

1-Market Highlights:

February arrives as a pivotal month for the Indian stock market. As investors brace for a new chapter in 2024, the spotlight shines on the potential trajectories & domestic economic activity remains resilient despite external headwinds. Q3FY24, aggregate EBITDA/PAT of Nifty 50 companies grew by 10% /14% y-o-y on margin tailwinds, while revenue growth remained soft at 6% y-o-y. Companies in OMC's, metals, cements and auto sectors has reported robust results while IT, consumer staples, utilities and agro-chemical sectors missed the targets. Nifty Index & Sensex has gained 1.18% & 1.04% respectively. Nifty & Sensex has again made all-time highs in the month of Feb-2024 for the consecutive three months. DII remained the net buyer for consecutive 7 months and bought 25,379 crore worth of equity.

Market performance (%)

| INDEX | 1M | 3M | 6M | 1Y |
|--------------------|-------|-------|-------|-------|
| NIFTY 50 | 1.2% | 9.2% | 14.2% | 27.0% |
| SENSEX 30 | 1.0% | 8.2% | 11.8% | 23.0% |
| NIFTY MIDCAP 150 | -0.3% | 11.7% | 21.4% | 56.3% |
| NIFTY SMALLCAP 250 | -0.7% | 12.9% | 25.4% | 67.7% |

Source: NSE

as of 29th Feb 2024

• FII/DII Activity

FIIs sold ₹15,963 crore worth of shares during the month of February while DII purchased 25,379 crore worth of shares. Equity fund inflows rise 23% to Rs 26,866 crore in Feb; SIP book tops Rs 19,000 crore

| INR cr.* | 1M | 3M | 6M | 1Y |
|----------|---------|--------|----------|----------|
| FII | -15,963 | -19981 | -71,828 | -15,710 |
| DII | 25,379 | 65,065 | 1,23,204 | 1,80,954 |

Source: NSE *FII Cash

as of 29th Feb 2024

• Global Market

The US economy expanded at a solid GDP growth rate of 3.2% during the fourth quarter of 2023. This growth reflects resilience and recovery despite challenges. Consumer spending surged, with a 3% growth, increased consumer activity contributes to economic vitality. Inflation started to ease out in Eurozone as annual inflation rate in February came down to 2.6% from 2.85% in the month of January 2024. China's manufacturing PMI inched down in Feb'24 to 49.1 from 49.2 in Jan'24 due to steeper decline in new export orders.

| INDEX | 1M | 3M | 6M | 1Y |
|-----------|--------|--------|---------|---------|
| DOW JONES | 2.22% | 8.47% | 12.31% | 19.41% |
| FTSE | -0.01% | 2.36% | 2.57% | -3.13% |
| HANG SENG | 6.63% | -3.12% | -10.18% | -16.55% |
| DAX | 4.58% | 9.02% | 10.86% | 15.05% |
| NASDAQ | 6.12% | 13.11% | 14.66% | 37.35% |

Source: Investing.com

as of 29th Feb 2024

• Sectoral Performance

On the sectoral front auto, oil, gas & energy has outperformed. Auto sector saw a robust overall growth owing to better-than-expected financial results. Indian Auto Retail experienced a robust 13% YoY growth in Feb'24 across all vehicle categories. Favorable customer sentiment and the successful introduction of models in high demand boosted auto sector. Oil exploration companies benefited owing to increased crude oil prices due to red sea crises. Performance of the FMCG sector remained dismal. Delay in winter season, warmer than usual winters, lower reservoir levels and high food inflation kept a lid on rural demand. The table shows the top 3 and bottom 3 sector performances.

| TOP 3 (%) | 1M | 3M | 6M | 1Y |
|-------------------|-------|--------|--------|--------|
| S&P BSE Auto | 8.12% | 17.46% | 32.48% | 58.76% |
| S&P BSE Oil & Gas | 6.86% | 36.12% | 47.20% | 62.04% |
| S&P BSE Energy | 6.18% | 33.15% | 46.66% | 62.53 |

Source: BSE

as of 29th Feb 2024

| BOTTOM 3 (%) | 1M | 3M | 6M | 1Y |
|---------------------|--------|--------|--------|--------|
| S&P BSE FMCG | -2.33% | 1.98% | 5.12% | 19.87% |
| S&P BSE Capt. Goods | -1.21% | 16.45% | 27.76% | 67.69% |
| S&P BSE Cons. Durb. | 0.00% | 10.46% | 16.52% | 35.74% |

