

Market Outlook – April 2021

TATA CAPITAL WEALTH

Inflation:

Consumer Price Index (CPI): The country's retail inflation, measured by the CPI, rose to 5.03% in the month of February. The retail inflation during the month of January was at 4.06%. The inflation in the food basket rose to 3.87% in the month of February, up from 1.96% in January.

Deficit:

Fiscal Deficit: India's fiscal deficit for the FY21 was Rs 14.1 lakh crore at the end of February, 76% of the revised target of Rs 18.5 lakh crore for FY21. India's fiscal deficit is projected to overshoot the initial estimates, 3.5% of GDP to 9.5% of GDP as per government estimates.

IIP, Core Sector and PMI:

Index of Industrial Production (IIP) & Core Sector: In January 2021 IIP contracted by 1.6% compared to an expansion of 2.2% in January 2020. The core sector index, which measures output of eight infrastructure industries, contracted by 4.6% in February, indicating a wobbly recovery from the pandemic shock.

Wholesale price index (WPI): WPI rose to a 27-month high 4.17% in February 2021 from 2.03% in January 2021 and 3.52% in February 2020. After remaining soft for months, the food articles segment witnessed a 1.36% rise in February. In the previous month, it had contracted by 2.80%.

Trade Deficit: With a trade deficit of \$14.1 bn in March 2021, as compared to \$10.0 bn in March 2020, India's exports shot up by over 58% to \$34 bn in March, while imports rose 53% to \$48 bn. While the growth rate was boosted by the low base effect in absolute terms too it was the highest monthly value shipment out of the country.

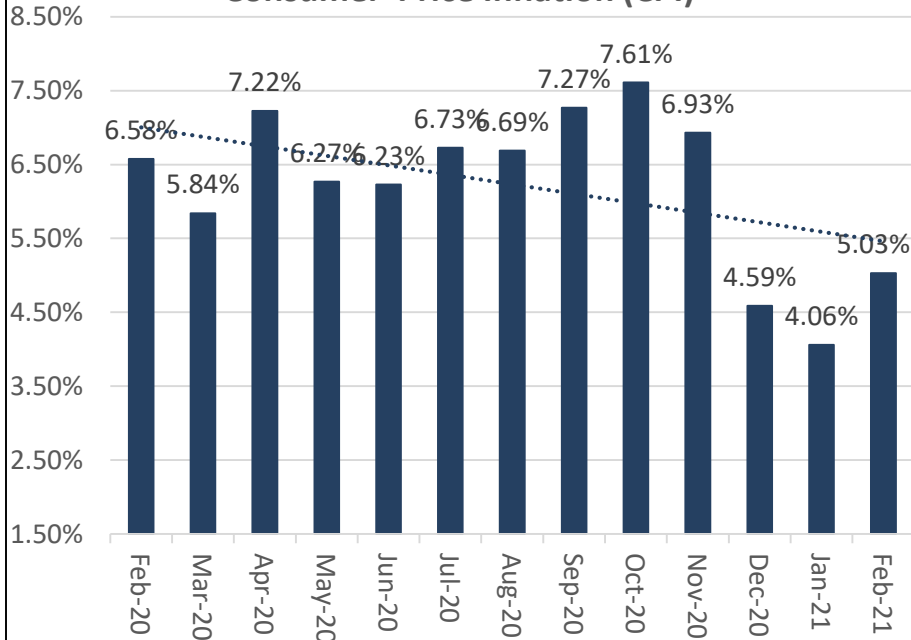
Manufacturing & Services PMI: India's factory activity (Manufacturing PMI) grew at its weakest pace in 7 months in March (55.4) as renewed lockdowns to curtail a resurgence in COVID-19 cases dampened domestic demand and output. On back of the same reason services activity (Services PMI) grew to 54.6 in March from 55.3 in February.

Inflation and Industrial Production Trajectory

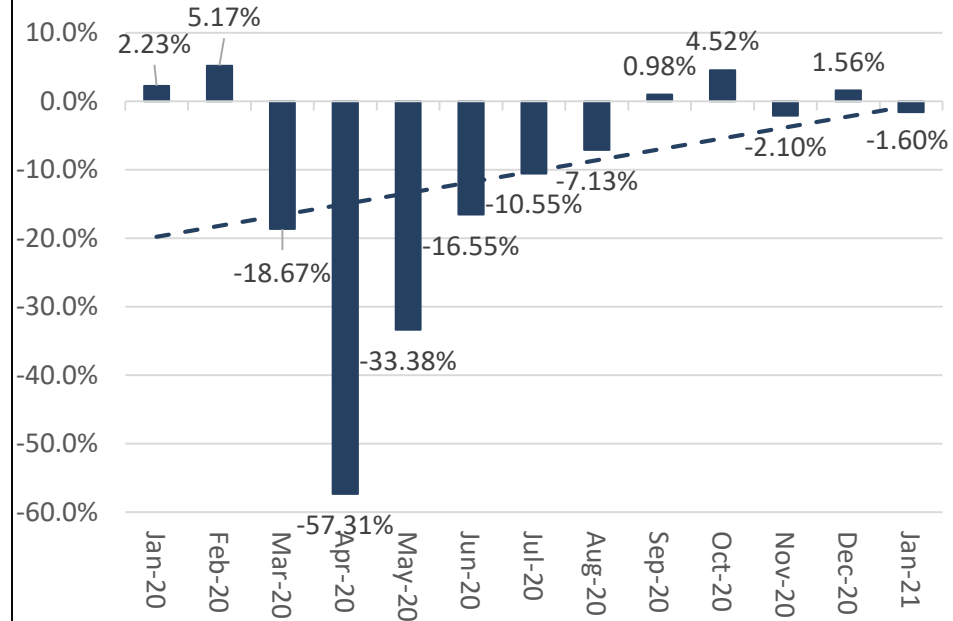
Retail Inflation was below the RBI upper tolerance level for the third consecutive month after being above it for eight consecutive months

Industrial Production slipped back to the negative territory after being in the positive in Dec'20




Consumer Price Inflation (CPI)



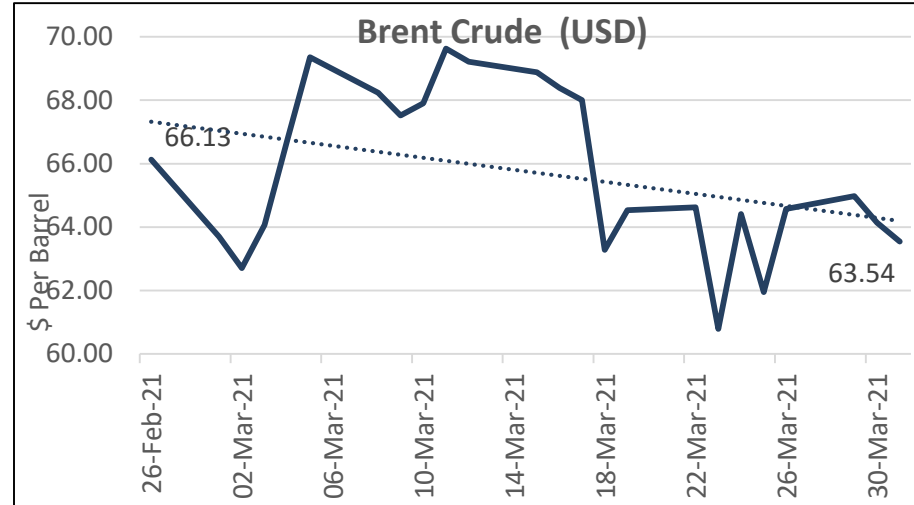
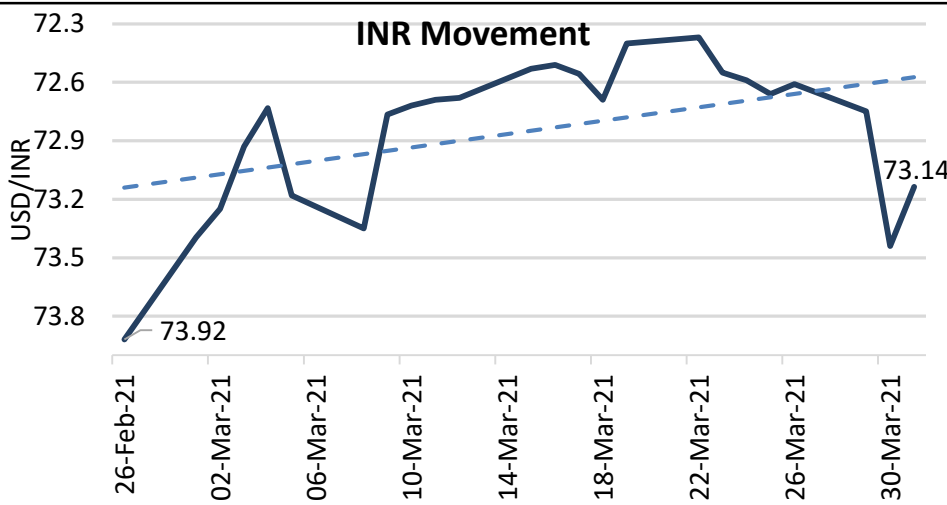
Index For Industrial Production (IIP)



