

December 17, 2024

INDIA STRATEGY

Where Money Flows – Dec'24

Market in Transition: From Derivatives to Small-Caps

- **Tight Grip Dampens Index Derivatives Turnover:** Following decisive measures to safeguard investor interests and curb speculative trading in Index Derivatives, total F&O turnover has been on a steep decline since November. This drop has been largely driven by a reduction in Weekly Option products, which previously dominated trading activity.
- **Cash Market Turnover Faces Headwinds Post July Peak:** The downturn in trading volumes is not confined to derivatives alone. The Daily Average Cash Market turnover has also taken a hit, particularly in the Large-Cap and Mid-Cap segments. This decline began after market turnover peaked in July and has persisted as investor interest shifted away from these segments.
- **Large-Cap Turnover Suffers the Most as a % of Market Cap:** When evaluated as a percentage of market capitalization, the turnover drop has been most significant in the Large-Cap and Mid-Cap segments. This sharp decline highlights the extent of waning investor activity in these categories.
- **Small and Micro-Cap Segments Stage a Turnaround:** In contrast to Large and Mid-Cap segments, the Small and Micro-Cap segments have witnessed a noticeable recovery in turnover over the past 30 days. This signals a renewed focus on smaller stocks as participants adjust their strategies in the evolving market environment.
- **We Sense a Shift in Focus: From Derivatives to Small-Cap Cash Market:** A notable trend emerging from this data is likely shift of trading volumes from Index Derivatives to the Small-Cap Cash market. We sense that Investors are increasingly focusing on small-cap opportunities, given the broader price resilience in these stocks compared to their Large and Mid-Cap counterparts over the last three months.
- **Sectoral Revival: Autos, Capital Goods, Realty Lead the Way:** Within the Small-Cap segment, sectors such as Autos, Capital Goods, Diversified, and Realty are driving the recovery in Cash Market volumes. These sectors have shown renewed momentum, attracting investor participation and benefiting from the broader market's shift toward smaller stocks.



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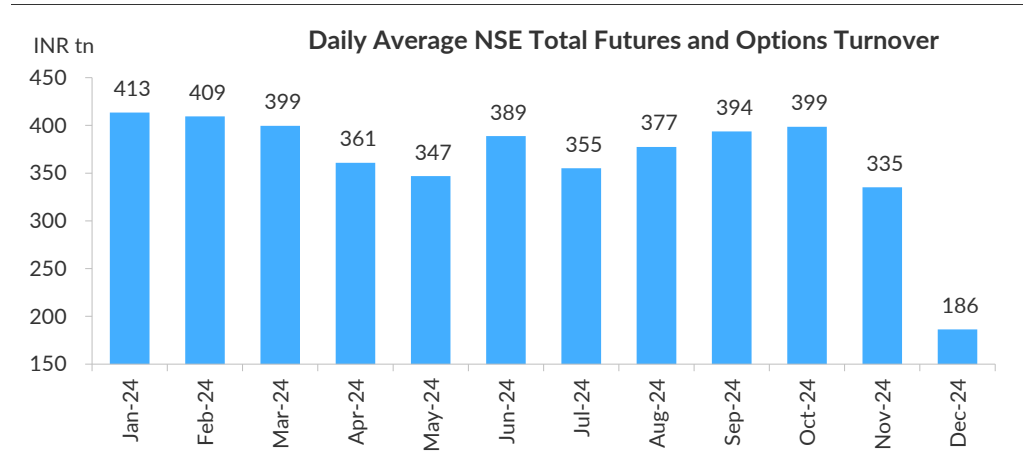


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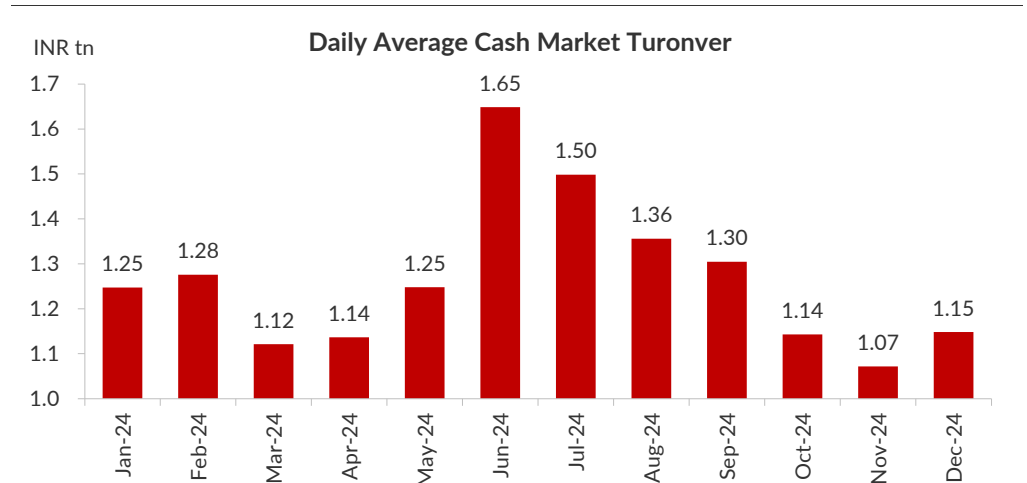
Where Money Flows – Dec'24

Exhibit 1: With lesser Weekly option products, total F&O turnover has been tumbling since November...



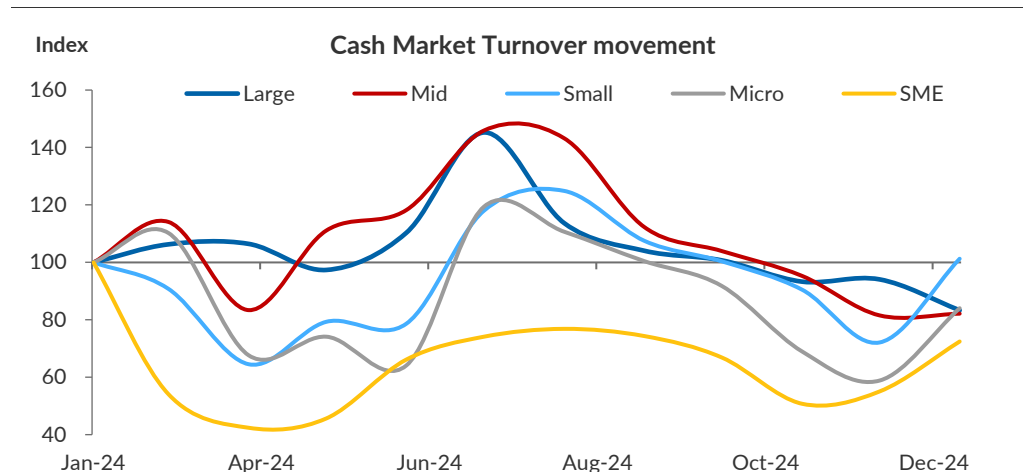
Source: Bloomberg, YES Sec

Exhibit 2: ...interestingly, the downturn is also evident in the Cash turnover...



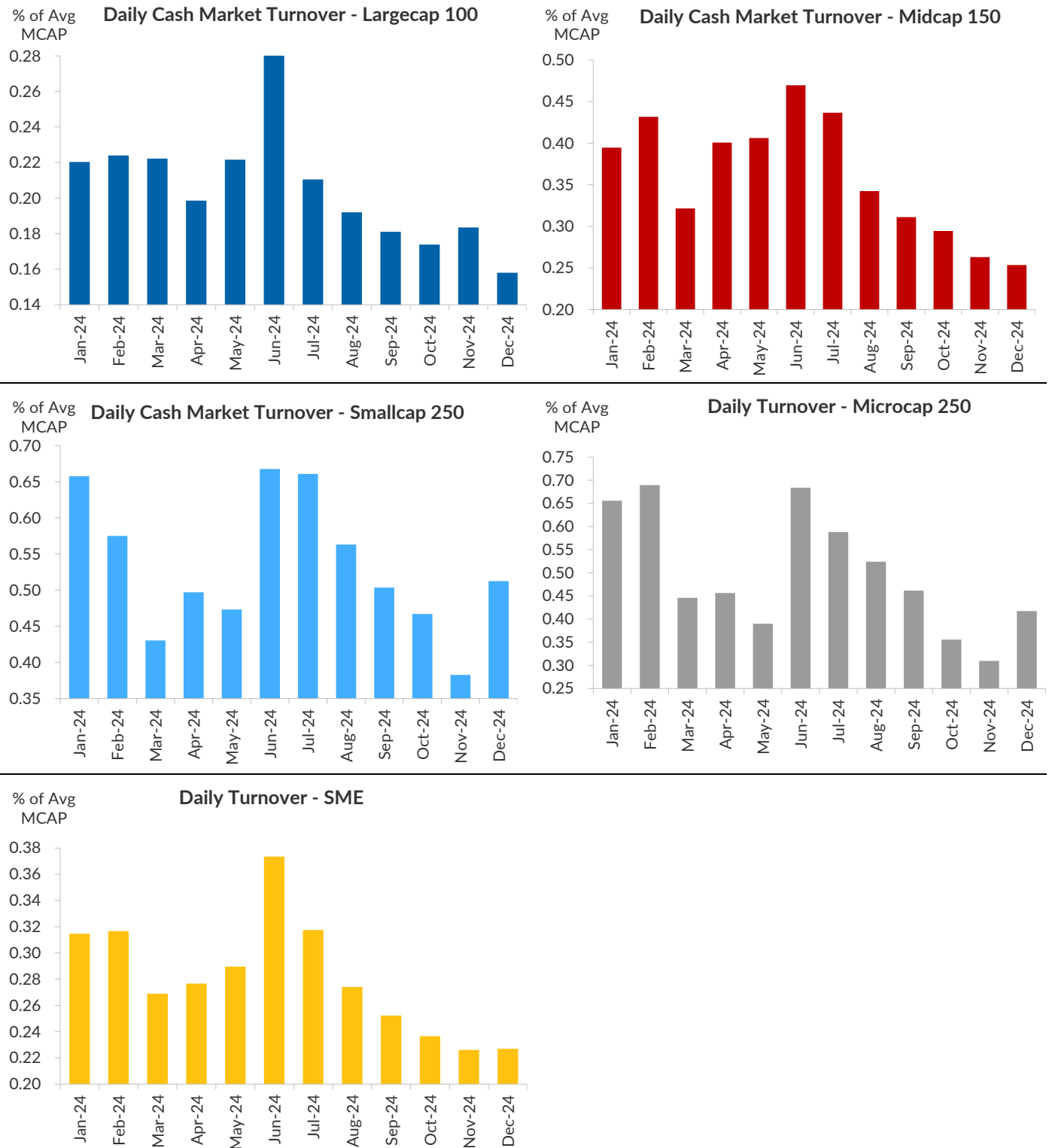
Source: Bloomberg, YES Sec

Exhibit 3: ...this can be attributed to sharp dip in volumes in Large and Mid-cap names post the July-peak. Conversely, Small & Micro-Cap segment has seen a recovery in the turnover in the past 30 days



Source: Bloomberg, YES Sec; Note: Numbers are rebased at 100

Exhibit 4: As a % of M-CAP, the turnover drop is most significant in the Large cap and Mid-Cap segment, while the turnover in Small-Cap lately is recovering...



Source: Bloomberg, YES Sec

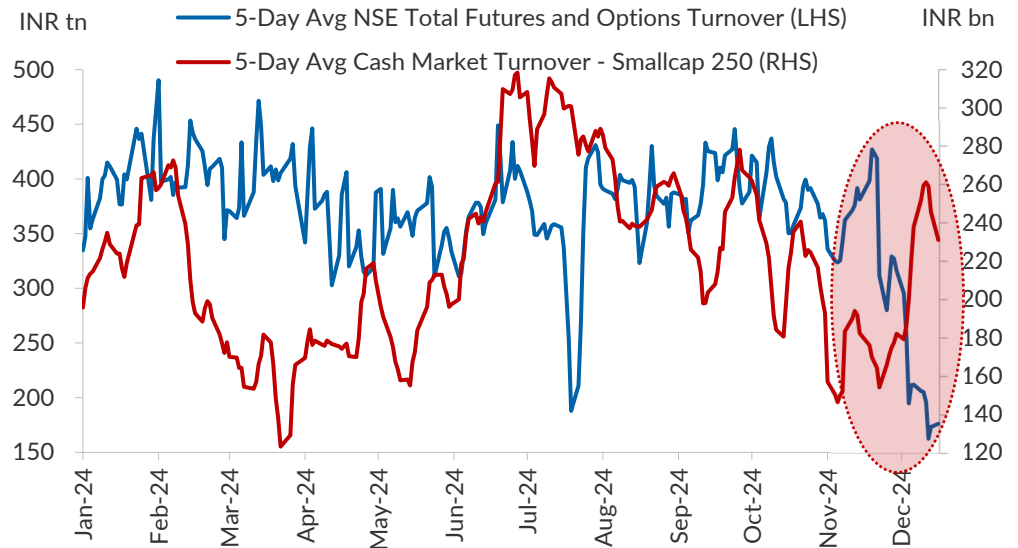
Exhibit 5: ...within the Small Cap, Cash Volumes is seen reviving in Autos, Capital Goods, Diversified and Realty Sectors

