



STATSGURU: Tracking market movements over the past year

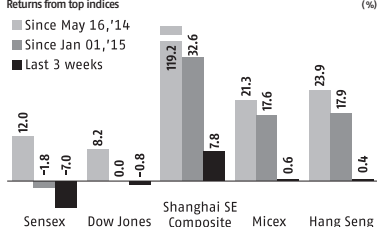
It is no longer the case that foreign investors think the Indian stock exchanges are the only game in town. As Table 1 shows, while the Sensex has gained since the Modi government was voted in on May 16 last year, Russian and Chinese indices have gained more. And the Sensex has actually lost value in recent weeks. As Table 2 shows, net foreign institutional investment has been volatile

over the past months, but is showing no signs of a secular decline.

This may be one reason why some sectors and companies are much more in demand than others – they may be the ones foreign investors are staying interested in. As Table 3 shows, the price-earnings multiple of the Sensex companies has stayed relatively constant – and that of the mid-cap index has actually

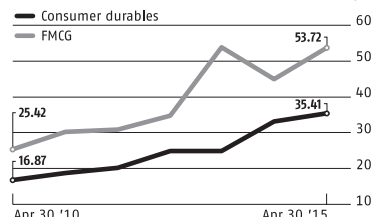
increased. But small-cap companies have seen a sharp decrease in price. Meanwhile, as Table 4 reveals, sectors like consumer durables and fast-moving consumer goods have continued to see high P-E multiples. Even within sectors, the difference between companies can be stark, as Table 5 shows. Overall, however, investors will be worried about corporate earnings, which, as Table 6 shows, look on a downward trend.

1: RUSSIAN, CHINESE INDICES HAVE GAINED MORE THAN SENSEX



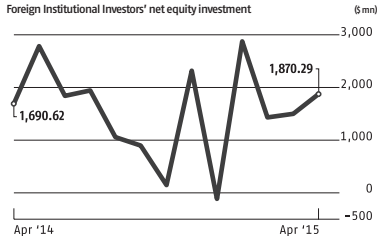
Source: Bloomberg

4: CONSUMER DURABLES, FMCG HAVE SEEN HIGH P-E



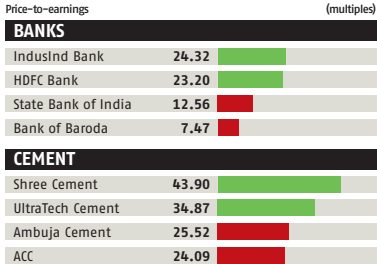
Source: Bloomberg

2: NET FII INVESTMENT HAS BEEN VOLATILE

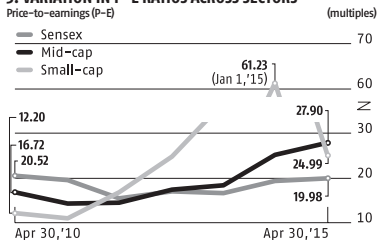


Source: Bloomberg/Sebi

5: STARK DIFFERENCES AMONG FIRMS IN EACH SECTOR

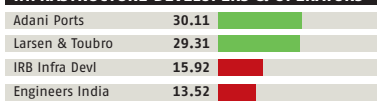


3: VARIATION IN P-E RATIOS ACROSS SECTORS

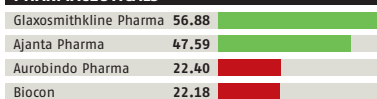


Source: Bloomberg

INFRASTRUCTURE DEVELOPERS & OPERATORS



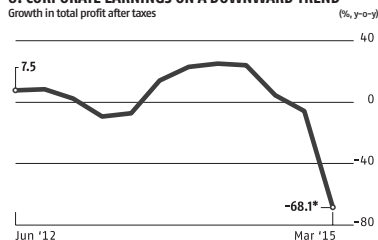
PHARMACEUTICALS



Source: Capitaline



6: CORPORATE EARNINGS ON A DOWNWARD TREND



*Q1 2015 - 9 months quarter, only the 9 Sensex companies that have declared results so far have been compared. Source: Capitaline