

Equity Research Desk

Indices	Value	Pts	Chg (%)
SENSEX	51422.9	307.7	0.60
NIFTY	15435.7	97.8	0.64
SGX NIFTY*	15424.0	(54.0)	-0.35
DOW Jones	34529.5	64.8	0.19
S&P	4204.1	3.2	0.08
Nasdaq	13748.7	12.5	0.09
FTSE	7022.6	2.9	0.04
CAC	6484.1	48.4	0.75
DAX	15520.0	113.3	0.74
Shanghai Composite*	5294.8	(26.3)	-0.49
Nikkei*	28928.7	(220.7)	-0.76
Hang Seng*	29038.7	(85.7)	-0.29

*As at 8.00 am

Most Active Call & Put

Symbol	Strike Price	OI (000)	Chg (%)
NIFTY	16000CE	54158	48.5
NIFTY	15300PE	34190	38.3

Commodity	Price	Pts	Chg (%)
NYMEX Crude (USD)	66.7	0.4	0.6
Brent Crude (USD)	69.1	0.4	0.5
Gold (USD)	1912.5	7.2	0.4
Silver (USD)	28.22	0.2	0.72
Copper (USD)	468.15	0.4	0.09
Cotton (USD)	83.32	-0.14	-0.17

Currency	Value	Pts	Chg (%)
USD/Rupee	72.40	-0.03	-0.04
Euro/Rupee	88.31	0.01	0.02
Pound/Rupee	102.67	-0.07	-0.06
USD/Euro	1.22	0.14	0.12
Dollar Index	89.97	-0.06	-0.07

Indicators	Value	Pts	Chg (%)
CBOE VIX	16.8	0.0	0.1
India VIX	17.4	-2.5	-12.6

Indicators	Value	Bps chg
India 10-Yr Yield	6.00	1.7
US 10-Yr Yield	1.59	-2.0

Trade Statistics	BSE	NSE	F & O
Turnover (INR Crs)	5387	69055	2288107
Advance (Nos)	12	27	NA
Declines (Nos)	18	23	NA
Unchanged	0	0	NA

Market Summary

The market traded on an upbeat note last week, with Nifty making a new record high after spending nearly three months in a corrective phase. Analysts expect this momentum to sustain as fresh Covid cases continue to decline, and amid hopes of unlocking of the economy.

Going into the trade this week, the MPC's interest rate decision, a host of macroeconomic data announcements, Covid-19 trends and global factors would be key market driving forces.

The consistent fall in fresh coronavirus cases in the country is boosting investor sentiment as the risk arising from Covid is steadily subsiding. In the last 24 hours, India reported 1.53 lakh cases. On Sunday, the fresh cases stood at 1.65 lakh and on Saturday at 1.73 lakh.

A lot of important macroeconomic data and events are lined up this week. On the macroeconomic front, GDP data for the March quarter is slated to be out on Monday along with the core sector data for April. The Markit Manufacturing PMI and Markit Services PMI data will be released on Tuesday and Thursday, respectively.

Besides, monthly auto sales numbers will also start pouring in from June 1. Analysts expect sales volumes to be hit by the second Covid-19 wave and lockdowns across states.

Importantly, the RBI monetary policy committee (MPC) review meeting outcome is scheduled to be out on Friday, June 4. While the expectations are ripe that RBI MPC will maintain its accommodative stance, investors will look out for the central bank's assessment of the impact of the Covid wave on GDP growth.

Macro News

Govt borrows 55% more this fiscal as lockdowns hit revenue collections

Indicating a massive revenue crunch due to the second wave of the pandemic that has forced many states to declare full lockdowns for almost two months now, the Centre has borrowed Rs 2.1 lakh crore so far this fiscal -- a whopping 55 per cent more than what it was a year ago. But thanks to the deft yield management by the central bank, the only saving grace has been the low cost of the money raised so as despite the steeply higher drawdowns, the average cost of the money for the government has been under check and at the Friday's auction, it is paying only 6.08 per cent, much lower than last year and the same as last week, chief economist of Care Ratings Madan Sabnavis said on Friday.

ICRA pegs GST compensation of Rs 2.65 trillion for states for FY22

Projecting the FY22 state GST (SGST) collections of all states at Rs 6.1 lakh crore, rating agency ICRA expects a large GST compensation requirement of Rs 2.65 lakh crore for the current year. It said actual fiscal outcomes will vary considerably across the states, depending on the impact of infections-restrictions-vaccinations on regional economic activity.

Govt expands emergency credit guarantee scheme to help firms in pandemic

The government has expanded the Emergency Credit Line Guarantee Scheme (ECLGS) to help businesses hit by the second wave of the Covid-19 pandemic. The scheme removes the ceiling of outstanding loans of Rs 500 crore, but keeps the government's guarantee cover of Rs three trillion unchanged. Borrowers will be able to avail assistance limited to 40 per cent or Rs 200 crore, whichever is lower.

