



Current Market Scenario

* S&P CNXNIFTY (9,436.00, 9,437.00, 9,372.00, 9,400.00)

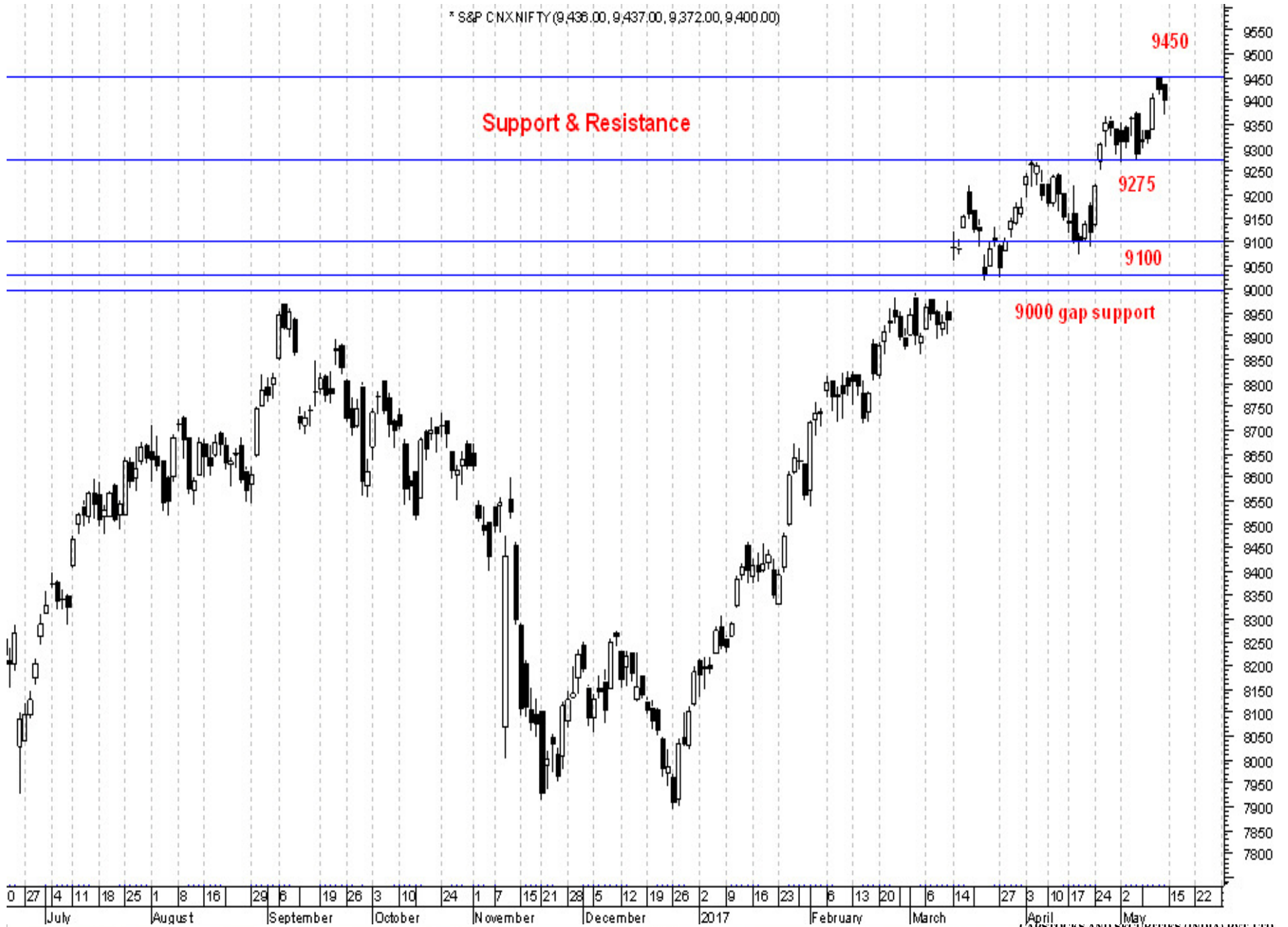
Nifty Channel

9350



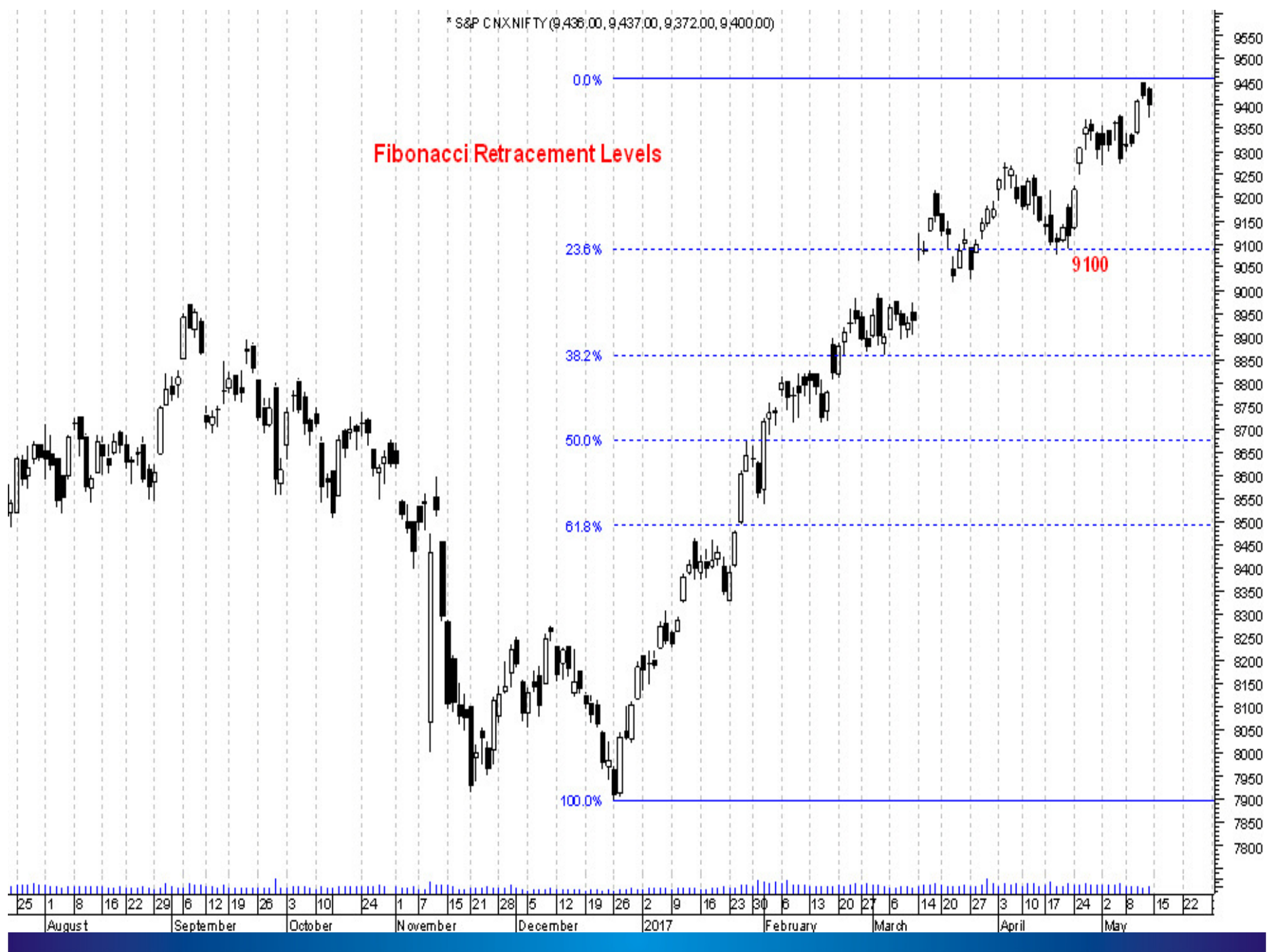
* S&P CNXNIFTY (9,436.00, 9,437.00, 9,372.00, 9,400.00)

Support & Resistance



* S&P CNXNIFTY (9,436.00, 9,437.00, 9,372.00, 9,400.00)

Fibonacci Retracement Levels



Markets At Historic Levels



- Classical Bull Market
- Mutual Fund remain heavy buyers
- Old Economy sector shines
- IT and Pharma remain laggards

