

Monthly Market Round-Up

News at Glance

January 2025

Global News

- US Federal Reserve, post a series of rate cuts since September 2024, decided to keep interest rates steady in the monetary policy meet held in January 2025. The pause in interest rates by US FED signals a cautious approach as it assesses economic conditions.
- US Equity Markets were rattled this month owing to sell off in tech stocks due to concerns regarding Chinese AI start up Deepseek's open source AI model claiming to outperform Open AI, Google and Meta.
- US Treasury yields after reaching a peak of almost 4.80 levels this month slipped to 4.54 by the end of the month as investors sought out safe-haven assets amid a massive stock market sell-off.
- US President Donald Trump imposed 25% tariff each on Mexican and most Canadian imports and 10% on imports from China. This has shaken equity markets across the globe and accelerated sell-off in emerging equity markets.
- US Dollar remained steady at 108.00 ahead of the anticipated tariff implementation on Canada and Mexico.

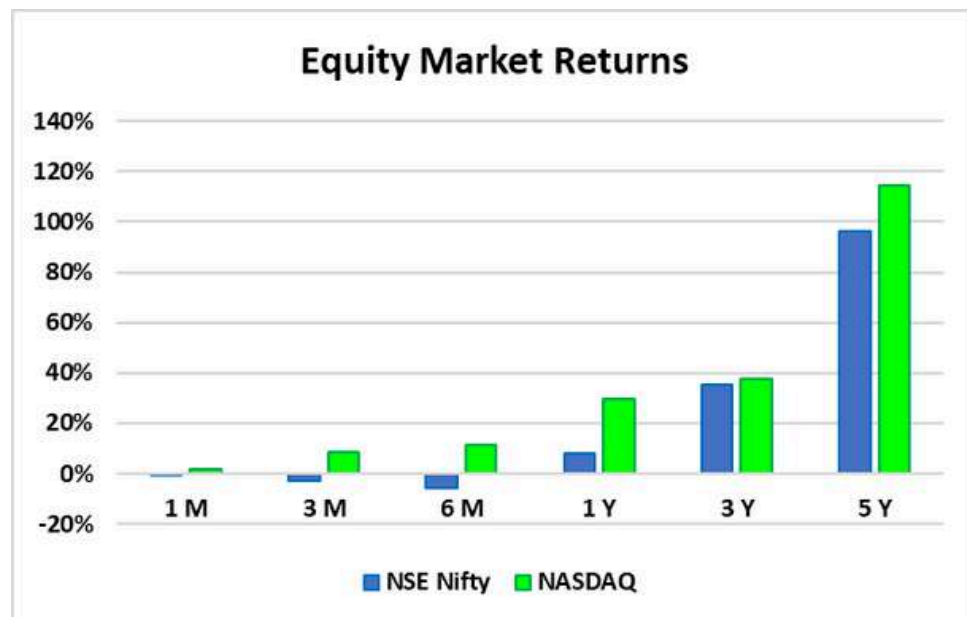
Domestic News

- Reserve Bank of India announced a three pronged measure including OMOs, VRR auction and \$-rupee buy-sell swap to address tight liquidity conditions in the banking system. This step is expected to inject about Rs.1.5 trillion into the system.
- The liquidity injection by RBI lead to a fall in Indian G-Sec yields to the 6.7% mark in January.
- This month marked the inclusion of Indian Government Bonds in the Bloomberg Emerging Markets (EM) Local Currency Government Indices, with a phased 10-month inclusion. This move is expected to boost foreign investor participation.
- Indian Equity Markets continued to decline due to persistent over selling by FIIs, modest Q3 earnings, rising US bond yields and US Dollar, stretched valuations in small and mid caps and concerns over global liquidity tightening.
- GST Collections for the month surged over 12% to touch 1.25 Lakh crore. This is the second highest collection in the current fiscal after ₹2.10 lakh crore in April.

