

The Daily

June 14, 2024





DOMESTIC INDICES			
	CLOSE	POINTS	% CHANGE
SENSEX	76811	204	0.27
NIFTY	23399	76	0.33
MIDCAP	45522	358	0.79
SMALL CAP	50679	446	0.89

SECTORAL INDICES			
	CLOSE	POINTS	% CHANGE
REALTY	8738	184	2.15
CG	72088	1449	2.05
CD	58680	1157	2.01
IT	35766	381	1.08
AUTO	57610	499	0.87
HEALTHCARE	37025	255	0.69
OIL & GAS	29465	154	0.53
TECK	16677	74	0.45
FINANCE	10993	31	0.28
POWER	7833	12	0.16
METAL	33424	-9	-0.03
BANKEK	56749	-59	-0.10

BSE 200 GAINERS/LOSERS			
GAINERS	%	LOSERS	%
OFSS	10.54	MARICO	-3.01
PAYTM	6.42	APLAPOLLO	-2.44
CHOLAFIN	5.77	IDEA	-2.25
DIXON	5.20	HINDZINC	-2.18
LODHA	4.82	SUPREMEIND	-1.73

ADVANCE/DECLINES		
	BSE	%
ADVANCES	2345	59
DECLINES	1539	39
UNCHANGED	100	3

INSTITUTIONAL ACTIVITY			
Rs Cr	12-06-2024	13-06-2024	JUNE TOTAL
FII	427	-3033	-8946
DII	234	-554	10025

Indian markets could open flat to mildly higher, in line with mixed Asian markets today and mixed US markets on June 13

U.S. stocks closed mixed on Thursday, though the S&P 500 and Nasdaq Composite both recorded a fourth straight day of record closes. S&P 500 notched a fourth straight record — its 29th this year.

US treasuries climbed, with 10-year yields breaking below 4.3% (to end at 4.24%). A \$22 billion sale of US 30-year bonds saw strong demand.

The US producer price index unexpectedly dropped the most in seven months, adding to evidence that inflationary pressures are moderating. U.S. producer prices index dropped 0.2% last month after advancing by an unrevised 0.5% in April. In the 12 months through May, the PPI increased 2.2% after rising 2.3% in April.

Asian stocks fell, weighed by Japanese and Chinese shares, as markets awaited the outcome of the Bank of Japan's two-day policy meeting. Economists polled by Reuters expect the BOJ will maintain its benchmark interest rate at 0%-0.1%, but Nikkei reported the central bank is considering reducing its holdings of Japanese government bonds.

Nifty extended its rally for the third consecutive session to close at its highest levels on June 13. At close, Nifty was up 0.33% or 75.9 points at 23398.9. Nifty made another new high at opening on June 13, gave up some of these gains and remained range bound through the day. The fact that the Nifty keeps making new highs every day is assuring, but it is not able to hold on to the entire gains. Nifty could stay in the 23297-23481 band in the near term.

Adani Group's Ambuja Cements to buy Penna Cement for Rs 10,422 crore

Adani Group's Ambuja Cement on Thursday announced the acquisition of South-India-based Penna Cement Industries Ltd (PCIL) at an enterprise value of Rs 10,422 crore. This is the group's third acquisition since it entered the cement business in September 2022.

On Thursday, the company announced the signing of a binding agreement for the acquisition of PCIL at an enterprise value of Rs 10,422 crore. Ambuja will acquire 100 per cent shares of PCIL from its existing promoter group—P Pratap Reddy and family.



GLOBAL INDICES			
	CLOSE	POINTS	% CHANGE
DOW JONES	38647	-65.11	-0.17
S & P 500	5434	12.71	0.23
NASDAQ	19576	110.54	0.57
FTSE	8164	-51.81	-0.63
CAC	7708	-156.68	-1.99
DAX	18264	-366.92	-1.97
NIKKEI	38701	-12.50	-0.03
SHANGHAI	3028	-0.83	-0.03
HANG SENG	18047	-65.63	-0.36
BOVESPA	119777	-159.00	-0.13

