

NIFTY KEY LEVELS

Support 1 : 12120
Support 2 : 12080
Resistance1: 12240
Resistance2: 12280

Nifty Intraday Chart



Market Outlook

On first day of the year, Nifty opened positive 12202.15 levels and move towards the high of 12222.20 levels. However it failed to sustained over there and slipped towards the low of 12165.30 levels and at the end of the day Nifty managed to close in green at 12182.50 levels. Broader selling was witnessed in AUTO, MEDIA, METAL, PVTBANK and REALTY, while rest of the indices closed positive. INDIA VIX closed negative by -0.60% to 11.59 levels.

The benchmark index opened higher but could not sustain above 12200 levels and traded lower though out the day. Although Nifty has closed above 12150 marks, it is facing strong resistance around 12230-12250 zone. Moreover, range bound movement in a range of 12120-12250 is expected for this week.

Indian Market

Index (Prev. Close)	Value	% Change
SENSEX	41,306.02	0.13%
NIFTY	12,182.50	0.12%
BANK NIFTY	32,102.90	-0.18%

Global Market

Index (Prev. Close)	Value	% Change
DOW	28,538.44	0.27%
NASDAQ	8,972.60	0.30%
CAC	5,978.06	-0.07%
DAX	13,249.01	-0.66%
FTSE	7,542.44	-0.59%
EW ALL SHARE	19,728.22	0.19%

Morning Asian Market (8:30 am)

SGX NIFTY	12,242.50	-0.02%
NIKKIE	23,656.62	-0.76%
HANG SENG	28,460.00	0.96%

Commodity Market

Commodity(Prev. Close)	Value	% Change
GOLD	39,067.00	-0.10%
SILVER	46,665.00	-0.10%
CRUDEOIL	66.28	0.38%
NATURALGAS	155.10	-0.26%

Currency Market

Currency (Prev. Close)	Value	% Change
RS./DOLLAR	71.42	-0.17%
RS./EURO	80.14	-0.37%
RS./POUND	94.69	0.37%

Bond Yield

Bond yield (Prev. Close)	Value	% Change
G-sec 10YR : IND	6.50	0.00%

% Change in 1 day

Institutional Turnover

FII			
Investor	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
01-Jan-20	340	399	(59)
Jan-20	340	399	(59)
2020	340	399	(59)
DII			
Investor	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
01-Jan-20	1688	1480	208
Jan-20	1688	1480	208
2020	1688	1480	208

Events Today

Macro

Initial Jobless Claims - USA

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

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

Commodity outlook for the year 2020**MACRO****30-Dec-19**

Precious metal prices have outperformed base metals in 2019. Global trade tension, rising fears over recession and reversal in Fed monetary policy added to the shine of precious metals. Last year, Gold prices rose by 16% and Silver prices by 13%. Going forward in 2020, we expect precious metal prices to stay strong on lower interest rate environment, geopolitical tensions and weaker growth prospects. Among base metal, we are positive about Nickel. For 2019, we were expecting a 'lower vol-lower drift' market. Going forward we believe 2020 would be a year very similar to 2019.

Technical Nifty outlook for the year 2020**MACRO****26-Dec-19**

Nifty's short-term / mid-term/ long-term trend is positive and initial resistance is around 12700 levels, however, for the year 2020, our target is 13300. Confluences of all major supports are around 11,300. In case, Nifty breaches the 11300 levels on a monthly closing basis, it shall set the tone for a mid-term sell-off with a lower target of 10300.

IPO - Prince Pipes and Fittings Ltd**SUBSCRIBE****17-Dec-19**

Prince Pipes is leading polymer and pipes manufacturer in India with 5% market share and 30 years of experience. Due to their comprehensive product range, Prince Pipes is positioned as an end-to-end polymer piping systems solution provider. The company stands to gain from a well distributed network. The revenue and PAT have grown by 9% and 6% between FY17 to FY19. On valuations term, at upper band of the price the issue is available at 19.2x FY19 EPS 9.26 which seems to discount to industry average P/E of 38x. We assign a Subscribe rating to the issue.

