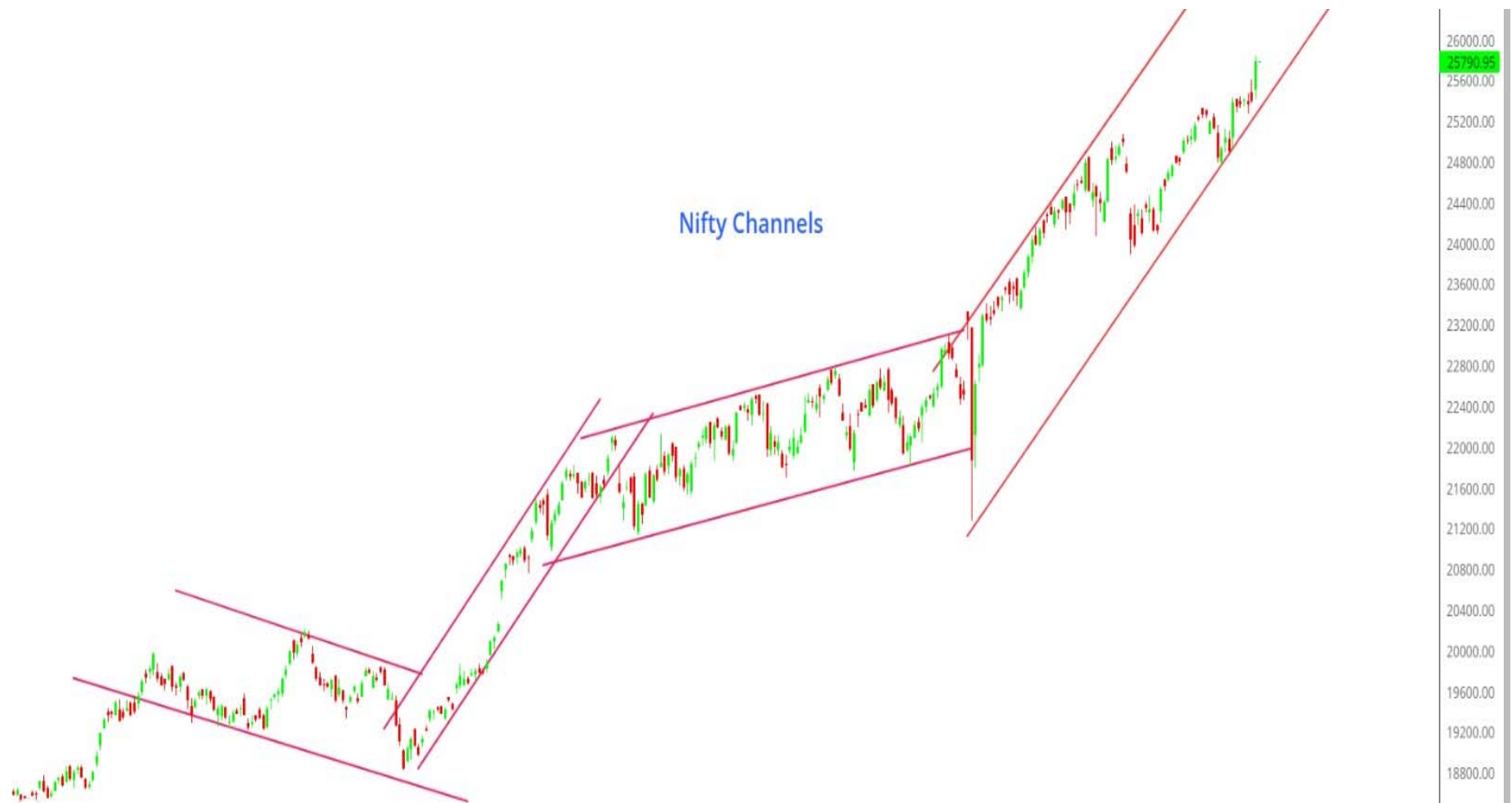


**Current Market Scenario**  
**21<sup>st</sup> Sep 2024**

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# Markets At All Time High

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- Churning among sectors
- Divergent moves in broader market
- US Fed cut rates
- US Markets at record high

