

Global headwinds the only major concern

- India's YTD underperformance against global markets appears to be reversing, with outperformance in May
- Global headwinds, including US rate uncertainty and structurally low growth in China, continue to pose near term-risks to the market
- Requisite building blocks are in place for a high growth trajectory for India and, hence, we retain our long-term bullish view

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Indian market fairly valued: The Nifty50 remains a laggard among major global indices thus far in 2023 but has outperformed most markets in May. India's BEER remains elevated and is now moderately higher than its 5Y average while the Nifty50's 12M forward P/E multiple is close to its 5Y mean, indicating that the Indian market is fairly valued.

Sectoral performance: FMCG, auto and realty continued their good runs, with Nifty Auto the best performing sectoral index during May (up 7.7%) followed by Nifty Realty (7.6%) and Nifty FMCG (6.8%), against Nifty50 returns of 2.6%. Large-caps underperformed mid- and small-cap stocks.

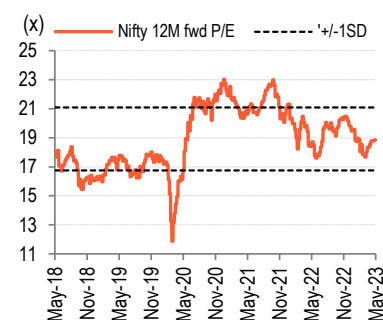
Q4FY23 commentary positive: Listed Indian companies have posted ~13% YoY growth at the revenue and 16% growth at the net income level so far in Q4FY23. Management commentary has been broadly positive, particularly from the bank, consumption and auto sectors.

Macro climate largely stable: India's 10Y bond yield declined ~11bps in May as inflation concerns abated, and consensus now expects a pause on rate hikes by the RBI over the near term. CPI moderated to an 18-month low of 4.7% in April while the WPI print was a sub-zero -0.92%.

Global outlook mixed: We believe US rate uncertainty will linger despite debt limit agreements as inflation remains sticky. We continue to expect secular low growth in China given structural issues within its real estate sector and a slowdown in its belt and road projects. A moderating Europe is another headwind for China's export-based GDP.

India outlook positive: As indicated in our previous notes, we remain neutral on the Nifty50 near term (CY23) due to global headwinds but believe the building blocks are in place for a sustained, high growth phase in the Indian economy. See our strategy note, [Clear mass premiumisation trends](#), of 14 Mar 2023 for details. An inability to sign significant trade agreements with large consuming blocks/countries or sustained trade disputes will pose downside risks to the market, in our view.

Nifty valuation close to 5Y average



Source: Refinitiv, BOBCAPS Research



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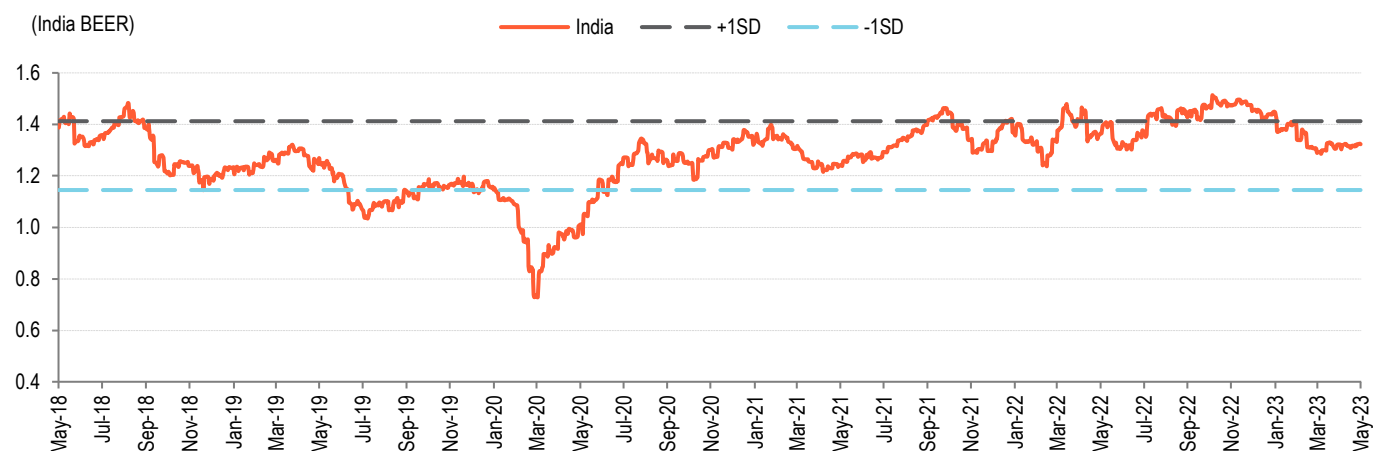
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Focus charts

Fig 1 – India BEER (Bond Equity Earnings Yield Ratio) is moderately higher than its 5Y average



Source: Refinitiv, BOBCAPS Research

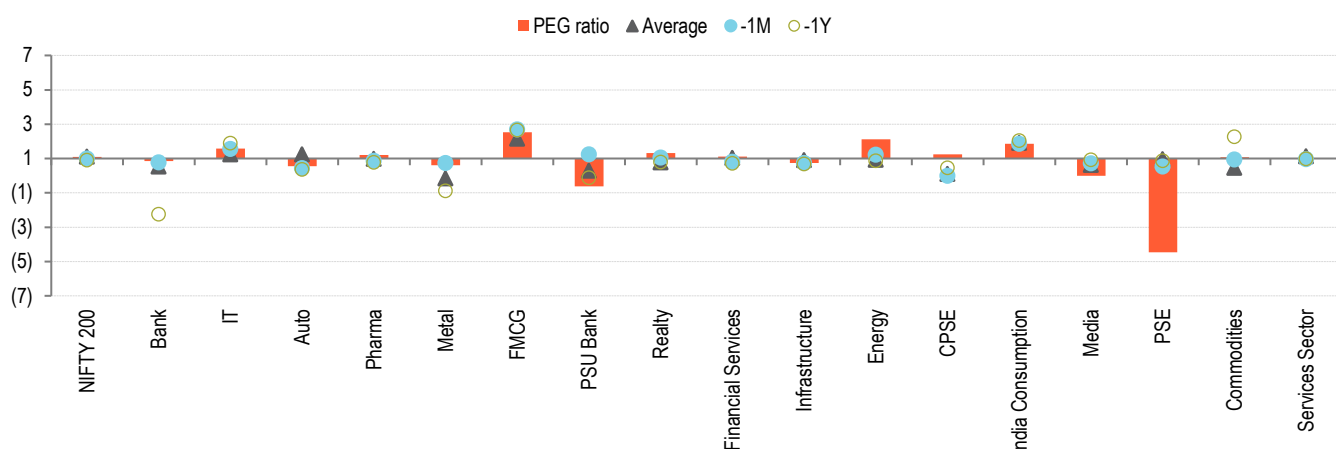
Fig 2 – Q4FY23 result and outlook summary

Sectors	Overall outlook	Growth outlook	Margin outlook
Consumer Durables	Neutral	Neutral	Neutral
Capital Goods	Positive	Robust	Robust
Utilities	Neutral	Neutral	Robust
Oil & Gas	Neutral	Neutral	Neutral
Metals	Neutral	Neutral	Neutral
Auto	Positive	Robust	Robust
Cement	Positive	Neutral	Neutral
FMCG	Neutral	Robust	Robust
IT	Neutral	Neutral	Neutral
Pharma	Neutral	Neutral	Neutral
Banks	Positive	Robust	Neutral
Insurance	Positive	Robust	Neutral
Financial Services	Positive	Robust	Robust

Source: BOBCAPS Research

Valuations and Returns: May 2023

Fig 3 – Nifty: 12M forward PEG ratio



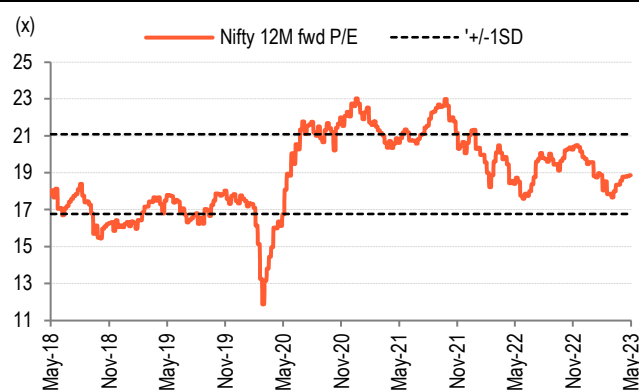
Source: Bloomberg, BOBCAPS Research | Note: We calculate PEG ratio as trailing 12M P/E divided by 12M forward earnings. We only consider numbers between -10 and 10 in our calculations.

