








ATLAS

Monthly Market Review
April 2025



	KGV	Div.	Umsatz 29.10.2010	Stück (€)
2010	2011	Rend.s	Stück	Tsd. Euro
1.7	936060	43869	935077	
1.7	157881	1739312		
1.7	3213370			

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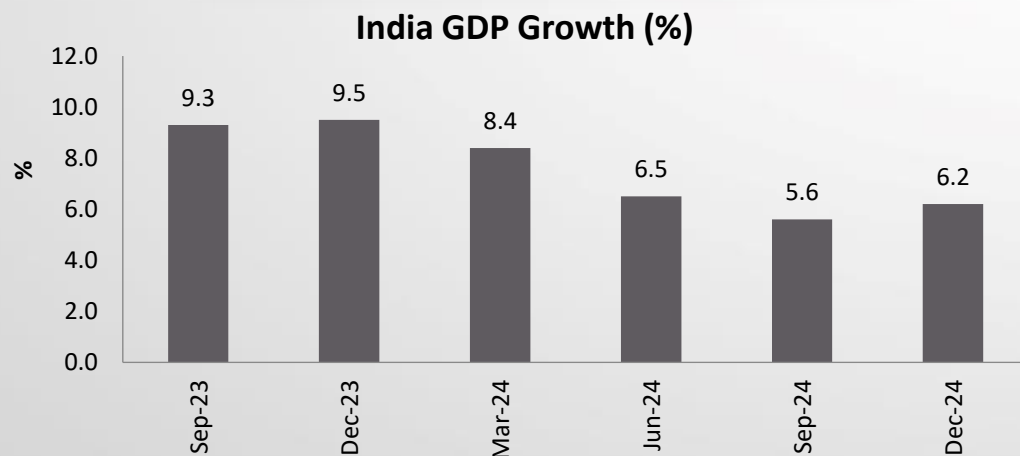
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MACRO ECONOMIC INDICATORS

GDP and Current Account Deficit Trend



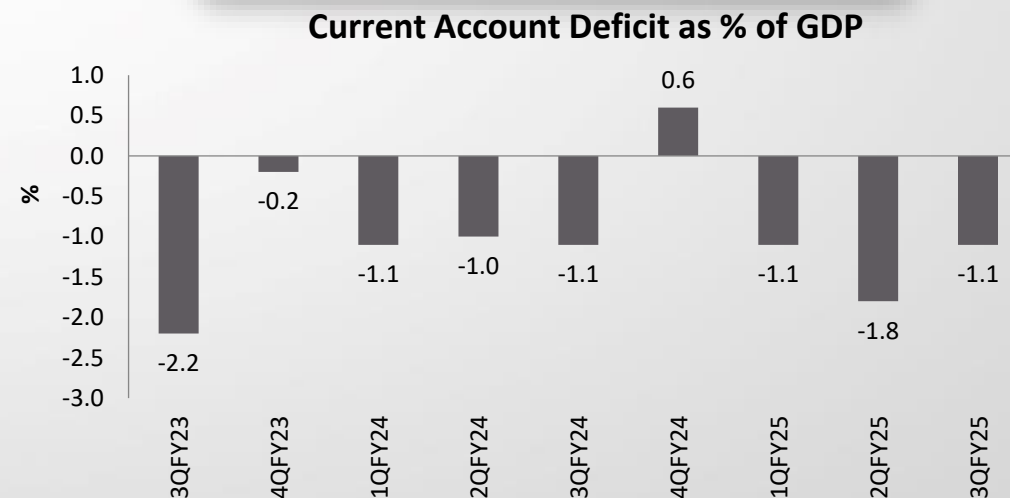
GDP grew by 6.2% YoY in 3QFY25



Source: Refinitiv

Government data showed that Gross Domestic Product (GDP) of the Indian economy at constant (2011-12) prices witnessed a growth of 6.2% YoY in the third quarter of FY25.

Current a/c deficit increased YoY in 3QFY25



Source: Refinitiv

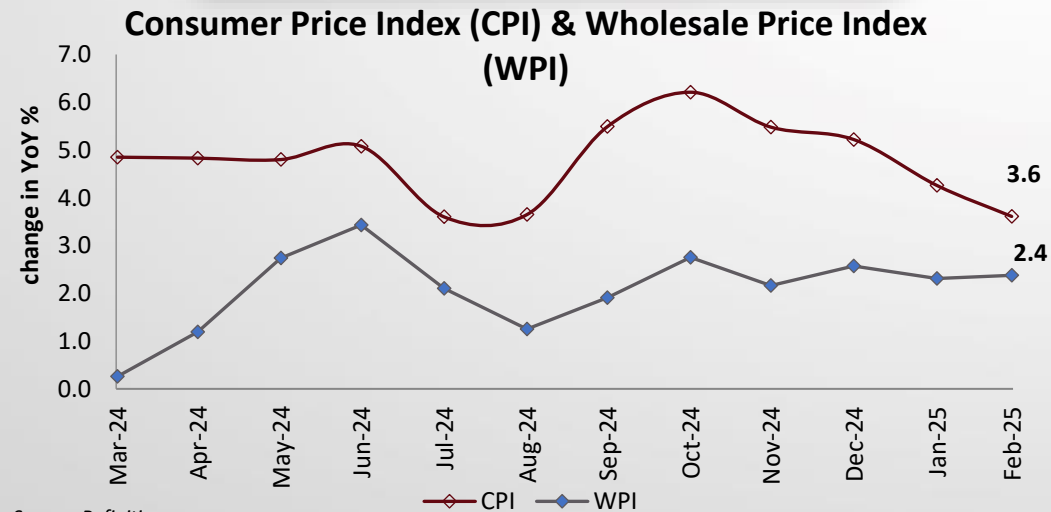
India's current account deficit (CAD) increased to US\$ 11.5 billion (1.1% of GDP) in 3QFY25 from US\$ 10.4 billion (1.1% of GDP) in 3QFY24 but moderated from US\$ 16.7 billion (1.8% of GDP) in 2QFY25.

MACRO ECONOMIC INDICATORS

Inflation and Trade Data Trend

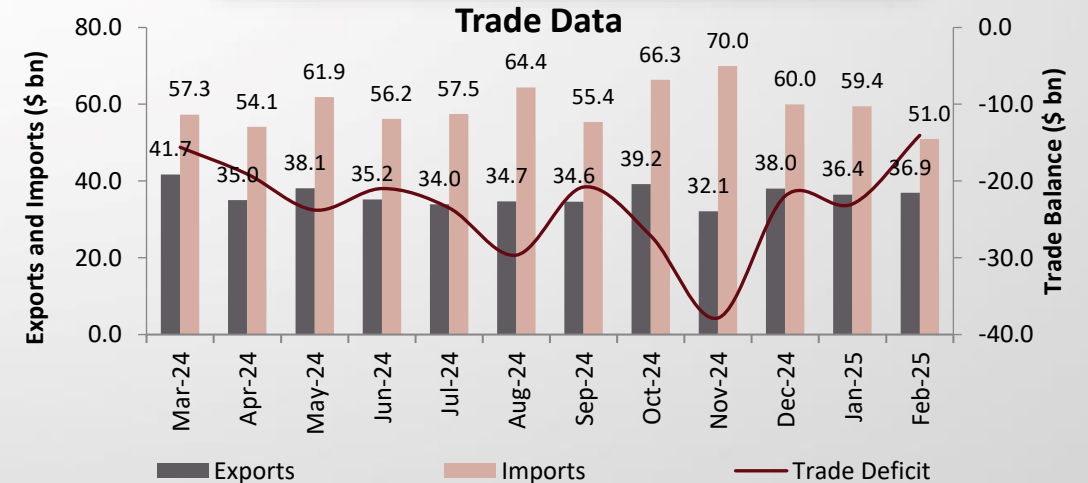


CPI inflation eased in Feb 2025



CPI-based inflation eased to a seven-month low of 3.61% YoY in Feb 2025, led by lower food prices. WPI-based inflation rose to 8-month high to 2.38% YoY in Feb 2025.

Trade deficit narrowed YoY in Feb 2025



Merchandise trade deficit narrowed annually to \$14.05 billion in Feb 2025 compared to \$19.51 billion in Feb 2024. Exports fell by 10.87% YoY and imports decreased 16.35% YoY in Feb 2025.