Sector	Cap	Count	Jan-24	Feb-24	Mar-24	Apr-24	May-24	Jun-24	Jul-24	Aug-24	Sep-24	Oct-24	Nov-24	Dec-24
Automobile and Auto Components	Large	9	0.25	0.24	0.29	0.23	0.28	0.29	0.24	0.26	0.26	0.27	0.25	0.20
	Mid	13	0.19	0.22	0.18	0.35	0.30	0.34	0.24	0.18	0.19	0.20	0.20	0.15
	Small	12	0.67	0.63	0.47	0.57	0.45	0.99	0.57	0.50	0.43	0.33	0.22	0.67
Capital Goods	Large	5	0.31	0.37	0.39	0.30	0.49	0.63	0.40	0.24	0.26	0.23	0.24	0.18
	Mid	21	0.44	0.34	0.28	0.38	0.61	0.60	0.54	0.37	0.31	0.34	0.28	0.26
	Small	35	0.43	0.47	0.41	0.42	0.60	0.75	0.58	0.47	0.44	0.43	0.38	0.58
Chemicals	Large	1	0.15	0.10	0.11	0.06	0.10	0.09	0.06	0.07	0.10	0.09	0.05	0.05
	Mid	11	0.19	0.20	0.42	0.25	0.27	0.33	0.22	0.19	0.19	0.20	0.15	0.15
	Small	21	0.58	0.41	0.28	0.41	0.32	0.90	0.70	0.65	0.46	0.37	0.31	0.30
Construction	Large	1	0.16	0.21	0.19	0.16	0.26	0.32	0.22	0.15	0.17	0.19	0.13	0.16
	Mid	2	2.20	0.85	0.66	0.63	1.48	1.93	2.63	1.08	0.43	0.34	0.28	0.34
	Small	12	2.09	1.37	0.80	0.85	0.90	1.15	1.42	0.84	0.57	0.44	0.39	0.51
Construction Materials	Large	4	0.13	0.14	0.12	0.13	0.13	0.22	0.14	0.14	0.10	0.11	0.11	0.10
	Mid	3	0.29	0.22	0.17	0.28	0.23	0.33	0.27	0.21	0.22	0.16	0.17	0.21
	Small	5	0.34	0.44	0.27	0.32	0.26	1.53	0.96	0.34	0.26	0.21	0.25	0.25
Consumer Durables	Large	3	0.11	0.15	0.12	0.13	0.18	0.19	0.20	0.13	0.14	0.12	0.17	0.15
	Mid	5	0.29	0.36	0.26	0.39	0.42	0.45	0.39	0.64	0.61	0.58	0.66	0.54
	Small	14	0.22	0.38	0.28	0.29	0.33	0.34	0.32	0.27	0.34	0.49	0.28	0.22
Consumer Services	Large	5	0.33	0.39	0.28	0.26	0.26	0.29	0.23	0.42	0.33	0.30	0.34	0.28
	Mid	4	0.39	0.40	0.27	0.44	0.39	0.45	0.38	0.52	0.31	0.24	0.38	0.26
	Small	13	0.60	0.51	0.37	0.38	0.36	0.32	0.34	0.47	0.49	0.34	0.24	0.42
Diversified	Mid	2	0.13	0.08	0.05	0.07	0.15	0.10	0.32	0.07	0.15	0.05	0.06	0.05
	Small	1	2.58	1.97	1.92	0.45	0.51	0.73	0.82	0.64	0.51	0.42	1.91	3.94
Fast Moving Consumer Goods	Large	9	0.11	0.12	0.19	0.13	0.13	0.16	0.14	0.11	0.12	0.12	0.10	0.12
	Mid	7	0.13	0.14	0.12	0.15	0.19	0.19	0.21	0.22	0.20	0.14	0.16	0.12
	Small	15	0.36	0.33	0.25	0.23	0.24	0.57	0.49	0.55	0.55	0.34	0.22	0.24
Financial Services	Large	24	0.32	0.31	0.29	0.26	0.27	0.35	0.28	0.22	0.21	0.21	0.21	0.17
	Mid	31	0.52	0.61	0.36	0.43	0.38	0.42	0.53	0.34	0.38	0.45	0.32	0.34
	Small	39	0.59	0.55	0.47	0.58	0.48	0.58	0.60	0.65	0.63	0.73	0.45	0.64
Forest Materials	Small	1	0.55	0.23	0.39	0.49	0.49	0.44	0.39	0.45	0.67	0.32	0.18	0.12
Healthcare	Large	7	0.16	0.16	0.17	0.17	0.21	0.18	0.16	0.19	0.16	0.17	0.16	0.17
	Mid	14	0.24	0.31	0.25	0.22	0.27	0.26	0.21	0.24	0.22	0.15	0.19	0.17
	Small	27	0.27	0.29	0.26	0.27	0.33	0.31	0.33	0.35	0.42	0.30	0.28	0.31
Information Technology	Large	6	0.13	0.10	0.14	0.14	0.12	0.15	0.15	0.11	0.12	0.11	0.10	0.09
	Mid	8	0.45	0.32	0.35	0.40	0.35	0.57	0.47	0.55	0.41	0.40	0.28	0.30
	Small	13	0.47	0.38	0.36	0.46	0.39	0.71	0.63	0.59	0.41	0.37	0.33	0.48
Media, Entertainment & Publication	Mid	1	0.18	0.14	0.13	0.23	0.29	0.58	0.37	0.34	0.15	0.10	0.11	0.09
	Small	4	2.53	1.64	1.01	0.80	0.83	1.10	0.96	0.93	0.97	0.97	0.65	0.75
Metals & Mining	Large	6	0.25	0.26	0.26	0.30	0.30	0.41	0.22	0.25	0.25	0.20	0.28	0.20
	Mid	5	0.31	0.50	0.38	0.45	0.37	0.23	0.18	0.22	0.20	0.19	0.18	0.16
	Small	4	1.58	1.39	1.04	1.64	1.08	0.90	0.70	0.78	0.71	0.87	0.95	0.63
Oil, Gas & Consumable Fuels	Large	7	0.16	0.19	0.14	0.13	0.14	0.19	0.15	0.15	0.14	0.14	0.13	0.12
	Mid	6	0.52	0.68	0.43	0.50	0.43	0.44	0.49	0.48	0.40	0.30	0.28	0.27
	Small	5	0.67	0.64	0.54	0.88	0.46	0.50	1.08	0.72	0.57	0.40	0.42	0.46
Power	Large	8	0.27	0.35	0.26	0.21	0.29	0.33	0.23	0.23	0.21	0.16	0.27	0.23
	Mid	3	0.70	1.07	0.80	0.46	0.49	0.32	0.65	0.29	0.27	0.18	0.15	0.20
	Small	2	1.46	1.00	0.39	0.51	0.55	0.74	0.72	0.95	0.51	0.83	0.45	0.73
Realty	Large	2	0.22	0.18	0.16	0.15	0.19	0.18	0.13	0.14	0.13	0.15	0.15	0.15
	Mid	4	0.32	0.27	0.27	0.26	0.43	0.31	0.29	0.32	0.27	0.25	0.29	0.29
	Small	7	0.60	0.42	0.46	0.50	0.43	0.49	0.60	0.40	0.49	0.31	0.29	0.59
Services	Large	2	0.33	0.20	0.35	0.23	0.24	0.55	0.18	0.36	0.17	0.19	0.32	0.20
	Mid	4	0.46	0.63	0.29	0.35	0.41	0.63	0.34	0.28	0.26	0.20	0.17	0.19
	Small	10	0.55	0.74	0.36	0.44	0.47	0.57	1.26	0.76	0.52	0.40	0.47	0.29
Telecommunication	Large	1	0.10	0.10	0.13	0.12	0.11	0.21	0.09	0.13	0.11	0.08	0.10	0.14
	Mid	4	0.74	1.14	0.61	1.55	0.73	1.59	0.67	0.44	0.56	0.30	0.34	0.34
	Small	6	1.46	1.24	0.69	0.78	0.63	1.42	1.89	1.17	0.75	0.74	1.26	1.57
Textiles	Mid	2	0.22	0.17	0.19	0.21	0.20	0.17	0.15	0.20	0.29	0.16	0.25	0.34
	Small	4	1.10	0.31	0.19	0.19	0.14	0.28	0.41	0.56	0.27	0.24	0.12	0.53

Source: Bloomberg, YES Sec; Note: Red highlights is pickup in Volume activity (>1.2x of 1yr avg) and yellow highlights is decrease in Volume activity (<0.8x of 1yr avg)

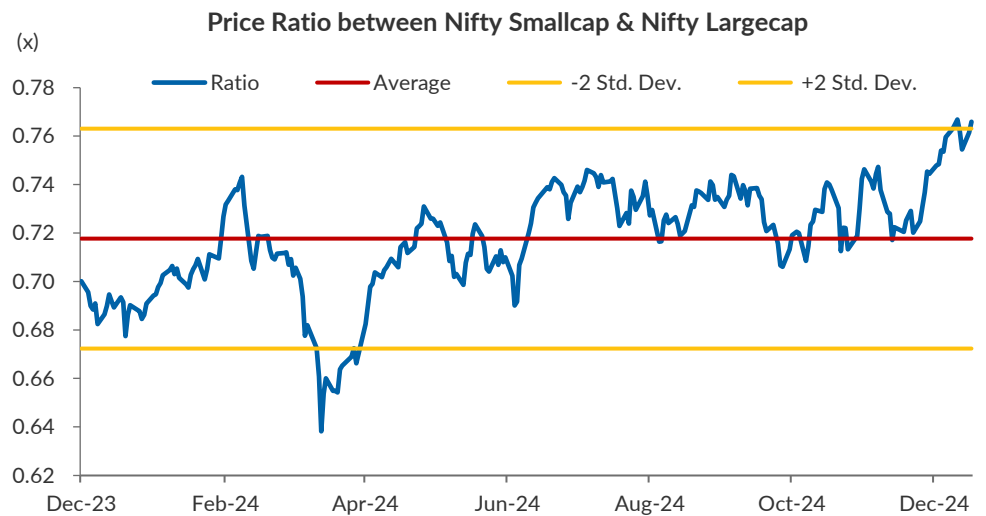
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Exhibit 6: Shift in Focus: From Derivatives to Small-Cap Cash Market...



Source: Bloomberg, YES Sec

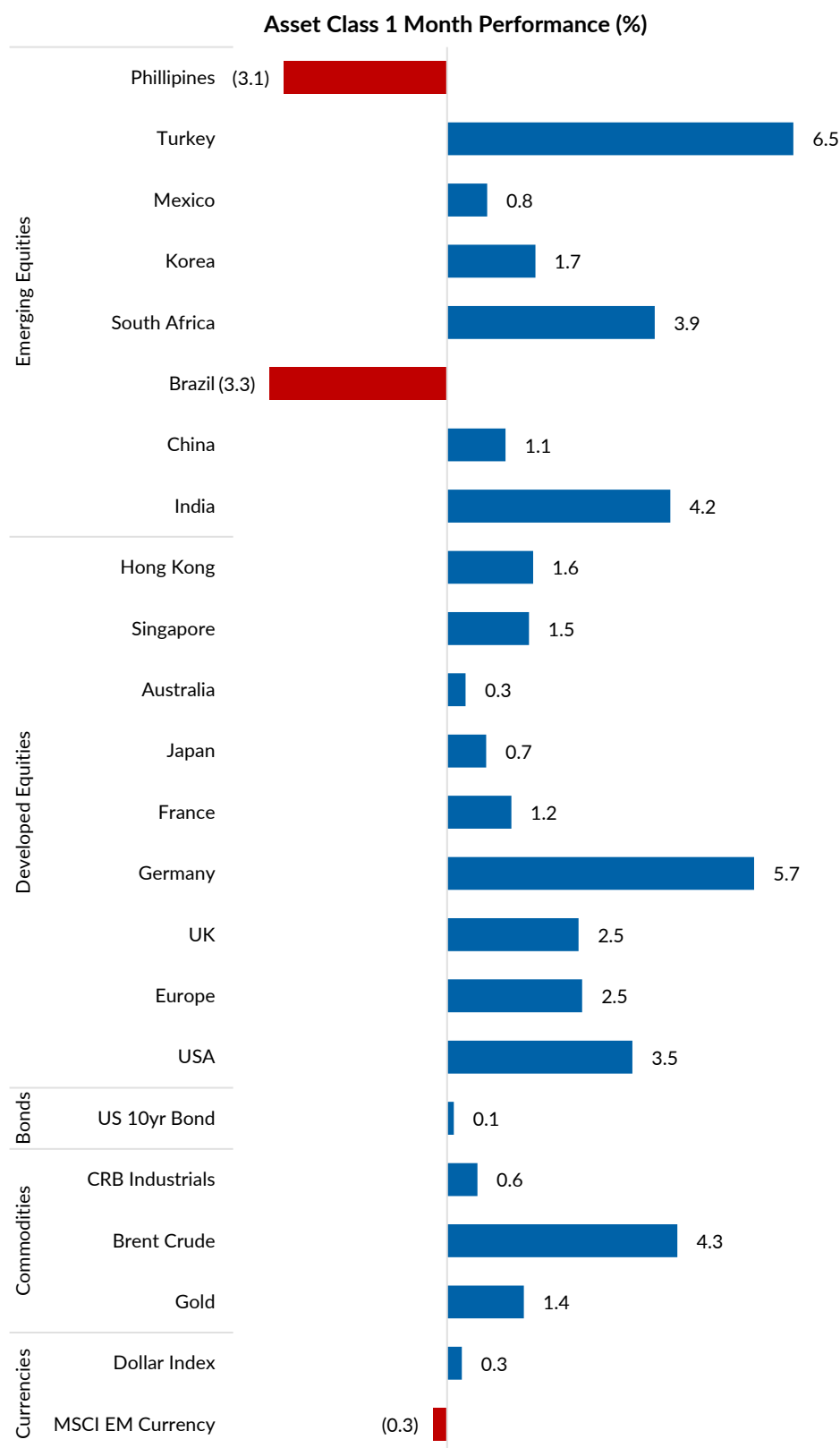
Exhibit 7: ...translating into outperformance of Smallcap



