

### NIFTY KEY LEVELS

Support 1 : 12000  
Support 2 : 11935  
Resistance1: 12100  
Resistance2: 12160

### Events Today

Nonfarm Payrolls, Unemployment Rate, U.S.  
Baker Hughes Oil Rig Count - US

### Nifty Intraday Chart



### Market Outlook

Yesterday, Nifty opened positive at 12071.25 and made a high of 12081.20. From there it moved towards the low of 11998.75 and closed negative at 12018.40. Broader buying was seen in FMCG, IT, MEDIA and REALTY, whereas rest of the indices close with negative bias. India VIX closed positive by 7.37% at 14.30

Nifty closed marginally lower in the eventful session, in continuation of the prevailing consolidation phase. At the current juncture, index is hovering around the lower end of the channel and the 20-EMA on daily chart. Unless the lower boundary of the said channel, whose support lies around 11935 level, is breached, weakness in the index will not get confirmed. Resistance will remain same at 12100 followed by 12160 levels.

### Indian Market

Index (Prev. Close)	Value	% Change
SENSEX	40,779.59	-0.17%
NIFTY	12,018.40	-0.21%
BANK NIFTY	31,712.95	-0.83%

### Global Market

Index (Prev. Close)	Value	% Change
DOW	27,677.79	0.10%
NASDAQ	8,570.70	0.05%
CAC	5,801.55	0.03%
DAX	13,054.80	-0.65%
FTSE	7,137.85	-0.70%
EW ALL SHARE	19,478.38	-0.28%

### Morning Asian Market (8:30 am)

SGX NIFTY	12,068.50	0.20%
NIKKIE	23,353.50	0.23%
HANG SENG	26,430.75	0.82%

### Commodity Market

Commodity(Prev. Close)	Value	% Change
GOLD	38,085.00	-0.02%
SILVER	44,610.00	0.41%
CRUDEOIL	63.22	-0.11%
NATURALGAS	174.60	1.93%

### Currency Market

Currency (Prev. Close)	Value	% Change
RS./DOLLAR	71.29	-0.34%
RS./EURO	79.06	-0.16%
RS./POUND	93.67	0.35%

### Bond Yield

Bond yield (Prev. Close)	Value	% Change
G-sec 10YR : IND	6.61	2.26%

% Change in 1 day

### Institutional Turnover

FII			
Investor	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
05-Dec-19	4893	4240	653
Dec-19	21120	24110	(2990)
2019	1279717	1243522	37130
DII			
Investor	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
05-Dec-19	2846	3257	(410)
Dec-19	15000	12789	2212
2019	865630	820449	45181

Please refer to page pg 05 for Bulk deals,  
Dividends, Bonus, Splits, Buyback.

Quote of the Day : "In investing, what is comfortable is rarely profitable."

**RBI - Monetary Policy Committee****MACRO****06-Dec-19**

Monetary Policy Committee in its 5th bi-monthly policy decided to pause the easing interest cycle after 5 consecutive rate cuts since February'19 and keep the repo rates unchanged at 5.15%. Consequently the reverse repo and marginal standing facility stands unchanged at 4.90% and 5.40% respectively. High frequency indicators such as tractor, motorcycle sales ( rural indicators) continued to taper but at a slower pace while passenger vehicle sales (urban indicators) showed a marginal growth on the back of festival period and promotional sales by automobile companies. The service sector PMI however showed expansion from 49.2 in October to 52.7 in November. The MPC also noted the FY20 GDP forecast downward from 6.1% in October 2019 to 5.0%. The GDP has been revised with downside risks of delay in revival of domestic demand, slowdown in global economic activity and geo-political tensions. The RBI has stuck to their idea of addressing headline inflation first without looking at core inflation. The Governor has also reiterated that they have taken a temporary pause and any will wait for the budget to pan out and see what economic measures are taken.

**M&M****BUY****06-Dec-19**

M&M has acquired 36.63% stake in Meru in order to explore the shared mobility space. M&M will likely to use Meru platform to increase its electric vehicle presence. Earlier Mahindra Electric, and Meru, have tied up for a pilot EV project in Hyderabad, and has plans to replicate the same model in other cities soon. Meru has already received contracts with the airports which will help the company to grow ahead. Although Meru has been under pressure for some years with Ola and Uber gaining strength, this fund infusion from M&M will help the company to gain some presence, along with M&M having active participation in shared mobility space. Currently, we have not factored in the synergies in our estimates. We value standalone business at 11x FY21e EPS and subsidiaries at Rs.243 per share to arrive at a target price of Rs.699 and maintain BUY.

