

TATA CAPITAL WEALTH

Market Outlook – June 2021



Macro Economic Update



Inflation:

Consumer Price Index (CPI): The Consumer Price Index (CPI) based retail inflation eased to 4.29% in the month of April 2021, primarily due to reduction in food prices. It stood at 5.52% in March 2021. The Consumer Food Price index (CPFI) was 2.02% in April 2021 versus 4.87% in March 2021.

Wholesale price index (WPI): WPI rose to over an 11-year high of 10.49% in April 2021 on the back of higher oil and commodity prices and a low base effect. This is the fourth straight month of uptick seen in the WPI based inflation. While WPI grew 7.39% during the month of March 2021, it contracted by 1.57% in April 2020.

Deficit:

Fiscal Deficit: India's Fiscal deficit for 2020-21 was at 9.3% or Rs. 18.21 lakh crore of the GDP, lower than 9.5% estimated by the Finance Ministry in the revised Budget estimates. For this financial year, the government had initially pegged the fiscal deficit 3.5% of the GDP in the budget presented in February 2020.

Trade Deficit: India's trade deficit fell to an eight-month low in May to \$6.32 bn, aided by limited domestic demand for gold and oil amid the second Covid-19 wave and lockdown-like restrictions in states. India's merchandise exports rose 67.39% year-on-year to \$32.21 bn in May, while imports grew 68.54% to \$38.53 bn.

IIP, Core Sector and PMI:

Index of Industrial Production (IIP) & Core Sector: In March 2021 IIP expanded by 22.35% on account of low base effect during the same time last year when the nationwide lockdown was announced. The core sector index, which measures output of eight infrastructure industries, skyrocketed by 56.1% in April 2021.

Manufacturing & Services PMI: A gauge of activity across India's manufacturing sector (Manufacturing PMI) fell to the lowest in 10 months to 50.8 in May 2021 amid a resurgence of Covid-19 cases. A gauge of India's services sector (Services PMI) contracted for the first time in 8 months to 46.4 in May 2021 amid a deadlier 2nd wave.

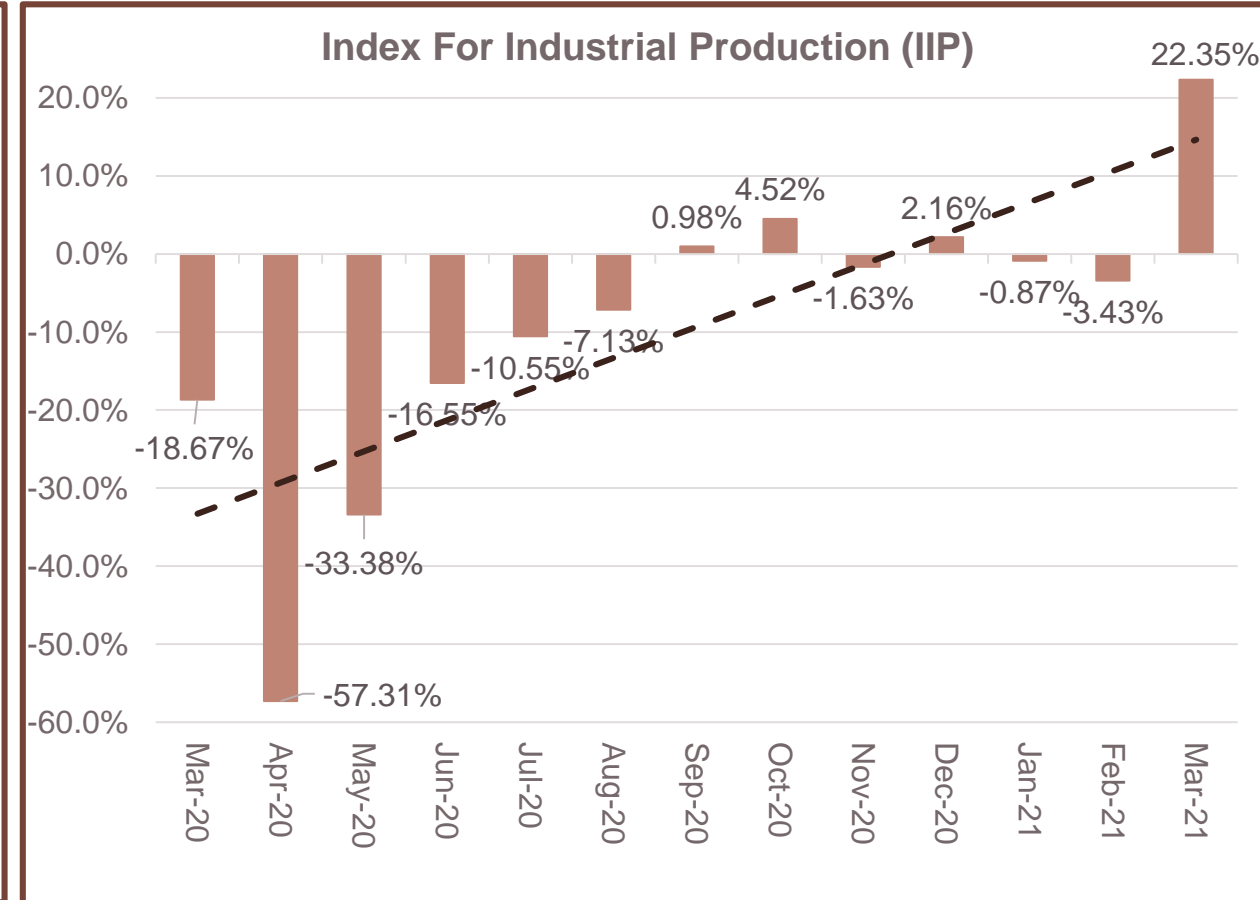
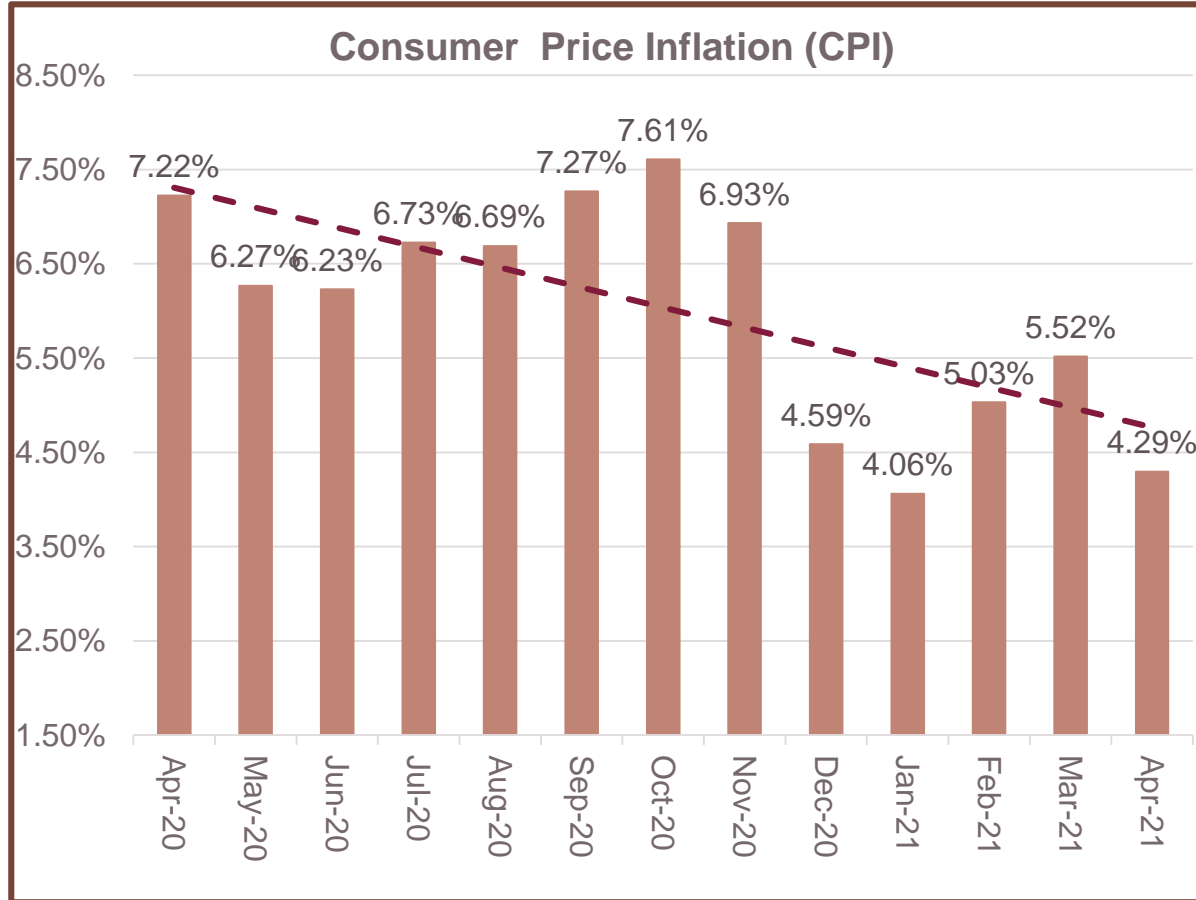
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For Client Circulation.

