

Dated: 28 January 2021

Indices	CMP	%1D
Sensex	47409	-1.94
Nifty	13967	-1.91
BSE-Midcap	18292	-1.38
BSE-Smallcap	18116	-0.52
SGX Nifty	13860	-0.85

Market Outlook

Indian markets are expected to open on a lower range following global trends. Muted global cues and two straight days of selling by foreign investors hurt the sentiment. Now all eyes on domestic earnings session and expectations on budget 2021. We should expect higher volatility in the coming days' given pre-budget event risk. Technically as long as Nifty remains below 14200 zones, a bounce could be sold and weakness may be seen towards 13800 levels while on the upside key hurdle exists at 14200 and 14350 levels. We believe traders will prefer to take a cautious stance near the resistance level and any upside towards 14,360-14,400 could be a sell on rise opportunity.

Index	FY21	FY22E	FY23E
Sensex EPS	1550	1736	2031
P/E	31	27	23
Nifty EPS	501	551	645
P/E	28	25	22

Top Domestic News

- **Vodafone Idea:** The telecom operator which was trying to raise as much as \$2 billion in hybrid debt, may now opt for a pure equity round instead. It had earlier announced plans to raise around ₹25,000 crore in a combination of debt and equity. It had also planned to raise up to \$2 billion (around ₹15,000 crore today) via hybrid instruments.
- **Maruti Suzuki:** India's largest carmaker is expected to report a double-digit growth in its December quarter net profit and revenue on the back of sharp recovery in vehicle sales. Analyst estimates compiled by Bloomberg suggest that it will report a net profit of Rs1,859.9 crore and revenue of Rs23,543.5 crore.
- **M&M:** Talks between Mahindra & Mahindra, the largest shareholder of SsangYong Motor, and US-based Haah Automotive for sale of a controlling stake in the South Korean carmaker may have hit a roadblock due to differences.
- **Axis Bank:** Reported a 36% year-on-year drop in its Dec profit to ₹1,117 crore, missing estimates as the private lender made higher provisions for bad loans. A Bloomberg survey of 14 analysts had estimated the lender's net profit at Rs2,356.4 crore. Net interest income, the difference between interest earned and expended, rose 14% to ₹7,373 crore.
- **Hindustan Unilever:** The company reported a profit of Rs1,921 crore for December-ended quarter compared with Rs1,616 crore in Q3FY20. Revenue jumped to Rs11,862 crore from Rs9,808 crore in the year-ago period.
- **FMCG stocks:** India's fast moving consumer goods (FMCG) companies are expected to report strong December quarter earnings aided by festive sales, improved consumer sentiment, better mobility, and a severe winter that led to people spending beyond staples and cleaning products.
- **NBFCs:** The Reserve Bank of India's proposed guidelines for non-bank lenders are not as stringent as feared and are expected to improve funding conditions of the sector and provide more confidence to potential investors, experts said.
- **Biocon:** Biocon Biologics Ltd, the biosimilars subsidiary of Biocon Ltd, will reassess plans to go public only after the return of normalcy, executive chairperson Kiran Mazumdar-Shaw said in an interview. The pandemic has pushed back Biocon's \$1-billion annual revenue target set for the subsidiary as well as plans to go for an initial public offering (IPO).

Global Indices	Current Value	%1D
DowJones	30303	-2.05
Nasdaq	13271	-2.61
DAX	13621	-1.81
Nikkei 225	28323	-1.09
FTSE 100	6567	-1.30
Hang Seng	28859	-1.50
Shanghai	3530	-1.22
Straits Times	2926	-1.09

Trading activity in cash Rs Cr				
Date	27 Jan	Net	MTD	FY21
FII		-1688	18624	71545
DII		-3	-16151	10052

Forex Rate		
USD/INR	72.81	-0.17%
EUR/INR	88.58	-0.11%
GBP/INR	100.10	0.25%
JPY/INR	70.26	-0.05%

Corporate Action		
Stock Name	Purpose	Ex Date
GMM	Interim Div Rs 1	28-Jan

Global News

U.S. stocks suffered their biggest one-day percentage drop in three months on Wednesday, adding to losses after the latest Fed statement as major indexes were also pressured by a slump in Boeing and a selling of long positions by hedge funds. The Dow Jones Industrial Average fell 633.87 points, or 2.05%, to 30,303.17, the S&P 500 lost 98.85 points, or 2.57%, to 3,750.77 and the Nasdaq Composite dropped 355.47 points, or 2.61%, to 13,270.60. Asian stocks skidded on Thursday following a sharp Wall Street decline amid deepening concerns about stretched valuations in equities markets, while the dollar and bonds strengthened. In early Asian trade, Australia's S&P/ASX 200 benchmark lost 1.99%, Japan's Nikkei fell 2.28% and Hong Kong's Hang Seng index futures lost 0.51%. S&P futures pulled back 1%.

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

Results Calendar 28-Jan-21

AARTIND, ALEMBIC, ANGELBRK, AUBNK, BEL, BLUEDART, COLPAL, CUMMINS, EQUITAS, GHCL, GRANULES, IDBI, INDIGO, IRCTC, KEI, KEC, KPITTECH, LAURUS, LUPIN, MARUTI, MMFIN, PIDILITE, RADICO, RBLBNK, TATACHEM, TVSMOTOR, UBL, WELCORP

F&O Ban List

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MSEARCH

MORNING NEWSLETTER

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