



MSEARCH

MORNING NEWSLETTER

Dated: 27 August 2019

Indices	CMP	%1D
Sensex	37494	2.16
Nifty	11058	2.11
BSE-Midcap	13409	1.57
BSE-Smallcap	12387	1.65
SGX Nifty	11096	0.43

Market Outlook

Indian markets indicates for a possible positive biased opening on the back Asian markets which are trading comfortably in positive zone today as Trade War Rhetorics are little silent for a while. Back home Indian markets formed bearish candle on daily charts. Technically for today key support level is placed at 10,852, followed by 10,647. If the index starts moving upward, key resistance levels to watch out for are 11,166 and 11,275.

Index	FY20	FY21E	FY22E
Sensex EPS	1409	1975	2329
P/E	26	19	16
Nifty EPS	466	616	722
P/E	23	18	15

Top Domestic News

- Sun Pharma: Taro gets US FDA approval for Azelaic Acid Gel
- Infosys: Board approves closure of buyback effective August 26. Buys Back 11.05 crore equity shares at an average price of Rs 747.38 per share.
- Pidilite Industries: Company entered into a JV with Bengaluru based company Chetana Exponential Technologies.
- Kajaria Ceramics: Board members approved the scheme of amalgamation for merger of subsidiary Kajaria Tiles Private Limited (formerly known as Kajaria Floera Ceramics Private Limited) with the company.
- Bank of Baroda: Lender approved raising up to Rs 2,150 crore in Tier-I, II bonds.
- Reliance Nippon Life: Nippon Life bought 10.6 percent stake in company via open offer. Nippon Life Now holds 53.46 percent stake in company.
- HDIL: Company received order to admit company under IBC from Bankruptcy Court.
- PVP Ventures: Company filed an appeal before SAT for impugned fine order imposing a consolidated fine of Rs 25,93,640 and impugned suspension orders for suspending the trading in securities.
- Vadilal Industries: CARE downgraded credit rating of company's long term bank facilities to BBB from BBB+, under credit watch with negative implications.
- IL&FS Transportation Networks: Company defaulted in payment of interest due on non-convertible debentures (NCDs) dated August 24.
- Satin Creditcare Network: Choudhary Runveer Krishanan resigned as Company Secretary & Compliance Officer of the company.
- Kingfa Science & Technology (India): Company started trial production at its new factory in Chakan Industrial Area, Pune.
- Sasta Sundar Ventures: Mitsubishi Corporation, Japan signed an agreement to invest Rs 100 crore in Sasta Sundar Healthbuddy, subsidiary of the company.
- Brooks Laboratories: Company appointed Suresh Garg as an additional director.
- Stone India: Gouri Prasad Goenka resigned as Director/Chairman of the company.

Global Indices	Current Value	%1D
DowJones	25898	1.05
Nasdaq	7854	1.32
DAX	11658	0.40
Nikkei 225	20499	1.18
FTSE 100	7095	-0.47
Hang Seng	25657	-0.09
Shanghai	2880	0.56
Straits Times	3071	0.18

Trading activity in cash Rs Cr			
Date 26 Aug	Net	MTD	FY20
FII	-753	-13145	-19291
DII	1272	17470	42612

Forex Rate

USD/INR	72.04	0.44%
EUR/INR	80.13	0.99%
GBP/INR	88.12	0.59%
JPY/INR	68.00	1.09%

Corporate Action

Stock Name	Purpose	Ex Date
AARTI IND	Final Dividend Rs 7	27-Aug
CENTURY PLY	Dividend Rs 1	27-Aug
SURYAROSHNI	Dividend Rs 2	27-Aug

G-Sec Yield	Price	Change%
1yr Bond Yield	5.73	-0.87%
10yr Bond Yield	6.47	-1.37%

Global News

US stocks rose on Monday, following a sharp sell-off in the prior session, after US President Donald Trump predicted a trade deal with China, cooling investor concerns after a ramp-up in rhetoric derailed markets last week. The Dow Jones Industrial Average rose 269.93 points, or 1.05%, to 25,898.83, the S&P 500 gained 31.27 points, or 1.10%, to 2,878.38, and the Nasdaq Composite added 101.97 points, or 1.32%, to 7,853.74. Asian stocks tracked global peers higher on Tuesday while safe-haven bonds sold off as signs Sino-US trade hostilities might be easing helped restore investor confidence after the previous session's rout.

Results Calender	27-Aug-19
NIL	

F&O Ban List
IDBI

Dated: 27 August 2019

Technical View

NIFTY



Last week we closed with some hopes of a relief rally and on Monday, the proceedings began on expected lines. But at higher levels, market faced a sturdy wall around 11150, which resulted into a moderate decline for next couple of days. However, on Thursday, things became worse as we witnessed a relentless sell off to slide below recent swing low of 10782.60. On Friday, index continued its selling streak and gave a sharp correction to sneak below the 10650 mark. Fortunately, a strong buying emerged at lower levels in the following hour and thereafter, index had a v-shaped recovery to not only trim all losses but also to enter a positive territory and reclaim the 10800 mark. Recent correction got arrested in the first week of August and then index went into a consolidation mode. But early this week, the sell-off triggered once again to breach key support levels. But since we were extremely oversold and reached crucial February lows around 10600, market took a complete U-turn and was off lows considerably. Now technically speaking, we can see a formation of 'Bullish Piercing' pattern on daily chart (in Nifty). The said pattern will show its significance once index manages to sustain above 10900. In this scenario, we can expect further recovery towards 11050 – 11150. The banking index was a bit underperforming amongst the two indices and if Nifty has to regain any strength, banking index needs to step up. Hence, one needs to closely watch how banking conglomerates perform in the forthcoming week. For Nifty, the support now can be seen around 10728 – 10637. In case of breaching these crucial supports, we can see extended correction in the market Apart from this, the broader market was clearly the shining pocket on Friday along with some other sectoral movers. The 'Nifty MIDCAP 50' confirms a 'Bullish Engulfing' pattern on daily chart and the way it's shaped up, we can witness sharp short covering moves in the broader market if Nifty manages to give decent recovery. At this juncture, traders are advised to keep a tab on all these possibilities and should act accordingly.



MSEARCH

MORNING NEWSLETTER

Disclaimer: Investments in securities market are subject to market risks, read all the related documents carefully before investing.

Mehta Equities Limited (MEL) has used information that is publically available and information developed in-house. Some of the information used in the document may have been obtained from members/persons other than the MEL and/or its affiliates and which may have been made available to MEL and/or its affiliates. MEL however does not warrant the accuracy, reasonableness and/or completeness of any information and does not take responsibility of updating any data/information. For data reference to any third party in this material, no such party will assume any liability for the same. All data/information used in preparation of this material is dated and may or may not be relevant at any time after the issuance of this material. MEL (including its affiliates) and any of its officers, directors, personnel and employees, shall not be liable for any loss, damage of any nature, including but not limited to direct, indirect, punitive, special, exemplary, consequential, as also any loss of profit in any arising from the use of this material in any manner. Nothing contained in this document shall be construed to be an investment advice/recommendation on an assurance of the benefits of investing. Recipient alone shall be fully responsible for any investment decision taken on the basis of this document.

MEHTA EQUITIES LTD

BSE: - Membership Clearing No. 122 - SEBI Regn. No. INB010683856, NSE: - Membership Clearing No. 13512- SEBI Regn. No. INB231351231, NSE FO
SEBI Regn. No. INF231351231, CIN No: U65990MH1994PLC078478
MSEI: - Membership Clearing No. 51800 - SEBI Regn. No. INB261351234

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