

MSEARCH

MORNING NEWSLETTER

Dated: 18 May 2020

Indices	CMP	%1D
Sensex	31098	-0.08
Nifty	9137	-0.06
BSE-Midcap	11500	-0.31
BSE-Smallcap	10688	-0.16
SGX Nifty	9091	-0.18

Market Outlook

Indian markets expected to open with a flat note on the back of mixed global sentiments. Overall the volatility in the market is likely to continue and the mood could largely be in favour of the bears due to the continued rise in new confirmed cases of COVID-19, resurgence of trade tensions between the US and China and an uninspiring Rs 20 lakh crore stimulus package to markets. Back to domestic Technically the key support level for Nifty is placed at 9,063 followed by 8,990. If the index starts moving up, key resistance levels to watch out for are 9,196 and 9,255.

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

- Bharti Airtel:** The telecom giant has completed self-assessment exercise of adjusted gross revenue (AGR) dues and said it owes a total of ₹13,004 crore to department of telecommunications (DoT). Earlier this month, Airtel had paid ₹10,000 crore to the DoT. The company has now paid its balance dues of ₹3,004 crore. In addition to ₹13,004 crore, Bharti Airtel has also paid ₹5,000 crore as "an ad-hoc payment subject to subsequent refund/adjustment" to cover differences arising of any arising from the reconciliation exercise with the DoT.
- State Bank of India:** The IPO of SBI Cards, credit card subsidiary of the State Bank of India, will open for subscription today with an aim to raise over ₹10,000 crore. The issue will close for subscription on March 5. The price range for the IPO has been fixed at ₹750-755 per share.
- DHFL:** Dewan Housing Finance Corp Ltd (DHFL) has received expressions of interest from 24 potential investors, including Deutsche Bank AG, Hero Fincorp Ltd and Piramal Enterprises Ltd, according to a Mint report.
- GMR Infrastructure:** The company on Saturday said it will seek shareholders' nod for minority stake sale in its airport business. In a notice to shareholders, GMR Infrastructure Ltd sought approval for "divestment of minority equity stake in GMR Airports Ltd".
- Reliance Industries:** The company on Saturday said it has acquired 37.7% stake in textile manufacturer Alok Industries Ltd for ₹250 crore. RIL had jointly with JM Financial Asset Reconstruction Co Ltd bid for acquiring Alok Industries that was auctioned under the insolvency and bankruptcy law by lenders to recover their unpaid loans.
- Tata Motors:** The auto major is gradually exiting its passenger car retail business--Concorde Motors India Ltd--as part of its strategy to pare costs by moving out of non-core assets and businesses to navigate through the economic downturn in the country. Concorde Motors, which has been a 100% subsidiary of Tata Motors since 3 July, 1999, reported a loss of ₹105.69 crore for FY19, while revenue was at ₹1,215.08 crore.
- Maruti Suzuki:** India's largest car maker, Maruti Suzuki, reported a 1.6% year-on-year (YoY) decline in total domestic sales for February to 136,849 units due to continued weakness in demand and transition to BS-VI emission norms.
- Religare Enterprises:** Religare Enterprises on Saturday said it has acquired additional 14.36% stake in Religare Finvest Ltd from private equity investors. Post the acquisition, RFL has become a wholly-owned subsidiary of the company from February 28, it said in a BSE filing.
- Mahindra & Mahindra:** The company plans to bring all the cab aggregator businesses, it has invested in, under its newly constituted shared mobility vertical, according to a Mint report. Also, the company reported a 58% year-on-year (YoY) fall in its passenger vehicle (PV) sales for February as the auto maker lowered its production of BS-IV compliant units due to difficulty in procuring parts and components from China.

Global Indices	Current Value	%1D
DowJones	23685	0.25
Nasdaq	9015	0.79
DAX	10465	1.24
Nikkei 225	20168	0.69
FTSE 100	5800	1.01
Hang Seng	23909	0.47
Shanghai	2875	0.23
Straits Times	2538	0.57

Trading activity in cash Rs Cr				
Date	15 May	Net	MTD	FY21
FII		-2388	11904	-86363
DII		1226	-1385	134664

Forex Rate		
USD/INR	75.86	0.29%
EUR/INR	81.94	0.47%
GBP/INR	92.46	0.22%
JPY/INR	70.89	0.39%

Corporate Action		
Stock Name	Purpose	Ex Date
ACC	Interim Div Rs 14	19-May
AMBUJA CEM	Interim Div Rs 1.5	19-May
HIND ZINC	Interim Div Rs 16.5	19-May
INFY	Final Div Rs 9.5	29-May

Global News

The S&P 500 closed higher after swinging between gains and losses on Friday as investors weighed worries about Sino-U.S. trade relations and weaker-than-expected U.S. economic data against growing optimism that easing coronavirus restrictions would boost activity this month. The Dow Jones Industrial Average rose 60.08 points, or 0.25%, to 23,685.42, the S&P 500 gained 11.2 points, or 0.39%, to 2,863.7 and the Nasdaq Composite added 70.84 points, or 0.79%, to 9,014.56. Asian shares crept ahead on Monday and oil prices hit a five-week high as more countries re-opened their economies, stirring hopes the world was nearer to emerging from recession. All of which made for a guarded mood and MSCI's broadest index of Asia-Pacific shares outside Japan edged up 0.1% in early trade. Japan's Nikkei rose 0.2% and South Korean stocks 0.1%.

G-Sec Yield	Price	Change%
1yr Bond Yield	3.82	4.19%
10yr Bond Yield	6.08	0.33%

Results Calendar	18-May-20
ASTRAZENECA, AIRTEL, DELTACORP, GLAXO PHARMA, LALPATHLAB, TORRENT POWER	

F&O Ban List
NIL



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