

# Morning Notes

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## Trading Range:

Nifty opened gap down at 11962 on Wednesday and made a high and low of 11962 and 11866 respectively before closing negative at 11906.

## Review/Outlook:

For the day, support for Nifty exists at 11840 and 11780 levels whereas resistance for Nifty stands at 11970 and 12030 levels.

## Review/Outlook:

Bank Nifty opened gap down at 31219, made a high of 31222, low of 30911, and closed negative at 30966. For the day, support for Bank Nifty exists at 30800 and 30600 levels whereas resistance for Bank Nifty stands at 31200 and 31400 levels.

## Market Scan

### Benchmark Indices

Index	Clsq	Chg%
Sensex	39,757	-0.48
Nifty	11,906	-0.50
BSE 200	4,969	-0.57
BSE Midcap	14,922	-0.79
BSE Smallcap	14,549	-0.48
Dow Jones	26,004	-0.17
NASDAQ	7,793	-0.38

## DERIVATIVES INDICATORS FOR JUN 13, 2019:

NIFTY	11906.20 (-59.40) (-0.50%)
NIFTY JUN FUTURE	11916.70 (10.50 Points Premium)
NIFTY PCR - OI	1.33(-0.16)
NIFTY OPEN INTEREST	1.97Cr. (-2.79%)
INDIA VIX	14.12 (-2.54%)
NIFTY ROLLOVER	7%

## NIFTY OPTIONS ACTIVITY (27-JUN SERIES)

CALL	11900 CE + 1.53 lac Shares
CALL	12000 CE + 2.88 lac Shares
PUT	11900 PE -0.43 lac Shares
PUT	11800 PE -1.61 lac Shares

### Sectoral Indices (BSE)

Index	Clsq	Chg%
Auto	18,386	-1.12
Bankex	34,780	-1.01
PSU	7,655	-0.52
Healthcare	13,045	-0.63
IT	16,081	-0.10

### Market Turn Over (`cr)

Index	12/06	11/06
BSE Cash	1,784	2,186
NSE Cash	26,006	28,846
NSE F&O	1,129,363	924,247
BSE Delivery %	41.00	40.81

**Advances / Decines BSE Cash**

	Adv(%)	Dec(%)
BSE 100	20.79	78.22
BSE 200	28.50	71.00
BSE 500	29.60	69.40
Total BSE	37.25	56.81

**Commodities, Forex & Debt**

	Clsg	Chg%
Crude Oil NYMEX \$ bl	51.09	-0.10
Gold Rs./ 10 Gms	32745.00	+0.35
Silver Rs./ Kg	36755.00	+0.05
Rs.- US \$	69.45	-0.01
Rs.- Euro	78.43	-0.33

**FII (Rs'cr')**

	12/06*	11/06*
FII's	+301.72	+320.43
MFs	-	-

\*Date refers to the day of activity and not the day on which it is reported.

Details	Buy		Sell		Open interest at the end of the day		Net Position
	No. of Contracts	Value (Rs. Cr)	No. of Contracts	Value (Rs. Cr)	No. of Contracts	Value (Rs. Cr)	Value (Rs. Cr)
Index Futures	35,331.00	2,666.23	36,351.00	2,838.86	2,37,947.00	19,742.22	(172.62)
Index Options	29,62,436.00	2,05,926.36	29,49,161.00	2,05,001.27	6,93,393.00	57,568.35	925.09
Stock Futures	1,59,183.00	9,196.20	1,68,049.00	9,478.85	14,19,711.00	86,001.85	(282.65)
Stock Options	65,089.00	3,776.87	66,806.00	3,842.52	77,768.00	4,696.97	(65.65)
Total	32,22,039.00	2,21,565.66	32,20,367.00	2,21,161.49	24,28,819.00	1,68,009.39	404.16

## Corporate News

**Tata Motors** on Wednesday reported 23 per cent decline in global sales, including that of Jaguar Land Rover (JLR) vehicles, at 82,374 units in May. The company sold 1,07,343 units in May 2018, Tata Motors said in a statement. (BL).

After the rating downgrades of Reliance ADA Group companies, a statutory auditor has resigned from **Reliance Capital (RCap)**, a systemically important non-deposit taking NBFC, and its subsidiary Reliance Home Finance (RHF). (ET).

Tata Power Solar, the renewable energy arm of **Tata Power Limited**, has launched its pan-India residential solar rooftop campaign PledgeForSolar from Tirupati seeking to inspire residents across the country to implement residential solar rooftop systems. (BL).

