



# Current Market Scenario

# Markets At All Time High



- Aggressive buying by FPI
- Domestic Economy picks up
- Vaccine news boost sentiment
- Global markets Active

## INDEX WATCH

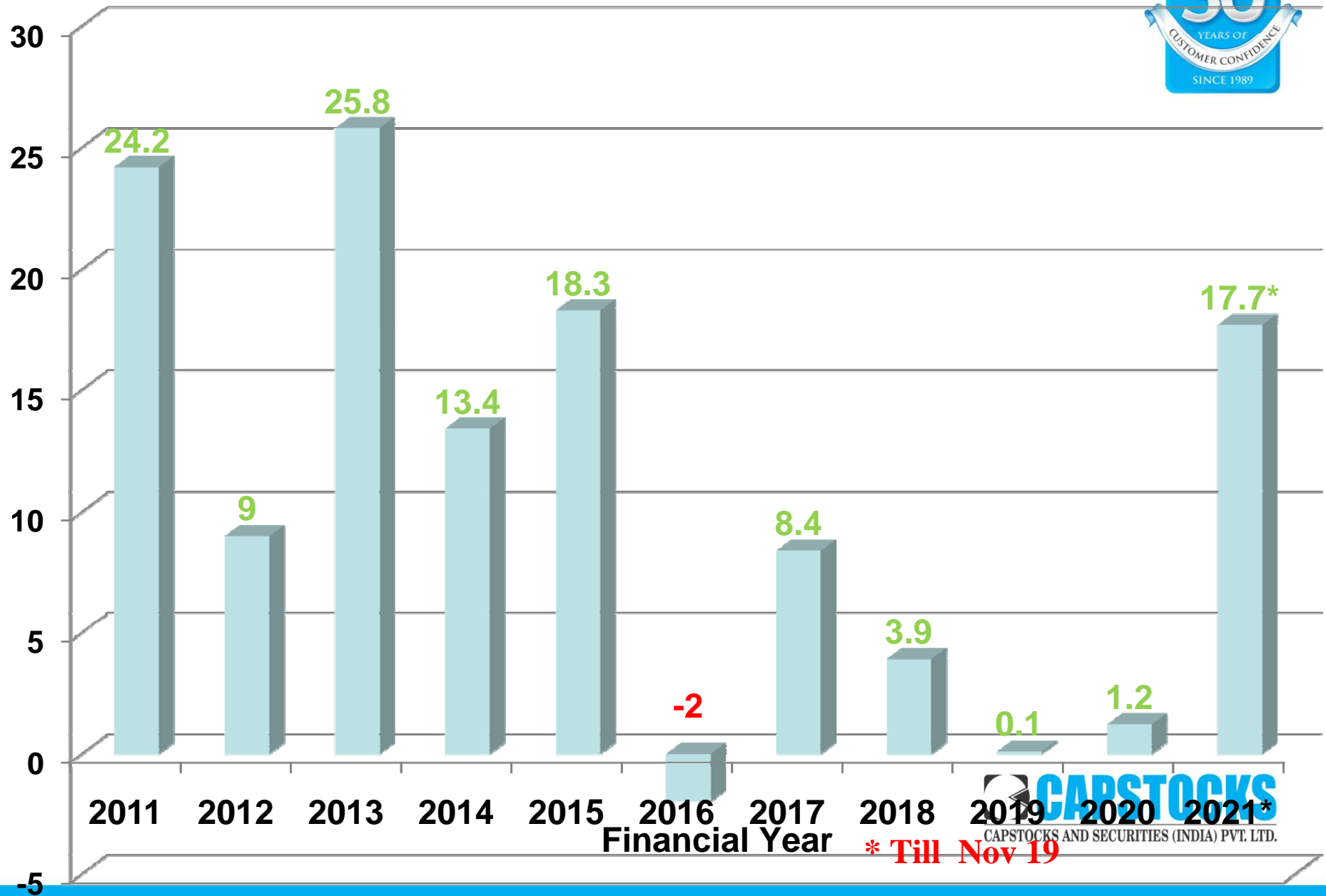
INDEX	21, Nov	9, Oct	% Change
Nifty	12,859	11,914	7.9
Sensex	43,882	40,509	8.3
Nifty Midcap	18,962	17,093	10.9
BSE Small Cap	16,182	14,966	8.1

# FPI Flows



- Foreign investors bought 42,189 Cr. in the month of November (Till 19<sup>th</sup> )
- More flows to continue on MSCI rebalancing

