

MSEARCH

MORNING NEWSLETTER

Dated: 23 May 2019

Indices	CMP	%1D
Sensex	39110	0.36
Nifty	11738	0.25
BSE-Midcap	14672	-0.16
BSE-Smallcap	14369	0.54
SGX Nifty	11753	-0.23

Market Outlook

Indian markets indicates for a possible Volatile day today keeping markets on check. On overall short term basis after today's session Market is expected to be stable and continuity of FII inflow are keeping the markets positive if stable govt gets verdict. The counting will begin at 8 o'clock in the morning, and the trends are likely to start coming in by the afternoon. If election results are not in line with the exit polls, we believe indices to swing wildly in the range of 3-5% from the current level. On the other hand, if election results are in line with the exit polls, upsides will be limitedly capped. Technically Nifty has formed a Doji kind of pattern on charts with support near 11400, and resistance absolute 11883, next 12000.

Index	FY18	FY19E	FY20E
Sensex EPS	1327	1898	2078
P/E	27	19	17
Nifty EPS	445	601	649
P/E	24	18	17

Top Domestic News

- Bank Of Baroda Q4: Net loss at Rs 991.4 crore versus loss of Rs 3,102.3 crore, NII up 26.6 percent at Rs 5,067 crore versus Rs 4,002.3 crore YoY. Gross NPA at 9.61 percent versus 11.01 percent and net NPA at 3.33 percent versus 4.26 percent QoQ.
- Thermax Q4: Net profit up 67.6 percent at Rs 126.9 crore versus Rs 75.7 crore; revenue up 43.7 percent at Rs 2,073.7 crore versus Rs 1,443 crore YoY.
- Cummins Q4: Net profit down 12.6 percent at Rs 140.9 crore versus Rs 161 crore; revenue up 8.9 percent at Rs 1,340 crore versus Rs 1,230.2 crore YoY.
- Future Consumer Q4: Consolidated net profit at Rs 7.5 crore versus loss of Rs 4.5 crore; revenue up 27.9 percent at Rs 1,037 crore versus Rs 811 crore YoY.
- GSFC Q4: Net profit down 36.3 percent at Rs 99.7 crore versus Rs 156.4 crore; revenue up 4.2 percent at Rs 2,138.4 crore versus Rs 2,052.2 crore YoY.
- Redington Q4: Consolidated net profit up 20.2 percent at Rs 172.5 crore versus Rs 143.5 crore; revenue up 15.6 percent at Rs 12,582.6 crore versus Rs 10,880 crore YoY.
- Ashoka Buildcon Q4: Net profit down 47.2 percent at Rs 98 crore versus Rs 186 crore; revenue up 86.2 percent at Rs 1,307.4 crore versus Rs 702.3 crore YoY.
- Fairchem Speciality approved a composite scheme of arrangement and amalgamation amongst Fairchem Speciality, Fairchem Organics & Privi Organics India
- OBC board to consider and approve the raising of capital from the market through QIP or such other mode as decided by the Board on June 1
- HDFC Bank approved sub-division of equity shares from 1 equity share of face value of Rs 2 each to 2 equity shares of face value of Re 1 each
- Bodal Chemicals planning to acquire 80% stake in Turkey based LLP namely SENER BOVA KIMYA TEKSTIL SANAYI VE TICARET
- Wipro builds a blockchain-based solution for Travacoin to enable digital currency-based payments for the airline industry
- ITI inks MoU with Department of Telecommunications for the Year 2019-20
- L&T issues non-convertible debentures by worth Rs 2000 crore
- Adani Ports & SEZ board meeting on May 27 to consider fund raising by way of issuance of non-convertible debentures for an amount upto Rs 1,500 crores on private placement basis
- Biocon: Health Canada approves company & Mylan's Trastuzumab biosimilar

Global Indices	Current Value	%1D
DowJones	25,777	-0.39
Nasdaq	7,751	-0.45
DAX	12,169	0.21
Nikkei 225	21,098	-0.87
FTSE 100	7,334	0.07
Hang Seng	27,341	-1.32
Shanghai	2,856	-1.23
Straits Times	3,154	-0.91

Trading activity in cash Rs Cr			
Date 22 May	Net	MTD	FY20
FII	-965	-7466	5283
DII	-158	7082	2859

Forex Rate		
USD/INR	69.73	0.26%
EUR/INR	77.72	0.20%
GBP/INR	88.62	0.09%
JPY/INR	63.28	0.22%

Corporate Action		
Stock Name	Purpose	Ex Date
FRONTSEC	Buy Back of Shares	23-May
KENNAMET	Interim Div Rs. 2.0	24-May
DBCORP	Interim Div Rs. 8.0	27-May
MANAPPURAM	Interim Div Rs. 0.55	27-May

Global News

Wall Street's major indexes dipped on Wednesday as inflamed trade tensions between the United States and China weighed on investor sentiment. A day after Washington's temporary easing of curbs against Huawei Technology Co Ltd provided respite to US stocks, reports that the White House could impose restrictions on another Chinese technology company rattled US stocks anew. The Dow Jones Industrial Average fell 100.72 points, or 0.39 percent, to 25,776.61, the S&P 500 lost 8.09 points, or 0.28 percent, to 2,856.27 and the Nasdaq Composite dropped 34.88 points, or 0.45 percent, to 7,750.84. Asian shares were stuck in the red on Thursday amid worries the Sino-US trade conflict was fast morphing into a technology cold war between the world's two largest economies. Japan's Nikkei slipped 0.5 percent in early trade, while South Korea lost 0.3 percent. MSCI's broadest index of Asia-Pacific shares outside Japan eased 0.01 percent to hover just above a 16-week trough. E-Mini futures for the S&P 500 edged down 0.17 percent.

G-Sec Yield	Price	Change%
1yr Bond Yield	6.40	-0.19%
10yr Bond Yield	7.26	-0.59%

Results Calender	23-May-19
AMRUTANJAN, DISAQ, ECLERX, GICRE, HCG, IGL, JAYTEX, NOVARTIND, RAM COIND, RELIGARE, SPAL, STERTOOLS, SUNTV, TVSSRICHAH	

F&O Ban List
ADANIPOWER, IDBI, RELCAPITAL

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Technical View

NIFTY

NIFTY 50



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The Nifty has managed to reverse from the 61.8% retracement of the recent up move and due to this, on weekly chart, '20-EMA' has been successfully defended on a closing basis. Going ahead, 11600 – 11800 these are the levels to watch out for in the upward direction and on the lower side, 11286 – 11050. The major trend will get confirmed only after Nifty giving a decisive breakout from the broader range of 11800 – 11050. But if we just have to guess on one possible direction, looking at current chart structure, we would remain hopeful as long as 'Multi-Month Trend Line' support of 11050 – 10900 remain unbroken on a sustainable basis. Below this, no brainer, we may see sharp declines and on the other hand, a move beyond the higher end would resume the broader degree up trend. Going by our recent articles, traders need to remain a bit light on positions and one should rather look to accumulate marquee propositions in a staggered manner. We would like to highlight one notable observation, the 'midcap index' which has not participated in last one and half a year, seems to be in a final stage of its price-wise as well time wise correction. So in case of favourable outcome, we expect midcap stocks to attract traders' attention.



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