Inflation and Industrial Production Trajectory

Retail Inflation was below the RBI upper tolerance level for the fifth consecutive month after being above it for eight consecutive months

Industrial Production spiked up in Mar '21 on the back on low base effect in the corresponding period last year



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Source: DBIE, RBI



Macro Indicators



	Current	Month Ago	Quarter Ago	Year Ago
Economic Indicator				
Consumer Price Index (CPI)	4.29% (Apr-21) ↑	5.52% (Mar-21)	4.06% (Jan-21)	7.22% (Apr-20)
Wholesale Price Index (WPI)	10.49% (Apr-21) ↑	7.39% (Mar-21)	2.51% (Jan-21)	-1.57% (Apr-20)
Industrial Production (IIP)	22.35% (Mar-21) ↑	-3.43% (Feb-21)	2.16% (Dec-20)	-18.67% (Mar-20)
GDP	1.6% (Mar-21) ↑	NA	0.5% (Dec-20)	3.0% (Mar-20)
Trade Deficit (\$ bn)	6.32 (May-21) ↓	15.10 (Apr-21)	12.88 (Feb-21)	3.62 (May-20)
Commodity Market				
Brent Crude (\$/barrel)	69.32 (31-May-21) ↑	67.25 (30-Apr-21)	66.13 (26-Feb-21)	35.33 (29-May-20)
Gold (\$/oz)	1,911.15 (31-May-21) ↑	1,769.80 (30-Apr-21)	1,734.00 (26-Feb-21)	1,773.80 (29-May-20)
Silver (\$/oz)	28.19 (31-May-21) ↑	25.87 (30-Apr-21)	26.83 (26-Feb-21)	18.68 (31-May-20)
Currency Market				
USD/INR	72.51 (31-May-21) ↓	74.05 (30-Apr-21)	73.92 (26-Feb-21)	75.59 (29-May-20)

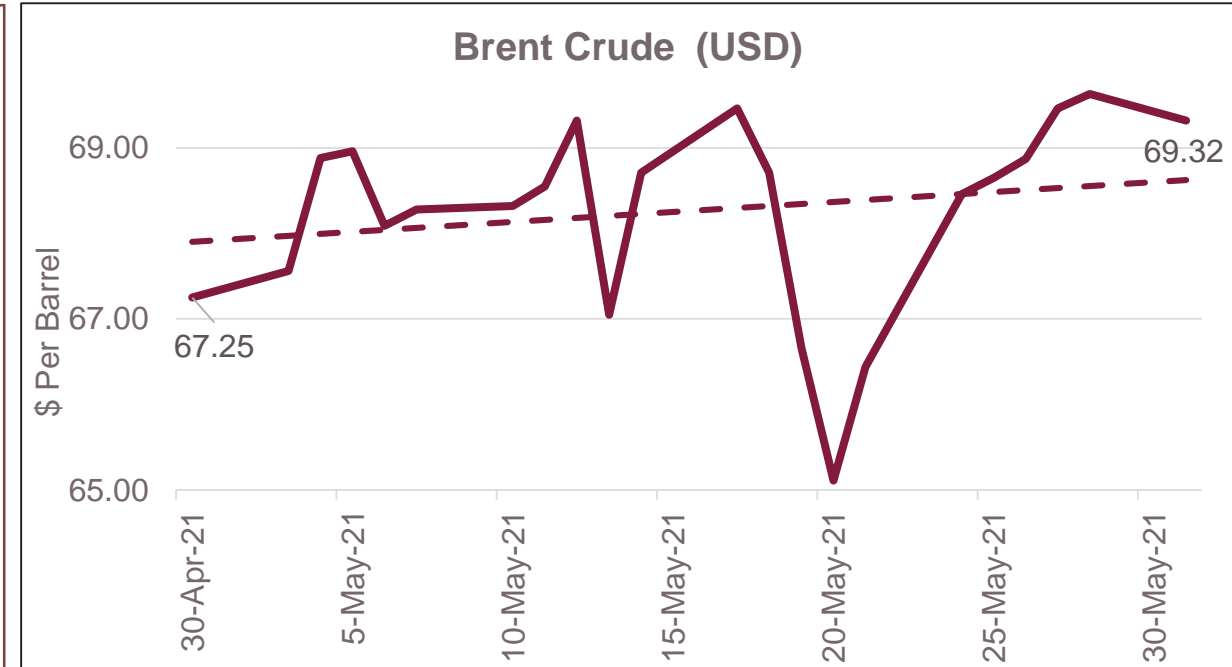
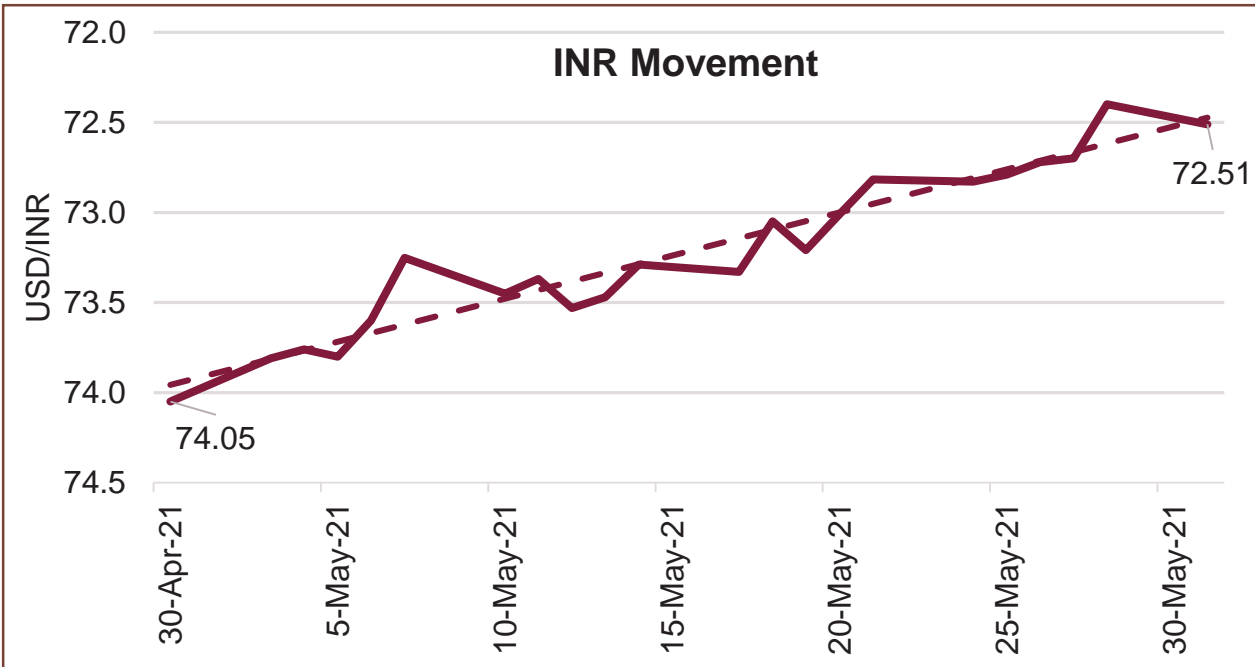
Source: Currency & Commodity – Investing.com, Economic Indicators – DBIE, RBI & News Articles

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↑ signifies positive movement over Q-o-Q ↓ signifies negative movement over Q-o-Q

INR and Brent Crude Performance



INR Performance: The rupee appreciated against the greenback to close the month at 72.51 in May'21 from 74.05 in Apr'21. The rupee had a winning streak and rose against the greenback following **gains in the domestic equity market and selling of the greenback by exporters**. Gains increased on decline in the Dollar index on increasing expectations that the **U.S. Federal Reserve may delay tapering its bond purchases**.

