

Market Outlook

Indian markets are likely to see a gap up opening tracking strong global cues amid continuous optimism over growth boosters proposed in the Budget along with mostly upbeat earnings updates. However, global news flows and sector specific development will be key monitorables.

Markets Yesterday

- Domestic markets ended higher led by FMCG, BFSI and metals stocks
- US markets ended higher amid corporate's quarterly earnings and release of better-than-expected macroeconomic data

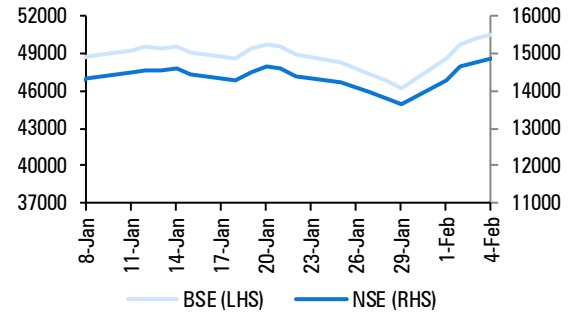
Key Developments

- RBI's monetary policy meeting is set to conclude today. We expect status quo on policy rates and accommodative stance to continue. Steps to contain sharp upward move in yields will be watched
- M&M is expected to report healthy Q3FY21E results. Standalone net sales is expected at ₹ 14,435 crore, up 17% YoY amid 7.6% decline in automotive volumes (1.22 lakh units) and 20.4% growth in tractors (1.02 lakh units). Margin performance is seen being crimped sequentially courtesy rise in raw material costs, with EBITDA and EBITDA margins expected at ₹ 2,026 crore and 14%, respectively (down 210 bps QoQ). Ensuing PAT is expected at ₹ 1,246 crore, ~3x YoY print (base quarter included exceptional charge of ₹ 601 crore). Further investment write-offs would be key monitorable

Today's Highlights

Results: M&M, Cadila, Pfizer, SKF, Gujarat Gas, Ashoka Buildcon, TCNS Clothing, GSK, Sumitomo Chemical, Ador Welding, Gulf Oil

Index Movement



	Close	Previous	Chg (%)	MTD(%)	YTD(%)	P/E (1yrfwd)
Sensex	50,614	50,256	0.7	9.4	6.0	29.5
Nifty	14,896	14,790	0.7	9.2	6.5	28.3

Institutional Activity

	CY19	CY20	YTD CY21	Yesterday	Last 5 Days
FII (₹ cr)	40,893	64,379	21,114	1,937	554
DII (₹ cr)	44,478	-28,544	-15,264	-769	1,655

World Indices – Monthly performance

	NSE	BSE	Kospi	Nikkei
Nasdaq	14,896	50,614	3,088	28,342
	5.4%	5.1%	4.9%	4.0%
Germany	Dow Jones	France	Shanghai	U.K.
14,060	31,056	5,609	3,502	6,504
3.0%	2.8%	0.8%	0.0%	-1.6%

Nifty Heat Map

ITC	230	SBI	355	Bajaj Finance	5,505	Coal India	144	ONGC	98
	6.1%		5.7%		5.0%		4.6%		4.6%
Shree Cement	27,091	M&M	867	Kotak Bank	1,910	NTPC	99	JSW Steel	400
	4.2%		4.0%		3.1%		2.2%		1.9%
Britannia	3,580	Hindalco	262	Ultratech	6,183	Hero Moto	3,441	Bajaj Finserv	9,701
	1.8%		1.8%		1.8%		1.8%		1.7%
IOC	104	Eicher	2,963	Adani Ports	568	Axis Bank	744	ICICI Bank	628
	1.7%		1.6%		1.5%		1.4%		1.0%
BPCL	419	Maruti	7,640	HUL	2,246	Tata Steel	656	Dr Reddy	4,668
	0.9%		0.7%		0.6%		0.4%		0.4%
Sun Pharma	632	HDFC Bank	1,579	GAIL	131	HDFC Ltd	2,708	L&T	1,530
	0.4%		0.3%		0.2%		0.2%		0.1%
Divis Lab	3,679	Grasim Ind	1,189	HCI Tech	958	SBI Life	864	Bajaj Auto	4,224
	0.0%		-0.2%		-0.2%		-0.3%		-0.3%
Reliance Ind.	1,924	TCS	3,188	Infosys	1,279	Nestle	17,074	Power Grid	205
	-0.3%		-0.4%		-0.4%		-0.5%		-0.6%
Titan	1,514	Wipro	430	TechM	969	HDFC Life	680	Bharti Airtel	601
	-0.8%		-0.8%		-1.2%		-1.3%		-1.4%
Tata Motors	326	Indusind Bank	1,032	Cipla	834	UPL	548	Asian Paints	2,402
	-1.5%		-1.6%		-1.7%		-1.8%		-2.1%

Markets Today (Updated till yesterday)

Commodities	Close	Previous	Chng (%)	MTD(%)	YTD(%)
Gold (₹/10 gm)	47,340	47,750	-0.9	-3.6	-5.6
Silver (₹/kg)	67,630	68,565	-1.4	-3.0	-0.7
Crude (\$/barrel)	58.7	58.5	0.5	5.1	13.4
Copper (\$/tonne)	7,852	7,787	0.8	-0.1	1.3
Currency					
USD/INR	73.0	72.9	0.0	0.0	0.1
EUR/USD	1.2	1.2	-0.3	-1.1	-1.8
USD/YEN	105.2	105.4	-0.2	-0.5	-1.9
ADRs					
HDFC Bank	80.3	80.1	0.2	11.3	11.1
ICICI Bank	17.2	17.3	-0.6	14.2	16.0
Tata Motors	22.6	22.2	2.0	27.0	79.5
Infosys	17.7	17.4	1.2	4.6	4.1
Dr Reddys Labs	62.6	61.0	2.7	2.2	-12.2
Wipro	6.5	6.5	0.6	5.5	14.9

