

Dated: 16 July 2019

Indices	CMP	%1D
Sensex	38897	0.41
Nifty	11588	0.31
BSE-Midcap	14466	-0.61
BSE-Smallcap	13689	-0.63
SGX Nifty	11578	-0.08

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 which are trading lackluster today despite positive cues from Wall Street. Overnight on Wall Street, stocks edged upward toward new records, but remained muted amid the corporate earnings season. Back home overall Indian markets have formed a bearish candle (as the closing price is lower than opening) that resembles a Hammer kind of pattern on the daily scale. Technically the key support level is placed at 11,540, followed by 11,493. If the index starts moving upward, the key resistance levels to watch out are 11,627 and 11,665.

Index	FY20	FY21E	FY22E
Sensex EPS	1386	1973	2372
P/E	28	20	16
Nifty EPS	459	616	734
P/E	25	19	16

Top Domestic News

- Results on July 16: Next Mediaworks, 5Paisa Capital, Jay Bharat Maruti, Vikas Multicorp
- Automotive Stampings and Assemblies Q1: Loss at Rs 9.5 crore versus loss Rs 5.93 crore; revenue rises to Rs 120.34 crore versus Rs 111.5 crore YoY.
- Tata Metaliks Q1: Profit declines to Rs 19.62 crore versus Rs 30.39 crore; revenue rises to Rs 499 crore versus Rs 467.54 crore YoY.
- Jindal Cotex: Company appointed Kanik Sharma as chairman.
- Ashok Leyland: Pantnagar plant to be shut from July 16 to July 24 due to weak demand.
- Aditya Birla Fashion: Company acquired 51 percent stake in Finesse International Design.
- Capacite Infraprojects: Board meeting of the company is scheduled on July 19 to consider fund raising by way of an issue of further capital.
- HDFC Bank: Board will mull special dividend on July 20.
- Jaiprakash Associates: Chandra Prakash Jain resigned as Independent Director.
- Greaves Cotton: Company acquired 10.69 lakh shares of subsidiary Ampere Vehicles Private Limited and increased stake from 72.11 percent to 81.23 percent.
- PTC India Financial Services: CRISIL assigned provisional rating for company's NCDs at AA+(SO) with stable outlook.
- Union Bank of India: RBI imposed Rs 10 lakh penalty for non-compliance with cyber security norms.
- IL&FS: Company signed binding term sheet with lenders of three entities which are Moradabad Bareilly Expressway, Jharkhand Road Projects and West Gujarat Expressway.
- Apollo Hospitals Enterprises: Promoter pledged 4.31 percent stake in company on July 12.
- Indigo-Board likely to question co-promoter Rakesh Gangwal on Jul 19.
- BHEL-CONCOR set up rail based logistics terminal at Haridwar.

Global Indices	Current Value	%1D
DowJones	27359	0.09
Nasdaq	8258	0.17
DAX	12387	0.52
Nikkei 225	21526	-74.00
FTSE 100	7532	0.34
Hang Seng	28540	-0.05
Shanghai	2937	-0.17
Straits Times	3357	0.27

Trading activity in cash Rs Cr				
Date	15 July	Net	MTD	FY20
FII		-216	-3658	7066
DII		592	4663	9410

Forex Rate		
USD/INR	68.54	0.06%
EUR/INR	77.19	0.01%
GBP/INR	85.78	-0.33%
JPY/INR	63.00	0.00%

Corporate Action		
Stock Name	Purpose	Ex Date
TCS	Interim Dividend Rs 4.0	16-Jul
HEROMOTOCO	Final Dividend Rs 32	16-Jul
PVR	Final Dividend Rs 2	16-Jul
GET&D	Dividend Rs 1.8	16-Jul
SYNGENE	Final Dividend Rs0.5	16-Jul

G-Sec Yield	Price	Change%
1yr Bond Yield	6.06	-0.63%
10yr Bond Yield	6.48	-0.73%

Global News

The benchmark S&P 500 index ended little changed on Monday after oscillating between positive and negative territory throughout the session after Citigroup Inc kicked off the earnings season with a mixed quarterly report. The Dow Jones Industrial Average rose 27.13 points, or 0.1 percent, to 27,359.16, the S&P 500 gained 0.53 point, or 0.02 percent, to 3,014.3 and the Nasdaq Composite added 14.04 points, or 0.17 percent, to 8,258.19. Asian shares inched up on Tuesday as traders awaited US retail sales data and more corporate earnings to gauge the health of the world's biggest economy, with markets remaining focused on a likely US rate cut by the end of the month.

Results Calender

16-Jul-19

ATFL, DCBBANK, FEDERALBNK, HDFCAMC, MCX(Multi Commodity Exchange), NETWORK18, TV18BRDCST.

F&O Ban List

DHFL, RELCAPITAL, IDBI, RELINFRA

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Technical View

NIFTY

Last week's low of 11461 holds lot of significance because it coincides with multiple technical evidences such as, (i) 61.8% retracement of recent rally (11108 – 12103), (ii) Trend line joining previous lows and (iii) The vicinity of the bullish gap formed after exit poll numbers. For a time being, market has respected this crucial junction but going ahead, it would be important to see how index behaves around it. In case of a breakdown below 11460 – 11430, the selloff is likely to escalate to test lower levels 11250 - 11230 or even a move towards May lows (11108) cannot be ruled out. So till the time we are above it, there is still a final ray of hope for the bulls. However, on the upside, previous support of 11640 is now acting as a sturdy wall. Hence, if index has to regain any strength, it needs to convincingly surpass this hurdle of 11640 - 11700. For a time being, 11430 – 11640 would be seen as a crucial range for the index. At present, traders are advised to stay light and avoid taking any undue risks. As mentioned in the above section, any existing longs should be exited if index breaches key support of 11460 – 11430 convincingly. On the sectoral front, there were some notable moves seen in the Auto and Metal spaces towards the latter half of the week. So if market manages to hold its support, we would see sharp pull backs in these names. Also, midcap index had an encouraging move despite the benchmark tumbled in the final hour. Do watch out for this universe as well.



MSEARCH

MORNING NEWSLETTER

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