

Dated: 13 August 2019

Indices	CMP	%1D
Sensex	37582	0.68
Nifty	11110	0.70
BSE-Midcap	13670	0.77
BSE-Smallcap	12699	1.00
SGX Nifty	10950	0.15

Market Outlook

Indian markets indicates for a possible flat opening tracking global markets and reacting on frontline results due today. All eyes would be on Reliance stock reaction after AGM outcome, As Reliance's debt reduction efforts gain pace, stock may rerate. Globally Asian markets are trading turbulent today at the back of negative cues from the markets stateside and civil disturbance in Hongkong which is yet to return to normalcy. Overnight stateside, the Dow dropped 391 points to close below 26000 as bond yields declined amid concerns over the state of the global economy. Back home Indian index The index has formed a bullish candle on a weekly scale with technically key support level is placed at 11,054, followed by 10,999. If the index starts moving upward, the key resistance levels to watch for out are 11,173 and 11,236.

Index	FY20	FY21E	FY22E
Sensex EPS	1409	1975	2329
P/E	26	19	16
Nifty EPS	466	616	722
P/E	23	18	15

Top Domestic News

- NHPC Q1: Consolidated profit rises 16.2 percent to Rs 989.3 crore versus Rs 851.7 crore, revenue climbs 12.5 percent to Rs 2,610 crore versus Rs 2,319.4 crore YoY.
- BHEL Q1: Loss at Rs 217.7 crore against profit of Rs 40.7 crore, revenue falls 23.7 percent to Rs 4,532.5 crore versus Rs 5,942 crore YoY.
- Future Consumer Q1: Loss at Rs 15.1 crore versus loss of Rs 6.1 crore, revenue rises 29.3 percent to Rs 1,048 crore versus Rs 810.9 crore YoY.
- BPCL Q1: Profit falls 65.6 percent to Rs 1,075 crore versus Rs 3,124.9 crore, revenue rises 3.1 percent to Rs 76,318 crore versus Rs 73,990 crore QoQ.
- SAIL Q1: Net profit down 87.3 percent at Rs 68.8 crore versus Rs 540.4 crore, revenue down 6.8 percent at Rs 14,820 crore versus Rs 15,907.2 crore, YoY
- Oil India Q1: Consolidated profit at Rs 847.2 crore against loss of Rs 70.6 crore, revenue rises 9.2 percent to Rs 3,380.9 crore versus Rs 3,097.3 crore QoQ.
- NTPC Q1: Consolidated net profit was up 5.6 percent at Rs 2,840.3 crore versus Rs 2,689 crore, revenue was up 8 percent at Rs 25,931.1 crore versus Rs 24,013.2 crore, YoY
- Hindustan Copper Q1: Consolidated net profit was down 47.4 percent at Rs 19.2 crore versus Rs 36.5 crore, revenue was down 27.2 percent at Rs 304.1 crore versus Rs 417.9 crore, YoY
- NIIT Q1: Consolidated net profit at Rs 1,090 crore versus Rs 17.9 crore, revenue was down 1.8 percent at Rs 210.3 crore versus Rs 214.2 crore, YoY
- APL Apollo Tubes Q1: Consolidated net profit was up 10.2 percent at Rs 51.8 crore versus Rs 47 crore, revenue was up 23.6 percent at Rs 2,071.6 crore versus Rs 1,676.5 crore, YoY
- Varroc Engineering to acquire 74% stake in CarIQ, a leading Telematics solution provider
- Saudi Aramco and Reliance Industries (RIL) sign a non-binding letter of intent to acquire a 20% stake in O2C division of RIL at an enterprise value of USD 75 billion
- Reliance Jio Infocomm, a subsidiary of Reliance Industries and Microsoft Corp in alliance to accelerate digital transformation in India
- Grasim Industries board meeting on August 14 to consider raising of funds through issue of non-convertible debentures, in one or more tranches, on private placement basis
- DB Realty: Pledge on 2.1 percent promoter stake released on August 6.

