



# Current Market Scenario

# Markets Continue To Zoom



- Historic flows from FPI
- Supportive Domestic Macro Data
- Union Budget on Feb 1<sup>st</sup>
- US market at record levels

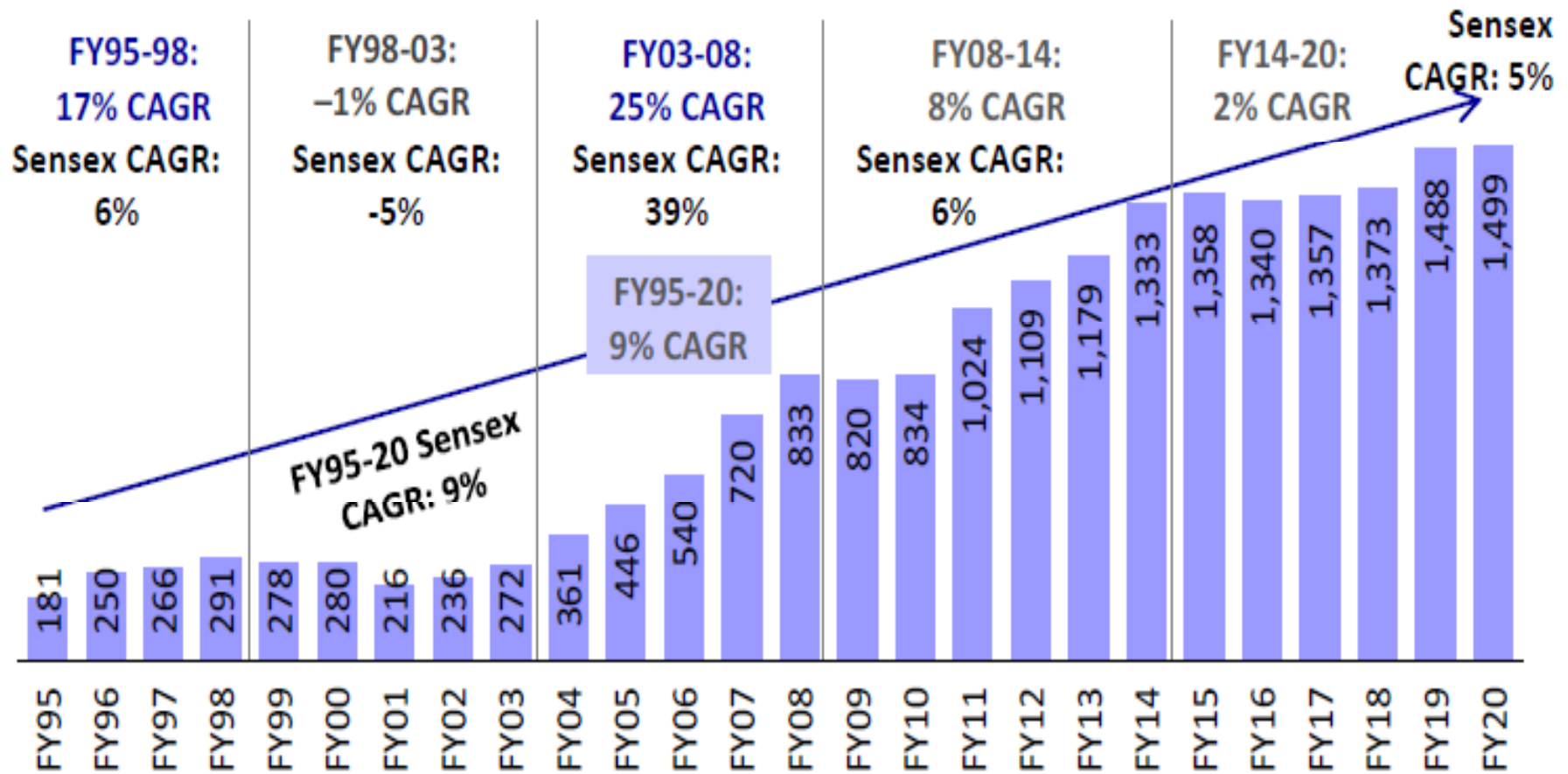
## INDEX WATCH

<b>INDEX</b>	<b>9, Jan</b>	<b>11, Dec</b>	<b>% Change</b>
Nifty	<b>14,347</b>	<b>13,513</b>	<b>6.1</b>
Sensex	<b>48,782</b>	<b>46,099</b>	<b>5.8</b>
Nifty Midcap	<b>22,194</b>	<b>20,437</b>	<b>8.5</b>
BSE Small Cap	<b>18,908</b>	<b>17,552</b>	<b>7.7</b>

