

NIFTY KEY LEVELS

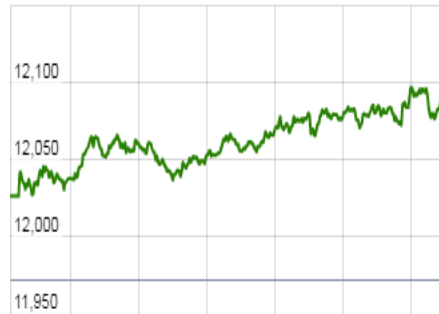
Support 1 : 12000
Support 2 : 11980
Resistance1: 12100
Resistance2: 12120

Events Today

Macro

Service & Manufacturing PMI - US
WPI Inflation - IND

Nifty Intraday Chart



Market Outlook

On Friday, Nifty opened positive at 12026.40 and made a low of 12023.60. From there it moved towards the high of 12098.85 and closed positive at 12086.70. All the indices close with positive bias. India VIX closed negative by 0.36% at 13.30.

Strong follow-up buying pushed Nifty higher above 12000 psychological marks, however it has managed to close above 20 DMA placed around 11985 and crucial resistance zone of 12040-12050; indicating bulls in command and it should traded with positive bias further. As long as Nifty is trading above 12000 levels, one should opt for buy on dip strategy; whereas strong resistance lies near 12120-12150 levels.

Indian Market

Index (Prev. Close)	Value	% Change
SENSEX	41,009.71	1.05%
NIFTY	12,086.70	0.96%
BANK NIFTY	32,014.25	1.10%

Global Market

Index (Prev. Close)	Value	% Change
DOW	28,135.38	0.01%
NASDAQ	8,734.88	0.20%
CAC	5,919.02	0.59%
DAX	13,282.72	0.46%
FTSE	7,353.44	1.10%
EW ALL SHARE	19,486.26	0.96%

Morning Asian Market (8:30 am)

SGX NIFTY	12,144.50	-0.04%
NIKKIE	24,008.00	-0.06%
HANG SENG	27,634.00	-0.19%

Commodity Market

Commodity(Prev. Close)	Value	% Change
GOLD	37,773.00	0.61%
SILVER	44,126.00	0.46%
CRUDEOIL	65.00	0.11%
NATURALGAS	162.80	-0.31%

Currency Market

Currency (Prev. Close)	Value	% Change
RS./DOLLAR	70.81	-0.03%
RS./EURO	79.18	0.44%
RS./POUND	94.83	1.75%

Bond Yield

Bond yield (Prev. Close)	Value	% Change
G-sec 10YR : IND	6.79	0.21%

% Change in 1 day

Institutional Turnover

FII			
Investor	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
13-Dec-19	4632	4517	116
Dec-19	47187	50915	(3728)
2019	1305784	1270327	36392
DII			
Investor	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
13-Dec-19	3955	3570	385
Dec-19	33809	29538	4271
2019	884439	837199	47240

Please refer to page pg 06 for Bulk deals, Dividends, Bonus, Splits, Buyback.

Quote of the Day : "The rich invest in time, the poor invest in money"

IIP & CPI	MACRO	13-Dec-19
<p>The Industrial Output for the month of October 2019 contracted for a third month in a row at -3.8%. The IIP for the April-October period stood at 0.5% as opposed to 5.7% in the previous year. Consumer Price Index for the month of November 2019 ballooned up to 5.54% as opposed to 4.62% a month ago. The major contributor to the inflation edging up has been consumer food price index which has been soaring high on the back of heightened vegetable inflation. The IIP figures for the month of October'19 have been poor but better than the expected figures of a higher degrowth of 4.8%. Growth in a few lead indicators like the fuel consumption and increased footfalls in the aviation sector are likely to help the growth in the recent months. The Consumer Price Index pained by the food index will stay in the same range for the next quarter on increased telecommunication bills from December onwards. The higher inflationary trend has discouraged RBI from cutting down on interest rates. The budget will be a factor to look out for in the month of February. We expect a status quo in the next policy and one more rate cut in the next financial year.</p>		

