

23-JAN-2020

## Domestic Indices

index	Close	Prv close	%Chg
NIFTY 50	12,352.4	12,355.5	-0.03
NIFTY SMLCAP 50	3,058.2	3,044.4	0.45
NIFTY MIDCAP 50	4,986.6	4,968.9	0.36
NIFTY SMLCAP 250	5,253.8	5,234.0	0.38
NIFTY BANK	31,590.7	31,853.9	-0.83
NIFTY FIN SERVICE	14,561.8	14,655.4	-0.64
NIFTY METAL	2,864.7	2,884.8	-0.70
INDIA VIX	14.1	14.2	-0.91

## 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

Benchmark equity indices ended lower, led by losses in shares of public sector companies after reports that the government may launch follow-on public offers of some public sector companies to meet its divestment target for 2020-21 (Apr-Mar). The Nifty CPSE index ended 3.6% lower, the worst hit among sectoral indices on NSE. Benchmark indices also underperformed other Asian markets as investors pared back expectations from the upcoming Union Budget. The Nifty 50 index ended down 62.95 points or 0.5% at 12106.90, and the Sensex closed 208.43 points or 0.5% lower at 41115.38.

## Global Market

Crude oil slumped nearly 3% on Wednesday on concerns of oversupply as the International Energy Agency forecast a surplus. Fatih Birol, the agency head, said on Wednesday he expects a surplus of 1 mln barrels per day in the first half of 2020. Oil futures continued to fall--Brent crude futures were down 1.65% in early Asian trade today. The possible impact a coronavirus outbreak might have on global economic growth also weighed on the outlook for energy demand. The Chinese response and quick updates ahead of the Lunar New Year festivities in China.

## Market preview

Benchmark indices are likely to open with modest losses today mirroring other Asian markets as concerns over the fast-spreading coronavirus affecting global growth rose, while deteriorating asset quality of retail loan books of banks reignited worries over the health of the domestic economy. However, investors may draw some comfort from the intensity of the Chinese actions against the virus as Wuhan banned outbound and intra-city travel in Wuhan to contain the spread. Today, the Nifty 50 index is seen in a range of 12000-12200

## News corner

## Corporate

**Asian Paints down 1% as Oct-Dec consol revenue below view**

Shares of Asian Paints fell nearly 2% extending losses from the previous day, after the company posted a 3% on-year rise in consolidated revenue to 54.2 bln rupees, which was below analysts' estimate of 56.8 bln rupees. The company's operating margin expanded by 96 basis points to 21.9% in Oct-Dec, which was lower than analysts' expectations of a near 200-basis-point expansion. The company's revenue from paints segment rose nearly 3% on-year to 52.9 bln rupees, while revenue from home improvement segment jumped nearly 21% to 1.3 bln rupees.

**Axis Bank seen down as Oct-Dec PAT misses estimate**

Shares of Axis Bank are expected to fall today with the private sector lender's net profit rising a mere 4.5% on year to 17.6 bln rupees in Oct-Dec, missing the consensus estimate of 21.6 bln rupees. Axis Bank's Oct-Dec net profit was dragged down by a rise in addition to bad loans. Slippages in the reporting quarter rose to 62.1 bln rupees from 49.8 bln rupees a quarter ago

## Domestic

**PSU stocks fall as govt may launch FPOs of few companies FY21**

Shares of public-sector companies that are a part of the CPSE Exchange Traded Fund fell after reports said the government may raise its divestment target to 1.5 trln rupees for 2020-21 (Apr-Mar) and also launch follow-on public offers of some companies. With the government already set to launch the seventh tranche of the CPSE ETF in February, investors are worried that any further stake sale, via an offer-for-sale or follow-on public issue, may increase supply of these state-owned stocks. Excess supply would mean that demand for these shares is less, which would cap the share prices and force the government to sell stake via these aforementioned mediums at a steep discount. The government is expected to miss its 1.05-trln-rupee divestment target for the current financial year by a whopping 500 bln rupees

## International

**COMMODITY**

CRUDE OIL: Futures slumped nearly 3% on Wednesday as the International Energy Agency forecast a surplus, and concerns over demand outweighed fears of disruption in Libya's crude output. Potential hit to demand due to the coronavirus outbreak in China also weighed on crude oil prices. NYMEX Mar futures (per barrel): \$56.74 Wednesday vs \$58.38 Tuesday

ICE Brent Mar futures (per barrel): \$63.21 Wednesday vs \$64.59 Tuesday. PRECIOUS METALS: Gold futures ended lower on Wednesday as worries over potential economic impact of an outbreak of a serious virus in China receded.

