

THE DAILY

Date: 15 April 2021



DOMESTIC INDICES

	Close	Points	% Change
SENSEX	48544	661	1.38
NIFTY	14505	194	1.36
MIDCAP	19944	287	1.46
SMALL CAP	20805	248	1.21

SECTORAL INDICES

	Close	Points	% Change
AUTO	22137	913	4.30
METAL	15779	535	3.51
Finance	7105	230	3.34
BANKEK	36089	1121	3.20
REALTY	2502	66	2.70
OIL & GAS	14576	304	2.13
CG	20506	405	2.01
POWER	2399	39	1.64
CD	31923	130	0.41
Healthcare	22400	-151	-0.67
TECK	11990	-252	-2.05
IT	26743	-721	-2.63

BSE 200 GAINERS/LOSERS

GAINERS	%	LOSERS	%
IDBI	9.62	ASTRAL	-5.22
FEDERALBNK	8.07	LTTS	-5.10
M&M	8.02	MINDTREE	-4.41
BANKINDIA	7.27	TCS	-4.21
SAIL	7.02	DRREDDY	-4.18

ADVANCE/DECLINES

	BSE	%
ADVANCES	1936	64
DECLINES	928	30
UNCHANGED	182	6

INSTITUTIONAL ACTIVITY

Rs Cr	13/04/21	12/04/21	Apr Total
FII	-731	-1746	-5636 (prov.)
DII	244	233	7301 (prov.)

Indian markets could open higher, despite mixed Asian markets today and negative Nasdaq on Wednesday.....

U.S. stocks finished mostly higher Tuesday, led by gains in technology shares, even as long-term government bond yields retreated and economic data showed a surge in consumer prices in March. The 10-year Treasury note yield shed 5 basis points to 1.62%.

Investors also contended with some negative news on the pandemic front after two U.S. public-health agencies requested a temporary halt in the use of Johnson & Johnson's one-shot COVID vaccine out of "an abundance of caution" due to extremely rare blood-clotting issues in women.

Meanwhile, data showed U.S. consumer prices rising in March for the fourth month in a row, with the pace of inflation hitting the highest level in 2½ years. The rate of inflation over the past year shot up to 2.6% from 1.7% in the prior month, marking the highest level since the fall of 2018. U.S. data showed the consumer price index (CPI) in March rose by 0.6% - the most on a month on month basis in more than 8-1/2 years, kicking off what the majority of economists expect will be a brief period of higher inflation.

With the surge in coronavirus cases across the country once again, India is at risk of weakening the economic recovery which poses a credit negative threat, Moody's Investors Service said. "However, the targeted nature of containment measures and rapid progress on vaccinating the population will mitigate the credit-negative impact. Moody's further predicted that the GDP was still likely to grow in the double digits in 2021 given the low level of activity in 2020.

U.S. stocks closed mostly lower Wednesday, after the Federal Reserve's Beige Book pointed to a moderate pace of economic growth this spring, but a slight inflation uptick in 2021. Losses in technology shares offset gains in bank stocks after financial powerhouses JPMorgan Chase, Wells Fargo and Goldman Sachs kicked off the first-quarter earnings season by beating expectations.

Shares of Coinbase, one of the first cryptocurrency exchanges to go public, began trading at \$381 a share at 1:25 p.m. Eastern on Wednesday, after a \$250 reference price was established Tuesday afternoon, and pushed as high as \$429.54 before ending its first day of trading at \$328.28. At the closing price, Coinbase was valued at \$85.8 billion on a diluted basis.

U.S. crude for May delivery rose 4.9% to settle at a 4-week high of \$63.15 a barrel on the NYME.

