



Current Market Scenario

10 June 2023

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Market Near All Time High



- Hectic Activity in broader market
- Energy Prices fall
- Domestic Rate Hike Cycle behind us
- Portfolio performs

INDEX WATCH

INDEX	9, June	13, May	% Change
Nifty	18,563	18,314	+ 1.3
Sensex	62,625	62,027	+ 0.9
Nifty Midcap	34,153	32,468	+ 5.1
BSE Small Cap	31,391	29,616	+ 5.9

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Momentum in Market



- Market showing strong underlying momentum with broad based participation
- FPI buying
- Positive macro data
- Fall in energy prices
- Retail Participation still subdued

Always Do Proper Due Diligence Before Buying



- Select mid and small cap stocks are seeing euphoric move
- Themes are storified to justify high valuations
- Sharp uptrend and downtrend are new normal
- Stop loss for traders and Basic due diligence is must to avoid getting trapped

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Market Consolidation Likely To End



**Nifty Consolidation Since Oct 2021
(19 Months)**

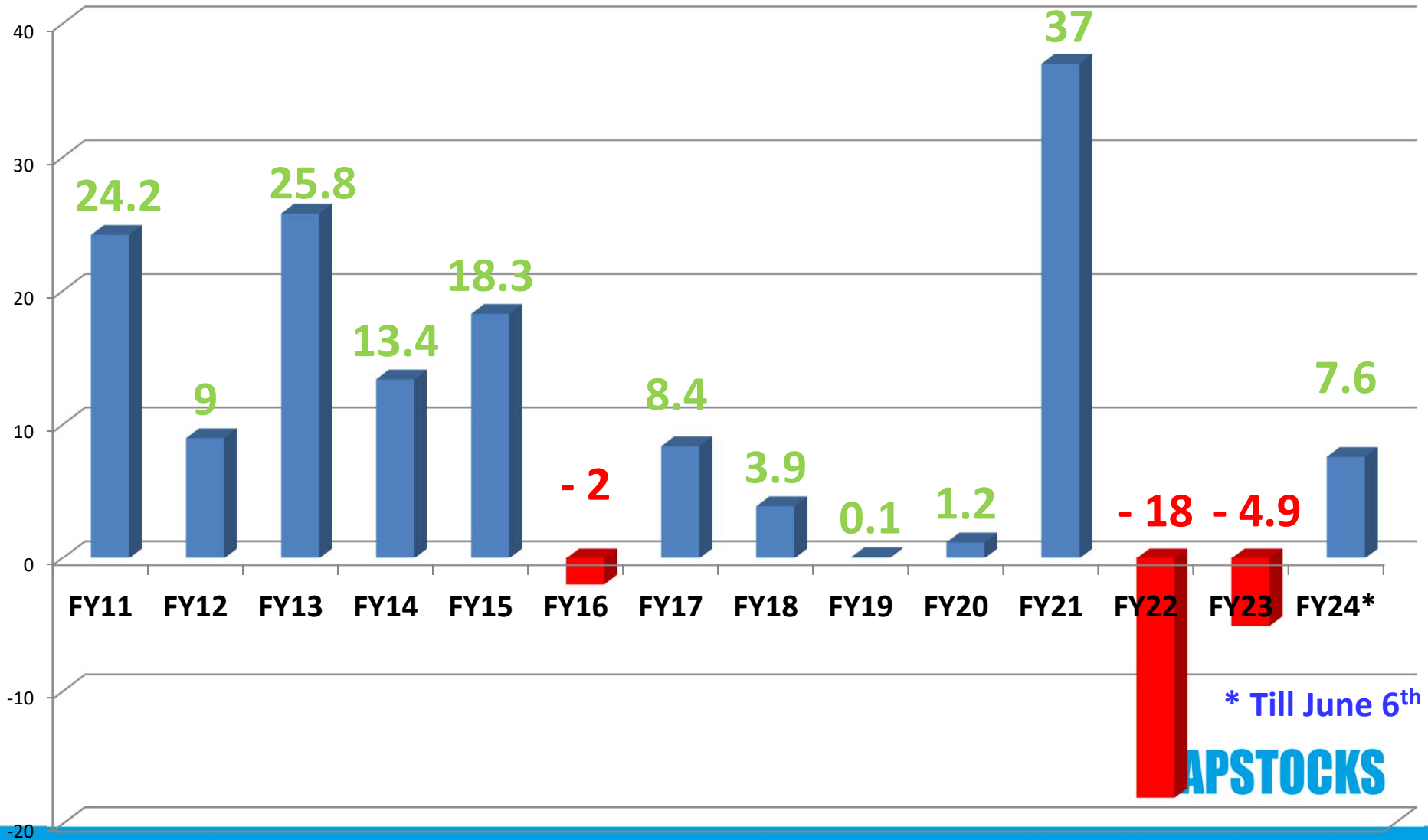


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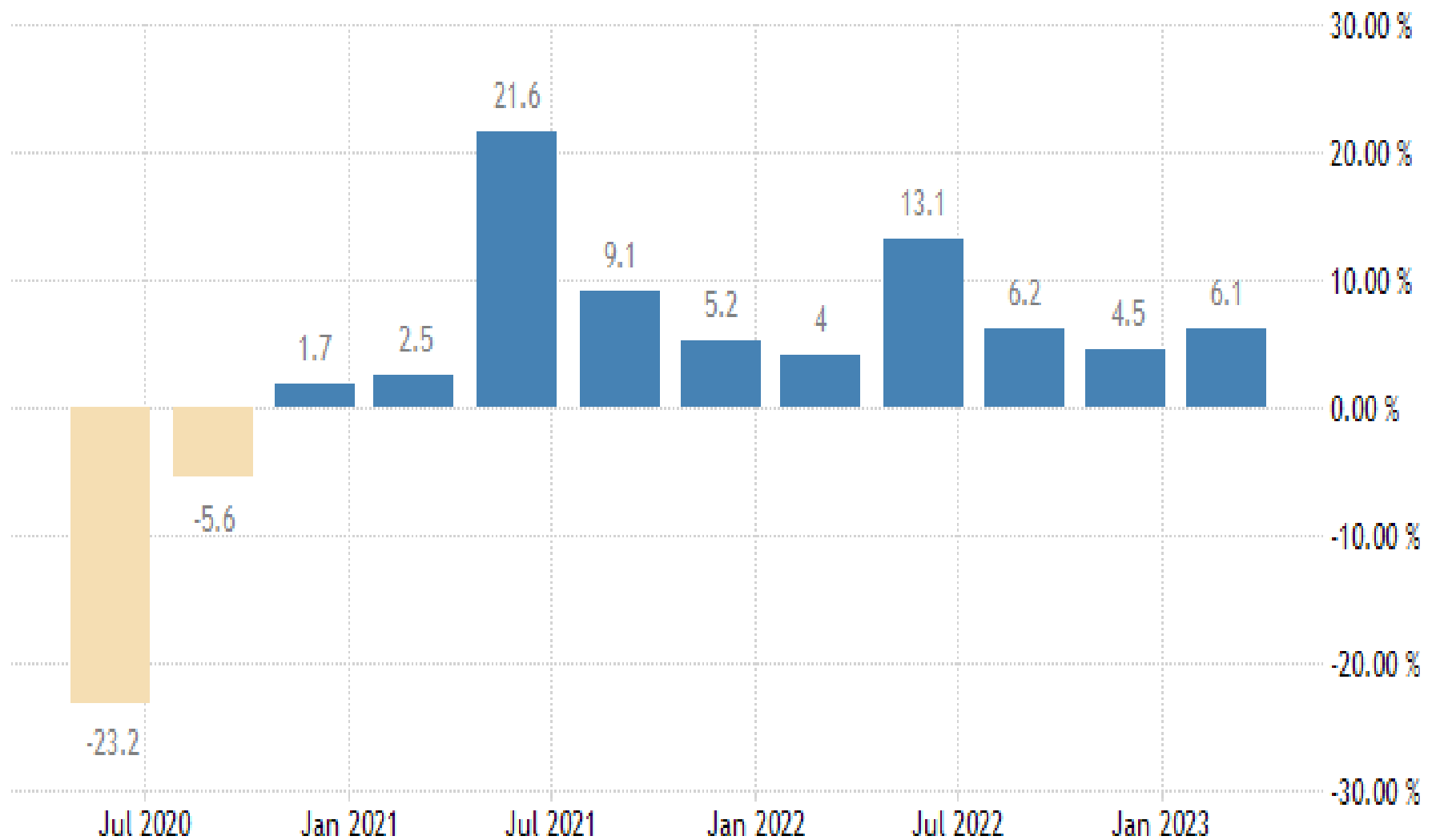
FPI Flows



