AXIS SECURITIES

Daily Morning Note

14 May 2024

Indices	Current Value	% 1 D	% YTD
Sensex	72,766	0.2	0.7
Nifty	22,104	0.2	1.7
BSE Midcap	41,177	0.4	11.8
BSE Small cap	45,293	-0.2	6.1
Sectors – Performance (BSE)			
Capital Goods	61,805	1.3	11.1
Reality	7,416	1.3	19.9
Healthcare	35,094	1.1	11.2
Auto	51,224	-1.5	21.3
Oil & Gas	27,634	-0.7	20.0
Consumer Du	51,905	-0.6	3.8

Nifty Gainers/Losers	CMP	% Chg
Cipla	1415	5.6
Asian Paints	2879	3.9
Adani Ports	1306	3.1
Tata Motors	960	(8.3)
BPCL	607	(1.9)
SHRIRAMFIN	2,302	(1.8)

FII Trading activities in Cash

	Date	Net	MTD
FII	13-May-24	-4,499	-6,616
DII	13-May-24	3,563	6,273

Figs. in Rs Cr.

Forex Rate			
INR/USD	83.5	-0.0	-0.4
INR/EUR	90.1	0.0	2.1
INR/GBP	104.6	0.0	1.0
INR/YEN (100)	53.5	0.2	10.0

Market Commentary

- **Asian markets** are trading mostly higher as Investors in Asia assessed India's inflation numbers. Data released Monday showed consumer price index climbed 4.83% YoY, nearly in line with the 4.8% expected by economists. Nikkei and Hang Seng are trading higher by 0.16% and 0.19% respectively whereas Shanghai is trading lower by 0.27%.
- **Indian Indices** are expected to open slightly higher. GIFT Nifty was trading at 22,264 vs. yesterday's Nifty Futures close of 22,201.
- **US markets** ended mixed as Wall Street braced for the release of key inflation data. The Labor Department is scheduled to release its reports on producer and consumer price inflation on Tuesday and Wednesday respectively. Dow Jones ended lower by 81 points or 0.21% to close at 39,431 whereas NASDAQ ended higher by 47 points or 0.29% to close at 16,388.

What's Inside

- **Q4FY24 Results Update:** JTL Industries (BUY), APL Apollo Tubes (BUY), CCL Products (BUY), Ethos Ltd (BUY), Varun Beverages Ltd. (BUY)
- **Q4FY24 Results Today (Coverage):** Bharti Airtel, Shree Cement, Colgate-Palmoliv, Archean Chemical Industries Ltd, V-Mart Retail, ManInfraconstruction.
- **Q4FY24 Results Today (Non-Coverage):** Siemens, AIA Engineering, Apollo Tyres, Devyani Intl, Oberoi Realty, ShyamMetalics.

News in Focus

- **Cochin Shipyard:** The company has bagged a large order (in the range of Rs 500-1,000 Cr) from a European client for the design and construction of a hybrid service operation vessel (Hybrid SOV) with an option for two more such vessels. The vessel is equipped with hybrid battery systems to improve energy efficiency and reduce carbon footprint. The project is expected to be completed by the end of 2026.
- **Vedanta:** The company said the board of directors will consider the raising of funds via the issue of equity shares or any other securities convertible into equity shares on May 16.
- **Hero MotoCorp:** The company has joined the ONDC Network, becoming the first auto company in the country to join the network. The open network will initially offer two-wheeler parts, accessories, and merchandise.
- **Rail Vikas Nigam:** The company has received a Letter of Acceptance from Southern Railway for the provision of an automatic block signalling system in Jolarpettai junction to Erode junction of Salem division in Southern Railway. The order worth Rs 239 Cr is expected to be executed within 12 months.

