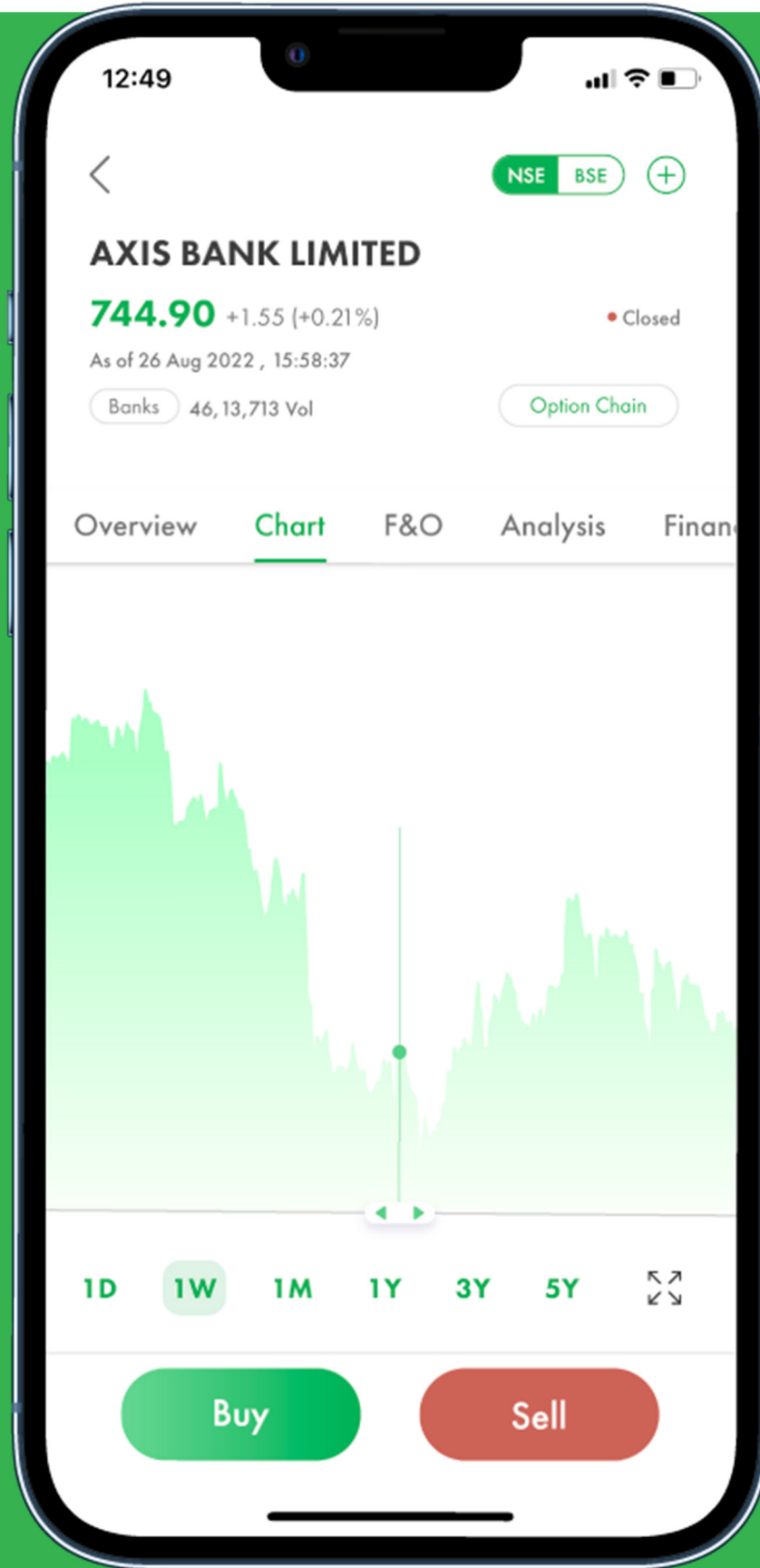


Arihant's VALUE *Plus*

Issue | **June 2023**



MOVERS & SHAKERS















INDIAN INDICES

Indices	May-23	Apr-23	Change (%)
SENSEX	62,622.24	61,112.44	2.47
NIFTY 50	18,534.40	18,065.00	2.60
NIFTY BANK	44,128.15	43,233.90	2.07
NIFTY MIDCAP 100	33,761.30	31,794.75	6.19
NIFTY 500	15,766.40	15,219.55	3.59
NIFTY IT	29,319.75	27,708.20	5.82
NIFTY REALTY	4,78.80	445.10	7.57
NIFTY INFRA	5,440.45	5,356.20	1.57

