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The Eagle Eye

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CONTENT

GLOBAL MARKETS

- ❖ US outperforms key equity indices in CY24; India outpaces most EMs
- ❖ MSCI India outperforms MSCI EM by 6pp in CY24
- ❖ India remains among the top five markets of the decade

DOMESTIC MARKETS

- ❖ Nifty-50 clocks nine consecutive years of positive returns
- ❖ Mid-and small-caps outperform large-caps over a 1-yr/3-yr/5-yr/10-yr/15-yr/20-yr period
- ❖ Healthcare & Real Estate sectors among the top gainers in CY24

FLOWS AND VOLUMES

- ❖ DII inflows break all records, while FIIs post marginal outflows in CY24
- ❖ Monthly average cash volumes inch up; F&O volumes dip sharply
- ❖ CY24 – A blockbuster year: Multiple sectors jump on the IPO bandwagon

KEY RESEARCH REPORTS

- ❖ Indian Capital Market | Thematic: A golden era!
- ❖ P N Gadgil Jewellers – Initiating Coverage: Strengthening retail presence with trust
- ❖ Anant Raj – Initiating Coverage: Riding India's data center localization wave

MULTI-YEAR HIGHS

- ❖ Mid-and small-cap contributions to market cap at all-time highs
- ❖ INR remains less volatile vs. other key currencies in CY24
- ❖ Key input commodity prices, barring palm oil, remain range-bound in CY24

VALUATIONS

- ❖ The 12-month trailing P/E for the Nifty stands at 22.6x, near its LPA.
- ❖ Nifty's 12-month forward P/E trades at 19.9x, at its LPA.
- ❖ India's market capitalization-to-GDP ratio at an all-time high on a year-end basis

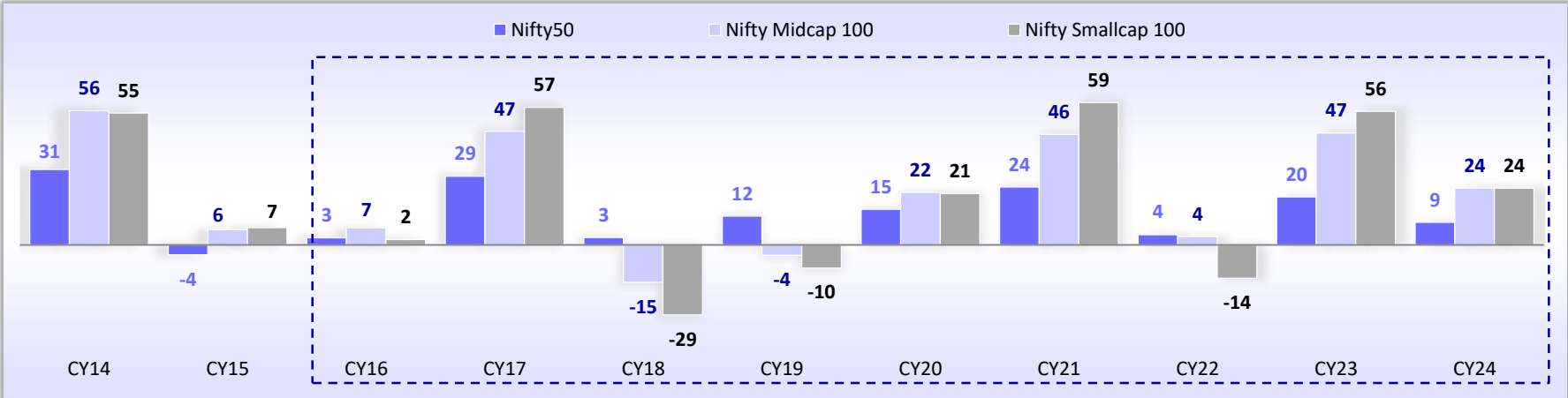
A view from the EAGLE'S EYE!

KEY EXHIBITS

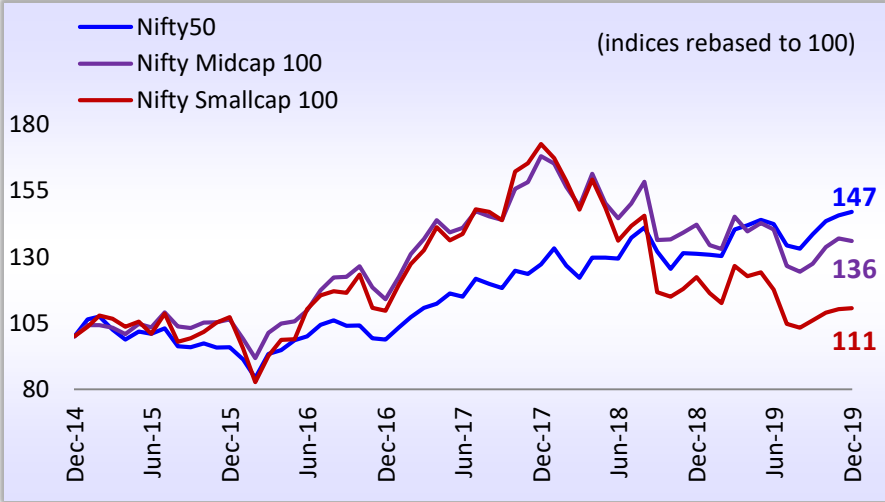
Nifty-50 clocks nine consecutive years of positive returns!

- ❖ Indian markets have once again celebrated a year of gains, marking a historic milestone with nine consecutive years of positive returns.
- ❖ Please refer to our recent year-end Strategy report: [“On cloud 9 with a tinge of grey!”](#)

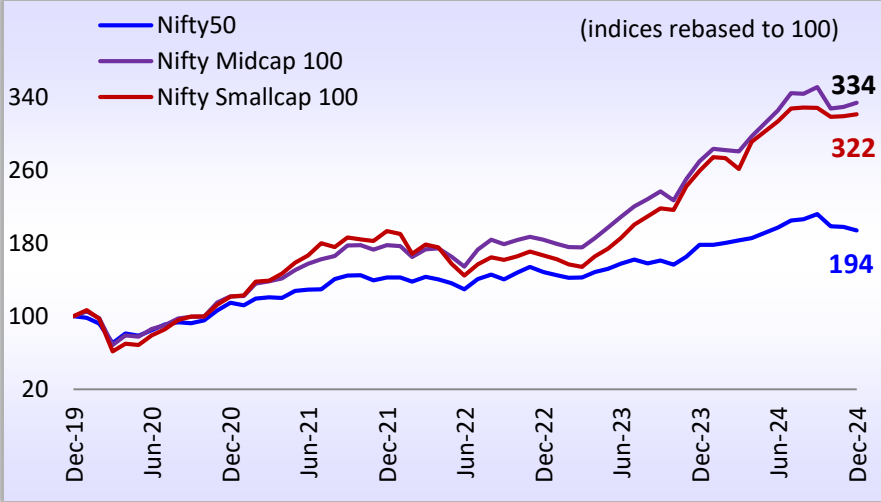
Over the last nine years, mid-caps have delivered seven and small-caps have reported six years of positive returns



Large-caps outperformed mid- and small-caps between CY14 and CY19



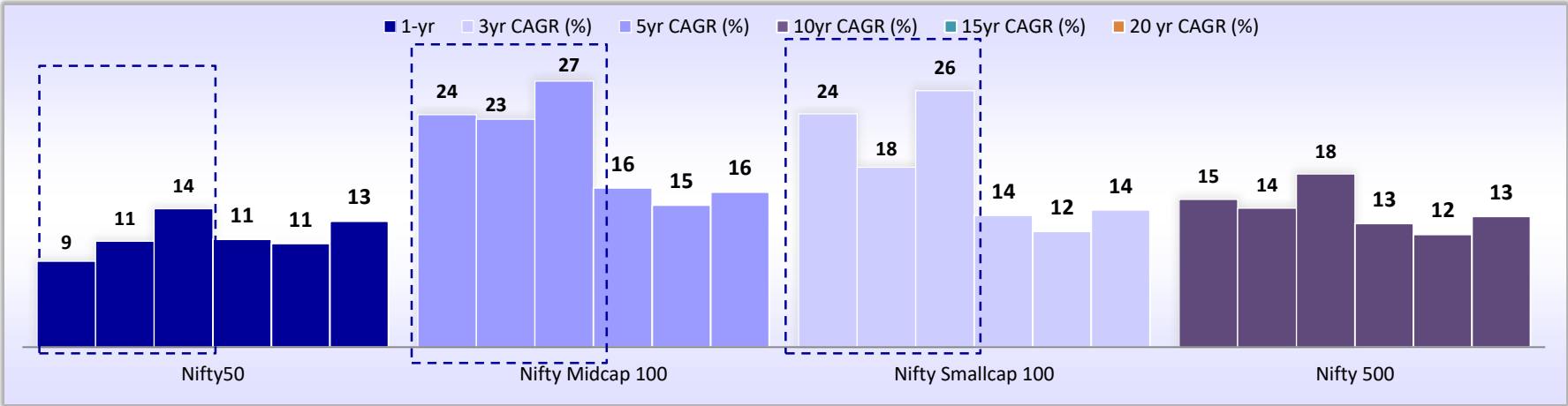
In contrast, mid- and small-caps outperformed large-caps between CY19 and CY24



Mid- and small-caps outperform large-caps over a 1-yr/3-yr/5-yr/10-yr/15-yr/20-yr period

❖ Nifty-50’s one-year return remains below its long-period CAGR, while that of mid-caps and small-caps remains above.

Nifty50, Nifty Midcap100, Nifty Smallcap 100 indices’ returns



Pharma, Real Estate, Cap. Goods, and Auto the best-performing indices YoY; Cap Goods and Auto outperformed in most of the periods

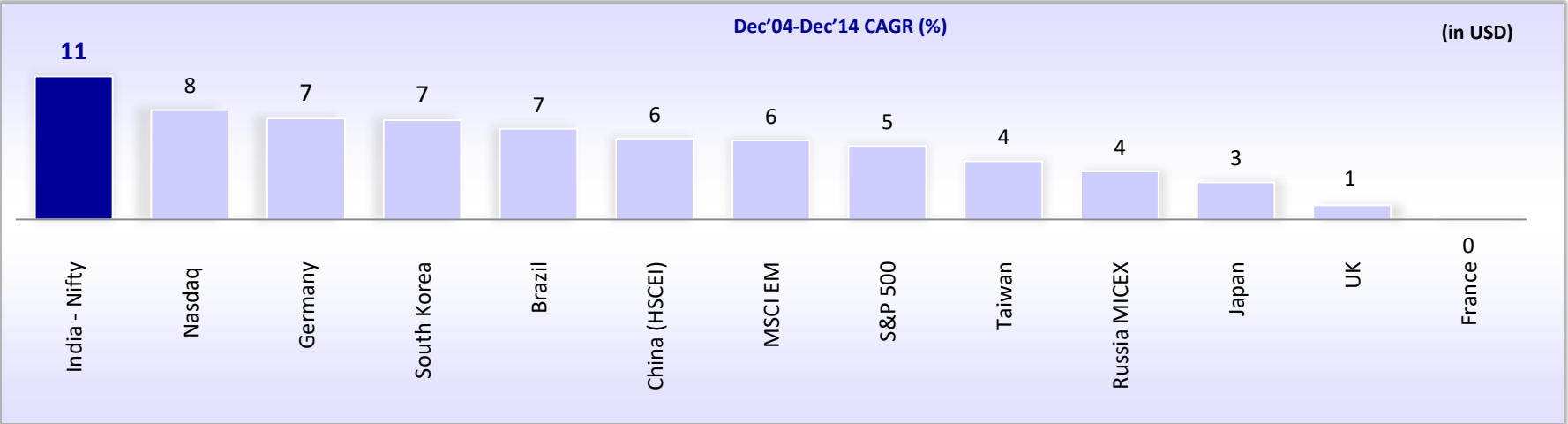
Date	Auto	Capital Goods*	IT	BANK	PSU Bank	Pvt. Bank	Pharma	Real Estate	FMCG	Metal	Energy	Media
CY24 (YoY)	23%	22%	22%	5%	14%	0%	39%	34%	0%	8%	5%	-24%
3yr CAGR (%)	28%	33%	4%	13%	37%	11%	18%	30%	15%	16%	16%	-6%
5yr CAGR (%)	23%	32%	23%	10%	21%	7%	24%	29%	14%	25%	17%	0%
10yr CAGR (%)	11%	16%	14%	11%	4%	10%	8%	18%	11%	13%	15%	-3%
15yr CAGR (%)	14%	11%	14%	12%	5%	14%	13%	5%	15%	4%	9%	1%
20 yr CAGR (%)	16%	17%	14%	14%	8%	-	13%	-	16%	11%	12%	-

*BSE Capital goods index

KEY EXHIBITS

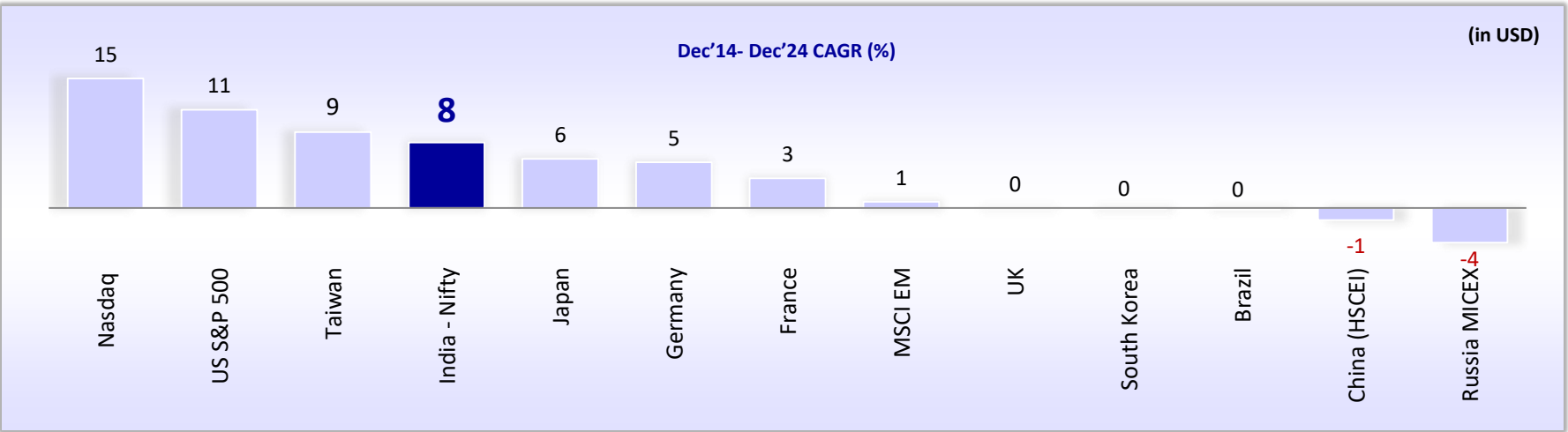
India remains among the top five markets of the decade

India remains the best-performing market between Dec'04 and Dec'14



Note: INR depreciated 31.1% vs USD between Dec'04-Dec'14

...and remains among the top five performers between Dec'14 and Dec'24; it also remains the best-performing EM of the decade



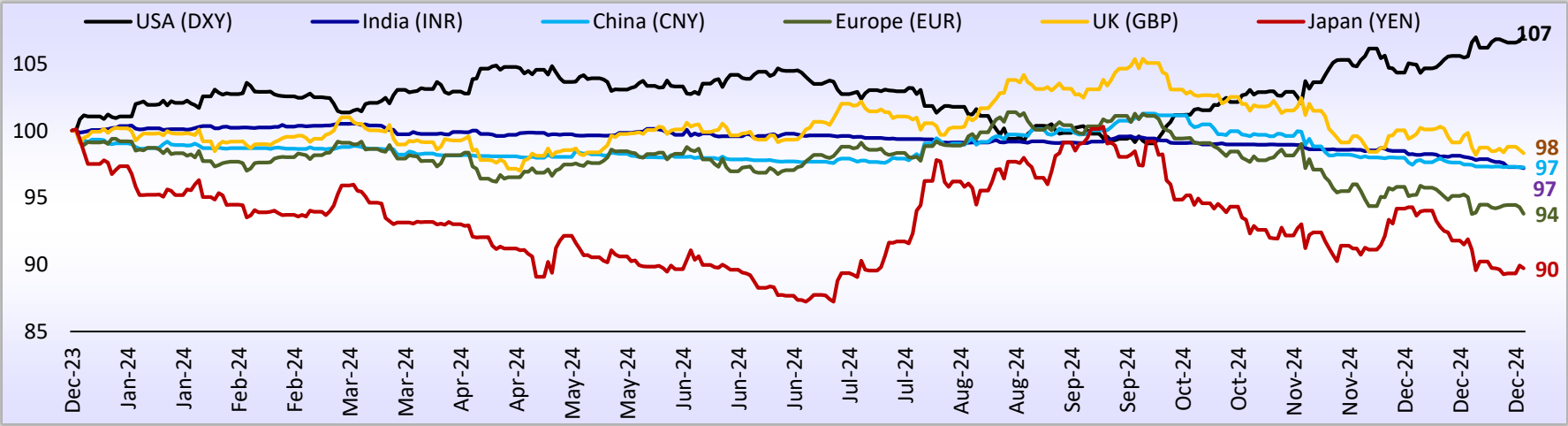
Note: INR depreciated 27.8% vs USD between Dec'14-Dec'24

KEY EXHIBITS

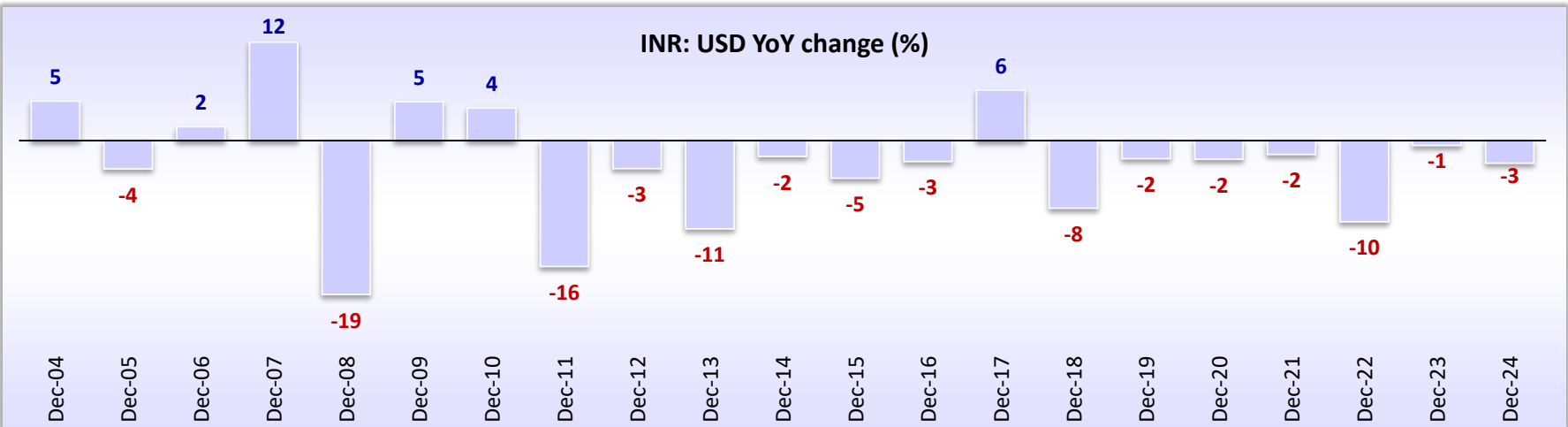
INR remains less volatile vs. other key currencies in CY24

❖ The USD appreciated 7%, while the UK (GBP)/ India (INR)/China (CNY)/Europe (EUR)/Japan (YEN) depreciated 2%/3%/3%/6%/10% in CY24.