AXIS SECURITIES

VBL : STRONG VOLUME-LED GROWTH CONTINUES; MAINTAIN BUY

Est. Vs. Actual for Q1CY24: Revenue – MISS; EBITDA – BEAT; PAT – BEAT

Changes in Estimates post Q1CY24

CY24E/CY25E: Revenue: 1%/0%; **EBITDA:** 5%/2%; **PAT:**6%/2%

Recommendation Rationale

- **VBL delivered a strong set of numbers:** The company's robust all-around performance was led by volume growth of 7.2% YoY to Rs 240.2 Mn cases in Q1CY24, despite the delay in the Holi festive season by 17 days, resulting in a delayed seasonality cycle. The realization in Q1CY24 grew by 3.5% to Rs 179.7/case, led by an improved product mix in India and a higher contribution of International markets (grew 22% in Q1CY24). The company's gross margins improved strongly due to a decline in PET prices and an improved product mix. It continues to maintain its growth momentum guidance for coming quarters, supported by scaling up the dairy/juices portfolio, increasing distribution reach, robust on-ground execution, and expanding manufacturing capacities, especially in the South African business.
- **Consistent revenue and profitability growth:** This will be mainly on account of 1) Successful strategic acquisition of the Beverage Company, thereby consolidating its presence in South Africa and DRC, 2) Continued focus on expansion in its distribution reach, mainly in rural areas, 3) Commissioning of multiple green fields and brownfield facilities across geographies, strengthening manufacturing capabilities and extending market reach, thereby saving significant transportation costs, and 4) Focus on expanding high-margin Sting energy drinks across outlets coupled with increased focus on expansion of value-added dairy, sports drink (Gatorade), and juice segment. We believe these investments are poised to support the company's long-term growth objectives and profitability.

Sector Outlook: Positive

Company Outlook & Guidance: We expect VBL to continue its strong growth momentum on a mid to long-term basis and hence maintain our **BUY** recommendation on the stock.

Current Valuation: 50xJune-25EPS (Earlier: 48xCY25EPS)

Current TP: **Rs 1,750/share (Earlier TP: Rs 1,430/ share)**

Recommendation: With a 18% upside potential from the CMP, we **maintain** our **BUY** rating on the stock

CCL: High Double-Digit Volume Growth Outlook Continues; Maintain BUY

Est. Vs. Actual for Q4FY24: Revenue – BEAT; EBITDA – MISS; PAT – MISS

Changes in Estimates post Q4FY24

FY25E/FY26E: Revenue: 1%/-2%; **EBITDA:** -6%/-10%; **PAT** -4%/-10%

Recommendation Rationale

- Despite the volatility in coffee prices due to geopolitical issues, the company posted volume growth of 8-10% in Q4FY24 (~14% in FY24). The company's revenue stood at Rs 727Cr, up 39.7% YoY vs. our estimates of 25%. The company's EBITDA margins stood lower, primarily due to the impact of an all-time high in coffee prices.
- The company mentioned that it couldn't achieve its volume growth guidance of 18% due to the breakdown of one of its units in Q2FY24, compounded by hyperinflation in coffee prices, which impacted subsequent quarters. However, it has maintained the volume growth guidance of 18% for the coming years, considering that coffee prices seem to be softening now. It aims to drive volume as much as possible under these conditions.
- The company's New FDC Vietnam plant will commence in H2FY25.

Sector Outlook: Positive

Company Outlook & Guidance: We have cut our PAT estimates for FY25/26E by 4%/10% to factor in EBITDA margin pressure in the near term. Hence, we revise our TP to Rs 670/share from the earlier TP of Rs 720/share. **Current Valuation: 23x Mar-26 EPS** (**Earlier Valuation: 24x Dec'25 EPS**).

Current TP: **Rs 670/share (Earlier TP: Rs 720/share)**

Recommendation: With a 17% upside from the CMP, we **maintain** our BUY rating on the stock.