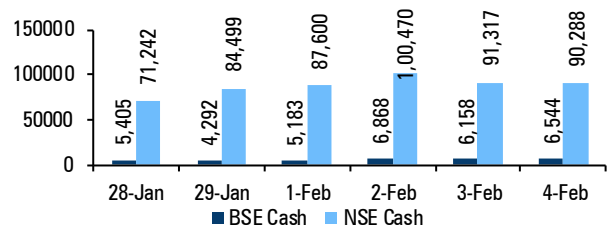
Key Data Points

Key Economic Indicator	Period	Latest	Prior Values
RBI Cash Reserve Ratio	N/A	3.00%	3.00%
RBI Repo Rate	N/A	4.00%	4.00%
RBI Reverse Repo Rate	N/A	3.35%	3.35%
CPI YY	Dec	4.59%	6.93%
Current Account Balance	Q2	15.5bn \$	19.8bn \$
Exports - USD	Dec	26.9 bln\$	23.5 bln\$
FX Reserves, USD Final	Dec	585 bln\$	575 bln\$
GDP Quarterly yy	Q2	-7.50%	-23.90%
GDP Annual	FY20	4.20%	6.10%
Imports - USD	Dec	42.6 bln \$	33.4 bln \$
Industrial Output yy	Nov	-1.90%	3.60%
Manufacturing Output	Nov	-1.70%	3.50%
Trade Deficit Govt - USD	Dec	-15.7bn \$	-9.9bn \$
WPI Food yy	Dec	-1.11%	3.94%
WPI Fuel yy	Dec	-8.72%	-9.87%
WPI Inflation yy	Dec	1.22%	1.55%
WPI Manuf Inflation yy	Dec	4.24%	2.97%

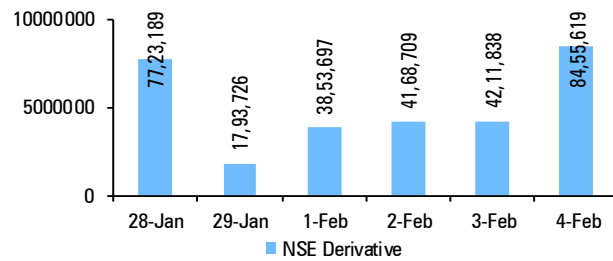
Corporate Action Tracker

Security name	Action	Ex Date	Record Date	Status	Price (₹)
IIFL Securities	Buyback			Ongoing	54.00
Exide Industries	Dividend	04-Feb-21	06-Feb-21		2.00
Accelya Solutions India	Dividend	05-Feb-21	08-Feb-21		35.00
Nippon Life	Dividend	05-Feb-21	08-Feb-21		3.00

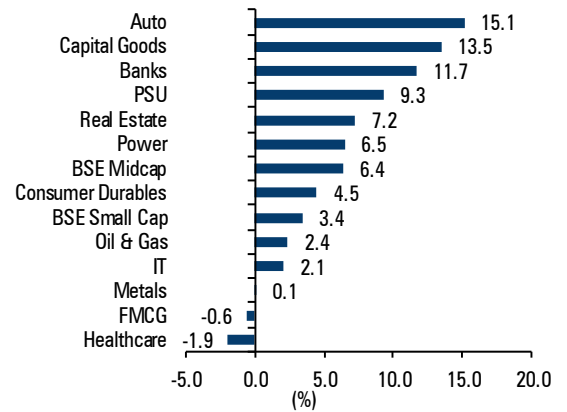
Exchange Cash Turnover (₹ crore)



NSE Derivative Turnover (₹ crore)









Sectoral Performance – Monthly Returns (%)








Key News for Today

Company/Industry	News	View	Impact
Hero MotoCorp	Hero MotoCorp Ltd (HMCL) reported healthy performance in Q3FY21. Net sales stood at ₹ 9,776 crore, up 39.7% YoY, while margins rose ~80 bps QoQ to 14.5%. Consequent PAT for the quarter came in at ₹ 1084 crore, up 23.2% YoY. The company has declared an interim dividend of ₹ 70 (includes special dividend of ₹ 5), with record date set as February 16, 2021	Revenues tracked 19.7% rise in volumes to 18.45 lakh units and 3% QoQ rise in ASPs to ~₹ 53,000/unit. Margins rose on the back of 60 bps gross margin expansion (we had estimated ~240 bps contraction). The expected shrinkage could come through in the next quarter - with the management also sounding alert on rise in key commodity prices. It expects margins to gradually taper off in coming quarter amid calibrated price hikes.	

