

Market Outlook

Indian markets are likely to open sharply lower tracking a global sell-off as concerns resurfaced about rising inflation and its impact on world economic growth.

Markets Yesterday

- Domestic markets ended marginally lower on the back of losses across IT stocks, which were partially offset by gains in pharma and FMCG stocks amid mixed global cues and rising crude oil prices
- US markets ended lower tracking losses in technology stocks amid release of macroeconomic and mixed global peers

Key Developments

- HPCL's crude throughput is expected at 4.8 MMT, up 13.2% QoQ in Q4FY22 as throughput was partially impacted in Q3FY22 due to refinery shutdown. Marketing segment volumes are expected to increase 4.8% YoY and 3.5% QoQ. On the marketing margins front, we expect weaker profitability QoQ as the company did not pass on increasing crude oil costs to customers. Core GRMs are expected at \$10/bbl on account of increase in product cracks. PAT is expected at ₹ 1182.6 crore, up 36.1% QoQ
- Ashok Leyland is expected to report a robust performance. Total volumes for the quarter were at 48,719 units, up 43% QoQ with M&HCV: LCV ratio for the quarter was at 66:34 vs. 57:43 in Q3FY22. With 6.0% QoQ rise in ASPs at ₹ 17.2 lakh/unit, net sales at ALL are seen at ₹ 8,387 crore (up 51.5% QoQ). With operating leverage at play & marginal rise in input cost, EBITDA & EBITDA margins for the quarter are seen at ₹ 507 crore, 6% (up 200 bps QoQ). Ensuing PAT is seen at ₹ 203 crore

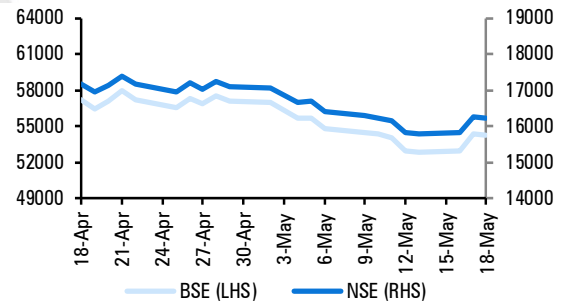
Nifty Heat Map

Tata Consum	754	2.7%	Shree Cement	22,501	2.1%	HUL	2,291	2.1%	Ultratech	6,234	2.1%	Cipla	957	2.0%			
Adani Ports	760	2.0%	Hindalco	436	1.8%	Asian Paints	3,100	1.6%	Divis Lab	4,367	1.5%	Bajaj Auto	3,791	1.3%			
Sun Pharma	899	0.8%	ITC	267	0.8%	Britannia	3,394	0.8%	Axis Bank	659	0.7%	Hero Moto	2,539	0.6%			
Coal India	186	0.5%	UPL	821	0.5%	Maruti	7,567	0.4%	Grasim Ind	1,487	0.4%	Reliance Ind.	2,538	0.4%			
Kotak Bank	1,847	0.4%	SBI Life	1,074	0.3%	M&M	913	0.3%	Nestle	16,344	0.1%	Dr Reddy	3,906	0.0%			
ONGC	163	0.0%	HDFC Bank	1,314	0.0%	Indusind Bank	903	-0.1%	TCS	3,449	-0.1%	HDFC Ltd	2,185	-0.3%			
ICICI Bank	707	-0.4%	Bajaj Finance	5,815	-0.4%	Eicher	2,696	-0.4%	Titan	2,167	-0.4%	Infosys	1,509	-0.6%			
Tata Steel	1,180	-0.7%	HCL Tech	1,074	-0.8%	HDFC Life	550	-0.9%	Wipro	481	-1.1%	NTPC	149	-1.3%			
Bharti Airtel	696	-1.5%	Bajaj Finserv	12,762	-1.6%	JSW Steel	631	-1.7%	L&T	1,573	-2.0%	SBI	458	-2.0%			
Apollo Hospitals	3,735	-2.0%	Tata Motors	415	-2.1%	TechM	1,172	-2.2%	BPCL	332	-3.1%	Power Grid	228	-4.5%			

Today's Highlights

Results: Bosch Ltd, HPCL, V Mart, Dr Reddy, V Guard Industries, Novartis, Endurance Tech, Gland Pharma, Ashok Leyland, Concor

Index Movement



	Close	Previous	Chg (%)	MTD(%)	YTD(%)	P/E (1yrfwd)
Sensex	54,209	54,318	-0.2	-5.0	-6.9	22.0
Nifty	16,240	16,259	-0.1	-5.0	-6.4	21.4

Institutional Activity

	CY20	CY21	YTD CY22	Yesterday	Last 5 Days
FII (₹ cr)	64,379	-95,085	-2,08,938	-1,255	-16,627
DII (₹ cr)	-28,544	95,934	1,65,366	376	15,889

World Indices – Monthly performance

Nikkei	Germany	U.K.	Kospi	France
26,911	14,008	7,438	2,626	6,353
0.4%	-1.0%	-2.2%	-2.5%	-2.8%
Shanghai	BSE	NSE	Dow Jones	Nasdaq
3,086	54,209	16,240	31,490	11,418
-3.4%	-5.2%	-5.4%	-8.5%	-14.4%