	Current	Month Ago	Quarter Ago	Year Ago
Economic Indicator				
Consumer Price Index (CPI)	5.03% (Feb-21) ↓	4.06% (Jan-21)	6.93% (Nov-20)	6.58% (Feb-20)
Wholesale Price Index (WPI)	4.17% (Feb-21) ↑	2.03% (Jan-21)	2.29% (Nov-20)	2.26% (Feb-20)
Industrial Production (IIP)	-1.60% (Jan-21) ↓	1.56% (Dec-20)	4.52% (Oct-20)	2.23% (Jan-20)
GDP	0.4% (Dec-20) ↑	NA	-7.3% (Sep-20)	4.1% (Dec-19)
Trade Deficit (\$ bn)	14.10 (Mar-21) ↓	12.88 (Feb-21)	15.71 (Dec-20)	9.98 (Mar-20)
Commodity Market				
Brent Crude (\$/barrel)	63.54 (31-Mar-21) ↑	66.13 (26-Feb-21)	51.80 (31-Dec-20)	22.74 (31-Mar-20)
Gold (\$/oz)	1,713.80 (31-Mar-21) ↓	1,728.80 (26-Feb-21)	1,895.10 (31-Dec-20)	1,597.60 (31-Mar-20)
Silver (\$/oz)	24.53 (31-Mar-21) ↓	26.83 (28-Feb-21)	26.41 (31-Dec-20)	14.19 (31-Mar-20)
Currency Market				
USD/INR	73.14 (31-Mar-21) ↑	73.92 (26-Feb-21)	73.04 (31-Dec-20)	75.34 (31-Mar-20)


 signifies positive movement over Q-o-Q
 
 signifies negative movement over Q-o-Q

INR and Brent Crude Performance



INR Performance: After a volatile month the rupee appreciated against the greenback to close the month at 73.14 in Mar'21 from 73.92 in Feb'21. The rupee initially appreciated against the U.S. dollar, following rise in domestic equity market and on optimism over the **U.S. fiscal stimulus**. However, gains were limited as **U.S. dollar index and U.S. Treasury yields rose again to over one year high levels**.

Brent Crude: After for four straight months of rise Brent crude oil prices slipped by ~4.0% in March from a \$66.13 per barrel to \$63.54 per barrel. Brent crude prices fell after **Saudi Arabia said that it countered the strike on its oil sites by Yemen's Houthi forces which eased concerns of supply disruption in Saudi Arabia**. Persisting concerns over the **COVID-19 pandemic** after some **European countries halted the use of the Astra Zeneca vaccine** also dampened sentiments. However, prospects for **tighter supply due to OPEC+ output curb** restricted further losses.

Equity Market Roundup - Key Takeaways



Performance: Indian equity markets managed to end the **volatile month with modest gains** with the Sensex and Nifty both gaining 0.83% and 1.11% respectively. During the month, Sensex reclaimed the 51,000 and Nifty surpassed the 15,000 mark only to retreat later.

For the fiscal year ending Mar 31, 2021, Sensex had rallied 68% and Nifty jumped 71%, making it the best fiscal year for equity markets in over a decade despite COVID-19 pandemic.

Domestic factors that played out for the Indian markets:

- Bourses rose initially on the back of **positive GDP number for Dec quarter** published on Feb 26 post market hours.
- Buying interest found additional support as **Organisation for Economic Co-operation and Development** projected that the **Indian economy** is projected to grow at **12.6% in FY22**, the highest among G20 countries.
- Bourses were dragged by weak macroeconomic data – IIP, CPI and WPI.
- Worries over a **second coronavirus wave** in India kept market participants wary.
- Nonetheless, the fall was cushioned as Supreme Court refused to extend the **six-month loan moratorium** period offered by the RBI last year, as it is a “policy decision” on the part of the government and RBI.

Global factors that shaped the graph of the Indian markets:

- Global cues were also supportive following **approval of the USD 1.9 trillion package by the U.S. House of Representatives**.
- Market participants rejoiced after **U.S. President announced a multi-trillion dollar infrastructure investment plan**.
- **Rebound of yields on U.S. Treasury** later during the month capped the gains.

Outlook: With **timely execution of Covid-19 vaccination drive**, reasonable **rebound in economic indicators** to pre-covid levels, **unprecedented measures** taken by nations across world to restore coronavirus-affected economy, **improved corporate earnings** have lead the **markets scale new highs**. However now, with the **second wave** of the virus setting in, **lockdowns and night curfew** being imposed by several states, **vaccine shortage** looming on the governments head; the festive season has kicked off to gloomy start and it has dampened investor sentiments. While near term **volatility may be high**, **markets may consolidate** before taking further direction based on **economic recovery indicators, bond yields, FII, DII and FPI flows and monetary policy**.

Equity Dashboard – March 2021



Index	Closing Value	1-Mth Return (%)	YTD Return (%)	1 Yr. Return (%)	Current Value - Trailing		
					P/E	P/B	Dividend Yield
S&P BSE Sensex	49,509	0.83	3.68	68.01	34.36	3.33	0.73
Nifty 50	14,691	1.11	5.07	70.87	33.20	4.20	0.96
Nifty 100	14,807	0.95	5.09	69.59	34.36	4.25	0.98
Nifty 200	7,672	1.06	6.08	73.02	35.13	4.01	0.98
Nifty 500	12,314	1.09	6.91	75.99	35.89	3.96	0.95
Nifty Midcap 100	23,693	1.83	13.68	102.44	41.85	2.86	0.92
Nifty Smallcap 100	8,113	0.79	14.47	125.70	55.94	3.29	0.64

Data as on 31 Mar'21; Source: NSE and BSE

- Indian equity markets managed to end the **volatile month with modest gains** with the Sensex and Nifty both gaining 0.83% and 1.11% respectively. The movement of the market were governed by the following factors:
 - Domestic Factors – Positive December quarter GDP numbers, upbeat manufacturing PMI data and launch of the 2nd phase of vaccination.
 - Rising COVID cases across states, increasing the risk of second wave, leading to night curfews made market participants worry.
 - Global cues - approval of the USD 1.9 trillion package by the U.S. House of Representatives.
 - Elevated U.S. Treasury yield triggered fears regarding outflow of foreign money from domestic equities to U.S. bond market.
- Both the FII and DII were net buyers for the month.** For the full year and YTD the FII were net buyers, while the DII were net sellers.

