

The Weekly

August 19, 2024





DOMESTIC INDICES			
	09-08-2024	16-08-2024	% CHG
SENSEX	79706	80437	0.9
NIFTY	24368	24541	0.7
MIDCAP	57174	57656	0.8
SMALL CAP	18410	18437	0.1

NIFTY EARNINGS			
NIFTY	FY 23	FY 24E	FY 25E
EPS	807	1000	1130
P/E	23	28	32

SECTORAL INDICES			
	09-08-2024	16-08-2024	% CHG
IT	39043	40878	4.5
CD	38295	39672	3.5
REALTY	1022	1049	2.5
AUTO	25347	25597	1.0
OIL & GAS	12973	13000	0.2
FMCG	62157	62213	0.1
BANK	50485	50517	0.1
HEALTHCARE	13940	13880	-0.4
PHARMA	22210	22107	-0.5
METAL	9038	8994	-0.5
ENERGY	43216	42763	-1.1
MEDIA	2102	2060	-2.0
PSU BANK	6994	6844	-2.2

GLOBAL INDICES			
	09-08-2024	16-08-2024	% CHG
NASDAQ	16745	19509	14.2
NIKKEI	35025	38128	8.1
S&P 500	5344	5554	3.8
DAX	17723	18322	3.3
DOW JONES	39498	40660	2.9
CAC	7270	7450	2.4
HANG SENG	17055	17430	2.2
FTSE	8168	8311	1.7
SHANGHAI	2859	2879	0.7

INSTITUTIONAL ACTIVITY			
Rs Cr	14-08-2024	16-08-2024	AUG TOTAL
FII	-2595	767	-31347
DII	2236	2606	51432

Indian markets could open mildly higher, in line with mostly higher Asian markets today and positive US markets on Aug 16

U.S. stocks closed higher Friday to book their best weekly advance since November. Strong retail-sales data Thursday helped offset concerns about potential weakness in the U.S. economy. The rally had stocks back up near record territory and investors eager to hear more from Federal Reserve Chair Jerome Powell at next week's economic summit in Jackson Hole, Wyo.

These gains helped secure the best week of the year for all of the major indexes and the best week for stocks since November. The S&P 500 and the Nasdaq notched their seventh straight session of gains, as stocks recouped losses from a tailspin two weeks ago

The University of Michigan's gauge of consumer sentiment rose to 67.8 in a preliminary August reading, up from 66.4 in the prior month. It is the first gain after four months of declines. Economists polled by the Wall Street Journal had expected an August reading of 66.6.

Data from the CME Group now shows investors placing 66% odds on the Fed cutting rates by 0.25% next month; odds of a 0.50% rate cut now stand at 33%.

The Union government in India has slashed windfall tax on domestically produced crude oil to Rs 2,100 per tonne from previous Rs 4,600 per tonne.

Global central bank officials will speak at the symposium in Jackson Hole, Wyoming, next week, with Fed Chair Jerome Powell's keynote speech on Friday potentially setting expectations for a U.S. rate cut trajectory.

Asian stocks broadly rose on Monday ahead of key central bank decisions in the region this week and the annual meeting at Jackson Hole.

Nifty recorded its highest closing since August 2 on August 16. At close, Nifty was up 1.65% or 397.4 points at 24541.2. Nifty formed a long bull candle on Aug 16 and gave an upside breakout. It rose with an upgap and entered the downgap area formed on Aug 05. It could now head towards 24686 and later 24956 levels over the near term, while 24144-24347 band could offer support. Revival in Nikkei aided by depreciation in the yen over the last few days has led to recovery in the global equity markets. While F&O volumes seem to be on a revival path, cash volumes have yet to pick up in a big way. This is essential for durable recovery in indices.



BPCL plans Rs 1.7 lakh crore spend to expand core business, new energy foray

Bharat Petroleum Corporation plans to invest Rs 1.7 lakh crore over the next five years to grow its core oil refining and fuel marketing business as well as in 'future big bets' of petrochemicals and green energy. BPCL currently owns about 14 percent of India's oil refining capacity and about a quarter of the fuel retailing network. It plans to grow these businesses while foraying into newer areas.

