

# Monthly Communication

April 2025

# Market Outlook

April 2025

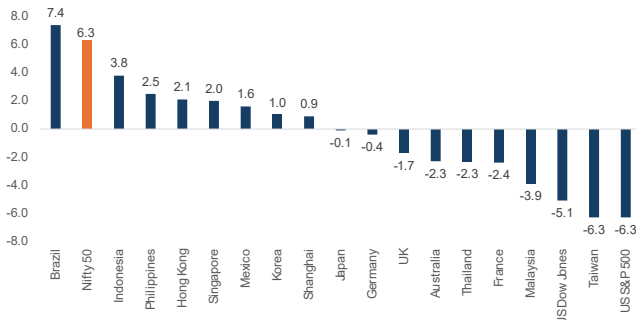
## Market Update

Indian equities snapped its five-month consecutive decline in March 2025. Markets rebounded with Nifty index surging 6.3% for the month. The broader markets also joined the rally with midcap and small cap indices were up 7.8% and 9.5% respectively. All the sectors ended the month in green except for IT which fell by 1.5%. Power, PSU and Capital Goods rose the most by 14.3%, 14.1% and 13.5% respectively.

On the investment front, Foreign Portfolio Investors (FPIs) turned net buyers after months, with positive flows of \$737 million of Indian equities in March. Domestic Institutional Investors (DIIs) were also net buyers, acquiring \$975 million worth of stocks. Meanwhile, global markets saw mixed results with India being one of the top performers. Brazil (+7.4%), Nifty (+6.3%) and Indonesia (+3.8%) were the best performing markets. On the negative side, Taiwan and US S&P500 declined the most falling 6.3% each while US Dow Jones (-5.1%) and Malaysia (-3.9%) also faced declines.

International economic developments include US Fed indicated two rate cuts this year while keeping the interest rates unchanged, OPEC+ planning to gradually unwind its voluntary production cuts and stronger-than-expected retail sales in the US and China. OECD lowered its forecast for India's FY26 GDP to 6.4% from 6.9%.

### Global and regional indices 1 Month performance (%)



Source: Bloomberg, Kotak Institutional Equities (Data as on 31st March 2025 in local currency)

## Macro Update

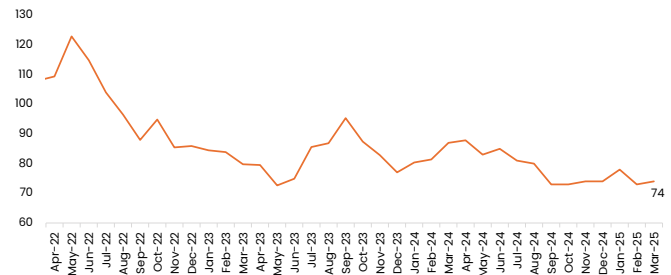
In March, inflationary pressures continued easing, with the Consumer Price Index (CPI) falling to 3.6% in February 2025 from 4.3% in January, the lowest YoY inflation since Jul'24. The Wholesale Price Index (WPI) rose to 2.4% in February YoY, from 2.3% in the previous month. Industrial production registered a 5.0% growth in the month of January, in comparison to 3.2% growth in December.

India's exports grew by 6.2% during the April-February 24-25 period compared to the same months in 23-24, while imports rose by 7.3%, leading to a trade deficit of \$89.4 billion for the eleven months of FY2025. The country's 10-year government bond yield ended March at 6.6%, while the USD/INR exchange rate was 85.58. Brent crude oil prices also rose, closing at around

\$74 per barrel in March.

Gross GST collections were ₹1.96 lakh crore in March 2025, reflecting a 9.9% rise compared to March 2024, and 9.4% increase for FY25.

### Brent Crude



Source: Bloomberg

## Market Outlook

The month saw a good rebound in Indian equity markets during the month. The breadth of the market was also positive, a trend that was clearly a reversal of the previous few months. With economic data coming strong and stocks selectively becoming attractive, investors both foreign as well as domestic turned buyers of Indian equities. Interest and enthusiasm was also seen among retail and family offices.

As we head into a new financial year, multiple new factors will drive the near-term trend in markets. Trump has already announced never before tariffs on almost all the countries in the world. India has also been levied with a huge 26% reciprocal tariff. However, the extent of tariffs levied leads us to believe that these are not sustainable as the biggest impact of such drastic action will be on US itself. India, anyways is better off, though would also be impacted. The macro economic environment is stable and the liquidity surge by RBI (India's central bank) should lead to a strong revival in the economy in the coming few quarters. Earnings season will be eagerly awaited. Corporate profit growth is expected to be muted, though better than the previous two quarters. We continue to believe of a gradual upmove in the market with bouts of volatility based on newsflows.

Our portfolios have also seen a decent uptick in March, reducing the YTD drawdown quite substantially. Our fundamental focus makes us confident of a sharper upmove as and when the market revives further.

