

NIFTY KEY LEVELS

Support 1 : 11615
Support 2 : 11580
Resistance1: 11800
Resistance2: 11900

Events Today

Dividend

ADORWELD

BANSWRAS

CHEVIOT

FLUIDOM

FSL

GRPLTD

GULPOLY

KAIRA

KIRLOSROS

POLYMED

RUBYMILLS

SANDESH

SHREEPUSHK

SWELECTES

TRIDENT

UNIDT

Ex-Date: 27-02-2020

Nifty Intraday Chart



Market Outlook

Yesterday, Nifty opened negative at 11738.55 and made a high of 11783.25. From there it moved towards the low of 11639.60 and closed negative at 11678.50. Nifty's all the sectoral indices closed with negative bias. India VIX closed positive by 8.27% at 18.29.

Domestic market slumped for a fourth session weighed down by the spread of coronavirus outside China. It also filled previous gap area of 4th feb and currently trading below 200 DMA's which is not augur well for Bulls. A breach below 11615-11580 will add to further pressure on the downside, however, if the market holds on to the support zone, a bounce back is likely. Immediate resistance on the upside is near 11800 followed by 11900 levels.

Indian Market

Index (Prev. Close)	Value	% Change
SENSEX	39,888.96	-0.97%
NIFTY	11,678.50	-1.01%
BANK NIFTY	30,306.85	-0.41%

Global Market

Index (Prev. Close)	Value	% Change
DOW	26,957.59	-0.46%
NASDAQ	8,980.78	0.17%
CAC	5,684.55	0.09%
DAX	12,774.88	-0.12%
FTSE	7,042.47	0.35%
EW ALL SHARE	19,308.47	-1.05%

Morning Asian Market (8:30 am)

SGX NIFTY	11,725.00	-0.79%
NIKKIE	22,046.00	-1.70%
HANG SENG	26,439.00	-0.96%

Commodity Market

Commodity(Prev. Close)	Value	% Change
GOLD	42,504.00	-0.66%
SILVER	46,576.00	-2.08%
CRUDEOIL	52.09	-1.34%
NATURALGAS	134.20	0.00%

Currency Market

Currency (Prev. Close)	Value	% Change
RS./DOLLAR	71.66	-0.31%
RS./EURO	77.98	0.15%
RS./POUND	92.71	-0.52%

Bond Yield

Bond yield (Prev. Close)	Value	% Change
G-sec 10YR : IND	6.35	0.24%

% Change in 1 day

Institutional Turnover

FII

Investor	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
26-Feb-20	5822	9158	(3337)
Feb-20	95181	103309	(8128)
2020	296442	311914	(15472)

DII

Investor	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
26-Feb-20	6636	3850	2786
Feb-20	75391	69576	5814
2020	170750	162686	8064

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

Quote of the Day : "Spend each day trying to be a little wiser than you were when you woke up"

CHOLAFIN**HOLD****27-Feb-20**

AUM growth was impacted by slowdown in auto industry sales. Margin is expected to remain steady in the medium however the lower marginal cost of borrowing will provide some support in the long run. Asset quality is being impacted due to lower utilization level of vehicle in the economy however management stated that it has improved QoQ but will take another 8 to 9 months for the situation to normalize for the CV. Management has improved collection effort in this stress environment thus OPEX is expected to remain elevated in the near term. Growth is likely to get impacted with the BS-VI implementation in the near term as the focus of dealers remains on declining BS-IV inventory. We turn cautious on the growth and asset quality front on the Commercial vehicle slowdown and reduce our FY21 estimates by 5% and downgrade our rating to HOLD with target price of Rs 341 at 2.8x BVFY21e after factoring in recent QIP.

IPO - SBI Cards & Payments Services Ltd**SUBSCRIBE****26-Feb-20**

SBI Card is second largest credit card issuer with 18% market share. It has huge potential to acquire diversified customer base in under penetrated markets using distribution network of strong parentage. Credit Card industry growth is expected to be Rs 15 trillion by FY24 which is 2.5 times of FY19. The total credit card spends has grown by CAGR 35% while outstanding credit growth was CAGR 54% during FY17-19. At higher band of offer price, the expected valuation comes around 12x PBV and 45x PE of FY2020 annualised earnings. This is significant premium to global peers despite similar RoE. However, higher earnings growth of 41 percent plus for SBICard vs 16-19 percent growth for global peers should command a higher premium. Hence we assign a subscribe rating for long-term investments.

