



1-Market Highlights:

After the middle of September, the Indian stock markets corrected slightly, primarily because of the weakness in global markets. Foreign Institutional Investors sold stocks in the cash segment. Worldwide, the markets are consolidating due to a sluggish economy, the threat of high inflation, and persistently high interest rates. Countries such as Japan, Taiwan, China, and the Eurozone saw the highest levels of selling in September. Factors like increasing US bond yields and a rising dollar index have put pressure on global equities markets, and the Indian market has followed suit. Additionally, there was notable selling in mid and small-cap stocks during the second half of the month, possibly because these categories had performed strongly from April to August in the fiscal year 2024. However we feel that the recent strength in the markets have bought a fresh optimism again because of stronger long term growth prospects of the country.

Market performance (%)

INDEX	1M	3M	6M	1Y
NIFTY 50	2.0%	2.3%	13.1%	14.9%
SENSEX 30	1.5%	1.7%	11.6%	14.6%
NIFTY MIDCAP 150	3.0%	13.0%	33.4%	29.9%
NIFTY SMALLCAP 250	2.5%	16.0%	39.2%	33.0%

Source: Ace Equity

As of 30th Sep 2023

• FII/DII Activity

FIIs pulled out funds during the month of September. Absorption by DII of FII outflow is one of the most notable development of the changing investing landscape of India.

INR cr.*	1M	3M	6M	1Y
FII	-26,692	-33,391	27,728	3,206
DII	20,313	44,145	47,514	1,47,921

Source: NSE *FII Cash

As of 30th Sep 2023

• Global Market

Global markets witnessed selloff in September led by fears of higher US interest rates, high inflation and sluggish economy. The rise in dollar index and crude prices have also contributed in the selling pressure. The above mentioned factors are leading to elevated bond yields, which is negative for equities. Indian markets have been outperforming global indices.

INDEX	1M	3M	6M	1Y
DOW JONES	-3.49%	-2.62%	0.70%	16.65%
FTSE	2.27%	1.02%	-0.31%	10.36%
HANG SENG	-3.11%	-5.85%	-12.70%	3.41%
DAX	-3.51%	-4.71%	-1.55%	27.01%
NASDAQ	-5.81%	-4.12%	8.16%	25.00%

Source: Investing.com

As of 30th Sep 2023

• Sectoral Performance

On the sectoral front, infra and capital goods sector continue to be in momentum due to strong order inflows and rising infra spending by the Government. The renewable energy theme can be seen playing through this year as India is strongly focusing on achieving net zero emissions by 2070. EV theme should also be looked as Indian Government is aggressively promoting electric mobility. The table shows the top 3 and bottom 3 sector performances in Sep 2023:

TOP 3 (%)	1M	3M	6M	1Y
S&P BSE Infra	7.93	22.34	37.39	38.89
S&P BSE Metal	7.45	13.18	21.65	34.26
S&P BSE Capital Goods	6.20	19.22	40.53	55.58

BOTTOM 3 (%)	1M	3M	6M	1Y
S&P BSE Bankex	0.35	0.13	10.88	16.07
S&P BSE FMCG	0.97	0.45	14.57	16.76
S&P BSE Oil & Gas	1.23	5.20	10.82	2.59

