

THE DAILY

Date: 16 Sept 2020



DOMESTIC INDICES

	Close	Points	% Change
SENSEX	39044	288	0.74
NIFTY	11522	82	0.71
MIDCAP	15015	127	0.85
SMALL CAP	15364	218	1.44

SECTORAL INDICES

	Close	Points	% Change
Healthcare	19318	366	1.93
BANKEX	25542	434	1.73
Finance	5168	70	1.37
POWER	1723	21	1.22
CG	14051	106	0.76
OIL & GAS	13306	66	0.50
TECK	9289	45	0.49
IT	19646	60	0.30
CD	24187	42	0.17
AUTO	18160	12	0.07
METAL	8725	1	0.01
REALTY	1750	-10	-0.58

BSE 200 GAINERS/LOSERS

GAINERS	%	LOSERS	%
TRENT	8.07	ENDURANCE	-2.48
JSWENERGY	5.81	ADANIENT	-2.44
DALBHARAT*	5.76	NATIONALUM	-2.42
MPHASIS	5.49	BEL	-2.05
SYNGENE	5.29	ALKEM	-2.00

ADVANCE/DECLINES

	BSE	%
ADVANCES	1580	54
DECLINES	1166	40
UNCHANGED	166	6

INSTITUTIONAL ACTIVITY

Rs Cr	15/09/20	14/09/20	Sept Total
FII	1171	298	-1335 (prov.)
MF	-896	-120	-4149 (prov.)

Markets could open flat following mildly positive Asian markets and mixed US markets on Tuesday....

Indian markets could open flat following mildly positive Asian markets today and mixed US markets on Tuesday.

U.S. stocks finished mostly higher on Tuesday as the blue-chip Dow shed early gains ahead of a policy update by the Federal Reserve. The Nasdaq led the broader market rally as technology shares continued to make up lost ground from last week's selloff.

U.S. industrial production rose 0.4% in August after a revised 3.5% gain in July. The New York Fed's Empire State business conditions index rose 13.3 points (vs 6 forecast) to 17 in September. U.S. import prices increased more than expected for the same month, supporting the view that inflation pressures were building up.

The Federal Reserve started its policy-setting meeting on Tuesday, which will be followed by a news conference and policy statement on Wednesday, while central-bank decisions from the Bank of England and the Bank of Japan are due on Thursday.

Snowflake, a provider of cloud-based data storage and analysis software, priced its IPO above its increased range in an offering that values the company at \$33.3 billion. Snowflake is selling 28 million shares at \$120 a piece, according to a person familiar with the matter who asked not to be named because the pricing hasn't been made public.

India's trade deficit widened in August as a rebound in exports flattened out and imports rose sequentially led by higher shipments of gold. The trade deficit stood at \$6.77 billion compared to a deficit of \$4.83 billion in July 2020. Merchandise exports contracted by 12.66% year-on-year to \$22.7 billion in August, compared to a contraction of 10.21% in July. Merchandise imports contracted by 26.04% to \$29.47 billion in August, compared to a contraction of 28.4% last month. Non-oil, non-gold imports fell 29.61% to \$19.35 billion in August 2020, from 29.15% last month.

Asian shares were mildly up on Wednesday as investors awaited the Federal Reserve's view on the economy at the end of its policy meeting, although upbeat Chinese and U.S. economic data is likely to give sentiment a tailwind. Provisional trade statistics from Japan's Ministry of Finance released Wednesday showed the country's exports in August falling 14.8% (vs -16.1% forecast) as compared to a year ago.

Indian equity benchmark indices opened up on Sept 15 and gradually inched up during the day to end the day higher. The Nifty closed at its highest in 8 sessions. At close the Nifty was up 82 points or 0.71% at 11521.8.

Nifty has closed well and now will face resistance from 11584.

GLOBAL INDICES

	Close	Points	% Chg
DOW JONES	27996	2.27	0.01
S & P 500	3401	17.66	0.52
NASDAQ	11190	133.67	1.21
FTSE	6106	79.29	1.32
CAC	5068	16.05	0.32
DAX	13218	24.01	0.18
NIKKEI 225	23461	6.11	0.03
SHANGHAI COMP.	3293	-2.52	-0.08
HANG SENG	24716	-17.01	-0.07
BOVESPA	100298	23.39	0.02

EXCHANGE RATES

	Value	% Change
USD/INR	73.6	0.20
EURO/USD	1.185	0.01
USD/GBP	1.291	0.15
USD/JPY	105.3	-0.13

COMMODITIES

	Value	%
Gold (\$ / Oz)	1965.6	-0.03
Silver (\$ / Oz)	27.4	-0.13
Crude Oil Futures	38.8	1.38
Brent Oil (\$ / Barrel)	41.0	1.16

