



## 1-Market Highlights:

FY24 proved to be an exceptional year for equity markets worldwide, with Indian equity markets exhibiting outstanding performance. Throughout the year, Indian equities consistently achieved new all-time highs, accompanied by continuous surges in market volumes with similar trend being observed in the first month of FY25. While FY25 has indeed commenced on a positive note for Indian equities, the global scenario presents a slightly more challenging outlook than what was anticipated at the onset of the calendar year. In light of the above developments in view, we believe sector rotation will play a critical role in the alpha generation moving ahead. Stable inflation and external account, steady number of new project announcements are keeping India among the top destinations for global greenfield projects, rise in foreign exchange reserves allowing India for a brighter FY25.

### Market performance (%)

INDEX	1M	3M	6M	1Y
NIFTY 50	1.2%	4.1%	18.5%	25.1%
SENSEX 30	1.1%	3.8%	16.6%	21.9%
NIFTY MIDCAP 150	6.3%	5.6%	29.7%	58.2%
NIFTY SMALLCAP 250	10.5%	5.1%	31.7%	68.6%

Source: NSE

As of 30<sup>th</sup> April 2024

### • FII/DII Activity

DII were net buyers while FIIs were net sellers in April due to pressure on corporate results and overhang of election outcome.

INR cr.*	1M	3M	6M	1Y
DII	44,186	1,25,877	1,78,283	2,48,686
FII	-35,692	-48,340	-48,457	-55,798

Source: NSE \*FII Cash

As of 30<sup>th</sup> April 2024

### • Global Market

After five consecutive positive months, stock market sentiment reversed in April, with broad-based weakness across most regions and sectors. While geopolitical threats – the escalation of tensions between Iran and Israel – may have contributed to fragile sentiment, the revival in both stock and bond volatility suggests this was not a conventional ‘risk off’ move. The reappraisal of looming interest rate cuts was likely the bigger factor. However, volatility was short-lived: stocks retraced some of their losses during the latter half of April. Commodity prices continued their ascent. Brent Crude oil rose as high as \$91 per barrel, while gold exceeded \$2,400, though both retraced most of their gains by month-end.

INDEX	1M	3M	6M	1Y
DOW JONES	-5.0%	-0.9%	14.4%	10.9%
FTSE	2.4%	6.7%	11.2%	3.5%
HANG SENG	7.4%	14.7%	3.8%	-10.7%
DAX	-3.0%	6.1%	21.1%	12.6%
NASDAQ	-4.4%	3.3%	21.8%	28.1%

Source: Investing.com

As of 30<sup>th</sup> April 2024

### • Sectoral Performance

On the sectoral front, we believe that despite facing challenges, the banking, energy, and telecom sectors exhibit signs of potential revival. Considering the favorable macroeconomic environment, policy support measures, and attractive valuations, investors may find opportunities in these sectors. Meanwhile, capital goods, logistics, auto, railways, and defense will continue to outperform as they are the key drivers for long-term economic growth and productivity enhancement. The table shows the top 3 and bottom 3 sector performances in April 2024:

TOP 3 (%)	1M	3M	6M	1Y
S&P BSE Metal	10.8%	18.1%	40.2%	53.5%
S&P BSE Power	7.7%	15.6%	63.1%	90.5%
S&P BSE Infra	7.0%	9.3%	62.3%	99.2%

BOTTOM 3 (%)	1M	3M	6M	1Y
S&P BSE IT	-4.4%	-7.9%	9.6%	23.5%
S&P BSE Healthcare	1.0%	7.5%	29.3%	53.4%
S&P BSE FMCG	1.5%	-0.5%	6.0%	13.1%

