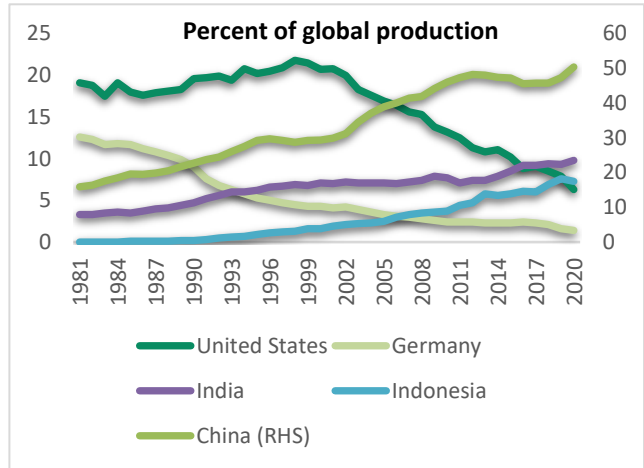
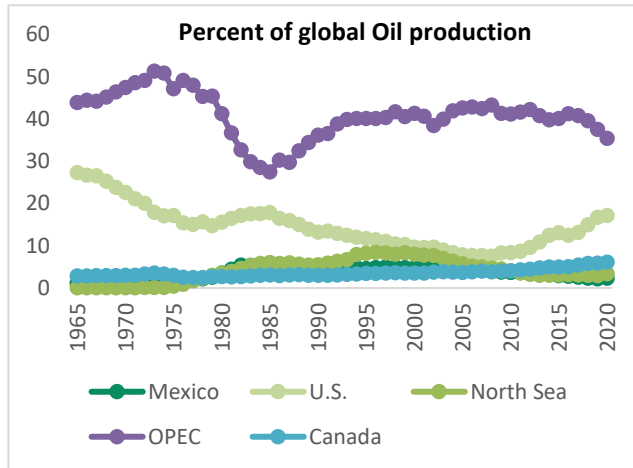
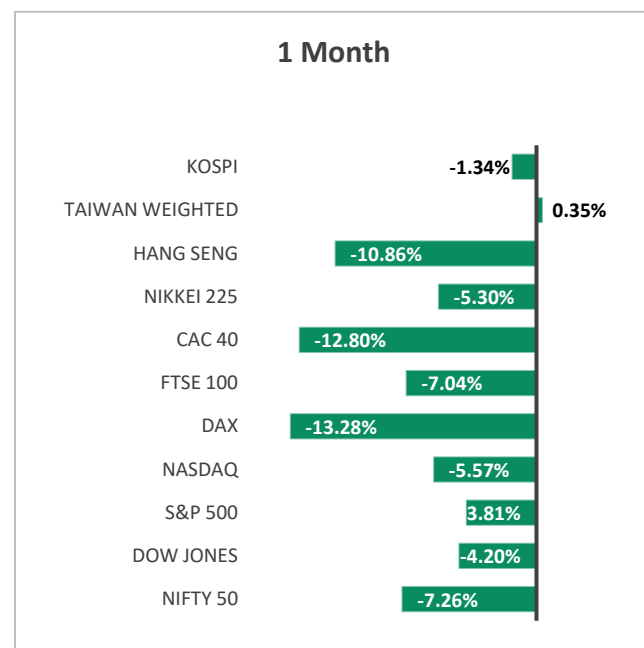
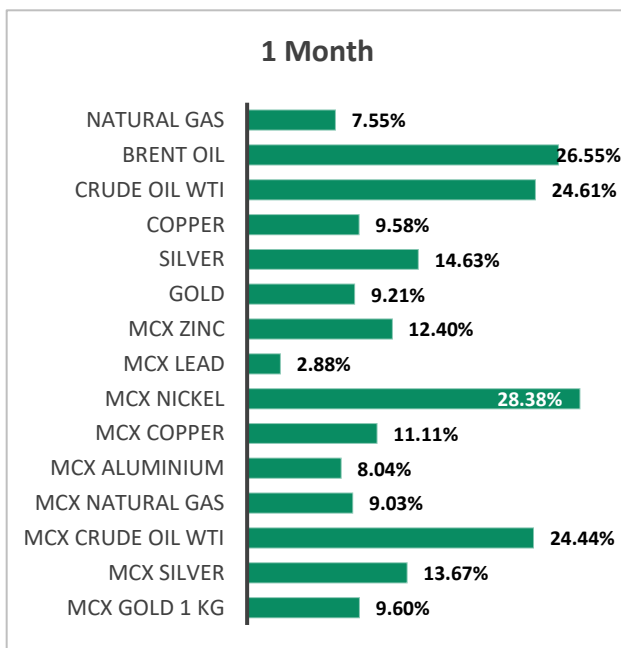