Source: Bloomberg, YES Sec

Asset Class Performance

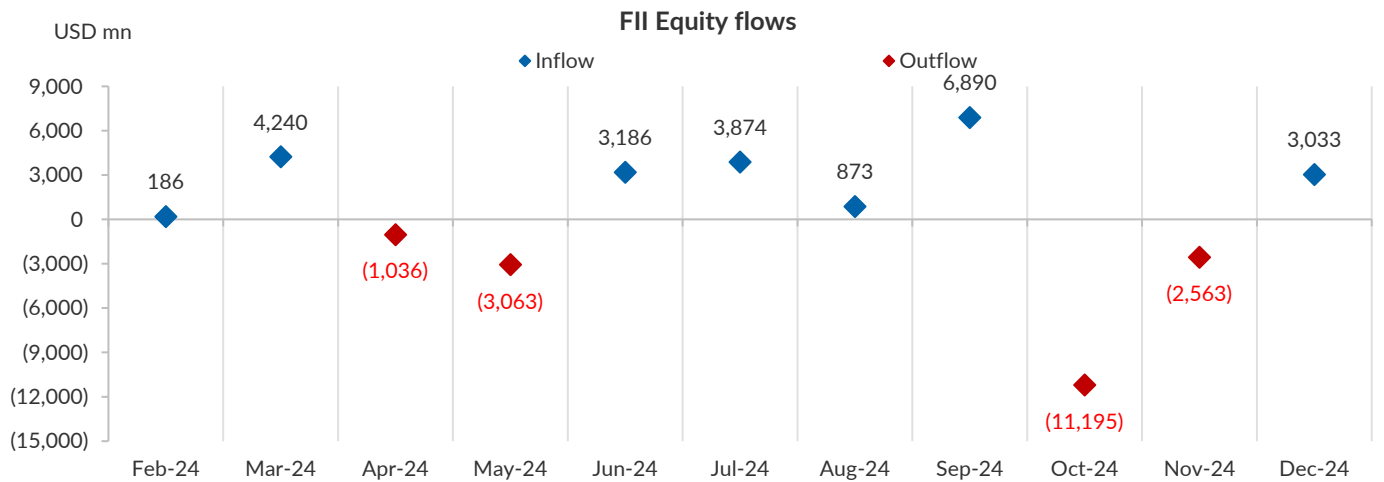
Exhibit 8: Global Risk Assets Rebound as Burgeoning Dollar takes a Pause



Source: Bloomberg, YES Sec Note: Data is from 17-Nov-24 to 17-Dec-24

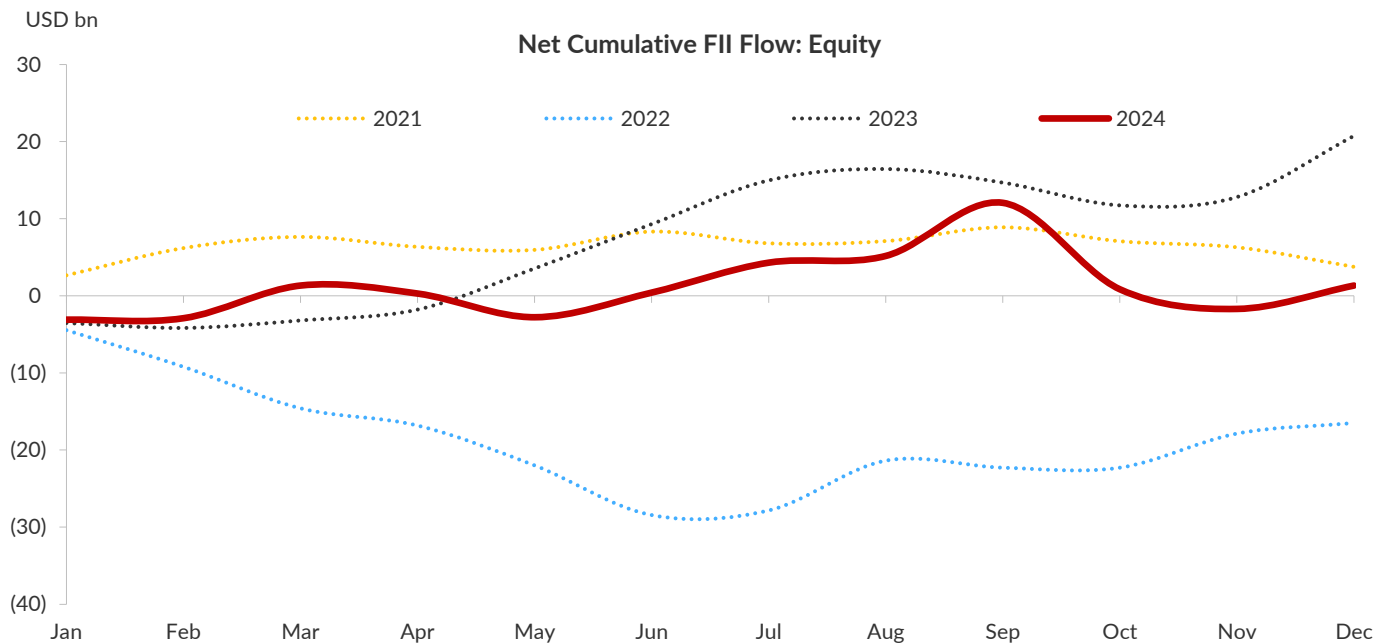
India Equities

Exhibit 9: FIIs turn back as buyers of Indian Equities...



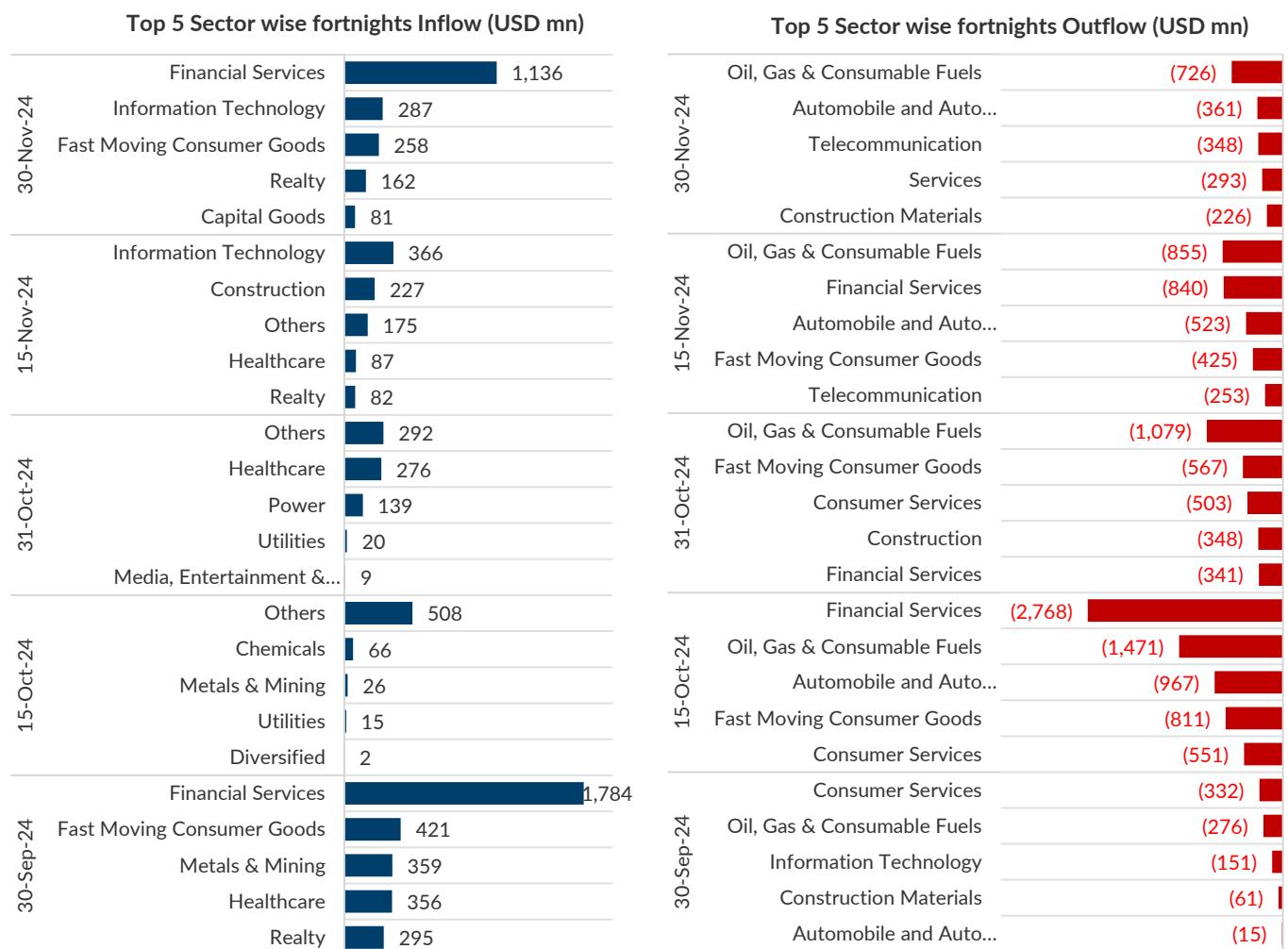
Source: CEIC, YES Sec

Exhibit 10: ...YTD 2024 FPI flows remain marginally positive



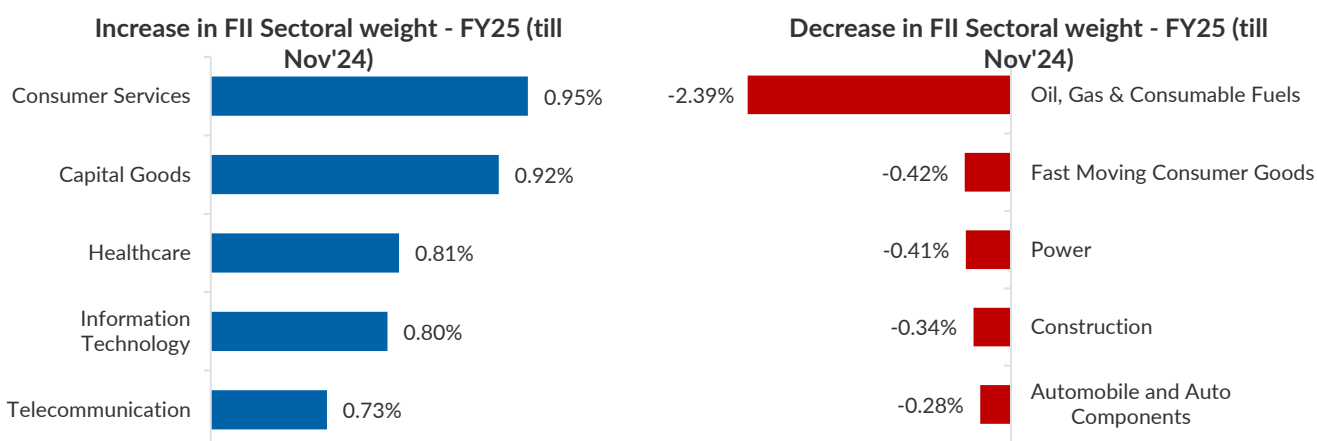
Source: CEIC, YES Sec

Exhibit 11: FPIs buy Financial Services and IT, sell Oil and Auto over the last two fortnights



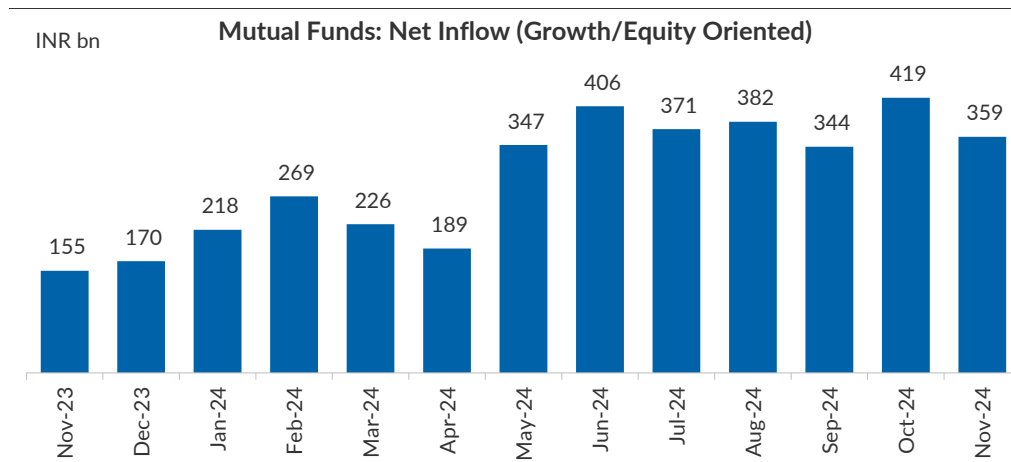
Source: NSDL, CEIC, YES Sec

Exhibit 12: In FY25, FPI add Capital Goods and Consumer Services, while sell Oil and FMCG



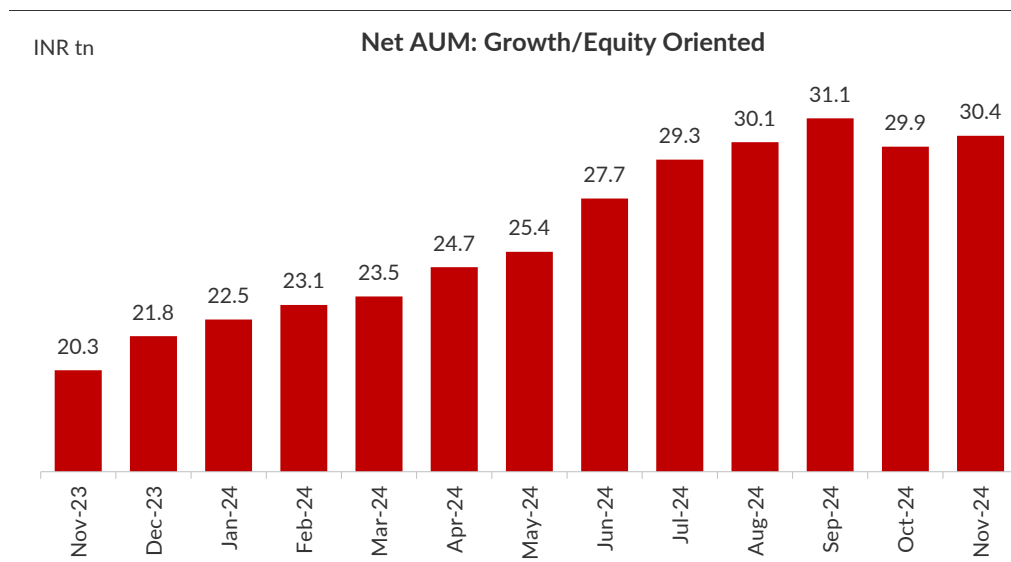
Source: NSDL, CEIC, YES Sec

Exhibit 13: Inflows in Equity MFs remain strong...