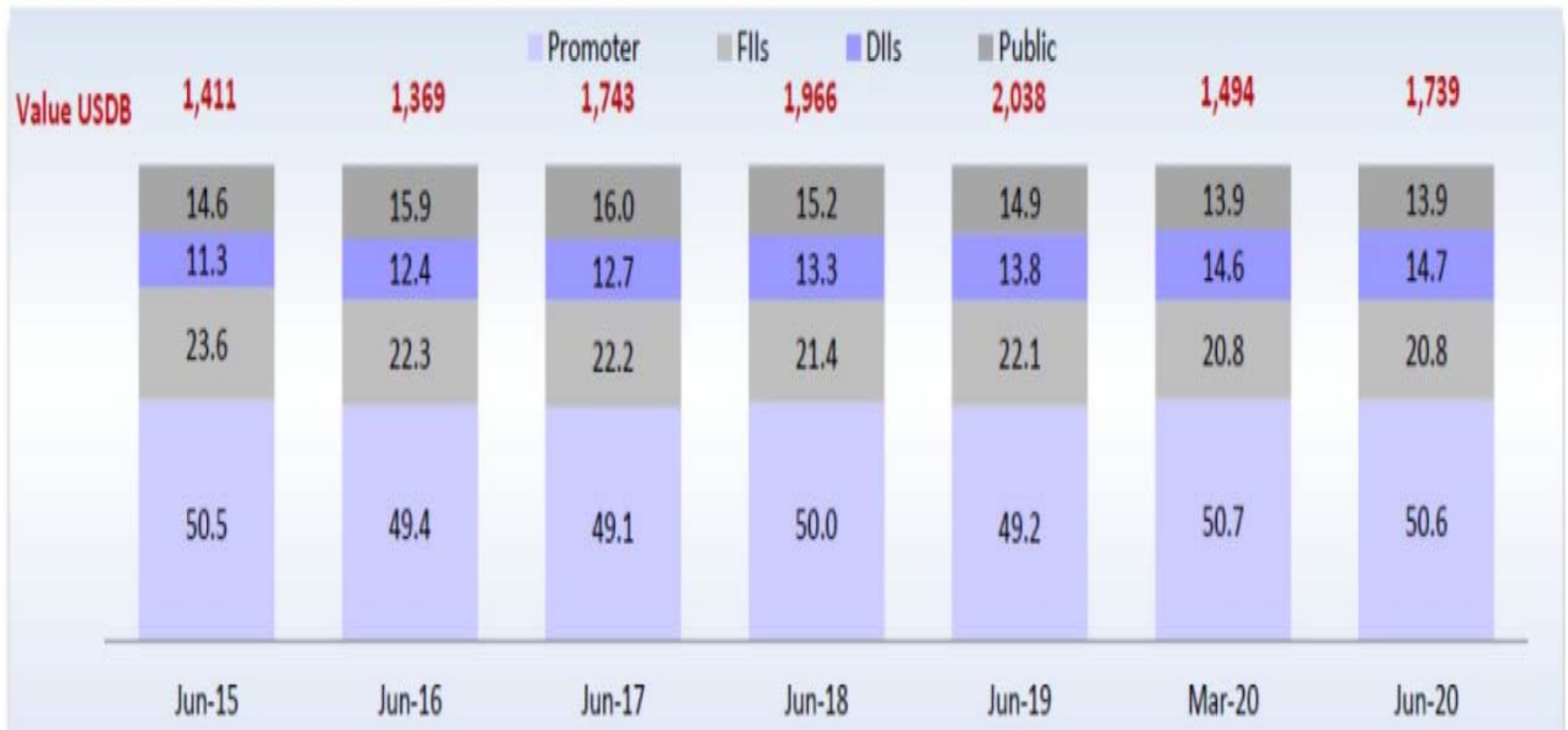
# FPI Flows in US Bn \$



# FII Ownership Down in Last 5 Years



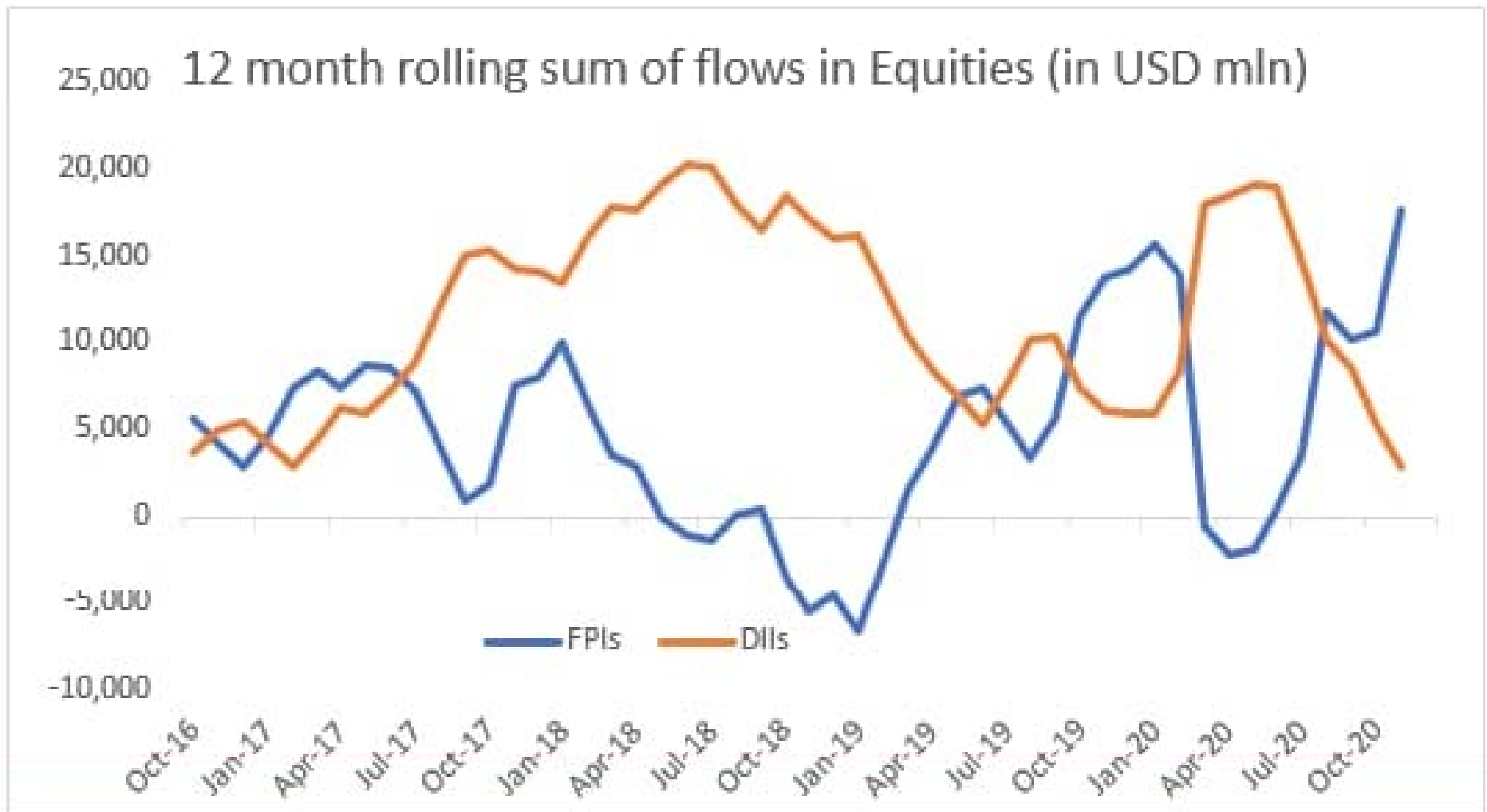
Nifty 500: FII holding down unchanged QoQ in Jun'20



