



Muthoot Securities

# MARKET MANTHRA

15-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

Domestic benchmark equity indices ended off highs after reports by the Chinese media that China wasn't ready to sign what US President Donald Trump termed a "phase one" deal without more talks later this month. The overall market breadth was largely mixed, as 42% of the stocks traded on the NSE ended in the green while 40% closed in the red. The Nifty Auto index was up over 2%, with shares of most automobile companies up 1-7%, as the loan outreach programme of banks held so far has seen disbursement of 818 bln rupees. The Nifty PSU Bank index came sharply off its highs as investors grew wary of the impact the lenders' loan outreach programme would have on asset quality.

## 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. The 15-month-long trade war has affected the global markets, dented economic outlook,

## Market preview

Equity indices are likely to see lacklustre trade today as acceleration in domestic retail inflation in September and fading optimism over the preliminary US-China trade agreement will keep investors from taking large positions in the market. Domestic retail inflation, measured by Consumer Price Index, accelerated for the eighth straight month to 3.99%, above 3.8% expected by economists polled by Cogencis, data reported on Monday showed. Today, Nifty index is seen in a range of 11200-11400 points

## News corner

## Corporate

### IRCTC rises further as investors eye long-term gains

Shares of Indian Railway Catering and Tourism Corp rose further as investors refrained from booking profits in the hope that the stock will be able to generate more returns in the long term. Investors were banking on the high interest of institutional investors in the stock and the company's monopoly status in its business. Shares of the company listed at a premium of 96% to the issue price of 320 rupees, which is one of the best listing gains for a stock in over two years. The initial public offering of IRCTC had seen robust demand because of visibility of strong earnings growth, on the back of a monopoly in online ticket bookings, catering, and packaged water services for Indian Railways, as well as robust return ratios.

### Aurobindo Pharma up 8% as HDFC MF raises stake in company

Shares of Aurobindo Pharma rose nearly 8% to 473.2 rupees after the drugmaker said the HDFC Mutual Fund has raised its stake in the company by 2.01% to 7.12%. HDFC Mutual Fund acquired an additional 11.9 mln shares of Aurobindo Pharma through the open market on Wednesday. The stock has erased over 30% of its value in the previous four trading sessions due to concern over a warning letter or a tag of 'official action initiated' for its unit-7 in Telangana from the US FDA

## Domestic

### WPI inflation eases to 0.33% in September

Wholesale prices based inflation eased to 0.33 per cent in September, as against 1.08 per cent in August due to fall in prices of non-food articles, government data showed on Monday. The annual rate of inflation, based on monthly wholesale price index (WPI), was at 5.22 per cent in September 2018. The rate of price rise for the food articles was at 7.47 per cent during the month, while that for non-food articles stood at 2.18 per cent, showed the data released by the Ministry of Commerce and Industry.

## International

### COMMODITY

**CRUDE OIL:** Futures settled sharply lower on Monday after China expressed caution about the initial phase of the deal, raising scepticism over the progress in further talks, which led to worries over subdued demand for the commodity. Media reports suggested that Chinese President Xi Jinping had sought more talks with the US before signing the initial deal with Trump. NYMEX Nov futures (a barrel): \$53.59 Monday vs \$54.70 Friday

**PRECIOUS METALS:** Gold futures ended higher on Monday as investors turned to the safe-haven metal following reports that China was not yet ready to sign the partial trade deal reached with the US. China also wants a commitment that the US would not impose the next round of proposed tariffs, scheduled to come into effect from Dec 15.

## Stock to watch

- **ADANI TRANSMISSION:** Has completed the acquisition of special purpose vehicle WRSS XXI (A) Transco from REC Transmission Projects Co. The company had won a project to build, own, operate and maintain 272 circuit km of 765-kV transmission line along with associated transmission system, linked to renewable power generation in Gujarat, for 35 years
- **BANK OF BARODA:** Managing Director and Chief Executive Officer P.S. Jayakumar demitted office on Saturday after his term expired, on completing four years with the bank
- **BHARTI AIRTEL:** Reliance Jio Infocomm and the company have called on the government to cut the price of fifth generation spectrum in the run up to the next auction, showing rare convergence on a vital issue at a time when the two telecom operators are locked in a bitter feud over interconnect usage charges
- **CANARA BANK:** Said the strike called by two bank employee unions on Oct 22 may affect operations at the branches
- **HI-TECH PIPES:** Moneybag Investments bought 81,000 shares or 0.76% stake in the company at 149.5 rupees in a bulk deal on National Stock Exchange.
- **HINDUSTAN AERONAUTICS:** As workers of the company went on an indefinite strike pressing for various demands, including wage revision, the company's management termed the agitation "illegal"
- **HOUSING DEVELOPMENT & INFRASTRUCTURE:** The Chief Metropolitan Magistrate Court extended the company's promoters Rakesh and Sarang Wadhawan's police custody till Wednesday in relation to the Punjab and Maharashtra Co-operative Bank fraud
- **HOUSING DEVELOPMENT FINANCE CORP:** Will reduce its retail prime lending rate by 10 basis points, effective Tuesday, which will benefit all its customers.
- **KAVERI SEED CO:** Opened its largest biotechnology research and development laboratory at Siddipet, near Hyderabad.

## 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
IMPAL	1:2	25-OCT

### Major Dividends

Company	Div/Share	Ex.date
ACCELYA	Rs 15.00	10-OCT
GOCLCORP	Rs.2.00	14-OCT
INFY	Rs. 8.00	23-OCT
TCS	Rs.5.00	17-OCT
ALPHAGEO	Rs.8.00	19-SEP

### DERIVATIVES IN BAN PERIOD

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### RESULTS TODAY

RIIL	SBILIFE
ACC	ALICON
APOLLOTRI	
GUJHOTE	ITHL
KTKBANK	MCX

## 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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