

The Daily

June 13, 2024





DOMESTIC INDICES			
	CLOSE	POINTS	% CHANGE
SENSEX	76607	150	0.20
NIFTY	23323	58	0.25
MIDCAP	45164	480	1.07
SMALL CAP	50233	526	1.06

SECTORAL INDICES			
	CLOSE	POINTS	% CHANGE
POWER	7821	93	1.20
CG	70639	828	1.19
METAL	33433	294	0.89
OIL & GAS	29311	248	0.85
HEALTHCARE	36769	271	0.74
FINANCE	10963	75	0.69
BANKEX	56808	149	0.26
CD	57523	140	0.24
TECK	16603	14	0.09
IT	35385	13	0.04
AUTO	57111	6	0.01
REALTY	8554	-10	-0.11

BSE 200 GAINERS/LOSERS			
GAINERS	%	LOSERS	%
MAXHEALTH	8.45	APLAPOLLO	-3.21
PAYTM	5.82	PIDILITIND	-2.99
LICHSGFIN	5.21	MARICO	-2.75
HDFCAMC	5.14	ZOMATO	-2.36
CONCOR	4.87	UNITDSPR	-1.95

ADVANCE/DECLINES		
	BSE	%
ADVANCES	2518	63
DECLINES	1376	34
UNCHANGED	98	2

INSTITUTIONAL ACTIVITY			
Rs Cr	11-06-2024	12-06-2024	JUNE TOTAL
FII	3193	427	-5914
DII	-111	234	10579

Indian markets could open higher, in line with mostly positive Asian markets today and mostly higher US markets on June 12

U.S. stocks closed mostly higher on Wednesday, helped by a softer-than-expected consumer-price index reading and signs that the US Fed could start to cut interest rates this year. The US Fed acknowledged modest further progress toward the Committee's 2 percent inflation objective. The committee, in its closely watched "dot plot" of individual participants' rate expectations, did indicate a more aggressive cutting path in 2025, with four reductions totaling a full percentage point anticipated, up from three. The S&P 500 topped 5,400 for the first time in its history, with Wednesday marking the 20-month anniversary of the bull market.

The US consumer price index report for May showed that inflation was flat on the month while the annual rate edged lower from the rate in April to 3.3% from 3.4%.

India's headline retail inflation eased to the lowest in a year at 4.75 percent in May 2024.

The Consumer Price Index (CPI) inflation in April was at 4.83 percent. Core inflation, which excludes volatile components such as food and fuel, is now at an all-time low of 2.97 percent, reflecting some demand imbalances and gaps in the economy. India's industrial output growth slowed to 5 percent in April from 5.4 percent in March. The IIP growth rate in April 2023 was 4.6 percent.

Asian markets rose on Thursday after the US Fed kept its benchmark federal rates unchanged for the seventh time, and as US inflation data came softer than anticipated.

Nifty snapped a two-day fall and closed higher on June 12. At close, Nifty was up 0.25% or 58.1 points at 23322.9. Nifty touched another all time high in the early part of the session on June 12 but gave up most of the gains during the day. It closed near the intra day low; however, the fact that it closed in the positive is reassuring. It could now stay in the 23206-23442 band for the near term. An upward breach of this band is likely in the near term.

Nestle India to pay royalty to Swiss parent at current rate of 4.5%

Nestle India will continue paying general licence fee, or royalty, at the existing rate of 4.5%, net of taxes, to Swiss parent Société des Produits Nestlé S.A., the company said in a filing to the exchanges Wednesday.



GLOBAL INDICES

	CLOSE	POINTS	% CHANGE
DOW JONES	38712	-35.21	-0.09
S & P 500	5421	45.71	0.85
NASDAQ	19467	256.48	1.34
FTSE	8215	67.67	0.83
CAC	7865	75.49	0.97
DAX	18644	274.33	1.49
NIKKEI	38831	-63.50	-0.16
SHANGHAI	3030	-7.47	-0.25
HANG SENG	17984	46.16	0.26
BOVESPA	119928	-1707.00	-1.40

EXCHANGE RATES

	VALUE	% CHANGE
USD/INR	83.5	0.20
EURO/USD	1.081	0.00
USD/GBP	1.279	-0.06
USD/JPY	156.9	0.12

COMMODITIES

	VALUE	% CHANGE
GOLD (\$ / Oz)	2331.5	-0.99
SILVER (\$ / Oz)	29.2	-3.56
CRUDE OIL FUTURES	78.2	-0.39
BRENT OIL (\$ / Barrel)	82.3	-0.38