### INDEX WATCH

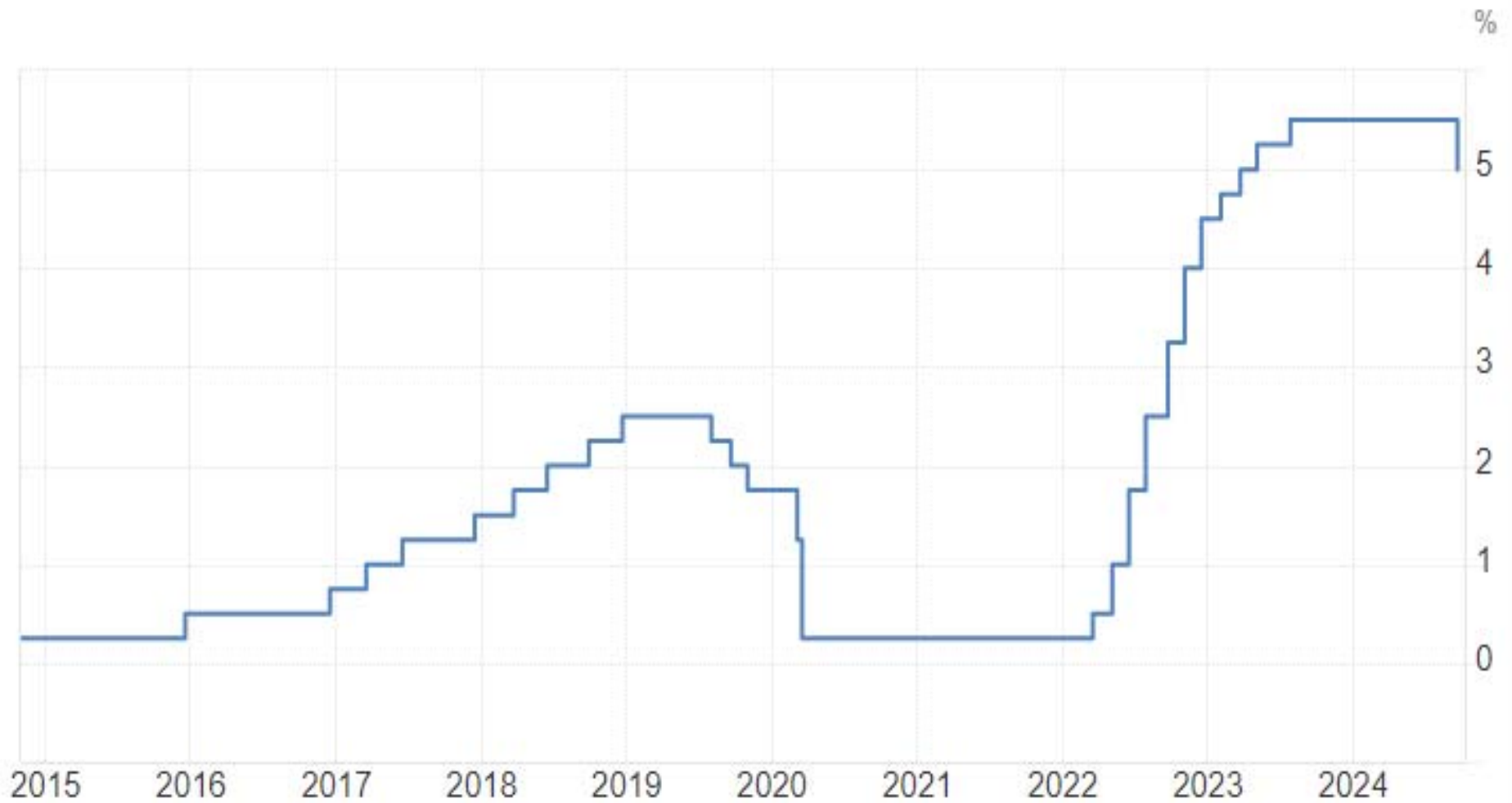
<b>INDEX</b>	<b>21<sup>st</sup> Sep</b>	<b>10<sup>th</sup> Aug</b>	<b>% Change</b>
Nifty	<b>25790</b>	<b>24,367</b>	<b>+ 5.8</b>
Sensex	<b>84,544</b>	<b>79,705</b>	<b>+ 6.0</b>
Nifty Midcap	<b>60,208</b>	<b>57,174</b>	<b>+ 5.3</b>
BSE Small Cap	<b>57,081</b>	<b>53,614</b>	<b>+ 6.4</b>

# US Fed Cuts Interest Rates **CAPSTOCKS**

- US Fed cuts interest rate by 50 bps
- First rate cut since March 2020
- Further 50 bps rate cut expected in Year2024,  
100 bps in 2025,  
50 bps in 2026