# Sensex EPS – Historic Chart



Sensex EPS is near flat FY14 through FY20



# Strong Earnings Growth Expected



## Exhibit 73 - Nifty earnings growth

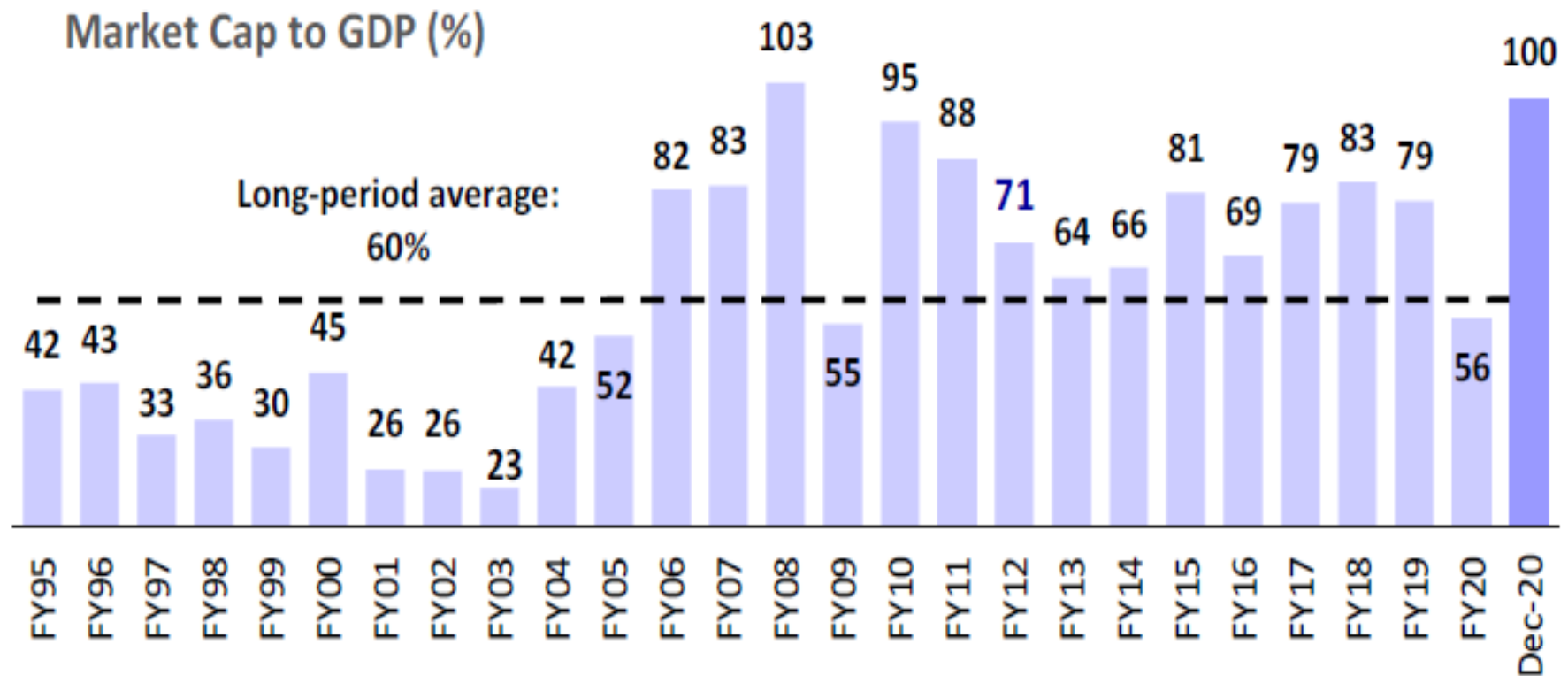


Source: Bloomberg, Jefferies