BOND YIELD

	VALUE	ABS CHANGE
IND10 YEAR BOND YIELD	7.012	-0.002

ADR

	VALUE	% CHANGE
DR REDDY'S LAB	71.7	-0.46
HDFC BANK	60.3	2.14
ICICI BANK	26.5	0.19
TATA MOTORS	25.1	0.00
WIPRO	5.58	0.00
VEDANTA LTD	16.50	0.00
INFOSYS	17.86	0.39

IRDAI asks life insurers to offer surrender value in first year

The Insurance Regulatory and Development Authority of India (IRDAI) has asked insurance companies to offer a surrender value from the first year itself, a move that could impact their margins. The regulator issued a master circular, which mandates insurers to pay special surrender value (SSVs) after the first policy year, provided one full year's premium has been received.

Auto industry body seeks cut in two-wheeler GST; SIAM suggests three-level slabs based on fuel types

The Society of Indian Automobile Manufacturers (SIAM) on Tuesday wrote a letter to the government, requesting a reduction in the GST rates for two-wheelers. It suggested that the government cut the rate to 18% from the current 28% for two-wheelers with internal combustion engines and to 5% from the existing 12% for zero-carbon tailpipe emission models such as those powered by hydrogen. It also sought a reduction in the GST rate on low-carbon emission technologies, such as flex fuel (like ethanol-blended petrol) and CNG, from the current 28% to 18% in the first stage, and then to 12% once the overall base rate for two-wheelers is brought down to 18%.

Brigade targets a total development value of Rs 13,000 crore from its Chennai residential portfolio

Brigade Enterprises is doubling down on its presence in the Chennai market. The company plans to launch the mixed-use development at its recently acquired land bank on Mount Road, Chennai with home prices starting at Rs 20,000 per square foot.

The Bengaluru-based company expects an overall gross development value (GDV) of Rs 13,000 crore from the overall residential portfolio in Chennai.

Manappuram Finance expects gold loan growth of 12-18% for FY25

Demand for gold loans has increased significantly this year as people, especially from the middle income group, needed funds post-Covid, says VP Nandakumar, MD and CEO of Manappuram Finance. "Our average ticket size is around ₹70,000-75,000 and the average life of the loan is for three months. The customers are mostly from the upper middle class and lower middle class, their requirement for money is the catalyst for our growth," he said.



Gensol Engineering wins bidding for Rs 1,340 cr energy storage project

Gensol Engineering on Wednesday said it has emerged as a successful bidder for Gujarat Urja Vikas Nigam's 250 MW (500 MWh) Battery Energy Storage Project worth Rs 1,340 crore.

The project will supply electricity on an 'on-demand' basis to Gujarat State's DISCOMs during peak and off-peak hours, thereby extending renewable energy availability beyond solar hours, fulfilling energy storage purchase obligations, and enhancing grid resilience, a company statement said.

Go First on last leg of extension from NCLT to complete insolvency process

Bankrupt airlines Go First got a final 60-day extension from the National Company Law Tribunal (NCLT) on Wednesday to complete its corporate insolvency resolution process (CIRP). This extension will last till August 3. The lenders of the airline include the Bank of Baroda, the Central Bank of India, and IDBI Bank.

The NCLT had on April 8 extended the deadline by 60 days to June 3. Before this extension, the deadline was April 4. This is the fourth and final extension for the airline.

The tribunal told the airlines' Committee of Creditors (CoC) and the resolution professional to adhere strictly to the deadline, saying that no further extension will be granted.

Tata Power Renewable Energy deploys more than 850 e-bus charging points

Tata Power Renewable Energy Ltd (TPREL) on Wednesday said it has deployed more than 850 e-bus charging points at various locations in the country. The robust bus charging network has led to more than 1 lakh tonnes of tailpipe CO2 emissions savings, the company said in a statement. The locations include Delhi, Mumbai, Ahmedabad, Bengaluru, Jammu, Srinagar, Dharwad, Lucknow, and Goa, the statement said.

Suraksha Group infuses Rs 125 crore in Jaypee Infratech; to start construction work in stalled projects

The Suraksha Group has infused Rs 125 crore equity fund in Jaypee Infratech Ltd, which it has acquired through insolvency process, as part of its resolution plan to settle banks' dues and complete around 20,000 unfinished flats in Delhi NCR. Earlier this month, the Mumbai-based Suraksha Group took control of the Jaypee Infratech Ltd (JIL) by constituting a three-member board.

