

MSEARCH

MORNING NEWSLETTER

Dated: 9 May 2019

| Indices | CMP | %1D |
|--------------|-------|-------|
| Sensex | 37789 | -1.20 |
| Nifty | 11359 | -1.20 |
| BSE-Midcap | 14383 | -0.96 |
| BSE-Smallcap | 14129 | -1.20 |
| SGX Nifty | 11381 | -0.20 |

Market Outlook

Indian markets indicates for a possible flat negative session by taking subdued movement in Asian markets which are trading lower today yet again as investors monitored for new developments from the ongoing U.S.-China trade negotiations. On overall basis Trade tensions between the US & China, global growth concerns and mixed quarterly earnings dented domestic market sentiment forming a bearish candle on the daily scale. Technically For a short term perspective, 11,100-11,200 would be the range area to settle the weakness. The key support level is placed at 11,311 followed by 11,263. If the index starts moving upward, key resistance levels to watch out are 11,443 and 11,527.

| 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

- Hindalco Industries: Subsidiary Novelis Q4 net income at \$103 million, adjusted EBITDA at \$357 million, and net sales at \$3.1 billion.
- JMC Projects Q4: Profit jumps to Rs 48.70 crore versus Rs 34.28 crore; revenue rises to Rs 937.5 crore versus Rs 723 crore YoY.
- Kokuyo Camlin Q4: Profit falls to Rs 4.5 crore versus Rs 5.8 crore; revenue rises to Rs 194 crore versus Rs 190.2 crore YoY.
- Tata Communications Q4: Consolidated loss at Rs 198.82 crore versus profit at Rs 173.3 crore; revenue declines to Rs 4,243.5 crore versus Rs 4,269.5 crore QoQ.
- Alembic Pharmaceuticals Q4: Profit jumps to Rs 123.7 crore versus Rs 93.99 crore; revenue rises to Rs 927 crore versus Rs 853.3 crore YoY.
- Gillette India Q4: Net profit up 36.3% at Rs 48 crore versus Rs 35.5 crore, revenue up 3.1% at Rs 465.6 crore versus Rs 451.5 crore.
- Saregama India Q4: Net profit down 24.9% at Rs 16 crore versus Rs 21.4 crore, YoY
- Great Eastern Shipping Company: Company has delivered its 1994 built Very Large Gas Carrier 'Jag Vishnu' to the buyers. The vessel was contracted for sale in January 2019.
- Dilip Buildcon: Subsidiary DBL Mangalwedha Solapur Highways Private Limited received financial closure letter from the National Highways Authority of India for four laning of Sangli-Solapur section of NH-166.
- Bharat Financial Inclusion: Company assigned a pool of receivables of an aggregate value of Rs 1,107.41 crore to one of the largest private sector banks on a direct assignment basis.
- TVS Motor to make investment in Tagbox Solutions
- India Ratings downgrades Yes Bank to 'IND AA-' / Negative
- Deepak Fertilisers approved issue of Foreign Currency Convertible Bonds (FCCBs) aggregating to USD 30 million in two equal tranches
- Shree Renuka Sugars' Mauritius arm entered a term shtee with a potential investor to explore a transaction, which may result in the company ceasing to hold more than 50% stake in its arm
- Religare Enterprises - ICRA Rating revised its long term debt programme rating from ICRA BB to ICRA D and removed from watch
- Balrampur Chini buyback offer to open on May 16 and closes on May 26

| Global Indices | Current Value | %1D |
|----------------|---------------|-------|
| DowJones | 25,967 | 0.08 |
| Nasdaq | 7,943 | -0.26 |
| DAX | 12,180 | 0.72 |
| Nikkei 225 | 21,351 | -1.17 |
| FTSE 100 | 7,271 | 0.15 |
| Hang Seng | 28,667 | -1.16 |
| Shanghai | 2,873 | -0.60 |
| Straits Times | 3,269 | -0.44 |

| Trading activity in cash Rs Cr | | | |
|--------------------------------|------|-------|-------|
| Date 8 May | Net | MTD | FY20 |
| FII | -702 | -1299 | 11450 |
| DII | 233 | 407 | -3816 |

| Forex Rate | | |
|------------|-------|--------|
| USD/INR | 69.60 | 0.42% |
| EUR/INR | 78.01 | 0.40% |
| GBP/INR | 90.90 | -0.08% |
| JPY/INR | 63.23 | 1.02% |

| Corporate Action | | |
|------------------|--------------------|---------|
| Stock Name | Purpose | Ex Date |
| IBVENTURES | Interim Div Rs 1.0 | 9-May |
| ECLERX | Buy Back of Shares | 9-May |
| HATSUN | Interim Div Rs 2.0 | 9-May |
| GODREJCP | Interim Div Rs 2.0 | 10-May |
| ECLERX | Buy Back of Shares | 10-May |

Global News

The benchmark S&P 500 fell on Wednesday for the third day in a row as investors remained cautious about the latest developments on US-China trade talks even after hopeful comments from the White House regarding an eventual agreement. The Dow Jones Industrial Average rose 2.24 points, or 0.01%, to 25,967.33, the S&P 500 lost 4.63 points, or 0.16%, to 2,879.42 and the Nasdaq Composite dropped 20.44 points, or 0.26%, to 7,943.32. Asian shares hit six-week lows in early trade on Thursday as increased tensions ahead of key Sino-US trade negotiations fanned fresh concerns about the outlook for the global economy. MSCI's broadest index of Asia-Pacific shares outside Japan edged down 0.3 percent to its lowest level since March 28. Japan's Nikkei average shed 0.9 percent to its five-week low, while South Korea's KOSPI fell 0.8 percent and the Australian benchmark added 0.3 percent.

| G-Sec Yield | Price | hange% |
|-----------------|-------|--------|
| 1yr Bond Yield | 6.56 | 0.00 |
| 10yr Bond Yield | 7.38 | -0.01 |

Results Calender

9-May-19

APOLLOTYRE, ASIANPAINT, DALBHARAT, GMDCLTD, GRANULES, GSPL, HCC, HCLTECH, HIKAL, ICRA, SHANKARA, JOB,, KALPATPOWR ,MGL, OFSS, PNBHOUSING, SOUTH BANK, VBL, VOLTAS, VTL

F&O Ban List

JETAIR

Dated: 9 May 2019

Technical View

NIFTY

Nifty Hourly Chart



It's been yet another week of consolidation for our markets, in fact the overall intra-week range shrunk drastically due to less number of sessions. Honestly speaking, there is nothing much to comment on considering the muted price action. The only notable observation that can be highlighted is the formation of a 'Triangle' pattern on hourly chart. Hence, going ahead, 11790 – 11655 are the levels to watch out for. A decisive move in either direction would confirm a breakout and thereby would provide an immediate path of action for the market participants. At present, the ideal strategy would be to keep focusing on individual pockets that were buzzing during the week. We are heading towards the mega event (Election Verdict slated on May 23) and hence, a possibility of rise in volatility cannot be ruled out. One needs to keep this thing in mind and should position accordingly from henceforth till the actual event day



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