

Dated: 8 October 2018

MORNING NEWSLETTER

Indices	CMP	%1D
Sensex	34376	-2.25
Nifty	10316	-2.67
BSE-Midcap	14003	-2.70
BSE-Smallcap	13840	-2.02
SGX Nifty	10281	-0.17

Market Outlook

Indian markets are expected to open on cautious note by taking mixed cues from global markets. Domestic Markets continued to see relentless selling pressure with the Nifty falling to close a tad above 10,300 levels. The surprise move on rates by Reserve Bank of India's (RBI's) Monetary Policy Committee (MPC), the consistent fall in the rupee and crude volatility attributed to the selling pressure. We expect there could be a relief rally in the coming week, but if it corrects further it could break the psychological 10,000 level as well. Key support level is placed at 10,205 followed by 10,094. If the index starts moving upwards, key resistance levels to watch out are 10,484 and 10,651.

Index	FY18	FY19E	FY20E
Sensex EPS	1526	1916	2239
P/E	24	19	16
Nifty EPS	490	603	699
P/E	22	18	16

Top Domestic News

- YES BANK: Company has appointed two former chairmen -- TS Vijayan of LIC and OP Bhatt of SBI to its search and selection committee to find a successor for Rana Kapoor.
- Indiabulls Housing Finance: Company has redeemed (bought back) secured, redeemable, non-convertible debentures of face value Rs 10,00,000 each. Additionally, the company has bought back Rs 1,505 crore of commercial paper since September 21, 2018 till date.
- ICICI Prudential Life Insurance and ICICI Lombard General Insurance: Chanda Kochhar and Sandeep Bakhshi tendered their resignation as the directors of the company.
- Himachal Futuristic Communications (HFCL): Company has received an advance purchase order worth Rs 879 crore approximately from Telecommunications Consultants India Limited (TCIL) New Delhi.
- Escorts: ICRA reaffirmed and assigned the long-term rating to AA- and short-term rating to A1+ in respect of bank facilities for Rs 866 crore & Rs 150 crore for commercial papers of the company.
- Great Eastern Shipping: CARE revised its rating on company's non-convertible debentures of Rs 3,450 crore to AA+/Stable from AAA/Negative.
- UltraTech Cement: Supreme Court has admitted the company's appeal and has granted stay against the orders of the CCI / NCLAT.
- Future Retail - Brickworks Ratings India has reaffirmed the rating on proposed commercial paper to BWR A1+
- Avenue Supermarts: Board of Directors at their meeting scheduled to be held on October 13 shall consider raising of funds by issuance of commercial paper.
- Goa Carbon - Production for Sep 2018 stood at 16271.7MT and sales at 14,454.6MT
- Bank of Baroda has kept MCLR unchanged w.e.f. October 7
- Vijaya Bank kept 1-year MCLR unchanged at 8.70%
- Texmaco Rail & Engineering: Company and Russian firm RZD International during Annual India-Russia Bilateral Summit signed a memorandum of understanding for working in collaboration for mutually identified various domestic and international projects in the sphere of railways and infrastructure.
- DCB Bank: Bank announced revised marginal cost of funds based lending rate.
- Sunteck Realty: Company issued Commercial Paper of Rs 35 crore.
- Infosys: EdgeVerve launches AssistEdge Community Edition - a free-to-use automation platform for students and independent developers.
- IL&FS Engineering and Construction Company: CARE revised the credit rating of the company for long / short term bank facilities aggregating to Rs 3,091.33 crore to D.
- Gravita India: Company grabs orders worth Rs 300 crore.

Global Indices	Current Value	%1D
DowJones	26447	-0.68
Nasdaq	7788	-1.17
DAX	12111	-1.09
Nikkei 225	23783	-0.81
FTSE 100	7318	-1.36
Hang Seng	26572	-0.19
Shanghai	2821	1.05
Straits Times	3209	-0.68

Trading activity in cash Rs Cr			
Date 5 Oct	Net	MTD	FY19
FII	-3370	-9521	-55983
DII	1902	6933	64904

Forex Rate		
USD/INR	73.58	0.23%
EUR/INR	84.69	0.01%
GBP/INR	95.88	-0.51%
JPY/INR	64.89	-0.62%

Corporate Action		
Stock Name	Purpose	Ex Date
JUST DIAL	BUY BACK	11-Oct
IEX	Stock Split	19-Oct

Global News

US stocks dropped for a second straight day on Friday, weighed down by another rise in Treasury yields in the wake of a solid jobs report that capped off a week of robust data. The losses were led by heavyweight stocks in the technology and communication services sectors including all members of the so-called FAANG group Facebook, Amazon, Apple, Netflix and Alphabet. Online retailer Amazon, part of the consumer discretionary sector, lost 1 percent. The Dow Jones Industrial Average fell 180.43 points, or 0.68 percent, to 26,447.05, the S&P 500 lost 16.04 points, or 0.55 percent, to 2,885.57 and the Nasdaq Composite dropped 91.06 points, or 1.16 percent, to 7,788.45. Shares in Asia stumbled in early trade on Monday as investors waited with bated breath as China's markets prepare to reopen following a week-long holiday and after its central bank cut banks' reserve requirements in a bid to support growth.

G-Sec Yield	Price	Change%
1yr Bond Yield	7.64	-3.29
10yr Bond Yield	8.02	-1.71

Results Calender

08-Oct-18

TATA ELXSI

F&O Ban List

NIL

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Technical View

NIFTY



The carnage continues as nifty fell another 600 points this week. In the course of action, Nifty has breached many major support levels. Many investors, traders and analysts were hoping that Nifty may take support at its 200 DMA near 10800-10770 but the market ruthlessly fell with a gap down for 2 consecutive days. Nifty is currently at its 78.6% fibonacci retracement level of the entire move from 9951-11760. The RSI is in a oversold zone and ADX is showing that there is strength in the trend. We might see some kind of pullback from these levels but it is uncertain at the present to assess when will this down trend come to a halt or how much more it can go down.



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