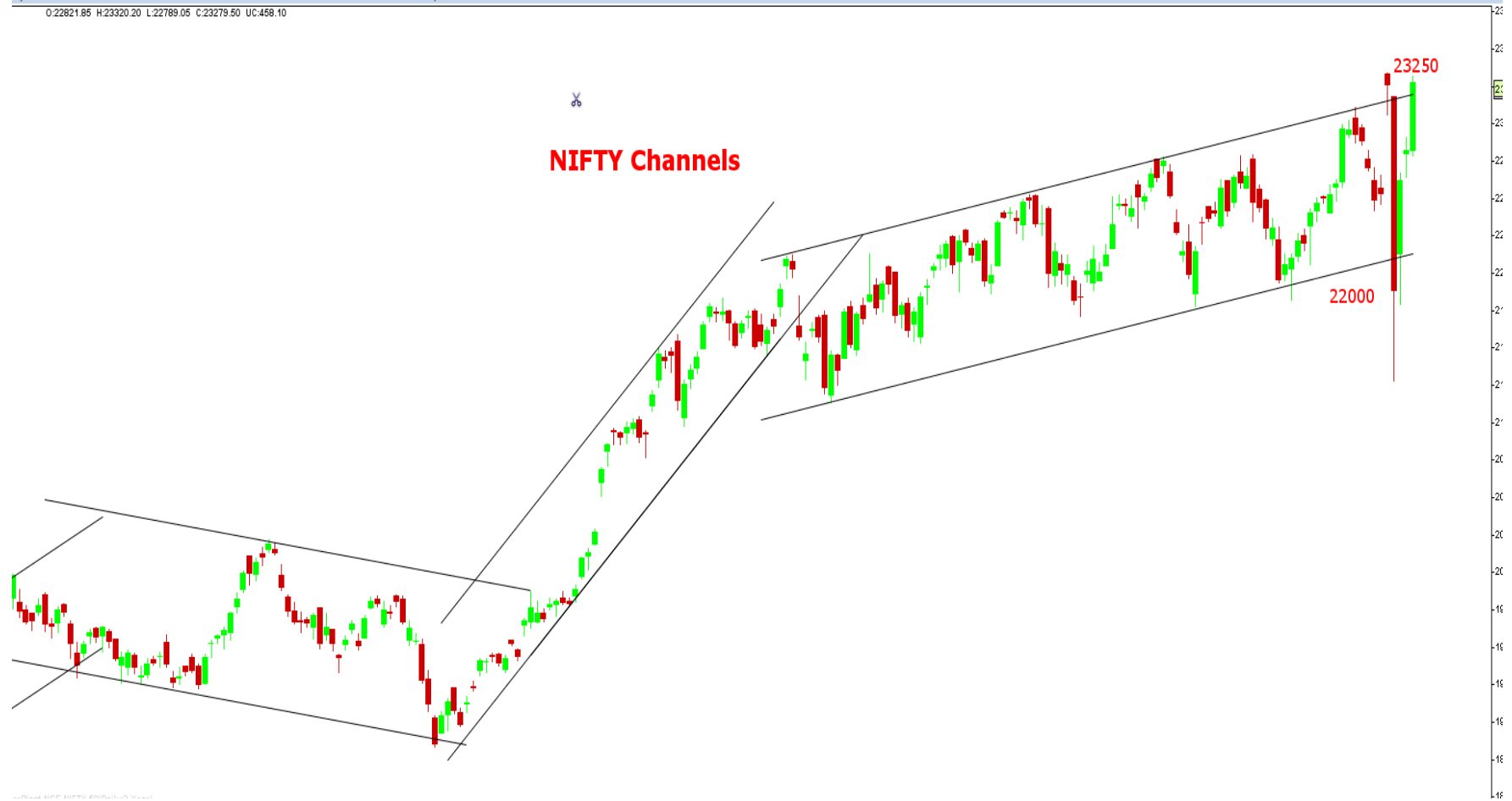


Current Market Scenario

8th June 2024

0:22821.85 H:23320.20 L:22789.05 C:23279.50 UC:458.10

NIFTY Channels



CAPSTOCKS



India VIX

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Covid 2020



India VIX (May Meeting)



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INDIA VIX



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O:22821.85 H:23320.20 L:22789.05 C:23279.65 UC:458.25



Poll Verdict Surprises Market

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- Coalition Govt. after 10 years
- Retail investors Conviction steady
- Positive macro news flows
- Nasdaq at All Time High

INDEX WATCH

INDEX	7 th June	10 th May	% Change
Nifty	23,290	22,055	+ 5.5
Sensex	76,693	72,664	+ 5.5
Nifty Midcap	53,194	49,532	+ 7.3
BSE Small Cap	48,731	45,396	+ 7.3

2024 Elections Mandate

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Party	Won
Bharatiya Janata Party - BJP	240
Indian National Congress - INC	99
Samajwadi Party - SP	37
All India Trinamool Congress - AITC	29
Dravida Munnetra Kazhagam - DMK	22
Telugu Desam - TDP	16
Janata Dal (United) - JD(U)	12
Shiv Sena (Uddhav Balasaheb Thackrey) - SHSUBT	9
Nationalist Congress Party - Sharadchandra Pawar - NCPSP	8
Shiv Sena - SHS	7
Lok Janshakti Party(Ram Vilas) - LJPRV	5
Yuva Jana Sramika Rythu Congress Party - YSRCP	4
Rashtriya Janata Dal - RJD	4
Communist Party of India (Marxist) - CPI(M)	4
Others	47

	Seats
NDA	293
INDI Alliance	232
Others	18

Mandate for Coalition Govt.

