

The Daily

June 20, 2024





DOMESTIC INDICES			
	CLOSE	POINTS	% CHANGE
SENSEX	77338	36	0.05
NIFTY	23516	-42	-0.18
MIDCAP	45834	-422	-0.91
SMALL CAP	51393	-301	-0.58

SECTORAL INDICES			
	CLOSE	POINTS	% CHANGE
BANEX	58469	1130	1.97
FINANCE	11257	123	1.10
IT	35845	137	0.38
TECK	16618	-45	-0.27
HEALTHCARE	36834	-298	-0.80
METAL	33112	-415	-1.24
AUTO	57562	-756	-1.30
POWER	7809	-148	-1.86
OIL & GAS	29004	-583	-1.97
CG	72207	-1583	-2.15
CD	58786	-1459	-2.42
REALTY	8738	-268	-2.97

BSE 200 GAINERS/LOSERS			
GAINERS	%	LOSERS	%
ZOMATO	5.22	ENDURANCE	-4.36
HDFCBANK	3.06	ZEEL	-4.04
AXISBANK	2.94	HAL	-3.98
COROMANDEL	2.82	ABB	-3.57
DEEPAKNTR	2.73	LINDEINDIA	-3.51

ADVANCE/DECLINES		
	BSE	%
ADVANCES	1634	41
DECLINES	2235	56
UNCHANGED	105	3

INSTITUTIONAL ACTIVITY			
Rs Cr	19-06-2024	18-06-2024	JUNE TOTAL
FII	7908	2569	3707
DII	7108	1556	19345

Indian markets could open flat to mildly higher, in line with mildly positive Asian markets today

European stocks and US equity futures paused Wednesday as traders looked for fresh catalysts to extend the latest tech-driven gains. Financial markets in the U.S. were closed Wednesday on account of Juneteenth Day.

China left benchmark lending rates unchanged at a monthly fixing on Thursday, in line with market expectations. The one-year loan prime rate (LPR) was kept at 3.45%, while the five-year LPR was unchanged at 3.95%. Asian shares were muted following a rally in the previous session as investors sought new triggers after a holiday in the US.

Nifty gave up early gains to end minorly in the negative after a volatile session on June 19. At close, Nifty was down 0.18% or 41.9 points at 23516. Nifty formed a bearish engulfing like pattern after a rise. Traders seem to be tiring out at higher levels; however, the minor reversal sign today may not result in a sharp fall unless we see follow through weakness. Nifty could stay in the 23290-23664 band for the near term.

HCLTech partners with Tecnotree to develop 5G-led GenAI solutions for telcos

HCLTech has collaborated with Tecnotree, a Finnish software company catering to telcos, to co-develop advanced 5G-led generative AI (GenAI) solutions for the global telecom industry. The two entities will help telcos and CSPs (communication service providers) unlock new opportunities, accelerate innovation and drive sustainable growth with personalised next-generation solutions.

Bharti Airtel buys extra 1% in Indus, boosts stake in towerco to Rs 48.95%

Bharti Airtel has acquired another 1% stake in Indus Towers for an undisclosed sum via an all-cash block deal, boosting its stake in the telecom tower company to 48.95% and inching closer to having a majority ownership.

Jio outpaces Airtel in 4G/5G user additions during April

Reliance Jio continued to outpace rivals Bharti Airtel and Vodafone Idea in active wireless subscriber and high-paying 4G/5G users. Reliance Jio added more active subscribers during the period, adding 3.06 users, while Bharti Airtel and Vodafone Idea lost 2.09 million and 0.63 million active subscribers respectively.



GLOBAL INDICES			
	CLOSE	POINTS	% CHANGE
DOW JONES	38835	56.76	0.15
S & P 500	5487	13.80	0.25
NASDAQ	19907	3.87	0.02
FTSE	8205	13.82	0.17
CAC	7570	-58.60	-0.77
DAX	18068	-64.41	-0.36
NIKKEI	38282	-253.50	-0.66
SHANGHAI	3017	-0.78	-0.03
HANG SENG	18430	514.84	2.87
BOVESPA	120336	714.00	0.60

EXCHANGE RATES		
	VALUE	% CHANGE
USD/INR	83.4	0.20
EURO/USD	1.075	0.04
USD/GBP	1.272	0.01
USD/JPY	158.0	-0.05

COMMODITIES		
	VALUE	% CHANGE
GOLD (\$ / Oz)	2348.1	0.23
SILVER (\$ / Oz)	30.0	0.73
CRUDE OIL FUTURES	80.5	-0.17
BRENT OIL (\$ / Barrel)	85.1	-0.22

BOND YIELD		
	VALUE	ABS CHANGE
IND10 YEAR BOND YIELD	6.97	-0.07

ADR		
	VALUE	% CHANGE
DR REDDY'S LAB	70.8	-1.20
HDFC BANK	61.7	1.17
ICICI BANK	27.0	2.43
TATA MOTORS	25.1	0.00
WIPRO	5.8	3.04
VEDANTA LTD	16.5	0.00
INFOSYS	17.9	-0.17

IOC, GPS Renewables form joint venture for sustainable energy solutions

Indian Oil Corporation (IOC) has entered into a joint venture with biofuels company GPS Renewables Pvt Ltd to foster sustainable energy solutions in India. "This association will pave the way for the formation of a 50:50 joint venture company dedicated to advancing biofuel adoption across the country.

