



# MARKET MANTHRA

04-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

Domestic indices closed lower as bank stocks with exposure to the troubled Karvy Stock Broking fell, while metal stocks slumped on fresh global trade fears after US President Donald Trump said he would restore tariffs on steel and aluminium imports from Brazil and Argentina. Foreign institutional investors had turned net sellers in Indian stock on Friday and Monday, after having purchased a net \$3.15 bln of Indian stocks in the month of November. Today, the Nifty 50 closed at 11994.20, down 54 points or 0.45%, while the 30-stock Sensex closed at 40675.45 points, down 126.72 points or 0.3%.

## Global Market

Asian indices were down in early trade today, mirroring overnight losses in global equities after US President Donald Trump said he might wait until after US presidential elections in November 2020 to strike a trade agreement with China. Market participants had hoped that the US and China would strike a phase-one deal before Dec 15. After Trump's comments, US Commerce Secretary Wilbur Ross said that the president was under no "time pressure" to reach a trade agreement with Beijing.

## Market preview

Benchmark indices are seen opening lower today on concerns of a prolonged period of global trade uncertainty with US President Donald Trump stating that a trade deal with China may happen only after the 2020 presidential elections. With just two weeks left before the likely imposition of new tariffs on Chinese imports by the US, investors are shying away from riskier assets, which led to a fall in major Asian indices today. The December futures of the SGX Nifty 50 were down 0.3%, suggesting a subdued opening for local shares. The Nifty 50 is seen finding support at 11900 points, while resistance is seen at 12050-12100 today.

## News corner

## Corporate

**Zee Ent, Dish TV fall on corporate misgovernance worry**

Shares of Zee Entertainment Enterprises and Dish TV fell as much as 8% and 13%, both hitting one-month lows of 271.10 and 11.40 rupees, respectively, today as worries of corporate misgovernance at the Essel group remain. These worries arose after two independent directors of Zee Entertainment resigned recently flagging concerns over dubious deals, related-party transactions, and receivables. The two former directors--Subodh Kumar and Neharika Vohra-- claimed the company gave film advances to the tune of 22 bln rupees in 2018-19 (Apr-Mar), to which the company said it had disclosed the information in the annual report.

**RBL Bank falls 5% as QIP floor price at 5.6% discount**

Falling for the fourth straight session, shares of RBL Bank fell as much as 5% as the floor price for the lender's qualified institutional placement of shares has been set at 352.57 rupees--a discount of 5.6% to Monday's closing price. The qualified institutional placement opened on Monday. The bank said it may choose to offer a discount of up to 5% on the floor price at the time of allotment, adding that the capital raising committee will meet on, or after, Thursday to consider and approve the issue price.

## Domestic

**GST Council to meet on December 18**

The GST Council, at its next meeting on December 18, is expected to deliberate on an alternative mechanism for compensation cess and look at ways to boost revenue from indirect taxes. There is a view that compensation cess may no longer be enough to adequately compensate states and there is a need to come up with some other mechanisms. The government has written to state GST officers, asking for suggestions from state governments on ways to increase GST revenue. This comes at the backdrop of compensation to states increasing 'significantly' and is unlikely to be met through compensation cess collections.

## International

**COMMODITY**

**CRUDE OIL:** Futures ended on a mixed note on Tuesday as investors weighed possibility of deeper production cuts by Organization of the Petroleum Exporting Countries and its allies and comments from US President Donald Trump, which indicated a delay in trade deal with China. OPEC members will meet on Thursday and Friday to discuss the crude oil demand-supply dynamics.

**NYMEX Jan futures (a barrel):** \$56.10 Tuesday vs \$55.96 Monday

**PRECIOUS METALS:** Gold futures settled over 1% higher on Tuesday on safe-haven buying after Trump said it might be better to wait until after the 2020 elections in the US to sign a trade deal with China. **COMEX Feb gold futures (troy ounce):** \$1,484.4 Tuesday vs \$1,469.2 Monday

## Stock to watch

- **ALLCARGO LOGISTICS:** Has emerged the front-runner to buy the container freight station, inland container depot and rail logistics business of Sical Logistics from the Coffee Day Group
- **ASHOK LEYLAND:** Has signed a memorandum of understanding with HDB Financial Services to provide vehicle financing for two years
- **BAJAJ FINANCE:** Has an exposure of 3.12 bln rupees to Karvy Stock Broking as of Monday, which was against the pledge of listed shares
- **BHARAT PETROLEUM CORP:** Deloitte Touche Tohmatsu India has quoted 1 rupee to manage the sale of the company, which is likely to fetch the government 700 bln-800 bln rupees. SBI Caps was the second-lowest bidder with a quote in the range of 150 mln-170 mln rupees
- **BGR ENERGY SYSTEMS:** National Company Law Tribunal's Amravathi Bench has ordered withdrawal of insolvency proceedings against the company filed by C & S Electric
- **CAPACITE INFRAPROJECTS:** Promoter Rohit Ramnath Katyal has pledged 5 mln shares, representing 7.4% stake in the company for project credit facilities.
- **CEAT:** Societe Ceat D Investissements En Asie S A Spf sold 0.98% stake or 400,000 shares in the company at 919 rupees per share.
- **COX & KINGS:** IFCI sold 1.7% stake or 3 mln shares in the company at 1.83 rupees per share on the National Stock Exchange
- **CROMPTON GREAVES CONSUMER ELECTRICAL:** Promoters Macritchie Investments PTE and Amalfiaco together sold 51 mln shares, or 8.1% stake, of the company at 249.20 rupees a share through a bulk deal on the BSE
- **DEWAN HOUSING FINANCE CORP:** The National Company Law Tribunal on Tuesday asked the RBI-appointed administrator of the company to update the list of depositors, along with the outstanding amount payable to each one with their address and communication information

## Data Alert

### Overseas

- EU PPI for Oct. 1530 IST
- US ISM-NY REPORT ON BUSINESS for Nov. 2015 IST

### Domestic

- NA

## 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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