Markets Today (Updated till Yesterday)

Commodities	Close	Previous	Chng (%)	MTD(%)	YTD(%)
Gold (₹/10 gm)	50,225	50,173	0.1	-3.0	4.4
Silver (₹/kg)	61,259	61,156	0.2	-3.6	-2.2
Crude (\$/barrel)	113.1	111.9	1.0	3.4	45.3
Copper (\$/tonne)	9,386	9,256	1.4	-3.9	-3.6
Currency					
USD/INR	77.6	77.6	0.0	-1.5	-4.2
EUR/USD	1.1	1.1	-0.3	-0.2	-7.5
USD/YEN	129.2	128.9	0.2	0.4	-10.9
ADRs					
HDFC Bank	54.4	53.0	2.7	-1.4	-16.3
ICICI Bank	18.5	17.7	4.3	-3.0	-6.7
Tata Motors	27.5	26.1	5.5	-2.4	-14.2
Infosys	19.6	18.9	3.5	-1.3	-22.5
Dr Reddys Labs	51.2	50.7	1.0	-4.6	-21.7
Wipro	6.3	6.0	4.0	-2.5	-35.7

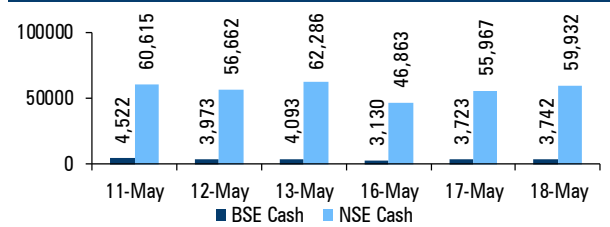
Key Data Points

Key Economic Indicator	Period	Latest	Prior Values
RBI Cash Reserve Ratio	N/A	4.50%	4.00%
RBI Repo Rate	N/A	4.40%	4.00%
RBI Reverse Repo Rate	N/A	3.35%	3.35%
CPI YY	Apr	7.79%	6.95%
Current Account Balance	Q3	-9.9bln \$	-9.6bln \$
Exports - USD	Apr	38.19bln\$	34.5bln\$
FX Reserves, USD Final	May	595.95 bln\$	597.72 bln\$
GDP Quarterly yy	Q3	5.40%	8.40%
GDP Annual	FY21	-7.30%	4.20%
Imports - USD	Apr	58.26 bln \$	59.07 bln \$
Industrial Output yy	Mar	1.9%	1.3%
Manufacturing Output	Mar	0.9%	1.1%
Trade Deficit Govt - USD	Apr	-20.07 bln \$	-18.51 bln \$
WPI Food yy	Apr	8.9%	8.7%
WPI Fuel yy	Apr	38.7%	34.5%
WPI Inflation yy	Apr	15.1%	14.6%
WPI Manuf Inflation yy	Apr	10.9%	10.7%

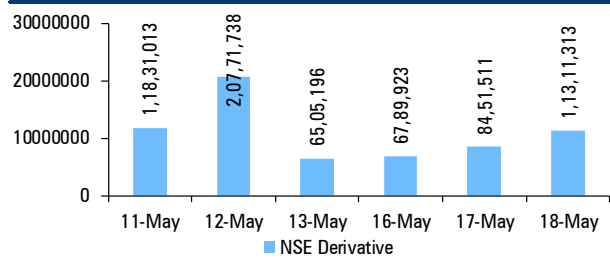
Corporate Action Tracker

Security name	Action	Ex Date	Record Date	Status	Price (₹)
KEWAL KIRAN CLOTHING	Dividend	20-May-22	23-May-22		5.00
TRENT	Dividend	20-May-22	23-May-22		1.10

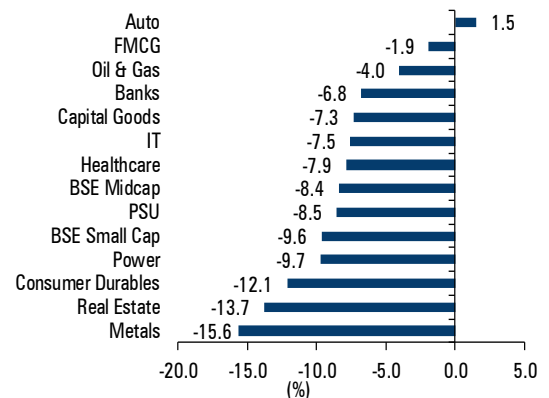
Exchange Cash Turnover (₹ crore)



NSE Derivative Turnover (₹ crore)









Sectoral Performance – Monthly Returns (%)








Key News for Today



Company/I ndustry	News	View	Impact
Gujarat Pipavav	GPPL's Q4FY22 revenues grew 31% QoQ to ₹ 221 crore, led by 2.2x growth in the bulk segment and 4% growth in container segment. Subsequently, absolute EBITDA grew 49% to ₹129 crore (EBITDA margins expanded 700 bps QoQ to 58.4%, led by higher operating leverage). PAT grew 67% QoQ to ₹ 74 crore. The company reported an exceptional income of ₹ 5.2 crore (related to insurance claim) vs an exceptional income of ₹ 9.9 crore in Q3	While global Exim supply chain continued to stay disrupted in Q4; minerals, coal and fertiliser saw strong rebound in volumes. Liquid also saw 44% growth in volumes , led by higher LPG volumes. The management commentary regarding any certainty on its "concession agreement" with GMB, remains a key trigger to watch	

