

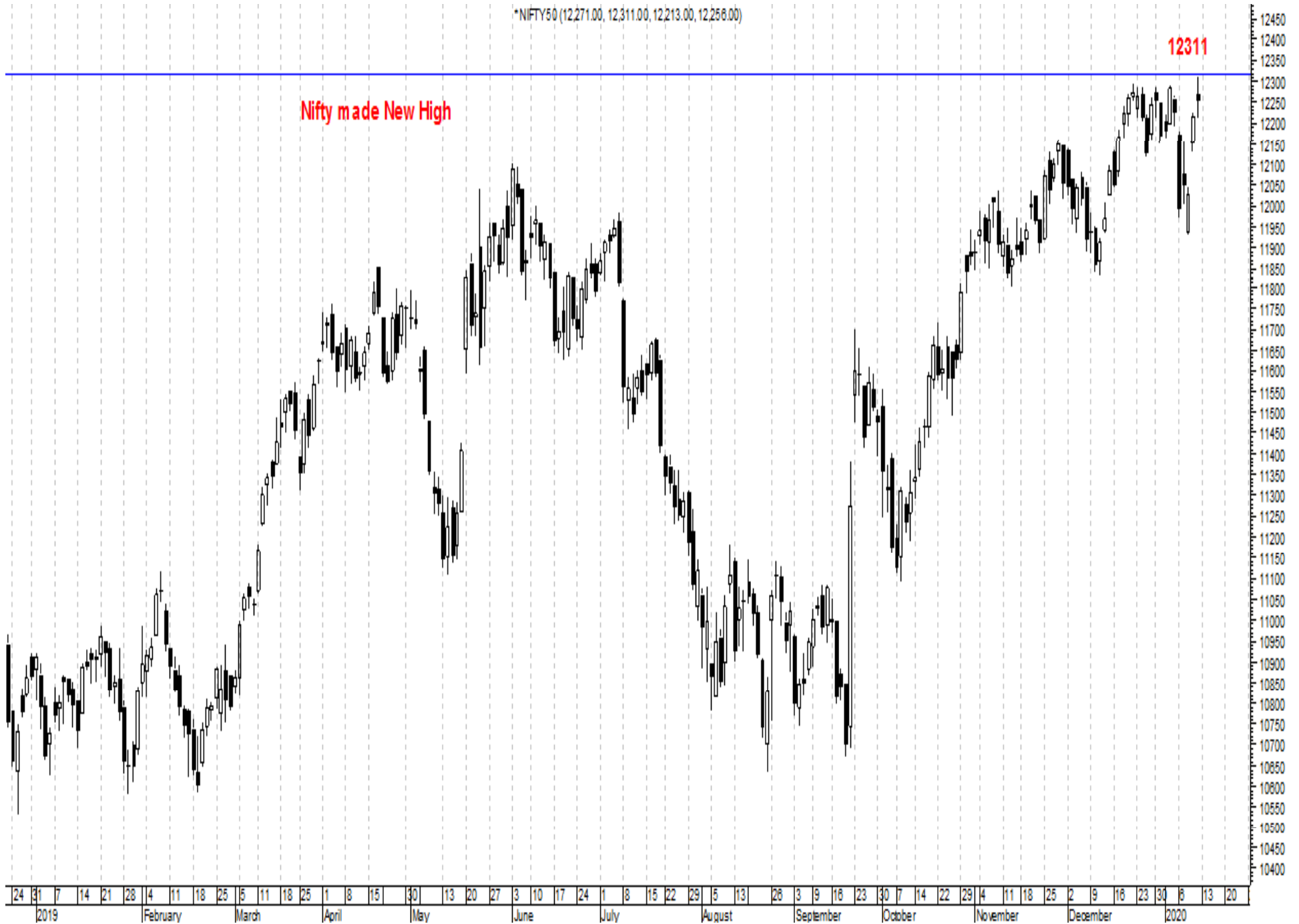


Current Market Scenario

*NIFTY50 (12,271.00, 12,311.00, 12,213.00, 12,256.00)

12311

Nifty made New High



*NIFTY50 (12,271.00, 12,311.00, 12,213.00, 12,256.00)

Nifty- Channels



Fall in Indices & rises from recent lows



Index	Current Index	Recent high	Fall from peak	Current fall from peak
Nifty	12256	12311	14%	-
Nifty Midcap	17386	21841	31%	20%
Nifty small cap	6056	9656	47%	37%



