

## Market Update

### From CIO'S Desk



**Mihir Vora**

Director & Chief Investment Officer  
at Max Life Insurance

### Fixed Income Summary



- India's FY'21 fiscal deficit stands at 9.3% of GDP. Absolute basis, fiscal deficit for FY'21 was ₹ 18.2 Trillion or 98.5% of the budgeted FY'21 deficit (₹ 18.5 Trillion). For April, deficit printed at ₹ 787 Billion, nearly 5.2% of the annual FY'22 estimate (₹ 15.1 Trillion / 6.8% of GDP)
- IP declined -1.9% YoY in November (v/s. +3.6% in October) below consensus forecasts (consensus: -1.0%; JPMe: -2.0%). The decline in November reflects a post-festival season payback
- GST collections in April hit a record monthly high of ₹ 1.41 Trillion (from ₹ 1.24 Trillion in March, +14.1% MoM). This was the 7<sup>th</sup> consecutive month with collections of more than ₹ 1 Trillion
- Benchmark 10-year treasury yields averaged at 5.99% in May (7bp lower v/s. April average). On month end values, the 10Y yield was flat and ended the month at 6.02%



### Economic Environment

- Global equities (+1.4%) trade higher, with Europe leading other developed markets. Inflation, however, has been accelerating more quickly than imagined
- Nifty gained 6% in May, outperforming peers MSCI APxJ / EM (+1.2% / +2.1%). Mid-caps were up by 8%, outperforming large-caps in May
- The NIFTY closed at an all-time high of 15,583 (as of May 31) as investors looked beyond the peak of new cases. Along with declining cases, assurances from global central banks on liquidity and firmer global equity markets also helped broaden investor sentiment
- After a very challenging few months, India's second COVID-19 wave peaked and rolled over in early May, with new cases trending down



### Equity Summary

- Nifty gained 6% in May. By sector, Utilities, Materials and Consumer Discretionary outperformed while Communication Services, Health Care and IT services were notable laggards in May
- March Quarter earnings have been mostly in-line. Most Nifty companies (c.90%) have reported Q4 earnings
- FIIs have turned consistent net buyers over the last two weeks and ended the month at a modest \$37 Million of net buying in May. DIIs remained net equity buyers for the third month (+\$ 282 Million, v/s +\$ 1.5 Billion in April). Both Mutual funds (+\$ 27 Million) and Insurance funds (+\$ 178 Million) were net buyers in May

The linked insurance products do not offer any liquidity during the first five years of the contract. the policyholder will not be able to surrender / withdraw the monies invested in linked insurance products completely or partially till the end of fifth year.



**Help your customers choose the right fund for themselves & secure their loved ones future.**

## Max Life Fund Details - A Snapshot 31<sup>st</sup> May 2021

Asset Under Management - ₹ 91,927 Cr. as on 31<sup>st</sup> May, 2021

**High Growth Fund** (SFIN: ULIF01311/02/08LIFEHIGHGR104)

**Morningstar Rating<sup>#</sup> 5** ★★★★★

|   |   |  |  |
|---|---|--|--|
| <p><b>Fund Nature</b><br/>An open ended equity multicap fund with focus on midcap.</p> <p><b>Risk</b></p> <ul style="list-style-type: none"> <li>Low</li> <li>Medium</li> <li>High</li> <li><b>Very high</b></li> </ul> | <p><b>AUM<sup>**</sup> (in Cr.)</b> 929.34</p> <p><b>Inception Date</b> 26-02-2008</p> <p><b>Asset Allocation</b></p> <ul style="list-style-type: none"> <li>0% Govt. Securities</li> <li>0% Corporate Bonds</li> <li><b>93% Equities</b></li> <li>7% Money Market or Equivalent</li> </ul> | <p><b>Benchmark - Nifty Midcap Free Float 100%</b></p> | <p><b>CAGR</b></p> <ul style="list-style-type: none"> <li>17.50%<br/>3 year return</li> <li>17.49%<br/>5 years return*</li> <li>12.68%<br/>Since inception*</li> </ul> |
|   |   |  | <p>10.88%</p> <p>9.49%</p> <p>7.00%</p>  |

**Growth Super Fund** (SFIN: ULIF01108/02/07LIFEGRWSUP104)

**Morningstar Rating<sup>#</sup> 4** ★★★★☆

|   |  |  |  |
|---|--|--|--|
| <p><b>Fund Nature</b><br/>An open ended equity fund with focus on large cap.</p> <p><b>Risk</b></p> <ul style="list-style-type: none"> <li>Low</li> <li>Medium</li> <li><b>High</b></li> <li>Very high</li> </ul> | <p><b>AUM<sup>**</sup> (in Cr.)</b> 8834.20</p> <p><b>Inception Date</b> 21-05-2007</p> <p><b>Asset Allocation</b></p> <ul style="list-style-type: none"> <li>0% Govt. Securities</li> <li>0% Corporate Bonds</li> <li><b>97% Equities</b></li> <li>3% Money Market or Equivalent</li> </ul> | <p><b>Benchmark - NSE Nifty 100%</b></p> | <p><b>CAGR</b></p> <ul style="list-style-type: none"> <li>14.17%<br/>3 year return</li> <li>15.08%<br/>5 years return*</li> <li>12.07%<br/>Since inception*</li> </ul> |
|   |  |  | <p>13.21%</p> <p>13.80%</p> <p>9.68%</p>   |