<p>Navneet Education</p>	<p>Navneet Education (NEL) reported an improved financial performance with revenues registering YoY growth of 49 % to ₹ 322 crore for Q4FY22 (QoQ growth of 38%). Gross margin declined 334 bps YoY at 56.4%. Owing to operating leverage, staff cost (as percentage of sales) declined 288 bps to 15.4% and other expenses to sales ratio was lower by 254 bps YoY to 21.5%. NEL reported an EBITDA margin of 19.5% (Q3FY22 7.7%) with absolute EBITDA of ₹ 63 crore vs EBITDA of ₹ 37.6 crore in Q4FY21. Consequently, PAT after extraordinary items was at ₹ 41.3 crore vs. net profit of ₹ 18.9 crore in Q4FY21</p>	<p>The reopening of schools would lead to a recovery in the publication segment revenues, which is expected to result in improved profitability for the company. Demand for stationery exports continues to remain strong and the company expects double digit growth in stationery revenues. Also, domestic stationery, which was a laggard, saw a revival in Q4FY22 with domestic stationery revenues increasing from ₹ 44 crore in Q4FY21 to ₹ 97 crore in Q4FY22. NEL is also expanding its presence in the digital content segment, which has gained significantly owing to the pandemic. Strong stationery business prospects and publication segment returning to normal augurs well for Navneet. NEL has over the years, maintained balance sheet prudence having a virtually debt free status which will aid in tiding over the current challenging market scenario</p>	
<p>Aditya Birla Fashion Retail</p>	<p>ABFRL reported better than estimated results, especially on the profitability front. Revenue grew 25.3% YoY to ₹ 2282.2 crore (I-direct estimate: ₹ 2181.1 crore). Despite fixed overheads returning to normal levels, company reported healthy EBITDA margins of 16.3% (I-direct estimate: 13%)</p>	<p>The accelerated trajectory was on the back of strong growth in Lifestyle brands (Allen Solly, Van Heusen, Louis Philippe and Peter England) with revenues increasing 34% YoY. Pantaloons division reported moderated sales growth of 13% YoY to ₹ 675 crore as the segment was the most impacted owing to Covid disruptions. We believe ABFRL, with a lighter balance sheet and strong bouquet of brands, is well placed to accelerate the pace of store addition and revenue growth</p>	
<p>Ratnamani Metals and Tubes (RMTL)</p>	<p>For Q4FY22 RMTL reported topline of ₹974 crore (up 40% YoY and 5% QoQ), higher than our estimate of ₹ 913 crore. EBITDA for the quarter was at ₹ 169 crore (up 6% YoY and 29% QoQ), higher than our estimate of ₹ 146 crore. Ensuing PAT for Q4FY22 was at ₹ 112 crore, up 2% YoY and 25% QoQ, higher than our estimate of ₹ 100 crore</p>	<p>RMTL reported a healthy performance for Q4FY22. For the quarter, topline, EBITDA and PAT, all came in higher than our estimates. During Q4FY22 there was a healthy improvement in EBITDA margins on a sequential basis. For Q4FY22, RMTL's EBITDA margin was at 17.3% compared to 14.1% in Q3FY22. On a QoQ basis, there was a healthy improvement in gross margins, which aided improvement in EBITDA margin on a sequential basis. Gross margins for Q4FY22 were at 34% compared to 29% in Q3FY22</p>	

ITC	<p>Revenue witnessed growth of 16% to ₹ 16426 crore (I-direct estimate : ₹17198 crore) on the back of 10% growth in cigarettes, 31.8% growth in paperboard, 29.6% growth in agri & 12.3% growth in FMCG businesses. Hotels business also saw strong recovery with 35.4% growth but still remains lower than pre Covid revenues. FMCG sales growth of 12.3% was led by strong growth in education & stationary segment due to re-opening of schools & sustainable growth in staples. Operating profit rose 16.8% to ₹ 5224.4 crore (I-direct estimate : ₹5303.3 crore). Net profit grew 11.8% to ₹ 4191 crore (I-direct estimate : ₹ 4148 crore). The company declared a final dividend of ₹ 6.25/share. Along with the interim dividend of ₹ 5.25/share, total dividend was at ₹ 11.5/share, which is 4.3% dividend yield</p>	<p>ITC has seen a strong recovery across segment from two years of disruption from Covid. Cigarette volumes have been growing at pre-Covid levels and the company has gained market share in the segment in last one year. Further, despite huge commodity inflation, the company has been able to improve its operating margins in the quarter & FY22. We believe ITC is least impacted by commodity inflation given its raw material consist larger proportion of wheat & other agri commodities, which have seen relative less volatility compared to crude & palm oil derivatives. The company has generated strong ₹ 13000 crore free cash flow in FY22 & dividend payout is close to 90%. With the stable taxation on cigarettes & its strategy of improving FMCG business segment margins is expected to work well, going forward</p>	
JK Lakshmi	<p>JK Lashmi Cement's margin improved sequentially by 618 bps to 18.4%. Sales were up 13.3% YoY, 25.5% QoQ to ₹1497.6 crore on resumption of business post end of transporters strike in Chhattisgarh</p>	<p>In our view, higher sales volumes and usage of low cost fuel inventories along with sharp cut in other expenses have led to better-than-expected results during Q4FY22 with the company reporting over 18% operating margin</p>	
Granules India	<p>Revenues grew 29% YoY to ₹ 1030 crore, driven by YoY growth of 78% in PFI to ₹ 257 crore and 28% growth in API to ₹ 248 crore. Formulations grew 14% YoY to ₹ 525 crore. EBITDA margins fell 656 bps YoY to 18.7% due to lower gross margins (down 834 bps YoY) and higher other expenditure. EBITDA de-grew 5% YoY to ₹ 193 crore and adjusted PAT declined 13% YoY to ₹ 111 crore. Delta vis-à-vis EBITDA was mainly due to higher tax expense being partially offset by higher other income, lower interest and tax expense</p>	<p>Granules' revenues growth in this quarter was mainly on back of higher selling price realisation from Paracetamol and new launches in US. EBITDA margins drop was on account of pricing pressure in US and also increase in cost of KSM's, solvents and increase in logistic cost. Two positive takeaways being - 1) sequential improvement in margins despite adverse business condition arising out of supply constraints of Para Amino Phenol (PAP), other input price cost increase and logistic cost increase and 2) share of non-core molecules increased to 19% in FY22 from 16% last year. Granules remains a decent player with clear vision to play on its strength of economies of scale and gradual expansion into more complex products/forms to improve margins</p>	