21841 Jan 2018

Nifty Midcap

Still down by 20% from peak

17386

17377.00

14975

- | +

9656 Jan 2018

Nifty Small cap
Still down by 37% from peak



- | +

5114

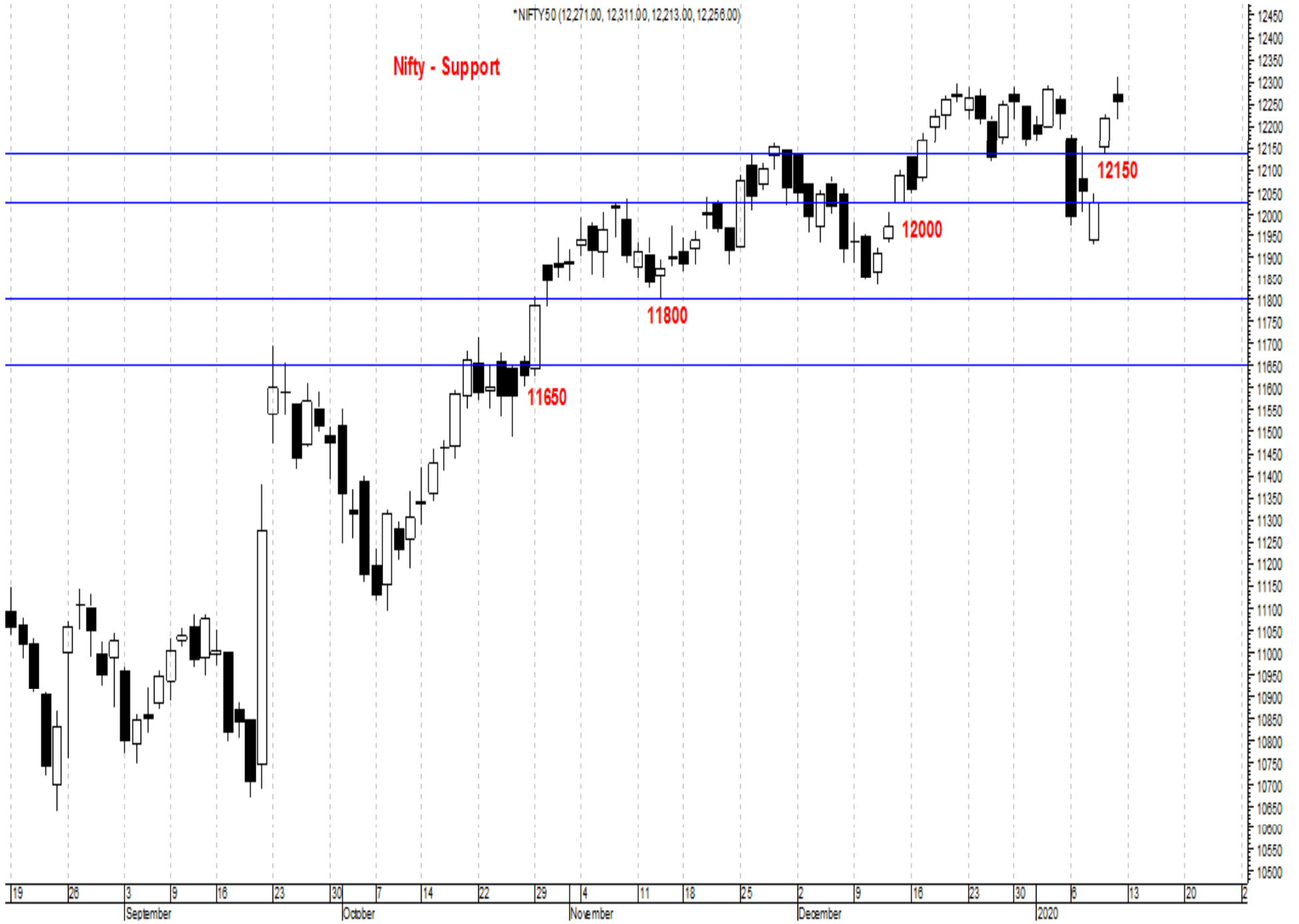
6056

6052.50

5063

*NIFTY50 (12,271.00, 12,311.00, 12,213.00, 12,256.00)

Nifty - Support



Markets Volatile On Multiple New Flows



- Geopolitical Tension spooks market
- Buying interest in Mid and Small Cap Stocks
- Domestic economy bottomed out
- US market remain strong

INDEX WATCH

INDEX	10, Jan	14, Dec	% Change
Nifty	12,256	12,086	1.4
Sensex	41599	41,009	1.4
Nifty Midcap	17,386	16,932	2.6
BSE Small Cap	14,147	13,332	6.1



Resilience in Mid and Small Cap Stocks



- In spite of huge volatility mid and small caps relatively stable
- Many Pockets of outperformance
- Stock price performance indicates price correction over for mid and small cap segment

Coal Sector Opened Up



- Coal Sector opened up for private companies to do commercial mining
- Coal India monopoly comes to an end
- Coal mines were nationalised between 1971-73
- During UPA I period coal blocks were allotted adhoc for captive purpose for steel and power companies which lead to coal scam

Budget Expectation



- Union Budget will be presented on Feb 1
- Income Tax rate expected to see cut for lower income slabs
- Market will respond positively if long term capital gains tax are removed completely

