In what was a challenging month for Indian equity strategies, the S&P BSE fell 1.35% this month as figures showed India’s GDP growth had fallen to a 3-year low at 5.7% in Q2, many attributed this slowdown to the lingering impact of the goods and services tax (GST) and the surprise demonetization earlier in the year.

However, the SENSEX rose 1.60% this quarter and now stands 18.85% higher than at the turn of the year; gains in July were more than sufficient to offset the more recent declines.

In what was a challenging month for Indian equity strategies, the S&P BSE SENSEX Inverse Daily Index posted the biggest gains as it rose 2.26%. The S&P BSE Low Volatility Index was the only other equity strategy to gain this month – it increased 0.66%. S&P BSE Momentum increased 12.34% over the quarter, 4.54% more than any other equity strategy since June, and its 12.13% year-to-date return is the best performance on this report.

Among S&P BSE sectors, Healthcare increased the most over longer horizons; falls of 4.48% and 7.87% over the quarter and year-to-date, respectively, are among the worst returns in this dashboard. Telecom did not answer investors’ calls for positive returns – it declined 4.94% this month.

S&P BSE Energy delivered 12.55% this quarter to make it the best performing sector since June. This return was supported by rising oil prices this quarter, which also helped the S&P GSCI to increase 7.46% since June.

Volatility expectations remain low, although there were spikes in VIX this quarter. The index closed last night at 9.55, its lowest level since July 25th and its 7th lowest closing value, ever.
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