<p>TeamLease services</p>	<p>The company reported EBITDA growth of 8.9% QoQ to ₹ 41 crore while EBITDA margins at the company level improved 20 bps QoQ to 2.3%. EBITDA margins for general staffing/ specialized staffing/other HR services improved by 10 bps, 50 bps, 560 bps QoQ, respectively. For FY22, it reported EBITDA growth of 20%, 21% in general staffing/specialized staffing, respectively, while other HR services reported EBITDA break-even vs losses in FY21. EBITDA margins for FY22 improved 20bps to 2.2%. Revenue is up 33% in FY22 at ₹5838 crore. Productivity ratio has declined 10.6% QoQ to 346</p>	<p>The EBITDA performance has been impressive vs last year because of turnaround of other HR services. Going into FY23, the company expects continued robust hiring from IT, Telecom, Pharma, Retail, E-commerce as well as from manufacturing space which is expected drive revenues while continued improvement in Other HR services and specialized staffing will drive the margins. Productivity ratio drop was due to front loaded hiring to cater massive associates addition of 50K in FY22 and also due to potential churn in core employees in Q1FY23. Productivity is expected to improve, going forward. The company indicated that ongoing legal course with income tax department on section 80AAJJ will take long time for the judgment to come. in case of unfavourable judgment, the potential liability would be in the tune of ₹ 150 crore, which can be set off from TDS refund available with Income tax. The company is however confident of favorable judgment in this case and hence indicated that they will continue to take that benefit</p>	
<p>Endurance Technologies</p>	<p>The company has entered into a shares purchase agreement with shareholders of Maxwell Energy Systems Private Limited (Maxwell), for acquiring 100% of its equity share capital in a phased manner. Maxwell is in the business of embedded electronics particularly in battery management systems for vehicles including electric vehicles (EV) and for stationary storage systems. Endurance expects to complete acquiring 51% stake in Maxwell during Q1FY23 with balance 49% to be purchased in a phased manner in five tranches, spread over five years. Maxwell did a turnover of ₹ 19.5 crore in FY22 and is expected to double it in FY23 at ~₹ 40 crore with affirmative order book of >₹ 150 crore as on date.</p>	<p>Total consideration to be paid by Endurance for the acquisition is ₹ 308 crore (₹ 135 crore upfront for 51% stake and ₹ 173 crore spread out over five years linked to certain milestones), which optically looks expensive (~15x P/S on trailing basis) however is to be viewed with the potential that it holds given the thrust on electrification globally. Given the size of acquisition is small and healthy B/S at Endurance, we would rate it as neutral at this point in time and would await management commentary with the results conference call over the bigger plans with the target. Maxwell's website mentions Ola, Tork Motors (Bharat forge entity) and Tata Motors among its clients with customers spread across 15 countries including India, France, Spain and the US</p>	