Brent Crude: After a volatile month Brent crude oil prices rose by ~3.0% in May from a \$67.25 per barrel to \$69.32 per barrel. Global crude oil prices rose initially on the back of **growing prospects of a pickup in fuel demand**, however prices were weighed down by **persisting concerns over COVID-19 pandemic in India**. By the end of the month Brent crude prices went down as investors braced for the **return of Iranian crude oil supplies after officials said Iran and world powers made progress on a nuclear deal**. The losses were recouped on hopes of demand recovery as **vaccination programs in Europe and U.S.** would allow more people to travel, although rising cases across parts of Asia are raising concerns.

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Source: Investing.com

Equity Market - Review



Equity Market Roundup - Key Takeaways



Performance: The Indian equity market **bounced back in May 2021**. The benchmark indices Sensex and Nifty rose by 6.47% and 6.50% respectively.

Domestic factors that played out for the Indian markets:

- RBI's announcement of a special on-tap liquidity window of up to Rs. 50,000 cr for banks to lend to the health care sector and additional loan restructuring schemes lifted market sentiment.
- Slower than expected vaccine rollout due to supply crunch dampened investor sentiments.
- Steady decline in new COVID-19 cases in India boosted investor confidence in market and also raised optimism over relaxing lockdown and gradual reopening of economy.
- Earnings announcements also came in line with the expectations and supported the up move.
- Market participants also took cues from the domestic GDP data, which grew 1.6% in Q4FY21 as against a growth of 0.5% in the previous quarter and a growth of 3.0% in the same period of the previous year.
- Buying interest found additional support after the country's largest public sector lender by assets reported record profit in quarter ended Mar 2021.

Global factors that shaped the graph of the Indian markets:

- Markets were also supported by rise in global markets tracking strong US labour data with fall in unemployment and rise economic activity.
- Global cues also provided additional support as central banks across the world pledged to keep monetary policy loose despite recent signs rise in global inflation.

Outlook: Lockdown restrictions in most of the states in India has helped in controlling new COVID-19 infections. As current **vaccination** drive and approvals progress, **the supply side is expected to improve in the coming months**. Indian equity market bounced back on back of decline in COVID-19 cases, good earning seasons, RBI's liquidity measures to boost healthcare and infrastructure sector, uptick in demand with ongoing vaccinations. Going forward, further direction of the market can be result of factors such as supply of vaccines and pace of vaccination across nation, policy measures, lockdown restrictions in states and resumption of economic activity. While near term **volatility may be high, markets may consolidate** before taking further direction based on **vaccination drive, economic recovery indicators, bond yields, FII, DII and FPI flows and Monetary and Fiscal policy**.

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Equity Dashboard – May 2021

Index	Closing Value	1-Mth Return (%)	YTD Return (%)	1 Yr. Return (%)	Current Value - Trailing		
					P/E	P/B	Dividend Yield
S&P BSE Sensex	51,937	6.47	8.77	60.18	31.33	3.30	0.86
Nifty 50	15,583	6.50	11.45	62.65	29.22	4.39	1.06
Nifty 100	15,799	6.82	12.12	61.88	29.66	4.50	1.05
Nifty 200	8,205	6.78	13.46	65.31	30.48	4.26	1.03
Nifty 500	13,226	6.97	14.83	69.08	31.33	4.23	0.99
Nifty Midcap 100	25,775	6.53	23.67	94.19	37.83	3.11	0.85
Nifty Smallcap 100	9,267	8.20	30.75	131.52	55.65	3.76	0.61

Data as on 31 May'21; Source: NSE and BSE

- Indian equity markets settled for the month in the green with the **Nifty 50 touching record highs** on the last trading session of the month. The movement of the market were governed by the following factors:
 - Domestic Factors** – Initially during the month investors were wary on growing probability of **government imposing curbs at the national level** to rein in the COVID19 spread. However browsers overcame the weakness in response to the **RBI's announcement** of COVID-19 healthcare package.
 - Worries over **soaring commodity prices** and the latest indicator that inflation may not be as transitory as some policymakers are expecting dragged the market mid month.
 - Slowdown in the vaccination** programme amid supply shortage also weighed on investor sentiments.
 - Later during the month buying interest was largely led by steady **decline of daily COVID-19 cases in India**.
 - Global cues** - Global cues also supported the rally as the **major central banks across the world pledged to keep monetary policy loose** despite recent signs rise in global inflation.
 - For the month while FII were net sellers, DII were net buyers.** For the full year and YTD the FII were net buyers, while the DII were net sellers.

Index*	1-Mth Return (%)	YTD Return (%)	1 Yr. Return (%)
Power	13.51	36.58	90.10
PSU	12.99	31.56	69.10
Capital Goods	11.09	20.02	82.41
Oil & Gas	9.85	16.91	39.17
Energy	9.04	14.08	48.79
Auto	8.65	13.12	67.02
Realty	8.58	8.15	89.87
Bankex	8.15	12.42	82.26
Metal	5.92	62.74	177.39
FMCG	4.97	4.14	20.49
IT	4.86	13.76	96.09
Health Care	4.27	13.16	56.81
Consumer Durables	3.29	9.86	76.04
Telecom	0.33	6.12	6.72

*S&P BSE Sectoral Indices . Source: BSE

Equity Flow (Rs. Cr.)	1-Mth	YTD	1 Yr.
FII	-6,015	34,216	174,617
DII	2,067	-9,697	-131,138

Category Average Performances – May 2021

- **During the month** under consideration all the categories recorded late single digit returns with the Small cap and Multi cap outsmarting the rest. Among the sectoral funds, while the Infrastructure, Financial Services and consumption were the clear winners, Healthcare, FMCG & Technology though positive, underperformed.
- **For the full year** all the categories were in the green registering a double digit return. Small Cap was the best performing category. Registering gains over 100% Among the sector based and thematic funds while Technology was the best performing sector followed by Infrastructure, Financial Services, Consumption & Healthcare
- **On a 3 year CAGR** basis most of the categories delivered early double digit returns with the Multicap outperforming the rest. Among the sector and theme based funds Technology and Healthcare were the top performers.
- **With respect to the 5 year CAGR returns** most the categories have early double digit return with the exception of Technology which clocked in gains of over 20%.

Category	Absolute Returns (%)				CAGR (%)		
	1 M	3 M	6 M	1 Y	2 Y	3 Y	5 Y
Large Cap	6.3	6.7	20.0	56.6	14.4	12.1	13.1
Large & Mid Cap	6.4	8.6	24.5	67.8	18.1	12.3	14.6
Multi Cap	8.0	11.1	30.5	73.7	19.1	14.0	15.1
Flexi Cap	6.4	8.3	21.9	61.6	16.4	12.7	14.2
Mid Cap	6.1	9.4	27.7	80.2	22.4	13.2	15.5
Small Cap	9.0	16.9	39.6	113.2	27.6	13.1	16.6
Focused	6.3	7.4	22.7	61.6	16.5	12.2	14.6
ELSS	6.4	7.9	23.0	65.0	16.3	11.7	14.2
Contra	7.9	8.4	28.9	78.6	19.5	13.6	15.8
Dividend Yield	7.2	11.0	26.2	66.2	18.2	10.9	14.2
Value	6.9	9.0	26.6	73.1	15.4	9.6	13.4
<u>Sectoral / Thematic</u>							
Consumption	7.3	9.2	24.4	61.6	19.8	12.5	16.1
Infrastructure	9.1	10.5	38.6	82.1	13.9	8.6	12.6
Financial Services	8.3	4.1	19.8	77.3	8.5	9.3	14.5
FMCG	5.6	8.3	14.2	26.5	9.6	8.3	11.8
Healthcare	4.3	16.4	19.0	54.1	41.3	27.1	13.2
Technology	5.6	13.7	31.4	101.9	36.9	26.4	21.4