GLOBAL INDICES

	Close	Points	% Chg
DOW JONES	33731	53.62	0.16
S & P 500	4125	-16.93	-0.41
NASDAQ	13858	-138.26	-0.99
FTSE	6940	49.09	0.71
CAC	6209	24.48	0.40
DAX	15209	-25.21	-0.17
NIKKEI	29655	33.51	0.11
SHNAGAI	3385	-31.31	-0.92
HANG SENG	28680	-197.00	-0.68
BOVESPA	120295	997.55	0.84

EXCHANGE RATES

	Value	% Change
USD/INR	75.1	0.20
EURO/USD	1.198	-0.02
USD/GBP	1.378	-0.03
USD/JPY	108.9	-0.02

COMMODITIES

	Value	%
Gold (\$ / Oz)	1736.0	-0.02
Silver (\$ / Oz)	25.5	-0.22
Crude Oil Futures	63.0	-0.30
Brent Oil (\$ / Barrel)	66.4	-0.21

BOND YIELD

	Value %	Chg bps
IND10 Yr Bond Yield	6.011	-0.007

ADR

	Value \$	%
Dr Reddys Labs	63.1	0.59
HDFC Bank	70.5	1.91
ICICI Bank	14.8	0.75
Tata Motors	20.1	1.98
Wipro	6.10	-2.56
Vedanta Ltd	12.07	3.34
INFOSYS	17.31	-5.97

Infosys, the country's second-largest IT services company, has maintained its constant currency revenue growth guidance for the financial year 2021-22 at 12-14 percent while reporting a 2.3 percent sequential decline in consolidated profit hit by weak operating performance. The company said the board gave the nod for a buyback of equity shares, through the open market route, amounting to Rs 9,200 crore at a price not exceeding Rs 1,750 a share

Asian equities were mixed at Thursday's open.

Indian benchmark equity indices saw a rebound from two-month lows on April 13 after a bout of short covering took the indices higher from lower levels. At close, the Nifty 50 index gained 1.4% or 194 points to end at 14,504.8. Reports of fall in incremental Covid cases and higher recoveries helped stabilised sentiments.

On April 13, Nifty respected the double bottom of 14264 made on April 12 (low made on April 13 was 14275) and bounced back smartly. On upmoves Nifty could face resistance from 14652-14683 band while 14449 and later 14264 remains a support.

Aditya Birla Capital board approves AMC arm's IPO:

Aditya Birla Capital on Wednesday said its board has approved an initial public offering of subsidiary Aditya Birla Sun Life AMC. The board has approved an offer for sale of up to 28.5 lakh shares of face value of Rs 5 held by the company in the AMC, the company said in a notification to exchanges. Sun Life (India) AMC Investments Aditya Birla Capital's joint venture shareholder in the AMC, plans to sell 3.6 crore shares through the IPO. The proposed sale from both partners amounts to 13.5 per cent of the total paid-up share capital.

HDFC Bank plans to raise Rs 50,000 cr via bonds:

HDFC Bank, India's largest lender by market capitalisation, proposed to raise 50,000 crore through debt securities, the lender said in a notification Tuesday. The amount would be raised next 12 months "via perpetual debt instruments (part of additional tier I capital), tier II capital bonds and long term bonds (financing of infrastructure and affordable housing)," the bank said in the BSE filing.

Tata Motors global wholesales rise 43% in Jan-Mar qtr:

Tata Motors on Wednesday said its group's global wholesales, including Jaguar Land Rover, increased 43 per cent to 3,30,125 units in the fourth quarter of 2020-21 fiscal. The global wholesales of the company's commercial vehicles and Daewoo range jumped 55 per cent to 1,09,428 units during the January-March quarter of 2020-21 as compared with fourth quarter of FY2020, Tata said in a regulatory filing.

Adani Green Energy's arm commissions 50 MW solar plant in Chitrakoot:

Adani Solar Energy Chitrakoot One Ltd (ASECOL), a subsidiary of Adani Green Energy Ltd NSE 2.80 % (AGEL), has commissioned a 50 megawatt solar power plant at Chitrakoot in Uttar Pradesh. The plant has a 25-year power purchase agreement with the Uttar Pradesh Power Corporation Ltd (UPPCL) at Rs 3.07 per kilowatt hour. The commissioning takes AGEL's total operational renewable capacity to 3,520 MW, a step closer to its vision of 25 GW capacity by 2025.