<p>Sandhar Technologies</p>	<p>Sandhar Technologies (STL) reported a muted performance in Q4FY22 with EBITDA margins falling short of double digit trajectory a key disappointment. Net sales for the quarter came in at ₹ 684 crore, up 12 % YoY. EBITDA in Q4FY22 was at 63 crore, up 20% YoY with corresponding EBITDA margins at 9.2%, up 70 bps QoQ. PAT in Q4FY22 was at ₹ 18 crore, up 18% YoY. For full year basis (FY22), the company did sales of ₹ 2,324 crore, up 25% YoY with PAT at ₹ 56 crore, down 3% YoY amidst decline in EBITDA margins to ~9%, down ~100 bps YoY</p>	<p>STL, a leading auto ancillary player, primarily serving Indian auto OEM industry through a host of product categories, such as locking systems, AI die-casting & cabins among others. 2-W space constitutes ~54% of its topline followed by PV space at ~16%. The company's performance on the topline front is ahead of our published estimates but is not able to attain its double digit margin trajectory guidance leading to a miss on the overall profitability (our FY22 margin estimates at 11.3%). With aggressive capex spend, the debt on company's books has also increased substantially by ~₹ 300 crore to ₹ 516 crore as of FY22 (0.6x debt: equity)</p>	
<p>Somany Ceramics</p>	<p>Somany reported a weak performance with tiles volumes decline and sharp margin contraction with higher gas and other input prices. The topline was up 9.4% YoY at ₹ 616.8 crore. Tiles Revenues were up 9.1% YoY at ₹ 535.8 crore with volumes down 4.5% YoY and realisations up 14% YoY, given the price hikes taken in last few quarters. EBITDA was at ₹ 50.6 crore, down ~43% YoY owing to higher input and gas prices leading to decline of 605 bps in gross margins at 29.8%. The resultant margins were at 8.2%, down 756 bps YoY. PAT was at ₹ 17.2 crore, down ~43% YoY given the margin pressure</p>	<p>We note that Somany's performance was weaker and margin decline was steeper than Kajaria. The gas price rise will have steeper impact on Somany given the locational mix of production units. We await management commentary on outlook ahead</p>	
<p>Lupin</p>	<p>Revenues grew 3% YoY to ₹ 3883 crore, wherein domestic formulations grew 5% YoY to ₹ 1351 crore. US revenues de-grew 5% YoY to ₹ 1416 crore while South Africa business remained flat YoY to ₹ 210 crore and RoW markets expanded 35% YoY to ₹ 470 crore. API de-grew 14% YoY to ₹ 220 crore (I-direct estimate: ₹ 268 crore). EBITDA margins was down 1287 bps YoY at ~5.8% against I-direct estimate of 13.4%. EBITDA de-grew 68% YoY to ₹ 226 crore (I-direct estimate: ₹ 539 crore). Lupin posted adjusted loss of ₹ 525 crore (I-direct estimate was profit of ₹ 245 crore) vs. adjusted profit of ₹ 460 crore in Q4FY21. Delta vis-à-vis EBITDA was mainly due to higher interest, depreciation and tax expense along with lower other income in this quarter. The board of directors recommended a dividend of ₹ 4 per equity share</p>	<p>Lupin's performance was skewed on revenues front amid US and India posting lower than expected sales while RoW and South Africa saw better than anticipated traction this quarter. Margins and profitability were a significant miss due to very high ex-R&D other expenditure (up 26% YoY) and impairment charges of ₹ 129 crore in respect of acquired IPs consequent to adverse market conditions. The current quarter was challenging with headwinds in US on account of price erosion, and inflation in input materials and freight. We believe, resolution of warning letters and clearance of Official Action Indicated (OAI) status on plants could be the near term trigger along with progress on the margins front</p>	

<p>Pidilite</p>	<p>Pidilite's consolidated revenue increased ~12% YoY to ~₹ 2507 crore led by price hikes. However, volume growth was low due to supply chain disruptions and higher base of Q4FY21. Higher raw material prices dragged down gross margin by 730 bps YoY and EBITDA fell 461 bps YoY to 16%. Lower EBITDA margin and decline in other income brought down PAT by ~17% YoY to ~₹ 254 crore</p>	<p>We believe Pidilite reported a muted performance on the profitability front. Gross margin remained under pressure despite price hikes leading to decline in EBITDA margin. Additionally, Covid-led supply chain disruptions and significantly higher base of Q4FY21 affected the company's volume offtake. However, we await management commentary on price hikes to mitigate higher raw material prices</p>	
<p>Indraprastha Gas (IGL)</p>	<p>Revenue increased 55.2%YoY to ₹ 2405.9 crore in Q4FY22. Sales volume was 7.7 mmscmd, up 13.5% YoY. Gross margins fell ₹ 0.9/scm YoY to ₹ 12.6/scm as higher realisation was offset by higher gas costs. EBITDA was at ₹ 500.5 crore, up 1.8% YoY leading to PAT of ₹ 361.6 crore, up 9.2% YoY</p>	<p>IGL's results were in line with estimates on profitability front. While sales volume was lower than estimated, gross margins were in line with expectations. IGL had hiked prices in Q4FY22 to pass on increase in gas costs. In the current quarter (Q1FY23E-TD), the company has further hiked prices post increase in APM gas costs. Volume growth coupled with steady margins will be important in the near term</p>	

Key developments (Continued...)

