

The Daily

June 27, 2024





DOMESTIC INDICES

	CLOSE	POINTS	% CHANGE
SENSEX	78674	621	0.80
NIFTY	23869	148	0.62
MIDCAP	45888	-132	-0.29
SMALL CAP	52141	77	0.15

SECTORAL INDICES

	CLOSE	POINTS	% CHANGE
OIL & GAS	28796	279	0.98
TECK	16968	132	0.78
BANKEX	60150	345	0.58
FINANCE	11484	28	0.25
CG	72683	-11	-0.01
IT	36326	-25	-0.07
POWER	7824	-9	-0.11
HEALTHCARE	36690	-52	-0.14
CD	58766	-294	-0.50
AUTO	56919	-432	-0.75
REALTY	8585	-124	-1.42
METAL	32666	-483	-1.46

BSE 200 GAINERS/LOSERS

GAINERS	%	LOSERS	%
IDEA	4.77	NMDC	-3.39
RELIANCE	4.09	LODHA	-2.75
BIOCON	3.82	VEDL	-2.63
INDUSTOWER	3.44	MANYAVAR	-2.56
BHARTIARTL	3.07	ZOMATO	-2.52

ADVANCE/DECLINES

	BSE	%
ADVANCES	1922	48
DECLINES	1960	49
UNCHANGED	126	3

INSTITUTIONAL ACTIVITY

Rs Cr	25-06-2024	26-06-2024	JUNE TOTAL
FII	1176	-3535	-681
DII	-149	5104	24391

Indian markets could open flat to mildly higher, in line with mostly positive Asian markets today and mixed US markets on June 29

US indexes ended marginally higher on Wednesday, lifted by Amazon.com Inc after it announced a major foray into generative AI. The firm also crossed the \$2 trillion valuation mark. Big tech got hit in late US trading after Micron Technology Inc.'s outlook failed to meet the lofty expectations for the industry that has powered the bull market in stocks. Micron slumped in late hours, dragging down some chipmakers including giant Nvidia Corp.

China's industrial profits rose at a much slower pace in May, official data showed on Thursday, underlining the struggles faced by the world's second-largest economy as weak domestic demand crimps overall growth. Earnings rose 0.7% year-on-year last month after a 4% increase in April while gains over the first five months also eased to 3.4% from 4.3% in the January-April period.

The Japanese yen hit a near-38 year low against the U.S. dollar late Wednesday, raising expectations that authorities could intervene in currency markets again. The yen weakened to 160.82 against the greenback according to FactSet data, breaching the previous record of 160.03 on April 29 and reaching its weakest level since 1986.

US home sales slumped in May while the median sales price nudged lower, the Commerce Department reported Wednesday. Sales of new single-family homes totaled 619,000 for the month, down 11.3% from the upwardly revised figure for April, which was revised all the way up to 698,000 from the initial estimate of 634,000.

The most anticipated economic data due this week is the US personal consumption expenditures (PCE) price index - the Fed's preferred inflation gauge - on Friday.

Shares in Asia recovered early losses on Thursday morning after US tech companies dropped in late US trading.

Nifty rose for the third consecutive session to close at yet another new all-time high. At close, Nifty was up 0.62% or 147.5 points at 23868.80. Trend of the Nifty remains positive. The level of 23660 has become new support for the Nifty. On the higher side, next resistance is seen at 24125, which happens to be 138.2% Fibonacci retracement of the entire fall seen from 23338 (3rd June Top) to 22281 (4th Jun Bottom).



GLOBAL INDICES

	CLOSE	POINTS	% CHANGE
DOW JONES	39128	15.64	0.04
S & P 500	5478	8.60	0.16
NASDAQ	19748	46.94	0.24
FTSE	8225	-22.46	-0.27
CAC	7609	-53.15	-0.69
DAX	18164	-13.75	-0.08
NIKKEI	39305	-396.00	-1.00
SHANGHAI	2952	-20.43	-0.69
HANG SENG	17725	-361.80	-2.00
BOVESPA	122684	352.00	0.29

EXCHANGE RATES

	VALUE	% CHANGE
USD/INR	83.5	0.20
EURO/USD	1.069	0.10
USD/GBP	1.263	0.08
USD/JPY	160.5	-0.21

COMMODITIES

	VALUE	% CHANGE
GOLD (\$ / Oz)	2309.1	-0.18
SILVER (\$ / Oz)	29.0	-0.82
CRUDE OIL FUTURES	80.5	-0.46
BRENT OIL (\$ / Barrel)	84.1	-0.39