Index*	1-Mth Return (%)	YTD Return (%)	1 Yr. Return (%)
IT	8.68	9.46	106.68
FMCG	7.59	2.11	25.55
Metal	4.60	23.72	151.18
Consumer Durables	3.36	8.00	69.53
Power	2.33	20.03	79.62
Health Care	2.27	-1.63	75.56
Capital Goods	-1.97	12.54	92.14
Auto	-2.99	6.92	107.07
Energy	-3.08	3.91	71.58
Bankex	-3.68	4.62	70.29
Realty	-4.19	7.75	97.27
PSU	-4.42	15.95	50.30
Oil & Gas	-4.65	5.18	47.90
Telecom	-7.30	2.18	33.37

*S&P BSE Sectoral Indices . Source: BSE

Equity Flow (Rs. Cr.)	1-Mth	YTD	1 Yr.
FII	1,245	52,270	201,377
DII	5,204	-23,124	-132,389

Source: Moneycontrol

Category Average Performances – March 2021

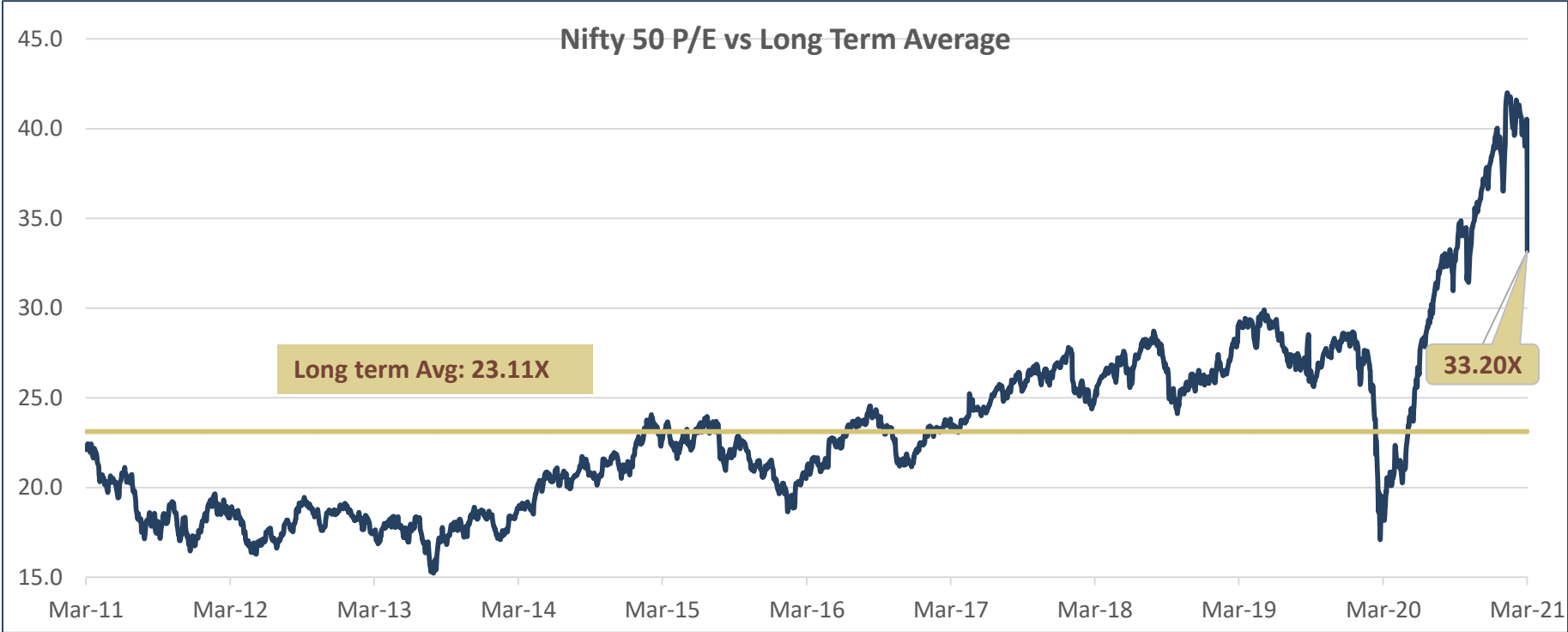
- **During the month** under consideration all the categories recorded marginal positive returns with the small cap and dividend yield outsmarting the rest. Among the sectoral funds, while financial services was the only category delivering negative returns, FMCG and Technology were the clear winners.
- **For the full year** all the categories were in the green registering a double digit and even triple digit growth. Small Cap was the only category which clocked in gains of over 100%. Among the sector based and thematic funds while Technology recorded over 100% gains followed by Infrastructure, Healthcare, Financial Services and FMCG.
- **On a 3 year CAGR** basis most of the categories delivered double digit return with the exception of Small Cap, Dividend Yield and Value which registered late single digit return. Among the sector and theme based funds Technology and Healthcare were the top performers.
- **With respect to the 5 year CAGR returns** most the categories have early double digit return with the exception of Technology which clocked in gains of over 20%.

Category	Absolute Returns (%)				CAGR (%)			
	1 M	3 M	6 M	1 Y	2 Y	3 Y	5 Y	
Large Cap	0.5	5.1	28.7	61.7	12.6	11.6	12.9	
Large & Mid Cap	1.1	8.8	31.3	72.8	14.8	10.7	14.2	
Flexi Cap	1.1	7.6	31.0	69.2	14.0	11.6	13.9	
Mid Cap	1.6	12.2	33.8	85.4	17.8	11.3	15.1	
Small Cap	2.7	14.4	37.0	104.6	19.3	8.8	15.0	
Focused	0.6	6.9	30.7	68.0	14.0	11.2	14.4	
ELSS	0.9	7.2	30.2	69.8	13.6	10.5	13.9	
Contra	0.5	9.8	36.3	84.3	15.5	12.3	15.1	
Dividend Yield	2.3	7.7	29.1	69.4	13.5	8.9	13.1	
Value	0.9	9.8	34.3	80.7	11.3	7.8	12.9	
<u>Sectoral / Thematic</u>								
Consumption	1.2	5.9	27.8	64.4	15.2	11.0	15.9	
Infrastructure	1.4	17.3	45.8	84.2	11.1	5.5	11.6	
Financial Services	-3.1	5.6	44.9	68.6	7.2	9.4	15.1	
FMCG	5.2	2.8	19.3	33.0	7.8	8.8	12.6	
Healthcare	2.5	-1.8	8.0	71.5	29.6	20.4	10.3	
Technology	6.2	9.7	32.9	109.6	32.2	27.3	20.1	