FPI Flows in US Bn \$



Strong Q4 GDP Data



Sharp Fall in Energy Prices

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Russia Crude Comfort



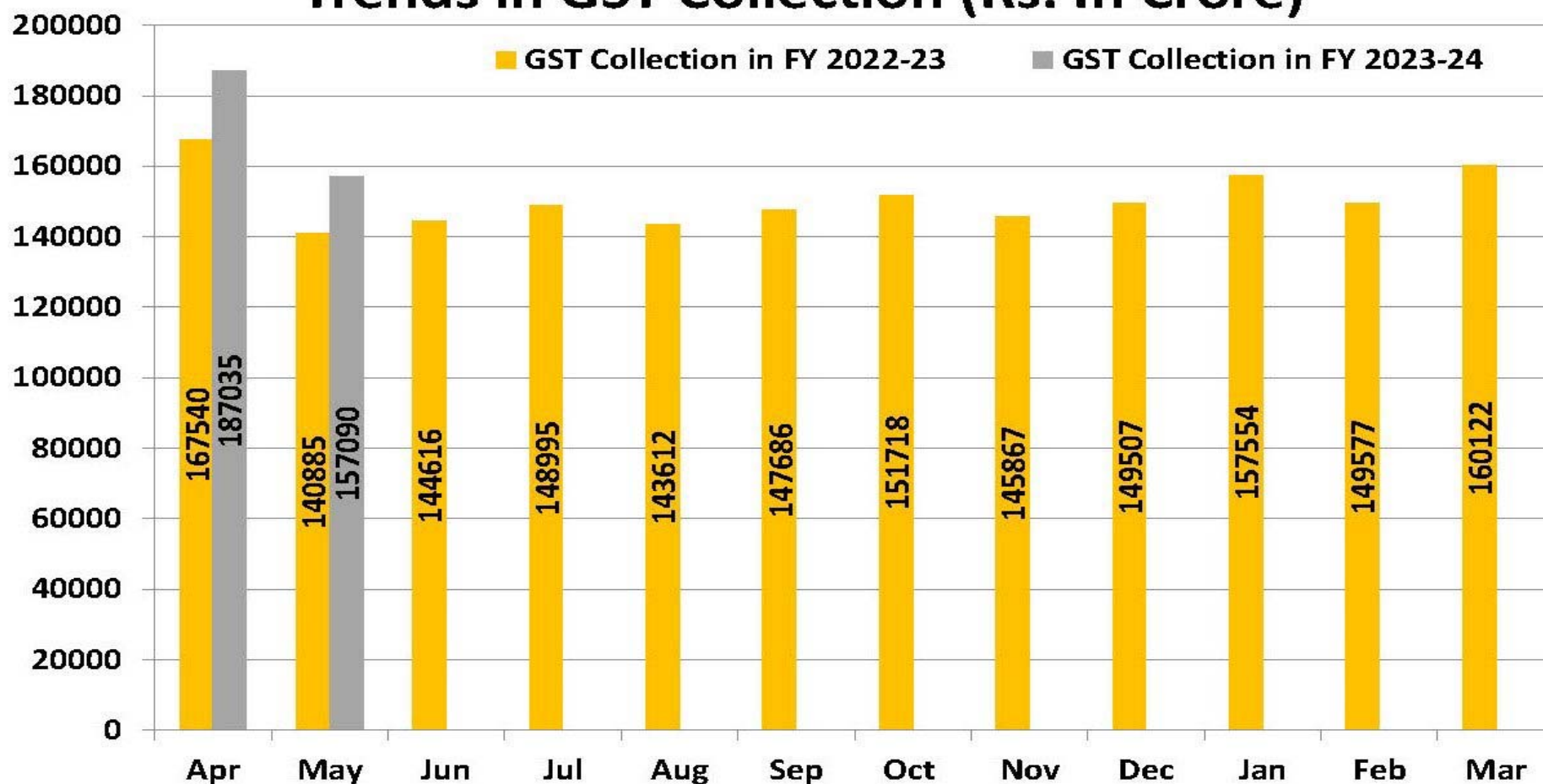
- Crude Oil import from Russia on upward trajectory
- Russian crude constitutes nearly 42% of India's total crude oil import in month of May against 1% pre Ukraine War period
- Russia crude oil price are lower than \$60 factoring discounts
- India settles in UAE dirham for Russia oil imports

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GST Collections



Trends in GST Collection (Rs. In Crore)



