

NIFTY KEY LEVELS

Support 1 : 12200
Support 2 : 12160
Resistance1: 12300
Resistance2: 12350

Events Today

Macro

U.S. Baker Hughes Oil Rig Count, FOMC Meeting Minutes - USA
FX Reserves, USD - IND

Nifty Intraday Chart



Market Outlook

Yesterday, Nifty opened positive at 12198.55 and made a low of 12195.25. From there it moved towards the high of 12289.90 and closed positive at 12282.95. In IT sector broader selling was witnessed, while rest of the indices closed positive. India VIX closed negative by 0.93% at 11.49.

After the last day of poor december, Bulls nailed out the bears completely in this new year and rose around 100 points. Once the 12300 level will be surpassed by Nifty then it will march towards 12350 and subsequently to 12400 levels which is near the rising trendline and daily upper Bollinger Band. Near term support is placed near 12200 followed by 12165 levels. A strong close below the same could lead to weakness in nifty.

Indian Market

Index (Prev. Close)	Value	% Change
SENSEX	41,626.64	0.78%
NIFTY	12,282.20	0.82%
BANK NIFTY	32,443.85	1.06%

Global Market

Index (Prev. Close)	Value	% Change
DOW	28,868.80	1.16%
NASDAQ	9,092.19	1.33%
CAC	6,041.50	1.06%
DAX	13,385.93	1.03%
FTSE	7,604.30	0.82%
EW ALL SHARE	19,902.33	0.88%

Morning Asian Market (8:30 am)

SGX NIFTY	12,335.00	-0.02%
NIKKIE	23,656.62	-0.76%
HANG SENG	28,579.00	0.12%

Commodity Market

Commodity(Prev. Close)	Value	% Change
GOLD	39,277.00	0.54%
SILVER	47,022.00	0.77%
CRUDEOIL	68.17	2.90%
NATURALGAS	152.40	-1.74%

Currency Market

Currency (Prev. Close)	Value	% Change
RS./DOLLAR	71.37	0.21%
RS./EURO	79.90	0.06%
RS./POUND	94.17	-0.30%

Bond Yield

Bond yield (Prev. Close)	Value	% Change
G-sec 10YR : IND	6.50	-0.02%

% Change in 1 day

Institutional Turnover

FII

Investor	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
02-Jan-20	2671	1982	689
Jan-20	3011	2381	630
2020	3011	2381	630

DII

Investor	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
02-Jan-20	3490	3426	64
Jan-20	5179	4906	272
2020	5179	4906	272

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"

Monthly Auto Volume: December 2019**MACRO****03-Jan-20**

The automobile industry saw some improvement in sales on account of lower base in December 2019. Demand sentiment improved based on higher discounts provided by the OEMs and ongoing marriage season. However, the sales were impacted due to delay in buying decision led by BS-VI onset. The OEMs had also taken annual production shutdown which avoided inventory built up. The PV segment posted a growth of 4% YoY. The CV segment had declined by 16% YoY due to slowdown in construction activities. The 2W segment had declined by 9% YoY due to weaker urban demand. The 3W segment grew by 6% YoY primarily led by improvement in export markets. The tractors segment showed marginal growth after the harvesting season. ASHOKLEY, BAJAJ-AUTO, EICHERMOT, ESCORTS, HEROMOTOCO, TATAMOTORS and TVSMOTOR sales declined by 28%, 3%, 13%, 11%, 6%, 14% and 15% YoY respectively. M&M posted a flat growth and MARUTI posted 4% YoY growth.

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.

