

The Daily

June 04, 2024





| DOMESTIC INDICES | | | |
|------------------|-------|--------|----------|
| | CLOSE | POINTS | % CHANGE |
| SENSEX | 76469 | 2507 | 3.39 |
| NIFTY | 23264 | 733 | 3.25 |
| MIDCAP | 44368 | 1515 | 3.54 |
| SMALL CAP | 48232 | 969 | 2.05 |

| SECTORAL INDICES | | | |
|------------------|-------|--------|----------|
| | CLOSE | POINTS | % CHANGE |
| POWER | 8285 | 585 | 7.60 |
| OIL & GAS | 30765 | 2126 | 7.42 |
| REALTY | 8448 | 468 | 5.87 |
| CG | 73722 | 3667 | 5.23 |
| BANKEX | 58290 | 2519 | 4.52 |
| FINANCE | 11085 | 423 | 3.97 |
| METAL | 33741 | 1028 | 3.14 |
| AUTO | 54411 | 1384 | 2.61 |
| CD | 55483 | 568 | 1.03 |
| TECK | 15801 | 127 | 0.81 |
| IT | 33306 | 107 | 0.32 |
| HEALTHCARE | 34929 | 39 | 0.11 |

| BSE 200 GAINERS/LOSERS | | | |
|------------------------|-------|------------|-------|
| GAINERS | % | LOSERS | % |
| ADANIPOWER | 15.64 | GLAXO | -5.24 |
| GAIL | 12.87 | IPCALAB | -2.19 |
| PFC | 12.62 | ZOMATO | -2.12 |
| RECLTD | 12.44 | HAVELLS | -1.33 |
| BANKBARODA | 11.88 | STARHEALTH | -1.30 |

| ADVANCE/DECLINES | | |
|------------------|------|----|
| | BSE | % |
| ADVANCES | 2346 | 57 |
| DECLINES | 1615 | 39 |
| UNCHANGED | 154 | 4 |

| INSTITUTIONAL ACTIVITY | | | |
|------------------------|------------|------------|------------|
| Rs Cr | 31-05-2024 | 03-06-2024 | JUNE TOTAL |
| FII | 1613 | 6851 | 8464 |
| DII | 2114 | 1914 | 4028 |

Indian markets could open higher, in line with mixed Asian markets today and mostly higher US markets on June 03

U.S. stocks closed mostly higher on Monday in a volatile day of trade following an early trading glitch on the New York Stock Exchange and as investors looked forward to a series of economic data due later this week, including the jobs report due Friday. The Dow recovered the bulk of its previous losses in the final hour of trade, while the S&P 500 turned positive.

The 10-year US Treasury yield saw its biggest one-day fall of the year on Monday after a batch of weaker-than-expected data on construction spending and the manufacturing sector. The benchmark rate fell 11.1 basis points to 4.401%, the biggest one-day decline since Dec. 13. Traders see a 59% chance that the Fed will begin cutting rates in September, up from about 53% before the ISM data was released, according to the CME's FedWatch tool.

U.S. and global benchmark crude futures settled Monday at their lowest levels since February, pressured in the wake of a weekend decision by major oil producers that would lead to higher oil production later this year. July West Texas Intermediate crude fell \$2.77, or 3.6%, to settle at \$74.22 a barrel on the New York Mercantile Exchange.

US data indicated manufacturing is struggling to gain pace due to high borrowing costs, restrained investment in equipment and softer consumer spending. At the same time, producers are fighting elevated input costs. U.S. manufacturing activity had slowed for the second straight month, raising concerns of weakening economic growth.

Asian stocks fell Tuesday morning after concerns about the health of the US economy outweighed expectations for early Federal Reserve policy easing.

Nifty logged its best session in over three years on June 03, as investors cheered exit polls, along with better-than-expected India Q4 GDP. At close, Nifty was up 3.25% or 733.2 at 23263.9. Nifty rose with a big upgap on June 03 and formed a hammer like pattern. It made a new all time high with large volumes based on the event and economic data. It could now rise towards 23490 in the near term while 23039 could offer support. Counting of votes and final election results could lead to some level of volatility, though lower than the previous session.



