

Global interest rates are rising, though the expected intensity of these increases could recede significantly in the future. Inflation will also ease due to fall in oil and allied petchem prices against the backdrop of easing of - logistic issues and the COVID and Ukraine Russia induced imbalances - on both the demand and supply sides. The currency crisis caused by the strength of the dollar, which was in-turn influenced to some extent by no interest rate increases by certain European central banks, appears to be settling as European central banks hurry to catch up by boosting rates.

INDIA INC. EARNINGS SNAPSHOT - Jun 2022 (excluding banks)

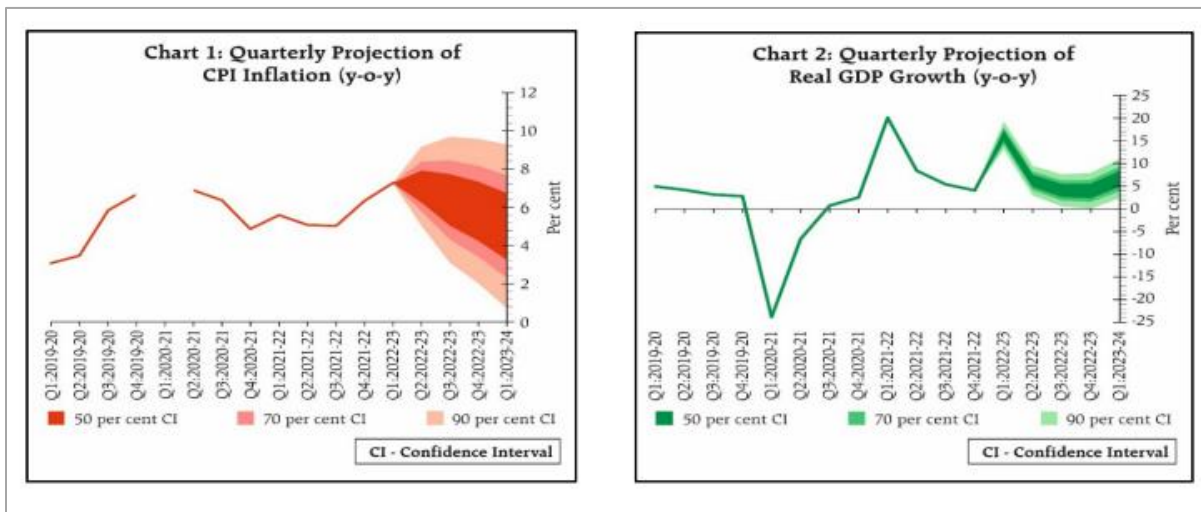
Results so far...					
Aggregate	Jun 2022	Jun 2021	%Chg	👍	👎
Sales	1782844	1291665	38.00	880.00	197.00
Profits	165651	128388	29.00	719	436

figures in rupees crore

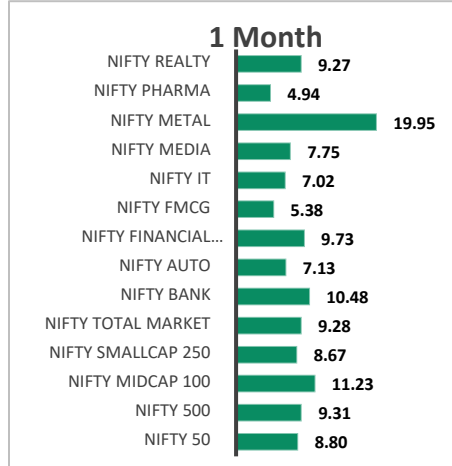
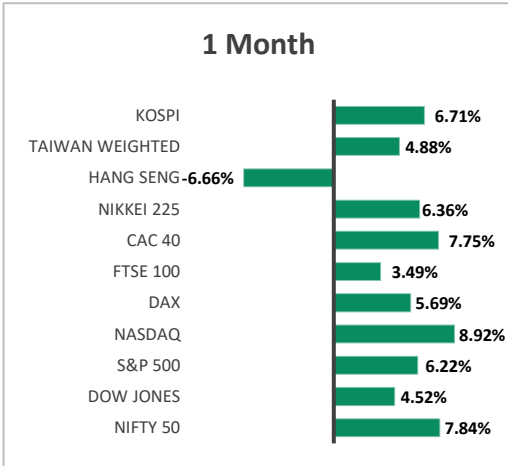