EXCHANGE RATES		
	VALUE	% CHANGE
USD/INR	83.5	0.20
EURO/USD	1.074	0.07
USD/GBP	1.276	0.01
USD/JPY	157.2	0.11

COMMODITIES		
	VALUE	% CHANGE
GOLD (\$ / Oz)	2321.7	0.16
SILVER (\$ / Oz)	29.1	0.21
CRUDE OIL FUTURES	78.2	-0.51
BRENT OIL (\$ / Barrel)	82.4	-0.40

BOND YIELD		
	VALUE	ABS CHANGE
IND10 YEAR BOND YIELD	6.986	-0.026

ADR		
	VALUE	% CHANGE
DR REDDY'S LAB	72.7	1.37
HDFC BANK	60.3	-0.12
ICICI BANK	26.0	-1.55
TATA MOTORS	25.1	0.00
WIPRO	5.61	0.54
VEDANTA LTD	16.50	0.00
INFOSYS	17.81	-0.28

The acquisition, Ambuja Cement said, will add 14 million tonnes per annum (MTPA) to its capacity, taking Adani Cement's (ACC-Ambuja Consolidated) total capacity to 89 MTPA. The acquisition is expected to be closed in three to four months.

Dixon Technologies to invest Rs 1,500-1,800 cr in India over next three years

Dixon Technologies India has lined up Rs 1500-1800 crore investment over the next three years to expand production capacity and component manufacturing. The company will generate the funds from internal accruals based on cash flow.

Wipro launches on-premise GenAI solution with Hewlett Packard Enterprise

Wipro Limited has announced a strategic collaboration with Hewlett Packard Enterprise (HPE) to unveil GenAI solution. The announcement will help in leveraging artificial intelligence (AI) to enhance operational efficiency and elevate customer experience globally.

Vodafone Idea board approves Rs 2,458-cr fundraising via share sale to Nokia, Ericsson

Vodafone Idea has approved issuance of about 166 crore shares at Rs 14.80 per share to raise funds up to Rs 2,458 crore on a preferential basis. In a regulatory filing, Vodafone Idea will allot 102.7 crore shares aggregating to Rs 1,520 crore to Nokia Solutions and Networks India Private Limited, and remaining 63.37 crore shares aggregating to Rs 938 crore to Ericsson India Private Limited.

Reliance's Jio Platforms clears hurdle in bid to launch satellite internet in India

A joint venture between Reliance Industries' Jio Platforms and Luxembourg-based SES to provide gigabit fibre internet has won approval from the Indian space regulator to operate satellites there.

Cupid Ltd. secured initial order from Cipla Health for Male Condoms

Cupid Limited announced that it has received an initial order from Cipla Health to manufacture a range of male condoms under the Cipla brand. Following this initial rollout, Cipla Health has committed to placing regular, sizeable orders for male condoms with Cupid Limited in the coming quarters.



Suven Pharma to acquire majority stake in Sapala Organics for Rs 229.5 crore

Suven Pharmaceuticals has agreed to initially acquire 67.5% by way of secondary transfer from Target's existing shareholders. This represents 51% of the share capital of the Target on a fully diluted basis. After financial year 2026-27, the company will acquire the balance shareholding through secondary purchase, such that, post consummation, Suven will own 100% of the share capital of the Target on a fully diluted basis. Dr. P Yella Reddy (existing promoter) continues as CEO and will be associated with the Suven + Cohance platform as a strategic advisor for the Japan market. Upfront cash outflow will be of Rs 229.5 crore, which shall be adjusted for customary closing adjustments on net cash and Working Capital.

Sapala is a Hyderabad based CDMO focused on Oligo drugs and nucleic acid building blocks including specialized/modified Amidites & Nucleosides, drug delivery compounds (including GalNAc), Pseudouridine, amongst others. Oligo & nucleic acid building blocks market is a ~US\$ 750mn market and is expected to grow at a robust ~20% CAGR. Sapala is one of the very few players globally with experience in a comprehensive range of specialized building blocks. It has a strong customer base including innovator Pharma, CDMOs & diagnostic companies, and is a key partner in their Oligo drug NCE programs.

