

# INDIA TOP DOWN & BOTTOM UP



NSE Mcap - \$3.8 tn | Composite PMI - 58.4 | GST Collection - \$3.8tn. | Auto Sales - 100.3 mn

## INDIA UPDATE

- ▲ Blackstone enters India's health care with \$1 bn deals  
*To acquire majority stake in Care and KimsHealth Hospitals*
- ▲ RBI keeps repo rate unchanged at 6.50%  
*GDP forecast for FY24 retained at 6.5%*
- ▲ French Hospitality Group Accor to open 30 new hotels in India in 3-5 years
- ▲ Mobile phone exports from India doubles to ₹457 bn till August 2023
- ▲ Net direct tax collections were up 21.8% to ₹9,570 bn
- ▲ October peak power demand reaches 221.6 GW with peak shortage at 5.4 GW.
- ▲ India's domestic air traffic rose 18.3% YoY in September  
*Airlines carried ~12.3 mn passenger*
- ▲ Emaar India to inject \$1.9 bn into operations over two years  
*To build 10 mn sqft*
- ▲ Government completes Eastern Dedicated Freight Corridor  
*Builds 1,337 kms for ₹550 bn*
- ▲ India to add 56.6 MTPA of crude oil refining capacity by 2030  
*84% will be through brownfield expansion*
- ▲ NIIF looking to sell \$1 bn worth of road projects
- ▲ Google announced manufacturing of Pixel smartphones in India
- ▲ Tamil Nadu to add 5 GW of wind power by end of 2023
- ▲ UPI surpassed 11.4 bn transactions in October, amounting to ₹17.2 tn
- ▲ Apple Inc to further localise its 'Make-in-India' iPhones  
*Looking for suppliers for 3 key components*

India's Rating Upgrade		
Key Global Brokerage Firms	Current Rating	Previous Rating
JP Morgan	Overweight	Neutral
Morgan Stanley	Standout Overweight	Neutral
CLSA	Overweight (20%)	Underweight (40%)
Nomura	Overweight	Neutral

## COMPANY UPDATE

- ▲ Lemon Tree launched India's largest hotel in Mumbai with 669 rooms  
*Targets total 20,000 rooms in next 4 years*
- ▲ Sikkim floods impacts NHPC's 1 GW Hydro Projects  
*Expected Insurance claim of ~₹10 bn*
- ▲ Tata Steel's 1st Low-Carbon Green Steel Plant for ₹26 bn to come up in Ludhiana
- ▲ Ampln Energy Transition and Jupiter International partners to set up 1.3 GW cell & module unit

*Infrastructure Companies:  
Orderbook Growth*

Company	Order Book H1FY23	Order Book H1FY24	YoY Growth	Order Inflow YTD
L&T	3700	4507	22%	1547
KPIL	386	470	22%	122
KEC	276	313	14%	90
J Kumar	114	164	44%	72

## CAPEX

- ▲ Sify Technologies to invest ₹90 bn in data centers over 6 years
- ▲ Saint-Gobain to scale up investment in its Tamil Nadu operations to ₹80 bn
- ▲ Maruti Suzuki to double production to 4 mn units with ₹1,250 bn capex by FY31
- ▲ GMR has lined up ₹40 bn loan for construction of greenfield international airport at Vizag  
*Spread over 2,200 acres and to handle 40 mn passengers*

- ▲ Hyundai & its vendors set to line up ₹100 bn for Talegaon plant  
*Annual production of 1,30,000 units*
- ▲ Haldia Petrochemicals to invest ₹30 bn to set up chemical units in Bengal
- ▲ JSW Steel charts out ₹120 bn capex plan in H2  
*Plans 8.5 MTPA capacity addition this year and reach 50 MTPA by FY30*