| GLOBAL INDICES | | | |
|----------------|--------|---------|----------|
| | CLOSE | POINTS | % CHANGE |
| DOW JONES | 38571 | -115.29 | -0.30 |
| S & P 500 | 5283 | 5.89 | 0.11 |
| NASDAQ | 18601 | 64.65 | 0.35 |
| FTSE | 8263 | -12.63 | -0.15 |
| CAC | 7998 | 5.15 | 0.06 |
| DAX | 18610 | 112.33 | 0.61 |
| NIKKEI | 38695 | -245.50 | -0.63 |
| SHANGHAI | 3077 | -1.05 | -0.03 |
| HANG SENG | 18473 | 69.96 | 0.38 |
| BOVESPA | 122032 | -67.00 | -0.05 |

| EXCHANGE RATES | | |
|----------------|-------|----------|
| | VALUE | % CHANGE |
| USD/INR | 83.1 | 0.20 |
| EURO/USD | 1.091 | 0.05 |
| USD/GBP | 1.280 | 0.00 |
| USD/JPY | 156.5 | 0.22 |

| COMMODITIES | | |
|-------------------------|--------|----------|
| | VALUE | % CHANGE |
| GOLD (\$ / Oz) | 2367.5 | -0.08 |
| SILVER (\$ / Oz) | 30.8 | 0.15 |
| CRUDE OIL FUTURES | 73.8 | -0.61 |
| BRENT OIL (\$ / Barrel) | 77.9 | -0.23 |

| BOND YIELD | | |
|-----------------------|-------|------------|
| | VALUE | ABS CHANGE |
| IND10 YEAR BOND YIELD | 6.947 | -0.039 |

| ADR | | |
|----------------|-------|----------|
| | VALUE | % CHANGE |
| DR REDDY'S LAB | 69.5 | 1.12 |
| HDFC BANK | 61.2 | 5.77 |
| ICICI BANK | 28.3 | 5.89 |
| TATA MOTORS | 25.1 | 0.00 |
| WIPRO | 5.27 | 2.33 |
| VEDANTA LTD | 16.50 | 0.00 |
| INFOSYS | 16.85 | 0.60 |

Welspun Corp associate company signs Rs 3,670 crore contracts with Aramco for steel pipe supply

Welspun Corp Ltd's associate entity EPIC has signed multiple agreements worth SAR 1.65 billion (about Rs 3,670 crore) with Saudi Arabian Oil Co. (Aramco) for the supply of steel pipes. The duration of the contracts is 19 months, and the financial impact of the contracts will be reflected from the fourth quarter of the financial year 2024-25 to the last quarter of the financial year 2025-26.

Japan Airlines inks codeshare pact with IndiGo

Japan Airlines has entered into a codeshare arrangement with IndiGo, which would help the Japanese carrier expand services to 14 destinations of the domestic carrier's network. At present, Japan Airlines operates its services to Delhi and Bengaluru from Tokyo. It offers daily flight services to the national capital from Haneda Airport, while its thrice-a-week services to Bengaluru are operated from Narita Airport.

Amber Enterprises may invest Rs 2,000 crore to set up printed circuit board facility

Amber Enterprises is likely to invest Rs 2,000 crore to set up a printed circuit board (PCB) manufacturing facility in the country. The likely investment follows its acquisition of a majority stake in Ascent Circuits, a printed circuit board assembly maker, as the group undertakes backward integration towards becoming a full-fledged electronics manufacturing services provider.

Kalyan Jewellers to acquire balance 15% stake in Candere

Kalyan Jewellers India announced the signing of the definitive agreement with Rupesh Jain, founder of www.candere.com (Enovate Lifestyles Pvt. Ltd) to acquire his residual 15% in Candere, a subsidiary of Kalyan Jewellers. This stake acquisition for consideration of Rs. 42 crore will result in Candere being a wholly owned subsidiary of Kalyan Jewellers, as it pivots from e-commerce to omni-channel commerce.

PNC Infratech subsidiary receives Rs 391 crore from NHAI in settlement agreement

PNC Infratech said that its subsidiary, PNC Kanpur Highways Ltd, has received a payment of Rs 390.62 crore from the National Highways Authority of India (NHAI) as part of a settlement agreement.



Power Companies to benefit as spot tariff rises over 5% in May

As peak power demand is expected to rise in India, the Power Ministry in February asked power generation companies to sell their surplus capacity to exchanges. Latest data shows that spot power tariffs stood higher in May sequentially. Thus, power generation companies like NTPC Ltd., Adani Power Ltd., Power Grid Corp., Tata Power Co., and others stand to benefit.

Bajaj Auto total sales flat at 3.55 lakh units in May-2024

Bajaj Auto said its total sales volume stood at 3,55,323 units in May-2024. The company had sold 3,55,148 vehicles in May 2023.