- Dr Reddy's revenues are likely to grow ~6% YoY to ₹ 5062.5 crore, mainly due to ~11% growth in domestic formulations to ₹ 937.4 crore and 12% YoY growth in US business to ₹ 1951.2 crore. Russia & CIS revenues are likely to de-grow by 10% YoY to ₹ 534 crore while RoW markets are expected to grow by 25% to ₹ 364 crore. Europe and PSAI business are likely to remain muted YoY at ₹ 388 and ₹ 791 crore respectively. EBITDA margins are likely to decrease by 165 bps YoY to 20.4%. EBITDA is expected to be flat YoY at ₹ 1034.6 crore. Adjusted PAT is likely to remain flat YoY to ₹ 562 crore. [Note: Profitability may be impacted significantly due to possible Russia-CIS inventory adjustments]
- V-Guard is likely to report sales growth of ~5% YoY to ₹ 898 crore largely driven by price hikes. The electrical segment revenue is likely to increase 11% YoY to ₹ 432 crore led by ~20% price hike in the wire segment. The EBITDA margin is likely to decline 351 bps YoY to 9.4% mainly due to higher raw material cost and low operating leverage. As a result, PAT may see a decline of 23% YoY to ~₹ 53 crore in Q4FY22
- LICHF reported decent set of numbers. Nil grew 9% YoY to ₹ 1,637 crore in Q4FY22. Net interest margin was flat at 2.65% YoY. Provisions declined significantly as a result PAT jumped by 180% YoY at ₹ 1118 crore. The total outstanding portfolio increased by 8% YoY to ₹ 2,51,120 crore out of which, the Individual Home Loan portfolio grew 13% YoY at ₹ 2,04,230 crore and Project loan portfolio shrunk to ₹ 12,978 crore as on March 31, 2022. Stage 3 assets improved to 4.64% vs 5.04% in Q3FY22
- TVS Motor has launched the new TVS iQube Electric Scooter with a host of exciting new age connected features as well as fast charging capabilities. It is being launched with three variants i.e. TVS iQube, TVS iQube S (both with on-road range of 100 Km, powered by 3.4 Kwhr battery) and TVS iQube ST (on-road range of 140 Km, powered by 5.1 Kwhr battery). Company has started bookings for the TVS iQube and TVS iQube S variants with pricing fixed at ₹1-1.1 lakh/unit (on-road Delhi including FAME and state subsidy). While it has not disclosed pricing for TVS iQube ST, however has started accepting pre-bookings for the same.
- Birlasoft informed the stock exchanges that in its proposed meeting on May 23, 2022 for Q4 results, board of directors will also consider buyback of shares
- Aurobindo's unit-V facility has received EIR from USFDA based on the inspection review and written responses provided by the company for five Form 483 observations. Unit-V is an API manufacturing unit for antibiotics (sterile and non sterile) and underwent a pre-approval inspection from February 8-15, 2022.
- Sun Pharma plans to launch a first-in-class oral drug, Bempedoic Acid, in India for reducing low-density lipoprotein (LDL) cholesterol under the brand name, Brillo. It is indicated for people who have an inherited genetic disorder that causes high cholesterol levels. As per IMS MAT Jan 2022 data, the size of the statin market in India is ~ 4,300 crore

- Ruchi Soya Industries has agreed to acquire the food retail business of Patanjali Ayurved on a slump sale basis, for a total consideration of ₹ 690 crore. The former will change its name to “Patanjali Foods Ltd.” The transaction is expected to expand the company’s existing product portfolio and strengthen its market position. Patanjali Ayurved reported revenues of approximately ₹ 10,605 crore for the last fiscal year
- According to Financial Express, Walmart Inc.’s Indian payments unit PhonePe will acquire two wealth management firms for a total enterprise value of \$75 million bringing the retail giant head-to-head with Amazon.com Inc. in the country’s rapidly-expanding money management segment. PhonePe will buy WealthDesk for about \$50 million and OpenQ for nearly \$25 million. The acquisitions will help PhonePe widen its offerings in a lucrative payments market where tech giants including Google, Amazon and SoftBank Group Corp backed Paytm compete
- As per Times of India, the sharp surge in inflation in India will require front-loading of interest rate increases, two members of the central bank's Monetary Policy Committee (MPC) said in minutes of its May 4 meeting
- According to The Economic Times, credit rating agencies have sought the intervention of their primary regulator, SEBI, in the wake of new directions from the Reserve Bank of India (RBI) and the contradictions that have surfaced in the views of the two financial market watchdogs. The central bank has said ratings given on loans to a company cannot be notched up on the basis of diluted and non-prudent support structures such as letter of comfort, letter of support or undertaking, and other covers like pledge of shares
- As per The Economic Times, IDBI Bank has divested its entire stake of over 19% (holding of 6,23,23,800 fully paid-up equity shares) in ARCIL to Avenue India Resurgence Pte. The lender, however, did not disclose the deal value. With this, the bank ceases to be a sponsor shareholder of ARCIL
- According to Mint, the central government will come up with a fresh disinvestment plan for BPCL after the company's expansion initiatives are completed
- The government has approved amendments to the National Policy on Biofuels and advanced the target of blending 20% ethanol-blended petrol by five years from 2030 to 2025-26

Nifty Daily Chart

NSE NIFTY [N59901]16240.30, 2.90%
Price Avg(E,52)



Technical Outlook

Equity benchmarks took a breather after Tuesday's sharp up move. The Nifty lost 19 points to conclude Wednesday's session at 16240. In the coming session, index is likely to witness gap down opening tracking weak global cues. we expect index to trade with corrective bias amid elevated volatility owing to weekly derivative expiry. Hence, use intraday pullback towards 16055-16080 for creating short position for the target of 15957 In the coming session index is likely to witness gap down opening tracking weak global cues. Going ahead, strong support for the Nifty is placed at 15600. We believe, for a sustainable pullback to materialize index need to form a higher base from here on, else extension of corrective bias towards 15600 tracking volatile global cues. In the process, 16400 will be the key level to watch on the upside as it is the 38.2% retracement of past four weeks decline (17414-15735)

