



# MARKET MANTHRA

02-DEC-2019

## Domestic Indices

index	Close	Prv close	%Chg
NIFTY 50	12,079.0	11,914.4	1.38
NIFTY SMLCAP 50	2,752.7	2,732.6	0.73
NIFTY MIDCAP 50	4,679.8	4,618.9	1.32
NIFTY SMLCAP 250	4,783.2	4,744.4	0.82
NIFTY BANK	31,564.6	31,111.6	1.46
NIFTY FIN SERVICE	14,161.0	13,952.1	1.50
NIFTY METAL	2,599.0	2,521.2	3.09
INDIA VIX	15.0	14.9	0.87

## Global indices

Indices	Close	Prv close	%Chg
NASDAQ	7,344.0	7,190.0	-1.80
FTSE	7,069.0	7,086.0	0.42
CAC 40	5,236.0	5,243.0	0.29
DAX	12,247.0	12,248.0	0.30
NIKKIEI	12,380.0	12,319.0	-0.47
HANGSENG	31,549.0	31,563.0	0.11
KOSPI	2,485.0	2,504.0	0.42
SHANGHAI	3,290.0	3,305.0	0.34

As on 8.00 IST

## Nifty Watch



Nifty Spot intraday 5 Min

## Market wrap up

The benchmark indices closed lower, in line with weakness in global markets, because of worries over US-China trade negotiations, and as investors preferred to take profits ahead of domestic Jul-Sep GDP data. Shares of Reliance Industries closed down 1.8% at 1,551.15 rupees, and its market capitalisation fell to 9.8 trln rupees, after being the first Indian company to have surpassed the 10-trln-rupee mark on Thursday. The Nifty 50 ended at 12056.05, down 95.10 points or 0.8%, and the Sensex closed at 40793.81, down 336.36 points or 0.8%. On Thursday, the indices had ended at all-time closing highs. Shares of telecom companies gained on the expected hike in tariff

## Global Market

Asian indices were higher in early trade today after data showed improvement in China's manufacturing activity. Data released by China's National Bureau of Statistics on Saturday showed that the country's official manufacturing purchasing managers index came in at 50.2 in November, above the 50 mark--which indicates expansion--for the first time since April. A private survey released today also showed expansion of manufacturing activity in November. The Caixin/Markit manufacturing Purchasing Managers' Index came in at 51.8.

## Market preview

The fall in India's GDP growth for Jul-Sep and weak automobile sales for November for several companies, which have led to fresh concerns over the local economic growth, are set to weigh on share indices at open, while optimism over the US-China trade negotiations and a hike in telecom tariffs could limit losses. Besides, the likely divestment of state-owned companies such as Bharat Petroleum Corp are seen helping the government meet its overall revenue shortfall. Investors will eye local manufacturing data, scheduled to be released later today.

## News corner

## Corporate

**Hinduja Global up 6% as company to sell customer management operations**

Shares of Hinduja Global Solutions gained more than 6% today to hit a four-month high of 638 rupees after the company announced it entered into a definitive agreement for sale of its domestic customer relationship management business to Altruist India for 400 mln rupees through a slump sale. The company generated revenue of 3.46 bln rupees from the business in 2018-19 (Apr-Mar), which accounted for 7% of the consolidated revenues. As of Mar 31, the business had a net worth of 1.24 bln rupees. Hinduja Global expects to complete the sale of the business by Jan 31.

**Adani Gas surges as CCI OKs Total Holdings' stake buy**

Shares of Adani Gas surged nearly 13% to their highest level in three months of 168.70 rupees after the Competition Commission of India allowed Total Holdings, a wholly owned subsidiary of French oil and gas major Total, to acquire a 37.4% stake in the company. Total struck a deal with Adani Gas in October to buy stake in the company for nearly 62 bln rupees through a combination of open offer to minority stakeholders and from the promoters of the company. On completion of the transaction, the Adani group and Total will each have 37.40% stake in Adani Gas.

