

NIFTY KEY LEVELS

Support 1 : 11930
Support 2 : 11900
Resistance1: 12150
Resistance2: 12200

Events Today

Macro

Initial Jobless Claims - USA

Dividend

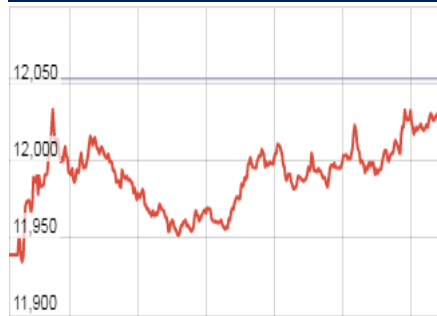
BITES - Rs. 6.0

Stock Split

SWADPOL Rs.10/- to Rs.1/-

Ex-Date: 09-01-2020

Nifty Intraday Chart



Market Outlook

Yesterday, Nifty opened negative at 11939.10 and made a low of 11929.60. From there it moved towards the high of 12044.95 and closed negative at 12025.35. Broader buying was seen in FMCG & IT, while rest of the indices closed with negative bias. India VIX closed positive by 7.05% at 15.64.

Despite heavy selling of morning, Bulls rushed to buy from decline and nifty managed to defend its 50 SMA. As long as it sustains the same, chances of pullback is higher on upside. Positive divergence in RSI along with the formation of bullish candle on daily chart indicates short covering rallies are on the card in coming days. A decisive move above 12050 levels may lead to the extension of this bounce back till 12150 levels. While downside support is placed at 11900-11930 levels

Indian Market

Index (Prev. Close)	Value	% Change
SENSEX	40,817.74	-0.13%
NIFTY	12,025.35	-0.23%
BANK NIFTY	31,373.65	-0.08%

Global Market

Index (Prev. Close)	Value	% Change
DOW	28,745.09	0.56%
NASDAQ	9,129.24	0.67%
CAC	6,031.00	0.31%
DAX	13,320.18	0.71%
FTSE	7,574.93	0.01%
EW ALL SHARE	19,590.16	-0.01%

Morning Asian Market (8:30 am)

SGX NIFTY	12,175.50	0.89%
NIKKIE	23,640.50	1.88%
HANG SENG	28,402.50	1.12%

Commodity Market

Commodity(Prev. Close)	Value	% Change
GOLD	40,110.00	-1.36%
SILVER	47,391.00	-1.49%
CRUDEOIL	65.90	0.03%
NATURALGAS	152.70	-2.43%

Currency Market

Currency (Prev. Close)	Value	% Change
RS./DOLLAR	71.70	-0.18%
RS./EURO	79.79	-0.64%
RS./POUND	94.07	-0.47%

Bond Yield

Bond yield (Prev. Close)	Value	% Change
G-sec 10YR : IND	6.56	0.08%

% Change in 1 day

Institutional Turnover

FII

Investor	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
08-Jan-20	4109	4625	(516)
Jan-20	19278	18687	591
2020	19278	18687	591

DII

Investor	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
08-Jan-20	5162	4414	748
Jan-20	21075	20796	279
2020	21075	20796	279

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"

Real Estate**MACRO****09-Jan-20**

2019 has been a dismal year for the Indian Economy where the NBFC crisis has led to a lot of stalled real estate projects. The government also put up an AIF of INR 250 bn to provide relief to developers for their unfinished projects. Residential House launches for 2019 have been 23% higher than 2018 at 2,23,325 as compared to 1,82,207 in 2018. While Residential Sales have been just 1% higher on the back of increased affordable housing segment as 48% of the sales came under the 50 lakh ticket size. The push towards affordable housing scheme has been in a positive light as the house price to income ratio shows a significant contraction in the ratio on the back of easing of real estate property rates. Going forward we expect the NPA Cycle to fade out and a normalization of the growth figures which can help the Real Estate market.