Currency movement rebased to 100



INR depreciated 31.1% vs. USD between Dec'04 and Dec'14; while it depreciated 27.8% between Dec'14 and Dec'24

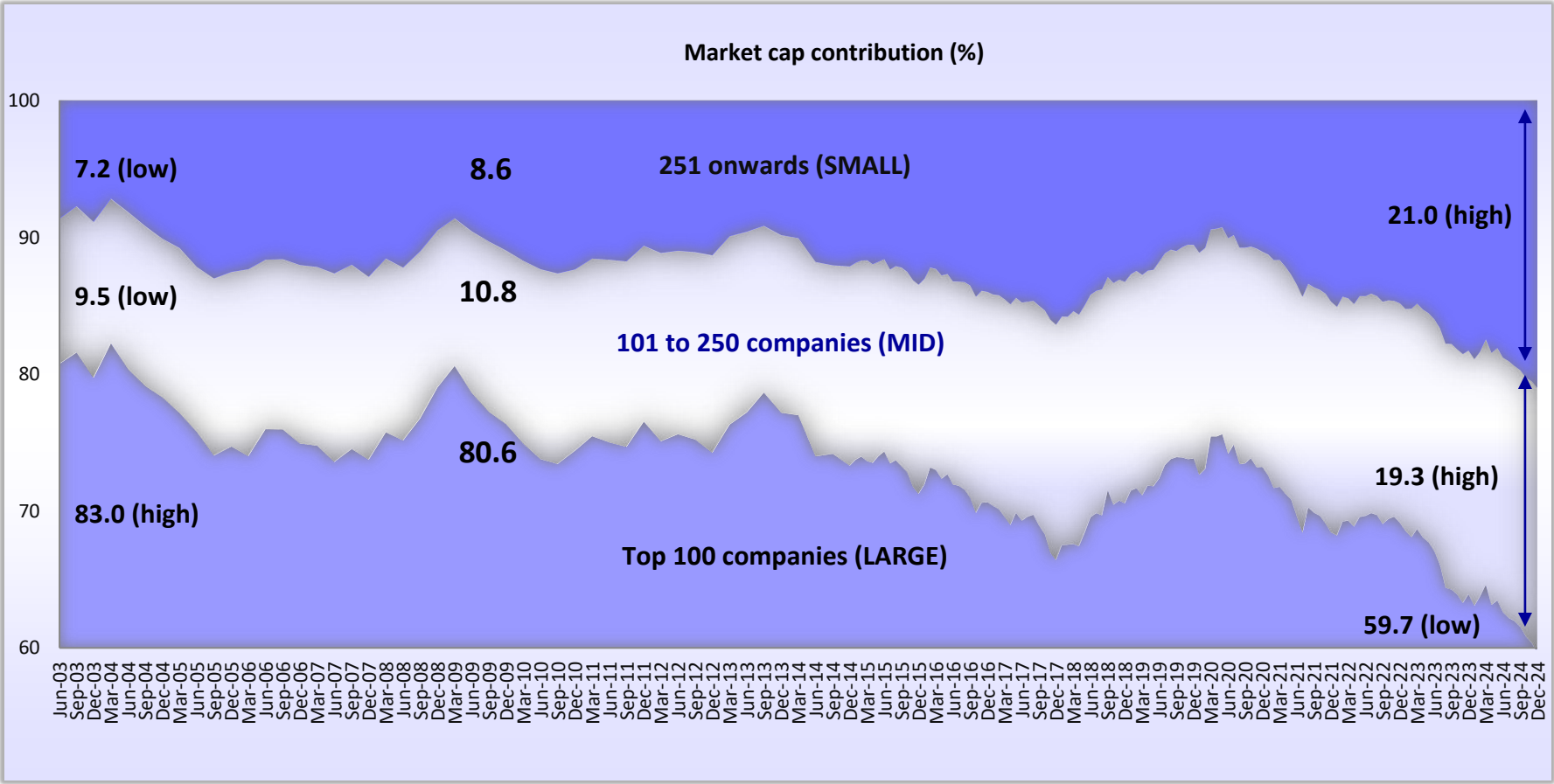


KEY EXHIBITS

Mid- and small-cap contributions to market cap at all-time highs

- ❖ Mid- and small-caps saw a notable surge in market cap contribution due to a spike in their valuations. In contrast, large-cap contribution was at an all-time low.
- ❖ Market cap contribution of large-caps has been down 1,580bp from Mar'20 highs to 59.7% in Dec'24, while that of mid-caps and small-caps rose 420bp and 1,160bp to all-time highs of 19.3% and 21.0%, respectively.

Market cap contribution trend (%)

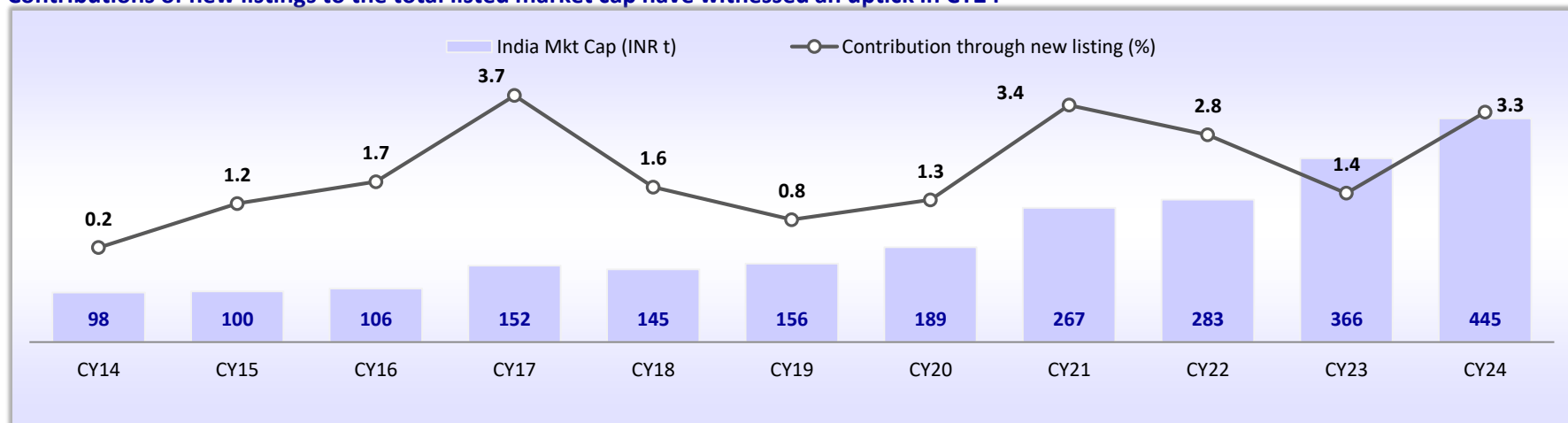


Note: Small-caps include all listed companies, smaller than 251st rank onwards

Fund mobilization in public markets remained strong in CY24 (INR b)

Year	IPOs	FPOs	IPOs + FPOs	OFS	QIPs	Total Equity
CY14	15	5	20	47	321	388
CY15	139	0	139	355	189	683
CY16	270	0	271	125	48	443
CY17	760	0	760	193	587	1,540
CY18	335	0	335	132	165	632
CY19	178	0	178	264	352	794
CY20	313	150	463	215	805	1,483
CY21	1,314	0	1,314	240	420	1,974
CY22	613	43	656	112	117	886
CY23	576	0	576	189	523	1,289
CY24	1,717	182	1,899	305	1,348	3,551

Contributions of new listings to the total listed market cap have witnessed an uptick in CY24



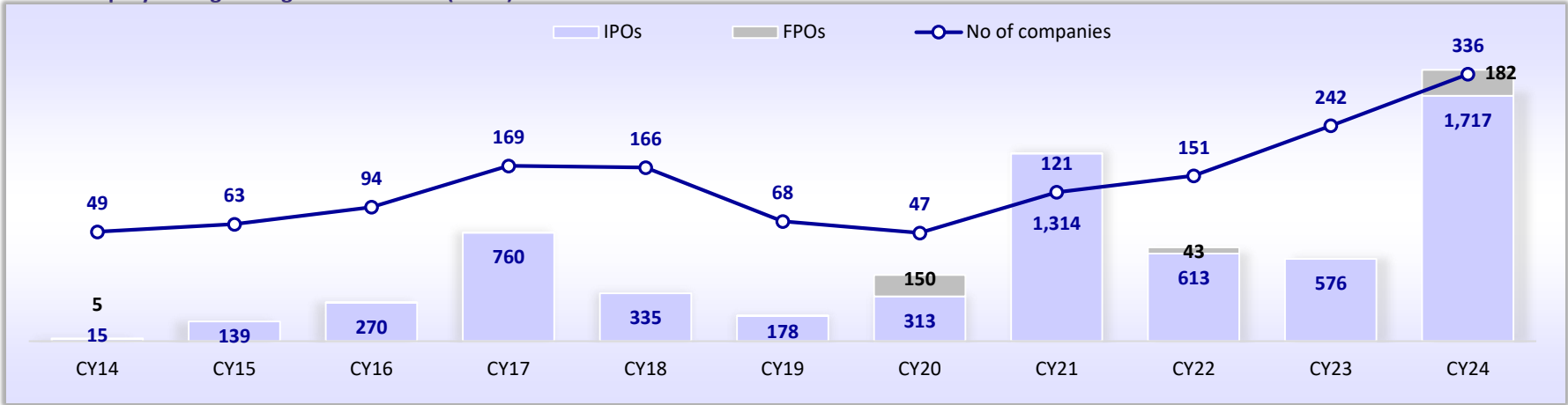
KEY EXHIBITS

CY24 – A blockbuster year: Multiple sectors jump on the IPO bandwagon

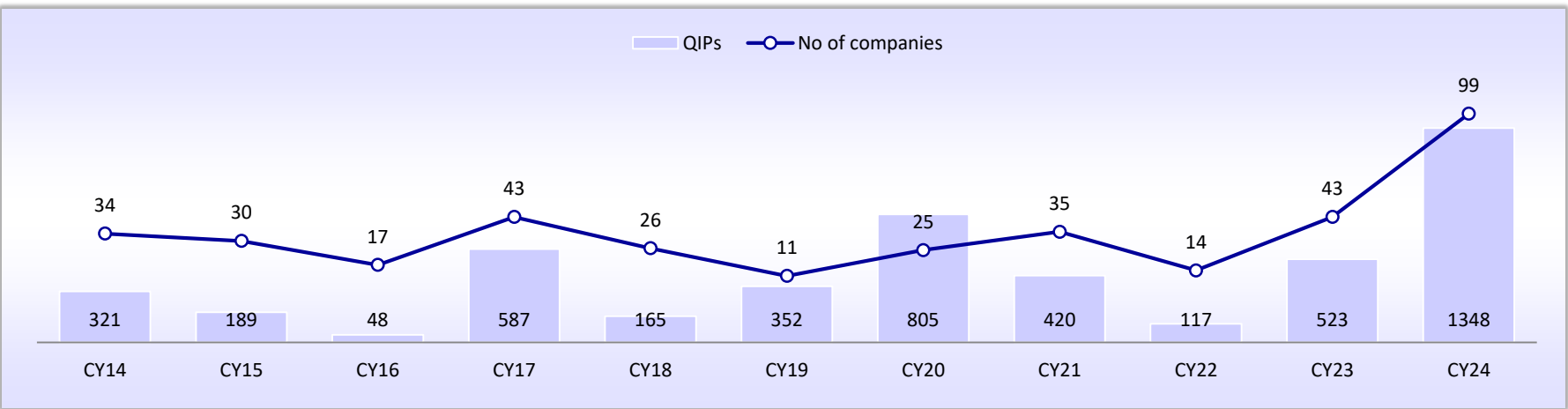
❖ The Indian IPO market has experienced an impressive year, with equity issuances across various categories surging ~3x compared to the previous year.

❖ Refer to our recent Strategy report – [“Resilience fuels fundraising momentum!”](#)

Trend in equity raising through IPO and FPOs (INR b)



Funds raised via QIPs at an all-time high

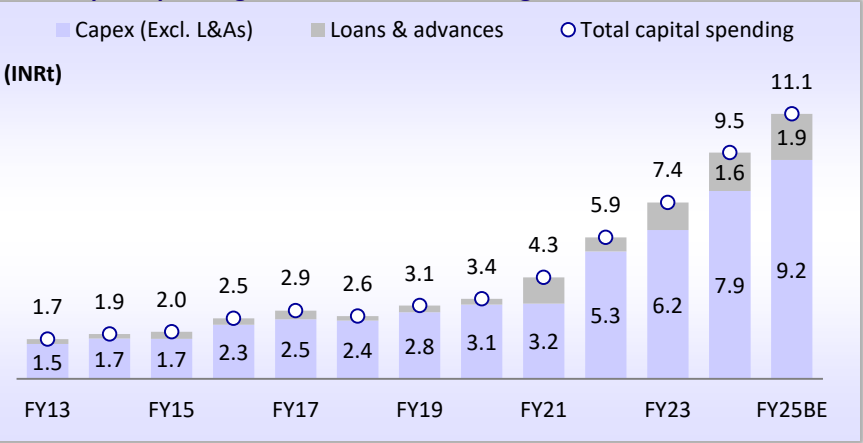


KEY EXHIBITS

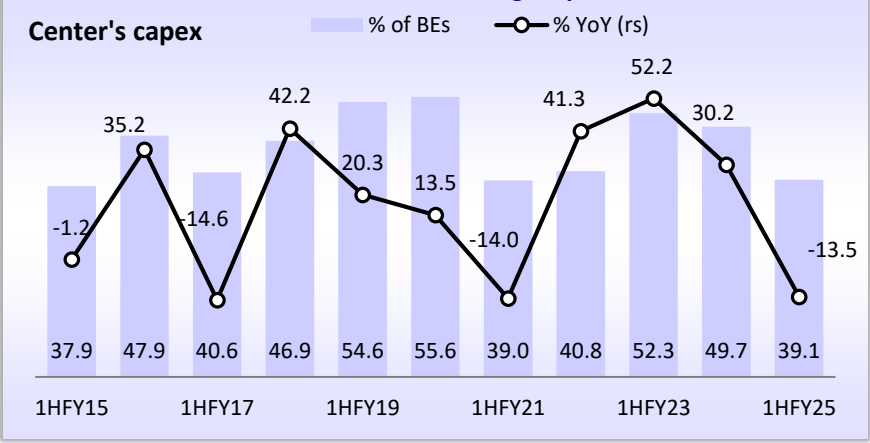
The GoI is likely to fall short of its FY25 capex target

- ❖ The GoI’s spending surged 3.3x in just five years from INR3.4t in FY20. Excluding L&As, the Center’s capex has been budgeted at INR9.2t in FY25BE. The Center’s capex declined 13.5% YoY in 1HFY25, achieving only 39.1% of BE in 1HFY25, compared to 50% each in the last two years. The capex was the lowest during the corresponding period in the past decade (except 1HFY21).
- ❖ It is highly likely that fiscal capex will pick up in 2HFY25. Assuming the combined (Center + State) capex could grow ~30% YoY in 2HFY25, following 17% growth in 2HFY24, it would then be 90% of BEs in FY25, similar to that in the last two years.