Macrotech net debt rises 43.5% to Rs 4.3K cr in Q1 on higher capex for land

Macrotech Developers Ltd's net debt rose 43.5 per cent to Rs 4,320 crore during the first quarter of this fiscal year due to higher investment in land acquisition and construction. According to its latest investors presentation, the company's net debt stood at Rs 4,320 crore as of June 30, 2024, against Rs 3,010 crore at the end of the March quarter of 2023-24. The net debt stood at Rs 4,320 crore, 0.24 times equity, well below the ceiling of 0.5 times equity, the presentation said.

GMR Airports July Update: Passenger traffic rises 7.7% to 1.06 crore, global traffic up 9.3% YoY

GMR Airports Infrastructure Ltd said on Saturday its total passenger traffic in July rose by 7.7 per cent year-on-year (YoY) to 1.06 crore. Its domestic passenger traffic in July increased by 7.1 per cent year-on-year. GMR Airports also reported a growth of 9.3 per cent in international passenger traffic last month. The company also said aircraft movements rose 6 per cent YoY to 68,755 in July and 2 per cent as compared to June.

Diageo submits financial documents in Delhi police corruption investigation

Spirits group Diageo's Indian unit has submitted financial documents sought by New Delhi anti-corruption police in an investigation related to billing and discount practices involving city agencies, a source familiar with the matter said. Hina Nagarajan, the CEO of Diageo's Indian unit, United Spirits, was summoned to appear before New Delhi police on July 26 in the case that relates to company's supply of liquor to government agencies running alcohol shops and payments received from the city between 2017 and 2020.

Central Bank of India nears deal for FEL's insurance stakes

Future Enterprises, undergoing insolvency proceedings, saw Central Bank of India emerge as the frontrunner to acquire its 25% and 33% stakes in two insurance ventures with Generali. The committee of creditors approved the bank's bid to enhance its insurance sector presence while Future Enterprises sought to settle its debt issues.

Tourism Finance Corporation looks to set up alternative investment fund

Tourism Finance Corporation of India (TFCI) will set up an alternative investment fund as it plans to enter retail lending, said its managing director Anoop Bali. The firm is also exploring ways to raise funds through long-term bonds and debentures, he told ET, adding that TFCI will aggressively expand its wholesale and retail loan book as it is well capitalised at above 58%.

Maruti to raise deferred tax liability provision by Rs 850 cr in Q2 on indexation removal

Maruti Suzuki India stated it will raise its deferred tax liability provision by Rs 850 crore, following the withdrawal of the indexation benefit on debt mutual funds in the Finance (No.2) Act 2024. The one-time adjustment will impact profit after tax in the second quarter of the ongoing fiscal year.

Escorts Kubota eyes land in UP for Rs 4500 cr manufacturing facility

Escorts Kubota has announced plans to build a Greenfield manufacturing facility in Uttar Pradesh, seeking land acquisition approval from the state government. With an investment of Rs 4,500 crore, the company aims to generate annual revenue of Rs 10,000 crore and create 14,000 jobs upon completion. The plan is subject to necessary clearances.



Key Events

US consumer sentiment rises in August; inflation expectations steady

U.S. consumer sentiment rose in August, driven by developments in the race for the White House, while inflation expectations remained unchanged over the next year and beyond, a survey showed on Friday. The University of Michigan's preliminary reading on the overall index of consumer sentiment came in at 67.8 this month, compared to a final reading of 66.4 in July. Economists polled by Reuters had forecast a preliminary reading of 66.9.

Brazil's economy shows strength in Q2 as June activity overshoots forecasts

The Brazilian economy closed the second quarter showing resilience after much stronger-than-expected activity data in June, central bank figures showed on Friday, reinforcing forecasts of a solid year for Latin America's No.1 economy.

The IBC-Br index, a key predictor of gross domestic product, increased by a seasonally adjusted 1.4% in June from the previous month, beating the 0.5% growth expected by economists in a Reuters poll. The monthly performance led to a 1.1% expansion in the second quarter compared with the previous three months.