Ipca Labs	<p>Q3FY21 revenues grew 16.2% YoY to ₹ 1410 crore (I-direct estimate: ₹ 1374 crore) mainly due to strong YoY growth of 22.0% in export formulation to ₹ 431 crore. API sales also posted a robust growth of 23.4% YoY to ₹ 352 crore. Domestic formulations grew 7.7% to ₹ 523 crore. EBITDA margins improved 346 bps YoY to 26.0% (I-direct estimates of 26.1%) due to lower employee and other expenditure partially offset by lower gross margins. Subsequently, EBITDA grew 34.1% YoY to ₹ 367 crore (I-direct estimate: ₹ 358 crore). Net Profit grew 34.3% YoY to ₹ 266 crore (I-direct estimate: ₹ 262 crore) in-line with operational performance.</p>	<p>Ipca's Q3FY21 results were in-line with I-direct estimates on all fronts (albeit skewed) led by strong growth in export institutional and API sales. In addition to decent growth in domestic formulations, the company continues to thrive on exports front, both in formulations and APIs. Going ahead, with firm growth tempo in domestic formulations, good prospects both for API exports, formulation exports, we expect further improvement in financial parameters. Ipca will continue to remain a compelling bet on the back of well-rounded growth prospects. We would get more insights post the conference call</p>	
Container Corporation of India	<p>Revenues grew 15% to ₹ 1754 crore, led by volume growth of 6% (9.7 lakh TeUs). EBITDA margins contracted 313 bps YoY to 21.2%. Employee expense was inflated higher by ₹50 crore mainly due to higher actuarial valuation led expected liability of employees (adjusted EBITDA margins came at 24.1%). Subsequently, absolute EBITDA remained flat at ₹ 372 crore. However, PAT grew 36% YoY to ₹ 238 crore, mainly due to higher other income</p>	<p>Concor reported numbers were above I-direct estimates on all fronts. Healthy realisation was mainly led by recent hike taken by the company at its flagship Tughlakabad terminal. CONCOR has received demand letters of ₹1337 crores including GST from Ministry of Railways as the annual LLF for the year 2020-21 for 21 Terminals of CONCOR, however, Concor has accounted only ₹354 crore as LLF for all railway land in 9MFY21 (as per Indian railways earlier policy) and the matter is being represented to the railways.</p>	
Trent	<p>Trent reported robust set of Q3FY21 results with significant beat especially on the profitability front. Revenue for Q3FY21 degrew by 16.6% YoY to ₹ 725.4 crore (I-direct estimate: 669.7 crore). Westside revenue (~80% of sales) were 78% compared to corresponding previous period with negative like to like sales growth of 26%. For YTD FY21, company has added 28 new stores (20 Zudio, 6 Westside, 2 Landmark). Gross margins came in at a four year high which was a positive surprise and were significantly higher than our estimates. Gross margins for Q3FY21 expanded significantly by 575 bps YoY to 56.4% (also includes reversal in inventory provisions taken in the previous quarter worth ₹ 14 crore). Subsequently, EBITDA margins improved materially by 490 bps YoY to 24.8% (I-direct estimate: 15%). On account of robust operational performance and lower effective tax rate (24% vs. 40% in Q3FY20), PAT grew by 43% YoY to ₹ 79.6 crore (I-direct estimate: ₹ 7.5 crore)</p>	<p>Revenue trajectory continues to improve on a month on month basis with encouraging trends. Management indicated that January 2021 (end of season sale month) witnessed nearly 100% revenue recovery rate in both price and volume terms. Trent has over the years consistently outperformed peers given the strong brand patronage (Westside, Zudio, Star, Zara) and proven business model (Westside: 99% private label). Given the encouraging trends in footfall traction, we anticipate revenue trajectory to further accelerate coupled with better profitability</p>	

Somany Ceramics	Somany Ceramics reported strong Q2FY21 numbers with sales volumes growth recovery faster than anticipated. The tiles sales volumes were up 11.8% YoY at 14.9 MSM with stable realisations. The overall revenues were up 12.9% YoY at ₹ 492 crore. The EBITDA at ₹ 63.3 crore, was up 10.4% YoY, largely driven by operating leverage. PAT was at ₹ 28.2 crore, up 1.7x YoY, with growth aided by superior operating performance and lower interest costs.	Somany Ceramics' (like Kajaria) performance has been robust with faster recovery in volumes, similar to its key peer. Reduction in net debt, driven by working capital optimisation, is another key. The company expects improved margins and healthy double digit growth ahead, which bodes well.	
Brigade Enterprises	Brigade Enterprises (BEL) reported resilient operating performance with robust sales volumes growth of ~42% YoY at 1.53 mn sq feet (msf). On financial reported numbers, Reported revenues grew by 16.7% YoY to ₹ 644.8 crore, on account of higher than expected revenues recognition in residential segment, while traction in hospitality and malls segment remained weak. Reported EBITDA margins were down 520 bps YoY to 23%, mainly on account of land purchase cost of ₹ 266.7 crore during the quarter. The company reported loss of ₹ 16.1 crore, due to lower margins and write-off of the investments of ₹ 40 crore	With real estate recovery being sharp and reopening aiding malls and hospitality portfolio, Brigade is poised to improve on earnings. We seek a further clarity outlook ahead from the management on sales volumes traction, going ahead.	
Jindal Stainless	Jindal Stainless reported a healthy set of performance for Q3FY21. On a standalone basis, the company reported sales volume of 250562 tonnes (up 5% YoY). Standalone EBITDA/tonne came in at ₹17745/tonne (₹12640/tonne in Q3FY21). Consolidated topline came in at ₹ 3585 crore (up 9% YoY). Consolidated EBITDA came in at ₹473 crore (up 58% YoY). Consolidated EBITDA margin came in at 13.2% as compared to 9.1% in Q3FY20. The ensuing Consolidated PAT stood at ₹ 170.2 crore as compared to consolidated PAT of ₹52 crore in Q3FY20).	Q3FY21 witnessed healthy revival in demand from end- user segments like automotive, pipes & tubes, and industrial fabrication. Backed by R&D efforts to indigenize various grades in the automotive sector, JSL was able to capitalize on the demand growth in the two-wheeler and passenger vehicle segments. Aided by the second wave of its nationwide co-branding initiative 'Jindal Saathi', the Company registered nearly 40% growth in the ornamental pipe & tube segment during the quarter. Sales in the Hollowware segment grew by ~40% in Q3FY21 as compared to previous quarter. JSL's sales in the railway wagon and metro rail segments also remained strong during the quarter.	