- ❑ **Manufacturing PMI Hits 7-Month High:** The country's manufacturing sector activity improved in December driven by new orders that rose at the fastest pace since July as companies ramped up production and resumed hiring efforts, a monthly survey said on Thursday. Notwithstanding the improvement in operating conditions during December, companies were cautious regarding the annual outlook of 2020 and this could have an impact on job creation and investment in the year, the survey said. The IHS Markit India Manufacturing PMI rose from 51.2 in November to 52.7 in December, registering the "joint-strongest" improvement in 10 months.
- ❑ **DoT seeks Rs 3.13 lakh crore AGR dues from non-telcos companies:** The Department of Telecommunications (DoT) has slapped a Rs 15,019 crore demand notice on Gujarat Narmada Valley Fertilizers & Chemicals Ltd taking the total amount it has sought from non-telecom companies to Rs 3.13 lakh crore following a Supreme Court ruling. While the DoT has sought Rs 1.47 lakh crore from Bharti Airtel, Vodafone Idea Ltd and other telecom companies after the Supreme Court's ruling on revenues that need to be taken into consideration for payment of government dues, its demand notices on non-telecom companies now total at more than double of the telecom firms.
- ❑ **Bank credit grows 7.10% to Rs 99.47 lakh cr; deposits up 10% to Rs 130 lakh cr:** Banks' credit and deposits grew by 7.10 per cent and 10.09 per cent to Rs 99.47 lakh crore and Rs 130.08 lakh crore in the fortnight ended December 20, according to the latest Reserve Bank data. In the year-ago fortnight, banks' advances stood at Rs 92.87 lakh crore, while deposits were at Rs 118.16 lakh crore. In the previous fortnight ended December 6, credit had grown by 7.91 per cent to Rs 99.34 lakh crore and deposits had increased by 10.27 per cent to Rs 131.05 lakh crore. On a year-on-year basis, banks' credit growth slowed to 7.2 per cent to Rs 86.73 lakh crore in November 2019 from 13.8 per cent increase to Rs 80.93 lakh crore in the year-ago period.
- ❑ **RBI announces special OMO of Rs 10,000 cr on January 6:** The Reserve Bank on January 6 will carry a special simultaneous open market operation to buy and sell government bonds of Rs 10,000 crore each. "On a review of the current liquidity and market situation and an assessment of the evolving financial conditions, the Reserve Bank has decided to conduct simultaneous purchase and sale of government securities under Open Market Operations (OMO) for Rs 10,000 crore each on January 6, 2020," the RBI said in a release.
- ❑ **Hero MotoCorp** December sales fell 6 percent year-on-year to 4,24,845 units. (BloombergQuint estimate: 4,31,250 units).
- ❑ **Rites JV** secured Rs 100 crore order from Government of Bangladesh.
- ❑ **Natco Pharma** filed an application for a generic version of cancer drug Lonsurf. Lonsurf has recorded sales of \$150 million in 2018 in U.S. as per IQVA.
- ❑ **TVS Motor Company:** The company reported a 14.67 percent decline in total sales to 2,31,571 units in December 2019.
- ❑ **SBI, Union Bank:** The State Bank of India (SBI) and Union Bank of India are looking to sell their non-performing loans totalling Rs 2,836 crore to banks, asset reconstruction companies and other financial institutions. SBI has put on sale three assets worth Rs 1,554.87 crore and the Union Bank of India has invited bids to sell 11 NPAs worth Rs 1,280.87 crore through e-auctions during January.
- ❑ **JSW Energy:** The company entered into an agreement with Jaiprakash Power Ventures Ltd. (JPVL) to re-structure the principal outstanding amount of Rs 751.77 crore, owed by JPVL to the company. According to the agreement, Rs 351.77 crore will be converted into equity shares of JPVL. Out of the balance outstanding principal amount of Rs 400 crore, Rs 280 crore to be written off and Rs 120 crore to continue as debt to be paid by JPVL.

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

BAJAJ-AUTO Management Interview

- Some buoyancy is expected to come back towards the later part of 4QFY20 led by pre-buying.
- There won't be much pressure on sales in the coming months.
- There is increase in footfalls in the outlets and it is expected to increase more by the end of Jan and beginning of Feb.
- There may be slump in sales during April and May next year in some of the markets.
- Domestic CV market sales have also improved and showed positive growth of 26% YoY.
- Exports increased by 10% YoY on the back of motorcycle sales in Africa, Latam and South East Asia.
- Platina 110 , Pulsar 125 and KTM models have done well in december sales. KTM has done 6000 units sales in december.
- Markets share in the domestic motorcycles is in the range of 19-20% in 3QFY20.

CANFINHOME Management Interview:

- The demand remains still strong in affordable housing. In affordable housing demand for non developer segment is good which major area of focus of the company is.
- The company doesn't see any challenge in next 6-8 quarters to maintain growth better than expected industry growth rate of 10-11%.
- For the next 2 years the growth rate is expected to be moderated.
- By march 2020 ,the company expects to be at 200 in terms of branches.
- The company has plans to raise Rs 1000 Cr of funds by the end of FY20.

CUB management Interview:

- The Management expects loan growth to be at 12-15% for FY20.
- Slippage ratio expected for FY20 is between 2% to 2.2% of the closing advances. The management hopes incremental slippage ratios to come down.
- Management said there are delays in payments from government in certain segments.
- The Management said they are adequately capitalized and don't feel there is immediate need of raising capital.

FEDERALBNK Management Interview.

