

Dated: 15 July 2019

Indices	CMP	%1D
Sensex	38736	-0.22
Nifty	11553	-26.00
BSE-Midcap	14554	0.41
BSE-Smallcap	13777	0.16
SGX Nifty	11579	0.28

Market Outlook

Indian markets indicates for a possible flat opening or turn negative in the second half session today on the back of Asian markets trading lower today as investors digest the latest Chinese data indicating that their economy had the slowest growth in 3 decades all as the consequence of the Trade War between China & The US. On overall technical basis Indian indexes close below psychological 11,600 levels at 11,547.70, forming a bearish candle on the weekly charts. The key support level is placed at 11,514 followed by 11,475. If the index starts moving upward, the key resistance levels to watch out are 11,615 and 11,677.

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 15: Tinplate Company of India, Tata Metaliks, Automotive Stampings, Bajaj Consumer Care.
- Infosys Q1: Consolidated profit falls 6.8 percent to Rs 3,802 crore versus Rs 4,078 crore. Dollar revenue rises 2.3 percent to \$3,131 million versus \$3,060 million QoQ. Company raises FY20 constant currency growth guidance to 8.5-10 percent from 7.5-9.5 percent and maintains FY20 EBIT margin guidance at 21-23 percent.
- 3i Infotech Q1: Profit falls to Rs 1.98 crore versus Rs 34.89 crore and revenue dips to Rs 280.12 crore versus Rs 299.60 crore QoQ.
- DHFL Q4: Net loss at Rs 2,224 crore versus profit at Rs 314 crore, gross NPA at 2.74 percent versus 1.12 percent QoQ.
- Avenue Supermarts Q1: Consolidated profit rises 32 percent to Rs 323.09 crore, revenue jumps 27 percent to Rs 5,814.6 crore YoY.W
- Allahabad Bank: Bank reported a fraud of Rs 1,775 crore by Bhushan Power & Steel to RBI.
- Tata Steel Q1 Provisional Data (MT - million tonnes): India sales at 3.87 MT versus 3.34 MT, Europe sales at 2.27 MT versus 2.45 MT YoY.
- Tata Steel BSL Q1 Provisional Data (MT - million tonnes): Crude steel production at 1.12 MT versus 1.05 MT; saleable steel sales at 0.86 MT versus 0.85 MT YoY.
- BHEL: Company wins Rs 100 crore EPC order for 25 MW solar power plant.
- KDDL: Material subsidiary, Ethos Limited raised funds amounting to Rs 10,99,99,904 by way of preferential allotment of 3,76,712 fully paid equity shares to KDDL Limited, holding company.
- Urja Global: Company entered in an agreement with Nippon Shinyaku Co, Japan for supply of product i.e. Zacobite for the five years.
- Ultracab (India): Nitesh Vaghasiya, CMD has signed a Memorandum of Understanding (MOU) with Himachal Pradesh Chief Minister Jai Ram Thakur for proposed new plant for manufacturing of LT and HT cables and further expansion of manufacturing facilities.
- Seamec: Vessel 'Seamec Princess' has sailed to Colombo, Sri Lanka on July 12, 2019 to undergo statutory Dry Dock.
- Syndicate Bank: Bank cut MCLR across tenors by 5 bps from June 15.
- InterGlobe Aviation: IndiGo confirms receiving 4 show cause notices from Directorate General of Civil Aviation to flight operations and safety departments
- Reliance Industrial Infrastructure Q1: Profit at Rs 1.7 crore versus Rs 1.9 crore; revenue at Rs 20.37 crore versus Rs 21.20 crore YoY.
- DB Realty: Promoter Neelkamal Tower Construction LLP pledged an additional 5 lakh shares in favour of Anand Rathi Global Finance on July 8.
- Gloster: National Company Law Tribunal approved the resolution plan submitted by company for acquisition of Network Industries under the Corporate Insolvency Resolution Process of the Insolvency and Bankruptcy Code.

Global Indices	Current Value	%1D
DowJones	27332	0.90
Nasdaq	8244	0.59
DAX	12323	-0.07
Nikkei 225	21686	0.20
FTSE 100	7506	-0.05
Hang Seng	28493	0.08
Shanghai	2929	-0.04
Straits Times	3355	-0.08

Trading activity in cash Rs Cr			
Date	12 July	Net	MTD FY20
FII	-850	-3442	7282
DII	940	4071	8818

Forex Rate		
USD/INR	68.50	-0.33%
EUR/INR	77.18	0.17%
GBP/INR	86.06	0.21%
JPY/INR	63.00	-0.28%

Corporate Action		
Stock Name	Purpose	Ex Date
M&MFIN	Dividend Rs 4.0	15-Jul
M&MFIN	Special Dividend Rs 2.5	15-Jul
DELTACORP	Final Dividend Rs0.65	15-Jul
DRREDDY	Final Dividend Rs20.0	15-Jul
ZEEL	Final Dividend Rs3.5	15-Jul

G-Sec Yield	Price	Change%
1yr Bond Yield	6.06	-0.05%
10yr Bond Yield	6.48	-0.03%

Global News

All three major indexes posted record closing highs on Friday as firm expectations for an interest-rate cut from the Federal Reserve continued to propel shares while investors awaited next week's kickoff of the corporate earnings season. The S&P 500 closed above the 3,000 level for the first time, with the industrial, consumer discretionary and materials sectors each posting gains of at least 1 percent. The Dow Jones Industrial Average rose 243.95 points, or 0.9 percent, to 27,332.03, the S&P 500 gained 13.86 points, or 0.46 percent, to 3,013.77 and the Nasdaq Composite added 48.10 points, or 0.59 percent, to 8,244.14. Asian shares started the week on a softer note on Monday after posting their first weekly decline since early June, while the dollar was on the defensive ahead of key economic data from China.

Results Calendar

15-Jul-19

BAJAJCON, TATAMETALI, TINPLATE.

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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