

Arihant's

# VALUE

Plus

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# MOVERS & SHAKERS



## INDIAN INDICES

Indices	Mar-20	Feb-20	Monthly Change (%)
SENSEX	29468.49	38297.29	-23.05↓
NIFTY 50	8597.75	11201.75	-23.25↓
NIFTY BANK	19114.00	29147.15	-34.42↓
NIFTY MIDCAP 100	11703.75	16786.35	-30.28↓
NIFTY 500	6996.75	9236.05	-24.25↓
NIFTY IT	12763.65	15212.95	-16.10↓
NIFTY REALTY	175.50	280.55	-37.44↓
NIFTY INFRA	2360.50	3011.25	-21.61↓

(Source: BSE & NSE)

## BSE SECTORAL INDICES

Indices	Mar-20	Feb-20	Monthly Change (%)
AUTO	10746.15	15568.50	-30.98↓
BANKEX	22050.02	33416.19	-34.01↓
CD	19362.96	26151.16	-25.96↓
CG	10979.45	15397.57	-28.69↓
FMCG	10245.89	10963.84	-6.55↓
HC	12148.57	13480.10	-9.88↓
IT	12842.72	14987.20	-14.31↓
METAL	5713.28	8240.64	-30.67↓
OIL & GAS	10020.85	12620.01	-20.60↓
PSU	4460.07	5880.65	-24.16↓
REALTY	1353.65	2123.91	-36.27↓
TECK	6403.40	7532.83	-14.99↓

## GLOBAL INDICES

Indices	Mar-20	Feb-20	Monthly Change (%)
DOW JONES	21917.16	25409.36	-13.74↓
NASDAQ	7700.10	8567.37	-10.12↓
HANG SENG	23423.17	26129.93	-10.36↓
FTSE	5671.96	6580.61	-13.81↓
NIKKEI	18739.98	21142.96	-11.37↓

## COMMODITIES

Particulars	Mar-20	Feb-20	Monthly Change (%)
MCX GOLD	42956.00	42352.00	1.43↑
MCX SILVER	39523.00	45509.00	-13.15↓
MCX CRUDE OIL	1680.00	3263.00	-48.51↓
MCX NATURAL GAS	131.10	124.30	5.47↑

(Source: Falcon software)

## FOREX

Particular	Mar-20	Feb-20	Monthly Change (%)
USD-INR ₹	75.45	72.19	4.52↑
EUR-INR €	82.78	79.44	4.20↑
GBP-INR £	93.53	92.95	0.62↑
JPY-INR ¥	69.65	66.42	4.86↑

(Source: Falcon software)

## FII Activity (Rs. Cr.)

Date	Gross Purchases	Gross Sales	Net Pur/Sales
Total for Mar 2020	168,643.69	230,616.44	-61,972.75
Total for 2020*	412,660.43	460,690.77	-48,030.34

(Source: SEBI)

## MF Activity (Rs. Cr.)

Date	Gross Purchases	Gross Sales	Net Pur/Sales
Total for Mar 2020	114,961.75	87,306.23	27,655.52
Total for 2020*	261,726.84	222,041.86	39,684.98

\*Till Mar 2020

(Source: SEBI)

## Monthly Market Roundup

In March, Domestic market benchmarks (~ 22%-33%) ended the worst hit in history. Amid the Covid-19 pandemic, The Nifty just took 15 trading days to fall into bear market territory (i.e. the first 31.6% decline), while volatility reached record levels. The PM Modi announced a 21-day nationwide lockdown while exempting essential services. Across Large, Mid and Small-cap categories dropped by ~28-33% in a volatile month ended 31<sup>st</sup> March 2020. The Indian benchmark indices closed negative with S&P BSE Sensex down by 23.05% and the Nifty 50 was down by 23.25%.

### On the sectoral front

Nifty Reality and Private Bank were the worst performing sectors, while Pharma and FMCG experienced lesser fall. Nifty Reality was the top loser at 37.2%, followed by Nifty Private Bank with 35.9% loss for the month. Other major sectoral indices saw worst fall in March, after witnessing selling pressure from top during the month. Nifty Metal index declined by 27.8%, followed by Nifty Media which was declined by 34.8%. Nifty NBFCs & Auto also hit by 31.1% respectively. Nifty 100 Midcap and Nifty 100 Smallcap ended the month with a loss of 30% and 36% respectively.