**Growth Fund** (SFIN: ULIF00125/06/04LIFEGROWTH104)

**Morningstar Rating<sup>#</sup> 3** ★★★☆☆

|  |   |   |  |
|--|---|---|--|
| <p><b>Fund Nature</b><br/>An open ended hybrid fund with equity portion focused on large cap.</p> <p><b>Risk</b></p> <ul style="list-style-type: none"> <li>Low</li> <li>Medium</li> <li><b>High</b></li> <li>Very high</li> </ul> | <p><b>AUM<sup>**</sup> (in Cr.)</b> 8306.72</p> <p><b>Inception Date</b> 20-09-2004</p> <p><b>Asset Allocation</b></p> <ul style="list-style-type: none"> <li>24% Govt. Securities</li> <li>17% Corporate Bonds</li> <li>54% Equities</li> <li>6% Money Market or Equivalent</li> </ul> | <p><b>Benchmark - Crisil Bond Index 50% and NSE Nifty 50%</b></p> | <p><b>CAGR</b></p> <ul style="list-style-type: none"> <li>10.92%<br/>3 year return</li> <li>10.80%<br/>5 years return*</li> <li>12.75%<br/>Since inception*</li> </ul> |
|  |   |   | <p>12.12%</p> <p>11.90%</p> <p>12.04%</p>  |

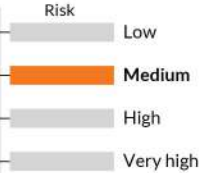
The linked insurance products do not offer any liquidity during the first five years of the contract. the policyholder will not be able to surrender / withdraw the monies invested in linked insurance products completely or partially till the end of fifth year.

### Balanced Fund (SFIN: ULIF00225/06/04LIFEBALANC104)

Morningstar Rating# **4** ★★★★★

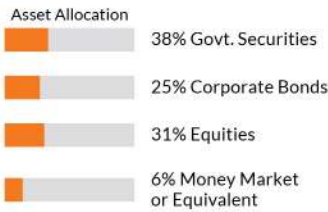
**Fund Nature**

An open ended hybrid Fund investing in a mixture of debt instruments and equities.



AUM\*\* (in Cr.) **3495.14**

Inception Date **20-09-2004**



Benchmark - Crisil Bond Index 70% and NSE Nifty 30%

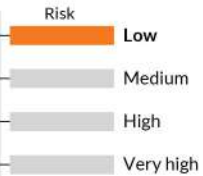


### Conservative Fund (SFIN: ULIF00325/06/04LIFECONSER104)

Morningstar Rating# **3** ★★★★★

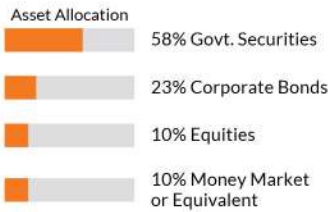
**Fund Nature**

An open-ended hybrid fund investing predominantly in debt instruments.



AUM\*\* (in Cr.) **266.48**

Inception Date **20-09-2004**



Benchmark - Crisil Bond Index 90% and NSE Nifty 10%

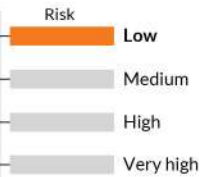


### Secure Plus Fund (SFIN: ULIF01628/04/09LIFESECP104)

Morningstar Rating# **4** ★★★★★

**Fund Nature**

An open-ended debt fund which invests across duration with bias towards government securities.



AUM\*\* (in Cr.) **470.94**

Inception Date **28-04-2009**



Benchmark - Crisil Bond Index 100%

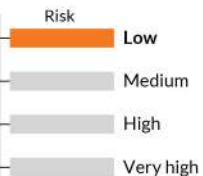


### Secured Fund (SFIN: ULIF00425/06/04LIFESECURE104)

Morningstar Rating# **3** ★★★★★

**Fund Nature**

An open-ended debt fund which invests across duration.



AUM\*\* (in Cr.) **876.90**

Inception Date **20-09-2004**



Benchmark - Crisil Bond Index 100%



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**IAM THE DIFFERENCE**

**\*As per Monthly Factsheet as on 31<sup>st</sup> May, 2021. \*As per Annual audited financials for the FY 2020-2021.**

"The 'Morningstar Rating' is a quantitative assessment of a fund's past performance-both return and risk-as measured from one to five stars, with one (1) being the lowest and five (5) being the best.

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