AMBUJACEM**NEUTRAL****25-Feb-20**

AMBUJACEM volumes grew by 7% YoY with realization growth of 2.7% YoY better than its peers despite general economic slowdown and reduced construction activity. Overall revenue grew by 9.5% YoY while margin expansion was driven by operational efficiency. Going forward, higher budget allocation towards infrastructure development, higher income in the hands of farmers, rural housing, capacity expansion all collectively are expected to bring demand while the company's continuous thrust on fossil fuel substitution with alternative fuel will ensure savings from power & fuel; Also the company's emphasis on reducing logistic cost through supply chain efficiency will further reduce freight cost. Profitability will also increase as the company has adopted new corporate tax rate (25.17%). Considering sluggish demand scenario we have maintained our NEUTRAL rating with a target price of Rs. 221.

BALKRISIND**ACCUMULATE****20-Feb-20**

The growth momentum to pick up from FY21 based on improving demand scenario is European market and better weather conditions in domestic as well as in key export markets. Market in India currently contributes around 20% of revenue and within next 1-2 years it's expected to go till 25%. Overall margin is also expected to expand based on backward integration in carbon black plant and decline in commodity prices. The company has also postponed its plans to put a manufacturing facility in US, which will further benefit the company in long run in terms of profitability. Based on improving agriculture demand scenario in domestic as well as in export markets and margin expansion we recommend ACCUMULATE on the stock with target price of Rs.1360.

GABRIEL**NEUTRAL****19-Feb-20**

Overall volume growth across segments remained challenging due to uncertain demand environment, lower than expected pre-buying of BS IV & regulatory changes. Commercial and Passenger vehicle segments may take 2-3 quarter to recover going ahead. The recovery in export market is expected to come in FY21 based on new customer additions. Weaker operating leverage and higher fixed cost on upcoming Sanand plant will keep the margins below 9%. Factoring the sluggish demand environment and deterioration in margins, we value GABRIEL at 16x FY21e EPS to arrive at a target price of Rs.112 and maintain Neutral rating.

- ❑ **InterGlobe Aviation** denies allegations of wrongdoing or avoidance of process. The company said it has not received any communication from SEBI.
- ❑ **RITES:** The Government proposed to sell 1.25 crore shares (5 percent equity) in the company via offer for sale with an option to sell an additional 5 percent stake. The floor price for the offer has been fixed at Rs 298 per share, a discount of 6.6 percent to the current market price).
- ❑ **Hindustan Unilever & GSK Consumer Healthcare:** The Chandigarh NCLT bench today approved the merger of GSK Consumer Healthcare and Hindustan Unilever. The effective date of the merger is likely to be communicated soon.
- ❑ **Thomas Cook (India)** on Wednesday said its board has approved buyback of up to 26,086,956 fully paid up shares at a price of Rs 57.50 per share for a maximum aggregate amount of Rs 150 crore. The buyback price per share of Rs 57.50 is at a premium of 40 percent over the closing market price of the shares. The buyback record date has been fixed as March 7.
- ❑ **Container Corporation of India (CONCOR)** said it has signed a service agreement signed with Joint Stock Company and Russian Railways Logistics. This service agreement gives broader responsibilities for transporting the cargo from India to Russia and vice-versa under a single invoice.
- ❑ **Fall in crude oil prices:** Positive for BPCL, HPCL, Asian Paint, Berger Paint, Aviation.
- ❑ **DB Corp:** Promoter created pledge on 20.43 lakh shares (1.17 percent equity) on February 24.
- ❑ **City Union Bank:** Bank has inaugurated 3 new branches at Saligramam, Noida & Tirukalukundram on February 26.

CHOLAFIN 3QFY20 Concall Highlights.

