



# Current Market Scenario

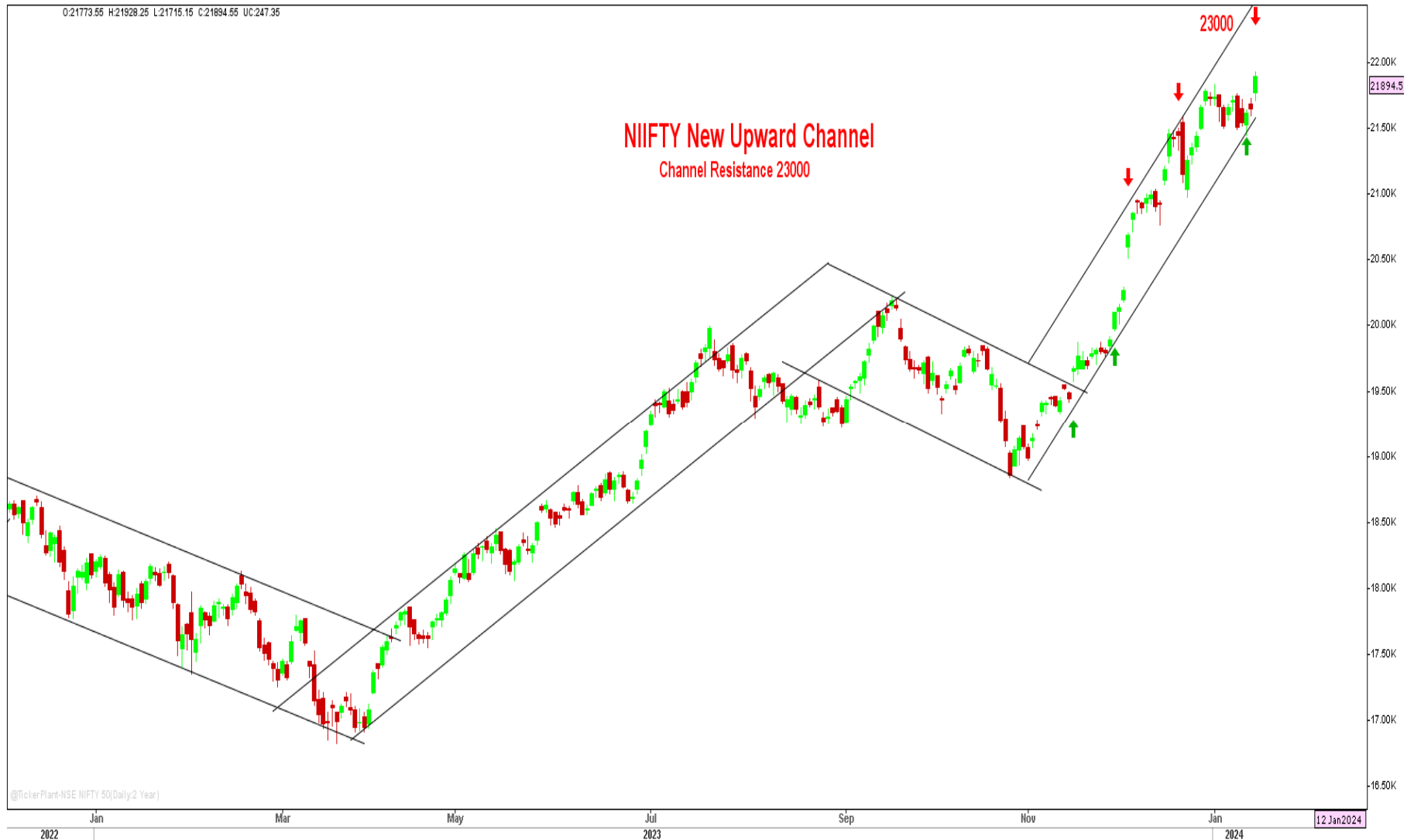
## 13 Jan 2024



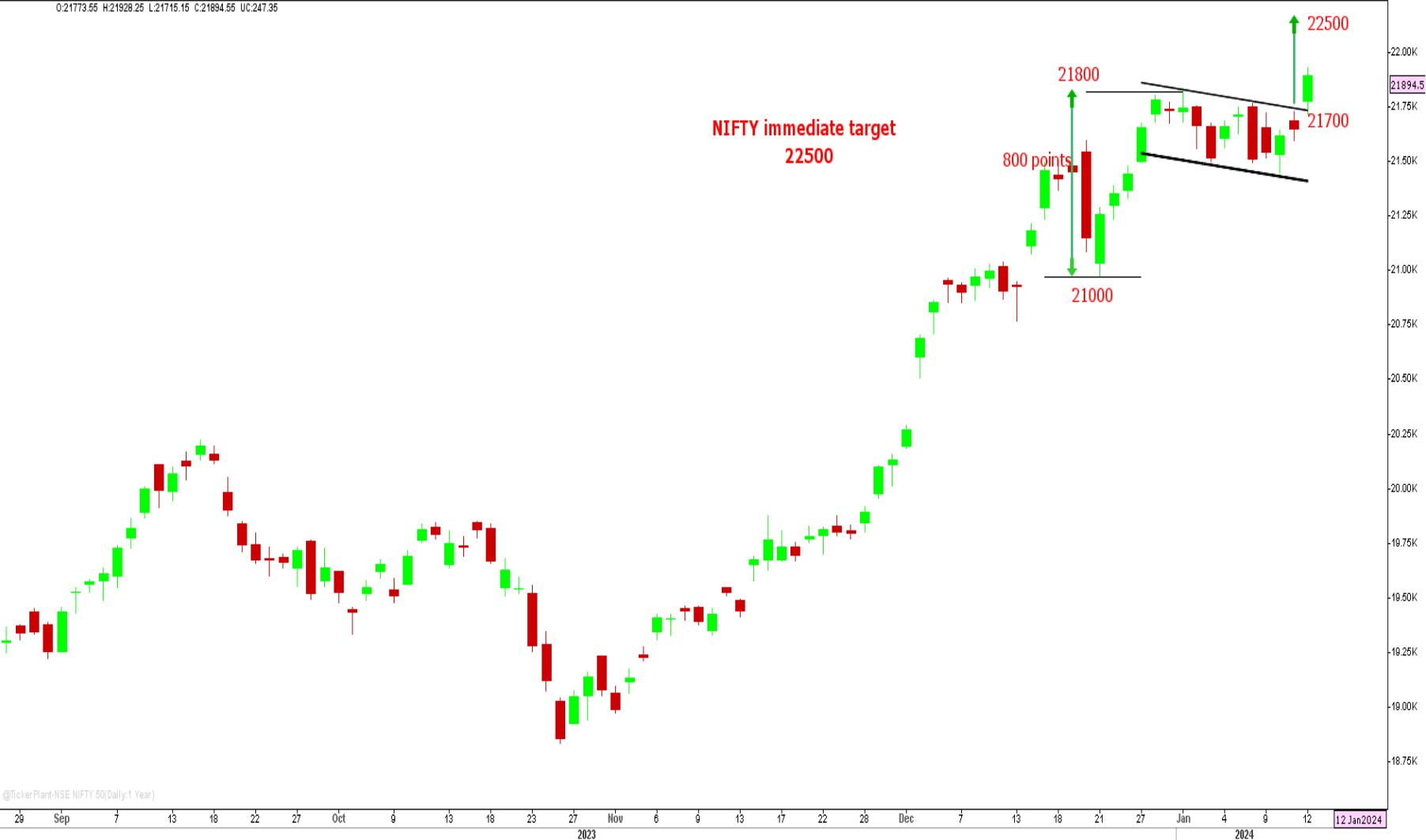
# Nifty Bull Market from April 2020



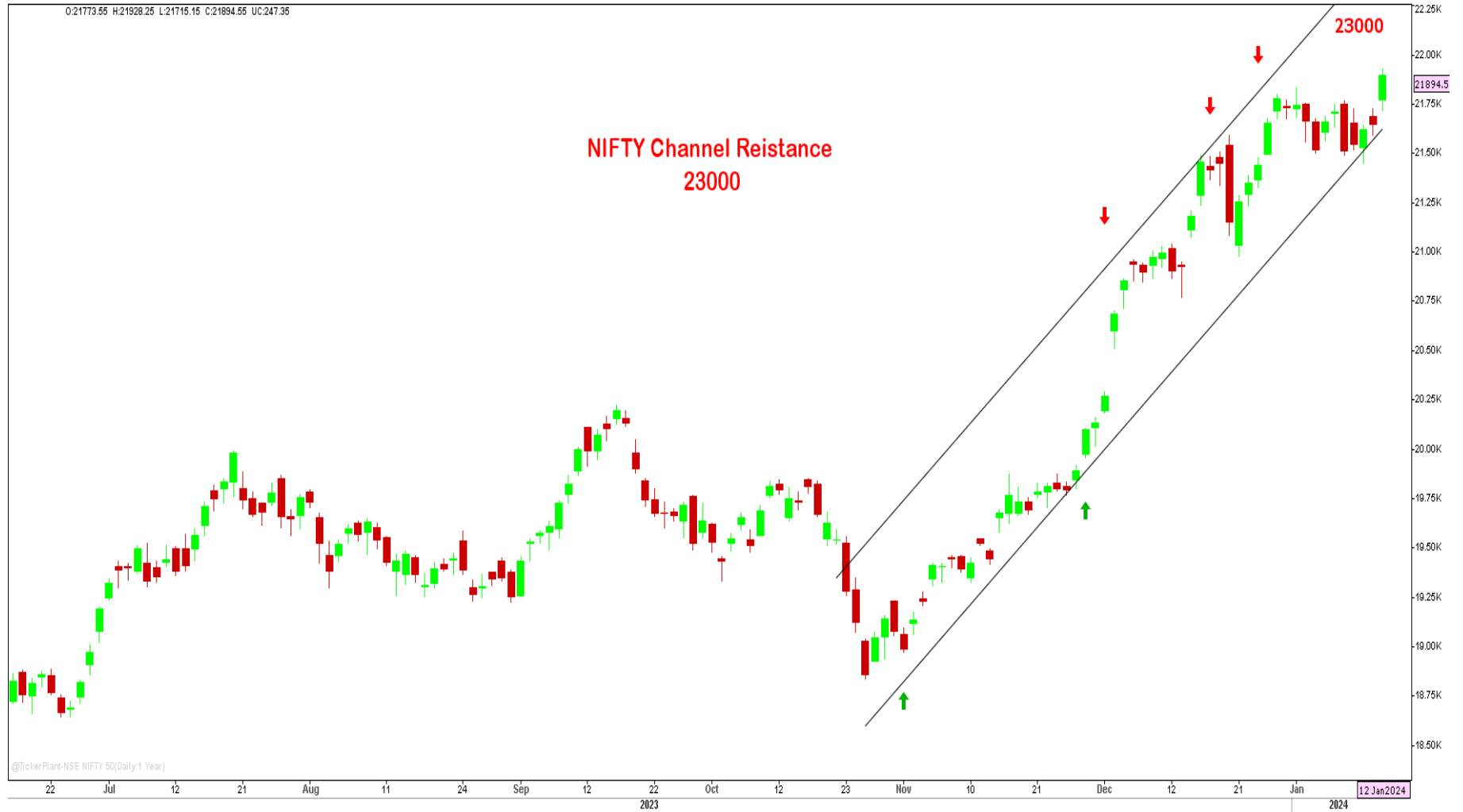
