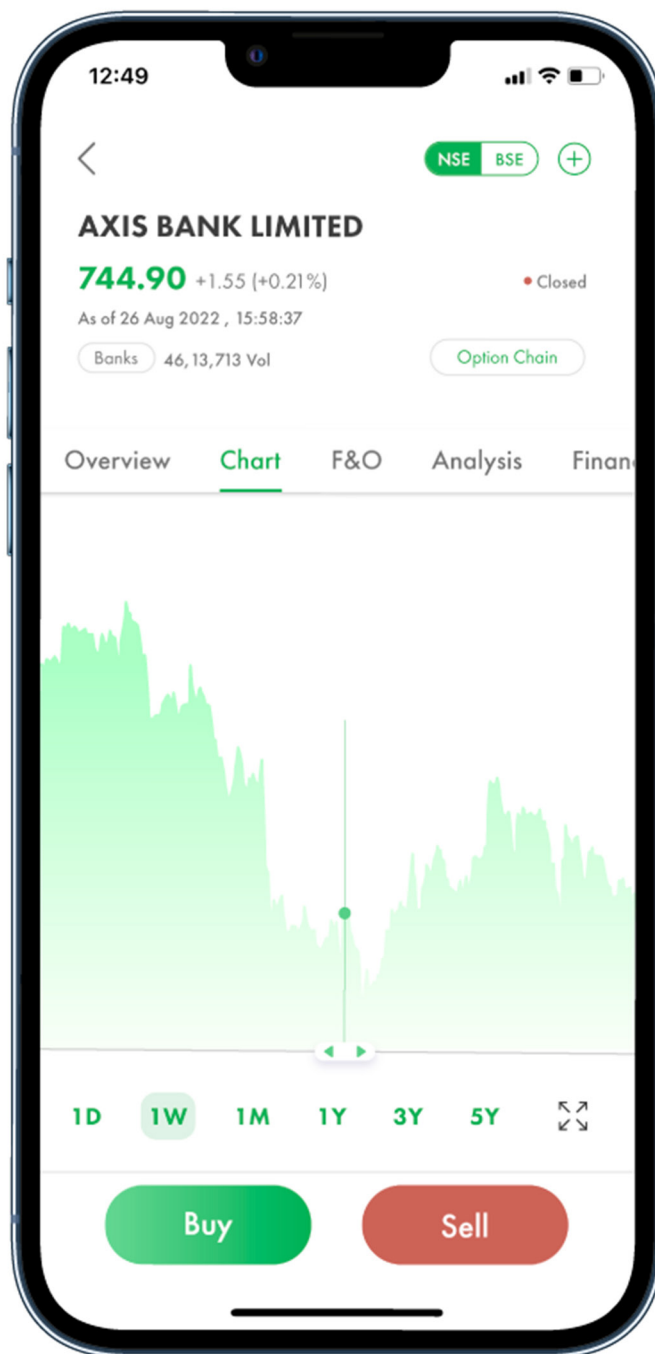


Arihant's VALUE *Plus*

Issue | **Apr 2023**



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MOVERS & SHAKERS



INDIAN INDICES

Indices	Mar-23	Feb-23	Change (%)
SENSEX	58,991.52	58,962.12	0.05
NIFTY 50	17,359.75	17,303.95	0.32
NIFTY BANK	40,608.65	40,269.05	0.84
NIFTY MIDCAP 100	30,035.15	30,117.30	-0.27
NIFTY 500	14,557.85	14,518.75	0.27
NIFTY IT	28,698.60	29,663.95	-3.25
NIFTY REALTY	387.35	393.20	-1.49
NIFTY INFRA	5,090.95	5,016.90	1.48

(Source: BSE & NSE)

BSE SECTORAL INDICES

Indices	Mar-23	Feb-23	Change (%)
AUTO 	28,246.92	29,225.99	-3.35
BANKEX 	46,031.95	45,608.78	0.93
CD 	37,628.54	37,460.43	0.45
CG 	34,369.70	33,862.70	1.50
FMCG 	16,487.02	16,162.14	2.01
HC 	21,883.50	21,600.41	1.31
IT 	28,478.99	29,404.44	-3.15
METAL 	19,184.87	18,986.49	1.04
OIL & GAS 	17,383.40	16,915.04	2.77
PSU 	9,497.41	9,366.01	1.40
REALTY 	3,101.56	3,152.06	-1.60
TECK 	12,978.01	13,345.51	-2.75