Mutual funds**MACRO****09-Jan-20**

Net Equity Inflows for the month of December 2019 stood at Rs.4499 crores. The figure rose after 3 continuous months of continuous fall on the back of high redemptions. The retail SIP figure has grown strong in the month of December 2019 at Rs. 8518.5 crores as opposed to Rs. 8273 crores in the previous month. There has been a decent uptick in the SIP figure after months of lingering around Rs. 8200-8300 crores. Large Cap funds and Mid Cap funds have seen continuous traction from the retail buyers and saw inflows in December 2019 at Rs.1134 crores and Rs.796 crores respectively. A similar trend has been witnessed in equity oriented funds in the past couple of months. The foreign portfolio investor's have regained their confidence in the Indian equity market since the corporate tax cut. Net Equity inflows in December 2019 has been Rs. 7338 crores. Outflows were seen towards Indian debt papers at Rs.4616 crores. The Mutual fund industry's average AUM for the month of December 2019 stood at 27.25 lakh crore.

Earning Estimate Highlights-Q3FY20E**MACRO****08-Jan-20**

With Nifty trading close to 12000, the Index PE is at 21.5 times FY20E and is optically at the higher band. We however understand that this optically high PE is a factor of many one off expenditures in the Income statement of companies owing to regulatory payments, higher provisioning in Banks and NBFCs, impairment of Assets etc in past 8-10 quarters. The current quarter earnings is important as lot of companies have been betting on better earnings environment in the 2HFY20. It will be important to understand management commentaries and their take on the market demand scenario and their strategies to tackle the slowing growth. For December 2019, the average sales growth of our coverage companies Ex Financials is expected at 4% YoY and the Net Profit growth is expected at 5.6%. We expect Nifty EPS to grow by 14% for FY20 and clock in an EPS figure of 554 for FY20.

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.

- ❑ **NSE to introduce cross margining facility from January 10:** The National Stock Exchange (NSE) on January 7 said it will introduce cross-margining facility to offset positions in correlated equity indices from January 10, a move that will increase liquidity and trading volumes in stock markets. Cross margining allows market participants to reduce the total margin payment required, if they are taking two mutually offsetting positions. The move helps market participants transfer excess margin from one account to another. The facility will be made effective from January 10, 2020, NSE said in a circular. The move comes after the markets regulator Sebi in November last year extended cross margining facility to offsetting positions in highly correlated equity indices.
- ❑ **Govt further opens up coal mining; allows non-coal cos to bid, removes end-use restriction:** In a bid to attract investments and boost domestic coal production, the government on January 8 approved promulgation of an ordinance to open up coal mining in the country to non-coal companies while removing restrictions on end-use of the fuel. The Union Cabinet headed by Prime Minister Narendra Modi also gave its nod for concluding auction of iron ore and other mineral mines before the expiry of their current mining lease on March 31, so as to avoid disruption in production.
- ❑ **Bharti Airtel** launched qualified institutional placement to raise Rs 14,400 crore at an indicative floor price of Rs 435 – discount of 5.2 percent to last closing. Fund raise via equity share at indicative floor price would lead to an equity dilution of 6.1 percent on the expanded equity base. The company will also be raising \$1 billion via issue of foreign currency convertible bonds with a green-shoe option to raise another \$250 million. Proceeds of the issue will be used by the company for payments of adjusted gross revenue dues, to pay debt and for general corporate purpose. In the third quarter of fiscal year 2020, Bharti Airtel added 2.1 crore 4G users – most in at least the last nine quarters.
- ❑ **Reliance:** Jio launched voice and video calls through WiFi at no additional cost.
- ❑ **State Bank of India:** The state-run largest lender launched 'Residential Builder Finance With Buyer Guarantee (RBBG)', to focus on affordable housing. RBBG will focus on affordable housing segment with a home price of up to Rs 2.5 crore in seven Indian cities initially. Under this product, all reputed builders fulfilling the prescribed criteria by the bank can avail loan between Rs 50 crore to Rs 400 crore.
- ❑ **Vedanta Ltd:** The company said that its committee of directors has approved raising up to Rs 2,000 crore via non-convertible debentures (NCDs).
- ❑ **Alembic Pharmaceuticals Ltd:** Aleor Dermaceuticals Ltd., a 60:40 Joint Venture between the company and Orbicular Pharmaceutical Technologies, has completed United States Food and Drug Administration (USFDA) inspection at its formulation manufacturing facility located at Karakhadi, Gujarat, without any observations. The inspection was carried out from January 6 to 8, the company said.

