

MSEARCH

MORNING NEWSLETTER

Dated: 11 February 2019

| Indices | CMP | %1D |
|--------------|-------|-------|
| Sensex | 36546 | -1.15 |
| Nifty | 10943 | -1.14 |
| BSE-Midcap | 14328 | -1.40 |
| BSE-Smallcap | 13656 | -0.89 |
| SGX Nifty | 10993 | -0.10 |

Market Outlook

Indian markets indicates for a possible flat negative and cautious trade today on the back of Asian markets trading lower today as Investors will be watching for developments on the U.S.-China trade front, with a new round of negotiations set to be held in Beijing later this week. Domestic index on Friday's closing made a bearish candle after forming a Doji candle that indicated a possible reversal in the trend. Further Markets would react on Results of Tatasteel and take cues from other results due today from EicherMotors, IndiaCements, MothersonSumi, PIIndustries, and SpiceJet. Technically key support level is placed at 10,899, followed by 10,854. If the index starts moving upwards, key resistance levels to watch out are 11,014 and 11,085.

| Index | FY18 | FY19E | FY20E |
|------------|------|-------|-------|
| Sensex EPS | 1529 | 2096 | 2163 |
| P/E | 23 | 17 | 16 |
| Nifty EPS | 490 | 637 | 676 |
| P/E | 22 | 17 | 16 |

Top Domestic News

- Bharti Airtel: Airtel Kenya Signs an agreement with Telkom Kenya to combine operations.
- Tata Steel Q3: Profit surges 53 percent YoY to Rs 1,751 crore; India biz revenue up 10 percent
- Reliance Industries: RRVL acquired a further stake of 9.44 percent in Genesis Colors for Rs 45 crore.
- Balkrishna Industries Q3: Net Profit down 23.6 percent at Rs 144.7 crore versus Rs 189.5 crore (YoY)
- Dr Reddy's Laboratories: US FDA audit of formulations manufacturing plant-3 at Bachupally, Hyderabad has been completed.
- Lupin: US FDA issued 2 observations for Goa unit
- State Bank of India: Reduced interest rates on home loans up to Rs 30 lakh by 5 basis points.
- Prakash Industries: Modernised its Rolling Mill in Chattisgarh to improve the production of wire rods. The company also stated that it is on schedule to complete its Sponge Iron Kiln by March 2019.
- Rural Electrification Corporation: Board approved incorporation of 5 project specific Special Purpose Vehicles for its transmission arm.
- Allahabad Bank, PNB, Corporation Bank: RBI imposed penalty of Rs 1.5 crore on Allahabad Bank and Rs 1 crore on Punjab National Bank due to regulation issues. Corporation Bank was also penalised Rs 2 crore due to lapses in monitoring
- EID Parry: Sales data for January with sugar sales at 0.24 MT and export sugar sales at 0.19 MT. Around 7.94 lakh MT of sugarcane was crushed for the afore-mentioned period, while 57 lakh liters of alcohol was sold.
- Power Finance Corporation: NCLT approved amalgamation of the company's wholly owned arm 'PFC Green Energy' with self.
- Cipla: Subsidiary InvaGen Pharmaceuticals Inc has completed the first tranche of 33.3 percent stake buy in US-based speciality business firm Avenue Therapeutics.
- Time Technoplast: Aburi Ltd. had withdrawn the complaint filed against the company with Economic Offences Wing of Mumbai Police and has resumed business ties.
- IndusInd Bank: To raise funds via debt on February 13.
- Voltas: To invest over Rs 500 crore in setting up a manufacturing facility in South India.

| Global Indices | Current Value | %1D |
|----------------|---------------|-------|
| DowJones | 25106 | -0.25 |
| Nasdaq | 7298 | 0.14 |
| DAX | 10906 | -1.05 |
| Nikkei 225 | 20333 | -2.01 |
| FTSE 100 | 7071 | -0.32 |
| Hang Seng | 27946 | -0.16 |
| Shanghai | 2618 | 1.30 |
| Straits Times | 3202 | 0.04 |

| Trading activity in cash Rs Cr | | | |
|--------------------------------|------|------|--------|
| Date 8 Feb | Net | MTD | FY19 |
| FII | 844 | 3581 | -68513 |
| DII | -960 | -17 | 87632 |

| Forex Rate | | |
|------------|-------|--------|
| USD/INR | 71.29 | -0.25% |
| EUR/INR | 80.83 | 0.63% |
| GBP/INR | 92.29 | 0.94% |
| JPY/INR | 64.98 | 0.51% |

| Corporate Action | | |
|------------------|-------------------|---------|
| Stock Name | Purpose | Ex Date |
| Ajantpharm | Buy Back | 11-Feb |
| Hero Moto | Interim Div Rs 55 | 11-Feb |
| Indbullshsgfin | Interim Div Rs 10 | 11-Feb |
| SRF | Interim Div Rs 6 | 11-Feb |
| Sundaram Fin | Interim Div Rs 5 | 12-Feb |
| Aarti Ind | Interim Div Rs 4 | 12-Feb |

| G-Sec Yield | Price | Change% |
|-----------------|-------|---------|
| 1yr Bond Yield | 6.61 | -0.90 |
| 10yr Bond Yield | 7.52 | -0.13 |

Global News

The benchmark S&P 500 index and the Nasdaq edged upward to snap a two-day losing streak on Friday as positive corporate results offset lingering skepticism over the United States and China reaching a trade deal before the March 1 deadline. Shares of Coty Inc, Mattel Inc and Motorola Solutions Inc jumped after the companies reported better-than-expected quarterly results. The Dow Jones Industrial Average fell 63.2 points, or 0.25 percent, to 25,106.33, the S&P 500 gained 1.83 points, or 0.07 percent, to 2,707.88 and the Nasdaq Composite added 9.85 points, or 0.14 percent, to 7,298.20. Asian shares started the week on the backfoot on Monday as worries about global growth, US politics and the ongoing Sino-US tariff war kept investors cautious, while the safe-haven greenback held near a six-week top against major currencies.

Results Calender 11-Feb-19

AMARAJABAT, ANDHRABNK, ANDHRACEM, ASTRALIPES, BUTTERFLY, CARERATING, CENTEXT, EICHERMOT, GESHIP, GET&D, GNFC, HAL, HINDCOPPER, INDCM, MOTHERSUMI, PIIND

F&O Ban List

ADANIENT, DHFL, IDBI, JETAIR, RELCAP, RELINFRA, RPOWER



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MSEI: - Membership Clearing No. 51800 - SEBI Regn. No. INB261351234

Mehta Equities Limited, 903, 9th floor, Lodha Supremus, Dr.E. Moses Road, Worli Naka, Worli, Mumbai 400 018, India
Tel: +91 22 6150 7101, Fax: +91 22 6150 7102
Email: info@mehtagroup.in Website: www.mehtagroup.in