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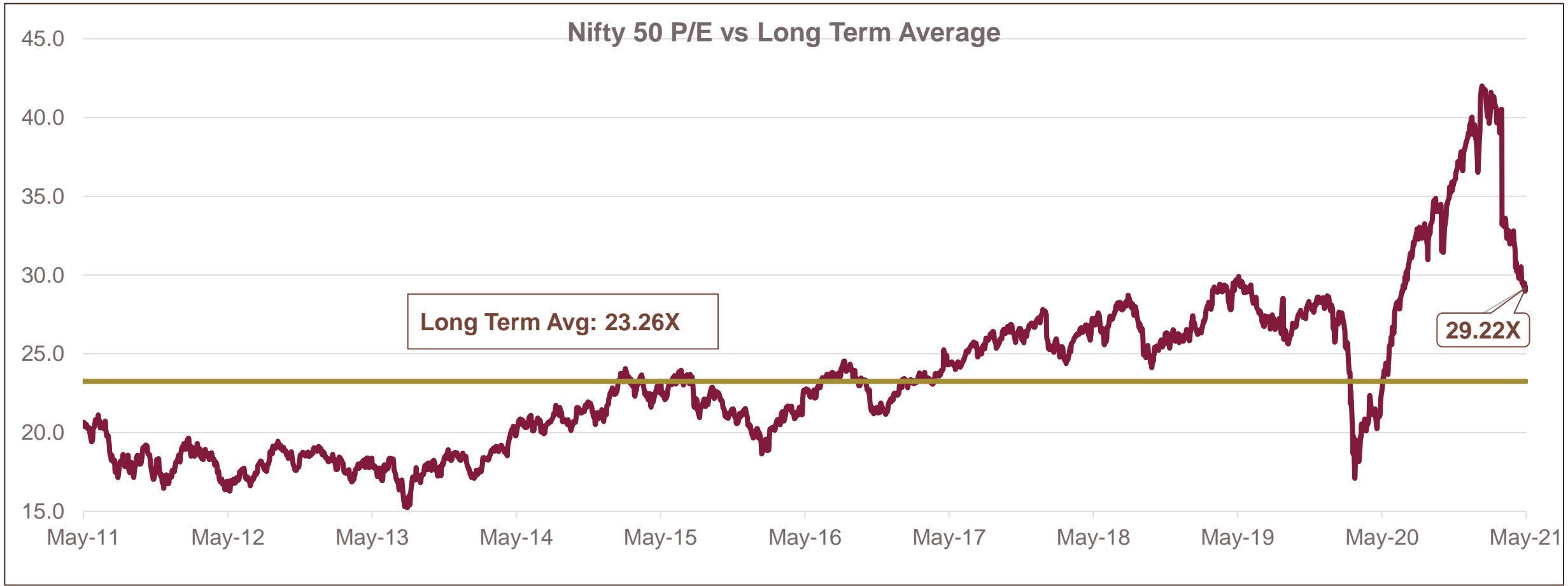
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Source: Morningstar Direct

Valuations on the Trailing P/E Metrix



Nifty 12-month trailing P/E of 29.22x is above its historical long term average of 23.26x



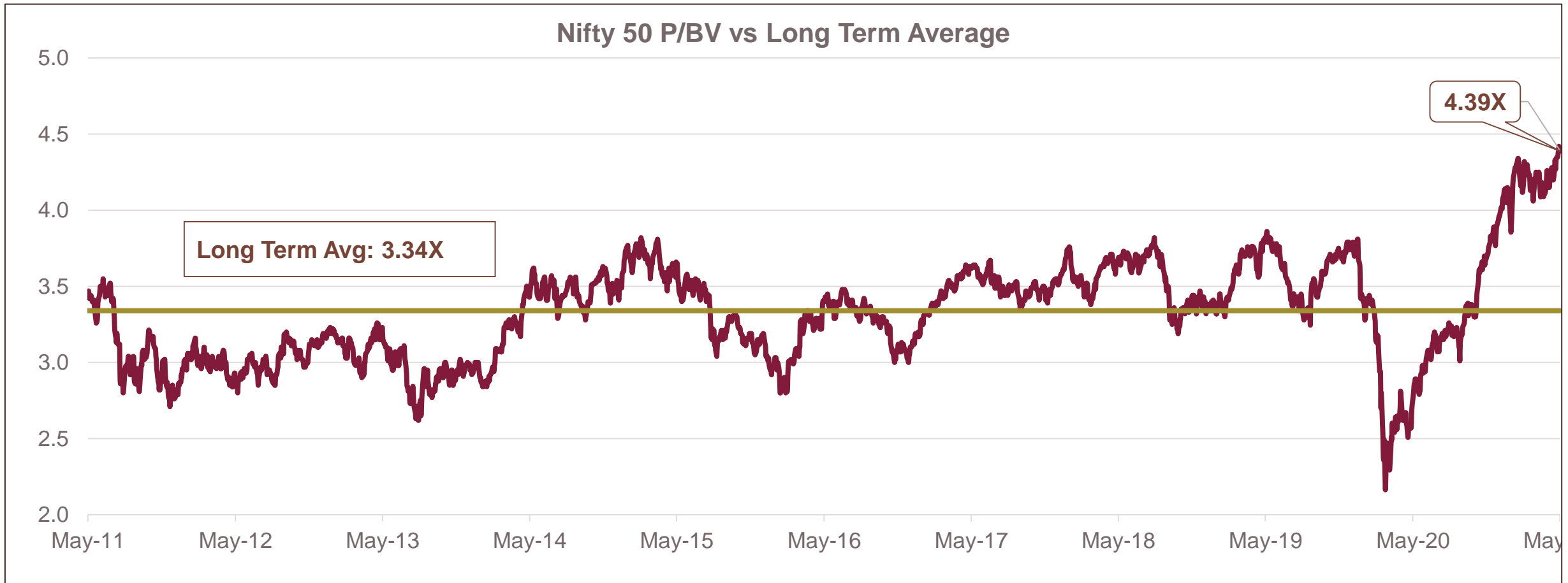
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Source: NSE India

Valuations on the Trailing P/BV Metrix

At 4.39x, the Nifty Trailing P/B is above the historical long term average of 3.34x.



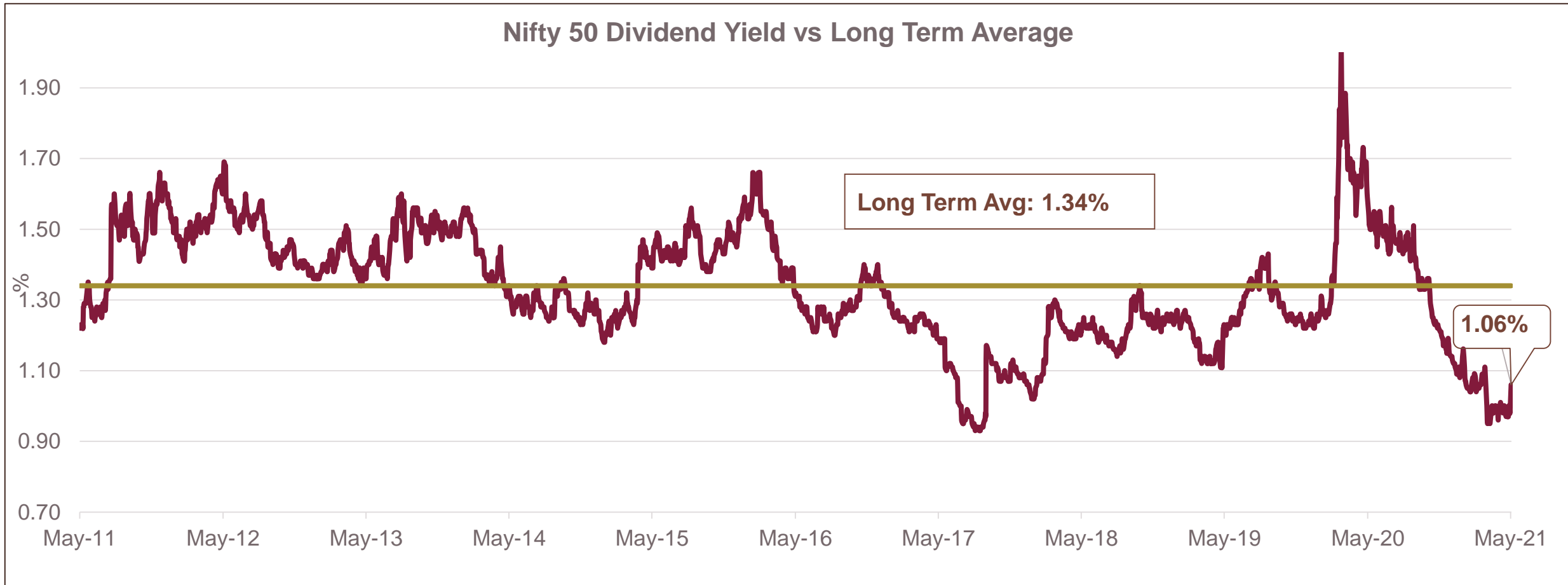
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For Client Circulation.

Source: NSE India

Valuations on a Trailing Dividend Yield perspective

At 1.06%, the Nifty Trailing Dividend Yield is below the historical long term average of 1.34%.