Life insurance	MACRO	11-Dec-19
<p>Total weighted received premium for the month of November'19 stood at a 5 month high figure at Rs. 13297 crore. The industry saw a 110% growth on the back of a low base effect of just Rs.6333 crores a year back. Individual weighted premium of the industry also saw a high growth rate of 60% as a result of a smaller base. The premium collected through this was at 8073 crores in November'19 as compared to 5044 crores in November'18. SBI Life continued to be the leader by market share among the private insurance players on the basis of total weighted new business premium with 7.2% market share. Listed players like ICICI Prudential Life and HDFC Life followed suit at market share of 5.4% and 4.4% respectively. Max Life witnessed market share of 2.4% for the month of November'19. The overall policies sold in the month of November 2019 have increased by 102% on a yearly basis to 4018411 policies from 1989271 policies a year ago.</p>		

Fund flow report	MACRO	10-Dec-19
<p>Inflows into Equity mutual funds saw a steep fall in November 2019 and stood at just Rs.1311 crores which is a new low in 3 and a half years. The gross inflows have been largely similar, the degrowth in net inflows have been due to higher redemptions in the month of November'19. The retail SIP market has not been susceptible to the redemptions and witnessed a marginally higher inflow in the month of November at Rs.8272 crores compared to Rs.8245 crores a month ago. Credit Risk Funds on the back of negative market sentiments saw net outflows in November'19. On the other hand Banking & PSU funds and floater funds have seen significant jump in the inflows at Rs.7231 crores and Rs.3256 crores on the back of sustained high returns. The foreign portfolio investor's have regained their confidence in the Indian equity market since the corporate tax cut. Net Equity inflows in November has been Rs. 25231 crores. Outflows were seen towards Indian debt papers at Rs.2358 crores.</p>		

ALLCARGO	NEUTRAL	09-Dec-19
<p>The strategic acquisition of Gati by Allcargo will mark company's entry into express logistics and distribution segment. The domestic express transportation segment of Gati will allow the company to offer integrated services offering to its existing clients. Allcargo is dominated player in ocean logistics but not present in last mile connectivity. GATI has presence across 727 districts with 19000 PIN codes location. With this acquisition company will offer end-to-end transportation to its LCL customers. Only share purchase agreement has been signed yet and transaction is expected to complete by March 30, 2020. Currently we are not factoring the GATI's number in our estimates. We maintain our target price of Rs 103 with NEUTRAL rating on the stock.</p>		

RBLBANK	NEUTRAL	07-Dec-19
<p>RBL Bank has raised well needed fund worth Rs 2025 Cr through the mode of QIP which would aid its capital adequacy thus providing the growth capital. Management said with the QIP raise it has enhanced its capital adequacy significant and would look at growth opportunity. However, the key factor remains that high credit cost guidance with higher exposure to stressed assets will keep the asset quality weak for the year. Deterioration in assets quality during Q2FY20 beat the previous guidance of management. Stress in the book has increased to Rs 1800 Cr from earlier indicated level of Rs 1000 Cr. Despite Rs 800 Cr slippages from stress book. Issues in assets quality would affect the operating performance of the bank. The QIP would provide growth opportunity but the given the economic conditions and stress in the book we expect growth to be moderate and higher provisioning will lead to profitability pressure. We maintain Neutral and with the Target price of Rs 332 at 1.4x BV FY21e.</p>		

- ❑ **Forex reserves soar \$2.3 bn to touch all-time high of \$453 bn:** The country's foreign exchange reserves surged by \$2.342 billion to touch a life-time high of \$453.422 billion in the week to December 6, according to the RBI data. In the previous week, the reserves had increased by \$2.484 billion to \$451.08 billion, the weekly data released by the Reserve Bank on Friday showed. In the reporting week, the rise in reserves was mainly on account of an increase in foreign currency assets, a major component of the overall reserves, which surged by \$1.891 billion to \$421.258 billion, according to the data.