- ❑ GNPA in Vehicle Finance is 2.7% and GNPA in Home Equity is 6%. The Commercial Vehicle segment continuous to remains under stress and management expect it to continue for 8 to 9 months.
- ❑ The Operating cost increase on account of increase in focus on the collection thus more manpower is being recruited.
- ❑ Company is looking to create a separate focus around the housing finance company and will look to create housing as a separate business unit within the group and separate licence for HFC has been applied for.
- ❑ The improvement in NIM on sequential basis was on account of Direct assignment of receivables done by the company and it booked some upfront profit on it and the impact of Product Mix change has not yet reflected yet.
- ❑ There is no change in sourcing strategy for the two wheelers and three wheelers.
- ❑ The disbursement in used vehicle segment is expected to improve going forward on the back of ticket size improvement with BS-VI
- ❑ Marginal cost of borrowing was around 8.5% and it has come down to around 8.2-8.3% as of now.
- ❑ The slowdown in disbursement is on account of industry de growth in the commercial vehicle segment. Dealers are planning to reduce their inventory with movement from BSIV to BSVI which might impact disbursement in Q4FY20 and Q1FY21.
- ❑ The Ticket size in the Home equity business is expected to go down going forward from 54 to 55 lakhs to around 40-42 lakhs with company moving from Tier 1 to tier 2 and tier 3 city. The growth is expected to improve as and when economy improves.
- ❑ Vehicles sales are falling short as the manufacturer focuses on the reduction of the inventory & finance company are not taking funding for cap chassis only full built vehicles are being funded for which registration is not possible before 31st march
- ❑ Company has tied up with two OEM in regards to Three wheelers and has loss sharing agreement with them in case of loss going beyond a level they will compensate the loss.
- ❑ The Tier one capital is around 15% and Tier 2 is around 5% after the recent QIP Raise. The given capital should be sufficient for 2 years. The board of directors have approved issue of equity shares by way of preferential issue to cholamandalam financial holding limited upto amount not exceeding Rs 300 Cr in one or more tranches.

Muthoot Finance

- Loan growth guidance is revised to more than 18% range from 15% earlier.
- NIM has been improved on the back of the good collection. Yield has been increased as the cost of borrowings has increased.
- Management has raised 550\$ mn in recent week.

SHREECEM

- The Management remains bullish with regard to cement demand led by Government spending and individual housing.
- Cement demand has seen improvement in past 1 month while Price hike in East, North, Central and West stood at 6%, 5%, 4% and 3% QoQ.
- As per Management, cement prices normally see an increase of 4% on annual basis.
- The Management expects volume growth to be in a range of 6-7% in next 6 months.
- Demand as well as prices in East India has improved from Jan-20.

BANDHANBNK

- Bank currently has 1010 outlets and 3084 Door step Service Centre.
- Bank is looking to open 250 branches across the country by the end of March 2020.
- Bank has no acquisition plans as of now but has strategic plans for reducing promoters stake.
- Asset quality during the Q3FY20 was affected on account of GRUH merger and the Q4 is witnessing the improvement.

