

Morning Notes

18th Jun, 2019



INVESTMENTZ.COM

INVESTOR FIRST

BY ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD.

Trading Range:

Nifty opened gap up at 11844 on Monday and made a high and low of 11844 and 11658 respectively before closing negative at 11672.

Review/Outlook:

For the day, support for Nifty exists at 11600 and 11530 levels whereas resistance for Nifty stands at 11730 and 11810 levels.

Review/Outlook:

Bank Nifty opened gap up at 30652, made a high of 30684, low of 30249, and closed negative at 30273. For the day, support for Bank Nifty exists at 30100 and 29900 levels whereas resistance for Bank Nifty stands at 30500 and 30700 levels.

DERIVATIVES INDICATORS FOR JUN 18, 2019:

NIFTY	11672.15 (-151.15) (-1.28%)
NIFTY JUN FUTURE	11697.55 (25.40 Points Premium)
NIFTY PCR - OI	1.09(-0.17)
NIFTY OPEN INTEREST	2.09Cr. (+3.93%)
INDIA VIX	14.65 (+5.43%)
NIFTY ROLLOVER	10%

Sectoral Indices (BSE)		
Index	Clsg	Chg%
Auto	17,824	-1.60
Bankex	33,935	-1.21
PSU	7,506	-1.63
Healthcare	12,745	-1.19
IT	15,868	-0.25

Market Scan

Benchmark Indices

Index	Clsg	Chg%
Sensex	38,961	-1.25
Nifty	11,672	-1.28
BSE 200	4,864	-1.28
BSE Midcap	14,531	-1.29
BSE Smallcap	14,173	-1.35
Dow Jones	26,113	+0.09
NASDAQ	7,845	+0.62

NIFTY OPTIONS ACTIVITY (27-JUN SERIES)

CALL	11700 CE + 4.98 lac Shares
CALL	11800 CE + 9.39 lac Shares
PUT	11700 PE +1.90 lac Shares
PUT	11600 PE +5.38 lac Shares

Market Turn Over (`cr)		
Index	17/06	14/06
BSE Cash	2,018	2,356
NSE Cash	24,017	28,745
NSE F&O	802,265	763,022
BSE Delivery %	47.96	40.55

Advances / Decines BSE Cash

	Adv(%)	Dec(%)
BSE 100	5.94	92.08
BSE 200	10.95	87.56
BSE 500	15.77	83.43
Total BSE	24.22	70.96

Commodities, Forex & Debt

	Clsq	Chg%
Crude Oil NYMEX \$ bl	51.95	+0.04
Gold Rs./ 10 Gms	33021.00	-0.07
Silver Rs./ Kg	37092.00	+0.15
Rs.- US \$	69.89	+0.11
Rs.- Euro	78.43	+0.15

FII (Rs'cr')

	17/06*	14/06*
FII's	-183.79	+8.41
MFs	-	-

*Date refers to the day of activity and not the day on which it is reported.

Details	Buy		Sell		Open interest at the end of the day		Net Position
	No. of Contracts	Value (Rs. Cr)	No. of Contracts	Value (Rs. Cr)	No. of Contracts	Value (Rs. Cr)	Value (Rs. Cr)
Index Futures	34,201.00	2,583.78	31,504.00	2,525.75	2,55,807.00	20,918.64	58.04
Index Options	22,19,836.00	1,56,689.82	21,86,862.00	1,53,932.39	7,32,783.00	59,737.97	2,757.43
Stock Futures	1,75,122.00	9,731.03	1,84,032.00	10,220.81	14,34,942.00	84,906.48	(489.78)
Stock Options	87,641.00	5,154.33	89,911.00	5,263.12	79,414.00	4,487.19	(108.79)
Total	25,16,800.00	1,74,158.96	24,92,309.00	1,71,942.06	25,02,946.00	1,70,050.27	2,216.90

Corporate News

Industry, trade and commerce in Karnataka are rallying behind **Jindal Vijayanagar Steel Ltd (JVSL)** whose lease-cum-sale agreement for 3,667.31 acres of land is stuck. The company had entered into lease-cum-sale land agreement with the Karnataka government for 3,667 acres in 2005-06 for setting-up Vijayanagar Steel Plant at Toranagallu village in Ballari district. (BL).

Tata Motors, on Monday announced its partnership with Janani Tours, to deploy 25 Tigor Electric Vehicles (EVs) in Bengaluru. (ET).

Airtel Africa Ltd, a unit of **Bharti Airtel Ltd**, on Monday set a price range of 80 to 100 pence per share for its planned initial public offering (IPO) on the London Stock Exchange. The IPO is expected to raise 595 million pounds (\$749.05 million) from the issuance of about 595.2 million to 744 million new shares. (BL).