Even excluding banks, the quarterly data show solid growth; looking forward, the following two quarters should further entrench this confidence as economic activity gains traction. The chip situation is improving, which will result in significantly better figures from the auto sector. Combine that with greater financing from banks as the capex cycle gains momentum, and we might be set to fire on all cylinders, while the benefit of lower raw material prices will also start rolling in aiding margins.

As inflation cools – optimism around GDP growth emerges



Considering average inflation at 5.0% and real rate at 1.0%, repo rate is likely to be around 6.0%. So it will leave the chances of future rate hike of 60 bps in the rest of the financial year.



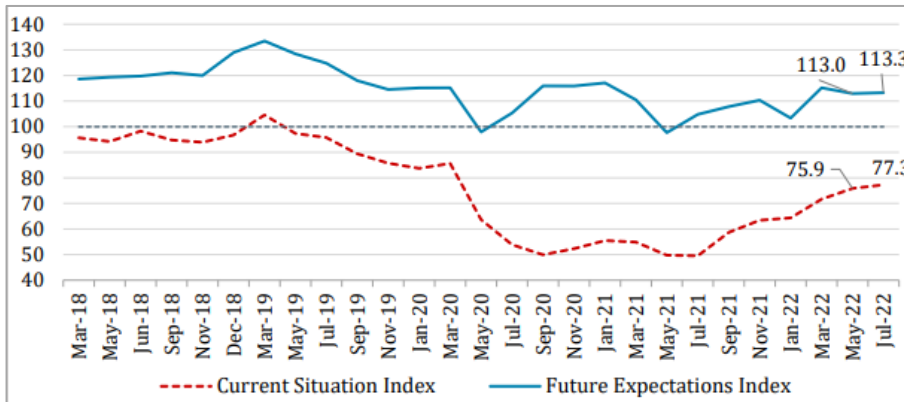
In the previous month, Hangseng was the only index that managed gains among major global markets; however, the scenario has completely reversed in the current month, with Taiwan-China tensions and economic issues surrounding China's real estate market causing the Hangseng to end the month with losses of ~6%, while most other markets enjoyed gains of ~3-9%.

While most of the sectoral indices ended the previous month with losses with the exception of FMCG and auto in

the current month as all sectoral indices have logged handsome gains.

On the commodity side aluminium continued to log gains for the second consecutive month while gas prices soared, within the fuel basket gas continues to be pain point even as oil prices corrected and may continue to trade higher for another quarter or two till new LNG supplies go onstream.

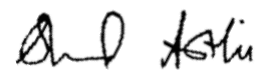
Consumer Confidence Indices



Most RBI outlook polls also indicate confidence in the services and industrial sectors, with most expecting sequential growth in the second half of the fiscal year, but increased raw material prices and salaries remain a key source of worry. Bankers were similarly bullish about the possibilities for loan growth in Q2FY23, with a more optimistic outlook for the second half of the fiscal year. The majority of families indicated an increase in current spending and expected the trend to continue in the coming year. We

share this confidence and anticipate that profitability will rise as raw material and logistical inflation levels off and global supply networks adjust to the new normal.

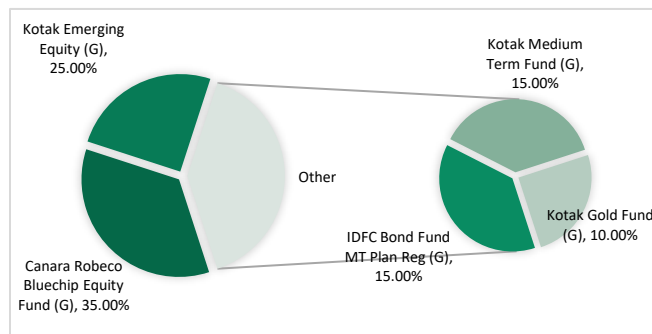
“History provides a crucial insight regarding market crises: they are inevitable, painful and ultimately surmountable.”
- Shelby M.C. Davis



Sharad Avasthi
Vice President – PCG, SMIFS Ltd.

