

Dated: 4 May 2020

Indices	CMP	%1D
Sensex	33718	3.05
Nifty	9860	3.20
BSE-Midcap	12013	1.46
BSE-Smallcap	11101	1.15
SGX Nifty	9367	-5.00

### Market Outlook

Indian markets indicate to open with a sundown note on the back of weak global cues and fears of another US-China war. On the domestic front, all eyes on long awaited stimulus package if announced anytime may give supportive relief for market sentiments. We are in earnings session and March numbers are below market expectations, while today investors would prefer negative opening in RIL on the back of missing street estimates on earning. Hence Stock-specific movement may be seen and we advise momentum traders to stay light. Technically profit booking can be seen at higher levels and index has formed a small bearish candle, which resembled a Doji pattern on daily charts for short term negative signals with key support level for Nifty is placed at 9,764, followed by 9,669. If the index continues moving up, key resistance levels to watch out for are 9,922 and 9,984.

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

- HUL:** FMCG major Hindustan Unilever (HUL) reported a decline of 3.93% in consolidated profit to ₹1,512 crore for the fourth quarter, impacted by the covid crisis from mid-March. The company had posted a net profit of ₹1,574 crore in the January-March period of the previous fiscal.
- RIL:** The company reported a consolidated profit of ₹6,348 crore in the March quarter, a 39% decline from ₹10,362 crore a year ago. Separately, it plans to raise ₹53,215 crore by selling shares to existing investors, the biggest such fundraising by a company in India, as the energy conglomerate aims to wipe off its debt.
- Tech Mahindra:** IT services firm Tech Mahindra reported 29% dip in March quarter consolidated net profit at ₹803.9 crore owing to narrowing of margins due to factors including a surge in covid-19 related costs. For the 2019-20 financial year, the Mahindra group company reported 6.15% decline in net profit at ₹4,033 crore. In December quarter, the profit stood at ₹1,145.9 crore.
- SpiceJet, IndiGo:** After the home ministry extended the ongoing lockdown for two more weeks beyond 3 May, the civil aviation regulator, on Saturday, issued a circular extending the suspension of domestic and international commercial flight operations till 17 May.
- ICICI Lombard General Insurance:** The insurer reported 23.8% jump in net profit in the March quarter at ₹282 crore on lower motor claims even as it suffered losses in stock markets which plunged 30% in the quarter.
- Automobile companies:** Several leading automakers such as Maruti Suzuki India Ltd, Hyundai Motor India Ltd, Mahindra & Mahindra Ltd and others have reported zero domestic sales for April due to the lockdown. Industry bodies have appealed to the home ministry to allow the companies to resume operations in complete unison.
- GE Power India:** The company, after obtaining requisite permissions has resumed manufacturing operations at its Durgapur factory, to the extent permitted by the local administration, it said in a regulatory filing.
- SBI, ICICI Bank, BoB and Axis Bank:** Fitch Ratings has downgraded the viability rating (VR) of State Bank of India (SBI), ICICI Bank, Bank of Baroda (BoB) and Axis Bank by one notch each, citing the impact of covid-19 on operating environment.
- IDFC First Bank:** The board of directors of the IDFC First Bank on Friday approved raising fresh equity capital of ₹2,000 crore from investors, including its promoter and a Warburg Pincus firm.
- Coal India:** State-owned Coal India Ltd (CIL) on Friday reported 11% decline in production to 40.38 million tonnes in April. The company had posted a total production of 45.30 million tonnes in the corresponding month of the previous financial year, CIL said in a BSE filing.

Global Indices	Current Value	%1D
DowJones	23724	-2.55
Nasdaq	8605	-3.02
DAX	10861	-2.22
Nikkei 225	19619	-2.84
FTSE 100	5763	-2.34
Hang Seng	23741	-3.66
Shanghai	2861	1.33
Straits Times	2555	-2.65

Trading activity in cash Rs Cr				
Date	30Apr	Net	MTD	FY20
FII	1969	-5206	-98267	
DII	579	2698	136049	

Forex Rate		
USD/INR	75.55	-0.87%
EUR/INR	81.83	-0.63%
GBP/INR	94.13	0.03%
JPY/INR	70.54	-0.46%

Corporate Action		
Stock Name	Purpose	Ex Date
ABB	Dividend Rs 4.80	5-May

### Global News

Wall Street sold off sharply on Friday after President Donald Trump revived a threat of new tariffs against China in response to the COVID-19 pandemic, which has brought global economies to a grinding halt. All three major US stock averages closed down well over 2%, and for the week they all lost ground. The Dow Jones Industrial Average fell 622.03 points, or 2.55%, to 23,723.69, the S&P 500 lost 81.72 points, or 2.81%, to 2,830.71, and the Nasdaq Composite dropped 284.60 points, or 3.2%, to 8,604.95. Asian markets traded lower on Monday morning, with major markets regionally closed for holidays. Hang Seng index dropped 3.43% in early trade. South Korea's Kospi fell 1.87% in morning trade while the MSCI Asia ex-Japan index traded 2.2% lower.

G-Sec Yield	Price	Change%
1yr Bond Yield	3.93	-1.50%
10yr Bond Yield	6.11	-0.15%

Results Calender	4-May-20
NIL	

F&O Ban List
NIL



# MSEARCH

## MORNING NEWSLETTER

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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](mailto:info@mehtagroup.in) Website:[www.mehtagroup.in](http://www.mehtagroup.in)