V Rishi Kumar **Wipro Lighting** has, over the past two decades, sought to transform itself into a company that doesn't just make lighting products, but tries to make them human-centric. (ET).

A nasty stench of smoke and burning eyes are associated with fogging for controlling mosquito-breeding outside our homes. German company **Bayer's** new product, a water-based insecticide, eliminates the use of oil-based diluents such as diesel and helps reduce pollution caused by fogging. (ET).

Piramal Enterprises Ltd (PEL) on Monday said it has sold its entire direct investment of 9.96 per cent in the fully paid-up share capital of Shriram Transport Finance Company Ltd (STFC) to third party investors on the floor of the stock exchange. PEL had acquired this stake in 2013. (BL).

Vedanta Ltd has lost about \$200 million in profits ever since its copper smelter plant in Tamil Nadu was shut more than a year back after police fired on protesters and killed 13 people, Group Chairman Anil Agarwal said. In more news, Vedanta on Monday said its first pilot floating solar plant will be completed in the next two to three months. (ET).

Drug major **Lupin** is recalling over 18,000 bottles of Cefdinir for Oral Suspension, used to treat bacterial infections, from the US market. Lupin Pharmaceuticals Inc, an American subsidiary of the Mumbai-based company, is recalling the lot due to "complaint received of metal piece identified in the product bottle prior to the reconstitution", as per the latest Enforcement Report of the US Food and Drug Administration (USFDA). The company is recalling 18,408 (60 ml) bottles, it added. (BL).

Anil Dhirubhai Ambani-led group company **Reliance Infrastructure** is looking to pare its debts to zero by 2020, as it expects a majority of claim adjudications to go its way. (ET).

Hindustan Platinum, a refiner and manufacturer of precious metal products and services, has announced the purchase of **ABB's** Humacao electrical contacts manufacturing plant in Puerto Rico. The deal is expected to close in August. (ET).

After five months of trying to find an investor to salvage **Jet Airways**, lenders to the airline on Monday decided to refer the debt-laden company to the National Company Law Tribunal (NCLT) to start insolvency proceedings. The move comes after the lenders failed to get a suitable offer from any

of the potential investors. In more news, India's biggest airline **IndiGo** said on Monday it had placed a \$20 billion jet engine order from CFM International, a move that marks a shift away from Pratt & Whitney (UTX.N) toward its French-American rival. (BS).

Varun Beverages, in its filing to the exchanges, informed that the company's Board of Directors at their meeting held on Monday approved recommended Bonus Issue of Equity Shares. Accordingly, the board approved Bonus Issue of Equity Shares in the proportion of 1 Equity Share of Rs10/each for every 2 (Two) Equity Shares of Rs10 each held by the shareholders of the company as on the record date. This will be subject to the approval of shareholders through Postal Ballot. (BL).

Zydus Cadila, an innovation-driven, global pharmaceutical company, announced that it has completed enrolment of 104 patients with Non-Alcoholic Fatty Liver Disease (NAFLD), including Non-Alcoholic SteatoHepatitis (NASH) across 20 clinical sites in the United States of America. (BL).

Berger Paints' independent director Dharendra Swarup has resigned as a nonexecutive, Independent Director of the Board on June 13, 2019, with immediate effect. The detailed reason for the resignation of the independent director as given by Swarup is that he is not able to devote time to the Company due to other commitments. Swarup has confirmed that there is no other material reason for his resignation other than that provided by him, the company said in a press note on Monday. (ET).

Economy and Sector News

Major Brands India Pvt Ltd, a franchisee for several international lifestyle product companies such as Bath & Body Works (BBW) and Aldo, plans to invest nearly Rs.260 crore over the next four years to double its retail stores. It has so far invested about Rs.400 crore to set up nearly 160 stores of international lifestyle brands such as Call it Spring, Inglot, La Senza, Bebe and New Balance, apart from BBW and Aldo. In more news, the Asian Development Bank (ADB) has approved a project worth Rs 1,650 crore to develop infrastructure in seven district headquarter towns of Tripura, a senior official has said. The ADB will provide Rs 1,650 crore, out of which 80 per cent will be grant-in-aid and the state will have to repay 20 per cent loan in due course of time, he said. (BL).

The manufacturing, engineering and infrastructure sector is likely to add 58,200 new jobs in the April-September of this financial year, a report published Monday said. According to TeamLease Services biannual 'Employment Outlook' report for April-September FY20, these industries will witness a 2 per cent increase in net employment. (ET).

Fitch on Monday lowered India's growth forecast to 6.6 per cent for the current fiscal from 6.8 per cent projected earlier, as manufacturing and agriculture sectors showed signs of slowing down over the past year. In its latest Global Economic Outlook, the global rating agency retained its GDP growth forecast for the next fiscal (2020-21) at 7.1 per cent and 7.0 per cent for 2021-22. In the last fiscal, Indian economy grew at a 5-year low pace of 6.8 per cent. (BL).