BOND YIELD

	Value %	Chg bps
IND10 Yr Bond Yield	6.03	-

ADR

	Value \$	%
Dr Reddys Labs	60.5	1.34
HDFC Bank	49.5	1.37
ICICI Bank	10.2	2.11
Tata Motors	10.1	0.20
Wipro	4.65	0.87
Vedanta Ltd	7.13	0.56
INFOSYS	13.34	0.76

CSIR and Aurobindo Pharma collaborate to develop COVID-19 vaccine

Council of Scientific and Industrial Research (CSIR) and Aurobindo Pharma announced a collaboration to develop vaccines to protect against COVID-19. Under the signed agreement between CSIR-Centre for Cellular and Molecular Biology (CCMB) and Aurobindo Pharma, company will partner with CSIR for development of several novel COVID-19 vaccines. Three CSIR labs namely CCMB Hyderabad, Institute of Medical Technology (IMTECH), Chandigarh and Indian Institute of Chemical Biology (IICB), Kolkata are developing vaccine candidates using different technology platforms. Aurobindo will undertake clinical development and commercialization of the vaccines.

Bharti Airtel picks Sterlite Technologies to fiberize 10 telecom circles

Sterlite Technologies Ltd (STL), an integrator of digital networks, announced a partnership with telecom operator Bharti Airtel, to build a modern optical fibre network for Airtel across 10 telecom circles. The new optical network will enable Airtel to deliver world-class customer experience through enhanced scalability, reduced latency, and improved bandwidth.

Infosys partners with Essential Utilities for digital transformation

Infosys has been selected by Essential Utilities, one of the largest publicly traded water, wastewater and natural gas providers in the US, as a strategic partner to drive its digital transformation. Infosys, along with SAP will implement SAP S/4HANA and the SAP Customer Relationship Management and Billing for Utilities package in an agile operating model for Essential Utilities.

Procter & Gamble Health PAT grew 11% yoy at Rs 49cr

Revenues declined 14% yoy at Rs 201cr. PAT for the quarter grew 11% at Rs 49cr on lower other expenses. Other Income dipped 39% to Rs 10.7cr.

Board has recommended a final dividend of Rs 230 per share (including a one-time special dividend of Rs. 188 per share) for the year.

SpiceJet Q1FY21 result update

Revenue showed decline of 83% yoy to Rs.521 cr. The company has posted a net loss of Rs.600.5cr as compared to net profit of Rs.262.9cr in the same quarter previous year. Operating at 47% of pre-covid schedule post restart of operations, the company is operating a fleet of 13 cargo aircraft including two wide-body planes.

SpiceJet says Boeing Max compensation offer more than recognized

SpiceJet, one of the world's biggest customers for Boeing Co.'s now-grounded 737 Max jets, said an interim offer of compensation from the US plane maker is higher than what the Indian budget carrier recognized earlier.



Arvind inks Rs 10cr deal with ACT Grants to produce N95 masks

Arvind has received Rs 100 million from ACT Grants, the non-profit coalition of VC funds and start-up founders, and will employ its manufacturing expertise on Medical Products and Working Capital to create a large, integrated facility for N95 mask production and distribution. Through this partnership, Arvind and ACT Grants will jointly donate 9 million masks over the next year to charitable institutions, government bodies, and other organisations, focusing on medical and non-medical professionals with the highest risk of contracting the virus. Upon complete scale-up, the daily N95 mask production capacity will be approximately 2 lakh units which would be operated, owned and managed by Arvind.

NFL Q1 FY21 result update

National Fertilisers (NFL) reported 11% yoy rise in revenues at Rs 2832cr. Operating profit surged multi fold at Rs 322cr. Net Profit for the quarter came in at Rs 108cr as compared to net loss of Rs 64cr, a year ago.

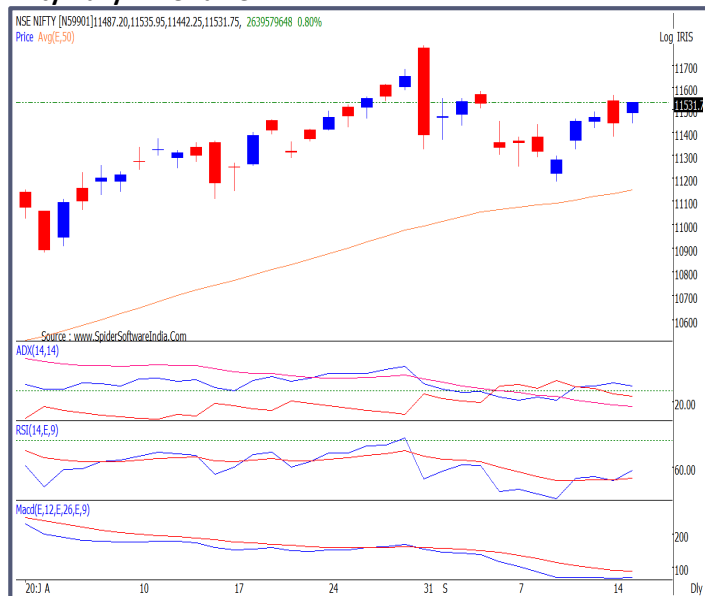
Important news/developments to influence markets

