



MSEARCH

MORNING NEWSLETTER

Dated: 25 July 2019

Indices	CMP	%1D
Sensex	37848	-0.36
Nifty	11271	-0.53
BSE-Midcap	13710	-1.48
BSE-Smallcap	13044	-1.23
SGX Nifty	11289	0.15

Market Outlook

Indian markets indicates for a possible flat positive opening on the back of Asian markets are trading higher today following positive cues from the markets stateside. Overall earnings session is below street expectation hence with no clear support Indian markets are witnessing pressure on every rise. Nifty index has formed bearish candle on daily charts and as the index fell below 200-day exponential moving average (11,297), there could be more selling pressure with a bit of volatility in coming session. Technically the key support level for the day is placed at 11,214, followed by 11,156. If the index starts moving upward, the key resistance levels to watch for out are 11,344 and 11416.

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

- Quesq Corp Q1: Profit falls 25.4 percent to Rs 56.3 crore versus Rs 75.5 crore, revenue rises 49.1 percent to Rs 2,394.7 crore versus Rs 1,968.3 crore YoY.
- Syndicate Bank Q1: Loss at Rs 980.4 crore versus loss of Rs 1,281.4 crore, NII rises 19 percent to Rs 1,792 crore versus Rs 1,506.1 crore YoY; gross NPA rises to 11.76 percent versus 11.37 percent and net NPA falls to 5.96 percent versus 6.16 percent QoQ.
- Bharti Infratel Q1: Consolidated profit jumps 39 percent to Rs 887 crore versus Rs 638 crore, revenue rises 1 percent to Rs 3,712 crore versus Rs 3,674 crore YoY.
- PI Industries Q1: Profit rises 23.6 percent to Rs 101.6 crore versus Rs 82.2 crore, revenue falls 6.4 percent to Rs 754.1 crore versus Rs 805.6 crore YoY.
- ICICI Prudential Life Q1: Profit rises 1.2 percent to Rs 284.9 crore versus Rs 281.6 crore, value of new business margin increases to 21 percent versus 17 percent, value of new business jumps 27 percent to Rs 309 crore versus Rs 244 crore YoY.
- Security and Intelligence Services (India) Q1: Consolidated profit jumps to Rs 74.91 crore versus Rs 39.5 crore, revenue spikes to Rs 2,008.4 crore versus Rs 1,611.4 crore YoY.
- Yes Bank: ICRA has downgraded Basel III Compliant Tier I and Tier II bonds with a negative outlook.
- GHCL: Company has placed the commercial paper amounting to Rs 25 crore.
- Future Enterprises: CARE cuts debt rating outlook to negative from stable.
- Sagar Cements: Company allotted 15.5 lakh equity shares at an issue price of Rs 730 per share to the entities belonging to promoter group and others, against part conversion of similar number of warrants.
- DB Realty: Promoter created pledge over 15 lakh shares in favour of Anand Rathi Global Finance.
- Sandhar Technologies: Company signed a joint venture agreement with Han Shin Corporation, Republic of Korea, for manufacturing and selling electronic parts and accessories for the automotive industries in India.
- BHEL: Company formed joint venture with NTPC for 800 MW coal-fired power plant.
- NBCC: In case of Amrapali Group case, the Supreme Court appointed company to complete the various projects. The percentage of commission/fee of company is fixed at 8 percent.
- Cipla USA furthers AMR stewardship with acquisition of key anti-infective ZEMDRI
- Adani Ports announces expiration and results of its cash tender offer for any and all of its USD 650,000,000 3.50% senior notes due 2020
- Sugar stocks in focus: Cabinet approved Rs 275 per 100 kg fair price for cane for 2019-20.

Global Indices	Current Value	%1D
DowJones	27270	-0.29
Nasdaq	8321	0.85
DAX	12523	0.26
Nikkei 225	21784	0.34
FTSE 100	7501	-0.73
Hang Seng	28524	0.20
Shanghai	2923	-0.01
Straits Times	3373	0.13

Trading activity in cash Rs Cr			
Date 24 July	Net	MTD	FY20
FII	-1394	-12394	-1670
DII	2140	13168	17915

Forex Rate

USD/INR	68.99	-0.04%
EUR/INR	77.21	-0.27%
GBP/INR	85.93	-0.43%
JPY/INR	63.80	-0.22%

Corporate Action

Stock Name	Purpose	Ex Date
ASTRAL PIPES	Final Dividend Rs 0.40	25-Jul
BAJAJ ELECT	Final Dividend Rs 3.5	25-Jul
BOMBAY DYE	Final Dividend Rs 1.5	25-Jul
CADILA	Final Dividend Rs 3.5	25-Jul
CAPRI GLOBAL	Final Dividend Rs 0.36	25-Jul

G-Sec Yield	Price	Change%
1yr Bond Yield	5.92	-0.13%
10yr Bond Yield	6.43	-0.46%

Global News

The S&P 500 and Nasdaq hit record highs on Wednesday after reassuring comments from Texas Instruments about global chip demand blunted the impact of weak earnings reports from Boeing and Caterpillar. The Dow Jones Industrial Average dipped 0.29 percent to end at 27,269.97 points, while the S&P 500 gained 0.47 percent to 3,019.56. The Nasdaq Composite added 0.85 percent to 8,321.50. The S&P 500 and Nasdaq each closed at their highest levels ever. Asian shares were cautious on Thursday, shrugging off a tech-fuelled rally on Wall Street while the euro hovered near two-month lows as soft economic data bolstered expectations of rate cuts in Europe. Japan's Nikkei gained 0.5 percent to nearly three-month highs while Australia's benchmark index hit a new 12-year top on Wednesday. South Korea's KOSPI was the only index in the red as leading chipmakers shed recent gains amid trade tensions between Seoul and Tokyo. The MSCI's broadest index of Asia-Pacific shares outside Japan broadly unchanged.

Results Calender

25-Jul-19

AMBUJACEM, AUBNK, BAJAJFINSRV, BAJAJFIN, BOB, BIOCON, GRUHFIN, MPHASIS, PVR, SOUTHINDBNK, TATAMOTORS, WESTLIFEDEV

F&O Ban List

DISHTV, IDBI

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Technical View

NIFTY



Post the budget announcements, our market looked extremely depressed as it triggered sell off in some of the marquee outperformers as well. Towards the end of the previous week, this selling somehow got arrested and our markets started attempting to give some recovery. The follow up of this recovery mode was seen at the start of the week gone by and in the process, Nifty managed to retest the 11700 mark. However, no relief on the FPI surcharge in the midweek parliamentary session triggered yet another bout of sell off and in last two days, index completely took a nosedive to breach all recent crucial supports. Recently, index first breached its crucial swing low of 11640 and then gave a weak recovery towards 11700. Now due to the selloff in last two days, Nifty has completely filled its upward gap area created post the exit poll numbers and importantly is on the verge of confirming a breakdown from the multi-month trend line support of 11400. To worsen this, banking index tanked below 30300 and midcap index got hammered once again to activate the bearish scenario. If we look at the price structures, the picture looks extremely scary. Going ahead, if we do not get any relief with respect to recent concerns, then traders should ideally prepare themselves for further decline towards 11250 - 11108.



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Mehta Equities Limited, 903, 9th floor, Lodha Supremus, Dr.E. Moses Road, Worli Naka, Worli, Mumbai 400 018, India
Tel: +91 22 6150 7101, Fax: +91 22 6150 7102
Email: info@mehtagroup.in Website: www.mehtagroup.in