

# The Daily

February 09, 2024





DOMESTIC INDICES			
	CLOSE	POINTS	% CHANGE
SENSEX	71428	-724	-1.00
NIFTY	21718	-213	-0.97
MIDCAP	39895	32	0.08
SMALL CAP	46280	-205	-0.44

SECTORAL INDICES			
	CLOSE	POINTS	% CHANGE
OIL & GAS	28597	251	0.89
TECK	17077	88	0.52
POWER	6559	26	0.39
IT	38681	110	0.29
HEALTHCARE	34814	3	0.01
METAL	28211	-12	-0.04
CD	49442	-225	-0.45
CG	55932	-380	-0.67
REALTY	6921	-51	-0.73
AUTO	45093	-426	-0.94
FINANCIAL SERVICES	10099	-150	-1.46
BANKEK	50976	-937	-1.80

BSE 200 GAINERS/LOSERS			
GAINERS	%	LOSERS	%
GICRE	9.20	PAYTM	-9.99
CUMMINSIND	7.77	UCOBANK	-7.36
TRENT	6.47	IOB	-7.24
ZEEL	6.03	MUTHOOTFIN	-4.44
LICI	5.86	UNOMINDA	-4.24

ADVANCE/DECLINES		
	BSE	%
ADVANCES	1636	41
DECLINES	2204	56
UNCHANGED	105	3

INSTITUTIONAL ACTIVITY			
Rs Cr	08-02-2024	07-02-2024	FEB TOTAL
FII	-4934	-1691	-8022
DII	5512	328	15849

## Indian markets could open softer, on the back of weak global cues.

The S&P 500 reached 5000 for the first time in the last minute of trading Thursday but closed just below the milestone.

If the S&P 500 takes another run at 5,000 and successfully closes above it on Friday, it would mark 719 trading days, or more than two-and-a-half years, since the S&P 500 cleared the 4,000 level on April 1, 2021. Market leadership is remarkably concentrated — a growing concern for investors worried about the sustainability of the present stock-market rally. The top five companies by market capitalization make up more of the S&P 500 than they did at any other 1,000-point milestone.

The major indexes were little changed overall at the end of the trading session, but individual shares made some wild moves. Arm stock surged 48% following its earnings report. Softbank shares also gained, reaching their highest level in more than two years.

The price of bitcoin rose above \$45,000 for the first time since Jan. 12, the day after trading of U.S. spot bitcoin ETFs began.

The 10-year Treasury yield was up to 4.169%, the highest in two weeks.

The Bank of Japan will likely end its risky asset purchases but avoid raising interest rates rapidly when scaling back monetary support, Deputy Governor Shinichi Uchida said in the strongest hint to date that an end to its massive stimulus was nearing.

Trading volumes across Asia will be lighter than usual on Friday as investors unwind for Chinese New Year and other regional holidays.

Nifty fell in late morning trade on Feb 08 pulled down by bank stocks, after the Reserve Bank of India's monetary policy decision and ITC dragged. At close, Nifty was down 0.97% or 212.6 points at 21717.9.

Inflows into equity funds in India surged to a 22-month high in January, driven by investments into multi- and small-cap schemes as the markets scaled record highs. Net investment into equity and equity-linked schemes surged 28% over the previous month to Rs 21,780 crore in January. SIP contribution to the mutual funds industry stood at a record Rs 18,838 crore in January compared with Rs 17,610 crore in December.



GLOBAL INDICES			
	CLOSE	POINTS	% CHANGE
DOW JONES	38726	48.97	0.13
S & P 500	4998	2.85	0.06
NASDAQ	17783	28.09	0.16
FTSE	7595	-33.27	-0.44
CAC	7666	54.37	0.71
DAX	16964	41.87	0.25
NIKKEI	37159	295.22	0.80
SHANGHAI	2866	36.21	1.28
HANG SENG	15878	-203.82	-1.27
BOVESPA	128217	-1733.00	-1.33