NMDC: Mr. Maheshwar Rao, Karnataka Mines Secy, Management Interview

- Management expects the NMDC Donimalai mine case to get resolved in the next 3 months.
- State has been willing to extend mining lease but with a premium, however, NMDC Donimalai case is now before Mines Tribunal.
- Karnataka CM has written to the centre regarding NMDC's Donimalia requesting for premium to be imposed on renewal of mines in Karnataka.
- There is a scope for Karnataka government to impose a premium on Donimalai Mine renewal.

SBIN Management Interview

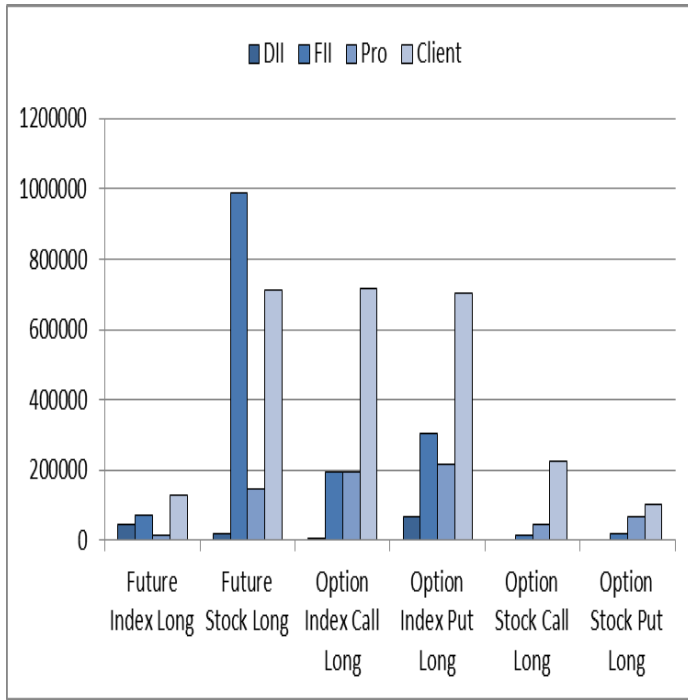
- Management believes Q3 and Q4 would be very good quarters for banks as recoveries would be at peak as large assets would be resolved by March or latest by June.
- Referring to credit growth, Management said SBI's year-to-date credit growth was negative for the first six months of the current fiscal but improved between October to December. He said credit growth is expected to be muted for some time and the sector may not witness double digit growth.
- On Credit growth lowering to 7% and deposit growth to 10% in latest fortnight data management said banks have become more cautious while lending and there would not be any dilution in security or monitoring by banks.
- Management said there is demand from credit project pipeline from three sectors - oil and gas, solar and road, However there is no large ticket demand for credit.