# Dollar Index



# FPI Vs DII Flows



FPI figures for Nov is taken till 18<sup>th</sup> Nov plus 3.12 bln. ~~bln.~~ bln. USS which is expected as MSCI inflows on Nov 27<sup>th</sup>

# Vaccine News Boost Sentiment



- Pfizer says its experimental Covid-19 vaccine is 95% effective
- Moderna's Vaccine over 94.5% effective
- Public likely to be vaccinated in 2021

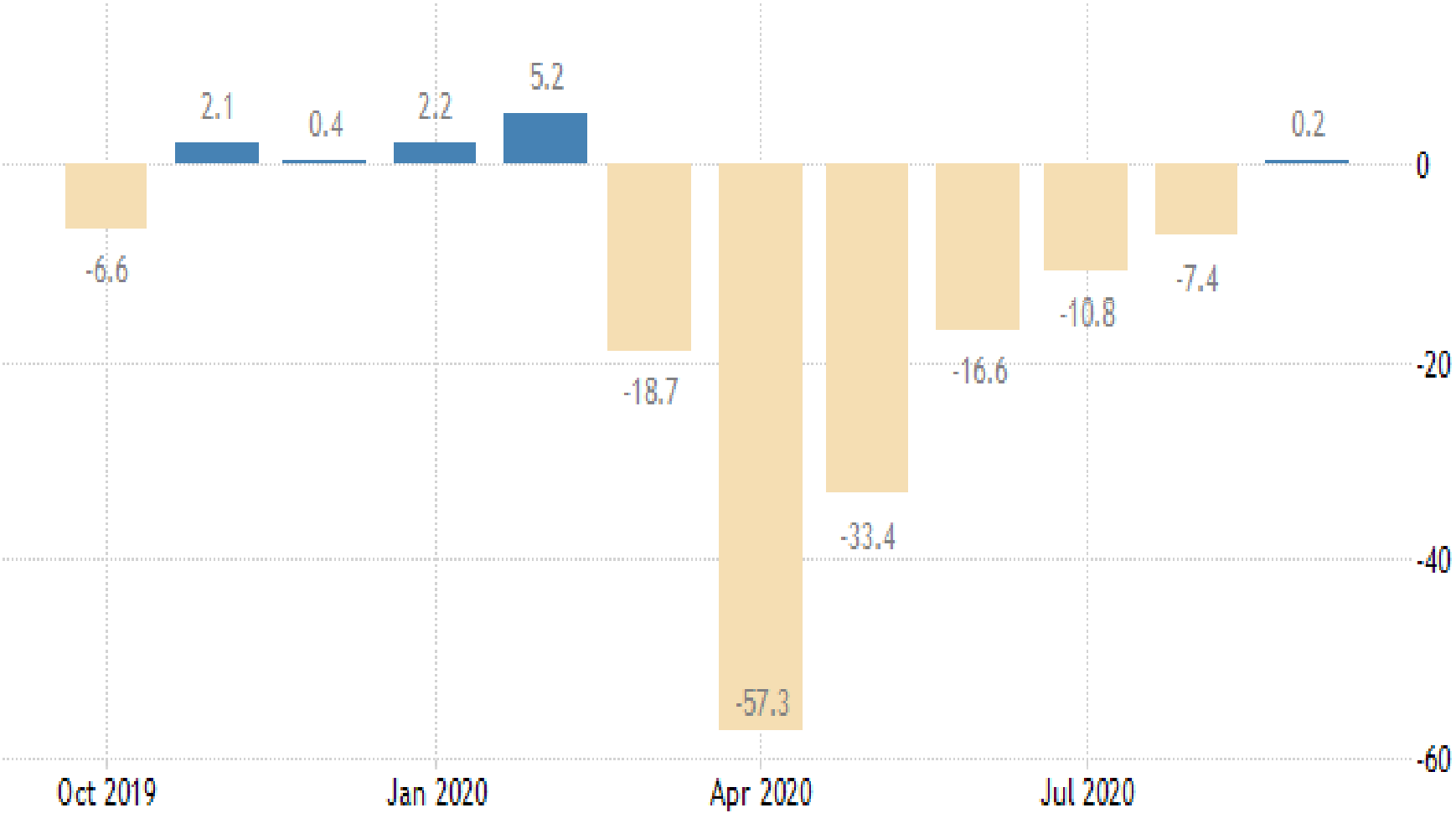


# Domestic Macro Data Continue To Revive



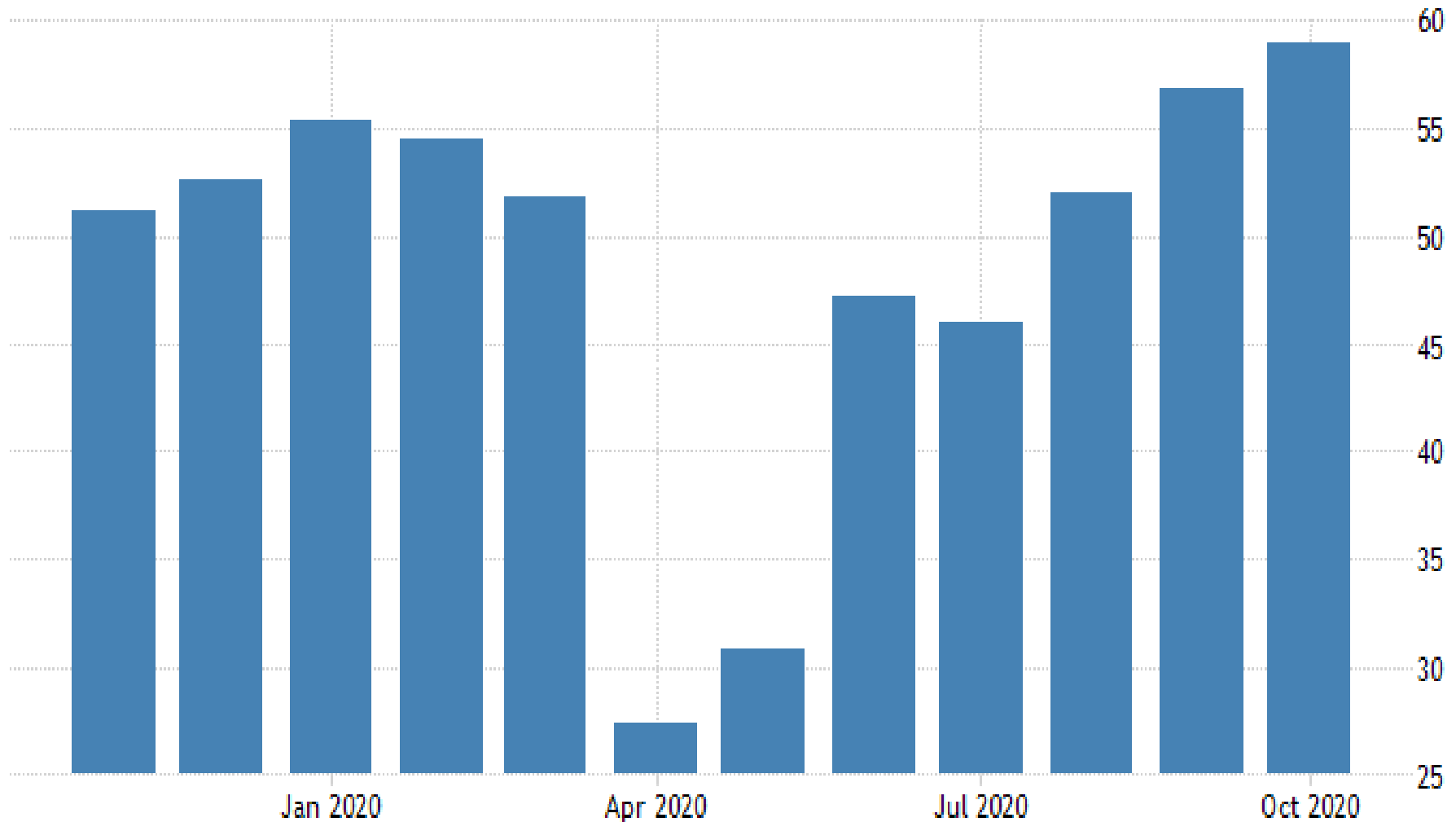
- Strong GST Collections
- Auto sales remain strong
- Robust PMI data
- IIP turns positive for September

