

7 March 2019

Indices	Current Value	% 1 D	% YTD
Sensex	36636	0.53	1.57
Nifty	11053	0.60	1.75
BSE – Mid Cap	14866	0.49	(3.71)
BSE – Sml Cap	14557	0.97	(1.02)
SGX Nifty Fut	11100	0.03	-

Sectors –Performance (BSE)

Consumer Dura	22317	1.36	7.84
Telecom	997	1.09	0.90
Power	1905	1.07	(4.73)
Auto	19458	(0.24)	(6.60)
Teck	7603	0.26	7.60
Bankex	30970	0.26	1.95

Index	FY19E	FY20E	FY21E
SensexEPS	1593	2036	2389
P/E	23	18	15
NiftyEPS	515	638	743
P/E	21	17	15

FII Trading activities in Cash

	Date	Net	MTD	CYTD
FII	05/03	(1869)	3160	16118
DII	06/03	(878)	(180)	(1400)

Figs. in Rs Cr., Source: Bloomberg.

Global Indices	Current Value	% 1 D	% YTD
Dow 30	25673	(0.52)	10.06
Nasdaq	7506	(0.93)	13.12
DAX	11588	(0.28)	9.74
Nikkei 225	21437	(0.74)	7.10
FTSE 100	7196	0.17	6.95
Hang Seng	28990	(0.17)	12.16
Shanghai	3088	(0.47)	18.24
Bovespa	94217	(0.41)	7.20
STI Index	3231	0.24	5.28

Source: Bloomberg; As on 8.30 am IST

Forex Rate

INR/USD	70.25	0.34	(0.98)
INR/EUR	79.31	0.58	0.71
INR/GBP	92.38	0.55	(4.07)
INR/YEN (100)	62.83	0.26	1.04

US trade deficit increases to a 10-year high at \$621 bn in 2018

Asian markets were trading lower amid weak cues from Wall Street overnight while investors focus on U.S.-China trade negotiations. Nikkei is trading lower by 0.72%, Hangseng is trading lower by 0.33% and Shanghai is trading lower by 0.42%. Indian indices are expected to open on a flat note. Sgx Nifty is trading lower by 0.05%.

The US markets ended lower led by decline in energy and healthcare stocks. On the data front, private payrolls rose by 183,000 in February while the U.S. trade deficit increased to a 10-year high of \$59.8 bn. The Dow Jones lost 133 points or 0.52% to close at 25,673 while NASDAQ lost 70 points, or 0.93%, to close at 7,506.

What to watch

- Oil prices decline as US crude inventories rise on record production
- US trade deficit surges to 10-year high in 2018 at \$621 bn

Corporate

- **HDFC** board of directors approved the payment of interim dividend of Rs 3.50 per share for the FY2019.
- **Vedanta** board of directors have approved 2nd interim dividend of Rs 1.85 per share.
- **Biocon** : USFDA concluded a pre-approval inspection of company's insulin drug substance manufacturing facility in Bengaluru with six observations.
- **Himachal Futuristic Communications** has bagged orders worth Rs 117 cr for supply of optical fibre cables from Tata Project.
- **LT Foods** to make an investment of Rs 20 cr in the form of preference shares in its majority owned subsidiary company Daawat Foods Limited.

Insight from trading volumes

Scrip	% Chg in Qty Traded (OverAvg 30 days)	Qty Traded (‘000s)	Delivery %	CMP*
Sunteck Realty	942	5318	84	379
J & K Bank	821	11571	26	50
Eveready Inds.	795	6818	58	212
Advance. Enzyme.	656	2398	63	156
Lak. Vilas Bank	563	13653	44	81
Netwrk.18 Media	466	3204	71	35
Bajaj Consumer	465	342	76	353

Insight from delivery

Scrip	Delivery %	Total Volume (‘000s)	30 days avg Delivery %	CMP*
SREI Infra. Fin.	48	3068	23	31
Omaxe	36	446	19	206
Apollo Hospitals	73	1878	41	1192
NIIT Tech.	44	580	25	1317
Motherson Sumi	51	8191	29	168
Elgi Equipment	94	169	55	263
Page Industries	54	74	32	23248

