

Morning Notes

29 July 2020

CORPORATE AND ECONOMY NEWS

- **IndusInd Bank Q1FY21 Result(YoY):** Net Interest Income up 16.4% to Rs 3,309.2 crore. Net profit down 67.8% to Rs 460.6 crore. Provisions at Rs 2,258.9 crore from Rs 430.6 crore. Gross NPA at 2.53% from 2.45% last quarter. Net NPA at 0.86% from 0.91% last quarter. Made additional floating provisions worth Rs 500 crore during the quarter with regards to Covid-19. Moratorium numbers down to 16% of loan book as against 50% in April.
- **Nestle India Q2CY20 Result(YoY):** Revenue up 1.7% to Rs 3,050 crore. Ebitda up 4.9% to Rs 747 crore. Ebitda margin at 24.5% from 23.7%. Net profit up 11.2% to Rs 487 crore. Domestic sales up 2.6% to Rs 2,908 crore. Domestic sales form 95% of total revenue. Exports down 8.8% to Rs 134 crore.
- **Yes Bank Q1FY21 Result(YoY):** Net Interest Income down 16.3% to Rs 1,908.2 crore. Net profit down 60.1% to Rs 45.4 crore. Provisions at Rs 1,086.6 crore from Rs 1,784.1 crore. Gross NPA at 17.3% from 16.8% last quarter. Net NPA at 4.96% from 5.03% last quarter. Higher other income in base quarter impacts profit. Overall Covid-19 related provisions by the bank at Rs 880 crore. Covid-19 provisions made in current quarter at Rs 642 crore.
- **Hexaware Technologies Q2CY20 Result(YoY):** Revenue in U.S. Dollar terms at \$208 million. Revenue up 19.9% to Rs 1,569.1 crore. Net profit up 1% to Rs 152.4 crore. Ebitda up 28.1% to Rs 271.3 crore. Ebitda margin at 17.3% from 16.2%. Exceptional loss of Rs 17 crore in the base quarter.
- **NIIT Tech Q1FY21 Result(YoY):** Revenue up 9.8% to Rs 1,057 crore. Net profit down 8.8% to Rs 79.9 crore. Ebitda up 22.4% to Rs 169.5 crore. Ebitda margin at 16% from 14%. Higher employee expenses and exceptional loss of Rs 18 crore impact profit.
- **Other Results:** RBL Bank(Mix), Castrol India (Weak), Max Ventures(Weak), Welspun Corp(Weak), Qess Corp(Weak), Tata Coffee(Good), Sanofi India(Mix)
- **Emami, Hindustan Unilever (HUL):** The Bombay High Court has disposed of the plea filed by Emami that had sought to vacate the ex-parte order against it, under which the Kolkata-based firm was directed to give seven days prior notice to the HUL before it files any case against the company to seek any relief in relation to the trademark 'Glow & Handsome'.
- **Tata Steel:** Tata Steel flagged-off the first raw material consignment of ferrous scrap for trials at its steel recycling plant being set-up in Rohtak in Haryana, on Friday last week.
- **Godrej Properties:** Approved allotment NCDs worth Rs 1,000 crore on a private placement basis.
- **Future Retail:** CARE Ratings has downgraded the long-term banking facilities, NCDs and long-term loans to CARE BB from CARE A-, due to weakening of business and financial risk profile on account of extended lockdown due to Covid-19.
- **Havells India:** Company said it will raise Rs 500 crore through issuance of commercial paper. The company's executive committee in its meeting on Tuesday approved the issuance of commercial papers for an amount of Rs 500 crore, Havells India said in a regulatory filing. The commercial papers are proposed to be listed on the National Stock Exchange of India, it added.
- **SH Kelkar:** Increased its stake in Creative Flavours and Fragrances S.p.A. to 100% from 51% for 16 million euros. The target company is a fragrance company in Italy.
- **Hindustan Copper:** ICRA revised long term rating for Rs 1,600 crore Line of Credit to AA from AA+ and outlook to stable from negative.
- Prime Minister Modi is expected to hold a meeting with stakeholders from the financial sector in the next few days. The meeting is expected to be attended by heads of public sector banks and non-banking financial companies.

Source: Bloomberg, Economic Times, Business Standard, Business Line, Times of India, Mint, Indian Express, Business Today, Indian Express, Money Control.

MARKET SCAN

INDIAN INDICES

Index	Clsg	Chg
Sensex	38493	1.47%
Nifty	11301	1.52%
Bank Nifty	22105	1.17%
IND VIX	23.64	-5.50%

GLOBAL INDICES

DJIA	26,379	-0.77%
Nasdaq	10,402	-1.27%
FTSE	6,129	0.40%
CAC	4,929	-0.22%
DAX	12,835	-0.03%
Nikkei	22,471	-0.82%
Hang Seng	24,870	0.39%

Source: in.investing.com; As on 8.00 am IST

SECTOR INDEX (NSE)

IT	18043	2.36%
Infra	3219	1.45%
Energy	16002	0.62%
FMCG	30911	0.30%
Pharma	10128	0.66%
Auto	7417	3.21%
Metals	2141	2.24%
Midcap	15460	0.89%
Nifty 500	9142	1.29%

DII/FII INVESTMENT (IN.CR.)