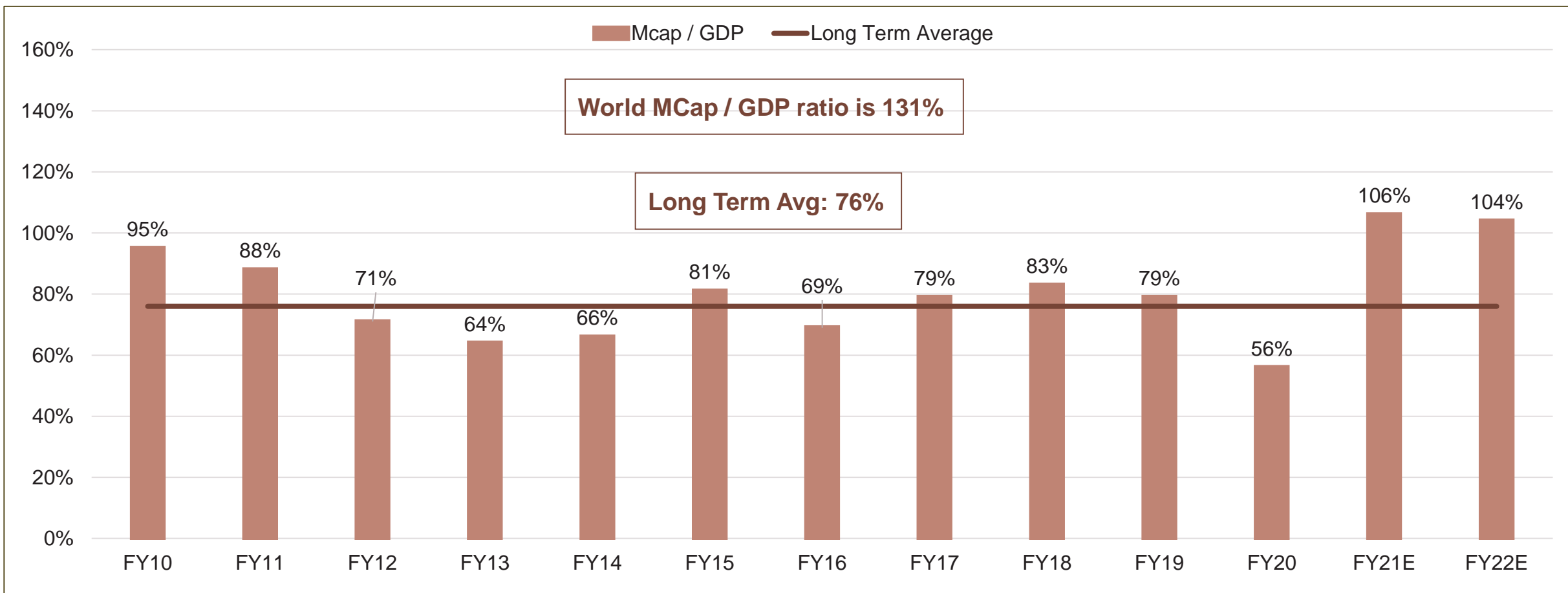
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Source: NSE India

Valuations on a MCap / GDP perspective

On Market Capitalisation to GDP parameter the market is trading above the historical long term average but below the global average



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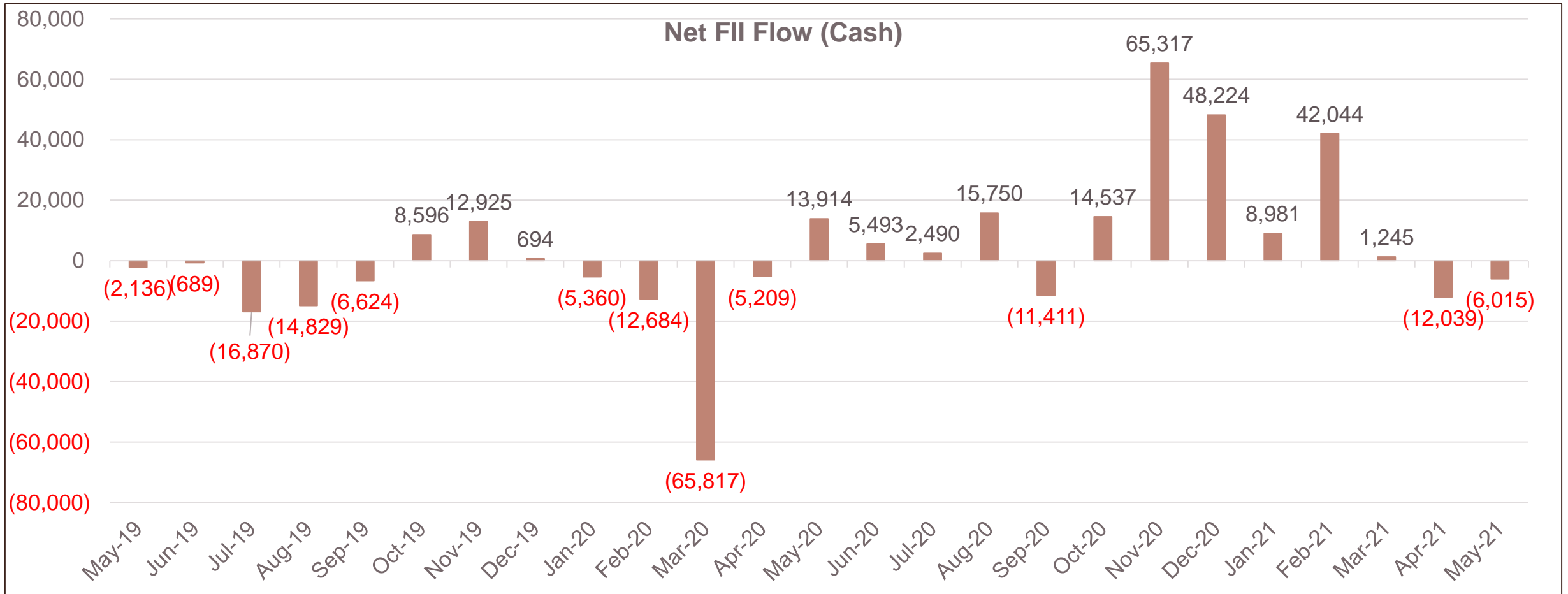
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Source: Kotak AMC

FII Flow into Equity



FII registered an outflow to the tune of Rs. 6,015 cr in May '21 for the second consecutive month



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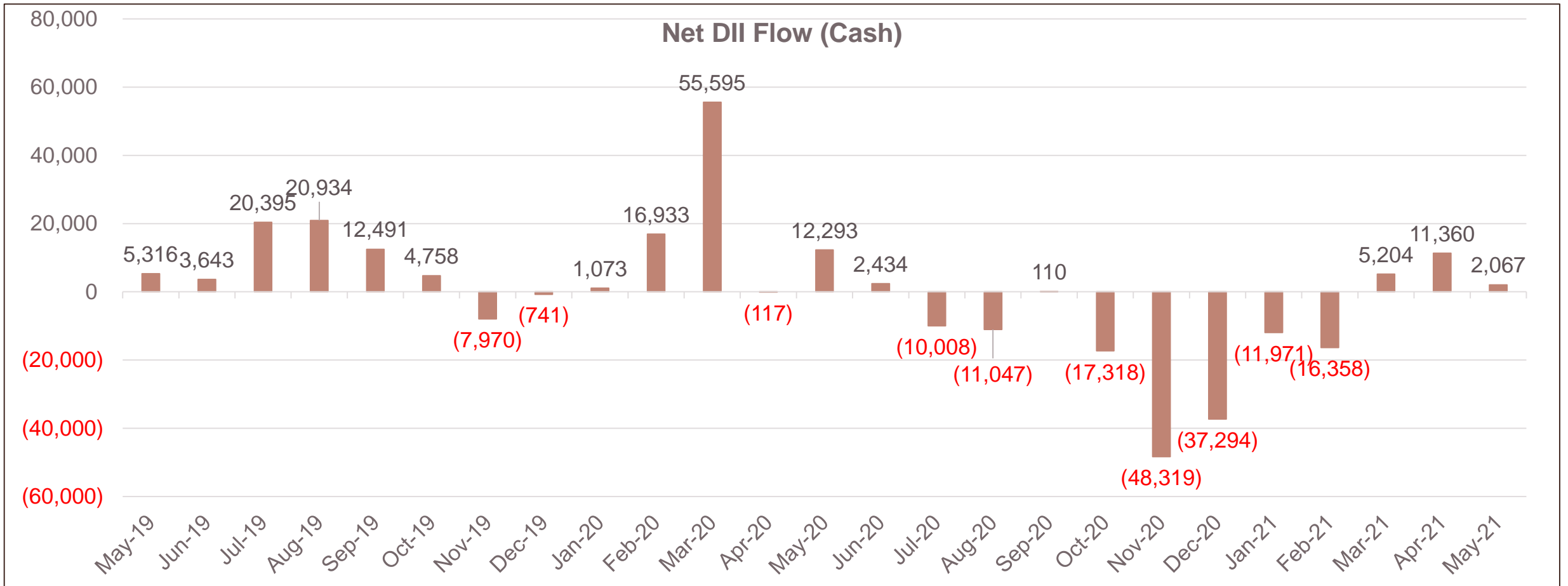
For Client Circulation.

