

MCONNECT

A MAGAZINE

INDIA

A SHINING STAR IN THE GLOBAL MARKET,
DOMESTIC ECONOMY MUSCLES PUMPING UP



FUND EXPERT

Mr. Sankaran Naren
ED & CIO, ICICI PRUDENTIAL AMC Ltd

MARKET EXPERT

CA Manish Shah
Technical Outlook
SEBI REGISTERED INVESTMENT ADVISOR

STOCK OF THE QUARTER

Investment Idea | Nexus Select Trust REIT

FUND OF THE QUARTER

ICICI Prudential India Opportunities Fund

INVESTMENT PRODUCTS

A UNIQUE ALTERNATE & SAFE HIGH YIELDING DEBT INVESTMENT OPPORTUNITY

About LiquiLoans



Company : NDX P2P Pvt Ltd
Founded : 2018
Category : Fintech
Presence : PAN India
Distributors : 600+
Profitable : Yes

Business Offerings

- An online peer-to-peer lending platform whereby we leverage new age technology to match credit worthy borrowers and lenders basis their risk appetite
- Lucrative Alternative Debt Investment Opportunity with Complete Alignment of Interest

PRUDENTLY OPTIMIZE YOUR DEBT INVESTMENTS



Key Takeaway

- LiquiLoans platform helps investors get direct, diversified & transparent access of only high quality Prime Retail borrower base, which reduces costs & enables them to earn a higher return with relatively low risk.
- Even in the unlikely scenario of Elevated loss levels estimated by CRISIL, investors shall still earn their capital and the indicative yield.
- LiquiLoans' fees keep reducing with increase in NPAs, hence LiquiLoans' shall always endeavour to source the best quality borrowers

Investment Guards On Duty Since Inception

Looking for 1 strong safety net around your investments?



With these 2 around, your investments grow in peace

WHY INVESTORS LIKE US



Retail Debt Asset Class: One to Many Retail Borrower Lending Platform (Avg. CIBIL Score of 700+)

High Yielding & Safe Fixed Income Investment

High Diversification: Exposure across Avg. 200+ Names

Inflation Beating Return: Upto 9.35% Net Return

100% Success Rate

World's 1st P2P: Assessed by CRISIL & (AA-) ICRA Rated

RBI Regulated Platform with Transparency In Flow of Funds

LiquiLoans is an RBI Regulated Entity registered as a Peer to Peer (P2P) NBFC - which facilitates deployment of funds towards diversified prime retail borrowers.

All transactions executed on the platform will be mandated through an escrow account which will be managed by a trustee. Being an RBI regulated ring-fenced structure, LiquiLoans shall facilitate deployment of all the monies accumulated in the escrow account through the trustee to multiple diversified and selected prime retail borrowers.

This creates a robust structure safeguarding investor funds; thereby providing the lender confidence and trust.

For More info Please Contact
 Mr Vinay Tiwari Mobile: +91-9967794884/Email: vinaytiwari@mehtagroup.in

CHAIRMAN DESK

Dear Readers,

MY JOURNEY AT HBS AS AN OPMer



CA RAKESH MEHTA
Chairman, MEHTA GROUP

Coming from humble beginnings from Rajasthan, the only tool my parents had to upgrade our lives as individuals and as a family was education.

This one thing is ingrained in my mind as the single most powerful tool anyone with any background and means can afford to have! The true power of education when unleashed can change not just an individual or a family but the entire nation altogether.

This week I completed my third and last session of OPM (Owners President Management) course at Harvard Business School. What originally started as "let me try and give it a shot in 2018" to completing this course that is spread over Three units spread across three years and 21 days each year on campus was almost an impossible scenario in my mind! I am still thrilled with the thought of successfully completing this & getting my certificate of graduation as an OPMer! Big Congratulations to all my cohort members for graduating and for earning the status of being a Harvard Alumni.



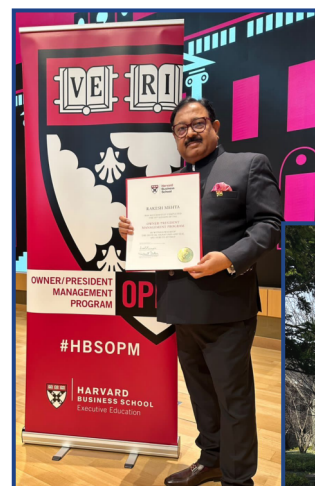
Learning has many forms and at Harvard there was so much more than just the case studies! Being mentored and taught by world class professors and just observing their energy levels, humility and time dedication was truly something! Meeting global achievers who came to campus and shared their success stories! Spending time with our living groups which had such diverse mix of people from around the world! Sharing time with classmates during and post class exposed me to different cultures, different foods, languages and such vast variety of experiences in their personal and professional lives that our each classmate has! It has truly been a memorable journey. My sincere thanks and gratitude to all the professors for their patience and creating a safe learning environment.

