

The Daily

June 22, 2022





DOMESTIC INDICES			
	CLOSE	POINTS	% CHANGE
SENSEX	52532	934	1.81
NIFTY	15639	289	1.88
MIDCAP	21508	508	2.42
SMALL CAP	24122	699	2.99

SECTORAL INDICES			
	CLOSE	POINTS	% CHANGE
OIL & GAS	17590	990	5.96
CD	35254	1334	3.93
METAL	15812	594	3.90
REALTY	3063	112	3.79
POWER	3912	128	3.38
IT	28110	832	3.05
TECK	12817	352	2.82
CG	25242	552	2.24
Healthcare	21465	422	2.01
AUTO	24996	462	1.88
Finance	7146	121	1.72
BANKEK	38228	579	1.54

BSE 200 GAINERS/LOSERS			
GAINERS	%	LOSERS	%
ATGL	19.74	SUPREMEIND	-2.01
JSWENERGY	7.66	KANSAINER	-1.91
ADANITRANS	7.22	VBL	-1.69
SBICARD	6.86	PAGEIND	-1.60
IDEA	6.68	STARHEALTH	-1.38

ADVANCE/DECLINES		
	BSE	%
ADVANCES	2502	72
DECLINES	831	24
UNCHANGED	129	4

INSTITUTIONAL ACTIVITY			
Rs Cr	20-06-2022	21-06-2022	JUNE TOTAL
FII	-1217	-2701	-48453
DII	2093	3066	41569

Indian markets could open flat to mildly lower, in line with muted and rangebound Asian markets today and despite positive US markets on Tuesday.....

U.S. stocks closed higher on Tuesday after a three-day holiday weekend, following the worst weekly performance for equities in more than two years. The lack of news over the weekend was certainly a welcome sight for investors, who watched stocks sell off last week.

Wall Street climbed as participants returned from a long weekend, with investors buying up shares of megacap growth and energy companies hit last week by global economic worries.

Goldman Sachs has said it now thinks there is a 30% chance of the U.S. economy tipping into a recession over the next year, up from its previous forecast of 15%.

Shares in the Asia-Pacific region traded mixed on Wednesday, amid ever-louder warnings about the risk of an economic downturn.

Fall in crude oil prices, positive global cues, bottom fishing due to cheaper valuations, short covering and technical setup ripe for a bounce led to a rise for the second consecutive day in Nifty on June 21.

15670-15740 could be a near term resistance for the Nifty. Once this band is breached, 15863-15886 could be the next resistance. Nervousness in the markets will keep coming up unless we see signs of inflation stabilising and reversing globally which can be an early sign of bottom formation.

Adani Enterprises, 10 others keen on bidding for coal import tenders: CIL Said

Adani Enterprises and 10 other companies including offshore firms have expressed interest in bidding for coal import tenders floated by Coal India Limited. In a statement, the miner said it has held three pre-bid meetings with prospective coal importing agencies evincing interest in pitching in, in the three international competitive bidding e-tenders that the company had floated earlier in the month for import of coal.



GLOBAL INDICES

	CLOSE	POINTS	% CHANGE
DOW JONES	30376	-149.00	-0.49
S & P 500	3765	89.95	2.45
NASDAQ	11069	270.95	2.51
FTSE	7152	30.24	0.42
CAC	5965	44.57	0.75
DAX	13292	26.80	0.20
NIKKEI	26268	21.19	0.08
SHANGHAI	3302	-4.39	-0.13
HANG SENG	21454	-105.59	-0.49
BOVESPA	99685	-168.00	-0.17

EXCHANGE RATES

	VALUE	% CHANGE
USD/INR	78.2	0.20
EURO/USD	1.051	-0.15
USD/GBP	1.224	-0.27
USD/JPY	136.2	-0.30

COMMODITIES

	VALUE	% CHANGE
GOLD (\$ / Oz)	1827.7	-0.60
SILVER (\$ / Oz)	21.4	-1.64
CRUDE OIL FUTURES	105.4	-3.73
BRENT OIL (\$ / Barrel)	110.6	-3.55

BOND YIELD

	VALUE	ABS CHANGE
IND10 YEAR BOND YIELD	7.4832	+0.055

ADR

	VALUE	% CHANGE
DR REDDY'S LAB	55.1	3.55
HDFC BANK	56.0	4.67
ICICI BANK	18.0	3.45
TATA MOTORS	26.1	3.62
WIPRO	5.49	5.37
VEDANTA LTD	16.50	0.00
INFOSYS	18.77	5.69

ONGC seeks minimum \$17 price for coal gas from Bokaro

ONGC is planning to auction gas from its coal bed methane (CBM) block in Jharkhand at a crude-linked reserve price that's more than \$17 per mmBtu at current oil rates. ONGC and Indian Oil NSE 2.62 % own 80% and 20% participating interest respectively in the CBM block in Bokaro, Jharkhand. Gas from the block can be sold at market rates.

