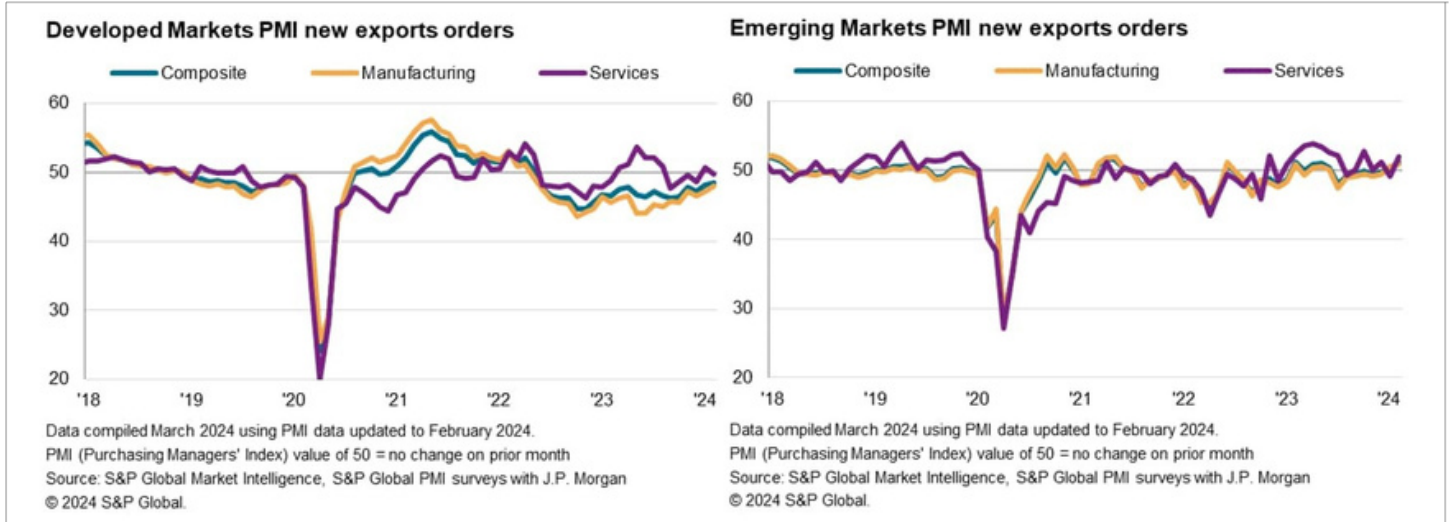


NEWSLETTER

"TRADE WINDS SHIFT: EMERGING MARKETS OUTPERFORM AS MANUFACTURING DOWNTURN EASES"



The latest Purchasing Managers' Index (PMI) data offers a mixed picture for global trade. The seasonally adjusted PMI New Export Orders Index remained below 50, at 49.6, indicating a further deterioration. However, there's a silver lining: this reading is up from 49.2 in January. While the decline continued for a 24th straight month in February, the rate of contraction slowed for the second month in a row, marking the weakest decline in this period. This suggests a potential turning point, albeit a fragile one.

Emerging Markets Lead the Way

A key takeaway is the divergence between developed and emerging markets. Developed economies witnessed their 21st consecutive month of falling trade activity. Conversely, emerging markets saw their trade expand at the fastest rate in a year, driven by robust growth in both manufacturing and services exports. India and China emerged as the top performers in the Asia-Pacific region.

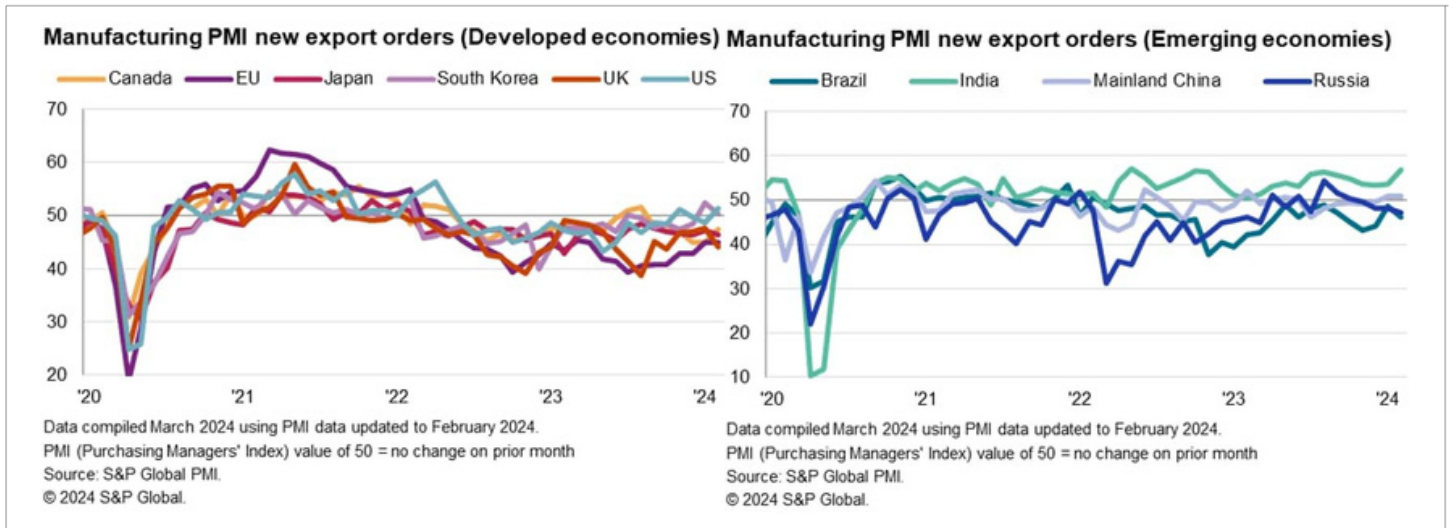
India boasted a significant rise in manufacturing export orders, while China saw service exports leading the growth in new export business. This suggests a potential shift in China's export focus.