Source: Moneycontrol

DII Flow into Equity



After being net sellers for five consecutive months; March, April & May witnessed a positive flow from DII



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For Client Circulation.

Source: Moneycontrol

Debt Market - Review



Debt Market Roundup - Key Takeaways



- The month has **witnessed hardening of yields mainly in the longer end while the shorter end witnessed softening on the back of unscheduled RBI statement to announce measures to combat the second wave of the pandemic.** The India 10-Year Government Bond yields closed the rather quiet month on a flat note down by 1 bps at 6.02% in May'21.
- Bond yields inched down after the RBI announced a slew of measures to provide support to the domestic economy that has been reeling under the second wave of the pandemic. However, insistent increase in new infections across the country neutralized most of the gains. During the month, RBI conducted the second auction of G-sec Acquisition Programme (G-SAP 1.0) for an aggregate amount of Rs. 35,000 crore, which was completely accepted on account of which yields fell.
- Though the retail **inflation** eased down to 4.29%, the wholesale price inflation touched the all time high of 10.49% in April. The rise in WPI is attributed to the low base in April last year of crude petroleum, mineral oils viz petrol, diesel etc, and manufactured products. In April 2021, core inflation eased to 5.25% which is at a ten-month low.
- **Index for Industrial production witnessed a growth** to the extent of 22.4% in March on account of low base effect, as against a contraction of 0.9% in January and 3.4% in February.
- High forex reserve of ~\$600 Billion enabled the RBI to give a dividend booster to the government to the extent of Rs. 99,122 crore.

Outlook:

- With states now steadily loosening restrictions on economic activity, as the daily infections and mortality rate falls the economy is once again ready to catch up momentum but this time with a cautious eye on the COVID situation in the country. The RBI has on its part in the policy meet did **"Whatever it takes"** by announcing measures to further improve liquidity in the contact intensive sectors and MSMEs. With CRR rollback has been implemented; what remains to be seen with the only tool of OMOs / Operation twist / G-SAP how long will it be able keep liquidity ultra easy and interest rates low –**"As long as necessary"**.
- In the near-term trend in debt market would be guided by **market support measures that the RBI announces from time to time.** However, the broader directional trend would mainly depend on how the **growth-Inflation dynamic shapes up.**
- Going ahead there may be **lack of appetite for taking duration risk when interest rates have likely bottomed out, liquidity conditions are normalizing, and fiscal deficit numbers stand elevated.**
- There being **limited scope of rate cuts** which was the major driver for returns in the past couple of years, it's important to **rationalize return expectations going forward.**

Debt Dashboard – May 2021

	Latest (31 May'21)	One Month Ago (30 Apr'21)	One Quarter Ago (28 Feb'21)	Half Year Ago (30 Nov'20)	One Year Ago (31 May'20)	M-o-M Change (bps)
Interest Rates						
Repo rate	4.00%	4.00%	4.00%	4.00%	4.00%	0
SLR	18.00%	18.00%	18.00%	18.00%	18.00%	0
CD Rates						
3 month	3.38%	3.38%	3.18%	2.95%	3.40%	0
6 month	3.63%	3.73%	3.58%	3.18%	3.90%	-10
1 Year	3.98%	4.13%	4.13%	3.60%	4.40%	-15
T-Bill/G-sec						
91 Days	3.39%	3.31%	3.14%	2.92%	3.25%	8
364 Days	3.71%	3.68%	3.63%	3.35%	3.41%	3
India 10 Year G-Sec Yield	6.02%	6.03%	6.23%	5.91%	6.01%	-1
AAA Corp. Bonds (PSU)						
1 Year	4.08%	4.19%	4.31%	3.77%	4.70%	-11
3 Year	5.06%	4.66%	5.53%	4.68%	5.35%	40
5 Year	5.88%	5.77%	6.20%	5.42%	5.70%	11
AAA Corp. Bonds (NBFC)						
1 Year	4.30%	4.39%	4.62%	4.02%	6.36%	-9
3 Year	5.46%	5.05%	5.76%	4.88%	6.82%	41
5 Year	6.03%	5.97%	6.58%	5.75%	6.86%	6
International Markets						
10 Year US Treasury Yield	1.61%	1.63%	1.41%	0.84%	0.65%	-2

- The money market instruments witnessed a mixed movement during the month as the RBI in an unscheduled statement announced several measures to combat the second wave.
- Both U.S. Treasury Yields and India 10 year GSec cooled down marginally backed by the respective central banks dovish comments.
- With respect to the yields in long term AAA Corp. Bond - PSU & NBFC Papers; while the shorter end (< 3 yrs) witnessed a fall the longer end (>= 3 years) rose sharply.
- In line with market expectations the RBI kept the policy rates and the reserve ratio unchanged in the June MPC meet.

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Source: IDFC AMC, G Sec – Investing.com

Debt Category Average Performances – May 2021



- **During the month** under consideration all the three broad categories – Money Market, Accrual and Duration were in the green. With respect to the **3 months and 6 months trailing returns** most of the categories gave positive returns with the exception of few patches of red here and there in the accrual & duration category.
- **For the full year** all the categories were in the green with our recommended categories such as Low duration, Floating rate, Short Duration, Banking & PSU and Corporate Bond Fund performing the best.
- **On a 2 year CAGR** basis none of the categories have delivered a double digit growth. The Long Duration and the Gilt were the best performing categories during this period.
- **With respect to the 3 and 5 year CAGR returns** most the categories reported Mid and late single returns with the exception of credit risk which underperformed.