Source: BSE

As of 30<sup>th</sup> April 2024

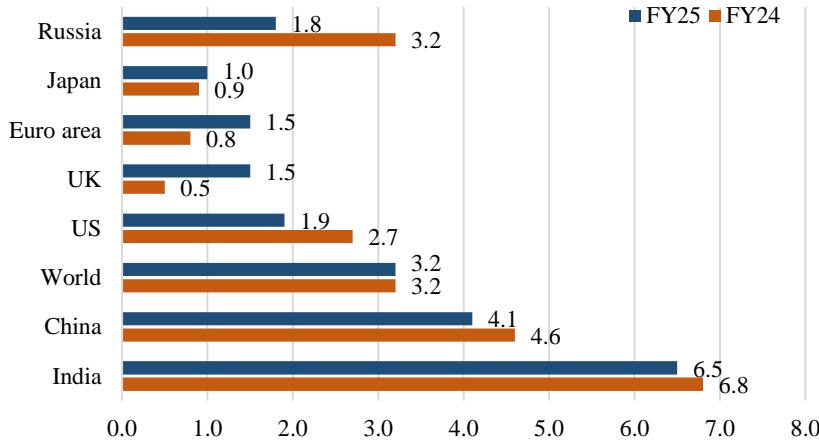
### • Important Events

- During the most recent FOMC meeting held on April 30 - May 1, 2024, interest rates were kept unchanged at 5.25%-5.50%. The Fed chair suggested that the resilient data – robust growth and stickier inflation – could delay the start of the easing cycle. Money markets further tempered their dovish expectations, with only one interest rate cut now in the final quarter of 2024. Conversely, the ECB signaled that the first cut could occur in June, after leaving its main interest rates unchanged at the April meeting. The Bank of Japan also kept its policy rate unaltered, following the prior month’s hike, though the yen subsequently weakened to its lowest level against the US dollar since 1990.
- While the operating environment has remained bearish for EM currencies, the INR has emerged as the stand-out performer depreciating by a much lower quantum than its peer group in 2024. The key reason for that has been persistent RBI intervention that has continued to shield the INR against an appreciating global USD trend that resulted in FPI outflows from the local markets to the tune of USD 1.8bn in April. The improvement in the trade position over Q12024 also worked to ease pressures on the.
- Companies have started declaring Q4FY24 results. The initial set of results of automobiles has been encouraging with almost all the companies exceeding the estimates. The earnings momentum continues for the banking sector with most banks reporting further expansion in margins while it has been dragged by the weaker-than-expected performance of metals. The performance of consumer companies has also been in line and the overall FMCG sector volume has been flat YoY.



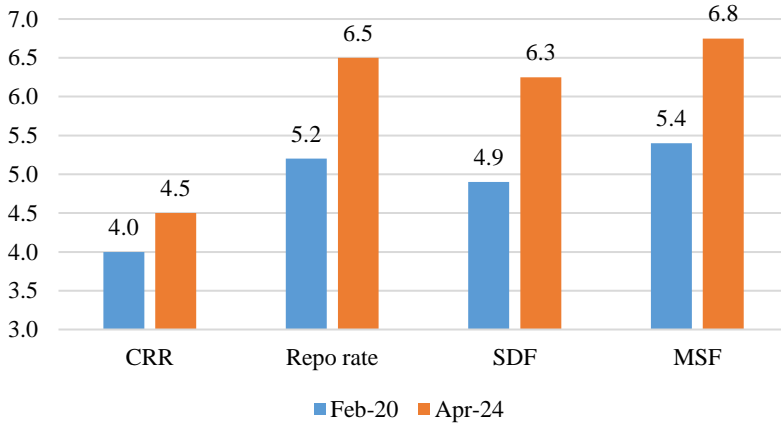
## 2- Economic Developments:

### IMF revises GDP growth forecasts



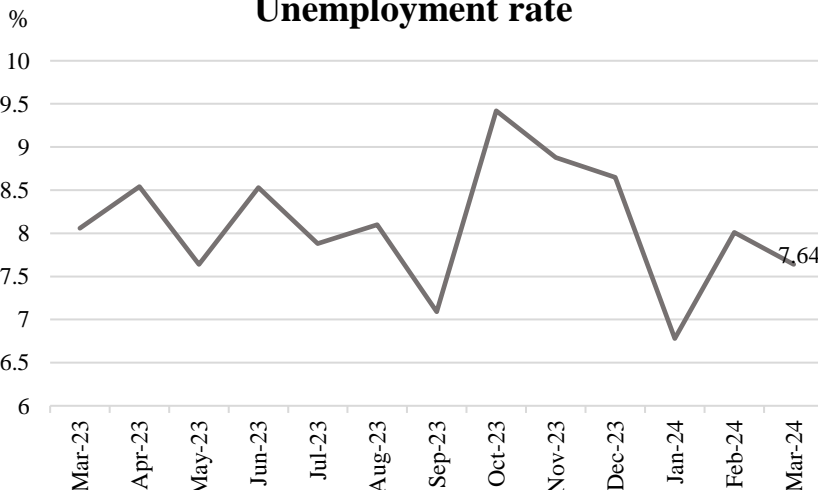
Source: IMF

### Key policy rates



Source: RBI

### Unemployment rate



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

- a) The country witnessed a surge in electricity demand and the energy demand soared in Apr'24 by 11% which was mainly due to an increase in temperatures and increased industrial activities in sectors such as Steel and Power. Power demand as well as consumption will continue to see robust growth in the coming months with the onset of summer. However, according to the IMD, above-normal heat waves are expected this summer. This forecast suggests that power demand will increase further in the upcoming months. H
- b) Healthy pick-up in the economic activities continued in Mar'24 with E-way bill generation setting an all-time high record in Mar'24 with 10.4 Cr E-way bills generated.
- c) The Services PMI moderated in Apr'24 falling to 60.8. The services sector maintained strength due to strong domestic and international demand, leading to heightened business confidence. The services sector has consistently remained above the threshold of 50, which indicates an expansionary phase.
- d) GST revenues stood at 2.10 lakh crore in Apr'24, creating a record high and thus remained above the 1 lakh crore mark for twenty-six consecutive months – an impressive sign of the government's tax collection and overall fiscal position

## 3-Market Outlook:

1. Indian stock markets closed first month of the new financial year FY25 on a volatile note after witnessing both record-high levels along with unexpected crashes. The volatility has returned despite the onset of the pre-election rally. A mixed trend in the global market after the release of a status quo Fed policy with caution about sustaining a high inflation trend led to a broad-based correction in the domestic market
2. The ongoing results season will be a key detrimental factor for investors to align their portfolios. 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.



3. Volatility remains a key theme, with traders closely monitoring geopolitical developments and central bank policies. The Indian stock market remains dynamic, influenced by both domestic and global factors. Investors should stay informed, diversify their portfolios, and exercise caution during these uncertain times. Domestically, consumption and investment demand will remain propellants of growth. RBI's prospective rate cut in Q2FY25 will further support the ongoing momentum.

## 4-Our Portfolio Management Services:

### Strategy 1: DREAM

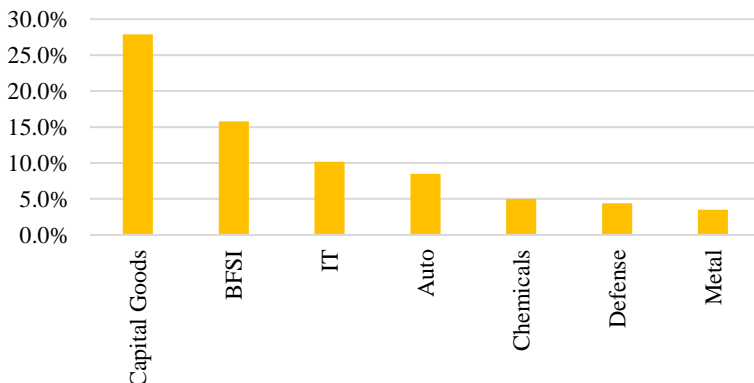
- Investments in equities cash segment with a mix of stable and growth-oriented companies having strong fundamentals.
- Our Multi-cap strategy rests on two pillars- Steady picks for large cap for resilience, stability, and long-term wealth and Growth for Small & Mid-caps for capturing new opportunities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

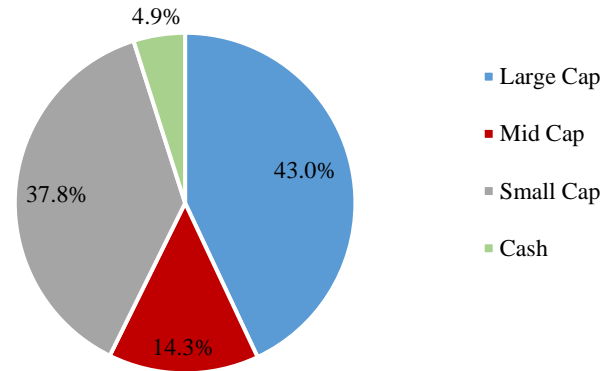
	1Y	2Y	3Y	Since inception (CAGR)	Since Inception (Absolute)
HEM PMS	52.56%	21.25%	23.92%	27.19%	166.58%
BSE 500	38.36%	16.28%	17.80%	20.90%	116.78%

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.	Caplin Point Laboratories Ltd.
Hindustan Aeronautics Ltd.	Carysil Ltd.
Tata Motors Ltd.	InterGlobe Aviation Ltd.
State Bank of India Ltd.	Bharat Electronics Ltd.
ICICI Bank Ltd.	Tata Power Company 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 28<sup>th</sup> 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: 18<sup>th</sup> Feb 2022. Returns presented are not verified by SEBI. Please read Disclaimer and T&C before investing.



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