

MSEARCH

MORNING NEWSLETTER

Dated: 22 December 2020

Indices	CMP	%1D
Sensex	45554	-3.00
Nifty	13328	-3.14
BSE-Midcap	17065	-4.14
BSE-Smallcap	16957	-4.57
SGX Nifty	13425	1.22

Market Outlook

Indian markets are expected to open with a some sort of bounce back and consolidate before it makes next major move. Now overall markets global are on fears of a new strain of coronavirus found which will take time to settle down. Technically nifty has formed Long Black Day candle on the daily charts and Nifty could slide to either 13,000 levels or go strong markets moves above 13,500 levels. The next crucial long term resistance to be watched around 13,900-14,000 levels for the next 1-2 weeks. Overall undertone of the market looks positive but profit-booking cannot be ruled out as the benchmarks are at peak valuation. On daily charts, the key support levels for the Nifty are placed at 13,047, followed by 12,766. If the index moves up, the key resistance levels to watch out for are 13,693 and 14,058.

Index	FY21	FY22E	FY23E
Sensex EPS	1550	1736	2031
P/E	29	26	22
Nifty EPS	501	551	645
P/E	27	24	21

Top Domestic News

- **M&M:** Mahindra & Mahindra-owned SsangYong Motor Company has filed for bankruptcy in a Seoul court. While there are enough instances of failed overseas acquisitions, the company — bought from a court receivership by an Indian company — heading back to bankruptcy after a decade is unheard of.
- **Tata Motors:** Taking cues from peers, the company has decided to increase prices of commercial vehicles starting January, due to rise in input cost, forex impact.
- **Aviation stocks:** India has suspended flights to and from the UK till 31 December to prevent the spread of a new strain of the coronavirus that is considered to be 70% more infectious. No flights from the UK will land in India, and vice versa, after 22 December. However, international cargo flights and special flights allowed by the Indian aviation regulator will continue to operate.
- **Telecom stocks:** Despite restoration in the pricing power back to the telcos and the next round of tariff hikes being on the cards, debt levels of the industry are expected to rise to ₹4.7 lakh crore by March 2022, according to estimates by ratings firm ICRA.
- **Future Retail:** The Delhi high court permitted Future Retail Ltd to proceed with the sale of its assets to a unit of Reliance Industries Ltd (RIL), leaving it to regulators to decide the fate of the deal, while allowing Amazon.com Inc. to approach appropriate forums to oppose the transaction.
- **PSU stocks:** India plans to set tough financial targets for state-run firms to try to improve their valuations ahead of a push by Prime Minister Narendra Modi to privatise some companies.
- **L&T Finance Holdings:** The company's subsidiary L&T Capital Markets (Middle East) Ltd has been dissolved and ceased to exist. On 17 July, LTFH had informed about voluntary winding-up of one of its wholly-owned subsidiary incorporated in Dubai to carry on the off-shore wealth management business, subject to applicable laws of the United Arab Emirates.
- **Coal India:** The state-owned miner allocated 25.78 million tonnes of coal in the first eight months of this fiscal under spot e-auction scheme, registering a year-on-year increase of 59.4%.

Global Indices	Current Value	%1D
DowJones	30216	0.12
Nasdaq	12743	-0.10
DAX	13246	-2.82
Nikkei 225	26613	-0.38
FTSE 100	6416	-1.73
Hang Seng	26350	0.17
Shanghai	3404	-0.49
Straits Times	2840	-0.25

Trading activity in cash Rs Cr			
Date 21 Dec	Net	MTD	FY21
FII	-324	38409	43106
DII	486	-29163	34332

Forex Rate		
USD/INR	74.10	0.66%
EUR/INR	90.07	-0.08%
GBP/INR	98.06	-1.45%
JPY/INR	71.41	0.23%

Corporate Action		
Stock Name	Purpose	Ex Date
GMDC	Dividend Rs 2	22-Dec
RCF	Final Div Rs 2.84	22-Dec

Global News

The S&P 500 closed lower on Monday, having clawed its way back from steep losses early in the session as investors juggled the outbreak of an ominous new strain of COVID-19 with the passage of a long-anticipated stimulus package. The Dow Jones Industrial Average rose 37.4 points, or 0.12%, to 30,216.45, the S&P 500 lost 14.49 points, or 0.39%, to 3,694.92 and the Nasdaq Composite dropped 13.12 points, or 0.1%, to 12,742.52. Asian shares were poised for a weaker start on Tuesday, while oil prices fell, as investors worried a highly infectious new strain of COVID-19 that shut down much of Britain could lead to a slower economic recovery.

G-Sec Yield	Price	Change%
1yr Bond Yield	3.71	0.45%
10yr Bond Yield	5.94	1.02%

Results Calender	22-Dec-20
NIL	

F&O Ban List
CANBNK, PNB, SUNTV, SAIL



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