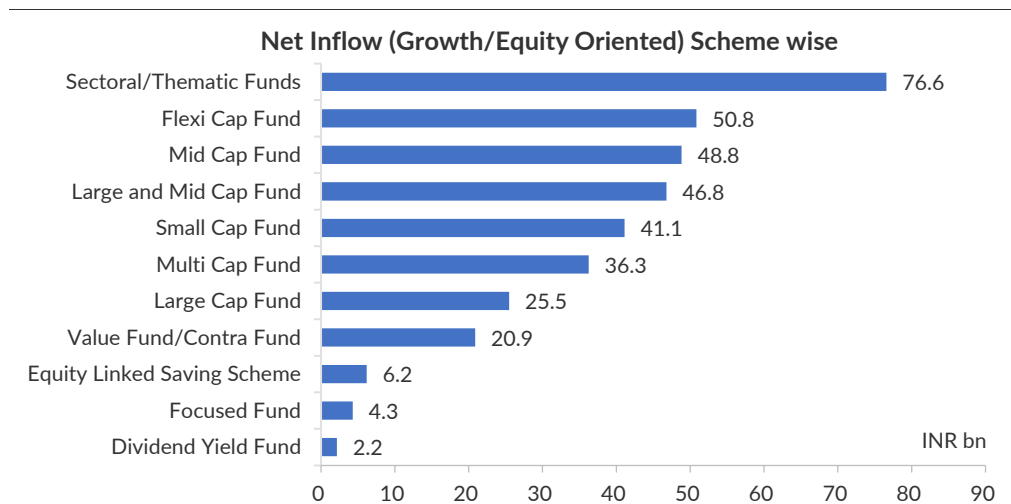
Source: AMFI, YES Sec

Exhibit 14: ...equity AUM resume expansion



Source: AMFI, YES Sec

Exhibit 15: Sectoral and Thematic funds register strong inflows



Source: AMFI, YES Sec; Note: Data for Nov month

Exhibit 16: Mutual Funds What's-in & What's-out for November

New Entry			AMC	Total Exit		
Rank 3	Rank 2	Rank 1		Rank 1	Rank 2	Rank 3
UNITDSPR	SWIGGY	PREMIERENE	360 ONE MF	INDIGO	AUROPHARMA	ZYDUSLIFE
NIVABUPA	WELCORP	SWIGGY	Axis MF	EURKA	ESCORTS	
EICHERMOT	NATIONALUM	JIOFIN	Bajaj MF	NESTLEIND	INDUSTOWER	PGHH
BLACKBUCK	SWIGGY	WOCKPHARMA	Bandhan MF	OLAELEC	SAIL	LICHSGFIN
SWIGGY	SAGILITY	NTPCGREEN	Baroda MF	IRCTC	WAAREEENER	KPRMILL
VBL	NTPCGREEN	SWIGGY	Birla MF	GMPFPAUDLR	PIDILITIND	TANLA
GODAVARIB	WOCKPHARMA	NTPCGREEN	BOI MF	RATEGAIN	AEGISLOG	SKFINDIA
BALKRISIND	DEVYANI	NTPCGREEN	Canara Robeco MF	BDL	HINDPETRO	COLPAL
WELSPUNLIV	NIVABUPA	NTPCGREEN	DSP MF	INDGN	TBOTEK	OBEROIRLTY
HINDZINC	SWIGGY	NTPCGREEN	Edelweiss MF	RVNL	MEDANTA	EIHOTEL
		SBILIFE	Franklin Templeton MF	PARKHOTELS	OLAELEC	PAYTM
TITAN	TVSMOTOR	TATAMOTORS	Groww MF	BRITANNIA	BAJAJ-AUTO	BAJFINANCE
DODLA	ACMESOLAR	SUZLON	HDFC MF	VBL	THYROCARE	OBEROIRLTY
	CUMMINSIND	SWIGGY	Helios MF	AIAENG	FIRSTCRY	BLUEDART
NTPCGREEN	WOCKPHARMA	SWIGGY	HSBC MF	ZYDUSLIFE	GNFC	AMBUJACEM
SAGILITY	SWIGGY	NTPCGREEN	ICICI PRU MF	ANGELONE	JIOFIN	PREMIERENE
NTPCGREEN	MEDPLUS	SWIGGY	Invesco MF	GUJGASLTD		
BHARATFORG	MANYAVAR	NTPCGREEN	ITI MF	BIOCON	RAYMOND	COCHINSHIP
BHEL	HEROMOTOCO	MOTILALOFS	JM MF	DELHIVERY	OLAELEC	JSWSTEEL
MEDPLUS	NTPCGREEN	SWIGGY	Kotak MF	JSWSTEEL	TBOTEK	ESCORTS
EIEL	KILBUNENGG	NTPCGREEN	LIC MF	NIACL	EQUITASBNK	360ONE
BDL	SWIGGY	BANKBARODA	M&M MF	HDFCAMC	GRANULES	HDFCLIFE
ACMESOLAR	SUZLON	SWIGGY	Mirae MF	TRITURBINE	NESTLEIND	NATCOPHARM
SWIGGY	SUPREMEIND	KEI	Motilal MF	GLOBUSSPR	TBOTEK	MARKSANS
SAREGAMA	ASTRAL	KPITTECH	Navi MF	LTTS	HONASA	COCHINSHIP
ACMESOLAR	SWIGGY	NTPCGREEN	Nippon MF	GAIL	MARICO	ADANIENT
			NJ MF	ACC	PIIND	TATAMOTORS
AFFLE	NEULANLAB	SAGILITY	PGIM MF	HAPPSTMNDS	MSUMI	TEAMLEASE
		NIRLON	PPFAS MF	IGL		
MAZDOCK	ACC	NMDC	Quant MF	MPHASIS	COFORGE	LTF
			Quantum MF	DIVISLAB		
GLENMARK	VBL	DIVISLAB	Samco MF	COALINDIA	TATAMOTORS	IMFA
JMFINANCIL	SBCL	ROUTE	SBI MF	WABAG	BOSCHLTD	AWHCL
ICICIGI	HEROMOTOCO	TVSMOTOR	Shriram MF	HDFCBANK	TCS	INDUSTOWER
SKFINDIA	LICHSGFIN	GET&D	Sundaram MF	SUVENPHAR	CLEAN	MAPMYINDIA
CEATLTD	GET&D	SPICEJET	Tata MF	TATACHEM	UPL	BATAINDIA
CHIV	EQUITASBNK	BPCL	Taurus MF	TV18BRDCST	NESTLEIND	SAGCEM
RADICO	BAJAJ-AUTO	AMIORG	Trust MF	FEDERALBNK	RECLTD	GODREJPROP
AADHARHFC	KEC	CAMPUS	Union MF	INDUSTOWER	AARTIIND	SANOFICONR
ACC	SBCL	BAJAJHFL	UTI MF	PRINCEPIPE		
LICHSGFIN	BRIGADE	POLICYBZR	WhiteOak MF	ZENTEC	IDEA	SENCO

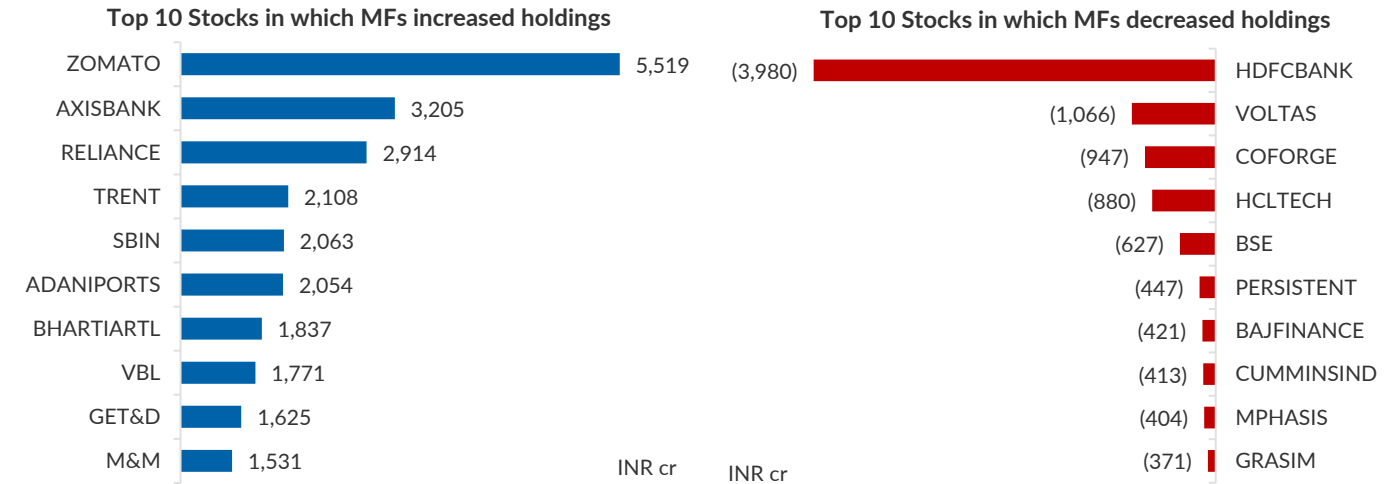
Source: NAV-India, YES Sec – Research

Exhibit 17: MF's Top Rejig in November

Increased			AMC	Decreased		
Rank 3	Rank 2	Rank 1		Rank 1	Rank 2	Rank 3
CUMMINSIND	ZOMATO	DIVISLAB	360 ONE MF	COALINDIA	NAUKRI	NTPC
TCS	SBIN	ZOMATO	Axis MF	DMART	BAJFINANCE	BAJAJ-AUTO
TATASTEEL	HAVELLS	INFY	Bajaj MF	WIPRO	BAJAJ-AUTO	NTPC
UPL	INDUSINDBK	VBL	Bandhan MF	HDFCBANK	POWERINDIA	JINDALSTEL
RELIANCE	GET&D	HDFCBANK	Baroda MF	PNB	INDUSINDBK	TATASTEEL
DMART	ZFCVINDIA	ZOMATO	Birla MF	HDFCBANK	VOLTAS	MARUTI
SWANENERGY	LLOYDSME	SBIN	BOI MF	ULTRACEMCO	JYOTHYLAB	ZAGGLE
M&M	TRENT	VBL	Canara Robeco MF	BEL	NAUKRI	ULTRACEMCO
TATAMOTORS	SCHAEFFLER	CIPLA	DSP MF	COFORGE	MPHASIS	SHARDACROP
BOSCHLTD	PREMIEREENE	ICICIBANK	Edelweiss MF	INDUSTOWER	JSWENERGY	OFSS
TIINDIA	MEDPLUS	CIPLA	Franklin Templeton MF	INFY	MARUTI	ACC
M&M	SBIN	BANKBARODA	Groww MF	SUNPHARMA	HEROMOTOCO	LICI
IGL	ZOMATO	JSWSTEEL	HDFC MF	HDFCBANK	TECHM	ICICIBANK
PAYTM	RECLTD	INDHOTEL	Helios MF	BAJFINANCE	STYLEBAAZA	
BSE	TRENT	HDFCBANK	HSBC MF	PFC	NYKAA	TIMKEN
ZOMATO	BHARTIARTL	AXISBANK	ICICI PRU MF	HDFCBANK	INFY	HCLTECH
TRENT	WOCKPHARMA	VBL	Invesco MF	NTPC	KALYANKJIL	ZOMATO
PROTEAN	HDFCBANK	WOCKPHARMA	ITI MF	ZOMATO	ABFRL	CUMMINSIND
HDFCBANK	ZOMATO	BHARTIARTL	JM MF	ASIANPAINT	ITC	ARE&M
ZOMATO	KEI	GET&D	Kotak MF	HDFCBANK	PERSISTENT	CUMMINSIND
ZFCVINDIA	AFCONS	HINDALCO	LIC MF	NATIONALUM	ZOMATO	HDFCBANK
PEL	ICICIBANK	NATIONALUM	M&M MF	CENTURYTEX	RECLTD	GAIL
VBL	SBILIFE	ADANIPTS	Mirae MF	HCLTECH	HDFCBANK	TATASTEEL
M&M	TRENT	ZOMATO	Motilal MF	BSE	JIOFIN	TATAELXSI
TIINDIA	SESCO	AUROPHARMA	Navi MF	SBILIFE	MFSL	STARHEALTH
DMART	RELIANCE	GET&D	Nippon MF	POWERGRID	ITC	KOTAKBANK
AJANTPHARM	HCLTECH	RELIANCE	NJ MF	HDFCBANK	LT	BAJFINANCE
AUROPHARMA	REDINGTON	GESHIP	Old Bridge MF			
POLYCAB	BHARTIHEXA	VBL	PGIM MF	PHOENIXLTD	HINDUNILVR	IGL
KOTAKBANK	ITC	COALINDIA	PPFAS MF	CDSL	MOTILALOFSS	ICRA
RELIANCE	ONGC	SBIN	Quant MF	UNITDSPR	BLS	GILLETTE
HDFCBANK	ICICIPRULI	STARHEALTH	Quantum MF	UTIAMC		
TRENT	DIXON	NAUKRI	Samco MF	LALPATHLAB	COLPAL	SOLARINDS
RELIANCE	HDFCBANK	ADANIPTS	SBI MF	VOLTAS	HEROMOTOCO	NATIONALUM
HCLTECH	INDHOTEL	DIVISLAB	Shriram MF	CUMMINSIND	BAJAJ-AUTO	TORNTPHARM
ADANIPTS	INDUSINDBK	DRREDDY	Sundaram MF	KALYANKJIL	CGPOWER	LAURUSLABS
UPL	WOCKPHARMA	TCS	Tata MF	KOTAKBANK	ACC	NETWEB
AUBANK	ICICIBANK	AUROPHARMA	Taurus MF	SWANENERGY	COALINDIA	AXISBANK
INDHOTEL	COFORGE	WOCKPHARMA	Trust MF	SUNPHARMA	NTPC	LUPIN
M&M	INDHOTEL	GET&D	Union MF	CHOLAFIN	POWERGRID	BHARTIHEXA
MARUTI	ICICIBANK	ZOMATO	UTI MF	HDFCBANK	DABUR	COFORGE
MUTHOOTFIN	M&M	POWERGRID	WhiteOak MF	HDFCBANK	NTPC	ANGELONE