ETHOS : Long-Term Growth Prospect Continues; Maintain BUY

Est. Vs. Actual for Q4FY24: Revenue – MISS; EBITDA – BEAT; PAT – BEAT

Changes in Estimates post Q4FY24

FY25E/FY26E – Revenue:-13%/-12%;**EBITDA:**-7%/-6%; **PAT:**-11%/-12%

Recommendation Rationale

- **Strong Performance Continues:** Ethos posted encouraging results. Its revenue grew 22% YoY (SSSG grew 10%). The company cautioned on a slight blip in volume growth in Apr'24 and May'24 due to the ongoing election phase; however, it anticipates volume growth recovery post-elections. On a full-year basis as well, it maintains the growth outlook, led by strong store expansion guidance (addition of 25 stores) in FY25, introduction of new brands portfolio, scaling up of existing exclusive brands portfolio, and gradual expansion of new lifestyle categories – Luggage (Rimova) and Jewellery businesses.
- **Store opening guidance:** As of May'24, the store reach stands at 63 stores across 24 cities. The company plans to open 25 stores in FY25 and targets a total store reach of 150 stores in the next five years.
- **The structural story continues:** Ethos's promising future is underpinned by the company's robust and consistent performance over the last several quarters. This will be driven by – 1) Continued strong demand in the premium and luxury watch space, 2) Rapid store expansion guidance, 3) Foray into the fast-growing CPO segment, 4) Increasing share of high-margin exclusive brands, 5) Diversification into fast-growing luxury segment – Luggage and Jewellery, and 6) Headroom for margin and ROCE expansion.

Sector Outlook: Positive

Company Outlook & Guidance: We cut down our FY25/26E EPS estimates to account for a normalised growth rate on a short to mid-term basis.

Current Valuation: 40xFY26 EPS (**Earlier Valuation: No change**).

Current TP: **Rs 2,700/share** (**Earlier TP: Rs 3,100/share**).

Recommendation: We maintain our **BUY** rating on the stock **based on the company's bright future prospects.** Our TP implies a 17% upside from the CMP.

JTL Industries Q4FY24 Result Update; BUY; TP: Rs 260/share

Weak Q4 In line With Expectations; Next Leg of Capex to Drive Growth

Est. Vs. Actual for Q4FY24: Revenue – **BEAT**; **EBITDA/t** – **BEAT** ; **PAT** – **BEAT**

Change in Estimates post Q4FY24

FY25E/FY26E: Revenue: -12%/-13%; **EBITDA:** -12%/-19%; **PAT:** -4%/-13%

Recommendation Rationale

- **Growing EBITDA/t trajectory:** The company has guided sales volume and revenue growth of 30% YoY (over 342 kt in FY24) in FY25, while maintaining EBITDA/t of Rs 5,000/t for FY25 (From Rs 4,452/t in FY23). It will add colour-coated lines, galvanising lines, and DFT lines (which will add VAP products with higher EBITDA/t of ~Rs 7,000/t+). This will lead to an improvement in VAP share (40% target for FY25 vs. 29% in FY24) and higher EBITDA/t. DFT lines will come online from Q2FY25 and overall VAP share will improve from H2FY25.
- **Product adjacencies and backward integration to enhance product profile:** JTL acquired a 67% stake in Nabha Steels and Metals, at Mandi Gobindgarh, Punjab, (0.2 mtpa capacity). Naba acquisition will lead to cost savings as it will supply in-house coils from scrap to the Mandi plant leading to backward integration at the plant which currently sources coils from the external market. This will lead to 30% more savings due to an increase in EBITDA/t on black pipe. The plant will start contributing to the bottom line in the next couple of quarters.
- **Current demand outlook is sluggish; demand to pick up from H2FY25:** Demand is currently sluggish due to low government demand. Post-election demand from government schemes such as the Jal Jeevan Mission should increase, irrespective of the election outcome. JTL has 30% demand exposure to the government sector and the rest comes from other diverse sectors.

Sector Outlook: Positive

Company Outlook & Guidance: 0.56 MT to 1 MT expansion is on track and will be complete before FY25. DFT facilities of 2 Lc tonnes out of the total incremental capacity of 4 Lc tonnes will start from Q2FY25. The company's target for expansion from 1 to 2 mtpa is by FY28.

Current Valuation: 23x P/E on FY26E EPS (Unchanged)

Current TP: **Rs 260/share** (From Rs 275/share earlier)

Recommendation: We **maintain** our **BUY** rating on the stock.