Pivot Points

Index/Stocks	Trend	Close	S1	S2	R1	R2
S&P BSE SENSEX INDEX	Positive	54208.5	53964	53720	54619	55030
NIFTY 50	Positive	16240.3	16168	16095	16357	16473
AARTI INDUS LTD	Positive	785.5	773	761	794	804
ASIAN PAINTS LTD	Positive	3100.1	3041	2982	3144	3188
DIVI LABS LTD	Positive	4366.7	4298	4230	4410	4454
STATE BANK IND	Neutral	458.0	453	450	465	473
DR REDDY'S LABS	Positive	3905.8	3863	3821	3966	4027
TATA MOTORS LTD	Positive	415.2	411	406	424	432
INDUSIND BANK	Positive	903.2	896	888	915	926
BATA INDIA LTD	Positive	1754.5	1741	1727	1774	1793
TATA CONSULTANCY	Positive	3448.8	3429	3410	3481	3514
GRANULES INDIA	Positive	263.1	255	246	269	274
BHARAT PETROL	Neutral	331.9	327	321	343	353
INDIAN RAILWAY C	Positive	671.8	663	654	687	702
RELIANCE INDS	Positive	2538.4	2508	2477	2570	2601
AU SMALL FINANCE	Neutral	1283.1	1263	1243	1320	1357
CESC LTD	Positive	79.7	78	78	81	83

CNX Nifty Technical Picture

	Intraday	Short term
Trend	Down	Range Bound
Support	15870-15740	15600
Resistance	16050-16130	16400
20 day EMA		16658
200 day EMA		16820

Advances/Declines

	Advances	Declines	Unchanged
BSE	1910	1440	116
NSE	1151	920	65

Daily Technical Calls

Daily Technical Calls

1. Buy Cipla in the range 944.00-947.00
2. Sell DLF in the range of 322.00-324.00
3. Buy Persistent in the range of 3840-3910

All recommendations of May Future

[See Momentum Pick for more details](#)

Intraday Derivative Strategy

i) ITC Limited (CMP: 261.7)

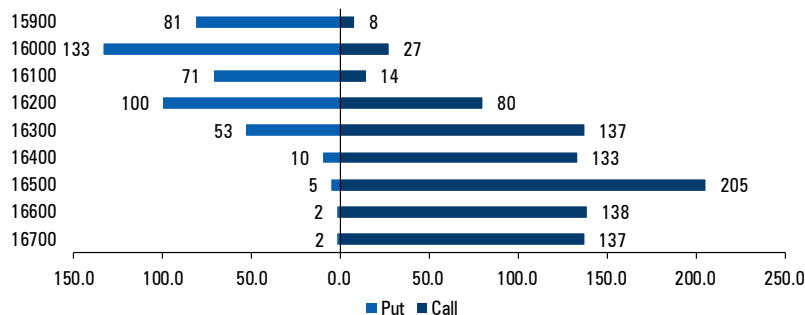
Buy ITC May Fut at ₹ 261.2-262.2
Target 1: 264.5 Target 2: 268.7
Stop Loss: 258.9

ii) Rbl Bank (CMP: 119.85)

Sell RBLBAN May Fut at ₹ 119.8-119.9
Target 1: 116.7 Target 2: 112.1
Stop Loss: 123

[See Derivatives view for more details](#)