Company had reported revenue of Rs 106 crore/Rs 85 crore in FY22/FY23. Sapala had a revenue of over Rs 67 crore and adjusted EBITDA margin of 45% for FY24. Overall, 100% acquisition is expected to be in the range of 13-15x EBITDA multiple and is linked to the next three years' financial performance.

Nalco signed mining lease deed with Odisha govt. for Bauxite mines

National Aluminium Company (Nalco) has executed a Mining Lease deed with the State Government of Odisha over an area of 697.979 hectares for Bauxite Mines in Pottangi Tehsil, Koraput District. The mines have an annual production capacity of 3.5 million tonnes and has reserves estimated at 111 million tonnes, projecting a mine life of 32 years. Upon obtaining the remaining requisite statutory clearances, the mine is expected to become operational soon. The mined Bauxite would be transported to Refinery at Damanjodi through an Overland Conveyor of 18.5 kms. This strategic move ensures a secure supply of raw material for existing Refinery and supports future expansions. With this enhanced resource base, the company is poised to strengthen its position in the Aluminum Industry, optimize production efficiency and meet the growing demand for Aluminum domestically and internationally.

Havells India to increase AC manufacturing facility at Ghiloth and Sricity

Havells India Limited is planning to expand its existing manufacturing capacities of Air Conditioners at Ghiloth and Sricity locations to 15 lakh units per annum at each location, from the existing 9 lakh and 11.2 lakh units, respectively, in order to cater to the increased demand. The Total proposed investment for the above capacity enhancements will be in the range of Rs 50-60 crore. The same will be funded through internal accruals and the expected date of completion is Q4 FY25.

Advait Infratech received orders worth Rs 44.2 crore

Company has received an order for uprating of existing 66kv lines on tower by high ampacity conductor/ HTLS conductor 45.872 RKM worth Rs 27.87 crore from Gujarat Energy Transmission Corporation Limited (GETCO). It is to be executed in the next six months.

Company has received an order for uprating of existing 66kv lines on tower by high ampacity conductor/ HTLS conductor 27.516 RKM worth Rs 16.27 crore from Gujarat Energy Transmission Corporation Limited. It is to be executed in the next six months.



BITES & DMRC signed an MoU for exploring Consultancy and O&M of Metro Rail Systems

BITES Ltd. signed a Memorandum of Understanding (MoU) with Delhi Metro Rail Corporation Ltd. (DMRC) for collaboration in comprehensive operations and management projects of Metro Railway Systems, including Rolling Stock, Depot Management, Station Management, maintenance of Railway Infrastructure, etc. in India and abroad.

Aurionpro Payments Receives RBI's Final Authorisation for Online Payment Aggregator Licence

Aurionpro Payment Solutions Private Limited (Aurionpro Payments), a subsidiary of Aurionpro Solutions announced that it has received final authorization from the Reserve Bank of India to operate as an Online Payment Aggregator under the Payments Settlements Act, 2007, through its payments brand AuroPay. This is another milestone for the company, which has provided technology solutions in Retail & wholesale banking, transit, and smart city for more than 25 years. Receiving the final approval from RBI to operate as a full-fledged Online Payment Aggregator is a significant milestone in achieving long-term goals as a payment service provider.

Rajasthan govt finds some MDH, Everest spices 'unsafe' for consumption

India's Rajasthan state has told the federal government it found some spices of popular brands MDH and Everest "unsafe" for consumption after tests, a letter shows, as local and global scrutiny of the brands for alleged contamination intensifies.

Hong Kong in April suspended sales of three spice blends produced by MDH and one by Everest, saying they contained high levels of a cancer-causing pesticide ethylene oxide, triggering scrutiny by regulators in India and other markets.

RCap resolution: NCLT to hear IIHL plea for deadline extension on June 20

National Company Law Tribunal (NCLT) will hear the plea of Hinduja Group firm IIHL for extension of deadline for completing Reliance Capital's resolution on June 20. IndusInd International Holdings Ltd (IIHL) is the successful bidder for the resolution of debt-ridden Reliance Capital, the financial services arm of Anil Ambani Group.

