

Dated: 29 August 2019

Indices	CMP	%1D
Sensex	37452	-0.50
Nifty	11046	-0.53
BSE-Midcap	13355	-0.92
BSE-Smallcap	12508	-0.64
SGX Nifty	11021	-0.27

Market Outlook

Indian markets indicates for a possible flat negatively biased opening on the back of Asian markets which are a tad lower today reacting to indicators flashing Recession concerns. Investors continue to monitor the yields in U.S. Treasuries. Back to local markets are looking for further triggers for fresh up move. For now, the market sentiments seem to have been swaying between the global concerns and some of the positive local factors which could keep the markets rangebound for some time. Technically index has formed a bearish candle on daily charts with key support level is placed at 10,979, followed by 10,912. If the index starts moving upward, key resistance levels to watch out for are 11,121 and 11,196.

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

- InterGlobe Aviation: IndiGo approved alteration in Articles of Association of company as special resolution. Meleveetil Damodaran is appointed as Independent Director and Anil Parashar as Non-Executive Director.
- Piramal Enterprises: Board decided to defer issue of privately placed NCDs worth upto Rs 3,000 crore, to a future date.
- Indiabulls Housing Finance: Shareholders approved up to Rs 1.5 lakh crore NCDs in FY20.
- L&T Finance Holdings: IIFL Wealth Group to acquire company's wealth management business.
- Nestle India: NSE to include Nestle in Nifty50 from September 27, and will remove Indiabulls Housing Finance.
- Nifty IT Index Changes: Hexaware Technologies and Just Dial will replace Infibeam Avenues and Oracle Financial Services Software in Nifty IT index.
- Sugar Stocks: Cabinet approved export subsidy for exporting 60 lakh metric tonne of sugar. Sugar export subsidy will go directly to farmer accounts.
- Wockhardt - India Ratings and Research revised the company's ratings for short-term Bank facilities/commercial paper to IND A4+ from IND A3; and for long-term loan facilities rating to IND BB+/ Negative from IND BBB-/Negative
- CG Power clarified that company is evaluating divestments of non core assets and considering other fund-raising avenues including a potential equity raise for bridging the cash flow gaps as well as working capital requirement to avoid any business disruption
- Cox & Kings Financial Service: Jayesh Shah resigned from the position of Independent Director of the company.
- Hero MotoCorp: Company extended title sponsorship of Caribbean Premier League for three years.
- Infosys: Company strengthened collaboration with Microsoft to offer new solutions for clients to accelerate digital transformation.
- Voda Idea gets shareholders nod to raise share capital to Rs 50K cr - PTI

Global Indices	Current Value	%1D
DowJones	26036	1.00
Nasdaq	7856	0.38
DAX	11701	-0.25
Nikkei 225	20398	-0.39
FTSE 100	7115	0.35
Hang Seng	25606	-0.04
Shanghai	2894	-0.29
Straits Times	3053	-0.11

Trading activity in cash Rs Cr			
Date 28 Aug	Net	MTD	FY20
FII	-935	-15004	-21150
DII	359	18992	44134

Forex Rate

USD/INR	72.02	0.37%
EUR/INR	80.09	0.26%
GBP/INR	88.06	-0.03%
JPY/INR	68.18	0.41%

Corporate Action

Stock Name	Purpose	Ex Date
BHARATBIJLEE	Dividend Rs 12.5	29-Aug
GREENPLY	Final Dividend Rs 0.40	29-Aug
JINDAL SAW	Dividend Rs 2	29-Aug
MGL	Final Dividend Rs 10.5	29-Aug
PI IND	Final Dividend Rs 1.5	29-Aug

G-Sec Yield	Price	Change%
1yr Bond Yield	5.72	-0.52%
10yr Bond Yield	6.56	-0.61%

Global News

US stocks climbed on Wednesday, recovering from early declines on gains in energy and financial shares, but investors remained leery about the potential for another flare-up in the US-China trade war. The Dow Jones Industrial Average rose 258.2 points, or 1%, to 26,036.1, the S&P 500 gained 18.78 points, or 0.65%, to 2,887.94 and the Nasdaq Composite added 29.94 points, or 0.38%, to 7,856.88. Global bond yields flirted with record low levels while stocks struggled to recover on Thursday as economic turbulence from intensifying US-China frictions and the spectre of a no-deal Brexit drove investors to safer harbours.

Results Calender	29-Aug-19
NIL	

F&O Ban List
NIL

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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.



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MORNING NEWSLETTER

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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