# IIP Data Turns To Positive

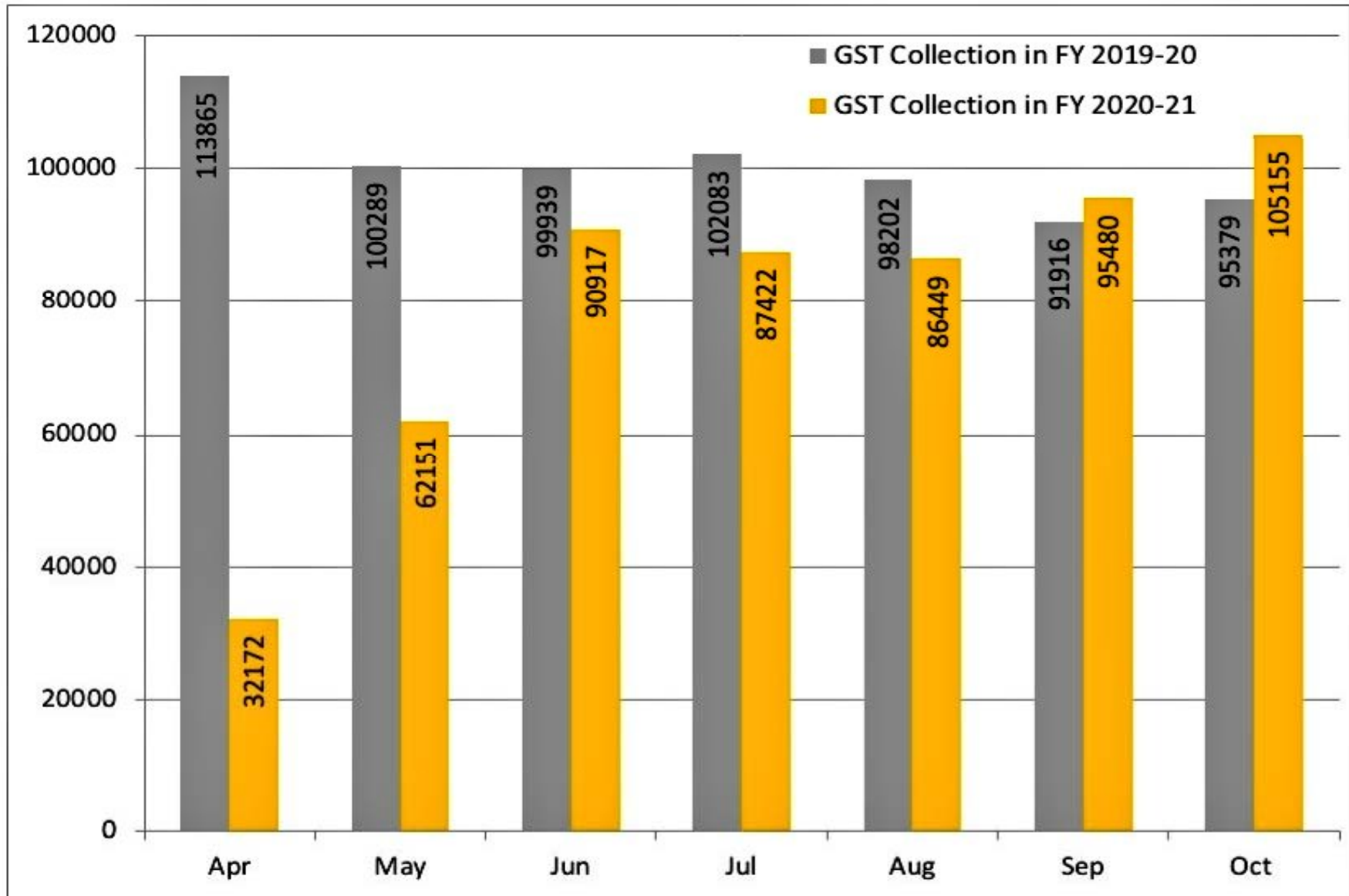


SOURCE: TRADINGECONOMICS.COM | MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION (MOSPI)