IIP & CPI**MACRO****13-Dec-19**

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.

Life insurance**MACRO****11-Dec-19**

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.

- ❑ **GST revenue mop-up rises to Rs 1.03 lakh cr in Dec:** GST revenue collection remained above Rs 1 lakh crore mark for the second month in a row with December mop-up rising to Rs 1.03 lakh crore as compared to the year-ago period. In December 2018, the GST collection was Rs 97,276 crore. The GST collection in November 2019 stood at Rs 1,03,492 crore. Of the gross Rs 1,03,184 crore last month, CGST is Rs 19,962 crore, SGST is Rs 26,792 crore, IGST is Rs 48,099 crore (including Rs 21,295 crore collected on imports) and Cess is Rs 8,331 crore (including Rs 847 crore collected on imports), an official statement said.
- ❑ **Aviation Turbine Fuel (ATF):** Aviation Turbine Fuel (ATF) prices were increased by 2.6 per cent on Wednesday to Rs 64,323.76 per kilolitre from Rs 62,686.51, while non-subsidised LPG gas prices were hiked by Rs 19 to Rs 714 from Rs 695.
- ❑ **DTH & Cable TV Operators: Negative for ZEE, SUNTV, DISHTV, DENNETWORK:** The Telecom Regulatory Authority of India (TRAI) made amendments to the new regulatory framework for cable and broadcasting services under which cable TV users will be able to access more channels at lower subscription price. The TRAI capped at Rs 160 the amount consumers will have to pay monthly for all free to air channels. After examining various provisions, TRAI has reduced the maximum Network Capacity Fee (NCF) charge to Rs 130 (excluding taxes) for 200 channels.
- ❑ **Steel price hiked than expectation; positive for steel : effective from Jan 2020**
- ❑ **Maruti Suzuki (India) Ltd.'s** total auto sales for December rose 3.9 percent year-on-year, according to a statement by the country's largest carmaker. The last month of 2019 saw a growth compared to a 1.9 percent year-on-year contraction in the previous month.
- ❑ **Mahindra & Mahindra Ltd.'s** wholesale auto sales continued to decline in December, falling by 1 percent to 39,230 units. Passenger car sales rose 4 percent to 15,691 units while utility vehicle sales jumped 10 percent to 15,225 units. However, sale of commercial vehicles fell 5 percent to 16,018 units while that of three wheelers rose 14 percent. Total exports fell 30 percent to 2,149 units.
- ❑ **Escorts:** Tractor maker Escorts Ltd.'s sales fell 10.5 percent to 4,114 units in December as both domestic and export sales fell short compared to that last year. Domestic sales fell 9.6 percent to 3,806 units while exports fell 20.2 percent to 308 units. Shares of Escorts extended declines for the second consecutive trading session. The stock fell as much as 3.5 percent to Rs 607.85.
- ❑ **Tata Motors:** December sales dropped 13.8 percent to 46,903 vehicles against 54,439 units during December 2018.
- ❑ **Eicher Motors:** VECV December sales dipped 19.1 percent to 5,042 units against 6,236 units during December 2018.
- ❑ **Prakash Industries** secured long term coal linkages of 1.69 lakh metric tonnes per annum for the next five years for its 6th Sponge Iron Kiln. The total long-term Coal Linkages now stand at 17.04 lakh tonnes per annum. These linkages will result in substantial cost savings in Sponge Iron production at its Integrated Steel Plant at Champa, Chhattisgarh.
- ❑ **Lemon Tree Hotels** signed a license agreement for a 40 room Hotel in Dehradun.
- ❑ **SAIL:** December sales jumped 47 percent to 1.68 million tonnes, according to a Bloomberg report.
- ❑ **Coal India:** Total coal production in the month of December 2019 was up 7.2 percent at 58.02 million tonne as against 54.14 million tonne in corresponding month of 2018. Production in December was about 8 million tonne higher from 50.2 million tonne produced in November. Coal offtake was up 1.9 percent at 53.63 million tonne as compared to 52.61 million tonne in December 2018.