<p>Matrimony.com</p>	<p>Matrimony.com Ltd's (Matrimony) revenues increased 3.6% QoQ (up 7.4% YoY) to ₹ 96.7 crore mainly led by 3.8% QoQ (up 9.6% YoY) growth in matchmaking services (led by 31% YoY growth in paid subscribers). EBITDA margins increased 121 bps QoQ (up 694 bps YoY) at 18.9% mainly led by 317 bps QoQ increase in gross margins and operating leverage partially offset by 255 bps QoQ increase in advertising expenses. Net profit increased 7.4% QoQ (up 96.5% YoY) to ₹ 11.0 crore. Billing increased 3.6% QoQ (9.0% YoY) to 100.1 crore mainly led by 3.8% QoQ (11.6% YoY) growth in matchmaking services.</p>	<p>Improving billing growth, improvement in match making services, growth in personalised services & retail, healthy subscriber growth, inorganic growth and increasing market share in north prompt us to believe that the company will be able maintain healthy double digit revenue growth in coming years. In addition, expectation of stable advertising expenses and operating leverage benefit prompt us to be positive on margin trajectory.</p>	
<p>Zee Entertainment</p>	<p>Zee's revenues came in at ₹ 2729.4 crore, up 33.2% YoY boosted by content syndication deal revenue of ₹ 551.2 crore. EBITDA came in at ₹ 715.7 crore, up 26.5% YoY with margins at 26.2% YoY. Excluding syndication deal, EBITDA stood at ₹ 637.5 crore due to better topline growth. The company reported PAT of ₹ 399.9 crore, up 14.4% YoY</p>	<p>Zee Entertainment reported a good set of results for Q3FY21. Domestic ad grew 7.5% YoY while domestic subscription increased 9.3% YoY on like to like basis ahead of expectations. Ad revenue saw strong pick up sequentially owing to festivities and ad pricing reached near normal. However, with high investment proposed in content from FY22 onwards, operating margins and cash flows could remain lower.</p>	
<p>Hikal</p>	<p>Q3FY21 revenues grew 14.7% YoY to ₹ 463 crore on the back 24.8% YoY growth in Crop protection to ₹ 194 crore. Pharma segment grew 8.3% YoY to ₹ 269 crore. EBITDA margins expanded by 99 bps YoY to 19.7% due to lower staff & other expenses partially offset by lower gross margins. Subsequently, EBITDA grew 20.7% YoY to ₹ 91 crore. Net profit grew 42.0% YoY to ₹ 40 crore. Delta vis a-vis EBITDA was due to lower interest cost.</p>	<p>Q3 operational performance were in-line with I-direct estimates but profitability was lower due to higher than expected tax rate. Despite Covid-19, margin consistency is visible due to focus on high margin products and backward integration. Hikal remains a fair value proposition as it continues to expand in both pharma, crop protection segments with separate focus and a calibrated approach. This bodes well in the current scenario when Chinese supply disturbances, government incentives are likely to create opportunities for Indian players both in APIs, crop protection CDMO. We will get more insights post discussion with management.</p>	

<p>Caplin Point</p>	<p>Q3FY21 revenues grew 20.2% YoY to ₹ 274 crore. EBITDA margins improved by 89 bps YoY to 30.6% due to higher gross margins and lower other expenses partially offset by higher staff costs. Subsequently, EBITDA grew 23.9% YoY to ₹ 84 crore. However, Net Profit grew 10.1% YoY to ₹ 64 crore due to lower other income and higher tax outgo.</p>	<p>Q3FY21 operational performance was mostly in-line with our expectations, whereas profitability was below due to lower than expected other income. After scripting a unique story by growing in uncharted territories, Caplin is looking at growth in known markets. These new markets of South America, US are a big opportunity but fraught with new challenges. That said, we continue to believe in Caplin's capability to replicate the success story in new markets. By thriving in lesser known CA markets and cracking the most difficult US generic pharma code of injectables, that too in different therapies, Caplin has created its own identity with long drawn plans</p>	
<p>Bharat Electronics</p>	<p>1) BEL entered into an offset contract under invest in kind with Rosoboronexport, Russia for setting up industrial facilities under contract to manufacture a wide range of avionics hoses for all types of aircrafts operating in India at its subsidiary in Pune. 2) BEL and BPL Medical Technologies Pvt Ltd today entered into an MoU for co-operation in the field of medical products and solutions to provide affordable health care for the country and also to leverage the policy initiatives of the Indian Government, such as Make in India</p>	<p>As a result of the implementation of the Offset project, BEL will obtain a cost-effective, state-of-the-art technology based on modern production and testing machinery and proven technological processes manufacturing high-quality aviation hoses. Also, MBL MoU is in line with BELL's strategy to diversify into non-defence areas which now contributes ~10% of order book and ~7% of revenues as of now. The contribution to increase to 15% over the next 2-3 years.</p>	

Key developments (Continued...)