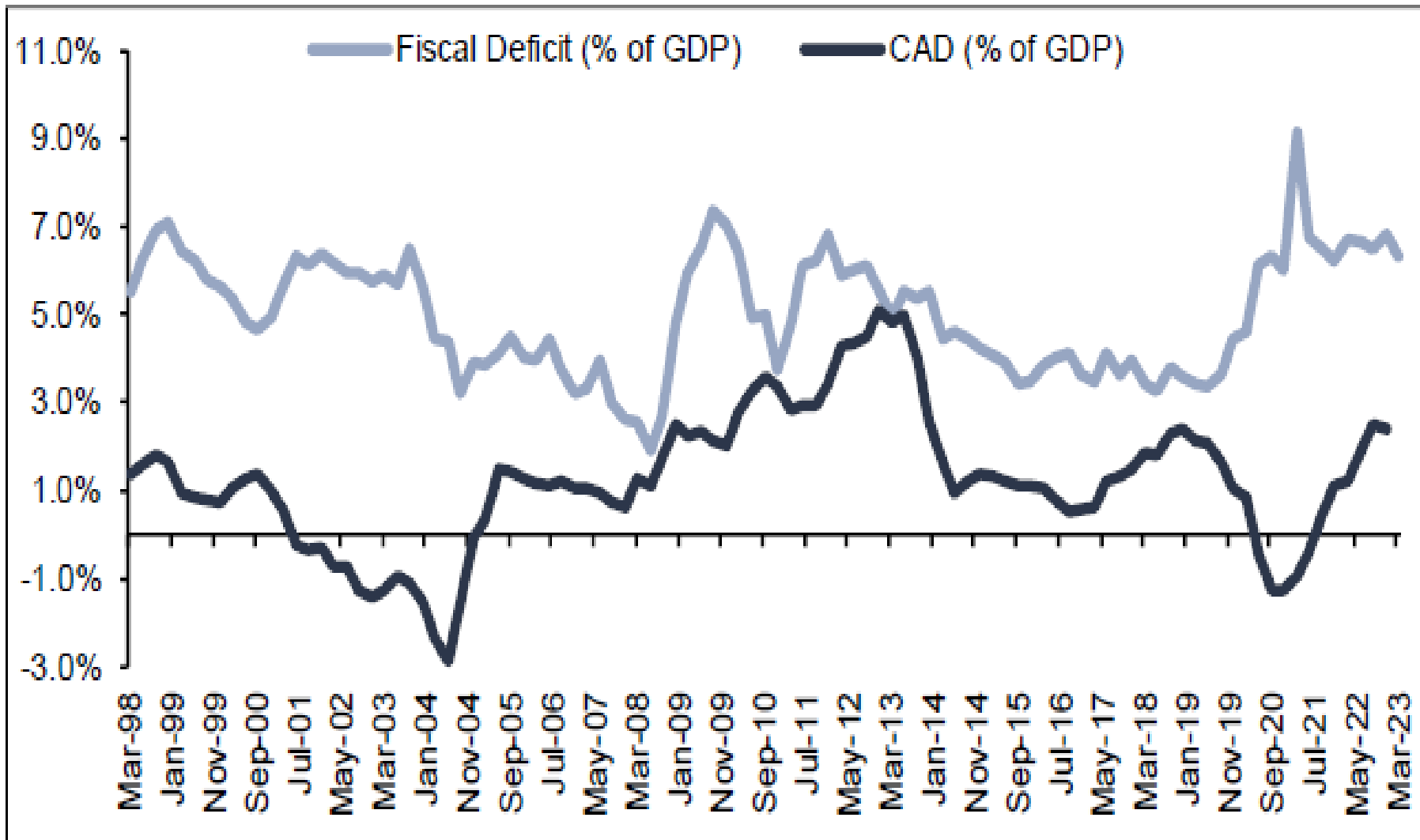
Trends in Tax Collections



Source: CEIC & CGA

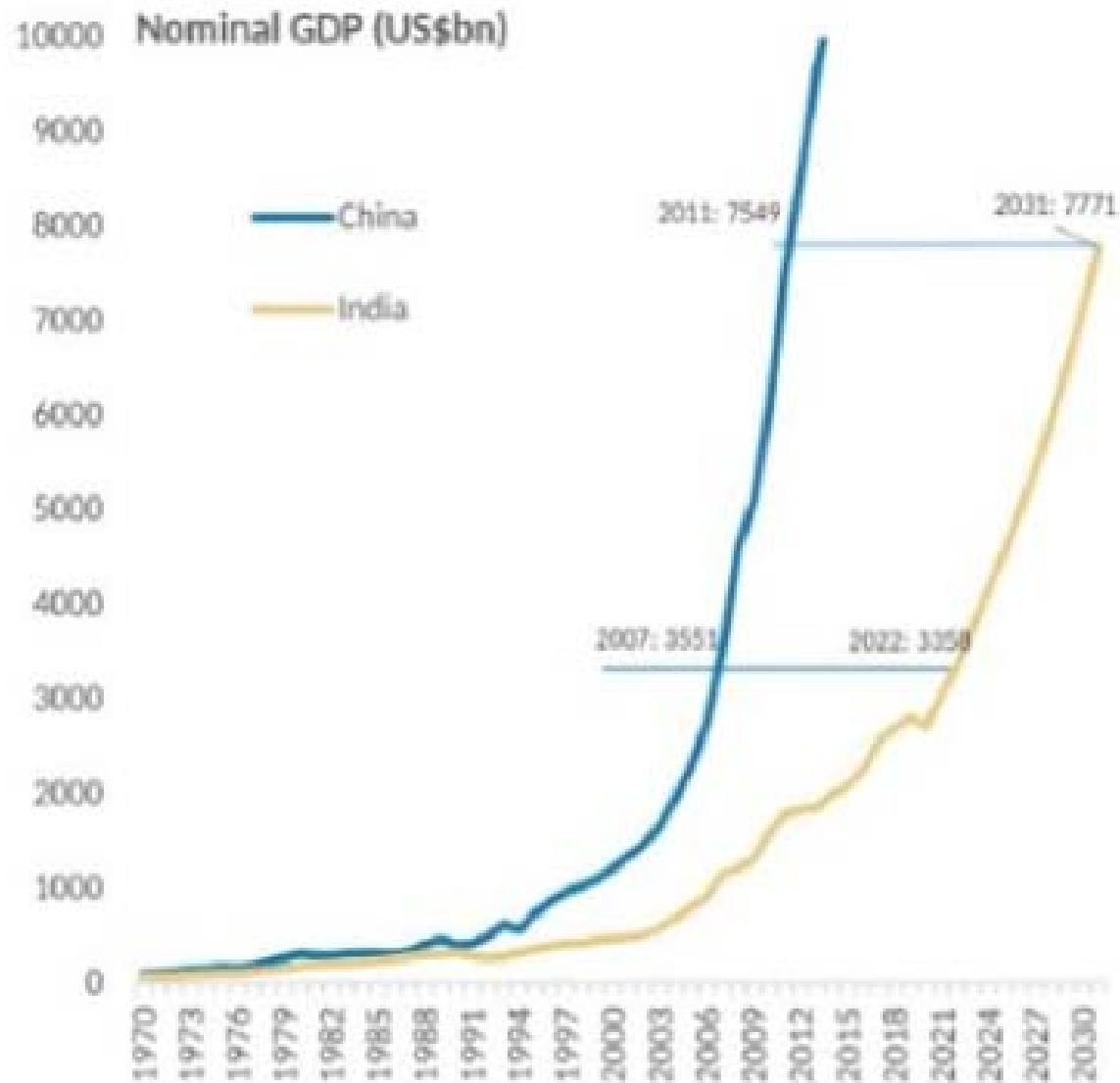
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Twin Deficit