- ❑ **India trade data:** November exports were marginally down to \$25.98 billion from \$26.07 billion reported for the corresponding period of the previous year. On the other hand, imports declined by 12.71 per cent to \$38.11 billion in November from \$43.66 billion reported for the corresponding month of 2018.

- ❑ **Amul, Mother Dairy Hike Milk Prices Up to Rs 3 per Litre:** Negative for **Nestle and Britannia** & Positive for **Parag Milk, Hatsun agro**.

- ❑ **Sun Pharmaceutical** Industries received eight Form 483 observations by the U.S. FDA for its Halol facility in Gujarat. The GMP inspection was conducted from Dec. 3-13.

- ❑ **Granules** India has entered into an agreement to sell 3.3 crore equity shares in its China JV with Biocause Pharma for a consideration of RMB 109 million or Rs 110.56 crore.

- ❑ **Minda Industries:** has completed the acquisition of German based company- Delvis GmbH.

- ❑ **UPL** gets green nod for Rs 353 crore pesticide unit expansion project in Gujarat.

- ❑ **Adani Transmission Ltd:** The company received Letter of Intent (LOI) from Maharashtra State Electricity Transmission Company Ltd (MSETCL) to build, own, operate and maintain a transmission project in the state of Maharashtra for a period of 35 years. The project involves developing Mumbai's first ever 400 kV substation facility and it has been awarded through a tariff-based competitive bidding process.

- ❑ **Aster DM Healthcare:** The company had decided to close the operations of its loss-making clinics in Philippines by December 31, 2019.

HDFCAMC Updates

- ☐ HDFC AMC takes 35% markdown on Simplex exposure after rating falls to 'D'
- ☐ HDFC Asset Management Company took a 35 per cent markdown on its exposure to Simplex Infrastructures, after its non-convertible debentures (NCDs) were downgraded to 'D' by CARE Ratings.
- ☐ HDFC Credit Risk Fund had Rs 124 Cr of exposure to NCDs of the company.
- ☐ Last month, the fund house had taken a 15 per cent markdown when the company's NCDs were downgraded from 'BBB' to 'BB+', which is a below-investment grade.
- ☐ The 35 per cent-markdown was taken as the Securities and Exchange Board of India regulations require any secured exposure to infrastructure sector to be marked down by 50 per cent, if the rating is downgraded to 'D' grade.
- ☐ The impact on the net asset value of HDFC Credit Risk Fund was 0.3 per cent, as a result of the latest markdown.

M&MFIN Management Interview

- ☐ Commercial Vehicle of all the segment is the most affected at the moment. It is showing decline in double digits.
- ☐ It may take a year for Commercial Vehicle industry to go up.
- ☐ October was very good for UV, cars also November was positive so overall inventory levels at dealerships are coming down and OEM are very cautious in terms of billing, but Management is not seeing any great traction despite the discounts in December first week but month as a whole is expected to be good.
- ☐ Collections in tractor segment have picked up although growth has not picked up.
- ☐ Disbursement growth is expected to be 3-5% during Q3FY20.
- ☐ Management thinks that they wont be required to raise capital given the growth rates and they are atleast 2 years away before raising capital.

EICHERMOT Management Interview

- ☐ December sales are expected to be better than November.
- ☐ The management expects more positive steps from the government like infrastructure development incentive based scrappage policy etc. and believes next 4 months to be better than last 8 months.
- ☐ CV industry continues to be down. The management believes some stimulus will be required for the industry to grow.
- ☐ The management sees interests coming back from big fleet operators.
- ☐ H1FY21 is expected to bring some traction in trucks market, especially in construction truck segment.
- ☐ Heavy trucks segment is impacted the most with a decline of 47% YoY. Slowdown in cement, steel , coal industry etc.is leading to slowdown in sales of big CVs.
- ☐ Light and Medium Duty trucks are down by 20% while small CVs are down by 10-12%.
- ☐ Wholesales will continue to be lower than retails.
- ☐ Discounts are already at a high level in the industry.
- ☐ Heavy Duty trucks may see a 8% increase in cost due to BS-VI while smaller trucks will see 15% price change due to BS-VI.