Geopolitical Tension



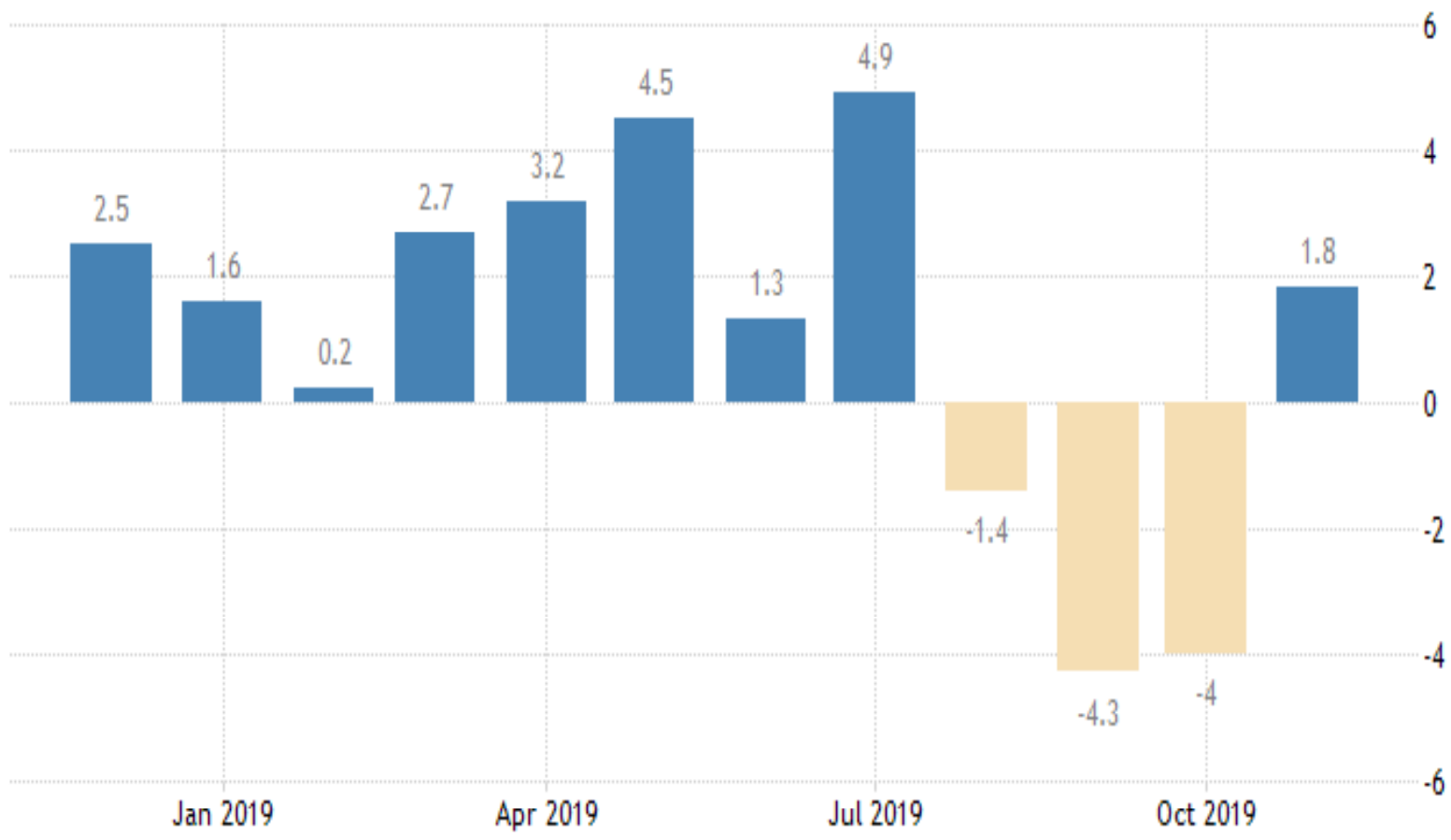
- Geo political tension between US and Iran
- Immediate consequence is jump in crude oil and gold prices
- High crude oil prices will affect our economy

Has Economy Bottomed ?



- PMI Data, GST collections and IIP data indicate recovery in economy
- Passenger vehicle sales stabilised
- Economy has bottomed but pace of recovery depends upon various factors like govt policy action, global environment