(Source: BSE & NSE)

BSE SECTORAL INDICES

Indices	May-23	Apr-23	Change (%)
AUTO 	32,732.08	30,325.51	7.94
BANKEX 	50,017.52	48,981.83	2.11
CD 	40,855.93	38,374.18	6.47
CG 	37,220.98	36,738.88	1.31
FMCG 	18,253.41	17,238.74	5.89
HC 	23,681.37	23,033.93	2.81
IT 	29,346.42	27,503.49	6.70
METAL 	19,542.69	20,134.69	-2.94
OIL & GAS 	17,972.15	18,271.28	-1.64
PSU 	10,361.02	10,174.14	1.84
REALTY 	3,833.16	3,560.04	7.67
TECK 	13,233.13	12,538.02	5.54



(Source: BSE)

GLOBAL INDICES

Indices	May-23	Apr-23	Change (%)
DOW JONES	32890.40	34098.16	-3.54
NASDAQ	12935.29	12226.58	5.80
HANG SENG	18234.27	19894.57	-8.35
FTSE	7453.10	7870.57	-5.30
NIKKEI	30771.00	29074.00	5.84





(Source: MoneyControl)

COMMODITIES

Particular	May-23	Apr-23	Change (%)
MCX GOLD 	60,690.00	59,919.00	1.29
MCX SILVER 	72,102.00	74,071.00	-2.66
MCX CRUDE OIL 	5,690.00	6,286.00	-9.48
MCX NATURAL GAS 	190.00	196.80	-3.46

(Source: MCX)

FOREX

Particular	May-23	Apr-23	Change (%)
USD-INR 	82.68	81.72	1.17
EUR-INR 	88.36	90.05	-1.88
GBP-INR 	102.82	102.64	0.18
JPY-INR 	59.33	59.95	-1.03

(Source: Investing.com)

FII Activity (Rs. Cr.)

Date	Gross Purchases	Gross Sales	Net Pur/Sales
Total for May 2023	1,89,054.53	1,50,961.42	38,093.11
Total for 2023*	8,09,376.58	7,89,007.83	20,368.75

(Source: SEBI)

MF Activity (Rs. Cr.)

Date	Gross Purchase	Gross Sales	Net Pur/Sales
Total for May 2023	100,303.37	97,856.87	2,446.51
Total for 2023*	4,95,087.76	4,42,830.93	52,257.64

*Till 31st May, 2023

(Source: SEBI)

Monthly Market Roundup

In May 2023, the Indian Equities Market sustained momentum with benchmark Nifty and Sensex Index gaining 2.6% & 2.4% respectively as compared to appreciation of 3.8% and 3.4% respectively in April 2023. The earnings reported by different companies were largely along expected lines. With the decline in freight cost and softness in raw material prices, majority of the companies exercised cost control. Additionally, experts are of the view that the US Federal Reserve is in the final stages of the interest rate tightening regime and may cut interest rates by the end of the current calendar year or first half of the next calendar year. We, therefore believe that domestic capital markets will benefit from the end of interest rate tightening cycle and will remain buoyant in the near to medium term.

Foreign portfolio investors have remained net buyers to the tune of INR 27,857 crores in Indian cash equities markets in May, led by better economic growth prospects, softness in global commodity prices and stable corporate earnings growth. This is the third consecutive month of net buying by Foreign Institutional Investors in the Indian capital markets.