Thanks to organising team of OPM course led by Chad, Josh & earlier by Dobin. Thanks to team of Chao Centre for taking such good care of us with great food and service throughout our times at the Campus.

Thanks to my all cohort members/classmates, hope you all reach home safely to your loved ones and continue to stay in touch. I wish each and everyone of you the very best that life has to offer.

This has only been possible with the blessings of my parents and support of my family, friends and colleagues at work of Mehta Group and most importantly the strength given by almighty god. It was a special moment for many including me and my son as he witnessed his father graduating from the most premier business institutions of the world along with my Nephew Akshat.

I thank each and everyone at OPM 54/56/59 from the bottom of my heart and is customary of being a Jain, I join my hand and ask for forgiveness if I have hurt anyone with my words or deeds in this journey as a student! Micchami Dukkadam.



I dedicate my degree to my all the young and old minds who tirelessly try to upgrade themselves as better humans through education.

Learning never ends. It only begins.

MARKET OUTLOOK



EQUITY MARKET OUTLOOK



Mr. Sankaran Naren
Executive Director & Chief Investment Officer
ICICI Prudential AMC

Our view going forward

Globally, equity markets ended March 2023 on a mixed note. In the US, equities, led by growth stocks including tech, made a comeback after a string of bank failures swung investor sentiments towards pause in interest rate hikes by the US Fed. The S&P500 (USA) rose 3.5%; the tech-heavy Nasdaq100 (USA) rallied 9.5% in March 2023. (Source: S&P and Nasdaq, US: United States, Fed: Federal Reserve System of US)

Across the Atlantic, a similar banking crisis instead took the shine off of equities. The UK's FTSE index fell 3.1% while its European counterpart, STOXX 600, fell 0.7%. China equities remained muted in March 2023 amid faltering factory activity. (Source: FTSE; STOXX; SSE)

Among the top gainers globally were the US (+3.5%), Hong Kong (+3.1%) and South Korea (+2.7%). Meanwhile, UK (-3.1%), Brazil (-2.9%) and Malaysia (-2.2%) were the most affected. (Source: Kotak Research, UK: United Kingdom)

Flows from foreign portfolio investors turned positive in March 2023, netting Rs.7,936 crore. On the economy front, consumer price inflation moderated marginally to 6.44% (Feb 2023). (Source: NSDL, PIB)

The market barometer S&P BSE Sensex Index ended flat whereas the Nifty 50 Index rose 0.3%. Sector-wise, the S&P BSE Power Index (+9.4%), S&P BSE Oil & Gas (+2.8%) and S&P BSE FMCG (+2.0%) were gainers. Among laggards, S&P BSE Auto Index fell (-3.3%), S&P BSE IT (-3.1%) and S&P BSE Realty (-1.6%). (Source: BSE and NSE)

- ▶ Indian equity market has underperformed Global and Asian Markets in the last few months, resulting in moderation of premium and making the market valuations more reasonable.
- ▶ The case for investing in equities has improved and one should start increasing allocation for a decent return. This approach has been followed in most of our Hybrid schemes including Dynamic Asset Allocation Scheme and Multiple Asset Allocation Schemes as well.
- ▶ India's long-term structural story remains strong and its macros are also much better placed in comparison to other major economies.
- ▶ The Union Budget's focus on higher Capital Expenditure by the Centre & States; push for consumption through lower taxes and goal of fiscal consolidation, together underpin India's growth.
- ▶ Other positives include healthy tax collection, strong govt. reforms and India as one of the favoured destination for China+1 theme.
- ▶ Global cues such as US and UK central bank actions, geopolitical risks and foreign capital flows may continue to influence equity markets.
- ▶ We remain positive on sector/themes which are closely related to India economy like Banks, Auto, Infrastructure and Capital Goods. Pharma sector also shows reasonable valuations and earnings.
- ▶ We are positive on staggered or SIP mode of investment for capturing the long-term growth opportunity.