APL Apollo Q4FY24 Result Update; BUY; TP: Rs 1,790/share

Weak Demand Drives EBITDA Miss; Outlook Improving

Est. Vs. Actual for Q4FY24: Revenue – BEAT; EBITDA/t – MISS; PAT – MISS

Change in Estimates post Q4FY24:

FY25E/FY26E: Revenue: -5%/1%; **EBITDA:** -6%/-1%; **PAT:** -9%/-3%

Recommendation Rationale

- **Weaker demand drives EBITDA/t drop:** To push the retail sales upwards, the company gave discounts. This along with the distribution of fixed costs towards the Riapur and Dubai plant ramp up led to a decline in blended EBITDA/t to Rs 4,132 (down 17%/11% YoY/QoQ). Operating leverage will kick in once the Raipur and Dubai plants operate above the threshold of 60-70% utilisation levels in FY25 and onwards. This will drive EBITDA/t higher. The management expects the demand scenario to improve from H2FY25 onwards.
- **Blended EBITDA/t to improve from hereon:** The spread between primary and secondary steel is now down to ~Rs 7,000/t (from Rs 15,000/t in Q4FY24), which will aid in sales volumes in Q1FY25. The spread is expected to remain on the lower side with the ramp-up of HR coil capacities supporting APL's volumes. With the ramp-up of the Raipur plant, the blended EBITDA/t is expected to improve gradually (the company targets blended EBITDA/t of Rs 5,000/t + in FY26).
- **Raipur Plant Ramp-up: The** Raipur plant (1 mtpa capacity) operated at a 55% utilisation level in Q4FY24 and in FY25, it is expected to increase to 70-75%. At Dubai (0.3 mtpa capacity), out of 4 mills, 2 mills are operational (45% utilisation in Q4FY24 on 2 mills). All 4 mills are expected to be operational in FY25 and will operate at 50% capacity (0.15 mtpa volumes).

Company Outlook & Guidance: Existing capacity is 4MT and will increase to 5MT in FY25. Sales volume is expected to increase by 25% YoY in FY25. The company is targeting 5MT sales volume (a steep increase of 50% YoY in the best-case scenario) by FY26 and EBITDA/t of over Rs 5,000/t. However, management cited favourable macro factors necessary to achieve its 5MT target for FY26. We model sales volume at 3.3MT and 4.4MT for FY25/26E.

Current Valuation: 33x P/E Mar'26 EPS (Unchanged)

Current TP: **Rs 1,790/share** (Earlier TP: Rs 1,850/share)

Recommendation: We maintain our **BUY** rating**.**

Q4FY24 Earnings preview: Our Coverage

Year-end March (Rs Cr)	Q4FY24	Q3FY24	QoQ (%)	Q4FY23	YoY (%)	Result expectations
Bharti Airtel						
Revenues	39,165	37,900	3.3%	36,009	8.8%	
EBITDA	12,255	9,741	0.26	9,291	31.9%	➔ QoQ improvement may be seen with an increase in India wireless revenue. ➔ A strong service mix and an increase in the ARPU may aid the margins ➔ Strong customer additions and conversion in 4G from 2G
EBITDA margin (%)	31	26	558.88	26	549	
PAT	5,309	2,867	85.2%	4,226	25.6%	
EPS (Rs)	4.2	3.8	10.5%	3.4	23.5%	

Year-end March (RsMn)	Q4FY24	Q3FY24	QoQ(%)	Q4FY23	YoY (%)	Result expectations
Shree Cement Limited						
Volume (mntpa)	9.68	8.89	9%	8.80	10%	➔ Volume to grow YoY driven by commissioning of new capacity. ➔ Revenue to be higher YoY owing to higher volume. ➔ Gross margin to be higher owing to lower cost YoY. ➔ Ebitda margin to expand YoY owing to easing cost pressure. ➔ PAT to be higher YoY due to higher sales and lower cost. ➔ EPS to be in line with PAT ➔ EBITDA/tonne to be higher on YoY owing to lower cost. ➔ Realization to be lower YoY as Cement prices decline. ➔ Cost/Tonne to be lower QoQ.
Revenues	5096	4901	4%	4785	7%	
Gross Profit	2193	2250	-3%	1750	25%	
Gross margin (%)	43%	46%	(300bps)	37%	600bps	
EBITDA	1163	1234	-6%	892	30%	
EBITDA margin (%)	22.8%	25.2%	(240bps)	18.7%	410bps	
PAT	629	734	-14%	546	15%	
EPS (Rs)	175	204	-14%	152	15%	
EBITDA/Tonne	1201	1388	-13%	1014	18%	
Realization/tonne	5,265	5,513	-5%	5,438	-3%	
Cost/Tonne	4,064	4,125	-1%	4,423	-8%	