(Source: BSE)

GLOBAL INDICES

Indices	Mar-23	Feb-23	Change (%)
DOW JONES	33,274.15	32,656.70	1.89
NASDAQ	12,221.91	11,455.54	6.69
HANG SENG	20,400.11	19,785.94	3.10
FTSE	7,631.74	7,876.28	-3.10
NIKKEI	28,041.48	27,445.56	2.17





(Source: MoneyControl)

COMMODITIES

Particular	Mar-23	Feb-23	Change (%)
MCX GOLD 	59,402.00	55,707.00	6.63
MCX SILVER 	72,218.00	65,006.00	11.09
MCX CRUDE OIL 	6,199.00	6,409.00	-3.28
MCX NATURAL GAS 	183.80	229.70	-19.98

(Source: MCX)

FOREX

Particular	Mar-23	Feb-23	Change (%)
USD-INR 	82.16	82.64	-0.58
EUR-INR 	89.05	87.41	1.88
GBP-INR 	101.37	99.45	1.93
JPY-INR 	0.61	0.60	1.67

(Source: Investing.com)

FII Activity (Rs. Cr.)

Date	Gross Purchases	Gross Sales	Net Pur/Sales
Total for Mar 2023	1,84,161.87	1,77,052.22	7,109.65
Total for 2023*	4,90,724.59	5,18,241.42	-27,516.83

(Source: SEBI)

MF Activity (Rs. Cr.)

Date	Gross Purchase	Gross Sales	Net Pur/Sales
Total for Mar 2023	80,826.19	63,204.52	17,621.67
Total for 2023*	2,94,626.19	2,42,827.49	51,799.55

*Till 24th Mar, 2023

(Source: SEBI)

Monthly Market Roundup

The top losing sector for March was Auto Industry (-3.83%), followed by IT Sector (-3.25%) and Nifty Realty (-1.49%)

On the global front

International Monetary Fund chief indicated in a speech that risks to financial stability have increased, though actions by advanced economies have calmed market stress.

The People's Bank of China left the loan prime rates for 1-year and 5-year unchanged, after cutting the reserve requirement ratio for almost all banks by 0.25 percentage points. The 1-year LPR stayed at 3.65% while the 5-year LPR remained at 4.3%, both unchanged since August last year.

U.K inflation data showed that the consumer price inflation accelerated to 10.4% in February 2023 from 10.1 % in January 2023.

The US Federal Reserve raised interest rates by another 25 basis point from 4.75% to 5%, the highest level since September 2007.

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China's industrial output rose 2.4% in the January to February period. Retail sales rose 3.5% for the same period. The people's Bank of China kept the rate on 481 bn yuan of one-year medium-term lending facility loans at 2.75%

Major Wall Street banks pledged a deposit of USD 30bn in First Republic Bank in an attempt to bolster confidence in the banking system. The group of 11 banks include Bank of America, Wells Fargo, CitiGroup and JPMorgan Chase.



Economic Data Wrap Up: Mar - 2023

- India's annual wholesale price index (WPI) based inflation eased to 25-month low of 3.85% in February 2023 as compared to 4.73% recorded in Jan 2023 and 13.43% in February 2022.
- India's CPI eased marginally to 6.44% in February against 6.52% in January 2023.
- The government hiked the windfall profit tax levied on crude petroleum to INR 4400 per tonne from INR 4350. The special additional excise duty on diesel has been reduced to INR 0.5 a litre from INR 2.5, while it is slashed to 'nil' on Aviation Turbine fuel.

Nifty Technical Outlook: Apr - 2023

CMP = 17,398.05



On the monthly chart, we are observing a “Doji” candle stick pattern at the median line of the second channel. This indicates that the prior down trend is losing breath. Hence a bounce from current level cannot be ruled out. In coming month if Nifty trades and close above 17,545 level then it is likely to test 17,830 – 18,113 – 18,444 levels. However, if Nifty trades and close below 17,171 level then it can test 16,888 – 16,605 – 16,275 levels.

Broadly, looking at “Doji” candlestick pattern we are of the opinion that a bounce cannot be ruled out and nifty may test 17,830 – 18,113 – 18,444 levels in couple of weeks.



