



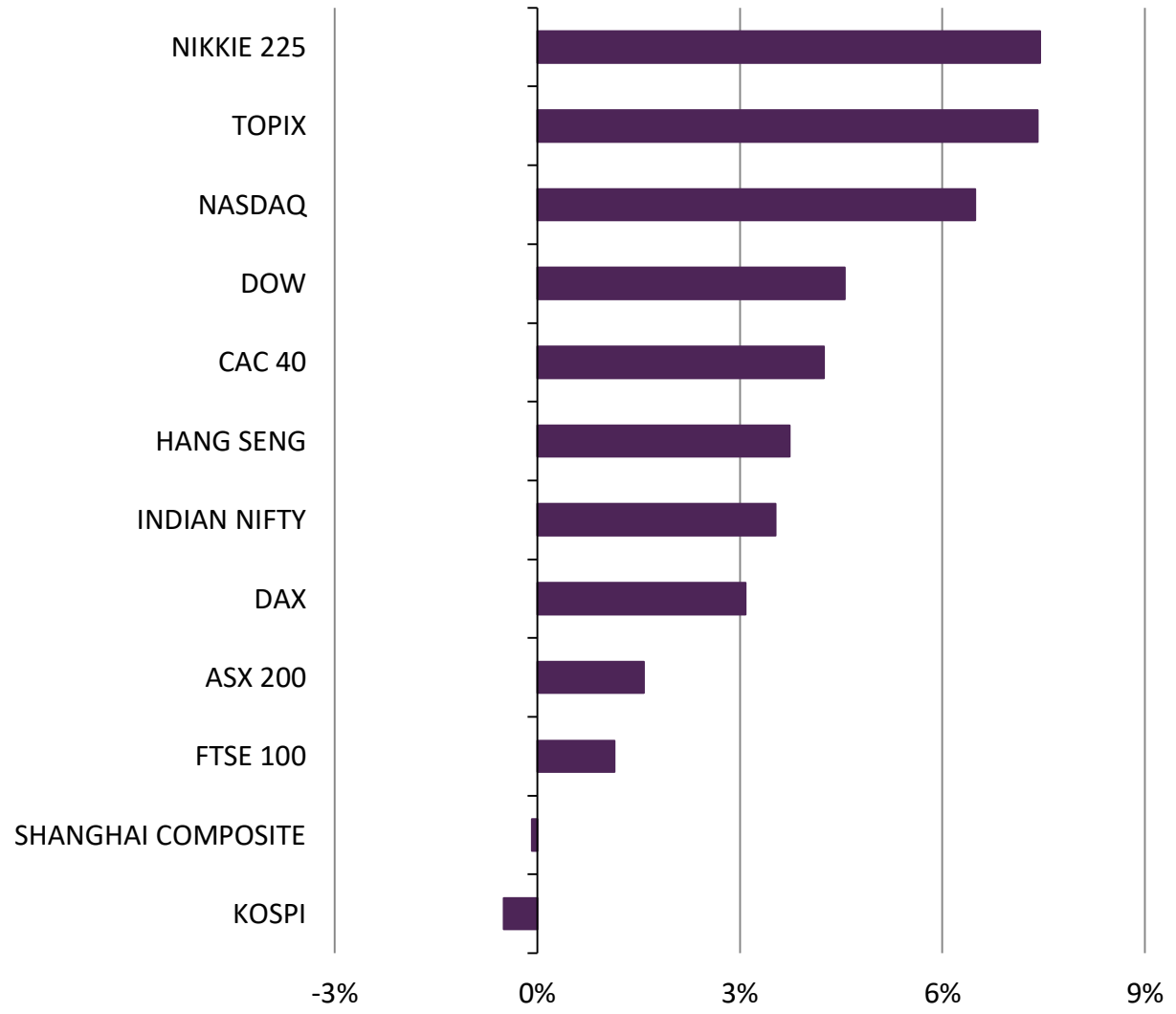
# BESPOKE

Advice for a select few

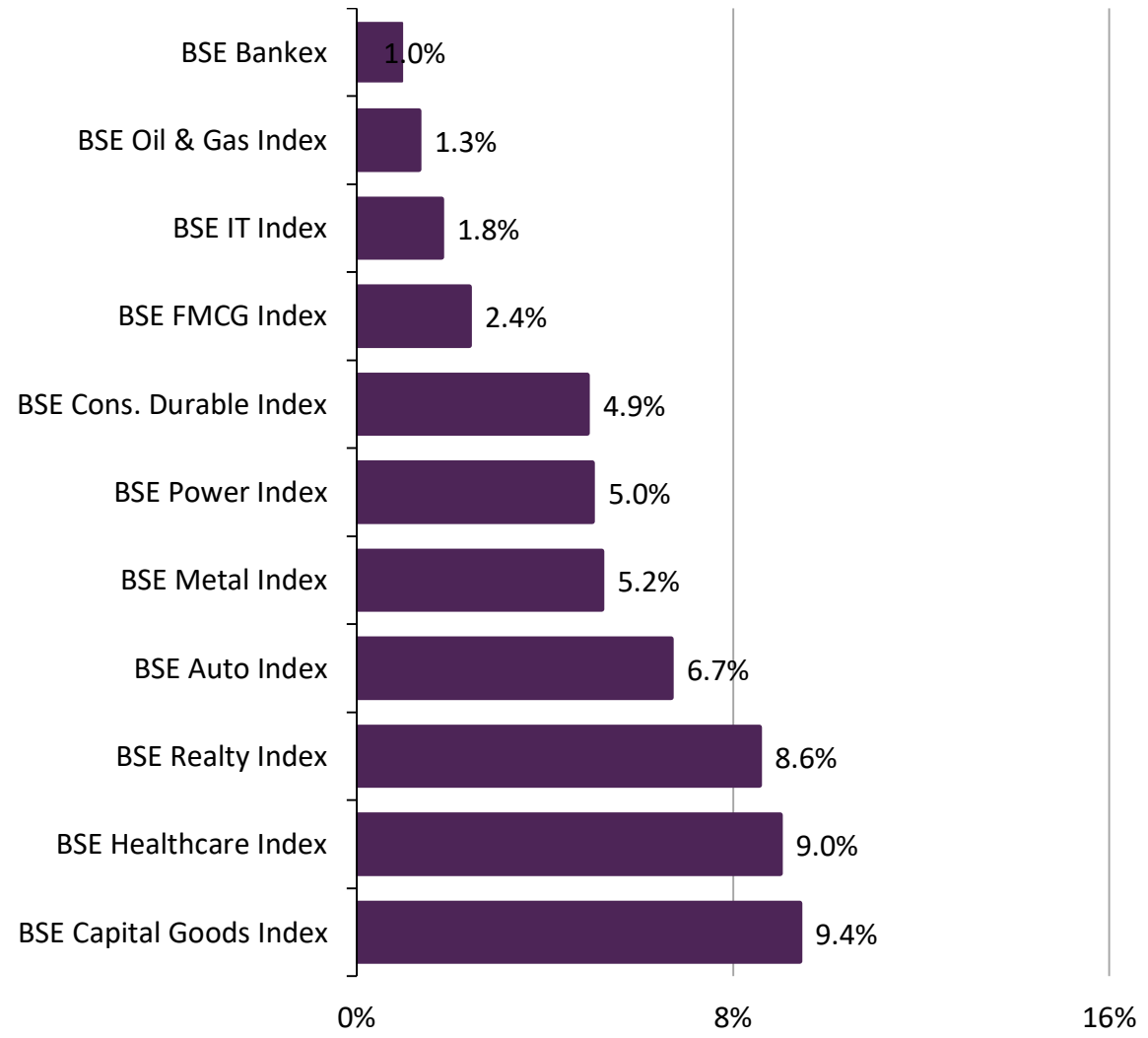
ANANDRATHI  
PRIVATE CLIENT GROUP  
EQUITY



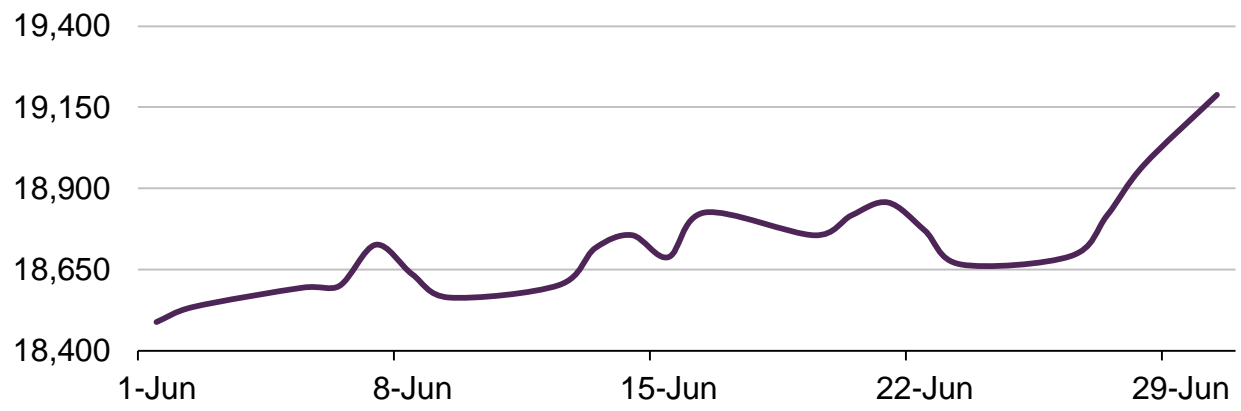
