

Monthly Market Round-Up

News at Glance

February 2025

Global News

- US Federal Open Market Committee Meeting (FOMC) minutes indicated a wait and watch approach by FED to assess the impact of trade wars and other uncertainties on the economy and inflation before cutting rates further.
- Rising economic worries and tariff fears lead to a fall in the US equity markets for the month of February.
- Global Equity Markets witnessed volatility post US President Donald Trump's announcement regarding a 'Fair and reciprocal' tariff plan on all US trading partners.
- US Bond Market witnessed major rally in February pushing Treasury yields to their lowest levels for the year.
- US Dollar Index declined 4% in February breaking down its four month rally that began in October 2024. The decline was mainly due to softening of US Treasury Yields and uncertainty around US trade policies.
- Oil prices fell and settled at a two-month low amidst concerns related to tariff fears and possible end to the Russia-Ukraine war.

Domestic News

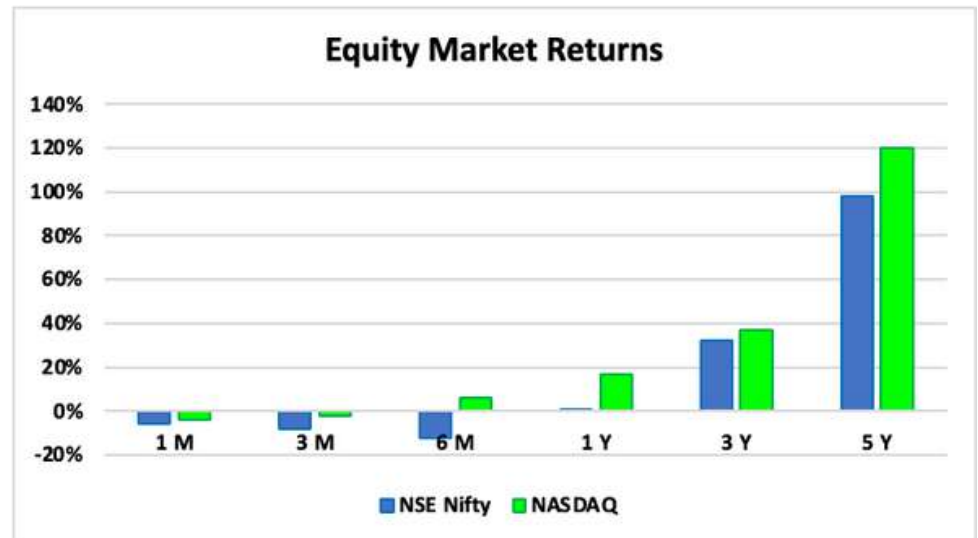
- The Finance Minister presented Union Budget 2025-26 on 01 February. The budget was reform oriented and transformative with continued focus on accelerating growth, inclusive development, enhancing spending power of India's rising middle class while retaining fiscal prudence.
- RBI Monetary Policy Committee headed by the new RBI Governor Sanjay Malhotra announced reduction in repo rate by 25 basis points (bps) to 6.25% from 6.5%. This was the first interest rate cut in nearly five years.
- Indian Equities went into a bearish trend owing to global uncertainties, intensified FII selling and muted Q4 earnings by India Inc.
- Inflation in India eased to 4.31% in January 2025, down from 5.22% in December, primarily due to slowing food price rises.
- GST Collection in February 2025 rises 9.1% to ₹1.84 lakh crore.

Source: www.moneycontrol.com, www.reuters.com,

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India & USA: Equity Markets

Period	Nifty 50	NASDAQ
1 month	-6%	-4%
3 month	-8%	-2%
6 month	-12%	6%
1 Year	1%	17%
3 Year	32%	37%
5 Year	98%	120%



Source: www1.nseindia.com, www.bseindia.com, Data as on 28-February-2025

Indian Equities



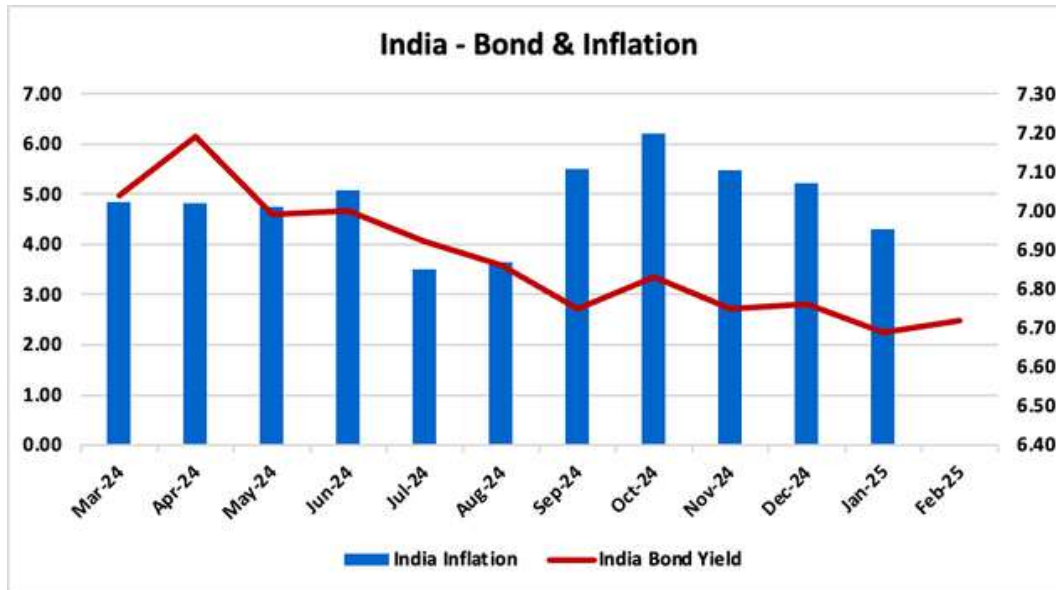
Performance of major indices over last months:

- Nifty 50: -6%
- Nifty Midcap: -16%
- Nifty Small Cap: -22%

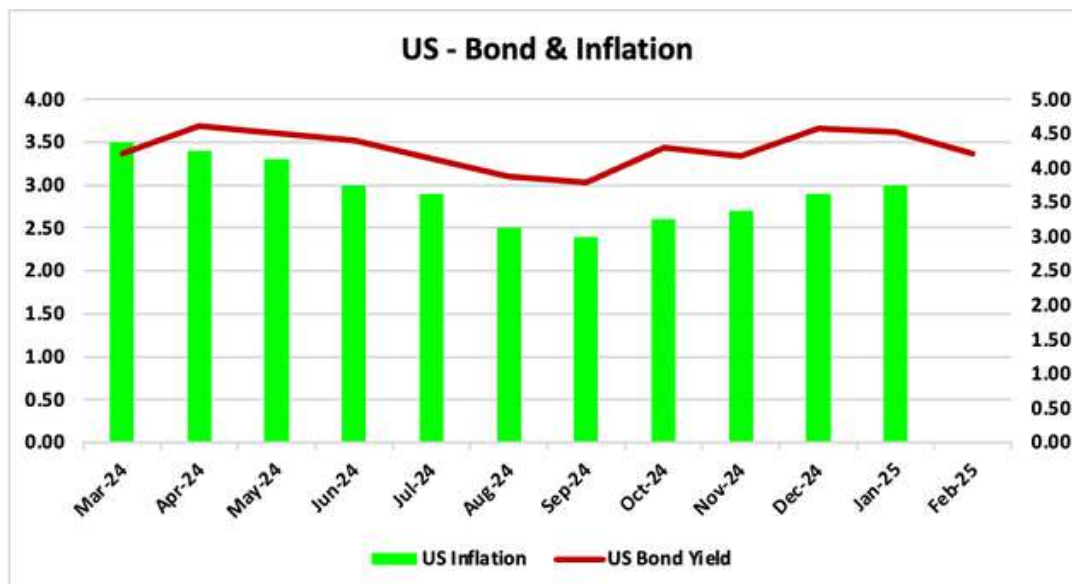
The fall in Indian Equity continued this month owing to intensified FII selling amidst uncertainties surrounding US trade policies.

Source: www1.nseindia.com, www.bseindia.com, Data as on 28-February-2025

India & USA: Debt Markets & Inflation



- RBI MPC announced 25 bps rate cut this month bringing repo rate down from 6.50% to 6.25%
- G-Sec yields continued to rise due to lack of clarity given by RBI regarding liquidity measures.



- US tariff fears and rising global economic worries lead to a rally in US Bond markets as yields fell to 4.20% from 4.52% last month.
- FOMC minutes clearly indicated a wait and watch approach by FED before deciding on further rate cuts.

Mutual Fund Scheme Performance

Category - Equity

Performance by Mutual Fund Category (%) as on 28-February-2025

3 Months	6 Months	1 Year	3 Years	5 Years	10 Years
Large Cap (-10.8)	Large Cap (-14.1)	Mid Cap 2.5	Mid Cap 16.8	Small Cap 24.6	Small Cap 15.0
ELSS (-13.4)	Flexi Cap (-16.0)	Large & MidCap 2.3	Small Cap 16.0	Mid Cap 21.2	Mid Cap 14.1
Flexi Cap (-13.6)	ELSS (-16.1)	Large Cap 1.2	Multi Cap 15.7	Multi Cap 19.5	Multi Cap 12.9
Large & MidCap (-13.8)	Large & MidCap (-16.3)	Flexi Cap 0.7	Large & MidCap 14.3	Large & MidCap 18.1	Large & MidCap 12.5
Multi Cap (-14.7)	Multi Cap (-17.0)	Multi Cap 0.7	ELSS 13.2	ELSS 17.2	Flexi Cap 11.9
Mid Cap (-16.1)	Small Cap (-18.6)	ELSS 0.6	Flexi Cap 12.3	Flexi Cap 16.7	ELSS 11.7
Small Cap (-20.0)	Mid Cap (-20.7)	Small Cap -1.8	Large Cap 11.3	Large Cap 14.9	Large Cap 10.3

Large Caps continue to outperform other broader indices as FII sell off intensifies.

Mutual Fund Scheme Performance

Category - Debt

Performance by Mutual Fund category as on 28-February-2025

1 Month	3 Months	6 Months	1 Year	3 Years
Money Market 0.54	Medium Duration 1.72	Medium Duration 3.79	Medium Duration 7.93	Liquid 6.50
Medium Duration 0.53	Liquid 1.71	Short Duration 3.55	Corporate Bond 7.62	Money Market 6.50
Liquid 0.53	Money Market 1.70	Money Market 3.51	Short Duration 7.49	Medium Duration 6.48
Low Duration 0.53	Low Duration 1.65	Corporate Bond 3.48	Money Market 7.30	Short Duration 6.35
Ultra Short Duration 0.52	Ultra Short Duration 1.64	Low Duration 3.47	Low Duration 7.30	Low Duration 6.27
Short Duration 0.44	Short Duration 1.60	Liquid 3.46	Liquid 7.20	Ultra Short Duration 6.18
Corporate Bond 0.37	Corporate Bond 1.51	Ultra Short Duration 3.38	Ultra Short Duration 7.02	Corporate Bond 6.08

Rise in 10 Y G-Sec yields lead to underperformance in Debt Funds.