



# MARKET MANTHRA

05-Jul-2018

## Domestic Indices

Indices	Close	Prv close	%Chg
NIFTY 50	10,769.9	10,699.9	0.65
NIFTY BANK	26,434.0	26,204.1	0.88
NIFTY MIDCAP 50	4,899.1	4,883.8	0.31
NIFTY AUTO	10,914.4	10,779.2	1.25
NIFTY IT	14,126.2	14,222.6	-0.68
NIFTY METAL	3,370.5	3,366.2	0.13
NIFTY REALTY	269.5	268.3	0.47
INDIA VIX	12.6	13.0	-3.17

## 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
NIKKEI	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

## Market Snapshot



Nifty Spot intraday 5 Min

## Market wrap up

Benchmark equity indices ended sharply higher as a hike in minimum support prices of kharif crops lifted the outlook on rural economy. Shares of companies that benefit from a strong rural economy such as Bajaj Auto, Hindustan Unilever, Maruti Suzuki India, Bajaj Finserv and Britannia Industries led the gains, ending 1.3-4.1% higher. Nifty India Consumption, Nifty FMCG and Nifty Auto indices ended 0.5-1.3% higher. Easing concerns over inflation also aided sentiment as investors believed that the current hike in minimum support prices will not lead to a sharp increase in prices. The government also assured that market watchers that its move will not impact overall inflation by much.

## Global Market

Most equity markets in Asia traded on a mixed note early today, tailing European stocks and as concern over a global trade war loomed large. Financial markets in the US were shut on Wednesday for Independence Day holiday. Volumes in Europe and Asian stock and currency markets were sluggish due to lack of cues from US equities. US stock futures were in the red in Asian trade indicating a negative start for US market later today.

## Market preview

Benchmark indices are likely to open flat today tracking mixed cues from global equity markets, and move in a narrow range for the remainder of the session as investors' appetite for equities remains weak amid concerns over trade war. Reliance Industries will be in the limelight through the session as it is likely to announce a foray into the fixed or wired broadband business at its annual general meeting later today. The July futures of RIL saw open interest rise by 2% to 48.90 mln. The benchmark indices may continue to get support from inflow of funds from domestic mutual funds into shares of information technology and pharmaceutical companies' shares. Nifty 50 is seen in a range of 10650-10850 points

## News corner

## Corporate

**Tata Motors off lows on report JLR US Jun sales up YoY**

Shares of Tata Motors came off their lows after business news channel BTVi tweeted that June sales of the company's arm Jaguar Land Rover were up 7% on year at 9,335 units. The news channel had earlier said that sales of JLR were down on year, following which shares of Tata Motors had fallen. Sales of Jaguar cars fell 20% on year, the report had said.

**Suven Life gains 3% on product patent win in 4 countries**

Shares of Suven Life Sciences extended their gains to the second consecutive day and rose 3% after the company secured one product patent each in India, Singapore, South Korea, and Israel. The patents are valid till 2031 in India, 2034 in Singapore, 2034 in South Korea, and 2036 in Israel. The patents are for new chemical entities to treat disorders associated with neurodegenerative diseases.

## Domestic

**Services PMI up sharply in June on rise in new business**

India's services sector seems to be back on track. After contracting in May, the Nikkei India Services Business Activity Index rose to 52.6 in June from 49.6 in May. This index is better known as the Purchasing Manager's Index (PMI) and is prepared on the basis of a survey conducted among purchasing managers of over 400 private companies. These companies belong to five sectors, namely Consumer Services, Transport & Storage, Information & Communication, Financial & Insurance and Real Estate & Business Services. An index of over 50 shows expansion and one below 50 indicates contraction. The index and subsequent report is prepared by IHS Markit. According to the report, the rate of expansion in activity was the sharpest in a year. This was supported by the strongest rise in new business since last June

## International

**COMMODITY**

**CRUDE OIL:** Prices rose in electronic trade on Wednesday due to concern of a tight supply amid looming US sanctions against Iran, despite the Organization of the Petroleum Exporting Countries' agreement to raise output to make up for disruptions. Further, supply outage at Syncrude Canada oil sands facility also led to fears of tightening US inventories, thereby pushing up prices. Volumes were subdued on Wednesday on account of Independence Day holiday in the US. There was no settlement of prices due to the holiday in the US.

**GOLD:** Prices rose in electronic trade on Wednesday amid low volumes as the US dollar softened, driving demand for the dollar-denominated asset. Further, market participants exercised caution ahead of the release of the minutes of US Federal Reserve's recent policy meeting later today and the US non-farm payrolls data due Friday, for further cues on monetary policy. There was no settlement of prices due to the holiday in the US.

### Stock to watch

- **AMTEK AUTO:** Amtek group company Rollatainers has sold its stake in a company that holds the licence to run American quick-service restaurant chain Wendy's outlets in India
- **BHARAT ROAD NETWORK:** The company said Religare Finvest has filed a case against it before the Kolkata bench of National Company Law Tribunal under the Insolvency and Bankruptcy Code, 2016, claiming a default of 513.01 mln rupees
- **BEML:** Suraj Prakash has been appointed as the Director-Finance and a Member on the Board of the company
- **BIOCON:** Has received the European Union Good Manufacturing Practice certificate for its sterile drug product manufacturing facility in Bengaluru
- **CHOLAMANDALAM INVESTMENT AND FINANCE CO:** Hopes to maintain its strong growth in the vehicle finance segment, revive the home equity business, and achieve significant growth in housing loans this fiscal
- **COAL INDIA:** In the wake of coal shortage prevailing in the country since the last 10 months, state-owned Coal India Ltd has said that it will achieve its target of 1 bln tn per annum output by March 2023, Coal Minister Piyush Goyal said
- **FEDERAL BANK:** The Reserve Bank of India has approved the reappointment of Ganesh Sankaran as executive director of the bank, till Jul 3, 2020, as recommended by the board. The plan of promoter banks to sell stake in IDBI Life Insurance Co, a subsidiary of the bank and IDBI BANK, is on track despite Max Life Insurance Co Ltd pulling out of the race
- **FIEM INDUSTRIES:** Has entered into a technical assistance agreement with Japan-based Toyodenso Co and Toyota Tsusho Corp for manufacturing bank angle sensors for motorcycles for the Indian market
- **FORCE MOTORS:** Total sales in June were at 2,669 units, up 8.2% on year.
- **FORTIS HEALTHCARE:** The 4.45-bl-rupee Inter Corporate Deposits that were allegedly diverted from the company by its former promoters, the Singh brothers

### Data Alert

#### Overseas

- US GOLDMAN SACHS WEEKLY CHAIN STORE SALES INDEX
- US JOHNSON REDBOOK RETAIL SALES INDEX

#### Domestic

- Water level in major reservoirs as on Jul 5

### Actions watch

#### BONUS

Company	Ratio	Ex.date
AVANTIFEED	1:2	26-JUN
GICRE	1:1	12-JULY
NIACL	1:1	27-JUN

#### Major Dividends

Company	Div/Share	Ex.date
RIL	03.50 Rs	04-JUL
SUNDARMFN	07.00 Rs	04-JUL
HAVELLS	04.00 Rs	04-JUL
TATASTEEL	10.00 Rs	05-JUL
BAJAJ-AUTO	60.00 Rs	05-JUL

#### DERIVATIVES IN BAN PERIOD

#### RESULT TODAY

ALPHA  
GMBREW  
SELMCL  
STEELCO

### Thought of the day

**Successful traders always follow the line of least resistance. Follow the trend. The trend is your friend**  
Jesse Livermore



## Previous Tracker

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