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

We are constructive on the market performance for 2020 very similar to the way we were for 2019. This positivity of ours primarily rests on our thesis of earnings normalization ahead. Under our base case thesis, we also assume that other macro and market influencing factors will remain similar to the one that prevailed all through 2019.

The key factors impacting the market fortune in 2020 would be: a. Normalization in Indian Corporate Earnings, b. Global sentiments towards risky assets including emerging market equities and c. India's fiscal conditions.

Though the debate on issues such as when economy will turn up and whether we are in a cyclical or a structural decline will continue (our own view is that it's a mix of both cyclical issues owing to formalization push to the economy and some very valid structural issues), the market should limp along as one- the earnings picture looks better and two- there are

strong (and structural) fund flows and third- absence of leveraged long positions in the market.

Base Case (70% probability)

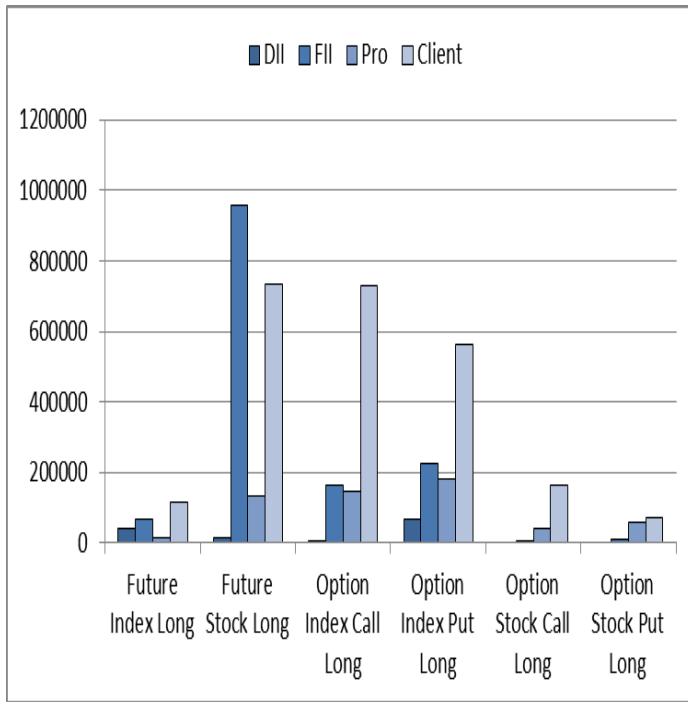
- Earning growth normalizes as one –offs that has forced the Indian corporate earnings to appear muted recedes. Remember at EBITDA levels corporate earnings have remained very robust (Nifty EBITDA margin is near all-time high), but one-offs mostly related to balance sheet impairments has kept the PATlevel growth muted.
- Global sentiment towards risk assets remains calibrated but positive. And
- Government fiscal situation remains in control.
- Under the base case we expect Nifty EPS to grow to 650 (+ 18%) for FY21 and we assign PE of 21 for our Dec-2020 target of 13,650