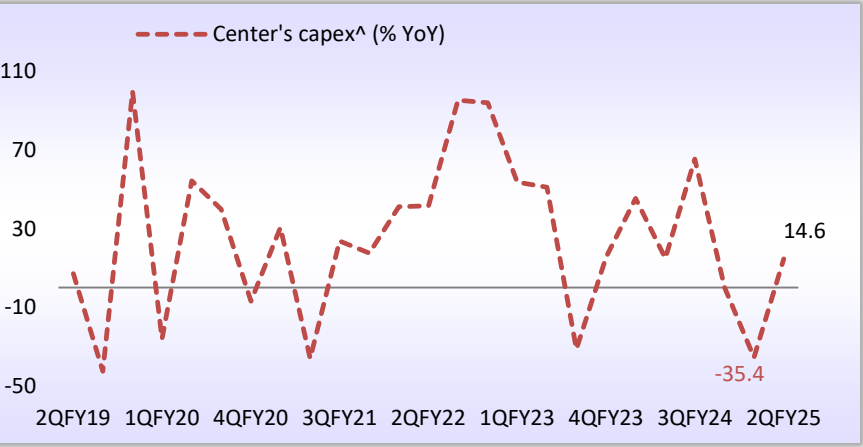
Total capital spending of the Central Govt. budgeted at INR11.1t in FY25....



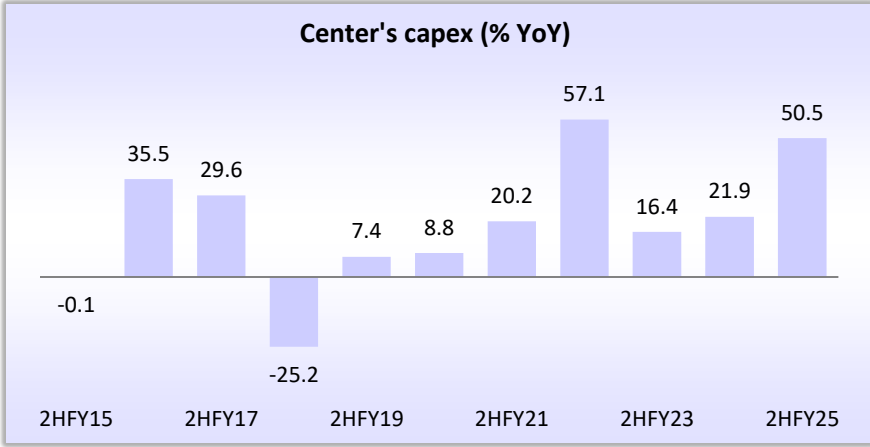
...but it declined 13.5% YoY in 1HFY25, reaching only 39.1% of FY25BE



Center’s capex increased 14.6% YoY in 2QFY25, following a contraction of 35.4% YoY in 1QFY25...



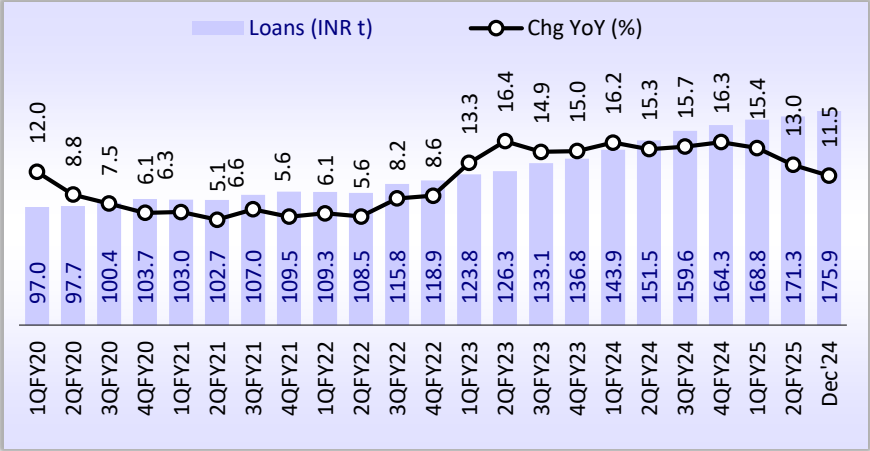
...which implies that it must grow at 50.5% YoY in 2HFY25 to achieve the full-year target



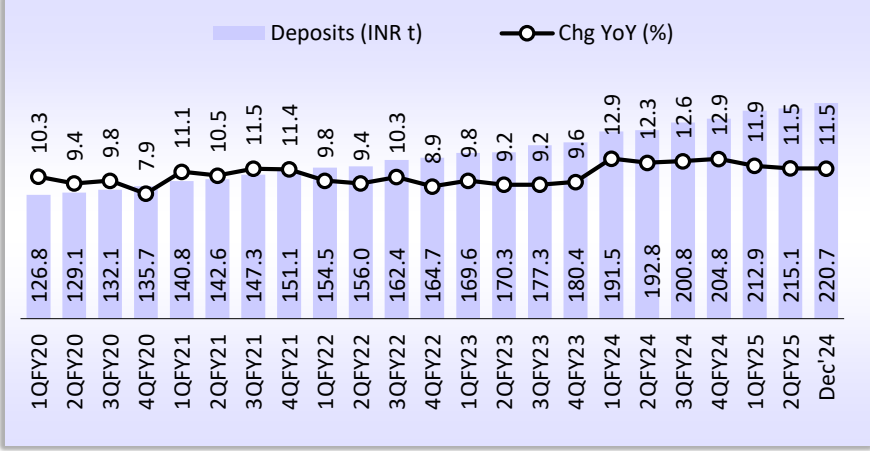
Banks CD ratio displays some improvement, albeit through a moderation in loan growth

- ❖ In 3QFY25, systemic loan growth stood at 11.5% YoY, the same as deposit growth.
- ❖ Incremental LD ratio has moderated to <80% (~100% in Jul'24) – though outstanding still remains elevated at ~80%.
- ❖ While FY25E credit growth will remain lower at ~11%, we expect an uptick in loan growth to 12.5% in FY26.

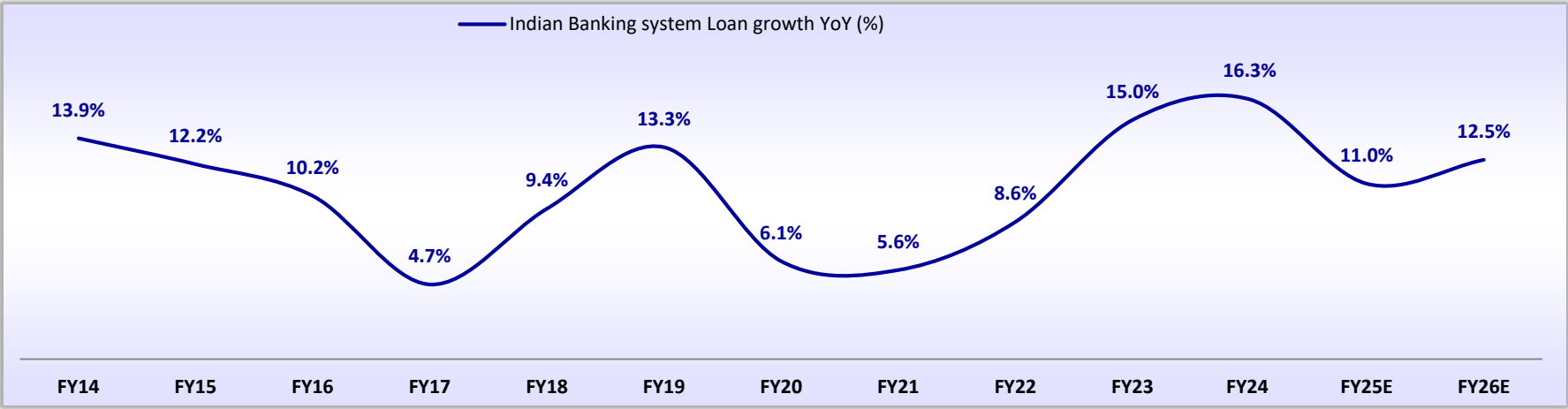
Loan growth moderated to 11.5%



Deposit growth broadly stable at 11.5%



Systemic credit growth has declined to ~11.5% from the recent high of ~16.0% amid a slowdown in unsecured retail and other secured segments

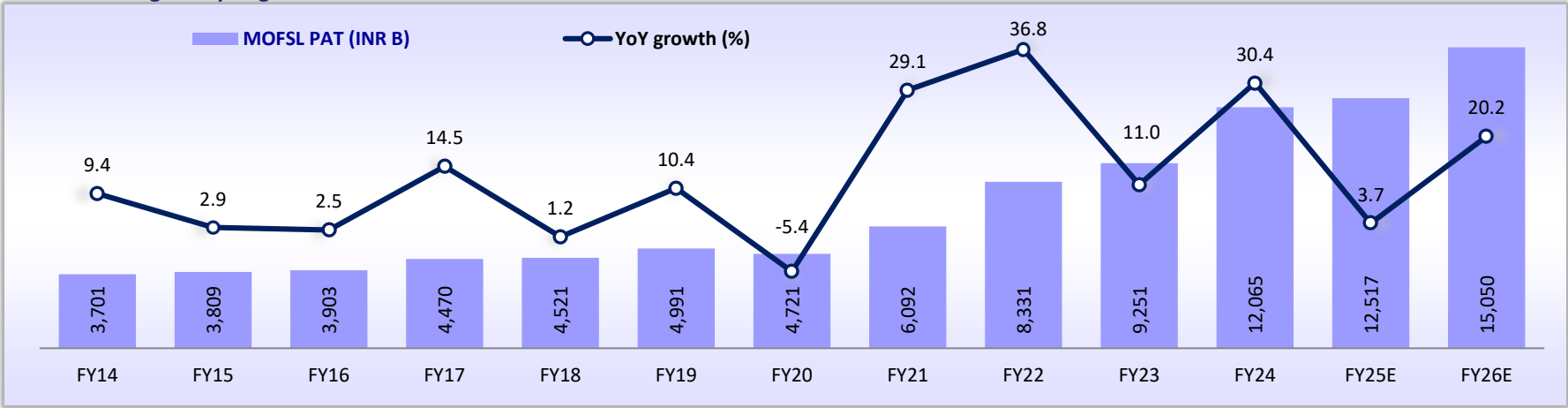


KEY EXHIBITS

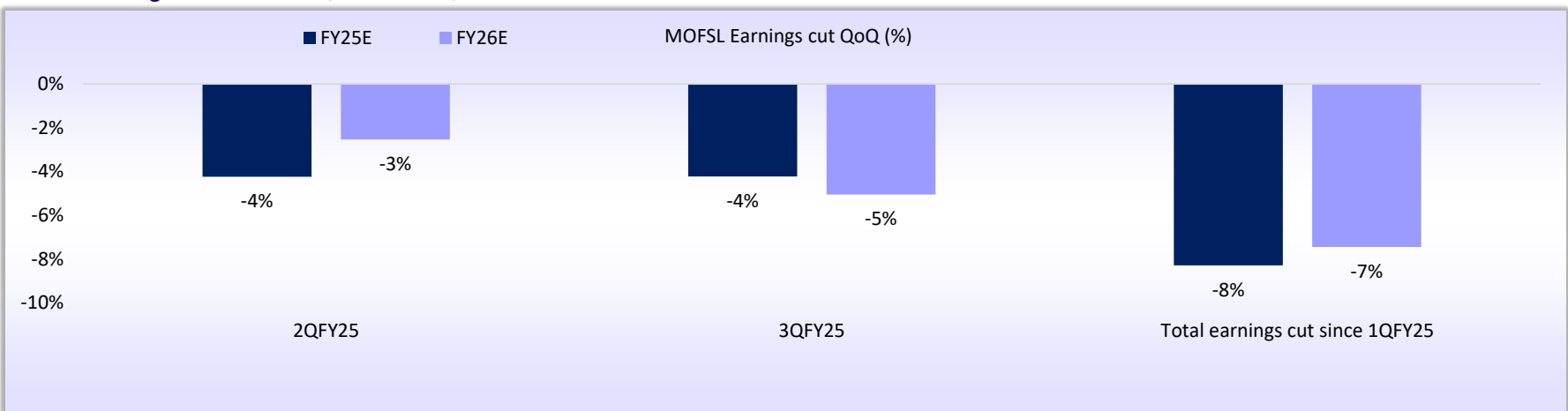
Earnings cuts to result in moderate growth in FY25

- ❖ As of 3QFY25, MOFSL Universe experienced 8% and 7% moderation in earnings vs. the projected FY25E and FY26E earnings, respectively.
- ❖ We now expect FY25 and FY26 earnings to grow ~4% and 20%, respectively.

MOFSL earnings likely to grow 4% in FY25



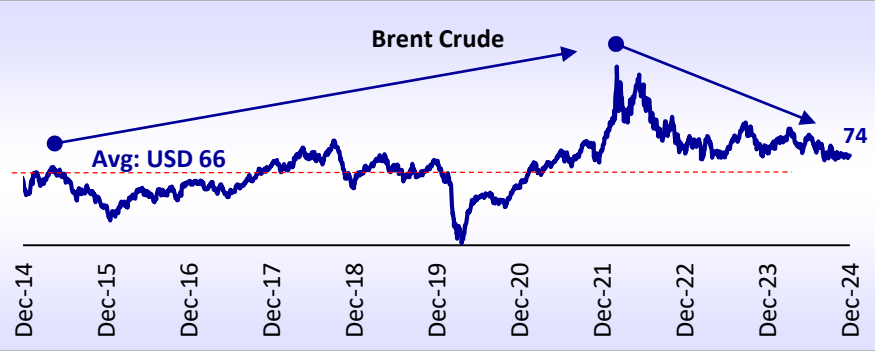
MOFSL earnings cut between 1QFY25 and 3QFY25



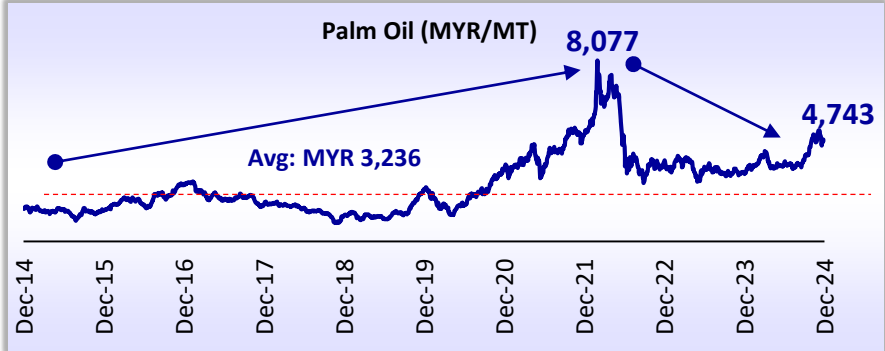
KEY EXHIBITS

Key non-agri commodity prices remain range bound, while agri-commodity prices remain high

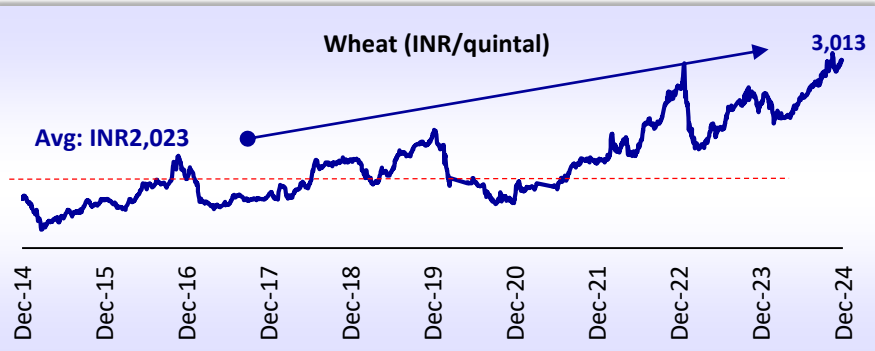
Crude prices remained range bound in the last two years



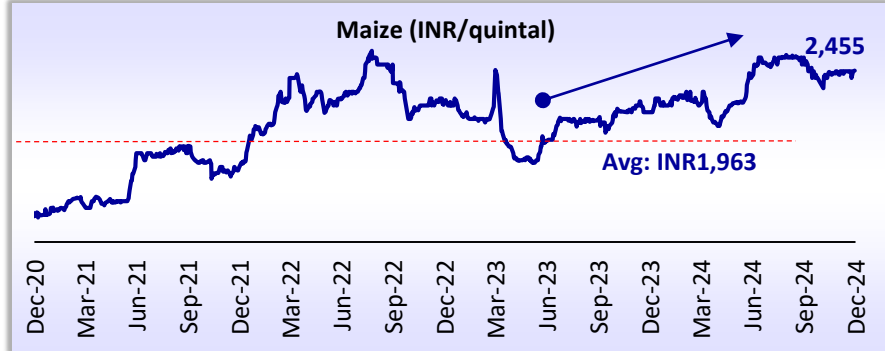
Palm oil price up 35% YoY; however, it was down 4% MoM