Source: CEIC, I-Sec Research

India's Next Decade will Resemble China in 2007-11

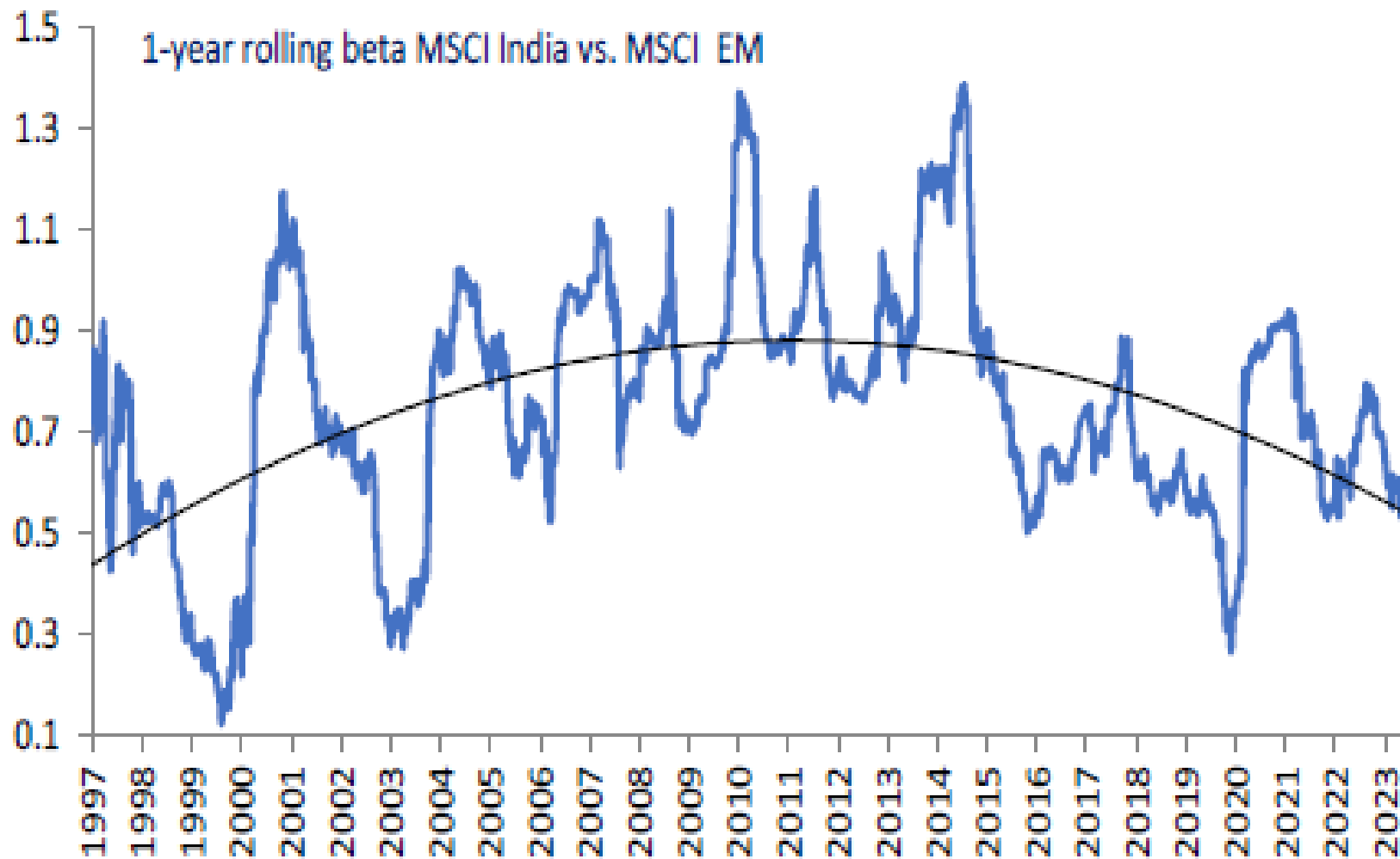