IIP turns positive after 3 months



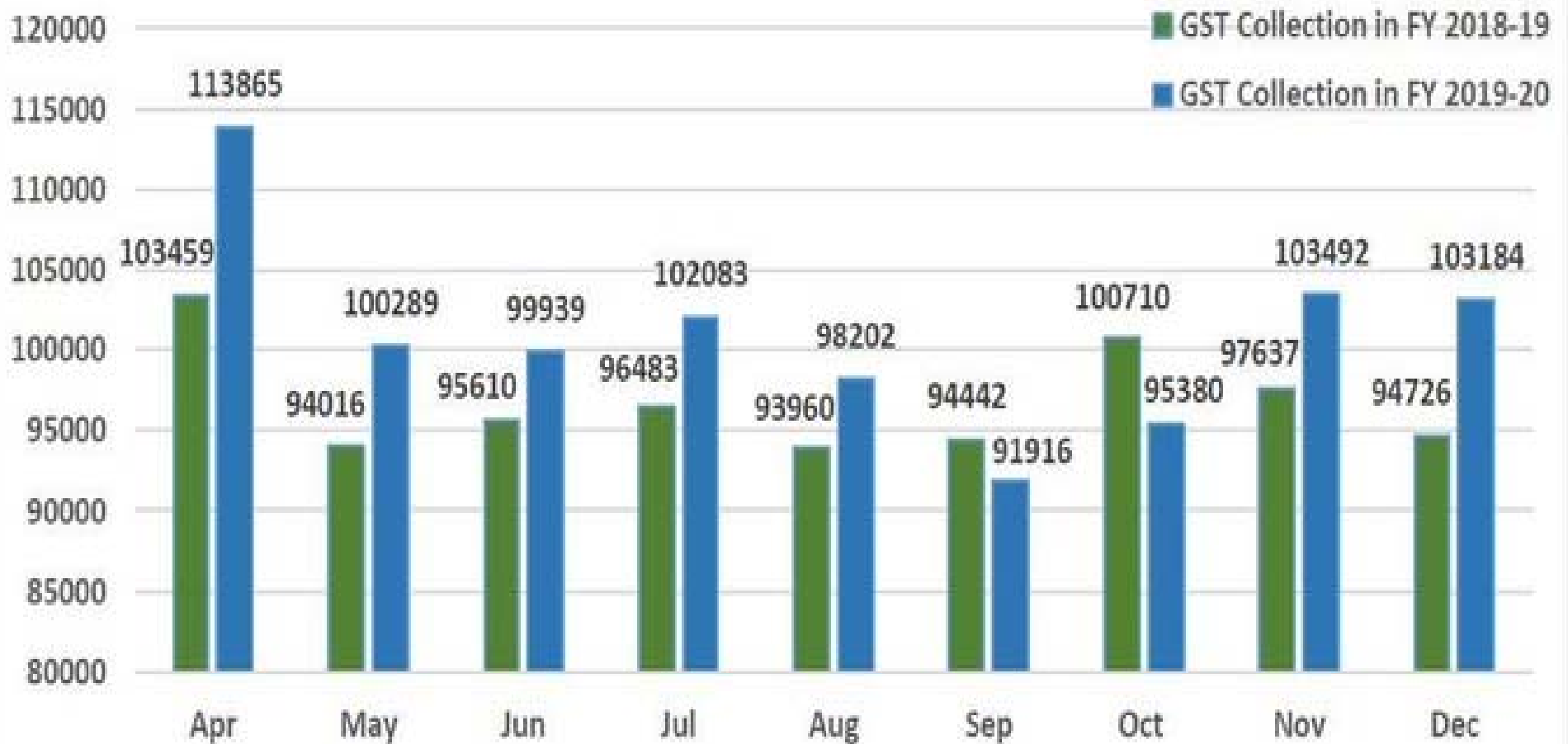
SOURCE: TRADINGECONOMICS.COM | MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION (MOSPI)