BULK DEAL

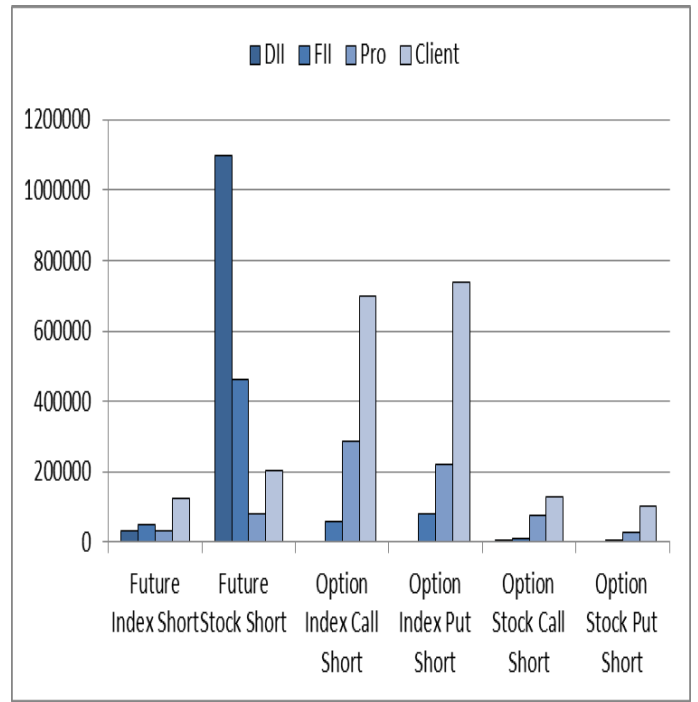
EXCHANGE	Date	SECURITY CODE	CLIENT NAME	DEAL TYPE	QUANTITY	PRICE
BSE	01-01-20	GANGAPA	GOURI KUMAR PRUSTY	S	86,000	23.25
BSE	01-01-20	HITECHWIND	LALIT AMRUTLAL GEDIYA	S	25,000	24.5
BSE	01-01-20	HITECHWIND	MUKESH AJMERA	S	49,266	24.5
BSE	01-01-20	HITECHWIND	GODHAR RAJENDRA GANGARAM	B	25,000	24.5
BSE	01-01-20	HKG	SUMIT KUMAR GUPTA	S	20,000	43
BSE	01-01-20	LAKHOTIA	VAISHNO MEDIA GRAPHIX PRIVATE LIMITED	B	100,000	8.84
BSE	01-01-20	LAKHOTIA	MANJU LAHOTI	B	110,000	8.84
BSE	01-01-20	LAKHOTIA	INTENSIVE FINANCE PRIVATE LIMITED	S	210,000	8.84
BSE	01-01-20	NSIL	PRITI RAJIV JOSHI	B	88,665	700
BSE	01-01-20	NSIL	ANIL ARYA	S	91,997	700.04
BSE	01-01-20	PRISMMEDI	BHAVNA NARENDRA CHITALIA	S	65,400	20.35
BSE	01-01-20	PRISMMEDI	MANISH NITIN THAKUR .	B	98,589	20.4
BSE	01-01-20	PRISMMEDI	BHAVESH HASHMUKHLAL SHAH	S	31,000	20.35
BSE	01-01-20	PRISMMEDI	VISHAL MAHESH WAGHELA	S	33,085	20.35
BSE	01-01-20	PRISMMEDI	MANISH NITIN THAKUR	B	49,170	20.32
BSE	01-01-20	SSPNFIN	RUSHIL SHAIKESH PANDYA	S	10,000	95.3
BSE	01-01-20	SSPNFIN	MANSI R KAPADIYA	B	10,000	95.3
BSE	01-01-20	SSPNFIN	MANSI R KAPADIYA	S	10,000	95.42
BSE	01-01-20	SUPRBPA	JIGNESH BALDEVBHAI SOLANKI	B	32,836	8.8
BSE	01-01-20	SUPRBPA	JIGNESH BALDEVBHAI SOLANKI	S	1,000	8.01
BSE	01-01-20	SUPRBPA	MANJULABEN BHAVESHKUMAR RANGEE	S	32,837	8.8
BSE	01-01-20	TAHL	AMJAD HUSSAIN	S	57,858	23.46
BSE	01-01-20	TALWGYM	SANDEEP PRAMOD SHAH (HUF)	S	161,500	3.21
BSE	01-01-20	TALWGYM	WOODSTOCK SECURITIES PRIVATE LTD	B	161,500	3.21
BSE	01-01-20	VMV	ESPS FINSERVE PRIVATE LIMITED	B	40,000	20