Valuations on the Trailing P/E Metric



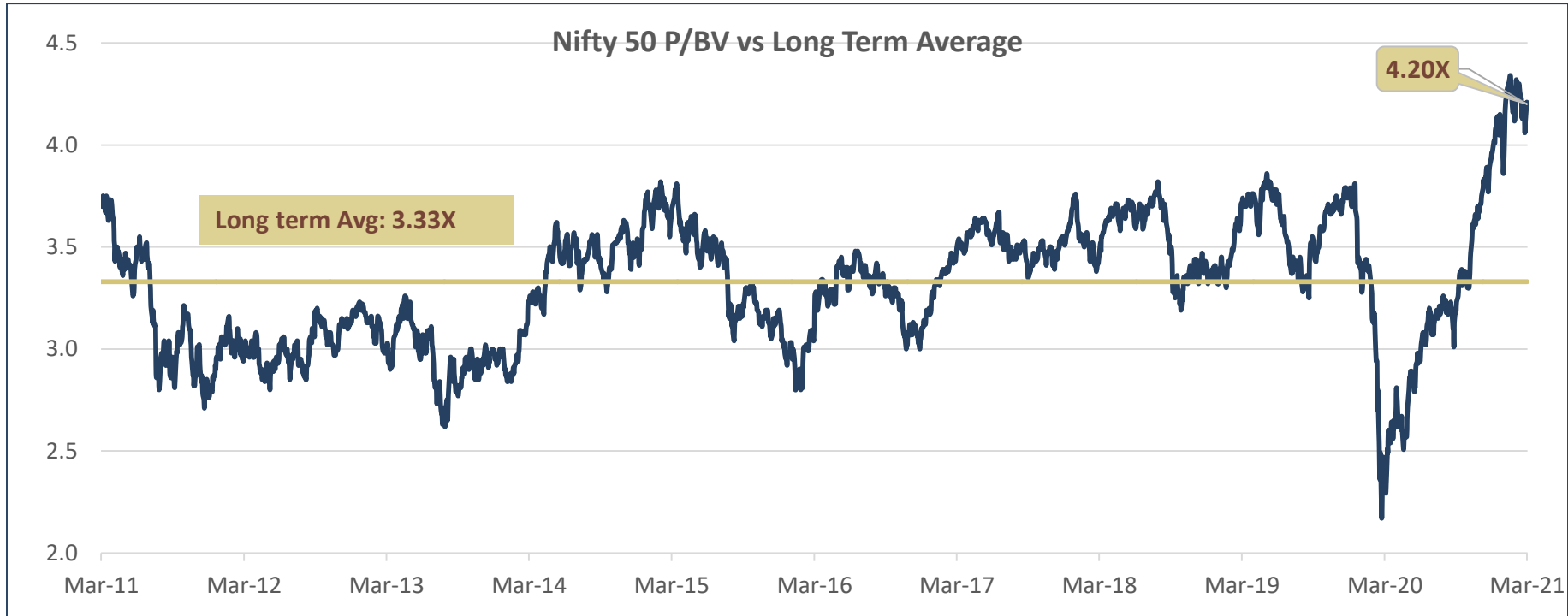
Nifty 12-month trailing P/E of 33.20x is above its historical long term average of 23.11x



Source: NSE India

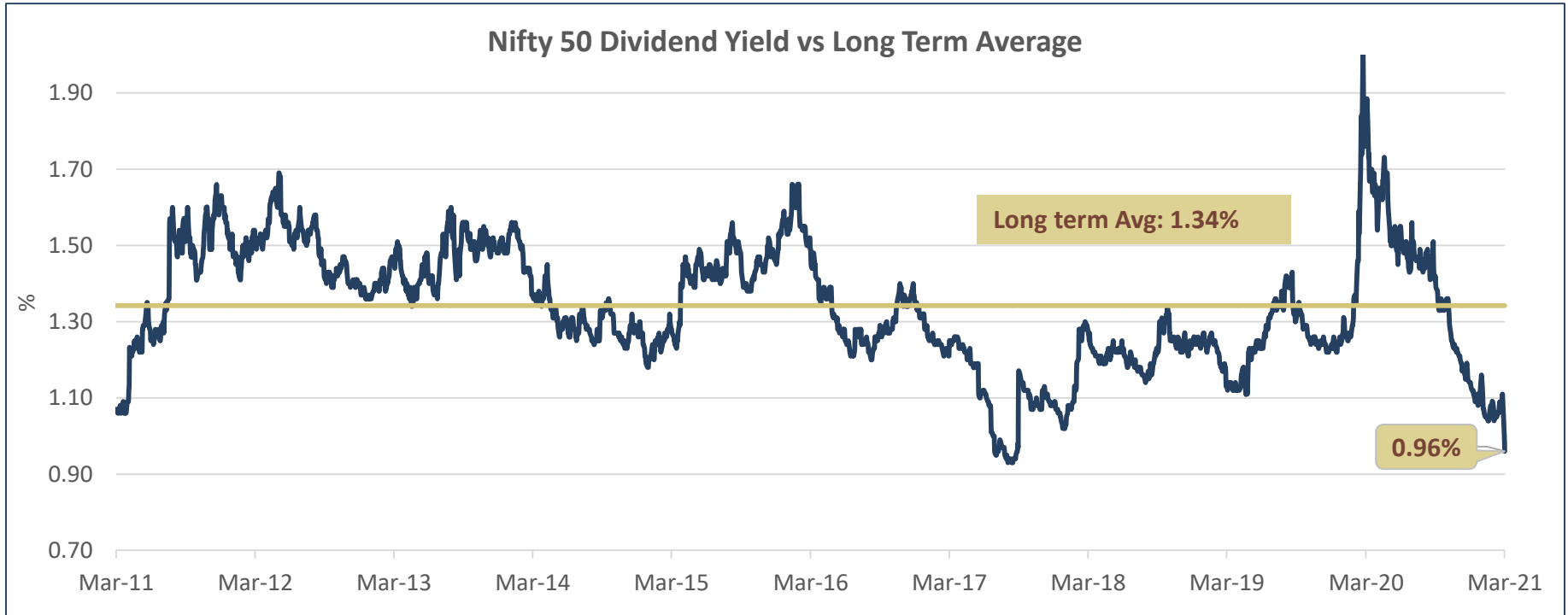
Valuations on the Trailing P/BV Metrix

At 4.20x, the Nifty Trailing P/B is above the historical long term average of 3.33x.



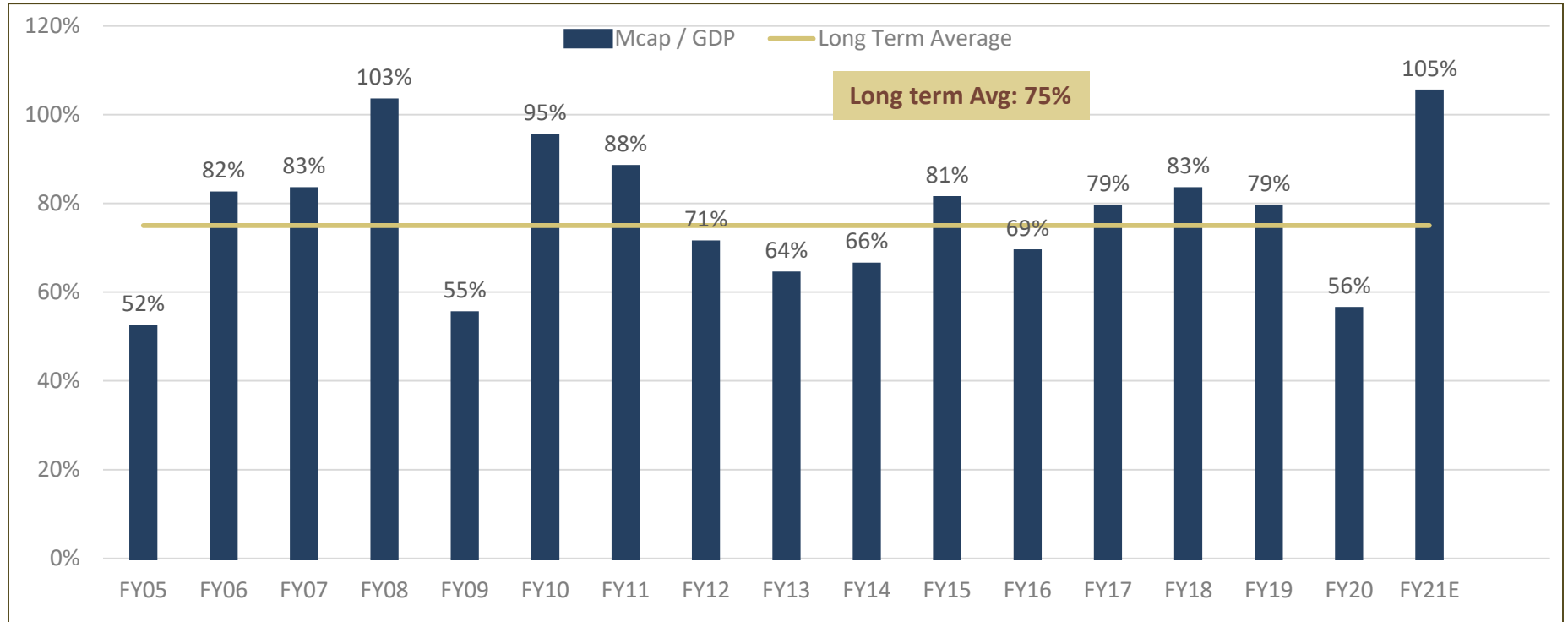
Valuations on a Trailing Dividend Yield perspective