Hence, to summarize, we believe this phase may require investment portfolios to be highly nimble while giving due importance to overall asset allocation. Therefore, we recommend adapting below mentioned strategies and investing in these schemes over long term may be beneficial for your wealth creation journey

Staggered Investments

Continue SIP/STP in Equity Schemes as the long term structural story of India remains intact

Asset Allocation

As the macros are changing and to manage volatility, we recommend schemes which can invest in various asset classes

Parking Fund

As the valuations are not cheap, hence we recommend some funds to be placed in the Arbitrage or Equity Savings category which can later be deployed post any market correction

Our view going forward

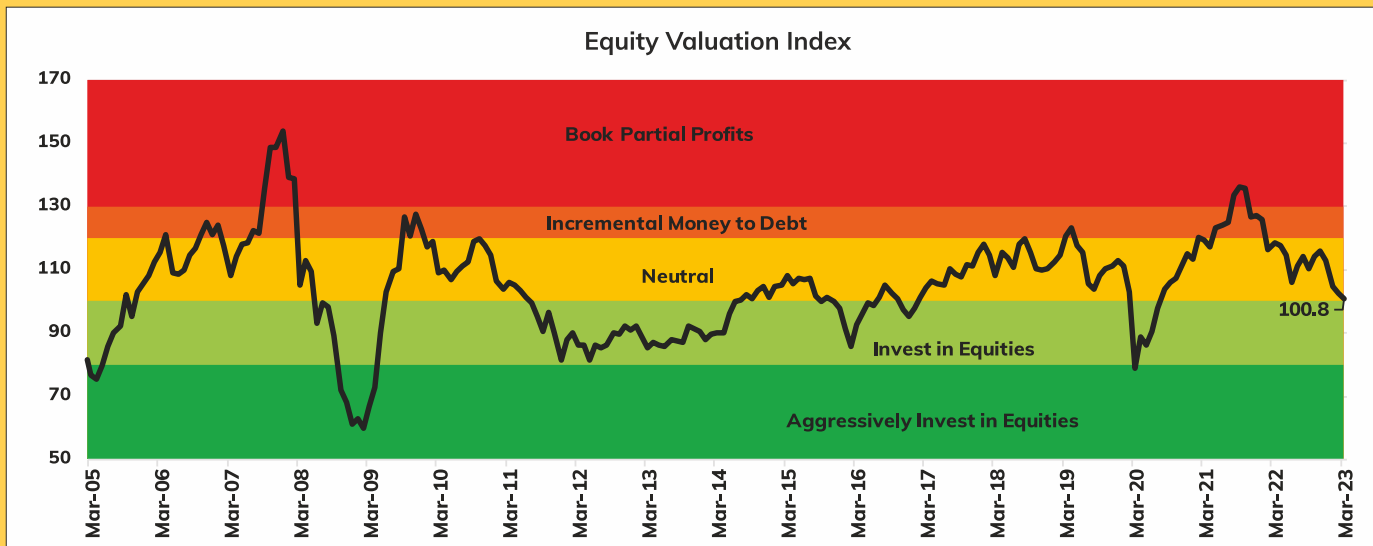
Market is expected to remain volatile due to various macro situations. Hence we recommend schemes with flexibility to invest across Asset Classes, Market Cap & Sectors/ themes

Asset Allocation Flexibility	Flexibility across Sector/ Theme	Market cap Flexibility
<p>Recommended Schemes:</p> <p>HYBRID</p> <ul style="list-style-type: none"> ICICI Prudential Balanced Advantage Fund ICICI Prudential Multi-Asset Fund <p>FUND OF FUNDS</p> <ul style="list-style-type: none"> ICICI Prudential Asset Allocator Fund (FOF) ICICI Prudential Passive Multi-Asset Fund of Funds 	<p>Recommended Schemes:</p> <ul style="list-style-type: none"> ICICI Prudential Business Cycle Fund ICICI Prudential Thematic Advantage Fund (FOF) 	<p>Recommended Schemes:</p> <ul style="list-style-type: none"> ICICI Prudential Flexicap Fund ICICI Prudential Focused Equity Fund ICICI Prudential Value Discovery Fund
<p>SIP/STP Strategy:</p> <p>Continue SIP/STP as the long term structural story of India remains intact, strongly recommend ICICI Prudential Booster STP#</p> <p>Recommended Schemes</p> <ul style="list-style-type: none"> ICICI Prudential Smallcap Fund ICICI Prudential Large & Mid Cap Fund ICICI Prudential India Opportunities Fund ICICI Prudential Value Discovery Fund ICICI Prudential Focused Equity Fund ICICI Prudential Flexicap Fund 		

ICICI Prudential Booster Systematic Transfer Plan is a facility where in unit holder(s) can opt to transfer variable amount(s) from designated open ended scheme(s) of ICICI Prudential Mutual Fund to the designated open ended scheme(s) of ICICI Prudential Mutual Fund. STP: Systematic Transfer Plan, SIP: Systematic Investment Plan