Telcos seek clarification on captive non-public networks ahead of 5G spectrum auction

Telecom operators Bharti Airtel, Reliance Jio Infocomm and Vodafone Idea raised concerns and sought clarifications about the government's decision to allow enterprises to acquire spectrum directly from the government to set up captive non-public networks (CNPN) at the auction pre-bid conference.

GE Steam Power signs \$165 mn contract with BHEL for 3 nuclear steam turbines

GE Steam Power has signed a \$165 million contract with BHEL for the supply of three nuclear steam turbines out of the six units for NPCIL's domestic nuclear program- phase 1 being developed at Gorakhpur, Haryana (units - 1 to 4 (GHAVP)) and Kaiga (Kaiga-5&6) Karnataka, India. This domestic program includes 12 units of 700 MWe being developed by NPCIL with their own nuclear reactor technology i.e., Pressurized Heavy Water Reactors (PHWR). In total, it will represent 8.4GW of CO2 free electricity for the country, enough to power more than 14 million homes.

CBI arrests joint drugs controller S Eswara Reddy in bribery case to clear Biocon Biologics injection

The CBI has arrested Joint Drugs Controller S Eswara Reddy for allegedly receiving a Rs 4 lakh bribe to waive the phase three clinical trial of the Insulin Aspart injection, a product of Biocon Biologics under development to manage Type 1 and Type 2 diabetes, officials said on Tuesday. Biocon Biologics is a subsidiary of the Kiran Mazumdar Shaw-led Biocon. The company has denied allegations. The agency has also arrested Dinesh Dua, director at Synergy Network India Private Limited, who was allegedly giving Reddy a bribe, they said.



MG Motor India partners with Siemens to leverage digital technologies to boost productivity

MG Motor India said it has partnered with Siemens to leverage cutting-edge digital technologies to increase productivity, save energy and cost and reduce emissions in its operations. Under the partnership, the two firms will collaborate to develop innovative digital solutions to conserve energy and build a sustainable future, MG Motor India said in a statement.

MG will use Siemens' MindSphere and Plant Simulation software as a closed-loop digital twin. These can connect plant assets and processes and provide insights into more streamlined paint processes, resulting in a 15 per cent increase in the future pre-treatment and electro-coating paint process, the statement said.

Jain Irrigation to merge international irrigation business with Temasek's Rivulis

Jain Irrigation Systems Limited (JISL) said that its board has decided to merge its international irrigation business with Rivulis Pte Ltd., a part of Singapore's Temasek Group, to create a global irrigation and climate major and considerably reduce the company's debt. JISL will merge irrigation business worth ₹4200 crore with Rivulis of which Rs 2,700 crore will be used to repay its all overseas debt and Rs 200 crore will come to the parent company. In the merged entity, it will have 22 per cent equity stake while Rivulis will hold 78 per cent.

Shalby to add 50 orthopaedic centres in 3-5 years

Ahmedabad-based Shalby Hospitals, the healthcare chain known for joint replacement surgeries, said it will open 50 orthopaedic centres across India and abroad in the next three to five years through franchise agreements. Shalby's chairman and managing director Vikram Shah told ET in an interview that to ramp up the accessibility of orthopaedic services quickly, he has decided to take the asset-light route by establishing standalone Shalby Orthopaedics Centres of Excellence (SOCE). The company has already opened centres in Ahmedabad and Udaipur, and has signed agreements to open three more in Gwalior, Lucknow and Kanpur.

Crude, palm oil rates fall from record highs, but FMCG firms rule out price cuts

Packaged consumer goods makers said they will not slash prices despite the correction in two crucial commodities - crude and palm oil - but will instead slow the pace of price increases. Palm oil is used in making products such as soaps, biscuits and noodles while crude is a key input for detergent and packaging, among others. Palm oil has dropped below \$1,300 per metric tonne from highs of \$1,800-1,900 while crude oil has retreated to less than \$107 per barrel, down from a peak of about \$130. These together account for more than half of companies' input costs. While edible oil sellers have cut prices due to a reduction in import duties in the segment, food, home and personal care product makers said margins are still under pressure.

Ontario Teachers' Pension Plan in talks to buy 49% stake in Mahindra Susten

The Ontario Teachers' Pension Plan (OTPP) is in advanced talks to acquire a stake of about 49% in Mahindra Susten, the renewable energy unit of Mahindra and Mahindra, said people aware of the development. OTPP, one of the largest pension funds in Canada, is likely to pay ₹2,300 crore for the stake, valuing the company at ₹4,600 crore, inclusive of debt, they said, adding that both sides have signed a deal exclusivity clause. This is the third attempt in the last two years by the Mahindra Group to offload a stake in Mahindra Susten.

Jindal Power to buy Simhapuri power plant for about ₹300 cr

Jindal Power (JPL), a subsidiary of Jindal Steel NSE 4.34 % & Power, is set to acquire Simhapuri Energy's 600 MW power plant that runs on imported coal, people aware of the development said. JPL will acquire the power plant in Andhra Pradesh's Nellore district for around ₹300 crore and the deal is likely to be sealed in over a week, they said.

