

Key Benchmark indices across the globe

Index	June 13, 2023	June 12, 2023	Change	% change	Open	High	Low
Nifty	18,716.15	18,601.50	114.65	0.62	18,631.80	18,728.90	18,631.80
Sensex	63,143.16	62,724.71	418.45	0.67	62,779.14	63,177.47	62,777.04
Shanghai Composite	3,233.67	3,228.83	4.84	0.15	3,223.90	3,235.09	3,215.50
Hang Seng	19,521.42	19,404.31	117.11	0.60	19,355.65	19,572.42	19,273.42
Kospi	2,637.95	2,629.35	8.60	0.33	2,644.43	2,645.62	2,633.52
Dow Jones	34,199.08#	34,066.33	132.75	0.39	34,126.81	34,310.28	34,107.98
Nasdaq	13,568.89#	13,461.92	106.97	0.79	13,326.37	13,594.40	13,473.19
FTSE	7,596.75#	7,570.69	26.06	0.34	7,570.69	7,610.77	7,556.32
CAC	7,302.05#	7,250.35	51.70	0.71	7,290.31	7,308.00	7,244.42
DAX	16,231.17#	16,097.87	133.30	0.83	16,218.20	16,231.20	16,088.47

#denotes levels of June 13, 2023 at the time of writing this report

Key macroeconomic indicators

Index	June 13, 2023	June 12, 2023
Brent Crude Oil (\$ per barrel)	73.99#	71.84
Gold (\$ per ounce)	1,943.62#	1,956.92
Indian Rupee against US\$	82.38	82.43
India 10 year bond yield (%)	7.00	7.02
US 10 year G-sec (%)	3.78#	3.77

#denotes levels of June 13, 2023 at the time of writing this report

FII & DII activity

Index	June 13, 2023	June 12, 2023
FII activity (Rs. in Crore)	1,677.60	626.62
DII activity (Rs. in Crore)	203.32	1,793.85

Indian equities remain buoyant; buying witnessed across the board..

- 1) On Tuesday, the Indian benchmark indices ended in the positive terrain. The Nifty opened on a positive note and later touched an intraday high of 18,728.90. Finally, the Nifty ended the day, up by 114.65 points or 0.62 percent to end at levels of 18,716.15. On the other hand, the Sensex ended the day up by 418.45 points or 0.67 percent to end the day at levels of 63,143.16.
- 2) Among the Nifty 50 stocks, the major gainers were Tata Consumer Products, Cipla, ITC, Titan Company, Asian Paints up in the range of 1.92 percent to 2.34 percent. On the other hand, the major losers were Kotak Mahindra Bank, Adani Enterprises, Adani Ports, HCL Technologies, Mahindra & Mahindra down in the range of 0.52 percent to 1.23 percent.
- 3) The broader markets too were upbeat on Tuesday. The Nifty Midcap 100 index was up by 1.22 percent and the Nifty Smallcap 100 index was up by 0.70 percent.
- 4) In terms of the sectoral indices performance, the major gainers were Nifty Realty index up by 3.01 percent, Nifty Media index up by 1.78 percent, Nifty Consumer Durables index up by 1.44 percent, Nifty FMCG index up by 1.38 percent, Nifty Healthcare index up by 1.08 percent, Nifty Pharma index up by 1.07 percent.

- 5) On Tuesday, FIIs have net bought equities worth Rs. 1,677.60 Crore. On the other hand, DIIs net sold equities worth Rs. 203.32 Crore. Month till date, FIIs have net bought equities worth Rs. 1,291.76 Crore and DIIs have net bought equities worth Rs. 4,601.07 Crore. In the month of May 2023, FIIs have net bought equities worth Rs. 27,856.48 Crore and DIIs have net sold equities worth Rs. 3,306.35 Crore.

Sectors & Stocks

- 1) Shares of Macrotech Developers Limited ended up by 10.48 percent to Rs. 678.05 at the NSE on Tuesday. Mr. Abhishek Lodha - Managing Director and Chief Executive Officer in the Company's Q4FY23 concall said "We believe we are best placed to capitalize on this long structural up cycle which we see ahead of us. Over the last two years, after our tepid listing, we saw good recovery, two capital raises - a primary and a secondary, significant debt repayment, strong cash flow generation, the acceleration of the process of winding down our UK exposure and good momentum and visibility in our progress. We would like the company to continue to provide consistent growth over the rest of the decade with strong operating cash flow generation, strengthening the balance sheet every passing year and improving return metrics through our prudent capital allocation. We continue to see strong momentum in potential deals available by the way of JDAs or joint development and demand which is strong enough to keep utilizing our own existing land bank as well. He further added "On the back of our strong operational excellence and our very efficient land to cash cycle, our ROEs are now touching 16% plus for fiscal 23 and we expect to be close to 20% by fiscal 24. Deal flow and opportunities are massive enough for us to be selective. Deal signing and launches will happen with consistency and prudence and in a summation of all of the above, I reiterate that we will have a strong balance sheet, the strongest balance sheet that we've ever had, and a consistent growth in sales and cash flows".
- 2) Shares of Trent Limited ended up by 5.75 percent to Rs. 1,687.05 at the NSE on Tuesday. Trent Limited is part of the Tata Group and operates a portfolio of retail concepts. The primary customer propositions of Trent include: Westside, one of India's leading chains of fashion retail stores, Zudio, a one stop destination for great fashion at great value and Trent Hypermarket, which operates in the competitive food, grocery and daily needs segment under the Star banner. Westside stores have a footprint of predominantly between 18,000-34,000 sq. ft. across 90 cities. Westside stocks a broad range of products ranging from apparel, footwear, accessories to cosmetics and perfumes to home accessories and gifts amongst others. Each Westside store presents international shopping ambience, superior merchandise at affordable prices and excellent service. Zudio, the value fashion format destination, operates with stores having a footprint of around 7,000-10,000 sq. ft. Zudio stores offer several product categories to meet the varied shopping needs of customers. These include apparel across men, women and kids and footwear.