Equity Market Outlook and Valuation Index

Equity Valuation Index



Equity Valuation index is calculated by assigning equal weights to Price-to-Earnings (PE), Price-to-Book (PB), G-Sec*PE and Market Cap to GDP ratio. G-Sec – Government Securities. GDP – Gross Domestic Product, Data as on March 31, 2023 has been considered. Equity Valuation Index (EVI) is a proprietary model of ICICI Prudential AMC Ltd. (the AMC) used for assessing overall equity market valuations. The AMC may also use this model for other facilities/features offered by the AMC.

Return Analysis Table of EVI:

3 Year Return Profile - Nifty 50 TRI

Particular	Dark Green (EVI<80)	Green (80<EVI>100)	Amber (100<EVI<120)	Red (120<EVI<130)	Deep Red (EVI>130)
Count	8	54	97	15	6
Average	24.8%	15.2%	9.7%	8.3%	2.8%
Max	40.9%	35.4%	26.5%	15.5%	7.4%
Min	16.8%	4.3%	-2.2%	-0.1%	0.6%
<10 % Return - Count	0	7	51	10	6
<10 % Return - Percentage Count	0%	13%	53%	67%	100%
Negative Returns - Count	0	0	4	1	0
Negative Returns - Percentage Count	0%	0%	4%	7%	0%

Source: MFI Explorer. Returns are calculated on CAGR basis. Above analysis is done considering the investment period between April 2005 and March 2020. The returns are calculated for the period between April 2008 and March 2023. EVI: Equity Valuation Index. Equity Valuation index is calculated by assigning equal weights to Price-to-Earnings (PE), Price-to-Book (PB), G-Sec * PE and Market Cap to GDP ratio. G-Sec – Government Securities. GDP – Gross Domestic Product. Past performance may or may not sustain in future

Steps to read the above table

3Yr Monthly Rolling returns of Nifty 50 TRI is extracted for the above period



The returns are then classified into different intervals depending on the bands of EVI (eg, EVI <80: Dark Green Zone)



Returns in the interval are selected on basis of investment period falling in the range of EVI (for Dark Green zone, returns are selected of investment made when EVI was < 80)

Mutual Fund Disclaimer : Mutual Fund investments are subject to market risks, read all scheme related documents carefully. In the preparation of the material contained in this document, the AMC has used information that is publicly available, including information developed inhouse. ICICI Prudential Asset Management Company Limited (including its affiliates), shall not liable for any loss, damage of any nature, including but not limited to direct, indirect, punitive, special, exemplary, consequential, as also any loss of profit in any way arising from the use of this material in any manner.

INVESTMENT IDEA



Nexus Select Trust REIT

Industry

Real estate REIT

CMP

₹ 95 - 100

Recommendation Accumulate for long term

Report Dated : 08 May, 2023

KEY DATA

Issue Size (₹ Cr)	3200
Fresh	1400
OFS	1800
No of Units (₹ Cr)	32
Bid Lot	150
Minimum Amount (₹)	15000

INDICATIVE TIMETABLE

Activity	On or about
Finalisation of Basis of Allotment	16-05-2023
Refunds/Unblocking ASBA Fund	17-05-2023
Credit of equity shares to DP A/c	18-05-2023
Trading commences	19-05-2023

SPONSOR / MANAGER / TRUSTEE DETAILS

Sponsor:
Wynford Investments Ltd (a portfolio company of a Blackstone Inc. ("Blackstone") real estate fund)

Manager:
Nexus Select Mall Management Pvt Ltd

Trustee:
Axis Trustees Services Ltd

OTHER DETAILS:

BRLMs: BofA Securities, Citigroup Global, HSBC Securities, IIFL Securities, JM Financial, J P Morgan India, Kotak Mahindra Capital, Morgan Stanley, SBI Capital

Registrar: Kfin Technologies Ltd

ISSUE BREAKUP

QIB	75%
Retail/NII	25%

Listing: BSE & NSE

RESEARCH ANALYST

Rajan Shinde
rajan.shinde@mehtagroup.in
022-61507142

ABOUT THE COMPANY

Nexus Select Trust (NST) is India's first retail asset focused real estate investment trust (REIT) sponsored by global investment giant Blackstone. NST is basically engaged in the mall development in retail consumption space on a Pan India basis. NST would be the fourth REIT to make its debut on the Indian stock markets and the first in the retail space since the other three listed REITs are in the commercial sector. Nexus Select Trust has a portfolio of 17 operational shopping centers throughout 14 major cities, totaling 9.8 million square feet, with 96% of its properties under lease and a diverse mix tenant base of domestic and international brands with two complementary hotel assets (354 keys) and three office assets (1.3 msf) as of December 31, 2022. NST's diverse tenant mix in industries such as fashion & accessories, hypermarket, entertainment, and food and drinks. Recently Apple opened its 2nd India retail store in April - 2023, at Select Saket (New Delhi) indicates the preference enjoyed by this group. Shopping centers are located in major cities of India such as Delhi, Navi Mumbai, Bengaluru, Pune, Hyderabad, and Chennai.