**Global Markets performance in Jun-23**



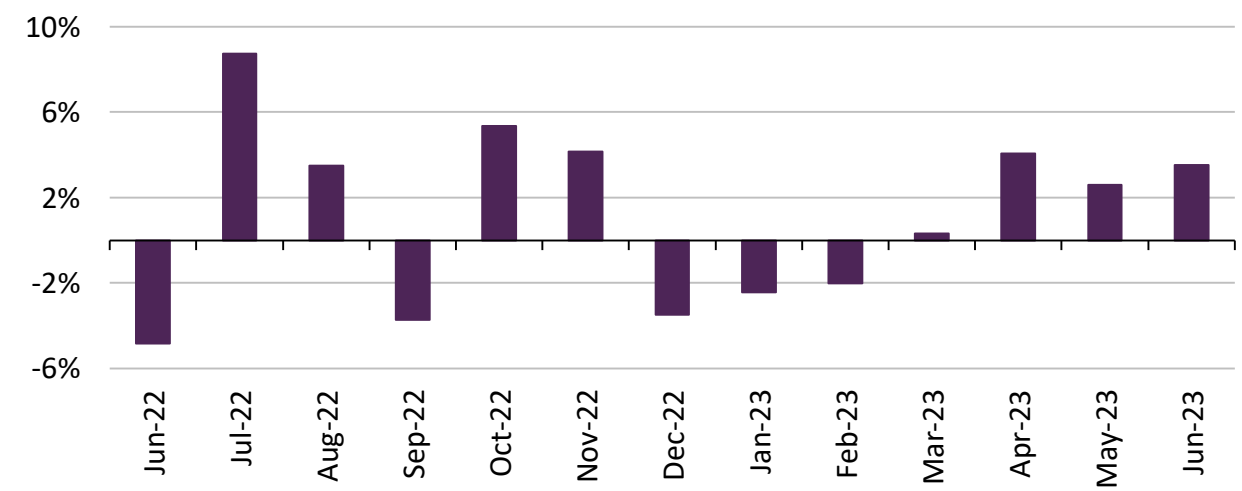
## Sector wise performance during the month



## NIFTY Performance in Jun 2023



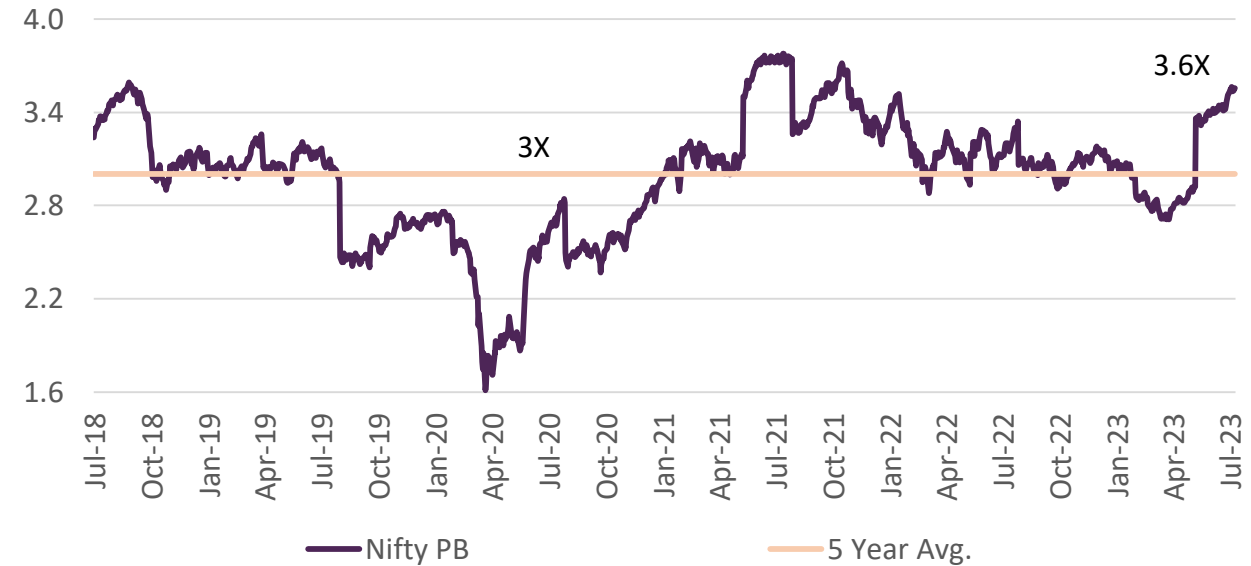
## NIFTY monthly performance for trailing 12 months