Index	CMP	View	R1	R2	S1	S2
Nifty Aug Future	24585	Positive	24710	24850	24450	24320
Bank Nifty Aug Future	50624	Positive	51080	51515	50230	49840

Daily Technical View on Nifty

Placed at the edge of upside breakout..

Observation: After showing sharp weakness on and small range movement in the previous couple of sessions, Nifty witnessed a decisive upside breakout on Friday and closed the day with hefty gains of 397 points. The opening upside gap has been filled partially and Nifty closed near the highs.

A long bull candle was formed on the daily chart with lower shadow. Technically, this pattern indicates an attempt of an upside breakout of the consolidation movement around 24400 levels.

Nifty has now moved towards hurdle area of previous huge opening downside gap of 5th Aug and the said down gap is expected to be filled soon around 24700 levels.

After the formation of bullish hammer type candle pattern in the last week, Nifty formed a reasonable bull candle this week with long lower shadow. This pattern is indicating a new higher bottom formation and one may expect more upside in the near term.

Conclusion: The market has bounced back sharply after witnessing high volatility. One may expect further upsides for the Nifty towards 24700 and next 25000 in the next couple of weeks.

Any intra-week decline down to 24200 could be a buy on dips opportunity for the near term. One can place that as a stoploss for the long positions.





OPEN SHORT TERM TRADING CALLS

NO.	RECO DT.	RECO	COMPANY NAME	ENTRY	CMP	SL	TARGET	UPSIDE %	VALID TILL
1	16-AUG-24	BUY	BANK NIFTY 21ST AUG 50500 CALL OPTION	324.95	338.0	227.0	580	71.6	21-AUG-24
2	6-AUG-24	SELL	BHARTI AIRTEL AUG FUT	1442.90-1486	1,491.0	1,500.0	1370	8.1	20-AUG-24
3	16-AUG-24	BUY	ASTRA MICRO	858-832	877.4	815.0	910	3.7	30-AUG-24
4	16-AUG-24	BUY	IEX	192.50-190	194.8	187.0	202	3.7	30-AUG-24
5	16-AUG-24	BUY	BAJAJ FINANCE	6500-6583.80	6,590.9	6,420.0	6913	4.9	30-AUG-24

OPEN E-MARGIN POSITIONAL CALLS

NO.	RECO DT.	RECO	COMPANY NAME	ENTRY	CMP	SL	TARGET 1	TARGET 2	UPSIDE %	VALID TILL
1	26-JUL-24	BUY	RELIGARE	257-240	237.6	232.0	283.0	300.0	26	26-OCT-24
2	29-JUL-24	BUY	APOLLO HOSPITAL	6500-6631.95	6686.9	6300.0	7096.0	7300.0	9	29-SEP-24
3	30-JUL-24	BUY	BOROSIL RENEWABLES	528.75-502	510.4	486.0	580.0	625.0	22	30-OCT-24
4	6-AUG-24	BUY	GREENPANEL	358.60-343	353.1	330.0	390.0	439.0	24	6-NOV-24
5	9-AUG-24	BUY	SHYAM METALIC	734.10-697	711.1	676.0	799.0	875.0	23	9-NOV-24
6	9-AUG-24	BUY	TORRENT POWER	1787.90-1700	1688.1	1669.0	1920.0	2057.0	22	9-OCT-24
7	13-AUG-24	BUY	GPPL	240.85-230	229.5	223.0	265.0	300.0	31	13-NOV-24
8	13-AUG-24	BUY	VIJAYA DIAGONSTIC	854.95-805	819.8	785.0	932.0	984.0	20	13-NOV-24

