



Current Market Scenario

Fall in Indices & rises from recent lows



Index	Current Index	2018 high	Earlier fall from peak 2018	Recent fall from peak
Nifty	11075	11760	15%	10%
Nifty Midcap	15967	21841	28%	31%
Nifty small cap	5618	9656	41%	47%

*NIFTY50 (11,087.90, 11,181.45, 11,062.80, 11,109.65)

New Downward Channel

August Meeting

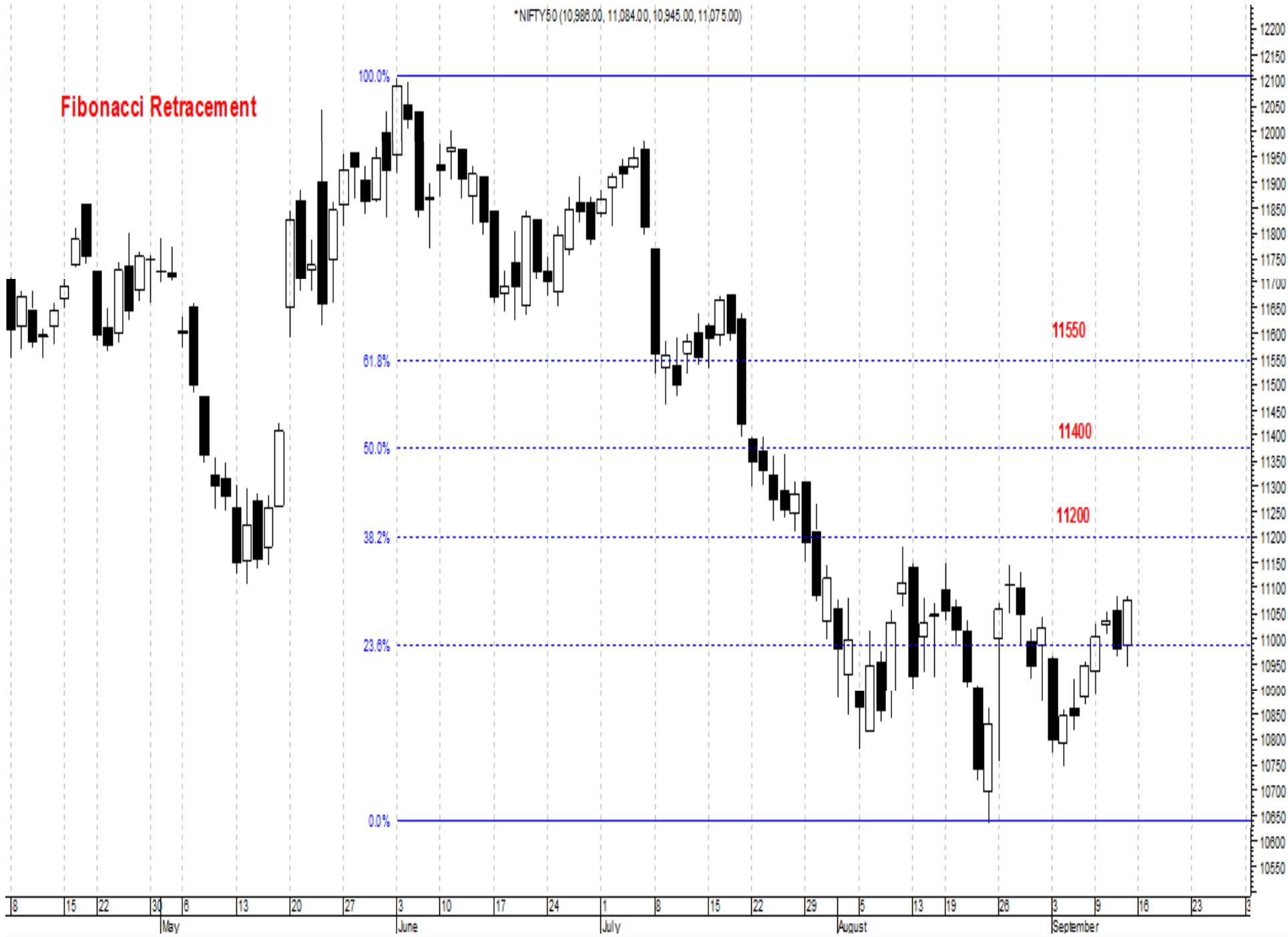


*NIFTY50 (10,988.00, 11,084.00, 10,945.00, 11,075.00)



