

NIFTY OUTLOOK


- Nifty managed to settle marginally higher and closed at 10943.60, tracking mixed cues. The bias was positive in first half of the week but selling pressure in the last two sessions pared the gains significantly.
- Technically, divergence between the benchmark index and broader markets is clearly denting the sentiment. And, in absence of any reversal signal, we advise keeping cautious view and preferring balanced approach in trading.
- Nifty has immediate support at 10,800 and its breakdown could trigger further fall. On upside, 11,100 is going to be a crucial hurdle. In short, we expect sideways bias to extend in the near future.

SECTOR WATCH

SECTOR	CMP	% CHANGE	TREND	STOCKS TO WATCH OUT FOR
AUTO	8420.35	-0.25%	Sideways to Bullish	BAJAJ-AUTO, HEROMOTOCO
NIFTY BANK	27294.4	0.77%	Sideways to Bullish	KOTAKBANK, HDFCBANK
FIN SERVICE	11540.25	0.69%	Sideways to Bullish	BAJFINANCE
FMCG	29769.05	-1.43%	Sideways to Bullish	HINDUNILVR, JUBLFOOD
IT	16019.8	1.88%	Bullish	HCLTECH, INFY, TCS
MEDIA	2214.35	5.58%	Sideways to Bullish	INOXLEISUR, ZEEL
METAL	2740.5	-2.67%	Bearish	COALINDIA, HINDALCO, TATASTEEL, VEDL
PHARMA	8984.85	0.17%	Sideways to Bullish	DRREDDY, DIVISLAB, SUN PHARMA
ENERGY	15013.65	0.25%	Sideways to Bullish	RELIANCE
REALTY	226.65	-2.05%	Bearish	DLF, IBREALEST

DERIVATIVES OUTLOOK

- Nifty futures volume weighted average price (VWAP) is at 10950 and BankNifty futures is at 27300.
- Call writing was seen at Nifty 11200 strike and Put writing was seen at Nifty 10600 strikes.
- Maximum positions are at 11000 CE and 10700 PE. Nifty is expected to be in the range of 10700-11100.
- Media stocks gained the most during the week where as Power and Infrastructure stocks losses the most during the week.
- FIIs were net buyer of around Rs 2538 Cr in cash segment whereas DIIs were net buyer of around Rs 943 Cr in cash segment during the week (Friday– to-Thursday).
- VIX is likely to hover around 15%-20% range for the next week.

Strategy - CEATLTD FUT added around 11% in open interest as short buildup was seen in it in previous session. Current chart pattern also indicates further down move in its price. We suggest buying CEAT 1080 PE as per below levels .

Strategy:- BUY CEATLTD 1080 PE BETWEEN 36-38, STOPLOSS AT 25, TARGET 70.

LONG BUILDUP (Weekly change)

SYMBOL	PRICE	% CHANGE IN PRICE	OPEN INTEREST	% CHANGE IN OI
DISHTV	29.70	21.20	59368000	8.0
SRF	2229.00	13.10	999500	41.0
MANAPPURAM	104.10	11.10	10656000	39.50

SHORT BUILDUP (Weekly change)

SYMBOL	PRICE	% CHANGE IN PRICE	OPEN INTEREST	% CHANGE IN OI
RPOWER	11.10	-58.00	90032000	110.90
CONCOR	510.45	-22.60	2619588	59.40
ADANIPOWER	35.75	-19.30	156060000	1.70

Weekly News

Bajaj Electricals' net revenue for the quarter grew by 89% YoY to Rs 2,162cr, wherein revenue from both the verticals i.e. Consumer Products and EPC grew by 26.7% and 157% YoY respectively. On operational front, EBITDA nearly doubled to Rs 138cr, while margins improved slightly by 24bps to 6.4%. PAT grew by 74% YoY to Rs 64cr.

MRF's Q3FY19 revenue grew by 6% YoY to Rs 4,034cr. However, on operational front, the company delivered poor numbers. EBITDA de-grew by 21.5% YoY to Rs 552cr, while margins contracted by 482bps YoY to 13.7%. PAT for the quarter came in at Rs 279cr, down by 18% YoY.

