



Muthoot Securities

MARKET MANTHRA

14-OCT-2019

Domestic Indices

index	Close	Prv close	%Chg
NIFTY 50	11,603.4	11,274.2	2.92
NIFTY SMLCAP 50	2,805.2	2,721.6	3.07
NIFTY MIDCAP 50	4,575.1	4,452.9	2.74
NIFTY SMLCAP 250	4,814.4	4,669.0	3.12
NIFTY BANK	30,548.5	28,981.6	5.41
NIFTY FIN SERVICE	13,548.1	12,859.9	5.35
NIFTY METAL	2,516.9	2,497.7	0.77
INDIA VIX	17.1	15.4	10.74

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

Equity indices ended in the green after a volatile session tracking positive cues from global equity markets, which rose on increasing optimism for a partial trade deal between the US and China. Surge in shares of index heavyweight Infosys also helped the indices close in the green. Shares of fast-moving consumer goods companies also saw strong gains in the session aided by expectations that demand in the festival season likely picked-up after having slowed in the previous two quarters. The Nifty FMCG index ended with gains of nearly 1%. The breadth of the market was largely mixed with number of gainers and losers evenly matched on the National Stock Exchange.

Global Market

Asian indices were higher in the early trade today as appetite for riskier assets improved following the positive signs in the US and China trade deal negotiation last week. The US and China reached a tentative and a partial agreement Friday that may lead to a truce in the trade war, according to a Bloomberg news report. US Treasury Secretary Steven Mnuchin announced that tariffs on \$250 bln Chinese imports that were to increase from Tuesday will not happen. Chinese Vice-Premier Liu said that they had made substantial progress in the talks, and will continue

Market preview

Equity indices are likely to open higher helped by strong cues from other Asian markets and US equities, which rose after the US and China agreed on a partial trade deal on Friday. The trade deal, which market participants termed more "symbolic than substantial", is expected to remove a major overhang on global investor sentiment as the uncertainty had been weighing on the global growth outlook. The gains in the benchmark indices will likely be moderate given shares of most information technology companies are expected to decline after Infosys' "cautious optimism" disappointed investors.

News corner

Corporate

Aurobindo Pharma down 25% in 4 days on US FDA action fear

Shares of Aurobindo Pharma have fallen 25% in the past four sessions on fears of a warning letter or a tag of 'official action initiated' for its unit-7 in Telangana from the US Food and Drug Administration. The company on Monday received seven observations from the US drug regulator which were critical in nature. The observations by the US drug regulator may create more hurdles for new product approvals and also raise questions on the company's ability to handle regulatory issues. The unit is the company's most important plant as it accounts for 25% of US sales, 136 approved products, with another 33 products awaiting final approval. This is the fourth instance in 2019 when such observations have been issued to the company, the brokerage said in its report.

ONGC surges 3.5% as global crude oil prices rise

Shares of Oil & Natural Gas Corp rose 3.5% to 129.90 rupees due to a jump in global crude oil prices. Prices of Brent Crude gained for the third straight trading session today, rising as much as 2.6%, triggered by news of an explosion at an Iranian tanker near Saudi Arabian port of Jeddah, increasing concern about security of the oil infrastructure in the West Asia.

Domestic

FPIs pull out over Rs 6,200 crore in October so far

Foreign portfolio investors withdrew over Rs 6,200 crore from Indian capital markets in the first two weeks of October, as global recession fears and trade war concerns weighed on sentiments. Foreign investors pulled out a net amount of Rs 4,955.2 crore from the equities and Rs 1,261.9 from the debt segment, taking the total net withdrawal to Rs 6,217.1 crore during October 1 to 11, as per latest depositories data. Overseas investors were net buyers in the preceding month and had infused a net sum of Rs 6,557.8 crore in the domestic capital markets (both equities and debt), according to the data. The foreign portfolio investors (FPI) in October went back in "hibernation mode" after remaining net sellers in September when the inflows were driven by slew of economic reforms announced by the government,

International

COMMODITY

CRUDE OIL: Futures settled higher on Friday on report of an attack on an Iranian oil tanker off the coast of Saudi Arabia. Media reports, quoting Iran's Students News Agency, said that the oil tanker belonging to the National Iranian Oil Co was struck by two missiles near Saudi Arabia's port in Jeddah. The explosion caused heavy damages to the tanker, with oil spilling into the Red Sea. Iran's oil industry is already crippled by sanctions imposed by the US. Meanwhile, positive developments related to US-China trade talks have also improved demand outlook for crude oil and propped up prices.

PRECIOUS METALS: Gold futures ended biggest weekly decline since March on Friday, amid growing optimism over US-China trade deal. Progress on Brexit deal also improved investors' risk appetite and reduced demand for the safe-haven yellow metal.

Stock to watch

- **ALLAHABAD BANK:** Will reduce its marginal cost of funds-based lending rate by five basis points across tenures from today
- **ALOK INDUSTRIES:** Two retail investors in the company have approached the National Company Law Appellate Tribunal, opposing new owner RELIANCE INDUSTRIES' move to delist the textile firm that they claimed would erode the value of their stake
- **AUROBINDO PHARMA:** HDFC Mutual Fund acquired an additional 11.9 mln shares of the company, representing 2.01% stake, through the open market on Wednesday
- **AVENUE SUPERMARTS:** Posted a nearly 43% on-year rise in net profit for the September quarter to 3.3 bln rupees
- **BANK OF BARODA:** Has entered into a pact with BNP Paribas Asset Management Asia to merge its Baroda Asset Management India with BNP Paribas Asset Management India
- The one-year extended tenure of P.S. Jayakumar as managing director and chief executive officer of the bank ended on Saturday, with the government not giving any clarity on either giving him extension or finding a replacement
- **BHARAT PETROLEUM CORP:** The government's plan to privatise the company is likely to clear the decks for OIL & NATURAL GAS CORP to bring in a strategic private or foreign partner in its subsidiary HINDUSTAN PETROLEUM CORP
- **BHARTI AIRTEL:** Has closed its 3G network in Haryana, in line with the company's plans to shut 3G network across all circles by March 2020
- **CADILA HEALTHCARE:** The US Food and Drug Administration has cleared the company's active pharmaceutical ingredients manufacturing facility at Dabhasa in Vadodara, Gujarat, without any observation following an inspection
- **DALMIA BHARAT:** Expects moderate growth in cement sales in 2019-20 (Apr-Mar), backed by government's thrust on the infrastructure sector

Data Alert

Overseas

- EU INDUSTRIAL PRODUCTION for Aug. 1430 IST

Domestic

- WPI for Sep, by commerce and industry ministry. 1200 IST.
- CPI (COMBINED) for Sep, by CSO. 1730 IST.

Actions watch

BONUS

Company	Ratio	Ex.date
AARTIIND	1:1	27-SEP
ASTRAL	1:4	16-SEP

Major Dividends

Company	Div/Share	Ex.date
ACCELYA	Rs 15.00	10-OCT
GOCLCORP	Rs.2.00	14-OCT
KAMADHENU	Rs. 1.00	26-SEP
IDFC	Rs.2.50	27-SEP
ALPHAGEO	Rs.8.00	19-SEP

DERIVATIVES IN BAN PERIOD

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RESULTS TODAY

SCANPGEOM

ATLASCYCLE

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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