# Valuations Above Average



Market Cap to GDP well above long-period average



# Retail Investors Are Divided

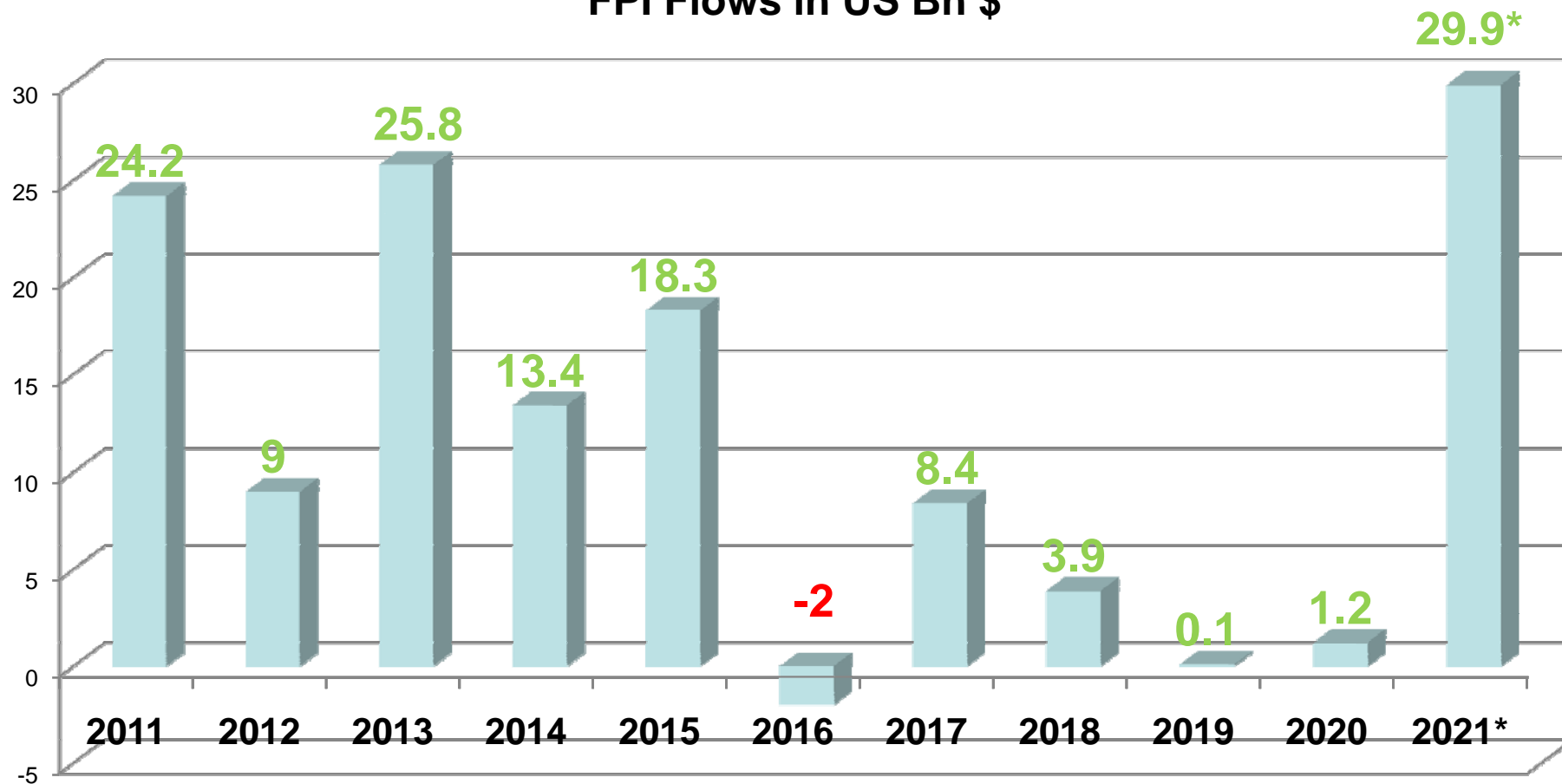


- Retail investors who are in market for long time are cautious
- Investors who entered recently are bullish and committed