Developed Economies Struggle, But a Glimmer of Hope

Most developed economies faced weakening trade conditions. However, the US stands out with a marginal improvement in overall export orders, driven by a rise in manufacturing activity. This uptick is attributed to increased confidence and inventory replenishment. While the service sector in the US saw a decline in new export business, the overall picture is cautiously optimistic.

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Softening Downturn in Manufacturing

The manufacturing sector, though sluggish, is showing signs of improvement with a moderating rate of decline. This offers a glimmer of hope for a potential turnaround, although significant recovery is yet to be seen.

Service Sector Provides Stability

The service sector continues to be a bright spot, with growth continuing despite a slight slowdown compared to January. This resilience provides some much-needed stability amidst the manufacturing downturn.











Looking Ahead: A Cautiously Optimistic Future

The global trade outlook remains complex. The continued weakness in developed economies' manufacturing sectors is a concern. However, the strong performance of emerging markets, the softening decline in manufacturing, and the service sector's resilience paint a cautiously optimistic picture. Whether this translates into a broader recovery hinges on the ability of developed economies to revive their manufacturing sectors and emerging markets to sustain their growth momentum.

Our recent sector report

- The revolutionized cloud 2023 – Efficiently scalable, easily manageable, undeniably powerful
- Speculative bets on OTT and Gaming 2023 – Will gaming and OTT preserve its steam?
- Internet of Everything is a Gamechanger 2023 – Look out for next level of digital pulse

Month in review

Date		Company Name	Report name	CMP	TP	Rating
Mar-07		Eli Lilly And Co	Eli Lilly Delivers Strong Performance, Backed by New	USD779.77	873	BUY
Mar-06		Gilead Sciences, Inc.	Gilead's Dynamic Response to Market Challenges	USD72.1	78	HOLD
Mar-04		Caterpillar Inc.	Mixed expectations lower growth prospects	USD335.63	346	HOLD
Mar-05		Honeywell International Inc.	Counting on Quantinuum	USD200.5	220	HOLD
Feb-20		Nvidia Corp	Will NVDA overcome obstacles to claim its AI computing	USD726.13	800	BUY
Mar-05		Taiwan Semiconductor Manufacturing Co. Ltd.	Innovation, Resilience and leadership in Semi	TWD690	763	BUY
Feb-27		Costco Wholesale Corp.	Powering growth through expansion and memberships	USD725.69	795	BUY
Feb-02		Alibaba Group Holdings Ltd	Strategic shifts with spin-off, capital raising and IPO plans	HKD71.05	79	BUY
Mar-04		DocuSign, Inc	Slow growth with large TAM	USD51	55	HOLD
Feb-28		Salesforce, Inc	CRM drives growth, AI fuels future	USD280	310	BUY

Up coming coverage

	Company Name	CMP
	H & M Hennes & Mauritz	SEK142.78
	Lululemon Athletica	USD458.78
	Accenture	USD367.92
	Adobe	USD552.98
	Enphase Energy	USD130.05
	Cummins	USD266.08
	Samsung	KRW73,300
	Qualcomm	USD170.93
	AbbVie Inc	USD180.56
	Cigna Group	USD340.9

2023 sector performance

- AI Empowers Revolutionary Cloud Innovation 2024 – Scalable with ease, effortlessly managed, and unquestionably potent
- ELECTRIFYING THE FUTURE 2023 – How trends and innovations are redefining the way we drive?
- Unveiling the RX for Success 2024 – Tracking Pharma & Biotech Stock Performance
- THE SUN NEVER SETS ON SOLAR GROWTH 2024 – Shining a light on investment opportunities


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