Sectoral Performance

On the sectoral front, Nifty Auto and Nifty FMCG outperformed all other major indices with a robust gain of 6.9% each. Nifty Metal showed a flat movement of 0.1%. Comparatively, Nifty PSU Bank showed a negative performance of -3.7%. Other sectors such as Nifty Bank, Nifty NBFCs, Nifty IT, Nifty Pharma, Nifty Media, Nifty Private Bank and Nifty Realty performed 1.8%, 1.2%, 4.6%, 0.7%, 1.9%, 2.4% and 7.6% respectively.

Japan's core inflation reading fell from its January peak of 4.2% to 3.1% in February.

On Economy Front

The Central Statistical Office (CSO) - Government of India released the country's Gross Domestic Product (GDP) data for Q4FY2023 in the month of May. India's economic growth in the January - March quarter was better than expected and stood at 6.1% compared to 4.4% growth seen in Q3FY2023. Analysts had estimated Q4FY2023 GDP

growth of 5.5%. Although, the overall FY2023 GDP growth rate outperformed market expectation and stood at 7.2%, there was a slowdown compared to FY2022 GDP growth rate of 9.5%.

Backed by strong economic performance in FY2023, economists expect Indian growth story to continue in FY2024 and outperform global economic growth by a wide margin. The analyst expectation is that India's economic growth will be around 6.0% in FY2024. However, there is a downside risk to the domestic economic growth owing to the effect of El Nino on the monsoon season. The inflationary pressures are also expected to subside in FY2024, barring the El Nino effect and will be a positive outcome for the Indian household.

On the global Front

Global markets remained volatile in the month of May 2023 owing to the overhang of debt ceiling in the United States of America. The US Treasury Secretary Janet Yellen had warned that the US government may default on its obligation if there is no political agreement on the debt ceiling. In such a scenario, there would be global ramifications of catastrophic proportion. The US President, Joe Biden and his government held different rounds of consultation and discussion with various parties and stakeholders. The debt ceiling bill to raise the limit of US debt and cap government spending was later passed by majority in the House of Representatives on the last day of the month. Experts expect that the bill will get cleared in the Senate, which is controlled by the Democratic Party representing the current government. The whole issue is likely to get resolved in the next few days and is a positive outcome for the global markets.

Economic Data Wrap Up: May - 2023

- India's Nikkei Services PMI was 62.0 in April 2023 as compared to 57.8 in March 2023.
- India's Nikkei Global Manufacturing PMI was 58.7 in May 2023 as compared to 57.2 in April 2023.
- India's Trade balance was -15.24 Bn in April 2023 as compared to -19.73 Bn in March 2023.
- India's WPI Inflation was -0.92% in April 2023 as compared to 1.34% in March 2023.
- India's CRR is 4.50% as per the Reserve Bank of India Monetary Policy Committee April meeting.
- India's Cumulative Industrial Production was 5.1% in March 2023 as compared to 5.5% in February 2023.