### On the Economic Front

On 24<sup>th</sup> March 2020 Finance Minister announced an INR 1.7trn (USD 23bn) relief package under PM Garib Kalyan Yojana to help the economically weaker sections survive the loss of jobs and income due to the coronavirus outbreak. These included - i) medical insurance cover for health workers, ii) food security for PDS ration card holders, iii) free gas cylinders to poor families (next 3 months), iv) direct transfers to women, old age, widow, and physically handicapped (next 3 months), and v) withdrawal facility of up to 75% of balance for all EPF account holders, unemployed for more than a month.

The Finance minister has announced several compliance relief measures including- i) Extension of last dates for ITR, GST filing and Aadhaar-PAN linking and waiving of late and penalty fees, ii) Extension of Vivad se Vishwas scheme with no additional 10% payment, and iii) waiving of minimum bank charges for savings bank accounts and charges on cash withdrawals from any bank's ATM for 3 months. (FE)

**India's trade deficit** narrows to \$9.85 billion despite coronavirus scare in February. India exported \$27.65 billion worth of goods

in February, 2.91 percent more than the same month in 2019, indicating the country's trade resilience in times of novel coronavirus (COVID-19) linked global supply chain disruptions and demand plunge. Imports were also 2.48 per cent higher at \$37.50 billion during the month as compared to \$36.59 billion in February 2019. As a result, India's trade deficit sharply narrowed to \$9.85 billion February 2020 as against \$9.72 billion registered in February 2019.

The monthly trade data released by the Commerce Ministry on Friday showed that all other major sectors of exports including almost all labour-intensive sector of exports are still in negative territory. "The modest growth, in the wake of novel coronavirus, which not only pulled down the global sentiments but also affected the supply chain both internationally and domestically, is encouraging. However, the impact of pandemic will be more visible in exports figure of March onwards.

### GDP Growth rate to be lower

The rating agency Moody's slashed India's GDP growth to 2.5% for CY20 (CY19 - 5%) from an earlier estimate of 5.3% on account of the rising economic cost of the coronavirus pandemic. Whereas Accordingly, the S&P Global Ratings has lowered India's gross domestic product (GDP) growth estimate to 3.5% (earlier estimate of 5.2%). It expects the damages to the economy from the covid-19 pandemic for the Asia-Pacific region to be as severe as the one during the Asian financial crisis of 1997-98. However, in FY22E, it expects India's GDP growth rate to be 7.3%. Notably, S&P's estimate is among the more optimistic projections.

**The Monetary Policy Committee (MPC) of RBI** on 27<sup>th</sup> March RBI has stepped in to support the economy and help it tide through the disruption caused by the outbreak of COVID-19. It undertook a slew of liquidity and regulatory measures which will likely lower funding costs, ease financial stress and provide financial relief to stressed sectors. Further, the RBI has assured that it will do 'whatever is necessary' to shield the economy from the impact of the pandemic.

### Reduction in Interest Rate

The MPC advanced its policy meeting and cut the repo rate by 75 bps to 4.4%. It also widened its policy corridor to 65 bps with the reverse repo rate now at 4% (90 bps cuts).

## Massive Liquidity infusion

The RBI also undertook measures which could infuse liquidity worth Rs.3.74 trn: (1) Introduction of Targeted LTRO auctions of up to three-year tenor for a total amount of Rs.1 trn which would need to be deployed in CPs, investment-grade corporate bonds and NCDs; investments under this facility will be classified as held to maturity (HTM) even in excess of the permissible 25% of total investment and exempted from large exposures framework. (2) Reducing CRR by 100 bps to 3% for one year to infuse liquidity worth Rs1.37 trn, and reducing the requirement of minimum daily CRR balance maintenance from 90% to 80% and (3) Raising MSF to 3% of SLR from 2% which will remain applicable until June 30<sup>th</sup>, 2020

## On the global front

In March, global equities (-13.4% m/m) ended the worst first quarter in history. Amid the Covid-19 pandemic, the US market just took 16 trading days to fall into the bear market territory (i.e. the first 20% decline), while volatility reached record levels. The epicentre is now in the US, with the federal government extending its social distancing guidelines until April 30. In commodity markets, WTI crude dropped -54.2% amid negative Covid-19 related demand shock and positive supply shock (as OPEC+ failed to meet production agreement), while gold went slightly lower by -0.57%. The USD/INR gained of 4.7% in the month of March 2020.