Year end March (Rs Cr)	Q4FY24	Q3FY24	QoQ(%)	Q4FY23	YoY (%)	Result expectations
Colgate-Palmolive (India)						
Revenues	1,493	1,386	7.7%	1,342	11.3%	➔ Revenues is expected to 11% (5% volume growth, 6% Price increase) aided by 1) price increase, 2) premiumisation and distribution expansion initiatives ➔ EBITDA Margin to expand 146bps YoY despite gross margin expansion of 435 bps to 71% on account higher ad-spends ➔ Key Monitorables: Competitive scenario; RM trend, price hikes, A&P trajectory, Naturals portfolio performance; New product launches
EBITDA	525	468	12.0%	452	16.1%	
EBITDA margin (%)	35.1	33.8	136bps	33.7	146bps	
PAT	371	330	12.5%	316	17.5%	
EPS (Rs)	13.7	12.1	12.5%	11.6	17.5%	

Year-end March (Rs Cr)	Q4FY24	Q3FY24	QoQ(%)	Q4FY23	YoY (%)	Result expectations
Archean Chemical Industries Ltd						➔ We expect topline to degrow on account on price correction in Bromine and salt due to lower demand from end user industry ➔ The EBITDA is expected to decline QoQ with the overall topline ➔ We expect the margins to decline on YoY basis with lower contribution from bromine ➔ The PAT would go inline with EBITDA ➔ We expect the company to post a EPS of 7.96 per share
Revenues	380	413	-7.8%	382	-0.5%	
EBITDA	140	145	-3.7%	194	-28.0%	
EBITDA margin (%)	37%	35%		51%		
PAT	98	102	-3.6%	137	-28.3%	
EPS (Rs)	8.0	8.3	-3.6%	11.1	-28.3%	

Note: Showcasing the Earnings preview (expectations) for the companies under our coverage whose results are expected by today or by tomorrow (If weekend or Holiday)

AXIS SECURITIES

Result Calendar - Q4FY24

May-2024

NSE 500 + Axis Universe

	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	13-May-24	14-May-24	15-May-24	16-May-24	17-May-24	18-May-24
Large Cap	DLF Jindal Steel Zomato Ltd	**Bharti Airtel** **Shree Cement** Siemens	Mankind Pharma Power Fin.Corpn.	GAIL (India) M & M	JSW Steel	
Mid Cap	Aditya Birla Cap Tube Investments UPL	AIA Engineering Apollo Tyres **Colgate-Palmoliv** Devyani Intl. Oberoi Realty Patanjali Foods	**Dixon Technolog.** Honeywell Auto Jindal Stain. LIC Housing Fin.	**Biocon** Container Corpn. **Endurance Tech.** Vodafone Idea Info Edg.(India) Solar Industries	**Astral** Balkrishna Inds **Bandhan Bank** Delhivery Ltd Glaxosmi. Pharma NHPC Ltd Phoenix Mills Rail Vikas	
Small Cap	Bombay Burmah Cera Sanitary. Chalet Hotels C.E. Info System Sanofi India **Ethos Ltd**	Archean Chemical Industri Apar Inds. BLS Internat. Jubilant Ingrev. PVR Inox Radico Khaitan Safari Inds. Shyam Metalics **V-Mart Retail** Zydus Wellness Archean Chemical Industri **Man Infraconstructio**	EPIGRAL Clean Science Granules India Indian Energy Ex **Jyothy Labs** NCC NLC India Redington India Trident	Crompton Gr. Con eClerx Services Infibeam Avenues JK Paper **Krishna Institu.** Prince Pipes Prism Johnson Ratnamani Metals Restaurant Brand Triveni Turbine V-Guard Industri	**Amber Enterp.** Balrampur Chini Godrej Industrie Kirl. Ferrous Global Health Pfizer Poly Medicure Polyplex Corpn R C F Sobha Varroc Engineer Vinati Organics	Data Pattern **Ujjivan Small**