Monthly Market Round-Up

India & USA: Equity Markets

Period	Nifty 50	NASDAQ
1 month	-1%	2%
3 month	-3%	8%
6 month	-6%	12%
1 Year	8%	29%
3 Year	36%	38%
5 Year	97%	114%



Source: www1.nseindia.com, www.bseindia.com, Data as on 31-Jan -2025

Indian Equities



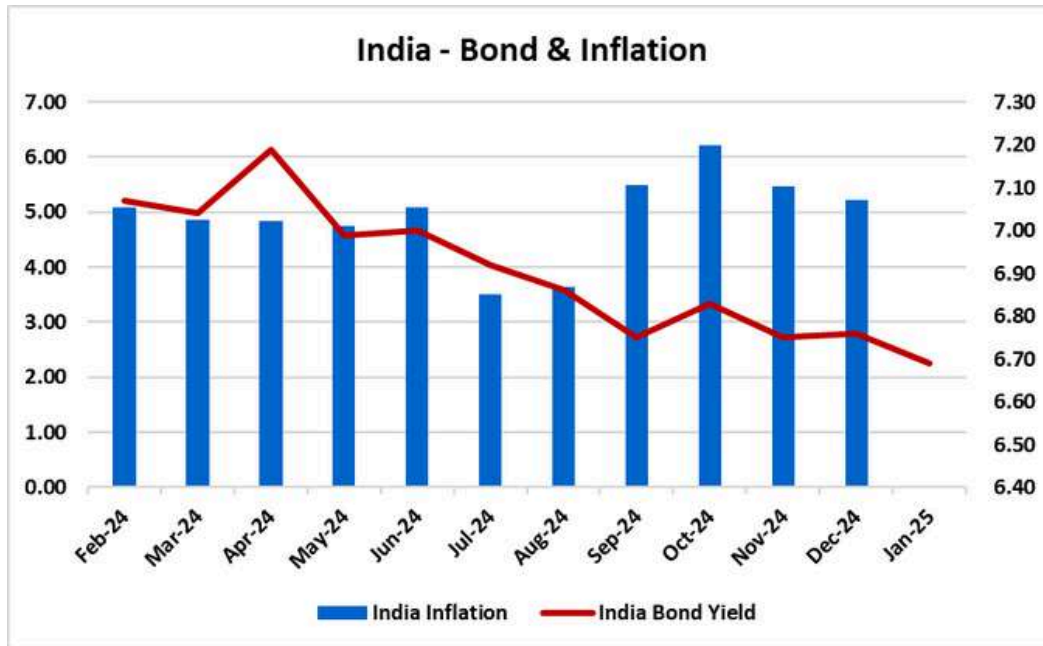
Performance of major indices over last 2 months:

- Nifty 50: -6%
- Nifty Midcap: -11%
- Nifty Small Cap: -15%

The fall in Indian equity indices is in-line with performance of other emerging equity markets and it can largely be attributed to investment outflows from equity markets back to US shores.

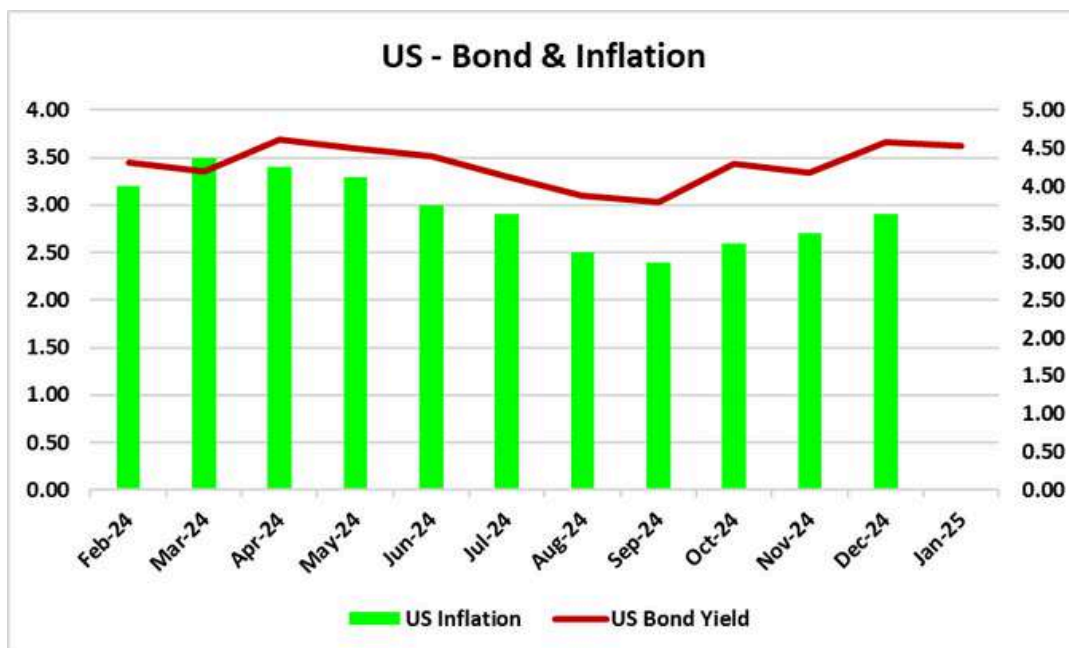
Source: www1.nseindia.com, www.bseindia.com, Data as on 31-Jan -2025