## Stock to watch

- **ADANI GREEN ENERGY:** Moving away from polluting coal, billionaire Gautam Adani on Wednesday laid out a blueprint to make his group the world's largest solar power company by 2025 and the biggest renewable energy firm by 2030 through an aggressive push on capacity addition in these areas
- **ADANI PORTS AND SPECIAL ECONOMIC ZONE:** The company's Mundra port has received its first cargo of liquefied natural gas paving way for the commissioning of long-delayed 5-mtpa joint venture--GSPC LNG--next month, sources said
- **ALOK INDUSTRIES:** The National Company Law Tribunal's Ahmedabad bench has approved the lender's resolution plan for the company
- **ASHIANA HOUSING:** Has announced 'Ashiana Amantran' project in Jaipur and received registration under the Real Estate Regulation and Development Act, 2016, for phase one of the project
- **ASIAN PAINTS:** The board has approved merger of wholly-owned subsidiary--Reno Chemicals Pharmaceuticals & Cosmetics--with the company
- **AVENUE SUPERMARTS:** The company's promoter acquiring the shares of SPENCER'S RETAIL have fuelled speculation of a likely alliance or consolidation of some operations between the two companies, with a merger being a remote possibility
- **BALLARPUR INDUSTRIES:** Has been taken to the bankruptcy court by lenders led by non-banking finance company Finquest Financial Solutions
- **CARE RATINGS:** Stichting Pensioenfonds ABP sold 800,000 shares or 2.7% stake in the company at 658.03 rupees per share through a bulk deal on the National Stock Exchange
- **CEAT:** The company's board has approved raising up to 5 bln rupees through the issue of non-convertible debentures on a private placement basis, in tranches.

## Data Alert

### Overseas

- US BLOOMBERG CONSUMER COMFORT INDEX. 2015 IST
- US NAHB HOUSING MARKET INDEX for Jan. 2030 IST

### Domestic

- WATER LEVEL IN MAJOR RESERVOIRS as on Jan 16, by CWC

## Actions watch

### BONUS

Company	Ratio	Ex.date
SIS	1:2	15-JAN

### Major Dividends

Company	Div/Share	Ex.date
TCS	Rs 5.00	23-JAN
HCLTECH	Rs.2.00	24-JAN
WIPRO	Rs 1.00	24-JAN
SIEMENS	Rs. 7.00	03-FEB

### DERIVATIVES IN BAN PERIOD

YES BANK	

### RESULTS TODAY

BIOCON	CANBK
DBCORP	HDFCLIFE
INDOCO	ORIENTBANK
PVR	RADICO
RBL	ZEEMEDIA
SUPER	O

## Thought of the day

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

**Previous Tracker****Disclaimer**

This report/ document has been prepared by the Research department of Muthoot Securities Limited solely for the information of authorized recipient. All reasonable care has taken to ensure that the information contained herein is not misleading or untrue at the time of publication, but we make no representation as to its accuracy or completeness. All information is for private use of the person to whom it is provided and is not for public distribution and without liability whatsoever on the part of Muthoot Securities Limited. This report shall not be copied, printed, distributed or re-distributed to any person. Nothing contained herein should be construed as an offer to buy or sell or a solicitation of an offer to buy or sell. Past performance is no guide to the future. Muthoot Securities Ltd shall not be liable for any direct or indirect losses arising from the action initiated by you on the basis of information provided in this report/ document and accepts no responsibility for statements made or any other source of information received by you and you would be doing so at your own risk. Muthoot Securities Limited, its associate and group companies, its directors, associates, employees from time to time may have various interests/ positions in any of the securities of the Company (ies) mentioned therein or be engaged in any other transactions involving such securities or otherwise in other securities of the companies / organization mentioned in the document or may have other potential conflict of interest with respect of any recommendation and / related information and opinions.