BULK DEAL

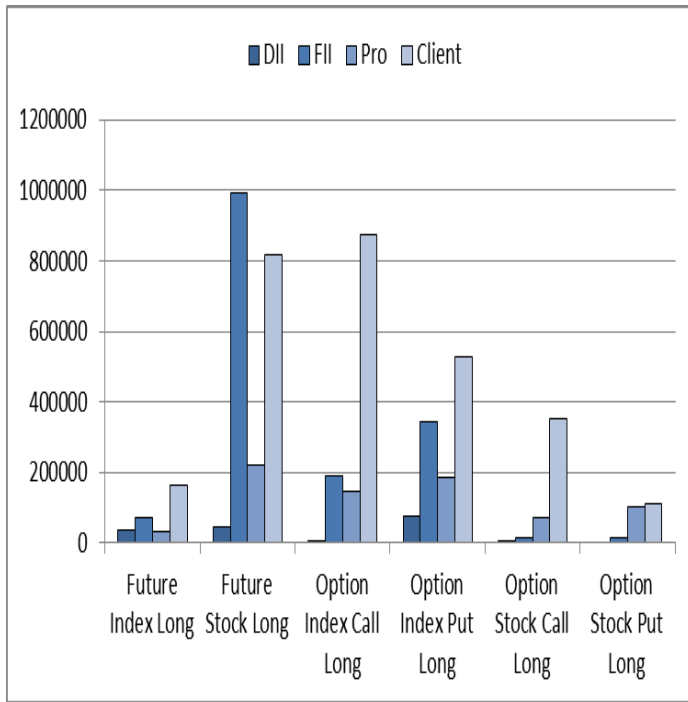
EXCHANGE	Date	SECURITY CODE	CLIENT NAME	DEAL TYPE	QUANTITY	PRICE
BSE	26-02-20	AGCNET	SILVERLEAF OAK ADVISORS LLP	S	500,000	416.16
BSE	26-02-20	AGCNET	SILVERLEAF OAK ADVISORS LLP	S	250,000	414.06
BSE	26-02-20	AGCNET	RAJASTHAN GUM PRIVATE LIMITED	B	250,000	416.1
BSE	26-02-20	AGCNET	ALPHA LEON ENTERPRISES LLP	B	161,559	415.92
BSE	26-02-20	AGCNET	ALPHA LEON ENTERPRISES LLP	S	132,117	414.94
BSE	26-02-20	AGCNET	CITOC INVESTMENT SERVICES LLP	B	296,661	413.68
BSE	26-02-20	CBPL	SUFAL INVESTMENT	S	74,000	40.74
BSE	26-02-20	CBPL	JIYA PRASHANTBHAI UKANI	B	40,000	40.76
BSE	26-02-20	GBFL	NISHIL SURENDRABHAI MARFATIA	B	100,000	1.76
BSE	26-02-20	GBFL	MUKESH KUMAR	S	137,450	1.76
BSE	26-02-20	IISL	SHRI SANJAY J SHAH HUF	S	70,000	17.34
BSE	26-02-20	INDIACEM	GOPIKISHAN SHIVKISHAN DAMANI	B	1,592,130	98.59
BSE	26-02-20	INTENTECH	ASHOK KUMAR GOENKA	B	220,000	18.5
BSE	26-02-20	INTENTECH	NAKUL GOENKA	B	220,000	18.5
BSE	26-02-20	INTENTECH	KRISHNI DEVI GOENKA	S	440,000	18.5
BSE	26-02-20	NARAYANI	RIKHAV SECURITIES LIMITED	B	72,000	36.64
BSE	26-02-20	PANORAMA	INTELLECT STOCK BROKING LIMITED	B	136,043	34.3
BSE	26-02-20	PANORAMA	INTELLECT HEIGHTS PRIVATE LIMITED	S	100,000	34.3
BSE	26-02-20	PANORAMA	HORA VANIJYA PRIVATE LIMITED	S	35,000	34.3
BSE	26-02-20	SADBHAV	BLUE DAIMOND PROPERTIES PRIVATE LIMITED	B	4,200,000	74.99
BSE	26-02-20	SADBHAV	ADITYA BIRLA SUN LIFE MUTUAL FUND	S	2,692,974	75

Corporate Action

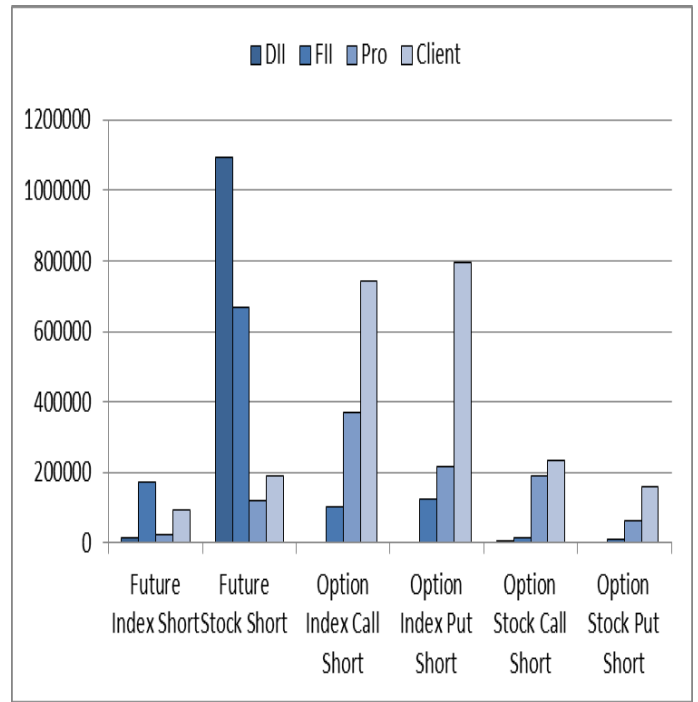
EXCHANGE	SECURITY CODE	SECURITY NAME	EX- DATE	PURPOSE	RECORD DATE
BSE	532810	PFC	28-02-20	Interim Dividend - Rs. - 9.5000	02-03-20