# Nifty New Upward Channel



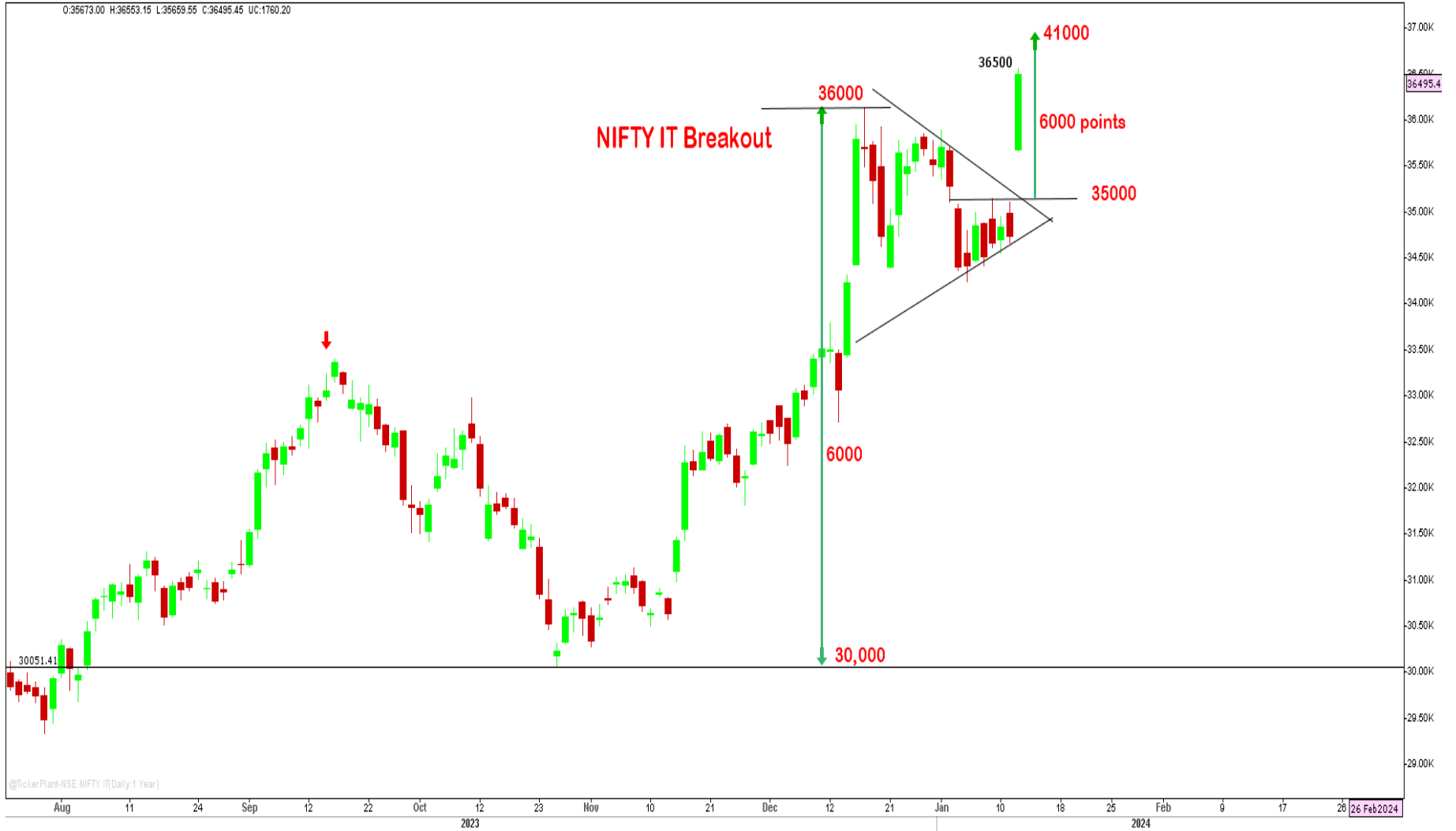
# Nifty Breakout



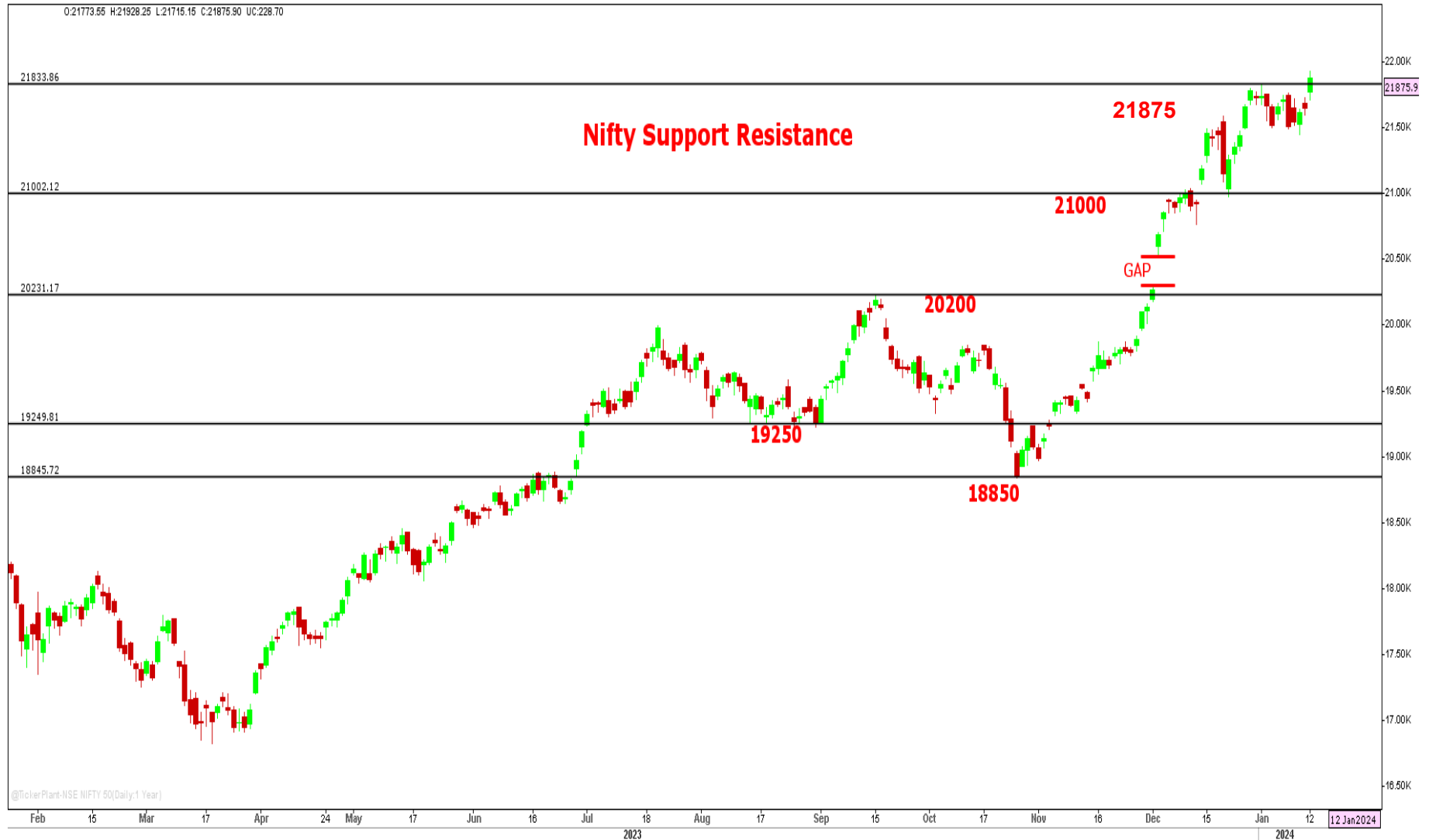
# Nifty Channel Resistance



# NIFTY IT Breakout



# Support & Resistance



# 2023 Ends in a Bang



- Turnaround year for PSU Stocks
- Global markets ended with positive bias
- US interest rate hike over
- Retail investors participation increasing

