

Dated: 28 August 2019

Indices	CMP	%1D
Sensex	37641	0.39
Nifty	11105	0.43
BSE-Midcap	13479	0.53
BSE-Smallcap	12589	1.63
SGX Nifty	11116	0.06

### Market Outlook

Indian markets indicates for a flat to positive opening tracking Asian markets which are cautiously trading today taking cues from the US markets which fell yesterday as turbulence in Bonds markets there caused Dividend yields to fall below Equity dividend yields. Domestic market index nifty has formed a Doji kind of candle on the daily charts, which generally signals indecisiveness among the bulls and bears. Technically key support level is placed at 11,055, followed by 11,006. If the index starts moving upward, key resistance levels to watch out for are 11,148 and 11,191.

Index	FY20	FY21E	FY22E
Sensex EPS	1439	1900	2305
P/E	25	19	16
Nifty EPS	472	593	708
P/E	23	18	15

### Top Domestic News

- Hindustan Unilever: Company told CNBC-TV18 that it has taken price reductions in range of 4-6 percent in Lux & Lifebuoy portfolio and the price reduction may be higher on certain packs in order to pass on benefits to consumers.
- Allahabad Bank: Lender will offer repo-linked home & MUDRA loans from September 1.
- IDBI Bank: Rating Agency S&P placed bank on credit watch negative due to capital breach.
- Oberoi Realty: Income Tax team has left company's premises and company fully co-operated, responded to clarifications sought by I-T Authorities. Normal day-to-day business activities have resumed fully.
- Power Grid Corporation: Board approved investment in a solar project in Rajasthan worth Rs 2,578 crore and appointment of KSR Murty as CFO with immediate effect.
- Emco: The National Company Law Tribunal appointed Kedarram Ramratan Laddha as Interim Resolution Professional under the provisions of the IBC.
- Indosolar: Ved Prakash Roy has been appointed as the Company Secretary and Compliance Officer of the company.
- Omaxe: Seema Prasad Avasarala, Non-Executive & Non Independent Director of the company resigned.
- NALCO: Appoints GNS & Associates as joint statutory auditors of company for year 2019-20
- ABC India: CARE revised rating for company's long term credit facilities from BB+/Stable to BBB-/Stable.
- Future Enterprises: Acuite Ratings & Research reaffirmed its credit rating on company's commercial paper at A1+.
- Future Retail: Acuite Ratings & Research reaffirmed its credit rating on company's commercial paper at A1+.
- Premier Explosives: Company's new solid propellant plant at Katepally, near Hyderabad has been inaugurated.
- Dilip Buildcon: Company received the appointed date (August 24) for Saoner-Dhapewada, EPC project in Maharashtra from the National Highways Authority of India.
- DB Realty: Promoter created a pledge on 40 lakh shares in favour of Anand Rathi Global Finance.
- Nalco: Company appointed GNS & Associates as joint statutory auditors for financial year 2019-20.
- DHFL: Board will consider issuing shares after debt conversion on August 30.

Global Indices	Current Value	%1D
DowJones	25778	-0.47
Nasdaq	7827	-0.34
DAX	11730	0.62
Nikkei 225	20483	0.13
FTSE 100	7089	-0.08
Hang Seng	25767	0.40
Shanghai	2902	-0.01
Straits Times	3068	0.02

Trading activity in cash Rs Cr			
Date 27 Aug	Net	MTD	FY20
FII	-924	-14069	-20215
DII	1163	18633	43775

Forex Rate		
USD/INR	71.48	-0.75%
EUR/INR	79.47	-0.78%
GBP/INR	87.61	-0.63%
JPY/INR	67.56	-0.68%

Corporate Action		
Stock Name	Purpose	Ex Date
DWARIKESH	Dividend Rs 1	28-Aug
GUJHOTEL	Dividend Rs 3.5	28-Aug
KRBL	Final Dividend Rs 2.5	28-Aug
LUX IND	Dividend Rs 3.5	28-Aug

G-Sec Yield	Price	Change%
1yr Bond Yield	5.75	-0.52%
10yr Bond Yield	6.52	-0.61%

### Global News

Wall Street slipped on Tuesday, weighed down by financial stocks as a deepening of the Treasury yield curve inversion raised US recession worries and uncertainty over any progress in trade negotiations between the United States and China took a toll. The Dow Jones Industrial Average fell 124.66 points, or 0.48%, to 25,774.17, the S&P 500 lost 9.53 points, or 0.33%, to 2,868.85, and the Nasdaq Composite dropped 26.79 points, or 0.34%, to 7,826.95. Asian shares eked out meager gains on Wednesday, as higher Wall Street futures provided some relief for investors after an overnight US selloff, though deeper worries about the global economy are likely to keep a lid on sentiment.

Results Calender	28-Aug-19
NIL	

F&O Ban List
NIL

Dated: 28 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](mailto:info@mehtagroup.in) Website: [www.mehtagroup.in](http://www.mehtagroup.in)