

CORPORATE AND ECONOMY NEWS

- HDFC Bank Q1FY21 Result(YoY):** Net Interest Income up 17.8% to Rs 15,665 crore. Net profit up 19.5% to Rs 6,658.6 crore. Gross NPA at 1.36% from 1.26% in the previous quarter. Net NPA at 0.33% from 0.36% in the previous quarter. Provisions at Rs 3,891.5 crore from Rs 3,784.4 crore in the previous quarter. Bank asked to return funds debited from Altico account. Enquiry into vehicle loan brought out personal misconduct issues. 9% of customers in number and value are under moratorium.
- ICICI Lombard General Insurance Q1FY21 Result(YoY):** Gross premium down 5% at Rs 3,394 crore. Net income up 28% to Rs 398 crore. Solvency at 2.5 times from 2.17 times in the previous quarter. Combined ratio at 99.7% from 100.4%. Net earned premium from health insurance up 10% to Rs 588 crore. Net earned premium from motor insurance down 2% to Rs 1,452 crore.
- M&M Financial Q1FY21 Result(YoY):** Total income up 8% to Rs 3,056.6 crore. Net profit up more than four times to Rs 431.7 crore. AUM up 14% to Rs 81,000 crore. Exceptional gain of Rs 229 crore post dilution of 49% stake in JV agreement with Manulife Asset Management. Gross Stage 3 assets at 9.19% from 8.17% last year. Net stage 3 assets at 5.72% from 6.27% last year. Provision Coverage Ratio at 40.1% from 24.9%. Provisions for Covid-19 at Rs 664 crore. 40% of moratorium availed customers repaying instalments.
- Hathway Cable and Datacom Q1FY21 Result(YoY):** Revenue down 6.7% to Rs 419.6 crore. Net profit of Rs 65.9 crore from net loss of Rs 9.7 crore. Ebitda up 26.9% to Rs 118.3 crore. Ebitda margin at 28.2% from 20.7%. Higher finance costs in the base quarter impacted the bottomline. Broadband revenue up 9% to Rs 146.5 crore. Cable television revenue down 14% to Rs 273 crore.
- Other Results:** Gravita India Q4(Good), Banco Products Q1(Weak)
- M&M Financial Right Issue:** The board approves a rights issue for an amount not exceeding Rs 3,500 crore. The issue price for the same has been set at Rs 50 per share. Record date for the same has been fixed at July 23, 2020. The rights issue opens on July 28 and will close on August 11, 2020. The entitlement ratio for the rights issue has been set at one fully paid-up equity share for every one fully-paid up equity share held by the shareholder as on the record date.
- Muthoot Finance:** Board unanimously decided to defer the proposal to sub-divide the equity shares to a future date despite the share price movement over the last few months and financial indicators were found to be ideal for a stock split.
- Yes Bank:** FPO subscribed 95% on day 3. QIB portion subscribed 1.9 times, HNI portion subscribed 0.63 times while retail portion subscribed 0.47 times. The bank has raised Rs 14,267 crore through the FPO.
- Glenmark Pharmaceuticals:** The Drugs Controller General of India (DCGI) has asked for a clarification from Glenmark Pharmaceuticals regarding its alleged "false claims" on the utilisation of anti-viral FabiFlu (favipiravir) on Covid-19. The top drug regulator has also asked for an explanation on the "pricing" of the drug.
- Hindustan Unilever:** FMCG major HUL said it has temporarily closed down its Haridwar plant, where several of its employees have been tested positive for COVID-19. The company did not disclose the exact number of employees but reports say 33 workers have been tested positive.
- Vodafone Idea:** Telecom major Vodafone Idea said it has paid the telecom department Rs 1000 crore more, its third tranche towards adjusted gross revenue (AGR) dues, taking the total amount paid to the government so far to Rs 7854 crore.
- Cadila Healthcare:** Zydus gets final approval from the U.S. FDA to market Butalbital, Acetaminophen and Caffeine tablets. The drug is used to treat symptom complex of tension headache. The drug will be manufactured at Neshor Pharma's manufacturing facility at St. Louis.

Source: Bloomberg, Economic Times, Business Standard, Business Line, Times of India, Mint, Indian Express, Business Today, Indian Express, Money Control.

MARKET SCAN

INDIAN INDICES

Index	Clsg	Chg
Sensex	37020	1.50%
Nifty	10902	1.51%
Bank Nifty	21967	1.71%
IND VIX	24.16	-4.75%

GLOBAL INDICES

DJIA	26,672	-0.23%
Nasdaq	10,503	0.28%
FTSE	6,290	0.63%
CAC	5,069	-0.31%
DAX	12,920	0.35%
Nikkei	22,621	-0.33%
Hang Seng	24,952	-0.55%

Source: in.investing.com; As on 8.05 am IST

SECTOR INDEX (NSE)

IT	16821	-0.62%
Infra	3092	2.52%
Energy	14942	4.20%
FMCG	31439	0.82%
Pharma	10472	0.87%
Auto	7137	1.73%
Metals	2103	1.56%
Midcap	15242	1.39%
Nifty 500	8895	1.47%

DII/FII INVESTMENT (IN.CR.)