## INDEX WATCH

<b>INDEX</b>	<b>12, Jan</b>	<b>9, Dec</b>	<b>% Change</b>
Nifty	<b>21,894</b>	<b>20,969</b>	<b>+ 4.4</b>
Sensex	<b>72,568</b>	<b>69,825</b>	<b>+ 3.9</b>
Nifty Midcap	<b>47,512</b>	<b>44,400</b>	<b>+ 7.0</b>
BSE Small Cap	<b>44,503</b>	<b>41,104</b>	<b>+ 8.2</b>



# 2023 - Year of Gains



- Broad based rally
  - PSU is theme of the year
  - Underperformance by Coffee Can stocks
  - Mutual funds continue to see strong inflows
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# 2023 - Returns



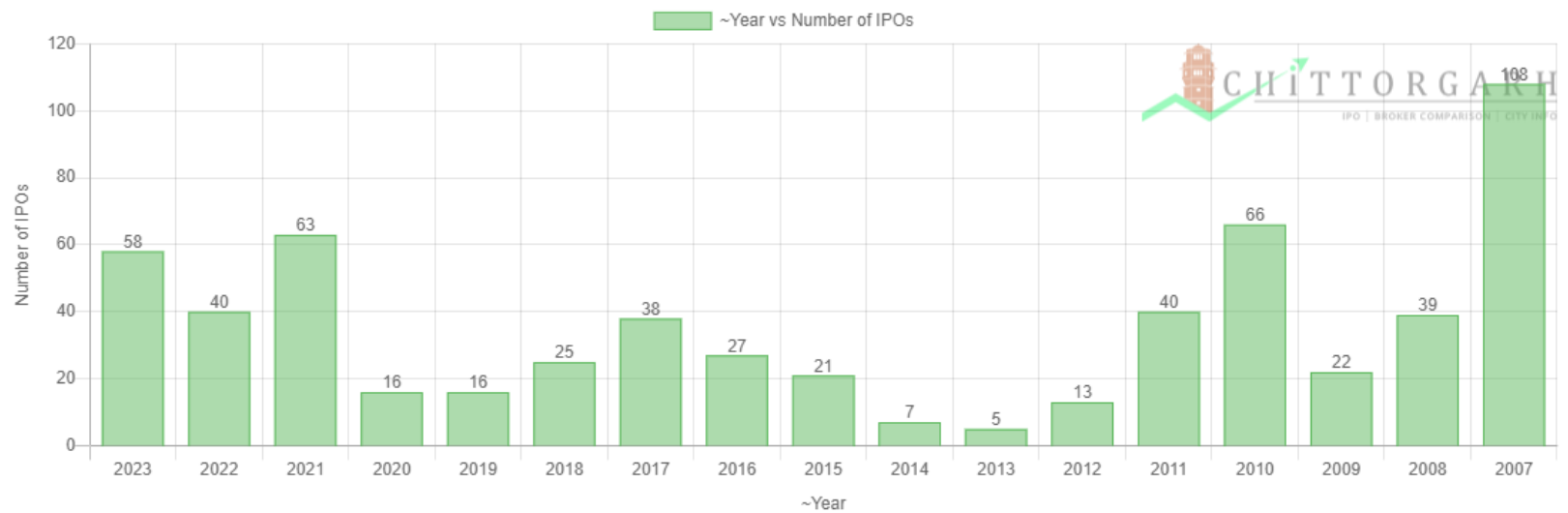
<b>INDEX</b>	<b>% Returns</b>
<b>NIFTY 50</b>	<b>20</b>
<b>NIFTY MIDCAP 150</b>	<b>43</b>
<b>NIFTY SMALL CAP 250</b>	<b>48</b>
<b>REALTY</b>	<b>82</b>
<b>CPSE</b>	<b>74</b>
<b>CAPITAL GOODS</b>	<b>67</b>
<b>AUTO</b>	<b>48</b>
<b>HEALTHCARE</b>	<b>37</b>
<b>IT</b>	<b>24</b>
<b>PRIVATE BANK</b>	<b>14</b>
<b>OIL &amp; GAS</b>	<b>13</b>

## Journey of Sensex in Calendar Years in the last 23 Years

Date	Sensex	Date	Sensex	Gain/Loss	Remarks	Years
01-01-2001	3,955	31-12-2001	3,262	-17.52%	Negative	4
01-01-2002	3,246	31-12-2002	3,377	4.04%	Positive	19
01-01-2003	3,390	31-12-2003	5,839	72.24%	%	82.61%
01-01-2004	5,915	31-12-2004	6,603	11.63%		
03-01-2005	6,679	30-12-2005	9,398	40.71%		
02-01-2006	9,390	29-12-2006	13,787	46.83%		
02-01-2007	13,942	31-12-2007	20,287	45.51%		
01-01-2008	20,301	31-12-2008	9,647	-52.48%		
01-01-2009	9,903	31-12-2009	17,465	76.36%		
04-01-2010	17,559	31-12-2010	20,509	16.80%		
03-01-2011	20,561	30-12-2011	15,455	-24.83%		
02-01-2012	15,518	31-12-2012	19,427	25.19%		
01-01-2013	19,581	31-12-2013	21,171	8.12%		
01-01-2014	21,140	31-12-2014	27,499	30.08%		
01-01-2015	27,508	31-12-2015	26,118	-5.05%		
01-01-2016	26,161	30-12-2016	26,626	1.78%		
02-01-2017	26,595	29-12-2017	34,057	28.06%		
01-01-2018	33,813	31-12-2018	36,068	6.67%		
01-01-2019	36,255	31-12-2019	41,254	13.79%		
01-01-2020	41,306	31-12-2020	47,751	15.60%		
01-01-2021	47,869	31-12-2021	58,253	21.69%		
03-01-2022	59,183	30-12-2022	60,841	2.80%		
02-01-2023	61,168	29-12-2023	72,240	18.10%		



