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Authored by:

SUNIL A SHARMA

Chief Investment Strategist

INVESTMENT OUTLOOK

Markets have sold off aggressively, as they are prone to do every 2-3 years.

The market experts are out in force this week. Invariably, they are bearish. The market topped in October 2024. For the record, on October 8th 2024, this publication warned of a slowdown in the Indian economy, and reduced equity exposure across mid & small caps and subsequently large caps from moderately over-weight to close to neutral. We wrote then that we'd flip to being buyers of equities at more reasonable valuations.

That time is near.

Today, midcaps are down an average 24.9% from their 52 week highs. Smallcaps are down 25.8% from their 52 week highs. Significant damage has been unleashed in equity markets.

Market technicals are suggesting that even as the indices head lower, not all stocks are following suit. Market internals are improving.

In time, this sell-off will be a blip in the long term path to wealth creation. Things will improve, as they always do.

Staggering Exposure Selectively to Mid & Small

Our preferred approach is that of a surgeon with a scalpel rather than a hammer.

Mid-caps and small caps offer an ample opportunity subset of growth assets at what are now reasonable valuations. In a world starved for growth, growth assets typically trade at premiums.

We retain our view that we're in a cyclical slowdown, and not a structural bear market. Our positioning is to now look to up our exposure to mid and small caps higher via staggered purchases, into active managers in our Ambit Select program. (Allocation Table on page 23). For conservative investors, we prefer large caps.

Our timing will be driven by market internals and FI flows. Waiting for the turn. The macro narrative is bullish. What we are waiting for is improving market internals, flows and technicals.

We prefer a staggered approach to deployment. We acknowledge risks remain, whether it be related to tariffs, Trump, China, a recession, unforeseen worsening of conditions for the Indian or global economy etc, but we make the case that the India narrative is shifting to positive.

We note that forward 1 year returns from market bottoms for mid and small caps are consistently stellar. (see tables on page 5).

Improving Narratives

Our recommendation is driven by improving macro, monetary and fiscal, a growing global economy, better clarity around tariffs, a strong capex cycle related to AI and robotics, opportunities for India vis a vis Trump 2.0, improving domestic economy, declining inflation, declining interest rates, declining commodity prices, rising disposable income via tax cuts, and a variety of technical markers indicating extreme over-sold conditions that match lows witnessed in prior bear markets.

We lay out a more detailed rationale in the following sections.

Raising Exposure to U.S. Tech

The U.S. is leading the world again. Collectively, Trump's first 40 odd days have flipped the narrative on the U.S.

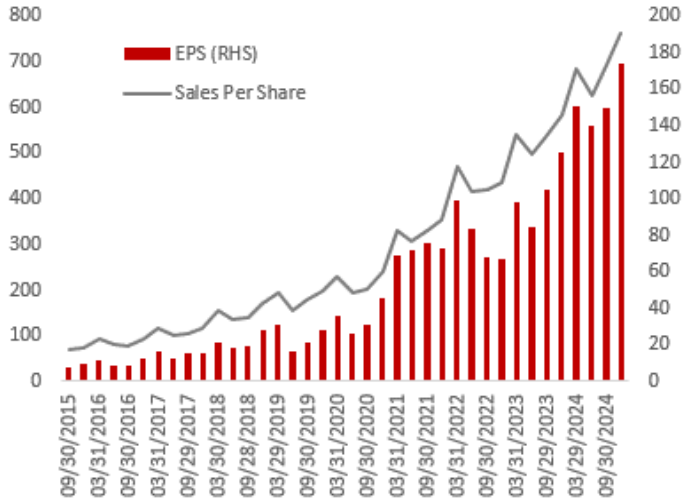
President Trump appears determined to re-invigorate the U.S. economy. Mag 7 earnings continue to deliver. U.S. tech continues to hold significant upside potential, as innovation starts to coalesce.

We nudge our exposure higher to big Tech via Nasdaq 100 and MAG/FANG. In the next 2-3 years, the world could look very different than it does today, whether it

be gen AI, physical AI, robotics, autonomous driving or other innovation. These companies appear likely to be amongst the winners.

Additionally, U.S. tech has proven to be meaningful negatively correlated asset to Indian equities at opportune times, making it a portfolio optimizing investment asset. Correspondingly, we reduce our exposure to emerging markets and stay underweight Europe.

Magnificent 7 Continue to Deliver



Gold

In April 2024, we raised our exposure to Gold as a strategic asset. That's worked out well. We continue to retain our exposure to Gold.

Cap, Stock & Sector Selection Paramount

We are increasingly entering a period where stock selection, cap exposure and sector rotation will be key determinants of portfolio return.

For mid and small-caps, we continue to prefer exposure, via experienced active managers with growth, GARP methodology and proven track records.

For large caps, we favor factor strategies based on our proprietary methodology, or bottom up stock selection.

Emotions and Conviction

When it comes to investing success, a stable temperament is critical, arguably more important than intellect. During times of volatility, confidence can waiver, leading investors to abandon the long term investment plan. The antidote to emotional angst is conviction, which comes from a strong understanding of the fundamentals of the underlying portfolio, and owning companies with strong fundamentals.

So rather than exiting all SIPs, a thorough review of portfolio holdings with your advisor, and a review and course correction of the investment plan if necessary, is the prudent course of action.

India Story Remains Intact

The key pillars of the India story remain intact. The budget has delivered some relief to the middle class and tax cuts in coming months will lower interest burdens.

A young, growing workforce, attractive labor cost advantages, rising per capita income, rising manufacturing expertise, China plus one, government capex, financialization of savings, healthy consumer, expected pickup in government investments in Q4, rate cuts supported by receding inflation, a bumper agricultural crop, improving rural spends, declining interest rates, strong services momentum will stand India in good stead.

Corrections – Mid Cap

Peak	Midcap Index	Trough	Midcap Index	Peak to Trough	Duration of Fall (mo)	New Peak	Time to Regain Peak (mo)	Forward 1 Year Return % from Trough
Jan-04	2,480	May-04	1,792	-28%	4.5	Nov-04	6.1	67%
May-06	5,323	Jun-06	3,335	-37%	1.2	Feb-07	7.8	68%
Jan-08	9,655	Mar-09	2,938	-70%	14.2	Nov-10	20.4	157%
Nov-10	9,783	Dec-11	6,037	-38%	13.5	May-14	29.1	40%
Jan-13	8,791	Aug-13	6,456	-27%	7.7	May-14	8.6	72%
Aug-15	14,150	Feb-16	11,518	-19%	6.8	Feb-17	11.5	42%
Oct-16	16,076	Dec-16	13,762	-14%	2.7	Feb-17	1.4	53%
Jan-18	21,732	Oct-18	16,055	-26%	8.6	Jan-21	27.4	-3%
Feb-20	18,368	Mar-20	10,991	-40%	1.5	Nov-20	7.9	117%
Oct-21	32,885	Jun-22	25,293	-23%	8.2	May-23	11.2	40%
Sep-24	60,851	Feb-25	49,654	-18%	4.8	?	?	?
Average ex GFC				-27%	6.0		12.3	55%

Corrections – Small Cap

Peak	Small cap Index	Trough	Small cap Index	Peak to Trough	Duration of Fall (mo)	New Peak	Time to Regain Peak (mo)	Forward 1 Year Return % from Trough
Jan-04	1,017	May-04	719	-29%	4.5	Sep-04	3.8	117%
May-06	3,050	Jun-06	1,991	-35%	1.2	Feb-07	7.8	76%
Jan-08	6,048	Mar-09	1,362	-77%	14.2	Aug-16	90.1	162%
Nov-10	4,620	Dec-11	2,682	-42%	13.5	May-14	29.4	39%
Jan-13	3,889	Aug-13	2,525	-35%	7.0	Apr-14	8.2	101%
Apr-15	6,039	Feb-16	4,354	-28%	10.2	Jul-16	5.5	53%
Oct-16	6,516	Nov-16	5,459	-16%	0.9	Feb-17	2.5	56%
Jan-18	9,580	Oct-18	5,748	-40%	9.5	Jun-21	31.8	-3%
Jan-20	6,347	Mar-20	3,340	-47%	1.9	Nov-20	8.2	142%
Jan-22	11,981	Jun-22	7,983	-33%	5.1	Aug-23	13.8	36%
Sep-24	19,538	Feb-25	15,407	-21%	5.0	?	?	?
Average ex GFC				-33%	5.9		12.3	68%

AN IMPROVING NARRATIVE

We make the case that key narratives for India and the U.S. have improved, better prospects lie ahead for Indian equities, and share optimal strategies for participation.

Progress Towards a More Peaceful World

The ceasefire agreement, such as it is, in the Israel Hamas war, the ongoing release of hostages, behind the scene negotiations between the U.S., Russia and Ukraine, as well as toned down rhetoric in the South China Seas are all signs of meaningful progress towards global peace. That was a stated goal of President Trump, and all indications are that the administration is delivering on its promise of nudging the world towards a more peaceful state.

Reciprocal Tariffs & India's Strategy

A game theory approach crystallizes clearly that India's preferred strategy – one the government is following – is to reduce tariffs, and increase trade with the U.S. Should U.S. imports prove cheaper, all the better, as it will curb inflation. The alternative, punitive tariffs on pharma, textiles, Make in India, electronics goods, engineering components is a much less appealing alternative.

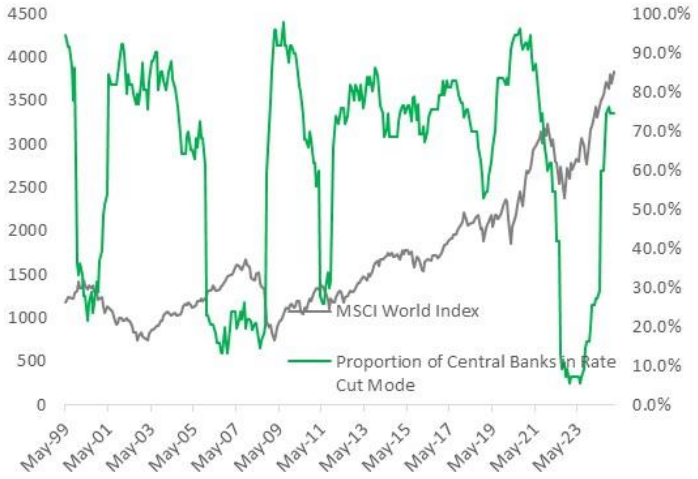
Stronger India U.S. Ties

Pursuing a path towards equitable trade, will bring India U.S. ties closer, paving the way for increased cooperation on key emerging technologies and industries of the future.

Central Banks Are Easing Globally

Globally, a majority of central banks are in rate cut mode. Most recently, the European Central Bank has reduced interest rates. India should join the ranks of the easing. The Fed stands ready to do so if necessary as well. The Fed Put remains alive and well, and the global economy remains in growth mode.