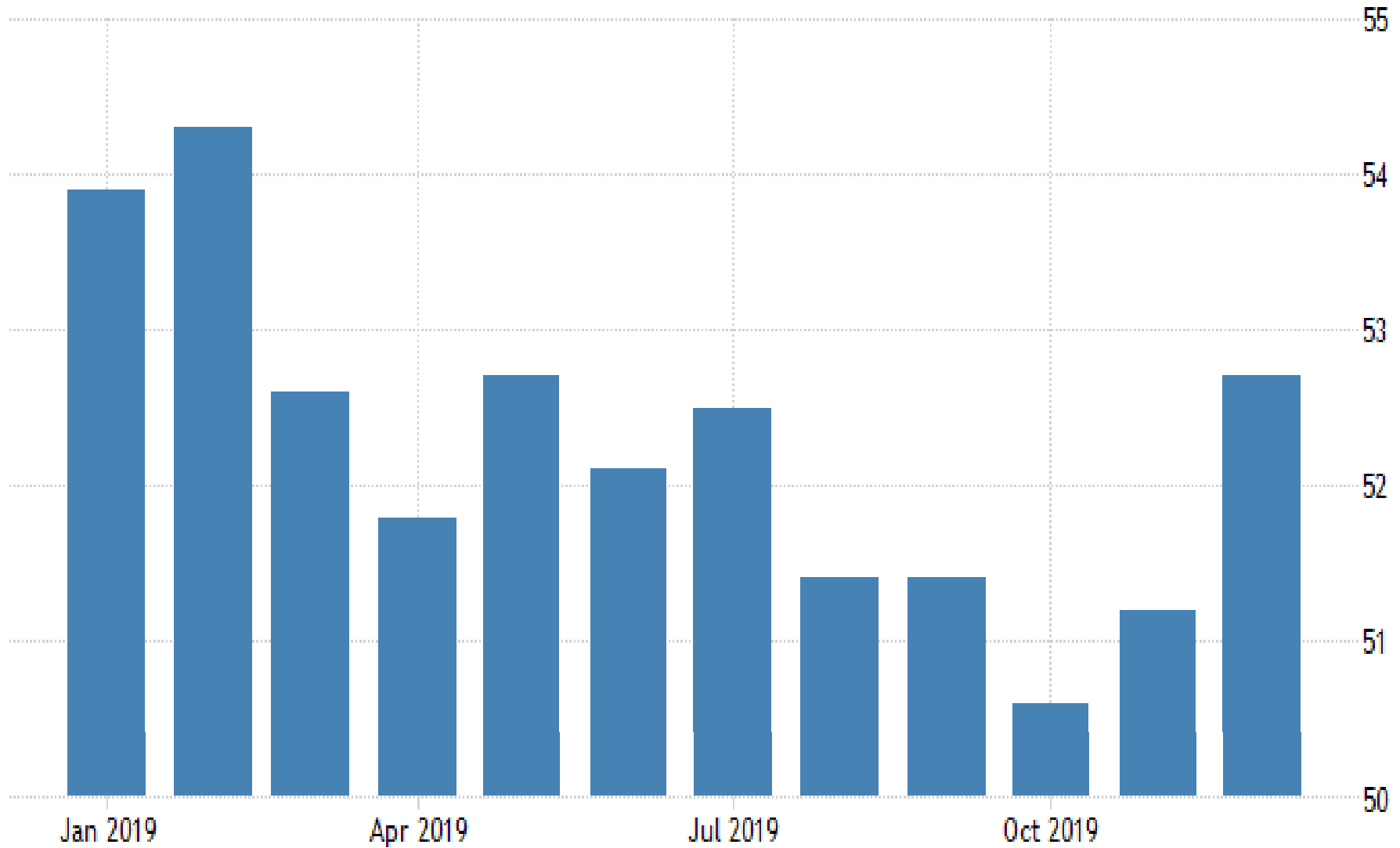
Recovery in GST Collections



Trends in GST Collection in Rs. Crore

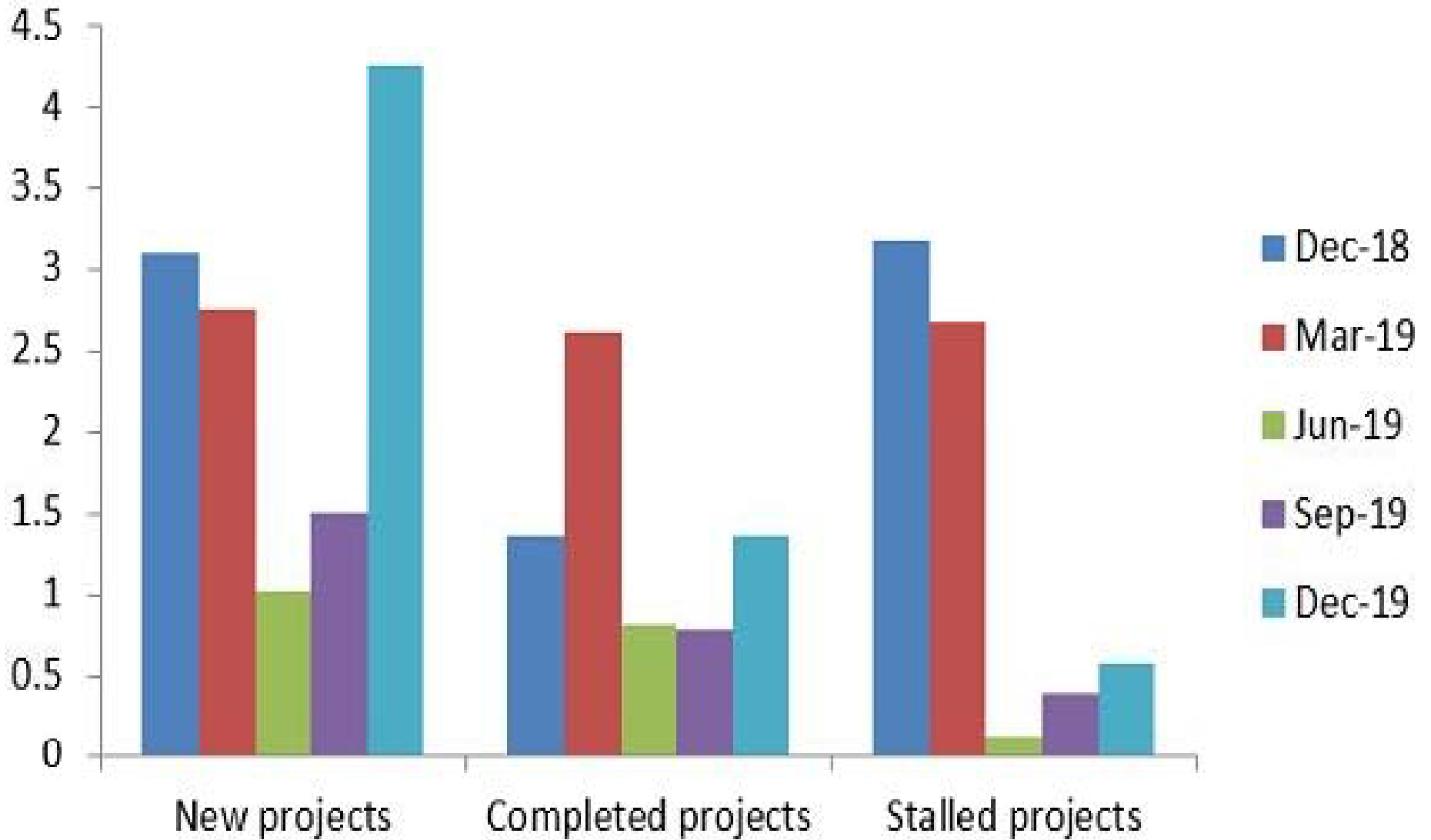


Manufacturing PMI



Rise in new projects

In lakh Crore