# Primary Market – Not in Bubble



# Main Board IPO



<u>Year</u>	<u>Number of IPOs</u>	<u>Amount Raised (Rs Cr)</u>
<u>2023</u>	58	49,437
<u>2022</u>	40	59,939
<u>2021</u>	63	119,882
<u>2020</u>	16	26,628
<u>2019</u>	16	12,687
<u>2018</u>	25	31,731
<u>2017</u>	38	75,279
<u>2016</u>	27	26,501
<u>2015</u>	21	13,513
<u>2014</u>	7	1,201
<u>2013</u>	5	1,284

# SME Segment – In Bubble ?



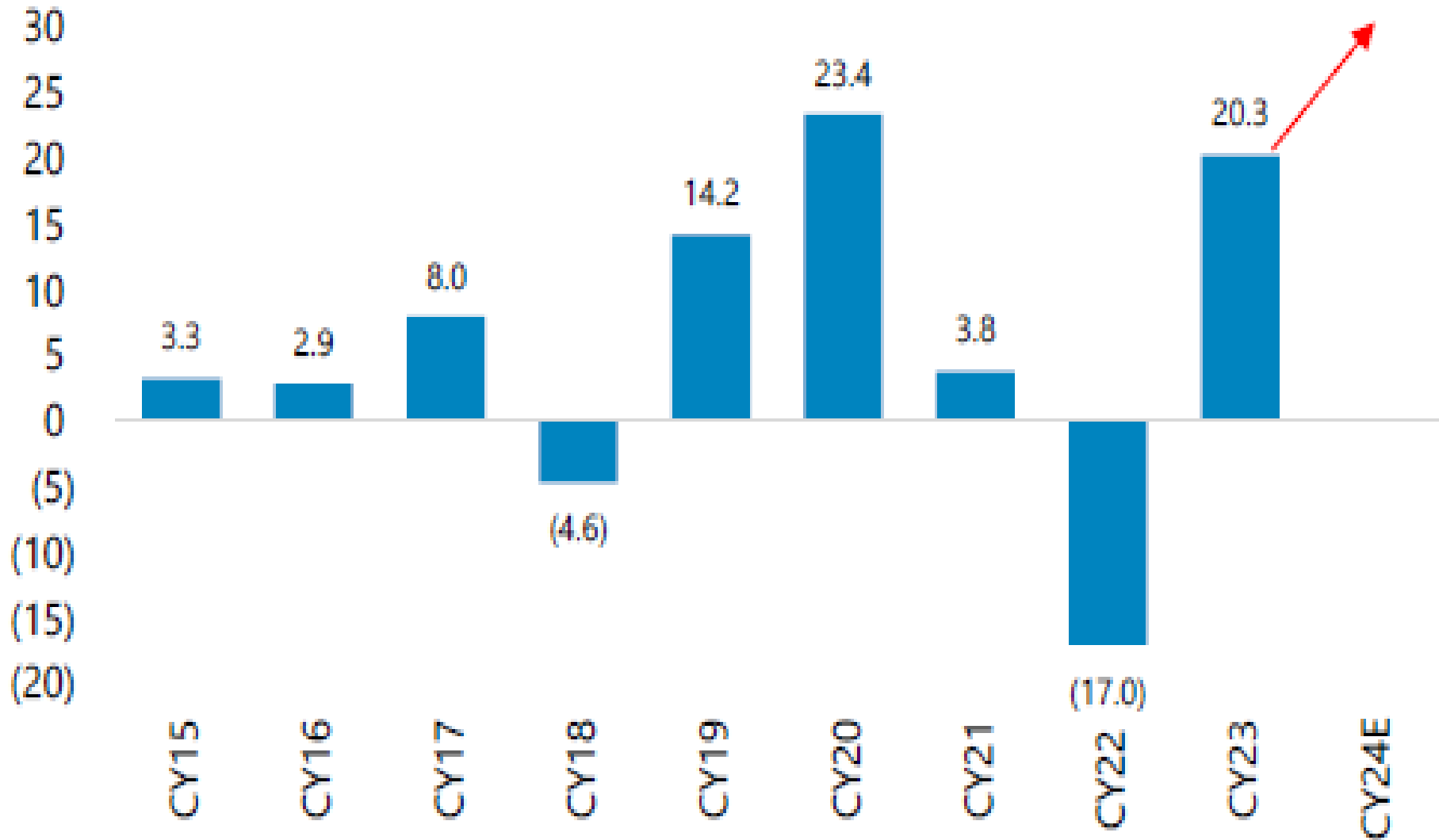
<u>Year</u>	<u>Number of IPOs</u>	<u>Amount Raised (Rs Cr)</u>
<u>2023</u>	182	4,967
<u>2022</u>	109	1,980
<u>2021</u>	59	787
<u>2020</u>	27	168
<u>2019</u>	54	657
<u>2018</u>	144	2,409
<u>2017</u>	135	1,738
<u>2016</u>	67	562
<u>2015</u>	43	275
<u>2014</u>	40	289
<u>2013</u>	34	362
<u>2012</u>	14	127

# DEMAT ADDITIONS AT NEW PEAK



(US\$ bn)

■ Net FPI flows into equity (US\$ bn)