*= 1st Target Achieved



OPEN FUNDAMENTAL CALLS

Time Horizon= 2 - 3 Quarters

NO.	COMPANY NAME	RECO DATE	CMP	BUYING RANGE	TARGET 1	TARGET 2	UPSIDE %
1	MANYAVAR*	23-OCT-23	1121.5	1300-1325	1445	1555	38.65
2	JYOTIRES	16-NOV-23	1376	1621-1650	1806	1936	40.70
3	CRAFTSMAN*	22-NOV-23	5430.65	5060-5160	5580	5965	9.84
4	IOLCP*	28-NOV-23	390.85	452-458	496.5	543.5	39.06
5	CSBBANK*	4-DEC-23	318.85	380-388	417	456	43.01
6	DATAMATICS	22-DEC-23	569.6	701-715	782	829	45.54
7	ANDHRAPAP*	26-DEC-23	522.5	590-597	649	721	37.99
8	JTLIND	11-JAN-24	213.19	252-261	278.75	300.5	40.95
9	MUNJALAU*	15-JAN-24	99.21	104-106	116	125	26.00
10	JAYBARMARU	23-JAN-24	107.52	134-137	150	161	49.74
11	SHREDIGCEM	23-JAN-24	97.23	116-120	129	144.5	48.62
12	SATIN	29-JAN-24	204.05	251-257	279	303	48.49
13	NH	5-FEB-24	1183.4	1342-1358	1467	1557	31.57
14	CYIENTDLM*	12-FEB-24	784.85	768-784	845	905	15.31
15	BIRLACORPN	27-FEB-24	1287.1	1725-1760	1891	1996	55.08
16	CRISIL	4-MAR-24	4507.05	4900-5000	5414	5821	29.15
17	CYIENT	3-APR-24	1785.25	1989-2029	2191	2340	31.07
18	ECLERX	4-APR-24	2487.35	2426-2476	2685	2830	13.78
19	SHK	22-APR-24	212.68	202-206	223.5	241.5	13.55
20	MAHLIFE	22-APR-24	588.2	615-625	684	725	23.26
21	UBL	29-APR-24	1971.75	2030-2050	2245	2401	21.77
22	ALLSEC*	21-MAY-24	1021.5	1043-1065	1162	1261	23.45
23	MAHINDCIE*	24-MAY-24	531.3	536-548	588	629	18.39
24	MMFL*	27-MAY-24	596.65	1120-1145	1240	1344	125.26
25	JKIL*	18-JUN-24	858.4	813-829	902	976	13.70
26	UTIAMC*	18-JUN-24	1040.85	995-1015	1100	1180	13.37
27	INDNIPPON*	18-JUN-24	757.65	785-800	863	932	23.01
28	GILLETTE*	24-JUN-24	7856.1	7350-7550	8190	8920	13.54
29	LUMAXTECH	26-JUN-24	519.7	550-560	615	648	24.69
30	CAPLIPOINT	1-JUL-24	1585.5	1465-1490	1684	-	6.21
31	ITDCM*	1-JUL-24	542.7	520-530	579	626	15.35
32	BALMLAWRIE *	5-JUL-24	263	268-274	300	320	21.67
33	BSOFT	8-JUL-24	600.65	705-725	785	845	40.68

*= 1st Target Achieved



OPEN FUNDAMENTAL CALLS

Time Horizon= 2 - 3 Quarters

NO.	COMPANY NAME	RECO DATE	CMP	BUYING RANGE	TARGET 1	TARGET 2	UPSIDE %
34	SALZERELEC*	8-Jul-24	984.35	920-940	1021.5	1080	9.72
35	KPIL*	8-Jul-24	1221.15	1216-1240	1346	1461	19.64
36	ZENSARTECH	15-Jul-24	797.6	760-780	843	905	13.47
37	GODREJAGRO	15-Jul-24	795.95	826-840	909	978	22.87
38	LTFOODS*	15-Jul-24	330.45	275-295	320	343	3.80
39	TALBROAUTO*	22-Jul-24	347.3	346-354	387	417	20.07
40	SUYOG*	29-Jul-24	1468	1368-1396	1526	1657	12.87
41	SHRIRAMFIN	29-Jul-24	2981.5	2905-2955	3225	3440	15.38
42	ERIS	29-Jul-24	1209.65	103-1087	1181	1265	4.58
43	GRANULES	5-Aug-24	662.35	644-653	706	758	14.44
44	INDIAGLYCO*	12-Aug-24	1258.35	1208-1226	1338	1430.5	13.68
45	EMAMILTD	12-Aug-24	824.35	795-805	870	927	12.45
46	ASALCBR	12-Aug-24	778.1	793-809	883.5	950.5	22.16

*= 1st Target Achieved



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