



Current Market Scenario

13 May 2023

CAPSTOCKS

Market Rally Smartly



- Mid and Small cap participates
- Crude Oil falls
- US Fed indicates pause
- Commodities cools Off

INDEX WATCH

INDEX	13, May	8, Apr	% Change
Nifty	18,314	17,599	+ 4.0
Sensex	62,027	59,832	+ 3.6
Nifty Midcap	32,468	30,358	+ 6.9
BSE Small Cap	29,616	27,725	+ 6.8

CAPSTOCKS

5 Stocks Dictate Index



Weightage In

Company	Sensex	Nifty 50
HDFC Bank + HDFC	16.9	14.7
Reliance Industries	11.7	10.2
ICICI Bank	8.8	7.6
ITC	7.4	6.4
Infosys	6.3	5.5
Total Weightage	51.1	44.4

CAPSTOCKS

Time is getting Shorter



Crude Oil At One Year Low



Energy Prices Corrects



Coal (USD/T) 169.65 -8.55 (-4.80%)



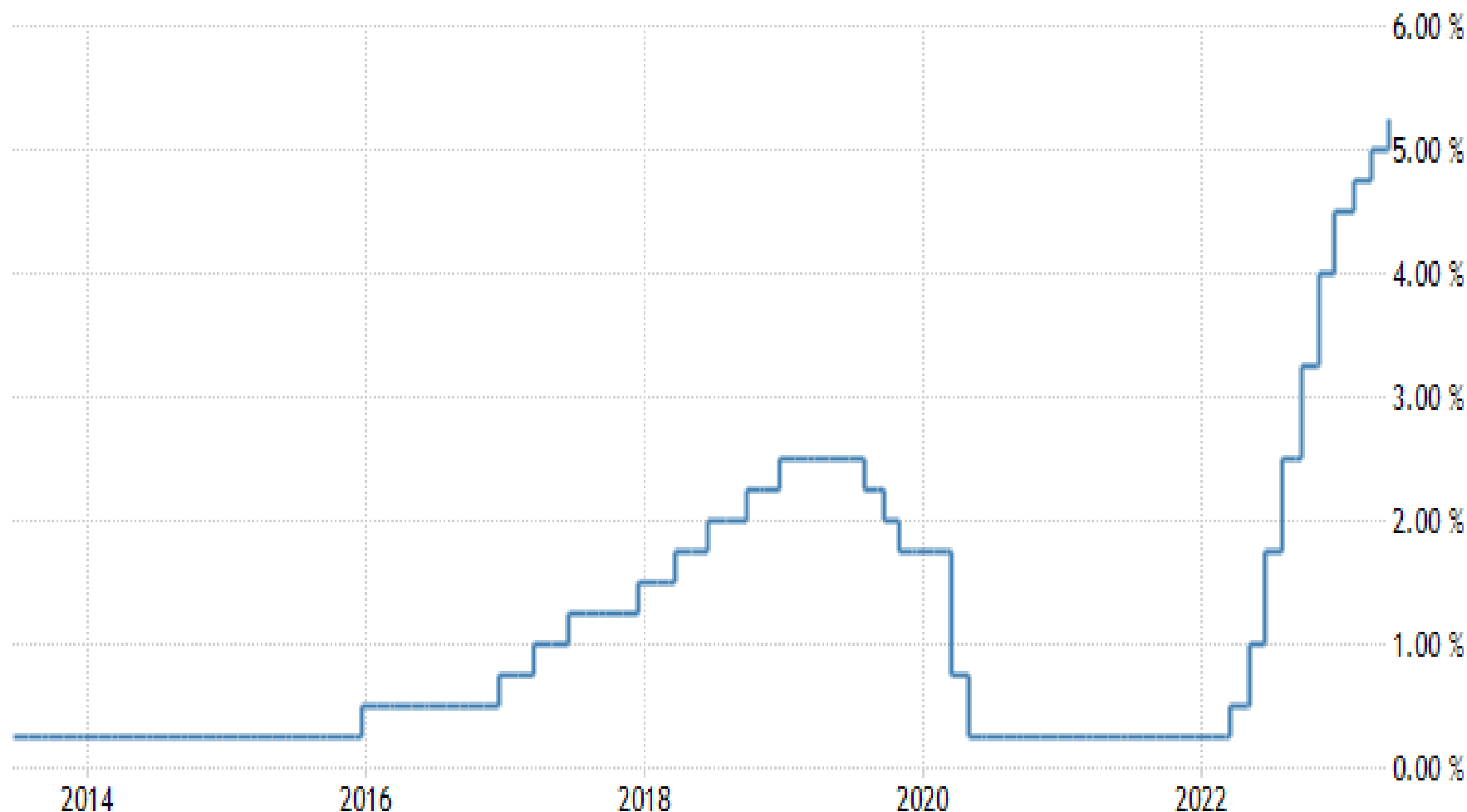
Natural gas (USD/MMBtu) 2.1146 +0.0136 (+0.65%)