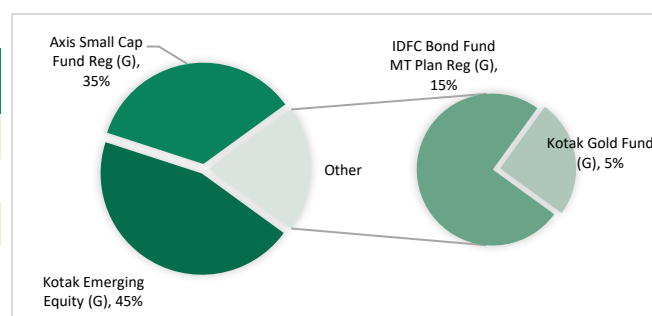
Profile: Conservative

Scheme	1 Yr Return(%)	3 Year Return(%)	5 Year Return(%)
Canara Robeco Bluechip Equity Fund (G)	2.87	18.95	13.23
Kotak Emerging Equity (G)	7.34	27.16	14.8
IDFC Bond Fund MT Plan Reg (G)	1.18	4.97	5.71
Kotak Medium Term Fund (G)	3.33	5.98	5.67
Kotak Gold Fund (G)	5.54	12.29	11.66



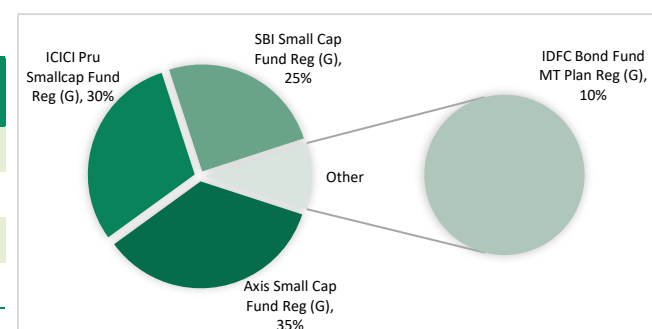
Profile: Moderate

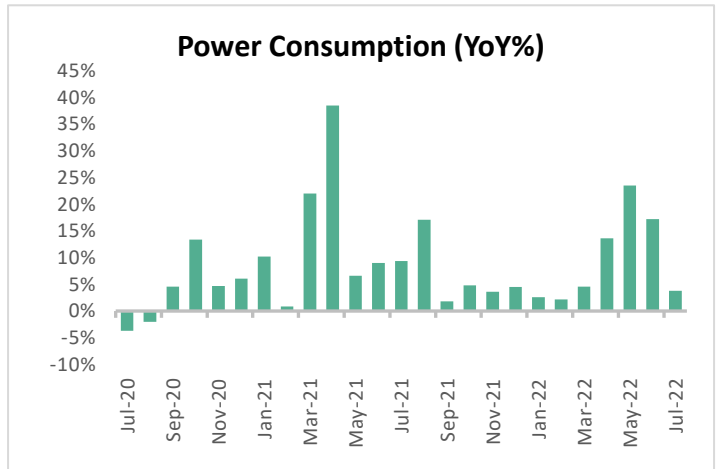