Fig 4 – Returns across Nifty and global indices (in local currency)

(%)	1D	1W	1M	3M	6M	YTD	1Y	3Y	5Y
Nifty 50	(0.5)	1.4	2.6	7.1	(1.2)	2.4	11.8	93.5	72.6
Nifty Next 50	0.2	2.6	6.4	12.9	(3.8)	(0.3)	7.9	74.7	43.8
Nifty 200	(0.3)	1.6	3.4	8.5	(1.5)	1.8	11.2	95.9	68.5
Nifty 500	(0.2)	1.6	3.6	8.6	(1.1)	2.1	11.7	101.6	69.3
NIFTY Midcap 100	0.4	2.2	6.2	12.1	5.4	7.1	19.3	154.4	78.6
NIFTY Smallcap 100	1.0	2.2	5.1	11.0	1.9	4.5	10.4	154.0	29.8
NSE NIFTY Smallcap 250	0.8	1.9	5.5	11.1	2.7	4.6	14.3	180.1	57.6
Nifty Dividend Opp 50	(0.3)	1.5	3.8	6.8	5.0	8.4	16.0	92.5	54.2
NIFTY100 ESG	0.0	1.9	4.8	8.8	(2.5)	1.5	6.9	87.2	72.8
S&P 500	0.0	0.3	0.9	5.9	3.1	9.5	1.8	38.1	55.5
Stoxx 600	(0.3)	(0.5)	(2.4)	(1.3)	3.5	7.2	2.7	29.9	18.9
Nikke 225	(1.4)	0.7	7.0	12.5	10.4	18.4	13.2	41.2	39.1
FTSE 100	(0.2)	(3.3)	(4.6)	(4.7)	(0.9)	0.7	(1.3)	23.5	(2.2)

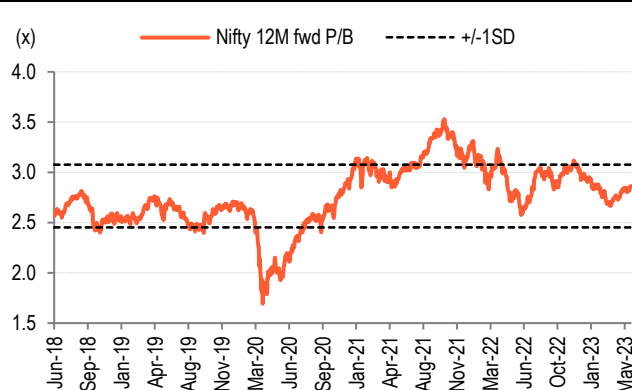
Source: Bloomberg, BOBCAPS Research

Fig 5 – Nifty: 12M forward P/E is close to its 5Y average



Source: Refinitiv, BOBCAPS Research

Fig 6 – Nifty: 12M forward P/B

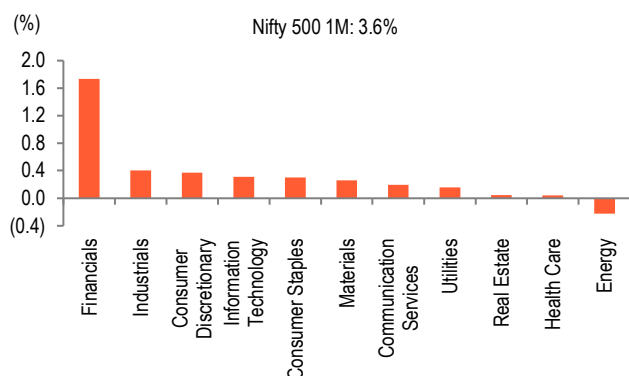


Source: Bloomberg, BOBCAPS Research

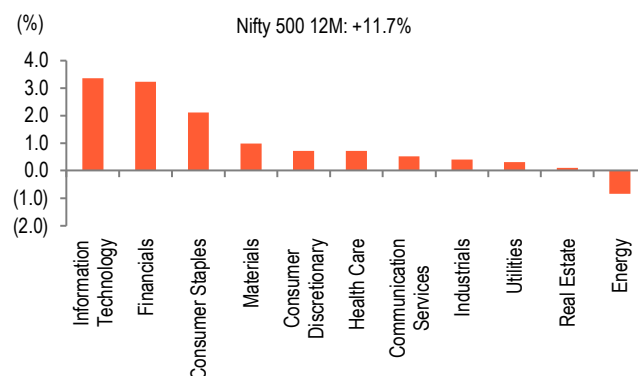
Fig 7 – Returns across sectoral Nifty indices

(%)	1D	1W	1M	3M	6M	YTD	1Y	3Y	5Y
Nifty 50	(0.5)	1.4	2.6	7.1	(1.2)	2.4	11.8	93.5	72.6
Nifty Bank	(0.7)	1.0	2.1	9.6	2.1	2.7	24.3	128.7	63.7
Nifty IT	0.1	1.5	5.8	(1.2)	(3.5)	2.4	(1.2)	109.3	114.5
Nifty Auto	0.1	1.5	7.7	11.5	7.3	12.6	22.5	128.3	29.1
Nifty Pharma	0.6	1.9	0.5	7.9	(3.5)	0.6	0.6	29.8	54.2
Nifty Metal	(0.8)	0.6	1.6	11.8	(10.3)	(12.4)	10.5	213.3	63.9
Nifty FMCG	0.2	3.4	6.8	13.6	12.1	15.6	31.8	74.2	77.1
Nifty PSU Bank	(0.2)	1.1	(3.3)	10.2	0.7	(6.7)	56.5	256.7	35.7
Nifty Realty	0.8	3.7	7.6	21.8	6.4	10.9	16.3	165.9	62.3
Nifty Financial Services	(0.8)	1.1	1.5	8.1	0.4	2.4	18.0	104.1	74.7
Nifty Infrastructure	(0.2)	1.5	1.9	8.8	0.2	4.0	11.9	91.9	63.7
Nifty Energy	(1.4)	(0.9)	0.6	10.1	(12.7)	(7.7)	(6.9)	82.8	76.5
Nifty CPSE	(1.0)	(1.3)	1.3	7.4	8.2	10.6	18.7	119.8	27.5
Nifty India Consumption	0.5	2.8	6.2	12.0	0.7	5.5	15.2	72.8	58.1
Nifty Media	0.3	3.7	2.4	3.0	(17.0)	(11.9)	(14.5)	49.1	(44.8)
NIFTY Private Bank	(0.5)	1.4	2.7	9.1	2.1	2.8	24.1	112.3	47.3
Nifty PSE	(0.5)	0.1	2.5	9.3	7.7	9.9	17.6	102.6	24.6
Nifty Commodities	(0.9)	0.6	1.1	8.8	(3.9)	(1.7)	6.7	114.4	58.6
Nifty Services Sector	(0.5)	1.0	1.9	5.3	(5.8)	(2.6)	7.7	92.5	65.2

Source: Bloomberg, BOBCAPS Research

Fig 8 – Nifty 500: Contribution to 1M returns

Source: Bloomberg, BOBCAPS Research

Fig 9 – Nifty 500: Contribution to 12M returns

Source: Bloomberg, BOBCAPS Research

Fig 10 – Nifty valuation forecast (consensus estimates)