Passenger Vehicles Bottomed

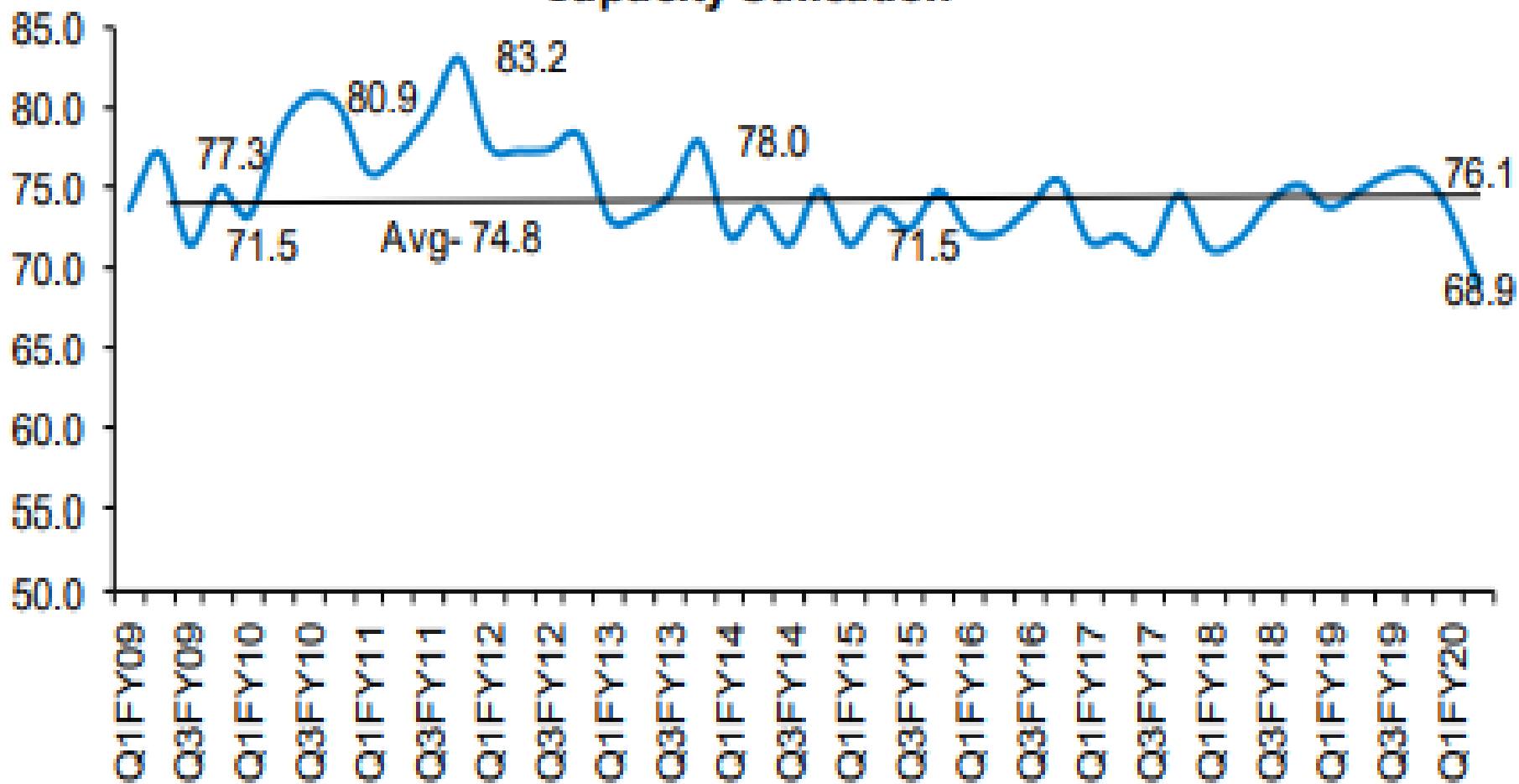


	December 2019	December 2018	% change
Passenger vehicles	2,35,786	2,38,753	-1.24
Commercial vehicles	66,622	75,984	-12.32
Three-wheelers	53,297	43,650	22.10