# US Fed Rate Chart

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Federal Reserve

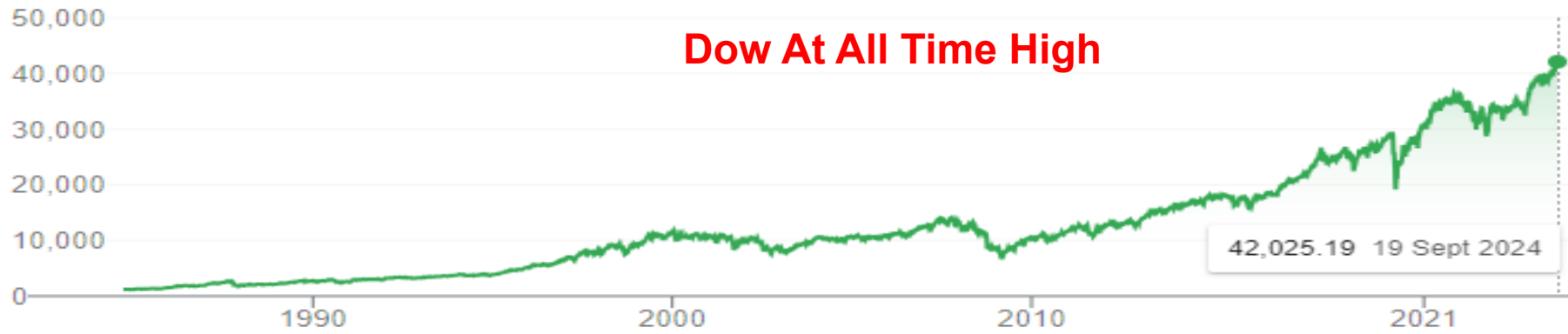
Value Chg Chg%

# 42,025.19

+40,823.45 (3,397.03%) ↑ all time

19 Sept, 5:01 pm GMT-4 • Disclaimer

1D | 5D | 1M | 6M | YTD | 1Y | 5Y | Max



# 18,013.98

+17,761.30 (7,029.17%) ↑ all time

19 Sept, 5:15 pm GMT-4 • Disclaimer

1D | 5D | 1M | 6M | YTD | 1Y | 5Y | Max





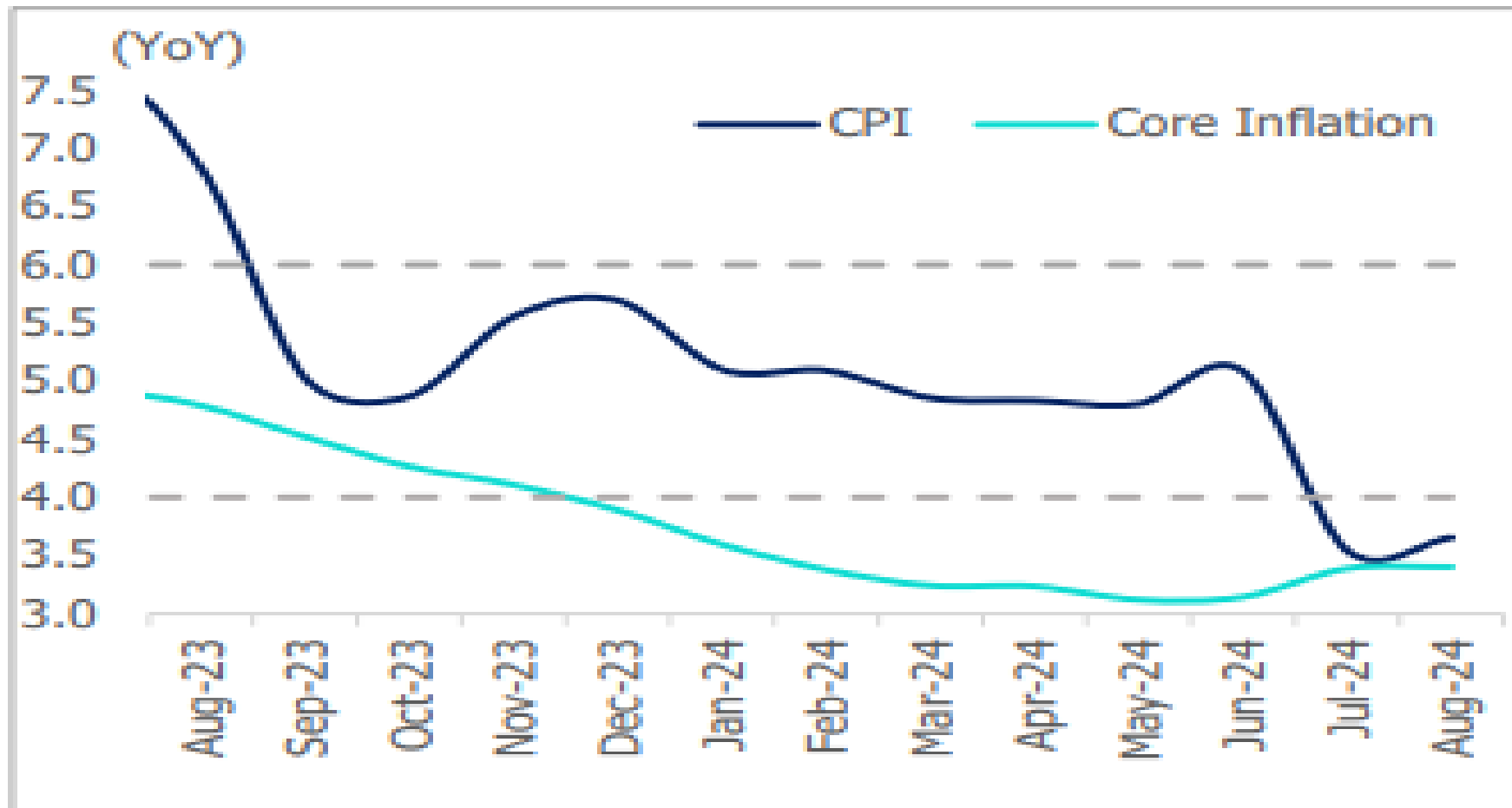
# RBI Likely To Act Slow

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- RBI to lag US Fed Rate cuts
- Quantum of cut to be lower than US Fed Rate reduction
- Food inflation remain high, to fall post Kharif crop harvest
- First rate cut by RBI expected in December

# CPI Within RBI Comfort Band

## CPI: Headline vs. Core Inflation



Source: MOSPI, CareEdge; Note: Core index is calculated excluding food, fuel and light