At 1.09%, the Nifty Trailing Dividend Yield is below the historical long term average of 1.34%.



Valuations on a Mcap / GDP perspective

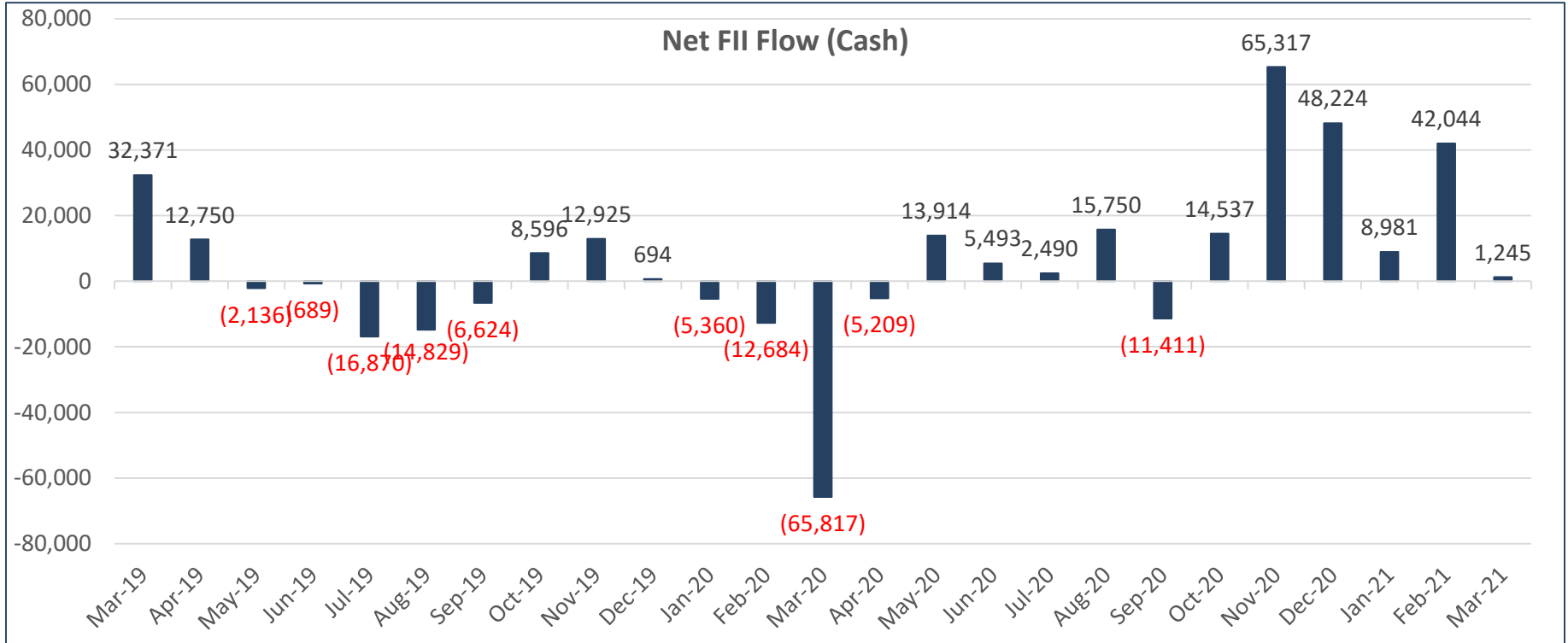
On Market Capitalisation to GDP parameter the market is trading above the historical long term average



FII Flow into Equity



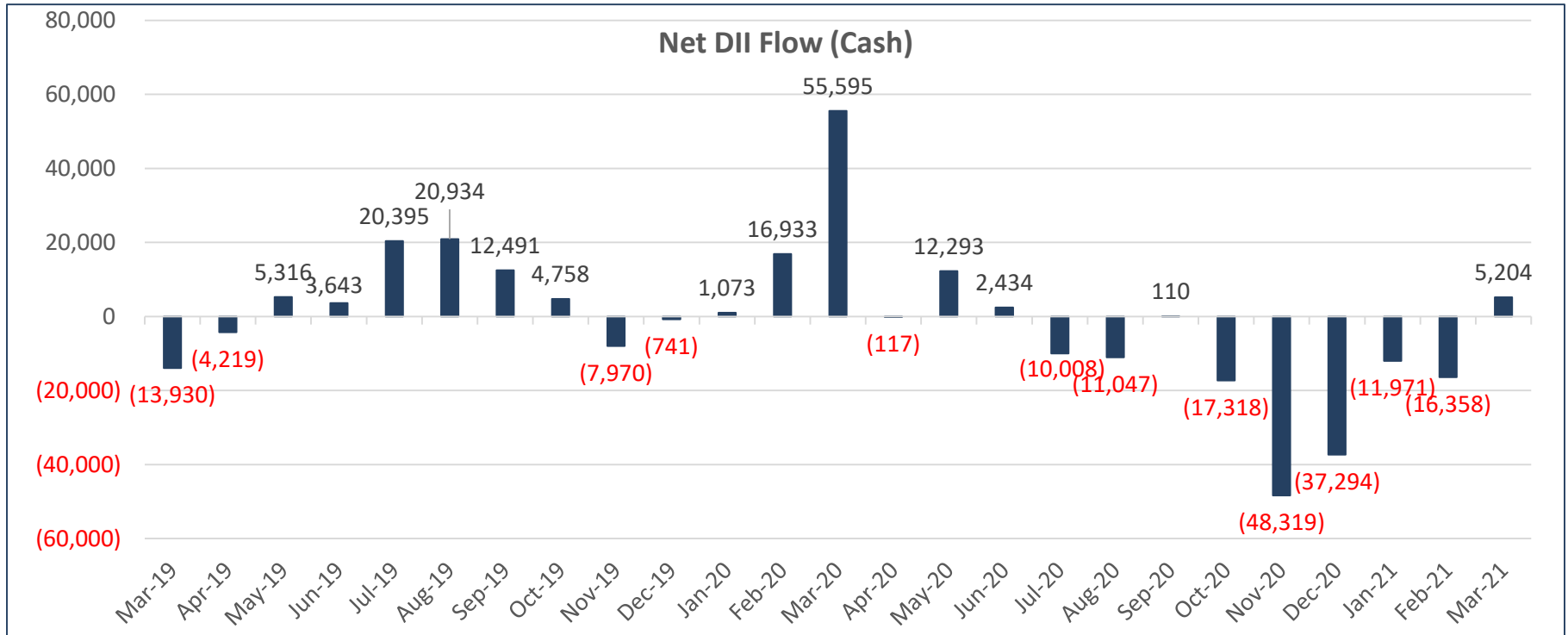
FII registered the sixth consecutive month of positive flow to the tune of a marginal Rs. 1,245 Cr. in Mar'21