## Nifty Trailing 12M P/E & 5 Yr. Avg. P/E

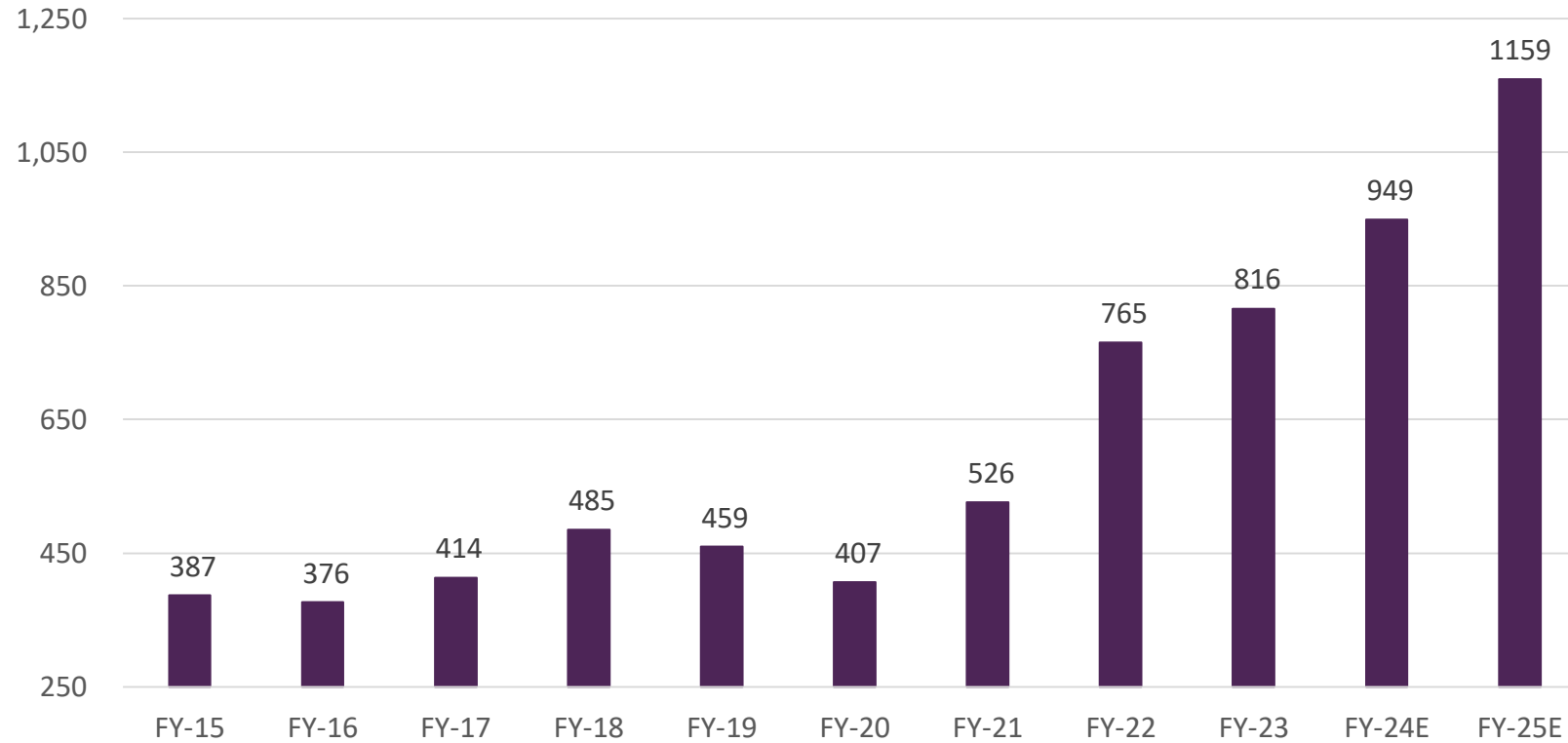


## Nifty Trailing 12M P/B & 5 Yr. Avg. P/B



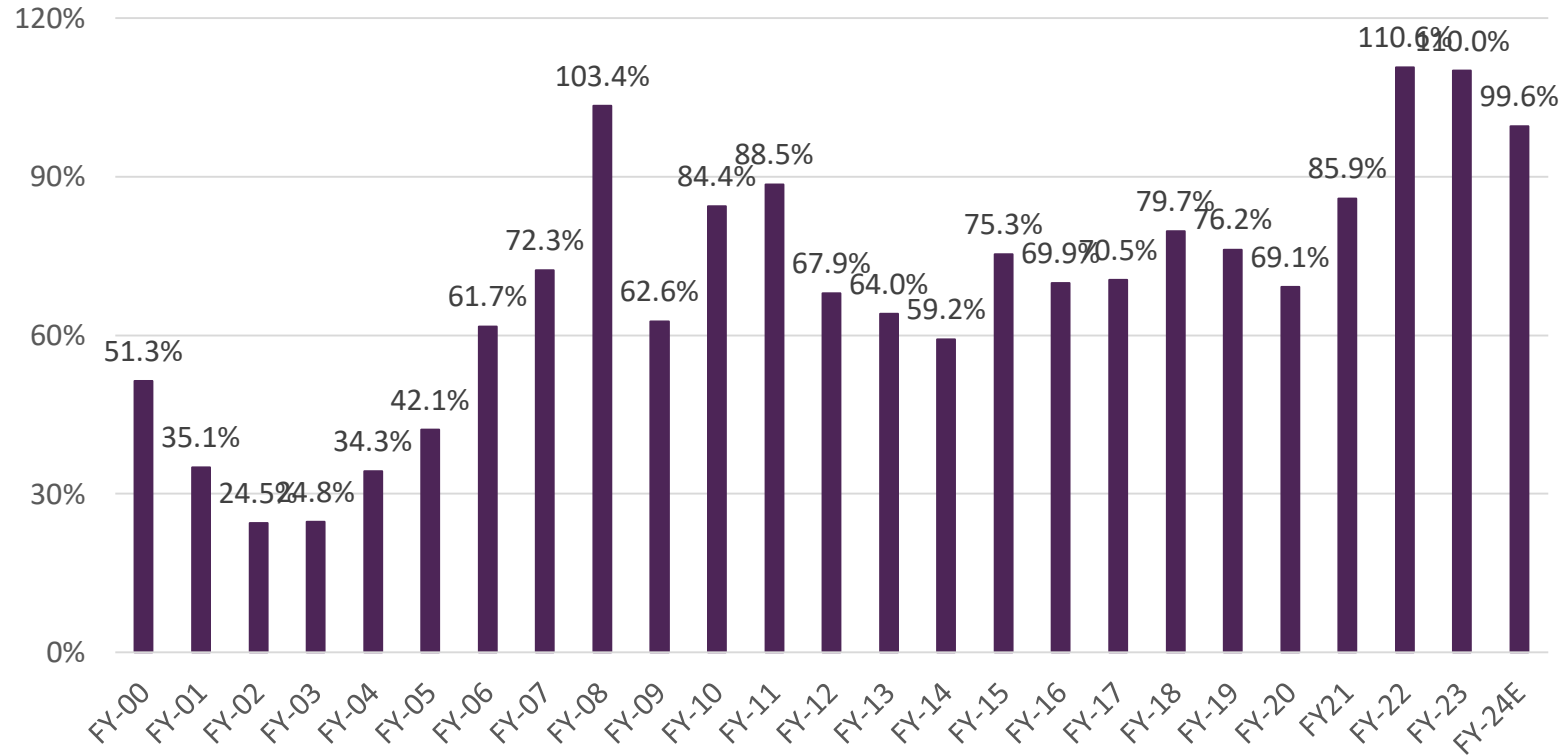
- Currently Nifty50 is trading at around 23.3x its trailing 12-month earnings while its five-year historical average price to earnings ratio stands at around 24.8x. A discount of around 5.8% from its five-year historical average.
- In terms of price to book ratio, the Nifty50 is trading at around 3.6x its book value while its five-year historical price to book ratio stands at around 3x. Trading at a premium of 18.4% to its five-year historical average.