MACRO ECONOMIC INDICATORS

Manufacturing and Services PMI Trend

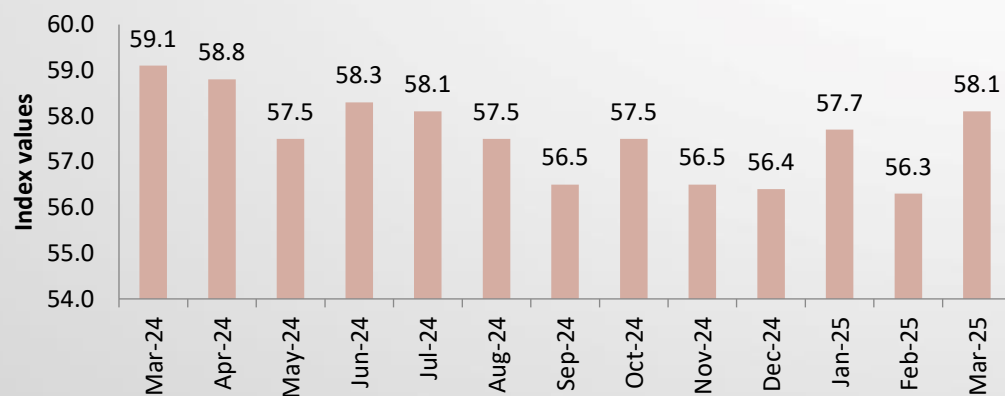


Manufacturing PMI rose in Mar 2025

Services PMI fell slightly in Mar 2025

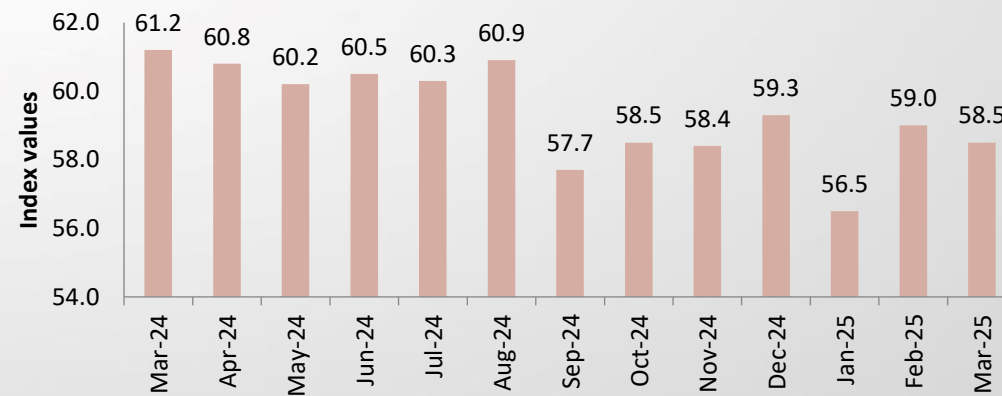
India Manufacturing PMI

India Service PMI



Source: Refinitiv; PMI >50 denotes expansion and <50 is contraction

Manufacturing PMI rose to 58.1 in Mar 2025 compared to 56.3 in Feb 2025, supported by increased customer interest, favorable demand conditions, and successful marketing initiatives.



Source: Refinitiv; PMI >50 denotes expansion and <50 is contraction

Services PMI fell slightly to 58.5 in Mar 2025 from 59.0 in Feb 2025, due to softer demand, with a slower pace of job creation. The composite PMI rose to 59.5 in Mar 2025 from 58.8 in Feb 2025.

MACRO ECONOMIC INDICATORS

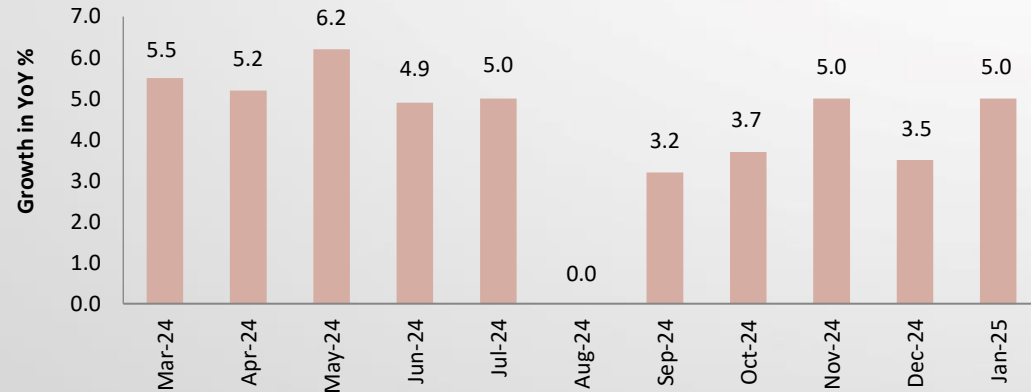
IIP and GST Trend



Industrial output rose YoY in Jan 2025

GST collections rose MoM in Mar 2025

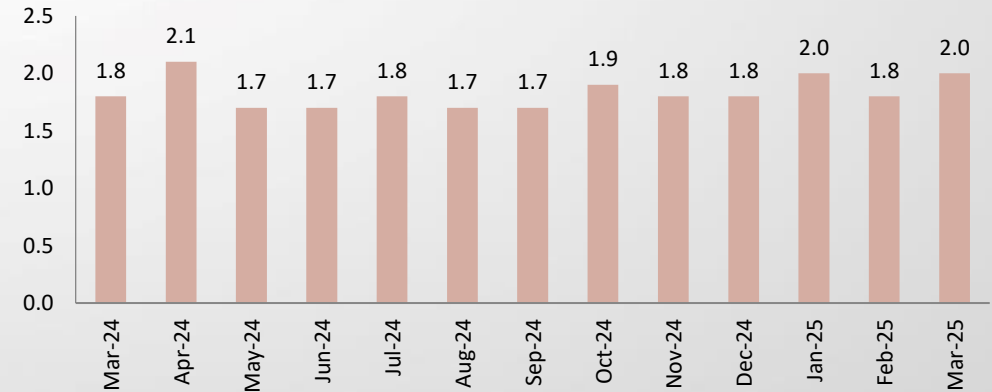
Index of Industrial production (IIP)



Source: Refinitiv

Index of Industrial production (IIP) rose 5.0% YoY in Jan 2025. Production in mining, manufacturing and electricity witnessed a growth of 4.4%, 5.5% and 2.4%, respectively, in Jan 2025.

GST Collections (Rs. Lakh Crore)



Source: PIB

The total gross goods and services tax (GST) revenue grew 9.9% YoY to Rs. 1.96 lakh crore in Mar 2025 as compared to Rs. 1.78 lakh crore in Mar 2024.

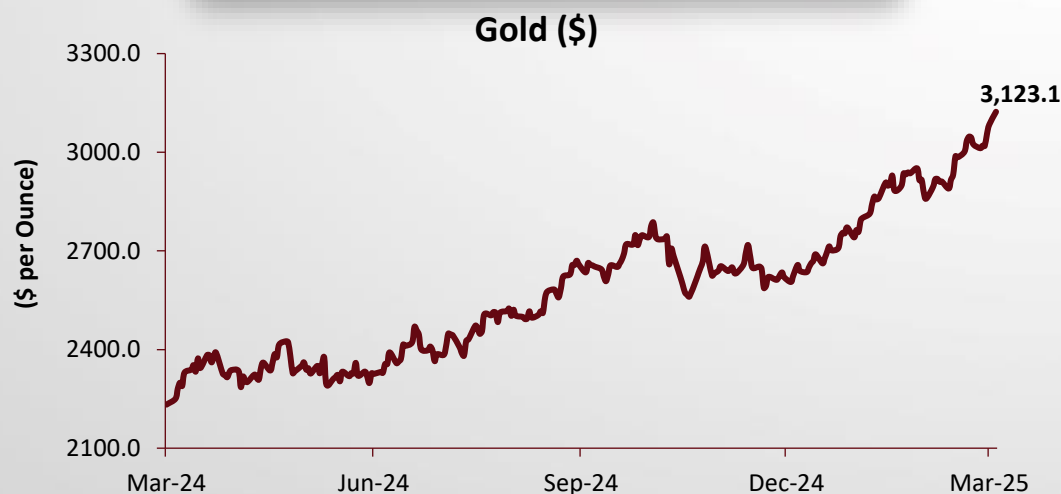
MACRO ECONOMIC INDICATORS

International Gold and U.S. 10 Year Treasury Trend



Gold prices rose MoM in Mar 2025

U.S. Treasury yields rose marginally MoM in Mar 2025



Gold prices rose as tariff worries and signs of rising geopolitical tensions boosted bullion's safe-haven appeal. Gains were extended further as concerns regarding tariffs persisted.