INDEX WATCH

INDEX	12, May	8, Apr	% Change
Nifty	9,400	9,198	2.1
Sensex	30,188	29,706	1.6
CNX Midcap	18,240	17,398	4.8
BSE Small Cap	15,528	14,681	5.7



Old Economy Sector Shines

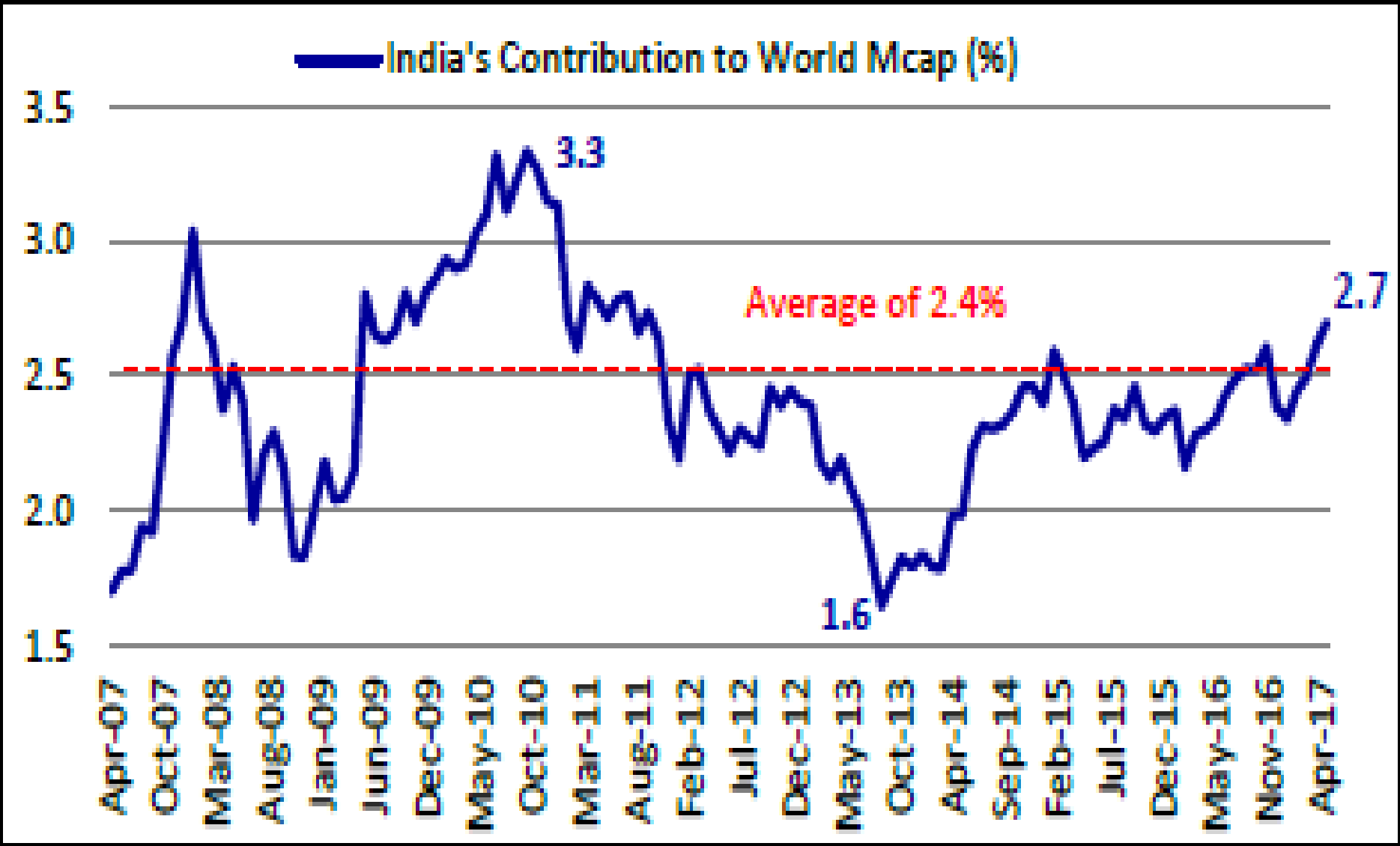
- Domestic dependent capital goods, real estate, metals, financials outperform market
- Pharma and IT laggards
- Inverse of what happened during 1998 – 2000 boom