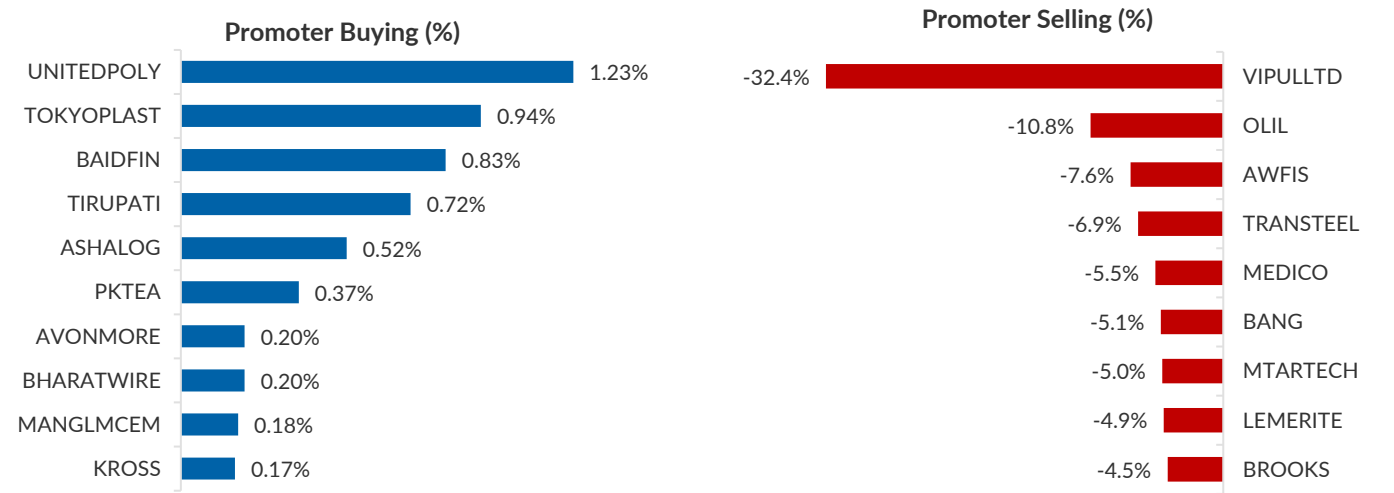
Source: NAV-India, YES Sec – Research

Exhibit 18: MF Activity exhibits preference for High Growth companies like Zomato and Trent, while booking profits in Financial Mammoth HDFC Bank



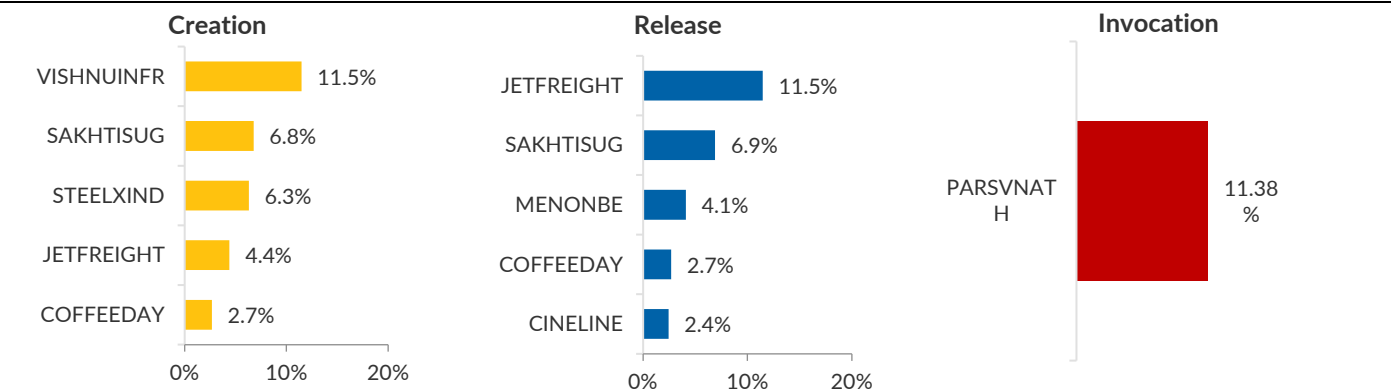
Source: NAV Database, YES Sec; Note: Data for Nov month

Exhibit 19: Promoter buying/selling for the last 30 days



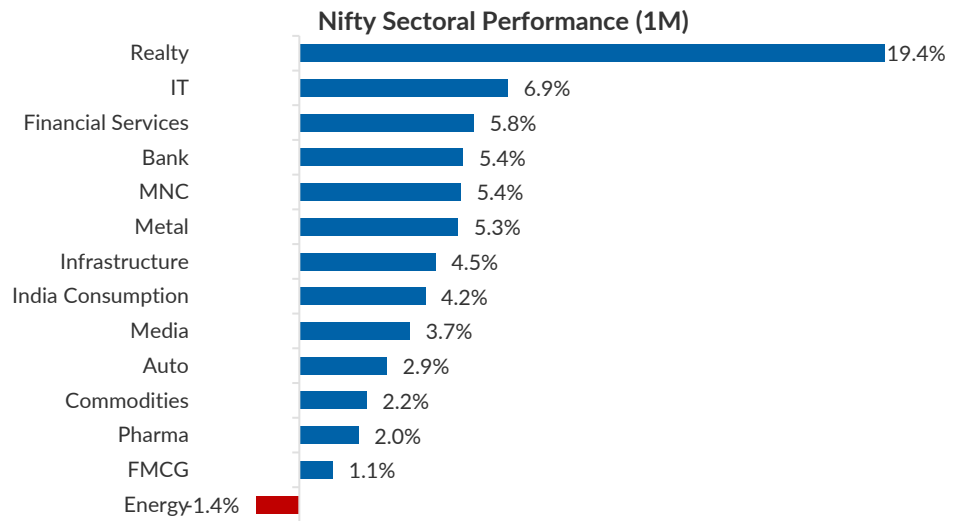
Source: NSE, YES Sec; Note: Data reported between 17-Nov-24 to 17-Dec-24

Exhibit 20: Promoter Pledge Matrix for the last 30 days



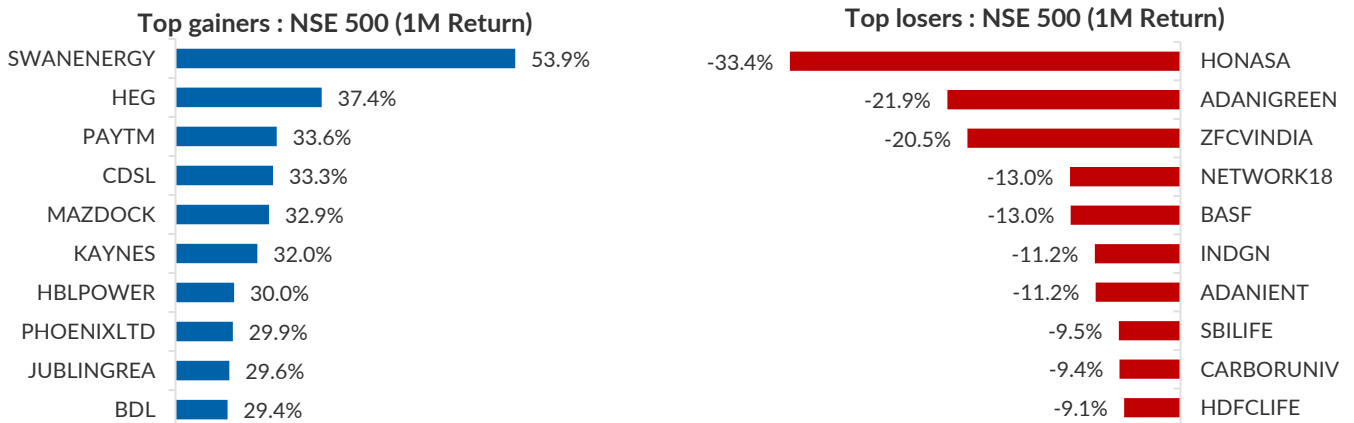
Source: NSE, YES Sec; Note: This data covers Promoter activity for the top 5 stocks in each category between 17-Nov-24 to 17-Dec-24

Exhibit 21: Realty spearheads the gains



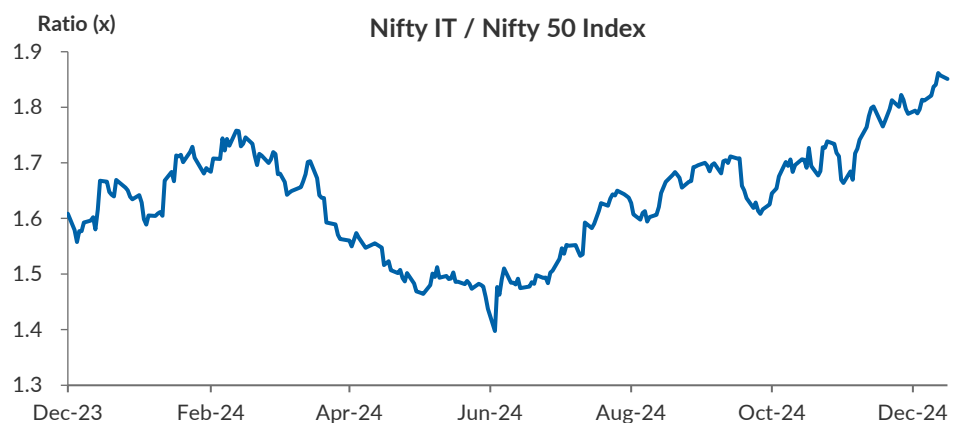
Source: Bloomberg, YES Sec; Note: Data reported between 17-Nov-24 to 17-Dec-24

Exhibit 22: Amid the losers, Adani Group and Life insurance companies correct the most on back of negative news flow



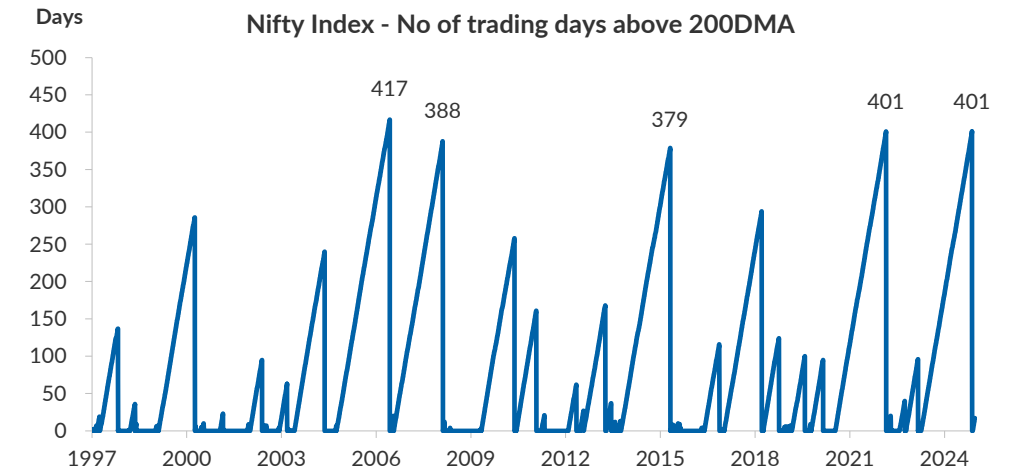
Source: Bloomberg, YES Sec; Note: Data reported between 17-Nov-24 to 17-Dec-24

Exhibit 23: Trump's stance on deregulation for US Banks is driving Indian IT stocks higher