## ORDERBOOK UPDATE

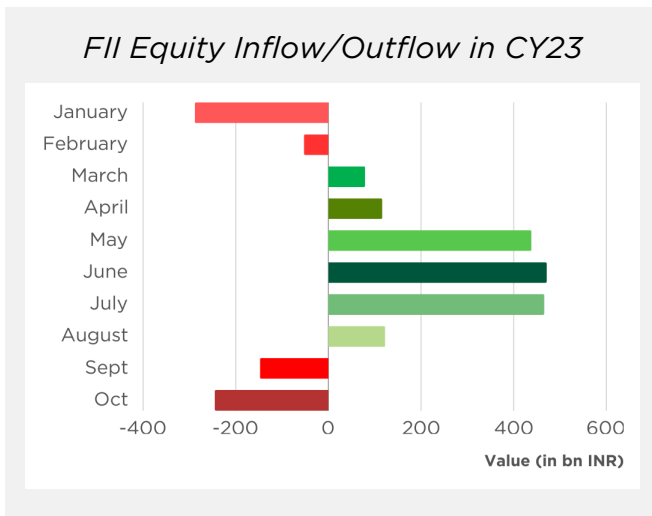
- ▲ L&T energy hydrocarbon arm secures 2 contracts worth over ₹210 bn from Middle East.  
*Both projects relate to Gas compression plant*
- ▲ L&T Construction to build 4.5 km bridge between Dahisar-Bhayander, Mumbai ~ ₹25-50 bn
- ▲ RITES emerged as L-1 Bidder in tender floated by Bangladesh Railway worth ₹9.2 bn
- ▲ IRB Infrastructure awarded 316 km long TOT Bundle worth ₹44.3 bn by NHAI  
*For Lalitpur-Sagar-Lakhnadon section of NH-44*

## GENERAL UPDATE

- ▲ CNG car sales jump 36% at 291k units in H1FY24
- ▲ Rural FMCG Companies faces subdued demand  
*Due to persistent food inflation, uneven rainfall etc*
- ▲ Coal stock shrinks 25% in 86 Thermal Power Plants  
*As peak power demand increases to 222 GW in October*
- ▲ PE and Promoter sells ₹1.6 tn in 9M CY23
- ▲ Wheat MSP increased by ₹150, highest in last 5 years

## GENERAL UPDATE (Contd.)

- ▲ Mumbai international airport records 33% growth in passenger traffic to 12.7 mn in Q2FY24
- ▲ PE/VC investments saw 60% YoY growth to \$13.6 bn in Q2FY24
- ▲ Mumbai property registrations grew 26% YoY in October, at 10,167 units  
*Highest in 11 years*



- ▲ RBI's 14-day VRRR gets muted response; banks parked only ₹53 bn against notified amount of ₹500 bn

## GOVT. INITIATIVE

- ▲ Cabinet raises cooking gas subsidy for Ujjwala scheme beneficiaries by ₹100 per cylinder
- ▲ Government plans to award 10,000 kms of roads projects  
*Totalling ₹3 tn award, in run-up to next year's elections*
- ▲ Uttar Pradesh government aiming private sector investments worth ₹300 bn in data centre
- ▲ Centre approved royalty rates of 3% for lithium & niobium and 1% for Rare Earth Elements (REEs).  
*Will enable first time auction of REEs*
- ▲ Government opens 12th round of bidding for city gas distribution networks  
*Will cover 98% of population*

- ▲ Government considering to replace second phase of Bharatmala Road Project with 'Vision 2047' worth ₹20 tn  
*Government to bid out over ₹2,000 bn worth of road projects on BOT model by March'24*
- ▲ Cabinet approved 4% increase in dearness allowance and dearness relief for central govt employees & pensioners
- ▲ Cabinet approves ₹207 bn for 13 GW Green Energy Corridor project in Ladakh by FY30
- ▲ Govt approves fertiliser subsidy of ₹220 bn for Rabi season  
*~57% lower compared to last year*
- ▲ Imported coal-based power units directed to operate at full capacity till June 2024  
*Fuel Blending floor set at 6%*

- ▲ Govt cuts basmati rice export floor price to \$950 per tonne

SIP Investment			
Month	bn (INR)	Month	bn (INR)
Mar'23	142.8	Jul'23	152.5
Apr'23	137.3	Aug'23	158.1
May'23	147.5	Sept'23	164.0
Jun'23	147.3	Oct'23	169.3

## RBI BULLETIN

- ▲ Term deposit rates reached their peak in last 5 years as banks rush to meet credit demand
- ▲ Term deposit rates 6.00-7.25% (as on 06-Oct-23) vs 5.45-6.10% range last year
- ▲ Funds now flowing from CASA to higher-interest bearing term deposits
- ▲ CD issuances picked up to bridge funding gap due to faster credit growth

## INTERNATIONAL UPDATE

- ▲ Over 300 MoUs valued at ₹6,000 bn signed during third Global Maritime India Summit