A Majority of Central Banks are Easing

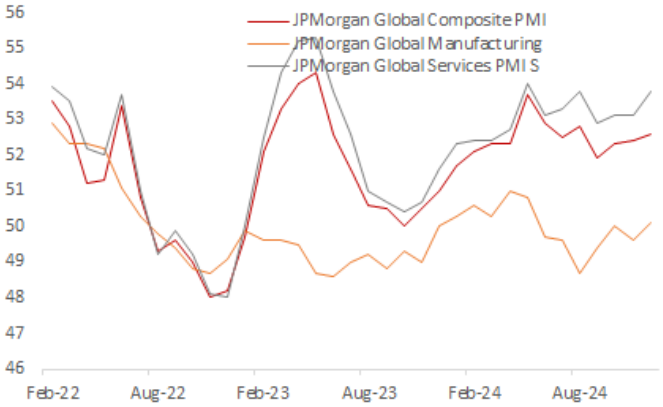


Tax Cuts

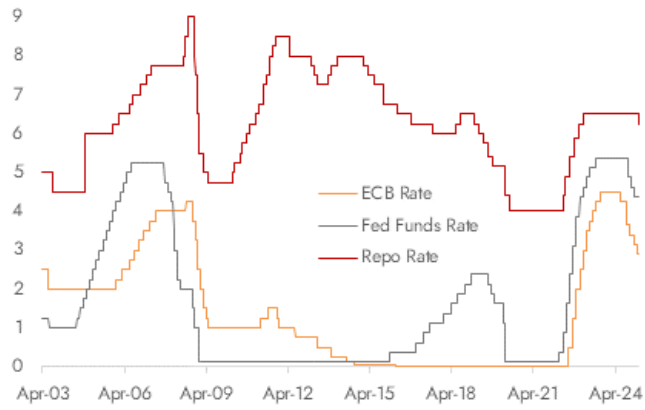
The Indian Finance Minister announced a $12~ Billion tax cut in the Budget, freeing up much needed disposable income in the hands of the tax paying middle class. The U.S. is potentially lining up a tax cut as well, the timing of which remains unclear; however,

Trump has shown strong intent in following through on election promises.

The Global Economy Remains in Growth Mode



The RBI Has Embarked on a Rate Cut Cycle



Investment Cycle in AI Remains Intact

Despite the DeepSeek release, Big Tech has reiterated its commitment to continue devoting hundreds of billions of dollars to AI initiatives. However, China's progress has unleashed an urgency amongst developed nations to catch up. The AI capex cycle will continue, attracting big investments in data, infrastructure, leading to growth and job creation.

For now, the winners have been the chip producers and infrastructure providers. DeepSeek changes that, and opportunities in the application layer now look financially feasible. Besides GenAI, and software apps, Physical AI will continue to be the ultimate destination.

Trump Put and Trump Tariffs

Five decades of data from 150 countries in a research paper by Furceri et al found that tariff increases are associated with a persistent and sizeable decline in output growth. We expect saner minds will prevail. Markets will ensure they do.

Events of the past week between the U.S, Canada and Mexico, clearly demonstrate that U.S. markets are completely divorced from a very risky plan that some of Trump's advisors would like to embark upon. The plan is centered on a complicated and altogether risky strategy with tariffs, tax cuts, regulatory reform and spending cuts at the core.

Markets made clear that the Trump Put and the Trump Tariff cannot co-exist, and indications suggest that tariffs will be used as a bargaining ploy, while ensuring markets remain buoyant.

Unfortunately, there is a cost to Trump's strategies - consumer sentiment has taken a notable hit in the past month. If the consumer pulls back, gains from trade wars will hardly make up for higher inflation, reduced consumer spending and wobbly markets.

A Shot Across the Bow and a Change in Narrative

DeepSeek was a shot across the bow, a shock, not just for Big Tech, but for nations around the world. It also changed the consensus narrative around U.S. AI supremacy, with significant implications. A rhetoric had built that the U.S. lead in AI was insurmountable, that hundreds of billions of dollars were the price of admission. Throw that logic out the window.

The U.S. AI dominance narrative took a body blow, and made clear that the emerging AI landscape will be far more democratic than investors have been led to believe. AI success will not be the sole domain of the Mag 7; rather, two guys in a garage will again have a change to build the next killer app or company.

Fiscal Prudence

While some market watchers would have preferred the government take more aggressive measures, fiscal prudence brings financial stability, reduces uncertainty and lowers borrowing costs. The government kept market borrowings flat at 11.5 lk cr, reducing the fiscal deficit to 4.4% from 4.8% of GDP. Rates at the long end of the curve are now trending lower, largely a result of the government's fiscal prudence and efforts related to inclusion in global indices.

Key India Budget Items

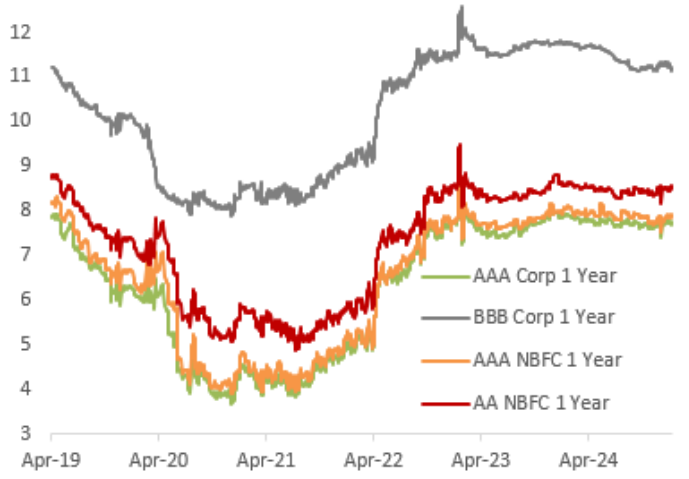
Trillions INR	2023-24 Actual	2024-25 Est.	2025-26 Budget	YoY%
Total Expenditure	44.43	47.16	50.65	7.4%
Capital Expenditure	9.49	10.18	11.21	10.1%
Interest Payments	10.64	11.38	12.76	12.1%
Revenue Receipts	27.29	30.88	34.2	10.8%
Net Market Borrowings	11.78	11.63	11.54	-0.8%
Fiscal Deficit % of GDP	5.6	4.8	4.4	(0.4)

Source: MoF, Bloomberg

10 Year G-Sec Yield Continues to Trend Lower

Prior periods when the 10 year G-sec reached similar levels, while trending lower, were 2012, 2016 and 2020. Each preceded strong rallies in equities in 2014, 2017 and 2020.

NBFC, AA, BBB Spreads Remain In Check



Capex Spending Remains Strong

Yet again, the government acted prudently, with budgeted capex for next fiscal year at 11.2 lakh crores, at a healthy 4.1% of GDP. Capex spending has typically tended to be back-end loaded as states work out spending strategies and allocations during the year. We'd expect the trend to continue and look for some acceleration into fiscal year end.

Economic Resilience & Sound Fundamentals

With rate cuts on the anvil, India Inc's interest burden should come down in coming months, as should borrowing costs for consumers. Simultaneously, disposable incomes will rise for middle class families. With a manageable fiscal deficit, strong reserves, and levers via monetary and fiscal, India remains in solid shape to deal with the next crisis, if and when one emerges.

India Narrative Remains in Place

The prospects for a return to healthy growth remain solid. Midcaps and selectively small caps have delivered healthy growth. Exports are improving. There are signs of recovery in domestic economic data, resilience in services and manufacturing, higher disposable incomes starting April 2025, lower borrowing costs, strong public capex, strong demographics, healthy balance sheets, strong savings and resilient domestic investment flows.

Let's recognize what this sell-off isn't. It isn't a bubble. It isn't a systemic crisis. The economy isn't in recession. The primary complaints around Indian equities have revolved around expensive valuations, a slowing economy and slowing earnings, leading to a rotation to China and U.S. by FIs, and the threat of tariffs.

Valuations are back to fair value. There is clarity on India U.S. relations and tariffs. Earnings have held up much better than expected, particularly for mid and small caps. FIs will sell now, and at some point they will be back. Such is the nature of hot money.

Meanwhile, the central bank is on a path to cutting rates. Inflation is now 4.3% clearing the path for further rate cuts. Valuations are now at fair value. Interest rates have been trending lower, and lending rates will follow. The government's tax cuts will kick into effect in 45 days. Anecdotal data from the cement sector and government capex data suggest public capex is picking up. Commodity prices are under control.

SIPs are holding strong above 26,000 cr a month. Domestic investors continue to be buyers. The labor force continues to grow. The labor cost arbitrage remains in place. Services and manufacturing momentum remain healthy. Rural consumer is healthier.

Lower costs of borrowing, lower inflation and higher post tax disposable incomes will help starting in Q1 FY26.

EARNINGS & VALUATIONS UPDATE

Earnings – Solid Showing by Mid Caps

With 98% of Nifty 50 reporting, 56% of midcaps and 50% of small caps, mid caps have delivered strong earnings. Small caps have delivered respectable double digit earnings growth, while the Nifty 50 has struggled, primarily weighed down by companies in the energy sector, materials (steel), as well as stagnant showings by consumer discretionary as well as the IT majors.

Large Caps – Challenges Loom

The data highlight the challenges with large caps. Top line growth is sub-par across a number of sectors. IT majors are navigating a new world driven increasingly by AI software and disruption. Consumer staples and Materials are dealing with rising competitive pressures.

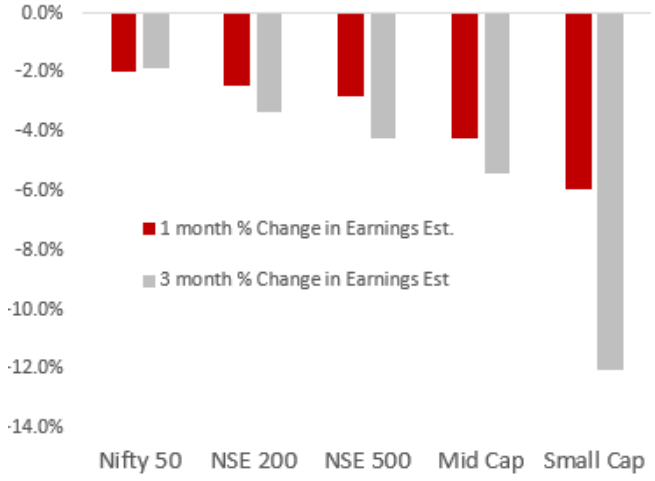
Large caps have their work cut out in terms of identifying strategies to restart growth. The tax cut will help, as will the rate cut.

Meanwhile, mid and small caps, particularly when viewed from a bottom up lens, have delivered impressive results. Not all small caps, and not all mid caps, but a significant number have delivered impressive financial results.

Moreover, many companies are now trading at reasonable valuations, around fair value.

While an index strategy can work, we prefer gaining exposure via active managers with proven performance track records, that will weed out laggards and build portfolios with strong fundamentals and reasonable valuations.

The Pace of Estimate Revisions is Stabilizing



Nifty 50 Earnings - Weighed Down by Energy, Materials and Stagnant Cons Discretionary

Nifty 50	Sales Qtr YoY %	Net Profits Qtr YoY%	Sales LTM YoY %	Net Profits LTM YoY%	Sales QoQ %	Net Profits QoQ%	Bottom Up P/E	Cap Wt %	Profit Contrib %	Net Margin
Communication Services	19.1%	202.1%	9.6%	98.3%	8.8%	105.3%	60.9	5.6%	3.6%	16.3%
Consumer Discretionary	9.6%	-0.7%	9.3%	29.3%	9.9%	24.8%	24.1	10.7%	9.0%	7.6%
Consumer Staples	6.5%	1.1%	5.9%	0.3%	-4.6%	0.1%	40.7	8.1%	4.5%	19.4%
Energy	2.3%	-3.6%	3.5%	-10.6%	6.1%	11.4%	14.5	12.5%	19.3%	7.2%
Financials	1.6%	11.2%	21.2%	16.7%	-7.1%	-1.0%	15.9	26.3%	34.6%	14.2%
Health Care	11.6%	24.3%	11.0%	23.4%	1.3%	7.3%	30.9	4.0%	3.2%	18.9%
Industrials	10.9%	-8.2%	12.0%	21.8%	5.7%	-16.5%	33.6	6.0%	3.5%	7.2%
Information Technology	4.9%	10.1%	3.9%	9.2%	0.9%	3.5%	28.6	17.1%	13.6%	16.3%
Materials	1.6%	-17.3%	-0.5%	-9.9%	2.1%	13.6%	34.5	6.8%	4.2%	4.8%
Utilities	3.5%	-2.8%	4.6%	6.5%	0.6%	-1.6%	14.1	2.9%	4.4%	15.9%
Total	**4.2%**	**6.1%**	**8.9%**	**8.9%**	**1.5%**	**6.0%**	**22.1**	**100.0%**	**100.0%**	**10.6%**
Total Ex Energy	**5.0%**	**8.7%**	**11.2%**	**14.9%**	**-0.2%**	**4.8%**	**23.9**	**87.5%**	**80.7%**	**12.0%**

Note: Earnings adjusted for large non-operating or extraordinary gains/ losses. Data as of Feb 17, 2025.