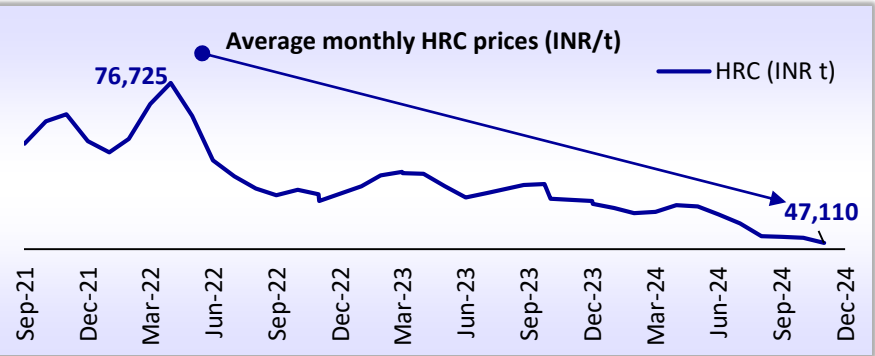
Wheat prices inflate 17% YoY in CY24, up 4% MoM in Dec'24



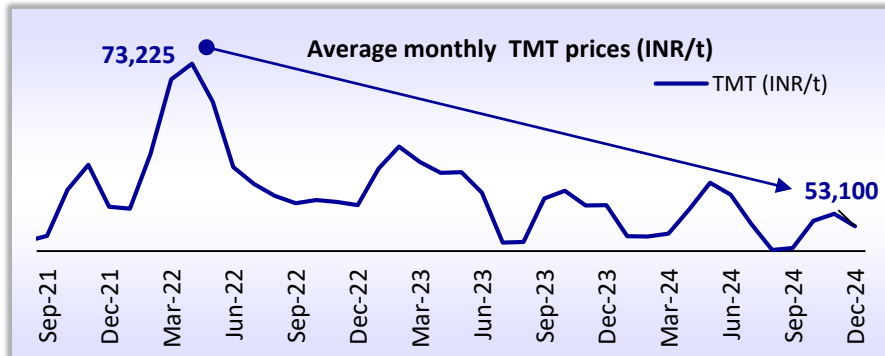
Maize prices rose 14% YoY in CY24, up 1% MoM in Dec'24



HRC prices continue to moderate from CY22 highs



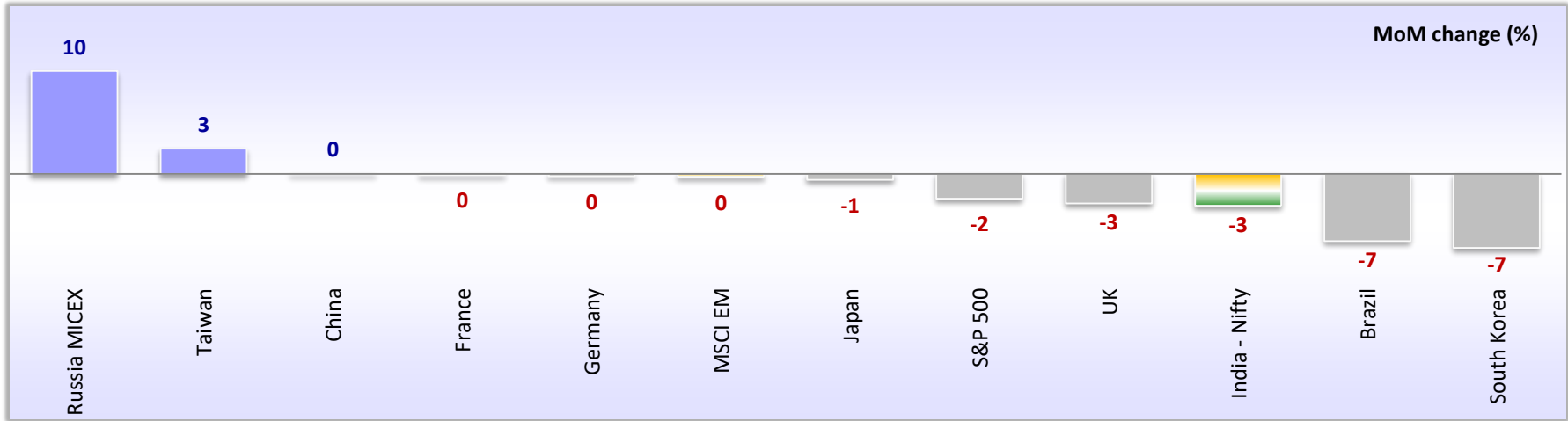
TMT prices remain range bound in the last one year



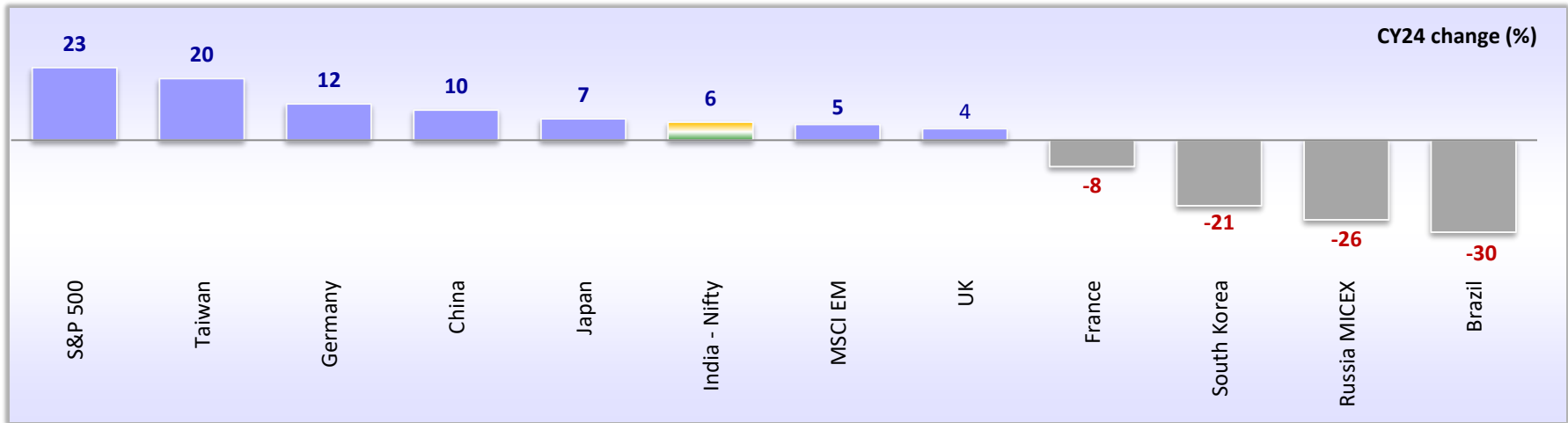
Macro, Markets, and More...

US outperforms key equity indices in CY24; India outpaces most EMs

Global equity indices (MoM) in USD terms (%)

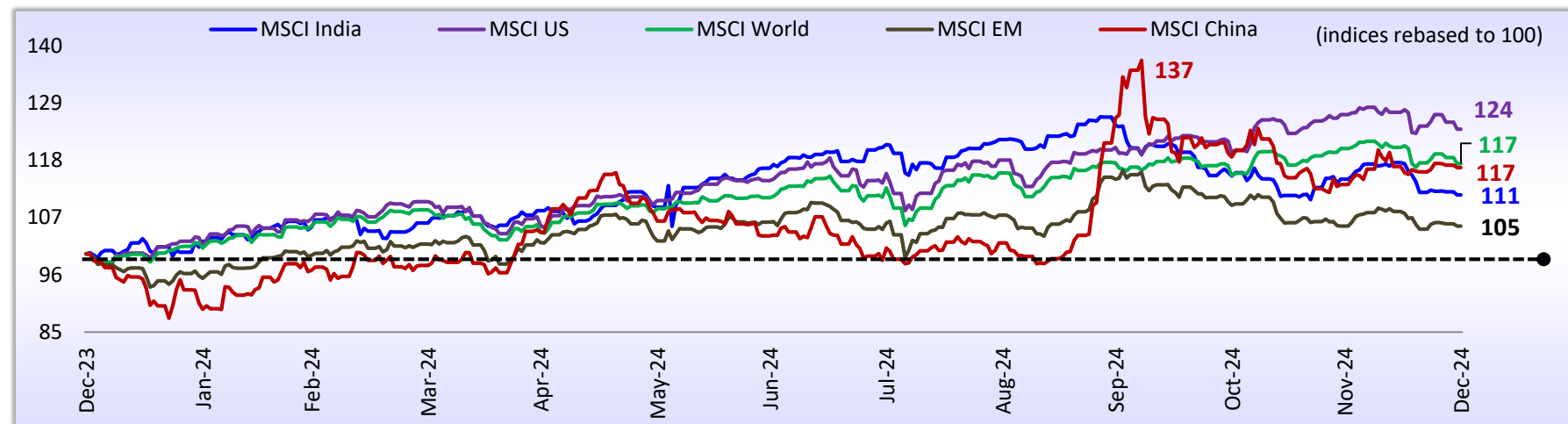


CY24 performance of global equity indices in USD terms (%)

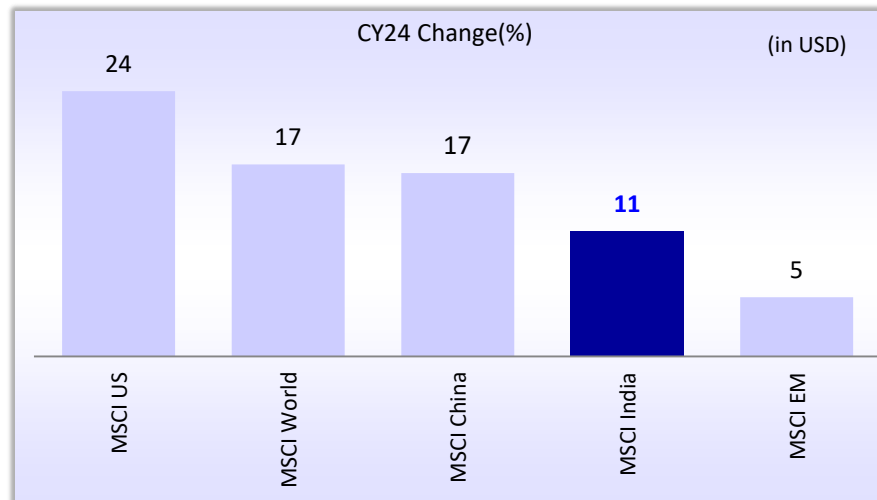


MSCI India outperforms MSCI EM by 6pp in CY24

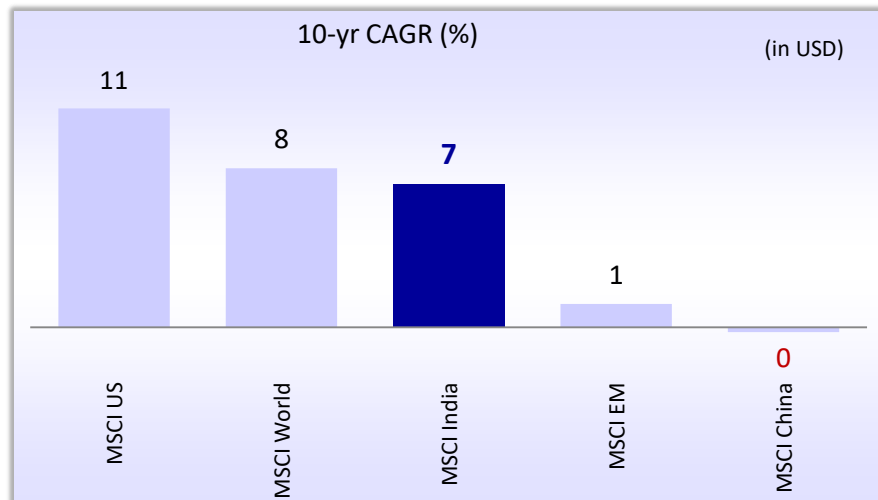
Performance of the MSCI India index vs. MSCI US, MSCI World, MSCI Emerging Market, and MSCI China indices in USD terms



MSCI US outperforms global indices in CY24

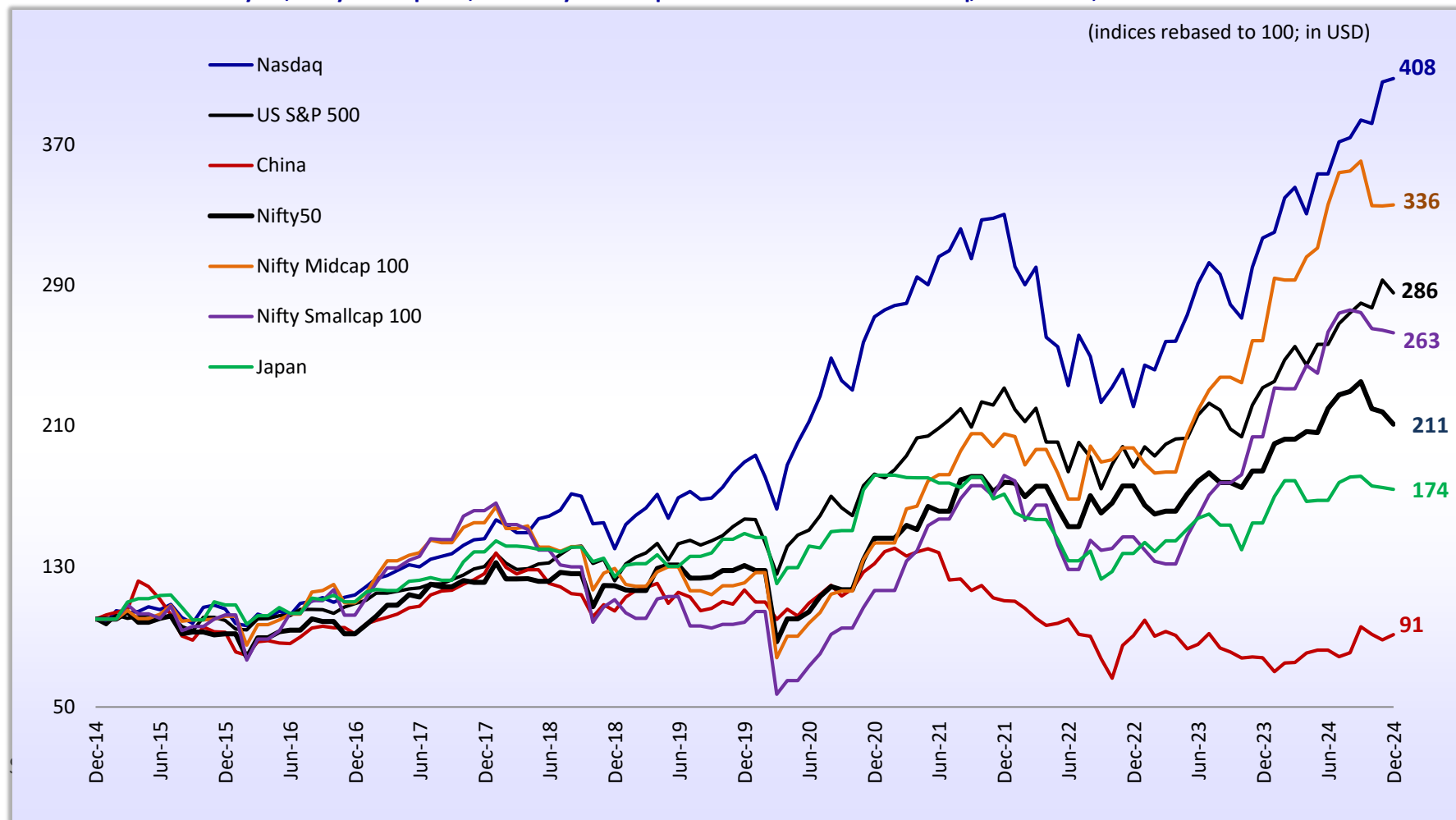


MSCI India outperforms EMs in the last 10 years



Nasdaq's outperformance widens; Nifty Midcap 100 takes the second spot in the past decade

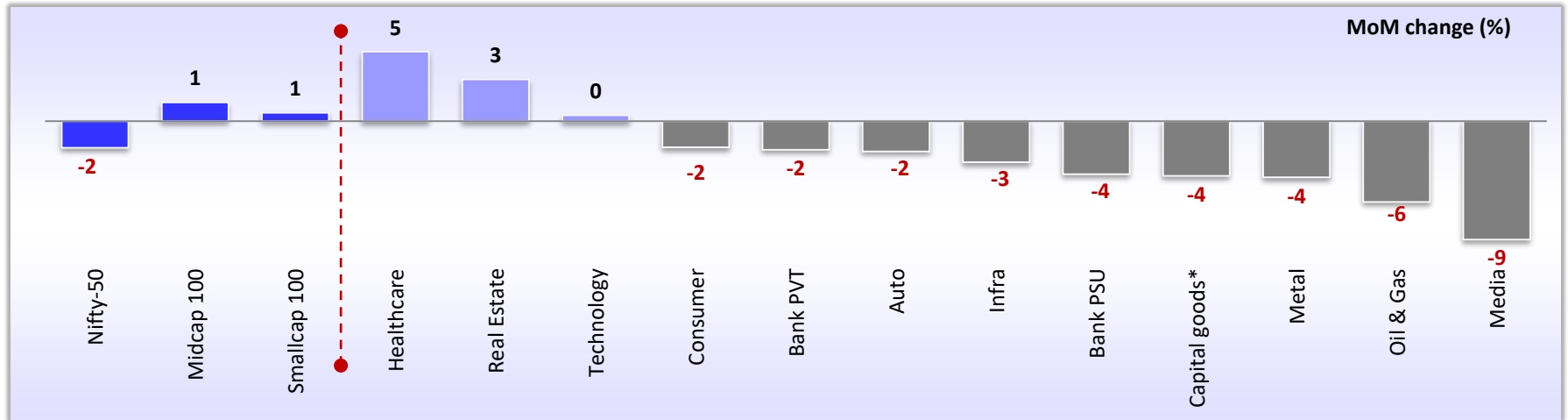
Performance of the Nifty 50, Nifty Midcap 100, and Nifty Smallcap 100 indices vs. the US Nasdaq, US S&P500, and China