India's outbound capital into commercial real estate rose by 92 per cent \$0.7 billion in 12 months to the first quarter of calendar year 2019 (Q1 2019), according to a study by property consultancy firm Knight Frank. United Kingdom, the Netherlands, Germany, US and Australia were the top destination

countries of Indian capital investments. Inbound cross border investment volumes into Indian commercial real estate accounted to \$2.6 billion during the period, the report titled 'Active Capital' said. (ET).

* ET - Economic Times, BS - Business Standard, BL - Business Line, TOI - Times of India, Mint, IE - Indian Express, BT - Business Today, IE - Indian Express

Global Markets

DJIA and NASDAQ Composite

US markets closed slightly higher to start the week on Monday, with investors looking ahead to the Federal Reserve's policy meeting later in the week and the upcoming G-20 leaders' summit in Japan. The Dow Jones Index closed at 26,113, up 22.92 points by 0.09%. The Standard & Poor's 500 index closed at 2,890, up 2.69 points by 0.09%. The Nasdaq Composite Index closed at 7,845, up 48.36 points by 0.62%.

FTSE 100

UK markets were a touch higher at the start of the week on Monday as traders kept their powder dry at the start of a week that's jam-packed with central bank policy announcements. The FTSE 100 index closed at 7,357, up 11.53 points by 0.16%.

Nikkei

Asian stocks began trading early on Tuesday on a positive note. However, the investors will be watching the US markets and other global markets closely. Nikkei is currently trading at 21,124, up 7.11 points by 0.03%.

Precious Metals

Gold futures finished lower on Monday, following a four-session streak of gains, pressured by uncertainty ahead of a meeting of the U.S. Federal Reserve that's expected to offer hints on the central bank's plan on interest rates.

Base Metals

Base metals traded on the London Metal Exchange made marginal gains by the afternoon kerb on Monday, June 17, 2019, buoyed by dovish whispers from the US Federal Reserve and a weakened US dollar index, with the exception of nickel and tin who made respective losses.

Crude Oil

Oil prices fell more than 1% on Monday after more poor Chinese economic figures fanned fears of lower worldwide oil demand.

Global Indices

14/06/2019	Clsq	Chg%
Dow Jones	26,113	+0.09
NASDAQ	7,845	+0.62
FTSE 100	7,357	+0.16
Bovespa	97,623	-0.43
17/06/2019	Latest (5:41 AM IST)	Chg%
Nikkei	21,124	+0.03
Hang Seng	27,227	+0.40

Retail Research Desk:

Akhil Rathi D: 91 22 2858 3210

Hrishikesh Yedve D: 91 22 2858 3207

Vrinda Aditya D: 91 22 2858 3209

Neeraj Sharma D: 91 22 2858 3208

Rohan Gawale D: 91 22 2858 3213

Dhiral Shah D: 91 22 2858 3211

Email: retailresearch@acm.co.in

Research Analyst Registration Number:

INH000002483

CIN: U65990MH1993PLC075388

**An ISO 9001:2015
Certified Company**



Follow us on:



Information pertaining to Asit C. Mehta Investment Intermediates Limited (ACMIL); ACMIL is a SEBI registered Stock Broker, Merchant Banker and Depository Participant. It is also a AMFI registered Mutual Fund Distributor. It does not have any disciplinary history. Its associate/group companies are Asit C. Mehta Commodity Services Limited, Asit C. Mehta Realty Services Pvt. Ltd, Asit C. Mehta Forex Pvt. Ltd, Nucleus IT Enabled Services , Asit C. Mehta Financial Services Limited (all providing services other than stock broking and merchant banking).

Disclosures

ACMIL/its associates and its Research analysts have no financial interest in the companies covered on the report. ACMIL/ its associates and Research analysts did not have actual/beneficial ownership of one per cent or more in the companies being covered at the end of month immediately preceding the date of publication of the research report. ACMIL/its associates or Research analysts have no material conflict of interest, have not received any compensation/benefits for any reason (including investment banking/merchant banking or brokera3ge services) from either the companies concerned/third parties with respect to the companies covered in the past 12 months. ACMIL/its associates and research analysts have neither managed or co-managed any public offering of securities of the companies covered nor engaged in market making activity for the companies being covered. Further, the companies covered neither are/nor were a client during the 12 months preceding the date of the research report. Further, the Research analyst/s covering the companies covered herein have not served as an officer/director or employee of the companies being covered.

Disclaimer:

This report is based on information that we consider reliable, but we do not represent that it is accurate or complete and it should not be relied upon such. ACMIL or any of its affiliates or employees shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in the report. To enhance transparency we have incorporated a Disclosure of Interest Statement in this document. This should however not be treated as endorsement of the views expressed in the report.