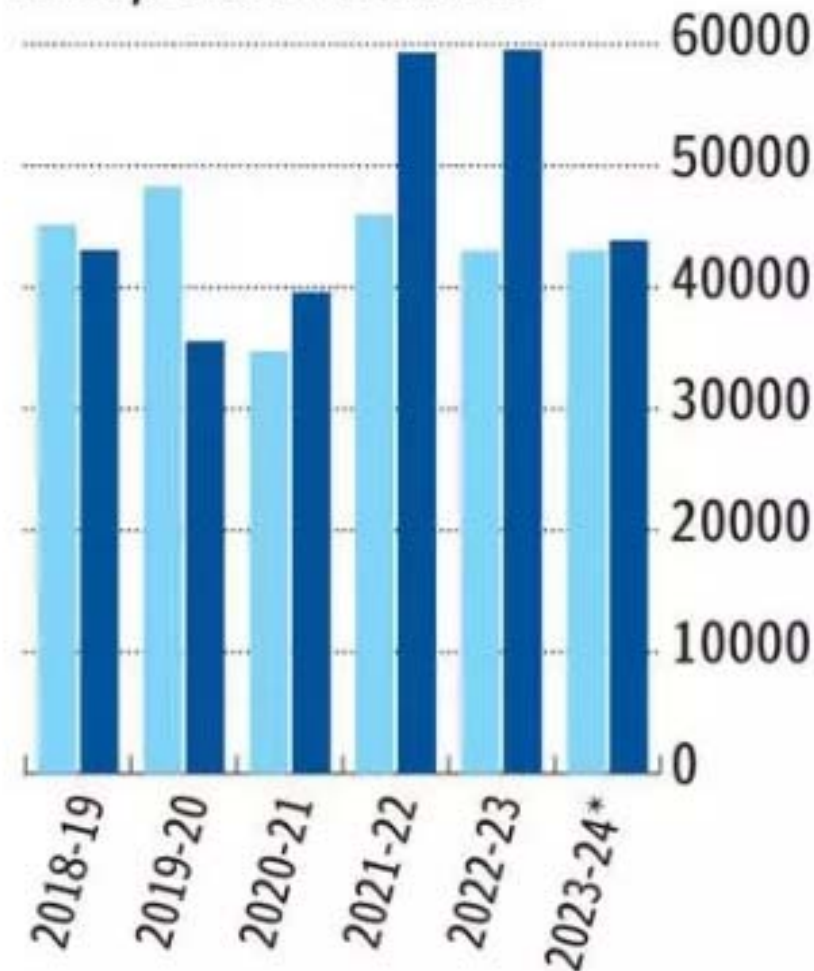


# Mop-up from CPSE

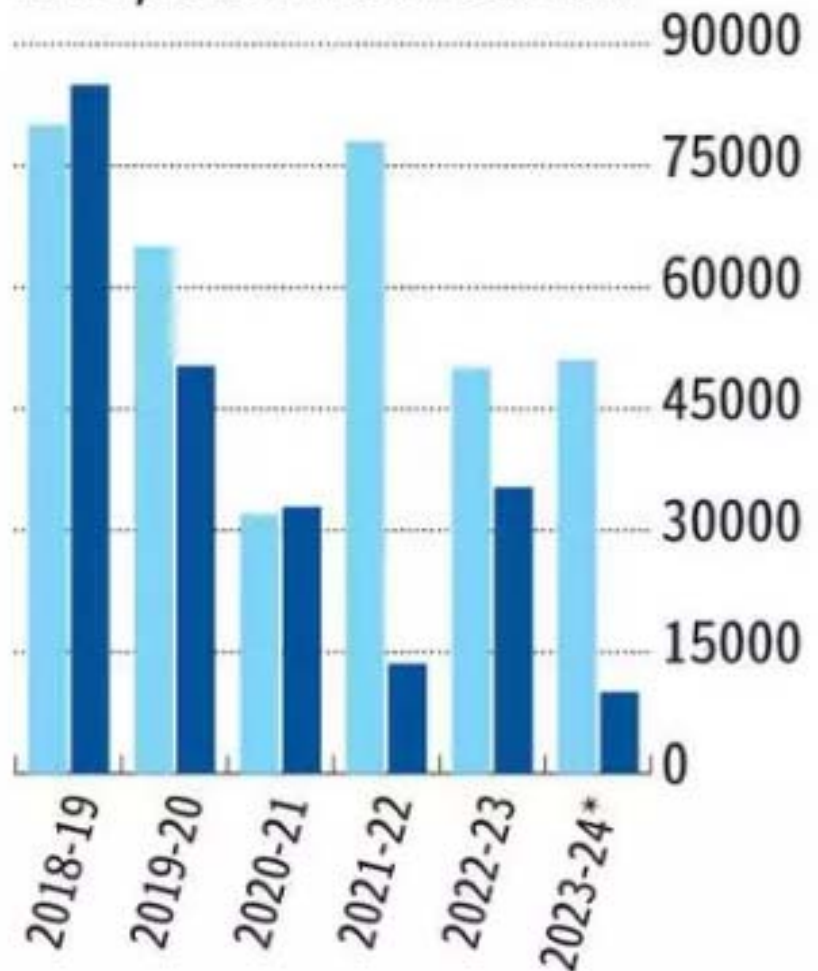
■ Revised estimates ■ Actual

(Amount in ₹ crore)