INVESTMENT RATIONALE

Well Diversified Tenant base:
Company have a well-diversified tenant base of 1044 domestic and international brands with 2,893 stores as of Dec 31, 2022 and is also well diversified across cities with no single asset and tenant contributing more than 18.3% and 2.8% of our total Gross Rentals for the month of Dec 31, 2022. With the Advantage of location and their proactive leasing approach they have enabled them to get Marque Brands and healthy mix of tenants across Sectors. Sectors such as apparel, accessories, hypermarket, entertainment, food and beverages (F&B) and Brands such as PVR Cinemas, Croma, Shoppers Stop, Max and International brands like Zara, ALDO, Superdry, and Marks & Spencer provide a holistic shopping and entertainment offering to consumers.

Prime Fill Location area with High Entry Barrier:
Nexus Select trust Reit portfolio includes 17 best Grade A urban consumption centres which are strategically located across 14 major cities such as Delhi, Navi Mumbai, Bengaluru, Pune, Hyderabad and Chennai. These high quality assets are in city-centre locations in close proximity to dense residential catchments and are well-connected to key transport and social infrastructure. Their portfolio is difficult to replicate which makes a high entry barrier due to limited availability of large land parcels in in-fill locations, land aggregation complexities, long gestation periods and specialized capabilities required to stabilize large urban consumption centre projects. The strong demand coupled with limited supply is expected to continue with only 9.6 msf of new supply expected until 2024, which is expected to result in a decline in average vacancy by 271 bps as compared to CY21.

Disciplined acquisition strategy with a strong balance sheet:
Companies has a track record of executing value-accretive acquisitions. They have core strategy of acquiring, owning and managing best-in-class retail assets within submarkets that have attractive fundamentals. In addition to acquisitions, they intend to undertake strategic expansions within their existing assets to enhance the value of their Portfolio. Company believe that owning the best retail assets in India's top submarkets will allow them to generate robust cash flow growth with strong long-term returns and listing the Units will a strong balance sheet with low levels of leverage resulting in high flexibility in capital structure.

Distribution Policy:
As per the Distribution Policy the company shall declare and distribute 100% distribution vs Minimum 90% requirement for any RIETs as distribution to unit holders. Such distributions shall be declared and made not less than once every six months in every Financial Year. Further, in accordance with the REIT Regulations, REIT Distributions shall be made no later than 15 days from the date of such declarations. The REIT Distributions, when made, shall be made in Indian Rupees.

RISK

- Any changes in REIT Taxation framework would add risk in Unit holders.
- Any changes in Property tax is a substantial cost would affect cost management.
- Any alteration in distribution policy would be a part of risk to unit holders

MVIEW

We believe Nexus Select Trust REITs gives investors a unique investment opportunity to invest and participate in India's First of its kind retail asset focused REITs. The trust is well positioned for growth potential of India's retail consumption space with substantial high growth opportunities as a result of higher contractual rentals, increasing tenant sales, higher turnover rentals, and re-leasing at higher market rates which would improve profitability year on year. Over and above the traditional rental revenue model, Nexus has a unique kicker model of higher top line by participating in tenant's incremental sales which can bring in additional top liner. Along with the raise in rentals, management has also committed the unit holder for a 100% distribution vs Minimum 90% requirement for any RIETs as distribution to unit holders, which would boost up the yields substantially and keep it higher when compared to other listed REITs and also with any other traditional fixed income instruments making it an attractive investment opportunity in the long term investors. Hence considering all rationales and investor-friendly pricing, we believe investors who are looking for steady approx.~8.5% pre-tax yields along with healthy capital appreciation on holdings should consider to grab this opportunity and Invest with a medium to long-term investment horizon.