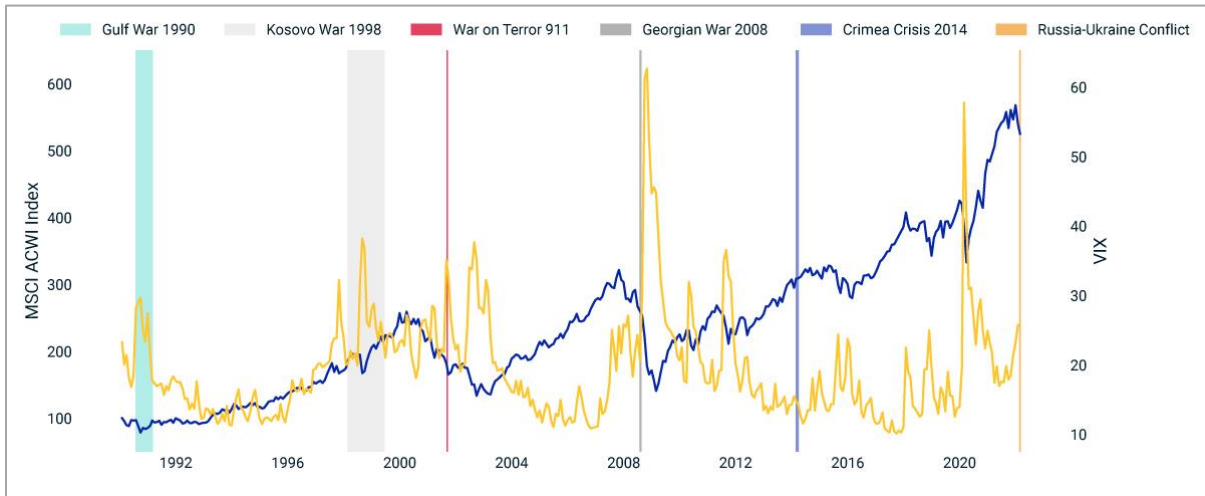
The Ukraine – Russia tensions have blown a hole in the inclusive global economic theory, atleast for Russia, though Oil is still out of the sanctions, the calls keep growing louder for sanctions on Russian oil as well, thereby fully crippling the Russian economy. Since there is no immediate backup plan to replace Russian oil, the Eu and US might go slow on this proposition as even re-firing the coal power plants in Eu or increasing the output of US shale oil will need 6-9 months.



Globally most markets corrected ~5-10% during the month, while the Indian indices lost 7.26%, with realty and the auto indices leading with losses of 15.95% and 14.92% respectively, as auto numbers failed to enthuse. Metal and oil stocks have shown some resilience as most metals prices hardened. With the fear of Russian supplies dwindling there has been a stupendous rally in coal as well as the European region weighs the prospects of falling back on coal fired power plants in the absence of Russian Gas.



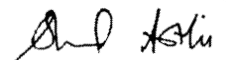
We looked at the major wars since 1990 in terms of equity-market performance, to see whether history provided any lessons. The exhibit below shows that most of these wars had only a short-lived impact on equity markets and volatility. We saw neither the reversal of pre-war market trends nor persistently high market volatility in the weeks after the conflicts began. A key reason for this relatively mild impact was the largely contained scale of the wars in recent decades (in terms of the regions and length of these conflicts), as well as limited economic linkage of the targeted economy to the rest of world. Additionally, the average duration of heightened volatility following the wars was around 20 days.



Yields as expected have been subdued for the month as markets doubt the velocity of rate increases in the face of Russian sanctions and inflationary impact of the boil it has created across commodities with oil, wheat and base and precious metal prices shooting through the roof. With the dual benefit of price correction and earnings picking up the valuations in the equity markets have started to look attractive and hence we are reducing the allocation to Gold and adding back allocation to equities. On the debt side, as yields settle we believe shifting to medium duration funds would be a good idea while still avoiding credit risks. We believe sooner than later the Russia – Ukraine tensions will die down and we could brace for some very strong recovery in equity markets. With leverage at most Indian corporations having gone down and banks flush with money, as post COVID opening up happens and the Russia Ukraine tensions ease, the situation is perfect for a CAPEX led growth for the Indian economy aided attractive valuations across many sectors like BFSI, Autos etc.