Index	EPS Growth (%)				P/E (x)				P/B (x)				Dividend yield (%)			
	5Y avg	FY23E	FY24E	FY25E	5Y avg	FY23E	FY24E	FY25E	5Y avg	FY23E	FY24E	FY25E	5Y avg	FY23E	FY24E	FY25E
Nifty 50	11.3	29.8	16.4	7.6	19.5	19.6	16.8	15.6	2.9	3.01	2.65	2.65	1.51	1.53	1.77	2.01
Nifty Next 50	13.5	(17.2)	17.7	21.1	24.1	28.2	24.0	19.8	3.3	3.69	3.35	3.09	1.56	1.77	1.89	2.10
Nifty 200	10.8	21.8	17.5	9.0	20.3	21.0	17.8	16.4	2.9	3.10	2.74	2.74	1.49	1.51	1.74	1.96
Nifty 500	10.9	24.7	18.3	8.2	20.2	20.9	17.6	16.3	2.9	3.09	2.71	2.71	1.47	1.48	1.71	1.93
NIFTY Midcap 100	10.1	20.5	23.7	10.2	23.4	23.9	19.3	17.5	2.8	3.03	2.71	2.71	1.34	1.28	1.52	1.69
NIFTY Smallcap 100	5.7	62.1	27.1	0.0	15.9	15.7	12.4	12.4	2.2	2.24	1.80	1.80	1.61	1.41	1.75	1.75
Sectors																
Nifty Bank	17.5	47.6	19.6	0.0	17.4	15.3	12.8	12.8	2.3	2.25	1.92	1.92	0.90	1.04	1.21	1.44
Nifty IT	12.8	18.7	13.8	11.3	23.2	23.1	20.3	18.2	5.6	5.81	5.29	4.92	2.33	2.63	3.20	3.81
Nifty Auto	1.8	256.1	23.7	21.7	21.0	23.3	18.8	15.5	2.8	3.59	3.08	3.08	1.39	1.41	1.69	1.69
Nifty Pharma	5.9	41.8	18.5	12.3	22.9	24.4	20.6	18.3	3.1	3.23	2.87	2.50	0.74	0.95	0.97	1.04
Nifty Metal	19.9	(29.2)	27.6	2.9	9.4	11.2	8.8	8.5	1.3	1.38	1.23	1.09	3.36	3.74	3.41	3.42
Nifty FMCG	9.9	29.9	14.2	11.3	33.7	41.2	36.1	32.4	8.3	10.29	9.67	8.65	2.06	1.88	2.14	2.35
Nifty PSU Bank	23.7	35.0	0.0	NA	9.2	8.9	8.9	NA	0.9	0.89	NA	NA	1.98	2.81	3.38	3.27
Nifty Realty	12.4	77.5	25.4	29.4	30.6	38.3	30.6	23.6	2.4	3.92	3.57	3.22	0.56	0.34	0.45	0.56
Nifty Financial Services	17.1	32.9	18.5	0.0	20.7	17.8	15.0	15.0	3.1	2.91	2.45	2.45	0.90	1.00	1.12	1.36
Nifty Infrastructure	17.0	16.2	16.8	8.5	17.0	17.5	15.0	13.9	1.9	2.17	1.96	1.91	1.90	1.66	1.96	2.17
Nifty Energy	13.4	16.5	5.1	5.3	10.8	10.6	10.1	9.6	1.3	1.42	1.30	1.30	3.27	3.79	4.12	4.28
Nifty CPSE	16.8	29.5	(1.0)	(0.5)	6.8	7.2	7.3	7.3	1.0	1.26	1.15	1.15	6.64	6.15	6.42	6.48
Nifty India Consumption	(16.1)	33.4	16.5	13.0	27.8	36.8	31.6	28.0	4.7	6.11	5.65	6.38	60.53	1.37	1.58	1.61
Nifty Media	(1.9)	(296.4)	134.0	25.7	19.0	41.9	17.9	14.2	2.5	2.95	2.59	2.02	1.74	1.51	1.70	1.70
Nifty PSE	9.6	(8.1)	7.3	3.8	7.9	8.6	8.0	7.7	1.1	1.31	1.20	1.20	5.49	5.05	5.59	5.97
Nifty Commodities	13.2	(12.3)	15.7	2.9	10.9	12.6	10.9	10.6	1.4	1.61	1.44	1.36	2.77	2.71	2.85	2.92
Nifty Services Sector	12.9	31.4	17.4	0.0	20.5	18.7	15.9	15.9	3.3	3.21	2.77	2.77	1.39	1.53	1.80	2.14

Source: Bloomberg, BOBCAPS Research

Fig 11 – NSE 500: Best performing stocks in May 2023

Company	Sector	Industry	Market cap (Rs mn)	1M (%)	3M (%)	1Y (%)
Brightcom Group	Communication Services	Interactive Media & Services	37,735	100.0	(18.5)	(70.9)
Suzlon Energy	Industrials	Electrical Equipment	148,869	41.6	43.3	49.7
Engineers India	Industrials	Construction & Engineering	62,302	33.9	55.4	77.9
Dixon Technologies India	Consumer Discretionary	Household Durables	231,019	33.0	34.2	0.5
Zensar Technologies	Information Technology	IT Services	83,715	32.8	27.3	20.9
Cholamandalam Financial Hold	Financials	Consumer Finance	150,156	31.7	39.1	28.6
Intellect Design Arena	Information Technology	Software	79,598	31.4	30.3	(12.9)
Adani Enterprises	Industrials	Trading Companies & Distributor	2,842,422	29.5	82.8	15.0
G R Infraprojects	Industrials	Construction & Engineering	121,818	28.4	21.6	(11.1)
Creditaccess Grameen	Financials	Consumer Finance	196,112	28.0	27.9	15.2
Cg Power And Industrial Solu	Industrials	Electrical Equipment	599,960	27.2	28.7	115.9
Indigo Paints	Materials	Chemicals	69,300	26.2	45.9	(9.0)
Birlasoft	Information Technology	Software	94,517	25.8	24.8	(7.3)
Astral	Industrials	Building Products	489,236	25.8	28.6	40.4
Equitas Small Finance Bank	Financials	Banks	96,038	25.3	20.8	112.5
Rainbow Children'S Medicare	Health Care	Health Care Providers & Service	100,416	25.0	33.6	99.0
Ceat	Consumer Discretionary	Automobile Components	77,980	23.8	39.3	90.1
Ramco Cements Ltd/The	Materials	Construction Materials	213,632	22.8	26.5	29.4
Birla Corp	Materials	Construction Materials	86,331	22.3	28.8	15.0
Sanofi India	Health Care	Pharmaceuticals	156,439	21.9	20.1	5.6
Sapphire Foods India	Consumer Discretionary	Hotels, Restaurants & Leisure	92,470	21.7	17.5	36.9
Mahindra Lifespace Developer	Real Estate	Real Estate Management & Development	69,757	21.0	20.9	20.8
Abb India	Industrials	Electrical Equipment	874,313	20.7	28.2	70.0
Keystone Realtors	Real Estate	Real Estate Management & Development	58,692	20.7	13.7	NA
Cholamandalam Investment And	Financials	Consumer Finance	863,882	20.6	38.9	54.6

Source: Bloomberg, BOBCAPS Research

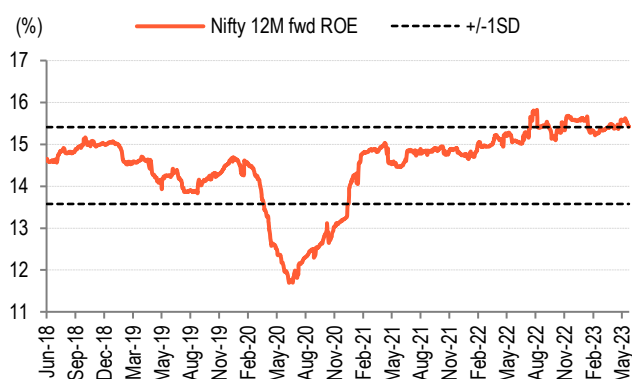
Fig 12 – NSE 500: Worst performing stocks in May 2023

Company	Sector	Industry	Market cap (Rs mn)	1M (%)	3M (%)	1Y (%)
Gland Pharma	Health Care	Pharmaceuticals	152,192	(32.0)	(29.9)	(67.7)
Adani Total Gas	Utilities	Gas Utilities	730,439	(29.7)	(2.1)	(72.3)
Adani Transmission	Utilities	Electric Utilities	866,403	(24.6)	20.8	(62.2)
Gujarat Ambuja Exports	Consumer Staples	Food Products	55,511	(16.9)	6.0	(28.1)
Indian Bank	Financials	Banks	336,145	(16.3)	5.0	59.3
TCNS Clothing Co	Consumer Discretionary	Textiles, Apparel & Luxury Goods	25,606	(15.8)	(10.0)	(30.4)
JK Lakshmi Cement	Materials	Construction Materials	78,015	(15.2)	(1.4)	49.3
Manappuram Finance	Financials	Consumer Finance	93,315	(15.0)	7.4	15.4
Campus Activewear	Consumer Discretionary	Textiles, Apparel & Luxury Goods	92,676	(14.7)	(24.8)	(17.4)
JK Paper	Materials	Paper & Forest Products	55,716	(12.8)	(15.2)	(2.2)
UCO Bank	Financials	Banks	314,442	(12.6)	1.5	126.7
Fertilisers & Chem Travancor	Materials	Chemicals	194,477	(12.4)	28.4	141.6
Bank Of India	Financials	Banks	302,638	(12.2)	4.1	53.8
City Union Bank	Financials	Banks	92,663	(11.6)	(9.6)	(10.7)
GMR Airports Infrastructure	Industrials	Transportation Infrastructure	244,456	(11.3)	6.9	6.6
Jindal Steel & Power	Materials	Metals & Mining	527,641	(11.3)	(5.8)	36.9
Deepak Fertilisers & Petro	Materials	Chemicals	67,436	(10.9)	(13.5)	(17.5)
Central Bank Of India	Financials	Banks	234,819	(10.9)	4.4	43.1
Finolex Cables	Industrials	Electrical Equipment	122,497	(10.5)	13.5	116.1
Shree Renuka Sugars	Consumer Staples	Food Products	89,290	(10.5)	(3.8)	(10.6)
Aditya Birla Fashion And Ret	Consumer Discretionary	Textiles, Apparel & Luxury Goods	191,132	(9.5)	(12.3)	(25.7)
Star Health & Allied Insuran	Financials	Insurance	313,248	(8.9)	(4.5)	(21.1)
Aarti Industries	Materials	Chemicals	185,711	(8.9)	(3.2)	(22.8)
Laxmi Organic Industries	Materials	Chemicals	67,965	(8.8)	(0.8)	(30.4)
Dr. Reddy's Laboratories	Health Care	Pharmaceuticals	749,551	(8.7)	4.3	3.0