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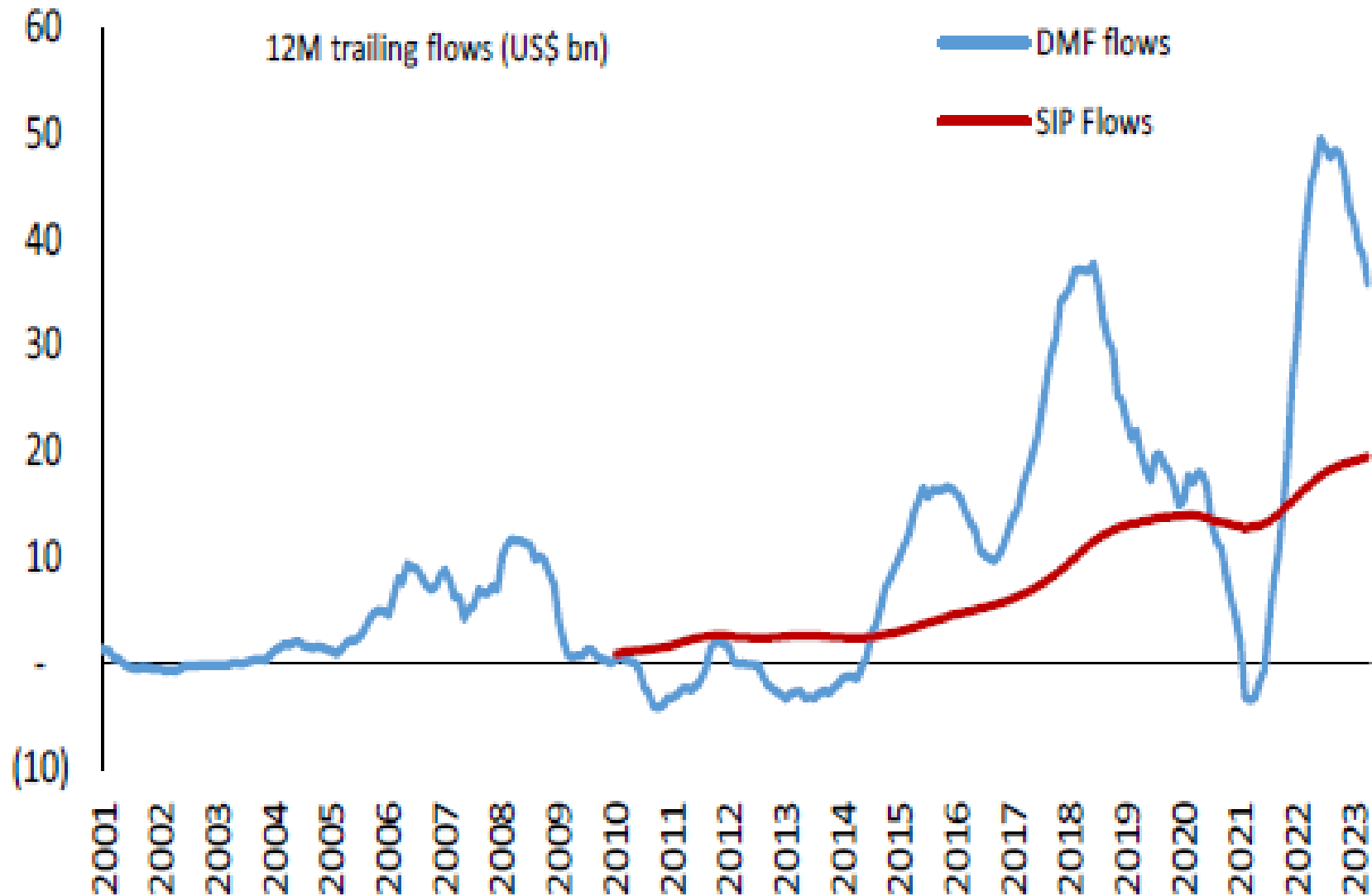
Offshoring Boom: India's Service Export Market Share Accelerates