Indian Bond Yield falls



US Fed Rate at Cyclical Peak

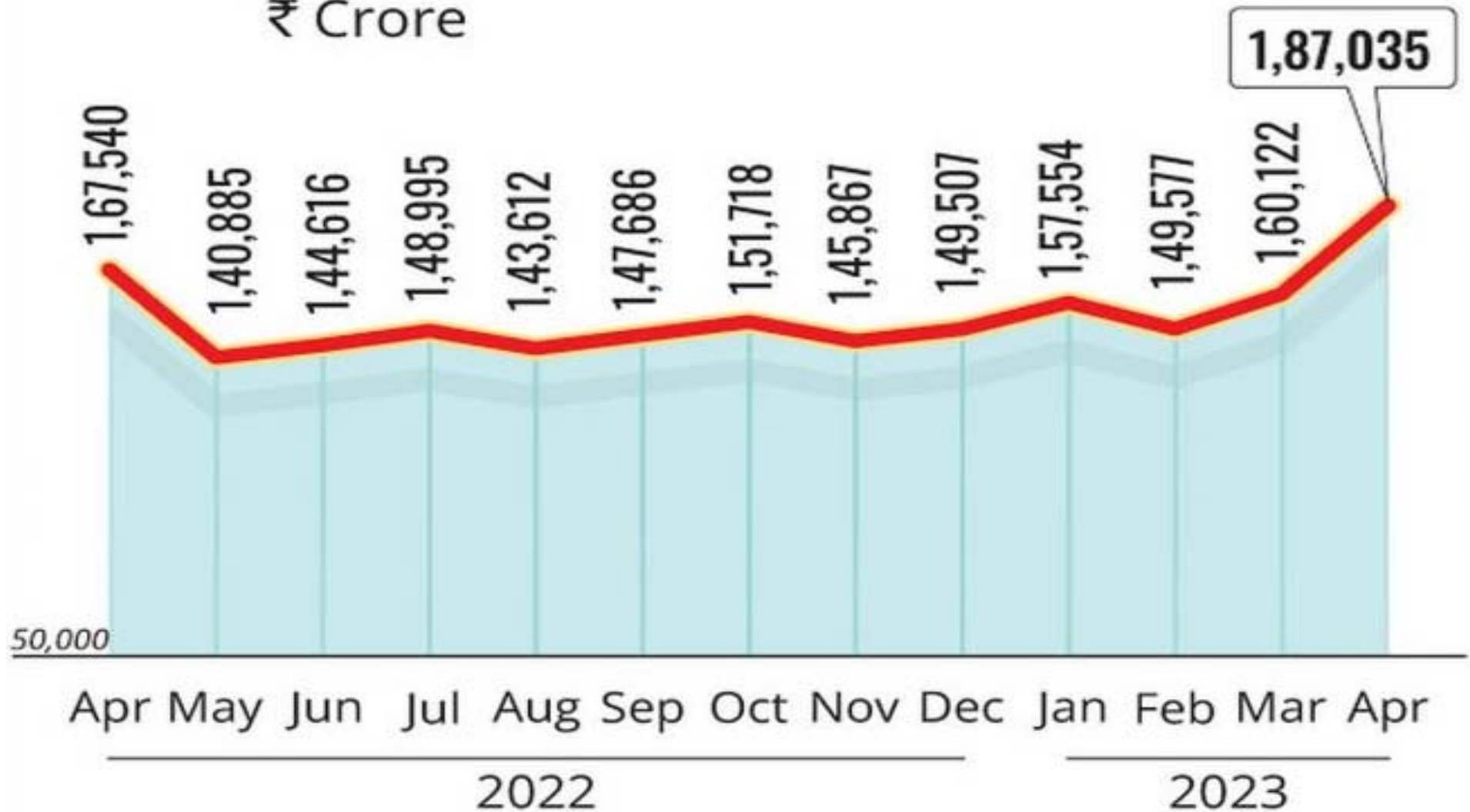


Robust GST Collections



GST Revenue Collection

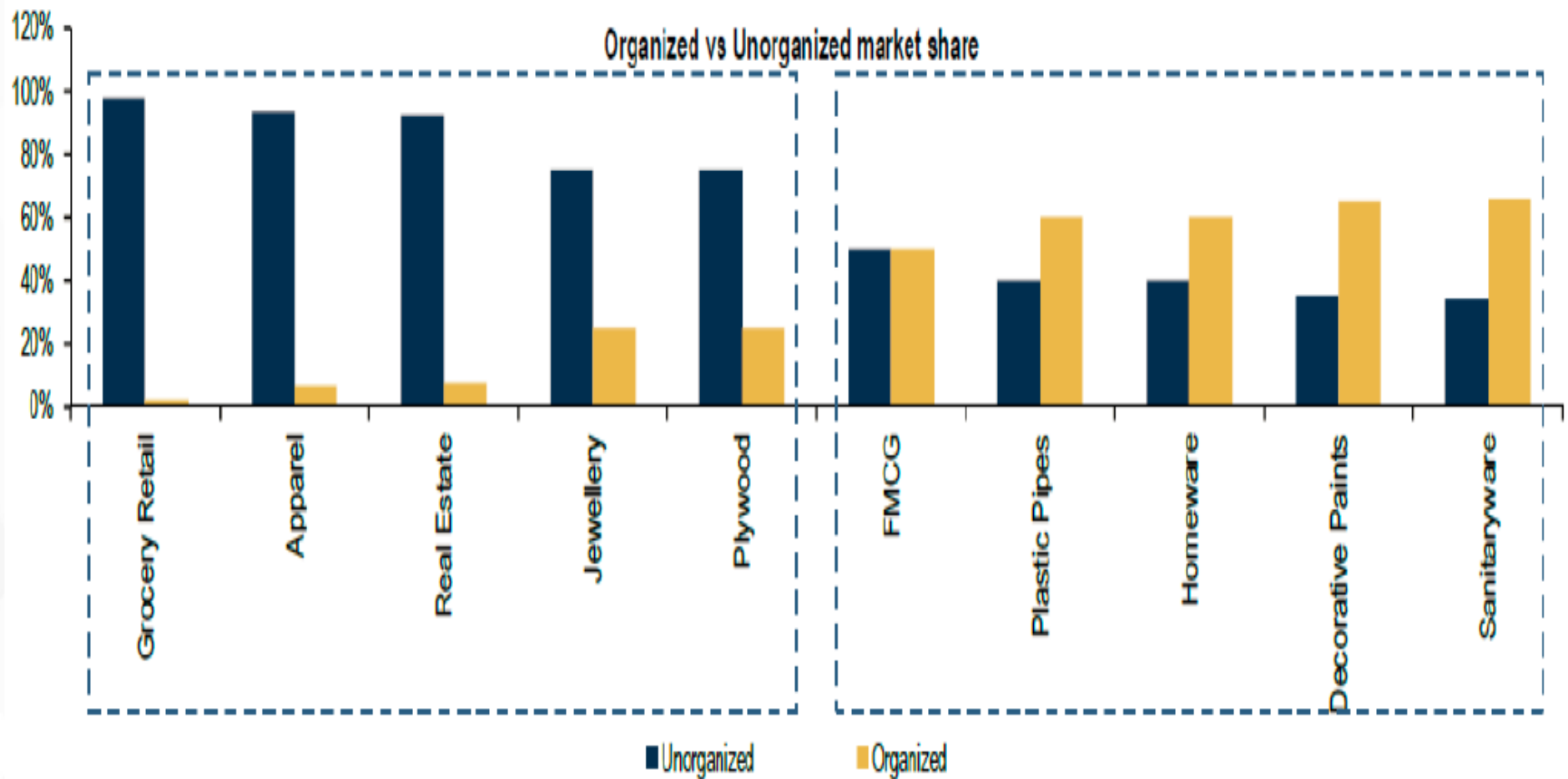
₹ Crore



Towards Organised Market



Ample scope for continued consolidation in favor of organized players



Source: BofA Global Research, Company Reports

Markets betting on Capex Cycle Recovery



- Stock price movements indicate strong domestic capex cycle recovery in near future
- ABB, Siemens, L&T, Polycab stock prices at Life Time High
- Cement stocks resilient in spite of weak performance

