

The Daily

Oct 31, 2024





DOMESTIC INDICES			
	CLOSE	POINTS	% CHANGE
SENSEX	80243	-126	-0.16
NIFTY	24341	-126	-0.51
MIDCAP	46357	254	0.55
SMALL CAP	54092	803	1.51

SECTORAL INDICES			
	CLOSE	POINTS	% CHANGE
CG	68173	901	1.34
REALTY	7909	77	0.98
AUTO	54069	340	0.63
POWER	7901	50	0.63
METAL	31539	164	0.52
IT	41835	69	0.16
OIL & GAS	27640	9	0.03
TECK	19233	6	0.03
HEALTHCARE	43154	-57	-0.13
FINANCE	11611	-58	-0.50
BANKEX	59236	-433	-0.73
CD	61331	-647	-1.04

BSE 200 GAINERS/LOSERS			
GAINERS	%	LOSERS	%
IRFC	8.40	HONAUT	-7.78
RVNL	6.11	DIXON	-4.97
ABCAPITAL	5.23	STARHEALTH	-4.61
BANKINDIA	4.58	VOLTAS	-4.18
ADANIEN	4.44	CIPLA	-4.10

ADVANCE/DECLINES		
	BSE	%
ADVANCES	2892	72
DECLINES	1040	26
UNCHANGED	79	2

INSTITUTIONAL ACTIVITY			
Rs Cr	29-10-2024	30-10-2024	OCT TOTAL
FII	-549	-4614	-119636
DII	730	4518	117272

Indian markets could open lower, in line with mostly lower Asian markets today and negative US markets on Oct 30

US stocks declined on Wall Street on Wednesday after data showed that the US economy expanded at a healthy pace, which drove the traders to trim their bets on rate cuts by the US Federal Reserve. Further, technology companies' stock weighed on US stock after disappointing numbers from mega companies. A rout in chipmakers dragged down stocks, with traders also sifting through corporate results and economic data. In late hours, Meta Platforms Inc. slid while Microsoft Corp. climbed after earnings.

The US economy maintained a solid pace of growth in the third quarter as receding inflation and strong wage gains powered consumer spending ahead of a contentious presidential election. Gross domestic product increased at a 2.8% annualized rate last quarter, the Commerce Department's Bureau of Economic Analysis said in its advance estimate of third-quarter GDP on Wednesday. Economists polled by Reuters had forecast GDP advancing at a 3% pace. A separate report showed U.S. private payrolls growth surged by a higher-than-expected 233,000 jobs in October.

China's official Manufacturing Purchasing Managers' Index (PMI) rose to 50.1 in October, compared to 49.8 in the previous reading. The reading beat the market consensus of 50.0 in the reported month. The NBS Non-Manufacturing PMI improved to 50.2 in October versus September's 50.0 figure and the estimates of 50.4.

India's eight core sectors saw a modest growth in September, led by refinery and cement. The combined index of eight core industries grew by 2% in September, according to data released by the Ministry of Commerce & Industry on Wednesday. This compares to a contraction of 1.6% in August, which had marked the first decline in 42 months.

The Union government's fiscal deficit expanded to 29.4% of the budgetary target at the end of the first six months for the financial year ending March 2025.

Asian equities fell Thursday after US stocks and government bonds dropped as robust economic data blurred the picture for imminent Federal Reserve rate cuts and as investors look to the Bank of Japan's rate decision.