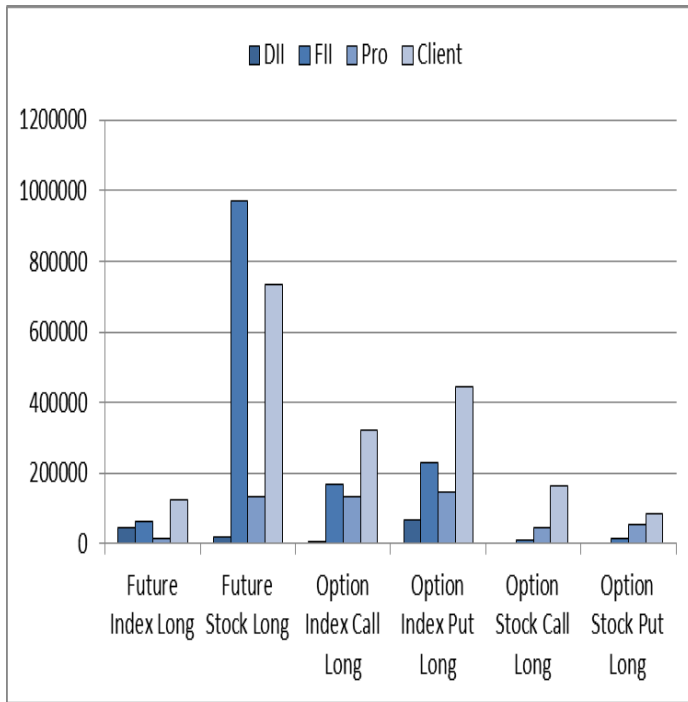
- The bank expects better growth outlook from April 2020 onwards. The bank expects 2-2.5 X industry growth for the bank going ahead.
- As per the bank retail funded liability book is area of challenge. The management holds earlier guidance of 310-315 bps for NIM. 40 bps of rate cut transmission has already happened and some more reduction is expected in coming quarters.

BULK DEAL

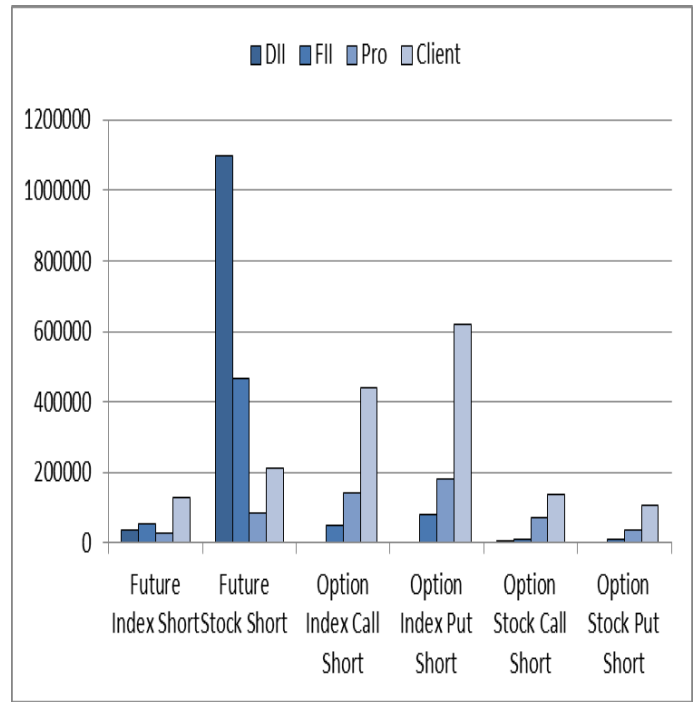
EXCHANGE	Date	SECURITY CODE	CLIENT NAME	DEAL TYPE	QUANTITY	PRICE
BSE	02-01-20	BHARATWIRE	AUTHUM INVESTMENT & INFRASTRUCTURE LIMITED	B	8,364,042	31.99
BSE	02-01-20	BHARATWIRE	ALTURA CAPITAL ADVISORS LLP	S	8,144,042	32
BSE	02-01-20	GREYCELLS	RAVI SHASTRI	B	150,000	39.2
BSE	02-01-20	GREYCELLS	INDU POPATLAL JAIN	S	120,000	39.2
BSE	02-01-20	IIFLSEC	RARE ENTERPRISES	B	2,784,879	42.83
BSE	02-01-20	IIFLSEC	SATPAL KHATTAR	S	3,000,000	42.74
BSE	02-01-20	JSHL	NITIN JAISWAL	B	35,000	17.75
BSE	02-01-20	LKPFIN	AUTHUM INVESTMENT & INFRASTRUCTURE LIMITED	B	3,089,410	90
BSE	02-01-20	LKPFIN	ALTURA CAPITAL ADVISORS LLP	S	3,089,410	90
BSE	02-01-20	NEWLIGHT	DHARTI NILESH PARIKH	B	19,400	32.8
BSE	02-01-20	NEWLIGHT	VISHAL MAHESH WAGHELA	S	47,600	32.8
BSE	02-01-20	NEWLIGHT	MANISH NITIN THAKUR	B	28,205	32.8
BSE	02-01-20	PRISMMEDI	MANISH NITIN THAKUR	B	10,025	20.3
BSE	02-01-20	PRISMMEDI	MANISH NITIN THAKUR	S	37,804	19.98
BSE	02-01-20	SANGAMIND	AUTHUM INVESTMENT & INFRASTRUCTURE LIMITED	B	4,702,737	65.4
BSE	02-01-20	SANGAMIND	ALTURA CAPITAL ADVISORS LLP	S	4,702,237	65.4
BSE	02-01-20	SHAQUAK	HANSABEN HASMUKHBHAI AMIN	S	270,000	0.48
BSE	02-01-20	SUYOG	AUTHUM INVESTMENT & INFRASTRUCTURE LIMITED	B	1,416,521	425
BSE	02-01-20	SUYOG	MENTOR CAPITAL LIMITED	S	114,570	425
BSE	02-01-20	SUYOG	ALTURA CAPITAL ADVISORS LLP	S	1,299,681	425
BSE	02-01-20	TOYAMIND	TALISMAN SECURITIES PRIVATE LIMITED	B	1,127,000	1.76
BSE	02-01-20	UPASAFN	KIRTIR SHAH SHARES AND STOCK BROKERS PVT LTD	B	26,100	33.38
BSE	02-01-20	UPASAFN	KIRTIR SHAH SHARES AND STOCK BROKERS PVT LTD	S	3,600	31.14

