



Current Market Scenario

* NIFTY50 (11,400.00, 11,400.00, 11,400.00, 11,400.00)

Fibonacci Retracement Lines



14 21 28 14 11 18 25 3 9 16 23 30 6 13 20 27 4 11 18 26 1 8 15 22 29 5 12 19 26 5 12 19 26 2 9 16 23 30 7 14 21 28 4 11 18 25 9 16 23

September October November December 2018 February March April May June July





Indices rise from recent fall

Index	Current Index	Total Fall	Points Recovered	Retracement	Last month Retracement
Nifty	11018	1220	1067	87.5%	63%
Nifty Midcap	18263	4027	847	11.2%	21%
BSE Smallcap	16196	4475	488	10.9%	19%

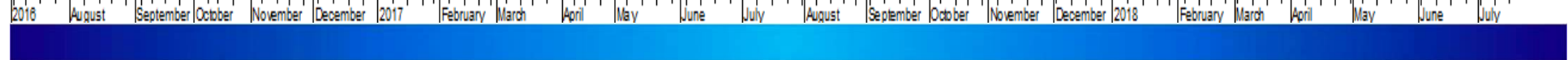
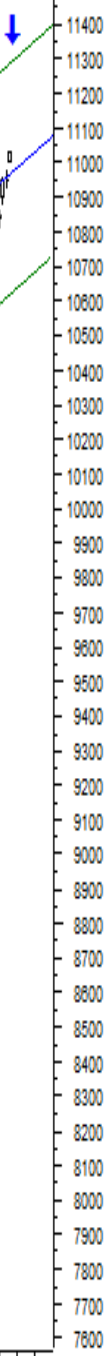
Stocks Contributed to recent rise of Nifty

SYMBOL	Return in %	Weightage
TCS	40.5	4.59
BAJFINANCE	39.8	2.82
KOTAKBANK	33.5	2.68
HINDUNILVR	32.0	2.67
HDFCBANK	16.7	9.16
RELIANCE	16.2	7.70

*NIFTY50 (11,007.00,11,037.00,10,999.00,11,031.00)

NIFTY Channels

11350



*NIFTY50 (11,400.00, 11,400.00, 11,400.00, 11,400.00)

Nifty Channel Resistance



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*NIFTY50 (11,400.00,11,400.00,11,400.00,11,400.00)