Receipts from dividends



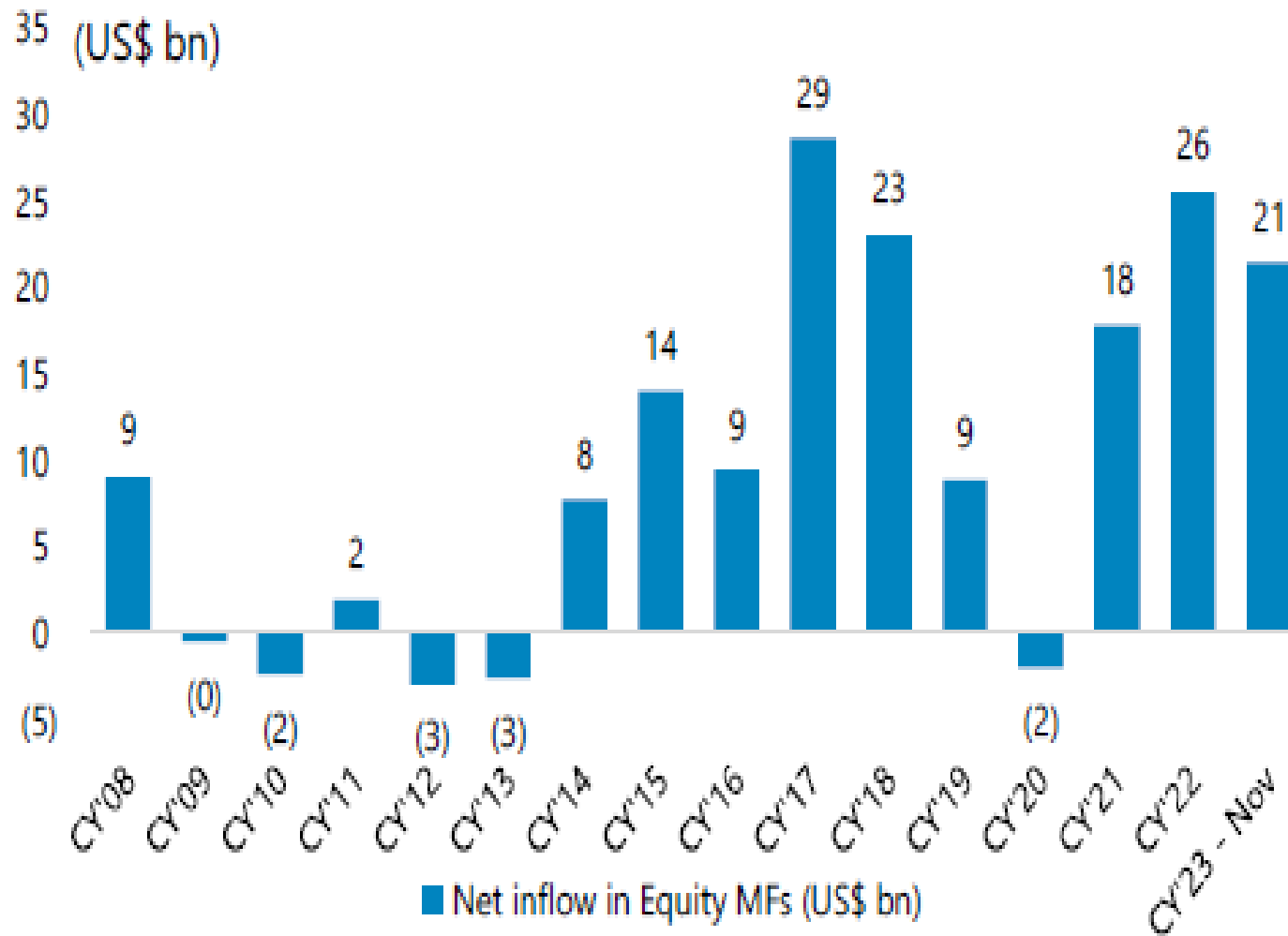
Receipts from disinvestment



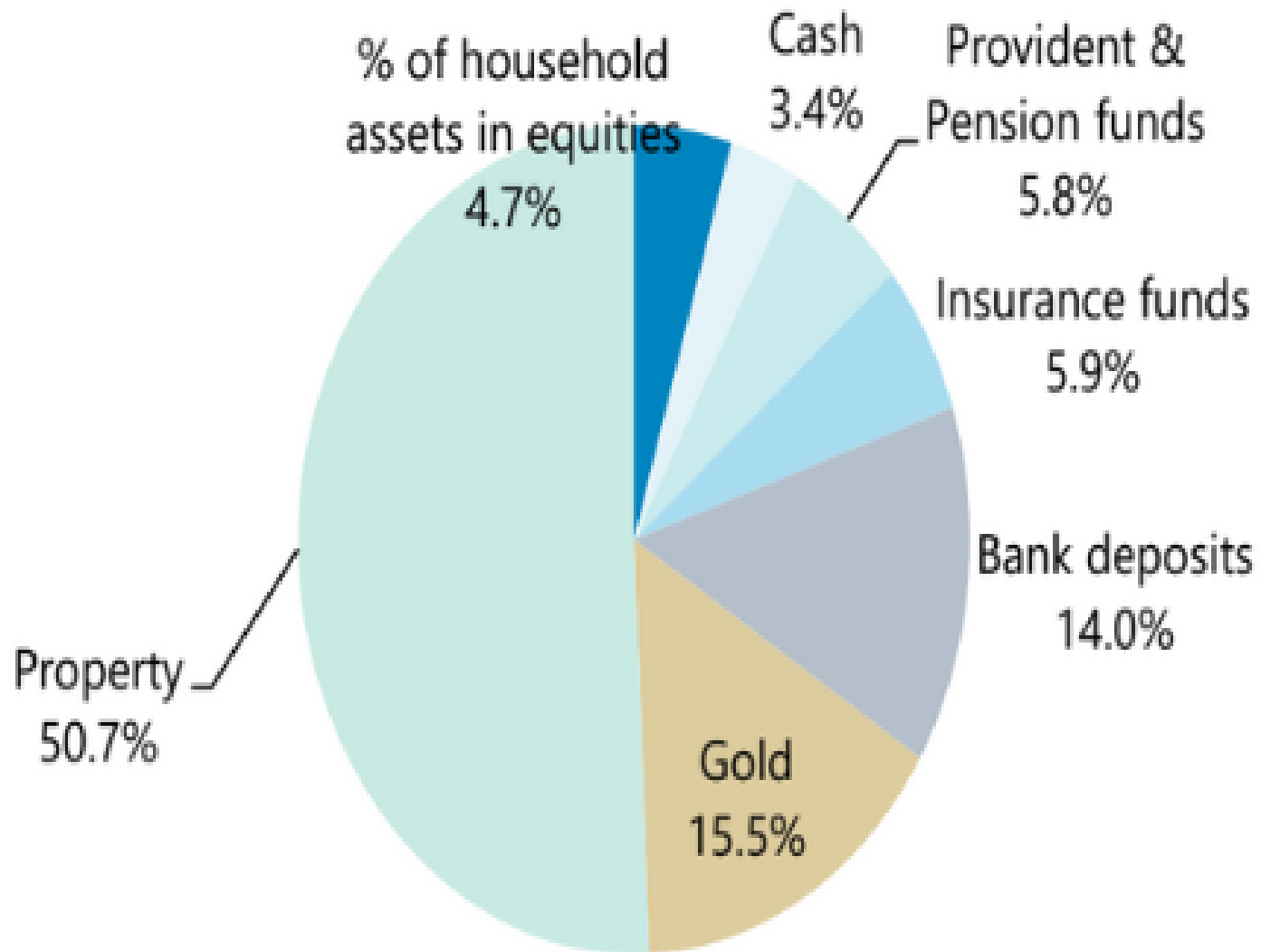
\*Budget Estimate, Actual till date

Source: DIPAM/Parliament Questions

# Domestic Mutual Fund Flows



# Indian Household Assets



**Total Indian Household assets Mar'23 : US\$11.1Trn**

# 2024 – Year to Avoid Mistakes



- Investment opportunity still available and can remain invested
- Cautious on buying stocks based on long term “stories”
- Do proper due diligence before buying companies with high debt