Sun Pharmaceutical Industries' Dadra unit received warning letter from the US FDA

Sun Pharmaceutical Industries Ltd. received Warning Letter from US FDA for its Dadra facility. The Warning Letter summarizes violations with respect to Current Good Manufacturing Practice (cGMP) regulations. The contents of the Warning Letter shall be made public by the US FDA in due course.

Dadra's specialization lies in the production of oral solid dosage forms and manufacture of the blockbuster drug gRevlimid, a key driver for generics segment.

Company's Dadra facility had received OAI status from the US FDA in Apr-2024.

An Official Action Indicated (OAI) is the most stringent regulatory designation, as defined by the US FDA. It signifies that regulatory and/or administrative measures are likely to be recommended for the facility.

Tanfac Industries signed framework agreement with Japanese Specialty Chemical worth ~US\$ 81mn

Tanfac Industries has signed Framework agreement worth revenue of ~US\$ 81 million (Rs 675 crore) over next 5 years with one of the leading Japanese Specialty Chemical companies to supply a refrigerant gas. The supply for this product will start from H2 FY26. With this agreement, Tanfac strategically entered into the refrigerant gas segment.

Company will undergo a plant expansion at Cuddalore facility to manufacture this product. This expansion, coupled with the signing of the agreement, continue to get visibility over the significant growth in coming years.

PNB Housing Block Deal: Asia Opportunities Fund, General Atlantic likely to sell 4.2% stake

PNB Housing Block Deal - Asia Opportunities Fund and General Atlantic are likely to sell a combined 4.2% stake in PNB Housing Finance Ltd on Thursday (June 20). The floor price for the deal has been set at Rs 773 per share, representing an 8% discount from Wednesday's closing price. The total size of the deal is expected to be around Rs 830 crore, indicating that more than one crore shares will be offloaded by these major investors.



Gland Pharma promoter Fosun divests 6% stake for Rs 1,754 cr via bulk deal

Fosun Pharma, one of the promoters of Gland Pharma, on Wednesday divested a 6 per cent stake for Rs 1,754 crore through an open market transaction. Chinese drug firm Fosun Pharma, through its arm Fosun Pharma Industrial Pte, offloaded the shares of Hyderabad-based Gland Pharma through a bulk deal on the BSE.

Tata Motors-owned JLR drives up plan to invest Rs 1.9 trn till FY28

Tata Motor's British luxury vehicle brand Jaguar Land Rover (JLR) has announced plans to invest £18 billion (Rs 1.9 trillion) until the financial year 2028 (FY28), 20 per cent more than its earlier announced plan of £15 billion. A significant portion of this investment will go into product development.

In April 2023, JLR had outlined an investment plan of £15 billion over the next five years until FY28 as it planned to reposition itself as an electric-first, modern luxury carmaker by 2030.

German auto component supplier ZF Group sells 7.5% stake in its Indian subsidiary

German auto component supplier ZF Group on Wednesday said it has sold a 7.5 per cent stake in its Indian subsidiary ZF Commercial Vehicles Control System (CVCS) India to increase liquidity and financial flexibility for growth. The sale of shares has no effect on ZF's control over ZF CVCS India, the company said in a statement.

Board of Axis Bank gives nod to hike stake in Max Life for Rs 336 cr

The board of Axis Bank on Wednesday gave approval to increase its stake in Max Life Insurance to 19.99 per cent. The equity stake will be acquired for Rs 336 crore.

Max Life Insurance is a subsidiary of Max Financial Services. Post the acquisition, the stake of Axis Bank and its subsidiaries, including Axis Securities and Axis Capital, in the life insurer will increase to 19.99 per cent from the existing 19.02 per cent.

Zurich completes 70% stake buy for Rs 5,560 cr in Kotak General Insurance

Zurich Insurance Company on Wednesday said it has completed acquiring a majority stake in Kotak Mahindra General Insurance from Kotak Mahindra Bank after receiving all regulatory approvals. Zurich has acquired a 70 per cent stake in Kotak General Insurance for Rs 5,560 crore (i.e., USD 670 million), through a combination of fresh growth capital and share purchase.