Two-wheelers	10,50,038	12,59,007	-16.60
Grand total	14,05,776	16,17,398	-13.08

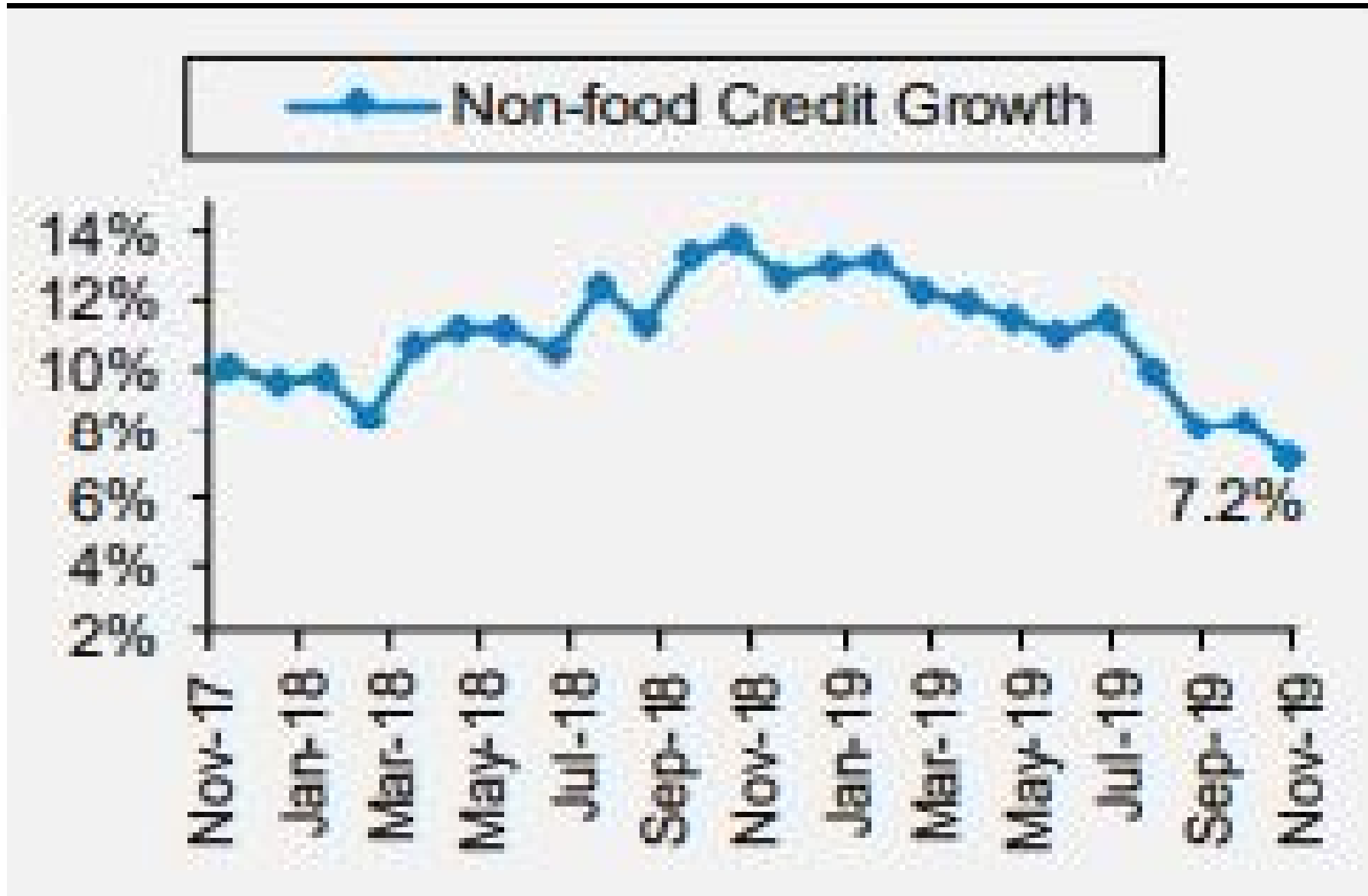
Capacity Utilisation Remain Low



Capacity Utilisation



Weak Credit Growth



Will Govt. Cut Spending ?