## The Fed

Fed slashes rates to near-Zero In a bid to prevent a severe economic downturn caused by the coronavirus pandemic, the Federal Reserve dropped its policy rate by a full percentage point to a range of 0-0.25 per cent, a level not seen since 2015. The US Federal Reserve has cut short-term rates to a target range of 0% to 0.25%.

US' Nasdaq composite -10%, UK's FTSE and US' Dow Jones closed in negative territory with -13.8% & -13.7% respectively. Whereas, Hong Kong's Hang Seng, Germany's DAX, ended the month with negative of -9.7%, -17.5% respectively, Japan's Nikkei lost -10.5%.

## RBI

The MPC advanced its policy meeting and cut the repo rate by 75 bps to 4.4%. It also widened its policy corridor to 65 bps with the reverse repo rate now at 4% (90 bps cuts).

- India's March Nikkei Market Manufacturing PMI (Q4) slipped at 51.8 from 54.5 in February.

- India's February WPI Inflation declined to 2.26% as compared to 3.10% in January.
- India's February Trade deficit narrow to 9.85B from -15.17B in January.
- India's February CPI inflation slowed to 6.58% compared to 7.59% in January.
- India's February IIP growth 2.0% compared to 0.3% in January and Previous revised to 0.1%.

## Nifty Technical Outlook: Apr - 2020



On the monthly chart, we are observing that prices have breached the upward sloping channel (shown above in the graph) with higher volumes. The fall was almost of 3921 point which was largest in a single month. This suggests that the markets are in a firm bear grip.

In coming month if Nifty trades and close above 9311 level then it is likely to test 10456 - 11061 - 12939 levels. However, if Nifty trades and close below 7884 level then it can 6740 - 5597 - 4264 levels.

**At present the monthly trend has turned down and rallies are likely to attract selling pressure. Hence, one needs to adopt cautious approach at current levels.**

# AUT SECTOR MARCH SALES



## Maruti Suzuki

**Total Sales: 83,792 units, -47.0% YoY Down**  
 Domestic Sales: 79,080 units, -46.4% YoY Down  
 PV Sales: 58,370 units, -43.3% YoY Down  
 Exports: 4,712 units, -55.0% YoY Down



## TVS Motor

**Total Sales: 144,739 units, -56% YoY Down**  
 2Wheeler Sales: 133,988 units, -57% YoY Down  
 3Wheelers Sales: 10,751 units, -26% YoY Down  
 Exports: 50,197 units, -34% YoY Down



## Mahindra & Mahindra

**Total Sales: 7,401 units, -88% YoY Down**  
 Domestic Sales: 6,130 units, -90% YoY Down  
 PV Sales: 3,384 units, -88% YoY Down  
 CV Sales: 2,325 units, -90% YoY Down  
 M&HCV Sales: 4 units, -100% YoY Down  
 Exports: 1,271 units, -68 %YoY Down



## Atul Auto

**Total Sales: 1,091 units, -76% YoY Down**



## Tata Motors

**Total Sales: 12,924 units, -84% YoY Down**  
 PV Sales: 5,676 units, -68% YoY Down  
 CV Sales: 7,123 units, -87%YoY Down  
 M&HCV Sales: 1,601 units, -90% YoY Down



## Escorts

**Total Sales: 5,444 units, -54.3% YoY Down**  
 Domestic Sales: 5,228 units, -54.3% YoY Down  
 Exports: 216 units, -54.4% YoY Down



## Bajaj Auto

**Total Sales: 242,575 units, -38% YoY Down**  
 Domestic Sales: 116,541 units, -55% YoY Down  
 CV Sales: 31,599 units, -55% YoY Down  
 Motorcycle Sales: 210,976 units, -35% YoY Down  
 Exports: 126,034 units, -6% YoY Down



## Ashok Leyland

**Total Sales: 2,179 units, -90% YoY Down**  
 M&HCV Sales: 1,831 units, -89% YoY Down  
 LCV Sales: 348 units, -94% YoY Down