- Cadila Healthcare's Q3FY21E revenues are expected to grow 7.4% YoY to ₹ 3906 crore mainly due to 13% growth in the domestic markets to ₹ 1029 crore supported by Covid related products and a 6.7% YoY growth in US to ₹ 1788 crore. EBITDA margins are likely to improve 214 bps YoY to ~21.2% mainly due to lower travel & marketing spends. Subsequently, net profit is expected to grow ~32% YoY to ₹ 495 crore on the back of a better operational performance
- For Q3FY21E, we expect SKF's revenue to increase 10.4% YoY to ₹ 781 crore led by recovery in industrial activity (pre-Covid levels) and auto demand. We estimate an EBIDTA of ₹ 109.3 crore, up 50.7% YoY led by improved sales and hence positive operating leverage should aid EBIDTA margins which we expect to come in at 14% v s 10.3% YoY . Ensuing PAT is expected to come in at ₹ 73.1 crore, up 42.8% with a margin of 9.4%
- We expect Gujarat Gas' revenues to increase 4.1% YoY on account of higher volumes in Q3FY21. Volumes are expected to jump 14% YoY and 7.8% QoQ to 10.6 mmscmd mainly on account of an increase in industrial PNG segment. Gross margins are expected to increase ₹ 0.8/scm YoY to ₹ 7.3/scm. On a QoQ basis, we expect gross margins to decline by ₹ 2.9/scm due to a fall in realisations and increase in gas costs. EBITDA/scm is expected at ₹ 4.9/scm, an increase of ₹ 0.6/scm YoY and dip of ₹ 3.2/scm QoQ. Subsequently, we expect PAT at ₹ 280.1 crore, up 42.5% YoY
- Ashoka Buildcon (ABL) to report Q3 earnings today. We expect ABL to report healthy topline growth of 8% YoY at ₹ 1062 crore, driven by improved level of labour availability and smoothening of raw material supply chain. EBITDA margins are expected to be flattish YoY to 12.6%, as per the guidance of 12- 13% given during the last quarter. We expect PAT to grow 11.8% YoY to ₹ 95.6 crore driven by topline growth and stable margins. Key Monitorable: Management commentary on execution ahead and status on monetisation of Ashoka Concessions

