

PRESS RELEASE

86% of Indian Equity Large Cap funds underperformed their benchmark in one-year period ending June 2021

S&P Dow Jones Indices releases SPIVA® India Mid-Year 2021 results

MUMBAI, October 04, 2021: The latest S&P Indices Versus Active (SPIVA®) India Scorecard reveals that over the one-year period ending June 2021, 86.2% of Indian Equity Large Cap funds, 57.1% of Indian Equity Mid-/Small-cap and 53.7% of the ELSS funds underperformed their respective benchmarks.

Over longer horizons, the majority of the actively managed funds in India underperformed their respective benchmarks. Over a 5-year period ending in June 2021, 82.7%, 76.2% and 69.6% of the Indian Equity Large-cap, ELSS and Mid/SmallCap funds underperformed their respective benchmarks.

Akash Jain, Associate Director, Global Research & Design, S&P Dow Jones Indices said, "Over the one-year period ending in June 2021, Mid-/Small-Cap was the best performing fund category amongst the equity categories covered in this scorecard with the S&P BSE 400 MidSmallCap Index returning 90.6%. Though market participants invested in this category of funds may have witnessed a widespread in fund returns, during this period, the difference in the first & third quartile fund returns was as high as 27.9% posing fund selection challenges to investors."

In the 5-year period ending in June 2021, the asset-weighted returns lagged their respective benchmark returns in each of the Indian Equity categories: Large-cap funds (by 26 bps), ELSS funds (by 138 bps) and Mid-/Small-cap funds (by 198 bps).

71.4% and 97.9% of the Indian Government Bond and Indian Composite Bond funds underperformed their respective benchmarks over a 5-year period ending in June 2021.

Report 1a: Percentage of Funds Outperformed by the Index (Based on Absolute Return)

FUND CATEGORY	COMPARISON INDEX	1-YEAR (%)	3-YEAR (%)	5-YEAR (%)	10-YEAR (%)
Indian Equity Large-Cap	S&P BSE 100	86.21	86.67	82.72	65.93
Indian ELSS	S&P BSE 200	53.66	76.19	76.19	48.57
Indian Equity Mid-/Small-Cap	S&P BSE 400 MidSmallCap Index	57.14	48.65	69.57	40.30
Indian Government Bond	S&P BSE India Government Bond Index	70.83	51.85	71.43	86.00
Indian Composite Bond	S&P BSE India Bond Index	50.00	97.90	97.87	100.00

Source: S&P Dow Jones Indices LLC, Morningstar, and Association of Mutual Funds in India. Data as of June 30, 2021. Returns are shown in INR. Past performance is no guarantee of future results. Table is provided for illustrative purposes.

S&P Dow Jones Indices

A Division of **S&P Global**

SPIVA India

The SPIVA India Scorecard reports on the performance of actively managed Indian mutual funds compared to their respective benchmark indices over one-, three-, and five-year investment horizons. With this edition of the scorecard, we have introduced style consistency of funds and extended the study over the 10-year period ending December 2018. It is not possible to invest directly in an index, and index returns do not reflect expenses an investor would pay. For more information, please visit: www.spdji.com

ABOUT S&P DOW JONES INDICES

S&P Dow Jones Indices is the largest global resource for essential index-based concepts, data and research, and home to iconic financial market indicators, such as the S&P 500[®] and the Dow Jones Industrial Average[®]. More assets are invested in products based on our indices than products based on indices from any other provider in the world. Since Charles Dow invented the first index in 1884, S&P DJI has been innovating and developing indices across the spectrum of asset classes helping to define the way investors measure and trade the markets.

S&P Dow Jones Indices is a division of S&P Global (NYSE: SPGI), which provides essential intelligence for individuals, companies, and governments to make decisions with confidence. For more information, visit www.spdji.com.

¹ The S&P BSE India Bond Index and the S&P BSE India Government Bond Index were launched on Dec. 31, 2013. All information for an index prior its Launch Date is back-tested, based on the methodology in effect on the Launch Date. However, when creating back-tested history for periods of market anomalies or other periods that do not reflect the general current market environment, index methodology rules may be relaxed to capture a large enough universe of securities to simulate the target market the index is designed to measure or strategy the index is designed to capture. For example, market capitalization and liquidity thresholds may be reduced. Back-tested performance, which is hypothetical and not actual performance, is subject to inherent limitations because it reflects application of an Index methodology and selection of index constituents in hindsight. No theoretical approach can take into account all of the factors in the markets in general and the impact of decisions that might have been made during the actual operation of an index. Actual returns may differ from, and be lower than, back-tested returns.

FOR MORE INFORMATION:

S&P Dow Jones Indices

Marketing & Communications

Bhavna Sadarangani

bhavna.sadarangani@spglobal.com