## About Us

Abakkus Asset Manager Private Limited (formerly known as Abakkus Asset Manager LLP) ("Abakkus") is registered as a Portfolio Manager with SEBI under SEBI (Portfolio Managers) Regulations, 2020 as amended from time to time and the Circulars and Guidelines issued there under from time to time vide SEBI Reg. No.: INP000006457 dated March 14, 2019 and as an Investment Advisor under SEBI (Investment Advisors) Regulations, 2013 as amended from time to time and the Circulars and Guidelines issued there under from time to time vide SEBI Reg. No.: INA000015729 dated February 03, 2021.

Abakkus is also the Investment Manager to Abakkus Growth Fund, a SEBI registered Category III AIF vide SEBI Reg. No.: IN/AIF3/18-19/0550 dated June 05, 2018, India-Ahead Venture Trust, a SEBI registered Category I AIF vide SEBI Reg. No.: IN/AIF1/21-22/0976 dated January 25, 2022, India-Ahead Private Equity Trust, a SEBI registered Category II AIF vide SEBI Reg. No.: IN/AIF2/21-22/0980 dated January 27, 2022 and Abakkus India Equity Trust, a SEBI registered Category III AIF vide SEBI Reg. No.: IN/AIF3/23-24/1326 dated August 9, 2023 under SEBI (Alternative Investment Fund) Regulations, 2012 as amended from time to time and the Circulars and Guidelines issued there under from time to time collectively referred as the SEBI Registered Intermediary. The branch office of Abakkus situated at IFSC-GIFT City is registered with the IFSCA as Registered FME (Non-retail) (IFSCA/FME/II/2022-23/041) under IFSCA (Fund Management) Regulations, 2022.

## Disclaimer and Disclosures

This website/email/content is confidential and is intended only for the personal use of the prospective investors/contributors (herein after referred as the Clients) to whom it is addressed or delivered and must not be reproduced or redistributed in any form to any other person without prior written consent of Abakkus. This website/email/content does not purport to be all-inclusive, nor does it contain all of the information which a prospective investor may desire. This website/email/content is neither approved, certified nor its contents is verified by SEBI.

Abakkus retains all the rights in relation to all information contained in the website/email/content(s) and to update the same periodically or otherwise from time to time. The website/email/content is neither a general offer nor solicitation to avail the service of investment from the SEBI Registered Intermediary under the services offered by Abakkus/Fund nor is it an offer to sell or a generally solicit an offer to become an investor in the services offered by the Abakkus/Fund. The delivery of this email/content at any time does not imply that information herein is correct as of any time subsequent to its date. The contents of this website/email/content are provisional and may be subject to change. In the preparation of the material contained in this website/email/content, Abakkus has used information that is publicly available, certain research reports including information developed in-house. Abakkus warrants that the contents of this

website/email/content are true to the best of its knowledge, however, assume no liability for the relevance, accuracy or completeness of the contents herein.

Abakkus declares that the data and analysis provided shall be for informational purposes. The information contained in the analysis shall be obtained from various sources and reasonable care would be taken to ensure sources of data to be accurate and reliable. Abakkus will not be responsible for any error or omission in the data or for any losses suffered on account of information contained in the analysis. While the Abakkus will take due care to ensure that all information provided is accurate however the Abakkus neither guarantees/warrants the sequence, accuracy, completeness, or timeliness of the report. Neither the Abakkus nor its affiliates or their partners, directors, employees, agents, or representatives, shall be responsible or liable in any manner, directly or indirectly, for views or opinions expressed in this analysis or the contents or any systemic errors or discrepancies or for any decisions or actions taken in reliance on the analysis. Abakkus does not take any responsibility for any clerical, computational, systemic, or other errors in comparison analysis.

There can be no assurance that future results, performance or events will be consistent with the information provided in this content and the past performance, if any is not the guarantee of the future/assured performance. Any decision or action taken by the recipient/visitor of this website/email/content based on this information shall be solely and entirely at the risk of the recipient/visitor of the website/email/content. The distribution of this information in some jurisdictions may be restricted and/or prohibited by law, and persons into whose possession this information comes should inform themselves about such restriction and/or prohibition and observe any such restrictions and/or prohibition. Unauthorized disclosure, use, publication, dissemination or copying (either whole or partial) of this information, is prohibited. Abakkus shall not treat recipient/user as a client by virtue of his receiving/using the contents of the document in full or part. Neither the Abakkus nor its affiliates, directors, partners, employees, agents, or representatives, shall be responsible or liable in any manner, directly or indirectly, for the contents or any errors or discrepancies herein or for any decisions or actions taken in reliance on the information. The person accessing this information specifically agrees to exempt/absolve the Abakkus or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse/improper/illegal use and agrees not to hold the Abakkus or any of its affiliates or employees responsible for any such misuse/improper/illegal use and further agrees to hold the Abakkus or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

Abakkus (including its affiliates) and any of its Partners, officers, employees, and other personnel will not accept any liability,

loss, damage of any nature, including but not limited to direct, indirect, punitive, special, exemplary, consequential, as also any loss of profit in any way arising from the use of this website/email/content or any information in any manner whatsoever.

