



Muthoot Securities

# MARKET MANTHRA

10-SEP-2018

## Domestic Indices

Indices	Close	Prv close	%Chg
NIFTY 50	11,477.0	11,520.3	-0.38
NIFTY BANK	27,376.1	27,430.8	-0.20
NIFTY MIDCAP 50	5,139.7	5,147.6	-0.15
NIFTY AUTO	10,788.4	10,754.1	0.32
NIFTY IT	16,039.9	16,048.7	-0.05
NIFTY METAL	3,623.2	3,585.6	1.05
NIFTY REALTY	265.1	268.1	-1.12
INDIA VIX	13.6	13.8	-1.03

## 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

After moving between gains and losses through the session, benchmark equity indices ended the day higher, snapping a six-session losing run. The losses in equities, after the rupee breached the 72-a-dollar level, were offset by gains in the shares of index major Reliance Industries, Kotak Mahindra Bank and Housing Development Finance Corp. Rupee fell below 72 a dollar because foreign banks aggressively added long positions on the greenback amid increasing concerns about intensifying global trade conflict, and due to demand for dollars from importers. Nifty 50 ended the session at 11536.90 points, up 59.95 points, Sensex closed at 38242.81 points, up 224.50 points

## Global Market

Most key share indices in Asia were lower, mirroring the weakness in other equity markets as persistent tension in trade relations between the US and China kept appetite for riskier assets in check. On Friday, President Donald Trump said that the US has tariffs ready to go on another \$267 bln worth of imports from China in addition to tariffs on \$200 bln worth of goods announced earlier. However, expectation of interest rate hikes pushed the US benchmark Treasury yields

## Market preview

A fall in the rupee and the sell-off in global equities because of an escalation of trade war between the US and China will lead to losses in domestic equities at open today. Most Asian indices started the week in red on concern over the US-China trade tensions blowing up after Trump said his administration could impose fresh tariffs, which Beijing has said will be met with retaliation. Faster rate hikes could mean investors shifting some allocation to the US by pulling money out of emerging markets like India. This week, investors will eye domestic inflation data, due on Wednesday, given the recent weakness in the rupee against the backdrop of rising crude oil prices.

## News corner

## Corporate

**Tata Motors at 3-week high as JLR UK Aug sales jump 66%**

Shares of Tata Motors recovered to hit a three-week high of 271 rupees after data showed that the company's arm Jaguar Land Rover's total sales in the UK jumped 66% on year to 3,444 units in August. Land Rover sales rose 45.6% to 2,202 units, while those of Jaguar more than doubled on year to 1,242 units. The company's sales in Europe, the UK and China have been hit for the past few quarters because of a slowdown in demand and uncertainty over policies relating to diesel cars.

**Jet Air seen up as Air France-KLM may deepen alliance**

Shares of Jet Airways India are likely to rise on reports that Air France-KLM, which signed an enhanced cooperation agreement with Jet Airways last year, wants to deepen its alliance with the Indian carrier. Air France-KLM, which are also working towards aligning their frequent flyer programmes with the domestic carrier, wants to exploit an expected double-digit growth in the air travel markets of India and North America. The agreement between Jet Airways and Air France-KLM gave the former wider access to Europe and North America.

## Domestic

**Rupee breaches 72-mark against dollar**

The rupee today crashed below the 72-mark to hit an all-time low of 72.12 against the US currency, extending losses as a rout in emerging markets kept investors on edge.

Huge dollar purchases by oil importing companies along with speculative activity largely weighed on the rupee, a currency investors remained concerned over sustained foreign capital outflows and widening current account deficit in the wake of soaring crude oil prices. The rupee opened higher at 71.66 but could not sustain the gains and fell sharply to a low of 72.12 at one point in afternoon trade. In pre-close trade, the rupee was quoting at 71.97. The Reserve Bank of India was not spotted intervening after the rupee pierced the 72 level, two dealers said. It had been suspected of selling dollars earlier in the day.

## International

**COMMODITY**

**CRUDE OIL:** Prices ended at their lowest level in over two weeks on Thursday, weighed by concerns over a potential decline in global demand for crude oil in the wake of escalating trade disputes between the US and China and its impact of economic growth across the globe. However, the fall in the prices was supported by persistent risks to oil supply from Iran due to US sanctions and a hefty decline in US crude inventories. Data released by the US Energy Information Administration late on Thursday showed crude supply fell by 4.3 mln barrels in the week ended Aug 31, as against market estimate of a 2.5 mln-barrel fall. --NYMEX Oct futures (a barrel): \$67.77 Thursday vs \$68.72 Wednesday

**GOLD:** Prices extended gains on Thursday due to a weak US dollar globally. A weak US greenback makes dollar-denominated commodities such as gold cheaper for holders of other currencies. The rebound in prices above the crucial \$1,200-an-ounce mark prompted traders to cover their short positions, which boosted the prices of the precious metal

## Stock to watch

- **ABB INDIA:** Has unveiled its fast-charging system, which can power batteries of a car in flat eight minutes to run up to 200 km, at the Global Mobility Summit
- **AKZO NOBEL INDIA:** The board has appointed Rajiv Rajgopal as the managing director of the company, effective Nov 1
- **ASHOK LEYLAND:** On Friday inaugurated a new electric vehicle facility at its Ennore plant to commemorate the company's 70th anniversary
- **AXIS BANK:** After months of speculation about Shikha Sharma's successor after the central bank restricted her term at the bank, the bank has said the Reserve Bank of India has approved the appointment of Amitabh Chaudhry as its managing director and chief executive officer
- **BANK OF INDIA:** Will raise its marginal cost of funds-based lending rates across tenures by 5 to 10 basis points, effective Monday.
- **BANK OF MAHARASHTRA:** The Reserve Bank of India has imposed a penalty of 10 mln rupees each on the bank and UNION BANK OF INDIA for delay in detection and reporting of fraud in an account. BANK OF INDIA was fined the same amount for the delay in reporting fraud in certain accounts
- **BHARTI AIRTEL:** The Telecom Regulatory Authority of India has imposed penalties on major telecom operators, including Reliance Jio Infocomm, the company, Vodafone India and IDEA CELLULAR, for slipping up on various service quality benchmarks for the March quarter, sources said
- **BHARAT ELECTRONICS:** The margins of the company will fall only 50-100 basis points because of the change in the pricing policy for orders given to state-owned companies, Chairman and Managing Director M.V. Gowtama said.
- **COAL INDIA:** The Odisha pollution regulator has issued notices to the company mines with a combined annual capacity of 20 mln tn for non-compliance on environmental norms

## Data Alert

### Overseas

- GERMANY SERVICES PMI for August. 1325 IST
- EUROZONE SERVICES PMI for August. 1330 IST

### Domestic

- NIKKEI SERVICES AND COMPOSITE PMI for Aug, by IHS Markit. 1030 IST.

## Actions watch

### BONUS

Company	Ratio	Ex.date
KARURVYSA	1:10	14-AUG
BOROSIL	3:1	02-AUG
WHEELS	1:1	08-AUG

### Major Dividends

Company	Div/Share	Ex.date
ASIANILES	01.30 Rs	10-SEP
ARROWGREEN	2.00 Rs	10-SEP
IEX	22.00 Rs	10-SEP
POWERGRID	02.80 Rs	10-SEP
MARATHON	02.00 Rs	10-SEP

### DERIVATIVES IN BAN PERIOD

NA	

### AGM TODAY

RELIGARE

## Thought of the day

**Everyone has the brainpower to follow the stock market. If you made it through fifth-grade math, you can do it**  
Peter Lynch



## Previous Tracker

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