



1-Market Highlights:

As the financial year FY24 drew to a close, the Indian stock market stood on solid ground. The benchmark index Nifty 50 soared 28.6% in FY24. This remarkable performance can be attributed to robust retail participation and strong foreign as well as domestic investors inflows, along with buoyant economic growth, healthy corporate earnings. India's services sector witnessed one of the strongest growth rates in nearly 14 years in March on the back of strong demand that spurred sales and business activity. Stable inflation and external account, steady number of new project announcements are keeping India among the top destinations for global greenfield projects, progressive employment outlook with decline in global commodity prices from their post-Ukraine conflict, rising FPI inflows, declining current account deficit (CAD), rise in foreign exchange reserves allowing India for a brighter FY25.

Market performance (%)

INDEX	1M	3M	6M	1Y
NIFTY 50	1.6%	2.7%	13.7%	28.6%
SENSEX 30	1.6%	2.0%	11.9%	24.9%
NIFTY MIDCAP 150	-0.4%	4.0%	17.3%	56.5%
NIFTY SMALLCAP 250	-4.2%	2.1%	17.2%	63.1%

Source: NSE

As of 28th March 2024

FII/DII Activity

Both FIIs and DIIs were net buyers in March beating other Asian markets by attracting the highest foreign funds flow defying geopolitical crises and higher interest rate regimes.

INR cr.*	1M	3M	6M	1Y
FII	3,314	-48,626	-41,821	-14,393
DII	56,311	1,08,434	1,59,203	2,06,716

Source: NSE *FII Cash

As of 28th March 2024

Global Market

Reaching new all-time highs in March, the S&P 500 finished its best first quarter since 2019 propelled by relatively positive economic data. It is now ahead 10.6% YTD in 2024 as concerns over a U.S. economic recession have subsided and investors have shifted their attention to the timing of a Federal Reserve pivot from monetary policy tightening to policy easing. In addition, an ongoing rally in artificial intelligence related stocks and dovish commentary by Federal Reserve officials drove Nasdaq higher by 9.3% in the first quarter. The top-performing major market was Japan, which benefited from strong corporate earnings as well as a weakening currency as the Yen fell to a 34-year low.

INDEX	1M	3M	6M	1Y
DOW JONES	2.1%	5.6%	18.8%	19.6%
FTSE	4.2%	2.8%	4.5%	4.2%
HANG SENG	0.2%	-3.0%	-7.1%	-18.9%
DAX	4.6%	10.4%	20.2%	18.3%
NASDAQ	1.8%	9.7%	23.9%	34.0%

Source: Investing.com

As of 28th March 2024

Sectoral Performance

On the sectoral front, we believe that capital goods, logistics, auto, railways, and defense will continue to outperform due to focus on infrastructure development and capital expenditures which are the key drivers for long-term economic growth and productivity enhancement. We anticipate a robust demand trajectory to persist into 2024 in power sector due to the exceptional growth experienced in the last six months of 2023. The significant capital expenditure in the renewable energy space will be a key driver of power generation. The table shows the top 3 and bottom 3 sector performances in March 2024:

TOP 3 (%)	1M	3M	6M	1Y
S&P BSE Capital Goods	6.2%	9.5%	27.7%	77.3%
S&P BSE Metal	5.0%	4.5%	21.5%	47.0%
S&P BSE Auto	5.0%	16.4%	34.2%	74.0%

BOTTOM 3 (%)	1M	3M	6M	1Y
S&P BSE IT	-7.2%	-1.0%	11.2%	25.2%
S&P BSE Healthcare	-0.1%	11.1%	23.0%	60.2%
S&P BSE FMCG	-0.7%	-5.6%	3.4%	17.2%