# Manufacturing PMI- Highest in over 8 Years



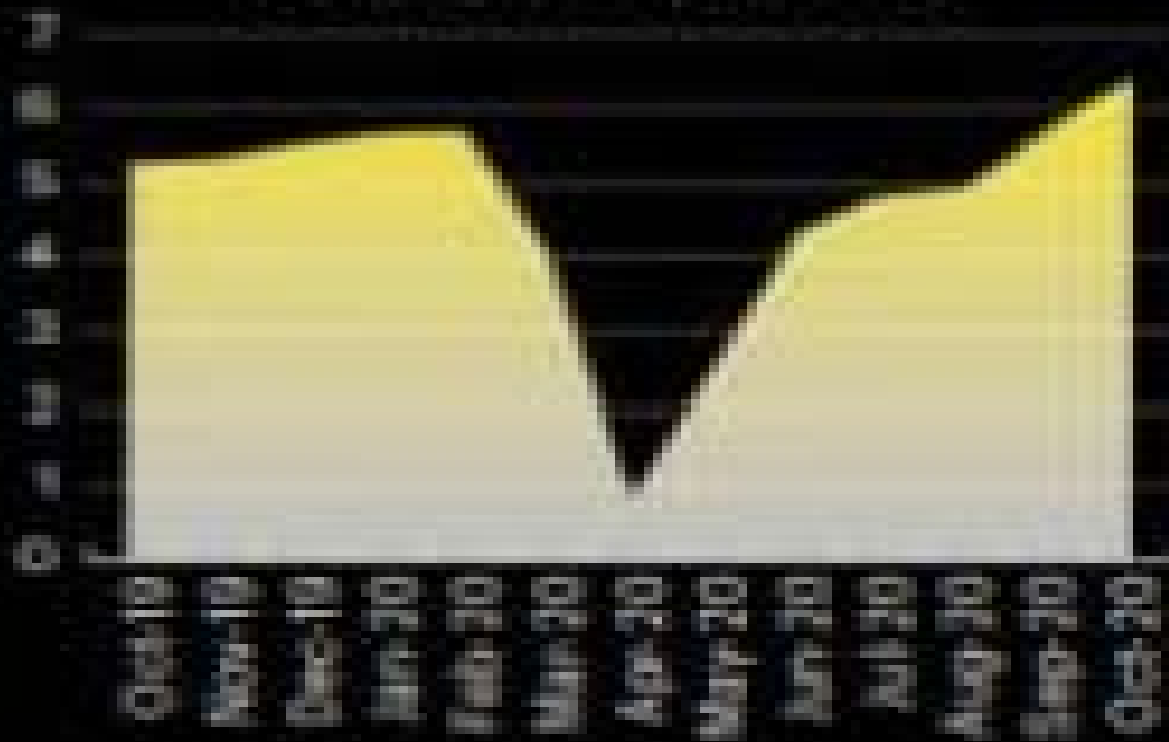
# GST Collections Strong





## Record E-way Bills Generated in October

E-WAY BILLS (in crore)



# Strong Domestic Auto Sales



## Domestic auto sales: On fast track

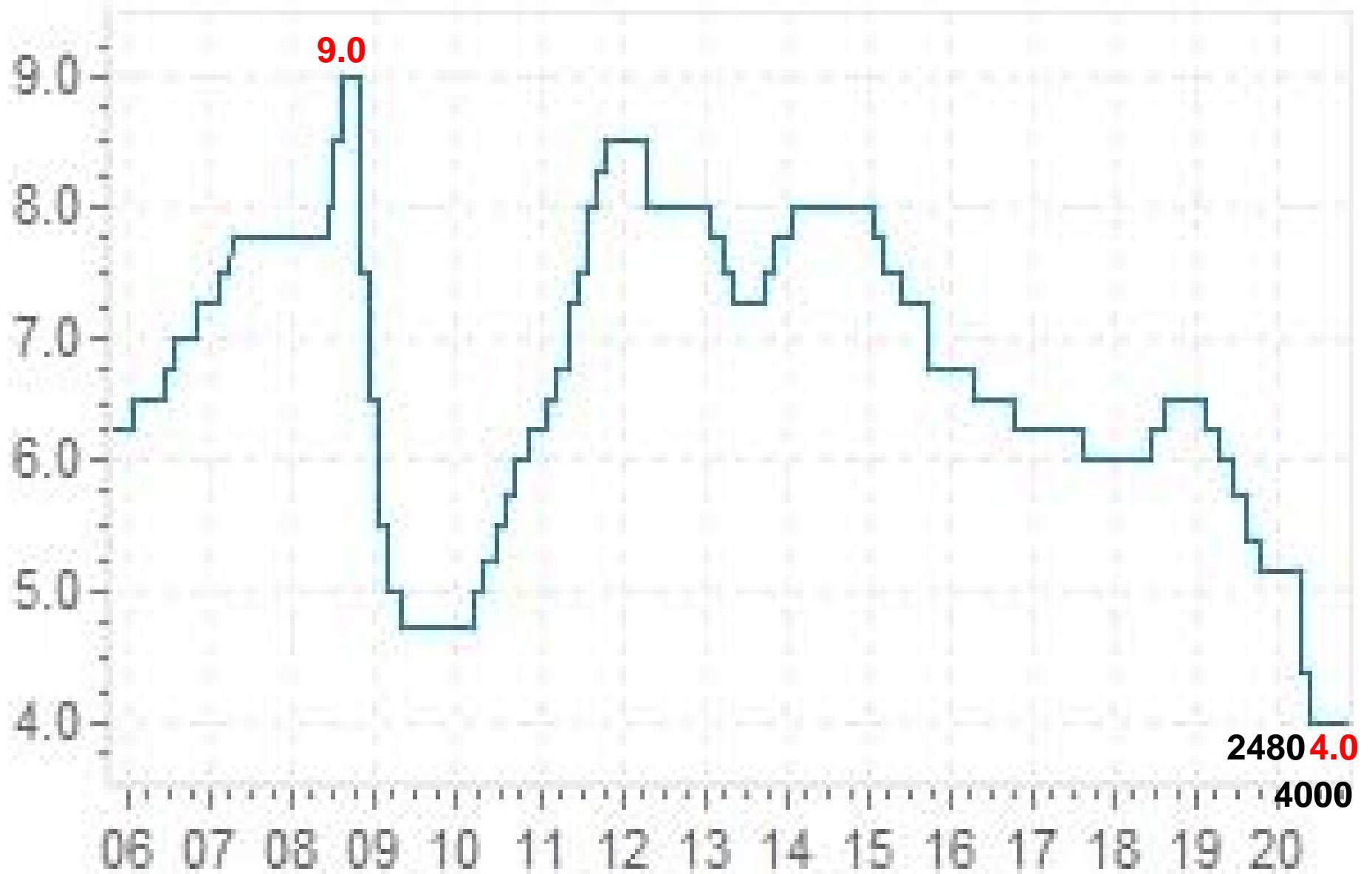
(in units)