EXCHANGE RATES		
	VALUE	% CHANGE
USD/INR	83.0	0.20
EURO/USD	1.078	0.00
USD/GBP	1.262	0.00
USD/JPY	149.3	0.00

COMMODITIES		
	VALUE	% CHANGE
GOLD (\$ / Oz)	2048.9	0.05
SILVER (\$ / Oz)	22.6	0.05
CRUDE OIL FUTURES	76.4	0.24
BRENT OIL (\$ / Barrel)	81.7	-0.04

BOND YIELD		
	VALUE	ABS CHANGE
IND10 YEAR BOND YIELD	7.08	0.08

ADR		
	VALUE	% CHANGE
DR REDDY'S LAB	73.3	-0.15
HDFC BANK	53.6	-3.63
ICICI BANK	23.6	-3.99
TATA MOTORS	25.1	0.00
WIPRO	5.8	-0.93
VEDANTA LTD	16.5	0.00
INFOSYS	20.2	-1.15

Nifty failed to close above the down gap resistance of 21970 made on Jan 17 and closed near the day low.

Nifty could now face resistance at 22053 while 21448 could offer support in the near term.

### Metro Brands leases 3.25-lakh-sq-ft warehouse in Bhiwandi for 5 years

In the largest ever warehousing space picked up by an Indian footwear company, Metro Brands Ltd has leased a built-to-suit 3.25 lakh sq ft warehousing space in Bhiwandi near Mumbai as the company is looking to expand its operations. The company has leased the space directly from RK Builders for a period of five years.

### Cabinet approves telecom spectrum auctions at base price of Rs 96,317.65 crore

The Union Cabinet approved auctions in eight spectrum bands for mobile phone services at a base price of Rs 96,317.65 crore to improve the quality of telecom services and coverage for consumers. The Ministry of Communication has announced auctions for spectrum in 800 MHz, 900 MHz, 1800 MHz, 2100 MHz, 2300 MHz, 2500 MHz, 3300 MHz and 26 GHz frequency bands. The said spectrum will be offered with a validity period of 20 years.

### NTPC aims to add 16k MW coal-based power capacity

State-owned NTPC aims to add around 16,000 MW of coal-based power capacity in the next few years, in line with the Centre's view of adding more thermal capacities by FY32 to meet India's rising demand. The target is in addition to the power firm's capacity of 10,000 MW which is under construction, a senior company official told

### Adani Power wins bid for Lanco Amarkantak at ₹4,101 crore

Adani Power was declared the winning bidder for debt-laden Lanco Amarkantak Power, offering ₹4,101 crore at the auction held Wednesday. The other two applicants in the fray- Reliance Industries and a Power Finance Corporation (PFC)-led consortium- did not participate in the auction.

### Rupa & Company Q3 FY24 result update

Revenue grew 35% YoY at Rs 318.5cr. Volume growth for the quarter was at 45%. EBITDA surged 130% YoY at Rs 33cr. Net profit increased 278% YoY at Rs 20.8cr.

### AstraZeneca Pharma Q3FY24 result update

Revenue grew 22.3% YoY at Rs 305.8cr. EBITDA declined 59% YoY at Rs 15cr. Margin slipped 970bps YoY at 4.9%. Gross margin contracted 1190bps YoY at 51.5%. Net profit declined 46% YoY at Rs 15.8cr.



## **Biocon Q3FY24 result update**

Revenue grew 34.4% YoY at Rs 3954cr. Net R&D investments for the quarter were Rs 329 crore, or 11% of revenue ex-Syngene. Net profit came in at Rs 660cr as against net loss of Rs 42cr.

Other Income increased 615% YoY at Rs 565cr. It included a gain of Rs 456 crore mainly from the fair valuation of Biocon's holding in Bicara Therapeutics, resulting from Bicara's Series C financing.

Biologics business increased 65% YoY at Rs 2483cr. Biocon Biologics prepaid ~US\$ 200 million towards reducing the acquisition-related debt during the quarter.

EPS for the quarter stood at Rs 5.5 and it stood at Rs 7.4 for 9M FY24. At CMP, the stock trades at 25x FY26E EPS.