Lupin's Q3FY19 revenue grew by 13.3% YoY to Rs 4,505cr. EBITDA grew by 9.3% YoY to Rs 753cr, while margins declined by 60bps YoY to 16.7%. The company reported net loss for the quarter at Rs 151.7cr, led by an exceptional loss of Rs 342.2cr related to Perindopril litigation.

ACC's Q3FY19 net sales grew by 11% YoY at Rs 3,789cr, driven by volume growth of 8% YoY and 15% YoY respectively across cement and ready mix concrete segment. EBITDA of the company grew by 15% YoY at Rs 511cr, while margins improved by 44bps YoY to 13.1%. PAT stood at Rs 732cr, which included Rs 501cr related to write back of tax provisions.

Tata Motors' Q3FY19 consolidated revenue grew by 5% YoY to Rs 77,001cr, wherein standalone revenue growth stood at 1.5% YoY and JLR revenue declined by 1% YoY. Consolidated EBITDA declined by 21% YoY to Rs 6211.5cr, while margins fell sharply by 267bps to 8.1%. The company reported net loss of Rs 26,961cr vs profit of Rs 1,214.6cr in Q3FY18 led by an exceptional loss of Rs 27,837.9cr related to asset impairment in JLR.

Exide Industries' standalone revenue grew by 9.7% YoY to Rs 2,497cr, led by volume growth in automotive, motorcycles, UPS, and solar batteries. EBITDA for the quarter grew by 10.6% YoY to Rs 312.5cr while EBITDA margins improved by 11bps YoY to 12.5%. PAT grew marginally by 0.5% YoY to Rs 155cr, mainly impacted by higher finance cost.

GSK Pharma's net revenue increased by 17.2% YoY to Rs 825.3cr. However, EBITDA declined by 3.2% YoY to Rs 137.3cr, while EBITDA margins declined by 351bps YoY to 16.6%. Reported PAT surged 26% YoY at Rs 113cr, aided by one time gain of Rs 28.1cr.

VIP Industries' Q3FY19 consolidated revenue grew at a healthy pace by 27% YoY to Rs 430cr. EBITDA declined by 8.2% YoY to Rs 37.8cr, while EBITDA margins contracted by 338bps YoY to 8.8%, led by a sharp rise in the material cost. Further, PAT de-grew by 11.4% YoY to Rs 23.8cr.

Consolidated revenue of **M&M & MVML** grew by 12% YoY to Rs 12,892.5cr on the back of volume growth across segments. However, EBITDA reported marginal increase of 0.7% YoY to Rs 1702.9cr, while margins declined by 150bps YoY to 13.2%. Profit for the quarter grew by 7% YoY to Rs 1,396cr led by 3x increase in other income.

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Nature of Interest (if answer to F (a) above is Yes :

S. No.	Statement	Answer	
		Yes	No
		Tick appropriate	
	I/we or any of my/our relative has any financial interest in the subject company? [If answer is yes, nature of Interest is given below this table]		No
	I/we or any of my/our relatives, have actual/beneficial ownership of one per cent. or more securities of the subject company, at the end of the month immediately preceding the date of publication of the research report or date of the public appearance?		No
	I / we or any of my/our relative, has any other material conflict of interest at the time of publication of the research report or at the time of public appearance?		No
	I/we have received any compensation from the subject company in the past twelve months?		No
	I/we have managed or co-managed public offering of securities for the subject company in the past twelve months?		No
	I/we have received any compensation for brokerage services from the subject company in the past twelve months?		No
	I/we have received any compensation for products or services other than brokerage services from the subject company in the past twelve months?		No
	I/we have received any compensation or other benefits from the subject company or third party in connection with the research report?		No
	I/we have served as an officer, director or employee of the subject company?		No
	I/we have been engaged in market making activity for the subject company?		No

Name(s) with Signature(s) of RA(s).

[Please note that only in case of multiple RAs and if the answers differ inter-se between the RAs, then RA specific answer with respect to questions under F (a) to F(j) above , are given below]

SS..No.	Name(s) of RA.	Signatures of RA	Serial Question of question which the signing RA needs to make a separate declaration / answer	Yes	No.

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