The Company had witnessed good performance in FY23. Speaking on the performance, Mr. Noel N Tata, Chairman, Trent Limited said, "Our lifestyle offerings across concepts, categories and channels are witnessing a strong momentum. We see growing relevance for our offerings, resilience of our business model choices and attractiveness of our differentiated platform. Leveraging our platform, we launched Samoh, our contemporary occasion wear concept. Samoh focuses on elegant, expressive, modern silhouettes and a new approach to wardrobe that emphasizes versatility and caters to an audience that appreciates a luxurious and modern take on cherished designs and motifs from the Indian hinterland. We are also increasingly applying our playbook to the Star business and the strong customer traction we are witnessing gives us growing conviction of building-out this growth engine in the food and grocery space. In the foregoing backdrop, we are continuing to expand the reach of all our concepts with the aim of being ever-more proximate and convenient to our customers. We are in the initial laps of our growth. I see much potential, led by our passionate teams, to address significant opportunities that lie ahead."

- 3) Shares of Kaynes Technology India Limited ended up by 5.59 percent to Rs. 1,615 at the NSE on Tuesday. Kaynes Technology is a leading end-to-end and IoT solutions-enabled integrated electronics manufacturer in India, having capabilities across the entire spectrum of Electronics System and Design Manufacturing (ESDM) services. It has over three decades of experience in providing Conceptual Design, Process Engineering, Integrated Manufacturing and Life Cycle Support for major players in the Automotive, Industrial, Aerospace and Defence, Outer-space, Nuclear, Medical, Railways, Internet of Things ("IoT"), Information Technology ("IT") and other segments. The company has 8 advanced manufacturing infrastructure to manufacture high mix and high value products at variable or flexible volumes across all industry verticals. Apart from this, the company also has Service centres in Cochin and Mumbai, catering to Railway, Aerospace, Defence and Industrial Clients.

Earlier, commenting on FY23 results Mr. Ramesh Kunhikannan, Managing Director & Promoter, Kaynes Technology India Limited said: "Kaynes delivered revenue growth of 59% for FY23 as we witnessed strong demand across the Automotive, Railways, IT/IoT and Consumer verticals. With an executable order book of over INR 26,482 mn, we have visibility of strong growth as we approach FY24. After successfully completing our IPO, we are now focused on upgrading our capacity and capabilities which are expected to streamline in phases starting FY24. This will help us



benefit from the industry tailwinds in the manufacturing sector. Given the proven track record of our execution capabilities, we are now targeting orders having higher proportion of value-added services and along with increasing our overall wallet share"

Ajcon Global's view on Indian equities in the near term

- 1) On Tuesday, Indian equities were buoyant. Buying was witnessed across the board. Good stock specific was witnessed during the day with midcaps and smallcaps registering good rally. Investors have cheered India's retail inflation data which has fallen to a 25 month low in May 2023 and good Index of Industrial Production (IIP) data which stood at 4.2 per cent in April 2023 as against 1.1 percent in March 2023. After the recent rally, profit booking cannot be ruled out.
- 2) Going forward, global investors would keep an eye on US CPI inflation data and outcome of upcoming US Fed meet. We suggest investors to remain stock specific and be wary of valuations of companies getting out of comfort zone. At the moment, companies in the sectors like NBFCs, Banking, Capital Goods, select companies in the Infrastructure space, Railways and Defence. Select companies in the new age business segment can also be considered as they have seen good improvement in performance in Q4FY23.
- 3) We have faith in the India story and believe that the domestic economy is strongly placed as compared to the global peers which will attract investors. Domestically, the economy is doing well which is evident from the recent GST collection data, manufacturing PMI and Services PMI data, and other indicators like passenger air traffic, hotel occupancy, power consumption, auto sales, coal production data etc. Q4FY23 earnings season has been decent. IT giants had reported weak performance but IT midcaps have delivered good Q4FY23 performance. Results announced by PSU Banks, NBFCs announced indicates good times for Banking and Financial Services sector. Private Banks too had reported decent Q4FY23 performance.
- 4) While the global central banks especially in US and Europe are grappling with issues like balancing inflation and growth; however, Reserve Bank of India is balancing inflation and growth in a good manner. In addition, the Indian Banking has proved to be resilient to global factors and macroeconomic headwinds. This will infuse confidence amongst investor community which will attract FIIs inflows.



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SEBI registration Number: INH000001170 as per SEBI (Research Analysts) Regulations, 2014.

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