

Dated: 26 July 2019

Indices	CMP	%1D
Sensex	37831	-0.04
Nifty	11252	-0.17
BSE-Midcap	13783	0.53
BSE-Smallcap	13031	-0.09
SGX Nifty	11278	-0.23

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

Global Indices	Current Value	%1D
DowJones	27141	-0.47
Nasdaq	8238	-1.00
DAX	12362	-1.28
Nikkei 225	21640	-0.54
FTSE 100	7489	-0.17
Hang Seng	28394	-0.70
Shanghai	2928	-0.32
Straits Times	3353	-0.83

Trading activity in cash Rs Cr			
Date 25 July	Net	MTD	FY20
FII	-127	-12521	-1797
DII	399	13567	18314

Forex Rate		
USD/INR	69.01	0.03%
EUR/INR	76.96	-0.32%
GBP/INR	85.88	-0.06%
JPY/INR	63.83	0.05%

Corporate Action		
Stock Name	Purpose	Ex Date
AARTIDRUGS	Final Dividend Rs 1	26-Jul
ADANIGAS	Dividend Rs 0.25	26-Jul
ADANIPIPORT	Final Dividend Rs 0.20	26-Jul
BERGERPAINT	Dividend Rs 1.9	26-Jul
IG PETRO	Final Dividend Rs 4	26-Jul

G-Sec Yield	Price	Change%
1yr Bond Yield	5.97	0.84%
10yr Bond Yield	6.51	1.24%

Market Outlook

Indian markets indicates for a possible Weak opening on the back of Asian markets are trading lower today taking negative cues from the markets stateside. Overnight stateside, stocks slipped amid expectations the U.S. Federal Reserve could be less aggressive than expected with monetary policy when it meets next week. Back home domestic index is under pressure and now till it is holds below 11,320 zone weakness could extend further towards 11,200 then 11,180 / 11064 zones. Nifty has formed a bearish candle resembling an Inverted Hammer kind of pattern on the daily candlestick charts. Overall we stand with negative outlook until we get confirmation signal of turnaround to call for reversal trend. The key support level is placed at 11,207 followed by 11,162. If the index starts moving upward, the key resistance levels to watch for out are 11,329 and 11,406.

Top Domestic News

- Tata Motors Q1: Consolidated loss at Rs 3,698 crore against loss of Rs 1,902.37 crore, revenue declines 7.8 percent to Rs 61,467 crore YoY; JLR pre-tax loss at 395 million pound against 264 million pound loss YoY; net automotive debt rises to Rs 46,500 crore due to negative free cash flows.
- Bank of Baroda Q1: Profit at Rs 710 crore against loss of Rs 49 crore, NII grows 2.6 percent to Rs 6,496 crore YoY; gross NPA rises to 10.28 percent against 10.02 percent and net NPA increases to 3.95 percent versus 3.65 percent QoQ. Biocon Q1: Profit jumps 72.3 percent to Rs 206.3 crore versus Rs 119.7 crore, revenue increases 30.4 percent to Rs 1,465.9 crore versus Rs 1,123.8 crore YoY.
- South Indian Bank Q1: Profit jumps to Rs 73.3 crore versus Rs 23 crore, NII grows 8.4 percent to Rs 535.6 crore versus Rs 494.2 crore YoY; gross NPA rises to 4.96 percent versus 4.92 percent and net NPA dips to 3.41 percent versus 3.45 percent QoQ.
- Gruh Finance Q1: Profit at Rs 115.64 crore versus Rs 115.11 crore, revenue from operations at Rs 532.97 crore versus Rs 450.95 crore YoY.
- PVR Q1: Profit falls to Rs 16.1 crore versus Rs 52.2 crore, revenue rises 26.4 percent to Rs 880.4 crore versus Rs 696.4 crore YoY.
- Bajaj Finserv Q1: Profit rises 2.4 percent to Rs 845.3 crore versus Rs 825.8 crore, NII jumps 43.3 percent to Rs 3,695 crore versus Rs 2,579 crore YoY.
- Sundaram Multi Pap: Company received 'BB-' (Stable) credit rating from CARE Ratings.
- Avenue Supermarts: Company issued commercial paper of Rs 30 crore.
- JK Agri Genetics: Company appointed Sravana Kumar Gowthavaram as Chief Financial Officer of the company with immediate effect.
- Trident: Dun & Bradstreet assigned business rating '5A1 (Strong)'.
- Tata Steel acquired 2.58 crore rights equity shares of Tata Sponge Iron at Rs 500 per share aggregating to Rs 1292.2 crore; increased stake from 54.5% to 75.91% in Tata Sponge Iron
- Bajaj Finance: Company appointed of Shri Fakhari Sarjan as Chief Risk Officer.
- Tata Motors clarified that the company has no formal engagement with Fitch Rating. This is an unsolicited rating and hence the company has no comments to offer.
- Punjab National Bank approved raising capital up to Rs 5000 crore via QIP/FPO/Rights Issue
- Indiabulls Housing Finance board proposed Sameer Gehlaut as non-executive chairman of the amalgamated bank and Gagan Banga shall continue to be the managing director and chief executive officer in the amalgamated bank

Global News

Wall Street fell from record highs on Thursday following a flurry of downbeat quarterly results from Ford Motor and other companies and after European Central Bank chief Mario Draghi's comments disappointed investors hoping for a more dovish stance on monetary policy. The Dow Jones Industrial Average dipped 0.47% to end at 27,141.05 points, while the S&P 500 lost 0.53% to 3,003.7. The Nasdaq Composite tumbled 1% to 8,238.54. Asian share prices opened a tad lower on Friday on mixed US earnings reports and the euro held above two-year lows struck overnight after the European Central Bank held interest rates steady, though officials said a cut was certain in September.

Results Calender 26-Jul-19

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NIL

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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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