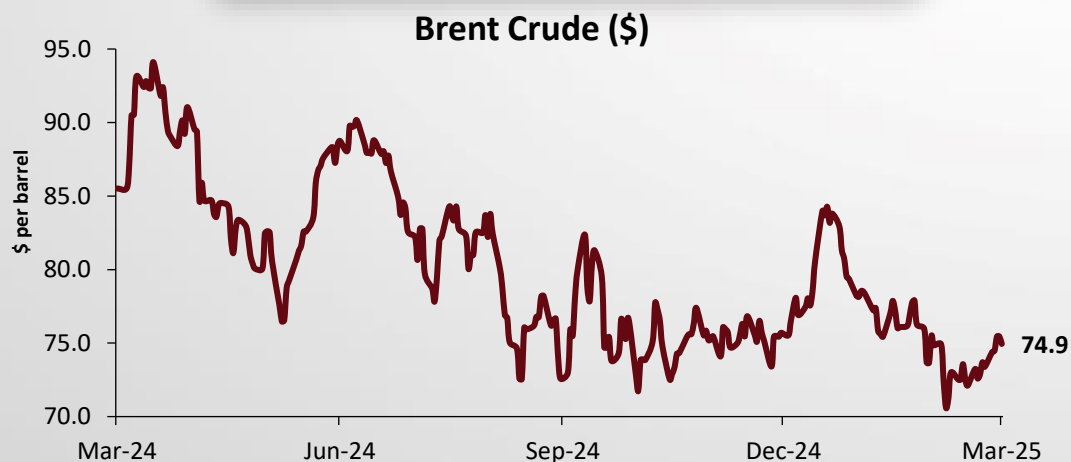
U.S. Treasury prices fell after comments from the U.S. Federal Reserve Chair indicated the central bank could be patient in determining when to cut interest rates.

MACRO ECONOMIC INDICATORS

Crude and USD/INR Currency Trend



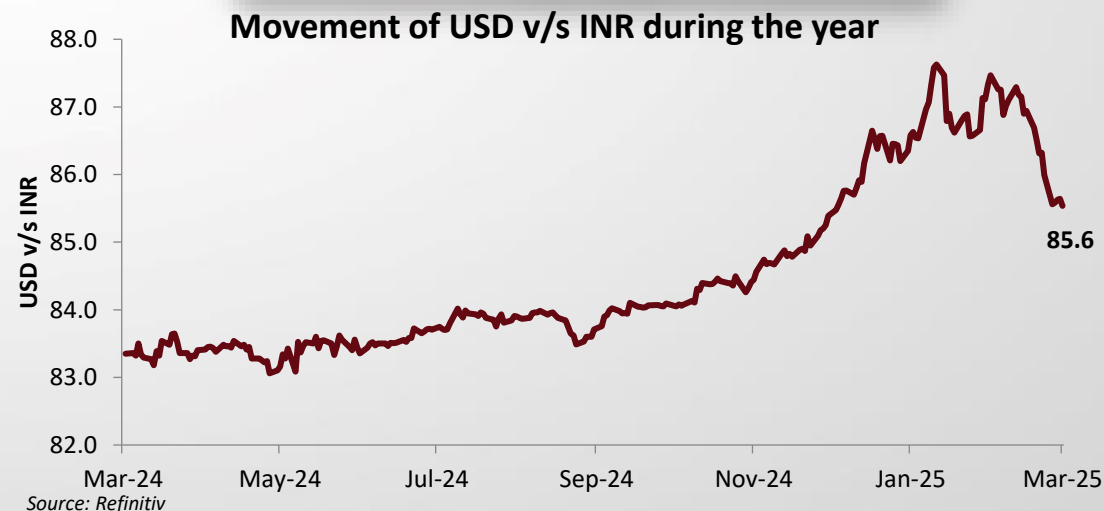
Crude oil prices rose MoM in Mar 2025



Source: Refinitiv

Brent crude oil prices rose following an announcement by the U.S. President regarding his intention to impose a 25% tariff on countries purchasing crude oil and gas from Venezuela.

Rupee rose against U.S. dollar on MoM in Mar 2025



Source: Refinitiv

The rupee rose against the U.S. dollar due to a rise in domestic equity markets. Gains were further extended due to U.S. tariffs and inflation concerns.

EVENT UPDATE

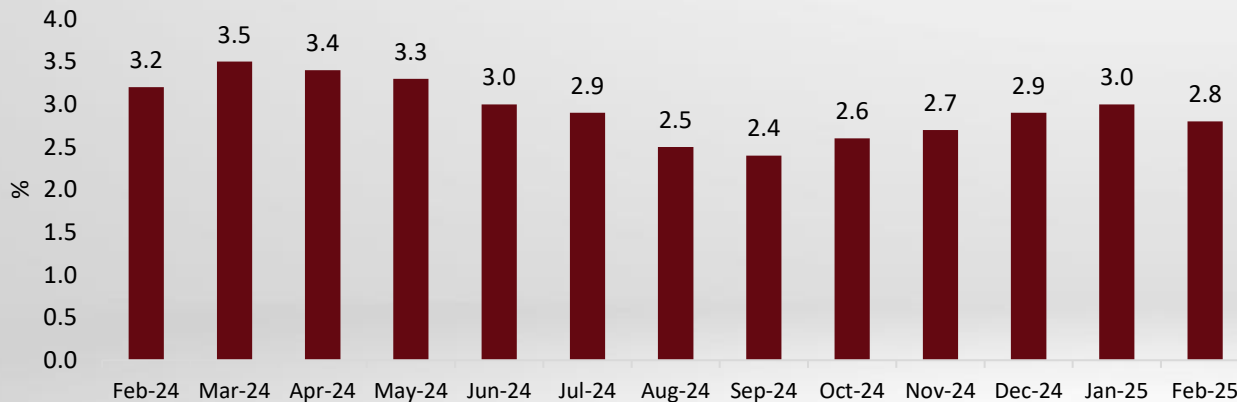
The U.S. Federal Reserve kept interest rates unchanged in Mar 2025



Key Highlights

- The U.S. Federal Reserve announced its decision to **keep interest rates unchanged on Mar 19, 2025**, following its second monetary policy meeting of the year.
- The U.S. central bank decided to **maintain the target range for the federal funds rate at 4.25% to 4.50%** to support its dual goals of maximum employment and maintaining inflation at 2% over the long term.

U.S. Inflation(%)



Source: Refinitiv

U.S inflation Peaking

- According to the Labor Department, the **U.S. consumer price index crept up by 0.2% in Feb 2025** after climbing by 0.5% in Jan 2025. The report also said the **annual rate of consumer price growth slowed to 2.8% in Feb 2025** from 3.0% in Jan 2025.
- The annual rate of **core consumer price growth also slowed to 3.1% in Feb 2025** from 3.3% in January. Core price growth was expected to dip to 3.2%.

To Conclude

- Recent data indicate that **economic activity has been growing steadily.**
- The **unemployment rate has remained low** in recent months, and the labor market is strong.
- However, inflation is still somewhat high. The Federal Open Market Committee (FOMC) **aims to achieve maximum employment and maintain inflation at 2% over the long term.**

DOMESTIC & GLOBAL

Equity Market Update

INDIAN EQUITY MARKET DASHBOARD

March 2025



DOMESTIC

Index Name (Broader Market Indices)	Absolute (%)				CAGR(%)		
	1 Month	3 Months	6 Months	1 Year	3 Years	5 Years	10 Years
BSE Sensex	5.76	-0.79	-7.88	6.39	11.17	22.77	12.12
Nifty 50	6.31	-0.29	-8.51	6.65	11.77	23.72	12.08
Nifty 100	7.04	-1.56	-10.19	6.14	12.11	23.82	12.29
Nifty 500	7.35	-4.44	-11.69	6.37	13.89	26.27	13.08
Nifty Midcap 150	7.73	-9.46	-14.15	8.17	20.58	34.62	17.05
Nifty Smallcap 250	9.10	-14.84	-17.82	6.02	17.85	37.46	14.36
Nifty Microcap 250	6.19	-17.33	-19.46	9.55	28.00	52.01	20.02
Sectoral Indices							
Nifty Energy	11.85	-4.02	-23.07	-12.77	10.50	27.15	17.38
Nifty PSU Bank	10.82	-4.24	-7.29	-9.97	33.70	37.60	7.01
Nifty Metal	10.62	5.12	-10.58	10.90	13.50	43.87	16.97
Nifty Infrastructure	10.34	0.14	-11.38	2.27	20.06	30.61	11.57
Nifty Oil & Gas	10.00	-1.27	-18.58	-6.87	11.33	25.83	16.31
Nifty Healthcare	7.85	-8.32	-7.07	14.10	18.17	26.31	7.94
Nifty Realty	6.69	-19.10	-22.52	-5.23	22.91	37.60	15.24
Nifty Pharma	6.68	-9.52	-8.99	12.01	16.80	25.01	5.81
Nifty Bank	6.66	1.39	-2.67	10.40	13.32	22.65	11.66
Nifty FMCG	5.72	-5.11	-17.53	1.24	15.91	16.55	12.23
Nifty Auto	3.93	-6.69	-21.15	0.17	27.47	36.30	10.56
Nifty IT	-1.16	-14.40	-11.06	8.07	2.64	26.08	14.05

- Domestic equity markets rose, driven by projected earnings growth for FY26, attributed to declining domestic inflation and the anticipated interest rate cuts by the RBI.
- However, the gains were curtailed as the U.S. President's stringent tariffs intensified fears of an escalating global trade war.