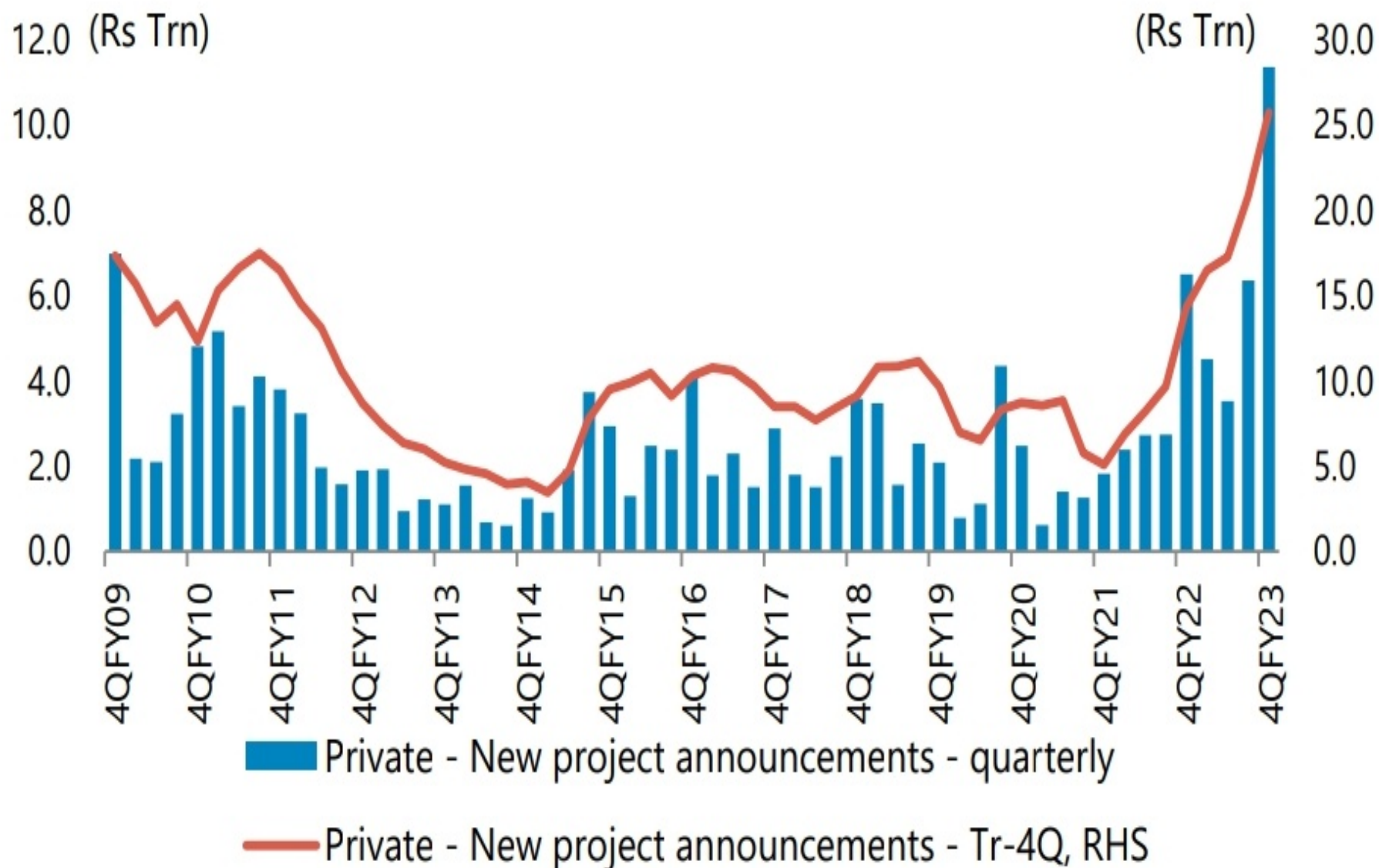
Exhibit 1 - Gross D/E ratio of large listed companies