### Nifty Historical and Estimated EPS (Consensus)



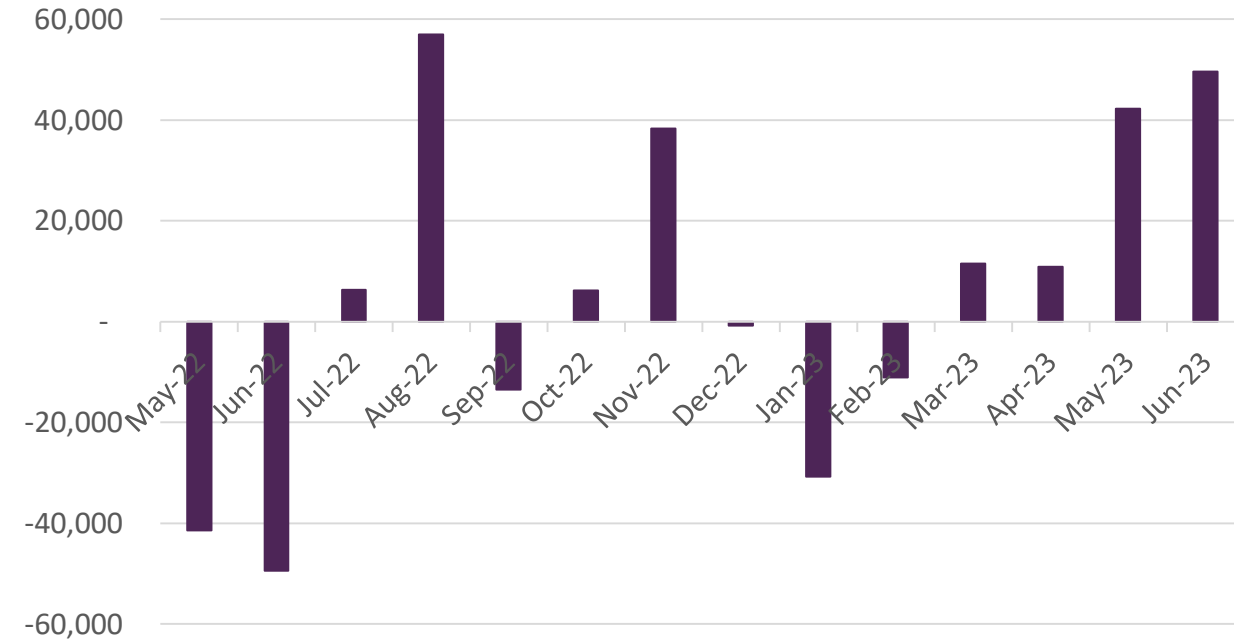
- From the financial year 2023 EPS the consensus estimates for Nifty50 from FY-23 to FY-25 expects earnings to grow at a CAGR of about 19%.

## India Market Cap. to GDP Ratio

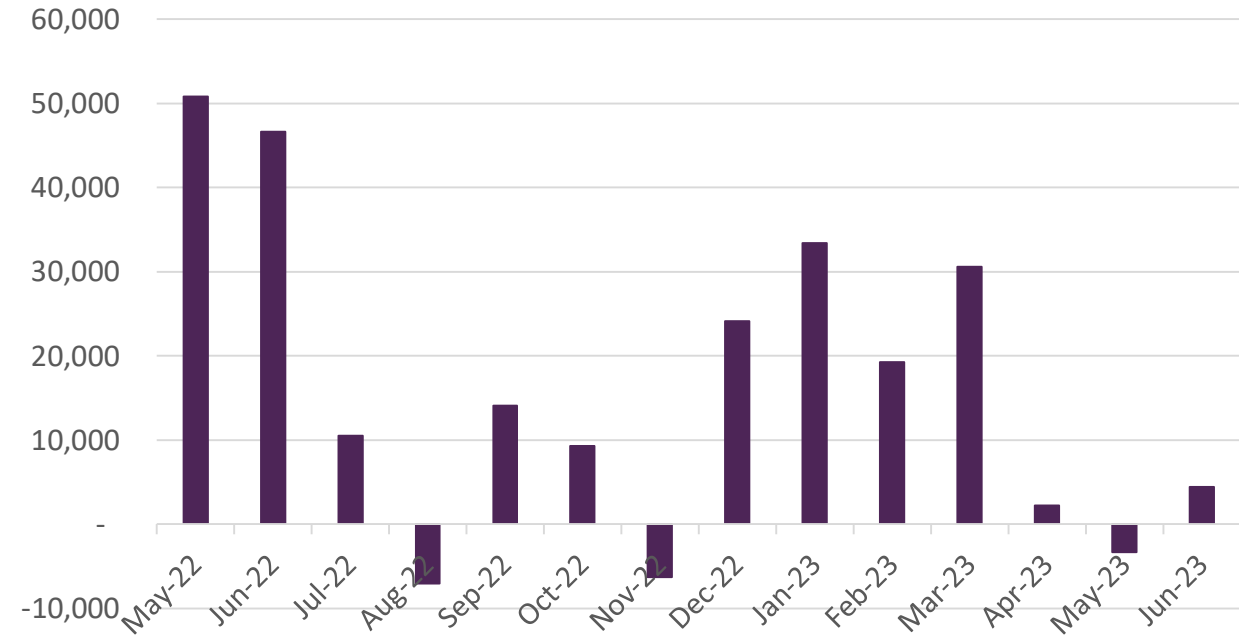


- Currently India's listed companies market capitalisation to GDP ratio stands at about 99.6% (FY-24E). The ratio is considered an indicative of overall equity market sentiments and cycles.
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### FII Monthly Inflows in Equity (₹ Crore)