This website/email/content may include certain forward-looking words, statements and scenario which contain words or phrases such as "believe", "expect", "anticipate", "estimate", "intend", "plan", "objective", "goal", "project", "endeavour" and similar expressions or variations of such expressions that are forward-looking statements, words, and scenario. Actual results may differ materially from those suggested by the forward-looking statements due to risks, uncertainties, or assumptions. Abakkus takes no responsibility of updating any data/information.

The contents of this website/email/content cannot be copied, reproduced, in whole or in part or otherwise distributed without prior written approval of the Abakkus.

Prospective investors/clients are advised to review this website/email/content, the Private Placement Memorandum/Disclosure Document, the Contribution Agreement/Client Agreement, representations and presentation(s) and other related documents carefully and in its entirety and seek clarification wherever required from the SEBI Registered Intermediary/Abakkus. Prospective investors should make an independent assessment, and consult their own counsel, business advisor and tax advisor as to legal, business and tax related matters concerning this document and the other related documents before becoming investing with/through the Abakkus/in the Fund.

The information contained in this website/email/content has been prepared for general guidance and does not constitute a professional advice/assurance and no person should act upon any information contained herein without obtaining specific professional advice/Assurance. Neither the Abakkus nor its Affiliates or advisors would be held responsible for any reliance placed on the content of this document or for any decision based on it. Each existing/prospective client, by accepting delivery of this document agrees to the foregoing. The Investment portfolio are subject to several risk factors including but not limited to political, legal, social, economic, and overall market risks. The recipient alone shall be fully responsible/are liable for any decision taken on the basis of this document. Abakkus, its partners, employees, PMS clients, AIF scheme(s), Advisory clients may have existing exposure to the stocks that form part of the PMS portfolio/Advisory portfolio/AIF scheme(s). Further, in view of the investment objective/strategy of the PMS /Advisory and AIF scheme(s) there may be situations where Abakkus may be selling a stock which is part of the PMS portfolio/Advisory portfolio/AIF scheme as the case may be.

Abakkus (including its affiliates) may offer services in nature of advisory, consultancy, portfolio management, sponsorship of funds, investment management of funds which may conflict

with each other.

Abakkus operates from within India and is subject to Indian laws and any dispute shall be resolved in the courts of Mumbai, Maharashtra only.

#### Redressal of client grievances

Investors can seek clarification for their queries and are further entitled to make a complaint in writing, verbally or telephonically. An email may be sent to:

For PMS, IA and AIF related queries and complaints - service@abakkusinvest.com and complianceteam@abakkusinvest.com (both) Alternatively, the Investor may call on +91 22 6884 6601/02/85

#### Alternative Investment Fund

As per SEBI Circular No. SEBI/HO/IMD/DF6/CIR/P/2020/24 dated February 05, 2020, details of industry benchmark and AIF level performance versus Benchmark Reports are available at <https://www.nseindia.com/products-services/aif-benchmark-report> and <https://www.crisil.com/en/home/what-we-do/financial-products/alternate-investment-funds-benchmarks.html>

#### Compliance Officer details under AIF:

Mr. Biharilal Deora, Tel: 022-68846600

#### Portfolio Management Services:

You may refer the Disclosure Document available at <https://abakkusinvest.com/investor/disclosures> for detailed disclosures. As per SEBI circular SEBI/HO/IMD/IMD-PoD-2/P/CIR/2022/172 dated December 16, 2022, the comparison of the relative performance of the investment approach with other portfolio managers is available at <https://www.apmiindia.org/apmi/IACompare.htm?action=iacomaprepape>

#### Principal Officer and Compliance Officer Details under PMS:

Principal Officer: Mr. Aman Chowhan, Tel: 022-68846600

Compliance Officer: Mr. Biharilal Deora, Tel: 022-68846600

#### Investment Advisory Services:

You may refer the Disclosure Document available at <https://abakkusinvest.com/investor/disclosures>

#### Principal Officer and Compliance Officer Details under IA:

Principal Officer: Mr. Biharilal Deora, Tel: 022-68846600

Compliance Officer: Mr. Lijo Varghese, Tel: 022-68846600

#### Contact Us:

Website: [www.abakkusinvest.com](http://www.abakkusinvest.com)

Email: [info@abakkusinvest.com](mailto:info@abakkusinvest.com)

Tel: 022-68846600

#### Corporate and Registered Address:

Abakkus Corporate Center, 6th Floor, Param House, Shanti Nagar, Near Grand Hyatt, Off Santacruz Chembur Link Road, Santacruz East, Mumbai - 400055. CIN: U70200MH2024PTC432609