Source: Bloomberg, BOBCAPS Research

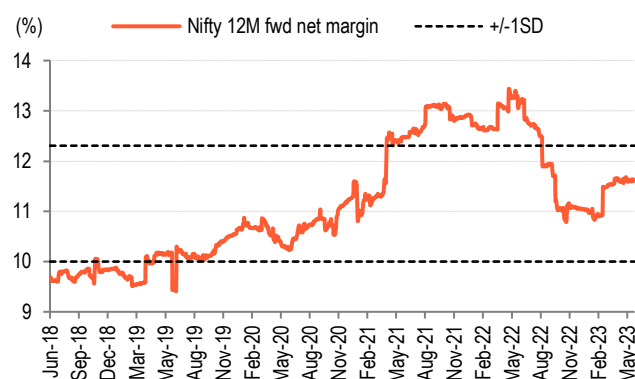
Index fundamentals

Fig 13 – Nifty: 12M forward ROE



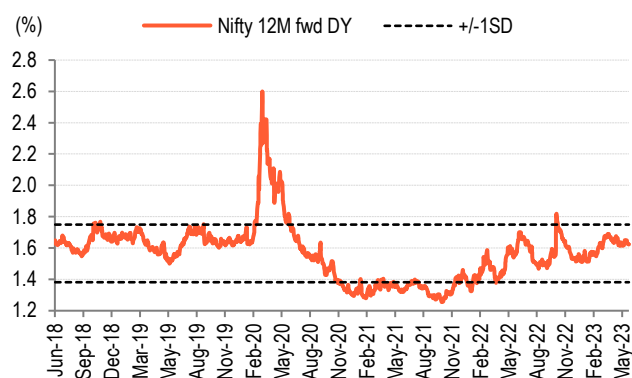
Source: Bloomberg, BOBCAPS Research

Fig 14 – Nifty: 12M forward net margin



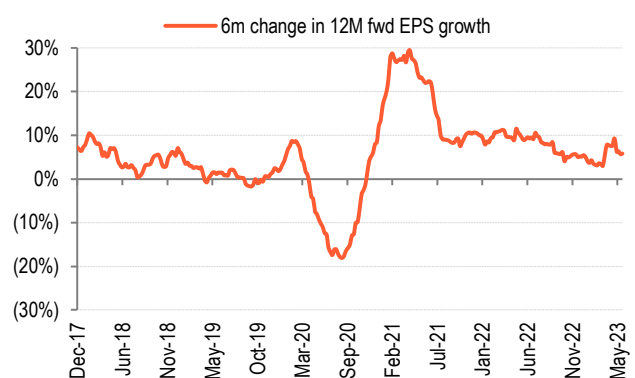
Source: Bloomberg, BOBCAPS Research

Fig 15 – Nifty: 12M forward dividend yield



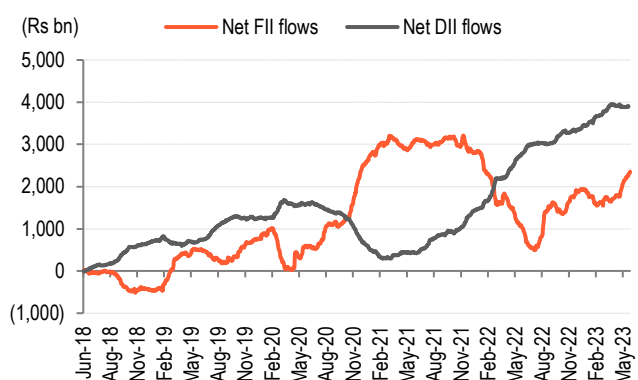
Source: Bloomberg, BOBCAPS Research

Fig 16 – Nifty: 6M change in EPS growth



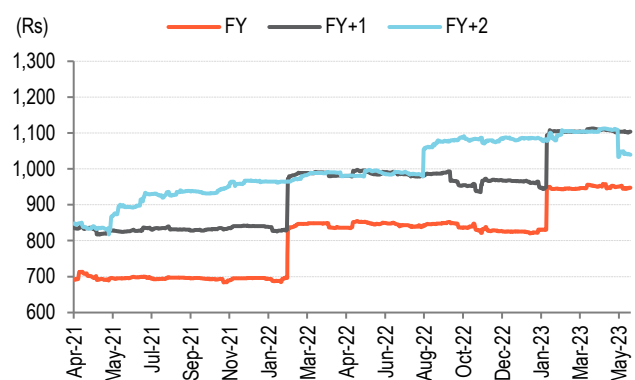
Source: Bloomberg, BOBCAPS Research

Fig 17 – Flows in India (5Y)



Source: Bloomberg, BOBCAPS Research

Fig 18 – Nifty50: EPS consensus forecast



Source: Bloomberg, BOBCAPS Research

Yields, Exchange rates and Commodities

Per a Reuters poll, US GDP could post modest 0.6% growth in Q2CY23 but the economy could decline in Q3 and Q4 (by -0.2% and -0.3% respectively). On the positive side, moderation in growth could lead to moderation in inflation, and the Reuters poll points to a lower US CPI of 4.1% in Q2.

The US 10-year yield has moved up by 27bps in May to 3.69% but is below its recent peak of 3.8% seen during the month. India's 10-year yield has declined ~11bps to 7% on the heels of a 20bps decline during April. Note, the current Fed Fund rate is at 5-5.25% while India's repo rate stands at 6.5%, marking a difference of just about 1.3% between the two policy rates.

Commodities had a poor month given weak data from China and concerns over the global demand outlook, with Brent declining by 10%. US natural gas price was largely flat while Asian LNG decreased from ~US\$ 12/Mmbtu to US\$ 9.5/Mmbtu. Both precious and base metals declined during the month. Gold was down ~1%.

The INR weakened by 1.1% against the USD in May. The Dollar Index strengthened by ~3%.

Fig 19 – Yields

(%)	1D	1W	1M	3M	6M	YTD	1Y	3Y	5Y
India 10Y yield	7.01	6.99	7.12	7.43	7.28	7.33	7.42	5.76	7.78
India AAA corporate yield	7.59	7.51	7.65	7.87	7.71	7.72	7.84	7.28	8.49
India AA corporate yield	8.30	8.23	8.34	8.71	8.56	8.52	8.59	7.92	8.97
US 10Y yield	3.69	3.74	3.42	3.92	3.61	3.87	2.84	0.65	2.86
EU 10Y yield	2.34	2.47	2.31	2.65	1.93	2.57	1.12	(0.45)	0.37
Japan 10Y yield	0.44	0.41	0.39	0.51	0.25	0.42	0.24	0.01	0.04

Source: Bloomberg, BOBCAPS Research

Fig 20 – Exchange rates

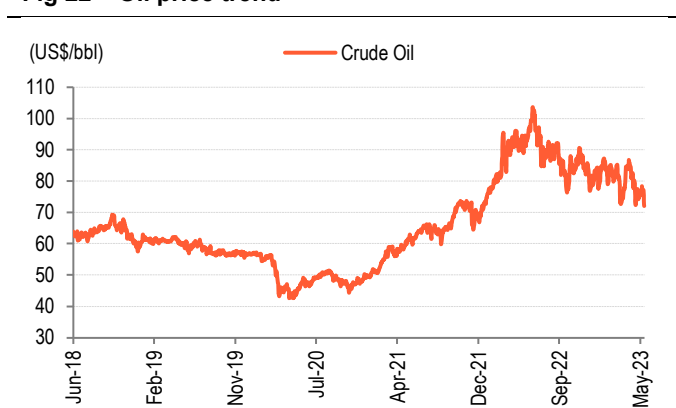
(%)	Current	1D	1W	1M	3M	6M	YTD	1Y	3Y	5Y
USDINR	82.7	0.0	(0.1)	(1.1)	(0.1)	(1.6)	0.0	(6.2)	(8.6)	(18.5)
EURINR	88.3	0.4	0.9	1.8	(0.7)	(4.5)	(0.2)	(5.7)	(5.0)	(10.7)
JPYINR	0.6	0.2	0.7	1.9	2.4	(0.6)	6.2	2.3	18.7	4.9
GBPINR	102.2	0.4	0.1	0.3	(2.4)	(4.3)	(2.7)	(4.3)	(9.0)	(12.1)