# India 10 Yr Bond Yield Falls

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India 10Y Bond Yield 6.771 -0.016 (-0.0160%)



# Sector Churning

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- FMCG, Pharma, IT, Private Banks seeing good action
- PSU, Defence on correction mode
- Divergent markets with perpendicular moves in some stocks

# Markets Resilient

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- Participants who are on side-lines are nervous on absence of meaningful correction
- Most of them are cautious on high valuation
- With regulatory action likely to be seen in F&O segment and SME segment part of money may shift to cash market

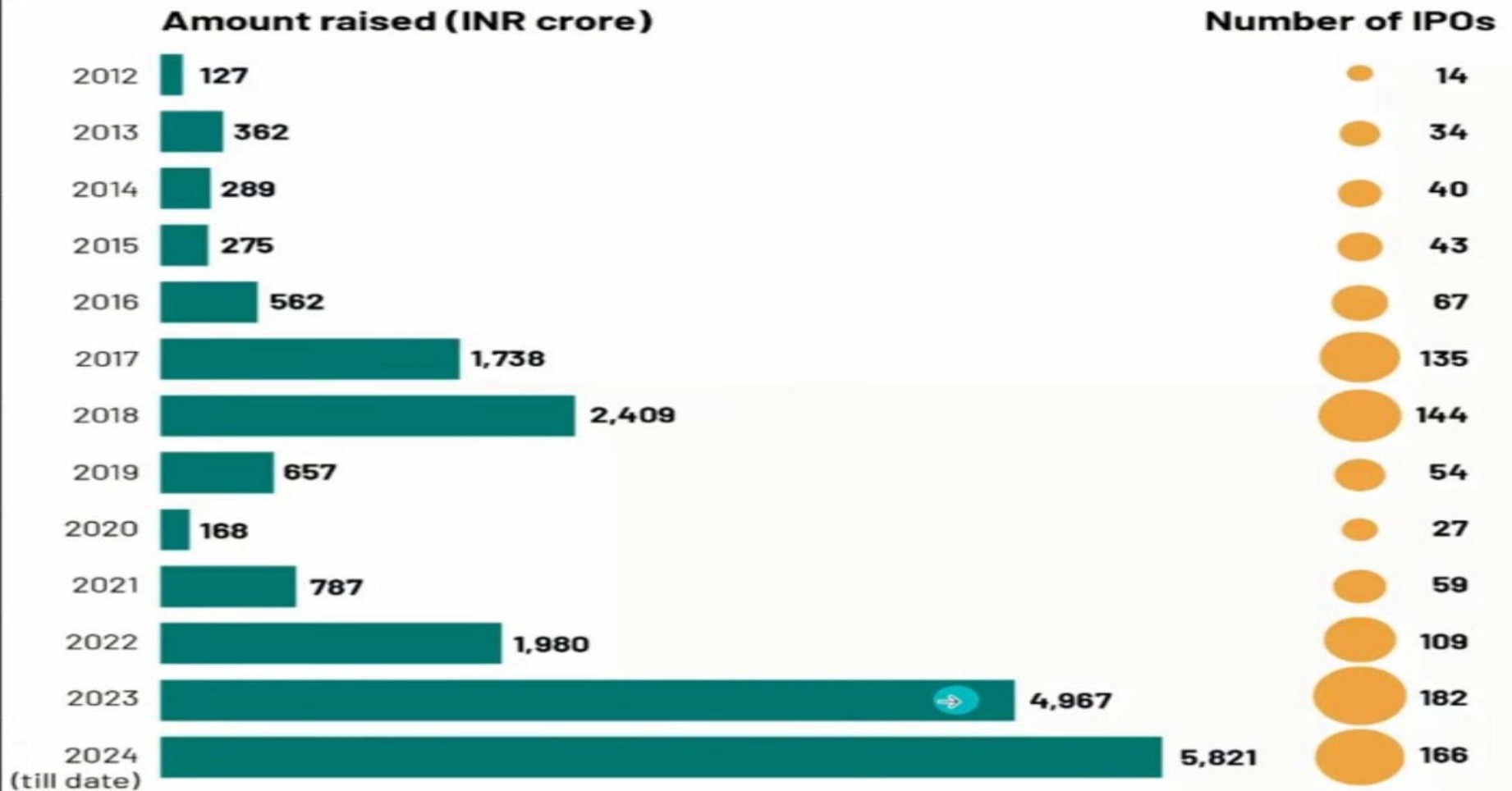
## **SME Segment – SEBI Issued Advisory Cautioning Investors**