- India's trade deficit narrowed to 6.77 billion U.S. dollars in August compared to 13.86 billion U.S. dollars in the same month last year, but was up from the preceding month of July,
- China continued to tread a robust path towards economic recovery from COVID-19 in August, retail sales increased 0.5% year-on-year, beating the forecast 0.1% growth prepared by Investing.com and July's contraction of 1.1%.
- Investor sentiment in Germany rose unexpectedly in September. The survey of investors' economic sentiment rose to 77.4 from 71.5 points the previous month, confounding a forecast for a fall to 69.8.
- France's consumer price index fell 0.1% in August after +0.4% in July 2020. Year on year, consumer prices slowed down to 0.2%, after +0.8% in the previous month.
- British grocery sales rose by 5.3% year-on-year in the four weeks to Sept. 5, boosted by households working from home during the coronavirus pandemic.
- U.K. jobs market took a step backwards in August, with the unemployment rate edging higher and the number of workers falling. U.K. unemployment rate edged higher to 4.1% from 3.9% in the three months to July.
- U.K. claimant count increased by 73,000, which includes those who are eligible for assistance while still being in a job — was below the 100,000 seen by economists.
- U.S. factory production increased for a fourth straight month in August, Manufacturing production rose 1.0% last month after advancing 3.9% in July. Economists polled by Reuters had forecast manufacturing output would rise 1.2% in August.
- U.S. steel capacity utilization reached 65.1% for the week ending Sept. Production during the week totaled 1.46 million net tons, down 19% year over year but up 2.2% from the previous week. Capacity utilization for the week ending Sept. 5 reached 63.7%.

Daily View on Nifty

Nifty LTP	2-Day View	Reversal level	7-Day View	Reversal level
11521	Consolidation between 11383-11585	Move above 11585 Move below 11383	Consolidation between 11298-11585	Move above 11585 Move below 11298

Nifty Daily Timeframe



Nifty Hourly Timeframe



Technical Observations:

- Yesterday's session was the inside day, in which Nifty closed with a gain of 0.71%
- Nifty closed at 11521, the highest level for last 8 sessions
- Nifty has tested 61.8% of the entire down move seen from the recent high of 11794 to recent low of 11185.
- However, Nifty is yet to close above the 61.8% retracement resistance
- Previous top of 11585 also happens to be the stiff resistance for the Nifty
- Yesterday, Bank Nifty turned the trend in last one hour of trade from bearish to bullish
- Support for the Nifty is seen at 11383
- Trend would be considered in consolidation unless the range of 11383 and 11585 is taken out either side in Nifty

DATA & EVENTS

OPEN SHORT-TERM TRADING CALLS

NO.	RECO DT.	RECO	COMPANY NAME	ENTRY	CMP	SL	TARGET	UPSIDE %	VALID TILL
1	15-SEP-20	BUY	BANK NIFTY SEPT FUT	22535-22400	22597	22300	22975	2	18-SEP-20
2	15-SEP-20	BUY	PIDILLITE 1520 SEP CALL OPTION	31	28.5	22	48	68	22-SEP-20
3	15-SEP-20	SELL	L&T FINANCE SEPT FUT	63.80-65	63.45	65.6	61.75	3	18-SEP-20
4	3-SEP-20	BUY	NESTLE INDIA	16188.25-15900	16040	15735	16640	4	10-SEP-20
5	7-SEP-20	BUY	HUL	2155-2090	2125	2058	2290	8	21-SEP-20
6	10-SEP-20	BUY	RAIN INDUSTRIES	106-108.60	111.25	104.35	120	8	21-SEP-20
7	10-SEP-20	BUY	PEL	1329.65-1280	1348	1267	1430	6	21-SEP-20
8	11-SEP-20	BUY	MUTHOOT FINANCE	1100-1123.50	1134	1092	1157	2	22-SEP-20
9	11-SEP-20	BUY	HINDUSTAN UNILEVER	2152.55-21100	2125	2095	2217	4	18-SEP-20
10	14-SEP-20	BUY	FDC	331.50-335.35	348.8	328.7	360	3	23-SEP-20
11	14-SEP-20	BUY	FINOLEX PIPE	520-528	536.35	517.4	580	8	23-SEP-20
12	14-SEP-20	BUY	M&M	615-624.80	614.35	610	670	9	23-SEP-20
13	14-SEP-20	BUY	NTPC	91.10-87.65	90.8	86.75	96.5	6	23-SEP-20
14	15-SEP-20	BUY	BOMBAY DYEING	66-67.80	70.6	64.7	83	18	24-SEP-20
15	15-SEP-20	BUY	TIME TECHNO	39 -40.20	41.95	38.25	48	14	24-SEP-20
16	15-SEP-20	BUY	HEIDELBERG CEMENT	182-185.20	188.35	179.7	200	6	24-SEP-20
17	15-SEP-20	BUY	INDUSIND BANK	631.70-613	637.85	603	669	5	29-SEP-20