Midcap Earnings – Strong Showing Across Consumer, Industrials, Financials

Nifty MidCap	Sales Qtr YoY %	Net Profits Qtr YoY%	Sales LTM YoY %	Profits LTM YoY%	Sales QoQ %	Net Profits QoQ%	P/E	Cap Wt %	Profit Contrib %	Net Margin
Communication Services	4.4%	163.2%	9.4%	70.4%	0.9%	73.8%	12.5	3.2%	10.3%	31.9%
Consumer Discretionary	40.4%	22.5%	34.3%	33.8%	1.8%	-3.8%	57.8	9.8%	4.7%	6.3%
Consumer Staples	20.0%	30.7%	10.4%	47.2%	7.8%	5.2%	45.6	5.3%	3.4%	6.7%
Energy	-13.5%	-26.7%	6.0%	-44.1%	-10.3%	673.4%	32.2	3.2%	2.8%	3.4%
Financials	13.8%	**20.1%**	15.9%	21.8%	2.0%	4.9%	15.9	24.8%	45.6%	13.2%
Health Care	11.7%	-41.5%	9.8%	0.5%	5.3%	-18.8%	60.6	7.3%	2.4%	9.2%
Industrials	20.6%	**73.3%**	20.5%	27.2%	6.4%	50.1%	75.2	16.1%	7.0%	9.3%
Information Technology	12.8%	-2.7%	20.6%	18.7%	3.5%	0.4%	47.0	8.8%	5.1%	12.9%
Materials	13.0%	24.5%	3.9%	2.2%	5.7%	29.9%	32.8	16.6%	15.4%	12.1%
Real Estate	5.3%	20.2%	10.4%	0.8%	-11.0%	-1.3%	43.1	4.4%	2.4%	24.4%
Utilities	5.7%	-31.6%	8.7%	-13.0%	-8.1%	-28.5%	16.0	0.6%	0.8%	8.7%
Total	**12.4%**	**23.1%**	**13.7%**	**16.1%**	**1.7%**	**16.2%**	**29.7**	**100.0%**	**100.0%**	**11.4%**

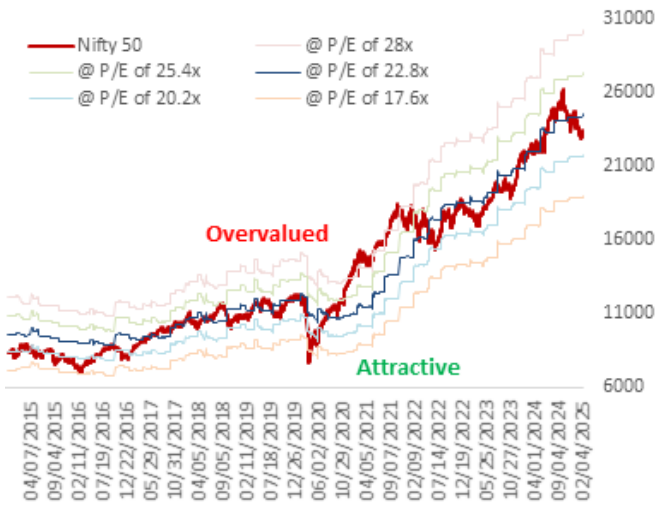
Small cap Earnings – Strong Performances by Many Companies but Masked at the Index Level

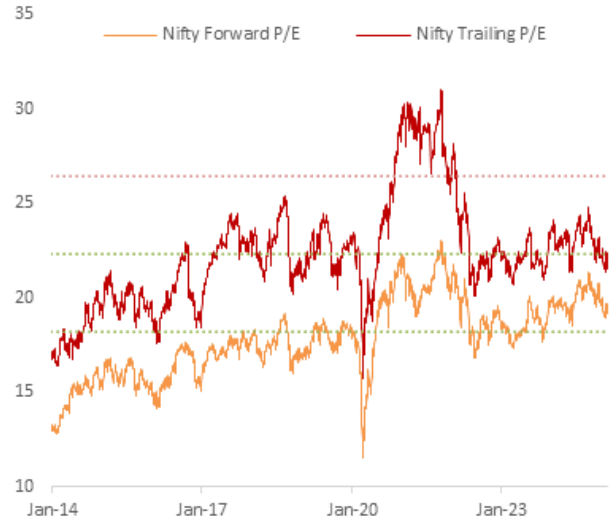
Nifty Small Cap 250	Sales Qtr YoY %	Net Profits Qtr YoY%	Sales LTM YoY %	Net Profits LTM YoY%	Sales QoQ %	Net Profits QoQ%	P/E	Cap Wt %	Profit Contrib %	Net Margin
Communication Services	-0.8%	-190.0%	0.1%	-109.4%	-3.1%	-30.3%	n/m	2.7%	0.4%	2.0%
Consumer Discretionary	6.7%	-10.9%	7.1%	-11.1%	2.0%	67.2%	163.2	10.5%	3.9%	3.9%
Consumer Staples	1.7%	1.5%	13.0%	10.6%	2.9%	3.8%	147.2	5.1%	2.1%	6.5%
Energy	4.5%	-15.3%	-3.5%	-3.3%	-2.9%	-21.1%	17.6	1.4%	3.2%	29.4%
Financials	25.6%	11.0%	26.1%	30.4%	4.5%	-9.3%	22.2	18.6%	46.3%	14.6%
Health Care	-9.0%	8.7%	-8.0%	53.0%	2.9%	-2.4%	138.3	13.8%	5.4%	8.1%
Industrials	16.9%	16.9%	16.7%	36.2%	9.4%	8.0%	99.2	20.6%	11.8%	5.9%
Information Technology	33.7%	25.3%	34.1%	31.0%	2.5%	-13.3%	54.8	6.1%	6.2%	9.1%
Materials	7.0%	11.9%	5.8%	5.1%	-1.6%	25.1%	70.1	17.0%	14.9%	8.7%
Real Estate	34.1%	68.8%	37.7%	59.0%	18.3%	46.4%	70.8	2.7%	2.3%	12.7%
Utilities	-6.5%	-20.5%	5.6%	n/m	-17.0%	-25.2%	20.4	1.5%	3.5%	9.4%
Total	**13.5%**	**10.4%**	**14.1%**	**24.8%**	**2.8%**	**-1.8%**	**55.9**	**100.0%**	**100.0%**	**9.6%**
Total ex Energy	**13.6%**	**11.5%**	**14.4%**	**26.5%**	**2.9%**	**-1.0%**	**115.4**	**197.3%**	**96.8%**	**9.4%**

Earnings Estimates Have Corrected Lower as They Do During Corrections…

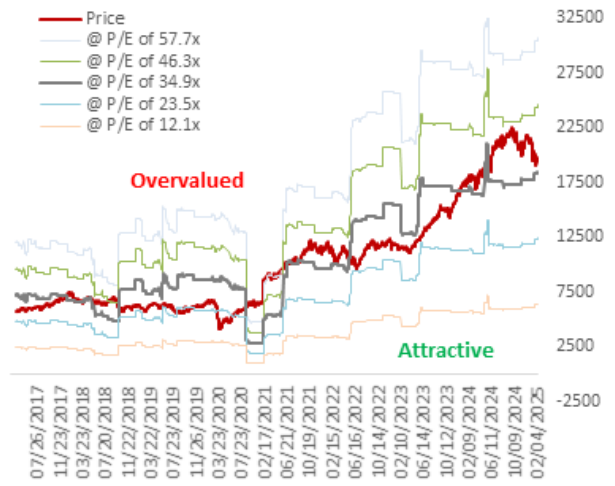
…But Estimates Remain Healthy, Suggesting 10.6%, 20.8% and 18.4% YoY Growth Respectively

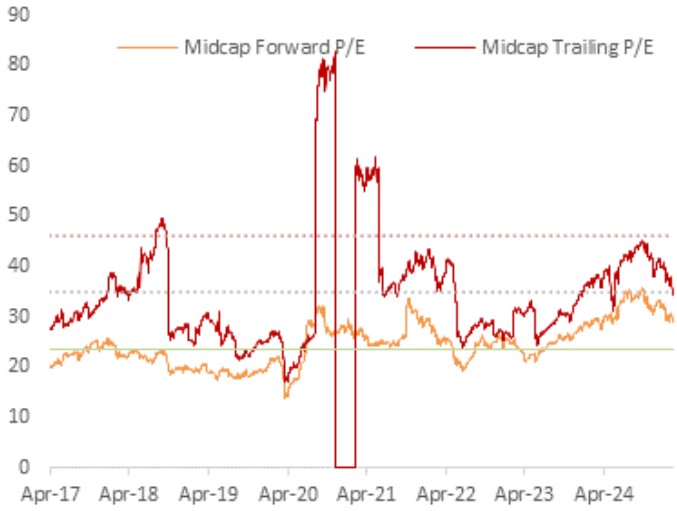
Valuations for Nifty 50 Are Below the Average Over the Past 10 Years



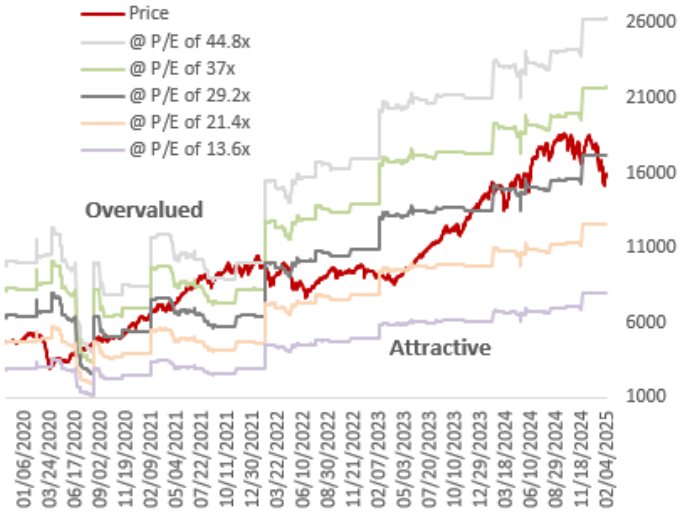


Midcaps Are Now at the Average Valuation of the Past 7 Years





Small Caps Have Dipped Below Average Valuations

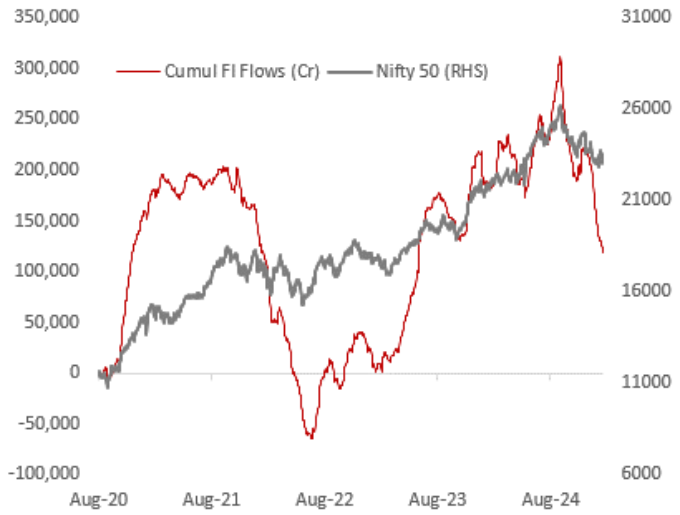


FLOWS & TECHNICALS

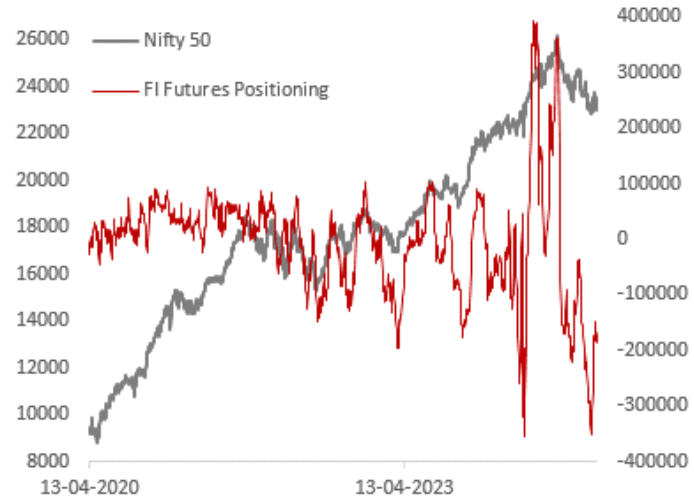
Flows

This market sell-off was initiated by aggressive FI selling. FIs began reducing short futures positioning pre-budget, and have continued to do so post budget. A better indicator historically has been DI positioning, and DIs flipped bullish in the past few days. The damage to the broader markets has been intense, and reminiscent of the damage that ensued during the 2015 and 2018 bear markets.