**JSWSTEEL****BUY****04-Dec-19**

Despite the challenging environment as lower demand of steel products due to slowdown in automobile industry, prolonged monsoon and continuous decline in HRC prices management pushed its product outside India which contributes 31% of total revenue. Management revised guidance for volume of 97% for both production as well as sales will help to achieve better volumes in 2HFY20. We value our stock at Rs. 295 with (7.5x EV/EBITDA FY21E) and maintain BUY.

**Monthly Auto Volume: November 2019****MACRO****03-Dec-19**

The automobile industry saw a moderate demand sentiment in the month of November 2019. Normally, the trend suggests that demand sentiment softens after the strong sales in festive season. However, extended festive season, ongoing wedding season and adjustment of BS IV stocks led to some pickup in sales. The PV segment posted a decline of 6% YoY. The CV segment has declined by 18% YoY due to slowdown in industrial activities. The 2W segment has also declined by 12% YoY. The 3W segment grew by 9% YoY primarily led by improvement in export markets. The tractors segment declined by 16% YoY led by extended monsoons which adversely impacted the crops. ASHOKLEY, BAJAJ-AUTO, EICHERMOT, ESCORTS, HEROMOTOCO, M&M, MARUTI, TATAMOTORS and TVSMOTOR sales declined by 22%,1%,9%, 5 %, 15%, 12%, 2%, 25% and 17% YoY respectively.

**CREDITACC****BUY****03-Dec-19**

With the acquisition of Madura, CREDITACC will add 1 year of organic growth with consolidated AUM standing at Rs 9958 Cr. It will help in decline the share of Karnataka from 51% to 41% by further scaling up presence in existing markets and provides access to newer markets like Bihar, Odisha, etc. It will lead to branches & borrowers growth by 48% & 40%, with only a 1% overlap in the borrowers. The acquisition is subject to regulatory approvals (RBI, SEBI & NCLT). We expect this acquisition will improve CREDITACC's market share in the industry while providing it a required edge by forging technological integration with Madura. This acquisition is a 76% cash deal while rest is expected through share swap ( 1.8% dilution of CREDITACC). Management has guided to further raise growth capital. We remain positive on the merger synergy and upgrade our target to Rs 996 at 4x P/B for FY21e. We maintain BUY.

- ❑ **NSE launches Nifty Bharat Bond Index series:** The National Stock Exchange on December 5 launched Nifty Bharat Bond Index series, which will track a portfolio of AAA-rated bonds issued by government entities. The first two indices in the series are for April 2023 and April 2030.
- ❑ **Govt approves allocation of 5 coal blocks, to generate Rs 17,136 cr revenue;** The Centre on December 4 approved allocation of five coal blocks, including two to Birla Corporation and one to Vedanta, and said the mines will generate a revenue of Rs 17,136 crore for the government. For the first time, the successful bidders shall have the flexibility to sell 25 per cent of the coal produce in open market.
- ❑ **Sadbhav Infra Projects'** arm has canceled concession agreement with NHAI due to non-availability of required 80 percent of right of way by NHAI within stipulated time period. Agreement will be treated as terminated with mutual consent of the parties without any outstanding claims on each other.
- ❑ **VST Tiller Tractors November Sales:** Power Tillers Sales down 41 percent year-on-year to 1238 units. Tractor Sales down 10 percent year-on-year to 568 units.
- ❑ **Mahindra & Mahindra** acquired 36.63 percent stake in Meru for Rs 44.71 crore. On Aug. 31 the company had signed an agreement to acquire 55 percent stake in Meru. Post this transaction, the company will have the right to appoint majority of directors in the cab service company.
- ❑ **Allcargo Logistics:** The company bought a controlling stake in Gati Ltd for around Rs 416 crore. Allcargo has signed a share purchase agreement with Gati's promoter group to acquire up to 1.33 million shares at Rs 75 per share. Allcargo will also subscribe to a preferential issue of 13.3 million equity shares of Gati at Rs 75 apiece. After the closure of the two agreements, Allcargo will own a 19.43 percent stake in Gati.
- ❑ **Tata Motors:** Jaguar & Land Rover November UK sales fell to 8,199 units against 9,055 units YoY. Further, company's board approved allotment of 20.16 crore ordinary shares at a price of Rs 150 each and 23.13 crore warrants at a price of Rs 150 per warrant on preferential basis to its promoters, Tata Sons.
- ❑ **Bank of Baroda:** Board approved raising up to Rs 1,850 crore in Tier-I bonds with base size of Rs 500 crore and green shoe option of Rs 1,350 crore.
- ❑ **InterGlobe Aviation Ltd:** The IndiGo airline operator has reduced its growth capacity forecast for the current financial year to 22-23 percent from 25 percent earlier. The airline has also modified the growth target for March quarter to 15-20 percent on account of aircraft delivery issues.