The National Company Law Tribunal Mumbai bench on February 27, 2024 approved the Rs 9,650-crore resolution plan for Reliance Capital and fixed May 27, 2024 as deadline for completion.

JSW Group to invest \$70 billion in 6 years; plans to expand capacity

The JSW Group, which had in 2023 announced an investment of \$65 billion by 2030, has revised its investment target to \$70 billion while retaining the same timeline. The new investment figure includes \$5 billion investment in electric vehicle projects in Odisha announced in February this year.

The Odisha investment consists of a 50 GWH EV battery plant, EVs, lithium refinery, copper smelter and related component manufacturing units. Besides, the group will also expand its capacity in its steel, cement and electricity generation verticals.



Important news/developments to influence markets

US weekly jobless claims at 10-month high as labor market eases; inflation cooling

The number of Americans filing new claims for unemployment benefits increased to a 10-month high last week, suggesting the labor market was losing momentum and keeping hopes of a September interest rate cut from the Federal Reserve alive.

Initial claims for state unemployment benefits jumped 13,000 to a seasonally adjusted 242,000 for the week ended June 8, the highest level since last August, the Labor Department said.

US producer prices unexpectedly fall in May

U.S. producer prices unexpectedly fell in May amid lower energy costs, another indication that inflation was subsiding after surging in the first quarter. The producer price index for final demand dropped 0.2% last month after advancing by an unrevised 0.5% in April, the Labor Department's Bureau of Labor Statistics said on Thursday.

German wholesale prices fall 0.7% in May

German wholesale prices fell by 0.7% in May compared with the same month last year, according to data released by the federal statistics office on Thursday.



Index	CMP	View	R1	R2	S1	S2
Nifty Jun Fut	23399	Bullish	23463	23528	23353	23306
BankNifty Jun Fut	49912	Bullish	50095	50278	49790	49667

Daily Technical View on Nifty



- Nifty extended its rally for the third consecutive session to close at its highest levels on June 13.
- Nifty made another new high at opening on June 13, gave up some of these gains and remained rangebound through the day.
- The fact that the Nifty keeps making new highs every day is assuring, but it is not able to hold on to the entire gains.
- Nifty could stay in the 23297-23481 band in the near term.
- Nifty is finding strong resistance near 23500
- Decisive breakout above 23500 could push Nifty towards 23700
- Support for Nifty is seen at 23200 in spot
- Pharma, IT, MNC and realty looks the strongest amongst the sectoral indices



OPEN SHORT TERM TRADING CALLS

NO.	RECO DT.	RECO	COMPANY NAME	ENTRY	CMP	SL	TARGET	UPSIDE %	VALID TILL
1	7-JUN-24	BUY	IPCA LAB JUN FUT	1164.85-1145	1,194.2	1,130.0	1215	1.7	21-JUN-24
2	12-JUN-24	BUY	ASTRAL JUNE FUT	2246.85-2202	2,238.7	2,168.0	2382	6.4	26-JUN-24
3	11-JUN-24	BUY	GNFC	676.6-665	689.5	655.0	725	5.1	25-JUN-24
4	13-JUN-24	BUY	HAL	5000-5100	5,099.7	4,850.0	5360	5.1	27-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	1148.3	999.0	1190.0	1270.0	11	7-SEP-24
2	10-JUN-24	BUY	CHOLAMANDALAM FINANCE HOLDING	1235-1185	1274.5	1173.0	1346.0	1420.0	11	10-SEP-24
3	10-JUN-24	BUY	REDINGTON	206-212	222.1	199.0	235.0	250.0	13	10-SEP-24
4	11-JUN-24	BUY	IFCI	60.98-56.50	64.2	54.0	68.0	72.0	12	11-SEP-24
5	11-JUN-24	BUY	ZENSAR TECHNOLOGY	691.25-647	715.9	635.0	762.0	795.0	11	11-SEP-24
6	11-JUN-24	BUY	AARTI INDUSTRIES	640-663.30	675.3	615.0	712.0	760.0	13	11-AUG-24
7	13-JUN-24	BUY	KOPRAN	247.30-235	259.8	228.0	270.0	300.0	15	13-SEP-24

*= 1st Target Achieved

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