Source: Moneycontrol

DII Flow into Equity

After being net sellers for five consecutive months; March witnessed a positive flow to the tune of Rs. 5,204 cr



Debt Market Roundup - Key Takeaways



- The month has **witnessed softening of yields across most asset classes and maturities**. The India 10-Year Government Bond yields closed the month lower by 5 bps at 6.18% in Mar'21. Yields fell on expectations that the **RBI will continue to buy sovereign debt**, to neutralize the heavy supply of government securities by conducting Open Market Operations (OMOs) till the current fiscal year end. However, **gains reversed on rise in U.S. Treasury yields**.
- At the end of the month **RBI announced calendar for issuance of Government of India dated securities** from Apr to Sep 2021 for the cumulative amount of Rs. 7.24 lakh crore. This will be **60.06% of the total market borrowing** of Rs. 12.05 lakh crore for FY21-22. This is in line with FY20-21.
- After hitting a 16-month low of 4.06% in January 2021 **CPI inflation spiked up once** again to 5.03% in February 2021 nonetheless remaining below the RBI upper tolerance limit. **Core inflation exhibited sticky behaviour** staying at 5.5%, signalling an improvement in demand and presence of some pricing power in the economy.
- **Index for Industrial production witnessed contraction** to the extent of 1.6% in January 2021 as against a growth 1.0% in December 2020.

Outlook:

- With the **lead indicators losing momentum** as the second wave of COVID sets in and night curfew and lockdowns being imposed by states; RBI has on its part in the April policy meet did **“Whatever it takes”** by introducing **G-SAP 1.0** to release the pressure in the bond market with respect to the outsized government borrowing program. Further moving from a **“Time based Guidance” to “State based guidance” of Accommodative stance** it has been able to soften the yields. While the RBI has clarified that the **variable rate reverse repo (VRRR)** should be construed as a **liquidity “management” instead of liquidity “tightening”**, CRR rollback has been implemented; what remains to be seen with the only tool of OMOs / Operation twist how long will it be able keep liquidity ultra easy and interest rates low – **“As long as necessary”**.
- In the near-term trend in debt market would be guided by **market support measures that the RBI announces from time to time**. However, the broader directional trend would mainly depend on how the **growth-Inflation dynamic shapes up**.
- Going ahead there may be **lack of appetite for taking duration risk** when **interest rates have likely bottomed out, liquidity conditions are normalizing, and fiscal deficit numbers stand elevated**.
- There being **limited scope of rate cuts** which was the major driver for returns in the past couple of years, it's important to **rationalize return expectations going forward**.

Debt Dashboard – March 2021

	Latest (31 Mar'21)	One Month Ago (28 Feb'21)	One Quarter Ago (31 Dec'20)	Half Year Ago (30 Sep'20)	One Year Ago (31 Mar'20)	M-o-M Change (bps)
Interest Rates						
Repo rate	4.00%	4.00%	4.00%	4.00%	4.00%	0
SLR	18.00%	18.00%	18.00%	18.00%	18.00%	0
CD Rates						
3 month	3.28%	3.18%	3.05%	3.28%	4.60%	10
6 month	3.48%	3.58%	3.30%	3.55%	5.50%	-10
1 Year	3.95%	4.13%	3.65%	3.90%	5.60%	-18
T-Bill/G-sec						
91 Days	3.30%	3.14%	3.07%	3.33%	4.34%	16
364 Days	3.77%	3.63%	3.44%	3.65%	4.89%	14
India 10 Year G-Sec Yield	6.18%	6.23%	5.89%	6.02%	6.14%	-5
AAA Corp. Bonds (PSU)						
1 Year	4.02%	4.62%	3.78%	4.10%	6.00%	-60
3 Year	5.35%	5.53%	4.60%	5.20%	6.30%	-18
5 Year	6.16%	6.20%	5.36%	5.80%	6.50%	-4
AAA Corp. Bonds (NBFC)						
1 Year	4.37%	4.62%	4.16%	4.56%	6.32%	-25
3 Year	5.66%	5.76%	4.89%	5.52%	7.24%	-10
5 Year	6.51%	6.58%	5.72%	6.19%	7.51%	-7
International Markets						
10 Year US Treasury Yield	1.74%	1.41%	0.92%	0.69%	0.67%	33

- After a significant rise in yields in Feb., the month of Mar. **witnessed a mixed movement in the money market instruments.**
- While the U.S. Treasury Yields continued to spike, the **India 10 year Gsec cooled down** backed by RBIs unconventional measures.
- With respect to the **yields in long term AAA Corp. Bond - PSU & NBFC Papers all of them witnessed a fall.**
- In line with market expectations the RBI kept the **policy rates and the reserve ratio unchanged** in the April MPC meet.

Debt Category Average Performances – March 2021

- **During the month** under consideration all the three broad categories – Money Market, Accrual and Duration were in the green on the back of dip in the yields witnessed in the most of the categories. With respect to the **3 months and 6 months trailing returns** most of the categories gave positive returns with the exception of duration funds.
- **For the full year** all the categories were in the green with the exception of Credit Risk funds where there were some credit events which led to the categories reporting negative category average returns.
- **On a 2 year CAGR** basis none of the categories have delivered a double digit growth with the exception of Long duration Funds which reported early double digit growth.
- **With respect to the 3 and 5 year CAGR returns** most the categories reported Mid and late single returns with the exception of credit risk which underperformed.