PARTICIPANT WISE OPEN INTEREST

Long Position

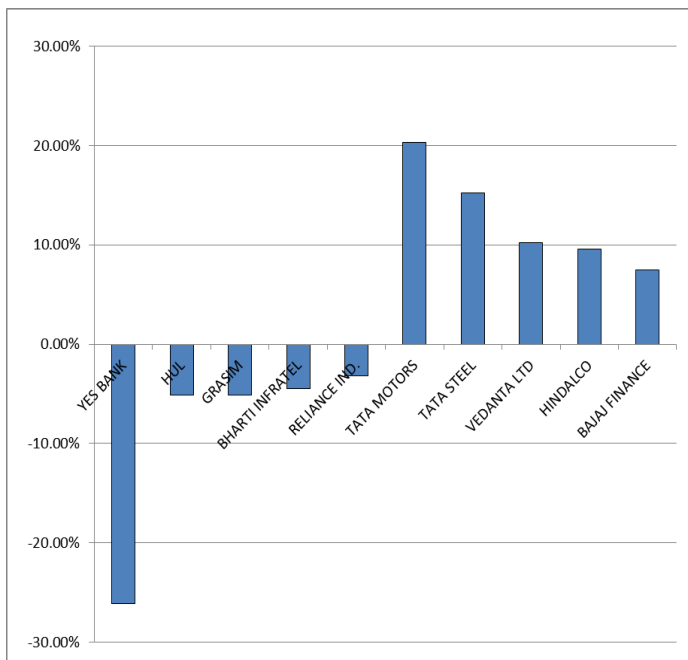


Short Position

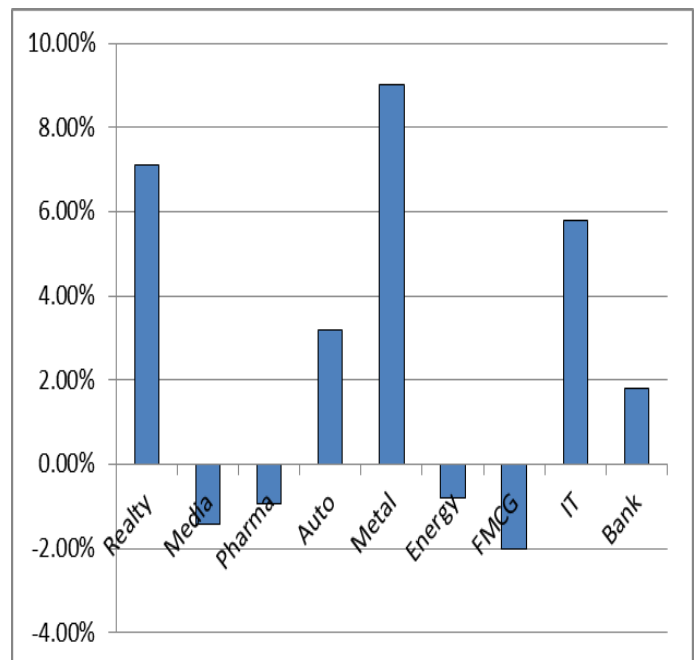


MARKET MOVERS (1 MONTH CHANGE)

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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A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com.

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