

6 March 2019

Indices	Current Value	% 1 D	% YTD
Sensex	36443	1.05	1.04
Nifty	10987	1.14	1.15
BSE – Mid Cap	14794	2.01	(4.17)
BSE – Sml Cap	14417	3.11	(1.97)
SGX Nifty Fut	11062	0.26	-

Sectors –Performance (BSE)

Auto	19505	3.06	(6.38)
PSU	7059	2.88	(2.45)
Oil&Gas	14321	2.75	4.16
IT	15228	(0.86)	8.08
Tech	7584	(0.67)	7.33
FMCG	11515	0.91	(2.65)

Index	FY19E	FY20E	FY21E
Sensex EPS	1,559	2,017	2,363
P/E	23	18	15
Nifty EPS	502	633	738
P/E	22	17	15

FII Trading activities in Cash

	Date	Net	MTD	CYTD
FII	01/03	4165	5030	17988
DII	05/03	580	697	2278

Figs. in Rs Cr., Source: Bloomberg.

Global Indices	Current Value	% 1 D	% YTD
Dow 30	25807	(0.05)	10.63
Nasdaq	7576	(0.02)	14.18
DAX	11621	0.24	10.06
Nikkei 225	21585	(0.65)	7.85
FTSE 100	7183	0.69	6.77
Hang Seng	28977	0.05	12.11
Shanghai	3053	(0.04)	16.91
Bovespa	94604	(1.03)	7.64
STI Index	3230	(0.13)	5.25

Source: Bloomberg; As on 8.30 am IST

Forex Rate	LTP	Chg	%Chg
INR/USD	70.69	0.44	0.61
INR/EUR	80.27	0.81	1.00
INR/GBP	93.14	1.16	1.23
INR/YEN (100)	63.29	0.42	0.67

US Federal Reserve considering tighter rules on foreign bank branches

Asian markets were trading mixed tracking soft close on Wall Street overnight and lack of fresh triggers for the markets. Nikkei is trading lower by 0.57%, Hangseng is trading higher by 0.49% and Shanghai is trading higher by 0.69%. Indian indices are expected to open in the green. Sgx Nifty is trading higher by 0.23%.

The US markets ended marginally lower as investors took note of strong earnings from retail major Target and watch for trade negotiations between US and China. The Dow Jones lost 13 points or 0.05% to close at 25,807 while NASDAQ lost 2 points, or 0.02%, to close at 7,576.

What to watch

- RBI to infuse Rs. 12,500 cr through OMO on Thursday
- US Federal Reserve considering tighter rules on foreign bank branches

Corporate

- **Housing Development Finance Co** will sell debentures amounting to Rs 5000 cr , having a coupon rate of 8.51%.
- **Edelweiss Financial** Canada’s Pension fund CDPQ has agreed to invest about Rs 1,800 cr (\$250 mn) in the non-banking financial arm of Edelweiss Group.
- **Endurance Technologies** has set the floor price of Rs 1001/- for the Offer for Dale by the founder Anurag Jain.
- **Quick Heal Technologies** to buyback 63.6 lakh equity shares or 9.02 % equity at Rs 275 per share aggregating to Rs 175 cr.
- **Grasim Industries** signed definitive agreement with Suktas India Pvt Ltd (manufacturer and distributor of premium cotton fabrics) for an enterprise value of Rs 165 cr.
- **Newgen Software** has obtained patents from Indian Patent office for its inventions.

Insight from trading volumes

Scrip	% Chg in Qty Traded (OverAvg 30 days)	Qty Traded (‘000s)	Delivery %	CMP*
Relaxo Footwear	1344	4101	98	751
La Opala RG	1236	2356	92	208
Navkar Corporat.	826	3182	72	43
Quess Corp	788	1448	83	727
Jyothy Lab.	701	1674	93	185
Symphony	517	242	29	1353
JK Tyre & Indust	479	5039	37	93

Insight from delivery

Scrip	Delivery %	Total Volume (‘000s)	30 days avg Delivery %	CMP*
Apollo Tyres	53	3223	24	224
SREI Infra. Fin.	44	4017	22	30
Century Textiles	41	907	21	859
Kajaria Ceramics	56	537	30	563
Rajesh Exports	61	172	32	574
Shankara Build.	73	52	43	453
GMR Infra.	42	22579	25	17