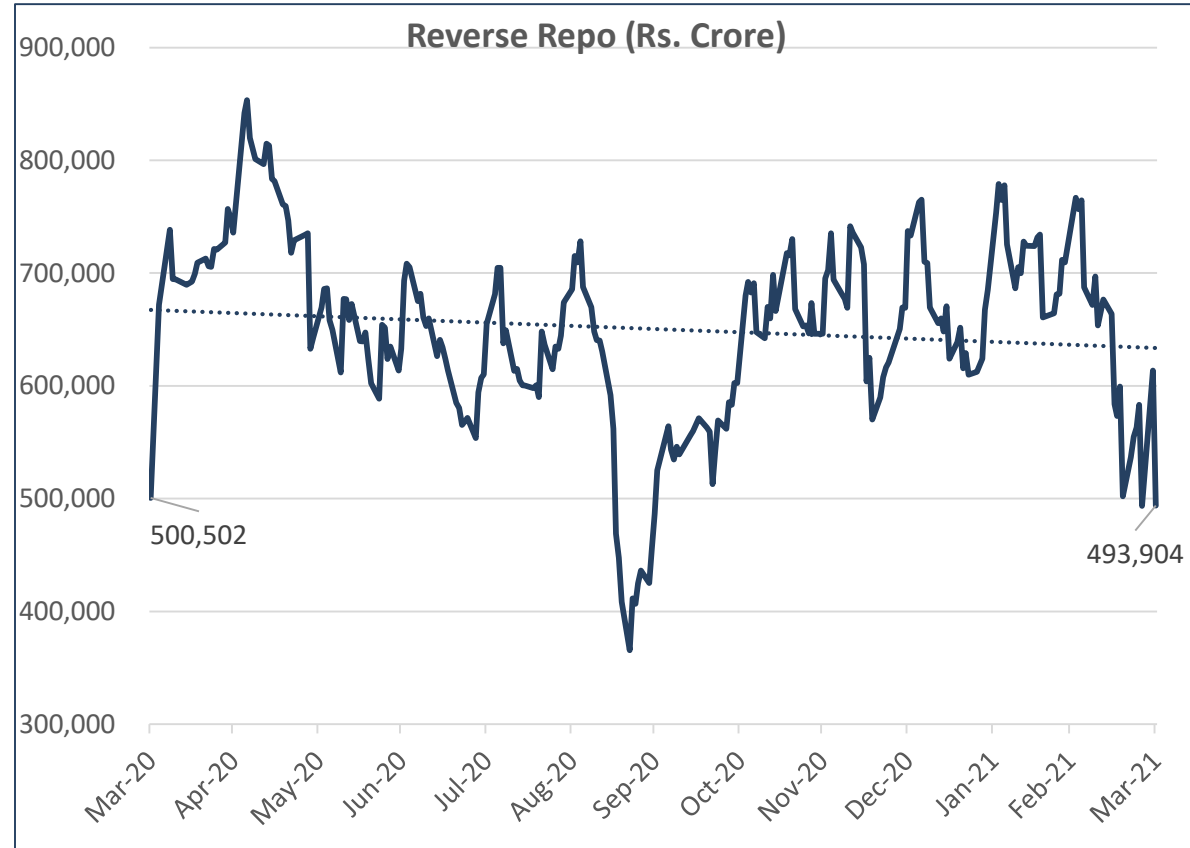
Money market	Absolute Returns				CAGR		
Category	1 M	3 M	6 M	1 Y	2 Y	3 Y	5 Y
Overnight	0.3	0.7	1.5	3.0	4.0	4.6	5.2
Liquid	0.2	0.6	1.3	2.7	3.8	4.5	5.8
Ultra Short Duration	0.3	0.8	1.1	3.9	5.9	6.0	6.5
Low Duration	0.5	0.8	2.2	6.5	3.1	4.5	5.6
Money Market	0.4	0.9	1.9	4.9	5.8	6.1	6.8
Accrual	Absolute Returns				CAGR		
Category	1 M	3 M	6 M	1 Y	2 Y	3 Y	5 Y
Short Duration	0.6	0.1	2.2	6.8	6.2	6.3	6.8
Medium Duration	0.7	-1.9	0.5	2.1	4.6	5.0	6.3
Banking & PSU Debt Fund	0.7	0.2	2.4	7.3	8.6	8.3	8.1
Corporate Bond Fund	0.7	0.2	2.5	6.6	7.5	7.3	7.6
Credit Risk	0.9	-1.0	0.3	-2.4	0.2	1.2	3.7
Duration	Absolute Returns				CAGR		
Category	1 M	3 M	6 M	1 Y	2 Y	3 Y	5 Y
Medium To Long Duration	1.0	-3.0	-0.4	3.9	7.6	7.0	7.1
Long Duration Fund	1.9	-1.1	2.2	5.4	10.5	8.7	8.8
Dynamic	0.8	-0.9	1.5	5.3	7.2	6.9	7.2
Gilt	0.9	-0.7	1.9	6.4	9.7	8.8	8.5

Source: Morningstar Direct

Money parked in Reverse Repo window

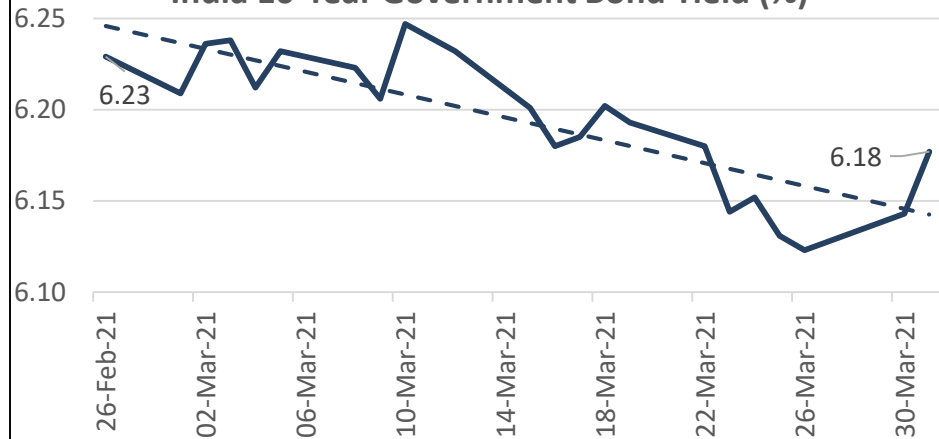
On persistent efforts by RBI to keep **liquidity ultra easy** and **accommodative policy for a long tenure**, Nov'20, Dec'20 and Mar'21 witnessed extreme **short-term corporate and government borrowing rates remaining below its policy benchmark rates**. This gave RBI legroom for liquidity management and normalization by conducting a **Rs. 2 lakh crore 14- day variable rate reverse repo auction** and **CRR the rollback of CRR in a phased manner**. During the month under review the **banks on an average are parking Rs. 6.28 lakh crore to the reverse repo window** as against Rs. 7.18 lakh crore in February.

Source: IDFC AMC

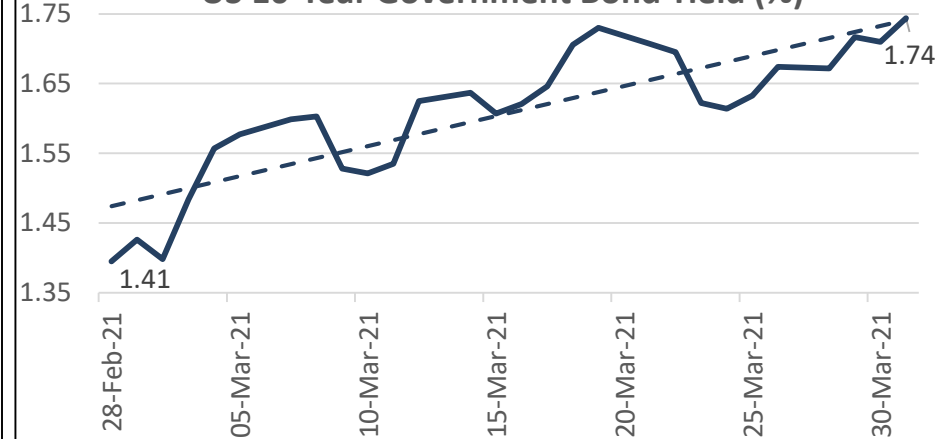


Yields Movement Across - India and U.S.

India 10-Year Government Bond Yield (%)



US 10-Year Government Bond Yield (%)



- **10-year India Government Bond Yield:** The India 10-Year Government Bond yields closed the month lower by 5 bps at 6.18% in Mar'21. Yields fell on expectations that the **RBI will continue to buy sovereign debt**, to neutralise the heavy supply of government securities by conducting Open Market Operations (OMOs) till the current fiscal year end. However, **gains reversed on rise in U.S. Treasury yields and global crude oil prices**. At the end of the month RBI announced calendar for issuance of Government of India dated securities from Apr to Sep 2021 for the cumulative amount of Rs. 7.24 lakh crore.
- **U.S. Treasury Yield:** U.S. Treasury yield closed higher by 33 bps at 1.74% in Mar'21. U.S. Treasury yields spiked amid optimism over gradual recovery of the economy after the **House of Representatives gave final approval to the landmark \$1.9 trillion**. However, this spike was restricted by **U.S. Fed's** forecast on stronger economic growth and higher inflation this year although it **expects to keep interest rates at near-zero levels through 2023**.

RBI Bi-Monthly Policy Review – Key Highlights



RBI's Stance



Accommodative

Key Highlights

- **GDP forecast for FY22 retained at 10.5%** even as it **trimmed the Q1 forecast**.
- **Inflation forecasts have been raised slightly**, amid upside risks on account of **rising commodity prices and logistics costs**.
- Introduction of a planned secondary market **G-sec acquisition programme (G-SAP 1.0)** to enable cooling of increased bond yields.

