

A YEAR WHEN GAINS SURPRISED INVESTORS

2023 was a year when equities surprised investors with their gains. At the beginning of the year, investors were warned about debt giving tough competition to equities, uncertainty about rate hiking by central banks and concerns about valuations. But 12 months later, the Sensex has gained 18.7 per cent, and the Nifty 20 per cent and debt funds have given single-digit returns. This year's gains were attributed to robust flows from domestic and foreign institutional investors, stable macro numbers, and corporate profits aligned with

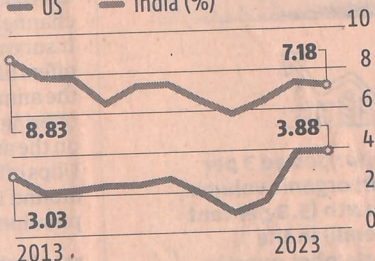
expectations. The Federal Reserve's statement about rate cuts happening next year and the results of the state elections, which renewed hopes of regime and policy continuity, further boosted sentiments. In December, Nifty ended ten sessions with new highs and Sensex during nine sessions. India's strong macros are likely to bring gains, but turbulence is expected next year due to elections. How the Fed's rate cut trajectory pans out will also determine how the market moves.

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RISING ON FED PIVOT

Gsec yield (%)

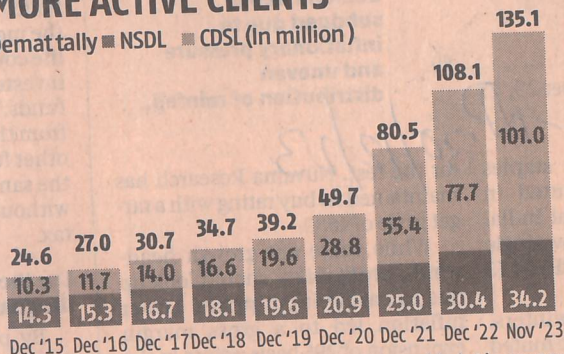
— US — India (%)



The US 10-year bond yield, after rising by as much as 5 per cent, declined after the Federal Reserve's dovish pivot

MORE ACTIVE CLIENTS

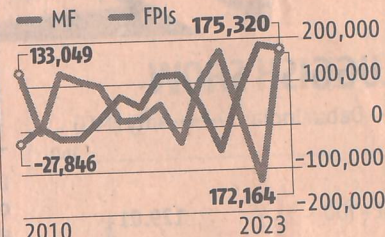
Demat tally ■ NSDL ■ CDSL (In million)



27 million new demat accounts were added this year. Market buoyancy, better IPO market and relaunch of new derivatives contracts with reduced lot sizes and new expiry cycles contributed to luring new investors

BEST SINCE 2020

Net Investment in equity (₹ cr)



Data for MF upto Dec 26, FPI upto Dec 28, 2023
Data based on the provisional figures reported on exchange

FPIs bought shares worth ₹1.7 trillion on a net basis, the best since 2020

MIDDLING PERFORMANCE

ASIA	Change YTD (%)
MOEX Russia	43.72
Nikkei 225	28.24
Taiwan TAIEX	26.83
Nifty50	20.03
BSE Sensex	18.74
US (Dec 28)	
S&P500	24.58
Nasdaq	44.22

Compared to global peers, India's returns on the global indices were middle of the road. US, Japan and Germany outperformed India

PUBLIC OFFERINGS

IPOs + Rights + QIPs

■ Number of issues ■ Amount (₹ cr)



The number of IPOs issued swelled in 2023, but the pipeline was dominated by smaller-sized issues and the overall fund-raising improved compared to the last year

Sources: Bloomberg, exchange; NSDL/CDSL; NDSL/Sebi; primedatabase.com;

Compiled by BS Research Bureau