*PM Modi launches maritime projects worth ₹ 230 bn*

- ▲ FPIs disposed a net \$11.3 bn worth of equities in September from Taiwan, India, South Korea, Indonesia, Philippines, Thailand and Vietnam

*This was the biggest outflow since June 2022*

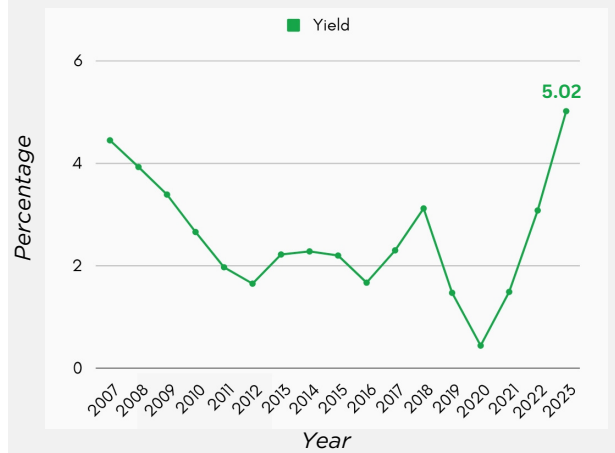
- ▲ China's 1 tn yuan sovereign debt plan to help in economic recovery

- ▲ Euro Zone PMI at 46.5, lowest in nearly 3 years

- ▲ Biden announces \$3.5 bn to strengthen electric grid

- ▲ China's Economy grew at 4.9% in Q2FY24

*US Treasury 10-Year Yield Breaches 5% for First Time Since 2007*



- ▲ U.S. budget deficit near \$1.7 tn, up 23% YoY

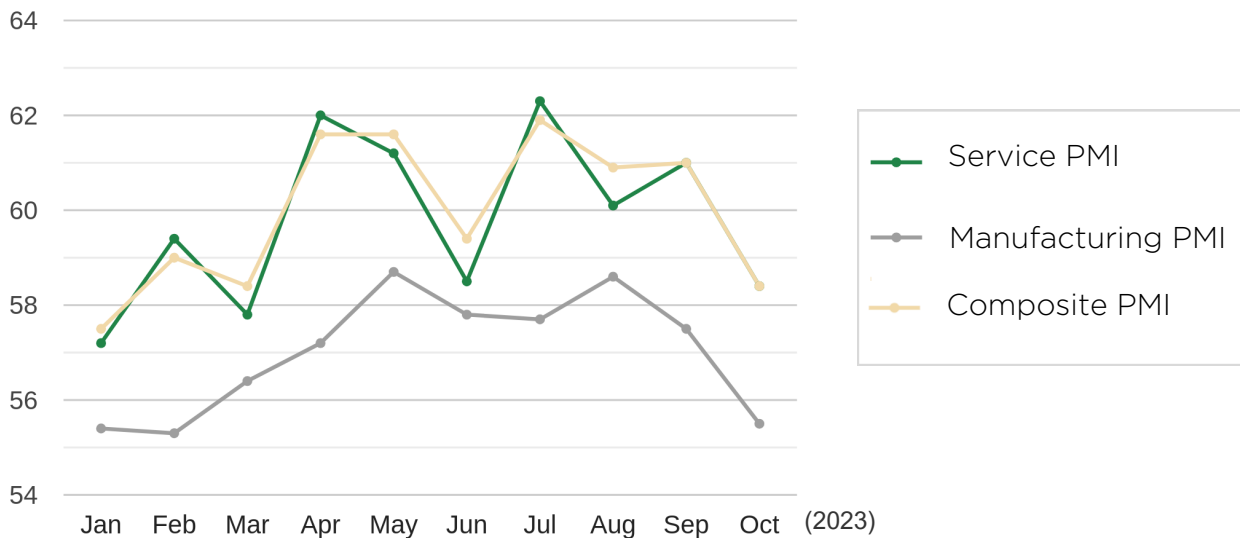
*US debt crosses \$33.6 tn*

- ▲ US Mortgage rates climb to 7.5%

*Highest in 23 years*

- ▲ U.S. GDP grew at a 4.9% in Q2FY24

*PMI Trend Graph*



Economic Indicator	Sept'23	Aug'23	Sept'22
WPI	-0.3%	-0.5%	10.7%
CPI Inflation	5.0%	6.8%	7.4%
Core Sector Growth Rate	8.1%	12.1%	8.3%
IIP	5.0%	10.3%	3.1%
Trade Deficit (in USD)	\$-19.4 bn	\$-24.2 bn	\$-28.0 bn
Merchandise Exports	\$35.4 bn	\$34.5 bn	\$34.5 bn

