

# The Daily

Oct 24, 2024





DOMESTIC INDICES			
	CLOSE	POINTS	% CHANGE
SENSEX	80082	-139	-0.17
NIFTY	24436	-37	-0.15
MIDCAP	46196	222	0.48
SMALL CAP	54030	499	0.93

SECTORAL INDICES			
	CLOSE	POINTS	% CHANGE
IT	42200	821	1.98
TECK	19487	241	1.25
FINANCE	11444	46	0.40
CD	62973	87	0.14
REALTY	7795	-4	-0.05
METAL	31613	-74	-0.23
BANKEX	58206	-141	-0.24
OIL & GAS	28341	-130	-0.46
AUTO	55551	-396	-0.71
HEALTHCARE	42710	-365	-0.85
CG	67909	-807	-1.17
POWER	7872	-111	-1.39

BSE 200 GAINERS/LOSERS			
GAINERS	%	LOSERS	%
COFORGE	11.03	FLUOROCHEM	-6.82
PERSISTENT	10.89	ABB	-5.68
PAYTM	8.40	SIEMENS	-5.02
MFSL	8.10	M&MFIN	-4.87
VBL	5.81	BHEL	-3.97

ADVANCE/DECLINES		
	BSE	%
ADVANCES	2177	54
DECLINES	1751	43
UNCHANGED	103	3

INSTITUTIONAL ACTIVITY			
Rs Cr	22-10-2024	23-10-2024	OCT TOTAL
FII	-3979	-5685	-103146
DII	5869	6040	102844

## Indian markets could open flat to mildly higher, in line with mixed Asian markets today and despite negative US markets on Oct 23

The Dow Jones Industrial Average and S&P 500 finished lower for a third straight session, joined by the Nasdaq Composite, on Wednesday as investors agonized about rising Treasury yields and the possible outcome of the Nov. 5 presidential election. Big tech climbed in after hours as Tesla Inc. kicked off the "Magnificent Seven" earnings season with solid results.

Benchmark 10-year U.S. Treasury yields reached a three-month high with investors reassessing the Fed rate-cut outlook over the next few months against the backdrop of strong economic data and the upcoming presidential election.

U.S. home sales fell to the lowest level in 14 years, as high home prices and uncertainty over the upcoming presidential election spooked home buyers. Sales of previously owned homes fell 1% to an annual rate of 3.84 million in September, the National Association of Realtors said Wednesday.

India cannot risk another bout of inflation and the monetary policy committee (MPC) must adopt a cautious approach to lowering interest rates, members of the rate-setting panel said in the minutes of the October meeting.

Asia-Pacific markets were mixed Thursday after U.S. stocks dropped overnight, with the Dow Jones Industrial Average posting its worst day in more than a month.

Nifty fell for a third consecutive session on October 23 to end at its lowest level in more than 2 months. Nifty weakened marginally after a smaller range day as the latest release of corporate earnings were better than the earlier ones. Global markets remained pressured by a rising dollar, lower global growth forecast by the IMF, uncertainty around the US elections, rising geopolitical tensions and the prospect of a less aggressive US Fed in cutting rates. Nifty formed a bullish inverted hammer pattern on October 23, but it needs to move above 24604 to signal bullishness. On falls 24347-24367 band could offer support.

## KEC International won orders worth Rs. 1,142 crore

KEC International Ltd., a global infrastructure EPC major, has secured new orders of Rs. 1,142 crore across its various businesses: Transmission & Distribution (T&D) has secured orders for T&D projects in Middle East and Americas: • 380 kV Transmission line in Saudi Arabia • Supply of towers, hardware and poles in Americas.



GLOBAL INDICES			
	CLOSE	POINTS	% CHANGE
DOW JONES	42515	-409.94	-0.96
S & P 500	5797	-53.80	-0.92
NASDAQ	20067	-316.69	-1.55
FTSE	8259	-47.90	-0.58
CAC	7497	-37.62	-0.50
DAX	19378	-44.29	-0.23
NIKKEI	38154	74.50	0.20
SHANGHAI	3290	-13.30	-0.40
HANG SENG	20643	-117.15	-0.56
BOVESPA	129233	-718.00	-0.55