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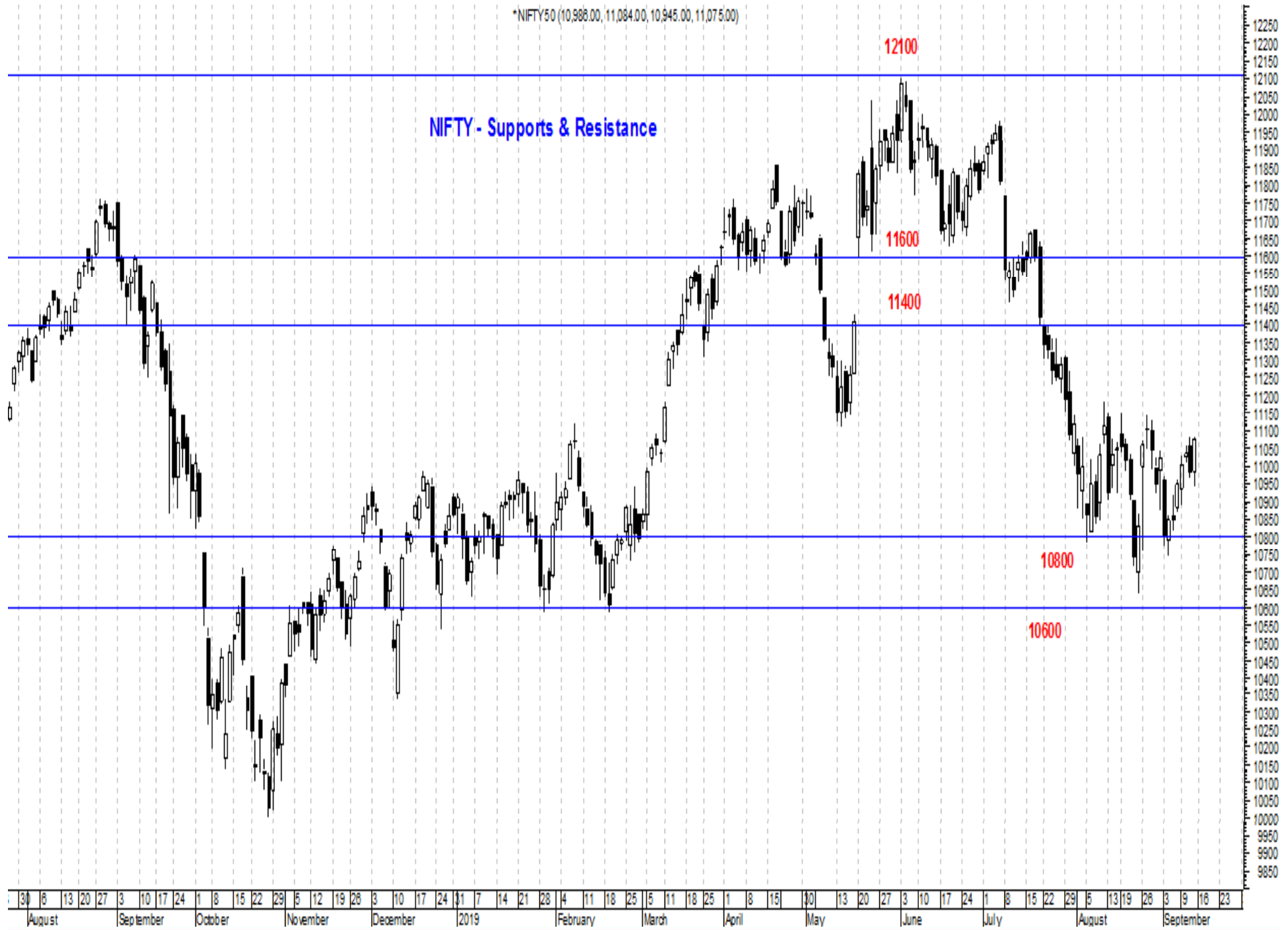
Fibonacci Retracement



8 15 22 30 6 13 20 27 3 June 10 17 24 1 July 8 15 22 29 5 August 13 19 26 3 September 9 16 23

*NIFTY50 (10,988.00, 11,084.00, 10,945.00, 11,075.00)

NIFTY - Supports & Resistance



Markets Sentiments Improve



- Mid and Small caps see pull back rally
- FII selling continues
- Steady Mutual Fund inflows
- Domestic economic data continue to disappoint

INDEX WATCH

INDEX	13, Sep	9, Aug	% Change
Nifty	11,075	11,109	- 0.3
Sensex	37,384	37,581	- 0.5
Nifty Midcap	15,967	15,947	+ 0.1
BSE Small Cap	13,013	12,699	+ 2.4

Govt. Announces Measures To Boost Sentiment



- Roll back of enhanced surcharge for Foreign Portfolio investors
- Additional liquidity support to HFC
- Immediate recapitalisation of PSU Banks
- Quick GST refunds
- Govt. Companies to clear dues faster
- Banks will launch repo rate linked products

Govt. Gets Bounty Money From RBI



- RBI to transfer 1.23 Lakh Cr. of surplus for FY19
- Additionally will transfer 52,637 Cr. of excess provisions identified by Economic Capital Framework
- Govt. Budgeted 90,000 Cr. as transfers from RBI
- Additional money of 86,000 Cr. will cushion fiscal deficit

RBI Transfer To Govt.