## **Neuland Laboratories Q3FY24 result update**

Company reported better than expected numbers in the quarter. Revenue grew 45.9% YoY at Rs 392.8cr as against estimate of Rs 372cr. CMS business increased 102% YoY at Rs 192cr.

EBITDA margin expanded 1080bps YoY at 30.9% as against expectation of 28.5%. PAT for the quarter increased 167% YoY at Rs 81.4cr. Other expenses were higher by 9.3% YoY at Rs 63.6cr.

EPS for the quarter stood at Rs 63.4 and it stood at Rs 181.2 for 9M FY24. At CMP, the stock trades at 23x FY26E EPS.

## **Global Health (Medanta) Q3 FY24 result update**

Revenue grew 20% YoY at Rs 832.6cr. EBITDA increased 32.6% YoY at Rs 212.2cr. Net profit increased 53.2% YoY at Rs 123.5cr.

Both matured and developing hospitals reported strong revenue growth of 17% and 33% in Q3 FY24.

In-patients count increased 13% YoY and Out-patient count grew by 20% YoY in Q3 FY24. ARPOB increased 4% YoY to Rs 60,571 primarily driven by increase in realisation at the Gurugram unit.

Company has operational beds at 2725 as on Dec-2023 and Medanta would have 3500-4000 beds by the end of FY25.

EPS for the quarter stood at Rs 4.6 and it stood at Rs 13.1 for 9M FY24. At CMP, the stock trades at 47x FY26E EPS.

## **HCG Q3 FY24 result update**

Revenue grew 10.7% YoY at Rs 470cr. EBITDA grew 4.4% YoY at Rs 78.7cr. Adjusted EBITDA increased 7% YoY at Rs 82.6cr. Net profit declined 24% YoY at Rs 5.7cr. Other Income increased 65% at Rs 6.1cr.

Mature Centers revenue grew 8.4% YoY at Rs 332cr. Emerging Centers revenue increased 19.3% YoY at Rs 121cr.

Overall ARPOB stood at Rs. 42,788 vs. Rs. 37,014 in Q3 FY23. Avg. Occupancy stood at 59.8% vs. 65.7% in Q3 FY23.

At CMP, the stock trades at 16x FY25E EV/EBITDA.

## **IRCON International Q3 FY24 result update**

Revenue grew 22.9% YoY at Rs 2884cr. EBITDA increased 29% YoY at Rs 213.3cr. Operating margin improved 40bps YoY at 7.4%. Net profit increased 28.7% YoY at Rs 244.6cr. Other Income was up 69.4% YoY at Rs 127.7cr.

Company has order book of Rs 29,436 crore as on Dec-2023. This includes orders from Railways at Rs 21,282cr, Highways at 6102cr and Others at Rs 2052cr.

Board recommended Rs 1.8 per share interim dividend for the year.

EPS for the quarter stood at Rs 2.6 and it stood at Rs 7.26 for 9M FY24. At CMP, the stock trades at 16.5x FY26E EPS.

## **Concord Biotech Q3FY24 result update**

Revenue remained flat YoY at Rs 240.8cr. EBITDA declined 5.3% YoY at Rs 105.8cr. Net profit grew 0.3% YoY at Rs 77.6cr.

EPS for the quarter stood at Rs 7.4 and it stood at Rs 20.4 for 9M FY24. At CMP, the stock trades at 34x FY26E EPS.

## **ITD Cementation Q3FY24 result update**

Revenue increased significantly to 2017 cr with a 52% increase YoY, EBITDA increased to 220 cr (+87% YoY), PAT increased to 79 cr with a 113% YoY growth. Consolidated orderbook stood at 20825 cr as of Dec 31, 2023.

## **NCC Q3FY24 result update**

Consolidated revenue stood at Rs 5260 cr vs Rs 3910 cr (+35% YoY), EBITDA stood at Rs 505 cr vs Rs 376 cr (+34% YoY), PAT rose to 231 cr as against 168 cr in the same quarter last year(+40% YoY)



## Important news/developments to influence markets

### **China's consumer prices suffer biggest fall since 2009 as deflation risks stalk economy,**

China's consumer prices fell at their steepest pace in more than 14 years in January while producer prices also dropped. The consumer price index (CPI) fell 0.8% in January from a year earlier, after a 0.3% drop in December.