Punjab National Bank, IIFCL sign pact for financing infra projects

Punjab National Bank (PNB) and India Infrastructure Finance Company Ltd (IIFCL) on Monday signed an agreement to offer long-term financial assistance to viable infrastructure projects. With this, both the institutions will collaborate to fund the infrastructure projects wherein the parties can mutually participate under consortium/multiple lending arrangements to provide financial support to the prospective borrowers subject to due diligence and on a case-to-case basis, a joint statement said.

Adani Group & ICICI Bank launch co-branded credit cards with airport lined benefits

Adani Group on Monday announced a venture into the financial sector, launching with ICICI Bank a co-branded credit card with airport-lined benefits as it looks to leverage customer touchpoints across businesses. The group's app Adani One, and ICICI Bank launched India's first co-branded credit cards with airport-linked benefits in collaboration with Visa.

Aurigene Pharmaceutical, a global CRDMO, announces the opening of its biologics facility offering process development and clinical scale manufacturing capabilities

Aurigene Pharmaceutical Services Limited (Aurigene), a Dr. Reddy's Laboratories Limited company, inaugurated its biologics facility spread across 70,000 sq.ft. in Genome Valley, a bio cluster, in Hyderabad, India. The facility is designed to serve customers with process & analytical development and small scale manufacturing of antibodies and other recombinant proteins for preclinical and early phase clinical requirements. The process and analytical development laboratories are now operational while the commissioning of manufacturing capacity will be completed later in 2024.

The state-of-the-art facility is equipped with best-in-class equipment and control systems, supported by an experienced talent pool that will ensure seamless transfer to large-scale commercial CGMP manufacturing facilities. The new facility is complementary to the company's current discovery capabilities and infrastructure, which primarily focuses on recombinant proteins including mAbs, bi- and multi-specifics, immune-fusion molecules, antibody drug conjugates and other complex proteins.

RVNL received an order worth Rs 440 crore

Rail Vikas Nigam Limited (RVNL) has received Letter of Acceptance from South Central Railway for Engineering, Procurement and Construction (EPC) tender for proposed Doubling of Track between Ankai station (Excluding) at KM 16.00 (Ch: 16000) & Karanjaon stations (Excluding) at Km 69.01 (Ch:69010) (i.e. 53.01 Km) including Electrification and Signalling works in connection with Aurangabad-Ankai Doubling Project in Nanded Division of South Central Railway. The order is valued at Rs 440 crore and to be executed over the next 30 months.

Zee Entertainment Enterprises board to meet on June 6 to consider raising funds

The company board meeting is scheduled on June 6 to consider raising funds by way of the issuance of equity shares.



Sanofi India fixes Jun 13 as record date for demerger

Sanofi India Limited (Demerged Company) and Sanofi Consumer Healthcare India Limited (Resulting Company) and their respective shareholders under Section 230-232 of the Companies Act, 2013, which was sanctioned by the Hon'ble National Company Law Tribunal, Mumbai Bench, through its order dated 7th May 2024, informed that, Thursday, 13th June 2024, has been fixed as the Record Date for the purpose of ascertaining the shareholders of the Demerged Company who will be entitled to receive fully paid-up equity shares of Rs 10/- each of the Resulting Company pursuant to the Scheme of Arrangement. Accordingly, 1 equity share of the face value of Rs. 10/- each fully paid-up of the Resulting Company shall be issued and allotted for every 1 equity share of face value of Rs 10/- each fully paid-up held by equity shareholders of the Demerged Company.

Important news/developments to influence markets

US construction spending slips again in April

U.S. construction spending fell unexpectedly for a second consecutive month in April on declines in non-residential activity, though outlays for single-family home building climbed to the highest since August 2022.

Euro zone manufacturing sees potential signs of recovery in May, PMI shows

The long-running downturn in euro zone manufacturing may have turned a corner last month, according to a survey which showed new orders declined at their slowest pace in two years, leading to improved business confidence.

India's May factory growth slipped to 3-month low but remained sturdy, PMI shows

India's manufacturing growth slowed to a three-month low in May as a heatwave prompted some companies to reduce working hours, but factory activity remained robust overall, bolstered by strong international sales, a business survey showed.



| Index | CMP | View | R1 | R2 | S1 | S2 |
|--------------------------|-----------------|---------|-------|-------|-------|-------|
| Nifty Jun Fut | 23407.90 | Bullish | 23780 | 24153 | 23098 | 22788 |
| BankNifty Jun Fut | 51283.05 | Bullish | 51728 | 52174 | 50594 | 49906 |

Daily Technical View on Nifty



- Nifty logged its best session in over three years on June 03.
- At close, Nifty was up 3.25% or 733.2 at 23263.9.
- Cash market volumes on the NSE were at Rs.1.72 lakh cr.
- Smallcap index rose less than the Nifty even as the advance decline ratio rose to 1.96:1.
- Nifty rose with a big upgap on June 03 and formed a hammer like pattern.