Indian Market Volatility Down



SIP Flows provides Stability to Market



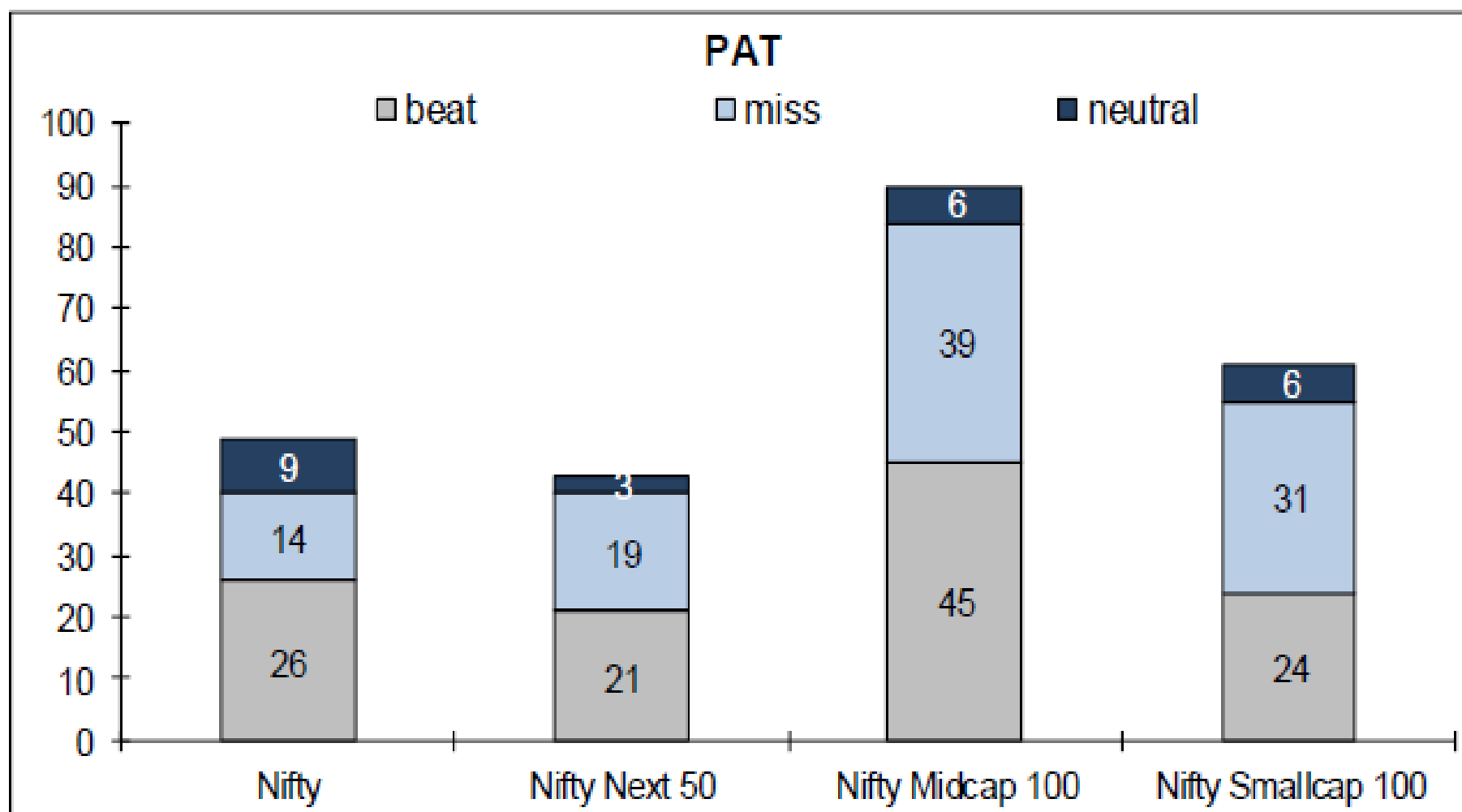
Q4 Results Update



- Raw material inflation easing out. Full impact will be seen in coming Quarters
- Pockets of positive surprise in Mid and Small caps
- Agri Chemicals disappointed

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Q4 Results Performance



Source: Bloomberg, Capitaline, I-Sec research

Note – Within +/- 3% of consensus PAT is neutral while > +3% is beat and < -3% is miss.