Airtel announces new corporate structure to tap into digital opportunities; will focus on four verticals:

Bharti Airtel announced a new corporate structure. The new structure envisages Airtel Digital Limited folding into the listed entity, Bharti Airtel. This will now house all of the digital assets Wynk Music, Airtel X stream, Airtel Thanks, Mitra Payments, Airtel Ads, Airtel IQ, Airtel Secure, Airtel Cloud and all future digital products and services.

Airtel Limited – a wholly owned subsidiary of Bharti Airtel Limited, will house all the telecom businesses, the company said. Bharti Telemedia, the arm operating DTH services will sit alongside Airtel Limited for now, the telecom operator said. It will eventually fold the DTH business into Airtel Limited to move towards the NDCP vision of converged services to customers. Airtel Payments Bank will remain a separate entity under Bharti Airtel and work closely with the growing customer base to play a pivotal role in realising the digital opportunity that payments and financial services provides.

Accenture to transform BPCL's sales and distribution network:

Bharat Petroleum Corporation Ltd (BPCL), has collaborated with Irish multinational company Accenture to transform its sales and distribution network. Through artificial intelligence (AI) and cloud technologies to build, design and implement a digital platform called Iris, Accenture will integrate real-time data from across BPCL's countrywide network, including more than 18,000 fuel retail outlets, 25,000 tank trucks, 75 oil installations, and depots, 52 liquefied petroleum gas (LPG) bottling plants and 250 additional industrial and commercial locations, to provide a consolidated view of BPCL's sales and distribution network.

Promoters willing to infuse funds into McNally Bharat:

The Khaitan family of Kolkata's Williamson Magor group is willing to infuse funds into their construction company, McNally Bharat Engineering, even as the company stares at potential bankruptcy after two lenders took it to the National Company Law Tribunal (NCLT), according to a top executive.

Infosys Q4FY21 results key takeaway:

Infosys Q4FY21 revenue was below expectation and profitability was above expectation, large deal total contract value for FY21 peaked to an all-time high of \$14.1 bn and approved share buyback of up to Rs 9,200 cr through the open market route.

Consolidated revenue grew by 4.0% QoQ and 9.4% YoY to Rs 26,311 cr vs. expectation of Rs 26,678 cr in INR term, led by healthy executions. Constant currency revenue growth at 2.0% QoQ and 9.6% YoY. Revenue in USD terms increased by 2.8% QoQ and 13.0% YoY to US\$ 3,613 mn vs. expectation of US\$ 3,665 mn. Digital revenues stood at 51.5% of total revenue vs. 50.1% in Q3FY21 and 41.9% in Q4FY20. Digital revenue increased 5.6% sequentially to \$1,859 mn in Q4FY21, but core revenue dropped 0.1% QoQ to \$1,754 mn in the quarter. EBIT de grew by 2.4% QoQ and up by 20.4% YoY to Rs 6,440 crore vs. expectation of Rs 6,234 cr. EBIT margin was down by 90bps QoQ and 150bps YoY to 24.5% in Q4FY21. Net Profit declined by 2.3% QoQ and 16.6% YoY to Rs 5,076 cr vs. expectation of Rs 4,786 cr, supported by strong demand-led revenue growth. EPS stood at Rs 45.5 in FY21 vs 38.9, in FY20. PAT margin was down by 70bps QoQ and up by 70bps YoY to 19.3% in Q4FY21.

Company's total headcount stood at 259,619 as on 31st March, 2021. Q4 voluntary attrition for IT services increased to 15.2% from 10% in Q3FY21 and 15.3% in Q4FY20 on LTM basis.

Company's added 130 clients in the quarter to 1626 vs. 1562 clients in Q3FY21 and 1411 in Q4FY20. Number of 100 mn dollar clients increased to 32 from 29 in Q3FY21 and revenue from 50 mn dollar clients stood at 59 vs 60 in Q3FY21, 10 mn dollar clients stood at 252 vs 246 in Q3FY21 and 1 mn dollar clients increased to 1626 vs. 1562 in Q3FY21. Infosys's large deal total contract value for FY21 peaked at an all-time high of \$14.1 billion with 66% being net new. Infosys has maintained its revenue growth guidance in constant currency at 12-14% for FY22, while EBIT margin growth forecast for full year also retained at 22-24%.