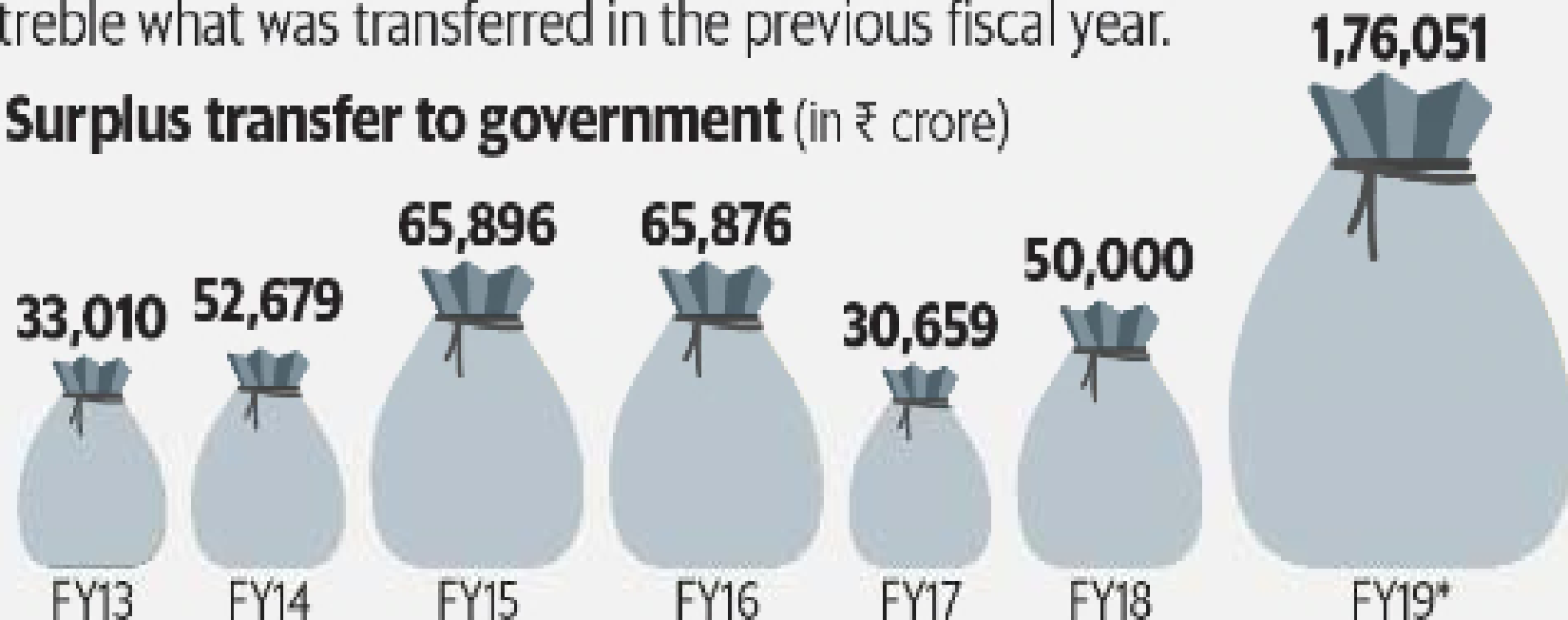


MINT GRAPHITI

WINDFALL GAINS

The record ₹1.76 trillion payout to the Centre is more than treble what was transferred in the previous fiscal year.

Surplus transfer to government (in ₹ crore)



*Includes ₹52,637 crore of excess provisions identified as per the revised Economic Capital Framework

PSU Banks Mega Merger



NextGen PSBs

Consolidated PSBs
for strong national
presence & global reach

82% of PSB business
56% of commercial bank
business

Anchor bank	Amalgamating bank(s)	Business size*	PSB rank by size	CBS
Punjab National Bank	Oriental Bank of Commerce United Bank of India	₹ 17.94 lakh cr.	2nd largest	Finacle
Canara Bank	Syndicate Bank	₹ 15.20 lakh cr.	4th largest	iFlex
Union Bank of India	Andhra Bank Corporation Bank	₹ 14.59 lakh cr.	5th largest	Finacle
Indian Bank	Allahabad Bank	₹ 8.08 lakh cr.	7th largest	BaNCS

SBI	Amalgamated earlier	₹ 52.05 lakh cr.		
Bank of Baroda	Amalgamated earlier	₹ 16.13 lakh cr.		

To strengthen
national presence

Bank	Business size*
Bank of India	₹ 9.03 lakh cr.
Central Bank of India	₹ 4.68 lakh cr.

To strengthen
regional focus

Bank	Business size*
Indian Overseas Bank	₹ 3.75 lakh cr.
UCO Bank	₹ 3.17 lakh cr.
Bank of Maharashtra	₹ 2.34 lakh cr.
Punjab and Sind Bank	₹ 1.71 lakh cr.



* March 2019 financials

PSU Bank Merger Impact



- Govt. uses recapitalisation of PSU banks for merger
- Subject banks will focus on merger process than for business improvement
- Long term positive for banks as it will rationalise cost

