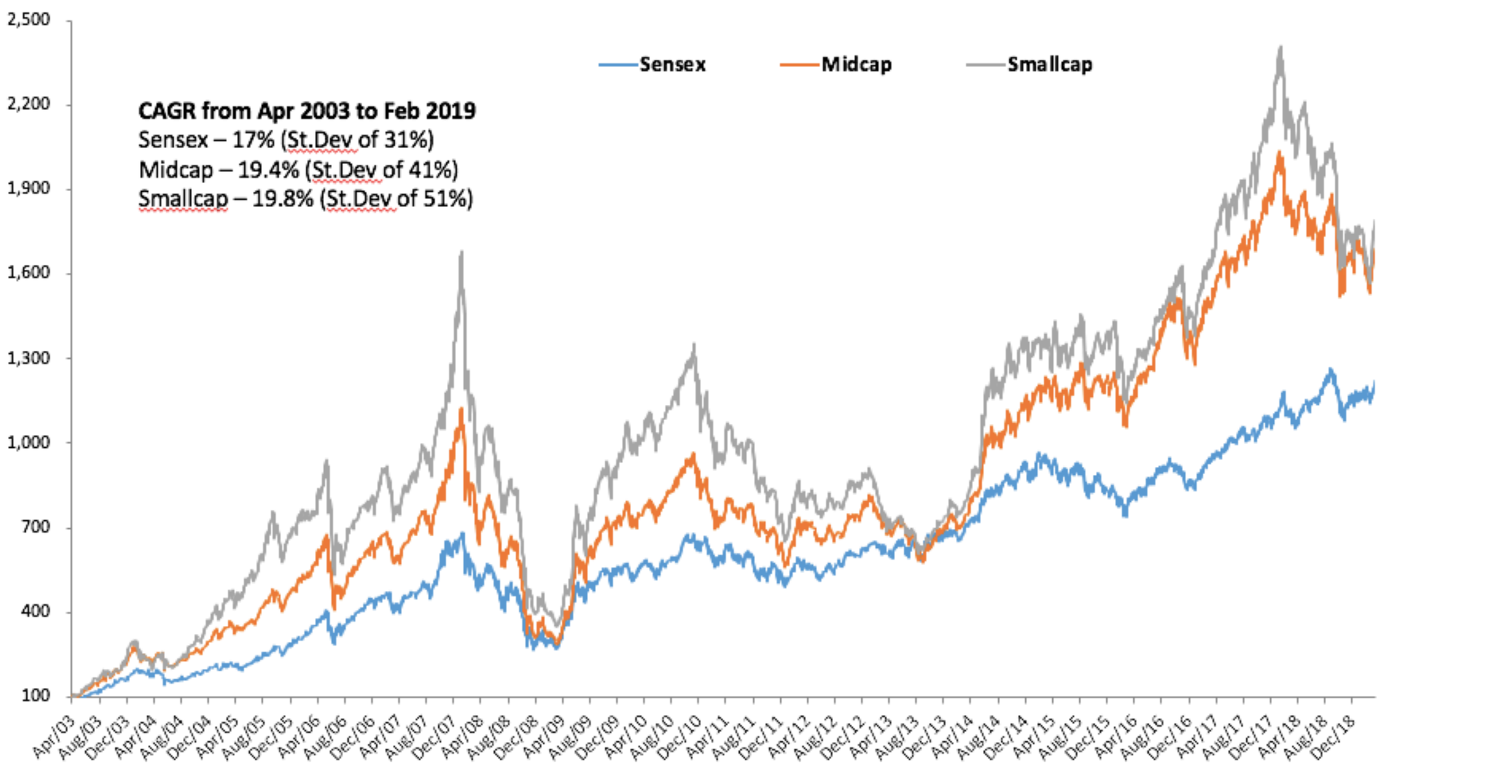
The PE gap between mid-caps and large-caps has reached 2014 levels – it was at its maximum in December 2017 (at the time mid-caps were trading 7.8x more than large-caps). After that, mid-cap stocks corrected more than large-caps in terms of 12-month forward PE. Presently, mid-cap valuations looks good – providing valuation comfort to investors.