Fundamental Stock



APOLLO PIPES LTD

BUY
Target
₹599

Stock Details:

NSE Code	APOLLOPIPE
CMP (As on 6th April, 2023)	INR 537
Face Value	INR 10
52 Week High / Low	633/402
Market Cap (INR Mn)	21,121
EPS (FY25e)	INR 23.4
P/E (x) (FY25e)	22.9

Company Overview: Apollo Pipes, is among a leading piping solution providing company in India. The company enjoys strong brand equity in the domestic markets. With more than 3 decades of experience in the Indian pipe market, Apollo Pipes holds a strong reputation for high quality products and an extensive distribution network.

The company operates 5 manufacturing facilities across country with a total capacity of 131,200 MTPA. Company has over 1,500 product varieties of cPVC, uPVC, and HDPE pipes, water storage tanks, PVC taps, fittings and solvents of the highest quality.

Investment Rationale:

Addition of value added products to portfolio: In addition to pipes, the company started VAP portfolio in FY18 by adding plastic taps, showers, faucets, cisterns etc to their portfolio. These products are Value added and have better margins compared to traditional PVC Pipes. These have been well accepted in the market and the company plans to add more capacity going ahead.

Margin expansion going forward: The company has introduced bath fittings and building materials which are higher in margins. These have already received good response and the company is currently expanding its facility for these products in its plant in north (adding 25,000 tonnes). With new products coming in the mix, we believe the UPVC contribution will come down from 60% in FY22 to 45%

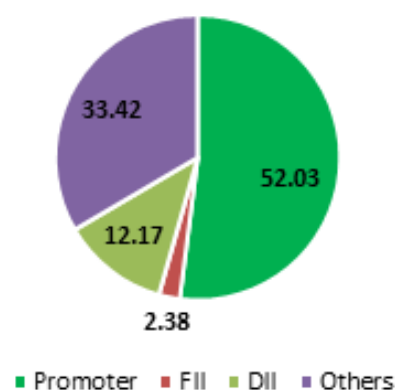
by FY24 and subsequently increasing share of other superior margin products.

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.

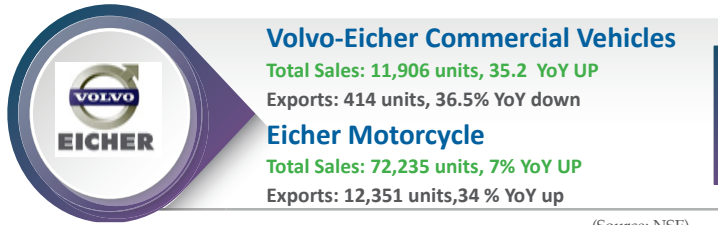
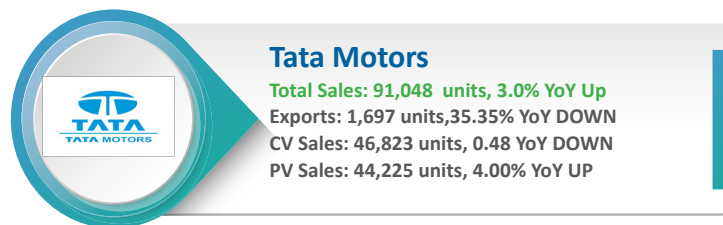
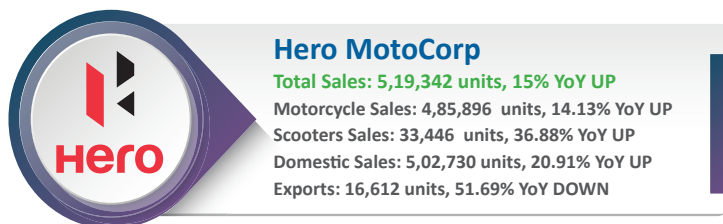
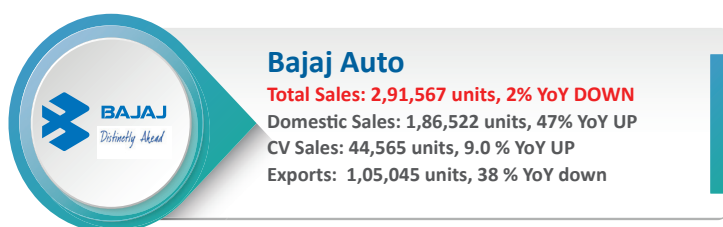
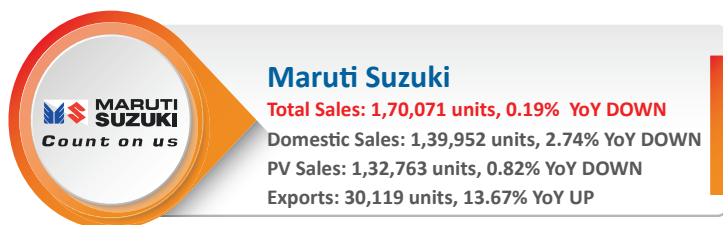
Capacity Utilization to improve: The company used to operate at ~55-60% capacity pre-covid. FY22, the company operated at 46% capacity with its old plants operating at above 50% but new plants operating below 50%. We believe, on back of strong demand for its products (including new product portfolio), the utilization levels should improve past ~55% levels going forward.