	Oct 2020	Oct 2019	% change
Passenger cars	1,82,692	1,66,568	10
<b>Total passenger vehicles</b>	<b>3,10,294</b>	<b>2,71,737</b>	<b>14</b>
<b>Total three-wheelers</b>	<b>26,187</b>	<b>66,985</b>	<b>-61</b>
Scooters	5,90,507	5,80,120	2
Motorcycles/step-throughs	13,82,749	11,16,886	24
<b>Total two-wheelers</b>	<b>20,53,814</b>	<b>17,57,180</b>	<b>17</b>



Source: SIAM

# RBI Repo Rate



# Two Years of Good Monsoon



Monsoon year	Onset	Seasonal rainfall (% of LPA)
2011	May 31	102
2012	June 15	95
2013	June 1	106
2014	June 6	88
2015	June 5	86
2016	June 8	97
2017	May 30	95
2018	May 29	91
2019	June 8	110
<b>2020</b>	<b>June 1</b>	<b>109</b>



# Q2 Results



- Overall results better than expected
- Cost savings and fall in raw material prices boost margins
- Many companies reduced debt on lower working capital
- Inventory levels are low

# Comfortable Liquidity Condition



- Companies are comfortably sitting with good liquidity
- Receivables and inventories down sharply
- Govt too disbursed decent money for projects
- If demand sustains then capex will definitely come

# US Elections - Uncertainty Over



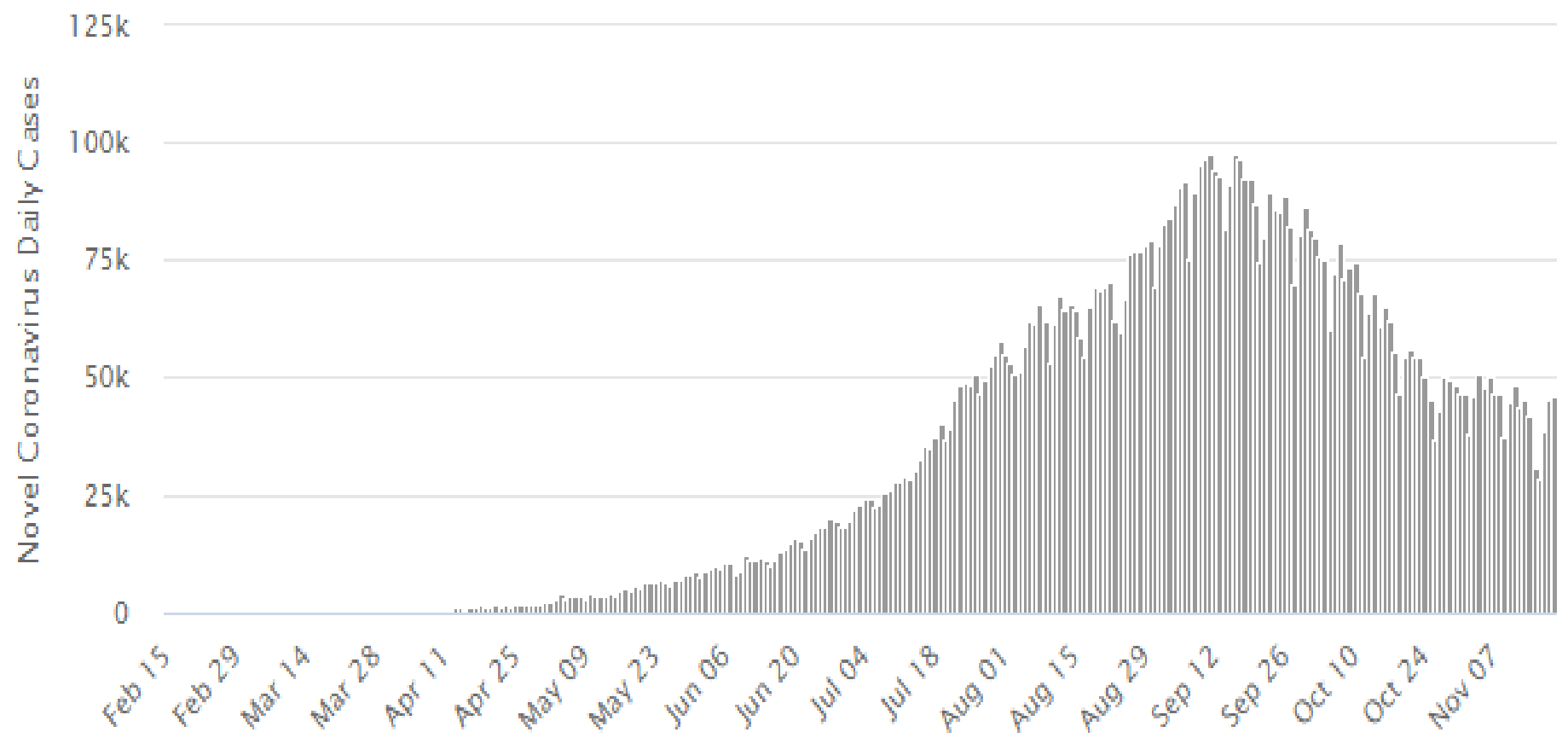
- Joe Biden to be next US President
- Policy difference between Biden and Trump
- Stimulus will continue
- Biden to spend money on infra and economic development
- Likely to hike Tax

