

Dated: 1 June 2021

Indices	CMP	%1D
Sensex	51937	1.00
Nifty	15582	0.95
BSE-Midcap	21758	0.45
BSE-Smallcap	23595	0.50
SGX Nifty	15625	0.29

### Market Outlook

Indian markets are expected to open on a soft note taking cues from stable global markets and declining covid cases which could eventually result in unlocking state economics. Overall GDP numbers are impressive but surge in covid second wave may affect Q1 growth. All eyes will be on the biggest event of the week, outcome of RBI Policy meet to trickle in on June 4. Technically index has formed bullish candle on the daily as well as monthly charts. On the daily chart, Nifty continues to form a series of higher Tops and higher Bottom formation indicating sustained strength. Any sustainable move above 15,600 levels may cause momentum towards 15,700-15,750 levels. On the downside, any violation of an intraday support zone of 15,500 levels may cause profit booking towards 15,350-15,300 levels. We are in the last leg of earning session traders must focus on quality stocks with earnings visibility. On daily charts, the key support levels for the Nifty are placed at 15,435, followed by 15,288. If the index moves up, the key resistance levels to watch out for are 15,668 and 15,753.

Index	FY21	FY22E	FY23E
Sensex EPS	1550	1736	2031
P/E	34	30	26
Nifty EPS	501	551	645
P/E	31	28	24

### Top Domestic News

- **Aditya Birla Fashion and Retail Ltd:** The company's standalone March quarter revenues declined a modest 2% year-on-year (y-o-y) to ₹1,783 crore. The company saw strong y-o-y recovery in the months of January and February. Towards the end of the March quarter though localised shutdowns due to the second wave of the coronavirus pandemic led to lower consumer footfalls, pausing the growth momentum.
- **Banking stocks:** The functioning of asset reconstruction companies (ARCs) in India should be transparent and subject to scrutiny including by parliamentary panels, the All-India Bank Employees' Association (AIBEA) wrote to the Reserve Bank of India (RBI). "Selling bad loans to ARCs should be the last resort and recovery should be the foremost task," the union said in its letter on 30 May.
- **Britannia Industries:** The company's board will meet on 3 June to consider and approve the allotment of unsecured, non-convertible, redeemable, fully paid up debentures having a face value of ₹29 each and payment of dividend of ₹12.50 for one fully paid up equity share of face value of ₹1 each, the company said in a regulatory filing.
- **Cipla:** The pharma company said it is "in the process of seeking clarity and guidance from the Government of India for exploring the possible roadmap for vaccine importation to India.
- **Divi's Laboratories:** The company announced 29.3% y-o-y rise in its consolidated net profit to ₹502.02 crore for the quarter ended March. Net sales grew 28.7% y-o-y to ₹1,788.19 crore in Q4 FY21. The company reported a forex gain of ₹3 crore during the quarter under review.
- **Dr Reddy's Laboratories:** The Hyderabad-based pharmaceutical company is in talks with the government to bring Russia's single-dose Sputnik Light covid-19 vaccine into the country, a company spokesperson told Reuters. Russia has already approved this single-dose vaccine and trials are ongoing in many countries.
- **PNB Housing Finance:** The company's board approved raising ₹4,000 crore in capital from the Carlyle Group and a handful of other investors through a preferential share issue.

Global Indices	Current Value	%1D
DowJones	34529	0.19
Nasdaq	13749	0.09
DAX	15421	-0.64
Nikkei 225	28694	-0.58
FTSE 100	7023	0.04
Hang Seng	29177	0.09
Shanghai	3595	-0.56
Straits Times	3166	0.05

Trading activity in cash Rs Cr				
Date	31 May	Net	MTD	FY21
FII	2412	-6016	86483	
DII	180	2067	17652	

Forex Rate		
USD/INR	72.90	0.12%
EUR/INR	88.59	0.21%
GBP/INR	103.00	0.08%
JPY/INR	66.24	0.21%

### Global News

Asian markets were mixed in Tuesday morning as investors await the release of a private survey on Chinese manufacturing activity in May. Japan's Nikkei 225 rose 0.11% in morning trade while the Topix index gained 0.17. South Korea's Kospi edged 0.62% higher.

Corporate Action		
Stock Name	Purpose	Ex Date
CYIENT	Fin Div Rs 17	3-Jun
SBIN	Div Rs 4	3-Jun

G-Sec Yield	Price	Change%
1yr Bond Yield	3.95	0.02%
10yr Bond Yield	6.10	0.03%

Results Calender	1-Jun-21
BALRAMCHIN, GUJGAS, ITC, RADICO	

F&O Ban List
BOB, PNB, SUNTV



# MSEARCH

## MORNING NEWSLETTER

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