Resistance on Trend Line

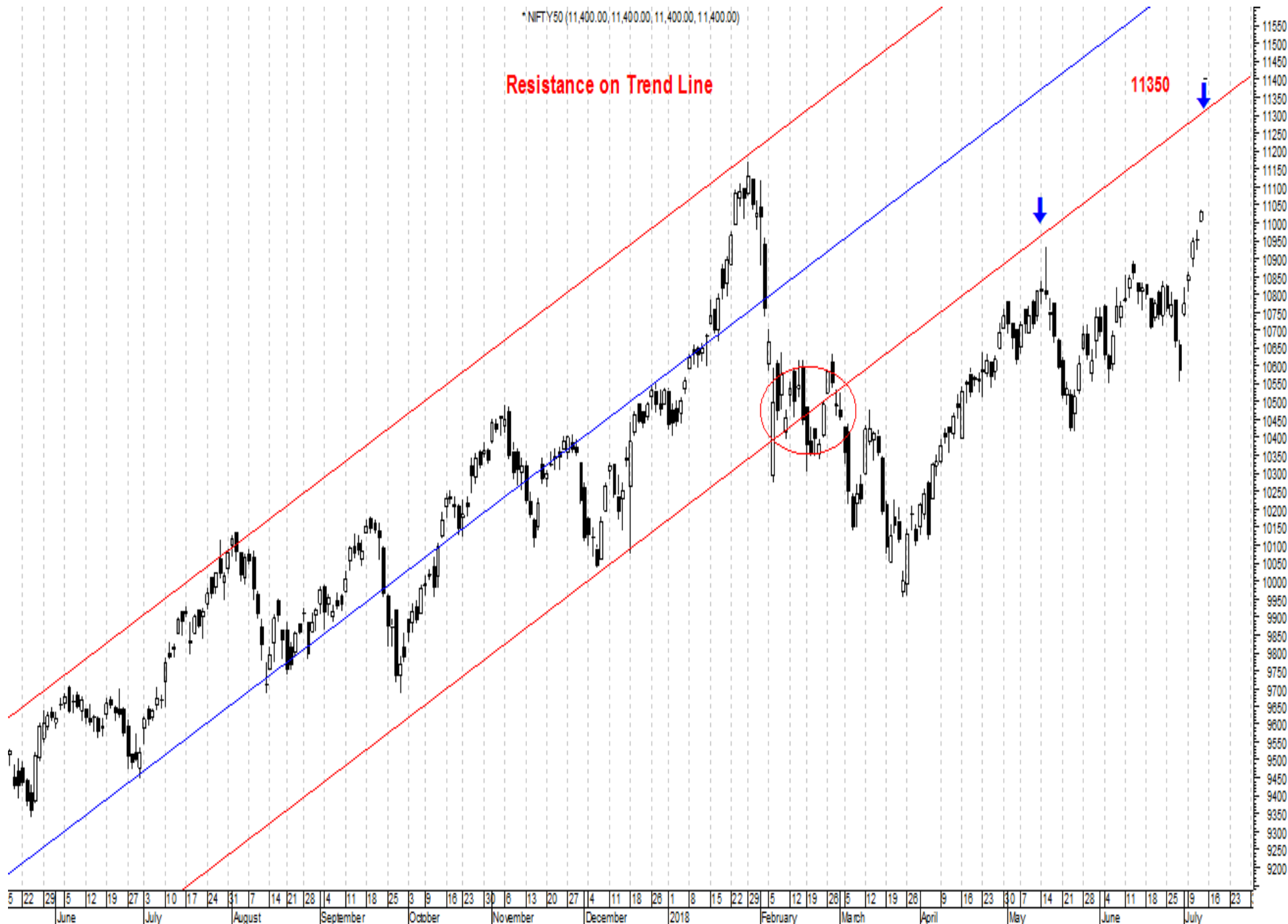
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*NIFTY50 (11,400.00,11,400.00,11,400.00,11,400.00)

Resistance on Trend Line

11350



Sensex At All Time High



- Divergent performance continues
- Volumes low in Mid and Small Cap
- Commodities correct
- FII sellers

INDEX WATCH

INDEX	13, July	9, June	% Change
Nifty	11,018	10,767	+ 2.3
Sensex	36,541	35,443	+ 3.0
Nifty Midcap	18,263	18,830	- 3.0
BSE Small Cap	16196	16,887	- 4.0

Large Cap Outperforms



- Large cap indices are held despite FII selling
- Midcap and Small cap indices continue to reel under pressure
- Intermediate bottom formation visible in mid and small cap space



Portfolios See Decline

- Individual Mid and Small Cap portfolios see 20 to 50% erosion in value
- Cannot compare with 2007-08 fall



2008 Vs 2018 Fall Comparison

2008	2018
Panic Sell off	No visible panic
All categories fell sharply	Large Cap unaffected
Balance Sheet Stretched	Balance Sheet Light
Unprepared for fall	Cautious on Valuations
Large derivatives position	Position very light

Auto Sales Continue To Be Strong



Segment	June '18	June '17	% Change
Passenger Car	2,73,759	1,99,036	+ 37
Commercial Vehicle	80,624	56,890	+ 41
Two Wheelers	18,67,884	15,27,509	+ 22
Three Wheelers	56,884	36,491	+ 55