Nifty Call – Put Strike (Number of shares in lakh) – May, 2022



Results/Events Calendar

02	May Monday	03	May Tuesday	04	May Wednesday	05	May Thursday	06	May Friday	07	May Saturday
Mahindra Holidays		Ramkrishna Forging,Solar Ind		Tata consumer,ABB,EIH		Dabur,Marico,Firstsource		Grindwell Norton,Vesuvius In,ENIL		Navin Fluorine	
HDFC Ltd,Alembic Pharma		Tata Steel		Havells India		PGHL,Intellect design arena		CSB Bank,Federal Bank		Siyaram Silk	
M&M Fin, Inox Leisure		Hero Moto.		Kotak Mahindra Bank		ABB, Indus tower,		Reliance Ind		Mangalam Cement	
Castrol,Astec life, Saregama		Titan,Kec Int		Deepak nitrite		Exide Ind,Voltas,Blue Dart				DCB Bank	
Dwarikesh Sugar,Jindal stainless ste		Symphony		Adani Total Gas		CAMS,TVS,Jindal Stainless(Hisar)					
09	May Monday	10	May Tuesday	11	May Wednesday	12	May Thursday	13	May Friday	14	May Saturday
BASF India,PVR,Suven Pharma		Kansai Nerolac,Polycab,Taj GVK Hotel		KKCL,Relaxo,Birla Corp,Orient Cemen		Tata Motor,L&T,Siemens		Escorts,Eicher Motors,BKT		Vinati Organics	
SRF		Asian Paints,Ajanta Pharma,EPL		Petronet LNG,Sagar Cement,NCC		TV Today,Caplin Point,Apollo Tyres		Tech M,SBI,BOB,Bandhan Bank		Neogen chemicals	
VST Tillers Tractors		Cipla,Awadh Sugar,Vodafone Idea		Butterfly Gandhimati		GSPL,Brigade Enterprise		Elgi Equipments		Avenue Supermarts	
Mold Trek Packaging		Gujarat gas,Mahanagar Gas		SKF,Indian Bank		Greaves Cotton,Coforge		PPAP Aut.		Triveni Eng & Ind,	
		Zensar Tech,		MRPL		J&K Bank,Matrimony		Amber Ent,		Affle India	
16	May Monday	17	May Tuesday	18	May Wednesday	19	May Thursday	20	May Friday	21	May Saturday
Bharat Forge,VIP Industries		Indoco Remedies,Bajaj Electricals		Sandhar Tech,ITC,Somany Ceramics		Bosch Ltd,HPCL,V Mart		Amara Raja Bat,Pfizer.IDFC Ltd		Shree cement,Faze Three	
MCX		IOC,Zydus Wellness,PI Industries		Pidlite Industries,Navneet,LIC housing		Dr Reddy,V Guard Ind.		Hester Biosciences,Cochin Shipyard		Gulf Oil	
Greenply		Airtel,Minda Corp		Granuels India,Indraprastha Gas		Novartis,Endurance Tech		Indigo Paints,JK Tyre,Sobha,NTPC		BHEL	
Century Ply		Abbott India,Anup Engg		Lupin,Teamlease,Gujarat Pipavav		Gland Pharma		Ador Welding,Advanced Enzyme		Powergrid	
Shankara		Kajaria Ceramics		Ratnamani metal & tubes,AB Fashion		Ashok Leyland,Concor		Thermax,Zydus Lifescience,Narayana		Vardhman Textile	
23	May Monday	24	May Tuesday	25	May Wednesday	26	May Thursday	27	May Friday	28	May Saturday
Pricol,HG Infra,Birla Soft,SAIL		JM Financial,Gabriel,Mininda Ind		Apollo Hospital,HEG,Bata,BPCL		Page Industries,NMDC		Ramco Cements,Engineers India		M&M	
Bharat Elect.		MBL,Dalmia Bharat Sugar,Indo Coun		Torrent Pharma		Hindalco,Healthcare Global		ESAB,Sumitomo Chem,Mah Seamlas		TTK Prestige	
Divis		Adani Ports,Jyothi Labs,Eclerx		Coal India,Shalby		Motherson Sumi,Hawking Cooker		Nirlon,Timken India,Atul Auto		Time Technoplast	
Action Construction		ZF Commercial Vehicle,Phoneix Mills		MM Forging		Berger Paints,sudarshan chem		TCI Express,Glenmark Pharma			
Graphite India		IPCA,Aster DM,Balrampur chini		AIA Engg.,		Colgate Palmolive		JSW Steel,Astral,Info Edge			
30	May Monday	31	May Tuesday	01	June Wednesday	02	June Thursday	03	June Friday	04	June Saturday
Sun Pharma											
KNR Construction											

Major Economic Events this Week

Date	Event	Country	Period	Actual	Expected
17-May	WPI Food	IN	May	8.35%	-
17-May	WPI Fuel	IN	May	38.66%	-
17-May	WPI Inflation	IN	May	15.08%	14.48%
17-May	WPI Manufacturing Inflation	IN	May	10.85%	-
17-May	Retail Sales MoM	US	May	0.90%	0.90%
17-May	Industrial Production YoY	US	May	6.40%	-
17-May	GDP YoY	JP	May	-1.00%	-1.80%
18-May	Industrial Production MoM	JP	May	0.30%	0.30%
18-May	CPI	UK	May	9.00%	9.10%
18-May	Core CPI	EU	May	7.40%	7.50%
18-May	Trade Balance	JP	May	-839.2B	1,150B
18-May	Crude Oil Inventories	US	May	-3.394M	1.383M
Date	Event	Country	Period	Expected	Previous
19-May	Initial Jobless Claims	US	May	200k	203k
19-May	National Core CPI	JP	May	2.10%	0.80%
20-May	Bank Loan Growth	IN	May	-	11.10%
20-May	Deposit Growth	IN	May	-	9.80%
20-May	FX Reserves, USD	IN	May	-	595.95B

Result Preview

Company	Revenue	Chg(%)	EBITDA	Chg(%)	PAT	Chg(%)
₹ Crore	Q4FY22E	YoY	QoQ	Q4FY22E	YoY	QoQ
HPCL	1,31,206.2	54.0	26.9	2,257.9	-51.6	20.7
V Mart	483.9	37.5	-22.6	19.9	-41.0	-85.0
Dr Reddy	5,062.5	6.2	-5.2	1,034.6	-1.8	-14.9
V Guard	898.4	5.1	-7.1	84.5	-23.5	-2.7
Ashok Leyland	8,387.0	19.8	51.5	507.0	-5.1	126.4

Recent Releases

Date	Report
May 17, 2022	Result Update- Bajaj Electricals
May 17, 2022	Result Update- VIP Industries
May 17, 2022	Result Update- Century Plywood
May 17, 2022	Result Update- Kajaria Ceramics
May 17, 2022	Result Update- Indoco Remedies



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