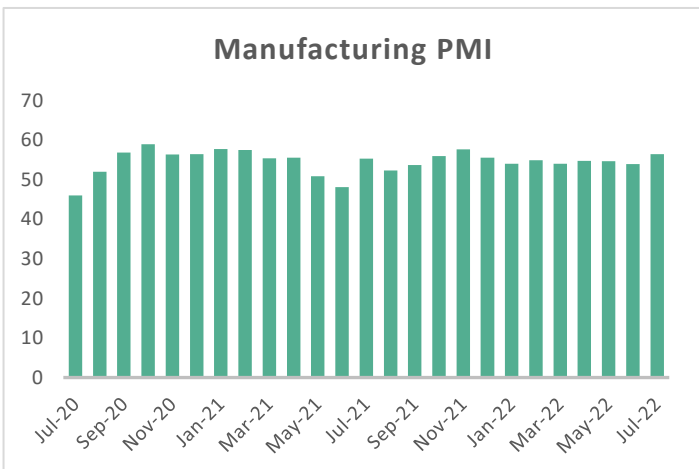
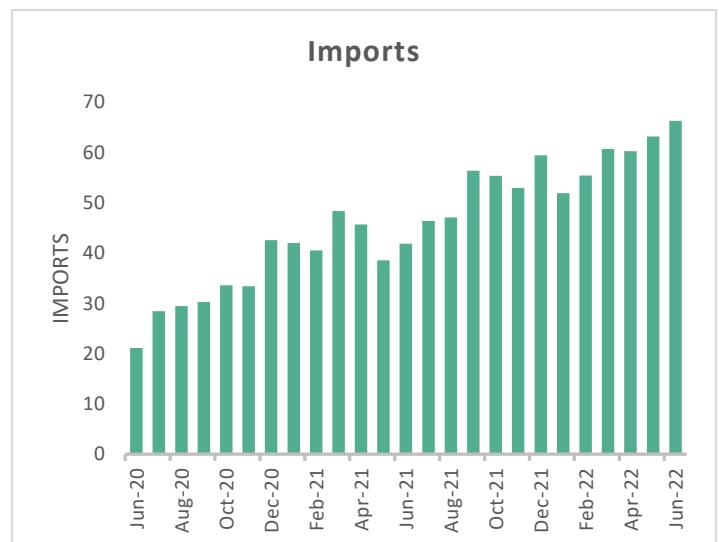
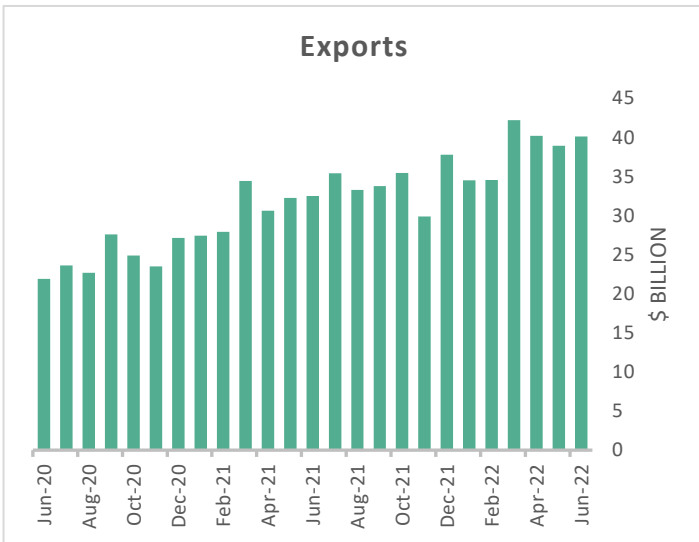
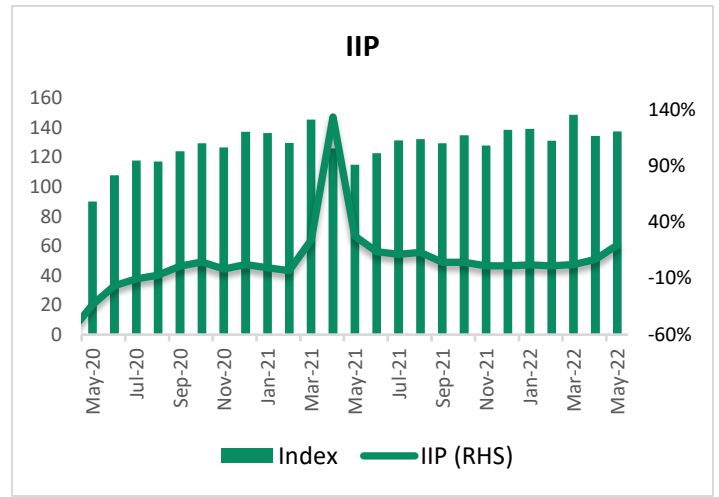
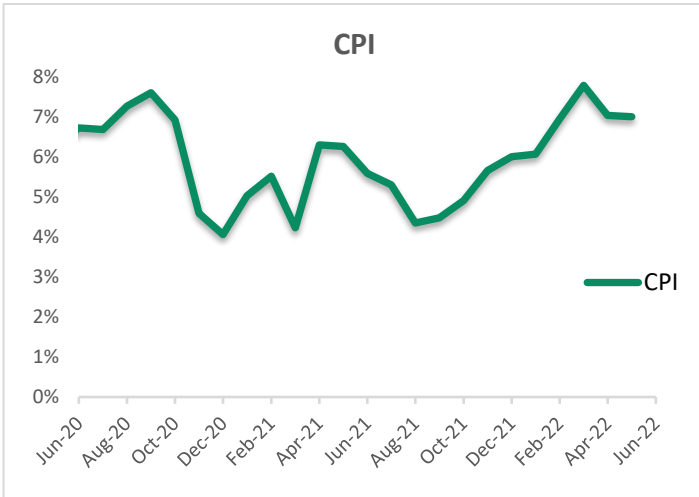
Scheme	1 Yr Return(%)	3 Year Return(%)	5 Year Return(%)
Kotak Emerging Equity (G)	7.34	27.16	14.8
DSP Small Cap Fund Reg (G)	6.41	31.61	12.90
IDFC Bond Fund MT Plan Reg (G)	1.18	4.97	5.71
Kotak Gold Fund (G)	5.54	12.29	11.66