Sample of ~600 listed companies



Source: Ace Equity, Jefferies

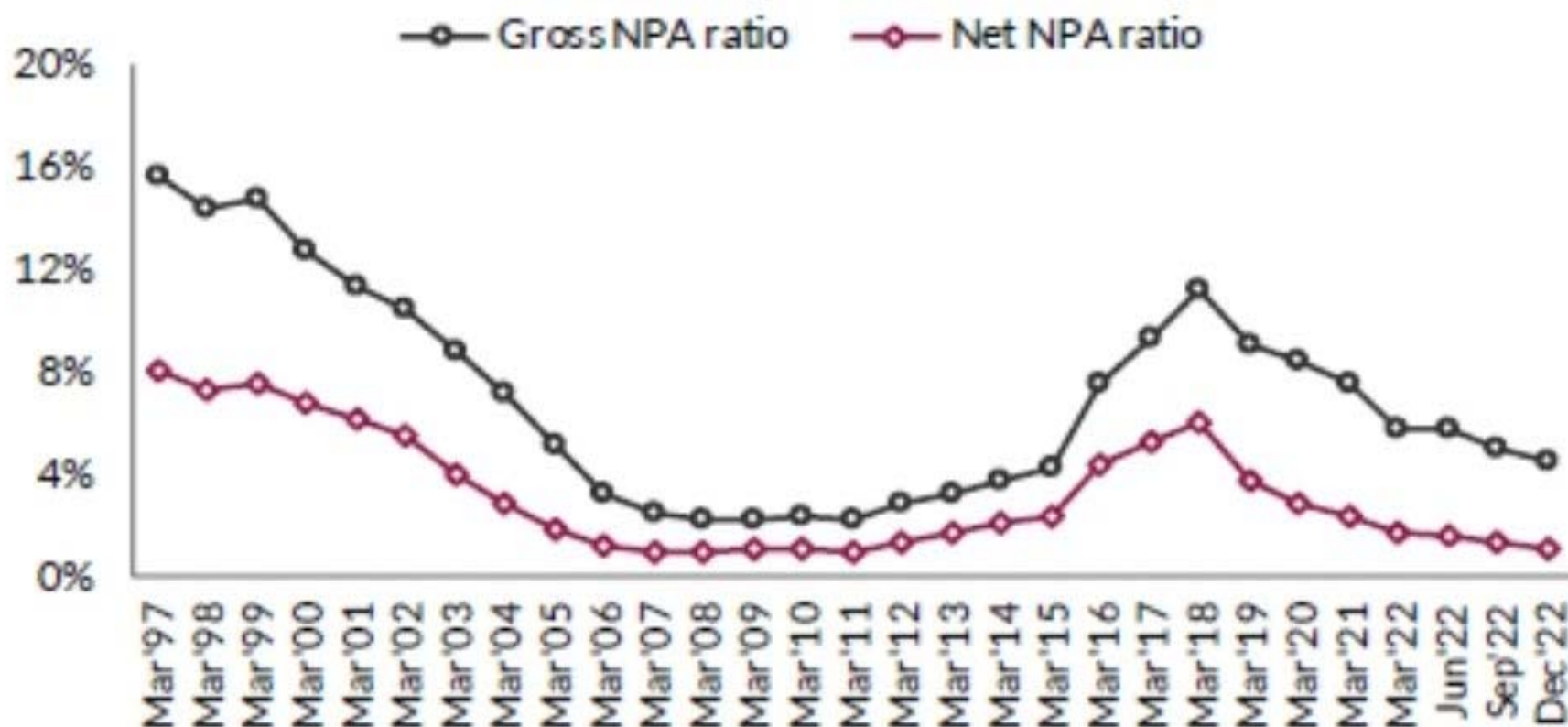
Exhibit 3 - Private new projects announcement trend



