

Equity Research Desk

| Indices | Value | Pts | Chg (%) |
|---------------------|---------|--------|---------|
| SENSEX | 52474.8 | 174.3 | 0.33 |
| NIFTY | 15799.4 | 61.6 | 0.39 |
| SGX NIFTY* | 15759.8 | (61.3) | -0.39 |
| DOW Jones | 34479.6 | 13.4 | 0.04 |
| S&P | 4247.4 | 8.3 | 0.19 |
| Nasdaq | 14069.4 | 49.1 | 0.35 |
| FTSE | 7134.1 | 45.9 | 0.65 |
| CAC | 6600.7 | 54.2 | 0.83 |
| DAX | 15693.3 | 122.1 | 0.78 |
| Shanghai Composite* | 5224.7 | (46.8) | -0.89 |
| Nikkei* | 29072.9 | 124.2 | 0.43 |
| Hang Seng* | 28842.1 | 103.3 | 0.36 |

*As at 8.00 am

| Most Active Call & Put | | | |
|------------------------|--------------|----------|---------|
| Symbol | Strike Price | OI (000) | Chg (%) |
| NIFTY | 16000CE | 39871 | 43.3 |
| NIFTY | 15000PE | 52312 | 65.2 |

| Commodity | Price | Pts | Chg (%) |
|-------------------|--------|-------|---------|
| NYMEX Crude (USD) | 71.2 | 0.3 | 0.4 |
| Brent Crude (USD) | 73.0 | 0.3 | 0.4 |
| Gold (USD) | 1866.4 | -13.2 | -0.7 |
| Silver (USD) | 27.87 | -0.28 | -0.98 |
| Copper (USD) | 453.65 | -0.1 | -0.02 |
| Cotton (USD) | 87.3 | -0.62 | -0.71 |

| Currency | Value | Pts | Chg (%) |
|--------------|--------|-------|---------|
| USD/Rupee | 73.24 | -0.01 | -0.02 |
| Euro/Rupee | 88.67 | -0.04 | -0.04 |
| Pound/Rupee | 103.39 | 0.06 | 0.06 |
| USD/Euro | 1.21 | 0.11 | 0.09 |
| Dollar Index | 90.54 | -0.01 | -0.02 |

| Indicators | Value | Pts | Chg (%) |
|------------|-------|------|---------|
| CBOE VIX | 15.7 | -0.5 | -2.8 |
| India VIX | 14.1 | -0.9 | -6.0 |

| Indicators | Value | Bps chg |
|-------------------|-------|---------|
| India 10-Yr Yield | 6.01 | -1.3 |
| US 10-Yr Yield | 1.46 | -3.0 |

| Trade Statistics | BSE | NSE | F & O |
|--------------------|------|-------|---------|
| Turnover (INR Crs) | 5964 | 71752 | 2323418 |
| Advance (Nos) | 14 | 23 | NA |
| Declines (Nos) | 16 | 27 | NA |
| Unchanged | 0 | 0 | NA |

Market Summary

As easing restrictions from states brought back hopes of faster economic recovery, the markets rallied with both Sensex and Nifty hitting their respective all-time highs last week. It was also the fourth consecutive week of gains for the benchmark indices.

Analysts expect the investors to track the reopening of the economy, pace of Covid vaccinations, macro data and US Fed decision this week. While the overall market setup remains positive, some consolidation cannot be ruled out, they say, as benchmark indices have risen nearly 8% in a month and with the last leg of the March 2021 quarter earnings season, the stock specific action could continue.

First and foremost, participants will first react to the IIP numbers which were announced post-market hours on Friday. That apart, on the macro front, both the CPI and WPI inflation for the month of May will be released on Monday, while the Balance of Trade data for May will be announced on Tuesday. And on Friday, minutes of the recent RBI policy meeting held during June 2-4 will also be out.

Globally, markets will closely watch the outcome of the US Fed meeting on June 16 which analysts feel would keep markets volatile. Although, they expect the prevailing consolidation in the global markets to end if the US Fed reaffirms its dovish stance on interest rates amid the inflation fear.