**Red:** Negative Impact **Green:** Positive Impact **Black :** Neutral.

## Management Interview

### **EICHERMOT - Royal Enfield plans to expand manufacturing facilities and dealerships across the world**

- ☐ The company is looking at expanding manufacturing and dealership footprint for the company across the world with a big focus on Southeast Asia and Latin America.
- ☐ An assembly plant in Thailand is likely to go on stream in the next six months.
- ☐ In order to bring the cost down in countries where the import tariffs are high, it is looking at partners who could share the investment and offer local expertise in such markets.
- ☐ Mr. Vinod Dasari, CEO of Royal Enfield expects international markets to account for 20% of total revenue.
- ☐ The company is also targeting another 20% from apparels, accessories and other services, and 60% from the domestic market.
- ☐ Led by higher acceptability of 650cc models , Interceptor and Continental GT, its exports have grown 125% to 26,621 units in the first eight months April-November of FY20.
- ☐ The share of exports in the overall business increased to 5.51% from 2.06% in this period.
- ☐ Royal Enfield has already expanded its global presence to 600 stores over the past five years.
- ☐ In Morocco, the company has also tied up with rental companies.
- ☐ It also plans to launch one new product, including variants, every quarter for the coming three to four years.

### **SRTRANSFN: Management interview**

- ☐ Management has revised its AUM growth guidance to 10% from 15% for FY20 & has guided 15% growth in FY21. Liquidity challenges has slowed down the growth, management remains optimistic of growth in 4QFY20.
- ☐ Management has added branches of 160 and 2000 people and 1HFY20. Management believes in increasing the market rather than gaining market share by reaching to more people in the rural India and increasing presence.

### **COALINDIA : COALINDIA is in talk with Russian Company Vostok-Coal-Diskon to participate in the extraction of coking coal**

- ☐ VostokCoal-Diskon is developing coal extraction facilities at the Taimyr coal basin of Taymyr Peninsula in central Siberia.
- ☐ CIL is in talk with Russian company not only for extraction of coking coal but also import from mines in Siberian district of Russia.
- ☐ Either the production activity between the two companies will take place or the import of coking coal.

### **M&M and Meru acquisition update**

- ☐ The company today has acquired 36.63% of the equity share capital of Meru in the first tranche of investment, and also the Right to appoint majority of the Directors on the Board of Meru.
- ☐ Investment of around Rs. 44.71 crores has been done for the acquisition of 36.63% of the equity share capital of Meru.
- ☐ Meru has become a subsidiary of the Company with effect from December 5,2019 and the following subsidiary companies of Meru, have in turn, also become subsidiaries of the Company :
- ☐ Meru Mobility Tech Private Limited, V-Link Automotive Services Private Limited and V-Link Fleet Solutions Private Limited

### **HEROMOTOCO Management Interview**

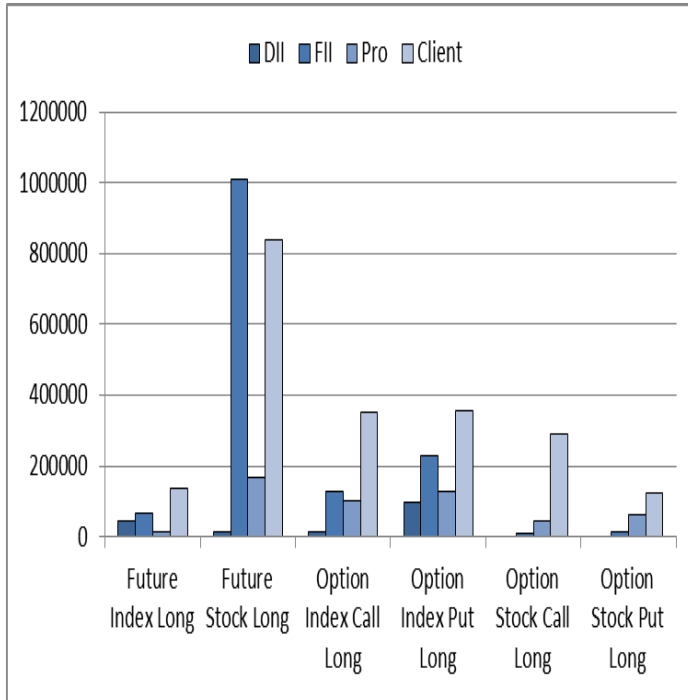
- ☐ The management stated about the company's global strategy, push towards premiumisation, BS-VI transition, and the impact of economic slowdown on business.
- ☐ On the global economy, the management said that there has been slowdown across the globe especially in oil markets. Columbia, Nigeria and Argentina markets are facing lot of headwinds.
- ☐ The management has planned to focus on 50 big markets to increase its market share. It has started focusing on Africa, Latin America and Central America markets.
- ☐ The company has more premium products in the pipeline to be introduced going ahead.
- ☐ The company has already discontinued 50 BS-IV models to fasten the transition and it is confident in making full transition to BS-VI in next 1-2 months.