Source: CMIE, Jefferies

Net NPAs at 25 year low

System gross NPA at 4.5% of loans as of Dec'22

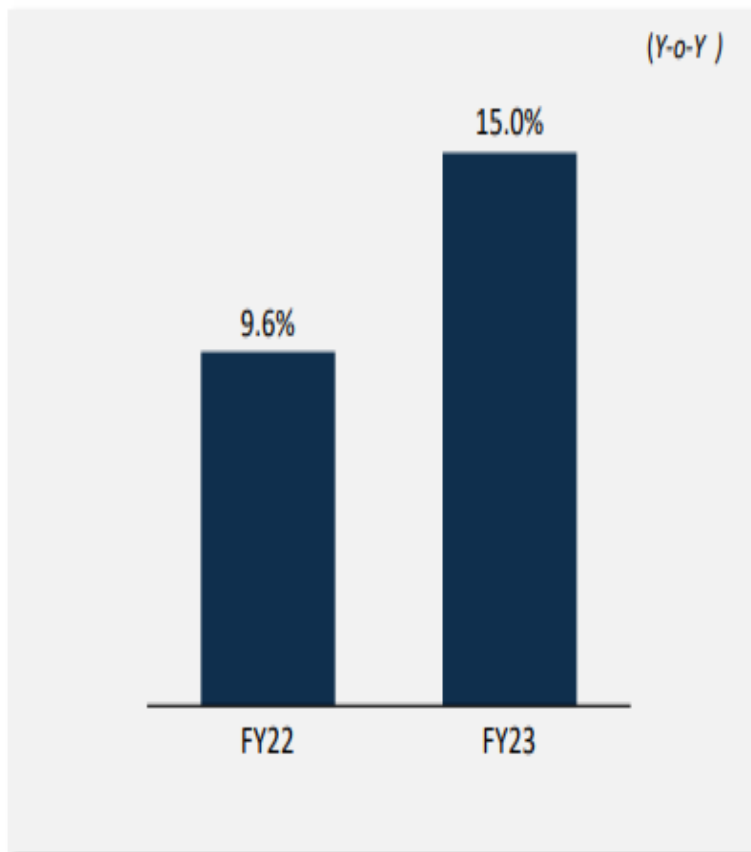


Source: RBI, Axis Capital

Industry Credit Growth Lagging

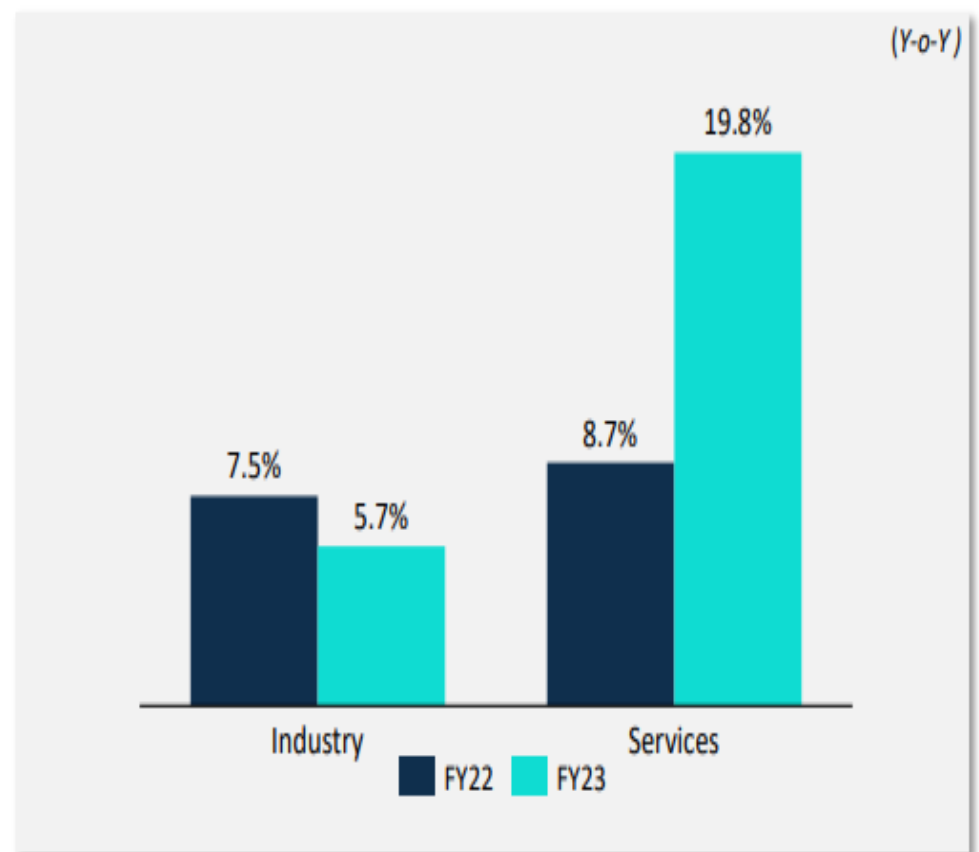


Gross Bank Credit Growth Accelerates in FY23



Source: RBI

Industrial Credit Growth Subdued, Credit to Services Picks Up



Source: RBI

Dividend Yield Attraction



- IT, PSU's, MNC companies are giving good dividends