EXCHANGE RATES		
	VALUE	% CHANGE
USD/INR	84.1	0.20
EURO/USD	1.079	0.05
USD/GBP	1.292	0.02
USD/JPY	152.5	-0.14

COMMODITIES		
	VALUE	% CHANGE
GOLD (\$ / Oz)	2735.0	0.20
SILVER (\$ / Oz)	34.0	0.39
CRUDE OIL FUTURES	71.8	1.40
BRENT OIL (\$ / Barrel)	75.9	1.23

BOND YIELD		
	VALUE	ABS CHANGE
IND10 YEAR BOND YIELD	6.938	

ADR		
	VALUE	% CHANGE
DR REDDY'S LAB	78.1	-1.96
HDFC BANK	64.2	1.63
ICICI BANK	29.6	-0.97
TATA MOTORS	25.1	0.00
WIPRO	6.61	0.30
VEDANTA LTD	16.50	0.00
INFOSYS	22.21	0.23

**Railways:** The business has secured an order for construction of bridges and associated works for a railway line in the conventional segment in India.

**Cables:** The business has secured orders for supply of various types of cables in India and overseas.

With the above orders, our YTD order intake stands at ~Rs 13,500 crore, reflecting a robust growth of over ~50% compared to last year.

### Sona Comstar to acquire Escorts Kubota's Railways Equipment Division for Rs 1600 crore

Sona BLW Precision Forgings Ltd. has entered into an agreement with Escorts Kubota Ltd. (EKL) to acquire the Railway Equipment Division of EKL (RED), as going concern, on slump sale basis, for an enterprise value of Rs 1,600 crore, subject to the terms of the Agreement. RED is a leading supplier of critical components for Railways, such as brakes and suspension systems for various rolling stocks. RED reported revenue of Rs 950 crore and EBIT of Rs 179 crore in FY24. The proposed acquisition of RED is expected to be earnings accretive for Sona Comstar right from the first year and offers significant growth opportunities.

### Adani Power board to mull raising up to rs 5,000 crore

Adani Power Ltd.'s board of directors will hold a meeting on Oct. 28 to consider raising funds not more than Rs 5,000 crore. The company may raise the funds through a public issue or private placement of non-convertible debentures in one or more tranches, according to an exchange filing on Wednesday.

Earlier in September, an Adani Power Ltd. consortium has successfully acquired Tamil Nadu-based Coastal Energen Pvt. for Rs 3,330.9 crore following a resolution plan approved by the National Company Law Tribunal. In August, Adani Power incorporated a wholly owned subsidiary, Adani Power Middle East Ltd., in Abu Dhabi. This new entity has been registered as an investment holding company, created to invest in power, infrastructure, and related sectors in the Middle East.

### GST appeals authority upholds demand notice of Rs 139 cr against Maruti Suzuki

Maruti Suzuki India announced that Haryana GST appeals authority upheld a Rs 139.3 crore tax demand against the company for the period July 2017 to August 2022. The company intends to file an appeal, asserting the order will not affect its financial, operational, or other activities.



## **TVS Motor Q2FY25 result update**

TVS Motor 23.5% growth in its standalone net profit at Rs 663 crore for Q2FY25. Its revenue from operations during the reporting quarter rose 13% year-on-year (YoY) to Rs 9,228. The company posted its highest ever operating EBITDA of Rs 1,080 crore registering a growth of 20%. EBITDA margin significantly improved by 70bps at 11.7% as against 11.0% in the quarter ended September 2023.

Overall two-wheeler and three-wheeler sales, including exports, grew by 14%, reaching a record high of 12.28 lakh units. The company's EV sales grew by 31%, registering the highest-ever quarterly sales of 0.75 lakh units.

## **Thyrocare Technologies Q2FY25 result update**

Revenue for the quarter grew 19.9% YoY at Rs 177.4cr. EBITDA margin improved 190bps YoY at 27.2%. EBITDA increased 28.8% YoY at Rs 48.3cr. EBITDA before ESOP expenses grew 22.8% YoY at Rs 50.7cr. Net profit increased 31% YoY at Rs 26.7cr.

Thyrocare has an extensive network of 32 labs, of which 28 labs are NABL accredited. EPS for the quarter stood at Rs 4.98 and it stood at Rs 9.49 for H1 FY25. At CMP, the stock trades at 41x FY26E EPS.