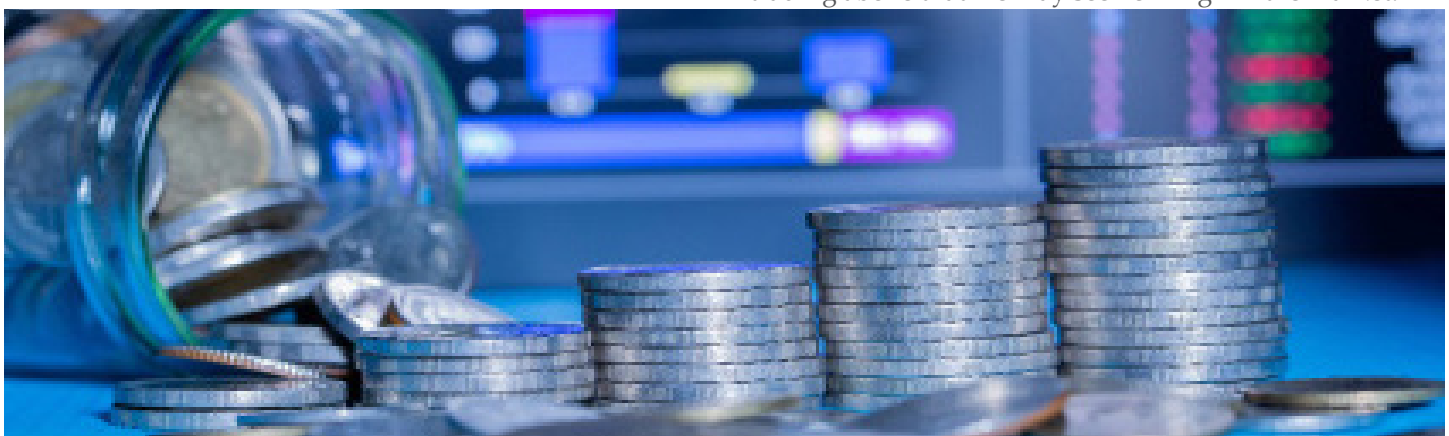
Nifty Technical Outlook: June - 2023

CMP = 18,534.00



On the Daily chart we are observing “Upward Gap” area this upward gap area generally act as a support, but once prices need to test that gap. On the weekly chart we are observing prices trading near the short term moving averages. On the monthly chart we are observing prices trading in a channel. So if we analyze all this three time zone chart it indicate after two month continue rally in the market we may see some consolidation in the market ,but still overall trend is positive and any dip should use a buying opportunity. In coming month if Nifty trades and close above 18680 level then it is likely to test 18880 - 18980 - 19100 levels. However, if Nifty trades and close below 18350 level then it can test 18150 - 18050 - 17900 levels.

Broadly, looking at the current price action it is evident that 18800 remains a major resistance level. Once nifty start trading above that we may see new high in the market.



Fundamental Stock

GABRIEL

Gabriel India Limited

GABRIEL INDIA LTD

BUY
Target
₹252

Stock Details:

NSE Code	GABRIEL
CMP (As on 31 st May, 2023)	INR 173
Face Value	INR 1
52 Week High / Low	201/104
Market Cap (INR Mn)	24,893
EPS (FY25e)	INR 144

Company Overview: We initiate coverage on Gabriel India Limited (GIL), diverse product portfolio includes McPherson struts, gas shock absorbers, and steering dampers, catering to various customer needs. Notably, they have introduced the advanced technology of Frequency Selective Damping (FSD) in their damper supplies, providing a superior and customizable damping experience for their key customers. Share of Utility Vehicle sales in Gabriel PV business- 65%. GIL Share of Business in Total UV Sales-33%.

Investment Rationale:

Healthy performance in Q4FY23 largely driven by strong PV and aftermarket segment: GIL reported topline growth of 7.7% to INR 7,370 Mn (estimated 7,500 Mn) compared to INR 6,843 Mn in Q4 FY22 led by healthy growth in PV and aftermarket segment. The company's EBITDA stood at INR 524 Mn (vs estimated 530) with margin of 7.1% as compared to INR 377 Mn in Q4FY22 up by 38.8% due to lower RM cost.. PAT grew by 25% YoY to INR 338mn.

Leading supplier of shock absorbers for EV players: With a market share of 85%, Gabriel India retains the tag of being the leading manufacturer of shock absorbers for CV. With respect to PV launches, Gabriel has a 100% share of business and supplies to Grand Vitara, Brezza, Jimny, and Hryder. Similarly for EV 2Ws. GIL MS in EV has gone up >80% in Q4FY23. Ola ,TVS are 100% with them along with Aether, Ampere, and Okinawa. In addition, the foray into e-bicycle, which are becoming very popular in Europe, has received an order for export from Hero Cycles, and optimistic about the

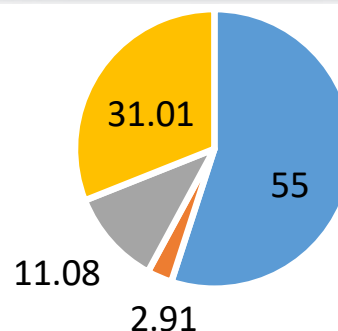
future demand.