GDP Growth Slows Further

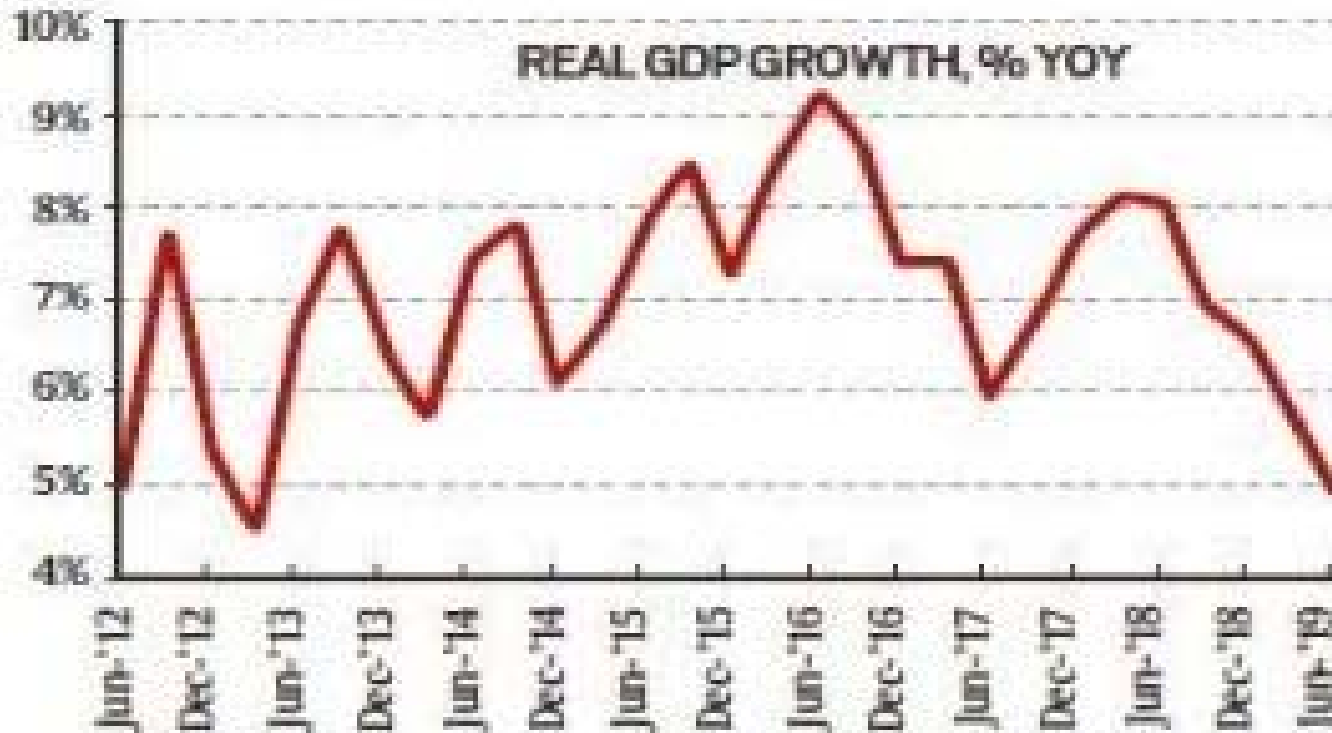




Chart 2: GVA Growth Rate by Economic Activity (%)

Sectors	FY19				FY20
	Q1	Q2	Q3	Q4	Q1
Agriculture	5.1	4.9	2.8	-0.1	2
Industry	9.8	6.7	7	4.2	2.7
Manufacturing	12.1	6.9	6.4	3.1	0.6
Services	7.1	7.3	7.2	8.4	6.9
Total GVA at Basic Price	7.7	6.9	6.3	5.7	4.9

Trend in aggregate revenue growth of 642 companies



Source: Ace Equity, ICRA research

Auto Sales Nosedives



AUTO SALES SLUMP IN AUGUST



Maruti Suzuki

▼ 32.7%
(YoY)

▼ 2.60%
(MoM)



M&M

▼ 25.3%
(YoY)

▼ 10.10%
(MoM)



Tata Motors

▼ 49.1%
(YoY)

▼ 11.50%
(MoM)



Ashok Leyland

▼ 46.90%
(YoY)

▼ 15.50%
(MoM)



Escorts

▼ 16.10%
(YoY)

▼ 17%
(MoM)



Royal Enfield

▼ 23.7%
(YoY)

▼ 2.40%
(MoM)



Hero Moto

▼ 20.7%
(YoY)

▲ 1.40%
(MoM)



TVS Motor

▼ 15.4%
(YoY)

▲ 3.90%
(MoM)



Bajaj Auto

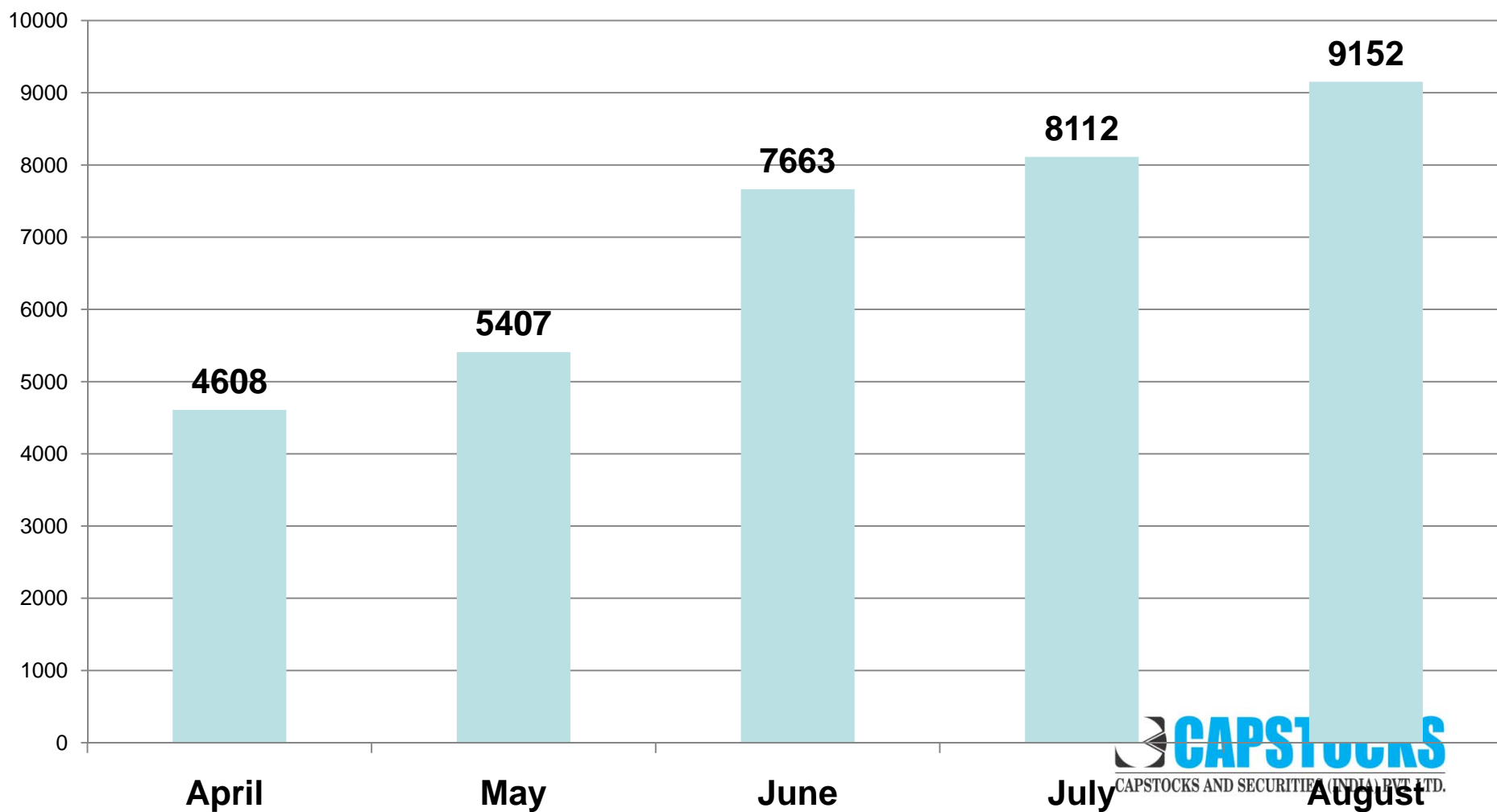
▼ 10.8%
(YoY)