## Hero MotoCorp

**Total Sales: 334,647 units, -42.4% YoY Down**



## Volvo-Eicher Commercial Vehicles

**Total Sales: 2,950 units -82.7% YoY Down**

## Eicher Motorcycle

**Total Sales: 35,814 units, -41% YoY Down**  
 Exports: 3,184 units, +32% YoY Up

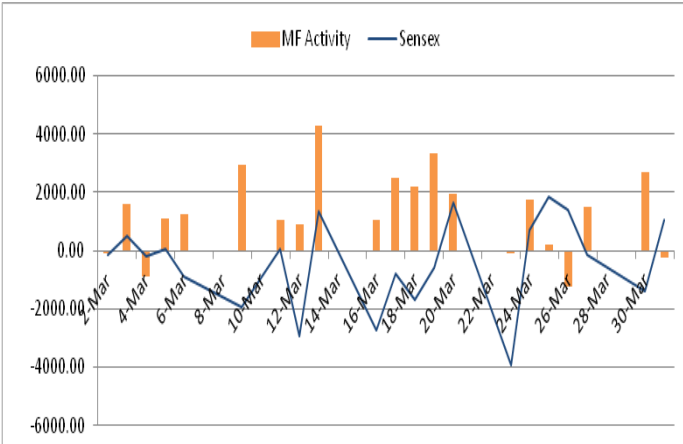


## MUTUAL FUND

Indian equity markets tumbled in the month of March 2020. The barometer index, S&P BSE Sensex delivered plunged 23.05% to settle at 29468.49 and Nifty50 lost -23.25% ending the month at 8597.75.

### MF ACTIVITY

Indian mutual funds were net buyers of equities to the tune of Rs 27655.52 crores in the month of March 2020. Highest Buying was recorded in the third week of the month when the fund houses made total net buy of Rs 11062.42 crores of equities. On the other hand, foreign institutional investors (FIIs) were net Seller to tune Rs 61972.80 crores worth of equities in March 2020.



### Mutual Fund Activity In March 2020

Rs in Crores	Gross Purchases	Gross Sales	Net Investment
1st Week	21130.47	18232.24	2898.23
2nd Week	30752.43	21590.95	9161.48
3rd Week	35641.68	24579.26	11062.42
4th Week	20045.64	17954.84	2090.80
5th Week	7391.53	4948.94	2442.59
<b>Total</b>	<b>114961.75</b>	<b>87306.23</b>	<b>27655.52</b>

Note: Mutual Fund activity as on March 2020



## Equity Scheme Recommendation

Scheme Name	Latest NAV*	AUM as on 29 <sup>th</sup> Feb, 2020 (Rs in Cr)	Launch Date	Returns (%)				Min. Investment Amount	
				One Year	Three Years	Five Years	Since Inception	SIP	Lump sum
<b>Large Cap Fund</b>									
Axis Bluechip Fund(G)	26	9481	05-Jan-10	-8.09	7.53	5.92	9.62	1000	5000
ICICI Pru Bluechip Fund (G)	31.79	24635	23-May-08	-24.7	-2.54	1.52	10.24	100	100
Mirae Asset Large cap Fund(G)	38.83	16519	04-Apr-08	-24.1	-0.89	3.67	11.98	1000	5000
<b>Multi Cap Fund</b>									
Axis Focused 25 Fund(G)	23.39	8891	29-Jun-12	-13.7	3.39	5.42	11.5	1000	5000
Kotak Standard Multicap Fund(G)	27.01	29096	11-Sept-09	-23.9	-2.05	3.44	9.73	500	5000
SBI Magnum Multicap Fund (G)	37.04	8317	29-Sept-05	-23.09	-2.94	2.87	9.47	500	1000
<b>Mid Cap Fund</b>									
DSP MidCap Fund(G)	44.46	6771	25-Jun-07	-19	-3.37	4.32	11.79	500	5000
L&T Mid Cap Fund (G)	98.52	5928	9-Aug-04	-27.3	-5.59	2.72	15.75	500	5000

Note: Returns as on 31<sup>st</sup> March, 2020, Returns < 1 yr annualized, Returns > 1 yr compounded annualized.