FIs Have Been Aggressive Sellers Since Sep '24

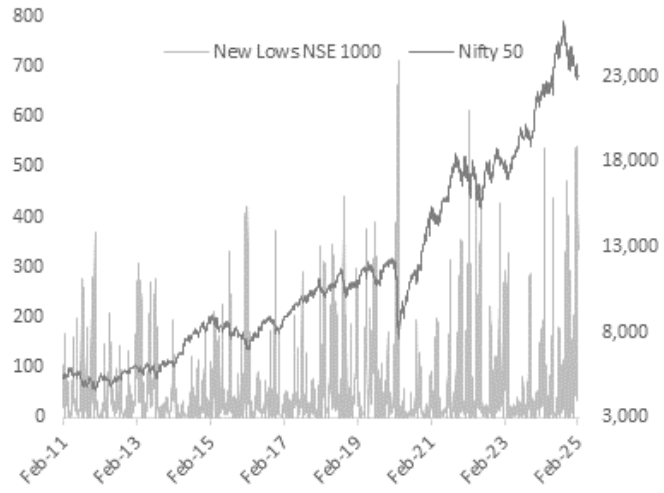


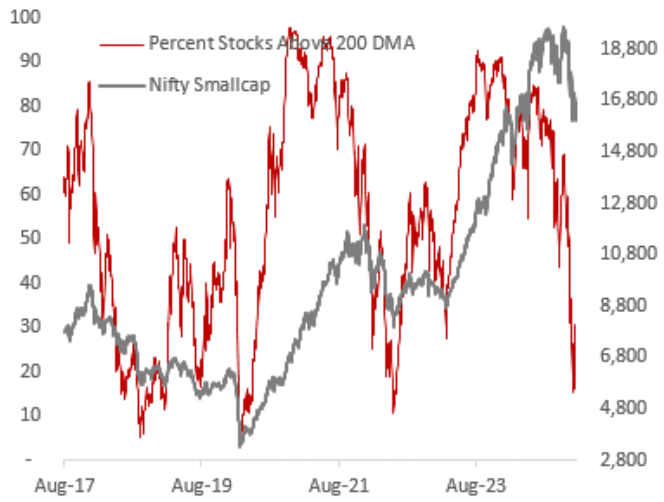
But FIs Have Begun Reducing Short Exposure Since Last Week



While DIs remain Bullishly Positioned

The Damage to Equity Markets Has Reached Extremes

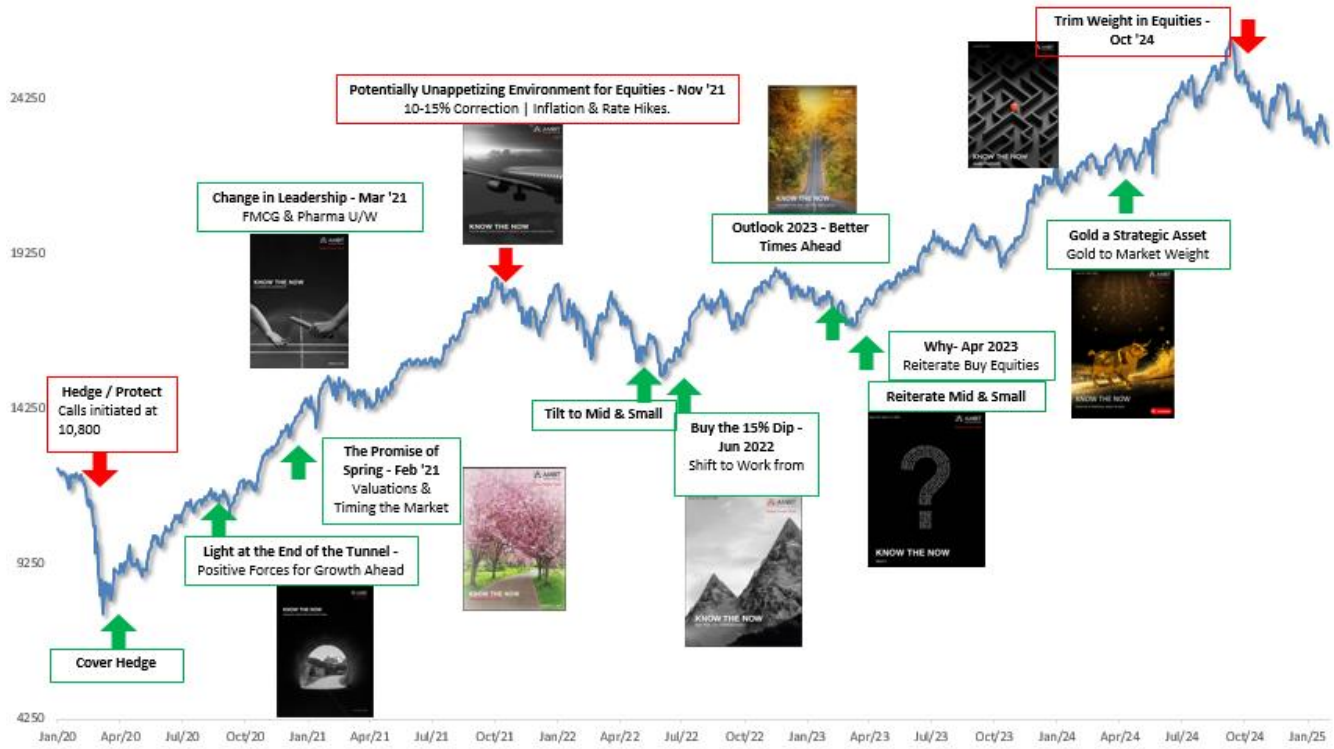




KEY CALLS FROM PAST COMMENTARIES

- Hedge in March 2020, Exited Hedge at the Bottom March 24, 2020
- Neutral Summer 2020
- Bullish Fall 2020 – Nov 2021
- Cautious Nov 2021 – Expected a 10-15% Correction
- Bullish equities in June 2022, Reiterated in April 2023 post the Regional Bank crisis
- Recommend O/W in Mid & Small Caps in Apr 2022, Reiterated in May 2023
- Reduced weight in equites to close to Neutral in Oct 2024

Know the Now – Tactical Asset Allocation Views – Timeline



Global Index Performance

13-Feb-25	Price	1 Day %	5 Day %	MTD %	1 Mo %	QTD %	3 Mo %	6 Mo %	YTD %	1 YR %	% from 52 Wk Hi
Nifty 50	**23,172**	**0.6**	**-1.8**	**-1.4**	**0.4**	**-2.0**	**-1.6**	**-4.0**	**-2.0**	**6.6**	**-11.8%**
SENSEX	76,591	0.6	-1.9	-1.2	0.3	-2.0	-1.4	-3.0	-2.0	7.0	-10.9%
Nifty Next 50	61,470	1.1	-3.3	-2.6	-0.0	-9.6	-8.4	-14.2	-9.6	8.0	-21.1%
Nifty 200	12,792	0.7	-2.4	-2.1	-0.1	-4.6	-3.1	-6.6	-4.6	6.7	-13.8%
Nifty 500	21,065	0.8	-2.8	-2.4	-0.8	-5.9	-3.9	-7.2	-5.9	6.5	-14.3%
NIFTY Midcap 100	51,404	1.3	-3.9	-4.3	-1.9	-10.1	-4.5	-9.6	-10.1	7.5	-15.6%
Nifty Midcap 150	18,984	1.2	-4.1	-4.4	-2.4	-10.2	-5.1	-9.8	-10.2	7.7	-15.7%
NIFTY Smallcap 100	16,171	0.9	-5.2	-4.4	-4.4	-13.8	-7.4	-11.2	-13.8	3.4	-18.0%
NSE NIFTY Smallcap 250	15,182	0.9	-5.7	-4.2	-6.0	-14.5	-8.9	-11.6	-14.5	3.7	-18.8%
Microcap	45,870	1.1	-7.7	-6.6	-9.1	-16.5	-11.6	-11.6	-16.5	3.4	-21.4%
Americas											
S&P 500 Index	6,052	-0.3	-0.2	0.2	3.7	2.9	1.1	11.4	2.9	22.2	-1.2%
Dow Jones Indus. Avg	44,369	-0.5	-1.1	-0.4	4.9	4.3	0.9	11.6	4.3	15.9	-1.6%
Nasdaq Composite	19,650	0.0	-0.2	0.1	2.9	1.8	2.2	14.3	1.8	25.5	-2.7%
Nasdaq 100 Stock Indx	21,719	0.1	0.3	1.1	4.5	3.4	3.2	14.3	3.4	23.4	-1.9%
Nyse Fang+ Index	13,781	-0.1	0.6	1.8	6.9	5.0	10.0	26.0	5.0	42.4	-1.5%
Bbg Magnificent 7 Pr Usd	25,907	0.1	-1.5	-3.0	-0.0	-0.6	5.0	24.8	-0.6	51.2	-6.8%
Russell 2000 Index	2,256	-0.9	-2.6	-1.4	2.8	1.2	-4.8	7.7	1.2	14.9	-8.5%
Canada	25,563	-0.3	-0.0	0.1	4.2	3.4	2.3	13.0	3.4	24.2	-1.2%
Mexico	54,066	1.1	4.8	5.6	8.5	9.2	6.5	0.7	9.2	-5.0	-7.3%
Brazil Bovespa	124,380	-1.7	-0.9	-1.4	4.5	3.4	-2.6	-6.1	3.4	-2.8	-9.5%
Europe											
Euro Stoxx 50 Pr	5,406	0.3	2.6	2.2	9.1	10.4	14.0	15.1	10.4	15.3	-0.2%
FTSE 100	8,807	0.3	2.1	1.5	7.1	7.8	9.7	6.9	7.8	17.2	0.0%
CAC 40 Paris	8,042	0.2	1.9	1.2	8.6	9.0	11.4	10.5	9.0	5.5	-2.6%
DAX Germany	22,148	0.5	2.6	1.9	10.0	11.2	16.5	24.3	11.2	31.2	-0.2%
MIB Italy	37,531	-0.1	2.6	2.9	7.9	9.8	11.3	17.3	9.8	20.5	-0.7%
Norway OSEBX	1,481	-1.6	-1.4	-2.3	0.1	3.9	5.6	3.8	3.9	19.4	-2.7%
Asia											
MSCI Emerging Markets	1,111	0.6	0.8	1.6	6.9	3.3	1.6	3.7	3.3	11.5	-6.9%
Japan - Nikkei 225	39,534	1.5	1.8	-0.1	0.9	-0.9	2.1	9.1	-0.9	4.1	-6.8%
Hang Seng	22,236	1.7	6.4	9.9	17.8	10.8	12.2	29.5	10.8	41.2	-4.3%
China CSI 300	3,914	-0.1	1.9	2.5	5.1	-0.5	-4.8	17.4	-0.5	16.3	-12.0%
Australia	8,540	0.1	0.2	0.1	4.2	4.7	4.2	9.1	4.7	12.3	-0.3%
Taiwan	23,351	0.3	0.1	-0.7	3.8	1.4	2.1	7.1	1.4	29.0	-4.4%
Korea	2,579	1.2	1.6	2.4	3.6	7.5	6.7	-1.6	7.5	-2.7	-11.0%
Singapore	3,876	0.0	1.2	0.5	2.2	2.3	4.2	18.9	2.3	23.4	-1.2%
Vietnam	1,268	0.0	-0.3	0.2	2.6	0.1	1.7	3.0	0.1	5.8	-2.9%
Indonesia	6,586	-0.9	-4.2	-7.4	-6.1	-7.0	-9.9	-10.5	-7.0	-8.7	-16.7%
Malaysia	1,597	-0.4	1.4	2.6	0.7	-2.8	-0.9	-0.8	-2.8	4.3	-5.2%
Phillipines	6,106	1.0	-2.2	4.1	-3.7	-6.5	-9.1	-8.2	-6.5	-10.6	-19.7%

