

Dated: 1 October 2019

Indices	CMP	%1D
Sensex	38669	-0.40
Nifty	11475	-0.33
BSE-Midcap	14104	-1.13
BSE-Smallcap	13171	-1.21
SGX Nifty	11561	0.24

### Market Outlook

Indian markets indicates for a flat to positive opening tracking Asian markets trading higher today following positive close of the markets stateside. Back home overall market may see some consolidation due to sharp gains during the previous month. We see investors would wait for RBI meet this weekend. Earning season to kick start and auto number which could set market mood going frwd. Technically markets has formed a hammer pattern on daily charts as the decline was being bought into the market but at the same time supply is intact at higher zones. Key support level for Nifty is placed at 11,407, followed by 11,340. If the index starts moving up, key resistance levels to watch out for are 11,524 and 11,575.

Index	FY20	FY21E	FY22E
Sensex EPS	1439	1884	2419
P/E	27	21	16
Nifty EPS	472	589	754
P/E	24	20	15

### Top Domestic News

- Karur Vysya Bank: CRISIL has reaffirmed "CRISIL A1+" on the company's certificate of deposits program.
- Mahindra & Mahindra: CRISIL has reaffirmed its "CRISIL AAA/Stable/CRISIL A1+" ratings on the debt programs and bank facilities of the company.
- Punjab National Bank: The bank received Rs 3,000 crore from the Government of India.
- Kalpataru Power rises 4% on Rs 775-crore order wins
- Bank of Baroda: Lender received a capital infusion of Rs 7,000 crore from Government of India.
- PNB Housing Finance: Sunil Mehta resigned as Chairman.
- Cadila: Company will sell rights of Zypitamag drug to Medicure Inc., a cardiovascular pharmaceutical company.
- Wockhardt: CARE revised long term bank facilities rating to BB+ from BBB-
- Cadila Health to sell rights of Zypitamag drug to Medicure Inc
- NBCC: Company signed MoU with the government for Rs 400 crore Manipur project.
- Bharat Rasayan: The company has issued commercial paper of Rs 20 crore, which have been rated CARE A1+.
- MBL Infrastructures: Shareholders have approved raising of funds up to Rs 300 crore.
- National Peroxide: Kalyan plant temporarily shut down from September 30 for 90 days for carrying out the expansion of production capacity.
- CONCOR, BPCL, SCI: Media reports suggest that Group of Secretaries panel cleared disinvestment in 5 companies including the sale of entire stake in BPCL and SCI.
- CG Power: KN Neelkant resigns as MD & CEO with immediate effect
- PNB Housing Finance - CRISIL has assigned "CRISIL A1+" rating on the short term Non-Convertible Debentures aggregating Rs 500 crore

Global Indices	Current Value	%1D
DowJones	26917	0.36
Nasdaq	7999	0.75
DAX	12428	0.38
Nikkei 225	21929	0.79
FTSE 100	7408	-0.24
Hang Seng	26093	0.53
Shanghai	2905	-0.92
Straits Times	3136	0.51

Trading activity in cash Rs Cr			
Date 30 Sep	Net	MTD	FY20
FII	-469	-6621	-27595
DII	505	12491	58616

Forex Rate		
USD/INR	70.86	0.38%
EUR/INR	77.32	0.26%
GBP/INR	87.32	0.66%
JPY/INR	65.71	0.74%

Corporate Action		
Stock Name	Purpose	Ex Date
GOCL Corp	Interim Div Rs 2	14-Oct

### Global News

US stocks climbed on Monday, helped by gains in Apple, Microsoft and Merck & Co, as investors set aside worries about the US-China trade war. The Dow Jones Industrial Average rose 0.36% to end at 26,916.83 points, while the S&P 500 gained 0.50% to 2,976.73. The Nasdaq Composite added 0.75% to 7,999.34. For the month, the S&P 500 rose 1.7%, the Dow added 2.1% and the Nasdaq gained 0.5%. Global share prices ticked up on Tuesday as some investors clung to hopes that China and the United States could work towards reaching a deal on trade and other issues in the fourth quarter. Japan's Nikkei rose 0.6% while MSCI's broadest index of Asia-Pacific shares outside Japan inched up 0.11%. Chinese markets will be shut for a week from Tuesday to mark 70 years since the founding of the People's Republic of China.

G-Sec Yield	Price	Change%
1yr Bond Yield	5.76	-1.03%
10yr Bond Yield	6.69	-0.45%

Results Calender	01-Oct-19
NIL	

F&O Ban List
NIL

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### Technical View



Last Friday market took a giant leap after FM's announcement on slashing corporate taxes. All of a sudden, the tide turned upwards and before anyone could realise, the Nifty was well above 11200. Since it was predominantly a short squeezing move, markets were not done with such sharp one day spurt. Expectedly, we had a good bump up on Monday to kick start the week on a strong note. Participants were so ecstatic; the Nifty went on to almost kiss the 11700 mark in the initial euphoric move. However, this seemed to be an overreaction and hence, throughout the remaining part of the week, market consolidated in a slender range to eventually conclude tad above 11500. Practically speaking, Nifty soared 1000 points in merely two days and one has to understand, it is very seldom to see such colossal move in a quick succession. So, to bring the market sentiments back to the equilibrium, we either had to see natural profit booking or had to spend some time in a range. As of now, market seemed to have opted for the second choice and hence, we consolidated after Monday's bump up. Now, the low hanging fruit or the easy money is already gone at least for traders. We are likely to witness such choppy moves now and hence, one needs to be very selective while picking up a stock. Yes, the directional bias remains positive as long as we are above the 11200 mark. Meanwhile, any dip should be construed as a buying opportunity. The immediate range can now be seen at 11400 – 11700 and it's advisable to stay light in this band. However having said that, it's a matter of time, we expect index coming out of it very soon and more importantly in the upward direction. In this scenario, the next levels to watch out for would be around 11900 – 12000. Traders are advised to keep a tab of all the above mentioned levels and should focus on individual stocks that are likely to provide better trading opportunities. The actual momentum will now trigger only above 11650 – 11700, which will attract lot of participants who are still waiting on the side lines.



# MSEARCH

## MORNING NEWSLETTER

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