INVESTMENT IDEA



FINANCIALS

Particulars ₹ (in Cr)	2020	2021	2022	Dec'31 (2022)
Equity Share Capital	225	248	325	207
Reserve as Stated	2101	1414	1399	1649
Net Worth as stated	2326	1662	1724	1856
Revenue from Operations	1622	907	1318	1463
Revenue Growth (%)		-44%	45%	11%
EBITDA as stated	991	472	778	899
Profit Before Tax	256	-192	91	338
Net Profit	207	-199	-11	257
EPS (Rs)	0.9	-	-	1.2
RONW (%)	9%	-	-	14%
NAV (Rs)	-	-	-	127.7

Sr. No.	Particulars ₹ (in Cr)	Types of Assets	Listing Date	Dividend Distribution Year	Dividends	IPO Price	Current* Price	Yield	Absolute Returns
1	Embassy Office Parks REIT	Commercial	03-Apr-19	2023	21.76	300	312	7.0%	4%
2	Mindspace Business Parks REIT	Commercial	12-Aug-20	2023	18.74	275	322	5.8%	17%
3	Brookfield India Real Estate Trust REIT	Commercial	17-Feb-21	2023	20.30	275	274	7.4%	-0.4%



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Nifty Quarterly

Post the COVID debacle in February-March 2020, Nifty saw a virtual straight gain of six quarters till October 2021. In October 2021, Nifty made a high of 18604, and since then, Nifty has stagnated in a narrow range. Since the quarter ended December 2021, when Nifty closed at 17354 for the quarter, there has been no directional movement in the last 5 quarters. Nifty closed at 17359 for the quarter ended March 2023. The quarterly close has remained unchanged for the last five quarters.



So if your portfolio has not appreciated in the last year and a half, do not fret and fume. We can only get what the market is willing to give us. Measured over a period of time, returns in the markets are not linear. Nifty saw a gain of more than 100 percent from the quarter ended March 2020 to the quarter ended October 2021 on a close-to-close basis.

In terms of the price structure, the sideways action in the Nifty since October 2021 is an indication that the market is taking a pause after a hectic rally since March 2020. The correction is in terms of time. Usually, the corrective price is roughly between one-third and two-thirds of the previous market rally. This time around, the corrective decline is nowhere near the benchmark. What can be understood from this is that the long-term super uptrend is truly alive and kicking. Despite all the global turmoil seen since Russia-Ukraine, the Nifty has held ground.



In chart no. 1, What you see above is a very long-term price chart of the Nifty. The momentum on the long-term quarterly time frame is still strong, and the MACD is at an elevated level. The signal line holds above the MACD line. The secular trend in the Nifty remains up, and the sideways range-bound action is only a pause in the ongoing trend.

Nifty Monthly

Now that we know that the Nifty is in a secular uptrend on the quarterly time frame, we will drill down to lower time frames to search for patterns.

In chart no. 2, The sideways action in Nifty is under the trend continuation pattern called the ascending triangle. Ascending triangles are regarded as trend continuation patterns. The pattern itself spans more than a year, and hence it is a major pattern. A breakout of a pattern of this magnitude could mean a rally that could last for several months.

Major faces a major barrier at 18500-18650. Nifty has languished below this zone for several months now. The situation is now changing. On the monthly time frame, we



see a bullish "Morning Star" pattern. This pattern suggests that Nifty breaking above the resistance at 18500-18650 is a distinct possibility. Once the Nifty breaks above 18500-18650, it could resume its uptrend.

Conclusion and Targets

Nifty is at a crucial juncture, and it is a very exciting juncture to be at. The Nifty is probably in the initial phase of an uptrend that could rival anything seen previously. If we simply use pattern break-out targets, Nifty shows the potential to move higher towards 21300-22000 over the next six months or more. The major support zone is placed at 16800-17000. If Nifty trades below 16800, then there is a potential for the entire cycle to drop to 15700-16000 and then reverse. From a practical investment point of view, staying invested in Indian diaspora equity products as a preferred investment asset class should not be delayed or ignored.

Technical Disclaimer: The strategies discussed and opinions expressed, if any, in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient.

Bank Nifty

Bank Nifty, over the years, has proven to be the most reliable sector to invest in India. Within a span of 14 years, from 2009 to 2023, BNF has moved from a 4100 odd value to a current reading of 43700, which is indeed a massive appreciation for the banking industry in India

Quarterly/Monthly analysis

On the left pane of the accompanying chart 3, we see Bank Nifty on the quarterly time frame. Now, in terms of very long-term structure, we are in a continuous uptrend, as the pattern of higher highs and higher lows is clearly visible. The MACD histogram is also showing a pattern where we see the momentum indicator making newer highs. The MACD line has also reached a new high in recent times.