BROADER MARKET INDICES PERFORMANCE

Calendar Year wise



DOMESTIC

2016 (%)	2017 (%)	2018 (%)	2019 (%)	2020 (%)	2021 (%)	2022 (%)	2023 (%)	2024 (%)	CYTD (%)
Nifty Midcap 150 6.5	Nifty Smallcap 250 58.5	BSE Sensex 7.2	BSE Sensex 15.7	Nifty Smallcap 250 26.5	Nifty Smallcap 250 63.3	BSE Sensex 5.8	Nifty Smallcap 250 49.1	Nifty Smallcap 250 27.2	Nifty 50 -0.3
Nifty 500 5.1	Nifty Midcap 150 55.7	Nifty 50 4.6	Nifty 50 13.5	Nifty Midcap 150 25.6	Nifty Midcap 150 48.2	Nifty 50 5.7	Nifty Midcap 150 44.6	Nifty Midcap 150 24.5	BSE Sensex -0.8
Nifty 100 5.0	Nifty 500 37.7	Nifty 100 2.6	Nifty 100 11.8	Nifty 500 17.9	Nifty 500 31.6	Nifty 100 4.9	Nifty 500 26.9	Nifty 500 16.2	Nifty 100 -1.6
Nifty 50 4.4	Nifty 100 32.9	Nifty 500 -2.1	Nifty 500 9.0	BSE Sensex 17.2	Nifty 100 26.4	Nifty 500 4.2	Nifty 50 21.3	Nifty 100 13.0	Nifty 500 -4.4
BSE Sensex 3.5	Nifty 50 30.3	Nifty Midcap 150 -12.6	Nifty Midcap 150 0.6	Nifty 50 16.1	Nifty 50 25.6	Nifty Midcap 150 3.9	Nifty 100 21.2	Nifty 50 10.1	Nifty Midcap 150 -9.5
Nifty Smallcap 250 1.4	BSE Sensex 29.6	Nifty Smallcap 250 -26.1	Nifty Smallcap 250 -7.3	Nifty 100 16.1	BSE Sensex 23.2	Nifty Smallcap 250 -2.6	BSE Sensex 20.3	BSE Sensex 9.5	Nifty Smallcap 250 -14.8

- On CYTD basis, Large Caps witnessed lesser fall than Mid and Small Caps.
- Out of nine full calendar years, the Nifty Smallcap 250 has been the top performer in five years.

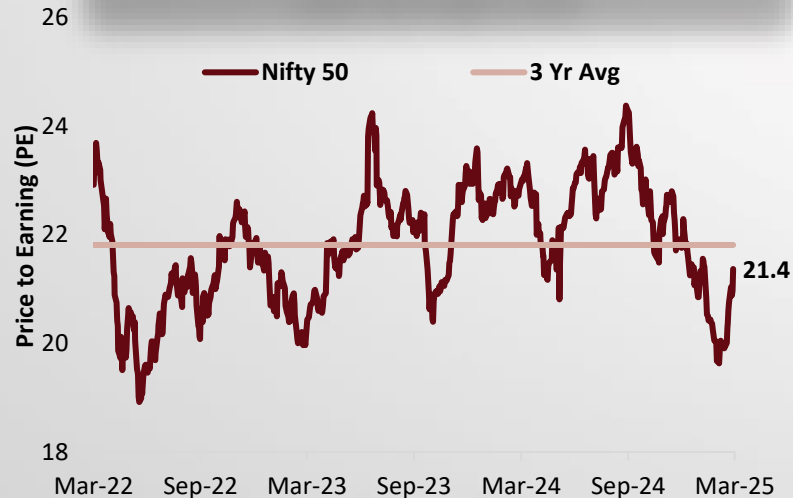
RELATIVE TRAILING VALUATIONS (P/E)

Large Cap vs Mid Cap vs Small Cap

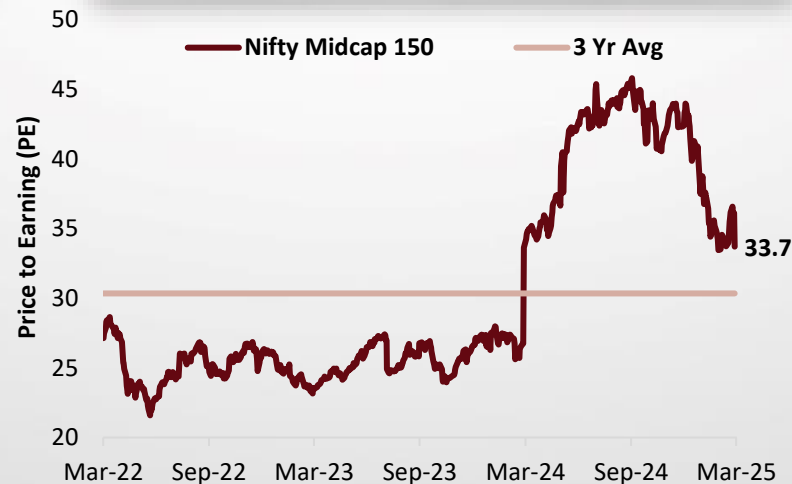


DOMESTIC

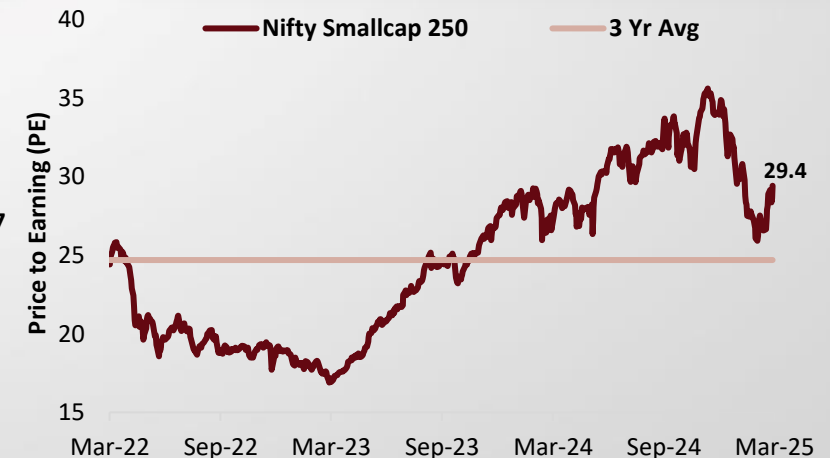
Nifty 50 trailing PE remained below the 3-year average mark



Nifty Midcap 150 trailing PE continued to remain above 3-year average level



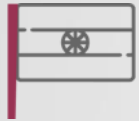
Nifty Smallcap 250 trailing PE continued to remain above 3-year average level



- Currently, Midcap & Small cap valuations are expensive compared to Large caps.
- Large cap valuations are trading below its 3-year average level, while Midcap and Small cap are above their 3-year average level.