India & USA: Debt Markets & Inflation



- Indian G-Sec Yields fell and ended at 6.76 due to RBI's three pronged liquidity measure announced this month. This has raised expectations of a possible rate cut by central bank in the upcoming February Monetary Policy meet.

- Inclusion of Indian Government Bonds in the Bloomberg Emerging Markets (EM) index this month is also expected to boost foreign investor participation.



- US Federal Reserve adopted a cautious approach by keeping interest rates steady this month after a series of rate cuts since September 2024.

- Rising US Treasury yields took a breather as yields from a peak of 4.80 levels fell to 4.54 at the end of January 2025.

Mutual Fund Scheme Performance

Category - Equity

Performance (%) as on 31-January- 2025

Category	6 month	1 year	3 year	5 year	10 year
Large Cap	-6.8	10.4	12.3	15.3	11.1
Large & Midcap	-7.2	13.6	15.6	19.1	13.5
Multi Cap	-7.1	12.1	17.3	20.5	14.1
Flexi Cap	-7.4	11.5	14.0	17.4	12.7
Mid Cap	-8.7	15.1	18.7	22.8	15.2
Small Cap	-8.4	10.5	18.1	26.7	16.5
ELSS	-7.8	11.3	14.4	17.8	12.7

Performance by Mutual Fund category

6 Months	1 Year	3 Years	5 Years	10 Years
Large Cap	Mid Cap	Mid Cap	Small Cap	Small Cap
Multi Cap	Large & MidCap	Small Cap	Mid Cap	Mid Cap
Large & MidCap	Multi Cap	Multi Cap	Multi Cap	Multi Cap
Flexi Cap	Flexi Cap	Large & MidCap	Large & MidCap	Large & MidCap
ELSS	ELSS	ELSS	ELSS	Flexi Cap
Small Cap	Small Cap	Flexi Cap	Flexi Cap	ELSS
Mid Cap	Large Cap	Large Cap	Large Cap	Large Cap

- After prolonged underperformance, Large Cap schemes have outperformed other broader indices, largely due to relatively lesser impact of over selling in the market on Large caps as compared to Small and Mid caps.

Mutual Fund Scheme Performance

Category - Equity

Performance (%) as on 31-January- 2025

3 Months	6 Months	1 Year	3 Years	5 Years	10 Years
Large Cap (4.0)	Large Cap (6.8)	Mid Cap 15.1	Mid Cap 18.7	Small Cap 26.7	Small Cap 16.5
Large & MidCap (5.2)	Multi Cap (7.1)	Large & MidCap 13.6	Small Cap 18.1	Mid Cap 22.8	Mid Cap 15.3
Flexi Cap (5.6)	Large & MidCap (7.2)	Multi Cap 12.1	Multi Cap 17.3	Multi Cap 20.5	Multi Cap 14.1
Multi Cap (5.8)	Flexi Cap (7.4)	Flexi Cap 11.5	Large & MidCap 15.6	Large & MidCap 19.1	Large & MidCap 13.5
ELSS (5.8)	ELSS (7.8)	ELSS 11.3	ELSS 14.4	ELSS 17.8	Flexi Cap 12.7
Mid Cap (6.4)	Small Cap (8.4)	Small Cap 10.5	Flexi Cap 14.0	Flexi Cap 17.4	ELSS 12.7
Small Cap (9.0)	Mid Cap (8.7)	Large Cap 10.4	Large Cap 12.3	Large Cap 15.3	Large Cap 11.1

After prolonged underperformance, Large Cap schemes have outperformed other broader indices, largely due to relatively lesser impact of over selling in the market on Large caps as compared to Small and Mid caps.