FII/FPI	697.08
DII	-209.42

FOREX MARKET

USDINR	74.90	0.00%
EURINR	85.53	0.00%

COMMODITY MARKET

Gold (\$/OZ)	1808	-0.09%
Copper(\$lb)	2.888	-0.49%
Brent (\$/Bbl)	42.88	-0.60%
Silver(\$/OZ)	19.67	-0.44%

Source: in.investing.com; As on 8.05 am IST

GLOBAL MARKETS

DJIA and NASDAQ Composite

The S&P 500 ended higher on Friday as investors weighed the prospects of more fiscal stimulus against fears of further business disruptions due to a record rise in COVID-19 cases. The Dow Jones Industrial Average fell 0.23% to end at 26,672.36 points, while the S&P 500 gained 0.29% to 3,224.75. The Nasdaq Composite climbed 0.28% to 10,503.19.

Crude Oil

Oil prices dipped on Monday, weighed down by the prospect that a rise in the pace of coronavirus infections could derail a recovery in fuel demand. Brent crude was down 10 cents, or 0.2%, at \$43.04 a barrel by 0047 GMT, after dropping slightly last week. U.S. oil was off by 6 cents, or 0.2%, at \$40.53 a barrel, after gaining 4 cents last week.

SGX Nifty: Trends on SGX Nifty indicate a Flat to negative opening for the index in India with a 28 points loss. The Nifty futures were trading at 10,903 on the Singaporean Exchange around 08:10 hours IST

TECHNICAL VIEW

Nifty Outlook:

Nifty opened gap up on Friday at 10752, made a high of 10933, made a low of 10750, and closed on a positive note at 10902 levels. For the day, support for the Nifty exists at 10850 and 10700 levels, whereas resistance for Nifty stands at 10950 and 11000 levels.

Bank Nifty Outlook:

Bank Nifty opened gap up on Friday at 21608, made a high of 22065, made a low of 21551, and closed on a positive note at 21967 levels. For the day, support for Bank Nifty exists at 21500 and 21000 levels, whereas resistance for Bank Nifty stands at 22200 and 22600 levels.

DERIVATIVES INDICATORS

		NIFTY OPTIONS ACTIVITY (30-JUL SERIES)	
NIFTY	10901.70 (+161.75) (+1.51%)	CALL	11000 CE -0.80 lac Shares
NIFTY JUL FUT	10905.05 (3.35 Points Premium)	CALL	11100 CE +1.72 lac Shares
NIFTY PCR - OI	1.75 (+0.14)	PUT	10900 PE +2.34 lac Shares
NIFTY OI (Total)	1.25 Cr. (+2.21%)	PUT	10800 PE +6.76 lac Shares
INDIA VIX	24.16 (-4.75%)		
BANKNIFTY	21966.80 (+1.71%)		
BANKNIFTY JUL FUT	21971.10 (4.30 Points Premium)		
BANKNIFTY OI (Total)	16.47 Lakh (-1.73%)		

FII DERIVATIVES STATISTICS (In Cr.)

INDEX FUTURES	652.35
INDEX OPTIONS	566.99
STOCK FUTURES	294.01
STOCK OPTIONS	-35.61

Securities in Ban for Trade Date 20-JULY-2020: **SUNTV, IDEA, CENTURYTEX, PNB, CANBK, L&TFH, BHEL, GLENMARK, NATIONALUM.**

Key Results Today: ACC, SBI Cards and Payment Services, Bombay Dyeing, Den Networks, NRB Bearings, Swaraj Engines, State Trading Corporation.

Retail Research Technical & Fundamental Calls for the month of July-2020

Positional Calls (For 1-3 Months)

Date	Company	Rec	Rec Price	Stop Loss	Target	Status	Net Returns%
29-Jun	BATAINDIA	Buy	1295-1305	1235	1400-1450	Part Book	2.74%
2-Jul	LT	Buy	935-945	874	1030-1070	Open	
6-Jul	CADILAHC	Buy	365-368	344	400-410	Open	
6-Jul	AKZOINDIA	Buy	1800-1820	1670	2000-2100	Part Book	2.79%
6-Jul	VINATIORGA	Buy	995-1005	935	1080-1120	Part Book	3.20%
6-Jul	TORNTPHARM	Buy	2340-2350	2210	2550-2600	Part Book	3.68%
8-Jul	AARTIIND	Buy	935-943	880	1020-1050	Open	
8-Jul	SUPREMEIND	Buy	1130-1140	1065	1250-1270	Part Book	3.83%
10-Jul	CUMMINSIND	Buy	394-398	370	440-450	Open	
13-Jul	TATACHEM	Sell	300-304	323	265	Part Book	3.17%
14-Jul	ENGINERSIN	Buy	70.5	64.50	80-84	Part Book	4.16%
15-Jul	CROMPTON	Buy	238-240	224	265-270	Open	
16-Jul	CDSL	Buy	288-290	272	320-330	Part Book	3.35%
17-Jul	BALKRISIND	Buy	1250-1260	1190	1350-1370	Open	

Investment Idea (For Long Term)

Date	Company	Rec	Rec Price	Target	Status	Returns%
30 Aug 19	INDHOTEL	Accu	135-140	190.00	Open	
15 Oct 19	JKPAPER	Accu	111	141.00	Open	
16 Oct 19	MOLDTKPAC	Accu	298-302	344.00	Open	
2 Jan 20	PSPPROJECT	Accu	490-500	590.00	Open	

Asit C. Mehta

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