Strong leverage of group to benefit: Apollo Pipes enjoys strong brand recall and visibility due to APL Apollo Tubes' strong and vast network of 800+ distributors and 1,00,000+ retailers. This acts as an added advantage compared to its peers where synergistic growth is not present.


First Indigenous Company to develop damper for Vande Bharat Coach: Gabriel India secures exclusive supply for LHB coaches and Vande Bharat Express, showcasing their dominance in the Indian market. Their foray into electric locomotives strengthens their position, with multiple new railway orders anticipated. Current contribution of >5% is expected to increase going forward.

Valuation Outlook: The contribution of two-wheelers, including electric vehicles (EVs), is expected to increase from 32% to over 40%. Similarly, the current MS of PV at 23% is planned to reach 40% or higher. Aiming for a dominant 60% MS in 2w, the segment mix is projected to be around 55% for PV, 30% for 2w, with a small portion dedicated to e-bicycles. Additionally, the company aims for double-digit export figures, approximately 10%, driven by technological advancements. With a focus on outperforming the industry, they plan to lead in PC and SUV growth, while enhancing their market share in EVs. We expect GIL revenue, EBITDA, and PAT to grow at a CAGR of 15%, 25%, and 28%, respectively, over FY23-25e. We value the consolidated business at EV/EBITDA multiple of 8x to FY26E EBITDA of INR 4,195 Mn and PE multiple of 13x to FY26E EPS of INR 19.3 and arrive at a Target Price of INR 252 per share. Accordingly, we assign a Buy rating on the stock.

Shareholding Pattern %




AUTO SECTOR MAY SALES



Maruti Suzuki
Total Sales: 1,78,083 units, 10.32% YoY UP
 Domestic Sales: 1,51,606 units, 12.95% YoY UP
 PV Sales: 1,43,708 units, 15.45% YoY UP
 Exports: 26,477 units, -2.62% YoY DOWN




TVS Motor
Total Sales: 3,30,609 units, 9.00% YoY UP
 Domestic Sales: 2,52,690 units, 32% YoY UP
 Exports: 76,607 units, -30.51% YoY DOWN



Mahindra & Mahindra
Total Sales: 61,415 units, 14.00 % YoY UP
 PV Sales: 32,886 units, 22.00% YoY UP
 M&HCV Sales: 1,009 units, 60.00% YoY UP
 Exports: 2,616 units, 29% YoY UP




Atul Auto
Total Sales: 1,101 units, -38.63% YoY DOWN



Bajaj Auto
Total Sales: 3,55,148 units, 29% YoY UP
 Domestic Sales: 2,28,401 units, 103% YoY UP
 CV Sales: 47,452 units, 80.00 % YoY UP
 Exports: 1,26,747 units, -23 % YoY down




Escorts
Total Sales: 9,167 units, 8.9% YoY UP
 Domestic Sales: 8,704 units, 13.5% YoY UP
 Exports: 463 units, -38.6% YoY DOWN




Hero MotoCorp
Total Sales: 5,19,474 units, 6.73% YoY UP
 Motorcycle Sales: 4,89,336 units, 8.20% YoY UP
 Scooters Sales: 30,138 units, 12.53% YoY DOWN
 Domestic Sales: 5,08,309 units, 8.97% YoY UP
 Exports: 11,165 units, -44.83% YoY DOWN



Ashok Leyland
Total Sales: 13,134 units, 1.00% YoY UP
 M&HCV Sales: 8,270 units, 4.00% YoY up
 LCV Sales: 4,864 units, 9.00% YoY UP



Tata Motors
Total Sales: 74,973 units, -1.62% YoY DOWN
 Exports: 1,525 units, 4.81% YoY UP
 CV Sales: 28,989 units, -12.0 YoY DOWN
 PV Sales: 45,984 units, 6.00% YoY UP