Valuation Outlook: Apollo Pipes has been fastest growing company between FY18-22(28% revenue CAGR). The company is planning to scale up its CPVS, bath fittings and HDPE business which is higher in margins. With these plans in mind, the company is driving to create a diverse portfolio with strong demand which is less cyclical. We believe that the will grow 23.8%/23.9%/27.2% in Rev/EBITDA/PAT over FY22-25E. We have a positive outlook on the company with ACCUMULATE rating with a target price of 599.

Shareholding Pattern % (Dec 2022)



AUTO SECTOR MARCH SALES

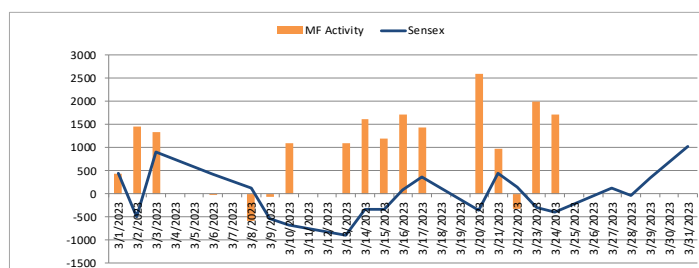


(Source: NSE)



MUTUAL FUNDS ROUNDUP

Indian equity markets ended with Positive note in March 2023. The barometer index, S&P BSE Sensex and NIFTY 50 both delivered Positive returns and settle at 58991.52 (0.05%) and 17359.75 (0.32%) respectively in March month.



MF ACTIVITY

Indian mutual funds were net buyers of equities to the tune of Rs 17,621.67 Crores in the month of March 2023. Highest buying was recorded in the 3rd week of the month when the fund houses made total net buy of Rs 7,055.82 Crores of equities. On the other hand, foreign institutional investors (FIIs) were net buyers to the tune of Rs 7,109.65 Crores worth of equities in March 2023.



Mutual Fund Activity in Mar 2023

Rs in Crores	Gross Purchases	Gross Sales	Net Investment
1st Week	12,612.13	9,374.66	3,237.47
2nd Week	14,098.50	13,704.27	394.23
3rd Week	29,954.08	22,898.26	7,055.82
4th Week	24,161.48	17,227.33	6,934.15
Total	80,826.19	63,204.52	17,621.67

Note: Mutual Fund activity as on 24th Mar, 2023

Equity Scheme Recommendation

Scheme Name	Latest NAV*	AUM as on 31 st Mar, 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)	41.45	33,050	05-Jan-10	-7.44	16.82	10.88	11.34	100	500
ICICI Pru Bluechip Fund (G)	67.53	34,199	01-May-08	2.97	28.55	11.81	13.71	100	100
Mirae Asset Large cap Fund(G)	76.65	32,911	04-Apr-08	-0.98	25.44	11.33	14.55	1000	5000
Multi Cap Fund									
Axis Focused 25Fund(G)	36.47	15,140	29-Jun-12	-15.40	15.96	7.70	12.78	100	500
Kotak - Flexi Cap Fund (G)	53.01	35,775	11-Sept-09	2.01	25.21	10.75	13.09	500	5000
SBI - Flexi Cap Fund (G)	73.75	15,609	29-Sept-05	-3.18	25.81	9.90	12.09	500	1000
Mid Cap Fund									
DSP Mid Cap Fund(G)	82.29	13,213	25-Jun-07	-4.54	22.78	8.53	13.73	500	500
HSBC MidCap Fund (G)	202.38	6,981	9-Aug-04	-0.29	27.12	7.80	17.50	500	5000