- SME shares witnessing wild movements
- IPO's are seeing huge oversubscription
- With high investment limits and lot size, proper due diligence to be exercised before buying
- Some of the SME shares will come to mainboard and turn into multi bagger over a period of time but many stocks may also destroy wealth
- SEBI issued advisory on SME segment

# SME IPO Frenzy

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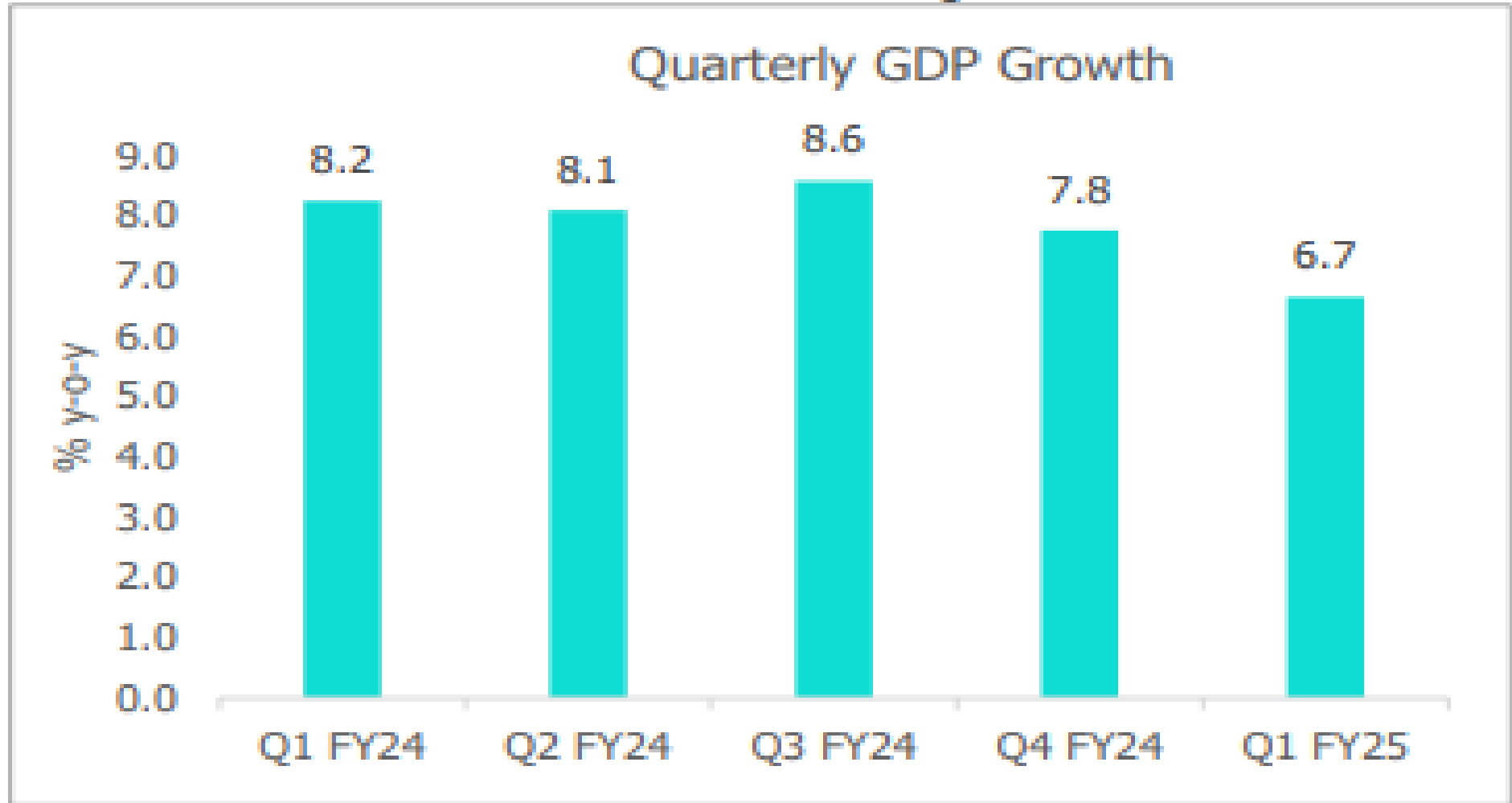
## SME IPOs over the years