# FII Flows Remain Strong

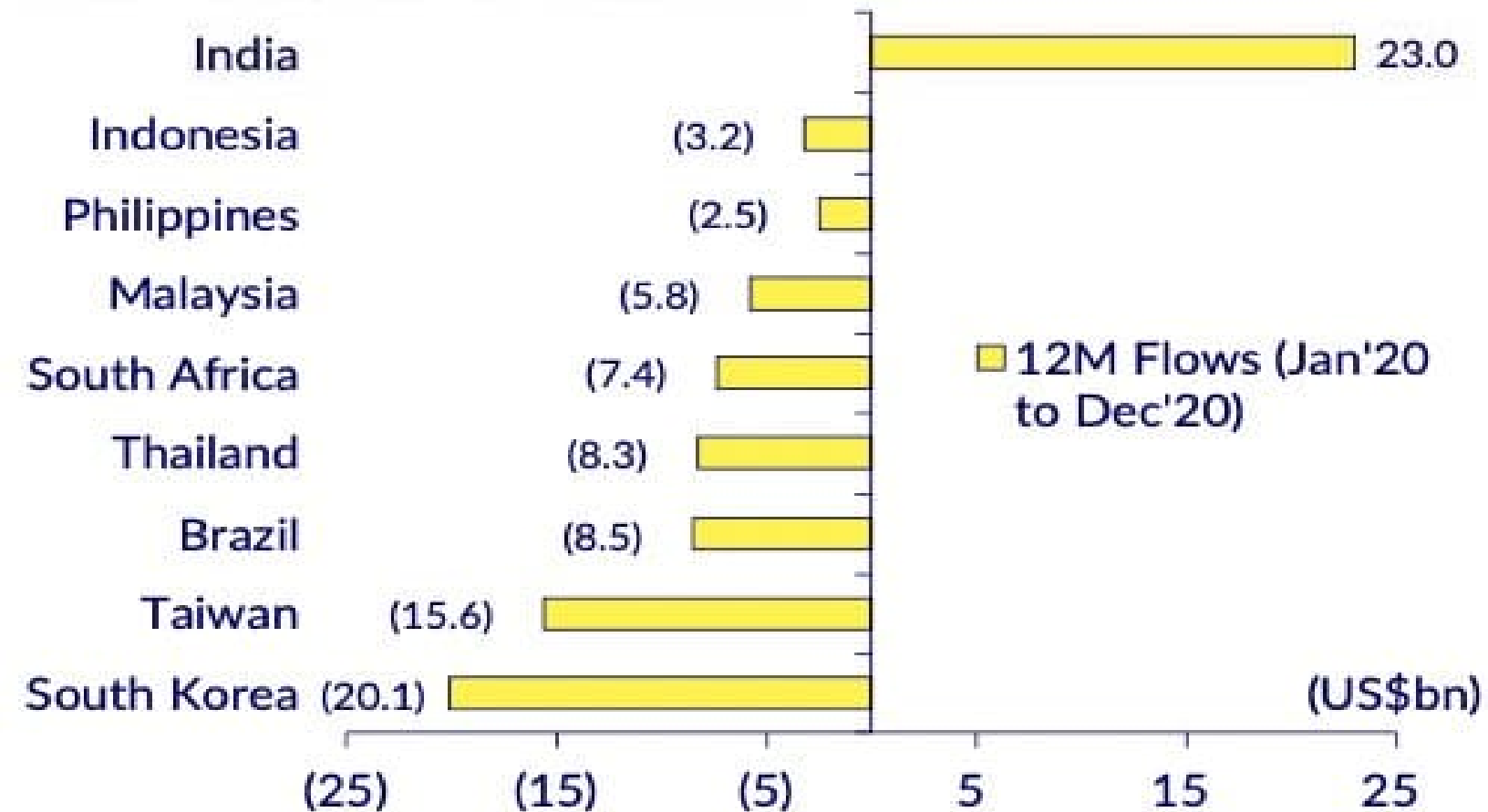


FPI Flows in US Bn \$



## Only India saw equity inflows from FIIs in 2020

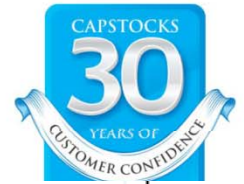
12M foreign inflows by market



Source: Bloomberg, CLSA



# Dollar Index



DXY 89.73848 -0.1305 (-0.15%)



# CRB Commodity Index



# Priority :Inflation Or Growth ?



- When dollar weakens majority of commodity (Agri, Ferrous, Non- Ferrous, Energy, precious metals) prices will go up in Dollar Terms
- If Rupee is not allowed to appreciate , higher commodity prices will lead to inflation but will boost exports