Source: Morningstar Direct

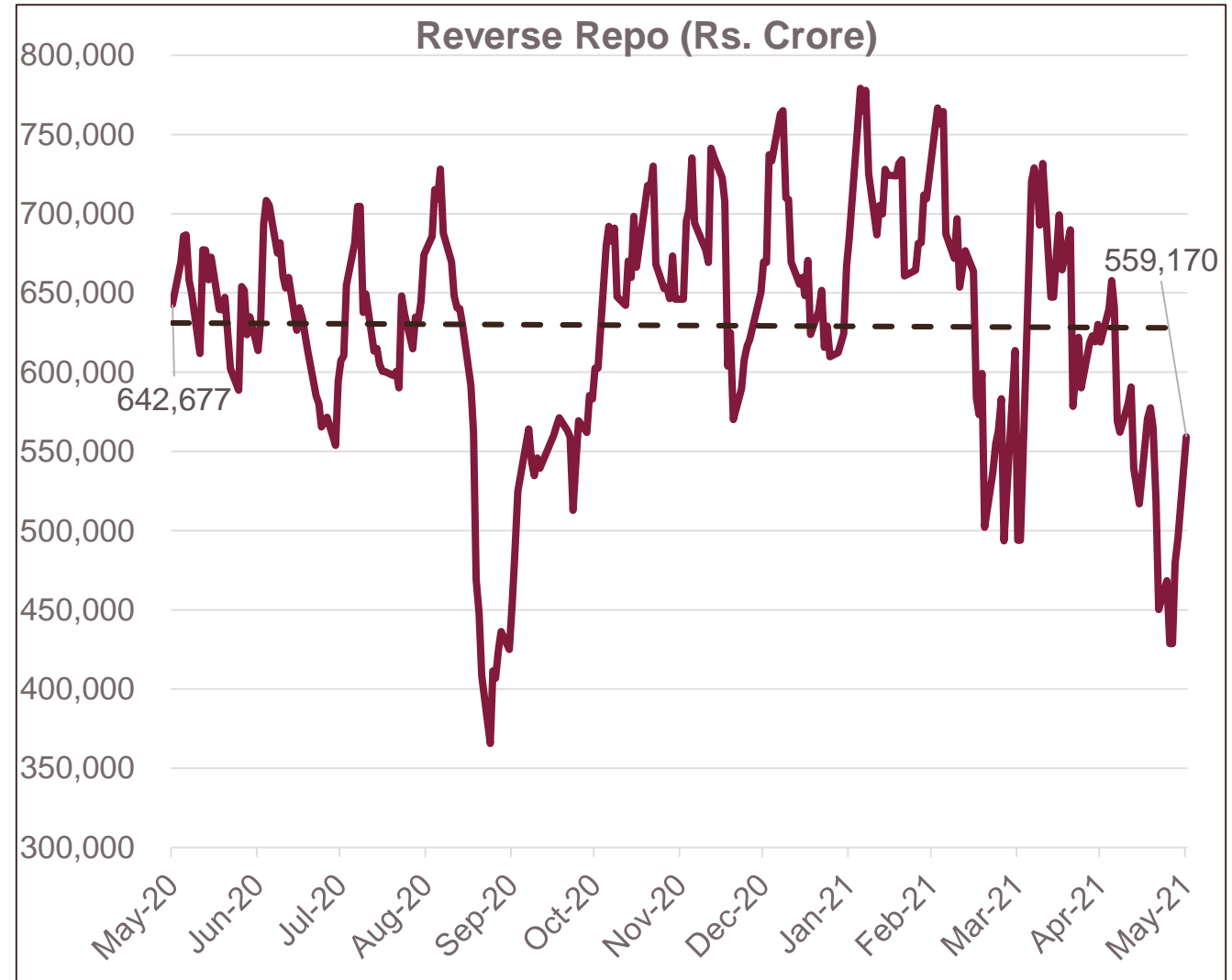
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Money Market	Absolute Returns (%)				CAGR (%)		
Category	1 M	3 M	6 M	1 Y	2 Y	3 Y	5 Y
Overnight	0.26	0.78	1.50	2.99	3.78	4.50	5.12
Liquid	0.21	0.65	1.25	2.51	3.56	4.36	5.53
Ultra Short Duration	0.24	0.88	0.98	3.28	5.57	5.92	6.32
Low Duration	0.30	1.17	1.92	7.98	3.28	4.71	5.58
Floating Rate	0.42	1.49	2.23	6.95	7.46	7.57	7.47
Money Market	0.34	1.06	1.81	4.06	5.54	5.99	6.11
Accrual	Absolute Returns (%)				CAGR (%)		
Category	1 M	3 M	6 M	1 Y	2 Y	3 Y	5 Y
Short Duration	0.42	1.68	1.48	6.62	5.94	6.60	6.64
Medium Duration	0.54	2.02	-0.10	4.23	4.87	5.54	6.29
Banking & PSU Debt Fund	0.42	1.86	1.61	6.21	8.29	8.52	7.92
Corporate Bond Fund	0.42	1.79	1.72	6.04	7.96	8.09	7.79
Credit Risk	0.68	2.32	-0.17	2.40	0.43	1.72	3.67
Duration	Absolute Returns (%)				CAGR (%)		
Category	1 M	3 M	6 M	1 Y	2 Y	3 Y	5 Y
Medium To Long Duration	0.50	2.36	-0.21	3.86	7.27	7.73	7.10
Long Duration Fund	0.24	3.01	0.54	3.15	8.82	9.79	8.69
Dynamic	0.44	2.00	0.84	4.53	7.13	7.69	7.27
Gilt	0.55	2.23	1.04	4.05	8.95	9.55	8.44

Money parked in Reverse Repo window

On persistent efforts by RBI to keep **liquidity ultra easy** and **accommodative policy for a long tenure**, a couple of months since November 2020 witnessed extreme **short-term banks, corporate and government borrowing rates remaining below its policy benchmark rates**. This gave RBI legroom for liquidity management and normalization by conducting a **14- day variable rate reverse repo auction and CRR the rollback of CRR in a phased manner**. During the month under review the **banks on an average are parking Rs. 5.48 lakh crore to the reverse repo window** as against Rs. 6.58 lakh crore in April.

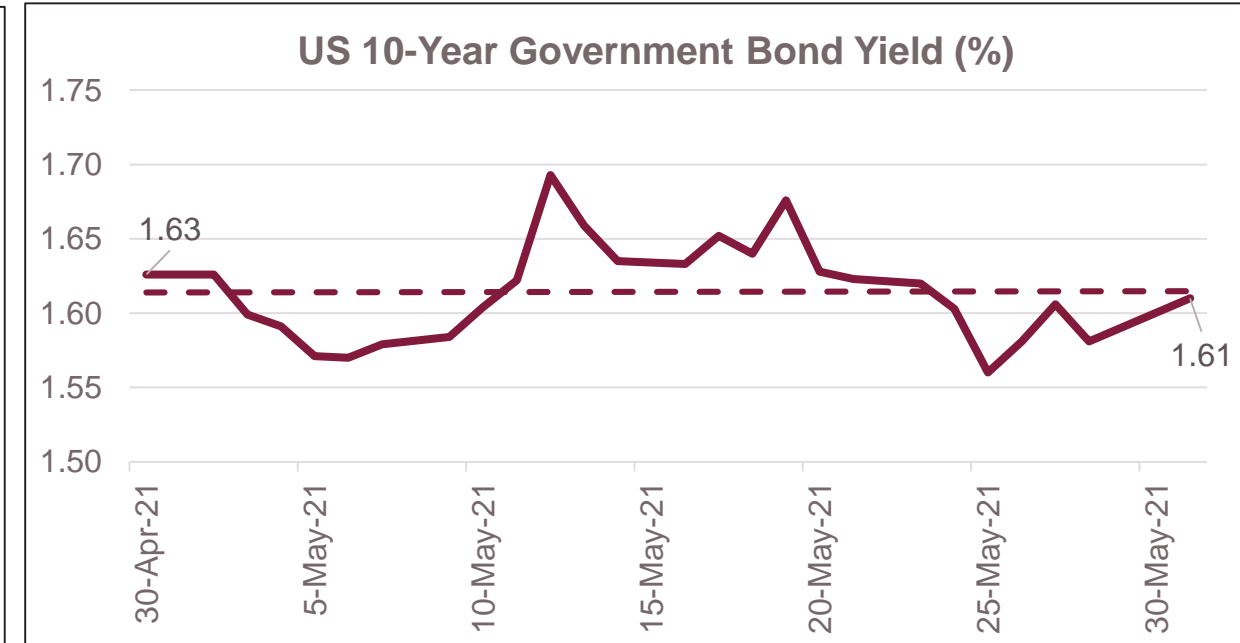
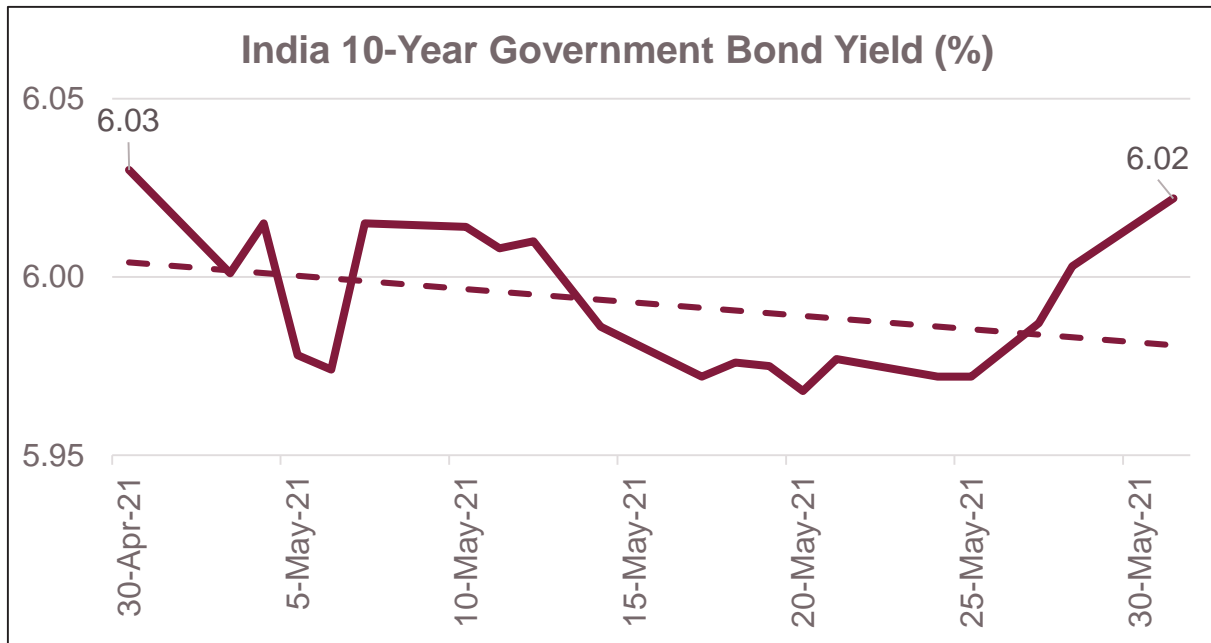


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Source: IDFC AMC

Yields Movement Across - India and U.S.