- Sumitomo Chemical would come out with numbers today. We expect price hike for glyphosate in the last quarter due to higher demand to likely aid topline growth for Sumitomo India given the former constitutes ~12% of the group revenue. Apart from this, we also expect a price increase for other intermediates, which should have helped the company to get better realisation for the quarter. All these are expected to translate into better topline growth. We expect revenues to grow 21% YoY to ₹ 633 crore. OPM should expand 960 bps YoY to 18.3% largely due to higher gross margins, leading to EBITDA growth of 154% YoY to ₹ 116 crore. PAT is expected to remain at ₹ 58.7 crore (up 2570% YoY), largely due to a better operational performance and lower tax outgo compared to Q3FY20. Key Monitorable: Sustainability in gross margins and operating margins
- With JK Cement's grinding capacity increasing 33% YoY, we expect the sales volumes growth of 20.6% YoY, 9.8% QoQ (highest amongst I-direct universe). Strong white cement realisations along with other cost rationalisation and cost benefit from new plant should lead to 23.7% YoY growth in EBITDA/t after adjusting for higher fuel and petcoke prices during the quarter. On absolute basis, we expect EBITDA to grow by 49.1% YoY to ₹ 414.2 crore while Higher depreciation with respect to new capacity would lead to PAT growth of ~45.9% YoY for the quarter
- For SBI net interest income grew by 3.75% YoY and 2.27% QoQ to ₹ 28820 crore. Domestic NIM was stable at to 3.34% QoQ. SBI's asset quality picture within guidance is a positive surprise. Reported GNPA saw a decline of 51 bps QoQ to 4.77 % from 5.28%, while NNPA ratio declined 36 bps QoQ to 1.23%, actual proforma GNPA ratio would have been 5.44% and NNPA ratio would be 1.81% if supreme court standstill was not available. Loan growth came at 6.7% YoY to ₹ 24.56 lakh crore. Deposits grew 13.6% YoY to ₹ 35.35 lakh crore; boosted by savings deposit. Saving deposits grew by 16% YoY
- NTPC reported operationally decent set of Q3FY21 results. Reported revenues came in at ₹ 24509.3 crore. Energy sold was also higher than estimates at 60.7 BU's vs. 57.5 billion units. PLF's of the coal plants was at 64.3% flat QoQ. As of Q3FY21, the commercial capacity stood at 51170 MW whereas the installed capacity stood at 51170 MW. EBITDA came in at ₹7367.1 crore vs. our estimate of ₹ 7287 crore, mainly on account of higher revenues. The fuel cost per unit during Q3FY21 stood at ₹ 2.04/unit vs. ₹ 2.03/unit QoQ. Reported PAT came in at ₹ 3315.3 crore vs. our estimate of ₹ 3113.6 crore, on account of better operational performance
- Minda Industries reported robust performance in Q3FY21 with high double digit topline growth of 36% on YoY basis (ahead of OEM's volumes growth) and sustenance of high margin print of 14.7% being the key highlight. Consolidated revenues for Q3FY21 came in at ₹ 1,802 crore, up 35.8% with corresponding EBITDA at ₹ 264 crore. Reported consolidated PAT for the quarter stood at ₹ 108 crore vs. ₹ 45 crore in base quarter
- Sonata Software reported Q3FY21 numbers. Sonata Software reported 5.1% QoQ growth in dollar revenues (US\$41 million) in IT services segment mainly led by healthy growth across geographies. IT services rupee revenues increased 4% QoQ to ₹ 300.9 crore. IT service EBITDA margin improved 451 bps QoQ to 28.9%. Domestic revenues increased 110% QoQ to ₹ 1099.4 crore and EBITDA margin declined 126 bps QoQ to 2.5%. Hence, overall revenues increased 74% QoQ to ₹ 1,396 crore and EBITDA margin declined 297 bps QoQ to 8.2%. The company's PAT overall PAT decreased by 6% QoQ to ₹ 53.8 crore due to one time settlement of taxation of ₹ 21.8 crore. Adjusting for this one time tax settlement the company's PAT would have increased by 32.1% QoQ to ₹ 75.6 crore mainly led by healthy operating margins
- Dalmia Bharat's revenue for the quarter increased by 18.2% YoY to ₹ 2857 crore led by 14% jump in the volumes. EBITDA margins also improved to 24.2% from 18.9% last year. EBITDA/t came in at ₹1172/t vs ₹885/t reported last year. Company reported net profit of ₹183 crore vs ₹26 crore last year
- Thomas Cook's revenue for the quarter Q3FY21 improved 103% QoQ to ₹ 236.5 crore with the pick-up in the domestic holiday business while the revenues were still down by 86% on YoY basis. Net losses came down from ₹100 crore in Q2 to ₹66 crore in Q3FY21 whereas company reported net profit of ₹8.6 crore same period last year
- FDC's Q3FY21 revenues grew 5.9% YoY to ₹ 340 crore. Slow growth in acute segment amid Covid-19 impacted topline performance. EBITDA margins contracted 474 bps to 21.7%, mainly due to lower gross margins. Subsequently, EBITDA declined 13.1% YoY to ₹ 74 crore. However, Net Profit grew 1.4% YoY to ₹ 75.3 crore amid higher other income and lower tax rate (23.9% against 29.8% in Q3FY20)
- Biocon Biologics has signed an agreement with the Clinton Health Access Initiative (CHAI) to expand access to lifesaving cancer biosimilars (such as bTrastuzumab and bPegfilgrastim) in over 30 countries in Africa (25) & Asia (5) through the Cancer Access Partnership (CAP)
- Cadila Healthcare, Swiss-based Medicines for Malaria Venture (MMV) have completed Phase-I trials of ZY19489, a potential single-dose cure for Malaria. The drug demonstrated long half-life and potent antimalarial activity in malaria challenge trial following single-dose oral administration
- National Pharmaceuticals Pricing Authority (NPPA) to conduct a "prescription audit" to understand the usage of drug cocktails/ fixed dosage combinations (FDCs)
- Bhel has successfully commissioned the second unit (800 MW) of the 2*800 MW Garadwara super critical power project Stage-I
- HCL Technologies (HCL) has signed a five-year Digital Workplace Services Agreement with Airbus. HCL will establish a modernized digital workplace to enhance the user experience and service quality for the majority of Airbus employees globally

- According to Economic Times, Tata Consultancy Services (TCS) will replace 63 moons as the technology vendor for MCX
- As per media reports, oil ministry has put on hold the bifurcation plan of GAIL as bifurcation would have impacted company's ability to finance planned capex
- Indraprastha Gas has connected 1607 industrial units in Delhi to industrial PNG. Now IGL is working towards conversion of all industrial units in NCR from polluting fuel to PNG
- Bank officers' federation opposes move to privatise PSBs, The All-India Nationalised Banks Officers' Federation (AINBOF) has urged the Finance Minister to roll back the proposal to privatise two PSBs, as reported in Business Line
- Federal Bank launches 'FedFirst' savings account scheme for children below 18 years of age
- Stove Kraft is expected to be listed today. The issue price was ₹ 385
- As per BARC report, ad volume in TV has jumped 23% YoY in January, highest growth in three years
- Kusum Dadoo, independent director at Saregama board resigned citing personal reasons

Nifty Daily Chart

NIFTY[N59901] 14895.65, 0.71%

Price



Technical Outlook

Equity benchmarks concluded weekly derivative expiry session on a buoyant note and recorded a fresh all-time high of 14914. The Nifty ended the session at 14896, up 106 points or 0.7%. In the coming session, we expect index to maintain a higher high-low formation (amid volatility owing to RBI policy) as intraday dips were bought into over past couple of sessions. Hence, use intraday dips towards 14840-14865 to create long position for the target of 14958.

Going ahead, we expect the Nifty to endure its winning streak and head towards our earmarked target of 15000 in coming sessions. Key point to highlight is that, past four sessions ~1320 points rally hauled daily stochastic oscillator to the overbought territory (at 95), indicating a couple of days temporary breather at higher levels cannot be ruled out. However, we believe, temporary breather would materialise only upon a decisive close below previous sessions low (14715). Meanwhile, support base has been revised upward at 14400.