Bold Companies: **Axis Securities Coverage**

Axis Intellect: Intraweek Stocks for the week 13 May 2024 to 20 May 2024`

Name of Stock	Sector	Mcap
Tata Consumer Products Ltd	Staples	Large Cap
Global Health Ltd	Healthcare	Small Cap
Mahindra & Mahindra Ltd	Auto & Anc	Large Cap
Siemens Ltd	Industrials	Large Cap
Eicher Motors Ltd	Auto & Anc	Large Cap
Five-Star Business Finance Ltd	NBFC	Small Cap
Aurobindo Pharma Ltd	Healthcare	Mid Cap
Bharat Petroleum Corpn. Ltd	Oil & gas	Large Cap
Glaxosmithkline Pharmaceuticals Ltd	Healthcare	Mid Cap
Grasim Industries Ltd	Others	Large Cap

Investment Picks

Company	Recommendation	CMP	Target Price	% Upside
Aarti Drugs Ltd	BUY	462	570	23.3
ACC Ltd	BUY	2,360	2,900	22.9
Affle India Ltd	BUY	1,078	1,350	25.3
APL Apollo Tubes Ltd	BUY	1,534	1,850	20.6
Aptus Value Housing Finance India Ltd	BUY	322	400	24.4
Archean Chemical Industries Ltd	BUY	629	885	40.8
AU Small Finance Bank Ltd	BUY	635	715	12.6
Aurobindo Pharma Ltd	BUY	1,129	1,265	12.1
Bajaj Finance Ltd	BUY	6,685	8,600	28.6
Bandhan Bank Ltd	BUY	187	240	28.3
Bank of Baroda Ltd	BUY	256	315	23.2
Bharti Airtel Ltd	BUY	1,303	1,520	16.7
Birla Corporation Ltd	BUY	1,460	1,800	23.3
Britannia Industries Ltd	BUY	5,069	5,800	14.4
Can Fin Homes Ltd	BUY	736	840	14.1
CCL Products (India) Ltd	BUY	577	720	24.7
Cholamandalam Investment & Finance	BUY	1,269	1,480	16.6
CIE Automotive India Ltd	BUY	479	560	16.8
Cipla Ltd	BUY	1,339	1,515	13.1
Coal India Ltd	BUY	449	505	12.4
Coforge Ltd	BUY	4,465	5,585	25.1
CreditAccess Grameen Ltd	BUY	1,415	1,900	34.3
Cyient Ltd	BUY	1,722	2,500	45.2
Dabur India Ltd	BUY	551	620	12.5
Dalmia Bharat Ltd	BUY	1,716	2,050	19.5
Embassy Office Parks REIT	BUY	353	400	13.3
Equitas Small Finance Bank Ltd	BUY	93	111	18.8
Ethos Ltd	BUY	2,269	3,100	36.6
Federal Bank Ltd	BUY	160	205	28.2
Happiest Minds Technologies Ltd	BUY	808	1,100	36.1
HDFC Bank Ltd	BUY	1,438	1,885	31.1
HealthCare Global Enterprises Ltd	BUY	356	410	15.3
Hero MotoCorp Ltd	BUY	4,877	5,530	13.4
Hindalco Industries Ltd	BUY	626	720	15.1
ICICI Bank Ltd	BUY	1,117	1,325	18.7
IDFC First Bank Ltd	BUY	77	104	35.9
IndiaMART InterMESH Ltd	BUY	2,665	3,000	12.6
Indian Hotels Company Ltd	BUY	543	671	23.5
ITC Ltd	BUY	433	500	15.4
J K Cements Ltd	BUY	3,836	4,400	14.7
J.Kumar Infraprojects Ltd	BUY	621	800	28.9
JK Lakshmi Cement Ltd	BUY	775	1,000	29.0
JTL Industries Ltd	BUY	227	275	21.1
Jyothy Labs Ltd	BUY	461	565	22.7
KNR Constructions	BUY	247	310	25.6
KPIT Technologies Ltd	BUY	1,463	1,750	19.6
Krishna Institute of Medical Sciences Ltd	BUY	1,999	2,300	15.1
Lupin Ltd	BUY	1,610	1,815	12.7
Man Infraconstruction Ltd.	BUY	204	270	32.5
Manappuram Finance Ltd	BUY	175	230	31.8
MAS Financial Services Ltd	BUY	288	380	31.8