Source: Bloomberg, BOBCAPS Research

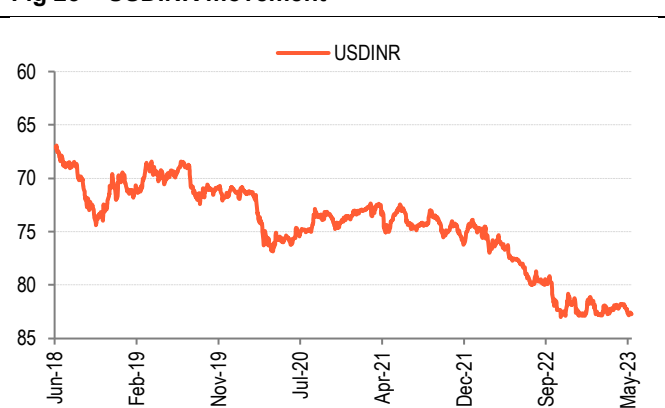
Fig 21 – Commodity price trend

(%)	Current	1D	1W	1M	3M	6M	YTD	1Y	3Y	5Y
Energy										
NYM WTI Crude (USD/bbl.)	67.6	(2.7)	(7.3)	(11.8)	(12.1)	(15.6)	(15.4)	(25.9)	57.3	26.5
ICE Brent Crude (USD/bbl.)	71.5	(2.8)	(8.8)	(11.0)	(13.2)	(16.7)	(15.1)	(25.5)	50.6	12.3
ICE ARA Gasoil (USD/MT)	654.5	(2.6)	(6.2)	(5.8)	(18.0)	(23.1)	(20.1)	(28.4)	54.5	7.5
NYM NYH Gasoline (USD/gal.)	255.2	(1.7)	(4.2)	0.8	(1.8)	(0.7)	(1.8)	(9.4)	90.3	NA
NYM NYH Heating Oil (USD/gal.)	225.1	(1.3)	(4.7)	(5.3)	(17.0)	(25.1)	(23.3)	(25.2)	58.2	NA
NYM HH Nat Gas (USD/MMBtu)	2.30	(1.0)	(7.4)	(10.6)	(28.3)	(56.8)	(44.6)	(54.0)	(0.5)	(12.8)
ICE NBP Nat Gas (USD/MMBtu)	61.3	6.4	(7.0)	(31.0)	(47.3)	(82.5)	(69.4)	(64.9)	80.6	49.1
Metals										
LME Aluminums (USD/MT)	2,224.0	(0.6)	(1.7)	(5.6)	(6.3)	(10.2)	(6.5)	(23.0)	43.7	(2.0)
LME Coppers (USD/MT)	8,123.0	(0.1)	(0.1)	(5.5)	(9.4)	(1.4)	(3.0)	(14.9)	51.1	18.8
SGX Iron Ore (USD/MT)	98.15	(0.2)	5.6	(1.7)	(18.9)	2.3	(12.7)	(17.3)	44.8	NA
LME Nickel (USD/MT)	21,027.0	(0.6)	(1.8)	(13.2)	(15.2)	(22.1)	(30.0)	(28.2)	70.6	39.0
Steel China (CNY/MT)	3,696.0	(0.9)	(1.3)	(6.9)	(15.2)	(5.4)	(10.9)	(23.7)	1.0	(12.9)
Spot Gold	1,963.7	(0.1)	0.0	(1.3)	7.1	10.6	7.3	6.5	13.1	50.7
Spot Silver	23.3	0.4	0.9	(6.9)	11.3	4.8	(2.9)	8.0	30.2	41.6
Agriculture										
CME Live Cattle (USD/lb.)	167.2	1.2	2.2	2.1	4.3	7.2	6.1	13.3	NA	NA
ICE Coffee (USD/lb.)	176.4	(0.4)	(5.9)	(5.2)	(4.6)	3.7	5.9	(21.5)	NA	NA
CBT Corn (USD/bu.)	586.5	(1.3)	1.6	0.3	(5.7)	(11.1)	(12.7)	(17.6)	NA	NA
ICE Cotton (USD/lb.)	79.4	(1.0)	(3.7)	(2.1)	(5.3)	(0.9)	(1.9)	(17.4)	NA	NA
CBT Soybeans (USD/bu.)	1,282.3	(1.1)	(3.0)	(9.7)	(12.7)	(13.7)	(16.4)	(14.9)	NA	NA
ICE Sugar (USD/lb.)	25.1	(1.0)	(2.8)	(4.8)	28.1	39.9	39.5	33.0	NA	NA
CBT SRW Wheat (USD/bu.)	576.3	(2.5)	(7.4)	(9.1)	(19.3)	(28.7)	(28.2)	(46.2)	NA	NA