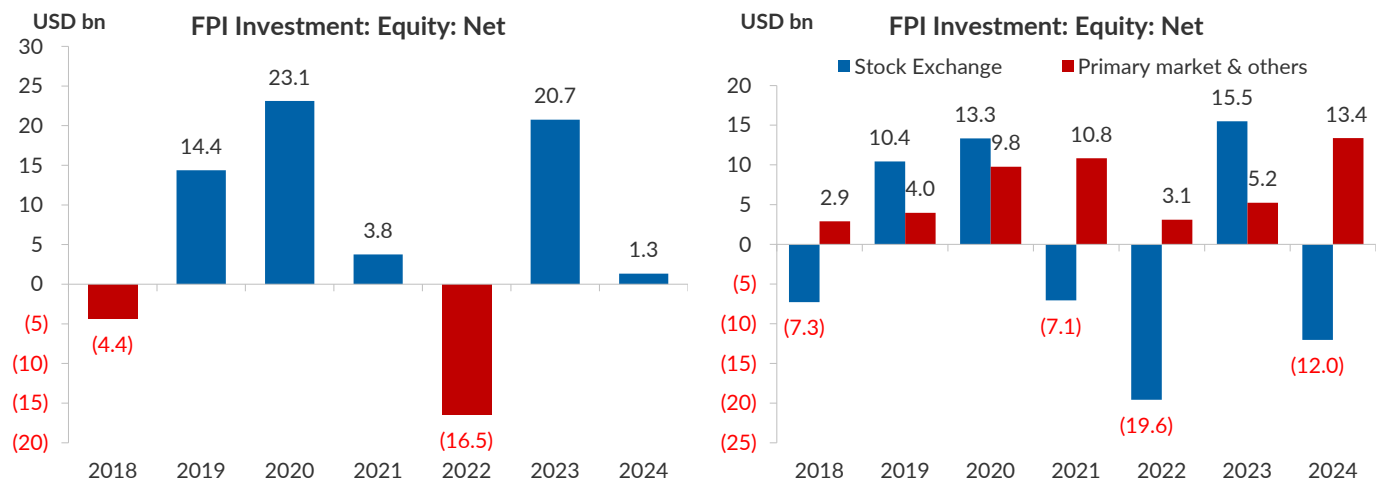
Source: Bloomberg, YES Sec

Exhibit 24: 2024 proved that Nifty tends to correct after 400 days of Buoyancy



Source: Bloomberg, YES Sec

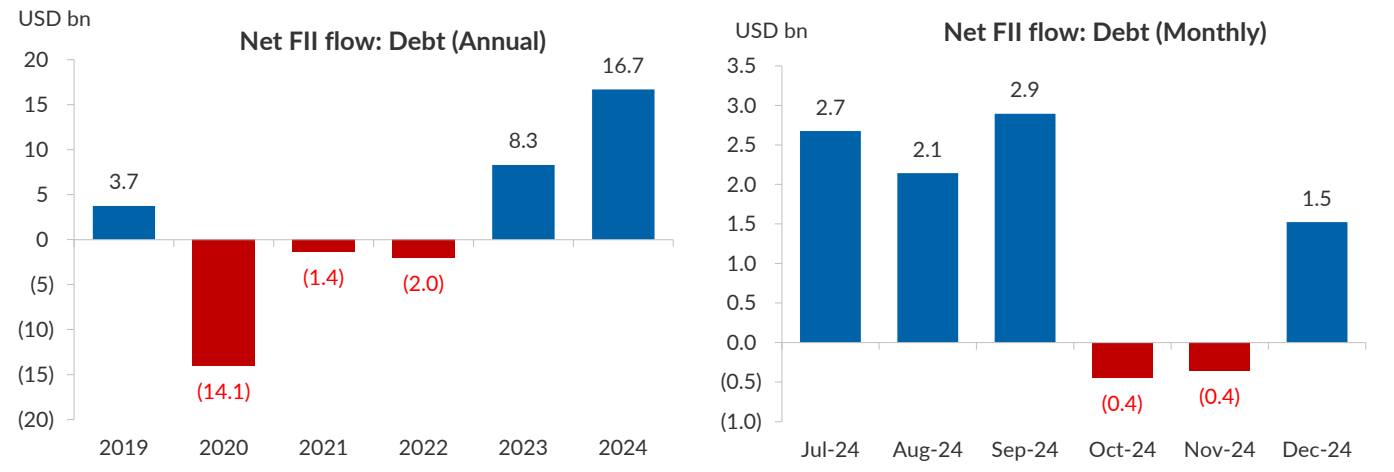
Exhibit 25: Net FII flows in Indian Equities remain positive, thanks to record inflows in IPOs



Source: Capitaline, YES Sec

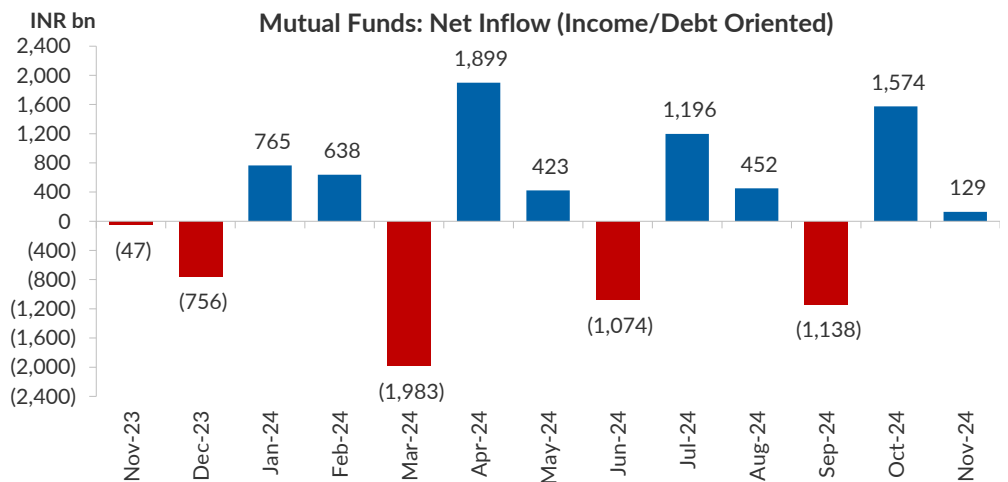
India Debt

Exhibit 26: FII inflows in Indian Debt is back after some selling during October and November



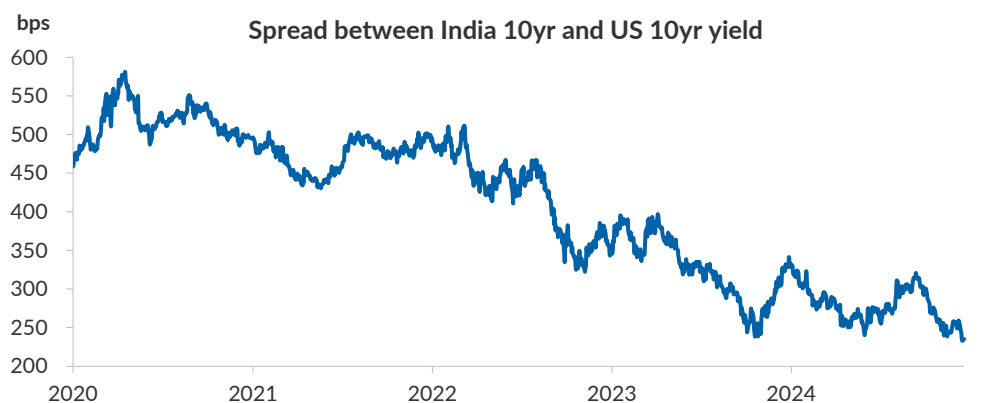
Source: CEIC, YES Sec

Exhibit 27: Debt MF go slow on Bond purchases during November



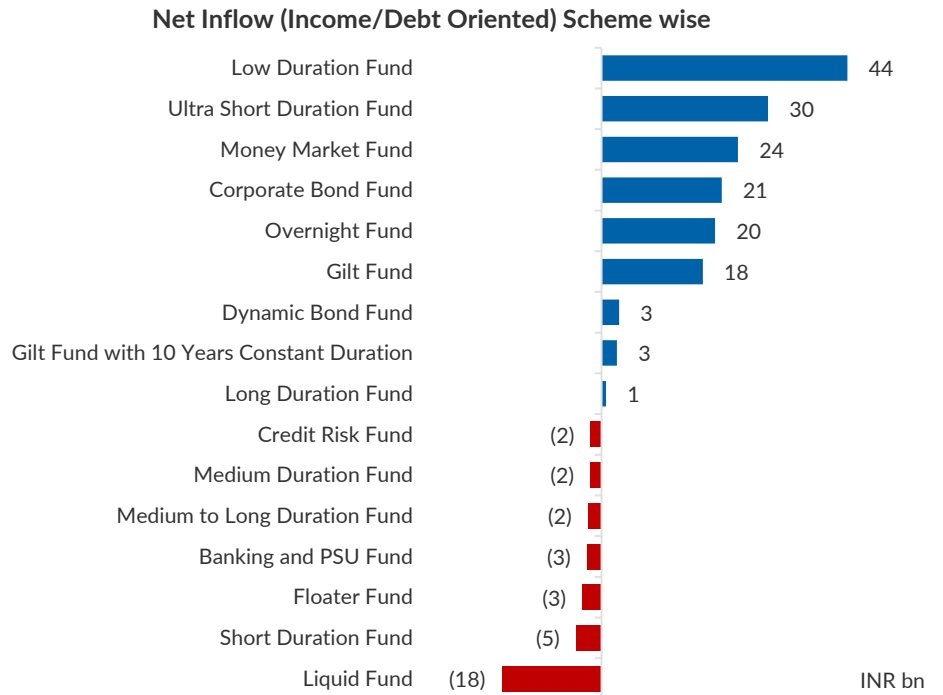
Source: AMFI, YES Sec

Exhibit 28: Narrowing persists in India-US Yield Differentials



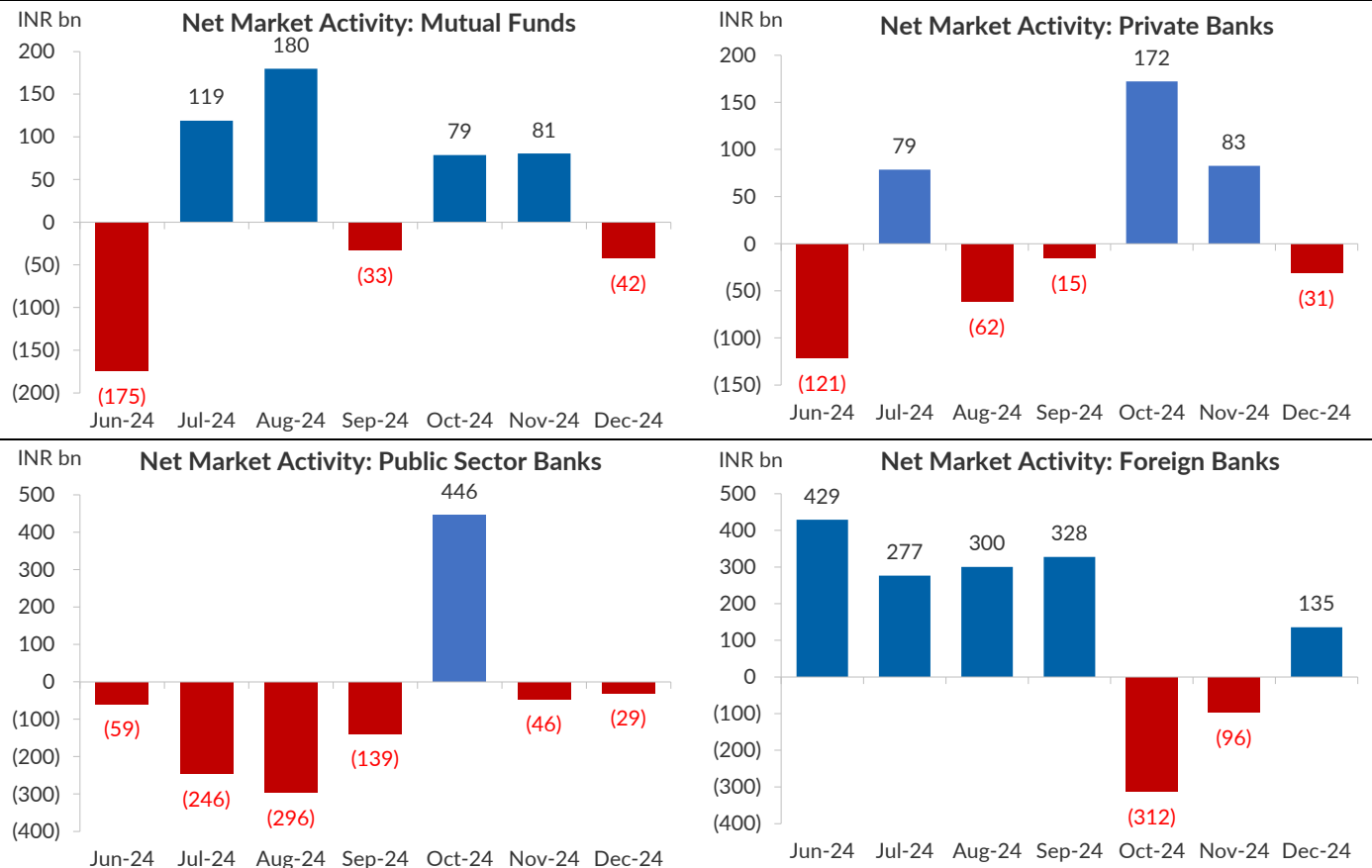
Source: Bloomberg, YES Sec

Exhibit 29: Duration Funds attract inflows



Source: CEIC, YES Sec; Note: Data for Nov month

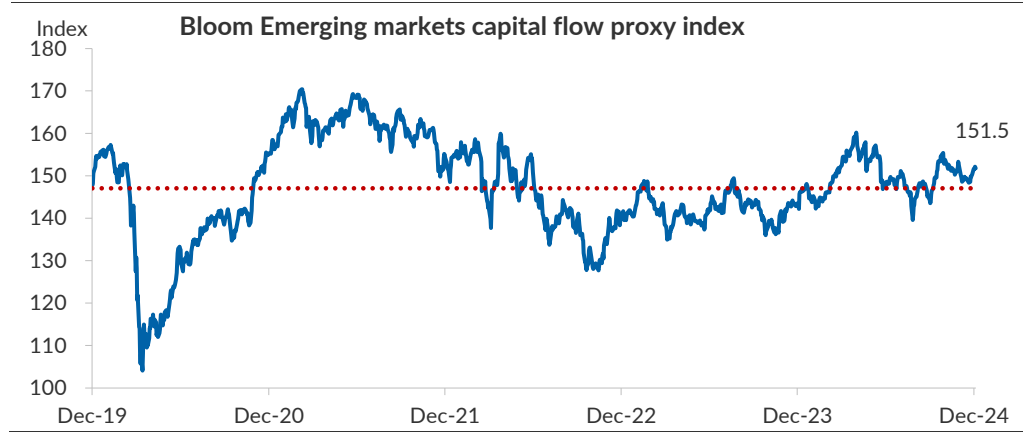
Exhibit 30: Foreign Banks turn back buyers of G-Secs during December