BOND YIELD

	VALUE	ABS CHANGE
IND10 YEAR BOND YIELD	6.997	+0.014

ADR

	VALUE	% CHANGE
DR REDDY'S LAB	72.0	0.31
HDFC BANK	65.0	-0.09
ICICI BANK	28.9	0.38
TATA MOTORS	25.1	0.00
WIPRO	5.87	0.00
VEDANTA LTD	16.50	0.00
INFOSYS	18.22	-0.68

Infosys working on 225 Gen AI programs for clients

Infosys is working on 225 Generative Artificial Intelligence (Gen AI) programs for clients. Infosys has also created 23 AI industry blueprints to solve industry-specific challenges.

Vodafone Idea acquires 50 MHz spectrum for Rs 3,510 crore, adds 900 MHz in its key circles

VIL's spectrum acquisition, combined with equity and debt funding, will enable the company to expand its 4G coverage, launch 5G services, and seize significant market opportunities.

Airtel pays Rs 6,857 cr to buy 97 MHz of spectrum

Bharti Airtel has acquired 97 MHz spectrum, spending a total of Rs 6,857 crore in the spectrum auctions concluded after seven rounds spanning just over a day. The company has purchased spectrum in key circles by winning back spectrum that was expiring in the current year.

Vi acquires Rs 3,510 crore worth of airwaves in 11 circles

Vodafone Idea (Vi) has spent Rs 3,510 crore to acquire 50MHz of spectrum in 11 circles strengthening its 4G portfolio and kickstart the launch of 5G services.

PI Industries to acquire Plant Health Care Plc

Plant Health Care Plc is an AIM UK-listed company (AIM: PHC.L) with subsidiaries in the US, Brazil, Mexico and a few other countries. PHC has industry-leading knowledge, products, IP and experience in protein/ peptide technology in the agriculture biological space. PHC technology has gained good traction over the last few years with the registration and commercialisation of its patented PREtec peptide products.

In addition to a strong R&D base in the US, PHC products have good acceptance with growers in key markets, e.g. the US, Brazil, Europe, and Mexico. PHC had consolidated revenue of ~US\$ 11 million with a gross margin of 60% for the year ended 31st December 2023.

PI's growth in biologicals has been consistent. PI already has a portfolio of 8 products and many more in the development & registration pipeline. Revenue from biological products increased by ~29% in FY24.

The offered purchase consideration of ~£32.8 million is proposed to be paid in cash and funded from the earlier Qualified Institutional Placement (QIP) proceeds.



JSW Energy signed PPAs for 1,325 MW of Renewable Energy Projects

JSW Neo Energy Limited (JSW Neo), a wholly owned subsidiary of JSW Energy Limited through its subsidiaries has signed Power Purchase Agreements (PPAs) for wind and solar projects with cumulative capacity of 1,325 MW comprising of 1,025 MW with Solar Energy Corporation of India Limited (SECI) and 300 MW with Gujarat Urja Vikas Nigam Limited (GUVNL). The total locked-in capacity of the company stands at 13.6 GW. The wind PPA of 1,025 MW is the largest single tranche PPA signed by SECI. The project has a blended tariff of Rs 3.62/KWh for supply of power for a period of 25 years. The aforesaid projects are located in Gujarat (JSW Renew Energy Eight Limited) and Karnataka (JSW Renew Energy Four Limited) and expected to be commissioned within 24 months.

This will take the total locked-in wind capacity to 4.8 GW. The company has also signed PPA for 300 MW grid-connected solar capacity with GUVNL awarded under Gujarat State Electricity Corporation Limited's RE Park at Khavda (GSECL Stage-3). The PPA is signed for supply of power for a period of 25 years with a tariff of Rs 2.66/KWh. The aforesaid project is located in Gujarat (JSW Renew Energy Ten Limited) and is expected to be commissioned within 21 months. This will take the total locked-in solar capacity to 3.3 GW.

Dr Reddy's to buy Haleon's nicotine replacement therapy portfolio outside US for £500 mn

Dr. Reddy's Laboratories will acquire British pharma company Haleon's global portfolio of consumer healthcare brands in the nicotine replacement therapy category outside of the US for £500 million. The Indian company's subsidiary Dr. Reddy's Laboratories SA will acquire the share capital of Haleon plc's arm Northstar Switzerland SARL for a total consideration of £500 million, Dr. Reddy's said in a statement on Wednesday.