***“Your success in investing will depend in part on your character and guts and in part on your ability to realize, at the height of ebullience and the depth of despair alike, that this too, shall pass.”***

- Jack Bogle



**Sharad Avasthi**

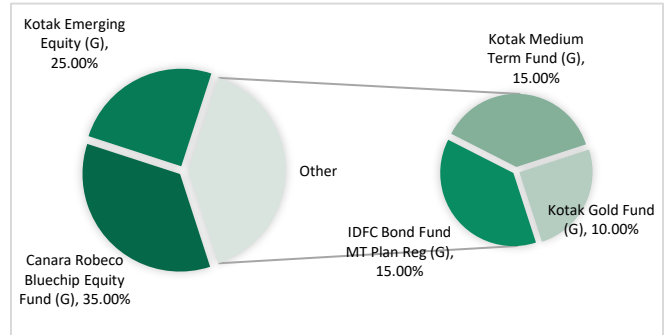
Vice President – PCG, SMIFS Ltd.

# MF Select



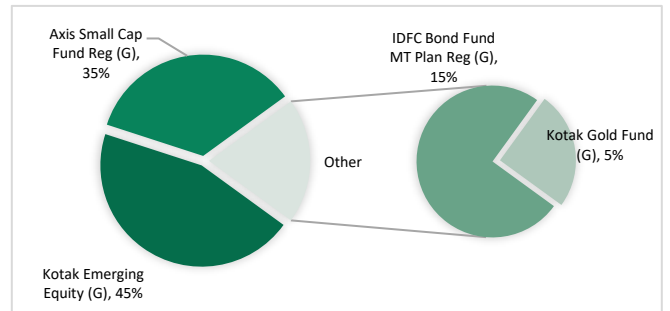
## Profile: Conservative

Scheme	1 Yr Return(%)	3 Year Return(%)	5 Year Return(%)
Canara Robeco Bluechip Equity Fund (G)	14.25	21.04	16.28
Kotak Emerging Equity (G)	23.92	25.36	15.87
IDFC Bond Fund MT Plan Reg (G)	4.28	7.36	6.68
Kotak Medium Term Fund (G)	6.24	6.75	6.42
Kotak Gold Fund (G)	5.80	13.01	10.11