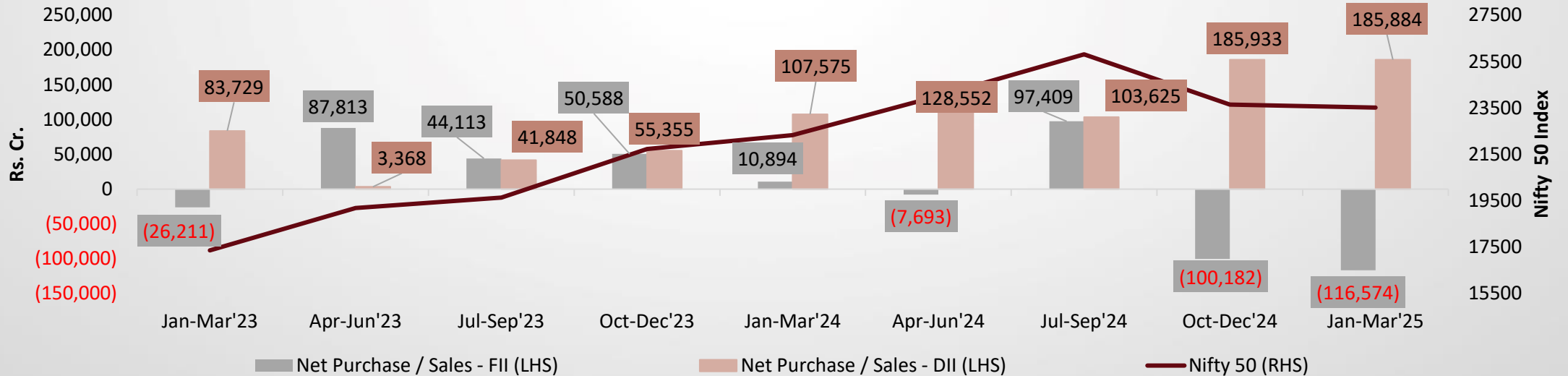
EQUITY FLOWS

Quarterly FII & DII Flows



DOMESTIC

Quarterly Net FII & DII Flow (Cash) in Rs. Cr. V/S Nifty 50



- FIIs were net seller in equity segment for the third consecutive month in March 2025. For past two quarters, FIIs have been net sellers of equity markets
- Mutual funds have been net buyers in equity segment in the last 49 months till March 2025, except April 2023 and August 2022.

GLOBAL EQUITY MARKET DASHBOARD

March 2025



GLOBAL

Emerging Markets	Index	Absolute (%)					CAGR(%)		
		1 Month	3 Months	YTD	6 Months	1 Year	2 Years	3 Years	5 Years
India	Nifty 50	6.30	-0.53	-0.53	-8.88	5.34	16.45	10.45	22.32
Brazil	Brazil Ibovespa	6.08	8.29	8.29	-1.18	1.67	13.05	2.77	12.27
Indonesia	Jakarta Composite	3.83	-8.04	-8.04	-13.51	-10.70	-2.20	-2.72	7.49
China	Shanghai Composite	0.45	-0.48	-0.48	-0.02	9.63	0.95	0.85	3.93
South Korea	Kospi	-2.04	3.40	3.40	-4.32	-9.62	0.09	-3.46	7.17
Taiwan	Taiwan TAIEX	-10.23	-10.15	-10.15	-6.88	1.97	14.18	5.36	16.34
Developed Markets									
Japan	Nikkei 225	-0.09	-6.95	-6.95	-2.11	-8.07	15.10	10.11	14.45
Germany	DAX	-1.72	11.32	11.32	14.69	19.67	19.06	15.40	17.39
UK	FTSE 100	-2.58	5.01	5.01	4.20	7.86	6.04	4.52	8.63
Europe	Euro Stoxx 50 Pr	-3.94	7.20	7.20	4.96	3.22	10.27	10.37	13.49
France	CAC 40	-3.96	5.55	5.55	2.03	-5.02	3.14	5.36	12.12
US	Russell 3000	-8.43	-10.14	-10.14	-4.15	6.44	20.69	8.73	18.59

- U.S. equity markets fell due to concerns over the U.S. President's trade policies, concerns regarding a potential recession in the world's largest economy, and a pessimistic outlook for global economic growth, all of which negatively impacted investor sentiment.
- European equity markets fell as increasing economic uncertainty and concerns regarding tariffs contributed to negative sentiment.

GLOBAL MARKET INDICES PERFORMANCE

Calendar Year wise



GLOBAL

2016 (%)	2017 (%)	2018 (%)	2019 (%)	2020 (%)	2021 (%)	2022 (%)	2023 (%)	2024 (%)	CYTD (%)
U.K. 14.4	Hong Kong 36.0	India 3.2	U.S. 34.2	U.S. 36.9	U.S. 25.0	India 4.3	U.S. 40.0	U.S. 31.6	Hong Kong 15.3
Germany 6.9	India 28.7	U.S. -3.3	Germany 25.5	Japan 16.0	India 24.1	U.K. 0.9	Japan 28.2	Japan 19.2	Germany 11.3
U.S. 5.7	U.S. 27.8	Japan -12.1	China 22.3	India 14.9	Germany 15.8	Japan -9.4	Germany 20.3	Germany 18.9	U.K. 5.0
India 3.0	Japan 19.1	U.K. -12.5	Japan 18.2	China 13.9	U.K. 14.3	Germany -12.4	India 20.0	Hong Kong 17.7	China -0.5
Japan 0.4	Germany 12.5	Hong Kong -13.6	U.K. 12.1	Germany 3.6	Japan 4.9	China -15.1	U.K. 3.8	China 12.7	India -0.5
Hong Kong 0.4	U.K. 7.6	Germany -18.3	India 12.0	Hong Kong -3.4	China 4.8	Hong Kong -15.5	China -3.7	India 8.8	Japan -7.0
China -12.3	China 6.6	China -24.6	Hong Kong 9.1	U.K. -14.3	Hong Kong -14.1	U.S. -29.6	Hong Kong -13.8	U.K. 5.7	U.S. -10.1

- On a CYTD basis, US markets witnessed the steepest decline, followed by Japanese markets.
- Out of the nine full calendar years, the U.S. markets have been the top performer in five.

ASSET CLASS PERFORMANCE

Calendar Year wise



ASSET CLASS

2016 (%)	2017 (%)	2018 (%)	2019 (%)	2020 (%)	2021 (%)	2022 (%)	2023 (%)	2024 (%)	CYTD (%)
G-Sec 14.3	Indian Equity 37.7	G-Sec 8.0	Intl 34.2	Intl 36.9	Indian Equity 31.6	Gold 13.9	Intl 40.0	Intl 31.6	Gold 16.8
Bonds 13.1	Intl 27.8	Gold 7.9	Gold 23.8	Gold 28.0	Intl 25.0	Cash 5.2	Indian Equity 26.9	Gold 20.6	Real Estate 3.1
Gold 11.3	Real Estate 7.2	Cash 7.3	Bonds 12.2	Indian Equity 17.9	Bonds 4.2	Indian Equity 4.2	Gold 15.4	Indian Equity 16.2	G-Sec 2.8
Real Estate 8.3	Cash 6.6	Bonds 6.0	G-Sec 11.3	Bonds 13.5	Cash 3.6	Real Estate 2.8	G-Sec 7.7	G-Sec 10.1	Bonds 2.5
Cash 7.5	Bonds 5.5	Real Estate 5.1	Indian Equity 9.0	G-Sec 13.2	G-Sec 3.1	Bonds 2.7	Cash 7.3	Bonds 9.6	Cash 1.9
Intl 5.7	Gold 5.1	Indian Equity -2.1	Cash 6.7	Cash 4.4	Real Estate 3.1	G-Sec 2.3	Bonds 7.2	Cash 7.7	Indian Equity -4.4
Indian Equity 5.1	G-Sec 3.5	Intl -3.3	Real Estate 3.0	Real Estate 2.2	Gold -4.2	Intl -29.6	Real Estate 3.8	Real Estate 3.1	Intl -10.1