Source: Bloomberg, BOBCAPS Research

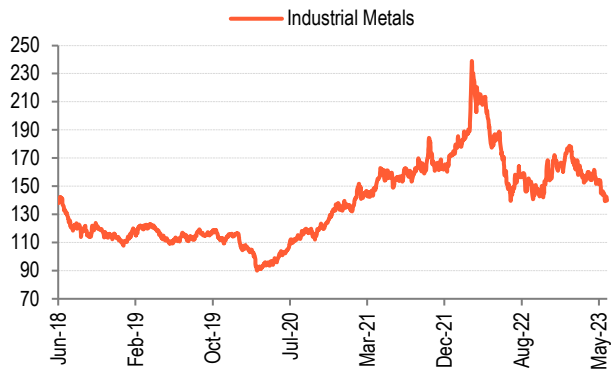
Fig 22 – Oil price trend

Source: Bloomberg, BOBCAPS Research

Fig 23 – USDINR movement

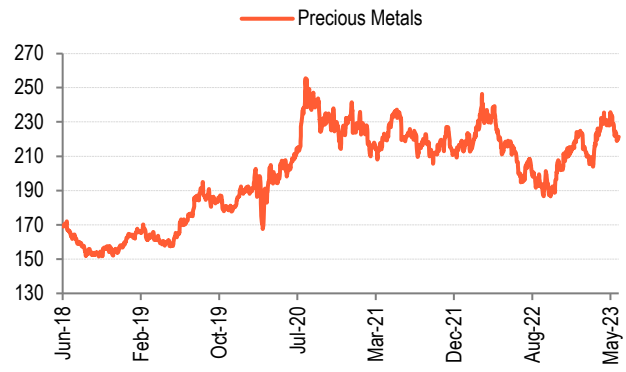
Source: Bloomberg, BOBCAPS Research

Fig 24 – Industrial metals price trend



Source: Bloomberg, BOBCAPS Research

Fig 25 – Precious metals price trend



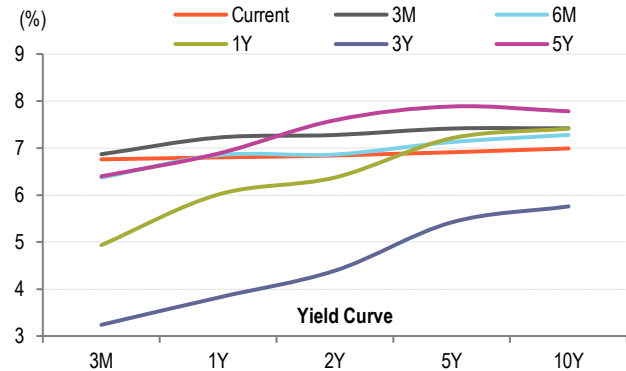
Source: Bloomberg, BOBCAPS Research

Fig 26 – India 10Y bond yield



Source: Bloomberg, BOBCAPS Research

Fig 27 – India yield curve



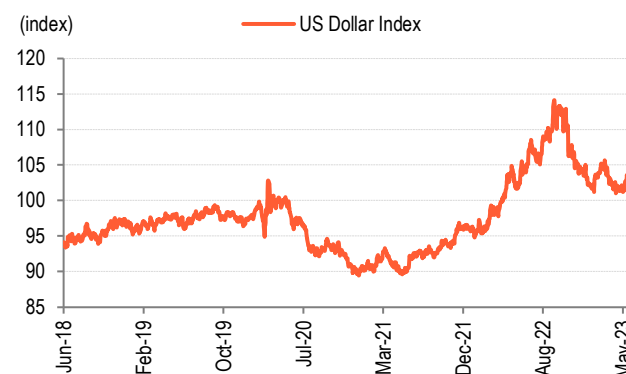
Source: Bloomberg, BOBCAPS Research

Fig 28 – US 10Y yield



Source: Bloomberg, BOBCAPS Research

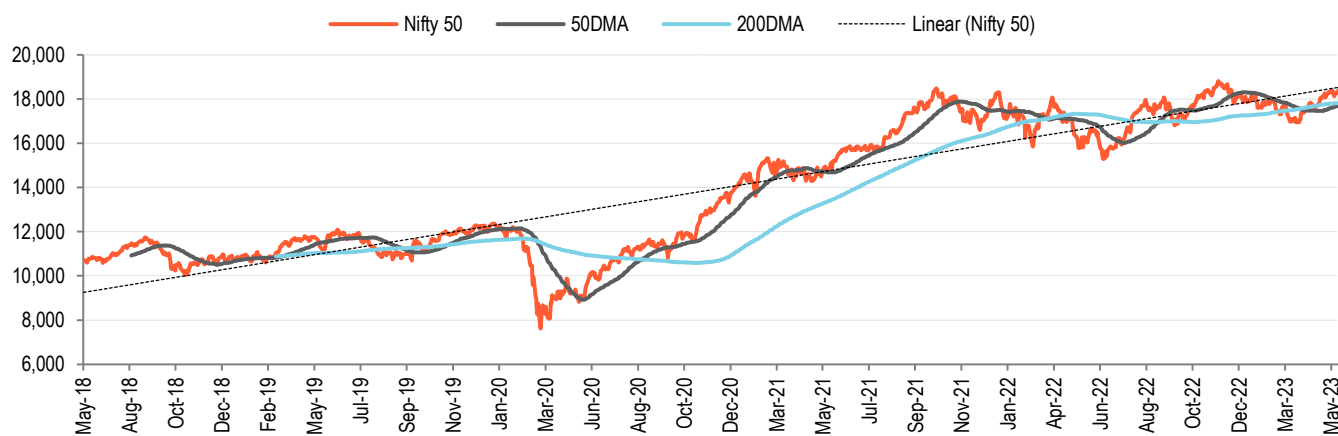
Fig 29 – US Dollar index



Source: Bloomberg, BOBCAPS Research

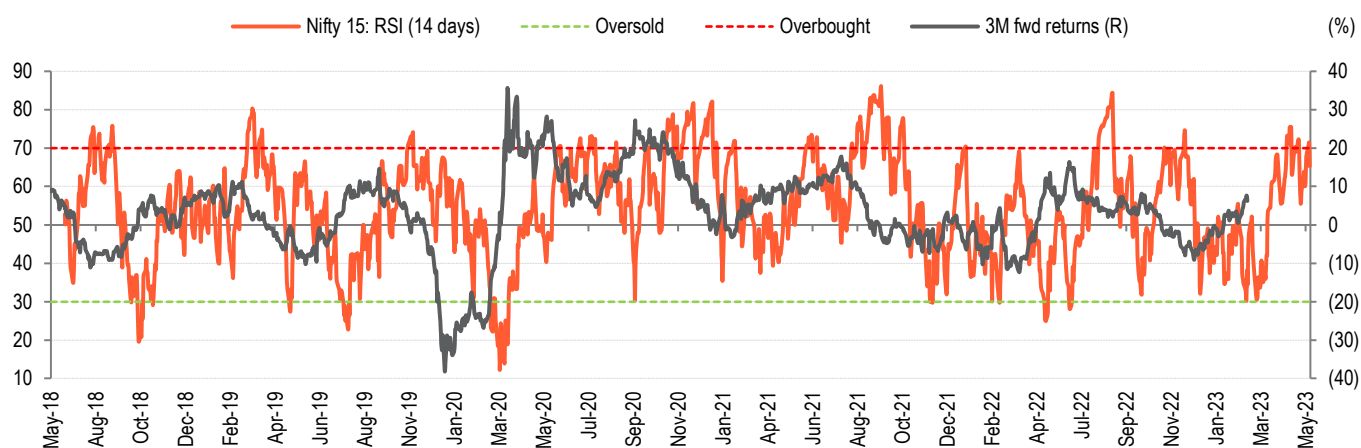
Technical trends

Fig 30 – Nifty 50: Moving averages



Source: Bloomberg, BOBCAPS Research

Fig 31 – Nifty 50: Relative Strength Index (RSI)



Source: Bloomberg, BOBCAPS Research

Fig 32 – Nifty 50: Sector-wise average daily traded value

Sector (Rs bn)	1M	3M	6M
Communication Services	4.3	3.8	3.9
Consumer Discretionary	22.2	19.6	19.7
Consumer Staples	12.4	11.9	11.7
Energy	14.0	18.0	18.4
Financials	98.7	99.5	83.1
Health Care	10.2	9.5	9.3
Industrials	28.4	26.5	26.7
Information Technology	18.0	23.8	23.1
Materials	14.1	14.8	16.8
Utilities	3.3	4.1	3.8
Nifty 50	226	231	216

Source: Bloomberg, BOBCAPS Research

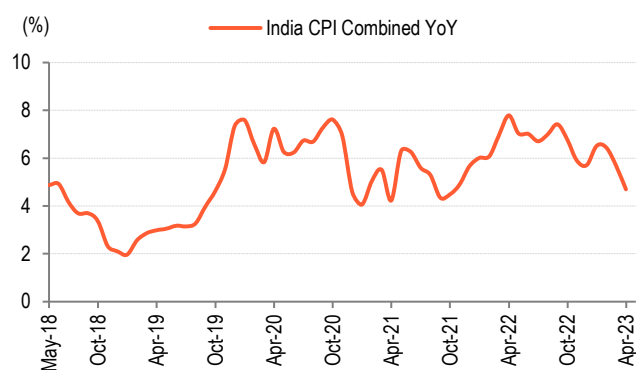
Fig 33 – Nifty 50: Stock-wise average daily traded value

Company (Rs bn)	Sector	Industry	Market cap	1M	3M	6M
Adani Enterprise	Industrials	Trading Companies & Distributor	2,842	17.4	15.2	14.7
Adani Ports And	Industrials	Transportation Infrastructure	1,596	5.6	6.4	7.4
Apollo Hospitals	Health Care	Health Care Providers & Service	665	1.6	1.7	1.9
Asian Paints Ltd	Materials	Chemicals	3,063	2.9	2.8	3.0
Axis Bank Ltd	Financials	Banks	2,817	9.0	11.3	9.3
Bajaj Finance Lt	Financials	Consumer Finance	4,232	6.2	6.2	6.6
Bharti Airtel	Communication Services	Wireless Telecommunication Service	4,918	4.3	3.8	3.9
Bajaj Auto Ltd	Consumer Discretionary	Automobiles	1,322	1.7	1.7	1.4
Bajaj Finserv Lt	Financials	Financial Services	2,311	2.1	2.3	2.6
Bharat Petrol	Energy	Oil, Gas & Consumable Fuels	789	0.9	1.2	1.1
Britannia Inds	Consumer Staples	Food Products	1,122	1.6	1.3	1.3
Cipla Ltd	Health Care	Pharmaceuticals	769	2.1	2.2	1.8
Coal India Ltd	Energy	Oil, Gas & Consumable Fuels	1,487	1.1	1.2	1.4
Divi Labs Ltd	Health Care	Life Sciences Tools & Services	914	1.9	1.7	1.6
Dr Reddy'S Labs	Health Care	Pharmaceuticals	750	2.0	1.8	1.7
Eicher Motors	Consumer Discretionary	Automobiles	1,005	2.7	2.1	2.1
Grasim Inds Ltd	Materials	Construction Materials	1,131	0.9	0.9	0.9
Hcl Tech Ltd	Information Technology	IT Services	3,107	2.0	3.0	3.2
Housing Dev Fin	Financials	Financial Services	4,871	10.3	9.7	8.4
Hdfc Bank Ltd	Financials	Banks	9,001	28.7	25.9	18.0
Hdfc Life Insura	Financials	Insurance	1,273	1.2	1.9	2.1
Hero Motocorp Lt	Consumer Discretionary	Automobiles	552	1.7	1.3	1.1
Hindalco Inds	Materials	Metals & Mining	912	2.3	2.5	2.8
Hindustan Unilev	Consumer Staples	Personal Care Products	6,268	3.2	3.5	3.7
Icici Bank Ltd	Financials	Banks	6,636	16.7	18.3	14.7
Indusind Bank	Financials	Banks	998	4.3	4.4	4.0
Infosys Ltd	Information Technology	IT Services	5,471	8.1	10.4	9.7
Itc Ltd	Consumer Staples	Tobacco	5,537	5.7	4.7	4.6
Jsw Steel Ltd	Materials	Metals & Mining	1,683	1.1	1.1	1.3
Kotak Mahindra	Financials	Banks	4,002	8.0	7.9	6.7
Larsen & Toubro	Industrials	Construction & Engineering	3,100	5.3	4.8	4.7
Mahindra & Mahin	Consumer Discretionary	Automobiles	1,640	3.1	3.0	2.9
Maruti Suzuki In	Consumer Discretionary	Automobiles	2,830	3.7	3.8	4.0
Nestle India Ltd	Consumer Staples	Food Products	2,090	1.3	1.4	1.3
Ntpc Ltd	Utilities	Independent Power and Renewable	1,686	1.4	1.9	1.8
Oil & Natural Ga	Energy	Oil, Gas & Consumable Fuels	1,949	1.8	1.7	1.8
Power Grid Corp	Utilities	Electric Utilities	1,631	1.9	2.2	2.0
Reliance Inds	Energy	Oil, Gas & Consumable Fuels	16,711	10.2	13.9	14.2
Sbi Life Insuran	Financials	Insurance	1,236	1.2	1.2	1.4
State Bank Ind	Financials	Banks	5,175	11.0	10.5	9.1
Sun Pharma Indu	Health Care	Pharmaceuticals	2,340	2.6	2.2	2.3
Tata Steel Ltd	Materials	Metals & Mining	1,293	3.1	3.9	4.8
Tata Consumer Pr	Consumer Staples	Food Products	742	0.7	0.9	0.9
Tata Consultancy	Information Technology	IT Services	12,036	4.6	6.4	5.9
Tech Mahindra Lt	Information Technology	IT Services	1,087	1.9	2.6	2.6
Titan Co Ltd	Consumer Discretionary	Textiles, Apparel & Luxury Goods	2,506	2.4	2.4	2.5
Tata Motors Ltd	Consumer Discretionary	Automobiles	1,886	6.9	5.4	5.7
Upl Ltd	Materials	Chemicals	514	1.9	1.4	1.4
Ultratech Cement	Materials	Construction Materials	2,272	1.9	2.2	2.5
Wipro Ltd	Information Technology	IT Services	2,215	1.4	1.4	1.6