Meanwhile, on the earnings front, 200 companies are lined up to post their quarterly figures this week, including some prominent ones such as Coal India, LIC Housing Finance, Jubilant Food works, Power Finance Corporation, Power Grid and NTPC.

Macro News

Covid-19 pandemic impact: ICRA downgrades ratings for two MFIs

Rating agency ICRA has cut rating for two MFIs and securitised loan pool on Covid-19 pressures. It downgraded the rating for ASA International India Microfinance's long term bank lines from "BBB" to "BBB-". Similarly, it cut ratings on debentures of Jagaran Microfin's (JMPL) from "BBB-" to "BB+". The rating action factors in the significant increase in delinquencies and the pressure on profitability and growth in light of the Covid-19 pandemic. It also cut rating for securitised micro-loan pool from "BB" to "BB-".

Home loans grew 76% to Rs 79,043 crore in March quarter, shows data

Home loans sanctioned by finance companies, including housing finance firms, grew 76 per cent to Rs 79,043 crore in the quarter ended March 2021 over Rs 44,907 crore in Q4FY20. Property loans also showed 21.9 per cent expansion at Rs 23,418 cr against Rs 19,207 cr in Q4FY20. A slew of steps by state governments including reduction in stamp duties drove demand for housing loans. Auto loans showed 28.3 per cent drop in sanctions at Rs 8,646 crore in Q4FY21, from Rs 12,058 crore in Q4FY20. Personal loans were down by 27 per cent at Rs 15,401 cr, from Rs 21,095 crore in Q4FY20.

Discoms' outstanding dues to gencos fall 11.2% to Rs 81,628 cr in April

Total outstanding dues owed by electricity distribution utilities or discoms to power producers fell 11.2 per cent to Rs 81,628 crore in April 2021 from a year ago. Distribution companies (discoms) owed a total Rs 91,915 crore to power generation firms in April 2020, according to portal PRAAPTI (Payment Ratification And Analysis in Power procurement for bringing Transparency in Invoicing of generators).

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Key News

Edelweiss Financial plans to slash wholesale book by half to Rs 5,900 crore

Edelweiss Financial Services plans to reduce its wholesale book from Rs 11,400 crore in March 2021 to Rs 5,900 crore in two years (2022-23, or FY23) as part of its strategy to follow an asset-light business model. The reduction in assets worth Rs 6,300 crore has happened in the last two years (2019-20 and 2020-21). The scaling-down work is expected to continue on the back of strong inflows. Edelweiss has pegged inflows of Rs 3,700 crore in the current financial year (2021-22) and Rs 3,800 crore in FY23.

Reliance Power to raise Rs 1,325 cr from Rlnfra via preferential allotment

Reliance Power Limited today announced that it will raise Rs 1,325 crore by issuing preferential shares and warrants to its parent, Reliance Infrastructure. Post conversion, combined stake of Reliance Infrastructure and other promoters will rise from the current nine per cent to around 38 per cent. Reliance Power will issue upto 59.5 crore equity shares and upto 73 crore warrants convertible into equivalent number of equity shares at Rs. 10 each by conversion of debt, to Reliance Infrastructure. The pricing is at a 21.5 per cent discount to Reliance Power's share price of Rs 12.74, as per Friday's closing on BSE.

CG Power lines up Rs 135 cr capital expenditure in current financial year

CG Power and Industrial Solutions, acquired by the Tube Investments of India group company of Murugappa Group last year, has chalked out capital expenditure plans of Rs 135 crore during the current financial year, the company said. The capex plan would be utilised to improve production at its manufacturing facilities, CG Power and Industrial Solutions said in a statement. "The Board of Directors of the company have approved a capital expenditure programme of Rs 135 crore to be implemented in the current financial year.

DLF Q4 profit up 6.4% YoY to Rs 481 cr; firm appoints new CEO

Real estate major DLF today reported a 6.4 per cent year-on-year rise in its net profit for the January-March quarter. The Delhi-headquartered firm's profit after tax rose to Rs 481 crore from Rs 452.3 crore in the corresponding quarter last year. During the period, DLF's consolidated revenue from operations stood at Rs 1,713 crore, growing 1.1 per cent over the year-ago quarter. Lower cost of materials improved its bottom-line growth. In the quarter, its cost of materials consumed declined by 9.1 per cent to Rs 871 crore.