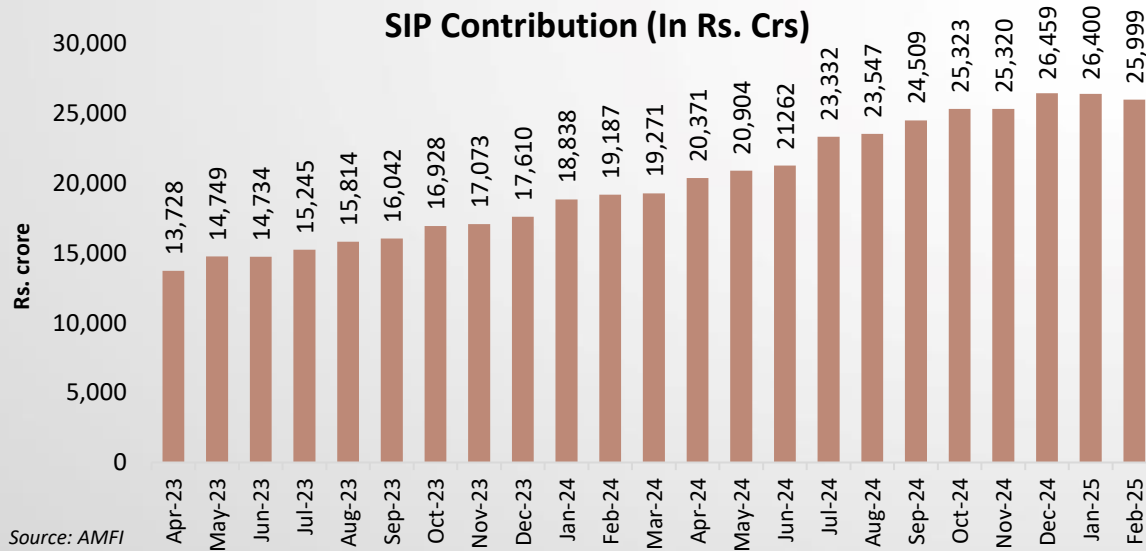
- On CYTD basis, Gold remained at the top followed by Real Estate and G-sec.
- Till 2024, Indian equities has been among the top three gainers for the past five calendar years, while Gold remained in the top two performing asset classes for five times in last seven years.

MUTUAL FUNDS

SIP Flows and SIP Returns Data



DOMESTIC



- According to AMFI, monthly SIP contribution stood at Rs. 25,999 crore in Feb 2025.
- SIP AUM decreased to Rs. 12.38 lakh crore in Feb 2025 compared to Rs. 13.20 lakh crore in Jan 2025, with 1,016.75 lakh outstanding SIP accounts.

Equity Broad MF category	Category average SIP returns (%)		
	3-year	5-year	10-year
Large cap	13.1	15.2	13.2
Large & Mid cap	16.1	18.8	15.7
Flexi cap	13.8	16.5	14.8
Multi cap	16.5	19.7	16.6
Mid cap	18.0	21.5	17.5
Small cap	15.3	22.9	18.3
Focused	13.9	15.7	14.3
Value	16.8	20.1	16.3

- Small cap category remained top performer in 5- & 10- year periods, while Mid cap category remained top performer in 3- year period.
- Large cap category has been the bottom performer across periods.

Performance is of regular plan growth option for SIP returns.
SIP performance as on 28th Mar 2025. Source: AMFI India, MFI 360 Explorer
<http://www.icraanalytics.com/legal/standard-disclaimer.html>

CATEGORY PERFORMANCE

Equity Mutual Funds



CATEGORY PERFORMANCE

Category	Absolute Returns (%)			CAGR (%)			
	1 month	3 months	6 months	1 year	3 years	5 years	10 years
Large Cap	6.72	-3.32	-10.19	6.02	12.59	22.32	11.16
Large & Mid Cap	7.51	-7.20	-11.88	8.85	15.65	26.98	13.40
Flexi Cap	6.67	-7.46	-12.28	6.49	13.39	24.42	12.65
Multi Cap	7.19	-8.52	-12.66	7.86	16.57	28.54	13.97
Mid Cap	7.73	-10.59	-14.14	10.21	18.30	30.85	14.89
Small Cap	7.67	-13.90	-16.48	7.69	16.94	35.22	15.95
Focused	6.47	-5.77	-11.70	7.16	13.40	23.79	12.44
Value	6.43	-6.87	-13.12	5.90	17.29	29.16	13.79
Index:							
Nifty 100	7.04	-1.56	-10.19	6.14	12.11	23.82	12.29
Nifty 500	7.35	-4.44	-11.69	6.37	13.89	26.27	13.08
Nifty Midcap 150	7.73	-9.46	-14.15	8.17	20.58	34.62	17.05
Nifty Smallcap 250	9.10	-14.84	-17.82	6.02	17.85	37.46	14.36

- In the last one-month, Mid Cap category followed by Small Cap and Large & Mid Cap categories rose the most.
- It is to be worth noted that all the equity categories witnessed positive returns for 1 year and above periods.

EQUITY MARKET ROUNDUP

Key Takeaways & Outlook



DOMESTIC

Domestic & Global factors that played out for the Indian markets:

- Domestic equity markets rallied amid a broad-based buying across the sectors following better-than-expected retail sales data in the U.S. and China for Feb 2025.
- Gains were extended after the U.S. Federal Reserve, in its Mar 2025 monetary policy meeting, maintained the interest rate and signaled the possibility of two rate cuts by the end of the year, given the increased uncertainty around the economic outlook. Gains were further bolstered by the inflow of foreign capital into the domestic equity markets and the strengthening of the rupee.
- However, the gains were curtailed as the U.S. President's stringent tariffs intensified fears of an escalating global trade war.

Outlook:

- Going forward, domestic equity markets will closely watch the fourth quarter results of FY25, with tariff implementations potentially influencing market movements. Foreign investor activity will be crucial, as FIIs returned in Mar 2025 and could continue to support the rally if the trend persists. Markets will remain watchful of US's trade policies and their consequent impact on domestic growth, capital flows and the rupee.
- **Given market volatility, one may consider staggered lump-sum investments or SIPs instead of deploying all investible surplus at once. As large caps currently appear attractive on valuations side - diversified categories such as Large-cap oriented and Flexicap funds may be considered.**
- **Conservative investors may consider - Hybrid funds, given their flexibility in asset allocation can be made part of core portfolio - Balanced Advantage, Multi Asset Allocation, Balanced Hybrid and Equity Savings Funds.**

DOMESTIC & GLOBAL

Debt Market Update

DEBT MARKET

Indian Government Bond and Policy Rate Trend



INDIAN DEBT

10-year benchmark G-sec yield fell by 14 bps MoM in Mar 2025

10-Yr Benchmark Bond

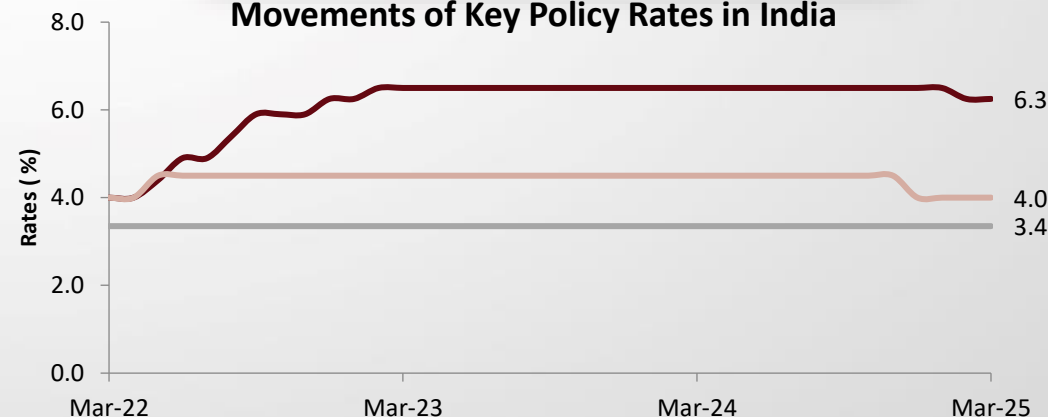


Source: Refinitiv

Bond yields fell as the RBI's latest liquidity measures to purchase government securities through Open Market Operations boosted sentiment.

RBI reduced repo rate by 25 bps in Feb 2025 monetary policy meeting

Movements of Key Policy Rates in India



Source: RBI

The Monetary Policy Committee (MPC) in its sixth bi-monthly monetary policy review of FY25 reduced key policy repo rate by 25 bps to 6.25% with immediate effect.