Leadership Stocks – U.S., Europe & India

Select Leadership Stocks - India U.S.	Price	1 Day %	5 Day %	MTD %	1 Mo %	QTD %	3 Mo %	6 Mo %	YTD %	1 YR %	% from 52 Wk Hi
S&P 500 Index	6,052	-0.3	-0.2	0.2	3.7	2.9	1.1	11.4	2.9	22.2	-1.2%
Apple Inc	237	1.8	1.9	0.4	1.1	-5.4	5.2	7.1	-5.4	28.0	-8.9%
Nvidia Corp	131	-1.3	5.1	9.2	-1.6	-2.3	-10.3	12.9	-2.3	81.8	-14.4%
Microsoft Corp	409	-0.6	-1.0	-1.5	-2.0	-3.0	-3.8	-1.2	-3.0	0.7	-12.7%
Amazon.Com Inc	229	-1.6	-3.1	-3.7	4.8	4.3	6.9	34.5	4.3	35.8	-5.6%
Alphabet Inc-Cl A	184	-0.9	-4.0	-10.0	-3.9	-3.0	2.6	11.8	-3.0	26.5	-11.3%
Meta Platforms Inc-Class A	725	0.8	2.9	5.3	19.2	23.9	25.1	37.2	23.9	57.7	-0.2%
Tesla Inc	337	2.4	-11.0	-16.8	-16.6	-16.7	1.9	61.9	-16.7	82.9	-31.1%
Broadcom Inc	236	0.6	1.9	6.8	4.9	1.9	36.2	51.4	1.9	88.8	-6.2%
Netflix Inc	1,027	1.9	1.6	5.2	22.3	15.3	23.7	58.5	15.3	85.3	-0.5%
		0.3	-0.6	-0.6	3.1	1.7	9.7	30.5	1.7	54.2	
Novo Nordisk A/S-B	586	-2.4	-5.5	-3.6	-4.5	-6.2	-22.5	-35.9	-6.2	-29.6	-43.3%
Investor Ab-B Shs	316	0.3	2.3	-0.2	6.1	7.9	6.4	10.0	7.9	26.6	-2.3%
Atlas Copco Ab-A Shs	185	0.3	0.2	-0.6	5.9	9.7	3.9	3.6	9.7	9.8	-10.3%
Equinor Asa	270	-4.1	1.3	-1.4	-9.5	1.7	9.4	-6.6	1.7	6.0	-10.9%
Volvo Ab-B Shs	316	0.4	3.7	3.2	14.4	17.8	15.6	23.1	17.8	23.8	-0.7%
Eqt Ab	360	-1.9	-1.1	-1.3	17.5	17.6	21.7	12.5	17.6	31.4	-6.5%
Assa Abloy Ab-B	328	-1.2	-0.5	-3.7	3.5	0.3	0.1	6.7	0.3	16.1	-6.2%
Dsv A/S	1,436	-1.2	1.2	-0.0	-4.9	-6.1	-1.4	17.3	-6.1	25.5	-8.2%
Dnb Bank Asa	237	-1.7	-2.4	-1.5	2.2	4.5	5.1	9.4	4.5	17.6	-5.0%
Lvmh Moet Hennessy Louis V	688	0.4	0.3	-2.2	6.4	8.2	19.8	8.5	8.2	-14.1	-22.4%
Nifty 50	**23,172**	0.6	-1.8	-1.4	0.4	-2.0	-1.6	-4.0	-2.0	6.6	-11.8%
Hdfc Bank Limited	1,709	0.1	-2.0	0.6	4.8	-3.6	1.6	6.6	-3.6	22.5	-9.1%
Icici Bank Ltd	1,264	1.0	-0.6	0.9	2.8	-1.3	0.9	8.2	-1.3	24.0	-7.2%
Tata Consultancy Svcs Ltd	3,937	-0.3	-3.6	-4.3	-6.8	-2.3	-3.6	-4.7	-2.3	-3.6	-12.9%
Reliance Industries Ltd	1,220	0.2	-4.8	-3.6	-1.6	0.3	-2.6	-16.7	0.3	-16.8	-24.2%
Bajaj Finance Ltd	8,438	2.7	-0.8	7.0	18.0	23.7	28.5	30.5	23.7	27.8	-2.6%
Hindustan Unilever Ltd	2,335	0.1	-1.6	-5.4	-4.7	0.4	-5.3	-14.5	0.4	-2.1	-22.7%
Nestle India Ltd	2,193	-0.0	-2.1	-5.2	-2.0	1.0	-1.9	-11.7	1.0	-10.8	-21.1%
Titan Co Ltd	3,265	0.3	-4.3	-6.5	-3.5	0.4	2.4	-3.5	0.4	-8.3	-15.6%
Asian Paints Ltd	2,234	0.2	-1.3	-2.9	-0.8	-2.1	-9.6	-26.1	-2.1	-24.8	-34.2%

Nifty Sectors

13-Feb-25	Price	1 Day %	5 Day %	MTD %	1 Mo %	QTD %	3 Mo %	6 Mo %	YTD %	1 YR %	% from 52 Wk Hi
Nifty 50	**23,172**	**0.6**	**-1.8**	**-1.4**	**0.4**	**-2.0**	**-1.6**	**-4.0**	**-2.0**	**6.6**	**-11.8%**
Nifty Sectors											
Nifty Auto	22,536	0.6	-3.3	-1.5	0.7	-1.3	-1.0	-10.2	-1.3	16.0	-18.6%
Nifty Bank	49,765	0.6	-1.2	0.4	3.6	-2.2	-0.6	-0.1	-2.2	9.4	-8.6%
NIFTY Private Bank	24,833	0.8	-0.3	1.8	4.7	0.2	1.2	-0.4	0.2	8.6	-9.0%
Nifty PSU Bank	6,072	0.3	-3.4	-3.9	3.0	-7.2	-7.1	-10.7	-7.2	-9.6	-24.6%
Nifty Financial Services	23,430	1.0	-1.0	0.9	4.6	-0.4	1.3	3.7	-0.4	16.0	-7.0%
Nifty India Consumption	10,866	0.6	-2.7	-2.2	-0.7	-4.4	-1.9	-6.5	-4.4	12.7	-16.8%
Nifty FMCG	53,739	-0.0	-3.8	-5.2	-4.8	-5.4	-5.1	-12.6	-5.4	0.6	-19.1%
Nifty Energy	31,597	0.9	-4.4	-6.8	-3.1	-10.2	-14.9	-25.8	-10.2	-17.7	-29.8%
Nifty Infrastructure	8,067	0.6	-2.2	-3.4	0.2	-4.7	-4.3	-10.9	-4.7	2.0	-16.9%
Nifty IT	41,656	-0.2	-3.2	-2.4	-5.3	-3.9	-1.7	6.5	-3.9	9.0	-9.6%
Nifty Metal	8,384	1.4	0.2	-0.2	5.4	-3.1	-5.1	-6.4	-3.1	8.3	-18.8%
Nifty Pharma	21,495	1.7	-2.3	0.3	-1.9	-8.2	-1.4	-3.1	-8.2	14.6	-10.1%
Nifty Realty	850	1.3	-7.3	-7.7	-5.6	-19.2	-9.3	-17.3	-19.2	-0.0	-26.5%
Nifty Sectors & Themes											
Nifty Media	1,558	1.4	-4.9	-1.4	-6.4	-14.3	-17.2	-23.6	-14.3	-25.6	-31.2%
Nifty CPSE	5,569	0.8	-5.2	-9.1	-2.5	-8.5	-11.9	-23.8	-8.5	0.5	-27.3%
Nifty PSE	8,561	1.2	-4.3	-7.7	-2.2	-10.2	-12.6	-22.8	-10.2	-3.8	-27.5%
Nifty India Defence PR	5,619	-1.2	-5.8	-12.1	-4.6	-13.5	-6.0	-20.0	-13.5	34.5	-32.3%
Nifty Commodities	7,890	0.9	-1.9	-2.4	3.6	-2.8	-6.2	-13.7	-2.8	-1.9	-20.3%
Nifty MNC	26,387	0.4	-2.8	-3.9	-2.2	-5.5	-5.8	-12.6	-5.5	8.2	-19.7%

Crude Oil, Commodities and Precious Metals

13-Feb-25	Price	1 Day %	5 Day %	MTD %	1 Mo %	QTD %	3 Mo %	6 Mo %	YTD %	1 YR %	% from 52 Wk Hi
Brent Crude	74.5	-0.9	0.3	-3.0	-8.1	-0.2	3.0	-7.7	-0.2	-10.0	-19%
CRB Raw Industrials Index	563.4	0.3	2.0	2.8	2.5	4.1	3.7	3.6	4.1	3.9	0%
BBG Cmdty ex-Prec Mtl	88.9	-0.0	1.0	3.2	1.1	6.0	9.1	9.5	6.0	3.3	-5%
CRB Metals Index	1,093.7	1.1	4.9	6.2	3.2	5.9	4.8	5.3	5.9	8.9	-4%
LME Copper	9,344.3	1.1	2.5	4.7	3.9	8.0	3.8	4.9	8.0	15.0	-14%
LME Aluminum	2,629.8	-0.7	0.4	1.4	2.8	4.1	4.0	16.7	4.1	19.5	-3%
LME Nickel	15,196.9	-0.8	-0.7	1.3	-1.6	0.6	-2.9	-5.6	0.6	-3.7	-29%
LME Zinc	2,815.5	1.6	3.3	4.6	-0.6	-4.7	-3.5	4.5	-4.7	22.3	-16%
LME Lead	1,934.2	-0.4	-1.9	1.1	-1.1	0.5	-2.7	-3.6	0.5	-4.6	-16%
LME Tin	31,420.2	1.5	2.4	4.9	5.9	8.9	4.8	-0.7	8.9	16.0	-12%
SGX Iron Ore	107.5	-0.3	1.5	1.7	9.5	7.4	7.6	10.3	7.4	-3.5	-5%
Commodities											
Bloomberg Commodity Inde:	105.6	0.1	1.2	3.2	2.5	6.9	9.2	10.6	6.9	9.7	-2%
CRB Commodities Index	549.6	0.2	1.0	1.4	2.4	2.4	2.9	2.5	2.4	5.1	-1%
Lumber	9,344.3	1.1	2.5	4.7	3.9	8.0	3.8	4.9	8.0	15.0	-14%
Palm Oil	4,806.0	-1.4	4.2	5.6	-0.2	-1.1	-7.3	25.2	-1.1	22.3	-11%
Wheat	572.3	-0.3	-2.6	2.3	5.0	3.8	5.8	8.2	3.8	-4.2	-21%
Cocoa	10,006.0	-1.2	-4.8	-8.9	-5.3	-14.3	27.2	14.6	-14.3	70.8	-23%
Commodities											
Bloomberg Grains Spot	233.86	0.3	-0.9	2.1	3.0	5.8	8.1	14.0	5.8	-0.6	-9%
Raw Sugar	19.76	-0.6	-	2.1	2.8	2.6	-7.4	8.0	2.6	-16.1	-18%
Simex Iron Ore	107.80	-0.0	1.4	6.1	9.0	4.0	5.8	8.5	4.0	-16.5	-17%
Gold U.S. & India											
Gold Spot $/Oz	2,921	0.6	2.3	4.4	9.7	11.3	13.5	18.5	11.3	46.6	-0.7%
Gold India	84,688	-0.5	0.4	3.5	8.9	11.6	13.5	21.5	11.6	36.5	-0.8%
Silver Spot $/Oz	32	0.4	0.6	3.4	9.3	12.0	6.8	16.2	12.0	46.3	-7.3%
NIPPON INDIA SILVER ETF	93	1.7	1.1	2.4	6.4	10.9	6.0	17.1	10.9	32.6	-7.1%
Platinum Spot $/Oz	1,000.5	0.5	1.1	1.8	4.6	10.2	6.6	6.3	10.2	14.3	-8.7%