Source: BSE

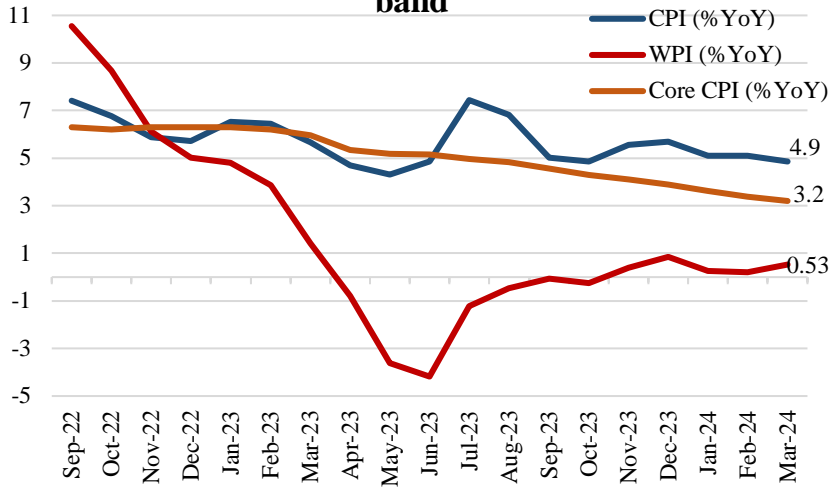
As of 28th March 2024

Important Events

- Consumer price index (CPI)-based retail inflation fell to 4.85% in March, the first month after November 2023 that it has gone below 5%. This has been due to a decline in food and fuel prices, and a continued easing in core inflation. This remained above the central bank's target of 4%, but has stayed within its tolerance range of 2-6% for the seventh consecutive month. Overall, food inflation fell to 8.52% in March, down from 8.66% in February, when it had seen a sharp rise in prices of meat, fish and eggs, and vegetables. Wholesale price inflation rose to a three-month high of 0.53% in March due to an increase in the prices of food, electricity, crude petroleum, natural gas, machinery and equipment
- Factory output measured in terms of the Index of Industrial Production (IIP) rose by 5.7% in February 2024, against 6% in February 2023. Output in manufacturing rose 5% annually, mining 8%, and electricity, 7.5%. Capital goods production, a proxy for fixed investments, rose 1.2% annually in February. Alongside, consumer durables production, which highlights consumer sentiment, also rose 12.3% annually during the month.
- India's eight core sectors' output growth spurted to a three-month high of 6.7% in February, led by double-digit upticks in coal, natural gas and cement even as fertilizer production fell 9.5% to record the sharpest contraction since May 2021. India's economic resilience is visible in other high-frequency indicators as well, aided by recovery in private investments, strong government capex and a gradual improvement in rural demand.

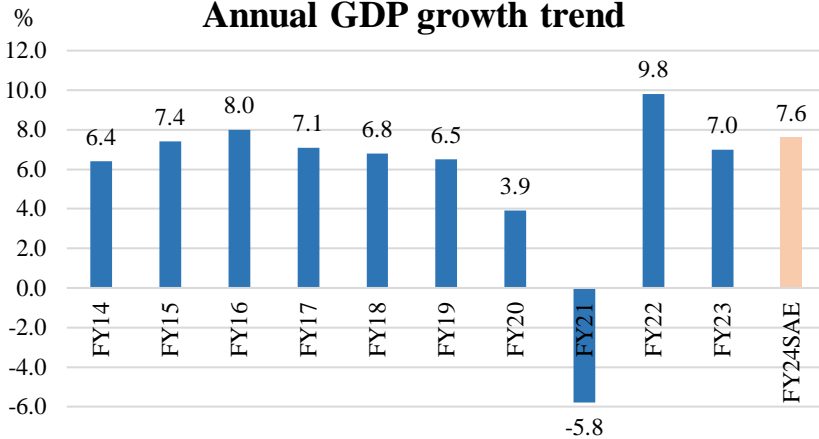
2- Economic Developments:

Inflation maintained within RBI's tolerance band



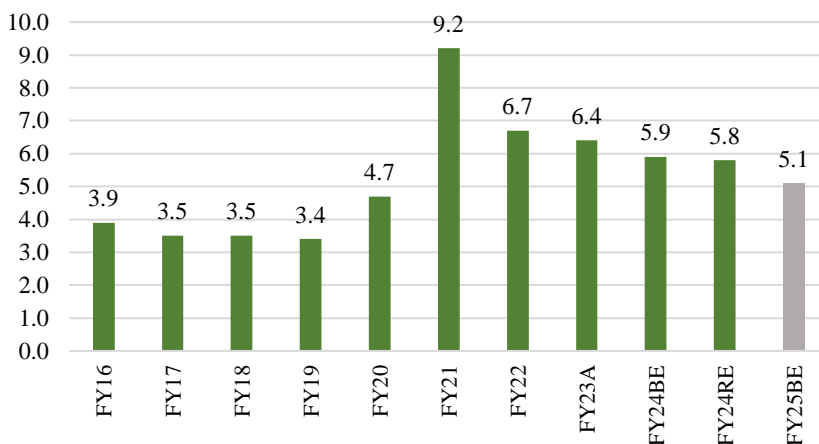
Source: mospi.gov.in

Annual GDP growth trend



Source: mospi.gov.in

Fiscal Deficit trend (%GDP)



Source: Budget Documents, A: Actual, BE: Budget Estimates; RE: Revised Estimates

- The gauge of services sector activity stood at 59.0 at three months high, indicating an increase from November's one-year low of 56.9. Moreover, it remained above the crucial threshold of 50, which signifies expansion in activity, for the 29th consecutive month.
- The RBI's Monetary Policy Committee (MPC) decided to keep the policy repo rate unchanged at 6.5% for the seventh consecutive time and retain the 'withdrawal of accommodation' stance. Inflation is projected to average 4.5% in FY25 and 4% in FY26. The RBI expects growth to remain strong over the next years, projecting FY25 and FY26 GDP growth at 7% each. This, if materialized, would translate into five years of a 7%+ growth trajectory for India (FY22-26).
- The assets under management (AUM) of mutual funds grew by 34 per cent in 2023-24. The increase in assets is due to healthy inflows and the rally in equity markets in India. This is the sharpest increase in mutual fund assets since 2016-17. AUM stood at Rs.54.1 trillion as on 31 March 2024 as compared to Rs.40.5 trillion as on 31 March 2023, according to data from AMFI.