- Govt. facing fiscal tightness on poor tax collections and lower disinvestment
- May cut spending by 2 Lakh Crore which is around 8% of budget estimates
- If Govt. cut spending it will impact economy as private capex is weak

Q2 GDP Details



Broadbased Deceleration

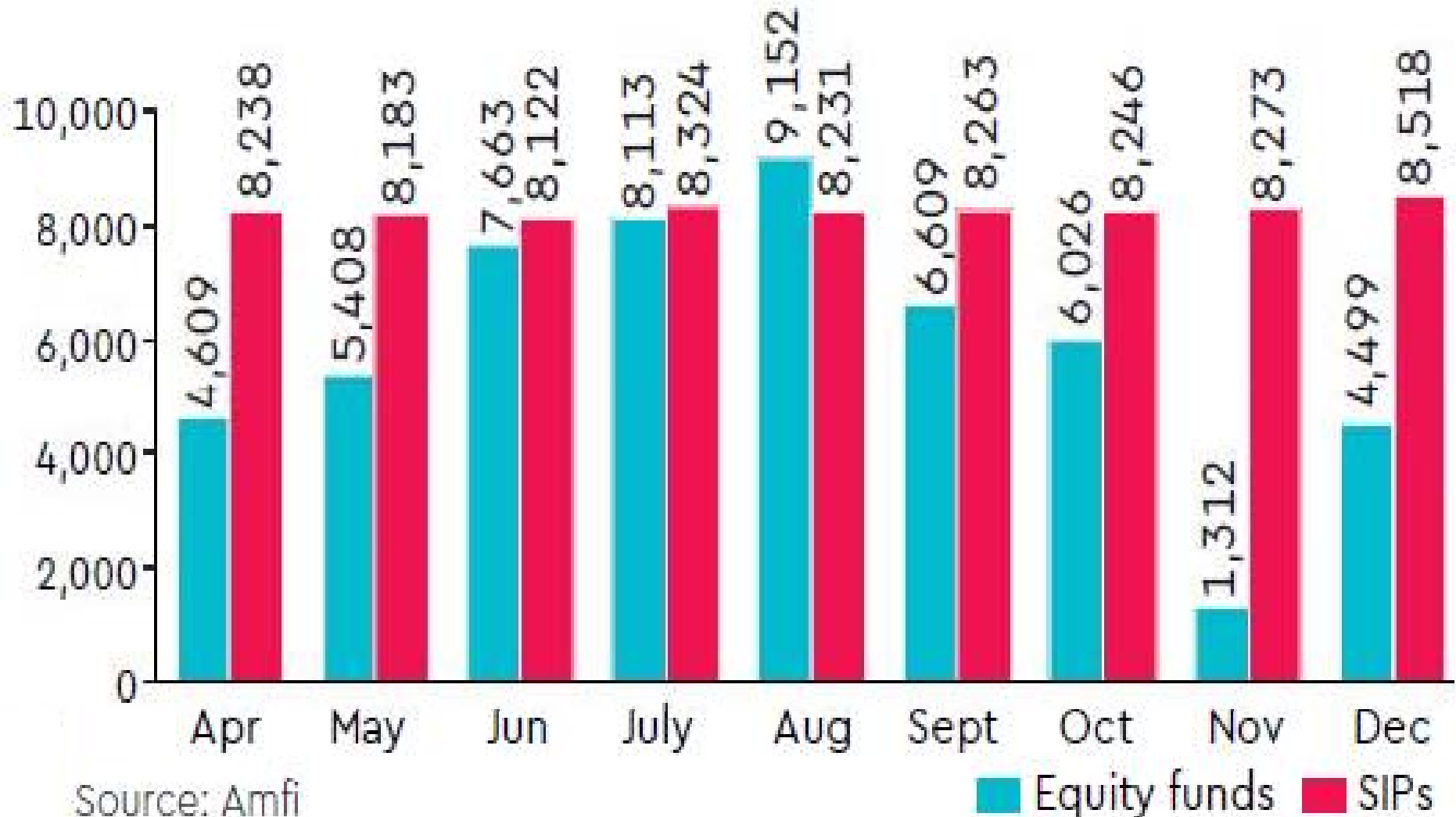
Q2 Growth (In %)	FY19	FY20
Agri, forestry, fishing	4.9	2.1
Mining, quarrying	-2.2	0.1
Manufacturing	6.9	-1.0
Utilities	8.7	3.6
Construction	8.5	3.3
Trade, hotels, transport	6.9	4.8
Fin, realty, prof services	7.0	5.8
Public admin, defence	8.6	11.6
Private consumption	9.8	5.1
Gross fixed capital formation	11.8	1.0

Q3 Results



- Q3 results expected to muted
- Overall Nifty companies (Ex Tata Motors) sales expected to fall by 2% while Net profit to grow by 6%
- PSU banks will see profit boost on reversal of provisions

SIP Book Continue To Grow



Events to Watch



- Geo political developments
- Union Budget
- Q3 results



Thank You