Source: BSE

as of 29th Feb 2024

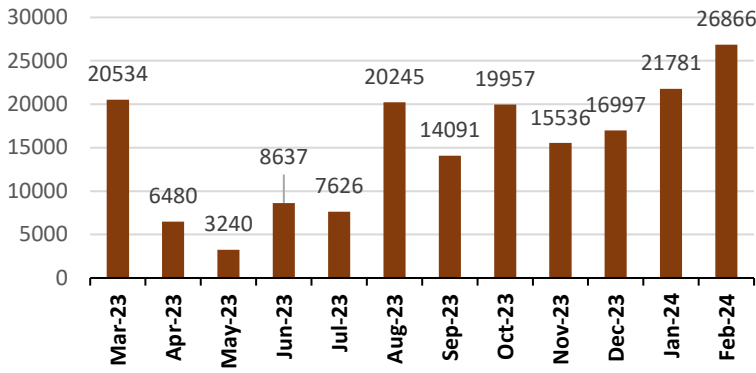
• Important Events

- The India's Gross Domestic Product growth rate in the quarter ending December 31, 2023 was 8.4%. GDP growth rate surpasses the Reserve Bank of India's estimate of 6.5%. In the previous quarter, it was 7.6%, and in the July quarter, it stood at 7.8%. The economy witnessed significant upswing due to good performance in sectors such as construction, mining, quarrying, and manufacturing.
- The Reserve Bank of India Monetary Policy Committee kept repo rates unchanged at 6.5% and is focused on the withdrawal of accommodation to ensure that the inflation progressively aligns with the targets.
- Energy Week took place in Goa. The event drew 350 exhibitors and over 4,000 delegates from more than 100 countries. It provided a platform for global energy leaders to collaborate, innovate, and grow through meaningful partnerships across the energy spectrum.
- RBI has announced transparency measures for borrowers on various charges that are levied by the lending institutions on taking a loan, these charges are now required to be shown in the key fact statement and should form a part of annualized interest rate.

2- Economic Developments:

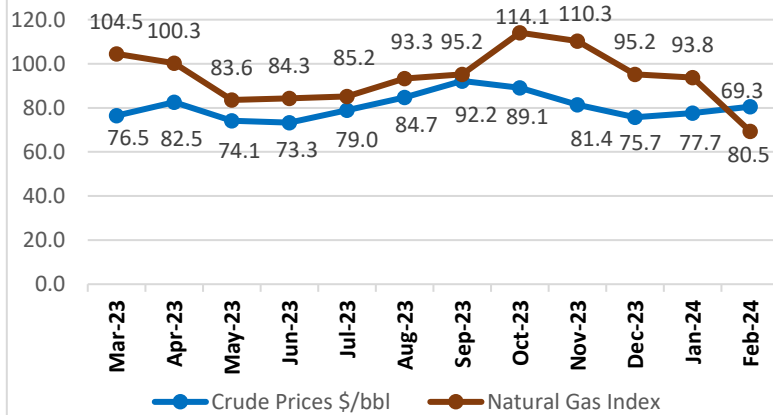
Monthly Inflows in Equity Schemes

(In Crores)



Source: www.amfiindia.com

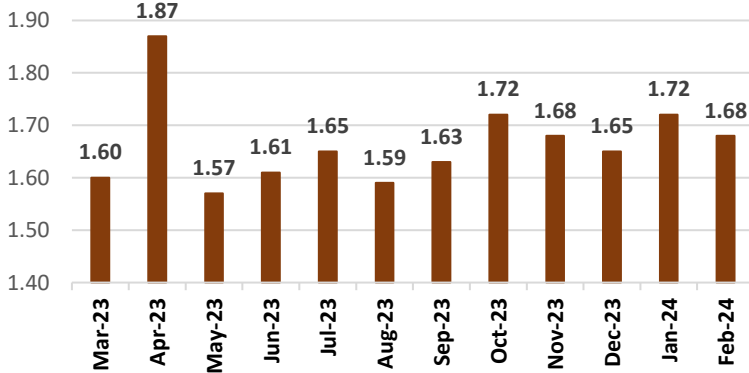
Crude and Natural Gas Prices



Source: worldbank.org (Pink sheet)

GST Collection Collection

(In Lakh Crore)



Source: pib.gov.in

- Mutual funds have been a major alternative for savers. This year, the increase in AUM was Rs 13.32 lakh crore which can be contrasted with that in deposits which were up by around Rs 19 lakh crore. Clearly the higher returns in the equity market have been a driver of this change in pattern of savings.
- Morgan Stanley Capital International (MSCI) has made a rebalancing in MSCI index, after this rebalancing, India's weight in the MSCI EM index, which currently stands at 17.9% will increase to more than 18.2 %, marking a historic high. The reshuffling in the index is set to result in a net inflow of Rs 10,000 crore.