# India Q1 GDP Growth Slows

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**Growth Moderates Below 7% in Q1 FY25**



Source: MOSPI



# Most Segments Done Well

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## Sectoral Growth (% y-o-y)

	Q2 FY24	Q3 FY24	Q4 FY24	Q1 FY25
<b>Agriculture, forestry &amp; fishing</b>	<b>1.7</b>	<b>0.4</b>	<b>0.6</b>	<b>2.0</b>
<b>Industry</b>	<b>13.6</b>	<b>10.5</b>	<b>8.4</b>	<b>8.3</b>
Mining & quarrying	11.1	7.5	4.3	7.2
Manufacturing	14.3	11.5	8.9	7.0
Electricity, gas, water supply & other utility services	10.5	9.0	7.7	10.4
Construction	13.6	9.6	8.7	10.5
<b>Services</b>	<b>6.0</b>	<b>7.1</b>	<b>6.7</b>	<b>7.2</b>
Trade, hotels, transport, communication & broadcasting	4.5	6.9	5.1	5.7
Financial, real estate & professional services	6.2	7.0	7.6	7.1
Public administration, defence and other services	7.7	7.5	7.8	9.5
<b>GVA (at basic price)</b>	<b>7.7</b>	<b>6.8</b>	<b>6.3</b>	<b>6.8</b>

Source: MOSPI

# Oil Prices Fall

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# Monsoon Progress

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- Monsoon 7% above normal
- Good monsoon to boost agri output
- Food inflation to fall from 2<sup>nd</sup> half of FY25
- Rabi Crop expected to be good

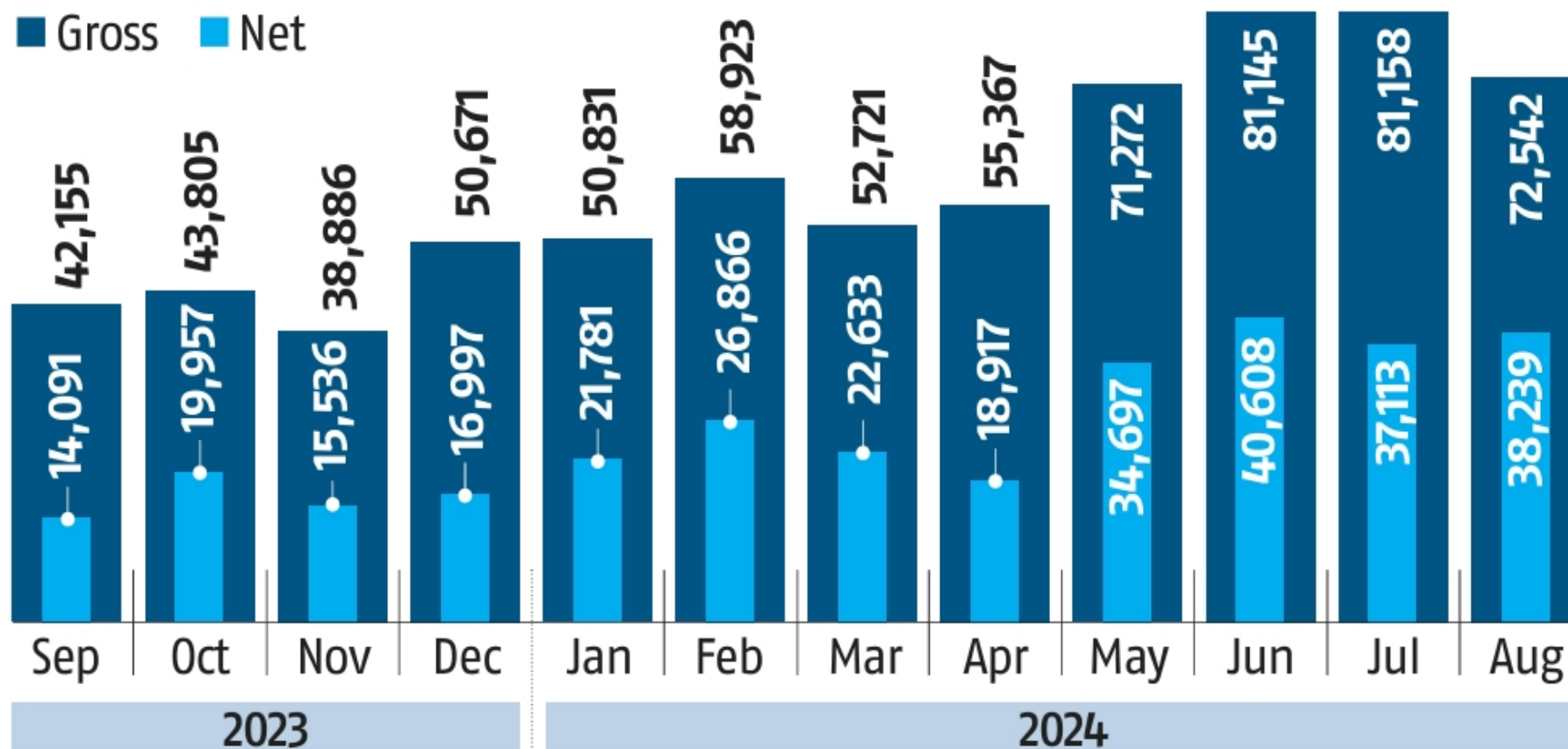
Seasonal Rainfall (in mm) as on 19 September 2024