Source: Bloomberg, BOBCAPS Research

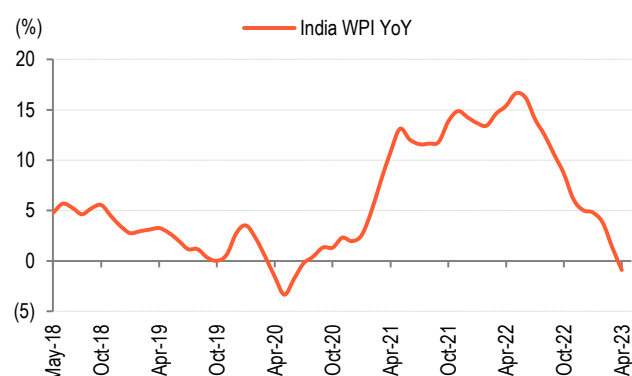
Macroeconomic indicators: April 2023

Fig 34 – Consumer price index



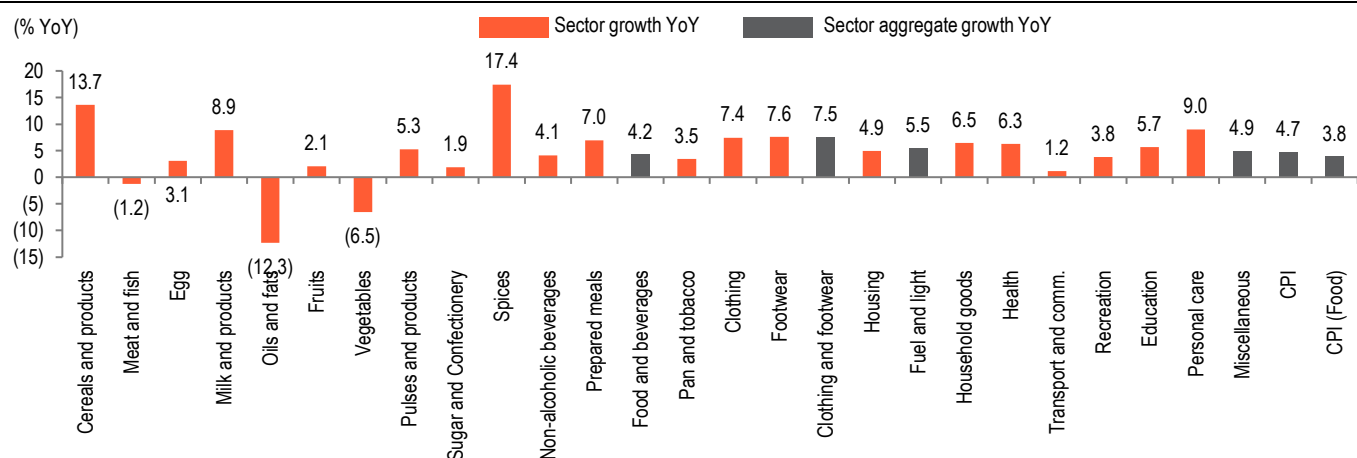
Source: Bloomberg, BOBCAPS Research

Fig 35 – Wholesale price index



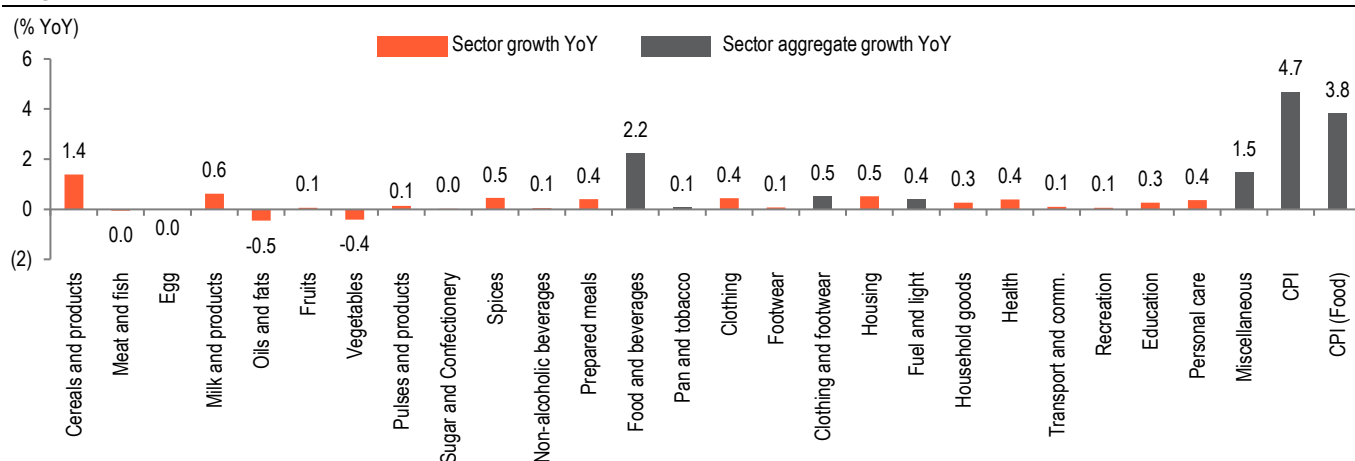
Source: Bloomberg, BOBCAPS Research

Fig 36 – Contribution to CPI (Apr'23)

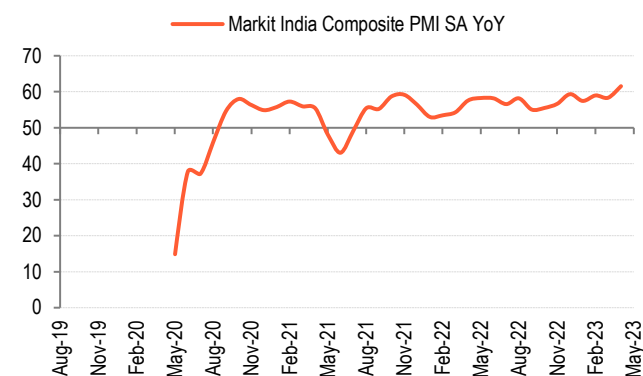


Source: Bloomberg, BOBCAPS Research

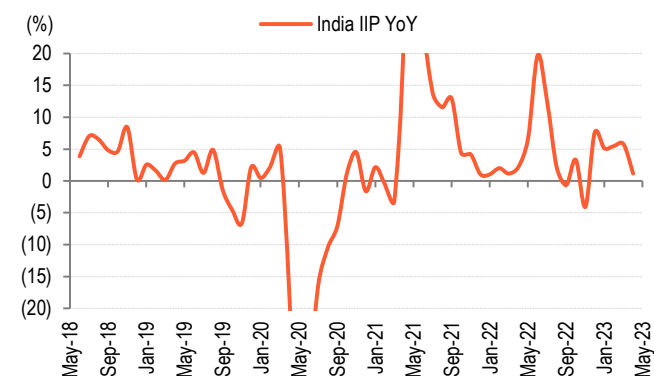
Fig 37 – Actual CPI (Apr'23)