Note: NAV and Returns as on 31st March 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 Mar, 2023 (Rs in Cr)	Returns (%)				
				One Month	Three Months	Six Months	One Year	Since Inception
Liquid Fund								
Axis Liquid(G)	7.23	2485.09	27,226	0.66	1.69	3.33	5.71	6.98
ICICI Pru Liquid Fund(G)	7.22	330.77	47,246	0.66	1.66	3.29	5.62	7.12
Ultra Short Term Fund								
Kotak Saving Fund(G)	7.56	36.70	12,325	0.71	1.69	3.22	5.20	7.22
HSBC Ultra Short term Fund(G)	7.70	24.04	468	0.74	1.64	3.18	4.68	7.38

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

ELSS Scheme Recommendation

Scheme Name	Latest NAV*	AUM as on 31 st Mar, 2023 (Rs in Cr)	Launch Date	Returns (%)			
				One Year	Three Years	Five Years	Since Inception
Mirae Asset Tax Saver(G)	30.20	14,043	28-Dec-15	-1.20	30.26	14.11	16.45
Axis LT Equity Fund(G)	67.84	28,745	29-Dec-09	-11.26	16.43	8.56	14.59
Kotak Tax Saver(G)	73.97	3,167	23-Nov-05	2.28	28.97	13.18	12.22

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

THE MONTH AHEAD

KEY FINANCIAL EVENTS

April 2023



Apr 01

- USD FOMC Member Waller Speaks

Apr 03

- USD ISM Manufacturing PMI
- USD ISM Manufacturing Prices
- INR Nikkei S&P Global Manufacturing PMI (Mar)

Apr 04

- AUD Cash Rate
- AUD RBA Rate Statement
- USD JOLTS Job Openings

Apr 05

- AUD RBA Gov Lowe Speaks
- USD ADP Non-Farm Employment Change
- USD ISM Services PMI
- INR Nikkei Services PMI (Mar)
- INR M3 Money Supply

Apr 06

- USD Unemployment Claims
- INR Cash Reserve Ratio
- INR Interest Rate Decision
- INR Reverse REPO Rate
- INR Bank Loan Growth
- INR Deposit Growth

Apr 07

- USD Average Hourly Earnings m/m
- USD Non-Farm Employment Change
- USD Unemployment Rate

Apr 11

- EUR German ZEW Economic Sentiment

Apr 12

- USD CPI m/m / y/y
- USD Core CPI m/m
- USD FOMC Meeting Minutes
- CAD BOC Monetary Policy Report
- CAD BOC Rate Statement
- CAD Overnight Rate

Apr 13

- AUD Employment Change/ Unemployment Rate
- GBP GDP m/m
- USD Core PPI m/m
- USD PPI m/m
- USD Unemployment Claims

Apr 14

- USD Core Retail Sales m/m
- USD Retail Sales m/m
- USD Prelim UoM Consumer Sentiment
- USD Prelim UoM Inflation Expectations
- INR WPI Inflation (YoY) (Mar)

Apr 15

- USD Treasury Currency Report

Apr 17

- USD Empire State Manufacturing Index

Apr 20

- USD Unemployment Claims
- USD Philly Fed Manufacturing Index

Apr 25

- USD CB Consumer Confidence
- USD New Home Sales
- USD Richmond Manufacturing Index

Apr 27

- USD Advance GDP q/q
- USD Unemployment Claims
- USD Advance GDP Price Index q/q
- USD Pending Home Sales m/m



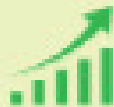
THINK
BIG
START SMALL

ARIHANT'S SIP INVESTMENT

WHY SIP INVESTMENT



DISCIPLINED INVESTMENT



POWER OF COMPOUNDING



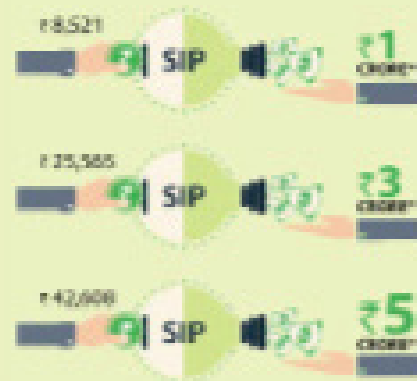
RUPEE COST AVERAGING



SMALL POCKET INVESTMENT

*Note: The above figures are calculated for the use of rupee cost averaging for illustration purposes only. Actual fund investments are subject to market risks. Investors should always consult a financial advisor regarding an investment with us. It should not be construed as indication of future performance in any manner.

20 YEARS PERIOD



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