Profile: Aggressive

Scheme	1 Yr Return(%)	3 Year Return(%)	5 Year Return(%)
DSP Small Cap Fund Reg (G)	6.41	31.61	12.90
ICICI Pru Smallcap Fund Reg (G)	8.51	30.67	14.83
SBI Small Cap Fund Reg (G)	11.06	31.2	18.60
IDFC Bond Fund MT Plan Reg (G)	1.18	4.97	5.71

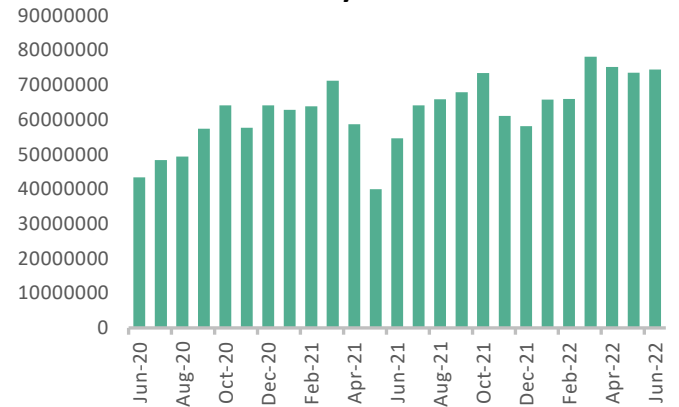




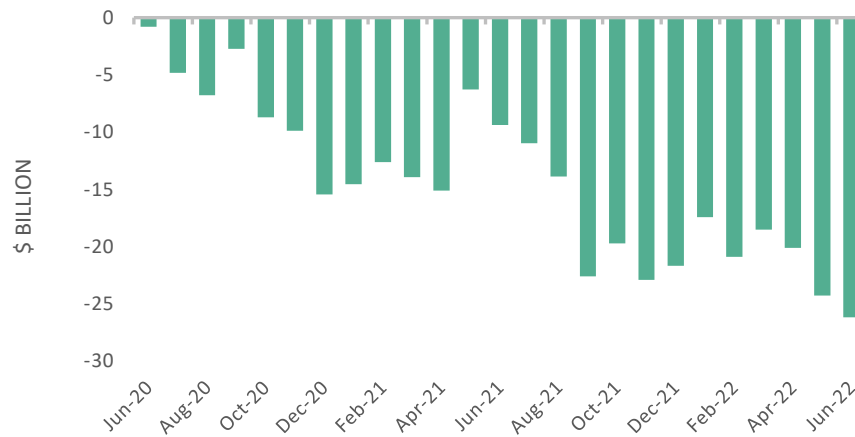
GST Collection (Rs Bn)



E Way Bill



Trade Deficit



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