Investment Picks

Company	Recommendation	CMP	Target Price	% Upside
Mold-Tek Packaging Ltd	BUY	797	1,030	29.2
Nestle India Ltd	BUY	2,533	2,880	13.7
P I Industries Ltd	BUY	3,560	4,200	18.0
Persistent Systems Ltd	BUY	3,368	4,350	29.2
PNC Infratech Ltd	BUY	434	510	17.5
Praj Industries Ltd	BUY	522	635	21.6
PSP Projects Ltd	BUY	636	815	28.2
Relaxo Footwears Ltd	BUY	851	950	11.6
Sansera Engineering Ltd	BUY	1,008	1,220	21.0
SBI Cards & Payment Services Ltd	BUY	720	850	18.0
SBI Life Insurance Company Ltd	BUY	1,432	1,630	13.8
Shree Cement Ltd	BUY	25,700	31,470	22.4
SIS Ltd	BUY	425	540	26.9
Star Cement Ltd	BUY	219	245	11.8
State Bank of India	BUY	818	1,010	23.4
Steel Strips Wheels Ltd	BUY	210	325	54.9
TVS Motor Company Ltd	BUY	2,065	2,350	13.8
Ujjivan Small Finance Bank Ltd	BUY	53	64	20.9
UltraTech Cement Ltd	BUY	9,495	11,000	15.9
V Mart Retail Ltd	BUY	2,106	2,450	16.3
Varun Beverages Ltd	BUY	1,463	1,650	12.8
Welspun Living Ltd	BUY	140	210	50.0
Westlife Foodworld Ltd	BUY	845	980	15.9

Index	CMP	% Chng	S2	S1	P	R1	R2
Nifty	22,104.05	0.22%	21710	21905	22020	22215	22330
Sensex	72,776.13	0.15%	71505	72140	72500	73140	73500
Bank Nifty	47,754.10	0.70%	46670	47210	47525	48070	48385

The Nifty opened on a flat note and witnessed selling in the first hour of the session. However, the index found support at lower levels and bounced back to close on a positive note. Nifty closed at 22104 on 13th May, marking a gain of 49 points.

On the daily chart, the index has formed a bullish candle with a long lower shadow, indicating buying at lower levels. The index has formed a “Hammer” candlestick pattern formation near the lower band of consolidation hence reversal can be expected if it holds today's low. The chart pattern suggests that if Nifty crosses and sustains above 22150 level it would witness buying which would lead the index towards 22200-22350 levels. Important Supports for the day is around 22000. However, if the index sustains below 22000 then it may witness profit booking which would take the index towards 21900-21800 levels. Nifty is trading below its 20 and 50-day SMAs, indicating a negative bias in the short term. For the past 10-12 weeks, the index has been consolidating within the broad range of 22800-21700 range. Hence, any breakout on either side of the range will signal further direction.

The daily RSI is on the brink of crossing above its reference line, and if it surpasses this threshold, it is poised to shift towards a positive bias.

The trend-deciding level for the day is 22020. If NIFTY trades above this level, we may witness a further rally up to 22215-22330-22525 levels. However, if NIFTY trades below 22020 levels, we may see some profit booking initiating in the market, which may correct NIFTY up to 21905-21710-21595 levels.

Trading Insights

Insight from trading volumes

Script	CMP	Total Volume (x1000)	Monthly Avg Volume(x1000)	% Change
UPL	534	28,801	5,819	394.9%
TATA MOTORS	960	63,427	15,558	307.7%
Cipla	1,415	8,078	2,326	247.3%
Eicher Motors	4,657	1,770	899	96.9%
Asian Paints	2.879	2,934	1,587	84.8%

Insight from delivery

Script	CMP	Total Delivery Volume(x1000)	Monthly Avg Delivery Volume(x1000)	%Change
TATA MOTORS	960	28,190	6,618	325.9%
UPL	534	6,609	2,018	227.5%
Cipla	1,415	3,428	1088	215.1%
ASIANPAINT	2,879	1,569	788	99.2%
Eicher Motors	4,657	831	431	92.9%

*CMP-Closing Market Price

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