*CMP-Closing Market Price

Company	CMP	Target Price	% Upside	Company	CMP	Target Price	% Upside
Aarti Inds.	1522	1599	5	Lumax Inds	1731	2287	32
Alkem Labs	1746	2050	17	Marico	336	410	22
Apcotex Industri	475	664	40	Maruti Suzuki	7059	7674	9
APL Apollo Tubes	1397	1532	10	Mold-Tek Pack	280	325	16
Apollo Hospitals	1192	1345	13	Narayana Hrudayalaya	228	251	10
Ashok Leyland	91	100	10	Natco Pharma	562	720	28
Asian Paints	1394	1550	11	Nestle	10355	11700	13
Automotive Axles	1300	1838	41	Oberoi Realty	482	517	7
Bajaj Finance	2764	2927	6	Oriental Carbon	1132	1343	19
Bata India	1344	1450	8	Persistent Systems	666	840	26
Berger Paints	304	360	18	Petronet LNG	227	270	19
Biocon	625	820	31	Phoenix Mills	633	675	7
Carborundum Universal	383	426	11	Power Grid	185	224	21
CARE	997	1190	19	PPAP Automotive Ltd	330	458	39
CDSL	239	280	17	Reliance Inds	1264	1400	11
Cholamandalam Invst	1307	1550	19	Sadbhav Engg	229	259	13
City Union Bank	189	228	21	SBI	278	380	37
Coromandel Intl	459	620	35	SBI Life	606	725	20
CRISIL	1505	1880	25	Sheela Foam	1350	1574	17
Dabur	437	495	13	Shriram City Union Fin	1691	2000	18
Dr Reddys Lab	2693	2950	10	SIS	834	980	17
Emami	399	500	25	Sundaram Finance Ltd	1544	2090	35
Endurance Technologies	1148	1512	32	Sunteck Realty	379	424	12
Federal Bank	87	103	18	Suprajit Engg	212	241	14
Finolex Industries	536	570	6	Symphony	1321	1680	27
Gabriel India	154	165	7	Tata Power	71	90	26
GAIL	345	420	22	Tata Steel	519	547	5
GMM PFAUDLER	1160	1276	10	TCS	1999	2137	7
Gujarat Borosil Ltd	98	120	23	Tech Mahindra	823	915	11
Gulf Oil Lubricants	862	1050	22	Trident Ltd	67	88	31
HCL Tech	1044	1235	18	Varun Beverages	822	1000	22
HDFC	1885	2240	19	Westlife Devlp	370	475	28
HDFC Bank	2103	2700	28				
Hero MotoCorp	2766	3239	17				
Himadri Specialty Chemical	122	151	24				
Hindalco Inds	202	252	25				
Hindustan Unilever	1700	1923	13				
ICICI Bank	372	500	35				
ICRA	2851	3620	27				
IndusInd Bank	1533	1800	17				
Infosys Tech	732	810	11				
ITC	285	315	10				
JSW Steel	290	328	13				
Jubilant Foodworks	1328	1525	15				
Jyothy Lab	190	225	18				
Karnataka Bank	121	135	12				
L&T Infotech	1652	2020	22				
L&T Technology	1540	1870	21				
LIC Housing	489	630	29				

Daily call

Index	CMP	% up/dn	S2	S1	P	R1	R2
Nifty	11,053	0.60%	10975	11015	11040	11075	11100
Sensex	36,636	0.53%	36375	36505	36585	36715	36795

Nifty Daily chart



Comments:

Nifty opened with an upward gap and remained in positive terrain throughout the day. Nifty closed at 11053 with a gain of 66 points.

On the daily chart the index has formed a small bullish candle forming higher High-Low formation compare to previous session indicating positive bias. Nifty manages to close above 11000 levels which indicate strength ahead. The index is moving in a Higher Top and Higher Bottom formation on the daily chart indicating sustained up trend. The chart pattern suggests that if Nifty crosses and sustains above 11070 levels it would witness buying which would lead the index towards 11100-11120 levels. However if index breaks below 11000 level it would witness profit booking which would take the index towards 10970-10930 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 and momentum oscillator Stochastic both are moving upwards and are above their respective reference lines indicating positive bias.

The trend deciding level for the day is 11040. If NIFTY trades above this level then we may witness a further rally up to 11075-11100-11140 levels. However, if NIFTY trades below 11040 levels then we may see some profit booking initiating in the market, which may correct up to 11015-10975-10950 levels.

Stocks to focus for intraday Long		BAJAJ-AUTO, BAJFINANCE, DRREDDY, HDFC, HINDALCO
Stocks to focus for intraday Short		HCLTECH, HINDUNILVR, ABFRL, DABUR, GODREJPROP

Daily call

Index	CMP	% up/dn	S2	S1	P	R1	R2
USD/INR (Future)	70.45	-0.31%	70.16	70.30	70.58	70.72	71.00

USDINR (March Future) Daily chart



Comments:

USDINR opened with an upward gap however witnessed selling from the opening tick to end near the day's low. USDINR closed at 70.45 with a loss of 0.31 %.