# Domestic Macro Data

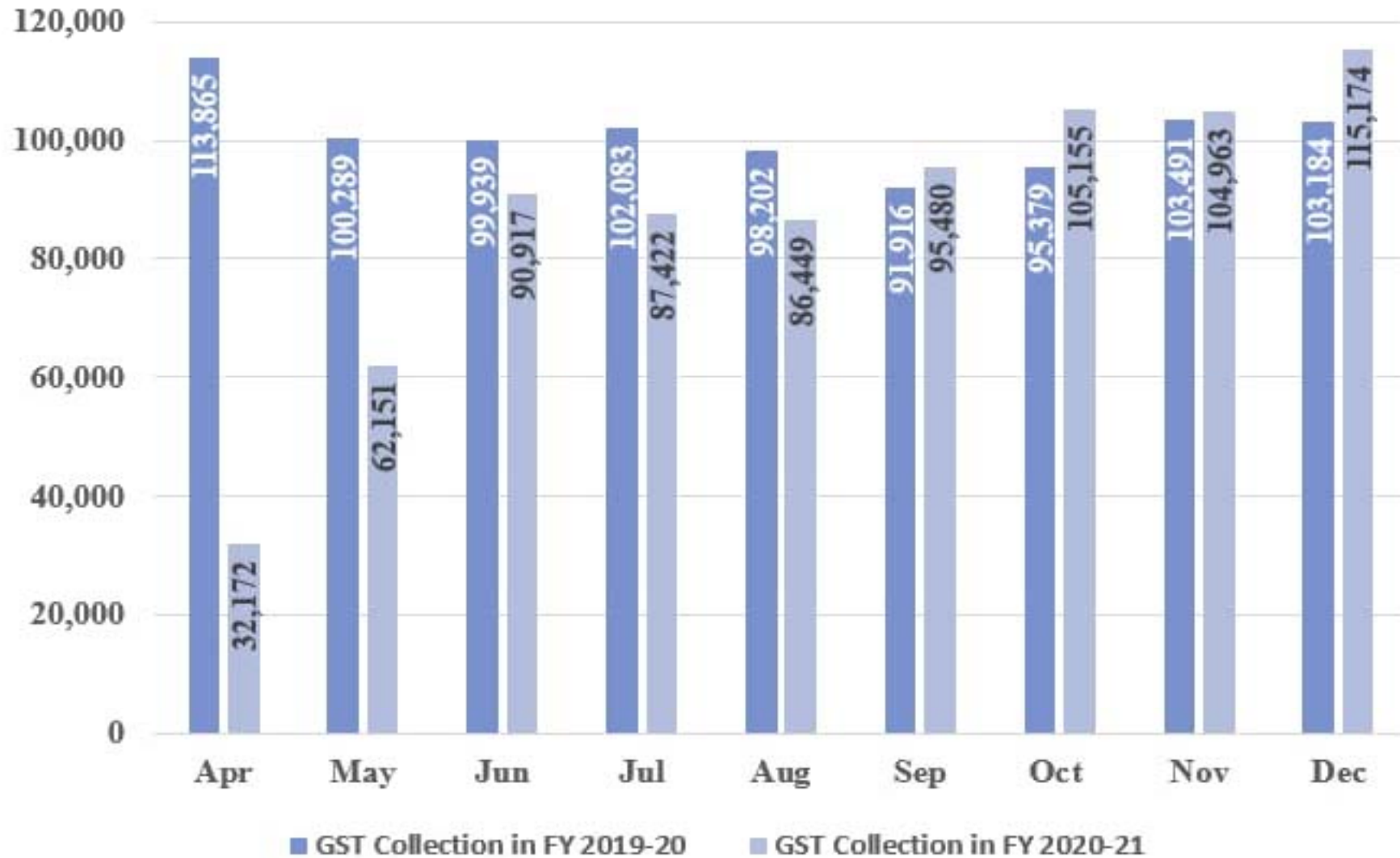


- GST Collections hits All Time high
- Trade Data positive
- Strong PMI Data

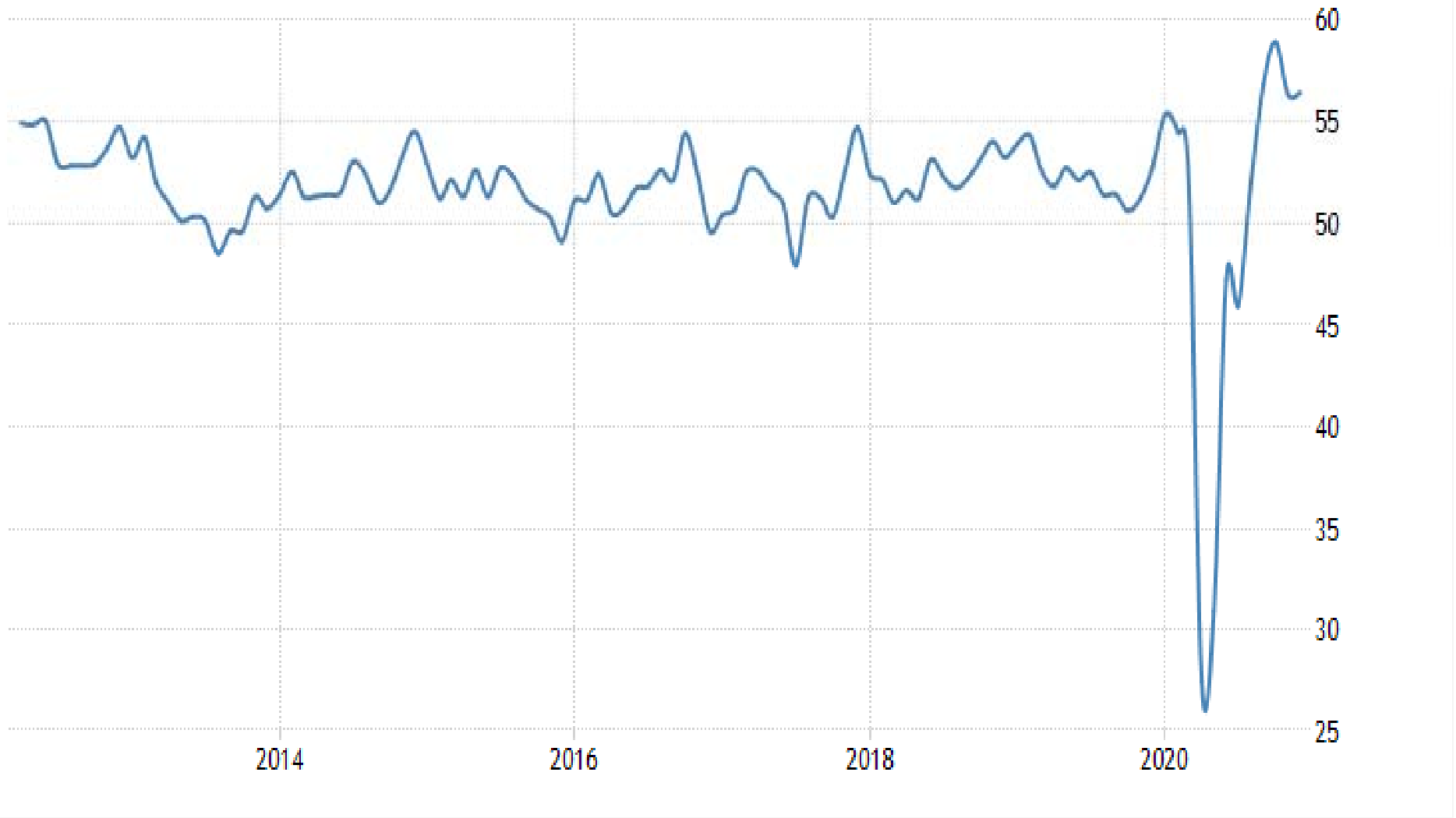
# Strong GST Collections



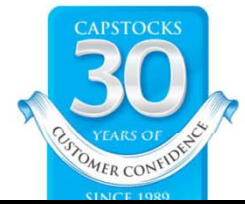
Trends in GST Collection in Rs. crore



# Manufacturing PMI Remain Strong



# Auto Sales



Company	Dec-20	Dec-19	YoY (%)	Nov-20	MoM (%)
<b>2Ws (Domestic)</b>					
Hero MotoCorp	425,033	412,009	3.2	575,957	(26.2)
Bajaj Auto	128,642	124,125	3.6	188,196	(31.6)
TVS Motor	176,912	157,244	12.5	247,789	(28.6)
Royal Enfield	65,492	48,489	35.1	59,084	10.8
<b>PVs (Domestic)</b>					
Maruti Suzuki	144,562	124,144	16.4	141,038	2.5
Mahindra & Mahindra	16,182	15,691	3.1	18,212	(11.1)
Tata Motors	23,545	12,785	84.2	21,641	8.8
<b>CVs (Domestic)</b>					
Tata Motors	29,885	31,469	(5.0)	26,218	14.0
Ashok Leyland	11,857	10,378	14.3	9,727	21.9
VECV	4,069	4,410	(7.7)	3,088	31.8
Mahindra & Mahindra	13,930	16,018	(13.0)	19,029	(26.8)
<b>Tractors (Domestic)</b>					
Mahindra & Mahindra	21,173	17,213	23.0	31,619	(33.0)
Escorts	7,230	3,806	90.0	9,662	(25.2)

# Surge in Mumbai Property Transactions



**Sale registration volumes grow by 3X  
in Dec'20 vs Dec'19**  
# of registrations





# Fund Raising – Highest In Decade



## BEST IN A DECADE

(₹crore)

Year	IPOs	Rights	QIPs	Total
2011	5,966	7,665	3,459	17,091
2012	6,835	7,295	4,705	18,834
2013	1,284	4,101	8,075	13,460
2014	1,201	5,191	31,684	38,076
2015	13,614	12,568	24,065	50,247
2016	26,494	1,914	4,712	33,120
2017	67,147	6,548	61,148	1,34,843
2018	30,959	18,827	15,587	65,373
2019	12,362	52,053	35,238	99,653
2020	26,611	64,984	79,286	1,70,881