- It made a new all time high with large volumes based on the event and economic data.
- It could now rise towards 23490 in the near term while 23039 could offer support.
- Positional Resistance for Nifty is seen at 23900
- Positional support for Nifty has shifted up at 23100
- Nifty has closed above the upward sloping channel on the daily chart, which indicates bullish continuation.



OPEN SHORT-TERM TRADING CALLS

| NO. | RECO DT. | RECO | COMPANY NAME | ENTRY | CMP | SL | TARGET | UPSIDE % | VALID TILL |
|-----|----------|------|--------------------|------------|---------|---------|--------|----------|------------|
| 1 | 3-JUN-24 | BUY | TATA POWER JUN FUT | 450-456.50 | 460.4 | 447.0 | 480 | 4.3 | 17-JUN-24 |
| 2 | 3-JUN-24 | BUY | CDSL | 2080-2112 | 2,155.9 | 2,067.0 | 2260 | 4.8 | 17-JUN-24 |
| 3 | 3-JUN-24 | BUY | CENTRAL BANK | 70.65-68 | 72.3 | 66.5 | 77 | 6.5 | 17-JUN-24 |
| 4 | 3-JUN-24 | BUY | RCF | 160.75-155 | 161.9 | 152.0 | 174 | 7.5 | 17-JUN-24 |
| 5 | 3-JUN-24 | BUY | GRANULES | 440.20-426 | 441.1 | 420.0 | 464 | 5.2 | 17-JUN-24 |

OPEN E-MARGIN POSITIONAL CALLS

| NO. | RECO DT. | RECO | COMPANY NAME | ENTRY | CMP | SL | TARGET 1 | TARGET 2 | UPSIDE % | VALID TILL |
|-----|-----------|------|---------------------------|---------------|--------|--------|----------|----------|----------|------------|
| 1 | 5-APR-24 | BUY | BALRAMPUR CHINI | 387.35-374 | 391.1 | 360.9 | 419.0 | 449.0 | 15 | 5-JUN-24 |
| 2 | 8-APR-24 | BUY | GODREJ PROPERTIES* | 2603-2490 | 2964.8 | 2603.0 | 2860.0 | 3020.0 | 2 | 8-JUN-24 |
| 3 | 26-APR-24 | BUY | COROMANDEL INTERNATIONAL* | 1179.10-1135 | 1341.3 | 1179.1 | 1264.0 | 1359.0 | 1 | 26-JUN-24 |
| 4 | 7-MAY-24 | BUY | TECH MAHINDRA | 1284.50-1240 | 1245.4 | 1215.0 | 1380.0 | 1478.0 | 19 | 7-JUL-24 |
| 5 | 15-MAY-24 | BUY | GUJARAT ALKALI | 783-728 | 789.8 | 713.0 | 869.0 | 893.0 | 13 | 15-AUG-24 |
| 6 | 16-MAY-24 | BUY | AMI ORGANICS | 1170-1240 | 1210.6 | 1145.0 | 1333.0 | 1420.0 | 17 | 16-AUG-24 |
| 7 | 22-MAY-24 | BUY | BRITANNIA | 5217.70-4957 | 5167.8 | 4905.0 | 5583.0 | 5650.0 | 9 | 22-JUL-24 |
| 8 | 22-MAY-24 | BUY | CIE AUTOMOTIVE | 526.90-505 | 537.9 | 495.0 | 574.0 | 620.0 | 15 | 22-AUG-24 |
| 9 | 3-JUN-24 | BUY | ASHOKA BUILDCON | 183.30-170 | 195.1 | 164.0 | 208.0 | 220.0 | 13 | 3-SEP-24 |
| 10 | 3-JUN-24 | BUY | SBI | 830-870 | 905.7 | 765.0 | 957.0 | 1044.0 | 15 | 3-AUG-24 |
| 11 | 3-JUN-24 | BUY | NCC | 286.95-292.50 | 312.9 | 264.0 | 319.0 | 327.0 | 5 | 3-SEP-24 |

*= 1st Target Achieved

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