On the daily chart USDINR has formed a 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 SMA 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 70.40 levels it would witness selling which would lead USDINR towards 70.20-70.0 levels. However if USDINR crosses above 70.90 level it would witness buying which would take USDINR towards 71.10-71.30 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	11053	11038	11077	11102	11014	10975
ADANI PORTS	336	340	346	355	331	325
ASIAN PAINT	1397	1398	1409	1421	1386	1374
AXIS BANK	719	722	731	743	710	701
BPCL	373	370	377	380	366	360
BAJAJ-AUTO	2910	2909	2943	2975	2877	2844
BAJFINANCE	2766	2747	2793	2821	2719	2673
BAJAJFINSV	6601	6581	6645	6688	6538	6475
BHARTIARTL	309	310	312	315	307	305
INFRA TEL	302	301	307	313	296	290
CIPLA	547	547	552	557	542	537
COALINDIA	242	242	246	250	238	234
DRREDDY	2693	2686	2715	2738	2663	2634
EICHERMOT	21500	21568	21732	21963	21337	21173
GAIL	345	345	348	352	342	339
GRASIM	819	815	826	833	808	797
HDFC	1886	1878	1897	1909	1867	1847
HINDPETRO	246	248	253	260	241	236
HCLTECH	1045	1048	1058	1072	1035	1025
HDFCBANK	2103	2101	2112	2121	2092	2082
HEROMOTOCO	2769	2775	2809	2848	2736	2702
HINDUNILVR	1700	1709	1721	1741	1689	1677
HINDALCO	203	202	205	207	200	198
IOC	155	155	157	159	153	151
ICICIBANK	371	370	374	377	367	362
IBULHSGFIN	726	739	753	780	712	698
INDUSINDBK	1534	1532	1543	1551	1524	1514
INFY	732	732	737	741	727	723
ITC	286	287	289	291	284	282
JSWSTEEL	289	290	293	297	286	283
KOTAKBANK	1244	1242	1248	1253	1238	1232
LT	1317	1318	1326	1335	1309	1301
M&M	658	659	664	670	653	648
MARUTI	7053	7069	7129	7204	6994	6934
NTPC	149	149	150	151	148	146
ONGC	155	155	157	159	153	151
POWERGRID	186	185	188	190	183	180
RELIANCE	1262	1257	1278	1295	1240	1219
SBIN	278	279	282	285	276	273
SUNPHARMA	456	457	468	480	445	435
TATAMOTORS	189	191	194	199	186	183
TATASTEEL	519	520	525	530	515	510
TCS	2005	2002	2018	2032	1988	1972
TECHM	825	822	832	840	815	804
TITAN	1055	1048	1068	1081	1036	1016
ULTRACEMCO	3966	3974	4012	4058	3928	3890
UPL	876	876	885	894	867	858
VEDL	179	178	180	182	176	174
WIPRO	278	279	285	292	272	266
YESBANK	235	236	239	244	232	229
ZEEL	471	475	483	495	462	454

Source: Axis Direct.

Global indices *

Indices	Country Mcap (\$bn)	Index value	PER (x)		PBR (x)		ROE (%)		Div Yield (%)
			CY18	CY19	CY18	CY19	CY18	CY19	CY18
Developed									
US (Dow Jones)	30,374	25,916	16	14	3.8	3.5	24	24	2.4
US (S&P 500)	-	2,784	17	15	3.1	2.8	18	19	2.1
UK (FTSE 100)	3,322	7,075	13	11	1.7	1.6	13	14	4.9
Germany (DAX)	2,081	11,516	13	11	1.4	1.4	12	12	3.5
France (CAC)	2,432	5,241	13	12	1.5	1.4	11	11	3.6
Japan (Nikkei 225)	5,738	21,603	16	15	1.6	1.5	10	10	2.1
BRIC									
Brazil (IBOV)	972	95,584	12	11	1.8	1.6	15	15	3.9
Russia (Micex)	613	2,485	6	5	0.7	0.7	13	13	7.1
India (Nifty)	1,987	10,864	21	17	2.8	2.5	13	15	1.5
China (HSCEI)	6,695	11,507	8	8	1.0	0.9	12	12	4.0
Asian									
HK (H S I)	5,453	28,812	11	10	1.2	1.1	11	11	3.7
Korea (Kospi)	1,469	2,195	11	9	0.9	0.8	8	9	2.2
Singapore (Straits)	513	3,220	13	12	1.1	1.0	9	9	4.2
Taiwan (Taiex)	1,131	10,389	14	14	1.6	1.6	11	12	4.4

Source: Bloomberg

Disclosures:

The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations).