Pivot Points

Index/Stocks	Trend	Close	S1	S2	R1	R2
SENSEX	Positive	50614.3	50130	49648	50892	51170
Nifty 50	Positive	14895.7	14768	14642	14967	15040
ACC Ltd	Negative	1749.0	1723	1697	1768	1787
Axis Bank Ltd	Positive	743.9	729	712	753	762
HDFC BANK LTD	Positive	1579.1	1552	1525	1597	1615
SBI	Positive	355.1	338	321	365	375
HERO MOTOCORP LT	Positive	3440.7	3391	3342	3502	3564
MOTHERSON SUMI	Neutral	158.1	156	154	161	164
Tata Motors	Negative	326.2	322	316	334	340
M&M FIN SERVICES	Neutral	181.7	178	175	185	188
BAJAJ AUTO LTD	Positive	4223.5	4163	4101	4324	4423
TCS	Positive	3188.5	3164	3139	3226	3263
INDIAN OIL CORP	Positive	103.6	102	101	104	105
CIPLA LTD	Neutral	834.5	826	817	849	865
PIDILITE INDS	Negative	1760.0	1737	1714	1777	1795
Reliance Industries	Neutral	1924.3	1906	1888	1941	1958
BHARTI AIRTEL	Neutral	600.6	589	579	616	633
DR REDDY'S LABS	Neutral	4668.0	4624	4581	4708	4749

CNX Nifty Technical Picture

Nifty 50	Intraday	Short Term
Trend	Up	Up
Support	14845-14790	14400
Resistance	14950-14990	15000
20 day EMA	0	14316.0
200 day EMA	0	12315.0

Advances/Declines

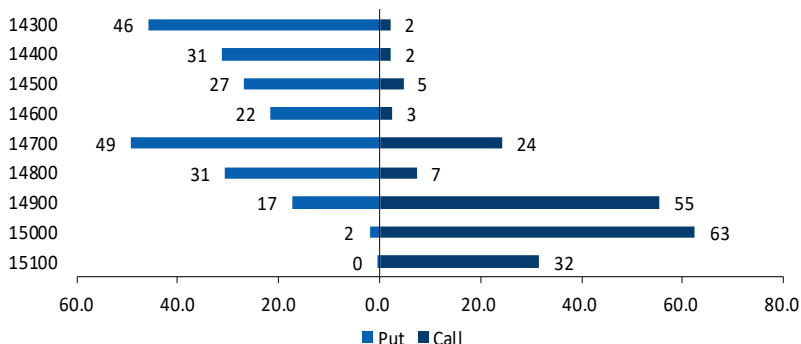
	Advances	Declines	Unchanged
BSE	1808	1176	144
NSE	1211	704	83

Daily Technical Calls

Daily Technical Calls
1. Buy Pidilite in the range of 1760.00-1766.00
2. Buy Eicher Motors in the range of 2965.00-2970.00
All recommendations of February Future

[See Momentum Pick for more details](#)

Nifty Call – Put Strike (Number of shares in lakh) – February, 2021



Intraday Derivative Strategy

i) NMDC

Buy NMDC FEB Fut at ₹118.00-118.20
 CMP: 118
 Target 1: 119.4 Target 2: 121.5
 Stop Loss: 116.8

ii) Asian Paints

Sell ASIPI FEB Fut at ₹2410.00-2411.00
 CMP: 2418
 Target 1: 2381 Target 2: 2336
 Stop Loss: 2441

[See Derivatives view for more details](#)