Region	Actual	Normal	% Departure from Long Period Average
EAST & NORTHEAST INDIA	1082.0	1270.6	-15%
NORTHWEST INDIA	603.0	563.6	+7%
CENTRAL INDIA	1088.0	929.0	+17%
SOUTH PENINSULA INDIA	762.4	654.8	+16%
<b>COUNTRY AS A WHOLE</b>	<b>873.9</b>	<b>817.2</b>	<b>+7%</b>

# Equity Mutual Fund Flows

## STEADY SHOWING Equity MF flows (in ₹cr)

■ Gross ■ Net



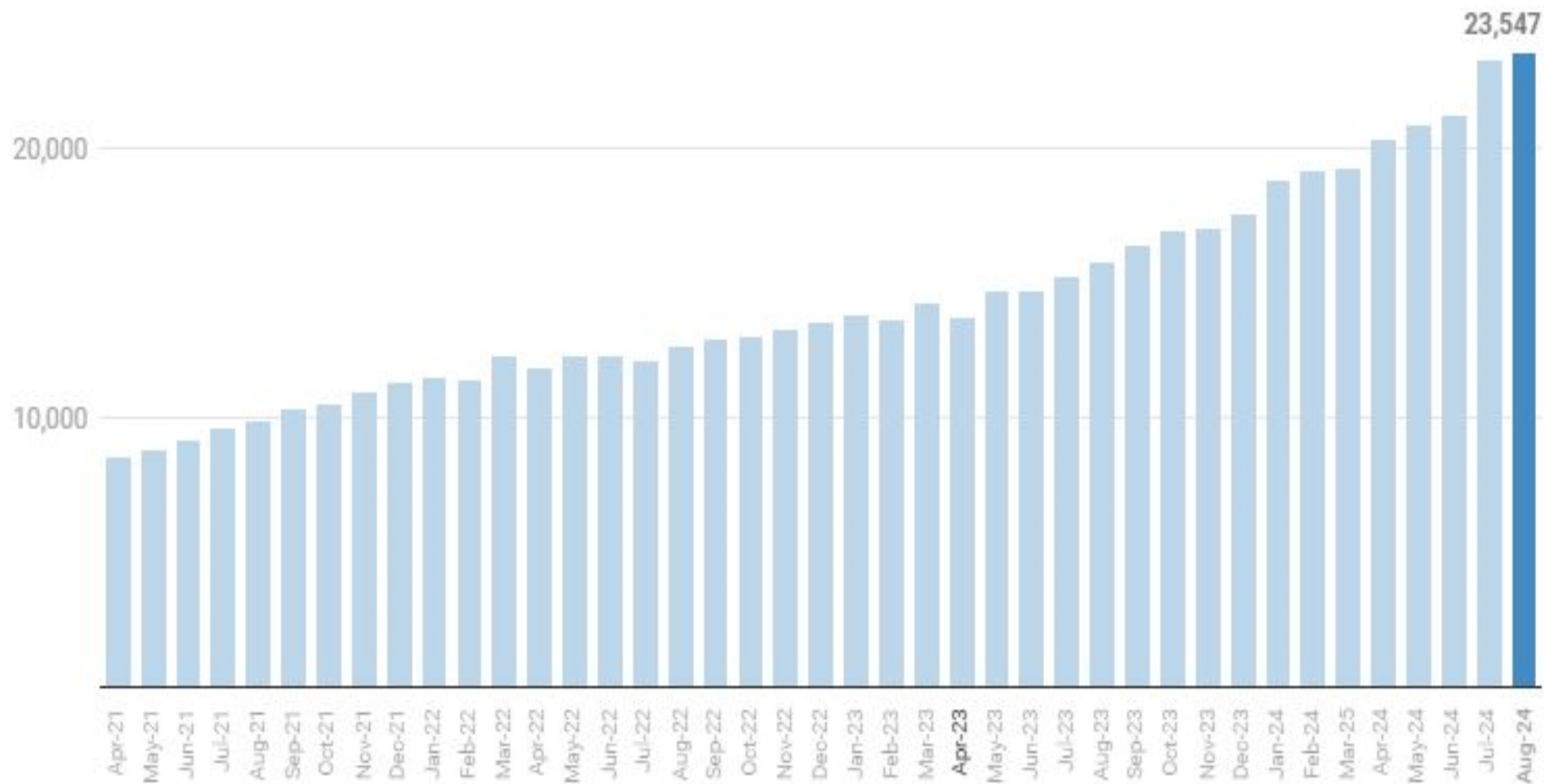
Source: Amfi