1. Axis Securities Ltd. (ASL) is a SEBI Registered Research Analyst having registration no. INH000000297. ASL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. ASL is a subsidiary company of Axis Bank Ltd. Axis Bank Ltd. is a listed public company and one of India's largest private sector bank and has its various subsidiaries engaged in businesses of Asset management, NBFC, Merchant Banking, Trusteeship, Venture Capital, Stock Broking, the details in respect of which are available on www.axisbank.com.
2. ASL is registered with the Securities & Exchange Board of India (SEBI) for its stock broking & Depository participant business activities and with the Association of Mutual Funds of India (AMFI) for distribution of financial products and also registered with IRDA as a corporate agent for insurance business activity.
3. ASL has no material adverse disciplinary history as on the date of publication of this report.
4. I/We, authors (Research team) and the name/s subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect my/our views about the subject issuer(s) or securities. I/We also certify that no part of my/our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report. I/we or my/our relative or ASL does not have any financial interest in the subject company. Also I/we or my/our relative or ASL or its Associates may have beneficial ownership of 1% or more in the subject company at the end of the month immediately preceding the date of publication of the Research Report. Since associates of ASL are engaged in various financial service businesses, they might have financial interests or beneficial ownership in various companies including the subject company/companies mentioned in this report. I/we or my/our relative or ASL or its associate does not have any material conflict of interest. I/we have not served as director / officer, etc. in the subject company in the last 12-month period.

Research Team

Sr. No	Name	Designation	E-mail
1	Rajesh Palviya	Technical & Derivative Analyst - (Head)	rajesh.palviya@axissecurities.in
2	Vaishnavi Jagtap	Technical Analyst	vaishnavi.jagtap@axissecurities.in
3	Rahil Vora	Derivative Analyst	rahil.vora@axissecurities.in
4	Hemang Gor	Derivative Analyst	hemang.gor@axissecurities.in
5	Hiren Trivedi	Research Associate	hiren.trivedi@axissecurities.in
6	Kiran Gawle	Associate	kiran.gawle@axissecurities.in

5. ASL has not received any compensation from the subject company in the past twelve months. ASL has not been engaged in market making activity for the subject company.

6. In the last 12-month period ending on the last day of the month immediately preceding the date of publication of this research report, ASL or any of its associates may have:

- i. Received compensation for investment banking, merchant banking or stock broking services or for any other services from the subject company of this research report and / or;
- ii. Managed or co-managed public offering of the securities from the subject company of this research report and / or;
- iii. Received compensation for products or services other than investment banking, merchant banking or stock broking services from the subject company of this research report;

ASL or any of its associates have not received compensation or other benefits from the subject company of this research report or any other third-party in connection with this report

Term& Conditions:

This report has been prepared by ASL and is meant for sole use by the recipient and not for circulation. The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of ASL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. ASL will not treat recipients as customers by virtue of their receiving this report.

Disclaimer:

Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to the recipient's specific circumstances. The securities and strategies discussed and opinions expressed, if any, in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient.

This report may not be taken in substitution for the exercise of independent judgment by any recipient. Each recipient of this report should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this report (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. Certain transactions, including those involving futures, options and other derivatives as well as non-investment grade securities involve substantial risk and are not suitable for all investors. ASL, its directors, analysts or employees do not take any responsibility, financial or otherwise, of the losses or the damages sustained due to the investments made or any action taken on basis of this report, including but not restricted to, fluctuation in the prices of shares and bonds, changes in the currency rates, diminution in the NAVs, reduction in the dividend or income, etc. Past performance is not necessarily a guide to future performance. Investors are advised necessarily a guide to future performance. Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice.

ASL and its affiliated companies, their directors and employees may; (a) from time to time, have long or short position(s) in, and buy or sell the securities of the company(ies) mentioned herein or (b) be engaged in any other transaction involving such securities or earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or investment banker, lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting this document.

ASL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that ASL may have a potential conflict of interest that may affect the objectivity of this report. Compensation of Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. ASL may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

Neither this report nor any copy of it may be taken or transmitted into the United State (to U.S. Persons), Canada, or Japan or distributed, directly or indirectly, in the United States or Canada or distributed or redistributed in Japan or to any resident thereof. If this report is inadvertently sent or has reached any individual in such country, especially, USA, the same may be ignored and brought to the attention of the sender. This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject ASL to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors.

The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. The Company reserves the right to make modifications and alternations to this document as may be required from time to time without any prior notice. The views expressed are those of the analyst(s) and the Company may or may not subscribe to all the views expressed therein.

Copyright in this document vests with Axis Securities Limited.

Axis Securities Limited, SEBI Single Reg. No.- NSE, BSE & MSEI – INZ000161633, ARN No. 64610, CDSL-IN-DP-CDSL-693-2013, SEBI-Research Analyst Reg. No. INH 000000297, SEBI Portfolio Manager Reg. No.- INP000000654, Main/Dealing off.- Unit No. 2, Phoenix Market City, 15, LBS Road, Near Kamani Junction, Kurla (west), Mumbai-400070, Tel No. – 022 40508080 / 022 61480808, Reg. off.- Axis House, 8th Floor, Wadia International Centre, Pandurang Budhkar Marg, Worli, Mumbai – 400 025. Compliance Officer: Anand Shaha, E-Mail ID: compliance.officer@axisdirect.in, Tel No: 022-42671582.