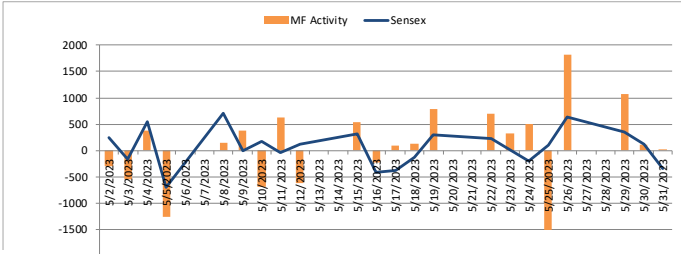
Volvo-Eicher Commercial Vehicles
Total Sales: 6,289 units, 11.6 YoY UP
 Exports: 250 units, -46.9% YoY DOWN
Eicher Motorcycle
Total Sales: 77,461 units, 22.00% YoY UP
 Exports: 6,666 units, -34.00 % YoY DOWN

(Source: NSE)



MUTUAL FUNDS ROUNDUP

Indian equity markets ended with Positive note in May 2023. The barometer index, S&P BSE Sensex and NIFTY 50 both delivered Positive returns and settle at 62622.24 (2.47%) and 18534.40 (2.60%) respectively in May month.



MF ACTIVITY

Indian mutual funds were net buyers of equities to the tune of Rs. 2,446.51 Crores in the month of May 2023. Highest buying was recorded in the 4th week of the month when the fund houses made total net buy of Rs. 1,839.79 Crores of equities. On the other hand, foreign institutional investors (FIIs) were net buyers to the tune of Rs. 38,093.11 Crores worth of equities in May 2023.



Mutual Fund Activity in May 2023

Rs in Crores	Gross Purchases	Gross Sales	Net Investment
1st Week	16,389.46	18,131.40	(1,741.94)
2nd Week	22,306.13	22,447.21	(141.08)
3rd Week	21,984.00	20,681.89	1,302.11
4th Week	24,175.10	22,335.31	1,839.79
5th Week	15,448.68	14,261.05	1,187.63
Total	100,303.37	97,856.86	2,446.51

Note: Mutual Fund activity as on 31st May, 2023

Equity Scheme Recommendation

Scheme Name	Latest NAV*	AUM as on 31 st May, 2023 (Rs in Cr)	Launch Date	Returns (%)				Min. Investment Amount	
				One Year	Three Years	Five Years	Since Inception	SIP	Lump sum
Large Cap Fund									
Axis Bluechip Fund(G)	44.10	33,474	05-Jan-10	7.51	16.88	10.55	11.70	100	500
ICICI Pru Bluechip Fund (G)	71.33	35,877	01-May-08	13.67	24.85	12.20	13.96	100	100
Mirae Asset Large cap Fund(G)	81.45	33,926	04-Apr-08	10.03	22.74	11.76	14.83	1000	5000
Multi Cap Fund									
Axis Focused 25Fund(G)	40.63	15,267	29-Jun-12	4.10	16.57	8.14	13.69	100	500
Kotak - Flexi Cap Fund (G)	56.51	37,217	11-Sept-09	14.22	22.75	11.47	13.45	500	5000
SBI - Flexi Cap Fund (G)	80.05	16,458	29-Sept-05	11.78	24.60	11.18	12.48	500	1000
Mid Cap Fund									
DSP Mid Cap Fund(G)	89.99	13,441	25-Jun-07	9.46	20.35	10.28	14.19	100	100
HSBC MidCap Fund (G)	217.48	7,048	9-Aug-04	12.13	24.22	8.96	17.73	500	5000

Note: NAV and Returns as on 31st May 2023, Returns < 1 yr annualized, Returns> 1 yr compounded annualized.

Debt Scheme- Liquid Funds Recommendation

Scheme Name	YTM	Latest NAV*	AUM as on 31 st May, 2023 (Rs in Cr)	Returns (%)				
				One Month	Three Months	Six Months	One Year	Since Inception
Liquid Fund								
Axis Liquid(G)	7.09	2,513.68	25,739	0.60	1.84	3.46	6.31	6.98
ICICI Pru Liquid Fund(G)	7.10	334.55	42,472	0.59	1.82	3.43	6.21	7.12
Ultra Short Term Fund								
Kotak Saving Fund(G)	7.54	37.15	10,606	0.64	1.94	3.47	6.09	7.23
HSBC Ultra Short term Fund(G)	7.48	24.37	442	0.68	2.09	3.48	6.04	7.18

Note: NAV and Returns as on 31st May 2023, Returns < 1 yr annualized, Returns> 1 yr compounded annualized.