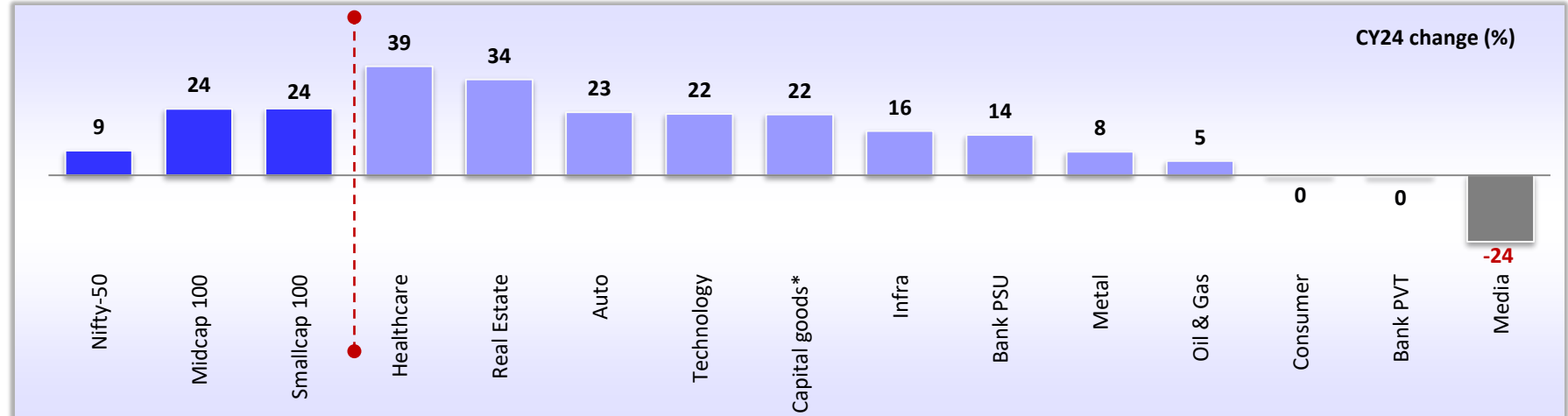
Source: Bloomberg, MOFSL

Mid- & small-cap indices outperform; Healthcare & Real Estate among the top gainers in CY24

Sectoral performance MoM (%): Barring Healthcare and Real Estate, most of the sectors underperform MoM



Sectoral performance CY24 (%): Healthcare and Real Estate among the top gainers; Media, Private Banks, and Consumer among the key laggards

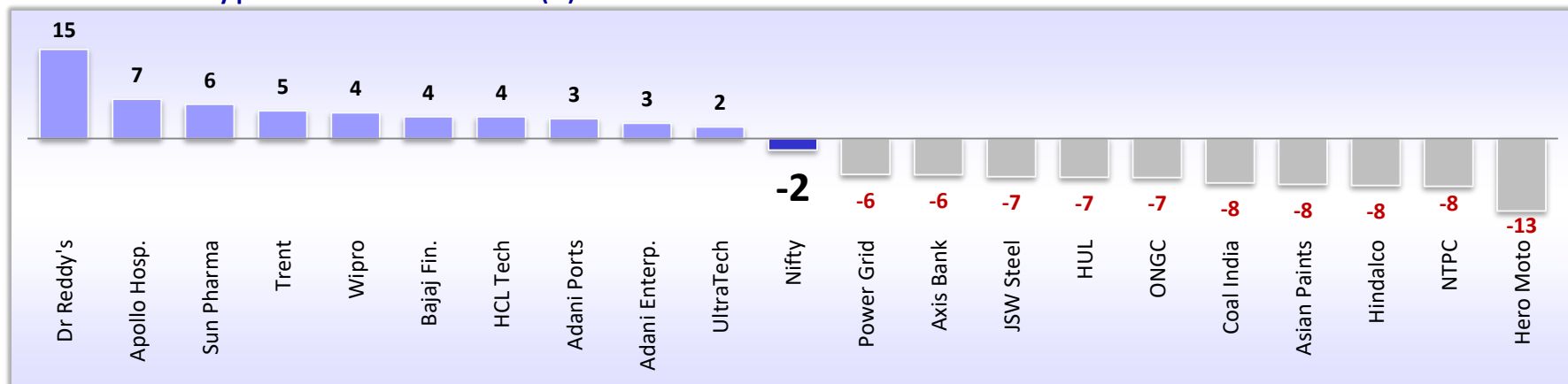


Note: (*) represents BSE capital goods index.

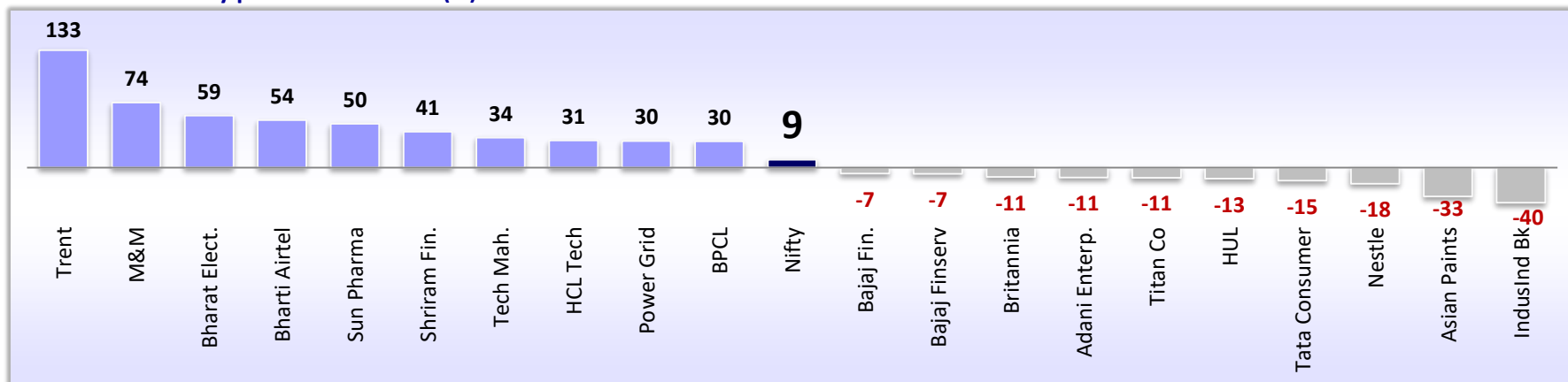
About 64% of Nifty constituents end higher in CY24

- ❖ Among Nifty constituents, 16 companies closed higher MoM and 23 underperformed the benchmark.
- ❖ About 32 Nifty constituents traded higher in CY24. Trent, MM, and Bharat Electronics were the top gainers, whereas IndusInd Bank, Asian Paints, and Nestle were the key laggards.

Best and worst Nifty performers on a MoM basis (%)



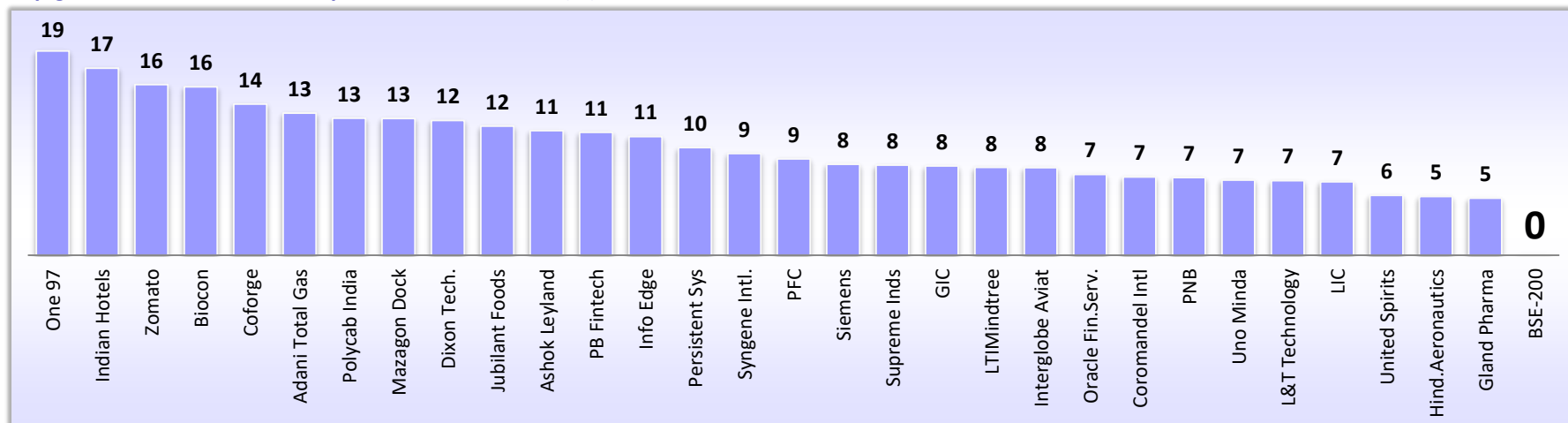
Best and worst Nifty performers – CY24 (%)



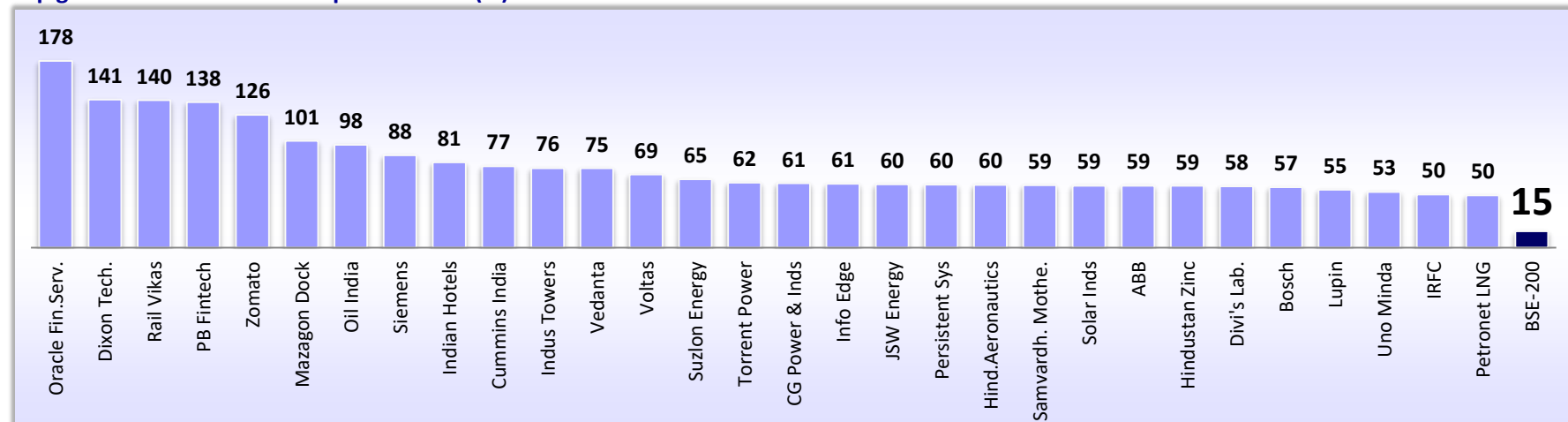
About 34% of BSE-200 constituents end higher in Dec'24

- ❖ In Dec'24, 67 companies closed higher. One97, Indian Hotels, and Zomato gained the most during this month.
- ❖ About 146 of the BSE-200 constituents traded higher in CY24. Oracle Fin. Services, Dixon, and RVNL were the top gainers.

Top gainers from the BSE-200 pack on a MoM basis (%)*



Top gainers from the BSE-200 pack in CY24 (%)*

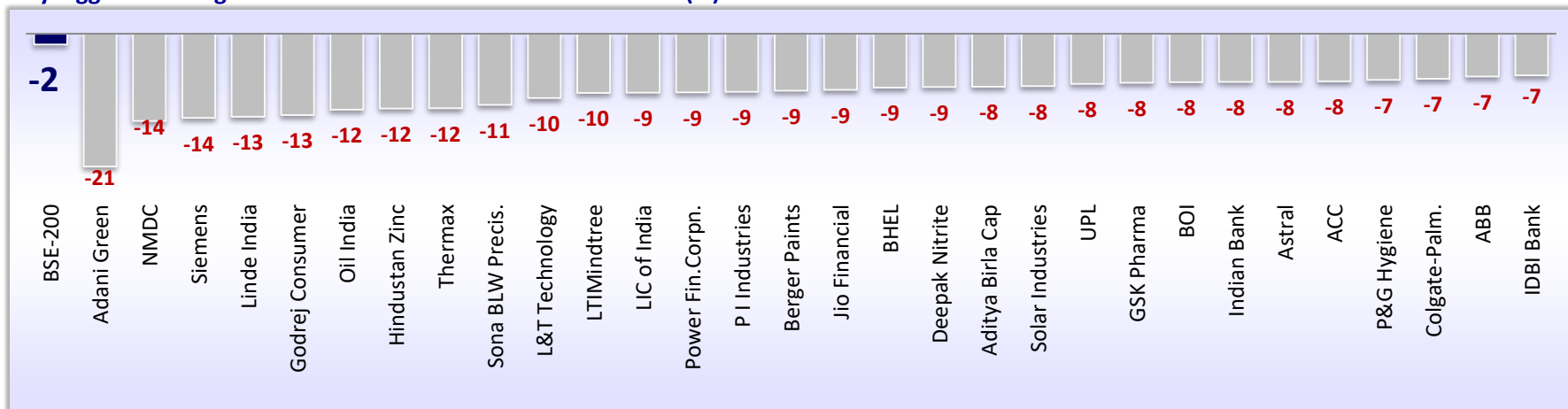


*The list excludes Nifty constituents.

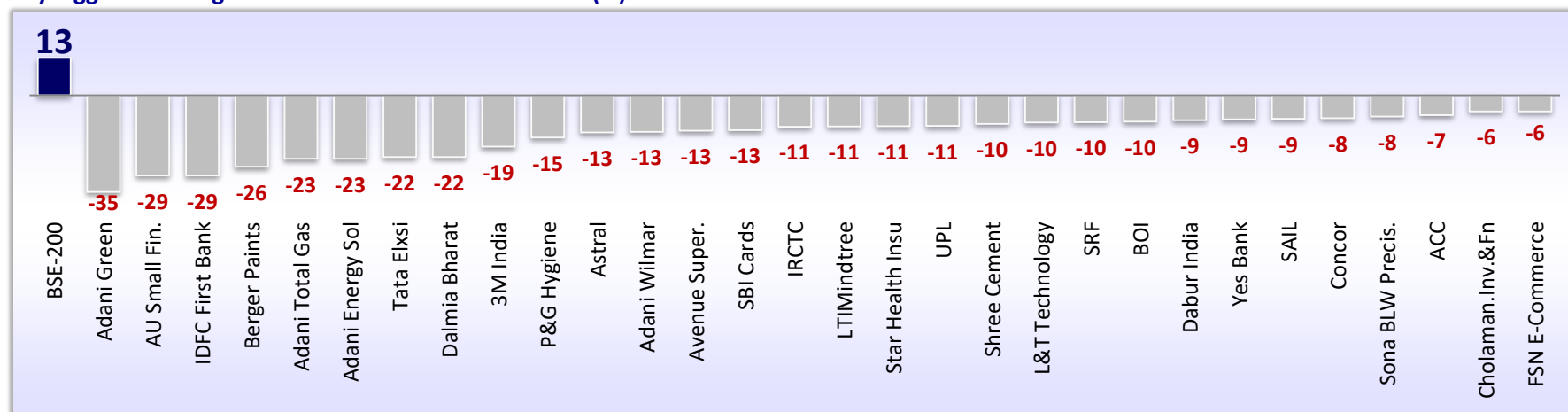
Around 66% of BSE-200 constituents end lower in Dec'24

- ❖ In Dec'24, 133 companies closed lower. Adani Green, NMDC, and Siemens were among the key laggards.
- ❖ About 54 of the BSE-200 companies traded lower in CY24. Adani Green, AU SFB, and IDFC First Bank were the key laggards.

Key laggards among the BSE-200 constituents on a MoM basis (%)*



Key laggards among the BSE-200 constituents in CY24 (%)*



*The list excludes Nifty constituents.