▲ 2.20%
(MoM)

Mutual Fund Inflows Steady



Cr.



Monsoon Update



Seasonal Rainfall (in mm) from 1 June 2019 till today

Region	Actual	Normal	% Departure from Long Period Average
EAST & NORTHEAST INDIA	994.3	1235.3	-20%
NORTHWEST INDIA	499.4	545.8	-9%
CENTRAL INDIA	1068.5	881.9	+21%
SOUTH PENINSULAR INDIA	679.9	619.7	+10%
COUNTRY AS A WHOLE	805.3	783.4	+3%

**All India
Area Weighted
Rainfall (mm)**

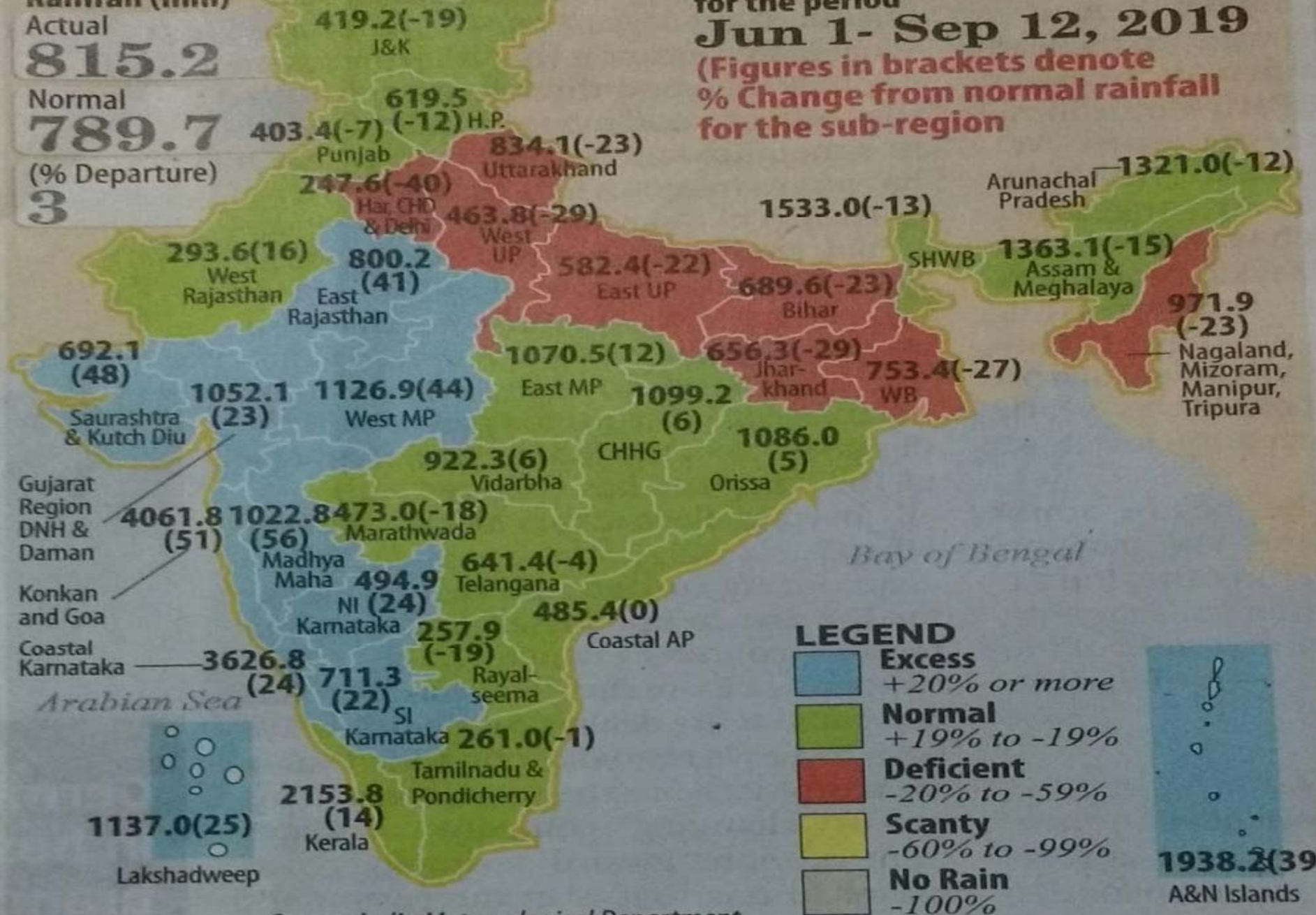
Actual
815.2

Normal
789.7

(% Departure)
3

RAINFALL (mm)

for the period
Jun 1- Sep 12, 2019
(Figures in brackets denote
% Change from normal rainfall
for the sub-region)



LEGEND

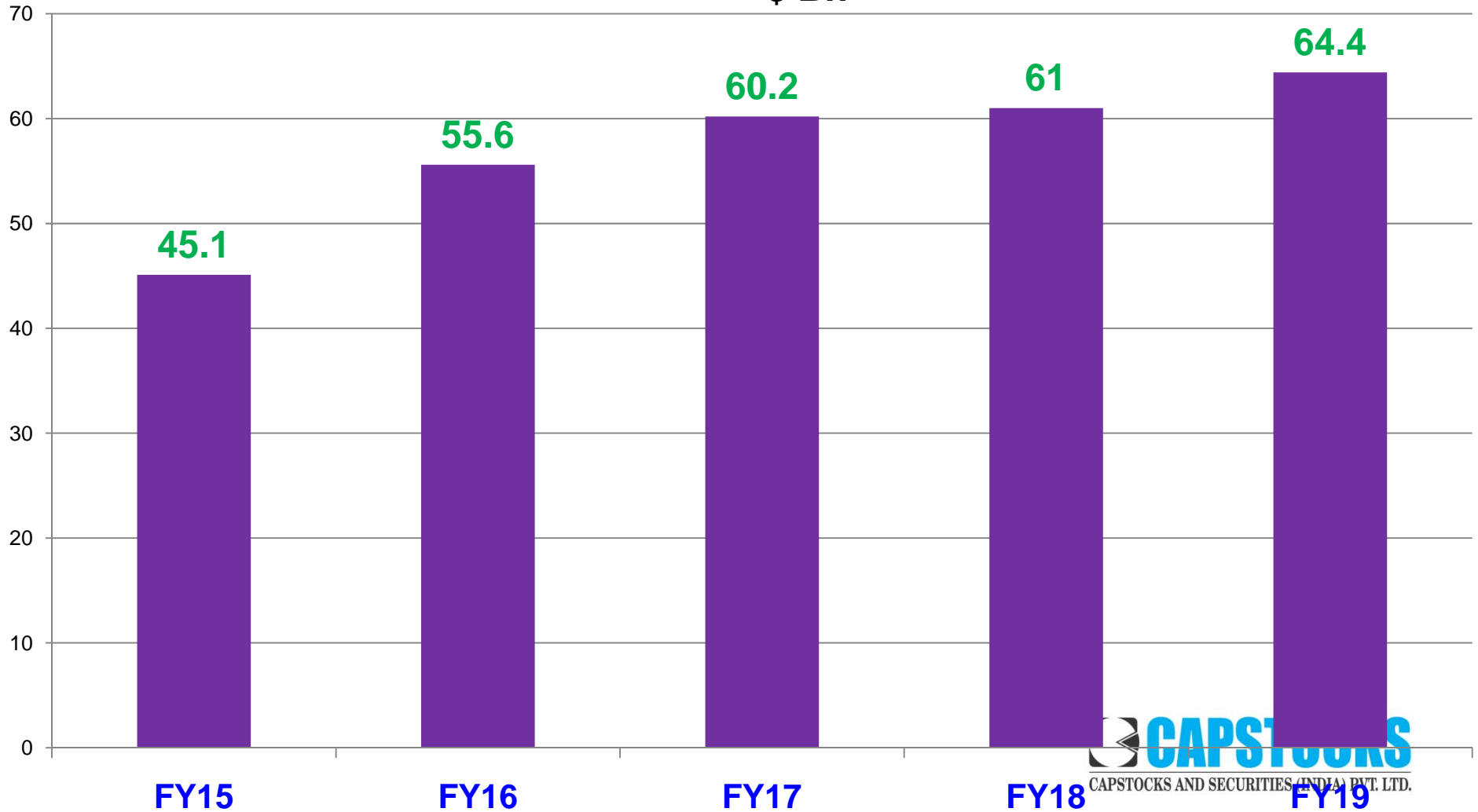
- Excess**
+20% or more
- Normal**
+19% to -19%
- Deficient**
-20% to -59%
- Scanty**
-60% to -99%
- No Rain**
-100%