Indian Market Valuation



Parameter	Current	10 Yr Average
Trailing Sensex P/E ratio	22.5	18.4
Trailing Sensex P/B	3.0	3.0
Market Cap to GDP	80	78

Indian Market Size





Q4 Result Performance

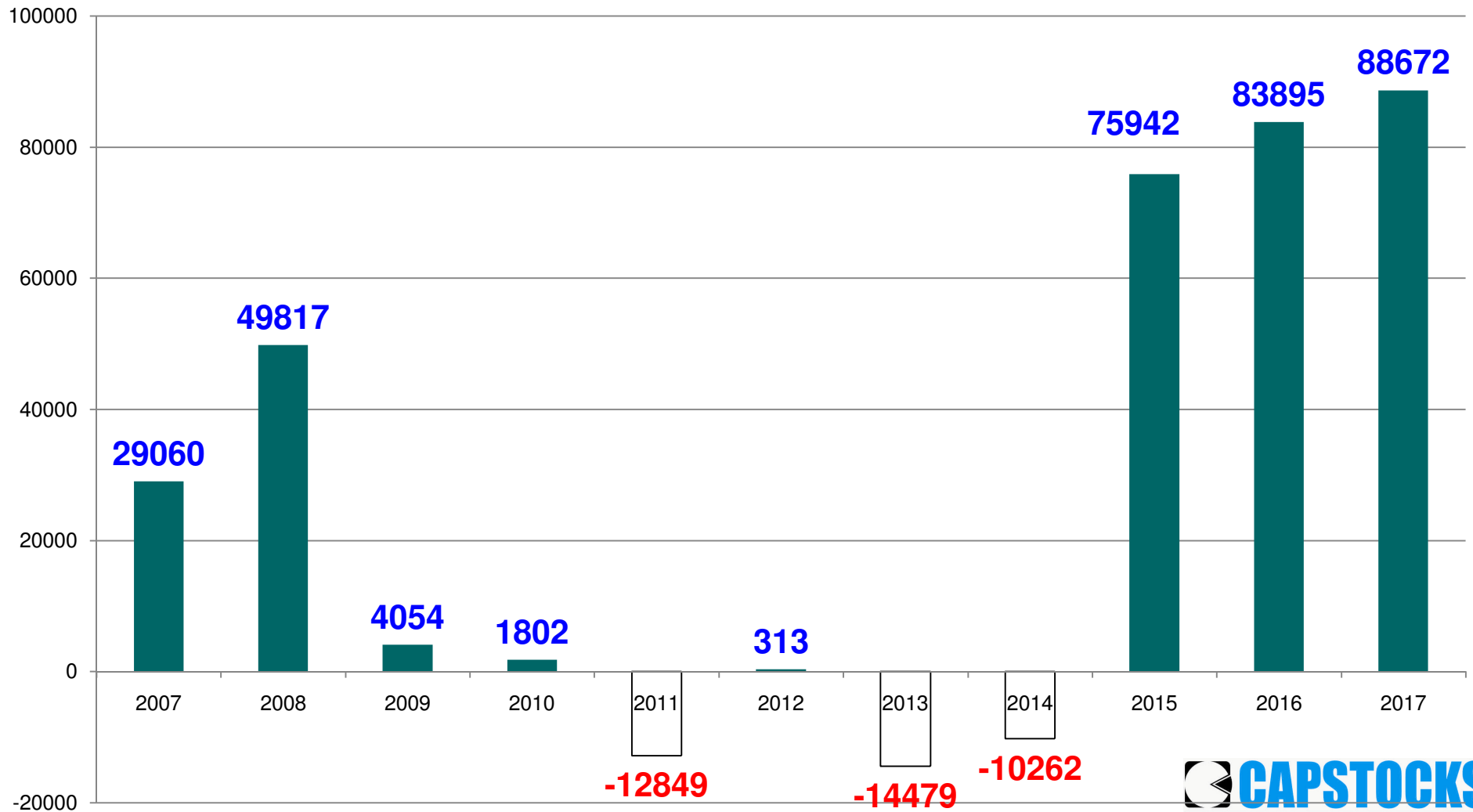
	% Change (YoY)	
	Mar 2017	Mar 2016
Sales	12.7	5.3
Net Profit	32.8	- 9.7