GLOBAL INDICES			
	CLOSE	POINTS	% CHANGE
DOW JONES	42142	-91.51	-0.22
S & P 500	5814	-19.25	-0.33
NASDAQ	20388	-162.95	-0.79
FTSE	8160	-59.98	-0.73
CAC	7428	-82.75	-1.10
DAX	19257	-220.73	-1.13
NIKKEI	39142	-190.50	-0.48
SHANGHAI	3270	3.52	0.11
HANG SENG	20459	78.36	0.38
BOVESPA	130639	-91.00	-0.07

EXCHANGE RATES		
	VALUE	% CHANGE
USD/INR	84.1	0.20
EURO/USD	1.085	-0.06
USD/GBP	1.295	-0.12
USD/JPY	153.5	0.06

COMMODITIES		
	VALUE	% CHANGE
GOLD (\$ / Oz)	2796.4	-0.16
SILVER (\$ / Oz)	33.9	-0.57
CRUDE OIL FUTURES	68.8	0.31
BRENT OIL (\$ / Barrel)	72.4	0.32

BOND YIELD		
	VALUE	ABS CHANGE
IND10 YEAR BOND YIELD	6.961	

ADR		
	VALUE	% CHANGE
DR REDDY'S LAB	74.2	-1.32
HDFC BANK	64.2	-0.71
ICICI BANK	31.3	0.13
TATA MOTORS	25.1	0.00
WIPRO	6.68	-0.89
VEDANTA LTD	16.50	0.00
INFOSYS	21.12	-2.99

Nifty closed lower on October 30 after a two-day gain. A sell-off post 1300 Hrs erased the morning gains as the star performers of the previous two days i.e. Banks came under profit taking. Nifty closed near the opening level and the intra day low on October 30 as higher values attracted profit taking. 24500 is proving to be a tough resistance for the Nifty. Nifty could now stay in the 24074-24500 band for the near term and the breach of either level could decide its future direction.

Airtel to move to 5G SA mode in 3-4 years

Bharti Airtel plans to fully switch its 5G services to standalone mode within 3-4 years as demand increases and more 4G users upgrade. Initially, Airtel will use the SA mode for fixed wireless access and enterprise services while consumer services will stay in non-standalone mode.

Update on US FDA inspection at Cipla's manufacturing facility in Goa, India

Further to earlier intimation dated 21st June, 2024, regarding the routine current Good Manufacturing Practices (cGMP) inspection at Cipla's manufacturing facility in Goa, India between 10th-21st June, 2024, the company said that US FDA vide communication dated Wednesday, 30th October, 2024 has classified the above referred inspection as Voluntary Action Indicated (VAI).

Torrent Pharmaceuticals promoters sell 3% stake, raise Rs 3,087 crore

Promoters of Torrent Pharmaceuticals — have sold 3% stake in the company, raising Rs 3,087 crore for investments in new ventures and charitable initiatives. This move will reduce promoter stake from 71.25% to 68.25%. As of Wednesday, the company's total market capitalisation (mcap) stood at Rs 1.06 trillion, with shares closing at Rs 3,137 each. The family also owns 53.57% stake in Torrent Power with a total valuation at Rs 87,900 crore in the stock markets.

Yatharth Hospital to acquire 60% stake in MGS Infotech for Rs 152 crore

Yatharth Hospital and Trauma Care Services on Wednesday announced that its board had entered into an agreement to acquire a 60 per cent equity stake in Faridabad-based healthcare services company MGS Infotech Research and Solutions, at an enterprise value of Rs 152 crore. The acquisition includes a yet-to-commence 400-bed hospital in Faridabad, Haryana, in the National Capital Region (NCR).



Zyduz Wellness board approves acquisition of Naturell India for Rs 390 cr

Zyduz Wellness on Wednesday said its board has approved the acquisition of Naturell (India), a maker of healthy snacks such as nutrition bars and protein chips, for Rs 390 crore. The company's board has approved entering into the share purchase agreement with the promoters and other shareholders of Naturell (India) Pvt Ltd to acquire 1,50,78,605 equity shares of Re 1 each, representing 100 per cent of the paid-up share capital, at a consideration of Rs 390 crore, it said in a regulatory filing.