PE gap between mid-caps and large-caps



Source: Bloomberg, PhillipCapital India Research

Midcaps are more rewarding & more volatile



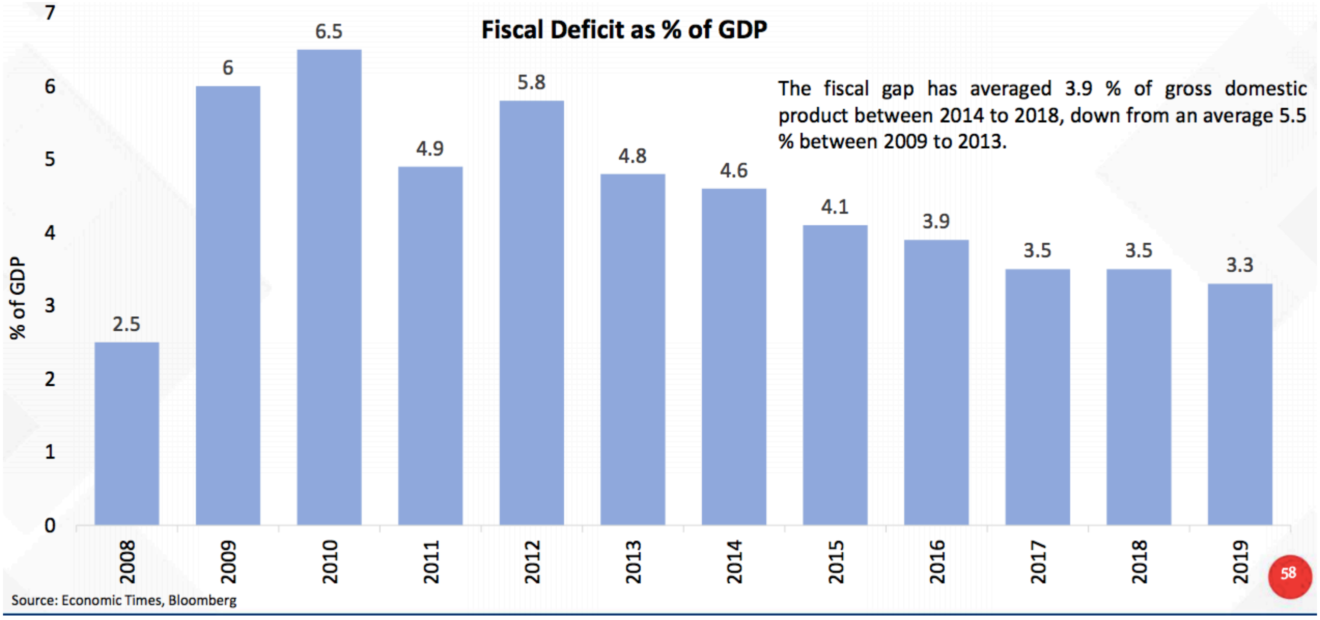
While the Nifty is off only 1.2% from its 52 week high for the year, the median stock in the Nifty 500 is down 24.4% from its 52 week high. This suggests that the headline Nifty is not reflecting the pain in the broader market. The PE gap between mid-caps and large-caps has reached 2014 levels – it was at its maximum in December 2017 (at the time mid-caps were trading 7.8x more than large-caps). After that, mid-cap stocks corrected more than large-caps in terms of 12-month forward PE.

We would suggest investors to stick to their asset allocation and take portfolio action only if there is a asset allocation distortion in their portfolios.

Debt Market:

Key Recent Events

- **Monetary Policy Update 4th April 2018** - The MPC, expectedly, cut the repo rate by 25 bps to 6% and retained its stance at 'neutral'. All except Dr Ghate and Dr Acharya voted for a rate cut. The decision to keep policy stance at neutral was more unanimous with only Dr Dholakia voting for 'accommodative' stance. CPI inflation projection for H1FY20 revised downward to 2.9-3.0% from 3.2-3.4%. GDP growth projection for FY20 revised downwards to 7.2% from 7.4%
- Central bank bought the targeted **$5 billion as part of the long term Dollar/Rupee swap auction** with a three year tenor. Rs 34,561 crore was infused into the Indian banking system
- **CPI inflation** stood at 2.57% in February compared to a revised 1.97 percent in January 2019 as the year-on-year fall in food prices eased
- **The core CPI inflation rate** for February 2019 is at 5.5% vs 5.4% in January 2019 is at 5.4%, **CPI food inflation** stood at -0.66 percent in February compared to -2.17 percent in January. **The urban inflation** stood at 3.43 per cent in February 2019 against 2.91 per cent in January 2019, **the rural inflation** stood at 1.81 per cent in February 2019 against 1.29 per cent in January
- **Goods and Services Tax (GST)** collection in March rose 15.6% from a year ago to hit ₹1.06 trillion, the highest since the new indirect tax system took effect on 1 July 2017.
- The Central Board of Direct Taxes (CBDT) has collected Rs 1,117,416.5 crore (11.17 lakh crore) in total direct taxes in FY 2018-19, a shortfall of around Rs 83,000 crore or 7.4 percent of the Rs 12 lakh crore collection target. The collection is, however, 18.3 percent higher than last year.
- Jan IIP stayed moderated significantly to 1.3% versus 2.7% in Dec due in large part to slowing growth in manufacturing(1.3% in Jan versus 2.7% in Dec), electricity (0.8% in Jan versus 4.5% in Dec) and capital goods (-3.2% in Jan versus 5.9% in Dec) sector. Construction witnessed the strongest growth of all major sectors, of 7.9% in Jan, but this was still significantly slower than the 10% seen in Dec.
- Feb trade deficit came in surprisingly low at $9.6bn, best since Sep 2017 with exports rising 2.4% YoY and imports falling 5.4% YoY. YoY import growth worsened across all categories, with 7 of the major 9 categories in negative territory. Export growth was still positive, it but well below its 3-yr avg.
- FIIs maintained Feb's buying trend in Mar to record inflows of ~$4.8bn, taking the YTD total to ~$7.1bn. DIIs however remained sellers with ouflows of ~$2bn with the YTD total standing at net outflows of ~$1.8bn.



Government borrowing Programme for FY 2019-20

Government Borrowing Programme (Rs. Cr.)	
Budgeted G-Sec Gross Borrowing for FY20	710,000
Budgeted G-Sec Net Borrowing for FY19	473,122
Budgeted Redemptions for FY20	236,878
G-Sec Gross Borrowings till Date	0
G-Sec Gross Borrowing Completed (%)	0.00%
Maturities till date	0
Net G-Sec Borrowings till date	0
Buyback till date	0
364 Day T-Bill Gross Borrowings till date	4,000
SDL auction till date	0
SDL redemptions till date	0
OMO Purchases till date	0
OMO Sales till date	0

Source: www.stcipd.com. Data as on 5th April 2019

Forex Reserves and Currency

	Forex Reserves			Currency Rates		
Country	Mar-19	Sep-13	% Change	Apr-19	Sep-13	% Change
Brazil	378.45	376.00	0.65%	3.85	2.00	-93%
China	3090.00	3644.00	-15.20%	6.71	6.10	-10%
India	405.63	247.90	63.63%	69.21	62.60	-11%
Malaysia	103.56	132.00	-21.54%	4.08	3.30	-24%
Russia	482.61	472.00	2.25%	65.36	32.40	-102%
South Africa	50.84	41.50	22.50%	14.19	10.00	-42%
Thailand	212.54	163.00	30.39%	31.70	31.20	-2%
Turkey	130.39	110.00	18.53%	5.51	2.00	-176%

Source: Bloomberg and various Central bank data

From a Peak of USD 426 bn the forex reserves have declined to around USD 405.63 bn due to intervention by the Reserve Bank of India to stem the rupee's slide and also because of capital outflows from the debt market

However we are much better placed currently as we were in 2013 another sharp period of rupee depreciation. Owing to sharp improvement in India's BOP front, India's foreign exchange reserve increased by 160 bn USD from the lows in Sep 2013 to 405.633bn USD as on March, 2019. Amongst very few emerging markets which has improved so significantly on external sector front.

DEBT MARKET OUTLOOK

The Government has frontloaded its borrowing plans, with the H1 FY20 gross borrowing of the Government at INR 4.42trn, amounting to 62.3% of the total gross borrowings for FY20. Along with this government has also announced the T-bill calendar, where INR 200bn of T-Bills supply will hit the markets every week. In order to infuse durable liquidity in the system, RBI has decided to inject Rupee liquidity for longer duration through long-term foreign exchange Buy/Sell swap. In March RBI successfully conducted a USD 5bn swap for a tenor of three years. The US Dollar amount mobilized through this auction would also reflect in RBI's foreign exchange reserves for the tenor of the swap while also reflecting in RBI's forward liabilities.