## BULK DEAL

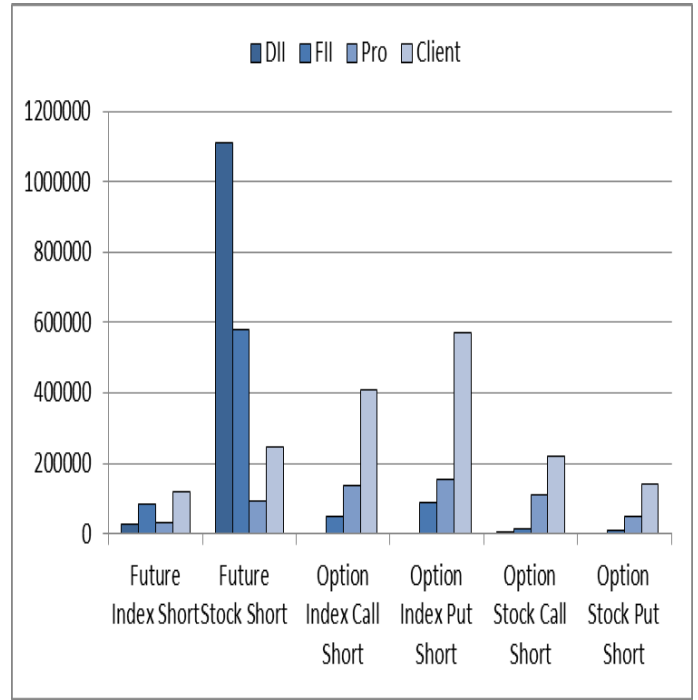
EXCHANGE	Date	SECURITY CODE	CLIENT NAME	DEAL TYPE	QUANTITY	PRICE
BSE	05-12-19	ANUROOP	MARIAM RIAZ KHATRI	S	80,000	13.42
BSE	05-12-19	ANUROOP	H & N ADVISORY SERVICES LLP	B	40,000	13.11
BSE	05-12-19	COX&KINGS	PRITESH PRAVIN VORA	B	300,000	2.05
BSE	05-12-19	COX&KINGS	PRITESH PRAVIN VORA	S	1,100,000	2.03
BSE	05-12-19	FRASER	YOGESH BISHT	S	41,094	14.37
BSE	05-12-19	JSHL	VIVEK DWIVEDI	B	85,000	9.71
BSE	05-12-19	JSHL	VIVEK DWIVEDI	S	105,000	9.7
BSE	05-12-19	JSHL	ANURAAG BAJPAI	B	55,000	9.7
BSE	05-12-19	JSHL	RAM SAGAR TIWARI	B	70,000	9.7
BSE	05-12-19	JSHL	AVINASH TIWARI	S	50,000	9.71
BSE	05-12-19	JSHL	SANJIV KUMAR MISHRA	S	55,000	9.71
BSE	05-12-19	JSHL	NITIN JAISWAL	S	70,000	9.71
BSE	05-12-19	NARAYANI	TIRUPATI VENEERS PVT LTD	S	100,000	23.75
BSE	05-12-19	NARAYANI	EVEREST PLY AND VENEERS PRIVATE LIMITED	S	100,000	23.75
BSE	05-12-19	NARAYANI	CHIRAG NARENDRA MODH	B	199,065	23.75
BSE	05-12-19	PAZEL	DILIP NARAYAN RATHOD	B	975,527	0.51
BSE	05-12-19	PRISMMEDI	MANISH NITIN THAKUR	B	38,010	22.09
BSE	05-12-19	PRISMMEDI	MANISH NITIN THAKUR	S	49,885	20.63
BSE	05-12-19	PRISMMEDI	KETAN KIRTIKUMAR SHAH	B	40,000	24.26
BSE	05-12-19	PRISMMEDI	VISHAL MAHESH WAGHELA	S	40,000	24.26
BSE	05-12-19	SHAQUAK	DILIPMANOHARPACHANGRE	B	196,592	0.25
BSE	05-12-19	SHAQUAK	SUNILDADASAHEBBANSODE	S	189,500	0.25
BSE	05-12-19	WORL	JAYANTILAL HANSRAJ HUF	S	36,000	50.06
BSE	05-12-19	WORL	VIKRAM JAYANTILAL	S	36,000	50.17
BSE	05-12-19	WORL	JAYANTILAL HANSRAJ LODHA	S	84,000	50.1