- Poll Verdict for Coalition Govt. at Centre after 10 years gap
- Markets surprised on poll outcome
- NDA 3.0 will focus on economic policies
- Big Market participants may await Govt. action

Market Reaction

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- Election results got discounted
- New Govt. actions will guide market movement
- Retail Investors not panicked
- Multiple macro positive news flows
- “100 Days Plan” and Union Budget near term trigger for market

New Govt. Focus

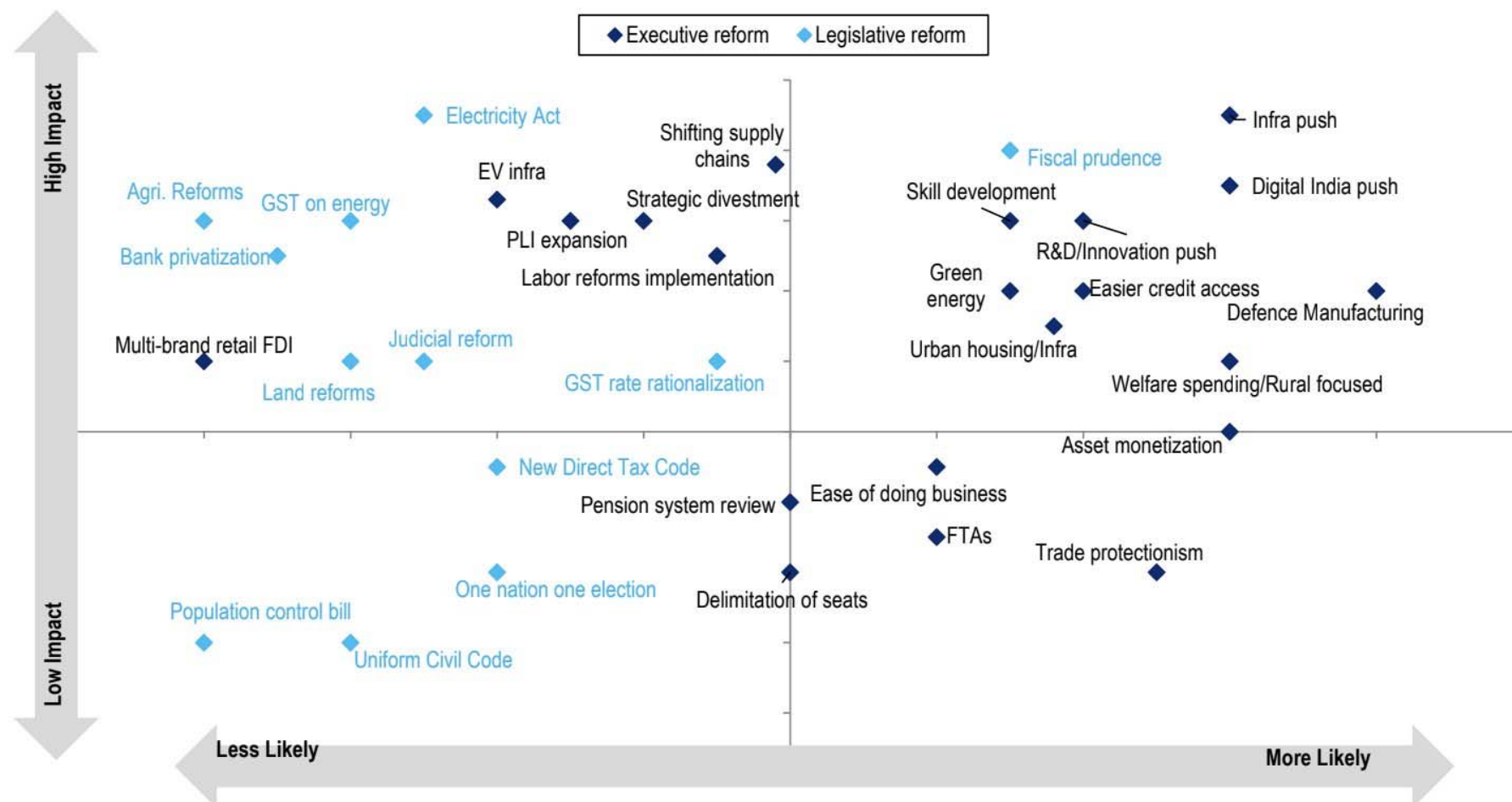
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- Sources indicate Govt. will implement “100 Days Plan” without delay
- Crucial announcements related to Infra, Defence, housing, renewable energy, manufacturing expected
- Will speed up PSU divestment
- Possibility of Tax rationalisation

Likely New Govt. Agenda

CAPSTOCKS

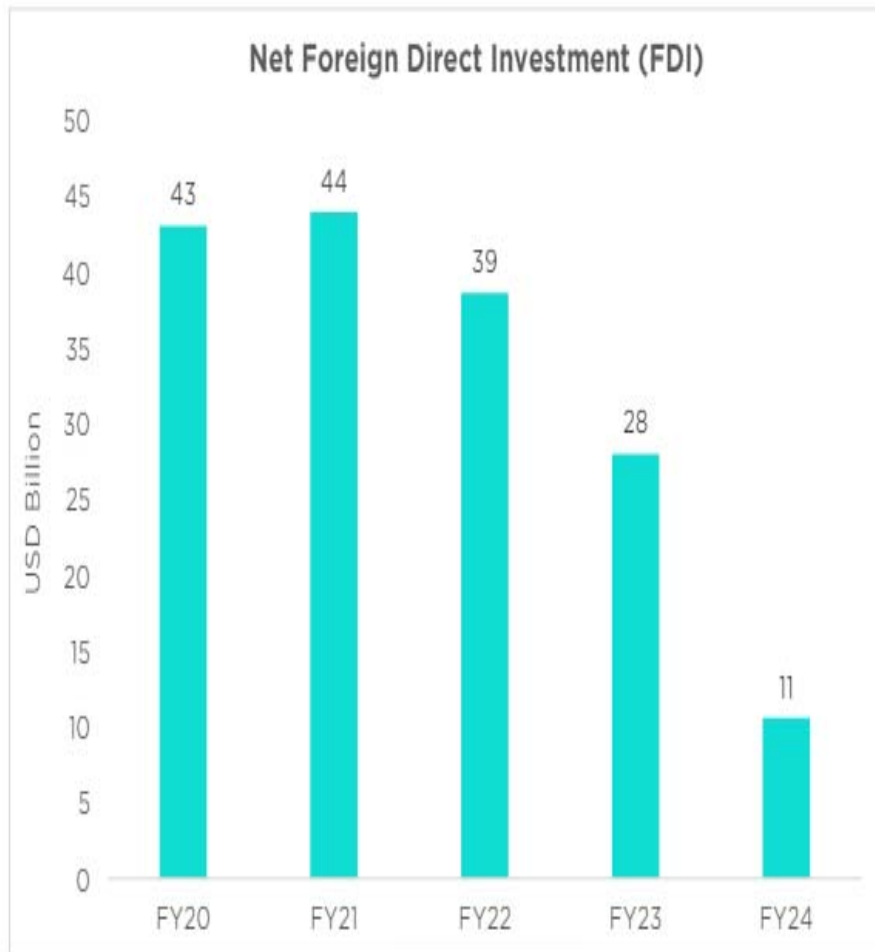
Figure 4. Likely policy agenda of the next NDA government