Interest Rates and Inflation

13-Feb-25	Price	1 Day %	5 Day %	MTD %	1 Mo %	QTD %	3 Mo %	6 Mo %	YTD %	1 YR %
India G-Sec Yields										
10 Year India G-Sec	6.70	6.70	6.70	6.70	6.85	6.76	6.84	6.88	6.76	7.10
5 Year India G-Sec	6.63	6.63	6.63	6.62	6.72	6.72	6.76	6.80	6.72	7.09
3 Year India G-Sec	6.60	6.63	6.62	6.62	6.71	6.72	6.72	6.77	6.72	7.07
1 Year India G-Sec	6.54	6.54	6.53	6.57	6.63	6.68	6.59	6.73	6.68	7.11
3 Month India G-Sec	6.44	6.40	6.40	6.55	6.59	6.54	6.44	6.61	6.54	7.02
Repo Rate India	6.25	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50	6.50
WALR										
Spread 10-3Mo	0.26	0.30	0.30	0.15	0.26	0.22	0.40	0.27	0.22	0.08
India CPI										
India CPI Combined YoY	4.31			4.31	5.22	5.22	6.21	3.60	5.22	5.10
India WPI	2.37			2.37	1.89	2.37	1.91	3.43	0.86	0.86
India Core CPI	3.96			3.96	3.88	3.88	4.02	3.64	3.88	3.79
U.S. & China Yields & CPI										
U.S. 30 Year	4.82	4.83	4.64	4.79	4.96	4.78	4.64	4.16	4.78	4.46
U.S. 10 Year	4.61	4.62	4.43	4.54	4.78	4.57	4.45	3.84	4.57	4.31
U.S. 5 Year	4.46	4.47	4.27	4.33	4.60	4.38	4.31	3.67	4.38	4.32
U.S. 2 Year	4.34	4.35	4.21	4.20	4.38	4.24	4.29	3.93	4.24	4.66
U.S. 1 Year	4.28	4.28	4.18	4.16	4.22	4.15	4.30	4.40	4.15	5.02
U.S. 3 MO T-BILL	4.21	4.33	4.32	4.29	4.32	4.32	4.50	5.18	4.32	5.39
Federal Funds Target Rate - U	4.50	4.50	4.50	4.50	4.50	4.50	4.75	5.50	4.50	5.50
Spread 10-5	0.15	0.15	0.16	0.21	0.18	0.19	0.14	0.17	0.19	(0.00)
Spread 30-2	0.49	0.48	0.43	0.59	0.58	0.54	0.35	0.23	0.54	(0.20)
Spread 10-2	0.27	0.27	0.22	0.34	0.40	0.33	0.17	(0.09)	0.33	(0.34)
Spread 10-3mo	0.40	0.29	0.11	0.25	0.45	0.25	(0.05)	(1.34)	0.25	(1.08)
Spread Fed Funds Vs 1 Year	(0.22)	(0.22)	(0.32)	(0.34)	(0.28)	(0.35)	(0.45)	(1.10)	(0.35)	(0.48)
Bloomberg US Corporate Hig	2.62	2.63	2.63	2.61	2.74	2.87	2.53	3.45	2.87	3.18
Bloomberg Pan-European Hi	3.03	3.05	3.07	3.07	3.20	3.18	3.24	3.85	3.18	3.69
U.S. CPI	3.00			3.00	2.90	2.90	2.60	2.90	2.90	3.10
China CPI	0.50			0.5	0.1	0.1	0.3	0.5	0.1	-0.8
Inflation Expectations 10 Yea	2.24			2.2	2.2	2.2	2.2	2.2	2.2	2.2
U.S. Dollar & INR										
USD INR	86.8	86.9	87.6	86.6	86.6	85.6	84.4	84.0	85.6	83.0
USD JPY Spot	154.3	154.4	151.4	155.2	157.5	157.2	155.5	146.8	157.2	150.8
XBT-USD Cross Rate	96,726.5	-1.0	0.2	-5.3	2.7	3.2	9.1	59.6	3.2	95.2
Dollar Index	107.6	107.9	107.7	108.4	110.0	108.5	106.5	102.6	108.5	105.0

GDP

Description	2024 Q4	2024 Q3	2024 Q2	2024 Q1	2023 Q4	2023 Q3	2023 Q2	2023 Q1	2022 Q4	2022 Q3	2022 Q2	2022 Q1	2021 Q4
North America (%YoY)													
U.S.		2.7	3.0	2.9	3.2	3.2	2.8	2.3	1.3	2.3	2.5	4.0	5.7
Canada		1.5	1.1	0.8	1.2	0.9	1.6	2.4	2.3	4.2	5.7	4.6	5.5
Mexico		1.6	2.2	1.4	2.4	3.5	3.4	3.8	4.6	4.7	2.9	2.6	1.9
Western Europe (%YoY)													
Austria		(0.6)	(1.2)	(1.7)	(2.6)	(2.2)	(1.6)	2.8	2.5	2.7	6.6	9.8	6.4
Belgium		1.2	0.9	0.8	0.6	0.6	1.3	2.5	3.1	3.7	5.0	5.2	6.1
Denmark	3.1	3.1	3.7	2.3	4.8	2.3	1.5	1.5	(2.9)	0.6	2.3	6.6	10.4
Euro Area		0.9	0.5	0.4	0.1	-	0.6	1.4	2.0	2.8	4.1	5.5	5.5
Finland		0.3	(1.5)	(1.2)	(1.5)	(2.0)	(0.6)	(0.6)	(0.8)	1.0	2.3	3.5	2.9
France		1.2	0.9	1.4	1.2	0.8	1.3	1.1	0.9	1.4	3.7	4.6	5.2
Germany		(0.3)	(0.3)	(0.1)	(0.2)	(0.3)	-	0.2	0.2	1.4	0.8	3.4	2.1
Greece		2.5	2.6	1.6	2.3	2.0	3.4	1.6	4.1	4.4	7.0	8.0	10.5
Ireland		2.9	(3.2)	(4.8)	(9.1)	(8.4)	(3.9)	(0.2)	8.8	9.2	8.2	8.3	15.3
Italy		0.4	0.7	0.3	0.3	0.1	0.5	2.3	2.4	3.6	6.3	7.1	8.3
Netherlands		1.9	0.6	(0.7)	(0.6)	(0.9)	(0.5)	2.4	3.5	3.8	5.8	7.1	7.0
Norway		3.1	4.2	1.3	1.1	(3.0)	0.2	2.3	2.0	3.1	5.3	2.6	4.7
Portugal		1.9	1.6	1.4	2.1	1.8	2.9	3.3	3.6	5.0	7.7	12.2	7.2
Spain		3.4	3.2	2.6	2.3	2.2	2.4	3.9	4.6	6.1	7.3	6.9	6.7
Sweden		0.6	0.5	(0.0)	(0.1)	(0.5)	(0.4)	1.1	(0.7)	2.2	2.5	2.2	6.1
Switzerland		1.7	1.4	0.6	0.5	0.3	0.5	1.7	1.5	1.8	3.9	5.4	5.8
U.K.		1.0	0.7	0.3	(0.3)	0.3	0.5	0.9	1.5	2.7	4.3	11.5	9.5
Asia Pacific (%YoY)													
Australia		0.8	1.0	1.1	1.5	2.1	2.0	2.7	3.2	6.0	3.8	3.6	4.9
China		4.6	4.7	5.3	5.2	4.9	6.3	4.5	2.9	3.9	0.4	4.8	4.3
Hong Kong		1.8	3.2	2.8	4.3	4.2	1.6	2.8	(4.3)	(4.9)	(1.5)	(4.0)	4.7
India		5.4	6.7	7.8	8.6	8.1	8.2	6.2	4.3	5.5	12.8	4.5	5.5
Indonesia		4.9	5.0	5.1	5.0	4.9	5.2	5.0	5.0	5.7	5.5	5.0	5.0
Japan		0.5	(0.9)	(0.9)	0.7	1.1	1.7	2.4	0.3	1.4	1.4	0.7	1.6
Malaysia		5.3	5.9	4.2	2.9	3.1	2.8	5.5	7.4	14.4	8.9	5.1	3.5
New Zealand		(1.0)	(0.3)	1.3	0.5	0.5	2.9	3.3	3.8	7.8	1.0	0.6	2.5
Philippines		5.2	6.4	5.8	5.5	6.0	4.3	6.4	7.1	7.7	7.5	8.1	7.9
Singapore		5.4	3.0	3.0	2.2	1.0	0.5	0.5	2.4	4.2	4.6	4.2	7.9
South Korea		1.5	2.3	3.3	2.1	1.4	1.0	1.1	1.1	3.4	3.0	3.5	4.3
Sri Lanka		5.5	4.7	5.3	4.5	1.6	(3.0)	(10.7)	(12.4)	(11.2)	(5.3)	(0.6)	2.7
Taiwan		4.2	4.9	6.6	4.7	1.6	1.5	(3.5)	(0.4)	4.1	3.5	3.8	5.1
Thailand		3.0	2.2	1.6	1.7	1.4	1.8	2.6	1.3	4.4	2.4	1.9	1.9
Vietnam		6.8	6.4	5.7	5.0	4.2	3.7	3.3	8.0	8.8	6.4	5.0	2.6
Latin America (%YoY)													
Argentina		(2.1)	(1.7)	(5.2)	(1.2)	(0.7)	(5.3)	1.1	1.3	6.0	7.0	6.9	8.4
Brazil		4.0	3.3	2.6	2.4	2.4	3.8	4.4	2.7	4.3	3.5	1.5	1.5
Chile		2.3	1.6	2.5	0.4	0.6	(0.4)	0.3	(2.3)	0.5	4.4	6.3	11.7
Costa Rica		3.7	5.3	3.6	4.7	5.5	5.9	4.4	4.6	2.7	4.3	6.7	10.6
Peru		3.8	3.6	1.4	(0.2)	(0.8)	(0.4)	(0.3)	1.7	2.1	3.4	4.0	3.2
Eastern Europe (%YoY)													
Russia		3.1	4.1	5.4	4.9	5.7	5.1	(1.6)	(1.8)	(2.8)	(3.5)	3.7	6.1
Turkey		2.1	2.4	5.3	4.6	6.5	4.6	4.5	3.3	4.1	7.6	7.8	9.7
Ukraine			3.7	6.5	4.7	9.6	19.2	(10.3)	(31.4)	(30.6)	(36.9)	(14.9)	6.1
Middle East & Africa (%YoY)													
Bahrain			1.3	3.3	3.5	2.4	2.7	1.1	4.5	3.5	6.6	5.2	6.1
Israel		(1.0)	(2.7)	(0.6)	(4.9)	4.0	4.1	4.8	3.2	8.0	5.5	10.7	11.8
Egypt				2.1	2.2	2.6	2.9	3.7	3.7	4.2	3.2	5.0	7.6
Qatar			0.8	1.5	(0.0)	1.5	1.2	2.2	6.1	4.4	4.0	2.3	2.2
Saudi Arabia		2.8	(0.3)	(1.7)	(4.3)	(3.2)	1.7	3.2	5.6	8.0	9.1	7.5	8.4
South Africa		0.3	0.3	0.5	1.4	(1.0)	1.8	0.5	0.8	4.3	0.2	2.5	1.5
U.A.E.			3.3	3.2	(2.2)	3.5	3.6	9.4	11.8	4.2	5.6	5.9	6.1