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Key News

Divi's Labs Q4 net profit jumps 29% at Rs 502 crore on robust sales
Drug firm Divi's Laboratories on Saturday reported a 29.30 percent rise in its consolidated net profit to Rs 502.02 crore for the quarter ended March 31, 2021, on account of robust sales. The company had posted a net profit of Rs 388.23 crore for the corresponding period of the previous fiscal, Divi's Laboratories said in a regulatory filing. Consolidated total income of the company stood at Rs 1,811.71 crore for the quarter under consideration. It was Rs 1,466.44 crore for the same period a year ago, it added.

BoB posts Q4 net loss of Rs 1,047 cr due to rise in tax provisions
Public sector lender Bank of Baroda posted a net loss of Rs 1,047 crore in the fourth quarter ended March 2021 on sharp rise in tax provisions as it shifted to a new tax structure. It had booked a net profit of Rs 506 crore in the quarter ended March 2020. For the full financial year of FY21, it posted a net profit of Rs 828 crore, up from Rs 546 crore in FY20. In Q4FY21, its tax provisions were about Rs 3,726 crore as against tax write back of about Rs 2,289 crore in Q4FY20.

Mahindra CEO expects car sales to take 2 years to rebound after Covid shock

India's Mahindra & Mahindra expects it will take at least another two years for car sales to return to their pre-pandemic peaks, but a slow pace of vaccinations could hurt recovery prospects, its chief told Reuters in an interview. Battered by the pandemic in 2020 and an economic slowdown in 2019, passenger vehicle sales in India fell to 2.7 million units in the last fiscal year - their lowest level in six years and well below the peak of 3.4 million units in fiscal year 2019.

Drugmaker Glenmark fourth quarter net profit up 6% at Rs 233.87 crore
Drug firm Glenmark Pharmaceuticals has reported a 6.15 per cent rise in its consolidated net profit to Rs 233.87 crore for the quarter ended March 2021 on account of higher sales. The company had posted a net profit of Rs 220.30 crore in the corresponding period of the previous fiscal, Glenmark said in a late regulatory filing on Friday. Its consolidated revenue from operations stood at Rs 2,859.9 crore for the quarter under consideration. It was Rs 2,767.5 crore for the same period a year ago, it added.

Covid-19 pandemic: Govt cuts airline capacity to 50% from June 1
The government has cut down capacity for airlines to operate from 80 per cent to 50 per cent from 1st June in order to safeguard viability of airlines with weak finances. Simultaneously it has increased the upper cap of airfare to go up by around 14 per cent due to the rise in fuel prices. "In view of sudden change in the number of Covid-19 cases, and decrease in number of passengers and reduced occupancy, the existing capacity cap of 80 per cent is reduced to 50 per cent," the Ministry of Civil Aviation said in an order.

Max Healthcare profit after tax up 31% to Rs 70 crore in March quarter
Max Healthcare on Friday reported 31.11 per cent rise in consolidated profit after tax (PAT) at Rs 69.69 crore for the quarter ended March 31, 2021. The company had posted a PAT of Rs 53.15 crore for the corresponding period of the previous fiscal year, Max Healthcare Institute said in a filing to BSE. Revenue from operations stood at Rs 801.86 crore for the quarter under review. It was Rs 247.86 crore in the same period a year ago, it added. For the fiscal year ended March this year, the company posted a loss of Rs 137.55 crore as against a PAT of Rs 58.99 crore in 2019-20, the filing said.

Institutional Activity	Cash	
	28-May-21	27-May-21
FIIs (INR Crs)		
Buy	5917.71	42734.21
Sell	5004.12	43395.11
Net	913.59	(660.90)
DII (INR Crs)		
Buy	6440.88	6139.40
Sell	5165.66	6027.02
Net	1275.22	112.38

FII Derivative Statistics			
Particulars	Buy (INR Crs)	Sell (INR Crs)	OI (Nos)
INDEX FUTURES	11623.71	8986.77	113198
INDEX OPTIONS	769962.22	765605.57	612370
STOCK FUTURES	32980.70	33260.33	1384471
STOCK OPTIONS	11331.94	10230.77	89129
Total	825898.57	818083.44	

Gainers & Losers	Price	Chg (%)
Gainers (INR)		
RELIANCE	2094.45	5.99
ADANI PORTS	777.00	3.41
GRASIM	1465.00	3.38
M&M	847.00	2.22
COALINDIA	147.10	1.76
Losers (INR)		
SUNPHARMA	672.65	-3.84
SHREECEM	27599.00	-1.66
BAJAJFINSV	11725.00	-1.38
DRREDDY	5200.00	-1.31
BAJFINANCE	5616.00	-1.17

Sectoral Performance	Value	Pts	Chg (%)
S&P BSE Small Cap	23478.69	-112.80	-0.48
S&P BSE Mid-Cap	21661.83	-25.64	-0.12
S&P BSE Auto	23572.40	58.59	0.25
S&P BSE BANKEX	39863.48	6.84	0.02
S&P BSE Capital Goods	22476.90	-119.90	-0.53
S&P BSE FMCG	12995.72	1.63	0.01
S&P BSE Healthcare	24417.44	-260.56	-1.06
S&P BSE IT	27627.31	-74.25	-0.27
S&P BSE Metals	18461.48	87.17	0.47
S&P Oil & Gas	16251.09	188.55	1.17

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