

Dated: 3 February 2021

Indices	CMP	%1D
Sensex	49798	2.46
Nifty	14648	2.57
BSE-Midcap	19051	2.26
BSE-Smallcap	18646	1.59
SGX Nifty	14784	0.39

Market Outlook

Indian markets are expected to open in a positive note following global markets. Technically index has formed a bullish candle on the daily charts and the formation of long bull candles and a possibility of faster retracement of downswing is expected to pull the Nifty beyond 14,750-14,800 levels in the next 1-2 sessions. A sustainable move above this hurdle could open the next upside target of 15000 plus levels for the next few weeks with Immediate support is placed at 14,490. On daily charts the key support levels for the Nifty are placed at 14,500, followed by 14,353. If the index moves up, the key resistance levels to watch out for are 14,763 and 14,878.

Index	FY21	FY22E	FY23E
Sensex EPS	1550	1736	2031
P/E	32	29	25
Nifty EPS	501	551	645
P/E	29	27	23

Top Domestic News

- **Future Group:** The Delhi high court halted Future Group's sale of its assets to Reliance Industries Ltd (RIL), handing a tentative win to Amazon.com Inc., which is locked in a bruising battle for dominance with billionaire Mukesh Ambani, in India's lucrative retail market.
- **HDFC Bank:** The Reserve Bank of India has appointed an external firm to conduct a special audit of its entire information technology (IT) infrastructure of HDFC Bank. In December, it had ordered the lender to halt its digital banking initiatives and freeze issuance of credit cards until it addressed the lapses that led to a series of glitches.
- **HDFC Ltd:** Reported a 65% year-on-year decline in its December quarter net profit to Rs2,926 crore. Sequentially, profit grew 2% from ₹2,870 crore clocked in Q2FY21. Revenue from operations fell 42% to Rs11,707 crore. For Q3, HDFC set aside ₹594 crore as provisions, 80% lower than the year-ago period.
- **Banks:** The Centre will not invest any equity in the bad bank proposed in the Union budget, and commercial banks will have to create and manage it on their own, financial services secretary Debashish Panda said, in contrast to the banks' proposal for a state-run entity.
- **Auto stocks:** Vehicle scrappage policy, urban transport initiatives and record infrastructure spending announced in the Union budget 2021-22 are expected to boost demand for trucks and buses, benefiting makers of commercial vehicles like Tata Motors, Ashok Leyland, and Volvo Eicher Commercial Vehicle Pvt. Ltd.
- **Indian Oil Corp:** Is considering the sale of stakes in a few of its network of crude oil and petroleum product pipelines as part of an asset monetization plan. The company, however, will not relinquish its control of these businesses.
- **Tata Consumer Products:** Has signed a definitive agreement to acquire a 100% stake in Kottaram Agro Foods, the maker of Souffull brand of breakfast cereals and millet-based snacks. The company has agreed to acquire 100% of the issued and paid-up equity share capital of Kottaram Agro Foods for consideration of Rs155.8 crore.
- **PNC Infratech:** The company's subsidiary has received financial closure for Uttar Pradesh project. PNC Infratech will announce its December quarter results today.

Global Indices	Current Value	%1D
DowJones	30687	1.57
Nasdaq	13613	1.56
DAX	13835	1.56
Nikkei 225	28552	0.67
FTSE 100	6517	0.78
Hang Seng	29072	-0.61
Shanghai	3523	-0.32
Straits Times	2935	0.60

Trading activity in cash Rs Cr				
Date	2 Feb	Net	MTD	FY21
FII		6182	7676	69577
DII		-2035	-2125	12107

Forex Rate		
USD/INR	73.22	-0.14%
EUR/INR	87.98	-0.47%
GBP/INR	99.96	-0.36%
JPY/INR	69.58	-0.16%

Corporate Action		
Stock Name	Purpose	Ex Date
KAJARIACERAMIC	Interim Div Rs 10	2-Feb
KKCL	Interim Div Rs 8	3-Feb

Global News

US stocks finished sharply higher for a second straight day on Tuesday, helped by gains in Amazon.com and Google-parent Alphabet ahead of their results and by optimism over progress on a US pandemic relief package. The Dow Jones Industrial Average rose 475.57 points, or 1.57%, to 30,687.48, the S&P 500 gained 52.45 points, or 1.39%, to 3,826.31 and the Nasdaq Composite added 209.38 points, or 1.56%, to 13,612.78. Asian markets moved higher during early trading as governments around the world looked poised to boost spending to help economies recover from the coronavirus and vaccine roll-out programs accelerated. Japan's Nikkei rose 0.3% in early trade and Australian S&P/ASX 200 index added 0.8%. Hong Kong's Hang Seng futures lost 0.20%.

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

Results Calendar	3-Feb-21
ADANIENT, ADANIGREEN, APOLLOTYRE, ASTRAL, BAJAJCON, AIRTEL, BUTTERFLY, HWKIN, HINDCOPPER, INOX, QUICKHEAL, RAMCOCEM, VGUARD, VIPIND	

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