A trend in motion continues to be in motion until it reverses. Until we do not see a reversal signal in the index, the long-term trend remains up. A short-term drop in the Bank Nifty is an opportunity to buy.

Bank Nifty Monthly

In chart no. 3, on the right pane, is the Bank Nifty on the monthly time frame. The index has traded above the previous swing high, which is a bullish development. The angle lines seen on the chart are the target lines. Over the course of the next year or so, the Bank Nifty should try to hit the upper line around 47000-48000. These are broad estimates and should be taken as such. The direction is more important than the number or levels.

Appearance of a bullish morning star on the monthly time is a clue that Bank Nifty has more upsides to it.



Conclusion

As long as the Bank Nifty holds above the 40000-39500 zone, the long-term trend remains up. Investors should use these benchmarks to plan their investments in the banking sector. Either investing in direct equity or buying sector-related funds or ETFs is also a good approach for the conservative investor.

PSU Bank Vs PVT Banks

The Indian banking sector is broadly divided into private sector banks and public sector banks. Recent results have displayed a healthy trend in terms of profitability, growth, NIMs, and NPAs, among the important parameters for both classes of banks.

Analysis PSU vs Private Bank Index

On the left pane side of the chart no. 4, we see the PSU Bank Index chart. The pattern seen is a right-angled descending triangle. The PSU index is trying to break above resistance at 4480-4500, which has held since 2015, and the index has not been able to register a value above this zone for the last 8 years. The price move since July 2022 has seen good velocity, and it is likely that in the near future, the PSU Bank Index will move above the resistance level at 4480-4500.

Once the PSU index breached 4480-4500, a major rally to 6000 or higher could be seen. The caveat here is that there is no telling how long it will take for the breakout to take place. Buy whenever it does, and expect a massive rally to unfold in the PSU banking index.

On the right pane is the Private Bank Index. The quality of momentum to date is in favour of the Private Bank Index. The index has rallied above its previous swing high, and it is trading above its major resistances. The momentum in Private Bank Index is better than in the PSU Banking Index as per the last available price data. There is potential for the Private Bank Index to move towards 24000-26000 or higher over the course of a year or so



The Litmus Test and Asset Allocation

As per the available price action models, the current opportunity is better for investing in private banks. But PSU banks should not be ignored. The allocation of capital in private sector banking should be higher at the current juncture as the price structure is better as compared to PSU banks.

Whenever the PSU Banking Index breaks above 4480-4500, the momentum that could emerge may result in a percentage return that is better in the PSU Banking Index. There could be better alpha from PSU banks once there is a breakout in the PSU banking index.

In our opinion, the approach should be a higher allocation to private banks as on date, and once appropriate price developments are seen, a higher allocation may be made to PSU banks.

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Natural Gas Outlook

The natural gas market has recently witnessed lackluster trading sessions characterized by minimal price movements. The industry faces significant challenges that contribute to this subdued activity.

The year 2022 was the most volatile period ever for natural gas prices. Issues in the global supply chain of energy commodities due to the Russia-Ukraine war, export hindrances from the US, and unexpected weather conditions in major energy consuming countries resulted in unusual price fluctuations throughout the previous year. The MCX gas futures made high of Rs 800 in august 2022 on supply concerns and from there we saw freefall of almost ~75% i.e Rs 185 current market price.



As an anticipated economic slowdown looms on the horizon, the demand for industrial electricity, a major consumer of natural gas, is expected to decline. Furthermore, with the arrival of the summer season in the northern hemisphere, except for occasional heat waves, the demand for natural gas is likely to diminish further.

However, it is essential to recognize the recent substantial sell-off in the natural gas market, which suggests the potential for an eventual rebound. Looking ahead, the market is expected to attract increased attention later in the year when Europeans seek alternative natural gas supplies due to the unavailability of Russian gas. This shift in supply sources is likely to introduce heightened volatility, potentially leading to price spikes.

In the near term, the natural gas market is projected to exhibit sideways and turbulent behaviour. Traders and investors should closely monitor the 50-DMA, positioned just above the market. This level is likely to serve as a focal point, potentially acting as support or resistance. Additionally, the \$2.00 might act as crucial support while the \$2.82 mark is anticipated to exert significant selling pressure, with the psychologically significant \$3.25 level posing as the subsequent hurdle.

Given the prevailing market conditions, natural gas may present buying opportunities for medium to long term strategies. The process of bottoming can take some time. Technically market is under short covering as the market has witnessed a drop in open interest, now Natural gas is getting support at Rs.174.8 and below same could see a test of Rs.160.5 levels, we suggest to accumulate natural gas on dip with stop loss of Rs.140.50 for target of Rs. 240 and Rs. 265. Rupee weakness against dollar will also support gas price on MCX platform.