## **Dr. Lal PathLabs Q2FY25 result update**

Revenue for the quarter grew 9.8% YoY at Rs 660.2cr. EBITDA margin improved 110bps YoY at 30.7%. Net profit increased 18.2% YoY at Rs 130.8cr. Other Income was up 21% YoY at Rs 21.9cr. Q2FY25 sample growth of 8.6% and patient volume growth of 3.9% YoY. For H1FY25 sample growth was at 9.1% and patient volume growth of 4.8% YoY.

EPS for the quarter stood at Rs 15.5 and it stood at Rs 28.2 for H1 FY25. At CMP, the stock trades at 41.5x FY27E EPS.

## **Navin Fluorine International Q2FY25 result update**

Revenue for the quarter grew 9.9% YoY at Rs 518.6cr. EBITDA margin contracted 20bps YoY at 20.7%. Net profit declined 3% YoY at Rs 58.8cr. Finance cost declined 30.5% YoY at Rs 13.9cr. Other Income declined 51.5% YoY at Rs 11.2cr.

HPP business reported 23% YoY growth at Rs 293cr. CDMO revenue grew 41% YoY at Rs 68cr. Specialty Chemicals revenue declined 15% YoY at Rs 158cr. EPS for the quarter stood at Rs 11.85 and it stood at Rs 22.2 for H1 FY25. At CMP, the stock trades at 28x FY27E EPS.

## **Syngene International Q2FY25 result update**

Revenue for the quarter declined 2.1% YoY at Rs 891cr. EBITDA margin contracted 40bps YoY at 27.5%. Net profit was down 9% YoY at Rs 106.1cr. Other Income declined 23.5% YoY at Rs 16.5cr.

Company said that there are early positive signs of recovery in Discovery Services, largely driven by collaborations on pilot projects with large and mid-sized biopharma clients looking for alternatives to China to rebalance their supply chains. EPS for the quarter stood at Rs 2.64 and it stood at Rs 4.53 for H1 FY25. At CMP, the stock trades at 52x FY26E EPS.

## **Piramal Pharma Q2FY25 result update**

Revenue for the quarter grew 17.3% YoY at Rs 2241.8cr. EBITDA margin improved 130bps YoY at 15.2%. Net profit increased 352% YoY at Rs 22.6cr. Other Income was up 24.2% YoY at Rs 61cr. CDMO revenue increased 24% YoY at Rs 1324cr. Hospital Generics (CHG) business grew 9% at Rs 643cr. Consumer Health sales grew 8% YoY at Rs 277cr.

Regulatory changes (e.g. Biosecure Act) and supply chain diversification drive increased customer enquiry and visits, however continue to witness delayed decision making by customers. In CHG business, the pipeline stood at 24 new products under various stages of development. It has addressable market size of ~US\$ 2 billion.



Typically, H2 remains strong than H1 for the company. Revenue contribution in H1 stands at ~45% and 55% in H2 while EBITDA contribution at around 35% in H1 and 65% in H2. Net debt stood at Rs 4235cr as against Rs 3932cr as on Mar-2024.

### **Aster DM Healthcare Q2FY25 result update**

Revenue for the quarter increased 17% YoY at Rs 1086.4cr. Operating margin improved 460bps YoY at 20.2%. Net profit stood at Rs 96.8cr as compared to net loss of Rs 30.8cr, a year ago. Other Income stood at Rs 35.2cr as against Rs 3.8cr in Q2FY24.

Company is on track to add ~1700 beds to reach to 6,800 beds by FY27 through a prudent mix of brownfield and greenfield projects which would result in Aster Medcity and Aster CMI hospitals expanding to 950 beds and 850+ beds respectively.

ARPOB per day increased 11.8% YoY at Rs 43600 for H1FY25. Total operational beds stood at 3689 and occupancy stood at 69%.

### **Important news/developments to influence markets**

#### **Euro zone consumer confidence rises to -12.5 in October**

Euro zone consumer confidence rose by 0.4 points in October from the September number, figures released on Wednesday showed.

#### **U.S. existing home sales dip slightly, but market remains robust**

The U.S. housing market experienced a minor slowdown in the number of existing home sales, according to recent data. The actual number of sales came in at 3.84 million annualized units.

#### **Singapore Sept core inflation at 2.8% y/y**

Singapore's key consumer price gauge rose 2.8% in September from a year earlier, higher than economists' forecasts, official data showed on Wednesday.