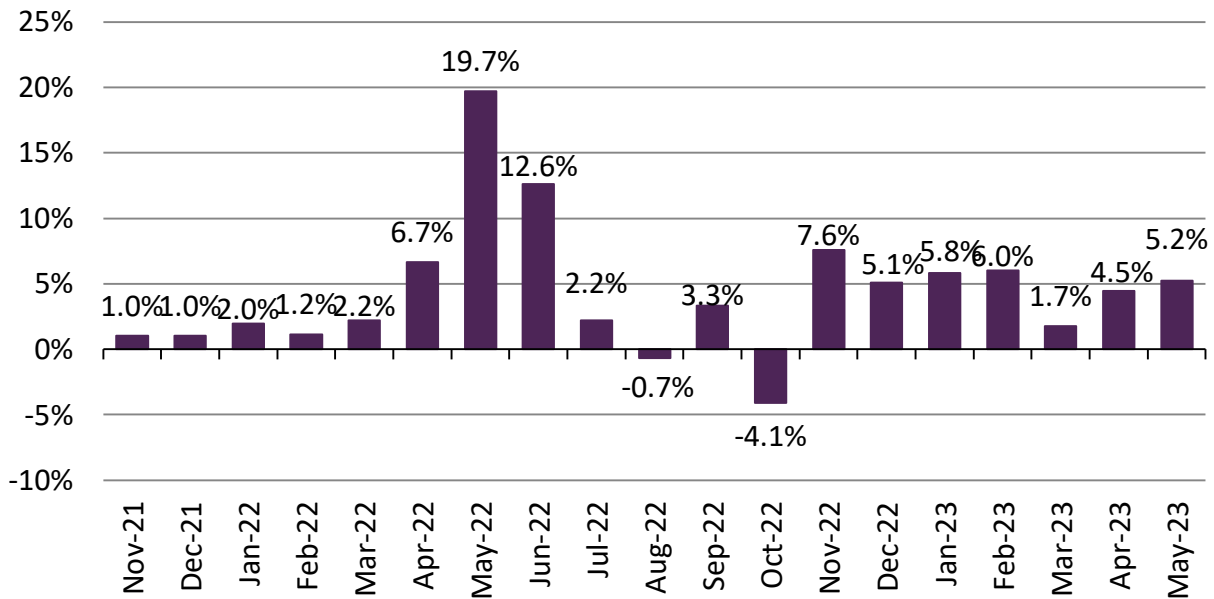


### DII Monthly Inflows in Equity (₹ Crore)

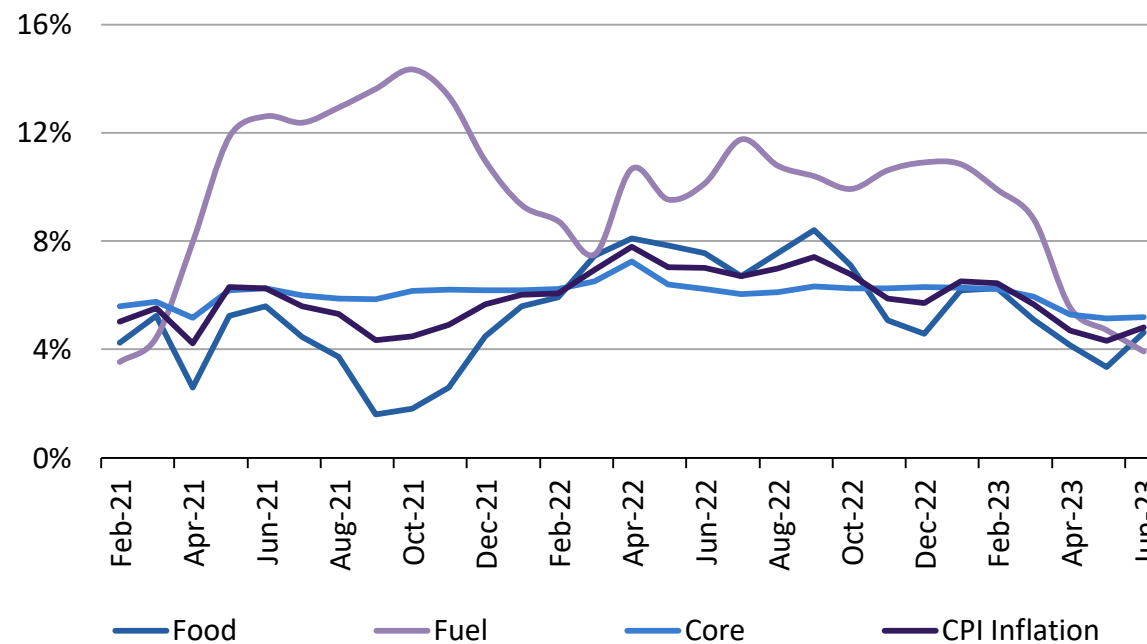


- FII monthly inflows for the month of Jun-23 has seen net inflows of almost ₹49,617 crores, which is highest inflow for the current calendar year.
- On the other hand, domestic funds have seen monthly net inflows of around ₹4,459 crores, a first net outflow in current calendar year.