* Sales of June 2017 impacted on destocking due to GST Implementation



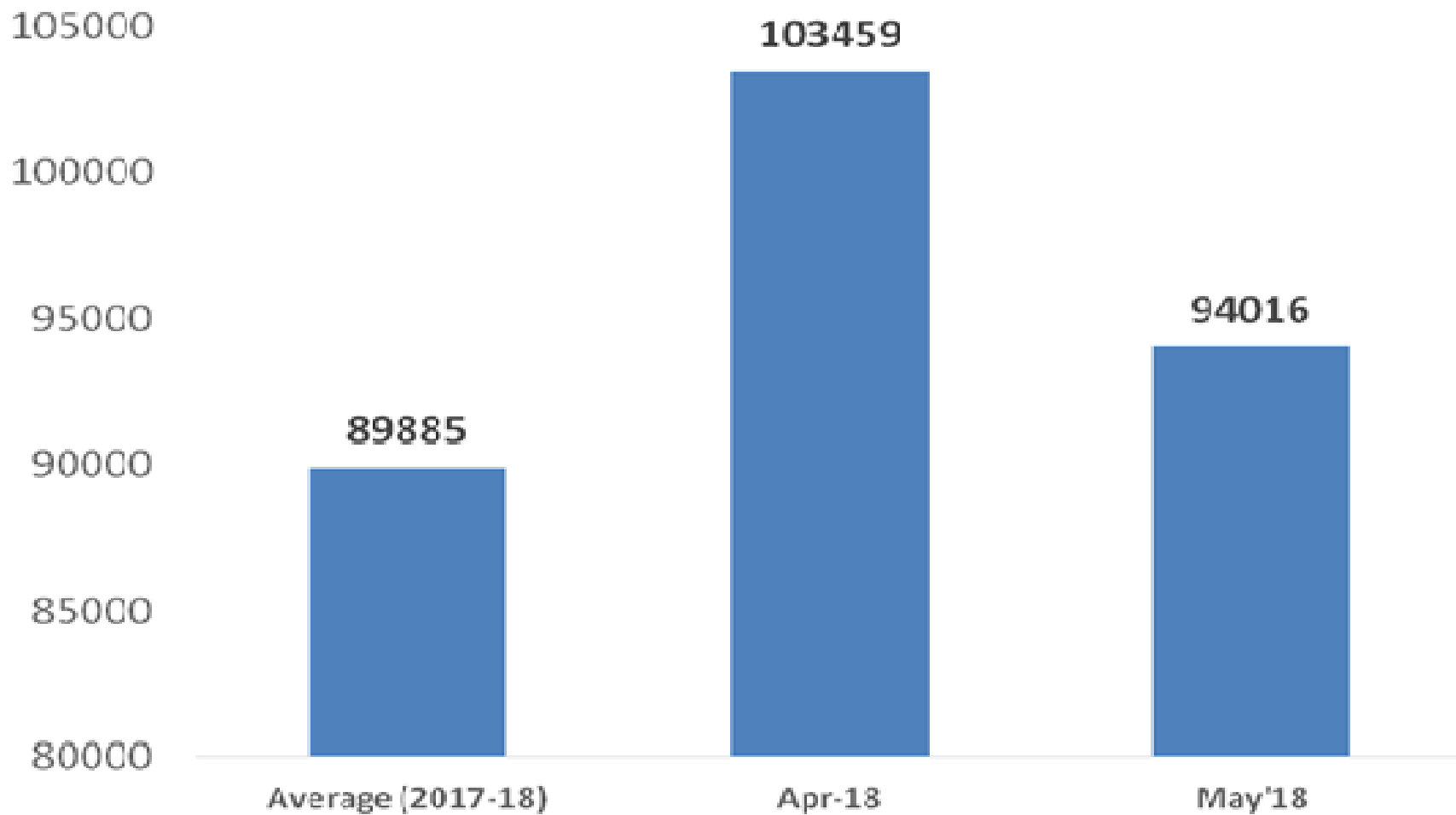
Metal Prices Correct

- Base metal prices corrects meaningfully
- Positive for many midcap companies
- Auto ancillary will be key beneficiary
- Trade War reason cited for correction

GST Collections on Uptrend



Comparison of Gross GST revenue (Average 2017-18 & April-May, 2018)



Erratic Monsoon

Seasonal Rainfall (in mm) on 12 July, 2018

Region	Actual	Normal	% Dep. from Long Period Average
All India	250.5	270.8	-8%
East & Northeast India	382.1	528.8	-28%
Northwest India	124.6	141.0	-12%
Central India	286.1	283.5	+1%
South Peninsula	279.4	242.6	+15%