ELSS Scheme Recommendation

Scheme Name	Latest NAV*	AUM as on 31 st May, 2023 (Rs in Cr)	Launch Date	Returns (%)			
				One Year	Three Years	Five Years	Since Inception
Mirae Asset Tax Saver(G)	32.37	15,218	28-Dec-15	11.17	27.47	14.79	17.13
Axis LT Equity Fund(G)	68.32	29,968	29-Dec-09	9.46	17.55	9.45	15.38
Kotak Tax Saver(G)	78.82	3,560	23-Nov-05	16.31	26.73	14.16	12.50

Note: NAV and Returns as on 31st May 2023, Returns < 1 yr annualized, Returns> 1 yr compounded annualized.

THE MONTH AHEAD KEY FINANCIAL EVENTS June 2023



Jun 01

- USD ADP Non-Farm Employment Change
- USD Unemployment Claims
- USD ISM Manufacturing PMI
- EUR CPI Flash Estimate y/y
- INR Nikkei S&P Global Manufacturing PMI (May)

Jun 02

- USD Average Hourly Earnings m/m
- USD Non-Farm Employment Change
- USD Unemployment Rate
- INR Deposit Growth / Bank Loan Growth

Jun 05

- USD ISM Services PMI
- INR Nikkei Services PMI (May)

Jun 08

- USD Unemployment Claims
- INR Interest Rate Decision
- INR Reverse REPO Rate
- INR Cash Reserve Ratio

Jun 09

- INR FX Reserves, USD
- INR Manufacturing Output (MoM) (Apr)
- INR Industrial Production (YoY)

Jun 13

- USD CPI m/m
- USD CPI y/y
- USD Core CPI m/m
- GBP Claimant Count Change

Jun 14

- USD Core PPI m/m
- USD FOMC Economic Projections
- USD FOMC Statement
- USD Federal Funds Rate
- INR WPI Inflation (YoY) (May)

Jun 15

- USD FOMC Press Conference
- USD Core Retail Sales m/m
- USD Empire State Manufacturing Index
- USD Retail Sales m/m
- USD Unemployment Claims
- EUR ECB Press Conference

Jun 16

- USD Prelim UoM Inflation Expectations
- USD Prelim UoM Consumer Sentiment

Jun 17

USD Treasury Currency Report

Jun 21

- GBP CPI y/y

Jun 22

- GBP MPC Official Bank Rate Votes
- GBP Monetary Policy Summary
- GBP Official Bank Rate
- USD Unemployment Claims

Jun 23

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

Jun 27

- USD CB Consumer Confidence

Jun 29

- EUR German Prelim CPI m/m
- USD Final GDP q/q
- USD Unemployment Claims



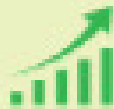
THINK
BIG
START SMALL

ARIHANT'S SIP INVESTMENT

WHY SIP INVESTMENT



DISCIPLINED INVESTMENT



POWER OF COMPOUNDING



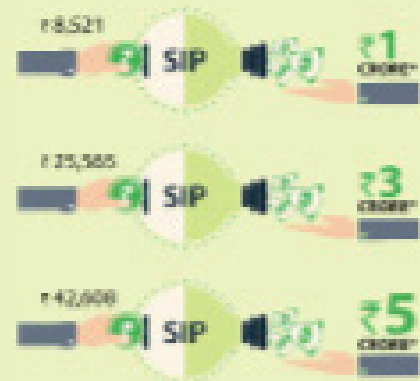
RUPEE COST AVERAGING



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 could vary from the depicted illustration depending on factors such as, market risk, credit risk, counterparty risk, and other performance or any reason.

20 YEARS PERIOD



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