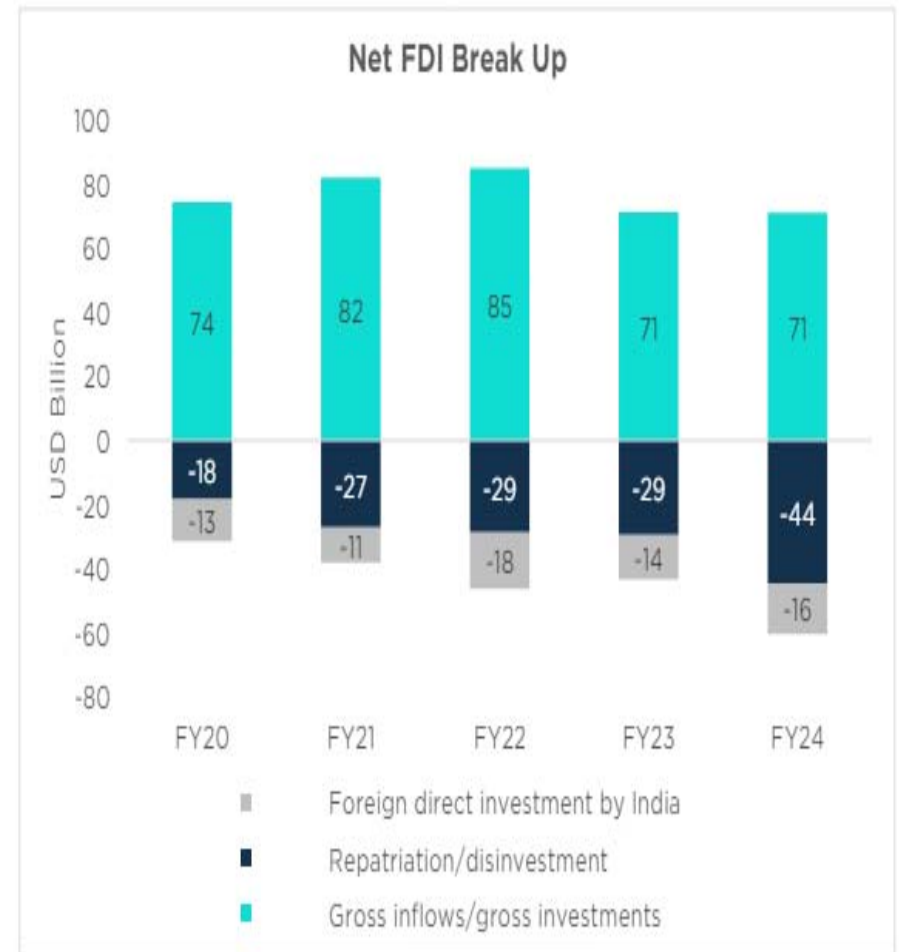
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Source: Citi Research

