

Dated: 7 June 2021

Indices	CMP	%1D
Sensex	52100	-0.25
Nifty	15670	-0.13
BSE-Midcap	22511	0.63
BSE-Smallcap	24262	0.78
SGX Nifty	15750	0.26

Market Outlook

Indian markets are expected to open on a positive note taking stable cues from global markets and domestic states unlocking plan to restart economy. Technically index has formed a bearish candle that resembles a 'Hanging Man' pattern on the daily charts while on a weekly basis index has formed bullish candle trend. Overall Nifty continues to form a series of higher tops and higher bottom formation indicating sustained strength. Any sustainable hold and move above 15,700 levels may cause momentum towards 15,800-15,850 levels. On the downside, any violation of an intraday support zone of 15,600 levels may cause profit-booking towards 15,550-15,500 levels. We are in the last leg of earning session traders must focus on quality stocks with earnings visibility. On daily charts, the key support levels for the Nifty are placed at 15,617, followed by 15,564. If the index moves up, the key resistance levels to watch out for are 15,728 and 15,786.

Index	FY21	FY22E	FY23E
Sensex EPS	1550	1736	2031
P/E	34	30	26
Nifty EPS	501	551	645
P/E	31	28	24

Top Domestic News

- **Banks:** Several large and mid-sized banks aggressively wrote off large chunks of legacy bad loans in the March quarter as they sought to bring down their non-performing assets. Banks with higher write-offs include Bank of India, Punjab National Bank (PNB), Bank of Baroda (BoB), Axis Bank and IDBI Bank. Among these, recoveries fell 17-50% at BoB and Bank of India.
- **Reliance Industries:** The Indian government has challenged an arbitration award, before an English High Court, over a cost recovery dispute in the western offshore Panna-Mukta and Taoil and gas fields of Shell and Reliance Industries. An arbitration "tribunal gave favourable award on January 29, 2021."
- **Tata Steel:** The company is considering prepaying up to \$1 billion (₹7,315 crore) of foreign loans, taking advantage of a commodity price super cycle that has boosted its cash position.
- **DHFL:** Dewan Housing Finance Corporation (DHFL) on Sunday reported a consolidated net profit of Rs96.75 crore for the quarter ended March. The company, undergoing the corporate insolvency process, had posted a net loss of Rs7,507.01 crore in the year-ago period.
- **Emami Ltd:** The maker of fast-moving consumer goods has raised product prices by 4% on an average in the current fiscal to offset the present input cost pressure that will help the company retain a gross margin of 66-67%, a senior company official said on Sunday.
- **Reliance Infrastructure:** Anil Ambani's Reliance Infrastructure Ltd said its board has approved raising ₹550.56 crore by preferential allotment of up to 88.8 million shares and/or warrants convertible into shares of the company to promoter group and VFSI Holdings Pte. Ltd, an affiliate of Värde Investment Partners LP.
- **Power Grid Corp:** Has acquired Fatehgarh Bhadla Transco (FBTL) and Sikar New Transmission Limited (SNTL), the project SPVs to establish transmission system strengthening for evacuation of power from solar energy zones in Rajasthan (8.1 GW) on build, own, operate and maintain basis from REC Power Distribution.

Global Indices	Current Value	%1D
DowJones	34756	0.52
Nasdaq	13814	1.47
DAX	15693	0.39
Nikkei 225	29006	0.22
FTSE 100	7069	0.07
Hang Seng	28716	-0.70
Shanghai	3599	0.19
Straits Times	3172	0.68

Trading activity in cash Rs Cr				
Date	4 June	Net	MTD	FY21
FII	1499	3049	89532	
DII	-1175	-424	17228	

Forex Rate		
USD/INR	73.16	0.06%
EUR/INR	88.44	-0.53%
GBP/INR	102.98	-0.44%
JPY/INR	66.24	-0.31%

Corporate Action		
Stock Name	Purpose	Ex Date
NELCO	Div Rs 1.2	7-Jun
HUHTAMAKI	Final Div Rs 3	9-Jun
RALLIS	Final Div Rs 3	9-Jun

Global News

US stocks climbed on Friday, lifted by technology stocks, after a tepid US monthly jobs report relieved investor concerns the Federal Reserve might rein in monetary stimulus soon. The Dow Jones Industrial Average rose 149.58 points, or 0.43%, to 34,726.62, the S&P 500 gained 34.78 points, or 0.83%, to 4,227.63 and the Nasdaq Composite added 203.63 points, or 1.5%, to 13,818.13. Asian shares firmed up on Monday while the dollar wavered after the anxiously awaited May U.S. payrolls report showed the recovery on track but not so hot that it might bring forward a policy tapering from the Federal Reserve.

G-Sec Yield	Price	Change%
1yr Bond Yield	3.83	-0.01%
10yr Bond Yield	6.03	-0.03%

Results Calender	7-Jun-21
CENTRAL BANK, DYNAMATECH, MRF, SHREEPUSH, UNION BANK	

F&O Ban List
IBULHSGFIN, PNB, SAIL, SUNTV



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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