FII/FPI	245.95
DII	-1017.4

FOREX MARKET

USDINR	74.90	0.00%
EURINR	87.83	0.10%

COMMODITY MARKET

Gold (\$/OZ)	1949	0.24%
Copper(\$/lb)	2.912	0.02%
Brent (\$/Bbl)	43.70	0.21%
Silver(\$/OZ)	24.30	0.02%

Source: in.investing.com; As on 8.00 am IST

GLOBAL MARKETS

DJIA and NASDAQ Composite

Wall Street closed lower on Tuesday as investors fretted about weakening consumer confidence, disappointing financial results and as investors worried about wrangling in the US Congress over a coronavirus aid plan. The Dow Jones Industrial Average fell 205.49 points, or 0.77%, to 26,379.28, the S&P 500 lost 20.97 points, or 0.65%, to 3,218.44 and the Nasdaq Composite dropped 134.18 points, or 1.27%, to 10,402.09.

Crude Oil

Oil prices fell on Tuesday as U.S. lawmakers prepared to wrangle over an economic stimulus package and investors worried about a rise in coronavirus cases worldwide. Brent crude futures fell 19 cents, or 0.4%, to settle at \$43.22 a barrel, while U.S. West Texas Intermediate (WTI) crude futures fell 56 cents, or 1.4%, to settle at \$41.04 a barrel.

SGX Nifty: Trends on SGX Nifty indicate a Flat to positive opening for the index in India with a 24 points gains. The Nifty futures were trading at 11,323 on the Singaporean Exchange around 08:15 hours IST.

TECHNICAL VIEW

Nifty Outlook:

Nifty opened gap up on Tuesday at 11154, made a high of 11318, made a low of 11151, and closed on a positive note at 11301 levels. For the day, support for the Nifty exists at 11200 and 11100 levels, whereas resistance for Nifty stands at 11350 and 11500 levels.

Bank Nifty Outlook:

Bank Nifty opened flat on Tuesday at 21940, made a high of 22233, made a low of 21611, and closed on a positive note at 22105 levels. For the day, support for Bank Nifty exists at 21800 and 21500 levels, whereas resistance for Bank Nifty stands at 22400 and 22600 levels.

DERIVATIVES INDICATORS

		NIFTY OPTIONS ACTIVITY (30-JUL SERIES)	
NIFTY	11300.55 (+168.75) (+1.52%)	CALL	11200 CE -19.88 lac Shares
NIFTY JUL FUT	11306.15 (5.60 Points Premium)	CALL	11350 CE +5.18 lac Shares
NIFTY PCR - OI	1.83 (+0.34)	PUT	11200 PE +22.13 lac Shares
NIFTY OI (Total)	1.33 Cr. (+1.81%)	PUT	11300 PE +13.27 lac Shares
INDIA VIX	23.64 (-5.50%)		
BANKNIFTY	22105.20 (+1.17%)		
BANKNIFTY JUL FUT	22176.50 (71.30 Points Premium)		
BANKNIFTY OI (Total)	16.85 Lakh (-7.12%)		

FII DERIVATIVES STATISTICS (In Cr.)

INDEX FUTURES	993.10
INDEX OPTIONS	-568.85
STOCK FUTURES	362.82
STOCK OPTIONS	-51.70

Securities in Ban for Trade Date 29-JULY-2020: **CANBK, IBULHSGFIN, IDEA, INDUSINDBK.**

Key Results Today: Bharti Airtel, Dr Reddy's Laboratories, Maruti Suzuki, TVS Motor, InterGlobe Aviation, GSK Pharma, Manappuram Finance, Union Bank of India, Carborundum Universal, CEAT, Colgate-Palmolive, Rail Vikas Nigam, GMM Pfudler.

Retail Research Technical & Fundamental Calls for the month of July-2020

Positional Calls (For 1-3 Months)

Date	Company	Rec	Rec Price	Stop Loss	Target	Status	Net Returns%
29-Jun	BATAINDIA	Buy	1295-1305	1235	1400-1450	Part Book	2.74%
2-Jul	LT	Buy	935-945	874	1030-1070	Open	
6-Jul	CADILAHC	Buy	365-368	344	400-410	Part Book	3.70%
6-Jul	AKZOINDIA	Buy	1800-1820	1670	2000-2100	Part Book	2.79%
6-Jul	VINATORGA	Buy	995-1005	935	1080-1120	Part Book	3.20%
6-Jul	TORNTPHARM	Buy	2340-2350	2210	2550-2600	Part Book	3.68%
8-Jul	AARTIIND	Buy	935-943	880	1020-1050	Open	
8-Jul	SUPREMEIND	Buy	1130-1140	1065	1250-1270	Booked	6.03%
10-Jul	CUMMINSIND	Buy	394-398	370	440-450	Open	
13-Jul	TATACHEM	Sell	300-304	323	265	Part Book	3.17%
14-Jul	ENGINERSIN	Buy	70.5	64.50	80-84	Part Book	4.16%
17-Jul	BALKRISIND	Buy	1250-1260	1190	1350-1370	Open	
22-Jul	NESTLEIND	Buy	17000-17060	15950	18500-19000	Open	
27-Jul	EXIDEIND	Buy	154-156	145	175	Open	
28-Jul	AMBUJACEM	Sell	208-210	221	190-185	Open	

Investment Idea (For Long Term)

Date	Company	Rec	Rec Price	Target	Status	Returns%
30 Aug 19	INDHOTEL	Accu	135-140	190.00	Open	
15 Oct 19	JKPAPER	Accu	111	141.00	Open	
16 Oct 19	MOLDTKPAC	Accu	298-302	344.00	Open	
2 Jan 20	PSPPROJECT	Accu	490-500	590.00	Open	
23 Jul 20	RITES	Accu	244-249	296.00	Open	

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