Lumax revenue up 30% at Rs 504 crore in Q4FY21

Automobile lighting major Lumax Industries has reported revenue of Rs 504 crore for Q4 FY21 as against Rs 387 crore in the same period of previous fiscal, marking a 30 per cent increase. For fiscal year 21, revenue dropped by 11 per cent to Rs 1,426 crore from Rs 1,602 crore in FY20 due to nationwide lockdown in the first quarter. The company reported consolidated earnings before interest, tax, depreciation and amortisation (EBITDA) of Rs 65 crore in Q4 FY21 as against Rs 38 crore for Q4 FY20, up by 73 per cent. This was due to one-time impact of subsidy income of Rs 12 crore. For FY21, the company reported consolidated EBITDA of Rs 125 crore against Rs 165 crore for FY20, down by 25 per cent. Profit after tax and share of associate stood at Rs 23 crore in Q4 FY21 as against Rs 16 crore in Q4 FY20, up by 39 per cent. For FY21, the same stood at Rs 18 crore as against Rs 72 crore in FY20.

| Institutional Activity | Cash | |
|------------------------|------------|------------|
| | 11-June-21 | 10-June-21 |
| FII (INR Crs) | | |
| Buy | 5161.16 | 7447.97 |
| Sell | 5142.52 | 6118.27 |
| Net | 18.64 | 1329.70 |
| DII (INR Crs) | | |
| Buy | 5212.50 | 4282.21 |
| Sell | 4546.14 | 4857.40 |
| Net | 666.36 | (575.19) |

| FII Derivative Statistics | | | |
|---------------------------|---------------|----------------|----------|
| Particulars | Buy (INR Crs) | Sell (INR Crs) | OI (Nos) |
| INDEX FUTURES | 2590.77 | 3535.04 | 118958 |
| INDEX OPTIONS | 882249.78 | 883234.59 | 670454 |
| STOCK FUTURES | 14201.29 | 12739.75 | 1391237 |
| STOCK OPTIONS | 17792.28 | 17751.11 | 314792 |
| Total | 916834.12 | 917260.49 | |

| Gainers & Losers | | Price | Chg (%) |
|----------------------|--|----------|---------|
| Gainers (INR) | | | |
| TATASTEEL | | 1163.10 | 4.37 |
| JSWSTEEL | | 732.50 | 3.78 |
| COALINDIA | | 162.25 | 3.67 |
| DRREDDY | | 5460.00 | 3.17 |
| HINDALCO | | 393.40 | 2.08 |
| Losers (INR) | | | |
| AXISBANK | | 737.50 | -0.91 |
| DIVISLAB | | 4335.00 | -0.86 |
| INDUSINDBK | | 1015.60 | -0.85 |
| LT | | 1506.95 | -0.84 |
| BAJAJFINSV | | 11900.00 | -0.78 |

| Sectoral Performance | Value | Pts | Chg (%) |
|-----------------------|----------|---------|---------|
| S&P BSE Small Cap | 25116.30 | 100.41 | 0.40 |
| S&P BSE Mid-Cap | 22927.83 | 32.77 | 0.14 |
| S&P BSE Auto | 24108.66 | 119.97 | 0.50 |
| S&P BSE BANKEX | 39731.36 | -142.89 | -0.36 |
| S&P BSE Capital Goods | 22917.69 | -151.61 | -0.66 |
| S&P BSE FMCG | 13297.63 | -39.47 | -0.30 |
| S&P BSE Healthcare | 25466.31 | 216.47 | 0.86 |
| S&P BSE IT | 28697.07 | 414.57 | 1.47 |
| S&P BSE Metals | 19425.94 | 603.39 | 3.21 |
| S&P Oil & Gas | 17135.31 | 19.06 | 0.11 |

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| NSE Future & Option | INZ000241036 |
| NSE Currency Derivatives | INZ000241036 |
| BSE Cash | INZ000241036 |
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