# Global Markets Valuations



Countries	PE	EPS Growth(%) (CY24)	PEG Ratio
China	9.2	15.7	0.58
Indonesia	8.7	10.8	0.81
Brazil	8.3	9.7	0.85
Taiwan	16.0	17.8	0.90
Malaysia	13.6	13.3	1.02
Thailand	16.5	15.1	1.09
<b>India</b>	<b>22.3</b>	<b>17.0</b>	<b>1.31</b>
Korea	11.5	7.7	1.50
Canada	13.8	8.7	1.58
US	19.9	12.1	1.64
Japan	13.7	7.8	1.77
Euro	12.8	4.9	2.62
Mexico	13.3	4.8	2.78
Australia	16.5	4.1	4.00
UK	10.8	2.4	4.50

Source: Bloomberg, Jefferies

# Bull Market Characteristic



- Majority of stocks will participate
  - Bull market leaders will outperform
  - Low quality stocks will participate in late stage of bull market and move up much sharper
  - Unwarranted corporate actions, announcements, conference call will be there
  - Stock prices will go up beyond estimates
-

# Penny Stocks Mania



- Penny Stocks and low value stocks are going up sharply
  - Classical bull market phenomenon
  - Social media exaggerating the moves
  - Penny stocks are double edged swords, onus of making profit or loss lies with Investor only.
  - Understand the risk and act accordingly
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I can calculate the motion of  
heavenly bodies, but not the  
madness of people.

~ Isaac Newton



# How to behave in Bull Market



- Interpreting information and avoiding certain mistakes are crucial
- Bull markets helps to create wealth and one should not miss it for sake of valuations



# Q3 Earnings will be in focus



- IT lacklustre earnings expected
- Capital goods, infra, pharma companies to post decent results
- Banks, NBFC to show inline results
- Nifty 50 companies are expected to show around 13% growth in combined profits while sales in single digits

# Populist announcements Expected



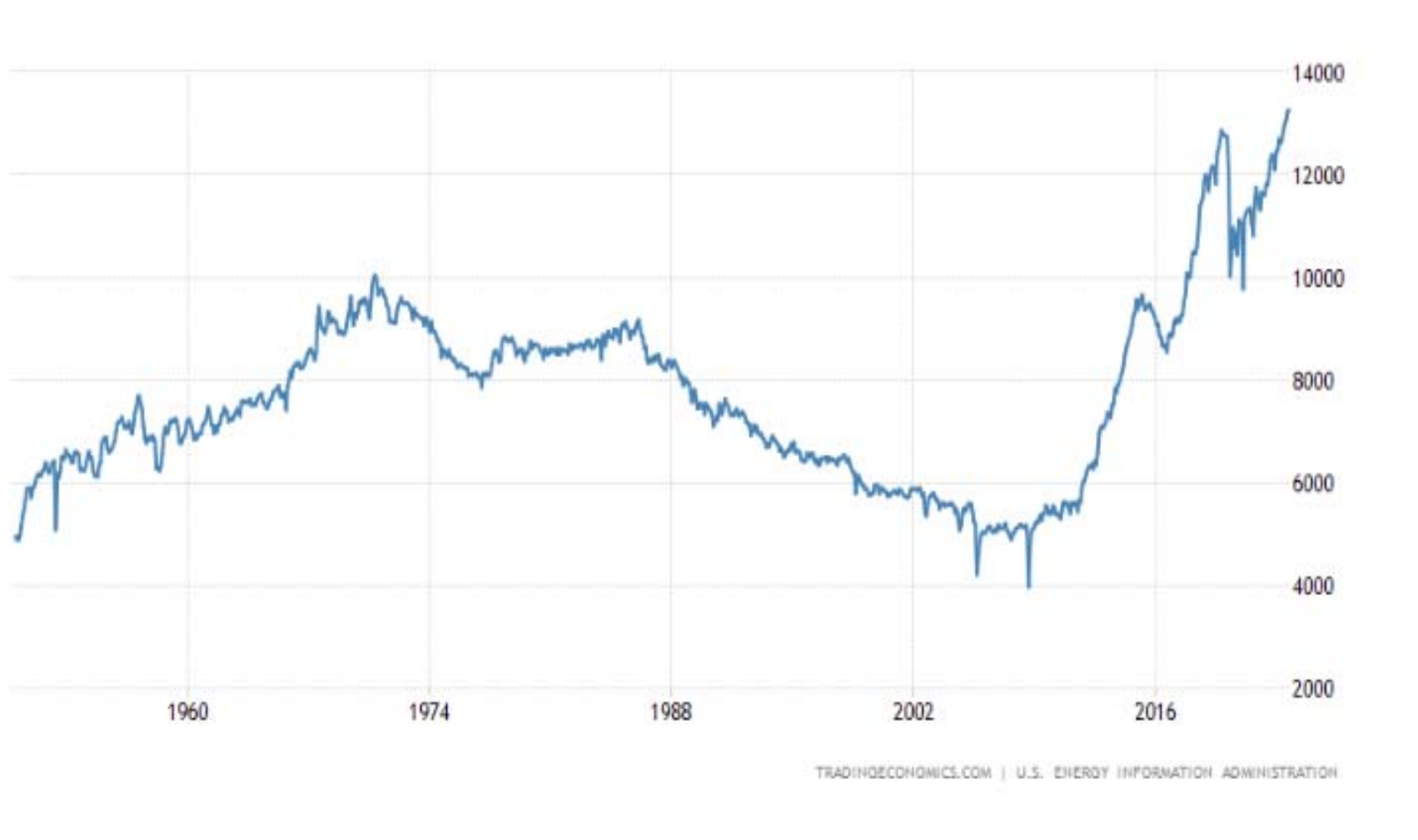
- Vote on account on Feb 1<sup>st</sup>
- Populist announcement expected from Govt. in coming days



# Crude Oil Prices Stable



# US Crude Oil Production at Record Highs



# What Investor Should Do



- Do due diligence before buying
- Segregate investment and trading
- Entry of large number of new investors will surprise bears
- Bull markets should not be missed
- Pockets of opportunities still available

# Data To Watch



- FPI Flows
- Q3 Results



**Thank You**

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