PARTICIPANT WISE OPEN INTEREST

Long Position

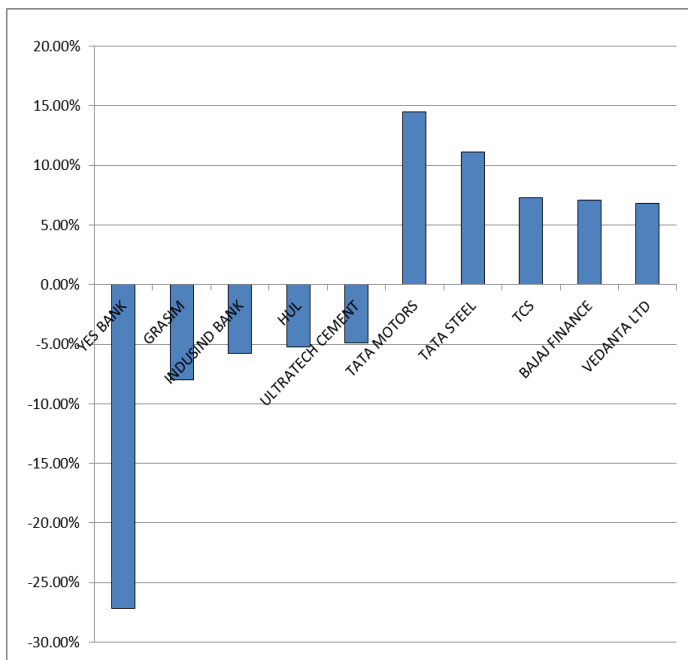


Short Position

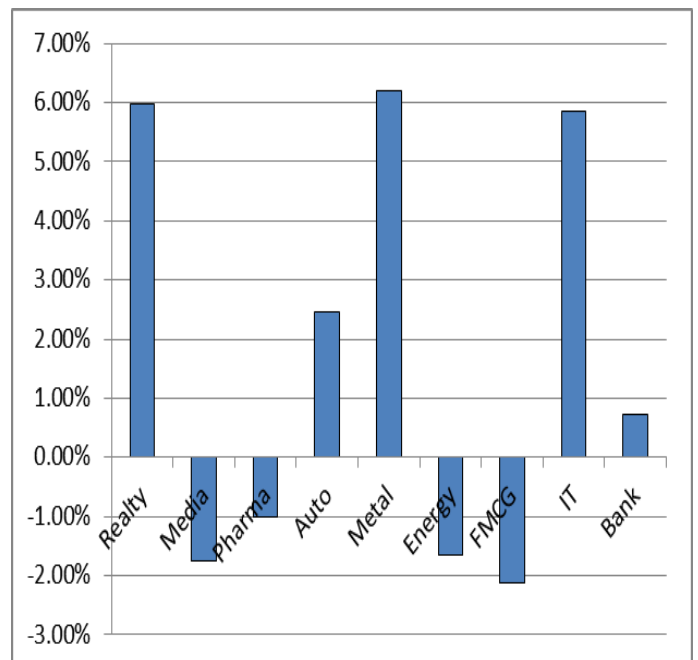


MARKET MOVERS (1 MONTH CHANGE)

Nifty Movers



NSE Sectoral Indices Performance



Economic Calendar					
Country	Monday 30th December 2019	Tuesday 31st December 2019	Wednesday 1st January 2020	Thursday 2nd January 2020	Friday 3rd January 2020
US	Pending Home Sales, Retail Inventories Ex Auto		API Weekly Crude Oil Stock	Initial Jobless Claims	U.S. Baker Hughes Oil Rig Count, FOMC Meeting Minutes
UK/EUROPE	Gross Mortgage Approvals	Holiday-United Kingdom	United Kingdom - New Year's Day	Manufacturing PMI	Construction PMI
INDIA		RBI Monetary and Credit Information Review			FX Reserves, USD

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Disclosure of Interest Statement-

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