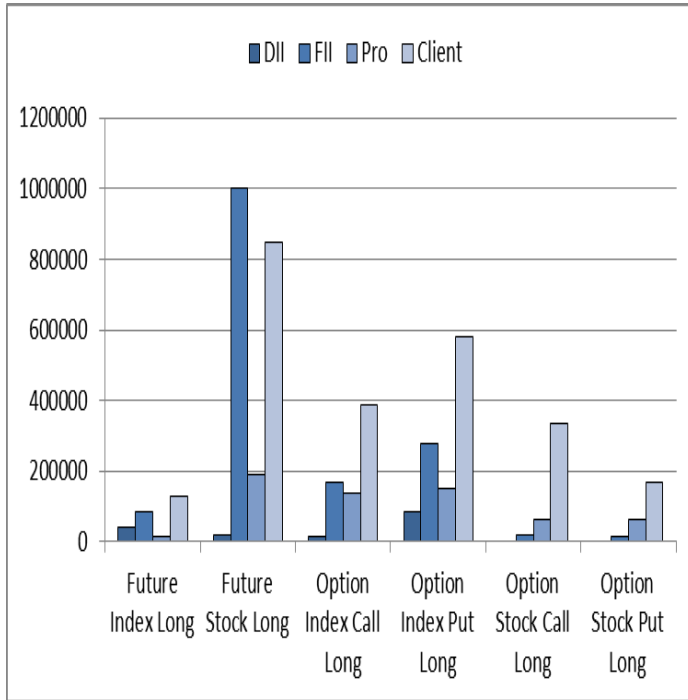
KEC Management Interview

- ☐ The management has not faced liquidity on the receivables side and are getting paid well on time
- ☐ Company's main clients are power and railways
- ☐ Vendors & Suppliers have been impacted by banks tightening their norms.
- ☐ FY22 is expected to be premature since orders have not come in a full-fledged manner.
- ☐ Cables business have not done well this year, because the metal prices went down
- ☐ The management expects the revenue to grow between 15-20% in FY20 and by 15% in FY21.
- ☐ The company recently announced the order intake of Rs.1000 Cr and total order book stands now at Rs. 21000 Cr (60% in transmission, 30% in railways, 10% in cables)
- ☐ There is Order book and L1 of Rs. 7000 Cr in FY20 and expects to grow by 30-35% by FY21.
- ☐ The company got the order of Rs. 7000 Cr in FY20 which is 10% lower on YoY basis and out of which L1 position is around Rs. 4000 Cr
- ☐ Out of the order book of Rs. 21000 Cr, 35-36% is from international business.
- ☐ Management expects to do good growth from the international business in FY20 and FY21, primarily from Brazil, Bangladesh and UAE.
- ☐ The management sees traction in the Middle East, Nepal and Bangladesh going ahead.
- ☐ Railways business now stands at Rs. 1900 Cr and management expects to do Rs. 2700-2800 Cr with 40% growth by FY20 end.
- ☐ Management expects the EBITDA to reach double-digit on the railway's side by the end of FY20.
- ☐ On the civil side, the company expects the revenue potential of Rs. 700-750 Cr in FY20. In FY21, 40-50% growth is expected on the civil side.
- ☐ The company has received orders from Delhi and Cochi metros. The company is doing well on the RRTS side (Delhi-Ghaziabad) on the civil side.
- ☐ The management also sees traction on industrial buildings side, especially on the cement and steel side.
- ☐ The company has introduced new products in cables on the railway side which will help to improve revenue and margins in the cables.
- ☐ On the defence side, the company got the first order and expects to grow going forward.
- ☐ Net working capital has overall improved since the year-end. However, there is pressure on the payables side where the company is funding the suppliers.
- ☐ The management expects the interest cost as a % of revenue to come down significantly from 3% to 2.5-2.6% in FY20.
- ☐ The company does not expect the debt level to come down.