Results of 348 companies



Strong Equity Mutual Fund Inflows

Equity + ELSS + 50% of Balanced Funds



SIP - Still Long Way To Go



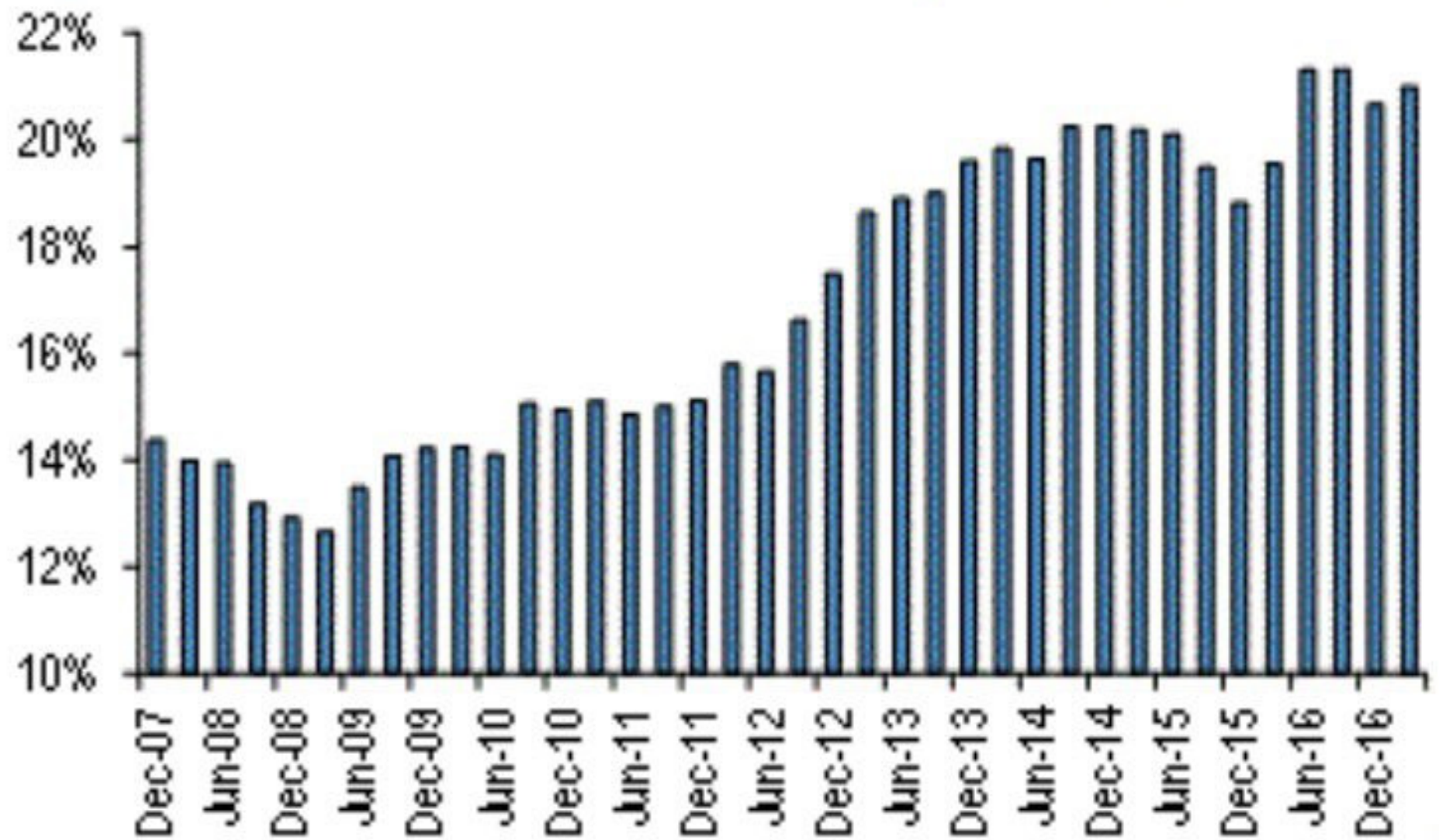
No. of Life Insurance Policies (Mar 2016)	36 Cr.
No. of SIP (Dec 2016)	1.2 Cr.

