

MSEARCH

MORNING NEWSLETTER

Dated: 31 May 2019

Indices	CMP	%1D
Sensex	39832	0.84
Nifty	11946	0.71
BSE-Midcap	15061	0.40
BSE-Smallcap	14964	0.20
SGX Nifty	11988	0.10

Market Outlook

Indian markets indicates for a possible flat rangebound session today and in coming session as traders would closely watch Q4 GDP date release due today and RBI monetary policy event scheduled on June 6, which would be first meet under new Govt. we expect there would be a 25 bps cut to support growth. Globally Asian markets are trading cautiously today again as no signs of US China trade war seems to settle in the foreseeable future and in the meantime data from China is further fueling negative sentiments today. Overall technically key support level is placed at 11,880, followed by 11,815. If the index starts moving upward, key resistance levels to watch out are 11,989 and 12,033.

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

- ONGC Q4: Profit down 51 percent at Rs 4,044.6 crore versus Rs 8,262.7 crore; revenue down 3.4 percent at Rs 26,758.5 crore versus Rs 27,694 crore (QoQ).
- Coal India Q4: Profit at Rs 6,024.2 crore versus Rs 1,302.6 crore, revenue up 7.5 percent at Rs 28,546.3 crore versus Rs 26,547 crore (YoY).
- IDBI Bank Q4: Loss at Rs 4,918.4 crore versus loss of Rs 5,662.8 crore; NII up 75.7 percent at Rs 1,609 crore versus Rs 915.7 crore (YoY).
- Jain Irrigation Q4: Profit down 39.5 percent at Rs 56.1 crore versus Rs 92.7 crore; revenue down 6 percent at Rs 2,583.1 crore versus Rs 2,747.8 crore (YoY).
- KNR Constructions Q4: Profit up 15.6 percent at Rs 92.1 crore versus Rs 79.7 crore; revenue up 14.6 percent at Rs 715.7 crore versus Rs 624.4 crore (YoY).
- Jet Airways: Company not in a position to consider & approve audited Q4 financial results due to ongoing bidding process.
- Dr Reddy's Laboratories (DRRD): Gets EIR from US FDA for Miryalaguda plant
- Reliance Capital Rushes Asset Sales Ahead of Repayments in June
- India Tribunal Approves Sale of Bhushan Energy to Tata Steel
- Tech Mahindra, Cisco collaborate to improve digital network offering
- Tata Power arm TPREL to develop 100-MW solar power project in Gujarat
- Mahindra's electric vehicle sales rise over 2.5 times in FY19
- Ramco Systems bags order from Air Caledonie
- Lupin's Goa facility may face regulatory action, says USFDA
- HSBC plans hundreds of investment bank job cuts in cost push
- Jalan panel to hold next meeting on June 13 to finalise RBI capital reserves

Global Indices	Current Value	%1D
DowJones	25,170	0.17
Nasdaq	7,568	0.27
DAX	11,902	0.54
Nikkei 225	20,773	-0.81
FTSE 100	7,218	0.46
Hang Seng	27,119	0.01
Shanghai	2,919	0.47
Straits Times	3,126	-0.56

Trading activity in cash Rs Cr			
Date 30 May	Net	MTD	FY20
FII	1665	-2013	10736
DII	-1113	4932	709

Forex Rate		
USD/INR	69.61	-0.01%
EUR/INR	77.86	-0.03%
GBP/INR	88.28	0.20%
JPY/INR	63.59	0.46%

Corporate Action		
Stock Name	Purpose	Ex Date
PRITHVIXCH	Interim Div Rs. 0.75	3-Jun
COLPAL	Interim Div Rs. 8.00	4-Jun
FDC	Buy Back of Shares	6-Jun
GEECEE	Buy Back of Shares	6-Jun

Global News

US stocks showed signs of stabilizing on Thursday, but gains were kept in check by conflicting comments on trade talks from President Donald Trump and Beijing that reinforced concerns about a potentially lengthy battle harming global growth. The Dow Jones Industrial Average rose 43.47 points, or 0.17%, to 25,169.88, the S&P 500 gained 5.85 points, or 0.21%, to 2,788.87 and the Nasdaq Composite added 20.41 points, or 0.27%, to 7,567.72. Asian shares sank and sovereign bonds surged on Friday as investors feared US President Donald Trump's shock move to slap tariffs on Mexico risked tipping the United States, and maybe the whole world, into recession. Japan's Nikkei fell 1.1%, to be down 6.9% for the month so far. MSCI's broadest index of Asia-Pacific shares outside Japan eased 0.2% and was off a hefty 7.7 for the month.

G-Sec Yield	Price	Change%
1yr Bond Yield	6.32	-0.47%
10yr Bond Yield	7.13	0.14%

Results Calender

NITCO

31-May-19

F&O Ban List

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Technical View
NIFTY



This has been a splendid week for our market and the kind of comeback we made, is quite remarkable. Importantly, the global markets had no influence over it as the rally was mainly led by the domestic factors. This all started with a massive bump up at the opening on Monday after exit polls indicating the BJP led NDA government back in power with thumping majority. This was followed by couple of muted sessions ahead of the final verdict. On the actual day, we saw tremendous optimism to reach yet another milestone of 12000 as the counting finally validated the exit poll numbers. However, index suddenly took a nosedive and before anyone could realize, we were well off highs. Fortunately, the concluding session brought back cheerful mood across the board to reclaim the 11800 mark. Practically speaking, only the first and the last day of the week had some notable development. On the event day, there was massive volatility with wild swings being witnessed. We are back to comfortable zone now; courtesy to Friday's spectacular upsurge. This move was crucial for our market as it negated the possibility of forming a 'Shooting Star' pattern on weekly chart, which would have probably turned ominous if we had a close below 11750 – 11700. But as we generally say 'All's well that ends well'. Going ahead, Monday's gap area of 11591.70 – 11426.15 is now likely to act as a sheet anchor and we do not expect Nifty to go below this in the near future. Since, we have confirmed a breakout on 'Line chart' in weekly time frame, we expect Nifty to reach and even go beyond the 12000 mark quite soon.



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