The 10-year benchmark G-Sec yield declined by 6bps to end the month at 7.34%, largely tracking the decline in global bond yields and risk-off sentiments globally. Globally the theme of slowdown continues to dominate the markets. In its Federal Open Market

Committee (FOMC) meeting the Fed kept its policy rate steady and turned even more dovish on the back of worries over US economy. Further it intends to start slowing the pace of its balance sheet normalization process in May and end it in September.

Loosening monetary and fiscal policy typically reflect a steep yield curve. Despite loosening fiscal conditions, open market operations aided the government bond yields through the second half of FY 2018 – 19. With RBI moving to foreign exchange swaps amidst prospects of further easing in rates, we expect corporate bonds to outperform government securities. RBI announcement to increase proportion of SLR for the purpose of Liquidity Coverage Ratio (LCR) will deter demand for government securities on the margin.

Hence, carry trades (accruals) will continue to find flavour and the recent MPC outcome has provided another opportunity to capture higher accruals (at lower repo rate) without diluting duration and credit profile of investments. Higher spreads and prospects of further easing in repo rates aid stability to short term (2 – 4 yrs) bonds and they continue to remain our favourite trade. We would revisit duration strategies on prospects of RBI re-introducing open market operations and more importantly if the outcome of Bimal Jalan committee (on RBI Capital Reserves) leans towards one off revenue for government in this fiscal.

In such a scenario, we would advise investors to remain invested in debt funds which prioritize safety and high liquidity and look at lower mark to market risk to allocate monies to short term / run down maturity debt mutual funds primarily investing in instruments with AAA credit rating from CRISIL / ICRA open ended funds with run-down maturities.

Change in Fixed Income Variables as on 5th April 2019

Certificate Of Deposit (CD)	05-Apr-19	31-Dec-18	31-Oct-18	29-Jun-18	28-Mar-18	31-Dec-17	29-Sep-17
3 MONTHS	6.95%	6.85%	7.50%	6.90%	6.90%	6.35%	6.12%
6 MONTHS	7.05%	7.70%	8.35%	7.40%	7.15%	6.90%	6.38%
1 Year	7.33%	7.98%	8.50%	8.15%	7.25%	7.05%	6.52%
Commercial Paper (CP)							
3 MONTHS	7.50%	7.25%	8.65%	7.50%	7.50%	6.90%	6.55%
6 MONTHS	7.65%	8.25%	9.00%	8.05%	7.70%	7.50%	6.75%
1 Year	7.90%	8.75%	9.18%	8.40%	7.80%	7.70%	7.10%
GOVERNMENT SECURITIES							
7.26% GOI 2029 (New)	7.32%	7.36%	7.88%	7.90%	7.30%	7.37%	6.62%
7.17% GOI 2028 (Old)	7.48%	7.65%	7.89%	8.07%	7.44%	7.31%	6.88%
AAA CORPORATE YIELDS							
NON PSU							
1 YEAR	7.95%	8.65%	9.20%	8.30%	7.70%	7.80%	7.05%
3 YEAR	8.05%	8.52%	9.00%	8.45%	8.00%	7.92%	7.38%
5 YEAR	8.25%	8.55%	9.15%	8.68%	8.20%	7.95%	7.48%
10 YEAR	8.60%	8.66%	9.07%	8.62%	8.30%	8.00%	7.63%
PSU							
1 YEAR	7.45%	8.20%	8.65%	8.20%	7.35%	7.35%	6.75%
3 YEAR	7.60%	8.10%	8.75%	8.40%	7.57%	7.60%	6.98%
5 YEAR	7.70%	8.16%	8.83%	8.52%	7.77%	7.76%	7.10%
10 YEAR	8.29%	8.34%	8.75%	8.54%	7.88%	7.85%	7.42%
10 YR US Treasury	2.52%	2.73%	3.14%	2.85%	2.79%	2.43%	2.32%
NYMEX (OIL $)	61.96	45.92	66.46	73.16	64.69	60.30	51.48
BRENT CRUDE ($)	69.14	54.05	76.39	77.77	69.59	66.63	57.43
CALL	6.05	6.60	6.52	6.10	6.10	6.20	6.05
RUPEE	69.029	69.789	73.900	68.660	64.840	64.070	65.394
Gold $	1289.80	1280.48	1217.89	1251.65	1340.37	1296.18	1286.18
Repo Rate (%)	**6.25**	**6.50**	**6.50**	**6.25**	**6.00**	**6.00**	**6.00**
Reverse Repo Rate (%)	**6.00**	**6.25**	**6.25**	**6.00**	**5.75**	**5.75**	**5.75**
Cash Reserve Ratio (CRR) (%)	**4.00**	**4.00**	**4.00**	**4.00**	**4.00**	**4.00**	**4.00**
Statutory Liquidity Ratio (SLR) (%)	**19.25**	**19.50**	**19.50**	**19.50**	**19.50**	**19.50**	**20.00**
Sensex (Opening)	38839.52	36239.19	33963.09	35128.16	33098.09	33889.39	31367.25