Nifty composition: Weights of Telecom, Retail, Auto, Cap Goods, and Technology expand, while those of Consumer, Private Banks, and O&G reduce in CY24

❖ In Dec'24, Healthcare and Technology's weights rise, while those of O&G, Utilities, and Metals witness a reduction MoM

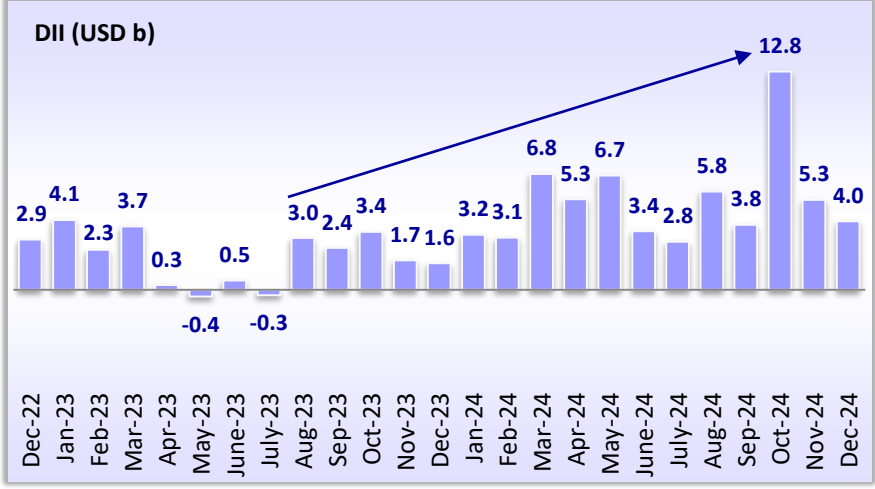
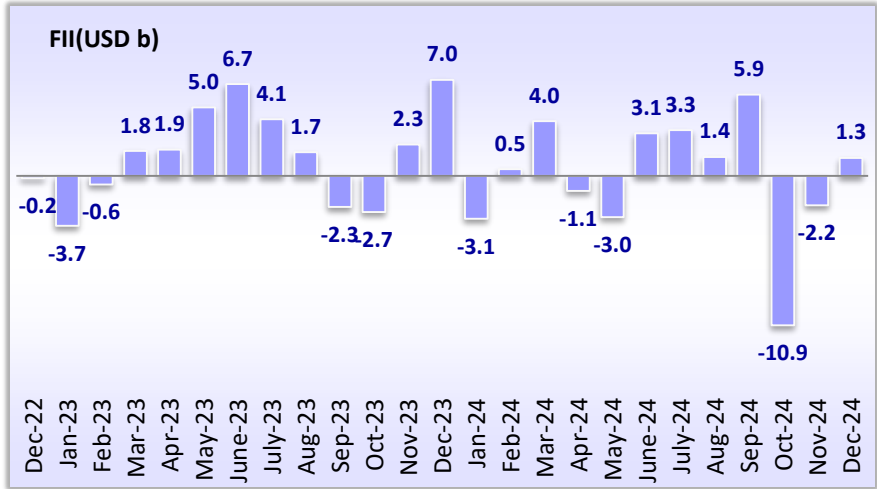
Sector	Weightage in the Nifty (%)							
	Dec'08	Dec'12	Dec'20	Dec'21	Dec'22	Dec'23	Nov'24	Dec'24
Automobiles	2.5	8.8	5.4	5.0	5.3	6.5	7.4	7.4
Banks – Private	5.0	16.9	24.7	21.9	24.2	28.2	27.0	27.1
Banks – Public	5.4	4.7	1.8	2.3	2.9	2.6	3.0	2.9
NBFC + Insurance	2.3	7.9	12.3	11.4	10.6	4.5	4.5	4.6
Capital Goods	7.7	5.9	2.6	3.0	3.1	4.4	5.1	5.0
Cement	1.7	4.2	2.2	2.4	1.8	2.1	2.1	2.1
Consumer	6.5	12.3	10.4	9.4	10.3	10.8	9.0	9.0
Healthcare	2.6	5.0	3.6	3.4	3.8	4.0	3.9	4.2
Metals	4.8	3.8	2.0	2.9	2.9	3.0	2.8	2.7
Oil and Gas	24.5	12.3	12.5	12.3	12.1	10.5	9.5	9.2
Reliance	10.6	7.4	10.7	10.8	11.0	9.2	8.1	7.8
Retail	0.0	0.0	1.1	1.4	1.4	1.6	2.6	2.8
Telecom	11.6	2.0	2.0	2.1	2.5	2.7	4.0	4.0
Technology	9.0	11.4	16.3	19.1	14.0	13.6	13.8	14.1
Utilities	13.3	4.5	2.1	2.1	2.5	3.6	3.8	3.6
Miscellaneous	3.3	0.5	1.0	1.2	2.6	1.9	1.3	1.4
Nifty	100	100	100	100	100	100	100	100

Note: The merger of HDFC Bank and HDFC Ltd. resulted in a shift in weightage from NBFCs to private banks in CY23.

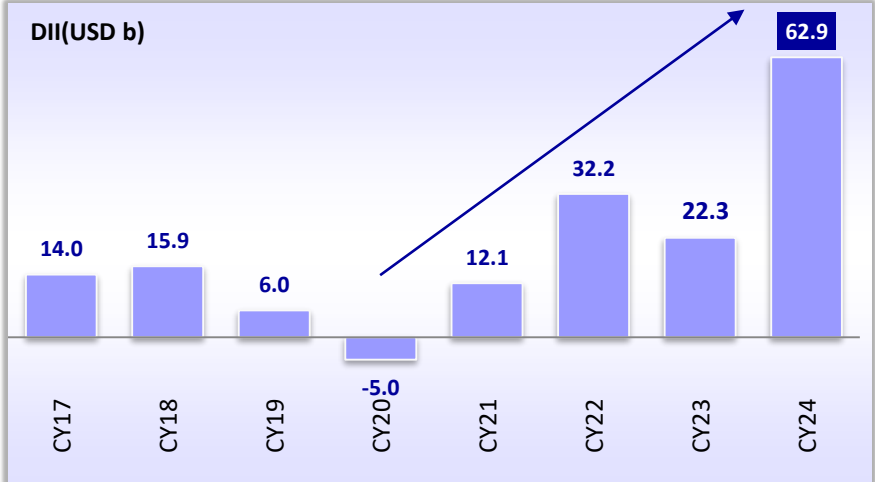
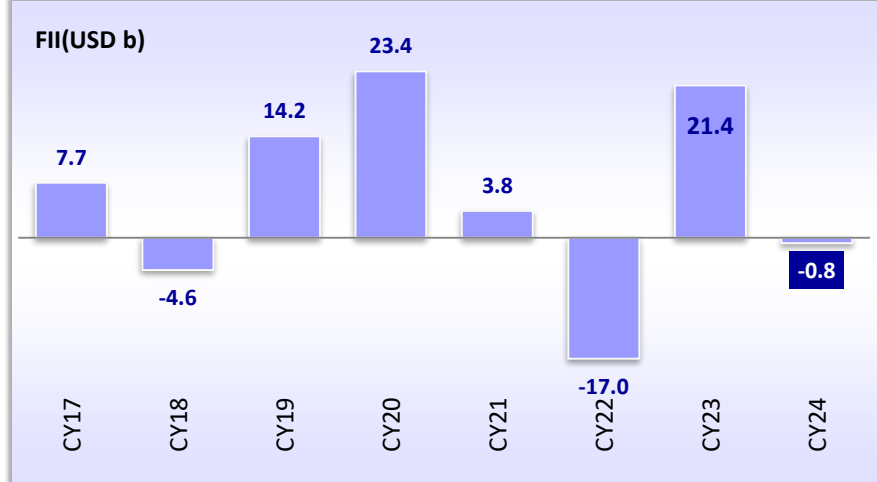
DII inflows break all records, while FIIs post marginal outflows in CY24

- ❖ FIIs bought USD1.3b worth of Indian equities in Dec'24, while DIIs invested USD4.0b, clocking 17 subsequent months of inflows.
- ❖ In CY24, net FII outflows stood at USD0.8b. DII inflows over the past 12 months (at ~USD63b) have exceeded the combined DII inflows of CY22 and CY23.

Monthly institutional flows (USD b)

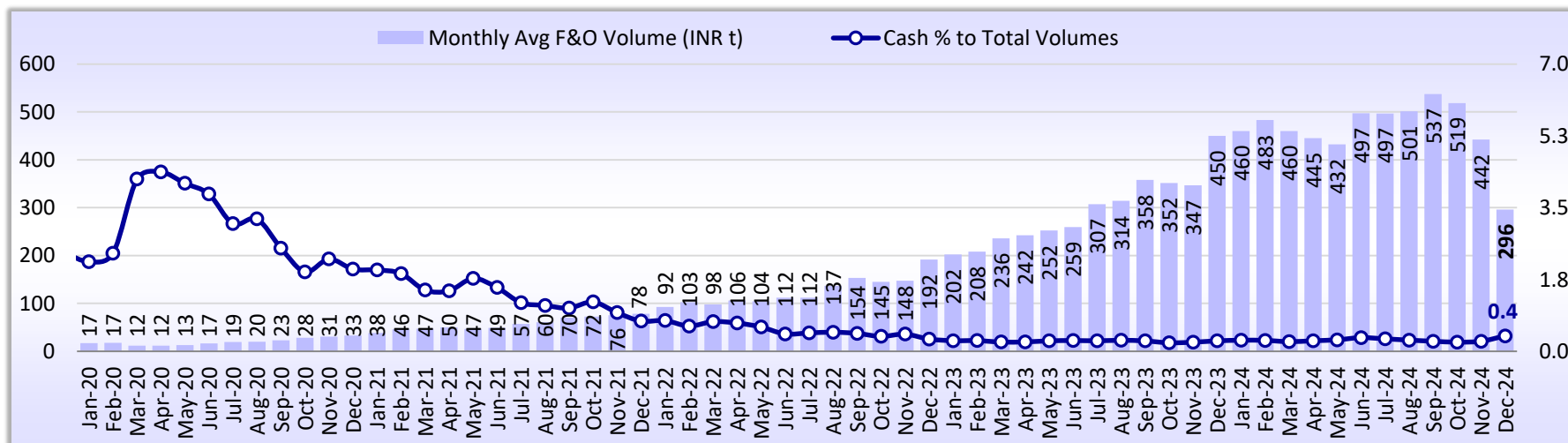
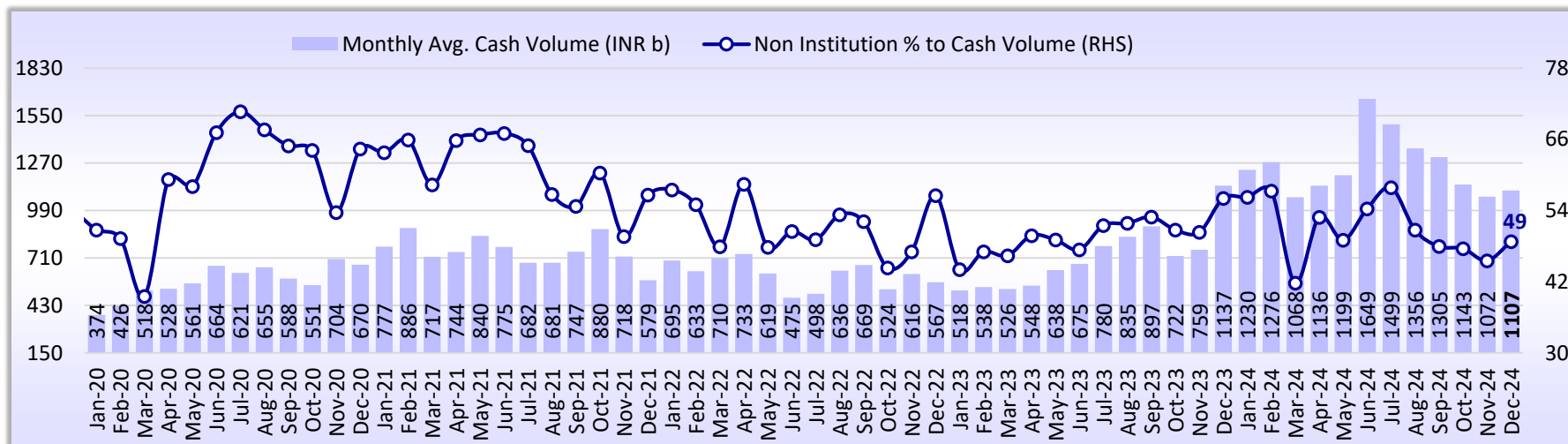


Yearly institutional flows (USD b)



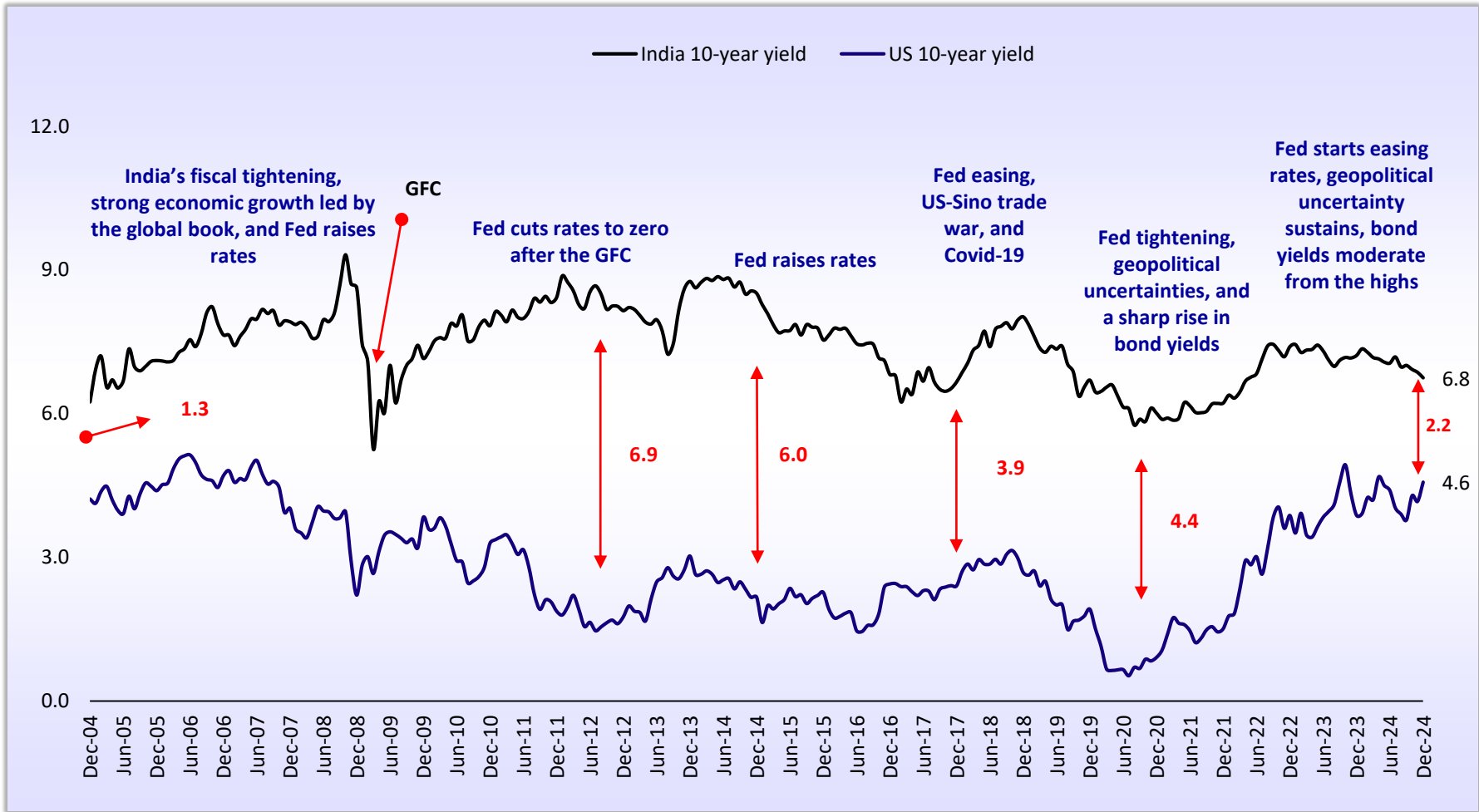
Monthly average cash volumes rise marginally; F&O volumes decline sharply

- ❖ Monthly average cash volumes improved 3% MoM in Dec'24; however, volumes dipped 33% from the highs of Jun'24 to INR1.1t.
- ❖ Non-institutional participation accounted for 49% of the total cash volumes.
- ❖ Monthly average F&O volumes declined 33% MoM to an 18-month low of INR296t (down 45% from the Sep'24 highs).