BULK DEAL

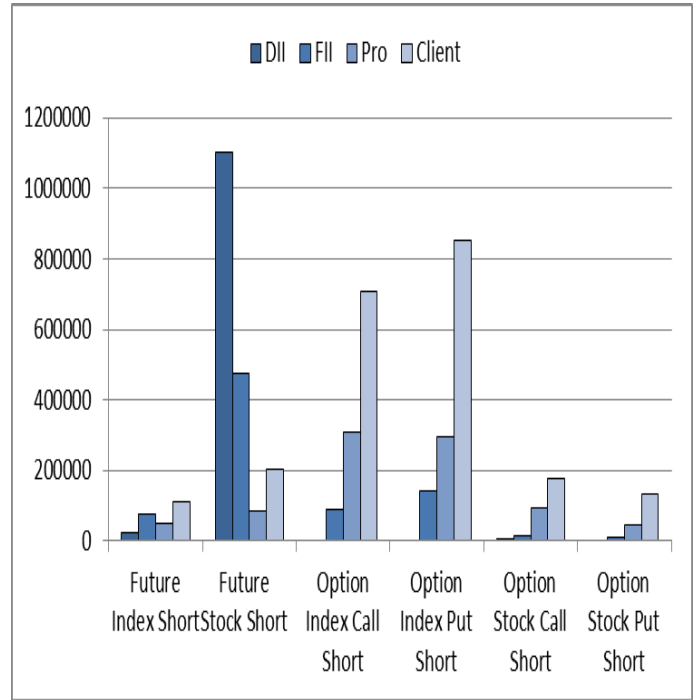
EXCHANGE	Date	SECURITY CODE	CLIENT NAME	DEAL TYPE	QUANTITY	PRICE
BSE	08-01-20	BUTTERFLY	MILLENNIUM STOCK BROKING PVT LTD	B	84,695	257.91
BSE	08-01-20	BUTTERFLY	MILLENNIUM STOCK BROKING PVT LTD	S	89,783	257.77
BSE	08-01-20	CHEMBOND	ATUL NAGINDAS SANGHVI	S	74,000	237.68
BSE	08-01-20	CONFINT	VISHANKVILASPATIL	B	183,334	0.61
BSE	08-01-20	CONFINT	NEELAM PRADEEP JOSHI	S	197,944	0.61
BSE	08-01-20	DIVINUS	MANOJKUMAR GUNVANTRAI SOMANI	B	31,899	28.6
BSE	08-01-20	DIVINUS	MANOJKUMAR GUNVANTRAI SOMANI	S	35,000	28.7
BSE	08-01-20	DIVINUS	BRIJESH UMESHBAI JOSHI	B	35,000	28.7
BSE	08-01-20	DIVINUS	JIGAR BHADRESH GANDHI	S	31,899	28.6
BSE	08-01-20	GNRL	GOYENKA REAL ESTATE LLP	B	3,857,145	9.7
BSE	08-01-20	GNRL	ALGORAB POWER PROJECTS PRIVATE LIMITED .	S	3,857,145	9.7
BSE	08-01-20	GOBLIN	VIJETA BROKING INDIA PRIVATE LIMITED	B	2,000	101
BSE	08-01-20	GOBLIN	PROFICIENT MERCHANDISE LIMITED	B	72,000	104
BSE	08-01-20	GOBLIN	VIJETA BROKING INDIA PRIVATE LIMITED	S	72,000	104
BSE	08-01-20	HKG	VIVEK AGRAWAL	S	20,000	51.22
BSE	08-01-20	KABRADG	SNEHA SANJEEV LUNKAD	B	4,227	0.98
BSE	08-01-20	KABRADG	SNEHA SANJEEV LUNKAD	S	29,187	0.98
BSE	08-01-20	KABRADG	DALCHAND .	B	28,937	0.98
BSE	08-01-20	KLKELEC	ANKIT TINESH GALA	S	40,000	14.55
BSE	08-01-20	KLKELEC	JEETENDRACHAWARE	B	40,000	14.55
BSE	08-01-20	LAKHOTIA	BASANTI KAMLESH VYAS	B	100,000	8.84
BSE	08-01-20	LAKHOTIA	INTENSIVE FINANCE PRIVATE LIMITED	S	140,000	8.84
BSE	08-01-20	NEWLIGHT	MANISH NITIN THAKUR	S	27,922	32.25
BSE	08-01-20	ONTIC	DEVANG RAJNIKANT SHAH	S	66,120	12.95
BSE	08-01-20	ONTIC	KIRTI AMRUTLAL GAJRA (HUF)	B	87,000	12.94