Source: BSE

As of 30th Sep 2023

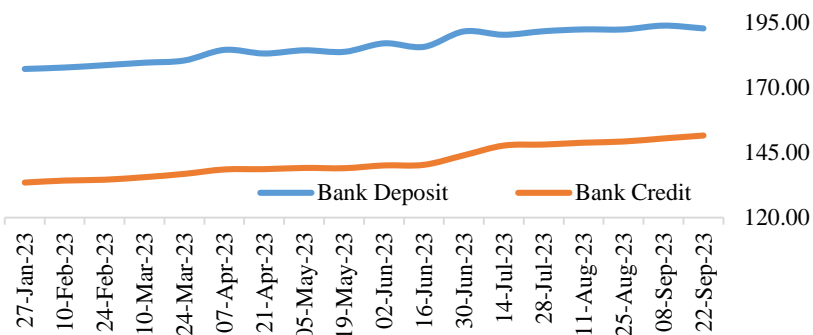
• Events to be watched out for

- On 6th Oct, The Reserve Bank of India MPC decided to keep the repo rate unchanged at 6.5% unanimously. The headline CPI projection remains unchanged at 5.4% for FY24. FY24 GDP forecast unchanged at 6.5%. Q2 GDP growth forecast retained at 6.5%, Q3 GDP growth forecast at 6% and Q4 GDP growth forecast at 5.7%. India's Forex reserves at \$587 billion are healthy. The RBI Governor proposed OMO sale of G-Secs. The Indian economy's GDP growth remains stable, and there are no immediate concerns of disruption, though global economic slowdown worries persist.
- The U.S. Federal Reserve is set to decide on short-term interest rates on November 1. Fed will closely monitor trends in energy prices, housing expenses and service prices. It may be possible that there won't be further tightening of monetary policy due to rise in treasury yields.
- The release of global PMI data next week is expected to provide more insights into global trends on both the economic and inflation fronts. More central bank meetings will take place in Australia, New Zealand, and India, with the possibility of more interest rate rises.



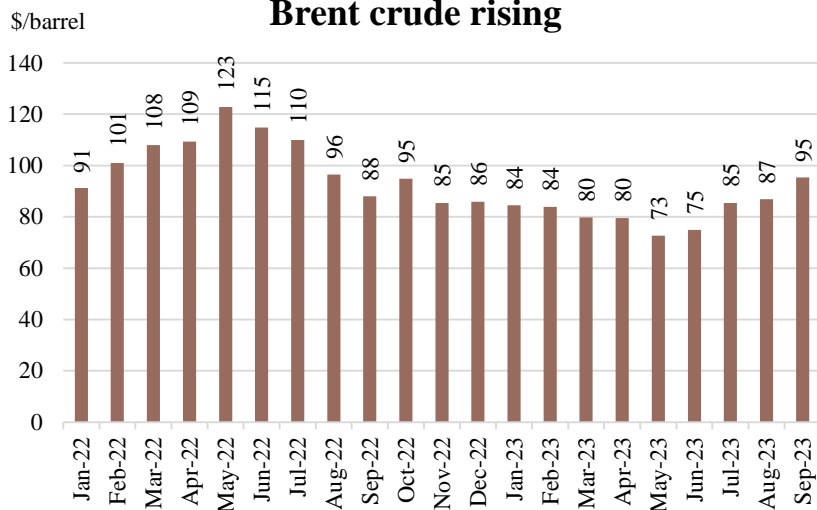
2-Major Economic Developments:

Growing Bank Deposit and Credit



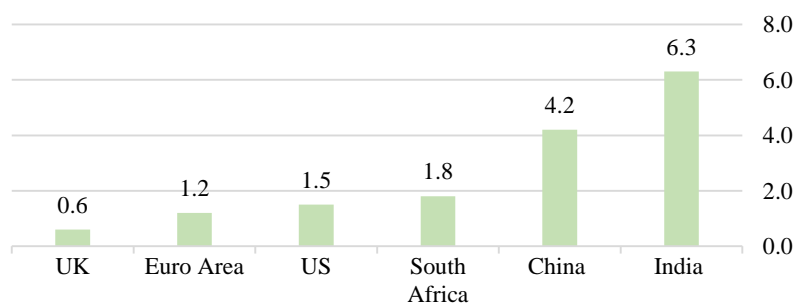
Source: RBI

Brent crude rising



Source: Investing.com

Growth rate FY24 E



Source: IMF

- b) India's manufacturing PMI data (57.5) released for Sep-23 continued to show strong momentum with PMIs continuing in the expansion zone. This is 27th straight month of the index being above the 50-mark.
- c) The gross GST revenue collected in the month of September, 2023 is ₹1,62,712 crore, 10% increase on yearly basis.
- d) E-way bill generation was at 93.4 million in August 2023, which is consistently above 8 Cr mark since November 2022.
- e) Credit growth in banking sector has remained robust in FY24 (YTD) at ~15% and the banking sector is expected to witness credit growth of ~13% in FY24.