Kharif Crop sowing 14% lower when compared to last year



FII Selling Continues

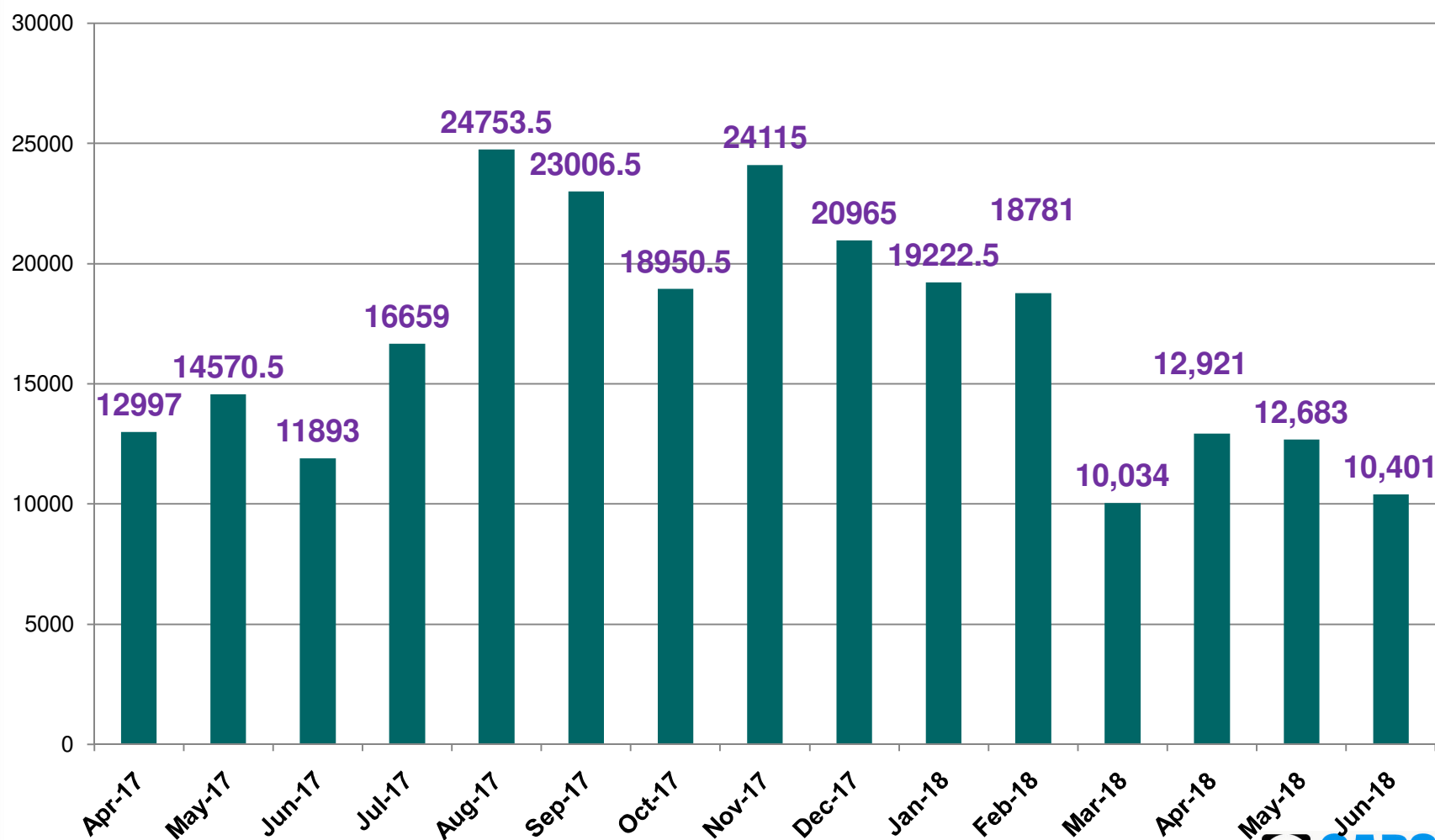
- FII sellers in both equity and debt in CY 2018