### IIP Growth (%) trend (2011-12 base)



### Food, Fuel, Core & CPI Inflation (%) YoY



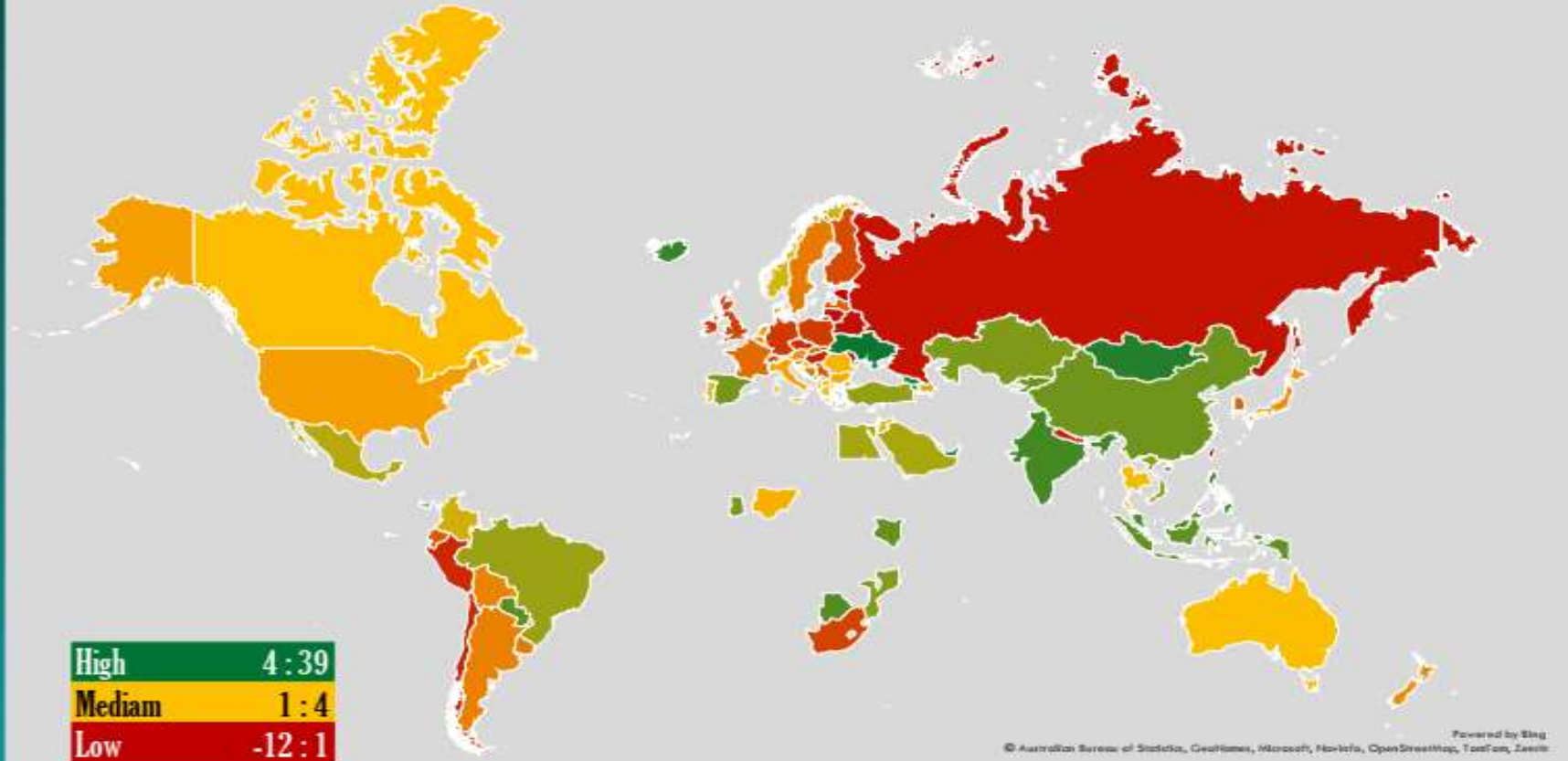
- Index of Industrial Production (IIP) data for the latest month May-23 maintained its positive momentum for the year. The index stood at 5.2% for the month..
- Latest inflation data released showed increase in inflation. Inflation was seen increasing with Food inflation rising to 4.6%. The Core inflation for the Jun-23 month increased to 5.2%. Only Fuel inflation showed decline and stood at 3.9%.



## Is the global economy in a recession?

VAST MAJORITY ARE  
RECORDING GROWTH

Global growth rate, latest quarter, %

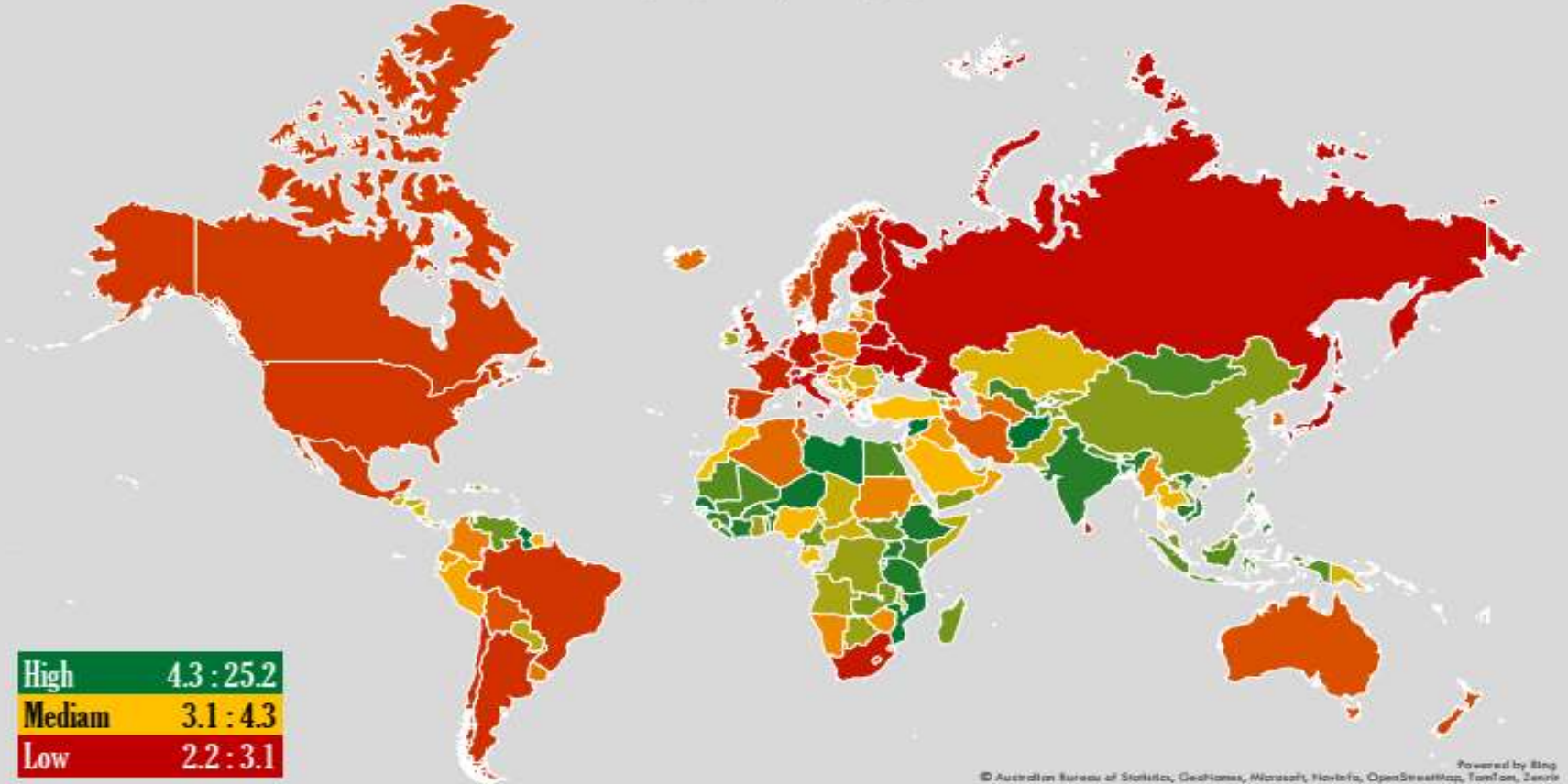


Map shows only the countries for which data is available. Maps used here are for general illustration only and are not intended to be used for reference purposes. The representation of political boundaries does not necessarily reflect the position of the Government of India on international issues of recognition, sovereignty or jurisdiction.