The company has approved share buyback of up to Rs 9,200 crore at a maximum price of Rs 1,750 per share, and also recommended dividend of Rs 15/ share to shareholders.



Wipro Q4FY21 result preview:

Wipro could report 2.9% QoQ and 2.6% YoY growth in revenues to Rs 16,125 cr in INR term. In US\$ term, revenue could grow by 3.5% QoQ and 3.4% YoY to US\$ 2,144 mn in Q4FY21. Net profit growth could go up by 1.1% QoQ and 28.8% YoY to Rs 2,996 cr in Q4FY21. EBIT margin could fall by 100 bps QoQ and up by 430bps YoY to 20.2 per cent. The management commentary on TCV (Total Contract Value), deal pipeline, pricing outlook, and earning guidance for next quarter would be key monitorables.

Important news/developments to influence markets

- India's Consumer Price Index-based inflation (CPI) for the month of March came in at 5.52 percent, rising from February's 5.03 percent.
- India's industrial production contracted by 3.6 per cent in February, official data showed. During April-February, IIP contracted by 11.3 per cent compared to one per cent growth in the corresponding period of 2019-20. Manufacturing sector output declined by 3.7 per cent in February 2021.
- Japanese bank lending rose 6.3% in March from a year earlier, as restaurants and hotels sought more loans to weather the hit from the COVID-19 pandemic.
- Producer prices in Japan were up 1.0 percent on year in March, the Bank of Japan said, exceeding expectations for 0.5 percent following the upwardly revised 0.6 percent contraction in February (originally -0.7 percent).
- In February, retail sales in Eurozone increased by 3.0% month-on-month, partially reversing a 5.2% slide from January. In February 2021 compared with February 2020, the volume of retail trade decreased by 2.9%.



Daily Technical View on Nifty

Comeback of bulls from lower range...

Observation: After showing violent decline on Monday, Nifty witnessed an excellent upside bounce on Tuesday and closed the day higher by 194 points. After witnessing a range move in the early-mid part, a sustainable buying has emerged in the afternoon. The Nifty moved up sharply towards the end and closed near the highs.

A long bull candle was formed with minor lower shadow. Technically, this pattern indicate a counter attack of bulls from the lows and this could open up more upside bounce in the short term. The sustainable upside bounce of Tuesday has also raised hopes for bulls to show another meaningful upmove from the important lower support and also lower range of around 14300 levels (previous opening upside gap of 2nd Feb and previous swing lows). Previously, the market witnessed sustainable upside bounces from near this support towards the highs of 14900 levels.

Hence, there is a possibility of history repeating again. Technically, the false downside breakout of the lower range at 14300 could signal chances of Nifty testing upper range of around 14900 levels in the near term. Follow-through upmove from here is expected to confirm this pattern.

Nifty on the weekly chart has sustained the weekly 20 period EMA at 14200 levels and showed intra-week upside bounce so far from the lows. Further upmove from here could regain the area of previous broken support of weekly 10 period EMA around 14650 levels. This is going to be positive for the markets

Conclusion: The absence of follow through weakness on Tuesday and a strong comeback of bulls from the lower supports could mean more upside in the short term. The formation of present pattern and the confirmation in the next sessions (follow-through upmove on Thursday) could eventually indicate a revisit of the upper range of 14800-14900 in the coming weeks. Immediate support is placed at 14420.