Yet another ARC to shut shop, this time an Aditya Birla joint venture

Aditya Birla Asset Reconstruction Company (ARC), a joint venture between Aditya Birla Capital and Varde Partners, is winding down its India operations, marking the latest in a series of fund-backed ARCs exiting the country. The move follows recent exits by Arcion Revitalization - a JV between Apollo Global and ICICI Bank - and Lone Star India, underscoring the increasing challenges in India's ARC sector as non-performing loans (NPLs) hit a 12-year low.

Dabur Q2 results: Net profit falls 17% to Rs 425 crore on low urban demand

Dabur India reported a 17.5% year-on-year (Y-o-Y) drop in net profit to Rs 425 crore in the second quarter, as high food inflation and heavy monsoon impacted sales. It had recorded a net profit of Rs 515.1 crore in the same period last year. The company recorded a 5.5% drop in net sales to Rs 3,028.6 crore from Rs 3,203.8 crore in the year-ago period. The fall in sales was also exacerbated by a one-time inventory rationalisation exercise for the general trade channel that the company undertook during the quarter.

It reported a 7.5% decline in volume growth. Its rural business continued to outpace urban by 130 basis points (bps). While the rural market reported a 1.8% growth, urban lagged behind at 1.2%. Dabur India also announced that it has entered into an agreement to merge Ayurvedic hair-care brand Sesa Care, for which it will acquire 51% of the total paid-up cumulative redeemable preference shares (CRPS) from its existing shareholder True North (a private equity fund) for Rs 12.59 crore.

Tata Power Q2FY25 results: Net profit rises 6% to Rs 926.53 crore

Tata Power reported a net profit attributable to the owners of the company at Rs 926.53 crore for the quarter ended September 2024 (Q2 FY25), six% up from its performance a year ago.

Tata Power Renewable Energy estimated the impact of stamp duty related to a merger at Rs 140 crore during the quarter, which the company disclosed as an exceptional item. The company's board also approved an investment of Rs 5,666 crore for a 1,000 MW pumped storage hydro project in Bhivpuri.

For the quarter under review, Tata Power's revenue from operations stood at Rs 15,697.67 crore, almost flat from a year ago. In a Bloomberg poll, 11 analysts had estimated revenue of Rs 16,999 crore for Tata Power, and 10 analysts had estimated adjusted net income of Rs 1,059 crore. Sequentially, Tata Power's net profit dipped five%, and revenue from operations declined nine%.

L&T Q2 FY25 results: Net profit increases 5.4% to Rs 3,395 crore

Larsen & Toubro posted a 5.4% rise in its year-on-year (Y-o-Y) net profit (attributable to owners of the company) to Rs 3,395 crore for the second quarter of the current financial year (Q2FY25).

L&T expects domestic orders to pick momentum for the remainder of FY25 after moderating in the first two quarters. Its Q2 earnings were helped by better execution, however, offset by a one-time income recorded for the comparative quarter a year ago.

New orders won in the quarter under review for the company declined 10% Y-o-Y to Rs 80,045 crore. L&T management noted, the moderation in domestic orders was anticipated and they expect a pick-up going ahead.

Biocon Q2 FY25 results: Net profit declines 84% to Rs 27.1 crore



Biocon reported a consolidated year-on-year decrease of 84.3% in net profit to Rs 27.1 crore in the second quarter of the financial year 2025 (Q2FY25) from 172.7 crore in Q2FY24.

The company reported profit before tax (PBT) of Rs 98.4 crore, down 54.08% in Q2FY25 from 214.3 crore in Q2FY24.

The total revenue for the period reached Rs 3,623 crore, a slight increase from Rs 3,620.2 crore in Q2FY24. Biocon's EBIT (earnings before interest and taxes) amounted to Rs 718 crore, reflecting a 20% margin.

Furthermore, revenue in the biosimilars business grew to Rs 2,182 crore from Rs 1,969 crore earlier, up 10.8%. The positive growth can be attributed to gains in US Oncology and Insulins franchises.

Important news/developments to influence markets

German economy unexpectedly grows, dodging recession; inflation up

Germany's gross domestic product unexpectedly increased in the third quarter, skirting a recession, but inflation rose more than expected in October, interrupting the downward trend in Europe's troubled largest economy.