## Is the global economy heading for a recession?

IMF ESTIMATES  
SUGGEST NO  
RECESSION

Next 5 year growth expectation, IMF, %



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## India is and would remain world's fastest growing economy

IMF ESTIMATES  
SUGGEST ALL MAJOR  
COUNTRIES TO GROW

### Latest quarterly GDP growth rate, %

	GDP	Growth
United States	25,463	2.0
China	17,981	4.5
European Union	16,631	1.1
Japan	4,234	1.9
Germany	4,069	-0.2
India	3,391	6.1
United Kingdom	3,072	0.0
France	2,775	1.1
Russia	2,240	-1.8
Canada	2,138	2.4
Italy	2,008	2.0
Brazil	1,920	4.0
South Korea	1,673	0.9
Australia	1,699	2.5
Iran	1,590	
Spain	1,396	4.5
Mexico	1,417	3.7
Indonesia	1,319	5.0
Saudi Arabia	1,108	3.8
Netherlands	1,009	1.9

### Next 5-year average growth, %

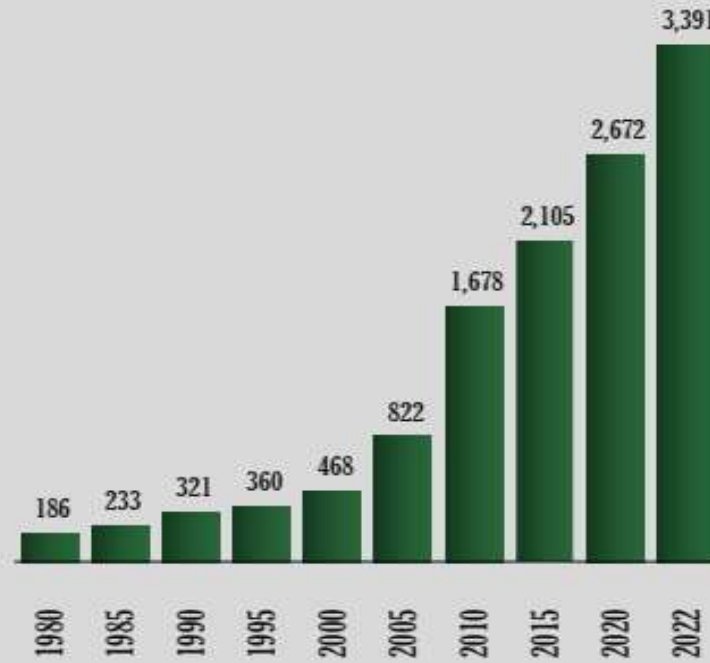
	Growth, Next 5-year
India	6.2
Indonesia	5.0
China	4.3
Saudi Arabia	3.0
South Korea	2.2
Iran	2.1
Australia	2.0
Mexico	1.8
Spain	1.8
Canada	1.8
United States	1.7
Brazil	1.7
France	1.4
Netherlands	1.4
United Kingdom	1.3
Germany	1.2
Italy	1.0
Russia	0.9
Japan	0.8



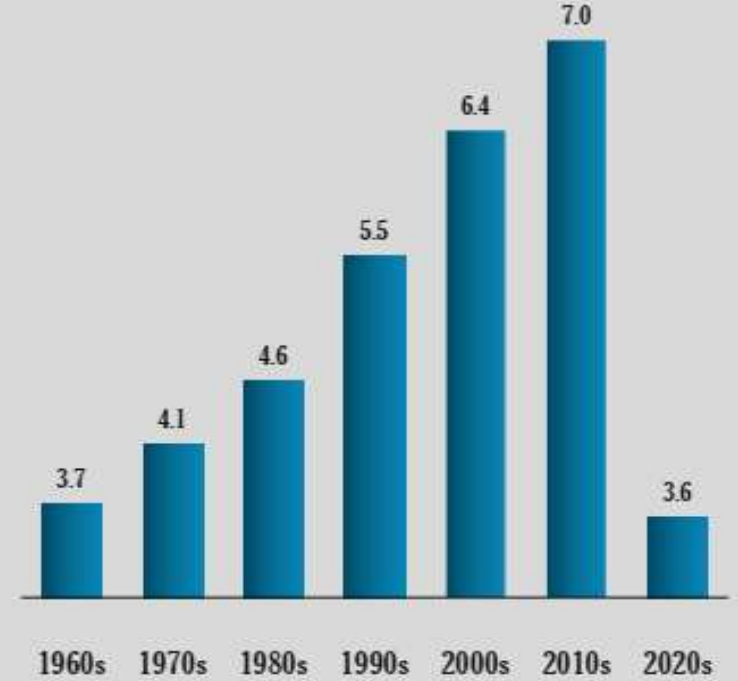
# India dollar GDP jumped 10x in last 32 years

DECADAL GDP GROWTH  
HAS ACCELERATED

Size of Indian economy, US\$ billion



Average real GDP growth, India



# India's macroeconomic performance remain robust

MOST SEGMENTS IN GROWTH PATH



## Corporate earning growth slowed but remained healthy

MARGIN EXPANSION-  
LED EARNINGS GROWTH

Sensex EPS, Rs.