The payment comprises an upfront cash payment of £458 million and performance-based contingent payments of up to £42 million. The amounts are payable in 2025 and 2026, respectively.

HC orders Zee's Subhash Chandra to respond to Sebi's March summons

The Bombay high court on Wednesday ordered Subhash Chandra, chairman emeritus of Zee Entertainment, to furnish documents sought by the Securities and Exchange Board of India (Sebi) in its summons issued on 27 March in a fund diversion case. The court, in its verbal order, said Chandra needed to respond to the recent summons and not the earlier one from 12 January. A detailed order is pending.

PI Industries to acquire Plant Health Care Plc for 32.8 million pounds

PI Industries Ltd on Wednesday (June 26) said its board of directors approved the acquisition of Plant Health Care Plc (PHC) for approximately 32.8 million pounds. This move aims to enhance PI's capabilities in providing integrated solutions for sustainable agriculture. PHC, an AIM UK-listed company, operates subsidiaries in the US, Brazil, Mexico, and several other countries. The company is known for its products, intellectual property, and experience in protein/peptide technology within the agricultural biological space.

KEC International gets new orders worth Rs 1,025 crore in T&D and cable businesses

KEC International Ltd on Wednesday (June 26) said it has secured new orders worth Rs 1,025 crore in its transmission & distribution (T&D) and cables businesses. In the T&D sector, the company has been awarded a 765 kV GIS Substation project by Power Grid Corporation of India Ltd (PGCIL) in India. Additionally, the company has secured a comprehensive 225 kV composite project in West Africa, which includes transmission lines, substations, and underground cabling.

In the Americas, KEC International will supply towers, hardware, and poles, further strengthening its presence in the region. The cables business has also seen substantial orders, with new contracts for the supply of various types of cables both within India and internationally.



India Resurgence Fund, Piramal likely to sell 10.13% stake in Archean Chemicals for Rs 818.7 crore

India Resurgence Fund—Scheme 1 and Scheme 2, along with Piramal Natural Resources, are likely to divest a 10.13% equity stake in speciality marine chemical manufacturer Archean Chemical Industries Ltd, sources privy to the developments told CNBC-TV18. The transaction, set at a floor price of Rs 655 per share (a 5.3% discount to the current market price), values the deal at approximately Rs 818.7 crore.

Senco Gold plans to open 18-20 new stores in FY25

Senco Gold and Diamonds is planning to open about 18-20 new stores this year, including 10-12 company-owned locations and 8-10 franchises. The company is targeting a revenue growth of 18-20%. Suvankar Sen, MD and CEO, Senco Gold and Diamonds says gold prices have more or less stabilised as the uncertainties around elections are now behind. "So the buying will start happening in a proper way in Q2 (July-September)."

Five entities sell 11% stake in FMCG firm Hindustan Foods for Rs 638 crore

Five entities on Wednesday sold an 11 per cent stake in FMCG firm Hindustan Foods for Rs 638 crore through open market transactions. Jwalamukhi Investment Holdings, Infinity Consumer Holdings, WestBridge AIF I, Sixth Sense India Opportunities 11, and Konark Trust offloaded shares of Hindustan Foods through five separate block deals on the National Stock Exchange (NSE).

Bajaj Auto inaugurates its first overseas manufacturing facility in Brazil

Bajaj Auto has inaugurated its new manufacturing plant in Manaus, Brazil, it said in a statement on Wednesday. This will be the company's first manufacturing facility outside India. In all the other markets in which it has a presence the company follows a distribution-led model – the distribution partners manage local operations, including assembly. Bajaj now sells vehicles in 100 countries.

RVNL Bags LoA For ₹156 Cr Order From Southern Railways

RVNL has received a Letter of Acceptance from Southern Railway for automatic signalling work on the Ernakulam JN (ERS) – Vallattol Nagar (VTK) section on B-Route of Thiruvananthapuram Division in Southern Railway. The order is worth around ₹156 crore and is expected to be completed in 750 days. The order is awarded to a joint venture between RVNL and KRDL. RVNL's share of the JV is 49%.

Important news/developments to influence markets

UK retail sales go into reverse this month, CBI survey shows

British retail sales softened this month after a recovery in May, and stores expect another drop next month, an industry survey showed on Wednesday. The Confederation of British Industry's monthly retail sales balance, which measures volumes compared with a year ago, fell to -24 in June from +8 in May.