The takeover followed the insolvency appellate tribunal NCLAT decision on May 24, upholding Suraksha Group's bid to acquire JIL. The NCLAT had directed Suraksha Group to pay an additional Rs 1,334 crore to Yamuna Expressway Industrial Development Authority (YEIDA) as farmers' compensation.

Haldiram's explores IPO as stake sale plans stall: Report

The owners of Haldiram Snacks Pvt Ltd. are exploring a possible initial public offering for the food producer and restaurant operator as plans to sell it to foreign investors have stalled, people familiar with the matter said. The Agarwal family is considering a listing as bids in the region of \$8 billion to \$8.5 billion didn't meet its valuation expectations of about \$12 billion, according to the people, who asked not to be identified discussing private information.

Tyre exports at Rs 23,073 crore in FY24

The total tyre exports from India during fiscal 2023-24 stood at Rs 23,073 crore, matching previous year's figure on the back of a sharp recovery in the second half of the fiscal, the Automotive Tyre Manufacturers' Association (ATMA) said. In the first half of the year, tyre exports were severely impacted by falling demand in view of slowdown in advanced economies, geopolitical uncertainties and inflationary pressures. Tyre exports from India made a sharp recovery in the second half of FY24 and went up by 12 per cent in value terms against the year-ago period, ATMA said.



Dr. Reddy's signs in-licensing pact with Ingenus Pharmaceuticals for cancer treatment injection

Dr. Reddy's Laboratories Ltd said that it has signed a licensing pact with US-based Ingenus Pharmaceuticals, LLC, to commercialise Cyclophosphamide injection used in treatment of cancer. The company's wholly-owned subsidiary Dr Reddy's Laboratories Inc and Ingenus Pharmaceuticals, LLC have entered into license agreement.

Subsequently, Dr Reddy's Laboratories Inc (Dr Reddy's USA) has licensed from Ingenus, the exclusive rights to commercialise Cyclophosphamide injection of strengths 500 mg/2.5mL; 1g/5mL; 2g/10mL in the US, it added. Under the in-licensing pact, Dr Reddy's USA will commercialise the Cyclophosphamide injection for the US market and will pay Ingenus 50 per cent of the calculated profit share and no other consideration is payable.

The sales of the said Ingenus product as per the IQVIA for the past 12 months ended March 2024 was US\$ 51.8 million.

Whirlpool of India and Hindustan Unilever Limited collaborate to enhance the Indian Consumer Laundry Experience

Whirlpool of India Ltd joined hands in a new marketing alliance with Surf Excel, a leading brand of Hindustan Unilever Limited (HUL) to transform and enhance the laundry experience for consumers in India. The two trusted brands in the home care industry have collaborated to deliver superior cleaning performance and convenience to households. The integration of innovative technologies from both brands will help in delivering superior fabric care, improving the daily laundry process, and resulting in an enhanced customer experience.

With a shared commitment towards innovation and customer satisfaction, they will embark on a journey to create impactful consumer awareness campaigns, educational initiatives and engaging marketing activities. Surf Excel's Stain Penetrating Power technology complements Whirlpool's 6th Sense Technology, ensuring removal of a variety of tough, dried-on stains. This synergy enables consumers to tackle stubborn stains effortlessly, saving time and effort in their daily laundry routine.

Pre-Approval Inspection at Torrent Pharma's Indrad facility

US FDA conducted a Pre-Approval Inspection (PAI) and a GMP inspection at the Company's manufacturing facility situated in Indrad, Gujarat from 03-Jun-24 to 12-Jun-24. At the end of the inspection, the Company was issued a Form 483 with five observations. There was no observation related to data integrity reported. It will respond to the US FDA within the prescribed time-frame and will work in close collaboration with the agency to address the observation.

Dollar Industries Jumps announced 50% Sales Growth Target In South India.

The company is bullish about capturing substantial stake in the South Indian market and plans to open 50 exclusive brand outlets across south India by 2027. It also signed Mahesh Babu as its brand ambassador for south India.

India eyes oil deals with nations including Russia

Indian Oil Ministry announced Bharat Petroleum Corp's plan to build a new refinery. The nation aims to sign more oil import deals with countries, including Russia, at discounted rates. GoI seeks to provide energy at affordable rates to cushion customers from volatile oil markets.

Reliance Retail's Tira launches 'Akind':

Tira, Reliance Retail's beauty retail platform, has introduced its skincare brand, 'Akind', co-founded by Mira Kapoor, at its flagship store in Mumbai. Akind offers three categories of formulations focused on improving skin barrier health.