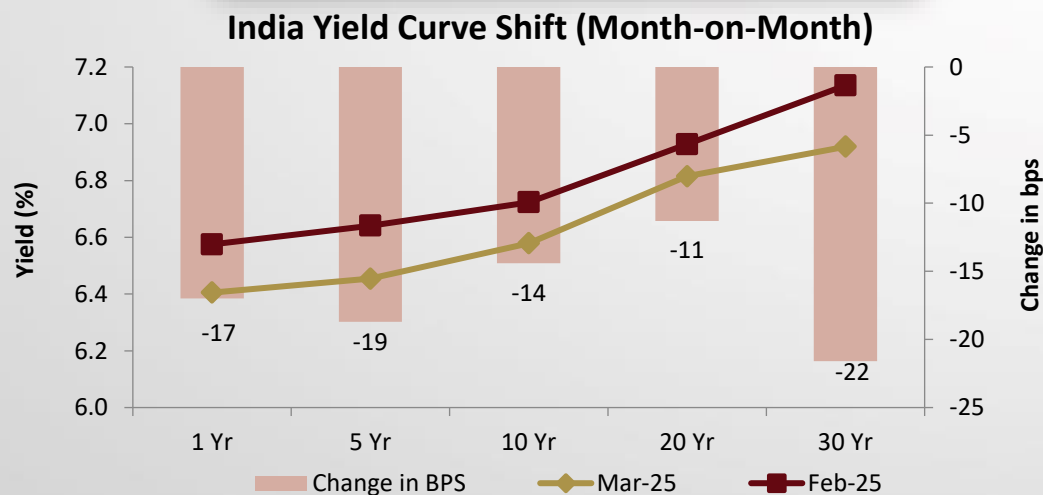
DEBT MARKET

Government Bond & Corporate Bond Yield Trend



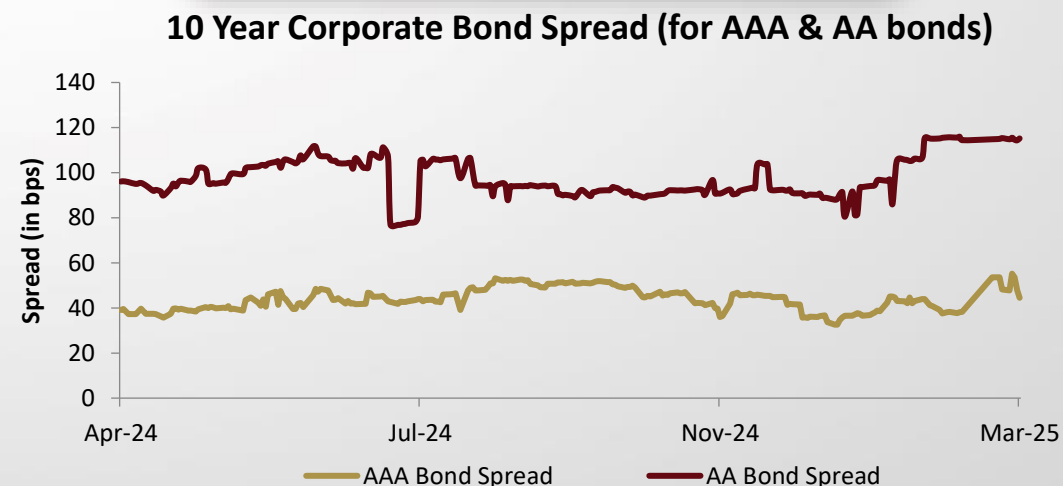
INDIAN DEBT

G-sec yields fell during the month



Yield on gilt securities fell between 12 to 23 bps across the maturities.

Corporate bond yields increased during the month



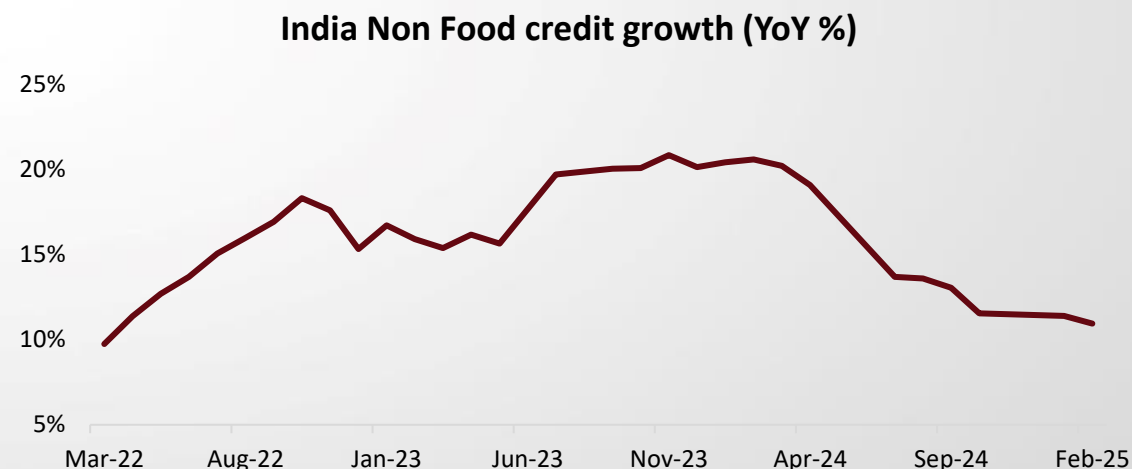
Yield on corporate bonds fell between 3 to 17 bps across the curve.

DEBT MARKET

System Liquidity



INDIAN DEBT



- The liquidity deficit in the banking system eased sharply initially, as the RBI's USD/INR Buy/Sell swap auction for a longer tenure provided durable liquidity to the banking system. However, the liquidity deficit widened in anticipation of advance tax and GST payments, which were expected to deplete funds. Meanwhile, liquidity improved towards the end of the month, supported by government spending and the \$10 billion swap auction conducted by the central bank on Mar 24, 2025.

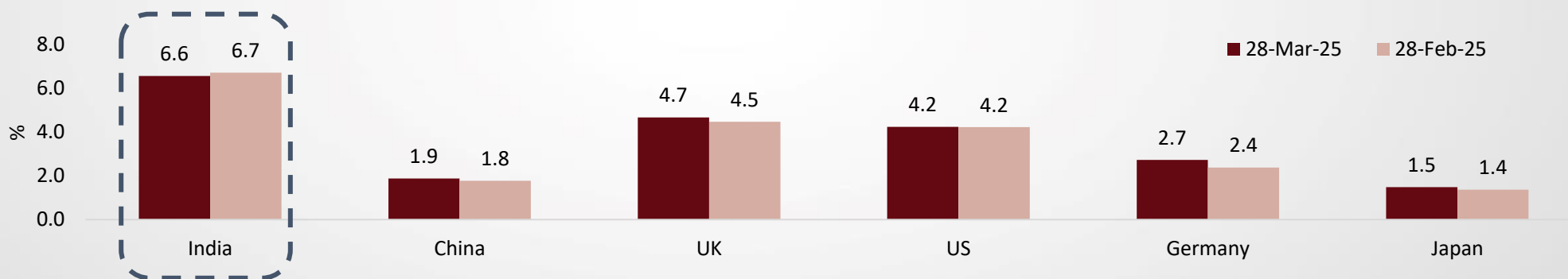
DEBT MARKET

Global



GLOBAL DEBT

Yield of 10 Year Government Bonds across countries (%)



Current Yield (%)	6.6	1.9	4.7	4.2	2.7	1.5
Inflation (%)	3.6	-0.7	2.8	2.8	2.3	2.9
Real Yields (%): 28-Mar-25	3.0	2.6	1.9	1.4	0.4	-1.4

- Globally, 10-year Sovereign yields remained mixed during the month. All above economies witnessed positive inflation adjusted returns/yields except Japan with India being the highest followed by China and U.K.

CATEGORY PERFORMANCE

Debt Mutual Funds



CATEGORY PERFORMANCE

Category	Absolute Returns (%)			CAGR (%)		
	1 month	3 months	6 months	1 year	3 years	5 years
Overnight Fund	0.53	1.55	3.18	6.52	6.19	4.93
Liquid Fund	0.66	1.78	3.55	7.23	6.63	5.32
Ultra Short Term Fund	0.73	1.81	3.52	7.11	6.31	5.45
Low Duration Fund	0.82	1.91	3.67	7.44	6.43	6.05
Money Market Fund	0.84	1.95	3.72	7.44	6.66	5.74
Arbitrage Fund	0.65	1.73	3.48	7.08	6.40	5.18
ICRA Liquid Index	0.66	1.86	3.71	7.59	7.05	5.73
Short Term Bond Fund	1.10	2.19	3.82	7.98	6.39	6.19
Medium Duration Fund	1.23	2.49	4.05	8.52	6.82	6.75
Banking and PSU Fund	1.29	2.24	3.77	7.99	6.40	6.23
Corporate Bond Fund	1.27	2.27	3.84	8.23	6.42	6.36
Credit Risk Fund	1.71	3.50	5.28	9.46	7.33	7.52
Nifty Short Duration Debt Index	0.91	2.10	3.86	7.90	6.49	6.52
Dynamic Bond Fund	1.97	2.54	3.35	8.39	6.75	6.18
Medium to Long Duration Fund	1.74	2.50	3.45	8.25	6.53	5.99
ICRA Composite Bond Fund Index	1.63	2.51	4.11	9.42	7.13	7.09
Gilt Fund	2.46	2.74	3.36	8.71	6.94	6.10
ICRA Composite Gilt Index	1.85	2.83	4.05	9.75	7.63	6.93

- Credit Risk Funds, Gilt Funds and Medium Duration Funds are the top performing categories over the past year, generating around 9% return.