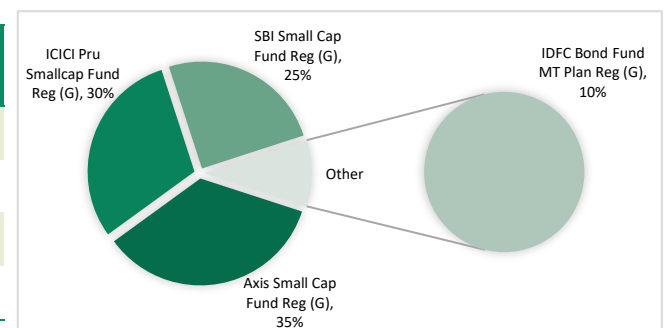
## Profile: Moderate

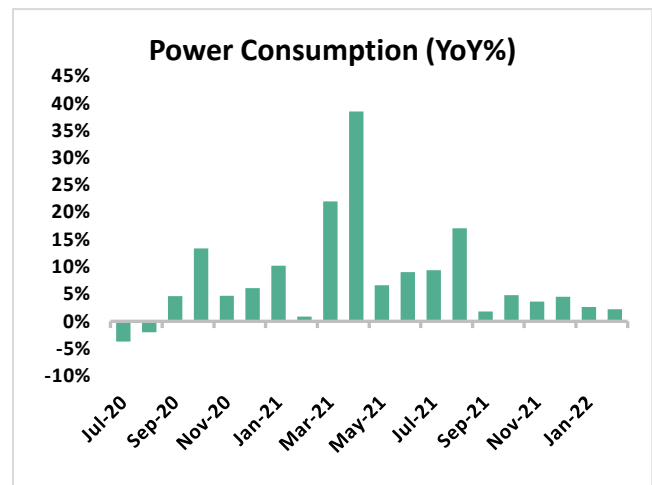
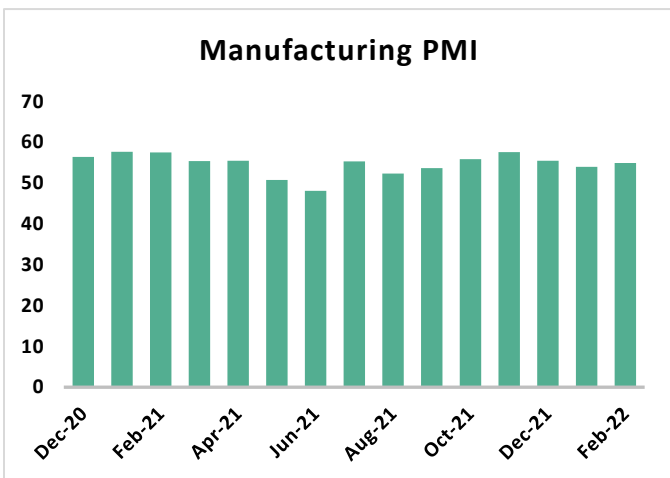
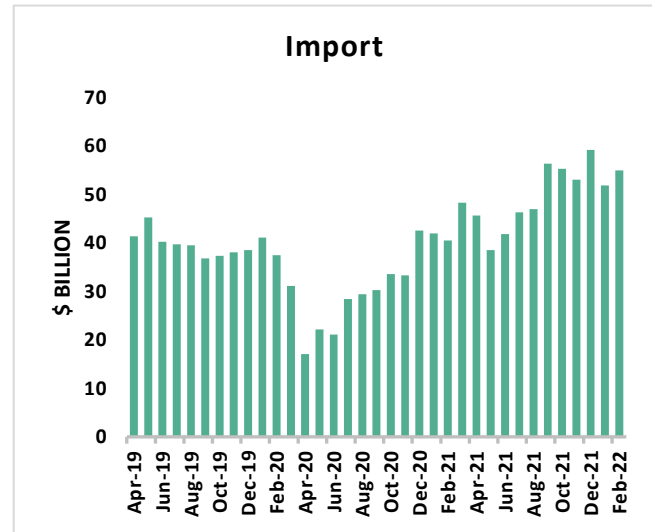
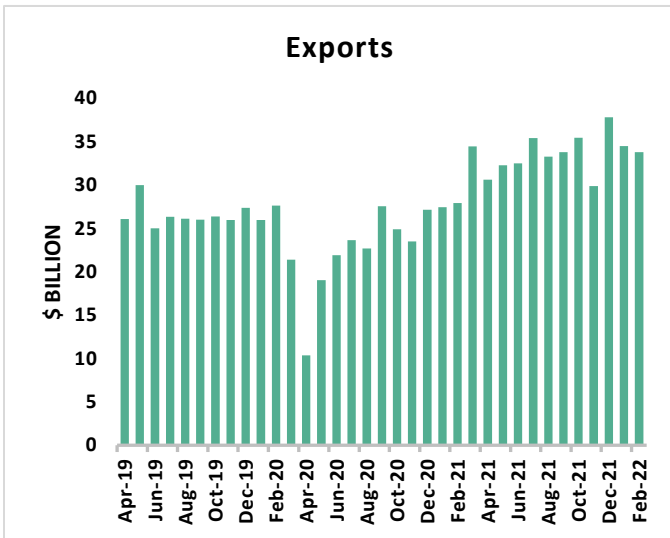
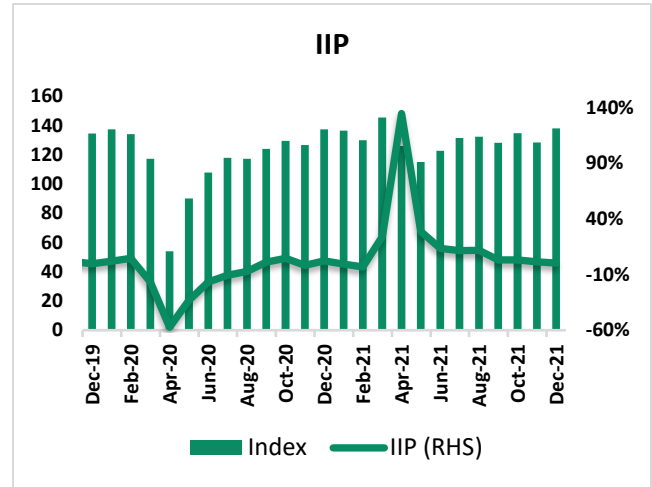
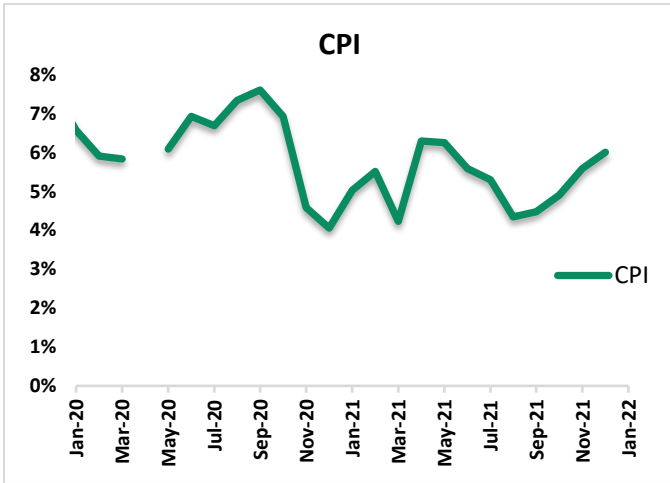
Scheme	1 Yr Return(%)	3 Year Return(%)	5 Year Return(%)
Kotak Emerging Equity (G)	23.92	25.36	15.87
Axis Small Cap Fund Reg (G)	39.30	31.36	20.48
IDFC Bond Fund MT Plan Reg (G)	4.28	7.36	6.68
Kotak Gold Fund (G)	5.80	13.01	10.11