OPEN CASH POSITIONAL CALLS

NO.	RECO DT.	RECO	COMPANY NAME	ENTRY	CMP	SL	TARGET 1	TARGET 2	UPSIDE %	VALID TILL
1	30-JUL-20	BUY	GLENMARK PHARMA*	445.9	493.5	415.0	483.0	530.0	7	28-OCT-20
2	4-AUG-20	BUY	ABBOTT INDIA*	16009.0	16873.0	14800.0	17290.0	18890.0	12	2-NOV-20
3	27-AUG-20	BUY	KIRLOSKAR OIL ENGINES*	119.5	118.0	108.0	132.0	145.0	23	25-NOV-20
4	14-SEP-20	BUY	JUST DIAL	373.0	393.0	340.0	411.0	450.0	15	13-DEC-20
5	14-SEP-20	BUY	NAVIN FLUROINE	1955.0	2198.0	1680.0	2346.0	2600.0	18	13-DEC-20
6	14-SEP-20	BUY	EID PARRY	308.9	315.6	282.0	349.0	380.0	20	13-DEC-20
7	14-SEP-20	BUY	MHRIL	190.0	185.1	172.0	210.0	235.0	27	13-DEC-20
8	15-SEP-20	BUY	ERIS LIFESCIENCE	521.0	529.5	478.0	580.0	640.0	21	14-DEC-20

DATA & EVENTS

OPEN POSITIONAL DERIVATIVE CALLS

NO.	RECO DT.	RECO	COMPANY NAME	ENTRY	CMP	SL	TARGET 1	TARGET 2	UPSIDE %	VALID TILL
1	7-SEP-20	SELL	SHREE CEMENT OCT FUT	19980.0	20165.0	21000.0	18900.0	17850.0	11	TILL 29TH OCT 2020
2	9-SEP-20	SELL	IOC OCT FUT	81.0	82.9	86.0	75.0	69.0	17	TILL 29TH OCT 2020
3	11-SEP-20	SELL	TATA MOTORS OCT FUT	143.0	149.8	157.5	129.0	115.0	23	TILL 29TH OCT 2020
4	14-SEP-20	BUY	INFOSYS SEPT FUT	982.7	982.1	920.0	1049.0	1090.0	11	TILL 24TH SEPT 2020
5	15-SEP-20	BUY	LIC HOUSING FINANCE SEP FUT	294.0	296.3	281.0	309.0	330.0	11	TILL 24TH SEPT 2020

OPEN E-MARGIN POSITIONAL CALLS

NO.	RECO DT.	RECO	COMPANY NAME	ENTRY	CMP	SL	TARGET 1	TARGET 2	UPSIDE %	VALID TILL
1	23-JUL-20	BUY	MOTILAL OSWAL FINANCIAL SERV	696.0	656.0	632.0	770.0	810.0	23	23-OCT-20
2	10-AUG-20	BUY	INDIAN ENERGY EXCHANGE*	192.8	206.8	175.0	212.0	235.0	14	10-NOV-20
3	14-SEP-20	BUY	DR LAL PATH LABS	1839.1	1930.9	1690.0	2023.0	2150.0	11	14-DEC-20

*= 1st Target Achieved

**= 2nd Target Achieved



QUARTERLY RESULTS ANNOUNCED

COMPANY	Q1FY21		YoY (%)		QoQ (%)		Remarks
	Sales (Rs Cr)	NP (Rs Cr)	Sales	NP	Sales	NP	
Spicejet	521	-601	-83	PL	-81	LL	Below Estimates

PL: Profit to Loss, LP: Loss to Profit, LL: Loss to Loss



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