PARTICIPANT WISE OPEN INTEREST

Long Position

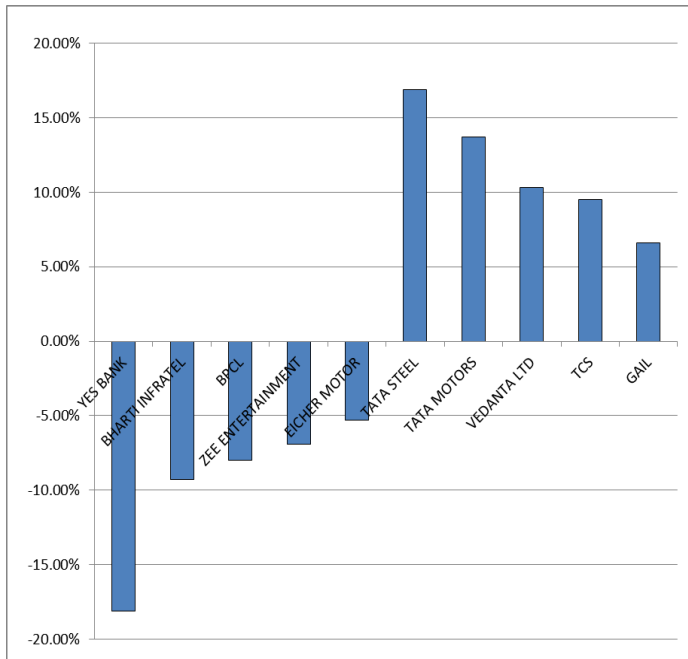


Short Position

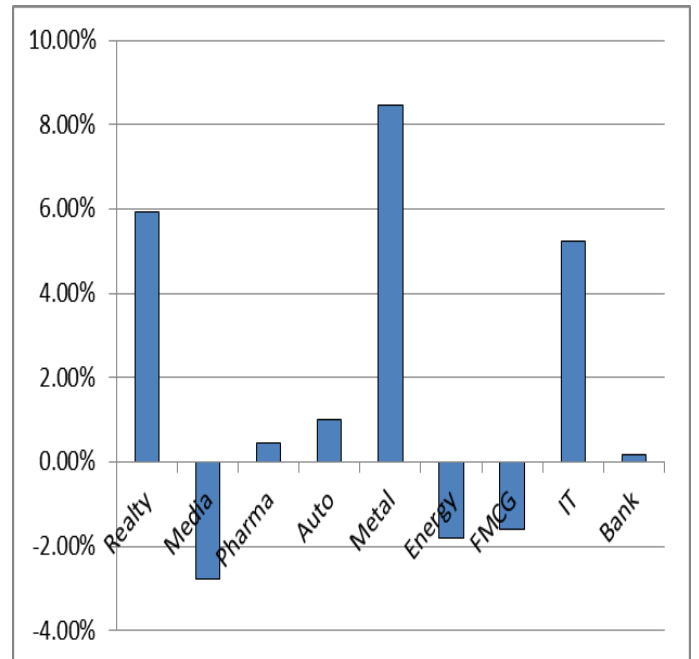


MARKET MOVERS (1 MONTH CHANGE)

Nifty Movers



NSE Sectoral Indices Performance



Economic Calendar					
Country	Monday 6th January 2020	Tuesday 7th January 2020	Wednesday 8th January 2020	Thursday 9th January 2020	Friday 10th January 2020
US	Services PMI	Trade Balance, ISM Non-Manufacturing PMI, API Weekly Crude Oil Stock	ADP Nonfarm Employment Change, Crude Oil Inventories, Cushing Crude Oil Inventories	Initial Jobless Claims	Nonfarm Payrolls, U.S. Baker Hughes Oil Rig Count
UK/EUROPE	Services PMI	CPI, Retail Sales	Labour Productivity		
INDIA	Nikkei Services PMI				FX Reserves, USD, Industrial Production, Manufacturing Output

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Disclosure of Interest Statement-

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