### **US weekly jobless claims stay low despite high-profile layoff announcements**

The number of Americans filing new claims for unemployment benefits fell slightly more than expected last week. Initial claims for state unemployment benefits dropped 9,000 to a seasonally adjusted 218,000 for the week ended Feb 03, 2024.





Index	Short term trend	Target	Reversal	CMP	S1-S2	R1-R2
Nifty Fut	UP	22087	21765	21829.5	21765-21725	22015-22087
Bank Nifty Fut	UP	46296	44851	45278.8	45053-44851	45740-46296

## Daily Technical View on Nifty



### Market: Observation

Markets corrected on Thursday on the back of the Monetary Policy announcements. Nifty finally lost 212.55 points or 0.97% to close at 21,717.95. Broad market indices like the BSE Small Cap index lost less, thereby outperforming the Sensex/Nifty. Market breadth was negative on the BSE/NSE.

### Nifty: Still holding above recent swing low of 21658

Zooming into 15 min chart, we observe that Nifty opened with an upgap, but failed to sustain at the highs after the monetary policy announcement and corrected sharply to close near the lows of the day.

While the Nifty has broken its near term intra day supports, it is still holding above the crucial swing low of 21658. This gives hope for the bulls in the very near term.

A close below 21658 could however trigger a further correction towards next supports of 21448-21407.



### Nifty: Near crucial supports

On the daily chart, the Nifty has recently bounced back from close to its 50 day SMA and made higher tops and higher bottoms over the last ten sessions.

The selling seen on Thursday is on the verge of disturbing the current uptrend as the Nifty has closed just above the 20 day SMA at 21693. We will nevertheless stick to our current trend, which is UP.

A close below 21693 could however trigger a further correction that could take the Nifty towards the next major supports of 21448-21407.



## OPEN SHORT TERM TRADING CALLS

NO.	RECO DT.	RECO	COMPANY NAME	ENTRY	CMP	SL	TARGET	UPSIDE %	VALID TILL
1	8-FEB-24	SELL	BANK NIFTY FEB FUT	45388.90-45590	45,278.8	45,700.0	44,900.0	0.8	13-FEB-24
2	1-FEB-24	BUY	STAR HEALTH	583-565	561.7	553.0	617.0	9.9	15-FEB-24
3	6-FEB-24	BUY	ASTER DM	441.20-433	440.9	427.0	475.0	7.7	20-FEB-24

## OPEN E-MARGIN POSITIONAL CALLS

NO.	RECO DT.	RECO	COMPANY NAME	ENTRY	CMP	SL	TARGET 1	TARGET 2	UPSIDE %	VALID TILL
1	6-DEC-23	BUY	ROSSARI BIOTECH	753-791.05	762.1	722.0	890.0	925.0	21	6-MAR-24
2	19-JAN-24	BUY	PIRAMAL PHARMA	133.50-139.95	138.7	129.0	152.0	161.0	16	19-APR-24
3	29-JAN-24	BUY	NCC	187-203.05	219.2	182.0	229.0	260.0	19	29-APR-24
4	31-JAN-24	BUY	VARDHAMAN TEXTILE*	400-416.85	445.1	416.8	446.0	479.0	8	30-APR-24
5	2-FEB-24	BUY	CDSL*	1744-1834.10	2000.3	1834.1	1995.0	2165.0	8	2-MAY-24
6	6-FEB-24	BUY	HEG	1810-1904.20	1945.0	1755.0	2070.0	2250.0	16	6-MAY-24
7	7-FEB-24	BUY	M&M FINANCIAL SERVICES	282-294.70	291.9	276.0	319.0	340.0	16	7-APR-24
8	7-FEB-24	BUY	IPCA LAB	1160-1204.60	1215.8	1100.0	1309.0	1413.0	16	7-APR-24
9	8-FEB-24	BUY	TATA COMM	1734.55-1650	1759.9	1598.0	1890.0	2060.0	17	8-APR-24

\*= 1st Target Achieved



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