Monthly Market Round-Up



Mutual Fund Scheme Performance

Category - Equity

Performance (%) as on 31-January- 2025

1 Month	3 Months	6 Months	1 Year	3 Years	5 Years	10 Years
Large Cap (2.9)	Large Cap (4.0)	Large Cap (6.8)	Mid Cap 15.1	Mid Cap 18.7	Small Cap 26.7	Small Cap 16.5
ELSS (5.5)	Large & MidCap (5.2)	Multi Cap (7.1)	Large & MidCap 13.6	Small Cap 18.1	Mid Cap 22.8	Mid Cap 15.3
Flexi Cap (5.7)	Flexi Cap (5.6)	Large & MidCap (7.2)	Multi Cap 12.1	Multi Cap 17.3	Multi Cap 20.5	Multi Cap 14.1
Large & MidCap (5.9)	Multi Cap (5.8)	Flexi Cap (7.4)	Flexi Cap 11.5	Large & MidCap 15.6	Large & MidCap 19.1	Large & MidCap 13.5
Multi Cap (6.4)	ELSS (5.8)	ELSS (7.8)	ELSS 11.3	ELSS 14.4	ELSS 17.8	Flexi Cap 12.7
Mid Cap (7.9)	Mid Cap (6.4)	Small Cap (8.4)	Small Cap 10.5	Flexi Cap 14.0	Flexi Cap 17.4	ELSS 12.7
Small Cap (9.3)	Small Cap (9.0)	Mid Cap (8.7)	Large Cap 10.4	Large Cap 12.3	Large Cap 15.3	Large Cap 11.1

Mutual Fund Scheme Performance

Category - Debt

Performance (%) as on 31-January- 2025

Category	1 month	3 month	6 month	1 year	3 year
Liquid	0.6	1.7	3.5	7.3	6.4
Ultra Short	0.5	1.6	3.4	7.1	6.1
Money Market	0.6	1.7	3.5	7.4	6.4
Low Duration	0.6	1.6	3.5	7.4	6.2
Short Term	0.6	1.8	3.8	7.7	6.3
Corporate Bond	0.6	1.7	3.8	8.0	6.1
Medium Term	0.7	1.8	4.0	8.2	6.5

Performance by Mutual Fund category

1 Month	3 Months	6 Months	1 Year	3 Years
Medium Duration	Short Duration	Medium Duration	Medium Duration	Medium Duration
Corporate Bond	Medium Duration	Corporate Bond	Corporate Bond	Money Market
Short Duration	Liquid	Short Duration	Short Duration	Liquid
Liquid	Money Market	Money Market	Money Market	Short Duration
Money Market	Corporate Bond	Liquid	Low Duration	Low Duration
Low Duration	Low Duration	Low Duration	Liquid	Corporate Bond
Ultra Short Duration	Ultra Short Duration	Ultra Short Duration	Ultra Short Duration	Ultra Short Duration

- The recent fall in Indian debt yields have led to Medium and Corporate Bond schemes to outperform in recent months.
- The performance going ahead will be determined by factors such as US Inflation data, USD-INR exchange rate, upcoming RBI Monetary Policy etc.

Mutual Fund Scheme Performance

Category - Debt

Performance (%) as on 31-January- 2025

1 Month	3 Months	6 Months	1 Year	3 Years
Medium Duration 0.71	Short Duration	Medium Duration	Medium Duration	Medium Duration
Corporate Bond 0.61	Medium Duration	Corporate Bond	Corporate Bond	Money Market
Short Duration	Liquid	Short Duration	Short Duration	Liquid
Liquid	Corporate Bond	Money Market	Money Market	Short Duration
Money Market		Liquid	Low Duration	Low Duration
Low Duration	Low Duration	Low Duration	Liquid	Corporate Bond
Ultra Short Duration	Ultra Short Duration	Ultra Short Duration	Ultra Short Duration	

- The recent fall in Indian debt yields have led to Medium and Corporate Bond schemes to outperform in recent months.
- The performance going ahead will be determined by factors such as US Inflation data, USD-INR exchange rate, upcoming RBI Monetary Policy etc.