Economic Indicator	Oct'23	Sep'23	Oct'22	MoM	YoY
Composite PMI	58.4	61.0	55.5	-4.3%	5.2%
GST Collection (INR)	₹ 1.7 tn	₹ 1.6 tn	₹ 1.5 tn	6.2%	13.2%
E-Way Bill	100.3 mn	92.0 mn	76.8 mn	9.0%	30.6%
Auto Sales (units)	2.1 mn	1.8 mn	2.3 mn	12.6%	-7.7%
AVG USD INR	83.3	83.0	82.8	0.4%	0.6%
Forex Reserves	\$586.1 bn	\$586.9 bn	\$633.3 bn	-0.1%	-7.5%

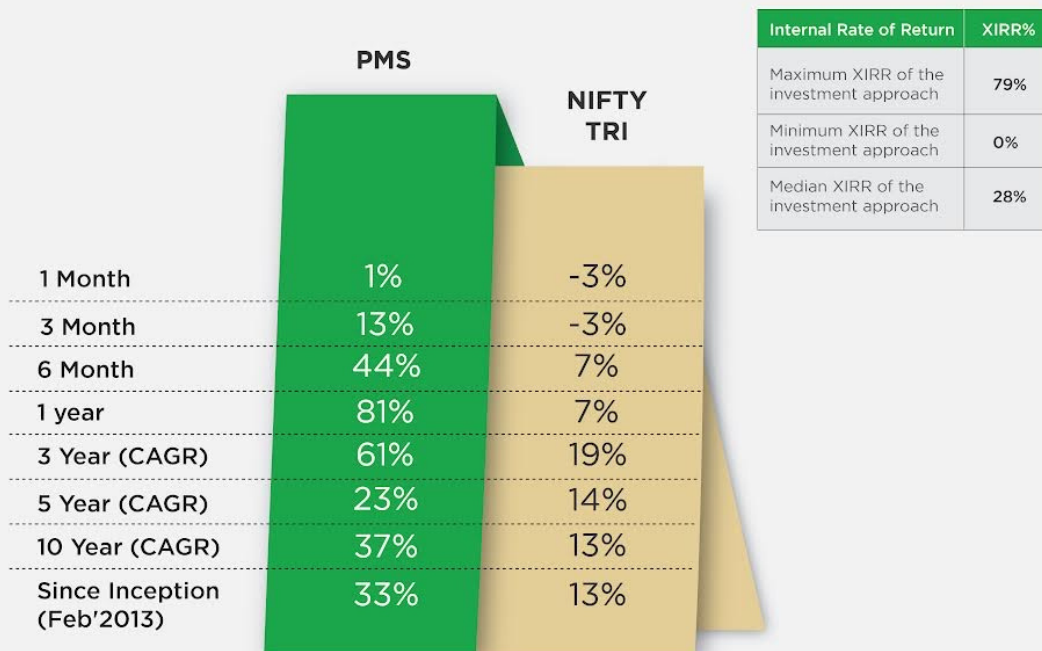
**\*\*All the numbers are rounded to a single decimal place**

### Aequitas : What's Trending

Interview Video with BQ Prime	<a href="#">Siddhartha Talks: How To Invest In Risk Assets</a>
Interview Video with CNBC TV18	<a href="#">Siddhartha's view on Midcap &amp; Smallcap space</a>
Speaker at CFA Society Event	<a href="#">Siddhartha Bhaiya on Cracking the Multibagger Code</a>
Blog	<a href="#">Simplifying Stock Market Success with Siddhartha Bhaiya</a>
Blog	<a href="#">Unveiling the Path to Multi-Baggers: Siddhartha's 21-Year Investment Journey</a>

**A E Q U I T A S**

### PMS PERFORMANCE SUMMARY AS ON 31st OCTOBER 2023



Returns over 1 year period are on a compounded annual basis; returns are adjusted for inflows/outflows and are after expenses as of 31st October 2023.

Please note that performance of your portfolio may vary from that of other investors and that generated by the Investment Approach across all investors because of

- The timing of inflows and outflows of funds
- Differences in the portfolio composition because of restrictions and other constraints.

Absolute XIRR return is computed for clients completing less than one year from reporting date.

Performance-related information provided herein is not verified by the regulator.