



MARKET MANTHRA

10-Jul-2018

Domestic Indices

Indices	Close	Prv close	%Chg
NIFTY 50	10,852.9	10,772.7	0.74
NIFTY BANK	26,753.3	26,493.9	0.98
NIFTY MIDCAP 50	4,968.8	4,877.9	1.86
NIFTY AUTO	11,135.7	11,067.9	0.61
NIFTY IT	14,108.9	14,015.9	0.66
NIFTY METAL	3,366.4	3,322.1	1.33
NIFTY REALTY	269.4	267.3	0.77
INDIA VIX	12.4	12.4	-0.68

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 Nifty 50 ended near its four-week high, and the BSE Sensex notched its highest closing level since Feb 1, as investors' appetite for equities showed some recovery. Domestic equities were also supported by gains in global equity markets as investors' focus went back to corporate earnings and away from trade tension after US implemented tariffs on \$34 bn worth of Chinese goods last week. Apart from banking, financial services, insurance, and oil companies, ratings agency Crisil expects growth in the overall corporate revenue to hit a 12-quarter high of 12.8% on-year in the first quarter of 2018-19 (Apr-Mar).

Global Market

Stocks in Asia rose, tracking global equities that gained Monday after investors looked beyond the ongoing trade tensions between the US and China, and focused on corporate earnings, started this week. Expectation of robust earnings in the June quarter due to a spate of positive economic data from the US and higher crude oil prices boosted sentiment and led to a rally in stocks on Monday. The fall in pound sterling led to overnight gains in the dollar index and, in turn, weighed on the yen

Market preview

Benchmark share indices are seen extending gains from Monday, tracking global markets which rose as investors shifted their focus to corporate earnings from concern over a trade war. Investors will focus on Tata Consultancy Services ahead of its Apr-Jun earnings after market hours today. Any major movement in shares of Nifty 50 heavyweight will steer the index. Sentiment is likely to remain upbeat as the increase in minimum support prices for kharif crops is seen aiding rural demand. A hike in the minimum support prices will help raise the spending capacity of farmers. In specific stocks, shares of IndusInd Bank will be in focus as the lender will report its Apr-Jun earnings today.

News corner

Corporate

Britannia hits lifetime high on earning growth prospect

Shares of bakery and dairy products maker Britannia Industries rose for the fourth trading session and hit a lifetime high of 6,407.15 rupees after the government hiked the minimum support prices. Britannia Industries will be one of the key beneficiary from the rise in farm income as this will improve demand for their biscuit products in rural India,

Tata Comm up; to offer software solutions to Chinese company

Shares of Tata Communications rose nearly 2% today after the company said it has tied up with China-based Hongdian Corp as its global strategic partner to provide mobile network connectivity for the latter's integrated Internet of Things solutions. Hongdian Corp is a global provider of machine-to-machine and Internet of Things connectivity products and services. Through Tata Communications' Internet of Things platform 'MOVE', Hongdian can resolve network connection problems in different countries and regions to improve cross border communications. Hongdian will provide business services in security control, while curtailing costs

Domestic

As rupee slumps, unhedged FX exposure a dilemma for corporate

As the rupee nearing an all-time low against the US dollar, no section of the currency market was as perturbed as importers with unhedged exposures, who were caught off guard by the domestic currency's weakness. Most importers had been sanguine on the rupee for a while now, because of which they had avoided hedging a significant portion of their dollar deliverables even when the rupee had weakened beyond 68-a-dollar mark last month. However, as the Indian currency plunged to 69.09 per dollar today, its weakest ever level, importers are now forced to reconsider their decision to leave currency exposure unhedged. While it was expected that the rupee would remain on a back foot this calendar year, most importers had been confident that the currency would not break the earlier record low of 68.86 a dollar.

International

COMMODITY

CRUDE OIL: Futures closed slightly higher on Monday on concern over possible disruptions in crude oil production in Libya and Venezuela, and exports from Iran. According to media reports, top diplomats from Germany, UK, France, Russia, and China reaffirmed their commitment to the 2015 pact on Friday, known as the Joint Comprehensive Plan of Action after the US withdrew from Iran nuclear deal. Further, US President Donald Trump demanded Saudi Arabian officials increase production and lower prices in a series of tweets, which helped to restrain a sharp rise in prices.

GOLD: Futures gained on Monday, touching their highest level in two weeks earlier in the day as some market participants covered their short positions on the yellow metal. Demand for the safe-haven metal rose after Trump raised concern that China may seek to hamper North Korea's denuclearisation efforts, though he was confident North Korean leader Kim Jong Un will uphold his end of the agreement.

Stock to watch

- **ASTRAL POLY TECHNIK:** The board has approved acquiring entire stake in Rex Polyextrusion for 1.47 bln rupees
- **AUROBINDO PHARMA:** Is in final negotiations to acquire Mallinckrodt's specialty generics business in the US, including its portfolio of opioid-based painkillers for \$850 mln-\$900 mln after talks resumed in May, sources said
- **AXIS BANK:** A consortium of lenders led by the bank has put on sale a 76 MW hydropower project--operated by Lanco Mandakini Hydro Energy--in Rudraprayag, Uttarakhand, sources said
- **BANK OF INDIA:** Has a credit outstanding of 6.01 bln rupees against Vadodara-based DIAMOND POWER INFRASTRUCTURE. Of this amount, a provision of 3.17 bln rupees has already been made
- **BOROSIL GLASS WORKS:** Made an additional investment of 149.3 mln rupees in subsidiary Klass Pack by subscribing to the rights issue, thereby increasing its stake to 70.21% from 60.30%
- **CAPITAL FIRST:** Will raise up to 1 bln rupees through non-convertible debentures maturing in three years, at a coupon of 9%
- **GAYATRI PROJECTS:** Emerged as the lowest bidder for two road projects aggregating to 27.59 bln rupees in Uttar Pradesh
- **GUJARAT STATE FERTILIZERS & CHEMICALS:** The Department of Fertilizers has agreed to release 6.93-bln-rupee subsidy on ammonium sulphate to the company that was withheld for the period between Mar 18, 2013 and Mar 5, 2017.
- **HCL TECHNOLOGIES:** Board will meet on Thursday to consider buyback of shares
- **IDEA CELLULAR:** Department of Telecommunications has approved the merger of Vodafone India with the company, with certain conditions
- **IDFC BANK:** Promoter IDFC Financial Holding has acquired 68.2 mln shares or 2% stake in the company through the open market between Jun 11 and Jul 6

Data Alert

Overseas

- **US JOB OPENINGS AND LABOR TURNOVER SURVEY** for Jun
- **THE RETAIL ECONOMIST-GOLDMAN SACHS CHAIN STORE SALES**

Domestic

- **AUTOMOBILE SALES** for Jun, to be detailed by SIAM. 1030 IST

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

IDBI	

RESULT TODAY

INDUSINDBK
KORE
PRAKASH
TCS
THIRUSUGAR

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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