3-Market Outlook

- The Union Cabinet chaired by Prime Minister Shri Narendra Modi approved the establishment of three semiconductor units under 'Development of Semiconductors and Display Manufacturing Ecosystems in India with a total outlay of 76000 crore. All three units will start construction within next 100 days. These units will accelerate employment creation in automotive, electronics manufacturing, telecom manufacturing, and industrial manufacturing and expected to generate total 80 thousand Jobs.
- Government in order to ensure the sustainable development announced "Surya Ghar Muft Bijli Yojana" with the total outlay of 75000 crores. Renewable sector especially the power sector is the biggest beneficiary of the scheme and a lot of investment would be coming in this space.
- Overall profit growth of the corporate has remained largely stable over the last few quarters, aided by lower input prices, sales volume has been muted. However, tensions in the Middle-East and elevated shipping costs can potentially stall this momentum. On the positive side, companies remain optimistic of the future growth outlook leading to improving capex guidance which should augur well for growth.
- Considering the higher GDP growth, stability in political power, our outlook on the Indian Economy remains optimistic. We advise investors to maintain a well-diversified portfolio that encompasses a balanced exposure in varied sector including Power, Infrastructure, IT (Data Centers) and Banks.

4-Our Portfolio Management Services:

Strategy 1: DREAM

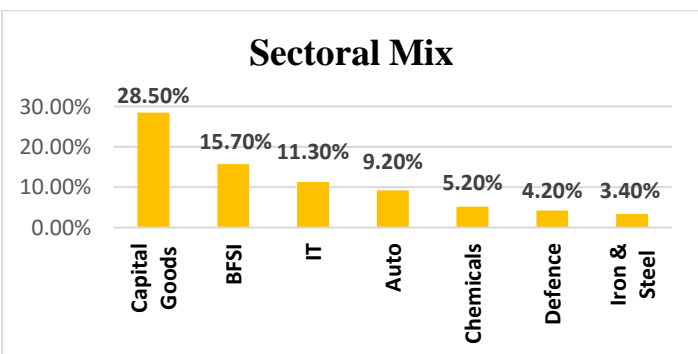
- Investments in equities cash segment with a mix of stable and growth-oriented companies having strong fundamentals.
- Our multi-cap strategy rests on two pillars- Steady picks for large cap for resilience, stability, and long-term wealth and Growth for Small & Mid-caps for capturing new opportunities & 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.

Performance as on 29th Feb 2024:

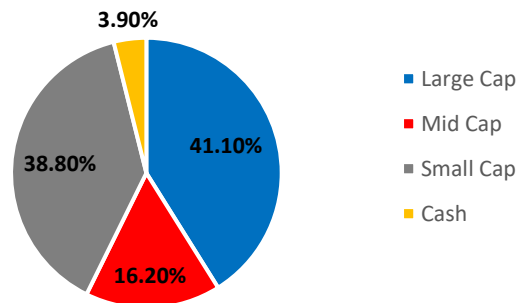
| | 1Y | 2Y | 3Y | Since inception (CAGR) | Since Inception (Absolute) |
|---------|--------|--------|--------|------------------------|----------------------------|
| HEM PMS | 55.51% | 26.31% | 25.96% | 28.52% | 172.26% |
| BSE 500 | 37.65% | 18.19% | 17.93% | 21.13% | 114.94% |

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

Sectoral Mix as of 29th Dec 2024



Market Capital Diversification



Our Top 10 Holdings in DREAM

| | |
|-------------------------------------|---------------------------|
| Agarwal Industrial Corporation Ltd. | Caplin Point Ltd. |
| TATA Motor Ltd. | Carysil Ltd |
| SBI | Narayana Hrudayalaya Ltd. |
| HAL | HCL Tech. Ltd. |
| ICICI Bank Ltd. | BEL |

Strategy 2: IRSS

1- Niche SME & Small Cap based PMS launched in February.

2- We came No. 1 in India according to PMS Bazaar by delivering 34% returns in FY23.

3- Exclusive selection of potential multi baggers from SME & Small cap space.

4- It is a high risk & high return strategy and therefore suitable for investors having high risk appetite

Performance as on 29th Feb 2024

| | 1Y | 2Y | Since inception (CAGR) | Since inception (Absolute) |
|-------------|--------|--------|------------------------|----------------------------|
| HEM IRSS | 57.23% | 50.49% | 46.22% | 116.49% |
| S&P BSE 500 | 35.65% | 18.19% | 15.96% | 35.12% |

Inception Date 17th Feb 2022. Returns presented are not verified by SEBI. Please read Disclaimer and T&C before investing.



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