Source: IDFC AMC

Performance of UNIFI PMS as on 29th March 2019

DVD Monthly Performance in %

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
CY12												-0.81%	**-0.81%**
CY13	0.66%	-3.56%	-1.32%	2.22%	0.83%	-3.32%	-2.89%	1.24%	3.94%	4.88%	7.14%	9.99%	**20.55%**
CY14	-5.66%	8.12%	8.43%	8.58%	18.59%	11.38%	3.69%	16.17%	-2.17%	1.45%	10.98%	8.99%	**129.41%**
CY15	6.17%	-3.16%	7.32%	-3.11%	4.22%	-2.36%	11.85%	0.92%	0.54%	-3.32%	2.66%	6.70%	**30.75%**
CY16	-4.66%	-8.83%	10.08%	7.60%	-2.43%	8.55%	5.76%	0.27%	3.24%	9.06%	-4.32%	-2.20%	**21.83%**
CY17	3.58%	2.95%	4.50%	6.37%	2.57%	2.55%	4.82%	0.27%	1.37%	6.97%	1.39%	3.94%	**49.75%**
CY18	-3.08%	-3.91%	-2.13%	7.99%	-5.67%	-2.84%	4.73%	2.23%	-10.05%	0.76%	0.08%	3.76%	**-9.10%**
CY19	-6.92%	0.79%	9.60%										**2.81%**

Hold Co Monthly Performance in %

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
CY14							9.18%	11.86%	31.92%	1.79%	12.49%	-2.85%	**79.23%**
CY15	2.90%	-4.47%	-2.54%	3.79%	4.93%	-0.88%	10.38%	-8.74%	-2.70%	11.02%	3.87%	2.23%	**19.52%**
CY16	-11.07%	-11.45%	12.71%	4.30%	1.56%	6.40%	3.17%	18.74%	-2.18%	14.56%	-13.18%	-1.29%	**17.69%**
CY17	7.60%	4.66%	16.21%	8.73%	-4.42%	2.04%	1.87%	6.18%	3.36%	9.45%	2.38%	16.70%	**102.93%**
CY18	7.14%	-3.66%	-8.93%	14.48%	5.91%	-6.06%	2.61%	8.71%	-15.27%	-4.96%	4.89%	1.02%	**-21.53%**
CY19	-7.13%	-1.85%	8.89%										**-0.74%**

Spin - Off Monthly Performance in %

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
CY14												3.50%	**3.50%**
CY15	3.59%	-0.27%	2.25%	-3.21%	2.04%	-3.24%	9.20%	-2.66%	7.65%	0.58%	14.52%	2.51%	**36.37%**
CY16	-7.19%	-15.39%	15.74%	5.43%	1.52%	2.01%	5.99%	0.73%	-1.54%	11.67%	-11.08%	-2.77%	**0.72%**
CY17	6.76%	1.88%	2.64%	10.11%	2.41%	1.52%	4.67%	1.96%	2.14%	5.10%	2.82%	9.52%	**64.90%**
CY18	-0.14%	-1.07%	-4.82%	9.14%	-4.65%	-4.89%	4.33%	4.88%	-17.93%	0.20%	-1.31%	1.97%	**-15.73%**
CY19	-7.76%	3.63%	8.31%										**-3.72%**

