

Dated: 14 May 2020

Indices	CMP	%1D
Sensex	32008	2.03
Nifty	9384	2.03
BSE-Midcap	11582	1.49
BSE-Smallcap	10774	1.97
SGX Nifty	9249	-1.60

### Market Outlook

Indian markets expected to open with a negative note on the back of global sentiments. Comments by the US Fed Chairman warning a prolonged recession for the US economy and likely profit booking by domestic participants following the mega stimulus announcements may result in a negative start. We believe that volatility will continue to persist as it's a buy-on-dips and a sell-on-rise kind of market mood because any stimulus package comes with a cost to carry and nothing comes free. Hence in the near medium term, market would move depending on the intensity of COVID spread and now all eyes on Finance Ministry for an economic package to resume the economy back on track. Technically the key support level for Nifty is placed at 9,294, followed by 9,206. If the index moves up, key resistance levels to watch out for are 9,528 and 9,673.

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

- **Power discoms:** The government on Wednesday announced a ₹90,000 crore liquidity injection into fund-starved electricity distribution companies as part of a stimulus package to revive the country's battered economy.
- **NBFCs:** Finance minister has announced further liquidity support to non-banking financial companies (NBFCs), housing finance companies (HFCs) and microfinance institutions (MFIs) by way of a ₹30,000 crore liquidity scheme and a partial credit guarantee scheme of ₹45,000 crore.
- **Dabur:** India's largest ayurvedic consumer goods firm Dabur India has launched clinical trials to assess whether its flagship product Chyawanprash can boost immunity against the covid-19.
- **Siemens:** Engineering and technology solutions provider Siemens Ltd on Wednesday reported a 38% drop in consolidated net profit at ₹175.7 crore for the March quarter due to lower revenues. The company's consolidated net profit stood at ₹284.2 crore in the quarter ended 31 March 2019.
- **Real estate companies:** Offering some relief to real estate developers, finance minister Nirmala Sitharaman on Wednesday asked states and Union territories to extend the registration and completion date by six months of all projects registered under the Real Estate Regulatory Authority (RERA). This would apply to all real estate project registrations expiring on or after 25 March and individual applications are not needed.
- **Godrej Consumer Products:** FMCG major Godrej Consumer Products Ltd has reported over 75% drop in its consolidated net profit at ₹229.90 crore in the fourth quarter ended March 2020, hit by disruptions in sales amid the covid-19 outbreak. The company had posted a net profit of ₹935.24 crore in the January-March quarter a year ago.
- **ABB India:** Engineering services firm ABB India has reported about 26% decline in net profit to ₹66 crore in the January-March quarter of 2020 compared to that of ₹89 crore in the year-ago quarter. Total income of the company dropped to ₹1,568.02 crore in the March quarter from ₹1,869.37 crore in the same quarter of last year.
- **Infosys:** The Bengaluru-based IT firm inked a pact with NICE Actimize on Wednesday. This global partnership will allow Infosys to offer delivery capabilities and resell NICE Actimize's end-to-end financial crime software solutions.

Global Indices	Current Value	%1D
DowJones	23248	-2.17
Nasdaq	8863	-1.55
DAX	10542	-2.56
Nikkei 225	20138	-0.63
FTSE 100	5904	-1.51
Hang Seng	23868	-1.29
Shanghai	2879	-0.64
Straits Times	2540	1.25

Trading activity in cash Rs Cr				
Date	13 May	Net	MTD	FY21
FII		-283	16444	-81823
DII		233	-961	135088

Forex Rate		
USD/INR	75.41	0.03%
EUR/INR	81.94	0.27%
GBP/INR	92.86	-0.36%
JPY/INR	70.54	0.43%

Corporate Action		
Stock Name	Purpose	Ex Date
NIIT Tech	Interim Div Rs 11	14-May
JM Fin	Dividend Rs 0.20	15-May
SBI Card	Interim Div Rs 1	15-May

### Global News

Wall Street's three major indexes closed lower for the second day in a row after Federal Reserve Chairman Jerome Powell warned on Wednesday of extended economic weakness due to the coronavirus pandemic and called for Congress to agree on additional fiscal support. The Dow Jones Industrial Average fell 516.81 points, or 2.17%, to 23,247.97, the S&P 500 lost 50.12 points, or 1.75%, to 2,820 and the Nasdaq Composite dropped 139.38 points, or 1.55%, to 8,863.17. Asian equities were set to slump on Thursday after the head of the Federal Reserve warned of a "significantly worse" U.S. recession than any downturn since World War Two because of coronavirus pandemic fallout, sentiments that drove bonds higher on a safety bid. Hong Kong's Hang Seng index futures slipped 0.92%, Australian S&P/ASX 200 futures fell 1.07%, while Japan's Nikkei 225 futures rose 0.05%.

G-Sec Yield	Price	Change%
1yr Bond Yield	3.88	-0.51%
10yr Bond Yield	6.09	-1.30%

Results Calender	14-May-20
AAVAS, BIOCON, ESCORTS, IBREAL, MANAPPURAM, TATACONSUMER	

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## MORNING NEWSLETTER

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