US new home sales slump; supply at more than 16-year high

Sales of new U.S. single-family homes dropped to a six-month low in May as a jump in mortgage rates weighed on demand, offering more evidence that the housing market recovery was faltering. New home sales declined 11.3% to a seasonally adjusted annual rate of 619,000 units last month, the lowest level since November, the Commerce Department's Census Bureau said. The percentage-based drop was the biggest since September 2022.

The sales pace for April was revised up to 698,000 units, a nine-month high, from a previously reported 634,000 units.



Index	CMP	View	R1	R2	S1	S2
Nifty July Fut	23968	Bullish	24052	24135	23832	23697
BankNifty July Fut	52800	Bullish	53045	53291	52507	52214

Nifty – 60 min Timeframe chart



Daily Technical View on Nifty

- Nifty rose for the third consecutive session to close at yet another new all time high.
- Nifty rose for the third consecutive session to close at 23841.91 with the gain of 0.62%.
- A level of 23660 has become new support for the Nifty and with that stoploss trading long positions should be held.
- On the higher side, next resistance is seen at 24125, which happens to be 138.2% Fibonacci retracement of the entire fall seen from 23338(3rd June Top) to 22281(4th Jun Bottom).
- Nifty has been forming higher tops and higher bottoms on the hourly chart, which indicates the bullish trend on short term time frame.
- Telecom, Private sector Banking, Oil & Gas and Cement stocks closed on a strong wicket and are likely to perform well for the short term.
- Small cap and Midcap indices are showing sign of short term consolidation

Nifty – Daily Timeframe chart





OPEN SHORT TERM TRADING CALLS

NO.	RECO DT.	RECO	COMPANY NAME	ENTRY	CMP	SL	TARGET	UPSIDE %	VALID TILL
1	19-JUN-24	SELL	VOLTAS JUN FUT	1486.55-1532	1,497.9	1,551.0	1395	6.9	3-JUL-24
2	26-JUN-24	BUY	FEDERAL BANK JULY FUT	179.50-174	178.0	171.0	191	7.3	10-JUL-24
3	26-JUN-24	BUY	RELIANCE JULY FUT	3002.8-2920	3,045.0	2,880.0	3160	3.8	10-JUL-24
4	21-JUN-24	BUY	IRCON	279-269	270.4	265.0	299	10.6	5-JUL-24
5	21-JUN-24	BUY	FINOLEX INDS	330.40-325	333.6	319.0	354	6.1	5-JUL-24
6	21-JUN-24	BUY	ETHOS	2720-2640	2,775.6	2,580.0	2935	5.7	5-JUL-24

OPEN E-MARGIN POSITIONAL CALLS

NO.	RECO DT.	RECO	COMPANY NAME	ENTRY	CMP	SL	TARGET 1	TARGET 2	UPSIDE %	VALID TILL
1	10-JUN-24	BUY	REDINGTON	206-212	214.0	199.0	235.0	250.0	17	10-SEP-24
2	11-JUN-24	BUY	IFCI	60.98-56.50	62.9	54.0	68.0	72.0	15	11-SEP-24
3	11-JUN-24	BUY	ZENSAR TECHNOLOGY*	691.25-647	751.3	691.3	762.0	795.0	6	11-SEP-24
4	11-JUN-24	BUY	AARTI INDUSTRIES*	640-663.30	694.6	663.3	712.0	760.0	9	11-AUG-24
5	13-JUN-24	BUY	KOPRAN	247.30-235	258.5	228.0	270.0	300.0	16	13-SEP-24
6	14-JUN-24	BUY	BEML*	4100-4260.6	4529.3	4260.6	4641.0	5000.0	10	14-SEP-24
7	14-JUN-24	BUY	STAR	947-890	954.4	870.0	1045.0	1090.0	14	14-SEP-24
8	18-JUN-24	BUY	DATA PATTERNS	2985.10-2835	2983.9	2745.0	3265.0	3450.0	16	18-SEP-24
9	18-JUN-24	BUY	PRICOL	482.45-464	478.5	450.0	527.0	555.0	16	18-SEP-24
10	19-JUN-24	BUY	IDFC FIRST BANK	82.65-79.50	82.7	77.5	89.0	97.0	17	19-AUG-24
11	24-JUN-24	BUY	MOIL	546.55-515	511.5	504.0	599.0	629.0	23	24-SEP-24

*= 1st Target Achieved

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