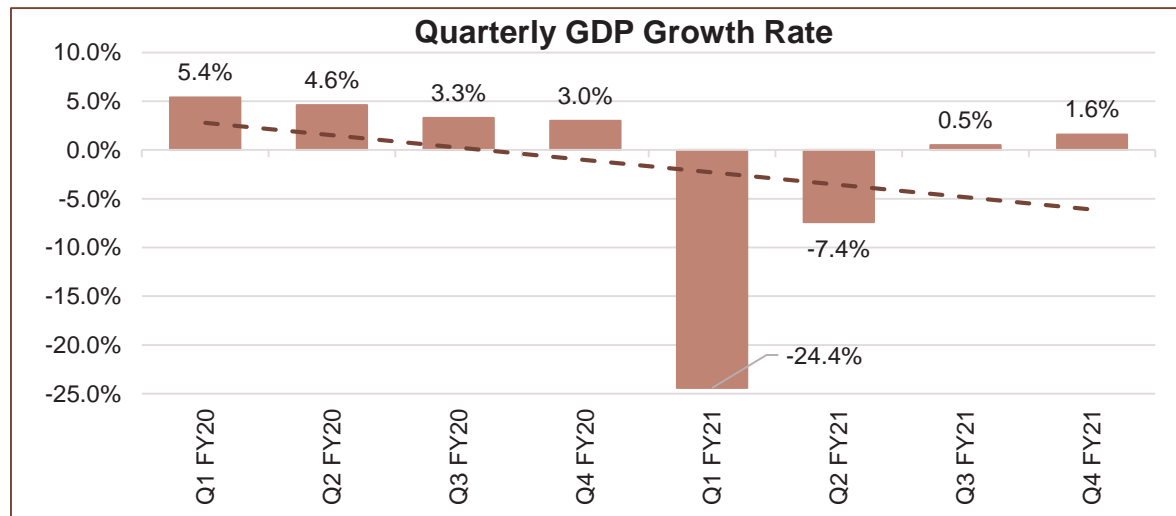
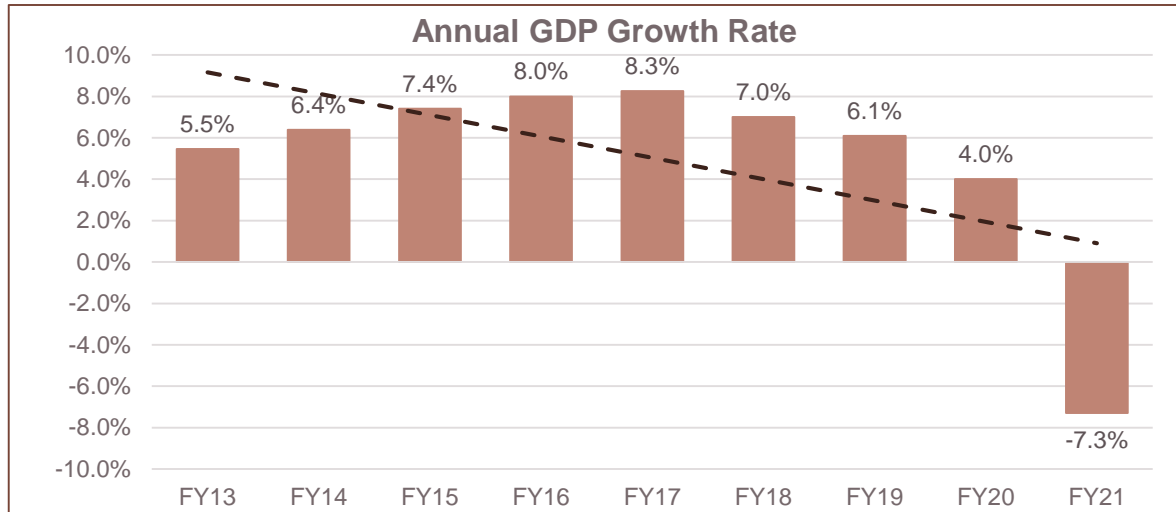
- **10-year India Government Bond Yield:** The India 10-Year Government Bond yields closed the rather quite month on a flat note down by 1 bps at 6.02% in May'21. Bond yields inched down after the RBI announced a slew of measures to provide support to the domestic economy that has been reeling under the second wave of the pandemic. However, insistent increase in new infections across the country neutralized most of the gains. During the month, RBI conducted the second auction of G-sec Acquisition Programme (G-SAP 1.0) for an aggregate amount of Rs. 35,000 crore, which was completely accepted on account of which yields fell.
- **U.S. Treasury Yield:** The U.S. Treasury yield inched lower by 2 bps to close the month of May'21 at 1.61%. U.S. Treasury yields fell during the beginning of the month after data showed manufacturing activity growth in U.S. slowed in April 2021 amid supply chain challenges. High U.S. consumer inflation numbers for April'21 acted as a dampener. U.S. Treasury prices rose after a few Fed officials affirmed their support to keep monetary policy accommodative for some time.

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For Client Circulation.

Source: Investing.com

Key Highlights – Q4FY21 GDP



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Source: MOSPI, News Articles

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Summary

- For **Q4FY21** the Indian economy witnessed a recovery of **1.6%** before the second wave of the pandemic hit the economy hard once again. While for **FY21** Gross Domestic Product (GDP) **shrunk by 7.3%**, the worst performance in the last 40 years, both the quarter and the full-year numbers were above market expectation.
- While Gross Value Added (**GVA**) in **Q4FY21** grew at a stronger pace (**3.7%**) than in Q3FY21 (1.0%), the GDP growth was subdued on account of past subsidy dues paid out in the fourth quarter. For the full year **GVA contracted by 6.2%**. **GVA** adjusts GDP for the impact of subsidies and indirect taxes.
- Private consumption**, rose 2.7% in Q4FY21 compared to a contraction of 2.8% in Q3FY21. For the full year of FY21, private consumption contracted 9.1%.
- Investments** rose 10.9% in Q4FY21 after rising by 2.6% in the previous quarter. Investments contracted by 10.8% for the full year FY21.
- Government final consumption expenditure** grew 28.3% in Q4FY21 after contracting 1.1% in Q3FY21. For the full year of fiscal ended March 2021, it rose by 2.9%
- With respect to the **sector based trends** while agriculture was the fastest growing sector for the full year at 3.6% for the fourth quarter construction sector grew by a whopping 14.5%.

Key Highlights – RBI Policy



Key Highlights

- **Policy rates, Reserve Ratio and Stance kept unchanged.**
- **Growth target** revised downward by 100 bps to **9.5% for FY22.**
- **Inflation** bumped up by 10 bps to **5.1% for FY22.**
- **G –SAP 2.0** announced for **Q2FY22 of Rs. 1.2 lakh crore** announced.
- **Special liquidity facility for contact intensive sectors** & additional liquidity to **SIDBI.**
- **Regional Rural Banks (RRBs)** permitted to issue **Certificate of Deposits (CDs).**

Policy Rates / Reserve Ratio	Current
Repo Rate	4.00%
Reverse Repo Rate	3.35%
MSF	4.25%
Bank rate	4.25%
CRR	4.00%
SLR	18.00%

Summary

- On growth, the central bank **reduced its GDP forecast by 100 bps to 9.5%**, due to increased spread of COVID-19, lockdowns, and moderation in many high-frequency sentiment measures. However, the highly accommodative domestic monetary and financial conditions and ramp up in vaccination process should help normalise economic activity quickly.
- The RBI also **raised its inflation projections slightly** on account of upside risks emanating from the second wave.
- While the **MPC expectedly stayed on hold**, the bigger move was with regards to **yield management** as the RBI stressed on smooth liquidity management and orderly G-sec borrowings, with a more vocal and defined G-SAP.

Investing Outlook

- Despite no indications of rate hikes domestically in near term we continue to maintain our stance of investing in shorter end of the curve through MF categories like **Low Duration / Floating Rate Funds.**
- Good quality **Corporate Fixed Deposits** also appear to be an attractive option for **1-2 years horizon.**
- For **longer term investments Short Term Funds / Corporate Bond Funds** continue to be our preferred categories.

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Thank You!

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