Segment	Secondary \$ Bn	Primary \$ Bn
Equity	- 3.8	+ 3.3
Debt	- 6.7	+ 0.7
Total	- 10.5	+ 4

As on July 6th

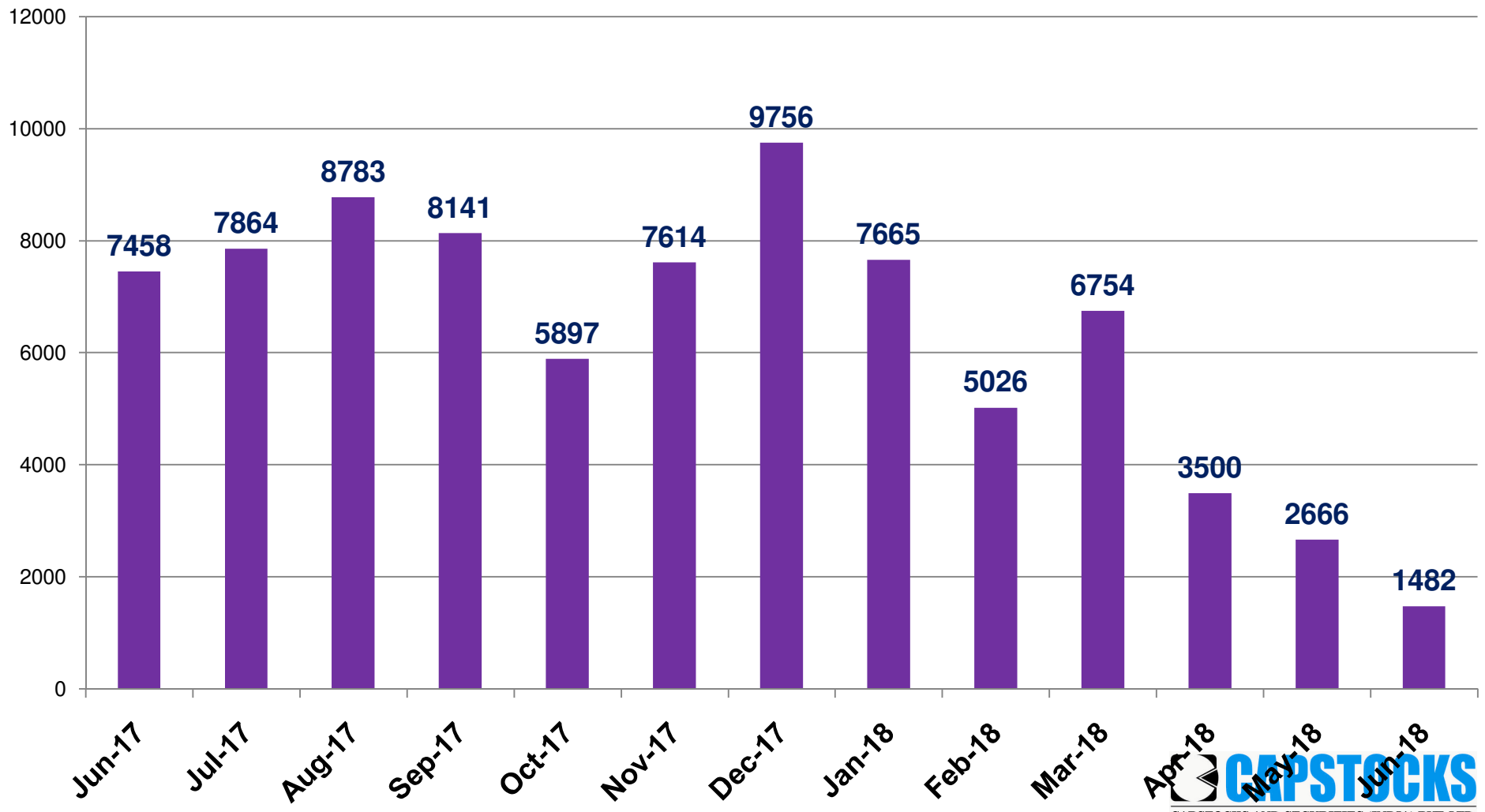


Mutual Fund Flow Slows





Balanced Fund Category – Worst Hit

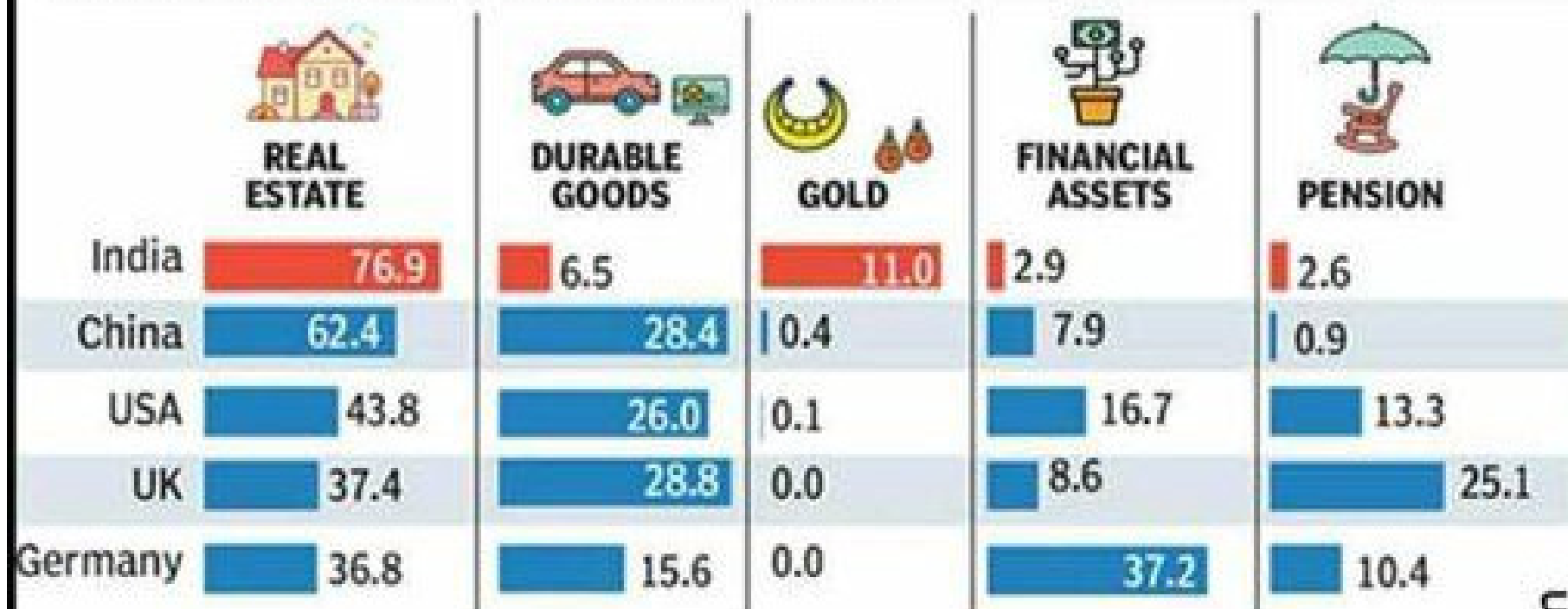


Domestic Household Assets



THE BALANCE SHEET OF INDIAN HOUSEHOLDS

ASSETS % of total wealth of households



Value Hunting – PSU Stocks

- PSU Stocks across the board fell sharply in current correction
- BEL, NBCC, EIL among top losers
- Govt. Spending and political uncertainty next year putting pressure
- Participants closely watching for value buy

Optic Fibre – Next Micro Theme ?



- Optic Fibre cable to see good demand globally and domestically
- 5G implementation to drive demand
- Manufacturers and EPC players to benefit

Is Gold Losing Sheen in India ?



- Gold imports down by 39% in first five months
- Jewellery demand on fall
- Milliennial spending pattern changing with gold not preferred list
- Anti Black money drive reducing gold demand



Events to Watch

- Q1 Results
- Monsoon Progress
- Crude Oil Prices



Thank You