Source-primedatabase.com

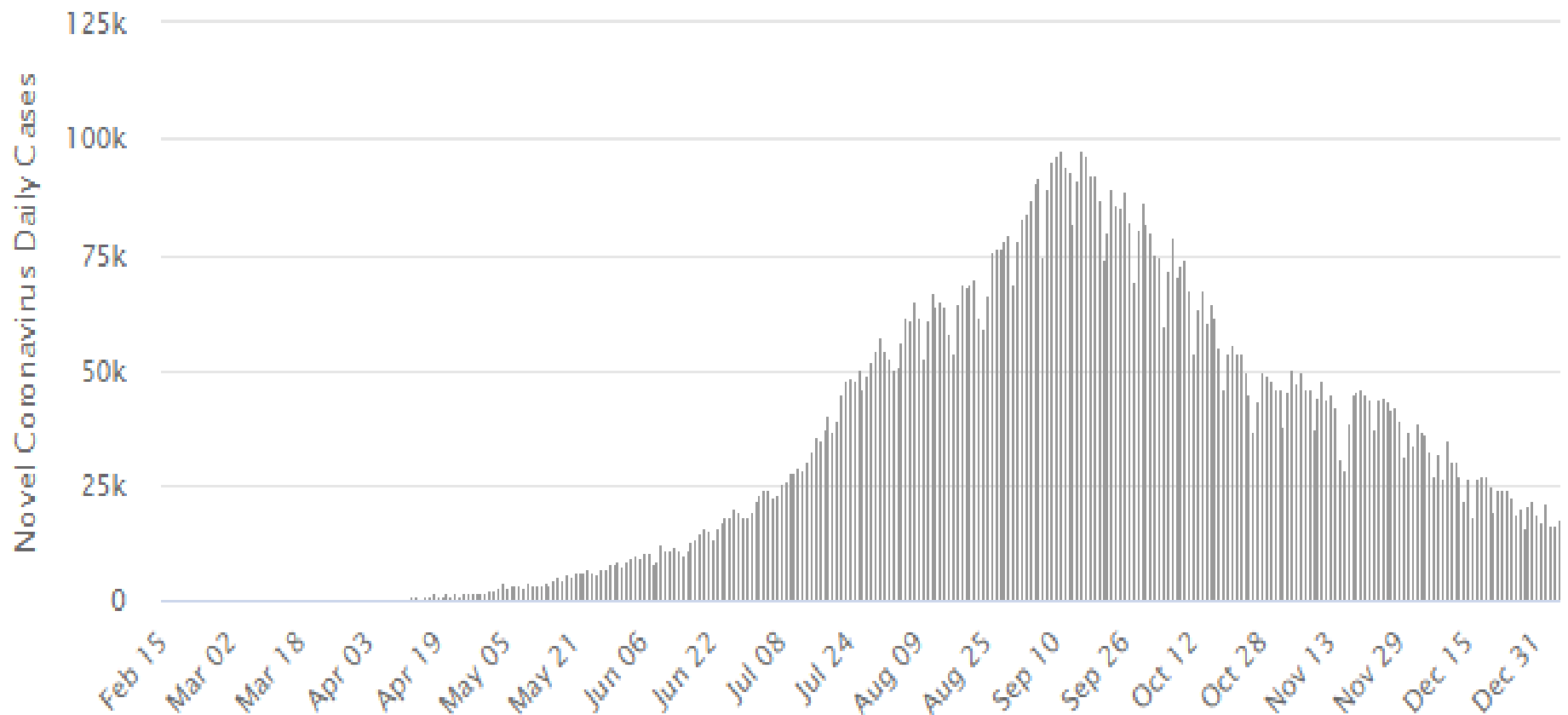
**OCKS**  
(INDIA) PVT. LTD.

