

S&P Dow Jones Indices

A Division of **S&P Global**

PRESS RELEASE

Over 82% of Indian Equity Large Cap funds underperformed their benchmark in the five-year period ending December 2021

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

MUMBAI, April 13, 2022: S&P Dow Jones Indices (“S&P DJI”), the world’s leading index provider, today published the [S&P Indices Versus Active Funds \(SPIVA®\) India Scorecard](#). According to the report, 50% of Indian equity large cap funds underperformed the S&P BSE 100 in the one-year period ending December 2021. In the same period, 50% of Indian Equity Mid-/Small-Cap, and 27% of Indian ELSS funds underperformed their respective benchmarks.

The markets rallied for most part of 2021 in this one-year period, the S&P BSE 100 was up 26%. The underperformance is also evident over the long-term horizon, 68% of large-cap funds underperformed their benchmark over the 10-year period ending in December 2021.

Meanwhile, active funds in the ELSS and Mid-/Small-Cap categories fared better in terms of returns vis-à-vis their benchmarks. The report notes that around 39% of active ELSS and 37% of the active Mid-/Small-Cap funds underperformed their respective benchmark, in the six months ending December 2021.

Akash Jain, Associate Director, Global Research & Design, S&P Dow Jones Indices said, “Over the one-year period ending December 2021, mid-/small-cap was the best performing fund category amongst the equities covered in the SPIVA India Scorecard. The benchmark for this category, the S&P BSE 400 MidSmallCap Index, was up 51% the same period. Though, market participants in this category of active funds may have witnessed a wider spread in fund returns as the difference in the first & third quartile fund was 19% thus presenting fund selection challenges.”

Over the one-year period ending in December 2021, the S&P BSE India Government Bond Index and the S&P BSE India Bond Index gained 3% and 4% respectively. Over longer periods, the majority of active funds in the bond category have underperformed their respective benchmarks.

FUND CATEGORY	COMPARISON INDEX	INDEX RETURN (%)	AVERAGE FUND RETURN (%)		PERCENTAGE OF FUNDS OUTPERFORMED BY THE INDEX (%)
			EQUAL-WEIGHTED	ASSET-WEIGHTED	
Indian Equity Large-Cap	S&P BSE 100	10.73	10.92	11.07	54.55
Indian ELSS	S&P BSE 200	11.07	11.53	11.07	39.02
Indian Equity Mid-/Small-Cap	S&P BSE 400 MidSmallCap Index	13.50	15.91	14.89	37.25
Indian Government Bond	S&P BSE India Government Bond Index	2.77	2.31	2.52	80.77

S&P Dow Jones Indices

A Division of **S&P Global**

Indian Composite Bond	S&P BSE India Bond Index	2.83	2.98	2.42	79.73
-----------------------	--------------------------	------	------	------	-------

Source: S&P Dow Jones Indices LLC, Morningstar. Data as of December 31, 2021. Index performance based on total return in INR. Past performance is no guarantee of future results. Table is provided for illustrative purposes

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	50.00	70.00	82.26	67.61
Indian ELSS	S&P BSE 200	26.83	63.41	79.07	58.33
Indian Equity Mid-/Small-Cap	S&P BSE 400 MidSmallCap Index	50.00	46.51	58.14	56.06
Indian Government Bond	S&P BSE India Government Bond Index	79.17	53.85	76.19	88.00
Indian Composite Bond	S&P BSE India Bond Index	61.74	90.91	88.32	100.00

Source: S&P Dow Jones Indices LLC, Morningstar, and Association of Mutual Funds in India. Data as of December 31, 2021. Returns are shown in INR. Past performance is no guarantee of future results. Table is provided for illustrative purposes.

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.spglobal.com/spdji

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.spglobal.com/spdji

DISCLAIMER

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.

S&P Dow Jones Indices

A Division of **S&P Global**

FOR MORE INFORMATION:

S&P Dow Jones Indices

Marketing & Communications

Bhavna Sadarangani

bhavna.sadarangani@spglobal.com