DEBT MARKET

Sensitivity Analysis



INDIAN DEBT

Sensitivity Analysis				Interest Rate Scenario's					
				Decreases			Increases		
Category	Avg YTM (%)	Avg Maturity (Years)	Avg Mod duration (Years)	0.25%	0.50%	1.00%	0.25%	0.50%	1.00%
Overnight Fund	6.77	0.00 Years	0.01 Years	6.77%	6.77%	6.78%	6.77%	6.76%	6.76%
Liquid Funds	7.09	0.04 Years	0.13 Years	7.13%	7.16%	7.22%	7.06%	7.03%	6.96%
Ultra Short Term Fund	7.42	0.26 Years	0.45 Years	7.54%	7.65%	7.87%	7.31%	7.20%	6.97%
Money Market Fund	7.25	0.24 Years	0.63 Years	7.40%	7.56%	7.88%	7.09%	6.93%	6.62%
Low Duration Fund	7.18	0.64 Years	0.82 Years	7.38%	7.59%	8.00%	6.97%	6.77%	6.36%
Short Term Bond Fund	7.32	3.48 Years	2.67 Years	7.99%	8.66%	9.99%	6.66%	5.99%	4.65%
Corporate Bond Fund	7.29	4.78 Years	3.36 Years	8.13%	8.97%	10.65%	6.45%	5.61%	3.93%
Banking and PSU Fund	7.22	4.47 Years	3.24 Years	8.03%	8.84%	10.46%	6.41%	5.60%	3.98%
Credit Risk Fund	8.14	3.02 Years	2.21 Years	8.70%	9.25%	10.35%	7.59%	7.04%	5.93%
Medium Duration Fund	7.64	4.99 Years	3.57 Years	8.54%	9.43%	11.21%	6.75%	5.86%	4.07%
Dynamic Bond Fund	7.02	14.75 Years	7.00 Years	8.77%	10.52%	14.02%	5.27%	3.52%	0.02%
Medium to Long Duration Fund	7.09	11.37 Years	6.09 Years	8.62%	10.14%	13.18%	5.57%	4.05%	1.00%
Gilt Fund	6.98	21.12 Years	9.20 Years	9.28%	11.58%	16.18%	4.68%	2.38%	-2.22%

- Credit Risk funds, Medium Duration funds and Ultra Short Term Duration funds offer higher YTM's.

Note: Modified Duration indicates the sensitivity of a fund/bond with a change in interest rate scenario. It helps help investors predict how the bond's price will be affected by the fluctuations in interest rates.

For eg: If a fund with a modified duration of 8 years and YTM of 8% sees a 50-bps interest rate fall in a year, then the estimated return will be 12% [Average YTM - (Modified Duration x Change in Interest Rate)].

DEBT MARKET ROUNDUP

Key Takeaways & Outlook



INDIAN DEBT

Domestic & Global factors that played out for the Indian markets:

- Bond yields fell as the RBI's latest liquidity measures to purchase government securities through Open Market Operations boosted sentiment. Gains were extended following a lower-than-expected domestic inflation print for Feb 2025.
- Yields fell further following the U.S. Federal Reserve's decision to maintain current interest rates in its Mar 2025 monetary policy meeting and signaled the possibility of two quarter-point rate reductions later this year. Additionally, demand for domestic bonds was increased, as concerns over rupee depreciation have diminished.

Outlook:

- The prospects for the Indian debt market appear favorable, driven by expectations that the RBI will lower interest rates in the upcoming policy meet, with the overnight index swap market anticipating more aggressive easing than before. The RBI is expected to maintain an accommodative stance, including continued liquidity infusion to support credit growth and anticipated rate cuts, which is likely to spur further buying in government bonds. Additionally, foreign capital inflows and the appreciation of the domestic currency could further strengthen the domestic debt market. Overall, the outlook is optimistic, with potential volatility due to global economic conditions.
- **For Core portfolio (60-70% of the entire debt portfolio), investors may consider Short Duration funds, Banking PSU, Corporate Bond and Target Maturity funds (matching with the average maturity of the funds and investment horizon). Along with MFs, good quality Corporate FDs and Bonds can be looked at allocation in the debt portfolio.**
- **For Satellite portfolio (30-40% of the entire debt portfolio), investors may consider MF categories such Medium to Long duration, Gilt and Dynamic Bond Funds as these categories have started to benefit from the recent rate cut announced by the RBI in its Feb 2025 policy meet.**

ECONOMIC CALENDAR

Upcoming Key Events for the Month



DOMESTIC

Events for April 2025	
Event	Date
RBI Interest Rate Decision	09-Apr-25
Industrial Production YoY Feb 2025	11-Apr-25
CPI Inflation Rate YoY Mar 2025	11-Apr-25
Balance of Trade Mar 2025	15-Apr-25
WPI Inflation YoY Mar 2025	15-Apr-25
Passenger Vehicles Sales YoY Mar 2025	18-Apr-25
Government Budget Value Mar 2025	30-Apr-25
Infrastructure Output YoY Mar 2025	30-Apr-25



GLOBAL

Events for April 2025	
Event	Date
China CPI YoY Mar 2025	10-Apr-25
U.S. CPI YoY, NSA Mar 2025	10-Apr-25
Germany HICP Final YoY Mar 2025	11-Apr-25
U.K. ILO Unemployment Rate Feb 2025	15-Apr-25
U.K. CPI YoY Mar 2025	16-Apr-25
Euro Zone ECB Refinancing Rate Apr 2025	17-Apr-25
China Loan Prime Rate 1Y Apr 2025	21-Apr-25
U.S. New Home Sales-Units Mar 2025	23-Apr-25

MUTUAL FUND DASHBOARD

Category Performance

MUTUAL FUND DASHBOARD

Category Performance



CATEGORY PERFORMANCE

Equity Category:	1 Yr (%)	3 Yr (%)	5 Yr (%)	10 Yr (%)
Large Cap	6.02	12.59	22.32	11.16
Large & Mid Cap	8.85	15.65	26.98	13.40
Multi Cap	7.86	16.57	28.54	13.97
Flexi Cap	6.49	13.39	24.42	12.65
Mid Cap	10.21	18.30	30.85	14.89
Small Cap	7.69	16.94	35.22	15.95
Focused	7.16	13.40	23.79	12.44
Value	5.90	17.29	29.16	13.79
Hybrid Category:				
Conservative Hybrid	8.11	8.14	10.41	7.49
Balanced Hybrid	9.64	--	--	--
Balanced Advantage	5.94	10.54	15.19	9.18
Multi Asset Allocation	8.68	12.75	21.75	11.81
Aggressive Hybrid	7.79	12.37	20.80	10.78

Debt Category	3 Mths (%)	6 Mths (%)	1 Yr (%)	3 Yr (%)
Money Market:				
Overnight	1.55	3.18	6.52	6.19
Liquid	1.78	3.55	7.23	6.63
Ultra Short Duration	1.81	3.52	7.11	6.31
Low Duration	1.91	3.67	7.44	6.43
Money Market	1.95	3.72	7.44	6.66
Accrual:				
Short Duration	2.19	3.82	7.98	6.39
Medium Duration	2.49	4.05	8.52	6.82
Banking & PSU Debt	2.24	3.77	7.99	6.40
Corporate Bond	2.27	3.84	8.23	6.42
Floating Rate	2.18	3.84	8.31	6.96
Credit Risk	3.50	5.28	9.46	7.33
Duration:				
Medium to Long Duration	2.50	3.45	8.25	6.53
Long Duration	2.84	3.22	9.22	7.60
Dynamic Bond	2.54	3.35	8.39	6.75
Gilt	2.74	3.36	8.71	6.94
Gilt Fund with 10 year Constant Duration	2.88	4.06	9.52	7.08

Note: <1 year return are absolute and ≥ 1 year returns are CAGR

Performance is of regular plan growth option. MF Category average performance as on 28th Mar 2025.

Source: MFI 360 Explorer <http://www.icraanalytics.com/legal/standard-disclaimer.html>

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