- TCS, Hindustan Zinc, Coal India, Infosys, HCL Tech are top dividend payers in FY23
- Long Term investors prefer dividend paying stocks

LONG TERM INVESTOR:



Q4 Results



- IT Disappointed
- Mixed Bank results
- Pressure on margin compression reducing
- Agri Chemicals struggles

CAPSTOCKS



Q4 Result Performance

	% Change (YoY)	
	Mar 2023	Mar 2022
Sales	12.0	23.2
Net Profit	2.4	44.4

Results of 562 companies

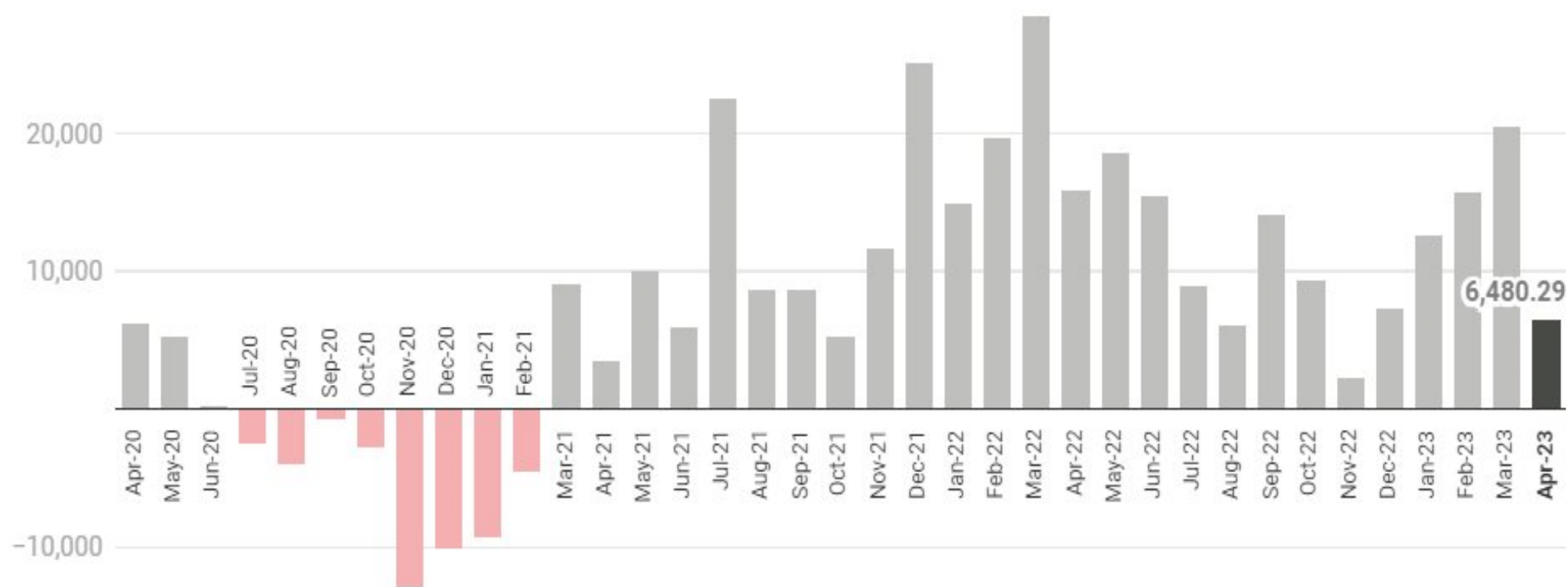
CAPSTOCKS

Mutual Fund Flows



Net Equity Inflows

(Rs crore)