Monsoon Uncertain



- Majority Weather forecasters expects Monsoon rain to be lesser this year due to El Nino
- IMD still maintains normal monsoon
- Lower rainfall will have limited negative impact on economy
- Discretionary rural spending will get affected

Sudden Spurt of Bullish View on India



- Many foreign institutions recently released bullish reports on India
- India's long term growth potential intact
- Major Institutions cannot avoid India

Concentrated US Market Rally



- Five stocks \$Meta, \$NVDA, \$MSFT, \$AAPL, \$TSLA contributed majority of S&P500 current rally
- This year S&P500 up by 12% and if five stocks are removed index would have been up by 3% only
- Expecting rally to broaden out in coming days

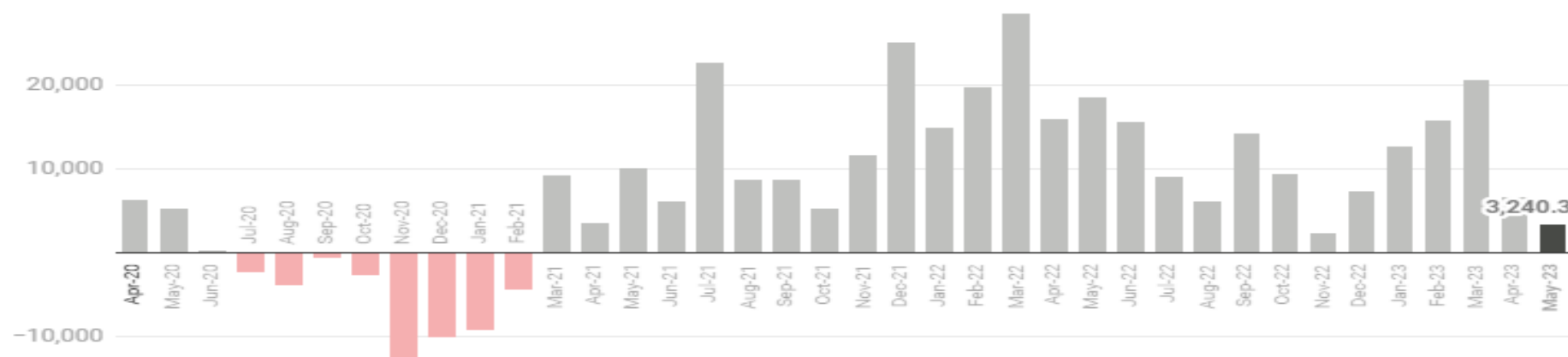
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Mutual Fund Flows



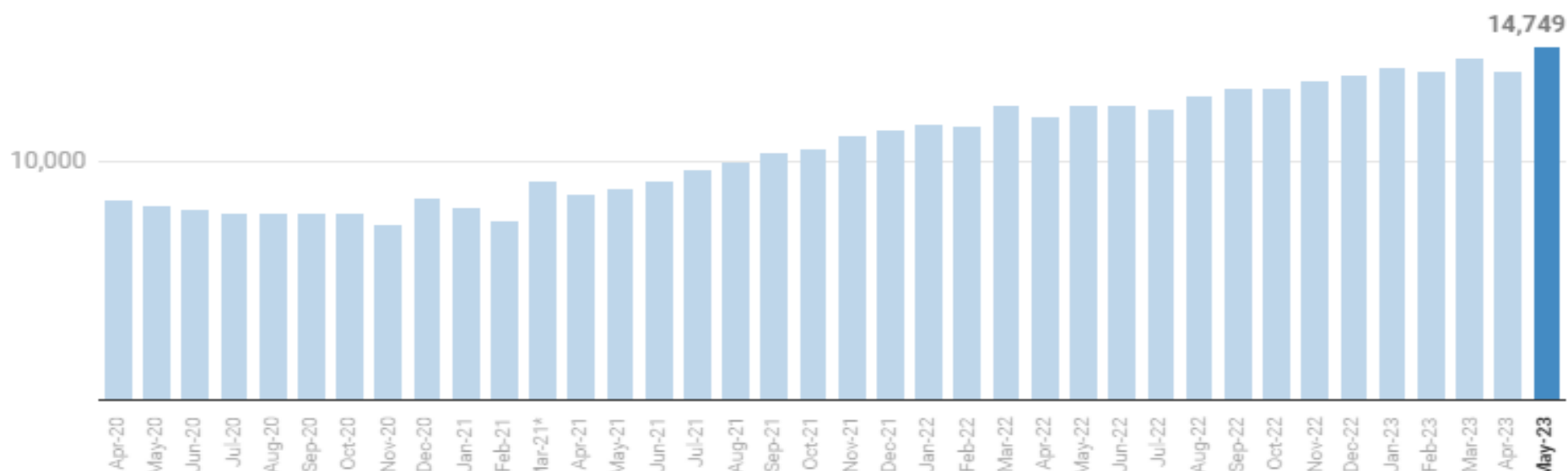
Net Equity Inflows

(Rs crore)



SIP Contribution

Net investments (Rs crore)



What Investor Should Do



- Markets unlikely to see major fall
- Do proper due diligence before buying
- Stay invested

Data To Watch



- US Fed outcome on June 15th
- Monsoon



Thank You

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