**Sintex Industries** has defaulted on its interest payments and principal repayments aggregating to about Rs.89 crore on non-convertible debentures. (ET).

**Mangalore Chemicals and Fertilizers (MCF) Ltd**, which was forced to shut down some of its units following water scarcity in Mangaluru in mid-May, commenced the production of ammonia, urea and ammonium bi-carbonate (ABC) units on Wednesday. (ET).

Mahindra Partners, the \$1-billion private equity division of the **Mahindra Group**, has launched TEQO, a technology-driven asset care company that offers optimisation solutions for renewable energy customers in India and abroad. (BL).

In an effort to identify heart-related risk factors for the Indian population, **Apollo Hospitals** and healthcare firm **Abbott** have come together to create a cardiac registry of sorts. (ET).

The Madras High Court on Wednesday allowed petitioners opposing and supporting the re-opening of **Vedanta's Sterlite** copper smelter in Thoothukudi to implead themselves in the case. (ET).

Air conditioning major **Blue Star** has chalked out a multi-pronged strategy to achieve a quantum leap in sales and market share in its water purifier business this fiscal. (BL).

The Rating Committee of ICRA (Investment Information and Credit Rating Agency) has reaffirmed the long-term rating of **Apeejay Surrendra Park Hotel Groups** for the captioned Line of Credit (LOC) at "[ICRA]A+" (pronounced ICRA A plus) for Rs 504.03 crore. The agency has also reaffirmed the short-term rating for the captioned LOC at "[ICRA]A1+" (pronounced ICRA A one plus). (ET).

Drug firm **Alembic Pharmaceuticals** on Wednesday said its board has approved raising of up to Rs 300 crore through issuance of non-convertible debentures (NCDs) on a private placement basis. The company, which did not specify the reasons for raising funds, said it will issue NCDs in one or more tranches. (ET).

**Parag Milk Foods** earned a revenue of about Rs 70 crore last fiscal from its manufacturing facility at Sonipat in Haryana that the company acquired from Danone and is targeting up to Rs 160 crore this financial year on better demand for its products in the northern market. (BL).

**Indiabulls Housing Finance Ltd (IHFL)** on Wednesday moved the Supreme Court seeking urgent listing

of a plea filed against it in which it has been alleged that the company misappropriated Rs 98,000 crore of public money. (BL).

The independent directors' panel of **Mindtree** has said that **Larsen and Toubro's** open offer price at Rs 980/share appears "fair and reasonable". The committee cited the closing market price of Mindtree shares on the stock exchanges on June 10, being "lower than the offer price" and said that L&T's offer price of Rs 980 a share is in accordance with the regulations and "appears to be fair and reasonable". (ET).

American Tower Corporation (ATC), an operational creditor with claim of Rs 450 crore from Videocon Telecommunications, Wednesday moved NCLT opposing the lenders plea for consolidating all the group companies of **Videocon Group** for the ongoing bankruptcy process. While the Videocon group has over 50 operational entities, the lenders are seeking to consolidate the accounts of 14 key entities for speeding up the bankruptcy process and to ensure value maximisation in case of liquidation. (BL).

**IDBI Bank** reduces its Marginal Cost of Funds based Lending Rates (MCLR) by 5-10bps across various tenors, with immediate effect. The bank has reduced its 1-year MCLR or the minimum lending rate to 8.95%, the bank said in a release. The above-revised rates are applicable w.e.f. June 12, 2019. The new overnight, one-month, six-month rates are 7.90%, 8.15% and 8.60% respectively. Also, for 1-year MCLR is the benchmark against which most customer loans such as auto, personal and home loans are priced. (ET).

## Economy and Sector News

Little Einsteins will invest \$5 million over the next 12 months to enhance its foreign language programmes, even as the edu-tech start-up is foraying into the US market. In more news, the Alkali Manufacturers Association of India (AMAI) has sought a level playing field from the government by way of increase in customs duties on caustic soda and soda ash imports, a GST structure for electricity taxes, and the imposition of export duty on salt. (BL).