Source: Bloomberg, YES Sec

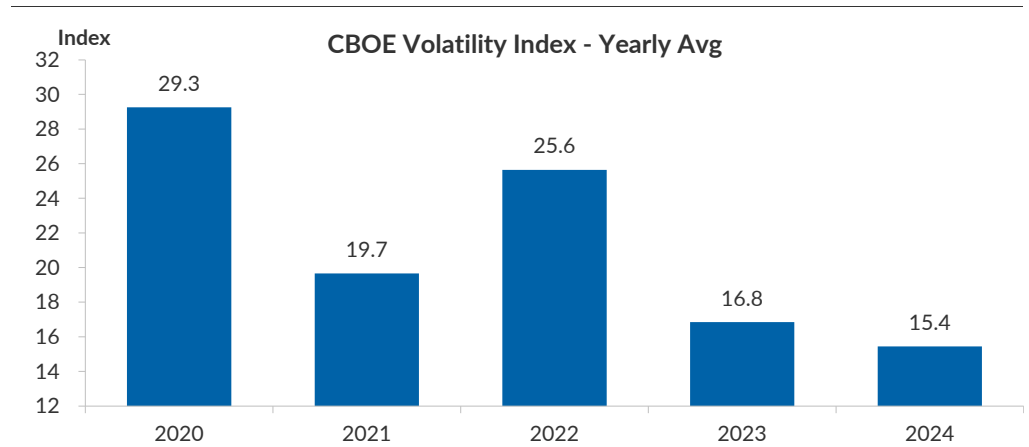
Global Liquidity

Exhibit 31: Capital flows in EMs is above the historical average



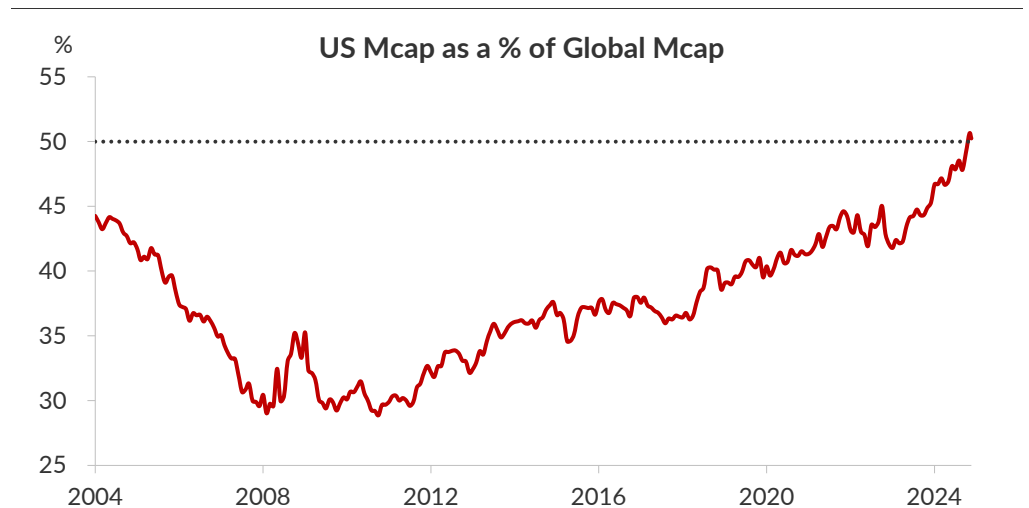
Source: Bloomberg, YES Sec

Exhibit 32: US Stock Market Volatility remains the lowest in 5 years



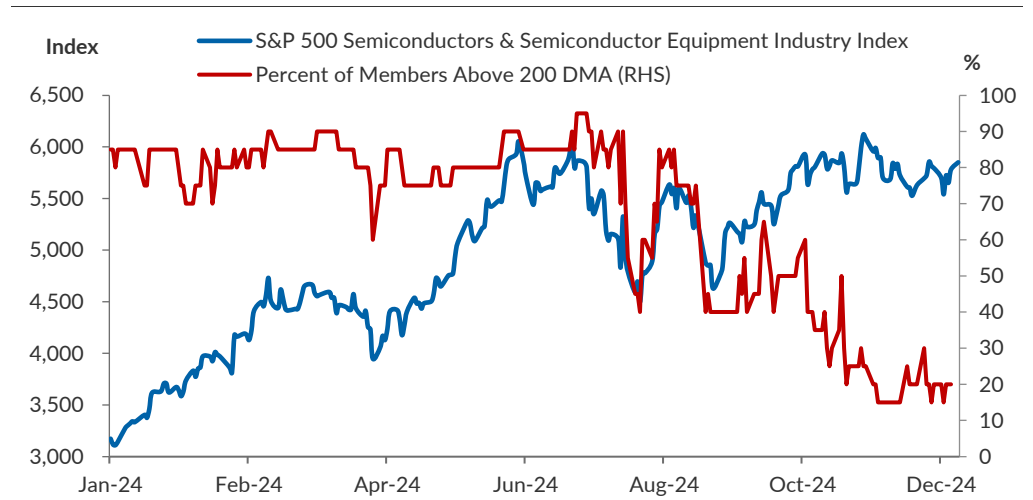
Source: Bloomberg, YES Sec

Exhibit 33: US Equities now account for exactly half of World Market Capitalization



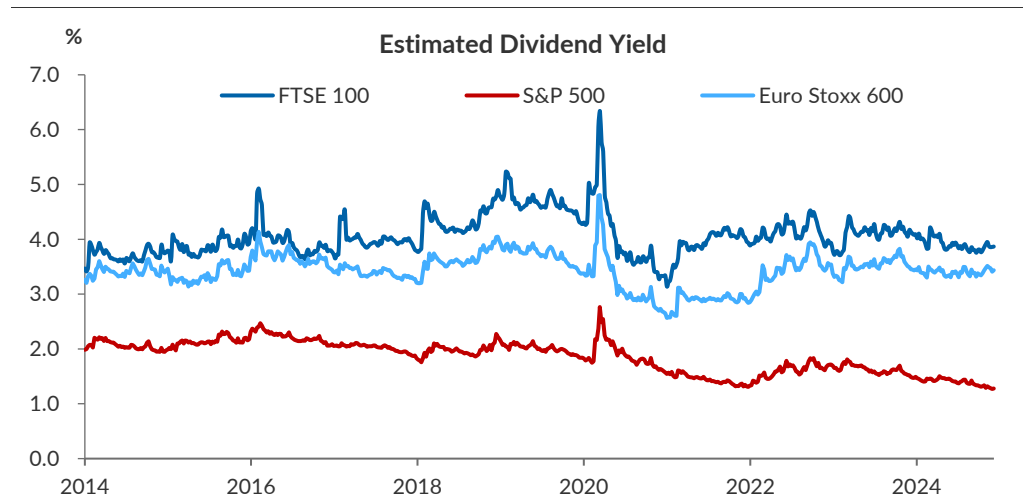
Source: Bloomberg, YES Sec

Exhibit 34: US Semiconductor Rally is getting Highly Concentrated



Source: Bloomberg, YES Sec

Exhibit 35: British Large Caps are the best Dividend Paying Stocks



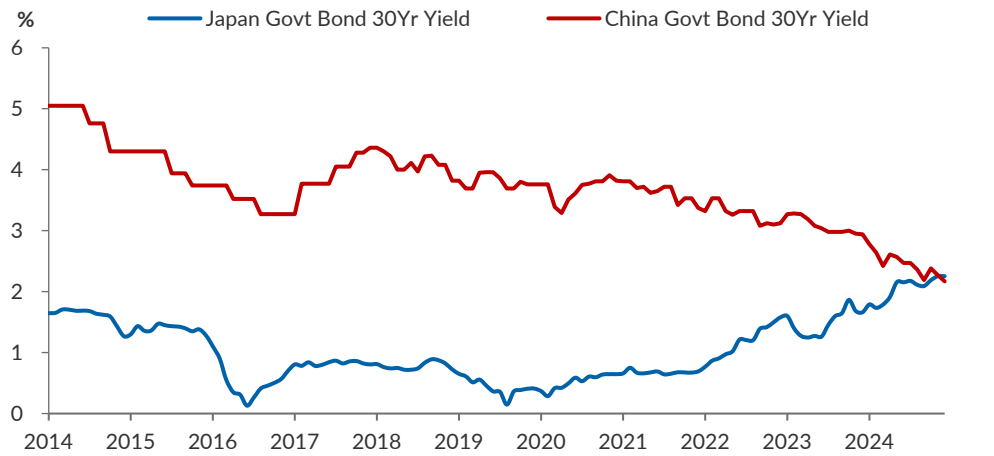
Source: Bloomberg, YES Sec

Exhibit 36: US Treasury Yields still make Equities look unattractive



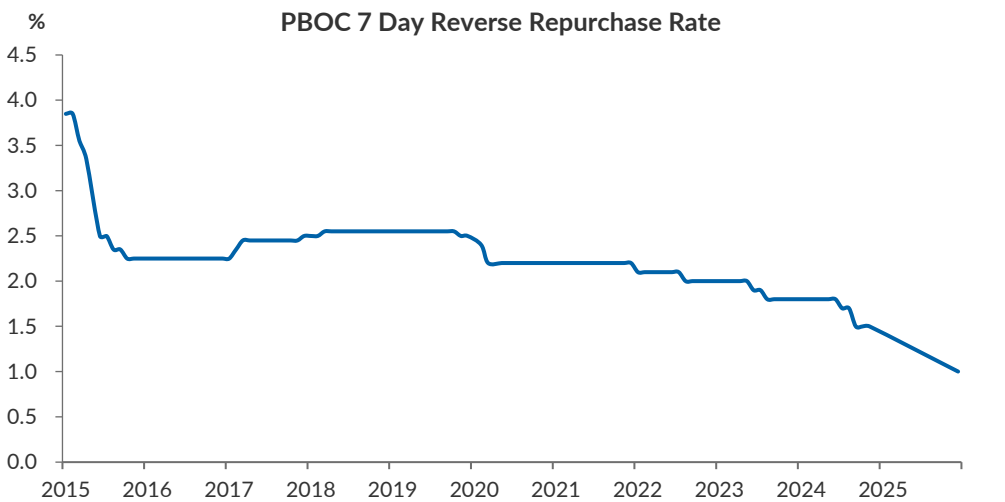
Source: Bloomberg, YES Sec

Exhibit 37: Japanification of China, Long Term Yields in China move lower than Japan



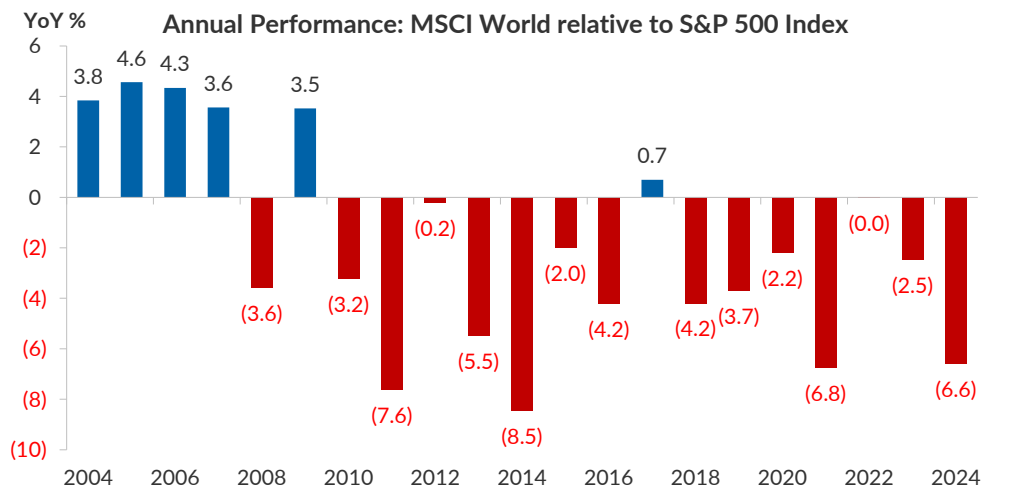
Source: Bloomberg, YES Sec

Exhibit 38: Chinese Interest Rates are seen going as low as 1%



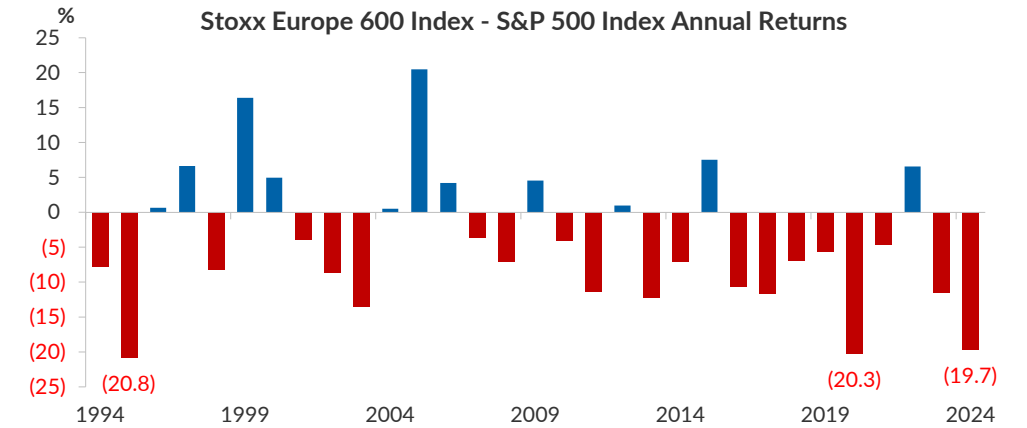
Source: Bloomberg, YES Sec

Exhibit 39: US Equities have persistently outperformed Global Markets post the GFC