# India Covid Daily Cases



## Daily New Cases

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



# Global Covid Cases



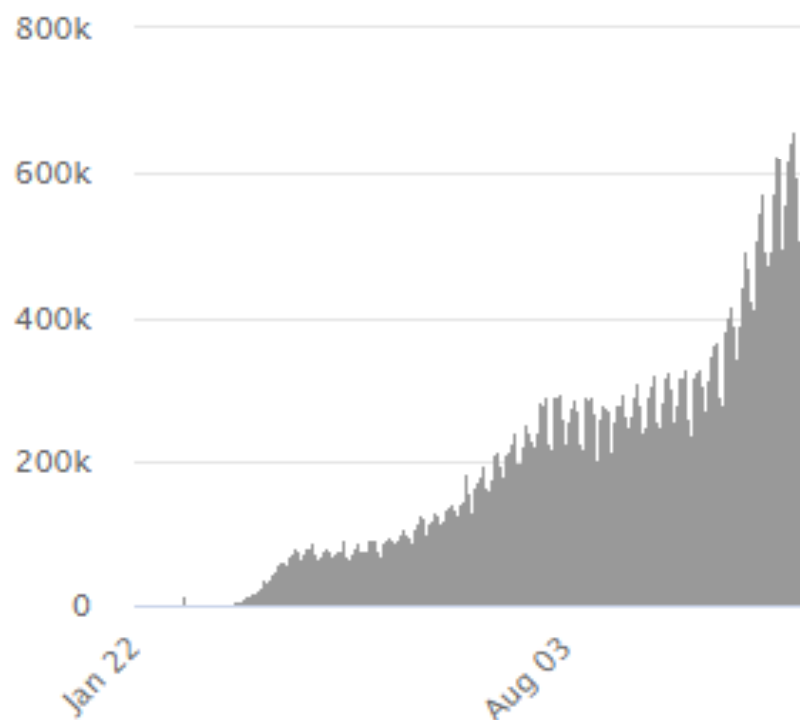
daily

linear

logarithmic

## Daily New Cases

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



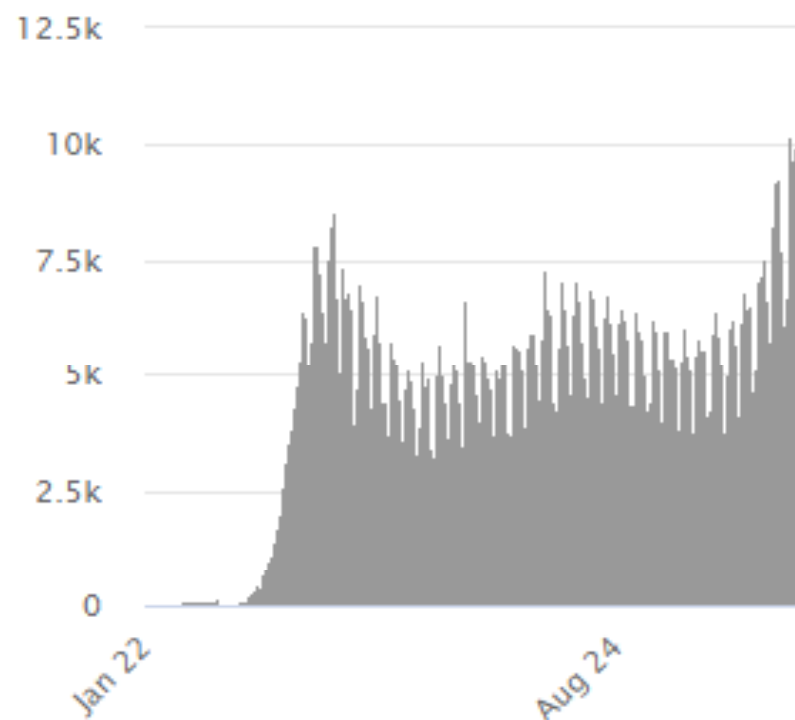
daily

linear

logarithmic

## Daily Deaths

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



# Is P/E Ratio investing Dead ?



- Many companies are trading at extremely high P/E ratios
- Theoretically P/E ratio are inverse to interest rates
- Low interest implies high P/E ratio
- P/E ratio will normalise once interest rate starts going up

# Events to Watch



- Vaccine Status
- FPI Action
- Economic Recovery



**Thank You**