#### **South African inflation drops sharply, paving way for more rate cuts**

South Africa's inflation dropped sharply in September, hitting its lowest level in more than three years and bolstering expectations for another interest rate cut by the central bank next month.

#### **Poland's unemployment rate at 5.0% in September**

Poland's registered unemployment rate remained flat at 5.0% in September compared with 5.0% in August, statistics office data showed on Wednesday, in line with expectations of 5.0%.

#### **Saudi Arabian economic growth to accelerate in 2025 as oil taps open - Reuters poll**

Economic growth in Saudi Arabia will accelerate next year thanks to higher oil output after two years of modest performance, according to a Reuters poll of economists, who also forecast robust growth for other Gulf Cooperation Council (GCC) states.



Index	CMP	View	R1	R2	S1	S2
<b>Nifty Oct Future</b>	<b>24480</b>	Negative	24610	24725	24375	24250
<b>Bank Nifty Oct Future</b>	<b>51362</b>	Negative	51780	52250	50870	50450

## Daily Technical View on Nifty

**Lack of strength to sustain the highs..**

**Observation:** After showing sharp weakness on Tuesday, Nifty shifted into a consolidation on Wednesday and closed the day lower by 36 points.

Nifty opened with a negative note and showed minor upside recovery from the lows in the early-mid part of the session. The market was not able to surpass the intraday hurdle around 24600 and turned down in the afternoon to later part of the session.

A small positive candle was formed on the daily chart with upper shadow. Technically, this formation indicates a type of bullish inverted hammer type candle pattern, not a classical one. A sustainable move above the high of this pattern at 24605 could confirm the positive pattern for the short term.

Negative chart pattern like lower tops and bottoms is intact as per daily timeframe chart. Having declined from the recent lower top of 24978 on 21st Oct, there is a probability of minor upside bounce in the short term to form a new lower top of the sequence.

**Conclusion:** The underlying trend of Nifty remains weak. Having placed around the crucial supports as per weekly chart, one may expect chances of an upside bounce from here or from the lows.

A sustainable close only above 24650-24700 levels could confirm upside bounce. However, a slide below 24350 is likely to drag Nifty down to 24K mark in the near term.





## 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	820.1	760.0	905.0	990.0	21	10-JAN-25
2	11-OCT-24	BUY	DODLA DAIRY	1248.30-1160	1270.0	1136.0	1365.0	1440.0	13	11-JAN-25
3	15-OCT-24	BUY	FIVE STAR BUSINESS	870.90-836	864.3	810.0	949.0	1045.0	21	15-JAN-25
4	16-OCT-24	BUY	JUBILANT INGREVIA LTD	766.70-707	707.6	680.0	860.0	950.0	34	16-JAN-25
5	23-OCT-24	BUY	CAN FIN HOMES	880-840	871.3	820.0	945.0	995.0	14	23-JAN-25

\*= 1st Target Achieved



## QUARTERLY RESULTS ANNOUNCED

COMPANY	Q2FY25		YOY (%)		QOQ (%)		REMARK
	SALES (RS CR)	NP (RS CR)	SALES	NP	SALES	NP	
<b>Birlasoft</b>	1368.2	127.5	4.5	-12.1	3.1	-15.1	<b>Revenue Inline &amp; PAT Above Expectations</b>
<b>TVS Motor Company</b>	9228.2	662.6	13.3	23.5	10.2	14.8	<b>As per expectations</b>



**Disclaimer:**

This report has been prepared by HDFC Securities Ltd and is solely for information of the recipient only. The report must not be used as a singular basis of any investment decision. The views herein are of a general nature and do not consider the risk appetite or the particular circumstances of an individual investor; readers are requested to take professional advice before investing. Nothing in this document should be construed as investment advice. Each recipient of this document should make such investigations as they deem necessary to arrive at an independent evaluation of an investment in securities of the companies referred to in this document (including merits and risks) and should consult their own advisors to determine merits and risks of such investment. The information and opinions contained herein have been compiled or arrived at, based upon information obtained in good faith from sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. Descriptions of any company or companies or their securities mentioned herein are not intended to be complete. HSL is not obliged to update this report for such changes. HSL has the right to make changes and modifications at any time.