Global Indices	Current Value	%1D
DowJones	25898	-1.48
Nasdaq	7863	-1.20
DAX	11680	-0.12
Nikkei 225	20419	-1.28
FTSE 100	7227	-0.37
Hang Seng	25825	-0.44
Shanghai	2815	-0.01
Straits Times	3138	-0.96

Trading activity in cash Rs Cr			
Date 9 Aug	Net	MTD	FY20
FII	204	-8686	-14832
DII	607	8964	34106

Forex Rate

USD/INR	70.85	-0.16%
EUR/INR	79.39	-0.14%
GBP/INR	86.15	-0.09%
JPY/INR	66.76	-0.06%

Corporate Action

Stock Name	Purpose	Ex Date
ABBOTT IND	Final Dividend Rs 50	13-Aug
ABBOTT IND	Spcl Dividend Rs 15	13-Aug
JK PAPER	Final Dividend Rs 3.5	13-Aug
NTPC	Final Dividend Rs 2.5	13-Aug
SRF	Interim Dividend Rs 7	13-Aug

G-Sec Yield	Price	Change%
1yr Bond Yield	5.85	-0.01%
10yr Bond Yield	6.49	1.41%

Global News

US stocks dropped in a broad sell-off on Monday as simmering geopolitical tensions spooked equity investors and drove a bond market rally while the protracted US-China trade war stoked fears of impending recession. All three major US stock indexes closed sharply lower in light trading, with little to soothe market jitters over Hong Kong protests, Argentine President Mauricio Macri's primary election defeat, and the US-China tariff dispute that has rattled markets for months. The Dow Jones Industrial Average fell 391 points, or 1.49 percent, to 25,896.44, the S&P 500 lost 35.96 points, or 1.23 percent, to 2,882.69 and the Nasdaq Composite dropped 95.73 points, or 1.2 percent, to 7,863.41. Asian shares fell on Tuesday as fears about a drawn out Sino-US trade war, protests in Hong Kong and a crash in Argentina's peso currency drove investors to safe harbours like bonds, gold, and the yen.

Results Calender

13-Aug-19

AZZINFRA, AARTIIND, APOLLOHOSP, ASHOKABUILDCON, BHARATFORGE, BLUESTAR, BOSCH, COALINDIA, DBREALTY, ESSELPRO, GLENMARK, GNFC, GODREJIND, HAL, ONGC, RITES

F&O Ban List

NIL

Dated: 13 August 2019

Technical View

NIFTY



In the midst of a global uncertainty, our markets opened lower with a decent margin on Monday. However, index managed to recover fair bit of ground on the same day to reclaim the 10800 mark. On the subsequent day, index followed similar kind of pattern and showed first sign of revival. Despite Wednesday's weak session, index took off at the stroke of the penultimate hour on Thursday and we saw complete gush in the market to see some sharp short covering moves. This lead was extended on Friday to eventually conclude the week with a smart recovery of more than 300 points from the lowest point. Fortunately, we managed to defend the 11000 mark on a weekly closing basis and the recovery started after precisely retesting some key moving averages and Fibonacci ratios. Firstly, index tested the 61.8% retracement level of the previous up move. This point was coincided with the '100-SMA' on weekly chart as well as 161% (Golden Ratio) of the recent small up move from 11108.30 to 12103.05. In addition, the 'RSI-Smoothened' oscillator on daily chart had reached the lowest level since October 15, 2018. All these key observations were hinting towards the possibility of some relief from the crucial junction of 10800. Hence, we avoided shorting and in fact kept focusing on some probable short covering candidates. The strategy played out well and we are back above 11100. But the real question lies whether the worst is over or not? In our sense, it would be too early to comment on this and although, we have taken a pause at crucial technical cluster of supports, we need to wait for some further confirmation. As of now, one should construe this rally as a relief move and going ahead, 11200 – 11300 are the levels to watch out for. If we manage to surpass this wall, the next possible resistance is placed in the zone of 11450 – 11500. At this juncture, the pragmatic approach would be to take one step at a time and focus more on individual stocks. On the lower side, the immediate support is seen around 11062 – 10975 and with a broader view, as long as we are defending 10782 – 10750, there is no reason to worry for.



MSEARCH

MORNING NEWSLETTER

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