APJ20 Monthly Performance in %

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
CY15									5.78%	0.48%	2.65%	4.38%	**13.88%**
CY16	-5.88%	-11.24%	16.32%	3.48%	6.02%	4.07%	2.34%	5.54%	-3.48%	3.85%	-1.37%	-1.24%	**17.00%**
CY17	8.75%	-0.06%	10.54%	3.82%	-1.31%	0.59%	4.28%	-1.90%	4.05%	10.74%	-1.07%	6.50%	**53.78%**
CY18	-4.09%	-3.53%	-4.05%	-2.59%	-7.73%	-8.66%	2.44%	0.36%	-11.73%	-2.49%	2.16%	1.66%	**-29.47%**
CY19	-7.26%	-0.98%	9.99%										**1.00%**

Green Monthly Performance in %

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
CY17	-0.21%	4.51%	3.03%	6.45%	3.80%	1.64%	2.66%	0.10%	0.92%	6.99%	4.02%	0.96%	**40.61%**
CY18	-0.49%	-6.14%	-4.80%	12.45%	-6.99%	-4.82%	1.79%	-1.69%	-12.13%	-1.66%	-3.26%	1.58%	**-24.79%**
CY19	-5.28%	-3.26%	9.44%										**0.28%**

Blended –Rangoli Monthly Performance in %

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
CY17						0.62%	7.59%	-0.31%	3.05%	11.60%	0.64%	6.26%	**32.72%**
CY18	-0.71%	3.71%	-6.56%	7.40%	-7.65%	-3.48%	3.33%	-1.26%	-9.21%	3.02%	1.22%	4.04%	**-14.05%**
CY19	-4.95%	-1.76%	9.04%										**1.82%**

Business Consolidations After Disruptions [BCAD] Monthly Performance in %

Year	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Year
CY18					0.32%	-0.06%	1.96%	2.91%	-8.74%	-0.48%	2.16%	1.78%	**-0.66%**
CY19	-3.50%	-0.75%	7.02%										**2.48%**

Source: UNIFI Capital. The above returns are post management fee and before performance fee

Performance of Mutual Funds as on 2nd Apr 2019

Debt Fund Category - Average	Annualised Returns (%)					CAGR (%)			
	1W	2W	1M	3M	6M	1Y	2Y	3Y	5Y
Liquid Funds	9.12	7.82	7.18	6.85	7.00	6.76	6.74	6.77	7.42
Liquid Plus / Ultrashort term funds	16.34	11.07	10.04	8.37	7.65	6.41	6.50	6.97	7.72
Short Duration Funds	26.64	18.20	16.60	10.32	9.89	6.94	6.54	7.27	7.82
Credit Risk Funds	21.26	15.90	15.18	7.40	7.12	5.10	6.00	7.22	8.36
Dynamic Bond Funds	29.83	28.26	21.95	9.77	11.51	6.85	5.53	7.31	8.54
Gilt Funds	23.12	26.36	18.56	8.26	13.20	7.28	5.04	7.55	9.29
Equity Fund Category - Average	**Absolute Returns (%)**					**CAGR (%)**			
	1W	2W	1M	3M	6M	1Y	2Y	3Y	5Y
Large Cap	1.98	1.53	7.12	6.66	6.05	8.30	9.34	13.08	12.98
Mid Cap	2.33	1.83	6.55	4.00	6.59	-2.57	5.25	13.48	17.95
Small Cap	2.76	1.80	8.32	4.25	6.09	-9.74	4.33	13.87	20.05
Multi Cap	2.05	1.54	6.96	5.75	6.04	4.72	8.11	13.73	15.07
Aggressive Hybrid Funds	1.76	1.44	5.97	4.98	5.40	4.96	7.55	11.77	12.91
Arbitrage Funds	9.63	7.44	5.54	5.28	5.76	5.48	5.63	6.02	6.62
Index									
S&P BSE Sensex	2.15	1.81	8.30	8.82	6.93	17.44	14.79	15.60	11.60
Nifty 50	2.00	1.57	7.82	8.53	6.40	14.70	12.96	14.93	11.64
S&P BSE MID CAP	3.15	2.19	7.25	2.11	4.80	-3.91	5.03	13.47	16.65
S&P BSE Small Cap	2.95	1.64	8.12	3.13	5.01	-13.09	2.33	12.41	15.92

Source: Kotak, ICRA

Disclaimer