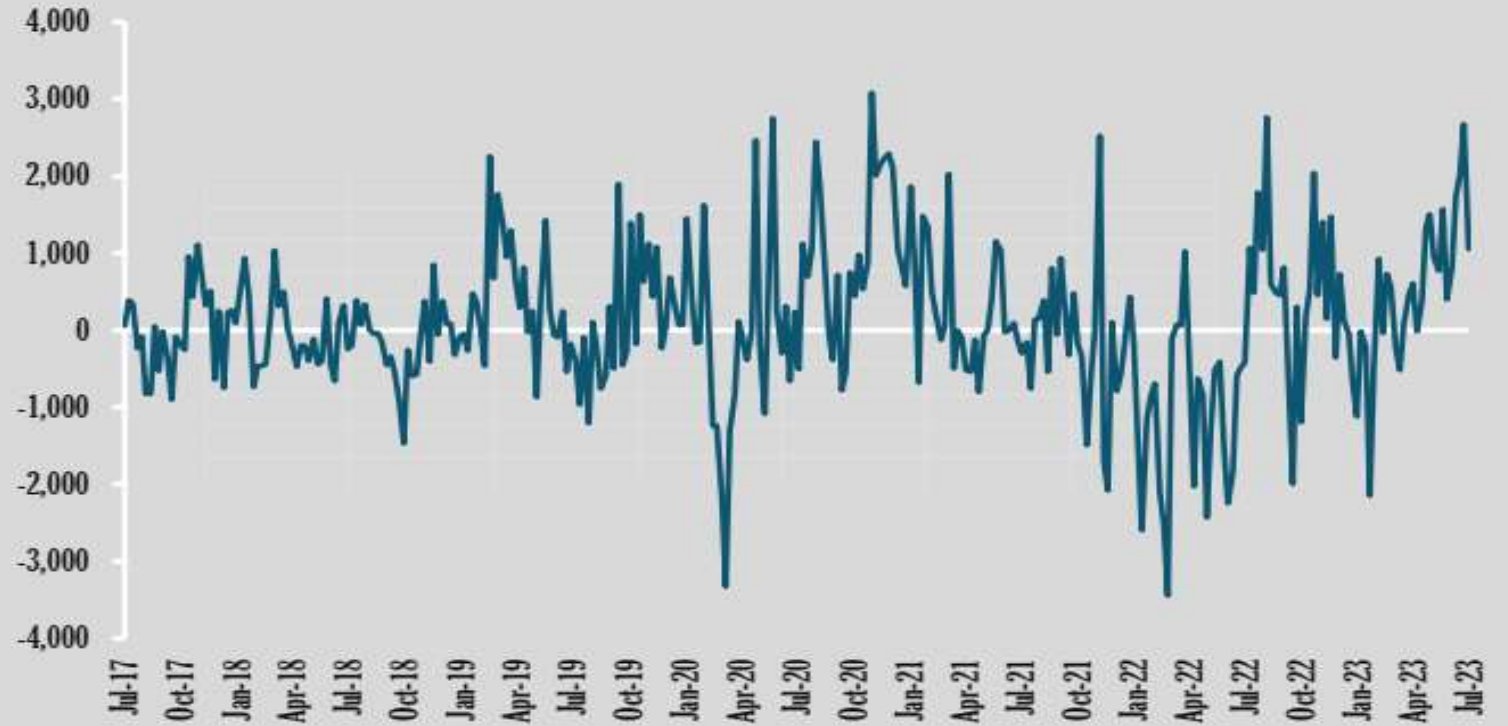
Sensex EPS growth, %



# FPI equity flows turned negative in 2022 but revived in 2023

INDIA WITHSTOOD HUGE FPI OUTFLOW WELL

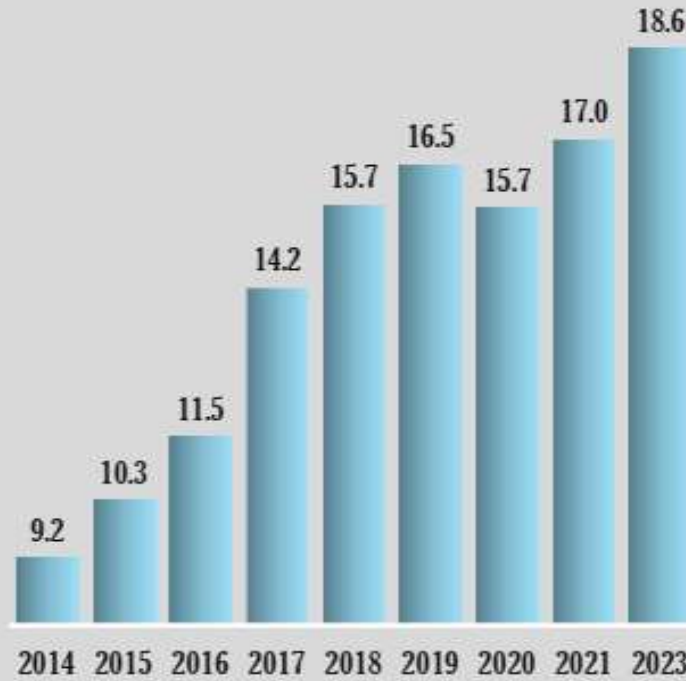
FPI flows to India, 7-day average, US\$ million



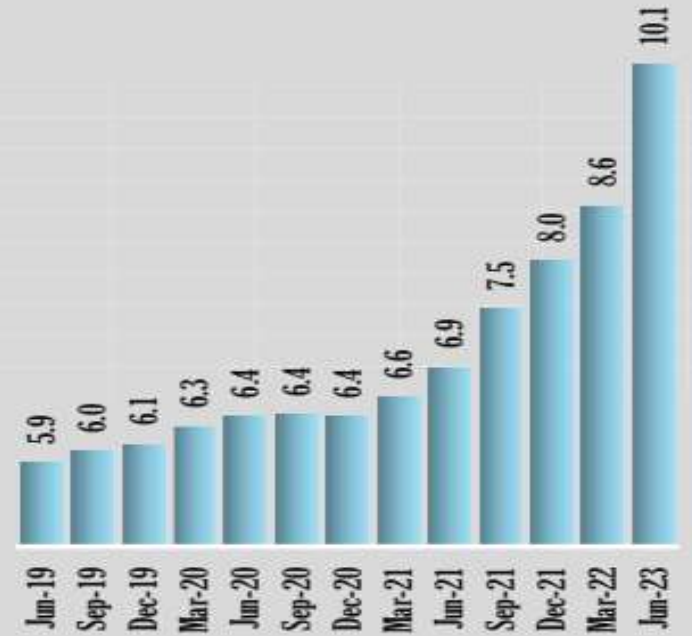
## MF equity ownership doubled since 2014

NUMBER OF MF EQUITY  
FOLIOS CROSSED 10  
CRORE MARK

MF ownership of free-float market capital, %



No of equity mutual fund folio, India, crore

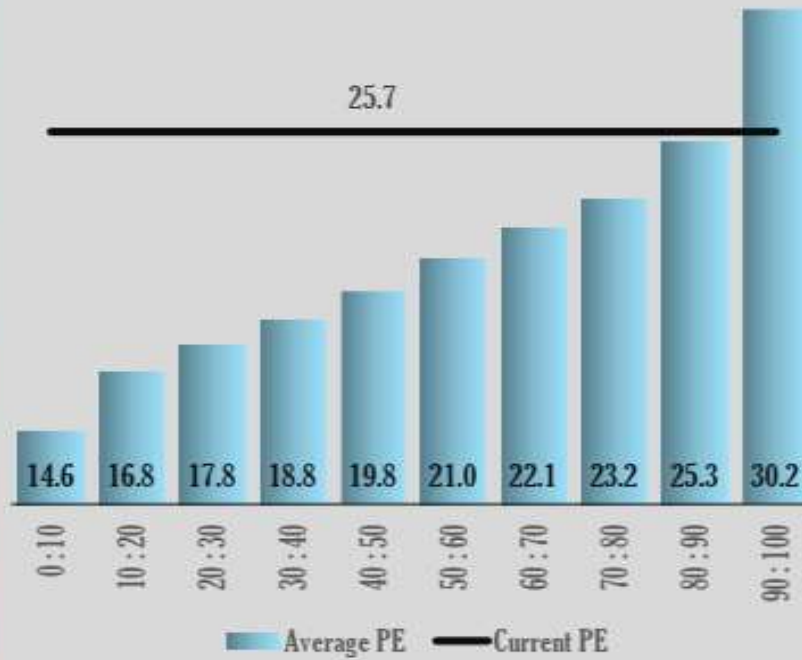




# Equity valuations on trailing basis look expensive

BUILDING IN STRONG EARNINGS GROWTH EXPECTATIONS

Sensex PE range 2003-23, x



Sensex PE range, x



## What the market seems to be factoring in?

WITH EARNINGS  
TRACTIONS VALUATIONS  
TO LOOK REASONABLE



No recession, lower  
raw material cost



Margin expansion,  
reasonable demand



Strong earnings growth  
~ 20% for large cap

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