The 10-year yield spread between India and the US contracts MoM

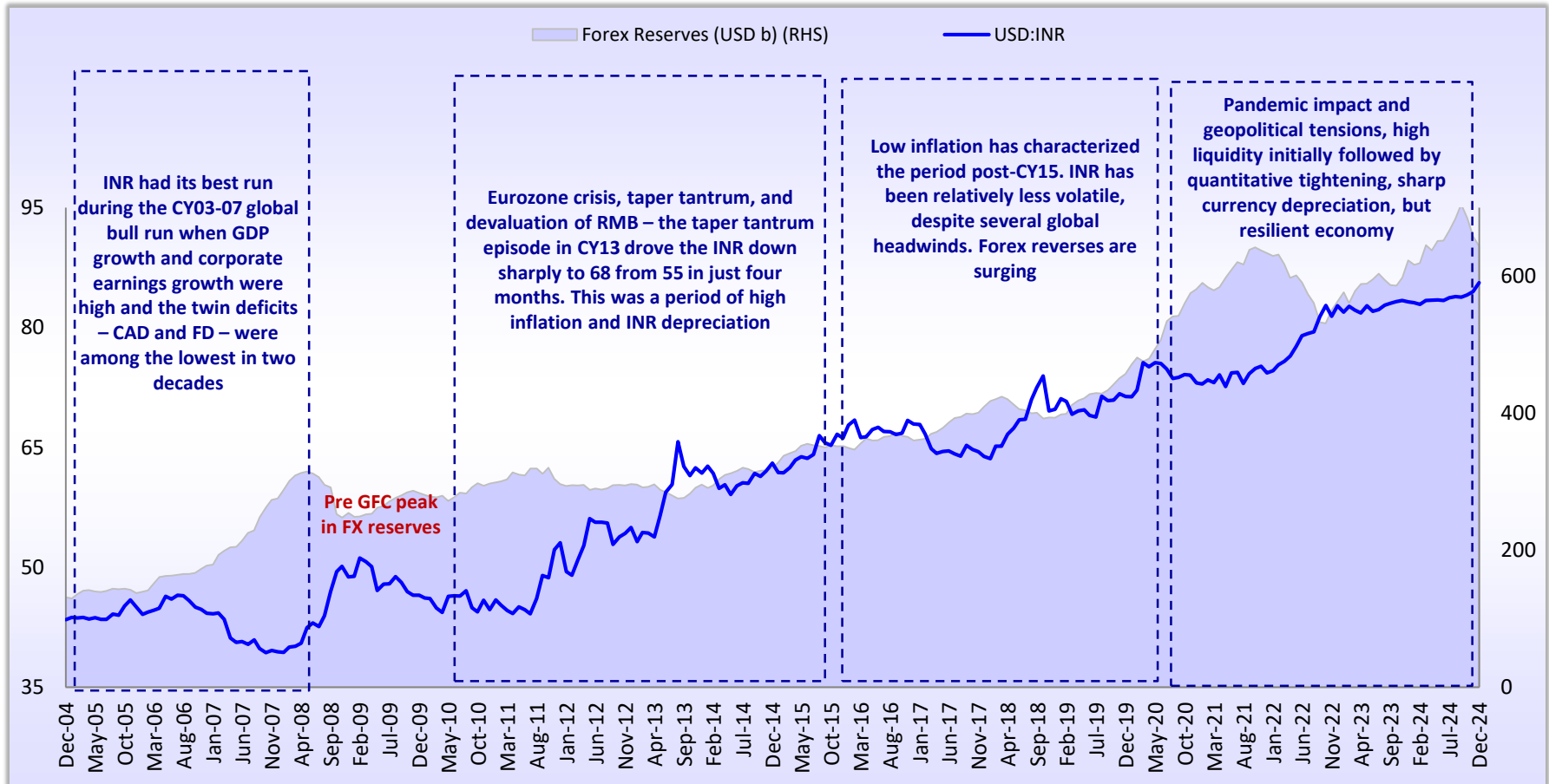
❖ India’s bond yield remained flat at 6.8% MoM, while the US bond yield rose 4.6% MoM in Dec’24. The yield spread dropped marginally MoM to 2.2% in Dec’24.



Source: Bloomberg, MOFSL

Forex reserves moderate for the third consecutive month to USD644b

- ❖ India's forex reserves declined 2% MoM to USD644b in Dec'24 (down ~9% from the Sep'24 highs of USD705b).
- ❖ On the currency front, INR:USD declined 1.3% MoM to an all-time low of INR85.6.



Source: Bloomberg, MOFSL

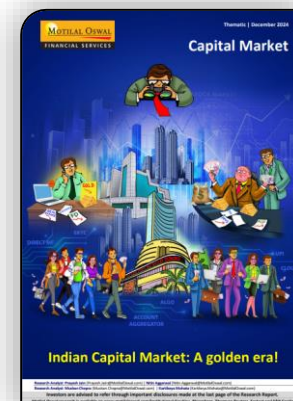
Key reports from MOFSL's research desk in Dec'24

Indian Capital Market: A golden era!

[Report link>>](#)

Strong growth visibility with high RoE and superior cash generation

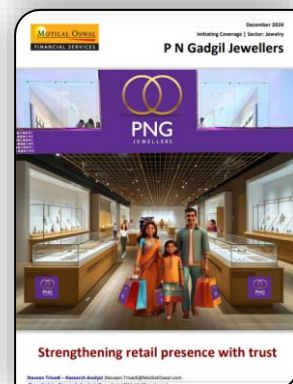
- ❖ We believe the remarkable growth of the Indian Capital market in the past five years marks the beginning of a sustained, multi-year structural uptrend, fueled by favorable demographic trends as more individuals enter the workforce, contributing to the expansion of the middle class. Digital enablers such as E-KYC, UPI, and Account Aggregation have played a key role in facilitating this growth. Regulatory reforms have further strengthened the ecosystem, enhancing transparency and security for investors. Consequently, we believe AMCs, exchanges, brokers, wealth managers, and other intermediaries are well-positioned to capitalize on these emerging trends.
- ❖ Our preferred picks: Among AMCs, we prefer **HDFC AMC and Nippon AMC**, while **Angel One** in the Broking space. Among Exchanges, we like **BSE**. Among Wealth Managers, we like **Nuvama** and **360 One WAM**. Among Intermediaries, we prefer **CAMS**. We have Buy on **UTI AMC & ABSL AMC** and neutral on **MCX, Anand Rathi, KFin, Prudent and CDSL**.



P N Gadgil Jewellers- Initiating Coverage: Strengthening retail presence with trust

[Report link>>](#)

- ❖ P N Gadgil Jewellers (PNG) is the second-largest jewelry retail chain in Maharashtra, with a total store count of over 48 stores as of now (12 addition in FY25YTD). The company reported INR61b revenue in FY24.
- ❖ PNG aims to become the leading jewelry retailer in Maharashtra within a few years. The company is focused on enhancing its product mix by increasing the proportion of studded jewelry.
- ❖ The company is anticipated to deliver 23%/31%/36% revenue/EBITDA/PAT CAGR during FY24-27 fueled by: 1) a robust 30% store CAGR, 2) a favorable market presence in Maharashtra, characterized by a strong trend toward formalization and a high proportion of studded jewelry, and 3) an improving product mix, enhanced sourcing strategies, and debt reduction, which are likely to expand the PBT margin to 4.6% in FY27E from 3.4% in FY24. We initiate coverage on the stock with a BUY rating and a TP of INR950 (based on 35x Dec'26E P/E).

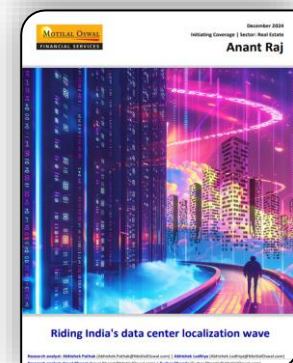


Anant Raj: Initiating Coverage

[Report link>>](#)

Riding India's data center localization wave

- ❖ **Diversification in progress...**: Anant Raj (ARCP) is transitioning from its stronghold in real estate to a diversified business model with strategic investments in data centers (DCs) and cloud services.
- ❖ **...with intense focus on profitability**: ARCP's foray into higher-margin cloud services (IaaS) in partnership with Orange enhances its profitability potential, with cloud capacity projected to rise to 25% by FY32. Its residential business remains robust, with 14msf deliveries expected by FY30, generating a cumulative NOPAT of INR85.1b.
- ❖ **Multiple growth levers at play**: Strong pre-sales, collections, and operational cash flows underpin ARCP's growth. While execution risks remain, we expect significant revenue and EBITDA margin expansion, driving long-term value creation. We initiate coverage on the stock with a BUY rating and a TP of INR1,100

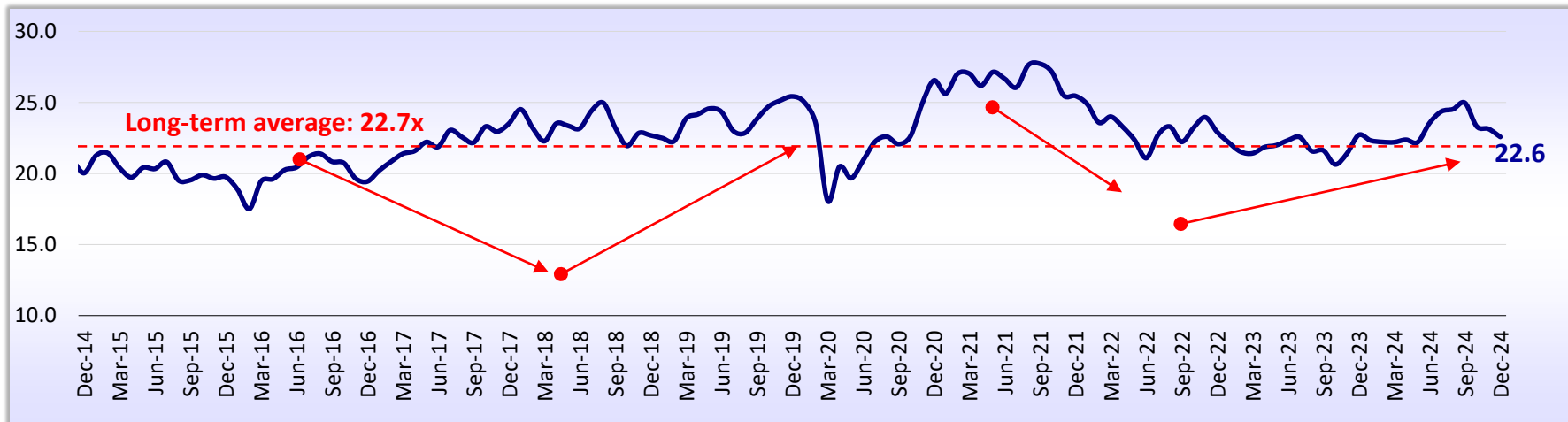


Valuations: Key observations

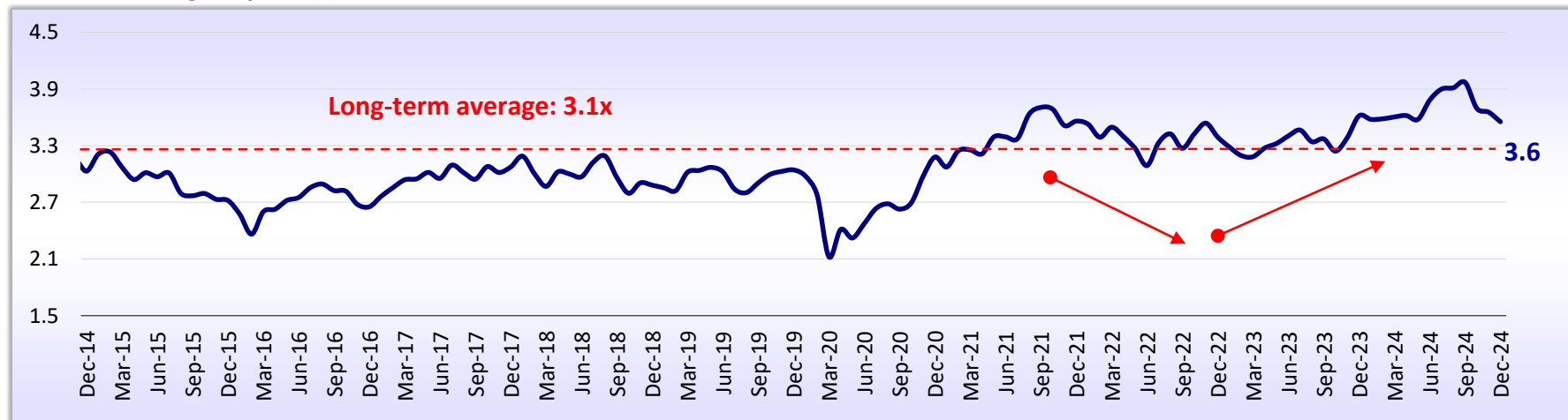
Valuations: Nifty's 12-month trailing P/E above its LPA

- ❖ The 12-month trailing P/E for the Nifty stood at 22.6x, near its LPA.
- ❖ At 3.6x, the 12-month trailing P/B was 16% above its historical average of 3.1x.

12-month trailing Nifty P/E (x)



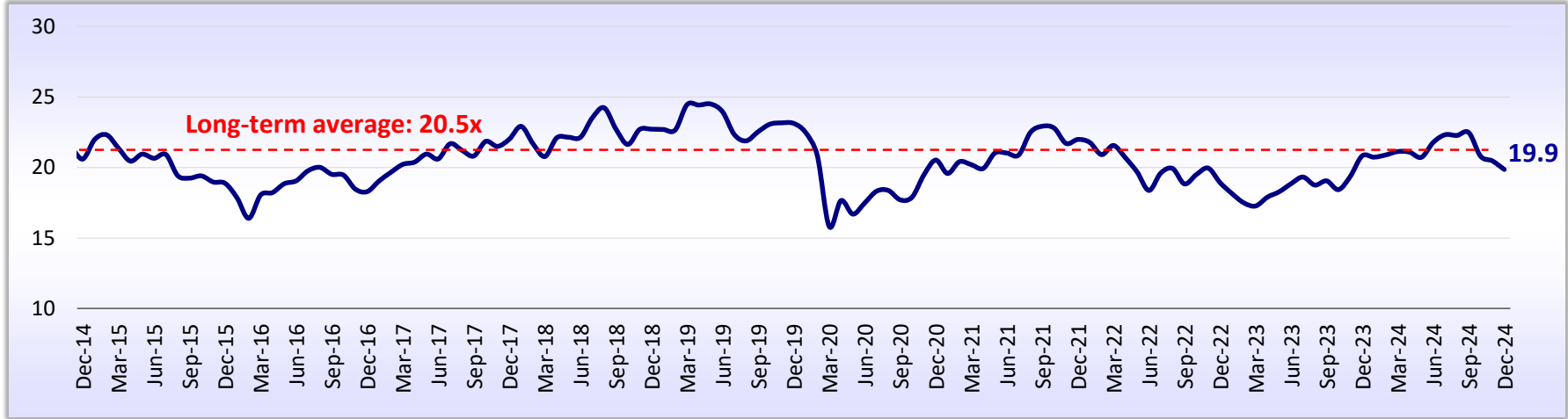
12-month trailing Nifty P/B (x)



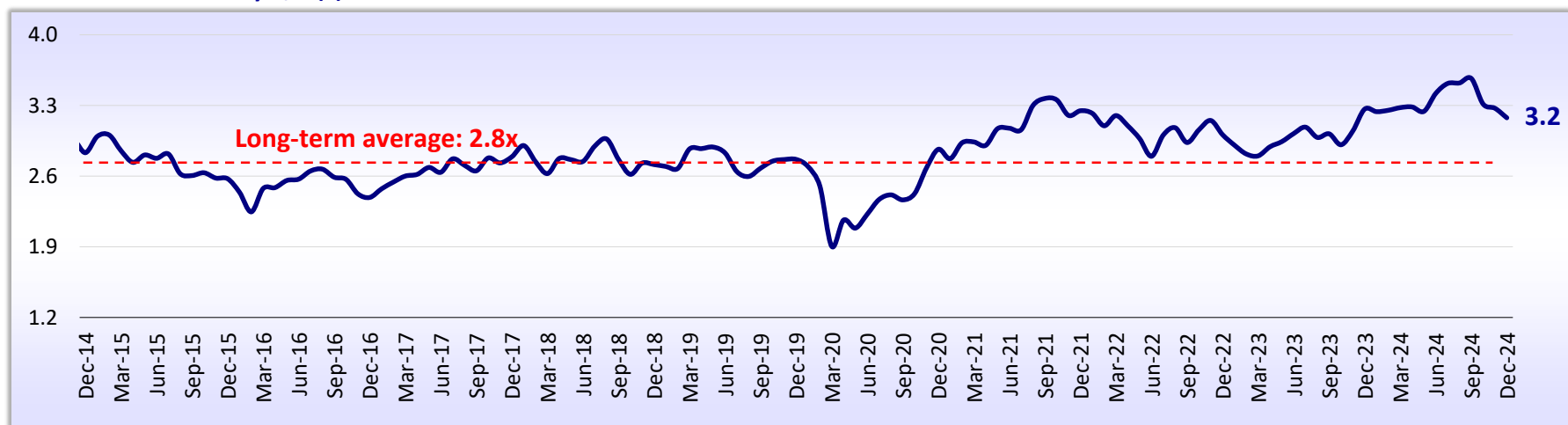
Valuations: Nifty's 12-month forward P/E near its LPA

- ❖ Nifty's 12-month forward P/E traded at 19.9x, at its LPA.
- ❖ At 3.2x, the 12-month forward P/B was trading at a premium of 14% to the Nifty's historical average of 2.8x.