Net FDI Falls

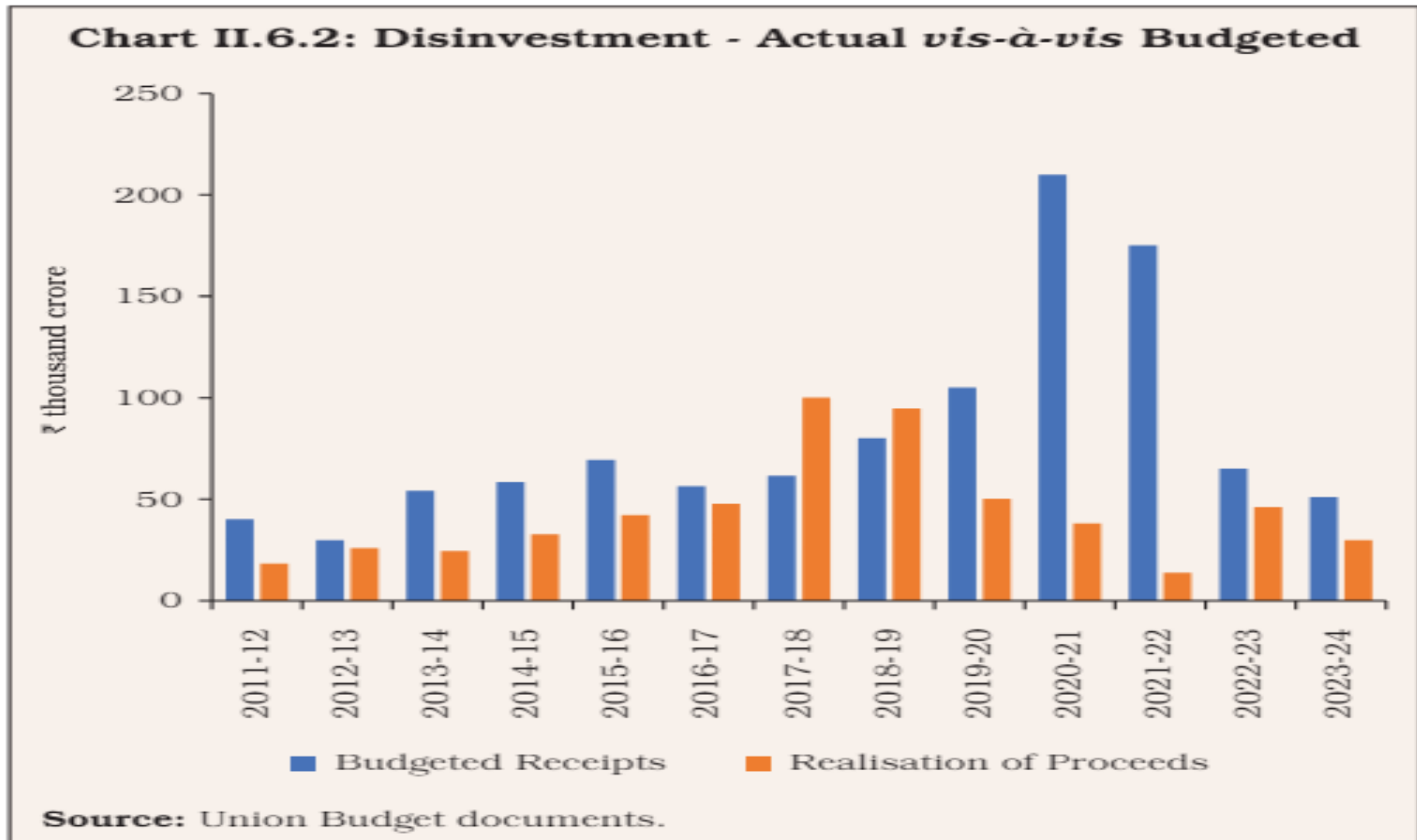


Source: CMIE.



Source: CMIE.

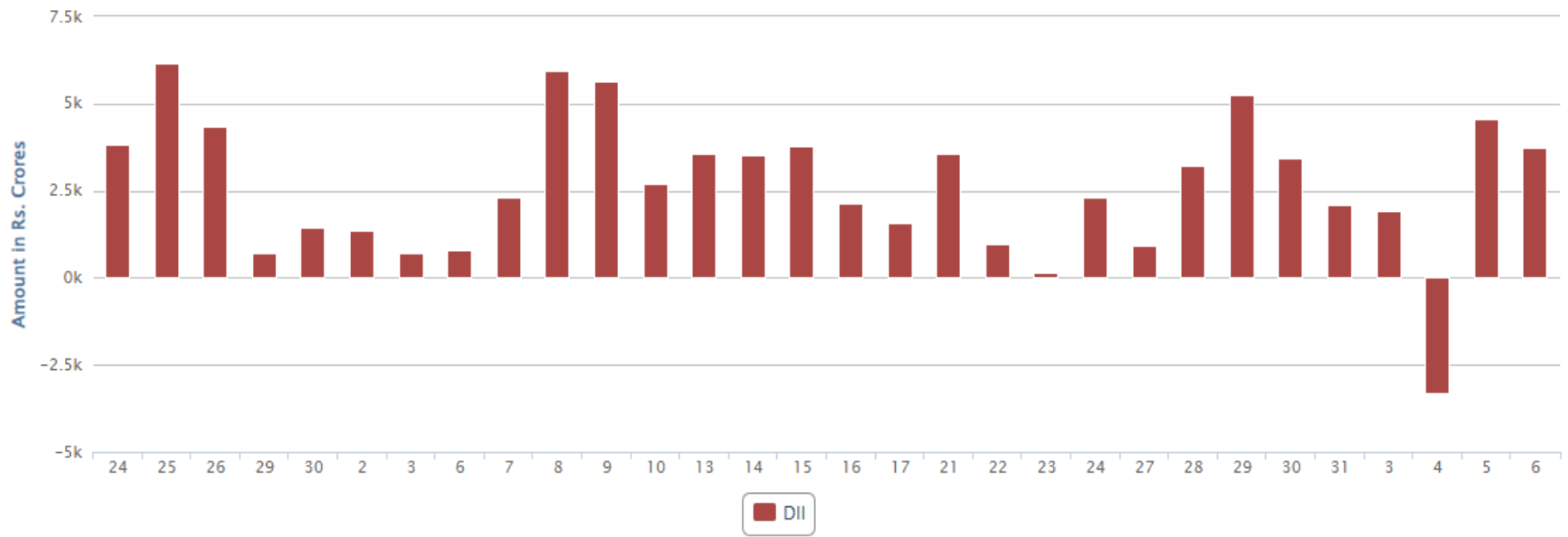
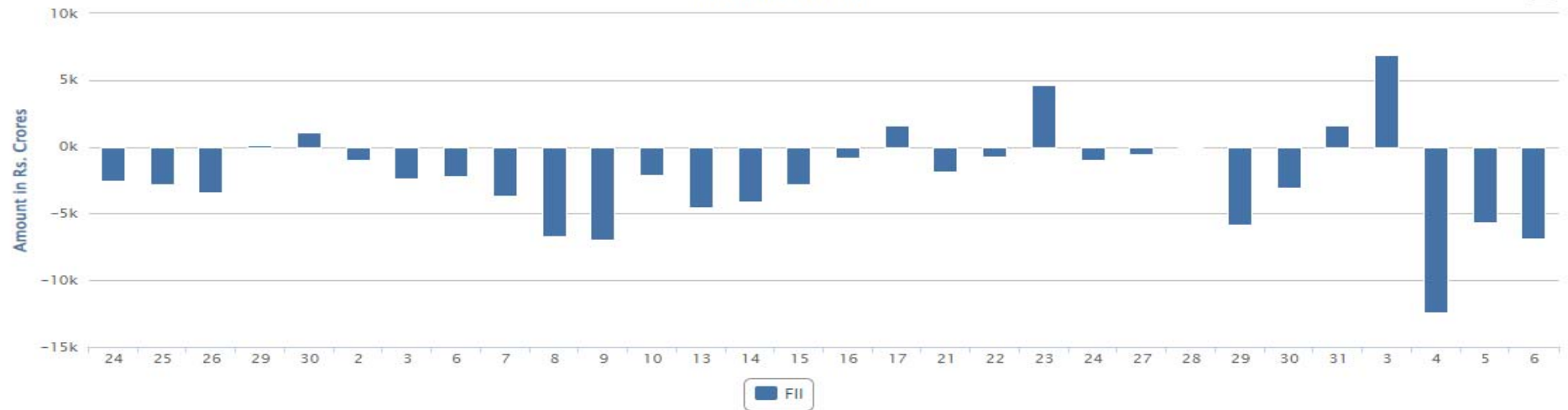
PSU Divestment Will Get Speed Up