Policy Rates / Reserve Ratio	Current
Repo Rate	4.00%
Reverse Repo Rate	3.35%
MSF	4.25%
Bank rate	4.25%
CRR	3.50%
SLR	18.00%

- The Monetary Policy Committee also decided to continue with the **accommodative stance as long as necessary** to sustain growth on a durable basis and continue to mitigate the impact of COVID-19 on the economy, while ensuring that inflation remains within the target going forward.
- Further it decided to keep the **policy rates unchanged**. This is the **5th consecutive MPC that the rates have not been cut**.

Period	FY2020-21	Q1FY2021-22	Q2FY2021-22	Q3FY2021-22	Q4FY2021-22
Growth Projection	10.50%	26.20%	8.30%	5.40%	6.20%

Period	Q4FY2020-21	H1FY2021-22	Q3FY2021-22	Q4FY2021-22
Inflation Projection	5.00%	5.20%	4.40%	5.10%

Liquidity Guidance

- In view of the success of **variable rate reverse repo (VRRR)** and given the rising level of surplus liquidity, the RBI has decided to conduct VRRR auctions of **longer maturity**.
- Announced **G-SAP (Gsec secondary market acquisition program)** – Rs. 1 lakh crore for Q1FY22, with first G-SAP of Rs. 25,000 cr on 15 April 2021.

Thank You

Visit us at:

www.tatacapital.com/wealth-management.html

For more information, write to us:

wealth@tatacapital.com

Disclaimer



Tata Capital Financial Services Limited ("TCFSL") is registered with The Association of Mutual Funds in India as a Mutual Fund Distributor bearing ARN No.84894 and Tata Capital Wealth is a service offering by TCFSL.

This report is for the personal information of the authorized recipient and does not construe to be any investment, legal or taxation advice to you. TCFSL is not soliciting any action based upon it. Nothing in this report shall be construed as a solicitation to buy or sell any security or product, or to engage in or refrain from engaging in any such transaction. It does not constitute a personal recommendation or take into account the particular investment objectives, financial situations, or needs of the reader.

This report has been prepared for the general use of the clients of the TCFSL and must not be copied, either in whole or in part, or distributed or redistributed to any other person in any form. If you are not the intended recipient, you must not use or disclose the information in this report in any way. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. TCFSL will not treat recipients as customers by virtue of their receiving this report. Neither this document nor any copy of it may be taken or transmitted into the United States (to US Persons), Canada or Japan or distributed, directly or indirectly, in the United States or Canada or distributed, or redistributed in Japan to any residents thereof. The distribution of this document in other jurisdictions may be restricted by the law applicable in the relevant jurisdictions and persons into whose possession this document comes should inform themselves about, and observe any such restrictions.

It is confirmed that, the author of this report has not received any compensation from the companies mentioned in the report in the preceding 12 months. No part of the compensation of the report creator was, is, or will be directly or indirectly related to the inclusion of specific recommendations or views in this report. The author, principally responsible for the preparation of this report, receives compensation based on overall revenues of TCFSL and TCFSL has taken reasonable care to achieve and maintain independence and objectivity in making any recommendations.

Neither TCFSL nor its directors, employees, agents, representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information contained in this report.

The report is based upon information obtained from sources believed to be reliable, but TCFSL does not make any representation or warranty that it is accurate, complete or up to date and it should not be relied upon as such. It does not have any obligation to correct or update the information or opinions in it. TCFSL or any of its affiliates or employees shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. TCFSL or any of its affiliates or employees do not provide, at any time, any express or implied warranty of any kind, regarding any matter pertaining to this report, including without limitation the implied warranties of merchantability, fitness for a particular purpose, and non-infringement. The recipients of this report should rely on their own investigations. This information is subject to change without any prior notice. TCFSL reserves at its absolute discretion the right to make or refrain from making modifications and alterations to this statement from time to time. Nevertheless, TCFSL is committed to providing independent and transparent recommendations to its clients, and would be happy to provide information in response to specific client queries.

Certain products -including those involving futures, options and other derivatives as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. Reports based on technical analysis centers on studying charts of a stock's price movement and trading volume, as opposed to focusing on a company's fundamentals and as such, may not match with a report on a company's fundamentals.

Before making an investment decision on the basis of this report, the reader needs to consider, with or without the assistance of an adviser, whether the advice is appropriate in light of their particular investment needs, objectives and financial circumstances. There are risks involved in securities trading. The price of securities can and does fluctuate, and an individual security may even become valueless. International investors are reminded of the additional risks inherent in international investments, such as currency fluctuations and international stock market or economic conditions, which may adversely affect the value of the investment. Neither TCFSL nor the director or the employee of TCFSL accepts any liability whatsoever for any direct, indirect, consequential or other loss arising from any use of this report and/or further communication in relation to this report.

We and our affiliates, officers, directors, and employees worldwide may: (a) from time to time, have long or short positions in, and buy or sell the securities thereof, of company (ies) mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company (ies) discussed herein or act as advisor or lender / borrower to such company (ies) or have other potential conflict of interest with respect to any recommendation and related information and opinions.

Investments in securities are subject to market risk; please read the SEBI prescribed Combined Risk Disclosure Document prior to investing. Derivatives are a sophisticated investment device. The investor is requested to take into consideration all the risk factors before actually trading in derivative contracts. Our report should not be considered as an advertisement or advice, professional or otherwise.

Tata Capital Financial Services Limited (“TCFSL”) is registered with the Reserve Bank of India as a Non Deposit Accepting Systemically Important Non-Banking Finance Company (“NBFC-ND-SI”).

Tata Capital Financial Services Limited (“TCFSL”) bearing License no. CA0076 valid till 31st Mar 2022, acts as a composite Corporate Agent for TATA AIA Life Insurance Company Limited, HDFC Life Insurance Company Limited, TATA AIG General Insurance Company Limited and New India Assurance Company Limited. Please note that, TCFSL does not underwrite the risk or act as an insurer. For more details on the risk factors, terms & conditions please read sales brochure carefully of the Insurance Company before concluding the sale. Participation to buy insurance is purely voluntary.

TCFSL is also engaged in Mutual Fund Distribution business and is registered with The Association of Mutual Funds in India (“AMFI”) bearing ARN No. 84894 and Tata Capital Wealth is a service offering by TCFSL. Please note that all Mutual Fund Investments are subject to market risks, read all scheme related documents carefully before investing for full understanding and details.

TCFSL distributes:

- (a) Mutual Fund Schemes of TATA Mutual Fund
- (b) Life Insurance Policies of Tata AIA Life Insurance Company Limited
- (c) General Insurance Policies of TATA AIG General Insurance Company Limited

TCFSL receives commission ranging from 0.00% to 2.00% p.a. from the Asset Management Companies (“AMC”) towards investments in mutual funds made through TCFSL. TCFSL receives commission ranging from 0.00% to 40.00% as First year commission and renewal commission ranging from 0.00% to 5.00% on Life Insurance Policies bought through TCFSL. TCFSL receives commission ranging from 0.00% to 25.00% on General Insurance Policies bought through TCFSL. TCFSL receives commission ranging from 0.00% to 2.00% on Corporate Fixed deposit made through TCFSL.

Please note that the above commission may change from time to time and are exclusive of statutory levies like GST, Security Transaction tax, Stamp Duty, Exchange transaction charges, SEBI turnover fee etc. TCFSL does not recommend any transaction which is required to be dealt with on a Principal to Principal basis.

Registered office:

11th Floor, Tower A, Peninsula Business Park, Ganpatrao Kadam Marg, Lower Parel, Mumbai 400 013.