# India Covid Daily Cases



## Daily New Cases

Cases per Day  
Data as of 0:00 GMT+0

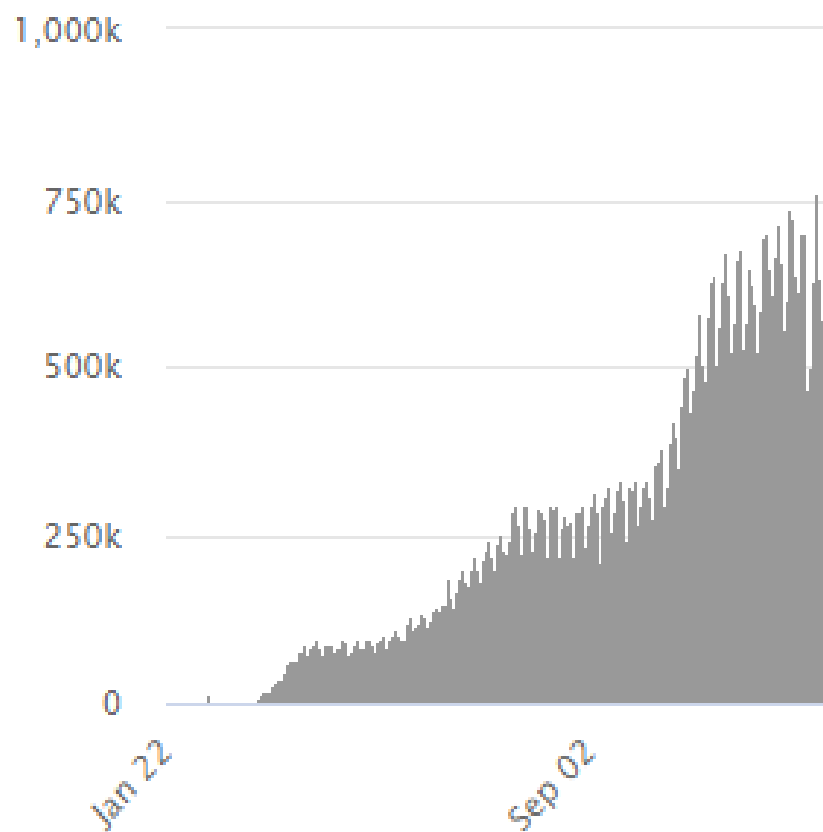


# Global Covid Cases



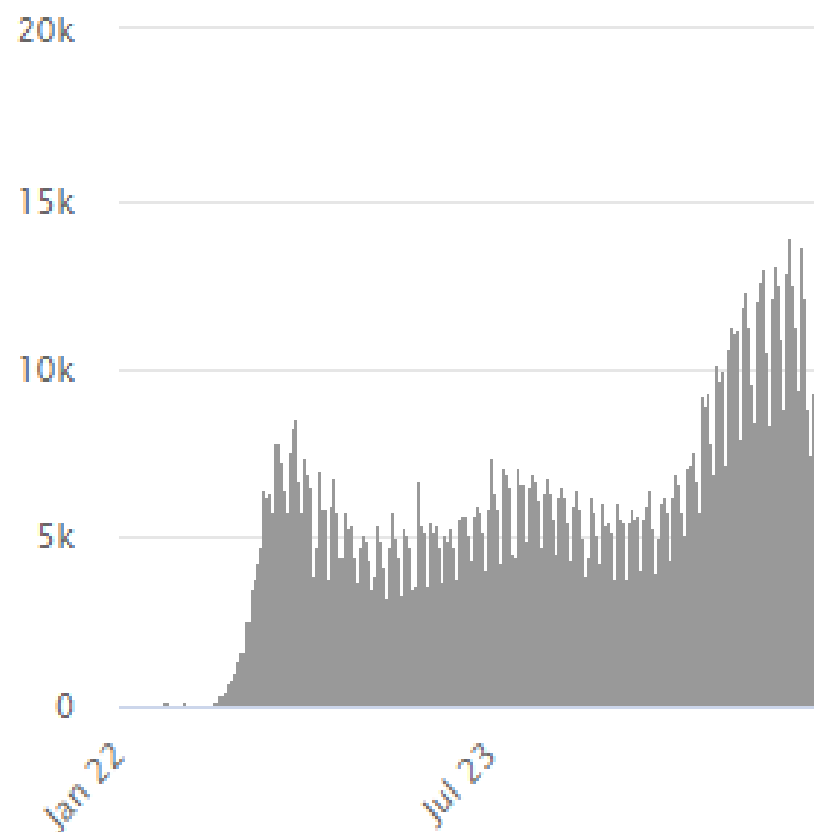
## Daily New Cases

Cases per Day  
Data as of 0:00 GMT+0



## Daily Deaths

Deaths per Day  
Data as of 0:00 GMT+0



# Bitcoin – Bubble or Scarcity Premium Or Rival To Gold



# US Fed Balance Sheet



SOURCE: TRADINGECONOMICS.COM | FEDERAL RESERVE

# Wipro – 20 Years Time To Cross Previous High



# Events to Watch



- Vaccine Status
- FPI Action
- Q3 Results
- Union Budget on Feb 1

# Our Take on Market



- Our markets are not in a bubble, but select stocks and sectors valuations are high
- Our market correction will be led by global markets
- Post correction we will recover quickly led by earnings recovery
- Around Union budget time volatility is expected





**Thank You**