This report is not directed to, or intended for display, downloading, printing, reproducing or for distribution to or use by, any person or entity who is a citizen or resident or located in any locality, state, country or other jurisdiction where such distribution, publication, reproduction, availability or use would be contrary to law or regulation or what would subject HSL or its affiliates to any registration or licensing requirement within such jurisdiction.

If this report is inadvertently sent or has reached any person in such country, especially, United States of America, the same should be ignored and brought to the attention of the sender. This document may not be reproduced, distributed or published in whole or in part, directly or indirectly, for any purposes or in any manner.

Foreign currencies denominated securities, wherever mentioned, are subject to exchange rate fluctuations, which could have an adverse effect on their value or price, or the income derived from them. In addition, investors in securities such as ADRs, the values of which are influenced by foreign currencies effectively assume currency risk. It should not be considered to be taken as an offer to sell or a solicitation to buy any security.

This document is not, and should not, be construed as an offer or solicitation of an offer, to buy or sell any securities or other financial instruments. This report should not be construed as an invitation or solicitation to do business with HSL. HSL may from time to time solicit from, or perform broking, or other services for, any company mentioned in this mail and/or its attachments.

HSL and its affiliated company(ies), their directors and employees may; (a) from time to time, have a long or short position in, and buy or sell the securities of the company(ies) mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.

HSL, its directors, analysts or employees do not take any responsibility, financial or otherwise, of the losses or the damages sustained due to the investments made or any action taken on basis of this report, including but not restricted to, fluctuation in the prices of shares and bonds, changes in the currency rates, diminution in the NAVs, reduction in the dividend or income, etc.

HSL and other group companies, its directors, associates, employees may have various positions in any of the stocks, securities and financial instruments dealt in the report, or may make sell or purchase or other deals in these securities from time to time or may deal in other securities of the companies / organizations described in this report. As regards the associates of HSL please refer the website.

HSL or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months.

HSL or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction in the normal course of business.



HSL or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither HSL nor Research Analysts have any material conflict of interest at the time of publication of this report. Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. HSL may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report. Research entity has not been engaged in market making activity for the subject company. Research analyst has not served as an officer, director or employee of the subject company. We have not received any compensation/benefits from the subject company or third party in connection with the Research Report.

Please note that HDFC Securities has a proprietary trading desk. This desk maintains an arm's length distance with the Research team and all its activities are segregated from Research activities. The proprietary desk operates independently, potentially leading to investment decisions that may deviate from research views.

HDFC securities Limited, I Think Techno Campus, Building - B, "Alpha", Office Floor 8, Near Kanjurmarg Station, Opp. Crompton Greaves, Kanjurmarg (East), Mumbai 400 042 Phone: (022) 3075 3400 Fax: (022) 2496 5066

Compliance Officer: Murli V Karkera Email: [complianceofficer@hdfcsec.com](mailto:complianceofficer@hdfcsec.com) Phone: (022) 3045 3600

For grievance redressal contact Customer Care Team Email: [customercare@hdfcsec.com](mailto:customercare@hdfcsec.com) Phone: (022) 3901 9400

HDFC Securities Limited, SEBI Reg. No.: NSE, BSE, MSEI, MCX: INZ000186937; AMFI Reg. No. ARN: 13549; PFRDA Reg. No. POP: 11092018; IRDA Corporate Agent License No.: CA0062; SEBI Research Analyst Reg. No.: INH000002475; SEBI Investment Adviser Reg. No.: INA000011538; CIN - U67120MH2000PLC152193

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Mutual Funds Investments are subject to market risk. Please read the offer and scheme related documents carefully before investing.

Registration granted by SEBI, membership of BASL (in case of IAs) and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

# #HDFCsecMythBusters



**Scan the code to  
download our mobile app now!**

Global Investing, Basket Investing are not a Exchange traded product and all disputes related to the distribution activity of Global Investing and Basket Investing will not have access to Exchange investor redressal forum or Arbitration mechanism. Involvement of HDFC securities is restricted to Referral only. HDFC securities does not offer this product directly to customers <https://www.hdfcsec.com/globalinvesting>. Account would be opened after all procedure relating to IPV and client due diligence is completed. Investment in securities market are subject to market risks, read all the related documents carefully before investing. SEBI registration & disclaimers: <https://www.hdfcsec.com/article/disclaimer-1795>.  
The information is only for consumption by the client and such material should not be redistributed.