Inflation

	12/2024	11/2024	10/2024	9/2024	8/2024	7/2024	6/2024	5/2024	4/2024	3/2024	2/2024	1/2024
North America (%YoY)												
U.S.		2.7	2.6	2.4	2.5	2.9	3.0	3.3	3.4	3.5	3.2	3.1
Canada		1.9	2.0	1.6	2.0	2.5	2.7	2.9	2.7	2.9	2.8	2.9
Mexico		4.5	4.8	4.6	5.0	5.6	5.0	4.7	4.7	4.4	4.4	4.9
Western Europe (%YoY)												
Denmark		1.6	1.6	1.3	1.4	1.1	1.8	2.2	0.8	0.9	0.8	1.2
Euro Area		2.2	2.0	1.7	2.2	2.6	2.5	2.6	2.4	2.4	2.6	2.8
Finland		1.0	1.1	0.8	1.2	1.0	1.3	1.5	1.9	2.2	3.0	3.3
France		1.3	1.2	1.1	1.8	2.3	2.2	2.3	2.2	2.3	3.0	3.1
Germany		2.2	2.0	1.6	1.9	2.3	2.2	2.4	2.2	2.2	2.5	2.9
Greece		2.4	2.4	2.9	3.0	2.7	2.3	2.4	3.1	3.2	2.9	3.1
Iceland	4.8	4.8	5.1	5.4	6.0	6.3	5.8	6.2	6.0	6.8	6.6	6.7
Italy		1.3	0.9	0.7	1.1	1.3	0.8	0.8	0.8	1.2	0.8	0.8
Netherlands		4.0	3.5	3.5	3.6	3.7	3.2	2.7	2.7	3.1	2.8	3.2
Norway		2.4	2.6	3.0	2.6	2.8	2.6	3.0	3.6	3.9	4.5	4.7
Portugal		2.5	2.3	2.1	1.9	2.5	2.8	3.1	2.2	2.3	2.1	2.3
Spain		2.4	1.8	1.5	2.3	2.8	3.4	3.6	3.3	3.2	2.8	3.4
Sweden		1.6	1.6	1.6	1.9	2.6	2.6	3.7	3.9	4.1	4.5	5.4
Switzerland		0.7	0.6	0.8	1.1	1.3	1.3	1.4	1.4	1.0	1.2	1.3
U.K.		2.6	2.3	1.7	2.2	2.2	2.0	2.0	2.3	3.2	3.4	4.0
Asia Pacific (%YoY)												
Australia				2.8			3.8			3.6		
China		0.2	0.3	0.4	0.6	0.5	0.2	0.3	0.3	0.1	0.7	(0.8)
Hong Kong	1.4	1.4	1.4	2.2	2.5	2.5	1.5	1.2	1.1	2.0	2.1	1.7
India		5.5	6.2	5.5	3.7	3.6	5.1	4.8	4.8	4.9	5.1	5.1
Indonesia		1.5	1.7	1.8	2.1	2.1	2.5	2.8	3.0	3.0	2.8	2.6
Japan	2.9	2.9	2.3	2.5	3.0	2.8	2.8	2.8	2.5	2.7	2.8	2.2
Malaysia	1.8	1.8	1.9	1.8	1.9	2.0	2.0	2.0	1.8	1.8	1.8	1.5
Philippines		2.5	2.3	1.9	3.3	4.4	3.7	3.9	3.8	3.7	3.4	2.8
Singapore			1.4	2.0	2.2	2.4	2.4	3.1	2.7	2.7	3.4	2.9
South Korea		1.5	1.3	1.6	2.0	2.6	2.4	2.7	2.9	3.1	3.1	2.8
Taiwan		2.1	1.7	1.8	2.4	2.5	2.4	2.2	1.9	2.2	3.1	1.8
Thailand		0.9	0.8	0.6	0.4	0.8	0.6	1.5	0.2	(0.5)	(0.8)	(1.1)
Vietnam		2.8	2.9	2.6	3.5	4.4	4.3	4.4	4.4	4.0	4.0	3.4
Latin America & Caribbean (%												
Argentina		166.0	193.0	209.0	236.7	263.4	271.5	276.4	289.4	287.9	276.2	254.2
Brazil		4.9	4.8	4.4	4.2	4.5	4.2	3.9	3.7	3.9	4.5	4.5
Chile		4.2	4.7	4.1	4.7	4.6	4.2	4.1	4.0	3.7	4.5	3.8
Colombia		5.2	5.4	5.8	6.1	6.9	7.2	7.2	7.2	7.4	7.7	8.4
Paraguay		3.4	3.6	4.1	4.3	4.4	4.3	4.4	4.0	3.6	2.9	3.4
Peru		2.3	2.0	1.8	2.0	2.1	2.3	2.0	2.4	3.1	3.3	3.0
Venezuela			23.6	25.8	35.5	43.6	51.4	59.2	64.9	67.8	75.9	107.4
Eastern Europe (%YoY)												
Poland		4.7	5.0	4.9	4.3	4.2	2.6	2.5	2.4	2.0	2.8	3.7
Russia		8.9	8.5	8.6	9.1	9.1	8.6	8.3	7.8	7.7	7.7	7.4
Turkey		47.1	48.6	49.4	52.0	61.8	71.6	75.4	69.8	68.5	67.1	64.9
Ukraine		11.2	9.7	8.6	7.5	5.4	4.8	3.3	3.2	3.2	4.3	4.7
Middle East & Africa (%YoY)												
Egypt		25.5	26.5	26.4	26.2	25.7	27.5	28.1	32.5	33.3	35.7	29.8
Ethiopia	16.9	16.9	16.1	17.5	17.2	18.6	19.9	23.3	23.3	26.2	28.2	29.4
Israel	3.4	3.4	3.5	3.5	3.6	3.2	2.9	2.8	2.8	2.7	2.5	2.6
Kuwait			2.4	2.8	2.9	3.0	2.8	3.2	3.2	3.0	3.4	3.3
Mauritius		3.4	3.4	3.1	2.7	2.7	2.2	2.9	3.4	5.0	6.2	5.2
Nigeria		34.6	33.9	32.7	32.2	33.4	34.2	34.0	33.7	33.2	31.7	29.9
Oman			0.8	0.4	1.1	1.5	0.7	0.9	0.4	0.2	-	(0.1)
Qatar				0.8	1.2	0.2	1.0	0.9	0.7	1.0	2.7	3.0
Saudi Arabia	2.0	2.0	1.9	1.7	1.6	1.5	1.5	1.6	1.6	1.6	1.8	1.6
South Africa		2.9	2.8	3.8	4.4	4.6	5.1	5.2	5.2	5.3	5.6	5.3

Ambit Global Private Client - Asset Allocation & Investment Committee

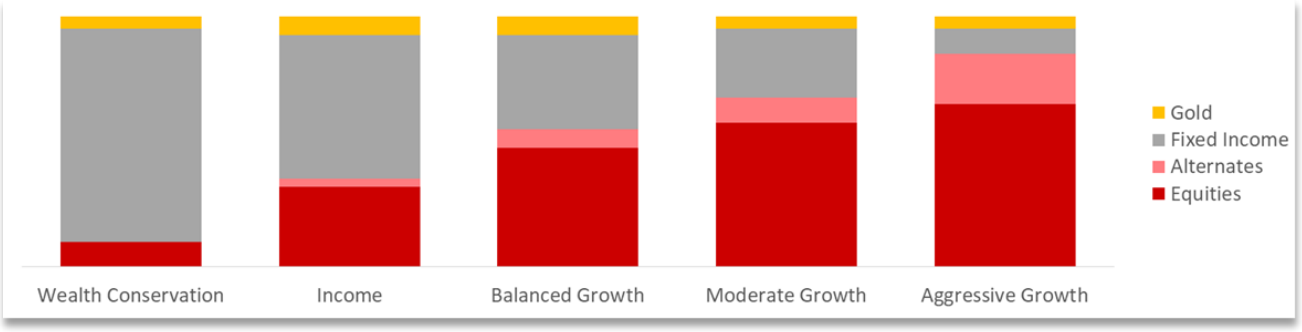
The Ambit GPC Asset Allocation & Investment Committee (AAIC) is a group comprised of the CEO, Head of Products and Alternates, Chief Investment Strategist and Head of Fixed Income (listed below). The team has over 100 years of collective investment experience in markets. The AAIC meets monthly and as necessary during periods of market volatility to discuss the economy and markets. The committee determines the investment outlook that guides our advice to clients. The AAIC continually monitors developing economic and market conditions, reviews tactical outlooks and recommends asset allocation model changes, as well as analysis, investment commentary, portfolio recommendations and reports.

Tactical Allocation Weights Vs Strategic

Asset Class Pairs	Model Score: -5	-4	-3	-2	-1	0	1	2	3	4	5	View
	← Under-Weight					Strategic/Neutral					Over-Weight →	
Equities							◆					**Close to Neutral**
India Equities – Large							◆					Close to Neutral
India Equities – Mid & Small							◆					Close to Neutral
U.S. Equities							→ ◆					Over-Weight Tech
Europe Equities				◆								Under-Weight
Emerging Markets				◆	←							Selectively Positive
Hedge Funds				◆								Under-Weight
Long Short (Absolute Return)							◆ ←					Over-Weight
Fixed Income					◆							**Under-Weight**
Duration						◆						Selectively Positive
Accrual						◆						Selectively Positive
Credit Risk						◆						Selectively Positive
InvITs								◆				Over-Weight
REITs								◆				Over-Weight
Alternates						◆						**Strategic Weight**
Private Unlisted						◆						Strategic Weight
Precious Metals							◆					**Over-Weight**
Gold							◆					Over-Weight
Silver								◆				Tactical O/W

Wealth Profiles - Summary

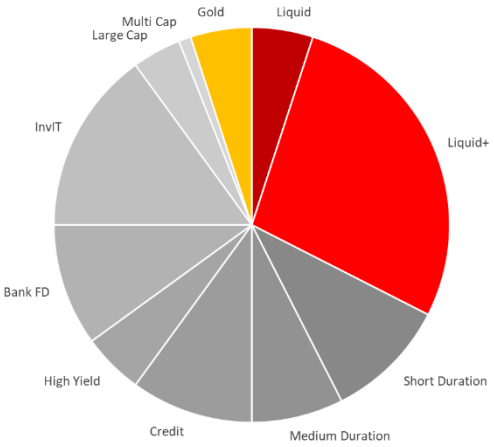
Strategic Asset Class Weights by Profile



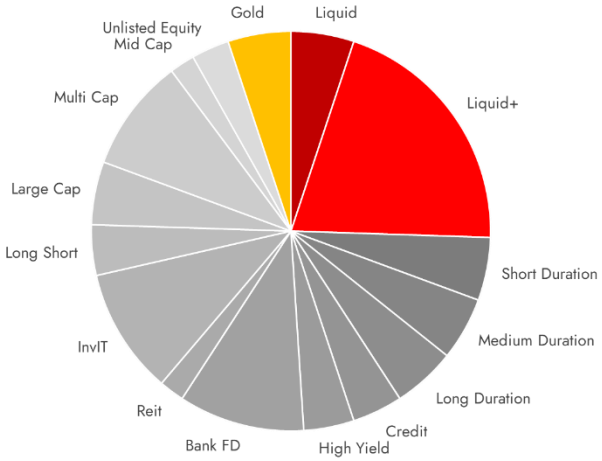
Ambit GPC Wealth Profiles - Strategic Weights

The Ambit GPC Asset Allocation & Investment Committee (AAIC) provide guidance on asset allocation via our wealth profile models below. The models are listed on a scale of rising return and rising risk and represent the most common investor profiles that we base our portfolio construction around.