12-month forward Nifty P/E (x)



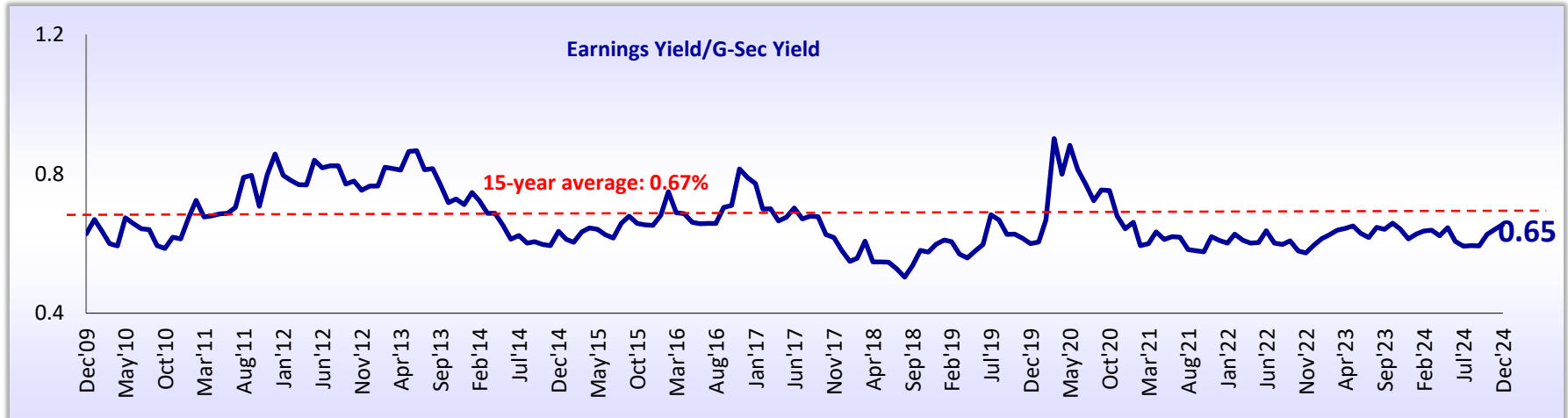
12-month forward Nifty P/B (x)



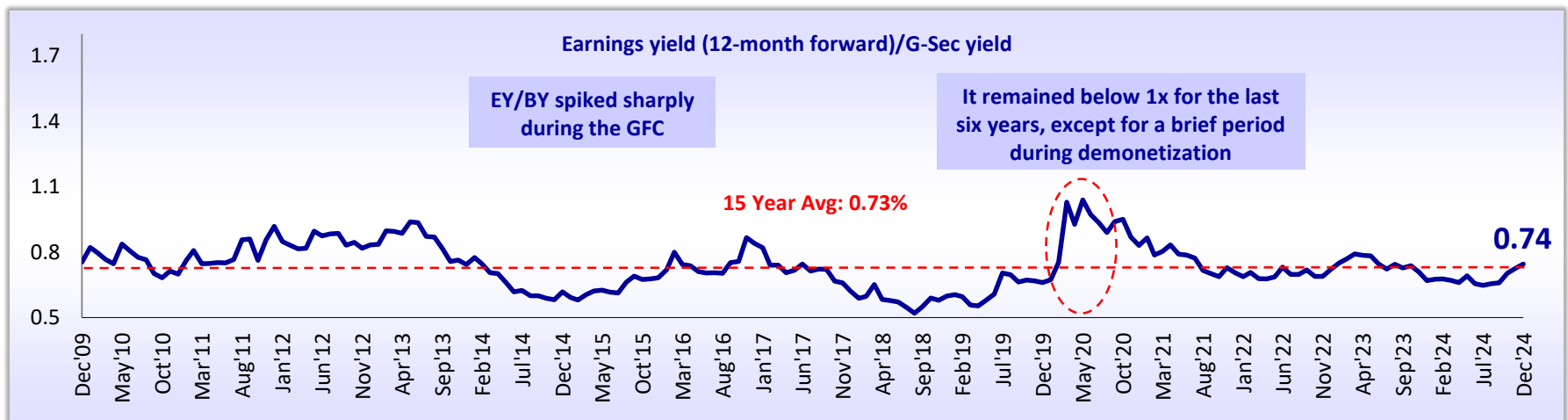
The 10-year G-Sec yield stands at 6.8%; EY/BY trades at LPA on a forward basis

- ❖ India's 10-year bond yield stood at 6.8% (flat MoM). As a result, EY/BY traded below LPA on a trailing basis and at LPA on a forward basis.

Trailing Earnings Yield/G-Sec Yield (x)



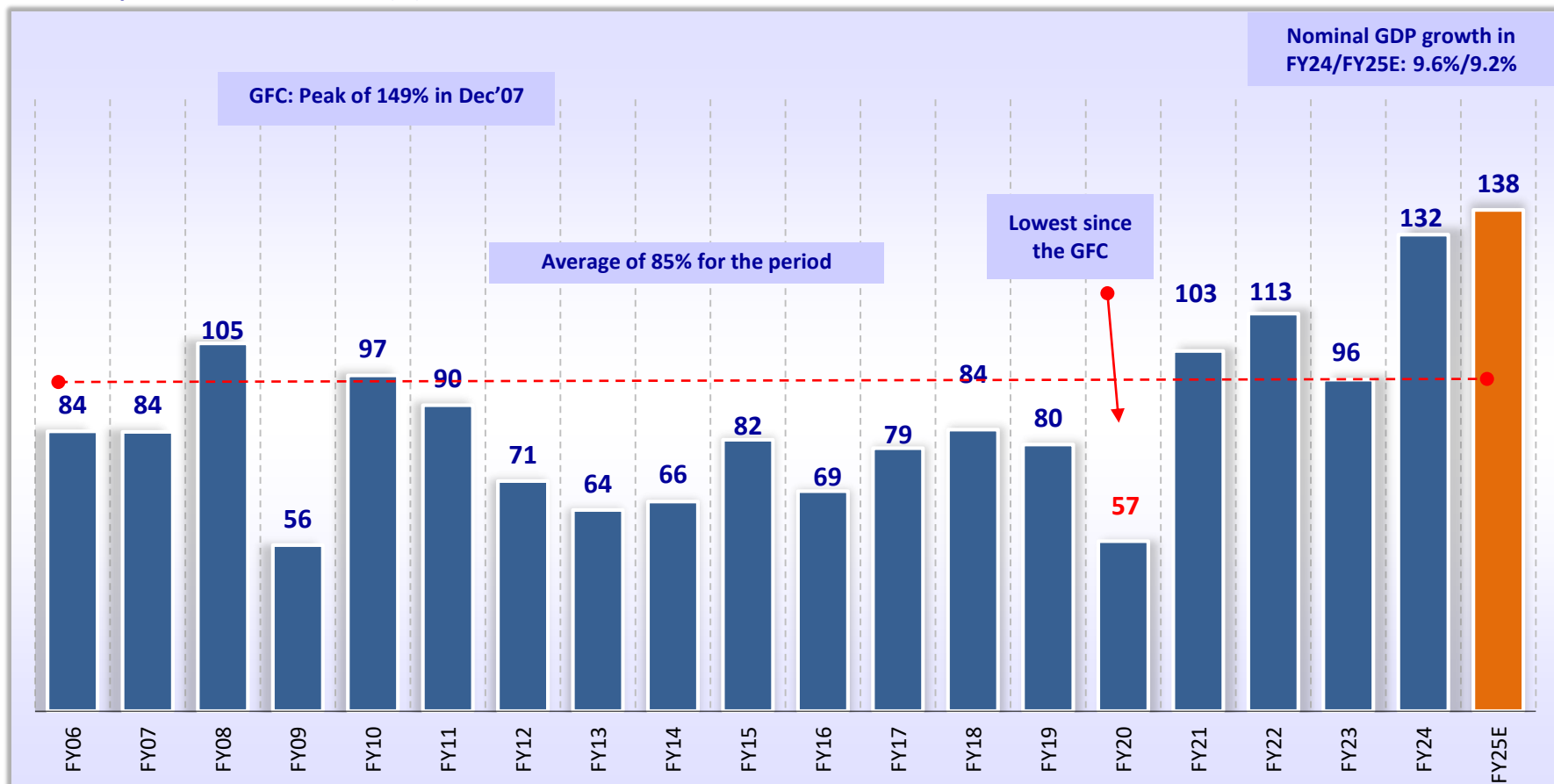
Forward Earnings Yield/G-Sec Yield (x)



India's market capitalization-to-GDP ratio at an all-time high on a year-end basis

❖ India's market cap-to-GDP ratio was 138%; it is trading above its long-term average of ~85%.

Market capitalization-to-GDP ratio (%)



NSE indices: Valuation snapshot – Large-caps trade below LPA, broader markets trade at a premium

- ❖ While mid-caps and small-caps declined from their Sep’24 highs, their indices continue to outperform, with Nifty Midcap and Nifty Smallcap indices surging 24% YoY each, respectively, while Nifty-50 rose 9% in the past one year.
- ❖ Among the key sectoral indices, Capital Goods, Auto, and IT were the top performers in the past one year.
- ❖ Nifty-50 has been trading at its LPA, whereas most of the sectoral indices (excluding Banks) have been trading at a significant premium to their LPA.

NSE indices: Valuation snapshot

Indices	Nifty 50	Nifty Midcap 100	Nifty Smallcap 100	Nifty 500	Nifty Auto	Nifty BANK	Nifty FMCG	Nifty IT	Nifty Metal	Nifty Energy	BSE Capital Goods
Dec’24 closing	23,645	57,199	18,769	22,375	22,834	50,860	56,800	43,338	8,650	35,188	67,780
YoY change (%)	9	24	24	15	23	5	0	22	8	5	22
EPS (12m fwd)	1,061	1,436	647	880	962	3,456	1,293	1,307	453	1,941	1,470
P/E (12m fwd)	19.8	39.8	29.0	25.4	23.7	14.7	43.9	33.2	19.1	18.1	46.1
P/E (10 yr average)	20.5	22.3	16.0	19.4	19.2	15.9	33.5	20.8	11.0	11.5	25.4
P/B (12m fwd)	3.2	5.3	3.9	3.8	3.9	2.1	10.4	8.3	2.3	2.5	7.6
P/B (10 yr average)	2.8	2.6	2.0	2.8	2.9	2.1	8.6	5.0	1.3	1.4	3.4
RoE (%)	16.3	11.4	12.7	14.4	16.6	13.5	23.7	25.2	11.6	13.6	16.8
RoA (%)	2.9	2.22	4.0	2.6	8.5	1.45	23.0	18.7	6.2	7.2	8.4

Source: Bloomberg, MOFSL; as of 31st Dec | LPA: Long Period Average i.e. 10-year average

Barring Auto, Pvt. Banks, and Metals, most sectors trade at a premium to their historical averages

Sectoral valuation comparison

Sector	PE (x)			PE Std. Deviation		Relative to Nifty P/E (%)		PB (x)			PB Std. Deviation		Relative to Nifty P/B (%)	
	Current	10 Yr Avg	Prem/Disc (%)	+1SD	-1SD	Current	10 Yr Avg	Current	10 Yr Avg	Prem/Disc (%)	+1SD	-1SD	Current	10 Yr Avg
Auto	23.3	27.6	-15.8	36.4	18.9	17	34	4.2	3.5	21.1	4.1	2.9	32	22
Banks - Private	15.9	21.1	-24.4	26.3	15.8	-20	2	2.3	2.5	-9.3	2.8	2.2	-28	-10
Banks - PSU	7.1	10.0	-28.6	40.6	-20.5	-64	-55	1.1	0.9	33.3	1.1	0.6	-64	-70
NBFC	12.6	12.4	1.6	14.7	10.1	-37	-40	2.0	1.8	7.4	2.1	1.5	-38	-36
Capital Goods	39.3	28.8	36.4	34.7	22.9	98	41	7.2	4.0	78.8	5.4	2.6	127	40
Cement	36.7	28.2	30.4	35.5	20.8	85	38	3.2	2.6	20.9	3.1	2.2	1	-7
Chemicals	32.5	24.6	31.8	34.9	14.4	64	21	3.8	3.3	16.1	4.4	2.1	19	13
Consumer	42.7	41.8	2.2	45.6	38.1	115	105	10.5	10.3	1.7	11.2	9.4	229	265
Consumer Ex ITC	49.0	51.9	-5.6	58.6	45.3	147	155	11.5	13.2	-12.9	14.5	12.0	262	371
Consumer Durables	53.4	33.7	58.3	45.4	22.0	169	65	9.2	5.3	71.7	7.2	3.5	188	85
Healthcare	33.7	26.9	25.2	31.3	22.5	70	32	5.1	3.9	31.9	4.7	3.0	60	37
Infrastructure	23.7	11.8	100.5	19.5	4.2	19	-42	2.1	1.3	66.4	1.8	0.7	-34	-56
Logistics	24.3	21.2	14.6	25.2	17.3	23	4	4.1	3.4	21.9	4.1	2.6	29	18
Media	16.4	25.0	-34.4	29.5	20.6	-17	22	1.6	3.7	-56.2	5.5	1.9	-49	34
Metals	10.3	10.8	-4.8	14.4	7.2	-48	-47	2.1	1.6	26.9	2.0	1.2	-35	-43
Oil & Gas	14.2	12.6	13.0	15.6	9.5	-28	-39	1.5	1.5	1.6	1.7	1.3	-53	-48
Oil & Gas Ex RIL	8.9	8.6	3.6	11.5	5.7	-55	-59	1.1	1.2	-7.2	1.5	0.9	-65	-57
Real Estate	44.1	29.6	48.9	41.1	18.2	122	44	5.0	2.2	132.0	3.3	1.0	57	-27
Retail	83.6	83.5	0.1	134.1	32.8	321	313	15.1	9.7	55.6	13.8	5.6	374	235
Technology	28.0	20.9	33.9	25.8	16.0	41	2	8.9	5.7	54.9	7.4	4.0	180	100
Telecom	Loss	63.9	-	328.0	-200.2	-	209	40.6	18.6	117.9	41.1	-3.8	0	239
Utilities	17.3	11.5	50.2	14.9	8.2	-13	-44	2.5	1.5	68.4	2.0	1.0	-21	-48

Source: Bloomberg, Cline, MOFSL

Top ideas within the MOFSL Universe

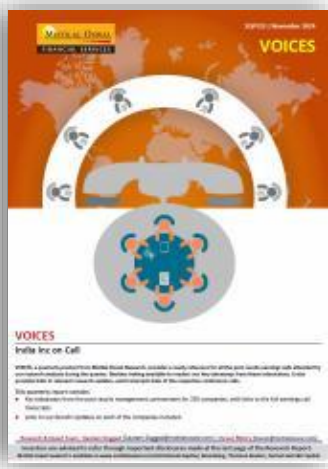
Company	MCap (USDb)	CMP (INR)	EPS (INR)			EPS CAGR (%) FY24-26E	PE (x)			PB (x)			ROE (%)		
			FY24	FY25E	FY26E		FY24	FY25E	FY26E	FY24	FY25E	FY26E	FY24	FY25E	FY26E
Preferred large-cap stocks															
HDFC Bank	159.8	1,798	88.2	100.1	115.6	14.5	20.4	18.0	15.6	2.8	2.5	2.2	14.4	14.6	14.9
Bharti Airtel	113.1	1,599	35.9	45.4	60.6	30.0	44.6	35.2	26.4	10.0	7.8	6.9	24.0	27.0	30.0
St Bk of India	84.7	800	89.3	98.8	115.4	13.7	9.0	8.1	6.9	1.5	1.3	1.1	18.8	17.4	17.2
HCL Technologies	60.3	1,892	63.7	71.9	80.3	12.2	29.7	26.3	23.6	7.6	7.7	7.9	25.6	29.3	33.1
Larsen & Toubro	58.3	3,608	111.1	137.2	160.3	20.1	32.5	26.3	22.5	5.0	4.4	3.8	16.5	17.9	18.2
M & M	41.7	3,050	99.7	116.2	136.7	17.1	30.6	26.3	22.3	6.0	5.1	4.3	21.0	20.8	20.8
Titan Company	34.6	3,310	43.0	53.6	64.0	22.0	76.9	61.7	51.7	24.4	19.1	15.2	35.7	34.7	32.7
Zomato	28.3	271	1.1	3.4	7.4	157.2	243.9	79.9	36.9	10.9	9.6	7.6	4.6	12.8	23.1
Mankind Pharma	13.6	2,873	54.6	60.1	76.6	18.5	52.6	47.8	37.5	10.5	9.0	7.6	21.5	20.2	21.9
Dixon Tech.	12.6	17,947	134.3	177.4	232.2	31.5	133.7	101.2	77.3	43.3	30.5	21.9	38.5	35.3	33.0

Preferred mid-cap/small-cap stocks

Indian Hotels	14.5	861	11.8	14.8	17.6	22.1	73.0	58.1	49.0	10.9	9.2	7.8	16.2	17.2	17.3
Cummins India	10.9	3,301	71.1	86.2	101.5	19.4	46.4	38.3	32.5	13.2	11.6	10.2	30.1	32.3	33.4
Godrej Properties	9.3	2,829	52.0	32.8	27.8	-26.8	54.4	86.3	101.6	6.9	6.4	6.0	13.5	7.7	6.1
BSE	8.6	5,279	90.1	104.9	117.8	14.3	58.6	50.3	44.8	19.5	17.4	15.6	33.3	34.7	34.9
JSW Infra	7.6	323	6.1	7.5	9.5	24.8	53.2	42.9	34.2	7.5	6.6	5.8	14.9	16.4	18.1
Coforge	7.4	9,450	147.1	239.2	291.0	40.7	64.3	39.5	32.5	15.2	12.9	10.8	24.6	34.9	35.7
Kaynes Tech	5.3	7,067	53.8	95.1	145.7	64.6	131.4	74.3	48.5	16.0	13.1	10.3	12.9	19.4	23.9
IPCA Labs.	4.7	1,631	34.4	44.8	55.5	27.0	47.4	36.4	29.4	5.8	5.1	4.5	13.0	15.0	16.3
Metro Brands	3.8	1,248	14.1	17.5	22.0	25.0	88.5	71.2	56.6	15.2	12.9	10.8	19.0	20.1	21.3
Angel one	3.1	2,884	169.0	189.7	264.1	25.0	17.1	15.2	10.9	4.0	3.5	2.9	31.2	24.5	29.0

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Quant Research & India Strategy Gallery



Explanation of Investment Rating	
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BUY	>=15%
SELL	< - 10%
NEUTRAL	> - 10 % to 15%
UNDER REVIEW	Rating may undergo a change
NOT RATED	We have forward looking estimates for the stock but we refrain from assigning recommendation

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