EIA Crude Oil Inventories report reveals unexpected decline, bullish for crude prices

The Energy Information Administration (EIA) released its weekly Crude Oil Inventories report, revealing an unexpected drop in the number of barrels of commercial crude oil held by US firms. The actual figure reported was a decrease of 0.515 million barrels.

Pending home sales surge, beating expectations and bolstering USD

The National Association of Realtors (NAR) has reported a significant rise in pending home sales, a key indicator of the health of the housing market and a factor that can influence the value of the US dollar (USD).

Euro zone grows quicker than expected but outlook remains weak

The euro zone economy grew faster than expected last quarter but threats of oversized tariffs from a potential Trump presidency, escalating trade tensions with China and muted consumer confidence are keeping the outlook weak.

Robust consumer, business spending underpin US economy in third quarter

The U.S. economy grew solidly in the third quarter, with consumer spending increasing at its fastest pace in 1-1/2 years and inflation slowing sharply, continuing to defy forecasts of doom and outperforming its global peers.

German inflation rises to 2.4% in October

German inflation rose more than expected in October, to 2.4%, preliminary data from the federal statistics office showed on Wednesday.



Index	CMP	View	R1	R2	S1	S2
Nifty Oct Fut	24366	Neutral	24486	24605	24281	24195
BankNifty Oct Fut	51805	Neutral	52128	52452	51597	51388

Daily Technical View on Nifty



- Nifty remained within the range of yesterday's trade and ended with the loss of 0.51% to close at 24340.
- Nifty continued to find resistance in the zone of 24480-24500.
- In the second half, Nifty found resistance at 24498 and registered a fall of almost 200 points from the day's high.
- Broad market indices ended in the positive with Smallcap index ending 1.5% higher even as the advance decline ratio rose to 3.2:1.
- For last three trading sessions, Nifty has been hitting higher lows which has kept hope alive for bullish trend to hold in the short term.
- Nifty is still trading below its 5, 10, 20, 50 and 100 days EMA, which indicates positional downtrend.
- Any level above 24500 could bring some fresh bullish momentum and pull the index towards the next resistance of 24650.
- However, any level below 24140 would result in to resumption of a positional downtrend, which could drag Nifty towards 23900.



OPEN SHORT TERM CALLS

NO.	RECO DT.	RECO	COMPANY NAME	ENTRY	CMP	SL	TARGET 1	UPSIDE %	VALID TILL
1	29-OCT-24	BUY	PFC NOV FUT	466.65-455	465.0	447	490	5.4	12-NOV-24
2	30-OCT-24	BUY	OBERIO REALTY NOV FUT	1992.95-1933	1,940.7	1913	2083	7.3	13-NOV-24
3	30-OCT-24	BUY	BAJAJ FINSERV NOV FUT	1754.50-1730	1,764.6	1,710.0	1820	3.1	13-NOV-24
4	30-OCT-24	BUY	TITAGARH	1194.85-1175	1,189.7	1,165.0	1280	7.6	13-NOV-24

OPEN E-MARGIN POSITIONAL CALLS

NO.	RECO DT.	RECO	COMPANY NAME	ENTRY	CMP	SL	TARGET 1	TARGET 2	UPSIDE %	VALID TILL
1	10-OCT-24	BUY	GUJARAT ALKALIES	827-785	855.4	760.0	905.0	990.0	16	10-JAN-25
2	28-OCT-24	BUY	CAN FIN HOMES	850-860, 790	884.8	765.0	960.0	1040.0	18	NEXT DIWALI
3	28-OCT-24	BUY	AXIS BANK	1189-1210, 1100	1170.4	1070.0	1332.0	1403.0	20	NEXT DIWALI
4	28-OCT-24	BUY	KAURUR VYSYA BANK	214-218, 192	227.1	183.0	249.0	269.0	18	NEXT DIWALI
5	28-OCT-24	BUY	STYLAM INDUSTRIES	2195-2230, 2000	2246.6	1880.0	2560.0	2690.0	20	NEXT DIWALI
6	29-OCT-24	BUY	BANK OF BARODA	251.5-239	251.5	234.0	270.0	290.0	15	29-DEC-24
7	30-OCT-24	BUY	SCI	211.85-200	217.3	194.0	227.0	270.0	-24	30-DEC-24