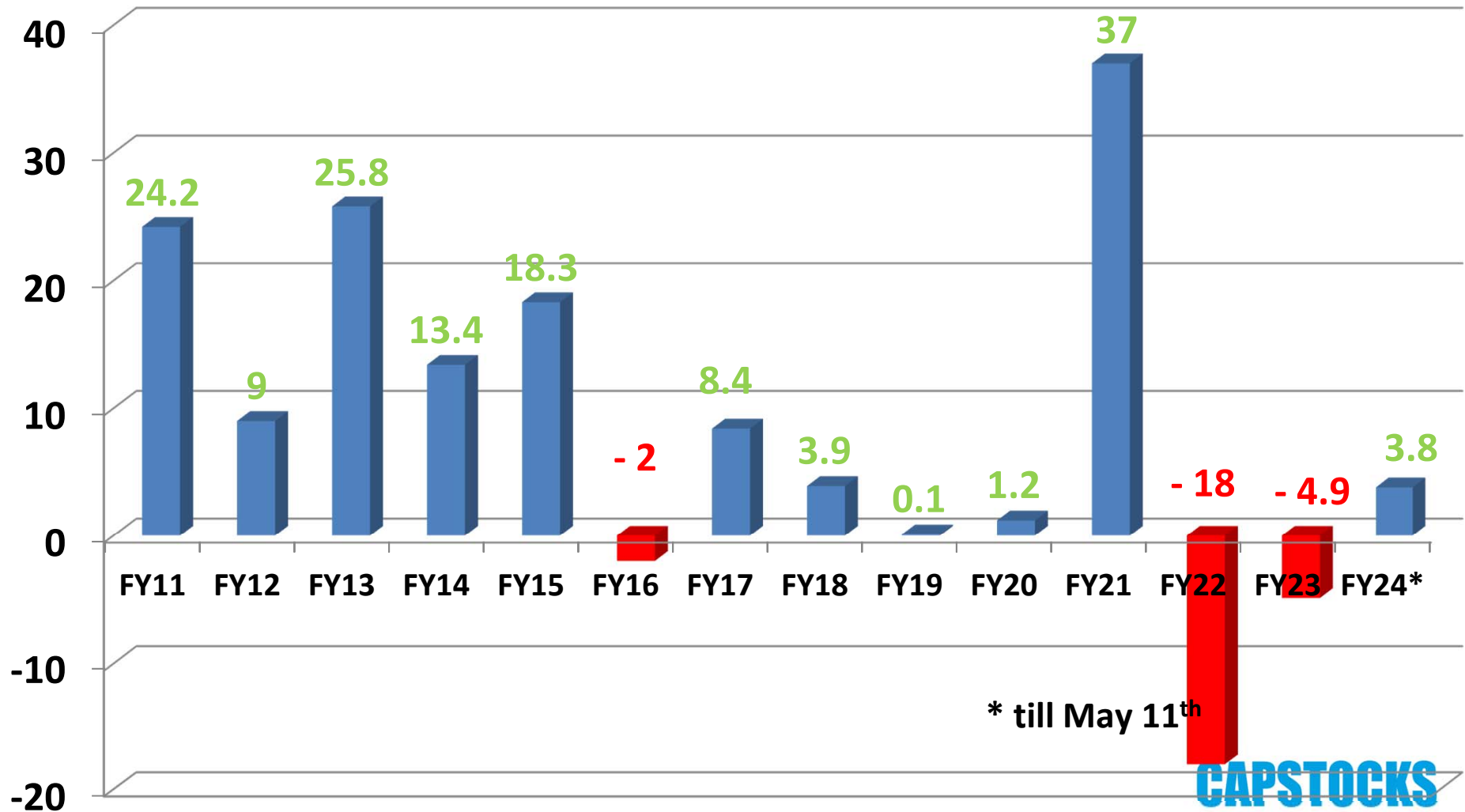
Source: AMFI

BQ PRIME

FPI Flows



FPI Flows in US Bn \$



Politics – Next One Year Events



- Four state elections (Madhya Pradesh, Rajasthan, Chhattigarh, Telangana) scheduled in 2023
- General elections in April - May 2024

What Investor Should Do



- Markets unlikely to see major fall
- Lot of actions in broader market
- Can stay invested

CAPSTOCKS

Data To Watch



- FPI action
- Monsoon



Thank You

CAPSTOCKS