Source: India Meteorological Department

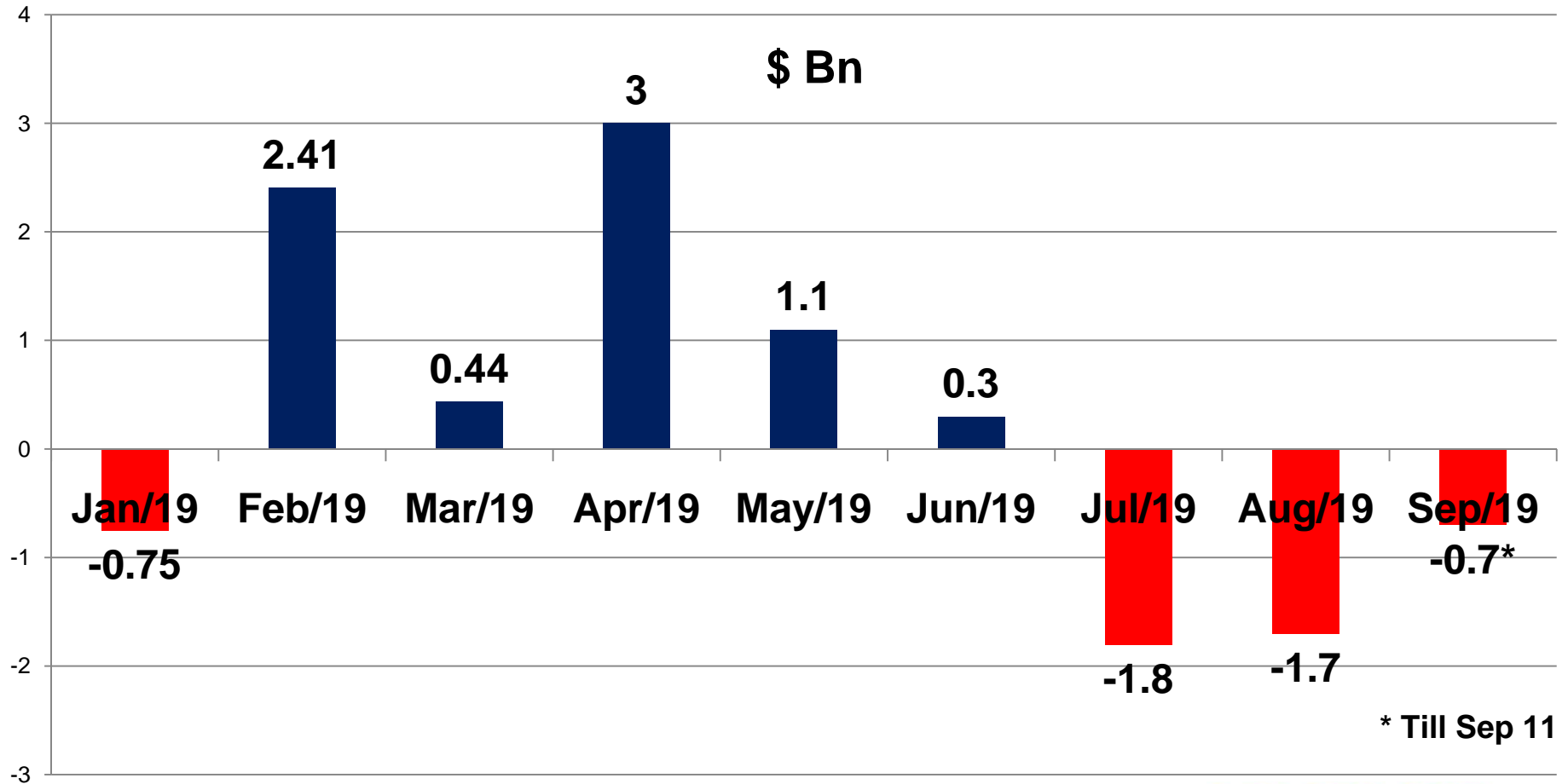
FDI Investments



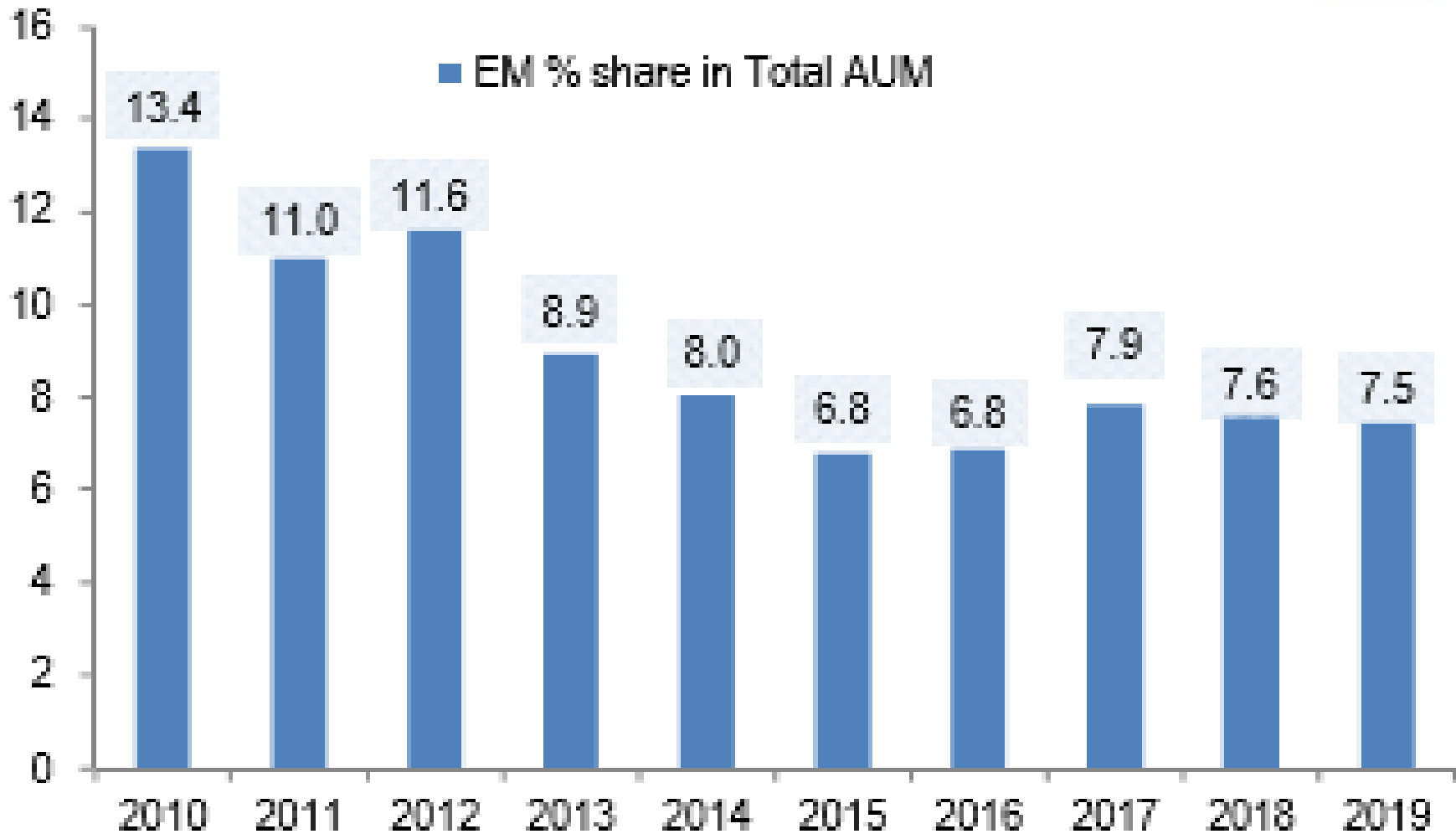
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FII Action



Emerging Markets Share In Global AUM

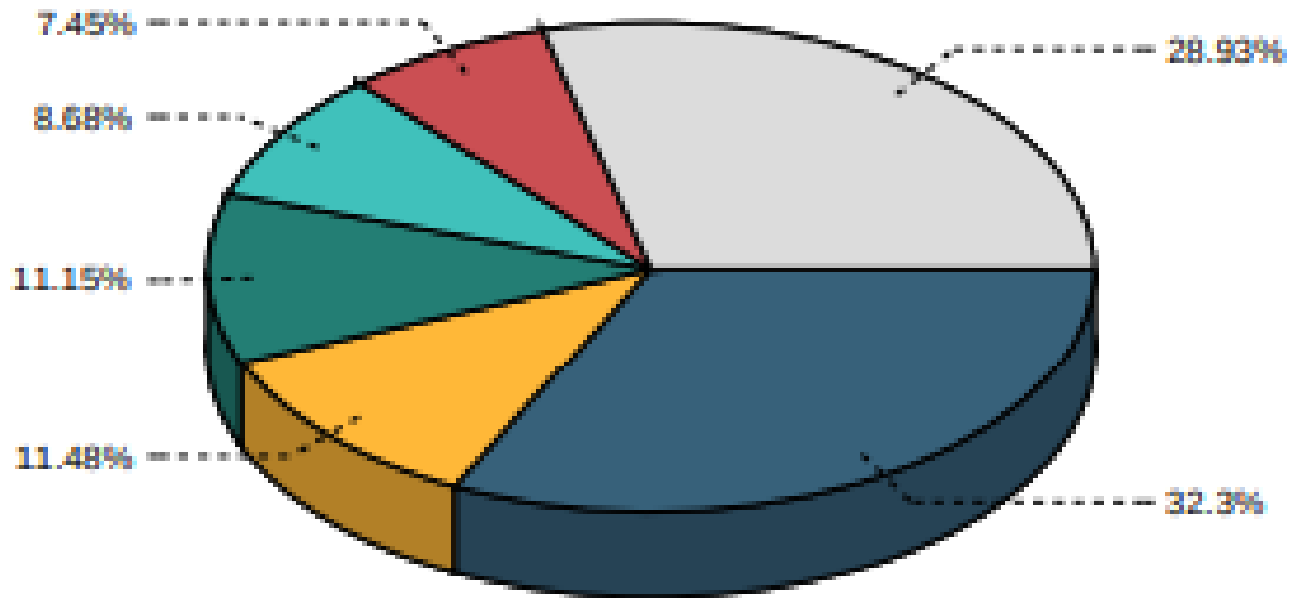


Source: EPFR Global. *Excludes Onshore funds

MSCI Emerging Market Weights



COUNTRY WEIGHTS



- China 32.3%
- South Korea 11.48%
- Taiwan 11.15%
- India 8.68%
- Brazil 7.45%
- Other 28.93%

Events to Watch



- Govt. Action
- Trade War
- FII Activities



Thank You