## PARTICIPANT WISE OPEN INTEREST

### Long Position

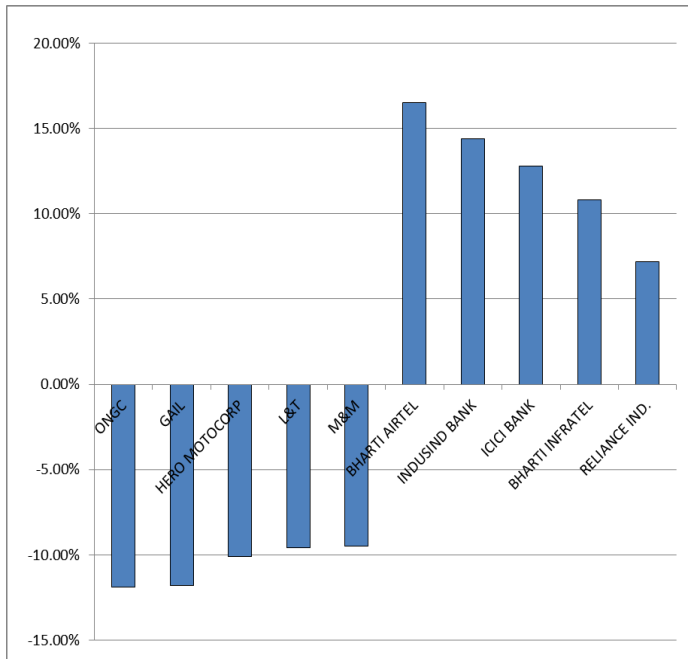


### Short Position

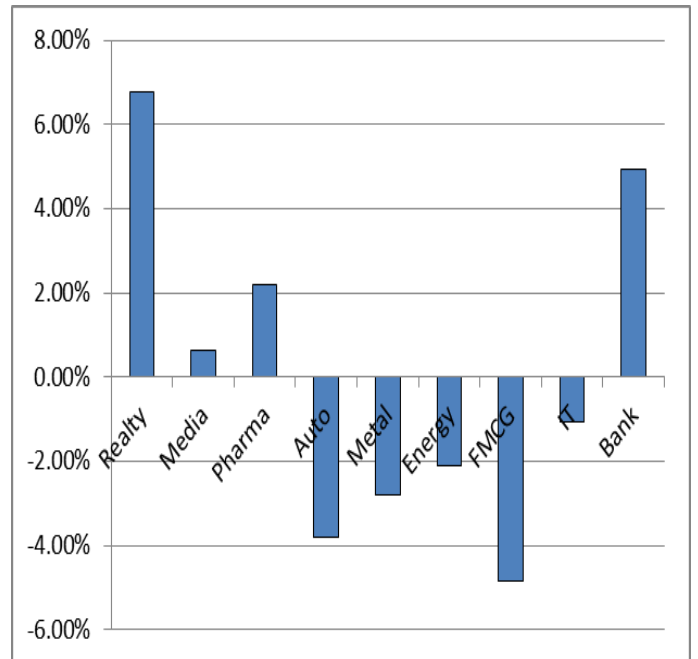


## MARKET MOVERS (1 MONTH CHANGE)

### Nifty Movers



### NSE Sectoral Indices Performance



Economic Calendar					
Country	Monday 02nd December 2019	Tuesday 03rd December 2019	Wednesday 04th December 2019	Thursday 05th December 2019	Friday 06th December 2019
US	Manufacturing PMI		API Weekly Crude Oil Stock, ADP Nonfarm Employment Change, Crude Oil Inventories	OPEC Meeting, Initial Jobless Claims	Nonfarm Payrolls, Unemployment Rate, U.S. Baker Hughes Oil Rig Count
UK/EUROPE	Manufacturing PMI	Construction PMI			
INDIA	Manufacturing PMI		Interest Rate Decision		

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Analyst's ownership of the stocks mentioned in the Report	NIL
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