FUND OF THE QUARTER



ICICI PRUDENTIAL INDIA OPPORTUNITIES FUND



Investment Objective

To generate long-term capital appreciation by investing in opportunities presented by special situations such as corporate restructuring, Government policy and/or regulatory changes, companies going through temporary unique challenges and other similar instances.



Date of Allotment

26th Dec 2018
ISIN No.
INF109KC1RE6



Fund Manager

Priyanka Khandelwal,
Roshan Chutkey,
Sankaran Naren



Statistical Measures (3 Yr)

Std. Dev. 5.10
Beta 0.93
Sharpe Ratio** 0.01



Sch. BenchMark

Nifty 500 Total Returns
Index



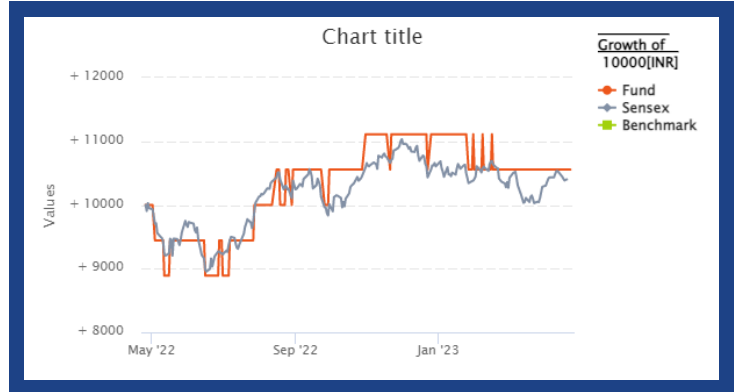
Sch. Category

Equity -
Sectoral/Thematic



Corpus

7644.12 Crores
Current Nav
19.87



PAST PERFORMANCE

Scheme Name	6M Abs (Rtn %)	1 Year XIRR (%)	3 Year XIRR (%)	5 Year XIRR (%)	SI XIRR (%)
ICICI Prudential Ind	1.33	7.31	37.13	0	17.26
Nifty 500 Total Retu	-0.34	-1.97	27.23	11.19	16.05
S&P BSE Sensex	6.39	24.60	11.59	12.31	13.81

TOP 10 EQUITY HOLDINGS

Sun Pharmaceutical Ind	7.8202%
Oil & Natural Gas Corp	7.8166%
Ntpc Limited	5.9948%
Bharti Airtel Limited	5.4799%
Icici Bank Limited	5.2862%
Sbi Life Insurance Com	4.8282%
State Bank Of India	4.594%
Icici Lombard General	3.3389%
Cholamandalam Financia	2.7792%
Lic Housing Finance Li	2.7434%

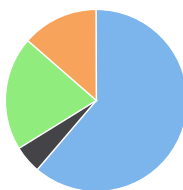
TOP 10 SECTOR EXPOSURE

Pharmaceuticals	13.1854%
Banks	11.623%
Automobiles	10.3281%
Oil, Gas and Consumabl	10.246%
Other	9.9949%
Insurance	9.2331%
Independent Power and	5.9948%
Wireless Telecommunica	5.4799%
Diversified Financial	3.8958%
Thriffs and Mortgage F	2.7434%

Dividend (₹ Per Unit)

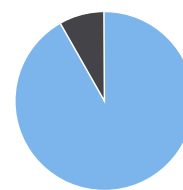
Date	Individual/HUF	Corporate
27/03/2023	0	0
17/03/2022	0	0
30/03/2021	0	0

Sector Nature



● Cyclical 61.32%
● Defensive 5.03%
● Sensitive 20.47%
● Others 13.19%

Asset Allocation



● Equity 91.66%
● Debt 8.34%

Exit Load : 1.00% if exit within 365 days, Nil if exit after 365 days

Disclaimer : Mutual Fund investments are subject to market risk. Please read all scheme related documents carefully. For detailed report, visit our website: www.mehtagroup.in

For more info, please contact: Mr Vinay Tiwari (+91-9967794884 | rahul.kalantri@mehtagroup.in)

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- **DERIVATIVES** - NSE
- **COMMODITIES** - MCX & NCDEX
- **CURRENCY** - NSE

WEALTH MANAGEMENT

- **DEMAT SERVICES** - CDSL
- **PMS & AIF**
- **LOAN AGAINST SHARES**
- **RESEARCH**
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