Results/Events Calendar

18	January Monday	19	January Tuesday	20	January Wednesday	21	January Thursday	22	January Friday	23	January Saturday
Mindtree,Rallis India Mart, Majesco	Larsen & Toubro Infotech Alembic Pharma CEAT,Tata Metaliks Vardhman Special Steel Tata Communication	Bajaj Finance,Bajaj Finserv Philips Carbon ,Havells Ind HDFC AMC,Synegene,Newgen Sagar Cement,Hind Zinc VST Ind.,Sterlite Tech.	Mphasis, Cyient,Biocon Bajaj Auto,Saregama India Zensar,Asian Paints,Bandhan Kajaria Ceramics,JK Tyre,MCX Music Broadcast,CPCL,IEX	JSW Steel,Crompton Greaves HDFC Life,Oberoi Realty Swaraj Engines Kewal Kiran,Symphony Ltd. SBI Life	Supreme India Mahindra Lifespace Supreme Ind. Polycab India UltraTech Cement						
25	January Monday	26	January Tuesday	27	January Wednesday	28	January Thursday	29	January Friday	30	January Saturday
Navin fluorine Larsen &Toubro India Cements APL Apollo Tubes	UK Unemployment Rate CH Industrial Profit	Axis Bank,Quess Digvijay Cement,HUL Marico,Jyothy Lab United Spirits JP Retail Sales	M&M Fin.,Action Const.,Lupin Bharat Elect.,Maruti Suzuki,Coforge KEC Int.,Aarti Ind.,Teamlease,Radico Laurus Labs,UBL,Eclerx,Indus Towers Tata Chem.,Pidilite Ind.,EIH,Granules	Mahindra Log.,Dabur,IndusInd Ban Tata Motors, PNC Infra,Tech Mahir Dr.Reddy's,Sun Pharma,Cipla IOC,Exide Ind.,Shankara Build. Grindwell,Vedanta,Accelya	Dwarikesh Sugar,Anup Eng. Hester Bio,Titagarh Wagons Shree Cement,Amber Ent. Relaxo,Amber Geogit Financial						
01	February Monday	02	February Tuesday	03	February Wednesday	04	February Thursday	05	February Friday	06	February Saturday
India Union Budget 2021 Kansai Nerolac,Mastek Castrol,Zydus Wellness MRPL US Manufacturing PMI	HDFC,Balrampur Chini Ratnamani Metals,Ajanta,Nocil Mangalam Cem.,Intellect,EPL Escorts,Dhampur Sugar,PI Ind. Siaram Silk,Control Print	Ramco Cement,Apollo Tyres,Vguard Transport Corp., Inox Leisure Thermax,PNC Infra, City Union Hawkins Cooker,KPR Mill,Airtel Indian Hotels,Astral Poly,Adani Gas	Concor,TCI Express,Zee Ent.,Caplin Matrimony,Minda Ind.,Birgade,NTPC Hero Moto.,Sonata Trent,IPCA Lab,Somany Cera.,SBI Sonata,Jindal Stainless,Bajaj Electrica	Sumitomo Chemical,Pfizer SKF,Gujarat Gas,Dalmia Bharat Cadila HC,Ador Welding Gulf Oil,Ashoka Buildcon,M&M TCNS Clothing,GSK	JK Cement,Divi's Lab BHEL DLINK India Birlasoft Affle						
08	February Monday	09	February Tuesday	10	February Wednesday	11	February Thursday	12	February Friday	13	February Saturday
ABFRL,Torrent Pharma Globus Spirits NMDC,Sun TV MM Forging,Jagran Prakash Elgi Equipments	Indoco, Mahanagar Gas,J&K Bank Endurance Tech,Firstsource Aster DM,TCI Express,Century Ply Firstsource,Berger Paints HEG,VST Tiller, Tractor,AIA Eng.	TTK Prestige,GSPL,Titan,Hind Rect Wabco India,Eicher Motors Happiest Minds,GAIL,NBCC,ENIL Indraprastha Gas,ESAB India Greaves Cotton,Bata India	Bosch,NCC,KNR Construction Gujarat Pipavav Port Ashok Leyland Petronet LNG Coal India,ITC	TV Today,NESCO Info Edge,Morpen Labs Bharat Forge,Sadbhav Eng. Timken,Moil,Sobha Ltd. Apollo Hospitals,Navneet Ed.	Amara Raja Batteries Kalpataru Power						
15	February Monday	16	February Tuesday	17	February Wednesday	18	February Thursday	19	February Friday	20	February Saturday
IN WPI Inflation EU Trade Balance IN WPI Manufacturing Inflation	JP Exports YoY JP Imports YoY JP Trade Balance	UK CPI YoY EU Construction Output US PPI US Retail Sales US Capacity Utilisation	EU CPI YoY EU Consumer Confidence JP Manufacturing PMI	Mahindra CIE EU Manufacturing PMI US Existing Home Sales US Manufacturing PMI US Manufacturing PMI							

Major Economic Events this Week

Date	Event	Country	Period	Actual	Expected
01-Feb	Nikkei Markit Manuf. PMI	IN	Jan	57.7	56.0
01-Feb	Manufacturing PMI	US	Jan	54.8	54.7
01-Feb	Manufacturing PMI	EU	Dec	54.7	54.7
01-Feb	Unemployment Rate	EU	Dec	8.3%	8.3%
01-Feb	Exports	IN	Jan	27.24B	27.15B
01-Feb	Imports	IN	Jan	41.99B	42.59B
01-Feb	Trade Balance	IN	Jan	14.75B	-15.44B
02-Feb	GDP YoY	EU	Jan	-5.1%	-4.3%
02-Feb	Services PMI	JP	Jan	46.1	-
03-Feb	Services PMI	EU	Jan	45.4	45.0
03-Feb	CPI YoY	EU	Jan	0.9%	0.5%
03-Feb	PPI YoY	EU	Jan	-1.1%	-1.2%
03-Feb	Crude Oil Inventories	US	Jan	-0.994M	0.446M
03-Feb	Nikkei Services PMI	IN	Jan	52.8	53.0
04-Feb	Retail Sales	EU	Jan	2.0%	1.6%
04-Feb	Initial Jobless Claims	US	Jan	779K	830k
Date	Event	Country	Period	Expected	Previous
05-Feb	Cash Reserve Ratio	IN	Feb	3.0%	3.0%
05-Feb	Interest Rate Decision	IN	Feb	4.0%	4.0%
05-Feb	Reverse Repo Rate	IN	Feb	3.4%	3.4%
05-Feb	FX, Reserves USD	IN	Feb	-	585.33B

Result Preview

Company	Revenue	Chg(%)	EBITDA	Chg(%)	PAT	Chg(%)
Crore	Q3FY21E	YoY	QoQ	Q3FY21E	YoY	QoQ
Sumitomo Chem	633.4	21.1	-29.8	116.0	153.7	-47.0
SKF India	781.0	10.4	11.1	109.3	50.7	19.0
Gujarat Gas	2,608.5	4.1	3.8	476.4	28.6	-35.0
M&M	14,435.0	16.9	23.3	2,026.0	22.8	7.2
Cadila HC	3,906.3	7.4	2.3	828.0	19.4	-4.1
Ashoka Buildcon	1,062.4	8.0	21.1	133.9	7.7	2.2

Recent Releases

Date	Report
February 04,2021	Result Update-Ratnamani Ltd.
February 04,2021	Company Update-Hawkins Cooker
February 04,2021	Company Update-Castrol India
February 04,2021	Result Update-PI Industries Ltd.
February 04,2021	Result Update-Ramco Cement



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