*CMP-Closing Market Price

Company	CMP	Target Price	% Upside	Company	CMP	Target Price	% Upside
Aarti Inds.	1459	1599	10	L&T Infotech	1677	2020	20
Alkem Labs	1754	2050	17	L&T Technology	1533	1870	22
Apcotex Industri	469	664	42	LIC Housing	485	630	30
APL Apollo Tubes	1373	1532	12	Lumax Inds	1774	2287	29
Apollo Hospitals	1191	1345	13	Marico	336	410	22
Ashok Leyland	91	100	10	Maruti Suzuki	7115	7674	8
Asian Paints	1401	1550	11	Mold-Tek Pack	264	325	23
Automotive Axles	1319	1838	39	Narayana Hrudayalaya	228	251	10
Bajaj Finance	2694	2927	9	Natco Pharma	568	720	27
Bata India	1306	1450	11	Nestle	10508	11700	11
Berger Paints	305	360	18	Oberoi Realty	487	517	6
Biocon	627	820	31	Oriental Carbon	1112	1343	21
Carborundum Universal	385	426	11	Persistent Systems	680	840	24
CARE	980	1190	21	Petronet LNG	226	270	19
CDSL	231	280	21	Phoenix Mills	627	675	8
Cholamandalam Invst	1288	1550	20	Power Grid	183	224	22
City Union Bank	187	228	22	PPAP Automotive Ltd	326	458	41
Coromandel Intl	462	620	34	Reliance Inds	1237	1400	13
CRISIL	1480	1880	27	Sadbhav Engg	224	259	16
Dabur	443	495	12	SBI	276	380	38
Dilip Buildcon	517	604	17	SBI Life	607	725	19
Dr Reddys Lab	2651	2950	11	Sheela Foam	1367	1574	15
Emami	399	500	25	Shriram City Union Fin	1696	2000	18
Endurance Technologies	1264	1512	20	Shriram Transport	1231	1300	6
Federal Bank	89	103	16	SIS	820	980	19
Finolex Industries	519	570	10	Sundaram Finance Ltd	1576	2090	33
Gabriel India	153	165	8	Sunteck Realty	358	424	18
GAIL	346	420	21	Suprajit Engg	204	241	18
GMM PFAUDLER	1172	1276	9	Symphony	1353	1680	24
Godrej Agrovet	506	540	7	Take Solutions	135	146	8
Gujarat Borosil Ltd	101	120	19	Tata Power	69	90	30
Gulf Oil Lubricants	871	1050	21	TCS	1988	2137	8
HCL Tech	1053	1235	17	Tech Mahindra	810	915	13
HDFC	1861	2240	20	Trident Ltd	64	88	37
HDFC Bank	2108	2700	28	Varun Beverages	821	1000	22
Hero MotoCorp	2797	3239	16	Westlife Devlp	366	475	30
Himadri Specialty Chem	123	151	22				
Hindalco Inds	199	252	27				
Hindustan Unilever	1724	1923	12				
ICICI Bank	362	500	38				
ICRA	2875	3620	26				
IndusInd Bank	1540	1800	17				
Infosys Tech	733	810	11				
ITC	283	315	11				
JK Cement	752	797	6				
JSW Steel	291	328	13				
Jubilant Foodworks	1275	1525	20				
Jyothy Lab	185	225	22				
Karnataka Bank	119	135	13				

Daily call

Index	CMP	% up/dn	S2	S1	P	R1	R2
Nifty	10,987.45	1.14%	10755	10870	10935	11050	11110
Sensex	36442.54	1.05%	35745	36095	36275	36625	36805

Nifty Daily Chart



Comments:

Nifty opened on a flat note however buying led the index upwards to end near the high of the day. Nifty closed at 10987 with a gain of 124 points.

Nifty has formed a long bullish candle and has closed above its past five sessions' high indicating strength ahead. In yesterday's session Nifty bounced back from its support levels of 10820 and crossed its resistance zone of 10970-10980 levels which indicates positive bias. With current close Nifty has closed above its 50% Fibonacci retracement level (10915) of the previous down move (11118-10585) which remains positive sign. The chart pattern suggests that if Nifty crosses and sustains above 11000 levels it would witness buying which would lead the index towards 11030-11070 levels. However if index breaks below 10970 levels it would witness selling which would take the index towards 10950-10900 levels. Nifty is trading above 20, 50 and 100 day SMAs which are important short term moving averages, indicating positive bias in the short to medium term.

The daily strength indicator RSI is moving upwards and above its reference line while momentum oscillator Stochastic has turned positive and is above its respective reference line indicating positive bias.

The trend deciding level for the day is 10935. If NIFTY trades above this level then we may witness a further rally up to 11050-11110-11225 levels. However, if NIFTY trades below 10935 levels then we may see some profit booking initiating in the market, which may correct up to 10870-10755-10695 levels

Stocks to focus for intraday Long		Grasim, Icicibank, Indusindbk, Itc, Maruti
Stocks to focus for intraday Short		Hindunilvr, Mphasis, Endurance, Eveready, Lti

Daily call

Index	CMP	% up/dn	S2	S1	P	R1	R2
USD/INR (Future)	70.69	-0.62%	70.25	70.47	70.83	71.05	71.41

USDINR (March Future) Daily chart



Comments:

USDINR opened on a flat note and witnessed sideways movement in initial half. However later hour selling pressure dragged USDINR lower to end near day's low. USDINR closed at 70.69 with a loss of 0.62 %.

On the daily chart USDINR has formed a sizable Bearish candle forming lower High-low compare to previous session and has closed below previous session's low indicating negative bias. USDINR is moving in a Lower Top and Lower Bottom formation on the daily chart indicating sustained down trend. USDINR is trading below 20 and 50 day SMAs which are important short term moving averages, indicating negative bias in the short to medium term.

