

Dated: 11 July 2019

Indices	CMP	%1D
Sensex	38557	-0.45
Nifty	11499	-0.49
BSE-Midcap	14414	-0.75
BSE-Smallcap	13699	-0.75
SGX Nifty	11546	0.35

Market Outlook

Indian markets indicates for a possible Positive opening on the back of Asian markets which are trading higher today following Jerome Powell's statement raising hopes for the Fed rate cut. Back home Technically Nifty index failed to hold above 11580- 11600 zones and remained under pressure for most part of the trading session to close below 11500 levels. It formed a Bearish Candle on daily scale as Bears are holding tight grip in the market. Now till it holds below 11600 zones it could drift towards next major support of 11420 zones while hurdle are seen at 11720 then 11777 zones. We expect some consolidation to continue at current levels as long as the index holds 11,450 levels, before seeing a strong bounce back.

Index	FY20	FY21E	FY22E
Sensex EPS	1404	1943	2386
P/E	28	20	16
Nifty EPS	459	607	732
P/E	26	19	16

Top Domestic News

- Results on July 11: CCL Products, Den Networks.
- Sun Pharma: Company gets US FDA approval for Risedronate Sodium Tablets
- Aurobindo Pharma: Company launched generic of Sensipar tablets in US.
- Greaves Cotton: Company acquired 15,04,523 shares, by way of investment in subsidiary of the company i.e. Ampere Vehicles Private Limited, India through primary and secondary purchase for a total consideration of Rs 22.5 crore. Consequent to the acquisition of aforesaid additional stake, the company's holding in Ampere increased from 67.34 percent to 72.11 percent.
- TCS: iON, strategic unit of company, collaborated with All India Council for Technical Education (AICTE) to equip students with career skills.
- Mohota Industries: Brickwork Ratings has downgraded the rating assigned to long term credit facilities availed by the company to BBB from BBB+ and short term credit facilities to A3+ from A2.
- The New India Assurance Company: P V Thomas, Chief Manager has been nominated as the Chief of Internal Audit and Principal Compliance Officer for anti money laundering guidelines of the company.
- RTS Power Corporation: Company proposed to set up its new factory at its land at Parasrampura, Rajasthan for the manufacturing of steel wires and strips, galvanized and non-galvanized and other downstream products made out of steel wires and strips, galvanized and non-galvanized of the capacity of 12000 MT per annum.
- Punjab Chemicals & Crop Protection: There was a fire accident at one section of Agro Chemical Division, Derabassi, Mohali.
- IFCI: Brickwork downgraded rating on long term debt instruments NCD/bonds to BBB+ with negative outlook, from A- with stable outlook.
- GTPL Hathway Q1: Consolidated profit jumps to Rs 29.45 crore versus Rs 13.37 crore; revenue rises to Rs 445.5 crore versus Rs 296.9 crore YoY.
- Himachal Futuristic Communications Q1: Profit rises 148 percent to Rs 117 crore versus Rs 47 crore; revenue jumps 23 percent to Rs 1,343 crore versus Rs 1,088 crore YoY.
- Premier Explosives: Company received an order from Bharat Dynamics Limited (BDL) for supply of solid propellants for Medium Range Surface to Air Missile (MRSAM) for a value of Rs 14.99 crore to be executed within a period of 14 months.
- Mahindra Logistics: Company appointed Rampraveen Swaminathan as CEO.
- TVS Motor Company: Company launched new 100cc motorcycle, TVS Sport in Sri Lanka.
- Insilco: Plant operations will restart as per schedule on July 10.
- Prime Customer Services: SMERA has assigned the highest rating to company as MSE Rating -1 which indicates highest credit worthiness in relation to other MSEs.
- Can Fin Homes: To consider raising up to Rs 6000 crore via debt on July 22
- Cox & Kings: Defaults on payment worth Rs 125 crore with respect to Commercial Papers due on July 9.

Global Indices	Current Value	%1D
DowJones	26860	0.29
Nasdaq	8203	0.75
DAX	12373	-0.51
Nikkei 225	21609	0.35
FTSE 100	7531	-0.08
Hang Seng	28561	1.26
Shanghai	2932	0.57
Straits Times	3364	0.72

Trading activity in cash Rs Cr			
Date	10 July	Net	MTD FY20
FII		-605	-2275 8449
DII		667	2411 7158

Forex Rate		
USD/INR	68.35	-0.39%
EUR/INR	77.01	0.14%
GBP/INR	85.50	0.09%
JPY/INR	63.00	0.00%

Corporate Action		
Stock Name	Purpose	Ex Date
BAJAJ-AUTO	Dividend Rs 60.0	11-Jul
BAJAJFINSV	Dividend Rs 2.5	11-Jul
BAJAJHLDNG	Dividend Rs 32.5	11-Jul
BAJFINANCE	Dividend Rs 6.0	11-Jul
LTI	Final dividend Rs 15.5	11-Jul

G-Sec Yield	Price	Change%
1yr Bond Yield	6.08	-0.02%
10yr Bond Yield	6.54	-0.71%

Global News

US stocks ended higher and the S&P 500 index briefly crossed the 3,000-point mark for the first time on Wednesday as remarks by Federal Reserve Chairman Jerome Powell reassured investors about the potential for an interest rate cut later this month. The rupee declined by 7 paise to close at 68.58 against the US dollar July 10, pressured by persistent foreign fund outflows and firming crude oil prices. The Dow Jones Industrial Average rose 76.71 points, or 0.29 percent, to 26,860.2, the S&P 500 gained 13.44 points, or 0.45 percent, to 2,993.07 and the Nasdaq Composite added 60.80 points, or 0.75 percent, to 8,202.53. Asian stocks rose and the dollar sagged on Thursday after Federal Reserve Chair Jerome Powell reinforced prospects of a US interest rate cut later this month.

Results Calender

11-Jul-19

CCL, DEN.

F&O Ban List

DHFL, RELCAPITAL, IDBI, RELINFRA .

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Technical View

NIFTY



Since last many months, the benchmark index has been showing tremendous outperformance but the broader market continues to remain in a slumber. Ahead of the Union budget, there were some hopes built in and people were expecting some triggers that will boost the traders' confidence back into the mid and small cap pockets. However the kind of reaction we saw on Friday, clearly suggested disappointment and hence had an adverse reaction once the budget commentary concluded. With this, the water has been poured on all expectations and market participants again have to wait for some other ray of hope. As far as levels are concerned, we closed precisely at the key psychological level of 11800 after which next support zone lies around 11700-11630. Honestly at this juncture, it's hard to give any possible direction for the forthcoming week. We need to see how market reacts in the first half. Till the time, 11630-11591 are not violated, the broader structure does not get distorted. But in case if it happens, then get ready for some sharper cuts in the market. On the higher side, 11900-12000 remains to be a sturdy wall. On Friday, the banking space showed resilience and didn't participate at all in the correction, which is the only positive takeaway. If market has to regain strength, the banking needs to take a charge. Also the IT and Midcaps witnessed complete sell off and hence, we need to see whether the correction is overdone or yet to extend further. At present, traders are advised to stay light and it's better to adopt a confirmatory approach for a while.



MSEARCH

MORNING NEWSLETTER

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