Institutional Activity

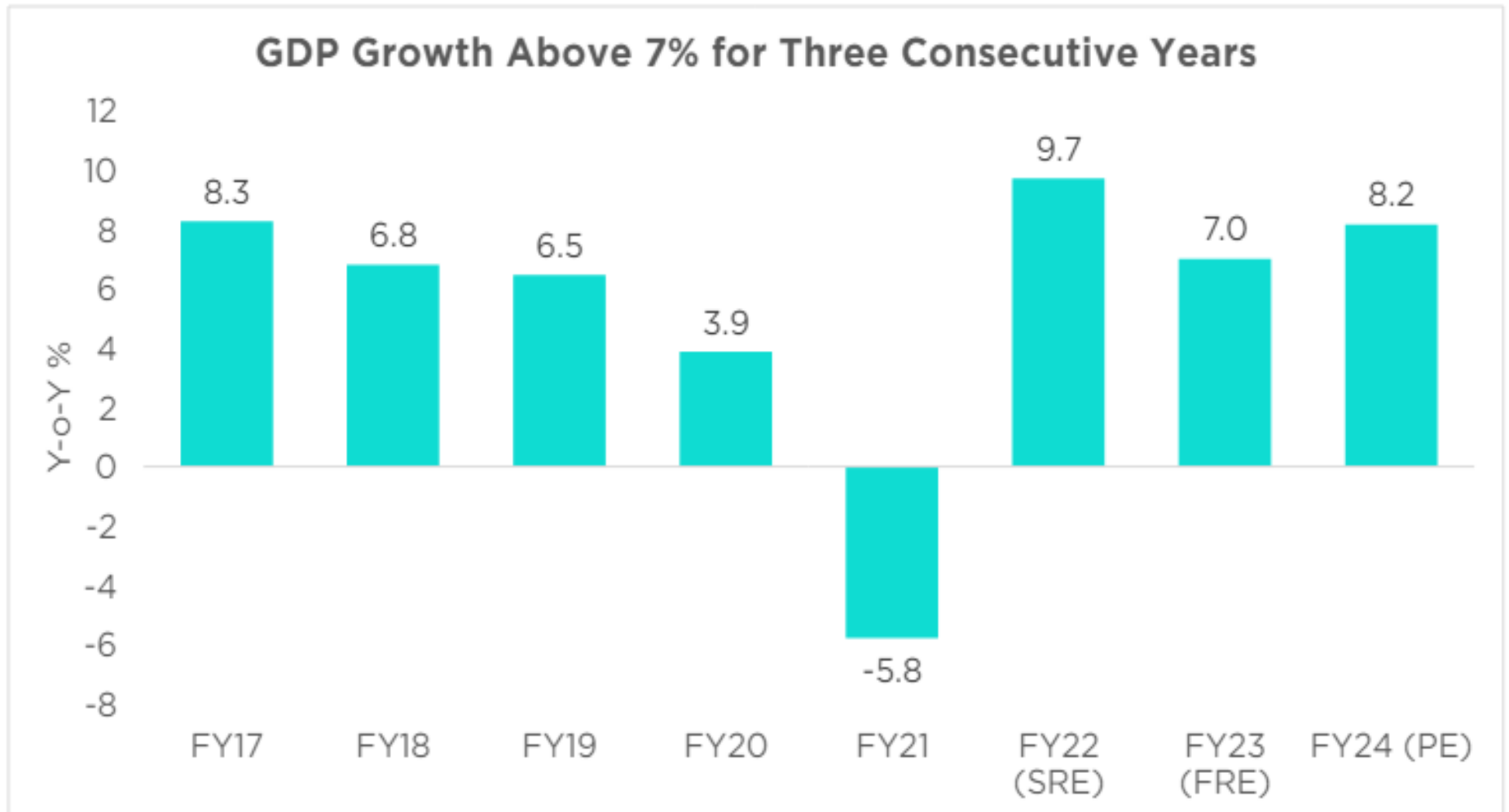
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Net Investment



India GDP Growth

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Source: MOSPI. SRE: Second Revised Estimate; FRE: First Revised Estimate; PE: Provisional Estimate