*= 1st Target Achieved

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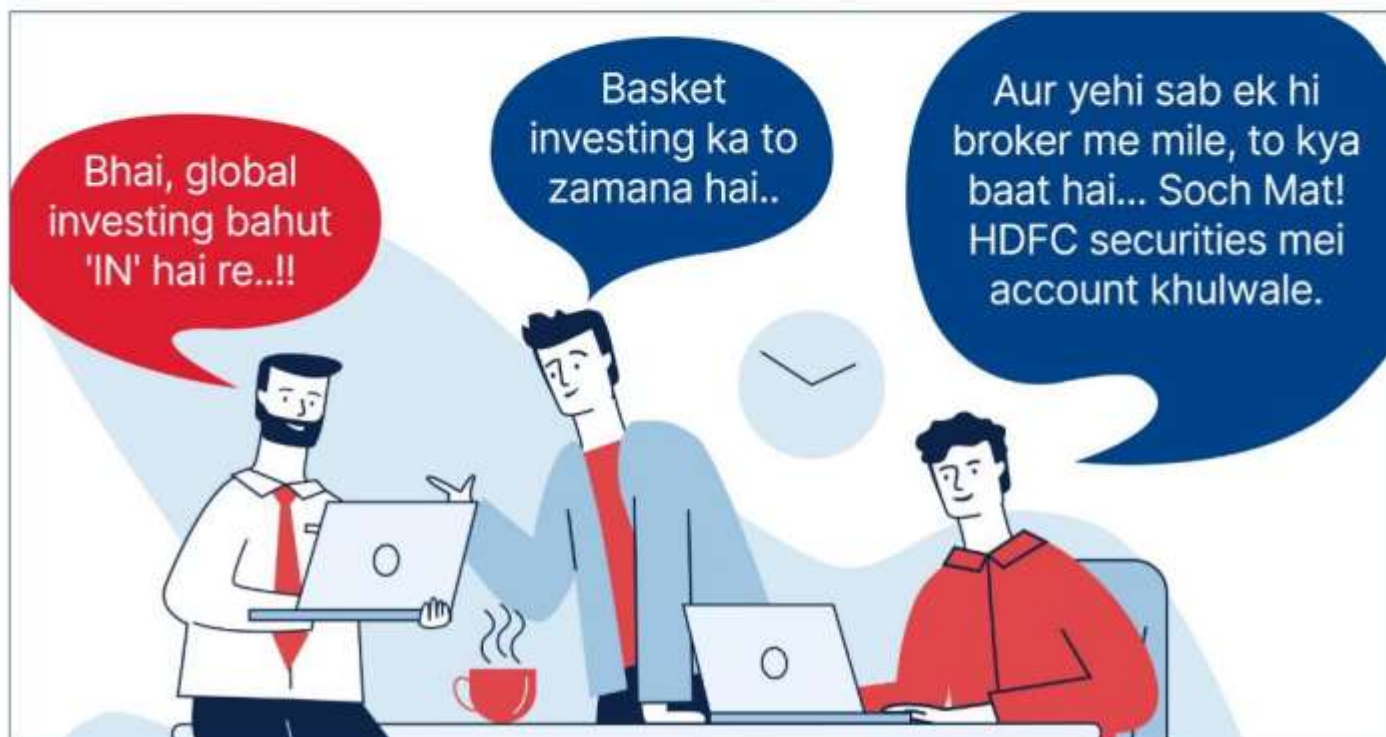
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