

MSEARCH

MORNING NEWSLETTER

Dated: 7 May 2020

Indices	CMP	%1D
Sensex	31686	0.74
Nifty	9271	0.71
BSE-Midcap	11481	0.78
BSE-Smallcap	10701	0.49
SGX Nifty	9151	-1.05

Market Outlook

Indian markets indicate to open with a cautious start on the back of weak global cues. We are in earnings session and released March-20 earnings are below market expectations and dampening overall market sentiment, Hence Stock-specific movement may be seen and we advise momentum traders to stay light. On the domestic front, all eyes on long awaited stimulus package if announced anytime may give supportive relief for market sentiments. Technically Nifty has formed a bearish candle and the follow-up selling after forming an Island Reversal pattern in the previous session confirmed weakness in the market. There are possibilities Nifty can test the 8,800-8,900 region in the near future. The key support level for Nifty is placed at 9,142, followed by 9,014. If the index continues moving up, key resistance levels to watch out for are 9,373 and 9,475.

Index	FY21	FY22E	FY23E
Sensex EPS	1634	1840	2164
P/E	16	15	12
Nifty EPS	516	569	670
P/E	15	14	12

Top Domestic News

- **Maruti Suzuki:** The company will re-start production of vehicles at its Manesar plant from the 12 May. All activities would be carried out strictly in accordance with the government regulations and guidelines, Maruti Suzuki said in a regulatory filing.
- **State bank of India:** India's largest public sector lender on Wednesday decided to allow non-banking finance companies to avail of the three-month repayment moratorium permitted by Reserve Bank of India.
- **Yes Bank:** The private sector lender on Wednesday reported a net profit of ₹2,629 crore for the March quarter, helped by a massive gain of over ₹6,200-crore arising out of a controversial write-off of bond investors' investment.
- **Hindustan Unilever:** GlaxoSmithKline is selling \$3.45 billion worth of shares in Unilever's Indian business according to a *Reuters* report. The shares are being sold for 1,850 to 1,950 rupees, a 3%-8% discount to Wednesday's close of ₹2,010.20.
- **Vedanta:** The company's plans to sell a minority stake in its Indian oil unit have stalled after a collapse in crude prices, Bloomberg reported adding that the talks could resume when oil prices stabilize, Vedanta may also explore other fundraising options to reduce its debt.
- **HDFC:** India's largest mortgage lender plans to raise up to ₹5,000 crore by issuing bonds via secured redeemable non-convertible debentures on private placement basis with an issue size of ₹2,500 crore and an option to retain over-subscription of up to ₹2,500 crore, according to a regulatory filing.
- **Dr Reddy's Laboratory:** The Hyderabad-based pharma company has received approval from the US health regulator for its new drug application, Elyxyb oral solution, which is used in the treatment of migraine.
- **NHPC:** The board of directors of the company has approved the proposal to raise debt upto ₹2,000 crore during FY21 via issuance of secured, redeemable, non-cumulative, nonconvertible taxable corporate bonds in one or more tranches on private placement basis.
- **TCS:** The IT major will provide digital banking solutions to US-based Continental Bank.
- **Indian Overseas Bank:** The state-owned lender has cut the MCLR for the benchmark one-year tenor loan by 0.10% to 8.15 per cent, with effect from May 10.

Global Indices	Current Value	%1D
DowJones	23665	-0.91
Nasdaq	8854	0.51
DAX	10606	-1.15
Nikkei 225	19587	-0.16
FTSE 100	5854	0.07
Hang Seng	24011	-0.52
Shanghai	2868	-0.36
Straits Times	2592	0.75

Trading activity in cash Rs Cr				
Date	6 May	Net	MTD	FY21
FII		-494	-2927	-101194
DII		322	-2334	133715

Forex Rate		
USD/INR	75.76	0.17%
EUR/INR	82.11	0.12%
GBP/INR	93.90	-0.22%
JPY/INR	71.21	0.63%

Corporate Action		
Stock Name	Purpose	Ex Date
NIIT Tech	Interim Div Rs 11	14-May

Global News

The S&P 500 and the Dow fell on Wednesday as declines in financials and defensive groups countered gains in tech shares and as data showed U.S. private employers laid off 20 million workers in April, underscoring the economic fallout of the coronavirus outbreak. The Dow Jones Industrial Average fell 218.45 points, or 0.91%, to 23,664.64, the S&P 500 lost 20.02 points, or 0.70%, to 2,848.42 and the Nasdaq Composite added 45.27 points, or 0.51%, to 8,854.39. Asian stocks were set to come under pressure on Thursday as downbeat economic data pushed investors to safe havens and growing worries about falling demand sent oil prices lower. E-mini futures for the S&P 500 fell 0.28%. Japan's Nikkei 225 futures fell 0.23% while Hong Kong's Hang Seng index futures lost 0.76%.

G-Sec Yield	Price	Change%
1yr Bond Yield	3.79	-2.32%
10yr Bond Yield	6.03	-0.66%

Results Calender	7-May-20
CYIENT, GILLETTE, HCL TECH, ISEC, RBLBANK	

F&O Ban List
NIL



MSEARCH

MORNING NEWSLETTER

Disclaimer: Investments in securities market are subject to market risks, read all the related documents carefully before investing.

Mehta Equities Limited (MEL) has used information that is publically available and information developed in-house. Some of the information used in the document may have been obtained from members/persons other than the MEL and/or its affiliates and which may have been made available to MEL and/or its affiliates. MEL however does not warrant the accuracy, reasonableness and/or completeness of any information and does not take responsibility of updating any data/information. For data reference to any third party in this material, no such party will assume any liability for the same. All data/information used in preparation of this material is dated and may or may not be relevant at any time after the issuance of this material. MEL (including its affiliates) and any of its officers, directors, personnel and employees, shall not be liable for any loss, damage of any nature, including but not limited to direct, indirect, punitive, special, exemplary, consequential, as also any loss of profit in any arising form the use of this material in any manner. Nothing contained in this document shall be construed to be an investment advice/recommendation on an assurance of the benefits of investing. Recipient alone shall be fully responsible for any investment decision taken on the basis of this document.

MEHTA EQUITIES LTD

BSE: - Membership Clearing No. 122 - SEBI Regn. No. INB010683856, NSE: - Membership Clearing No. 13512- SEBI Regn. No. INB231351231, NSE FO SEBI Regn. No. INF231351231, CIN No: U65990MH1994PLC078478
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