## Debt Scheme- Liquid Funds Recommendation

Scheme Name	YTM	Latest NAV*	AUM as on 29 <sup>th</sup> Feb, 2020 (Rs in Cr)	Returns (%)				
				One Month	Three Months	Six Months	One Year	Since Inception
<b>Liquid Fund</b>								
Axis Liquid(G)	5.26	2194.2	30628	0.59	1.45	2.83	6.25	7.78
ICICI Pru Liquid Fund(G)	5.29	292.5	61257	0.57	1.42	2.79	6.20	7.76
<b>Ultra Short Term Fund</b>								
Kotak Saving Fund(G)	6.12	32.09	11765	0.49	1.46	3.15	7.08	7.75
L&T Ultra Short term Fund(G)	5.49	32.68	2781	0.65	1.57	3.13	7.02	7.45

Note: NAV and Returns as on 31<sup>st</sup> March, 2020, Returns < 1 yr annualized, Returns > 1 yr compounded annualised.

## ELSS Scheme Recommendation

Scheme Name	Latest NAV*	AUM as on 29 <sup>th</sup> Feb, 2020 (Rs in Cr)	Launch Date	Returns (%)			
				One Year	Three Years	Five Years	Since Inception
Mirae Asset Tax Saver(G)	13.67	2877	28-Dec-15	-22.3	0.55	-	7.91
Axis LT Equity Fund(G)	38.55	21160	29-Dec-09	-11.9	3.74	4.41	14.01
Kotak Tax Saver(G)	34.48	1030	31-May-96	-21.4	-2.74	1.89	11.21

Note: NAV and Returns as on 31<sup>st</sup> March, 2020, Returns < 1 yr annualised, > 1 yr compounded

# THE MONTH AHEAD KEY FINANCIAL EVENTS APRIL 2020



## APR 01-02

- Indian Manufacturing PMI
- Indian Automobile Sales Data, by Automakers
- USD ISM Manufacturing PMI
- USD Unemployment Claims

## APR 03

- Indian Monetary Policy Decision
- USD Unemployment Rate
- USD ISM Non-Manufacturing PMI

## APR 06

- Indian Nikkei Service PMI

## APR 08

- Indian Automobile Sales Data, by SIAM

## APR-09

- EUR ECB Monetary Policy
- USD CPI m/m
- USD Core CPI m/m

## APR 13

- Indian CPI
- Indian IIP

## APR 14

- Indian WPI

## APR 15

- USD Core Retail Sales m/m
- USD Retail Sales m/m

## APR 16

- USD Building Permits
- EUR German Prelim IFO Business Climate

## APR 17

- CNY GDP
- CNY Industrial Production

## APR 22

- EUR French Flash Services PMI
- EUR German Flash Services PMI
- GBP Flash Services PMI
- USD Flash Manufacturing PMI

## APR 23

- EUR German Final IFO Business Climate
- GBP Retail Sales m/m

## APR 28

- USD CB Consumer Confidence
- EUR German Prelim CPI

## APR 29

- USD Advance GDP
- USD FOMC Statement

## APR 31

- USD FOMC Press Conference
- CNY Manufacturing PMI
- EUR Monetary Policy Statement



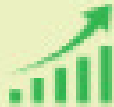
THINK  
**BIG**  
START **SMALL**

## ARIHANT'S SIP INVESTMENT

### WHY SIP INVESTMENT



**DISCIPLINED INVESTMENT**



**POWER OF COMPOUNDING**



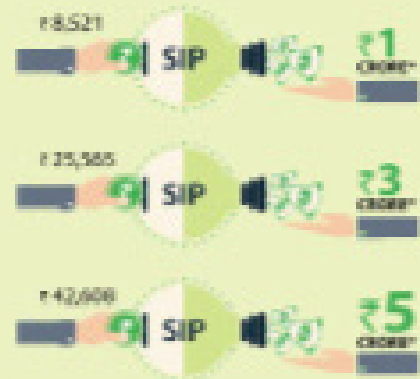
**RUPEE COST AVERAGING**



**SMALL POCKET INVESTMENT**

\*Note: The above figures are calculated for the use of ₹1000 for illustration purposes only. Actual fund investments are subject to market risks. Returns should not be taken as a guaranteed investment or a return on the investment. Actual returns are subject to market performance in any market.

### 20 YEARS PERIOD



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