Important news/developments to influence markets

U.S. inflation eases in May as key Fed decision looms

U.S. consumer prices increased by less than expected on an annualized basis in May, suggesting a possible easing in price pressures that could influence how Federal Reserve policymakers see the future path of interest rates.

The Labor Department's consumer price index (CPI) rose by 3.3% last month, decelerating slightly from 3.4% in April. Economists had predicted that the figure would match April's rate.

Japan May wholesale inflation jumps, complicates BOJ rate hike path

Japan's wholesale inflation jumped in May at the fastest annual pace in nine months, data showed on Wednesday, a sign the weak yen was adding upward pressure on prices by pushing up the cost of raw material imports.

The data complicates the Bank of Japan's decision on how soon to raise interest rates, as price rises driven by cost pressures could cool consumption and dampen the chances of achieving the kind of demand-driven inflation it wants to see before further phasing out stimulus, analysts say.

China CPI inflation disappoints in May, PPI shrinks at slower pace

Chinese consumer price index inflation grew less than expected in May as consumption remained largely languid in the face of an uncertain economic recovery. But producer price index inflation shrank at a slower-than-expected pace—marking its smallest contraction since February 2023 amid signs of a sustained recovery in the industrial sector.

CPI rose 0.3% year-on-year in May, data from the National Bureau of Statistics showed on Wednesday. The reading was weaker than expectations for a rise of 0.4% and remained unchanged from the prior month.



Index	CMP	View	R1	R2	S1	S2
Nifty Jun Fut	23355	Bullish	23451	23548	23280	23206
BankNifty Jun Fut	49914	Bullish	50223	50531	49673	49431

Daily Technical View on Nifty



- Nifty snapped a two-day fall and closed higher on June 12.
- At close, Nifty was up 0.25% or 58.1 points at 23322.9.
- Broad market indices rose more than a percent even as the advance decline ratio rose to 2.05:1.
- Nifty touched another all time high in the early part of the session on June 12 but gave up most of the gains during the day.
- It closed near the intra day low; however, the fact that it closed in the positive is reassuring.
- It could now stay in the 23206-23442 band for the near term.
- Nifty has been following the upward sloping trend line on the hourly chart.
- Breakout from hourly trendline would lead to fresh bullish momentum in the Nifty, which could take the index towards 23700 levels
- Traders can remain long with 23200 stoploss in Nifty.



OPEN SHORT TERM TRADING CALLS

NO.	RECO DT.	RECO	COMPANY NAME	ENTRY	CMP	SL	TARGET	UPSIDE %	VALID TILL
1	12-JUN-24	BUY	BANK NIFTY 19TH JUNE 50000 CALL OPTION	373.55	350.0	252.0	522	49.1	17-JUN-24
2	12-JUN-24	BUY	M&M JUNE 2800 PUT OPTION	65.3	62.1	44.0	95	53.1	17-JUN-24
3	7-JUN-24	BUY	IPCA LAB JUN FUT	1164.85-1145	1,178.0	1,130.0	1215	3.1	21-JUN-24
4	12-JUN-24	BUY	ASTRAL JUNE FUT	2246.85-2202	2,233.0	2,168.0	2382	6.7	26-JUN-24
5	11-JUN-24	BUY	GNFC	676.6-665	685.7	655.0	725	5.7	25-JUN-24

OPEN E-MARGIN POSITIONAL CALLS

NO.	RECO DT.	RECO	COMPANY NAME	ENTRY	CMP	SL	TARGET 1	TARGET 2	UPSIDE %	VALID TILL
1	7-JUN-24	BUY	VEDANT FASHION LTD	1083.05-1030	1126.2	999.0	1190.0	1270.0	13	7-SEP-24
2	10-JUN-24	BUY	CHOLAMANDALAM FINANCE HOLDING	1235-1185	1243.9	1173.0	1346.0	1420.0	14	10-SEP-24
3	10-JUN-24	BUY	REDINGTON	206-212	221.7	199.0	235.0	250.0	13	10-SEP-24
4	11-JUN-24	BUY	IFCI	60.98-56.50	64.7	54.0	68.0	72.0	11	11-SEP-24
5	11-JUN-24	BUY	ZENSAR TECHNOLOGY	691.25-647	699.5	635.0	762.0	795.0	14	11-SEP-24
6	11-JUN-24	BUY	AARTI INDUSTRIES	640-663.30	665.7	615.0	712.0	760.0	14	11-AUG-24

*= 1st Target Achieved

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