3-Market Outlook:

1. Indian Economic prospects are looking very good backed by strong macroeconomic fundamentals such as moderating inflation, sustained growth momentum, FIIs inflows with strong retail participation and rising foreign exchange reserves. Other growth drivers of Indian economy includes increased Government spending on infrastructure and the ongoing capex cycle.
2. Recent IMF Growth forecast also reiterates strong growth of Indian economy in uncertain times.
3. Some of the headwinds in near term includes rise in energy prices and sharp surge in global interest rates. Monetary policy tightening by FED could also lead to volatility in global markets. Another risk factor is probable escalation of Israel-Palestinian issue, however given the current scenario impact on Indian markets is likely to be limited.
4. Next market mover triggers may be earning season, FED commentary, global inflation and 2024 elections.
5. Large cap valuations are reasonable. Selected Mid cap and Small cap valuations are little higher than their historical averages but we still believe a lot of money can be made in selected pockets over long term.
6. Overall we are bullish on Indian Economy due to above mentioned factors. We recommend investors to hold a well-diversified portfolio with balanced exposure to strong growth businesses across different sectors and cap curve.

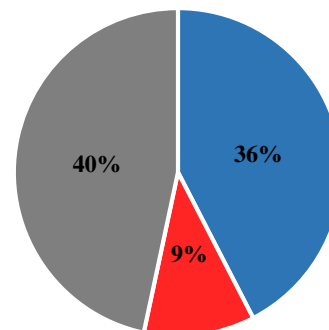
- a) Q1FY24 Real GDP rose by 7.8% from a growth of 6.1% in 4QFY23. Better private consumption (at +6% YoY) and investments (+7.1% YoY) led to better-than-expected growth, while growth was offset by weak fiscal consumption and real exports.

4-Our Portfolio Management Services:

Strategy 1: DREAM

- Investments in equities cash segment with a mix of stable and growth-oriented companies having strong fundamentals.
- Our Multi-cap strategy rests on two pillars- Steady picks for large cap for resilience, stability, and long-term wealth and Growth for Small & Mid-caps for capturing new opportunities & potential multi-baggers.
- In order to minimize concentration risks, we believe in sector diversification. This has also resulted in achieving outstanding results by outperforming the markets by capturing opportunities across the board.
- We make dedicated efforts to find attractively valued firms with sustainable business models to capture new and dynamic opportunities.

Market Capital Diversification



■ Large Cap ■ Mid Cap ■ Small Cap ■ Balance Cash

Our Top 10 Holdings in DREAM

Agarwal Industrial Corporation Ltd.	Tata Motors Ltd.
State Bank of India Ltd.	HDFC Bank Ltd.
ICICI Bank Ltd.	Caplin Point Laboratories Ltd.
Gravita India Ltd.	Axis Bank Ltd.
Deepak Fertilizers and Petrochemicals Corp Ltd.	Hindustan Aeronautics Ltd.

Performance as on 30th Sep 2023:

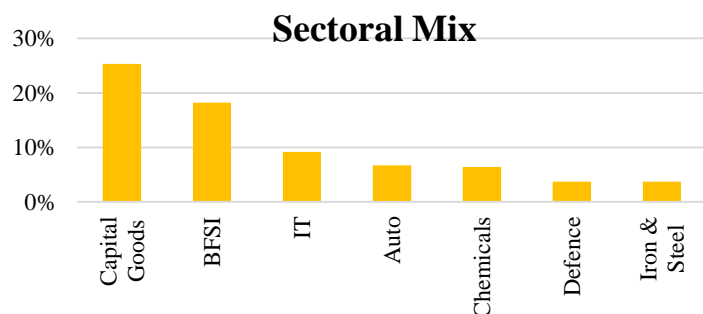
	1M	3M	6M	1Y	3Y	Since inception (CAGR)	Since Inception (Absolute)
HEM PMS	1.18%	11.94%	36.28%	33.04%	30.14%	27.47%	138.16%
BSE 500	2.08%	5.10%	18.34%	15.93%	22.68%	18.84%	85.36%

Inception date: 4th March, 2020. Returns presented are not verified by SEBI

Strategy 2: IRSS

- 1- Niche SME & Small Cap based PMS launched in February 2022.
- 2- We came No. 1 in India according to PMS Bazaar by delivering 34% returns in FY23.
- 3- Exclusive selection of potential multibaggers from SME & Small cap space.
- 4- It is a high risk & high return strategy and therefore suitable for investors having high risk appetite

Sectoral Mix as of 30th Sep 2023



Performance as on 30th Sep 2023:

	1M	3M	6M	1Y	Since inception (CAGR)
HEM IRSS	-4.51%	17.00%	40.79%	48.31%	47.58%
S&P BSE 500	2.08%	5.10%	18.34%	15.93%	9.94%

Inception Date: 18th Feb 2022. Returns presented are not verified by SEBI.

Please read Disclaimer and T&C before investing.



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