A LOOK BACK

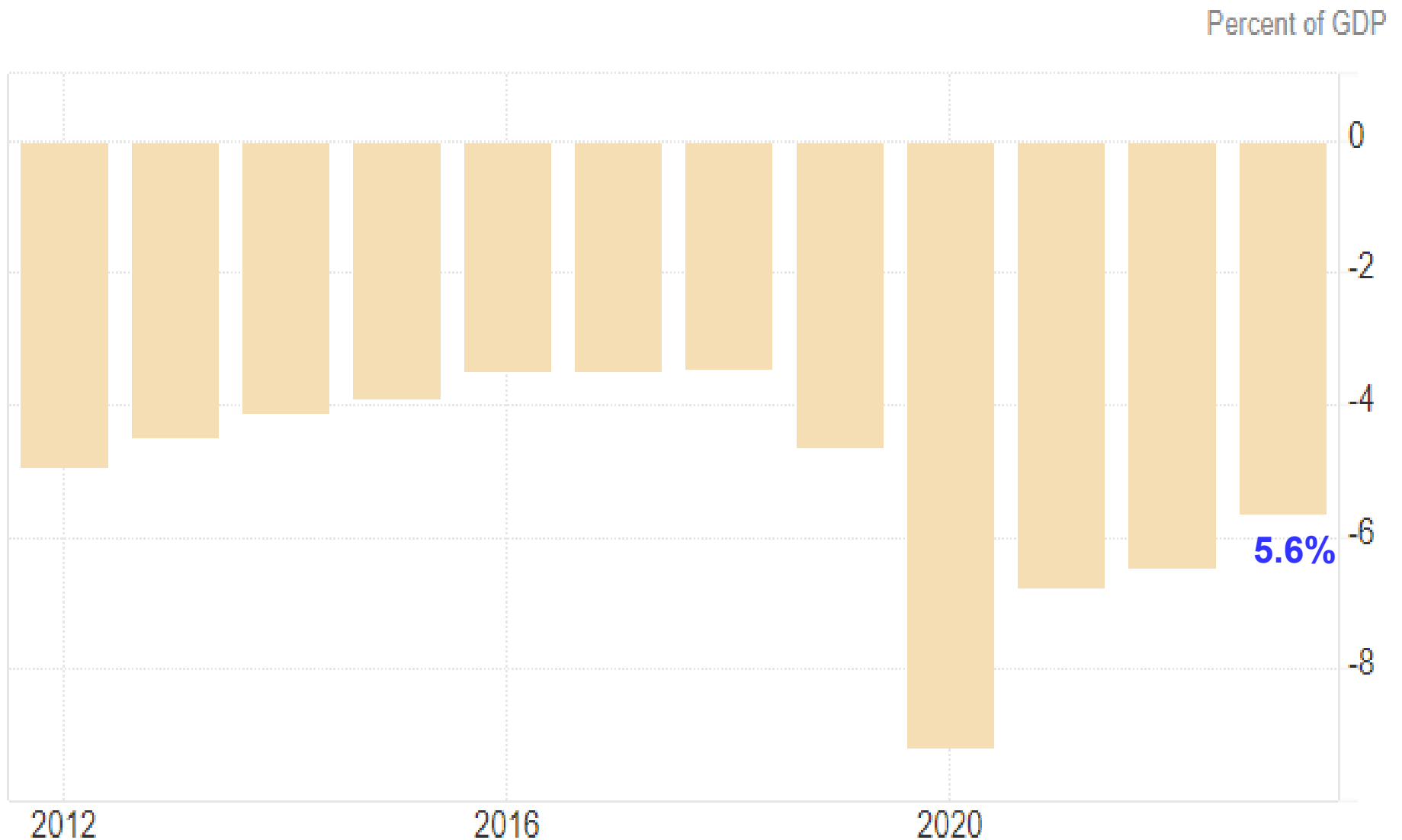
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Nine times GDP growth rates crossed 8% since 1961-62

1975-76	9.1	
1988-89	9.6	
1999-2000	8.8	
2006-07	8.0	
2010-11	8.5	
2015-16	8.0	
2016-17	8.3	
2021-22	9.7	
2023-24	8.2	