Deal making through the private equity/venture capital routes saw a sharp 54 percent dip in May at a low USD 2.8 billion due to fewer large deals, according a report. There were 82 deals involving PE/VC investments of USD 2.8 billion in May, which is a 54 percent decline year-on- year, EY India said Wednesday and attributed the fall to fewer large deals, as there were only five deals of over USD 100 million during the month. In more news, Foreign Direct Investment (FDI) into India increased by 6 per cent to \$42 billion in 2018 with strong inflows in manufacturing, communication, financial services and cross-border merger and acquisition activities making it the sub-region's largest recipient, according to a UN report on world investment flows. India ranks 10th amongst the top recipients of FDI in 2018, a notch down from last year, according to the report. Global FDI flows, however, fell 13 per cent in 2018 to \$1.3 trillion, from \$1.5 trillion in the previous year - the third consecutive annual decline, according to UNCTAD's World Investment Report 2019 released on Wednesday. (ET).

While the auto sector stands on a thin ice struggling to survive the slowdown, Japanese two-wheeler maker, Suzuki Motorcycle India Pvt Ltd (SMIPL) is looking to strengthen its market presence in the

country by focusing on motorcycle segment, thanks to growing demand from youth for 'thrill-riding'. While launching the new Suzuki GIXXER SF 250 in Ahmedabad on Tuesday, Koichiro Hirao, Company Head, Suzuki Motorcycle India, said, "We aim to increase our motorcycle sales in India and achieve a double digit market share next year." The current market share is about seven per cent. Of the total sales of 7.5 lakh units recorded for 2018-19, company sold about 60,000 units of motorcycles. This year, the company aims to sell about 1 lakh units of motorcycles. In more news, the Union Cabinet on Wednesday took a host of decisions including clearing the Indian Medical Council (Amendment) Bill, 2019, SEZ (Amendment) Bill, 2019, and the Aadhaar and Other Laws (Amendment) Bill, 2019. It also ratified the Multilateral Convention to Implement Tax Treaty Related Measures to Prevent Base Erosion and Profit Shifting (MLI). (BL).

India's industrial output grew to a six-month high of 3.4 per cent in April mainly on account of improvement in mining and power generation, according to government data released Wednesday. The Index of Industrial Production (IIP) had expanded by 4.5 per cent in April 2018. The previous high in IIP growth was recorded at 8.4 per cent in October 2018. The expansion in the mining sector was 5.1 per cent compared to 3.8 per cent in the year-ago month. Similarly, the growth in the power sector was 6 per cent in April as against 2.1 per cent in the corresponding month of the last fiscal. As per Central Statistics Office (CSO) data, manufacturing growth slipped to 2.8 per cent in April from 4.9 per cent in the corresponding period last year. (ET).

\* ET - Economic Times, BS - Business Standard, BL - Business Line, TOI - Times of India, Mint, IE - Indian Express, BT - Business Today, IE - Indian Express

## Global Markets

### DJIA and NASDAQ Composite

US markets closed lower for a second consecutive day on Wednesday after the White House hardened its stance on trade talks with China. The Dow Jones Index closed at 26,005, down 43.68 points by 0.17%. The Standard & Poor's 500 index closed at 2,880, down 5.88 points by 0.20%. The Nasdaq Composite Index closed at 7,793, down 29.85 points by 0.38%.

### FTSE 100

UK markets finished in the red on Wednesday amid renewed worries about trade relations between the US and China and with sterling having traded higher throughout most of the session. The FTSE 100 index closed at 7,368, down 30.83 points by 0.42%.

### Global Indices

12/06/2019	Clsq	Chg%
Dow Jones	26,005	-0.17
NASDAQ	7,793	-0.38
FTSE 100	7,368	-0.42
Bovespa	98,321	-0.65
13/06/2019	Latest (5:57 AM IST)	Chg%
Nikkei	21,086	-0.21
Hang Seng	27,308	-1.73

## **Nikkei**

Asian share markets got off to a cautious start on Wednesday as the White House took a tough line on a trade deal with China, just as investors were bracing for the latest batch of economic data from the Asian giant. Nikkei is currently trading at 21,086, down 43.63 points by 0.21%.

## **Precious Metals**

Gold prices scored back-to-back session gains on Wednesday, with global headlines emphasizing trade-war uncertainty, tensions in the Middle East and protests in Hong Kong providing a lift to the haven metal.

## **Base Metals**

Zinc's three-month price on the London Metal Exchange stayed above \$2,500 per tonne at the close of trading on Wednesday June 12, with the moderate volumes traded indicating continued buying interest despite the cash/three-month spread being in a sizeable backwardation.

## **Crude Oil**

Oil prices sink to their lowest settlement in five months on Wednesday after U.S. government data showed a large increase in domestic crude inventories for the second week in a row.

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