The chart pattern suggests that if USDINR breaks and sustains below 70.60 levels it would witness selling which would lead USDINR towards 70.40-70.30 levels. However if USDINR crosses above 71.20 level it would witness buying which would take USDINR towards 71.40-71.50 levels.

The daily strength indicator RSI and momentum oscillator Stochastic both are moving downwards and are below their respective reference lines indicating negative bias.

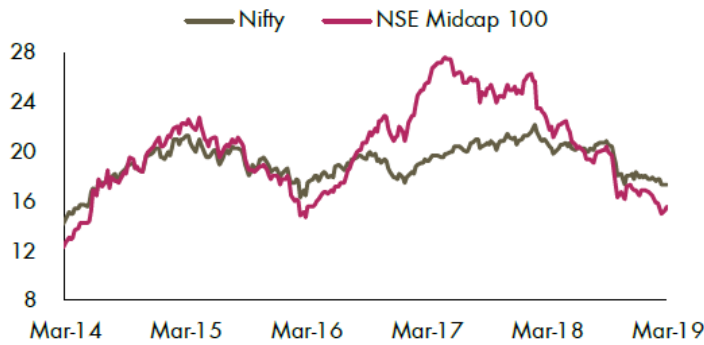
Daily Support/ Resistance of Nifty Companies



Company	CMP	Pivot Point	R1	R2	S1	S2
NIFTY 50	10987	10933	11049	11111	10871	10755
ADANI PORTS	340	337	343	347	333	327
ASIAN PAINT	1401	1398	1413	1425	1386	1371
AXIS BANK	734	723	745	756	712	690
BPCL	363	358	370	378	350	338
BAJAJ-AUTO	2896	2876	2937	2979	2835	2773
BAJFINANCE	2696	2683	2721	2747	2658	2619
BAJAJFINSV	6610	6549	6711	6813	6447	6285
BHARTIARTL	308	307	310	313	305	301
INFRA TEL	296	295	298	300	292	289
CIPLA	548	549	551	554	546	544
COALINDIA	240	238	244	248	235	229
DRREDDY	2660	2644	2684	2709	2620	2580
EICHERMOT	21510	20902	22485	23459	19928	18345
GAIL	347	345	349	351	343	339
GRASIM	811	804	819	828	795	780
HDFC	1860	1856	1873	1886	1843	1826
HINDPETRO	248	243	254	259	237	226
HCLTECH	1052	1052	1060	1067	1045	1038
HDFCBANK	2107	2096	2122	2137	2081	2055
HEROMOTOCO	2794	2756	2860	2926	2690	2586
HINDUNILVR	1725	1727	1737	1750	1715	1705
HINDALCO	198	197	200	202	195	192
IOC	154	152	157	159	149	144
ICICIBANK	362	360	366	371	355	348
IBULHSGFIN	739	719	774	809	684	629
INDUSINDBK	1539	1532	1554	1569	1517	1495
INFY	733	735	740	747	728	723
ITC	284	281	287	289	279	273
JSWSTEEL	291	288	295	298	284	278
KOTAKBANK	1240	1235	1252	1263	1223	1206
LT	1305	1297	1318	1331	1285	1264
M&M	656	652	662	668	646	636
MARUTI	7130	7061	7227	7325	6964	6797
NTPC	147	146	149	151	144	141
ONGC	155	153	158	161	150	145
POWERGRID	183	184	185	186	182	181
RELIANCE	1237	1232	1245	1253	1224	1211
SBIN	276	275	279	282	272	268
SUNPHARMA	456	453	460	464	448	441
TATAMOTORS	193	191	201	208	184	174
TATASTEEL	520	516	527	534	509	498
TCS	1985	1990	2003	2020	1972	1959
TECHM	811	815	821	831	804	798
TITAN	1037	1031	1046	1055	1022	1007
ULTRACEMCO	3937	3929	3987	4037	3879	3820
UPL	876	873	881	886	868	860
VEDL	175	174	176	178	172	170
WIPRO	363	367	371	379	358	354
YESBANK	237	237	240	244	234	231
ZEEL	482	483	487	491	479	475

Source: Axis Direct.

Key indices: Forward P/E



Fwd PE range - Apr'07 to date		
	Nifty *	CNX Midcap 100
Current	17	16
Top Quartile	20	20
Median	18	16
Low Quartile	15	13

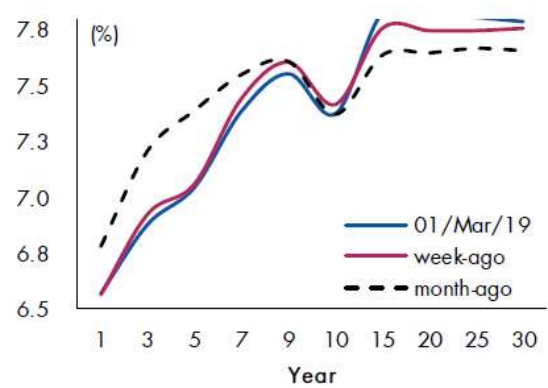
Source: Axis Capital, Bloomberg Note: * based on Axis Capital estimates. Midcap estimates are from Bloomberg

10-yr bond yield



Source: Bloomberg

G-Sec yield curve



Source: Bloomberg

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