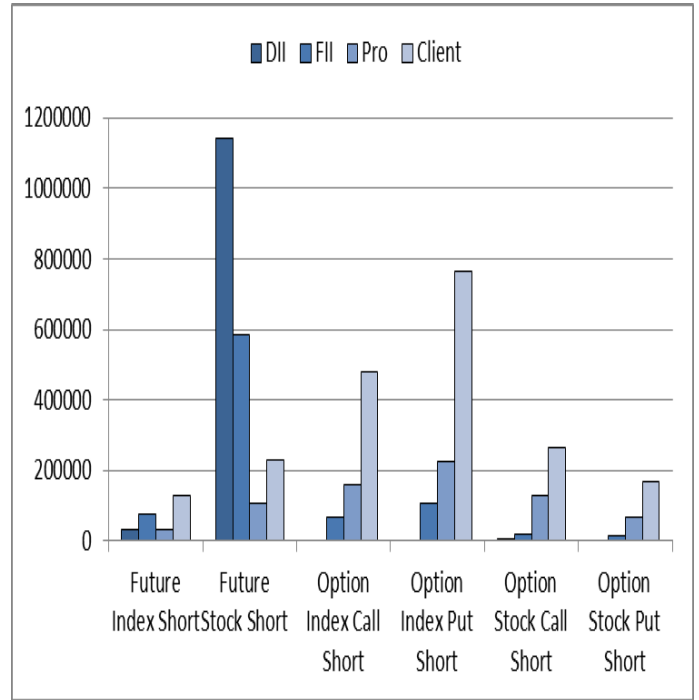
BULK DEAL						
EXCHANGE	Date	SECURITY CODE	CLIENT NAME	DEAL TYPE	QUANTITY	PRICE
BSE	13-12-19	AARTECH	NIKESH AGRO FARMS AND INFRASTRUCTURE PRIVATE LTD	B	64,000	35.52
BSE	13-12-19	AARTECH	VIJAYA DEVI DESHLAHRA	S	64,000	35.52
BSE	13-12-19	AIML	ARCH FINANCE LIMITED	B	100,000	18.35
BSE	13-12-19	AIML	VISHWAMURTE TRAD INVEST PE LTD	S	116,010	18.45
BSE	13-12-19	BCG	AKG FINVEST LIMITED	B	3,800,000	7.21
BSE	13-12-19	BCG	RITU GOENKA	S	3,800,000	7.21
BSE	13-12-19	KAJARIR	RADHEY SHYAM JALAN	B	200,000	24.63
BSE	13-12-19	KAJARIR	BINDAL FINVEST PRIVATE LIMITED	S	220,000	24.69
BSE	13-12-19	NARAYANI	CHOICE BOARDS PVT LTD	S	100,000	30.15
BSE	13-12-19	NARAYANI	CHIRAG NARENDRA MODH	B	96,379	30.15
BSE	13-12-19	NEHAINT	NCM INTERNATIONAL PRIVATE LIMITED	B	175,000	1.05
BSE	13-12-19	NEHAINT	SEEPRA SUMEET KABRA	S	175,000	1.05
BSE	13-12-19	REFNOL	VIJAY KUMAR JAIN	B	276	21.4
BSE	13-12-19	REFNOL	VIJAY KUMAR JAIN	S	18,890	22.78
BSE	13-12-19	SBC	SWETA AGRAWAL	B	54,000	29.4
BSE	13-12-19	SBC	SWETA AGRAWAL	S	30,000	29.4
BSE	13-12-19	SKPSEC	CREDWYN HOLDINGS (INDIA) PVT LTD.	B	26,352	53.05
BSE	13-12-19	SKPSEC	NARESH PACHISIA	S	26,612	53.08