FII Remain Cautious



Month	Net Flows \$ Bn
Nov 2016	- 2.6
Dec	- 1.2
Jan 2017	- 0.1
Feb	1.2
Mar	4.6
Apr	0.4
Till May 11	- 0.4

Figure 1: BSE500 Index – FII ownership trends (%)



Source: CMIE, J.P. Morgan. Data as of 31 March 2017

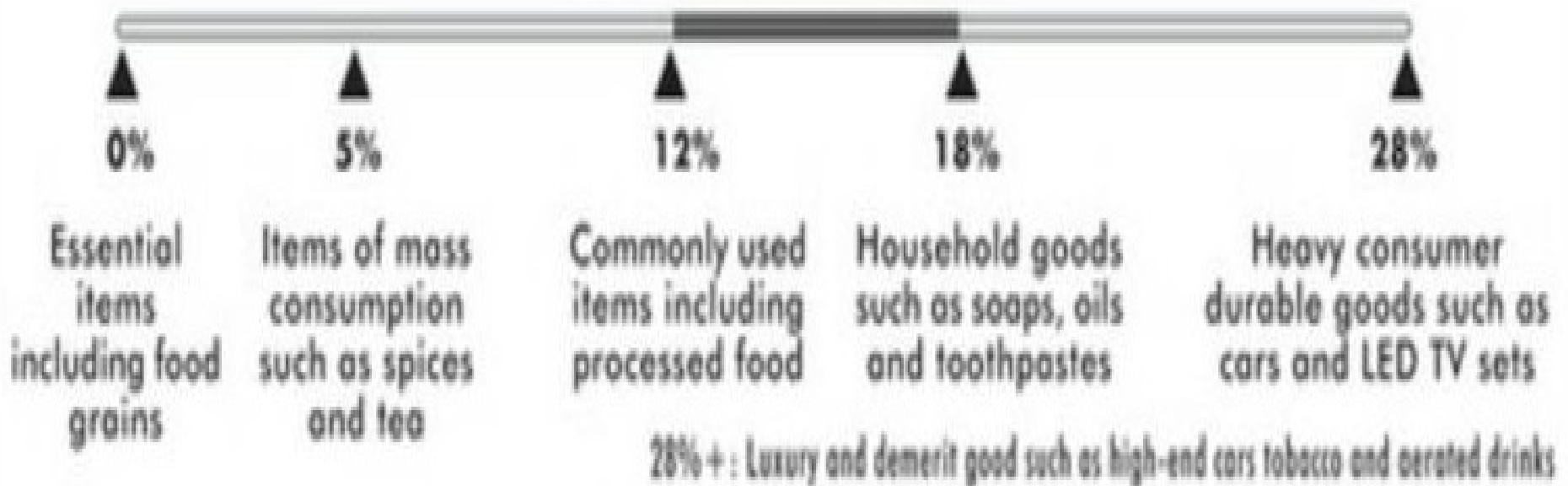
GST Rate Crucial for Sector Specific Action



India's sales tax: it all depends on the rate

GST council to fix rates into four different tax slabs

Standard GST rates



Smart Gain in Real Estate Stocks



- Real Estate Regulatory Authority will be positive for organised real estate companies
- To bring transparency in sector
- Incentives for low cost housing to give volume boost

Will Monsoon be Good ?

- IMD signals monsoon likely to be better than earlier prediction
- Evolvment of El Nino to be slow which will aid monsoon
- Monsoon crucial for rural economy and food inflation

Outperformance in Falling Market Matters

	Year 1	Year 2	Year 3	Year 4	Year 5	CAGR Over Cycle
Market Returns	15%	25%	45%	30%	-25%	15.2%
Risky Portfolio	15%	30%	65%	45%	-50%	12.3%
Disciplined	15%	25%	45%	30%	-15%	18.2%

One bad year for the market and most of the outperformance vanishes. Difficult to stay away from the greed after seeing so many around you making a killing unless you have experienced multiple down cycles. Market timing extremely important and luck plays a big part in this.

High risk high returns strategy works best in a raging bull market. This is a high beta strategy and very exciting for investors to ignore. Even the more experienced investors can't overcome the greed confusing it with high alpha strategy.

Disciplined strategy may not beat the market during a raging bull run, but handily outperforms over a full cycle. Generally not as exciting for most investors to follow in rising markets.

Next Trigger for Market



- Earnings and Monsoon will be next trigger for market



Thank You