# SIP Flows

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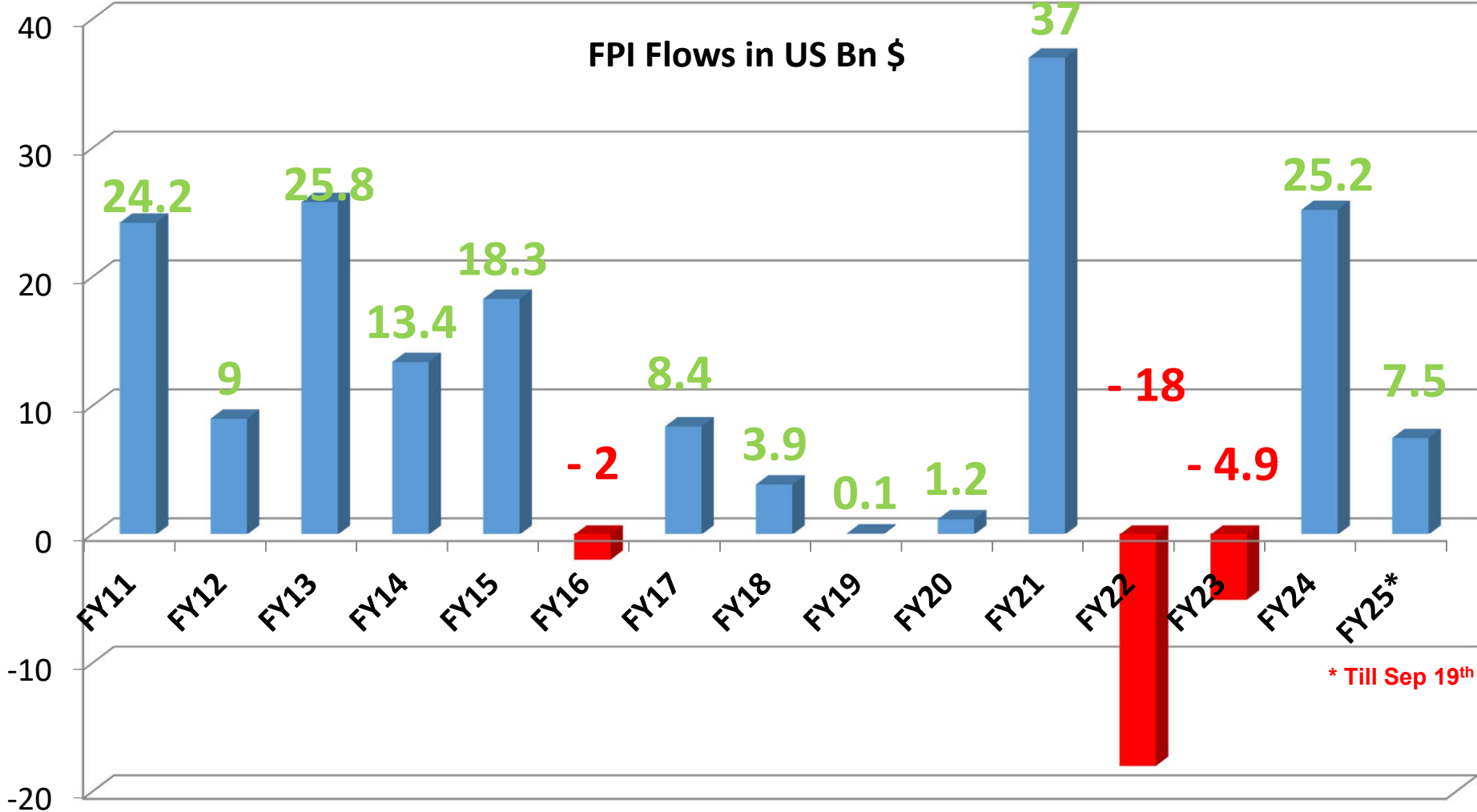
## SIP Contribution

Gross investments (Rs crore)



# FPI Flows

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# Events To Watch

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- Govt. announcements
- Crude Oil prices
- Geopolitical news

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**Thank You**