PARTICIPANT WISE OPEN INTEREST

Long Position

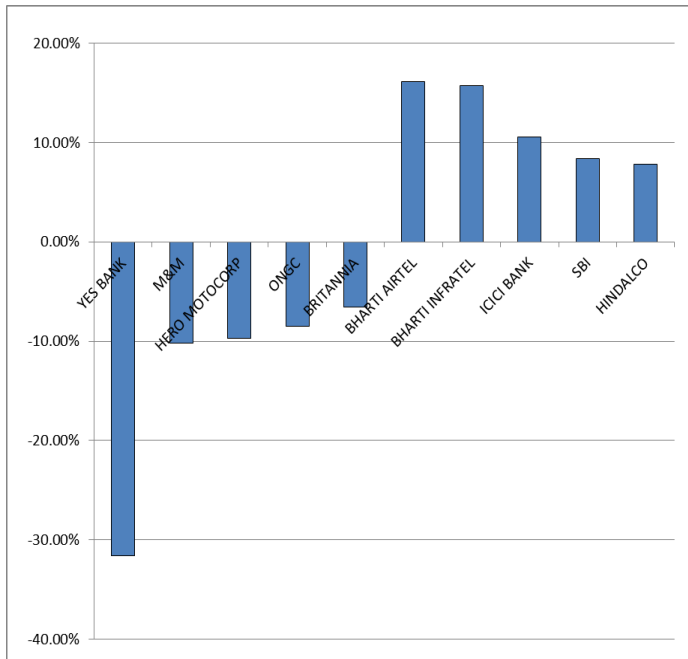


Short Position

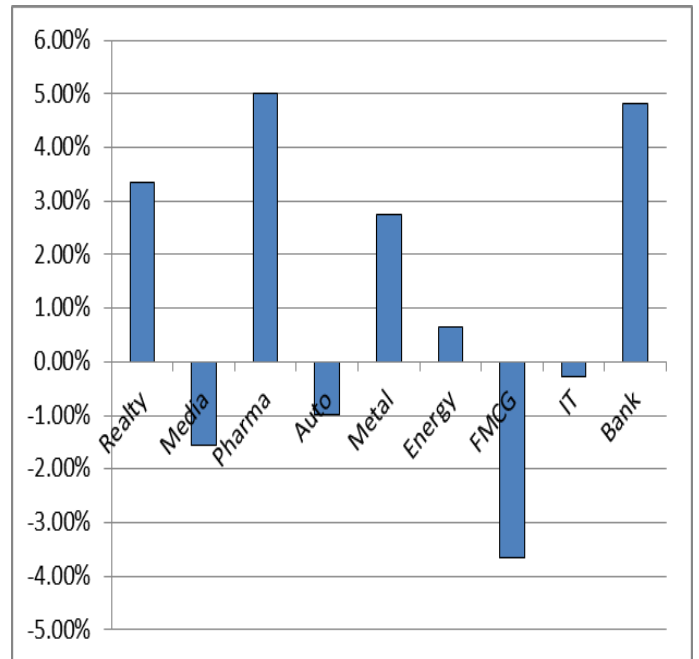


MARKET MOVERS (1 MONTH CHANGE)

Nifty Movers



NSE Sectoral Indices Performance



Economic Calendar					
Country	Monday 16th December 2019	Tuesday 17th December 2019	Wednesday 18th December 2019	Thursday 19th December 2019	Friday 20th December 2019
US	Service & Manufacturing PMI	Building Permits, Industrial Production	API Weekly Crude Oil Stock, Crude Oil Inventories	Initial Jobless Claims, Existing Home Sales	U.S. Baker Hughes Oil Rig Count
UK/EUROPE	Service & Manufacturing PMI	Unemployment Rate, Trade Balance		Retail Sales	GDP
INDIA	WPI Inflation			RBI MPC Meeting Minutes	

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Disclosure of Interest Statement-

Analyst's ownership of the stocks mentioned in the Report	NIL
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Correspondence Office Address: Arch Waterfront, 5th Floor, Block GP, Saltlake, Sector 5, Kolkata 700 091; Tel No.: 033-40541700; www.narnolia.com.

Registered Office Address: Marble Arch, Office 201, 2nd Floor, 236B, AJC Bose Road, Kolkata 700 020; Tel No.: 033-4050 1500; www.narnolia.com

Compliance Officer: Manish Kr Agarwal, Email Id: mkagarwal@narnolia.com, Contact No.:033-40541700.

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