## Domestic

**India Jul-Sep GDP growth slumps to 26-quarter low of 4.5%**

India's GDP growth slumped to a 26-quarter low of 4.5% in Jul-Sep from 5.0% in Apr-Jun, data released by the National Statistical Office. The last time the GDP grew at a slower pace was in the fourth quarter of 2012-13 (Apr-Mar), when it had expanded by just 4.3%. The latest growth figure is marginally below expectations. Growth in the quarter ended September was seen at 4.6%, with 23 of the 27 economists polled having predicted that growth would slow down further from Apr-Jun's 5.0%. The slowdown in growth is particularly alarming considering the favourable base effect in play in Jul-Sep. GVA growth for industry was a mere 0.5%, down from 6.7% in Jul-Sep 2018.

## International

**COMMODITY**

**CRUDE OIL:** Futures ended sharply down on Friday on fears of excessive supply of the commodity after reports said that production cuts by Organization of Petroleum Exporting Countries may not take place. The January-delivery contract on NYMEX ended 5% down, while February delivery Brent crude oil on the Intercontinental Exchange contract settled nearly 4% lower. OPEC members will meet on Thursday and Friday to discuss the crude oil demand-supply dynamics.

**PRECIOUS METALS:** Gold futures ended higher on fears of an escalation of trade tensions between the US and China after bill supporting protestors in Hong Kong was signed into law by US President Donald Trump on Wednesday.--COMEX Feb gold futures (troy ounce): \$1,472.7 Friday vs \$1,460.8 Wednesday

## Stock to watch

- **RELIANCE COMMUNICATIONS:** Reliance Jio is slated to get the tower and fibre assets of the company, housed under Reliance Infratel, with the Mukesh Ambani-led telecom company making the highest bid of 36 bln rupees for these assets, sources said
- **RELIANCE INFRASTRUCTURE:** Lender Axis Trustee Services has invoked a pledge on 3.23% stake or 8.5 mln shares held by it in the company between Nov 21 and 28.
- **RITES:** The government will sell up to 1.25 mln shares to the eligible employees of the company at 278.83 rupees a share, which is at a discount of 5% to retail category offer for sale price.
- **ROLTA INDIA:** The Bombay High Court has set aside National Company law Tribunal's order to initiate insolvency proceedings against the company.
- **SHOPPERS STOP:** The company has opened a new store at Mani Square in Kolkata.
- **SOBHA LTD:** Set to enter new property markets and launch projects in Delhi, Hyderabad and Thiruvananthapuram as it aims to expand beyond the 10 cities where it has ongoing projects
- **STEEL AUTHORITY OF INDIA:** Plans to commence manufacturing of special quality rails for high-speed train corridors and metro projects in the next two years.
- **TATA MOTORS:** Total domestic sales in November were at 38,057 units, down 25% on year.
- **TVS MOTOR CO:** The company has opened its new flagship outlet in Guatemala City
- **UNION BANK OF INDIA:** A committee of directors has approved the allotment of 1.66 bln equity shares to the government at an issue price of 70.90 rupees per share, amounting to 117.68 bln rupees.

## Data Alert

### Overseas

- GERMANY MANUFACTURING PMI for Nov. 1425 IST
- EUROZONE MANUFACTURING PMI for Nov. 1430 IST

### Domestic

- GST COLLECTIONS for Nov, by finance ministry
- NIKKEI MANUFACTURING PMI for Nov, by IHS Markit

## Actions watch

### BONUS

Company	Ratio	Ex.date
BALMLAWRIE	1:2	26-DEC

### Major Dividends

Company	Div/Share	Ex.date
RAIN	Rs 1.00	25-NOV
REDINGTON	Rs.8.00	19-NOV
PGHH	Rs. 48.0	19-NOV
LALPATHLAB	Rs.6.00	20-NOV
MRF	Rs.3.00	21-NOV

### DERIVATIVES IN BAN PERIOD

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### RESULTS TODAY

VLSFINANCE

## Thought of the day

**“Wide diversification is only required when investors do not understand what they are doing.”**  
Warren Buffett



## Previous Tracker

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