Nifty	View for 1-2 days	Reversal	7-Day View	Reversal
14504	Bullish	14350	Bullish	14250
	Target 14650		Target 14900	



SHORT TERM TRADING CALLS

NO.	RECO DT.	RECO	COMPANY NAME	ENTRY	CMP	SL	TARGET	UPSIDE %	VALID TILL
1	13-APR-21	BUY	BANK NIFTY APR FUT	31812.05-31620	31,840.00	31525	32250	1	16-APR-21
2	13-APR-21	BUY	BANK NIFTY 32000 APR CALL OPTION (29TH APR EXPIRY)	785.85	780.5	580	1200	54	16-APR-21
3	13-APR-21	BUY	HERO MOTOCORP 2900 APR CALL OPTION	57.7	66.7	42	82	23	22-APR-21
4	13-APR-21	BUY	NIFTY 14500 APR CALL OPTION (22ND APR EXPIRY)	180.5	190	145	230	21	16-APR-21
5	13-APR-21	BUY	KOTAK BANK	1776.85-1705	1775.85	1688	1880	6	22-APR-21
6	13-APR-21	BUY	LAURAS LAB	430-440.10	439.8	425	472	7	27-APR-21

OPEN CASH POSITIONAL CALLS

NO.	RECO DT.	RECO	COMPANY NAME	ENTRY	CMP	SL	TARGET 1	TARGET 2	UPSIDE %	VALID TILL
1	28-JAN-21	BUY	BIOCON*	384.3	407.0	352.0	415.0	450.0	11	28-APR-21
2	11-FEB-21	BUY	SUN TV	522.0	465.1	390.0	640.0	735.0	58	10-AUG-21
3	16-FEB-21	BUY	PNB HOUSING FINANCE*	402.1	373.1	325.0	475.0	523.0	40	15-AUG-21
4	7-APR-21	BUY	KOLTE PATIL	242.8	236.1	221.0	268.0	-	14	6-JUL-21
5	8-APR-21	BUY	CADILA HEALTHCARE*	467.9	490.0	430.0	506.0	550.0	12	7-JUL-21
6	9-APR-21	BUY	FINE ORGANICS	2458.1	2516.9	2250.0	2695.0	2990.0	19	8-JUL-21
7	9-APR-21	BUY	GLENMARK PHARMA	524.3	511.4	460.0	589.0	660.0	29	6-OCT-21
8	9-APR-21	BUY	ASTER DM HEALTHCARE	144.3	141.7	131.0	159.0	178.0	26	8-JUL-21
9	12-APR-21	BUY	ASTRAZENECA PHARMA*	3272.4	3541.5	3050.0	3549.0	3990.0	13	11-JUL-21

*= 1st Target Achieved

OPEN DERI POSITIONAL CALLS

NO.	RECO DT.	RECO	COMPANY NAME	ENTRY	CMP	SL	TARGET 1	TARGET 2	UPSIDE %	VALID TILL
1	1-APR-21	BUY	CUB APR FUT	161.5	163.3	149.0	170.0	190.0	16	TILL 29TH APR 21
2	12-APR-21	SELL	L&T APR FUT	1356.5	1381.2	1462.0	1240.0	-	10	TILL 29TH APR 21

OPEN E-MARGIN POSITIONAL CALLS

NO.	RECO DT.	RECO	COMPANY NAME	ENTRY	CMP	SL	TARGET 1	TARGET 2	UPSIDE %	VALID TILL
1	5-APR-21	BUY	TATA ELXSI*	2804.4	2827.2	2580.0	3050.0	3250.0	15	5-JUL-21
2	6-APR-21	BUY	SUN PHARMA	616.7	627.4	570.0	663.0	757.0	21	6-OCT-21
3	7-APR-21	BUY	IPCA LAB*	1939.3	2159.1	1785.0	2095.0	2190.0	1	7-JUL-21
4	12-APR-21	BUY	STAR	888.5	876.1	790.0	999.0	1100.0	26	12-JUL-21

*= 1st Target Achieved

DATA & EVENTS

QUARTERLY RESULTS ANNOUNCED

COMPANY	Q4FY21		YoY (%)		QoQ (%)		Remarks
	Sales (Rs Cr)	NP (Rs Cr)	Sales	NP	Sales	NP	
Infosys	26311	5076	13.1	17.6	1.4	-2.3	Above expectations
PL: Profit to Loss, LP: Loss to Profit, LL: Loss to Loss							

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