3-Market Outlook:

- India remains the fastest growing major economy in the world, and as per NSO's 2nd advanced estimates it is poised to grow by 7.6% in FY24, up from 7.0% in FY23. In FY25 also, momentum is expected to be maintained supported by government and private investment, and domestic consumption.
- Movement in global equity indices will closely track the timing and quantum of rate cuts by major Central Banks (Fed, BoE, and ECB). In addition, volatile geo-political tensions in the Middle East, and weather conditions (impact food supply chains) may impact global commodity prices and inflation. While higher prices will be positive for respective stocks in the short-term, in the long-term it may dent demand prospects and Central Bank rate cuts.
- Domestically, consumption and investment demand will remain propellants of growth. RBI's prospective rate cut in Q2FY25 will further support the ongoing momentum. This may in turn support FII inflows in both equity and debt segment and fuel growth in Indian stock market.
- We advise investors to maintain a well-diversified portfolio for a balanced exposure to robust growth businesses across sectors and invest only in good-



quality stocks with sound management and good fundamentals.

4-Our Portfolio Management Services:

Strategy 1: DREAM

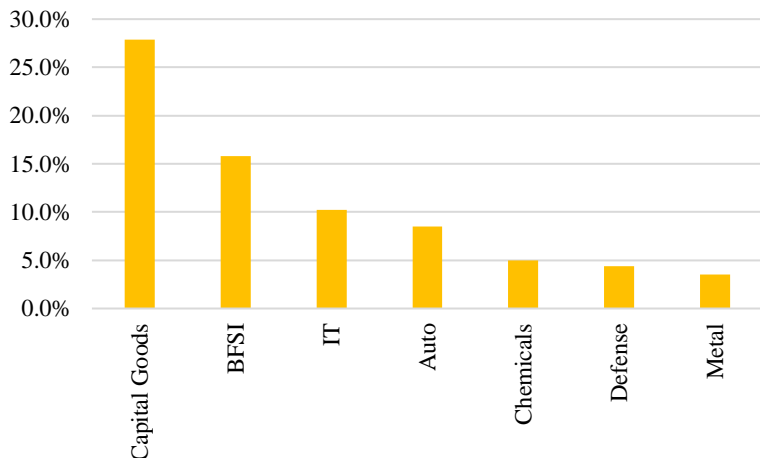
- Investments in equities cash segment with a mix of stable and growth-oriented companies having strong fundamentals.
- Our Multi-cap strategy rests on two pillars- Steady picks for large cap for resilience, stability, and long-term wealth and Growth for Small & Mid-caps for capturing new opportunities & 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 28th March 2024:

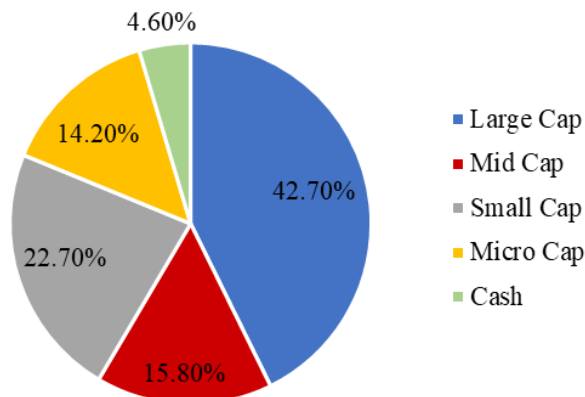
	1Y	2Y	3Y	Since inception (CAGR)	Since Inception (Absolute)
HEM PMS	52.56%	21.25%	23.92%	27.19%	166.58%
BSE 500	38.36%	16.28%	17.80%	20.90%	116.78%

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

Sectoral Mix



Market Capital Diversification



Our Top 10 Holdings in DREAM

Agarwal Industrial Corporation Ltd.	Carysil Ltd.
Tata Motors Ltd.	Caplin Point Laboratories Ltd.
Hindustan Aeronautics Ltd.	InterGlobe Aviation Ltd.
ICICI Bank Ltd.	KEI Industries Ltd.
State Bank of India Ltd.	Bharat Electronics Ltd.

Strategy 2: IRSS

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

Performance as on 28th March 2024:

	1Y	2Y	Since inception (CAGR)	Since inception (Absolute)
HEM IRSS	45.40%	39.72%	36.67%	93.79%
S&P BSE 500	38.36%	16.28%	15.73%	36.26%

Inception Date: 18th Feb 2022. Returns presented are not verified by SEBI. Please read Disclaimer and T&C before investing.



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