Hero MotoCorp launches Euro-5 compliant variants in Turkiye

Two-wheeler maker Hero MotoCorp has further strengthened its operations in Turkiye with the launch of Euro-5 compliant variants of its three vehicles in the country. The company's product range in Turkiye, where it is present since 2014, includes the Xpulse 200 motorcycle, Dash 110 and Dash 125 scooters, which are sold through a network of over 100 touchpoints.



Important news/developments to influence markets

- British manufacturers' expectations for higher prices fell to a nine-month low in June. The Confederation of British Industry's monthly industrial price balance dropped to +58 in June from +75 in May, its lowest since September. The index is still far above its long-run average of +5.
- U.S. existing home sales tumbled to a two-year low in May as prices jumped to a record high - topping the \$400,000 mark for the first time. Existing home sales fell 3.4% to a seasonally adjusted annual rate of 5.41 million units last month, the lowest level since June 2020.



Index	CMP	View	R1	R2	S1	S2
Nifty Jun Fut	15638	Bullish	15758	15878	15476	15314
Bank Nifty Jun Fut	33239	Bullish	33639	34040	32840	32441

Daily Technical View on Nifty



- After forming two consecutive “Doji” candlestick pattern on the daily Charts, Nifty bounced sharply on 21st June 2022.
- Support for the Nifty has now shifted up to 15400.
- Resistances for the Nifty are seen at 15750, 15883 and 16150.
- On hourly chart, Nifty is in formation of rounding bottom formation. Breakout from this pattern will be confirmed above 15864
- Daily RSI from the Nifty has just turned up from the oversold zone. However, the primary trend of the Index is bearish, as it has been trading below 20,50,100 and 200 DMA.
- Nifty has also been holding the lower top and lower bottom formations on the weekly charts.
- Nifty registered a fresh breakdown when it breached the 15750 level. In case of pullback, Previous support of 15750 is expected to interchange its role as resistance.
- Nifty trading longs should be held long with 15400 stop loss
- However, considering the bearish primary trend, exiting longs near 16000 is advisable



OPEN SHORT TERM TRADING CALLS

NO.	RECO DT.	RECO	COMPANY NAME	ENTRY	CMP	SL	TARGET	UPSIDE %	VALID TILL
1	21-JUN-22	BUY	BANK NIFTY 30TH JUNE 33400 CALL OPTION	502.3	423.0	380.0	750.0	77.3	24-JUN-22
2	21-JUN-22	BUY	NIFTY 30TH JUNE 15650 CALL OPTION	192	187.0	135.0	289.0	54.5	24-JUN-22
3	16-JUN-22	SELL	VOLTAS JUNE FUT	955-977	977.5	994.0	891.0	8.8	23-JUN-22
4	17-JUN-22	BUY	BAJAJ FINSERV JUNE FUT	11500-11866.60	11,763.7	11,300.0	12,600.0	7.1	24-JUN-22
5	20-JUN-22	SELL	CUMMINS INDIA JUNE FUT	956.10-985	963.6	1,004.0	888.0	7.8	27-JUN-22
6	20-JUN-22	SELL	OBEROI REALTY JULY FUT	734.50-768	769.9	780.0	675.0	12.3	1-AUG-22
7	20-JUN-22	SELL	CHOLA FINANCE JUN FUT	613.05-624	627.2	636.0	575.0	8.3	27-JUN-22
8	21-JUN-22	BUY	JSW STEEL JUN FUT	545.-567.10	574.8	535.0	607.0	5.6	28-JUN-22
9	21-JUN-22	BUY	POONAWALA	223.60-218	225.2	215.8	235.0	4.4	5-JUL-22
10	21-JUN-22	BUY	NIIT LTD	384-395.90	400.1	375.0	430.0	7.5	5-JUL-22
11	21-JUN-22	BUY	SOBHA	523.85-504	528.8	495.0	562.0	6.3	5-JUL-22

OPEN CASH POSITIONAL CALLS

NO.	RECO DT.	RECO	COMPANY NAME	ENTRY	CMP	SL	TARGET 1	TARGET 2	UPSIDE %	VALID TILL
1	16-JUN-22	BUY	HG INFRA	585.7	540.6	515.0	660.0	-	22	16-SEP-22
2	21-JUN-22	BUY	MPHASIS	2268.8	2285.2	2100.0	2503.0	-	10	21-SEP-22
3	21-JUN-22	BUY	INTELLECT	625.3	627.8	575.0	685.0	750.0	19	21-SEP-22

OPEN E-MARGIN POSITIONAL CALLS

NO.	RECO DT.	RECO	COMPANY NAME	ENTRY	CMP	SL	TARGET 1	TARGET 2	UPSIDE %	VALID TILL
1	23-MAY-22	BUY	NOCIL	259.4	243.6	225.0	280.0	315.0	29	23-AUG-22

*= 1st Target Achieved



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