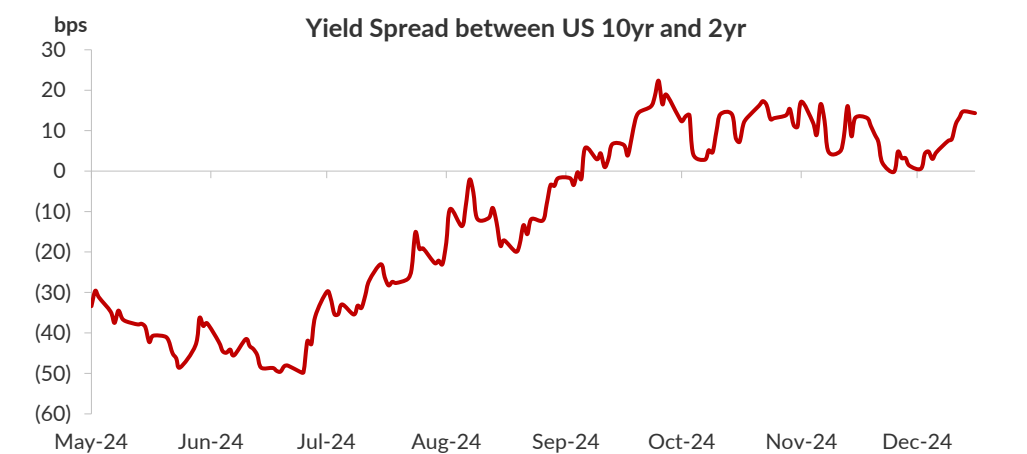
Source: Bloomberg, YES Sec

Exhibit 40: European Equities Underperformance of such magnitude is unprecedented



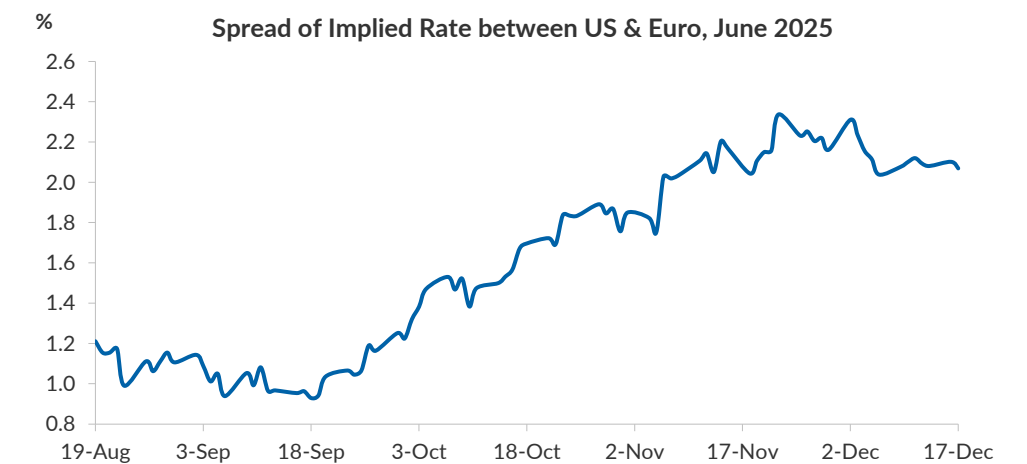
Source: Bloomberg, YES Sec

Exhibit 41: US Yield Curve Steepening continues as Trump is seen to be more Fiscally expansionary



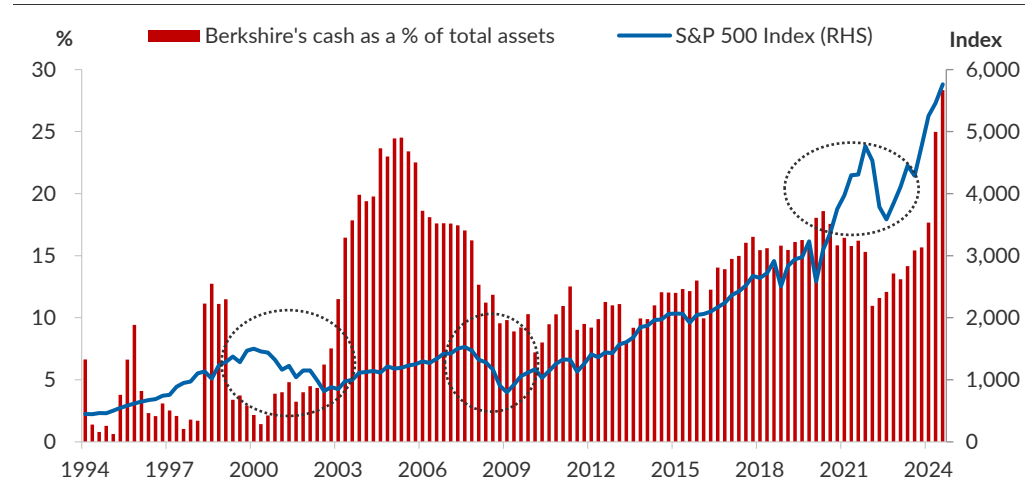
Source: Bloomberg, YES Sec

Exhibit 42: Yield spread between US and Europe is seen widening as Fed is projected to be less dovish than ECB



Source: Bloomberg, YES Sec

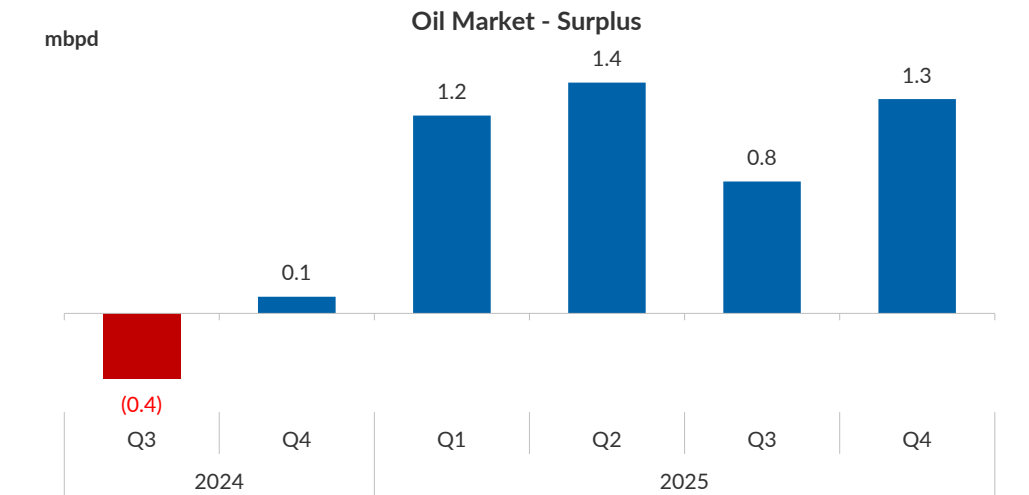
Exhibit 43: Warren Buffet Prefers Cash When Crisis is Due



Source: Bloomberg, YES Sec; Note: Through third quarter 2024.

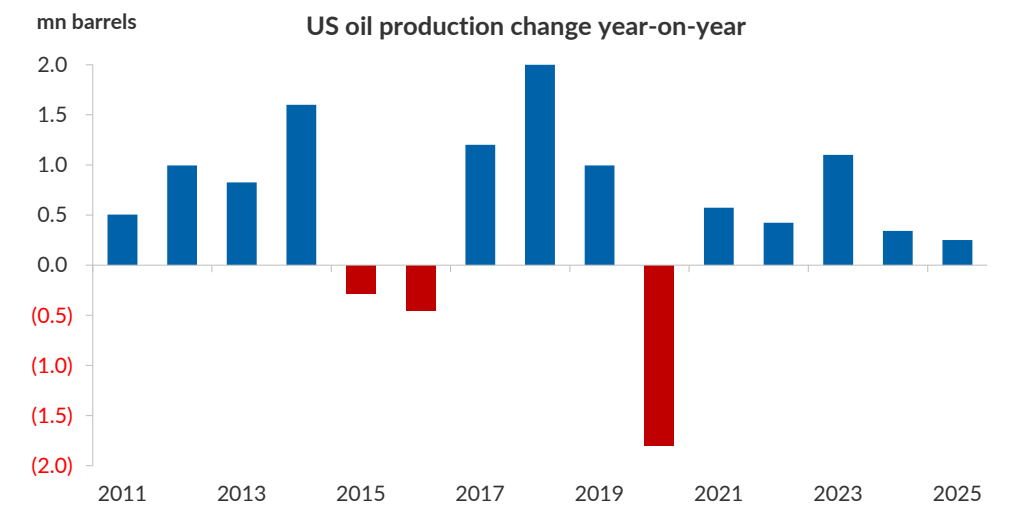
Commodities

Exhibit 44: Oil Markets are starting at a Surplus of 1mbpd



Source: Bloomberg calculations using IEA data, YES Sec

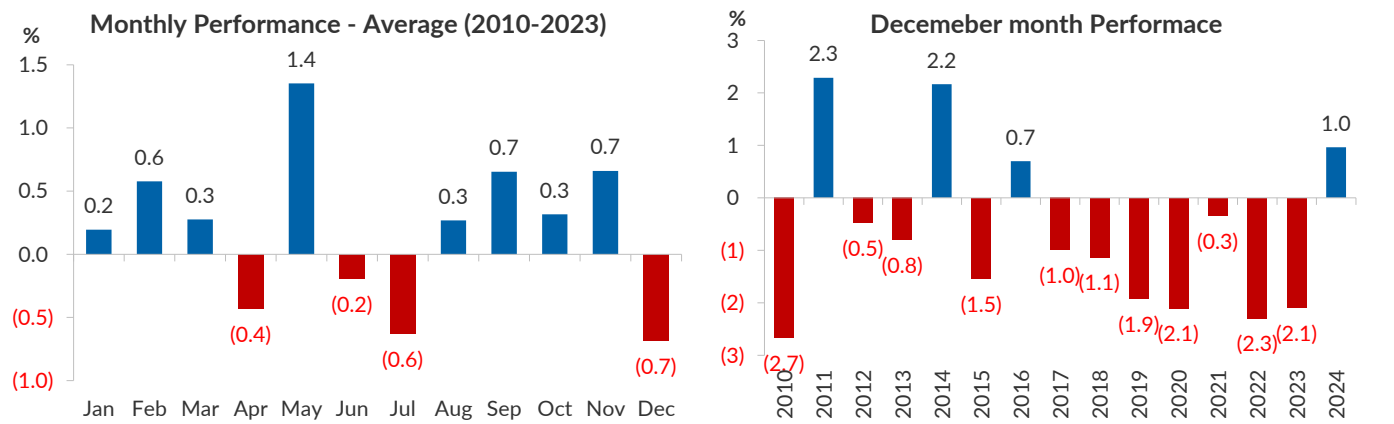
Exhibit 45: Although Trump is pro Fracking, US Shale Output is seen growing at a relatively lower pace in 2025 given the projections of Global Glut



Source: Bloomberg calculations using IEA data, YES Sec

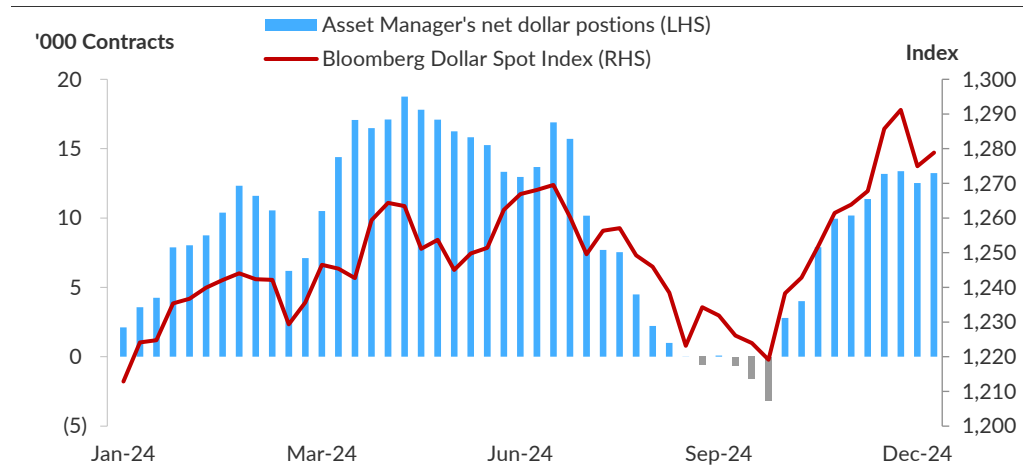
Currency

Exhibit 46: Dollar Index tends to fall in December, though 2024 does not replicate the trend



Source: Bloomberg, YES Sec

Exhibit 47: Asset Managers are turning Bullish on USD



Source: Bloomberg, YES Sec

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