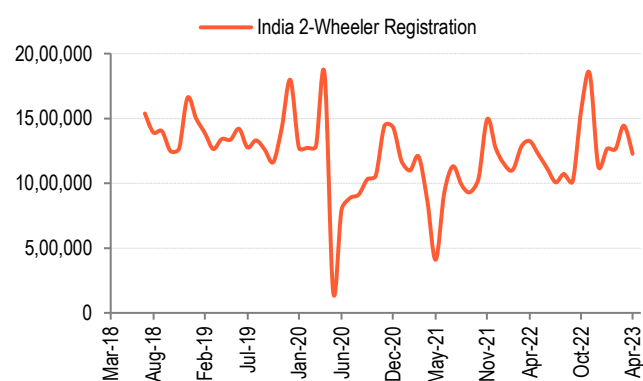
Source: Bloomberg, BOBCAPS Research

Fig 38 – Purchasing Managers' Index

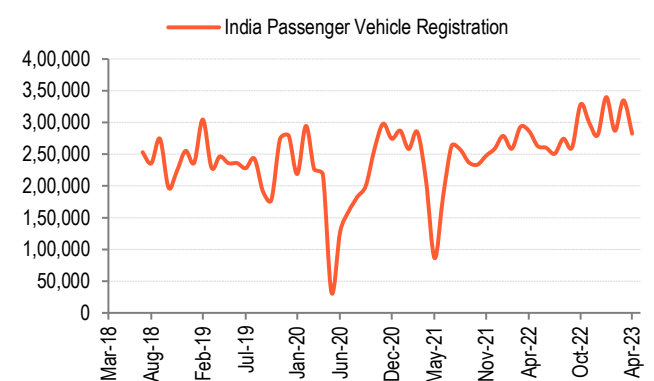
Source: Bloomberg, BOBCAPS Research

Fig 39 – Industrial production

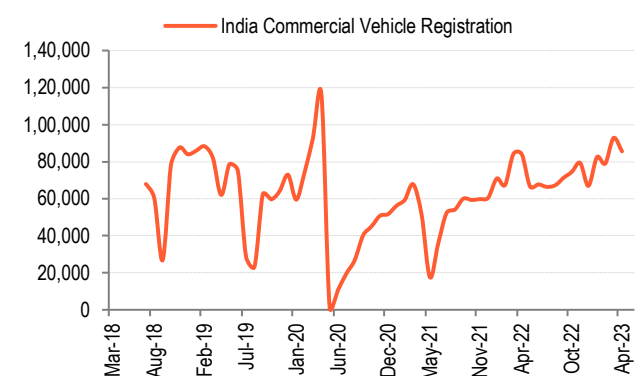
Source: Bloomberg, BOBCAPS Research

Fig 40 – Two-wheeler registration

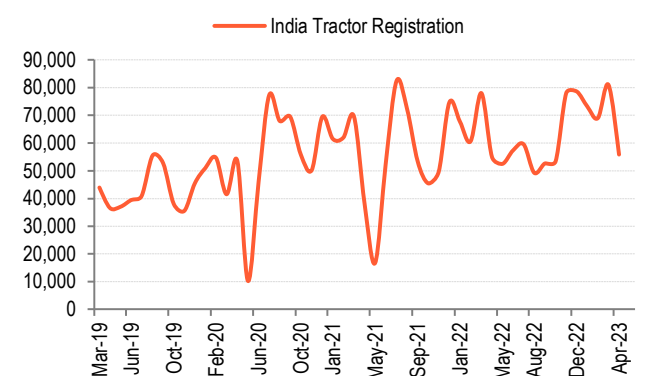
Source: Bloomberg, BOBCAPS Research

Fig 41 – Four-wheeler registration

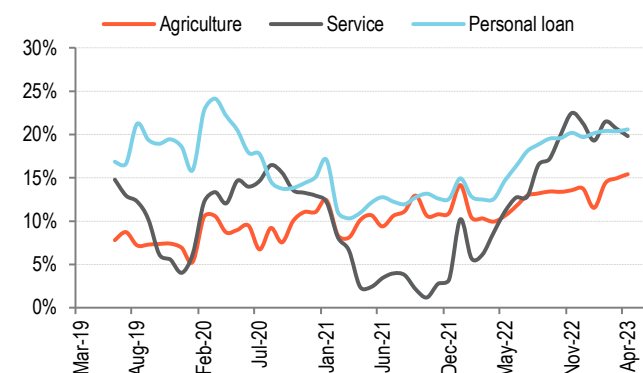
Source: Bloomberg, BOBCAPS Research

Fig 42 – Commercial vehicle registration

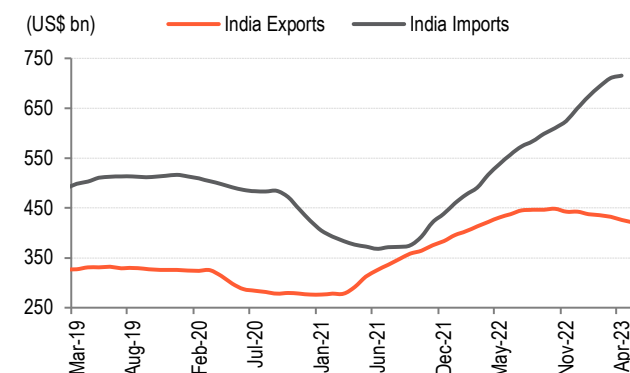
Source: Bloomberg, BOBCAPS Research

Fig 43 – Tractor registration

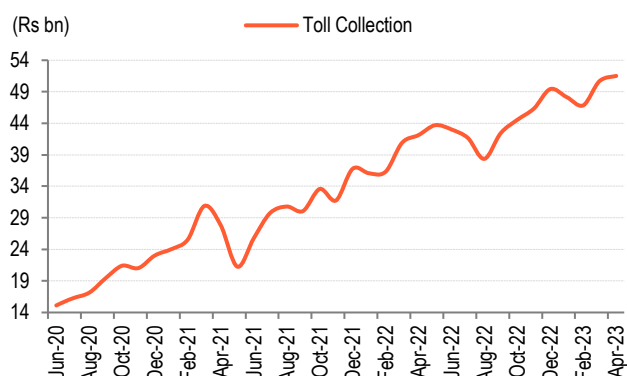
Source: Bloomberg, BOBCAPS Research

Fig 44 – Scheduled Commercial Banks' credit growth

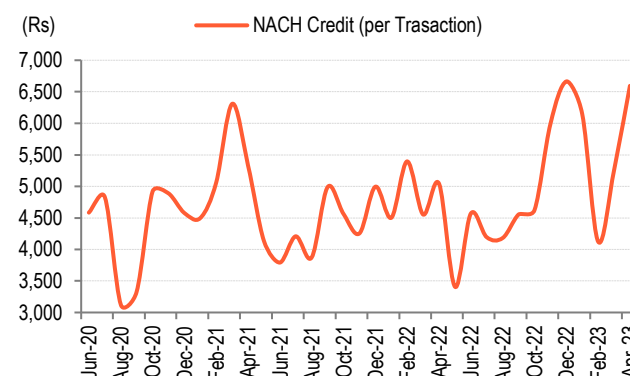
Source: Bloomberg, BOBCAPS Research

Fig 45 – Exports and Imports

Source: Bloomberg, BOBCAPS Research

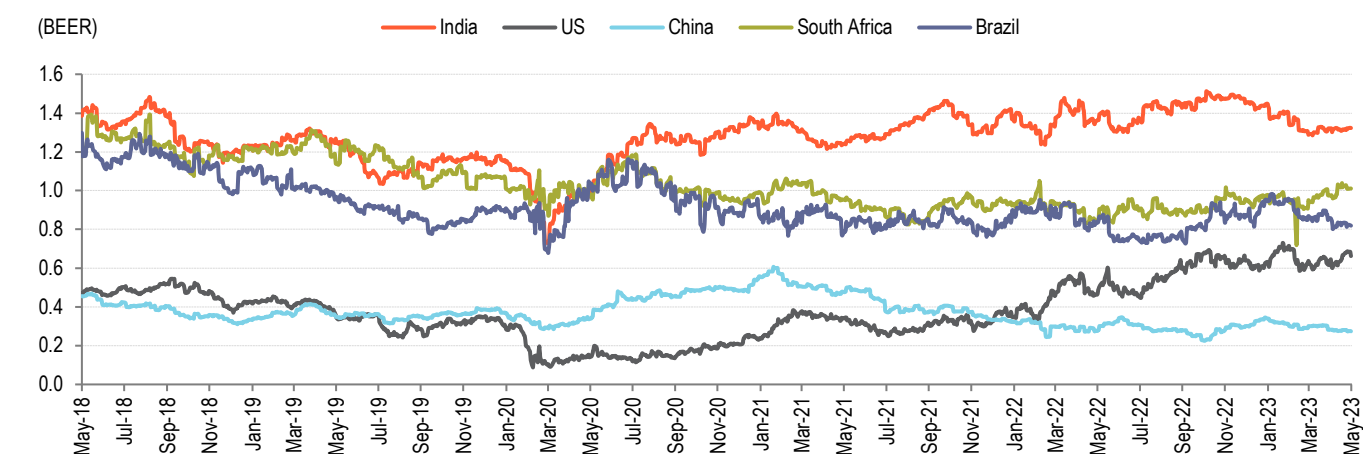
Fig 46 – Toll collection

Source: Bloomberg, BOBCAPS Research

Fig 47 – National Automated Clearing House credit

Source: Bloomberg, BOBCAPS Research

Valuations across the globe

Fig 48 – India BEER relative to other countries

Source: Refinitiv, BOBCAPS Research

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