PARTICIPANT WISE OPEN INTEREST

Long Position

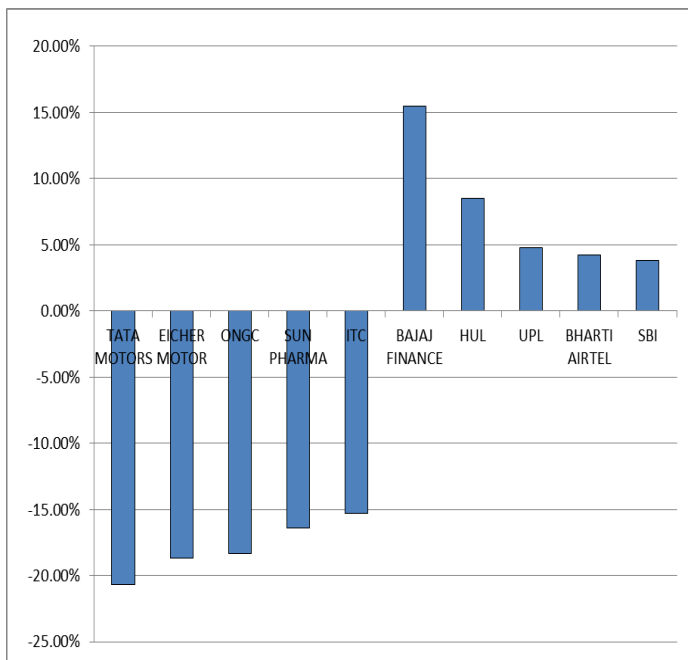


Short Position

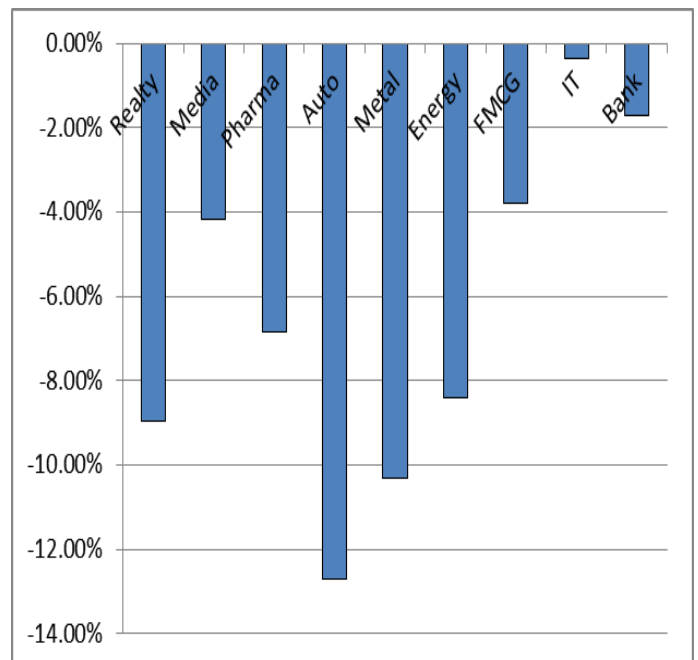


MARKET MOVERS (1 MONTH CHANGE)

Nifty Movers



NSE Sectoral Indices Performance



Economic Calendar					
Country	Monday 24th February 2020	Tuesday 25th February 2020	Wednesday 26th February 2020	Thursday 27th February 2020	Friday 28th February 2020
US		CB Consumer Confidence	API Weekly Crude Oil Stock, New Home Sales, Crude Oil Inventories	Core Durable Goods Orders, Initial Jobless Claims, Pending Home Sales	U.S. Baker Hughes Oil Rig Count
UK/EUROPE	Gross Mortgage Approvals				
INDIA					Bank Loan Growth, Deposit Growth, GDP, Infrastructure Output

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Disclosure of Interest Statement-

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