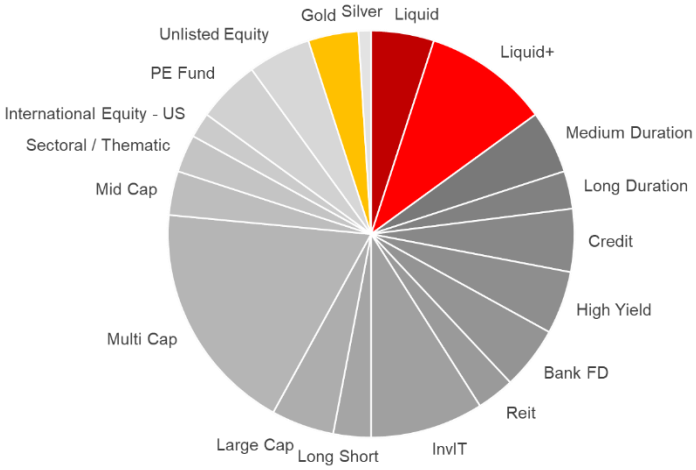
Wealth Conservation



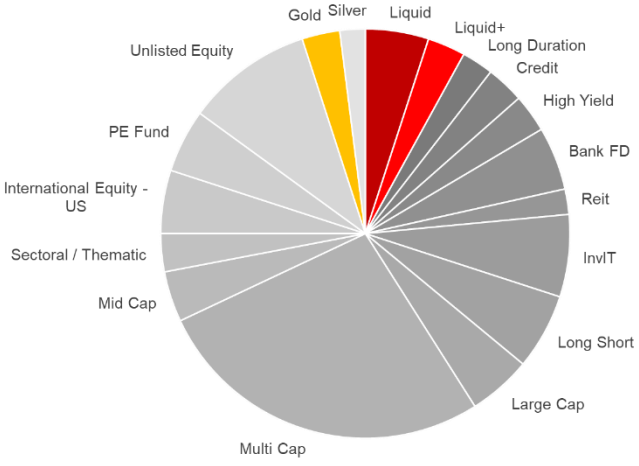
Income



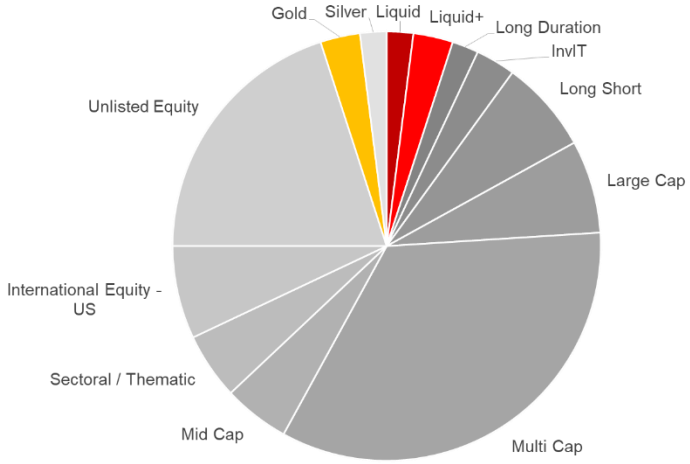
Balanced Growth



Moderate Growth



Aggressive Growth

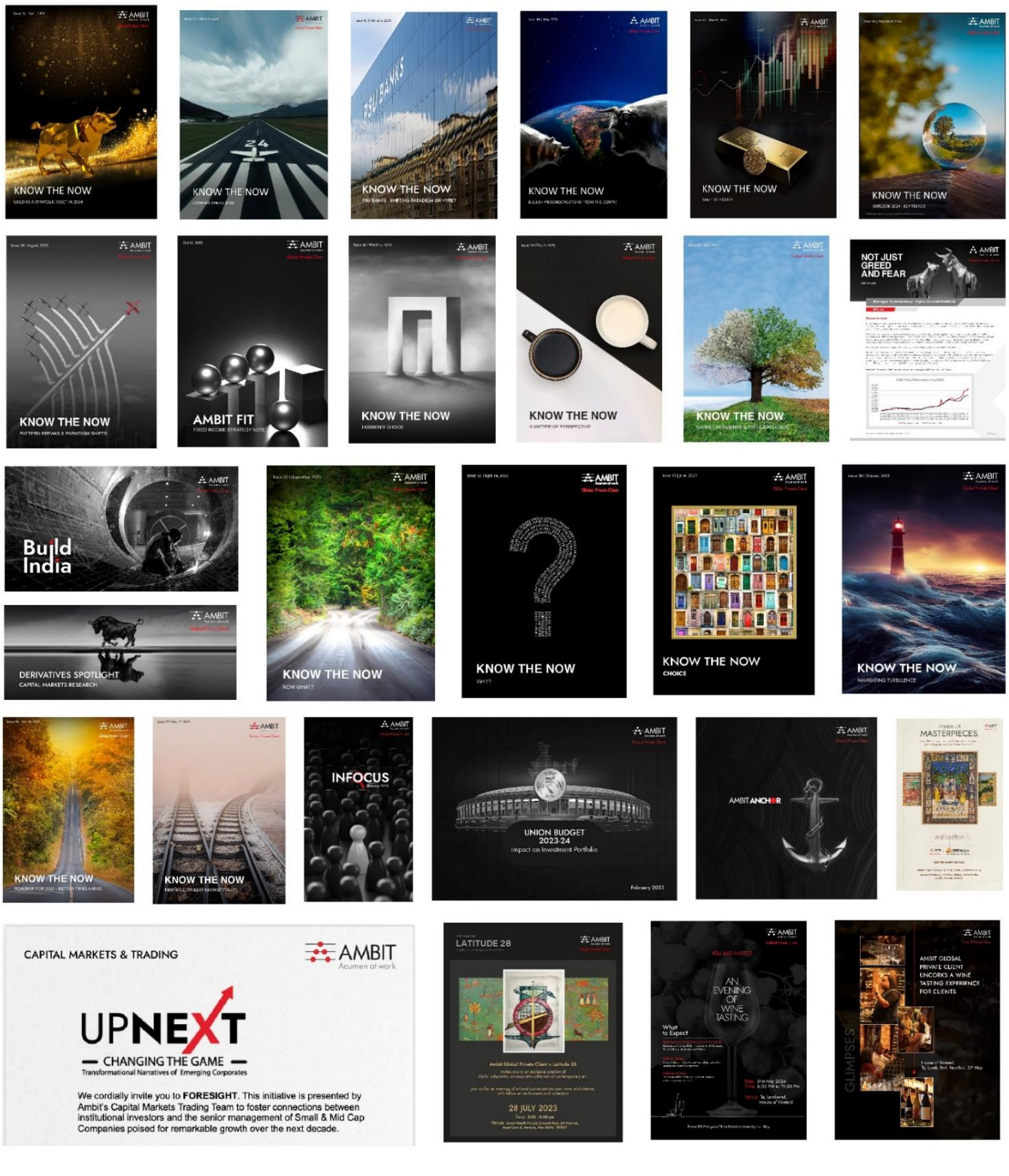


Tactical Asset Class Rationale

Equities	Over Weight	Rationale
India Equities	Close to Neutral	We reduced our equity exposure to close to neutral in October 2024. We continue to hold a preference for small and mid-caps for moderate to aggressive investors, based on superior earnings growth, earnings predictability and visibility. We prefer dominant business models, with earnings visibility, riding structural trends, at reasonable valuations.
U.S. Equities	Over-Weight U.S. Tech	Indian HNI portfolios are dramatically underweight U.S. equities. Diversification provides strong portfolio optimization benefits, particularly the Nasdaq and MAG 7. U.S. equities have dramatic barriers to entry and global leadership, with an emerging AI wave. We recommend staggered accumulation.
Europe	Under Weight	Growth in India, emerging markets is likely to outpace European growth and therefore we find limited triggers to own broad exposure to European equities, particularly in light of recent unrest.
Emerging Markets	Selectively Positive	Emerging markets such as Vietnam and Taiwan are attractive long term growth stories. Taiwan is well poised to ride the AI innovation wave.
Hedge Funds	Under Weight	Hedged portfolios provide an attractive complement to equity portfolios, providing a diversifying non-correlated asset class that enhances risk adjusted return. We are under-weight given lack of attractive opportunities in the category.
Long Short (Absolute Return)	Over Weight	Long short funds have consistently delivered post-tax 8% returns are a worthy consideration for portfolios. Due to the sharp rally the environment is favourable for L/S strategies. We remain over weight.
Fixed Income	**Slight U/W**	**Rationale**
Duration	Selectively Over-Weight	Duration portfolio offers a good opportunity for taking advantage of the expected rate cuts post the Inflation release. Expected rate cuts and action from RBI offer an opportunity to add duration to the portfolio. Although, challenge of timing the duration remains both while entering and exiting the strategy; therefore, we prefer a selective, well-researched approach with strong due diligence.
Accrual	Selectively Positive	Accrual space offers good opportunity to lock in yields. Investors will enjoy good returns based on their ability to lock in spreads in quality papers available currently. Dual advantage of constant high spread and roll down will result in good returns. The near and belly of the curve offers good options for investors.
Credit Risk	Selectively Positive	Rich pickings are available in credit space of lesser understood / lesser known issuers and they offer attractive risk reward opportunities for risk savvy investors. Post RBI change in norms for NBFCs, spread widening for certain subsectors is likely. While there could be higher returns, they will come with higher risks too and investors are cautioned to be mindful of same while taking advantage of richer pickings available.
REITs	Selectively Over Weight	Real estate investment trusts (REITs) lagged in 2020 and 2021 due to the impact of Covid on retail and urban office space. However, REITs recovered in 2022. During an uncertain and inflationary environment, REITs offer an attractive inflation hedge that provides exposure to fixed assets. We recommend exposure be considered only with strong due diligence on a case by case bottom up basis.

InvITs	**Over Weight**	Infrastructure Investment trusts offer an attractive opportunity to invest in diversified portfolio of assets generating an attractive yield through regular income distribution
Alternate	**Strategic Weight**	**Rationale**
Private Unlisted	**Selectively Positive**	We are selectively positive and expect significant value and wealth creation in the unlisted space in India primarily led by Technology, Financial and New Age Consumption companies. Our Diresct Deal Thesis focuses on late stage companies with significant market share & profitability and our Manager Selection in early stage investments focuses on fund managers with established track record across cycles.
Precious Metals	**Over Weight**	**Rationale**
Gold	**Over-Weight**	We are over-weight in Gold as a hedge against inflation, debasement of the US dollar, and concerns on the ever increasing US debt.
Silver	**Tactical**	We are over-weight Silver as a tactical call, on the rising demand for the metal in industrial production, demand outstripping supply and the Gold/Silver Ratio being much higher than the historical long-term average.

Ambit GPC Publications



Ambit Global Private Client – Asset Allocation & Investment Committee

Amrita Farmahan	Mahesh Kuppannagari	Sunil A. Sharma
CEO	**Head – Products & Advisory**	**Chief Investment Strategist**
Amrita.farmahan@ambit.co	Mahesh.kuppannagari@ambit.co	Sunil.sharma@ambit.co

Sources: All sources unless otherwise noted are Bloomberg, NSE.