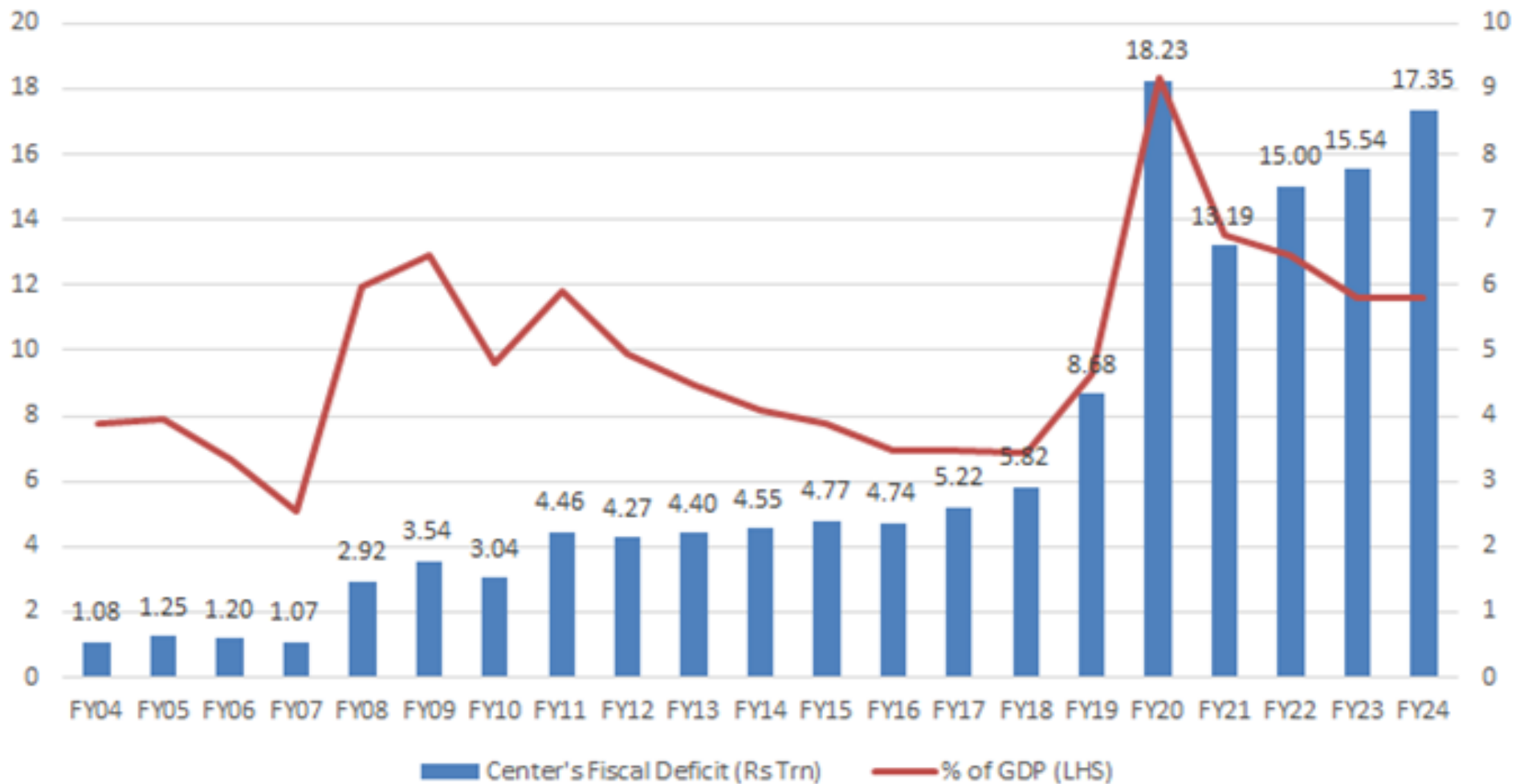
Fiscal Deficit Lower Than Projected

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Historical Fiscal Deficit

Center's Fiscal deficit during 2004-2024

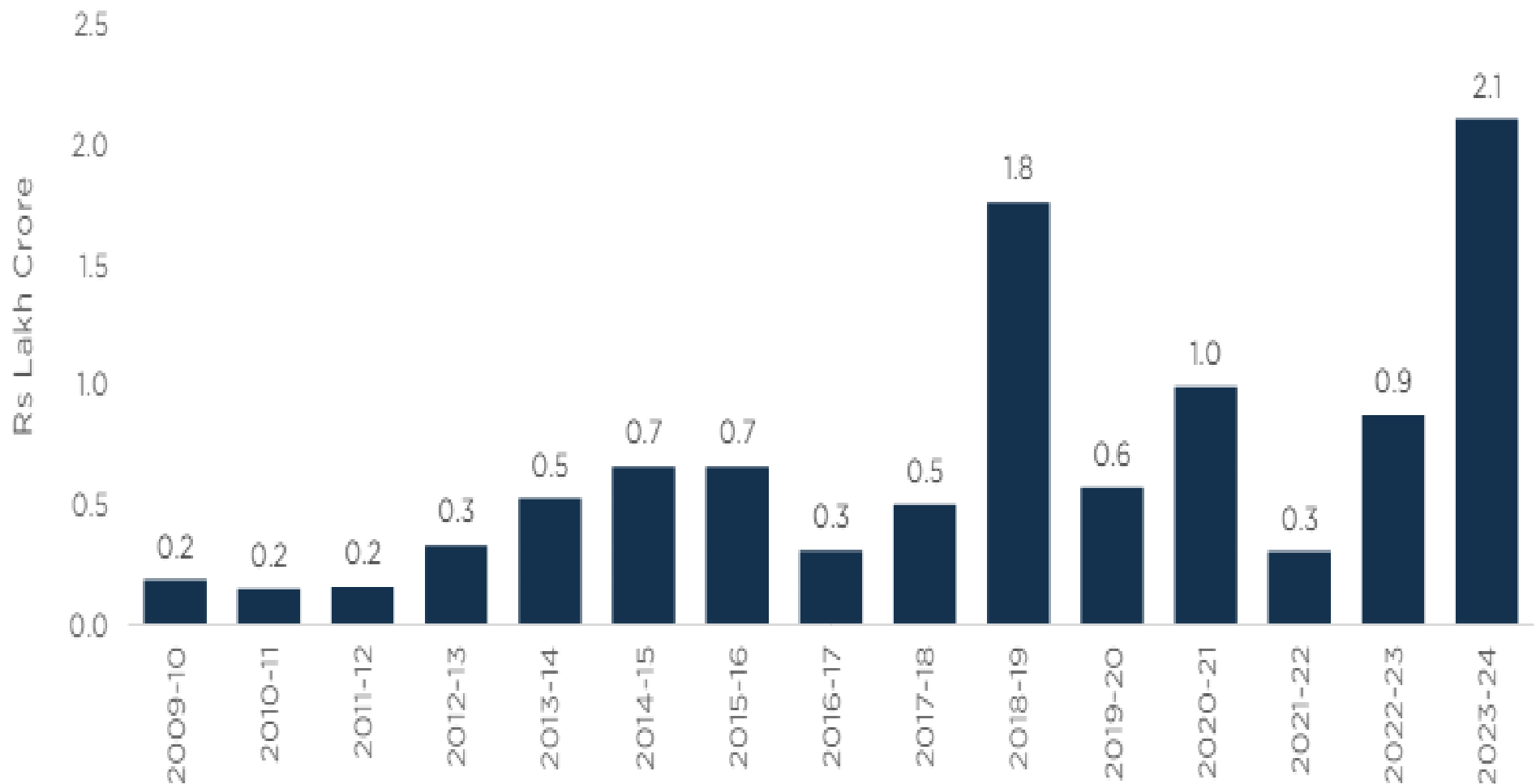


Bumper Dividend from RBI

- Govt. to get 2.1 Lakh Cr. dividend from RBI for FY24
- 140% higher than FY23
- Higher Dividend will aid Govt. to reduce fiscal deficit or can be used for capex plans or welfare schemes

Historical Trends of RBI Dividend

Historical Trends - RBI's Dividend Transfer to the Government



S&P Revises India's Sovereign Rating Outlook

CAPSTOCKS

- S&P affirms India's rating to "BBB –"
- Outlook revised to positive
- "BBB –" is the lowest investment grade rating
- In 2010 rating agency revised outlook from negative to stable

S&P Global's India Outlook

S&P Global Says Revision In India's Outlook Because Of:

- Robust economic expansion
- Marked improvement in quality of government spending
- Efforts to consolidate fiscal deficit
- Credible monetary policy regime and
- Broad continuity in economic reforms and fiscal policy

IMD Reiterates Good Monsoon

- IMD reiterates above normal rainfall of 106% of Long Period Average
- Monsoon arrives on time
- Excess pre monsoon rainfall in Kerala

Q4 Results – Large Caps Done Well

SALES	Q4FY23	Q4FY24	YoY
NIFTY 50	1481230	1569841	6%
NIFTY NEXT 50	302830	315261	4%
MIDCAP 150	469857	500333	6%
SMALLCAP 250	328558	346994	6%
TOTAL	2582474	2732429	6%

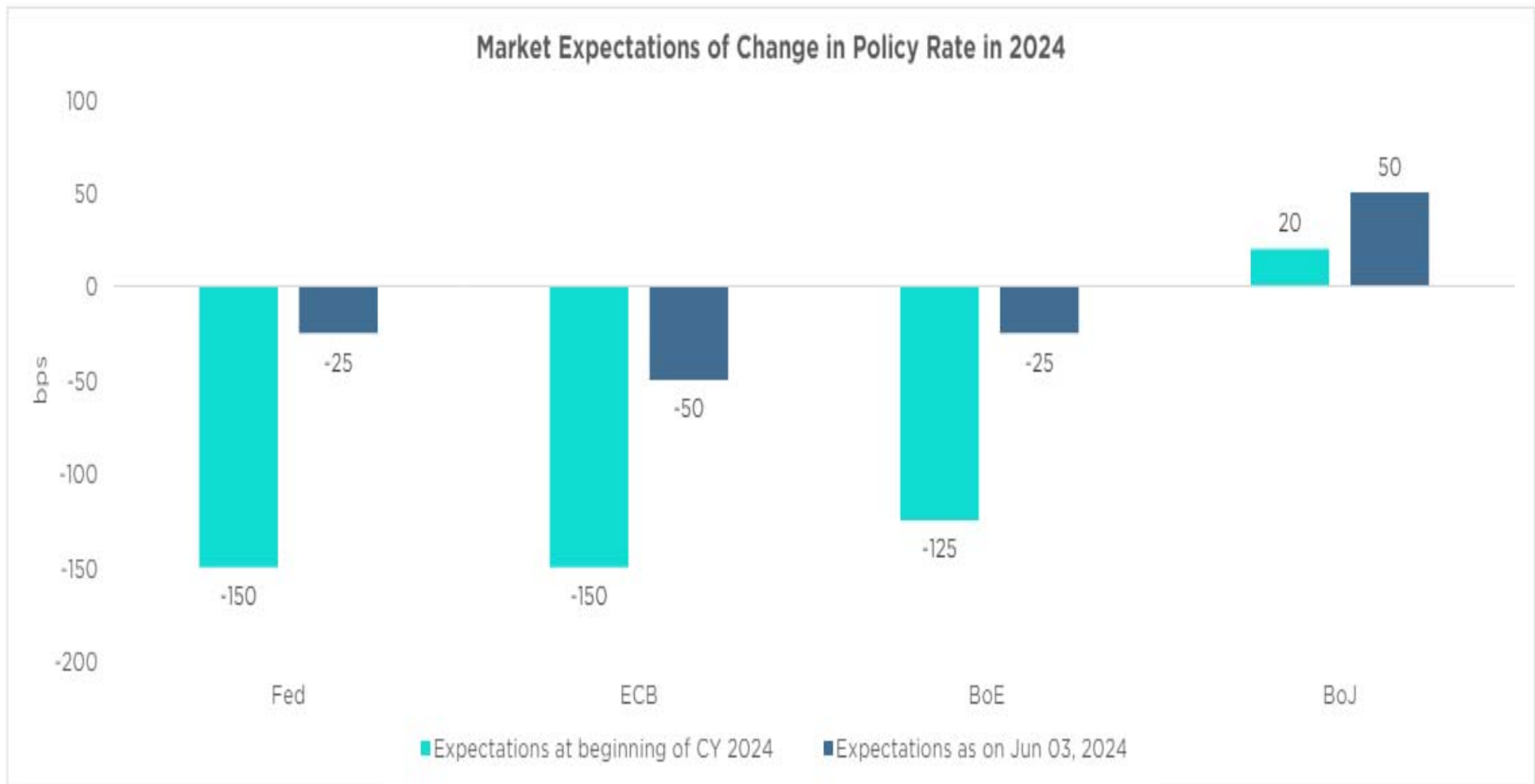
PAT	Q4FY23	Q4FY24	YoY
NIFTY 50	142382	159833	12%
NIFTY NEXT 50	24446	26302	8%
MIDCAP 150	36378	38061	5%
SMALLCAP 250	26962	28558	6%
TOTAL	230168	252755	10%

Equities Return – Country wise

	Lumpsum returns	Lumpsum Real Returns	SIP Returns	SIP Real Returns
Country	Last 30 Years (All Returns in local currency, real returns adjusted for inflation)			
China (HK Listed)	0%	-3%	2%	-1%
Brazil	16%	9%	11%	4%
Hong Kong	2%	-1%	1%	-2%
Philippines	3%	-2%	5%	0%
China Mainland	5%	2%	4%	0%
UK	3%	1%	3%	0%
France	5%	3%	4%	3%
Malaysia	2%	-1%	2%	0%
Mexico	11%	3%	10%	2%
Indonesia	9%	1%	11%	2%
Canada	6%	4%	5%	3%
Korea	4%	1%	5%	2%
Australia	5%	2%	4%	1%
India	10%	4%	12%	6%
Taiwan	5%	3%	6%	4%
USA	8%	6%	8%	5%
Japan	2%	2%	6%	5%

Global Central Bank Rate Cut Expectations

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Source: Refinitiv. Note: Data reflects market expectations of most probable outcome for interest rate trajectory.

Data To Watch

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- New Govt. actions
- Monsoon progress

Thank You