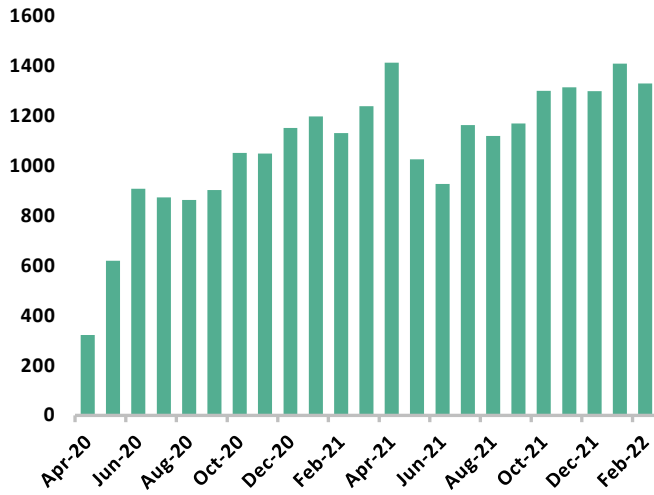
## Profile: Aggressive

Scheme	1 Yr Return(%)	3 Year Return(%)	5 Year Return(%)
Axis Small Cap Fund Reg (G)	39.30	31.36	20.48
ICICI Pru Smallcap Fund Reg (G)	36.50	30.64	15.70
SBI Small Cap Fund Reg (G)	28.83	28.03	20.44
IDFC Bond Fund MT Plan Reg (G)	4.28	7.36	6.68

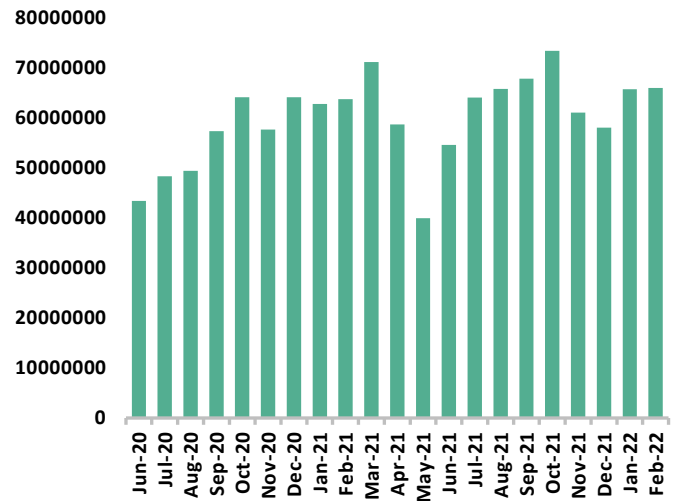




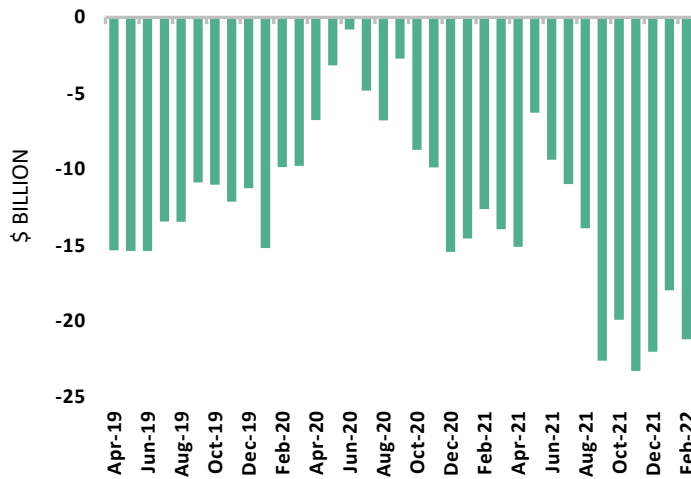
### GST Collection (Rs Bn)



### E Way Bill



### Trade Deficit



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