Mas Financial launches QIP worth Rs 400 crore, upside option of further Rs 100 crore

MAS Financial Services Ltd is launching a qualified institutional placement (QIP) worth Rs 400 crore with an upside option of further Rs 100 crore, sources told CNBC TV-18 on June 19.

The indicative price is at Rs 286.25 per share, which is a discount of 8.5 percent to current market price. MAS Financial closed 3.26 percent higher at Rs 315 apiece on BSE.

Base size of QIP implies 8.5 percent dilution with upsized option if exercised implies 10.65 percent, sources added. The lock-in period of 90 days for promoter.



Important news/developments to influence markets

UK inflation drops to 2% target for first time since 2021

U.K. inflation fell back to the Bank of England's target for the first time in nearly three years, data showed earlier Wednesday, raising hopes that the central bank will start cutting interest rates in the near future.

The U.K consumer price index rose by 2.0% on an annual basis in the 12 months to May 2024, as expected, down from 2.3% in April - the slowest increase since July 2021. On a monthly basis, the CPI rose by 0.3% last month, below the 0.4% forecast, and in line with the previous month's gain.

Japan's weak yen lifts exports, but falling volume highlights soft demand

Japan's weak yen sharply boosted the value of exports in May but the volume of sales shrank for the fourth consecutive month, highlighting that global demand is still relatively soft and complicating the central bank's monetary tightening path.

Shipments rose 13.5% year-on-year in value terms in May, driven by U.S.-bound shipments of cars and China-bound chip-making machinery, data from the Ministry of Finance (MOF) showed on Wednesday. That compared with a 13.0% increase seen by analysts in a Reuters poll and an 8.3% gain in April.



Index	CMP	View	R1	R2	S1	S2
Nifty Jun Fut	23498	Bullish	23634	23770	23397	23296
Bank Nifty Jun Fut	51435	Bullish	52065	52696	50624	49813



Daily Technical View on Nifty

- Nifty gave up early gains to end minorly in the negative after a volatile session on June 19.
- Support is now shifted up at 23300 in Nifty.
- Nifty Smallcap index broke the nine sessions winning streak by falling more than 0.4%
- Resistances for Nifty are seen at 23824 and 24125, which happens to be 123.6% and 138.2% Fibonacci retracement levels of the entire fall which was registered from 23338(Top of 3rd June 2024) to 21281(Bottom of 4th June 2024).
- Nifty formed a bearish engulfing like pattern after a rise. Traders seem to be tiring out at higher levels; however, the minor reversal sign today may not result in a sharp fall unless we see follow through weakness.
- Nifty private sector bank index has closed on a strong wicket and it is expected to outperform in the short term
- At present over 84% of the NSE500 stocks are trading above 200 DMA, which indicates strong market breadth
- Nifty has been forming higher tops and higher bottoms on the hourly chart, which indicates the bullish trend on short term time frame.



OPEN SHORT TERM TRADING CALLS

NO.	RECO DT.	RECO	COMPANY NAME	ENTRY	CMP	SL	TARGET	UPSIDE %	VALID TILL
1	19-JUN-24	BUY	GODREJ CONSUMER PRODUCTS JUNE 1400 PUT OPTION	27.6	29.9	20.0	37	23.7	3-JUL-24
2	18-JUN-24	BUY	BALKRISHNA INDS JUNE FUT	3337.45-3292	3,293.0	3,252.0	3473	5.5	2-JUL-24
3	19-JUN-24	SELL	VOLTAS JUN FUT	1486.55-1532	1,477.8	1,551.0	1395	5.6	3-JUL-24

OPEN E-MARGIN POSITIONAL CALLS

NO.	RECO DT.	RECO	COMPANY NAME	ENTRY	CMP	SL	TARGET 1	TARGET 2	UPSIDE %	VALID TILL
1	10-JUN-24	BUY	REDINGTON	206-212	214.9	199.0	235.0	250.0	16	10-SEP-24
2	11-JUN-24	BUY	IFCI	60.98-56.50	62.6	54.0	68.0	72.0	15	11-SEP-24
3	11-JUN-24	BUY	ZENSAR TECHNOLOGY	691.25-647	711.4	635.0	762.0	795.0	12	11-SEP-24
4	11-JUN-24	BUY	AARTI INDUSTRIES	640-663.30	685.3	615.0	712.0	760.0	11	11-AUG-24
5	13-JUN-24	BUY	KOPRAN	247.30-235	255.0	228.0	270.0	300.0	18	13-SEP-24
6	14-JUN-24	BUY	BEML*	4100-4260.6	4524.1	4260.6	4641.0	5000.0	11	14-SEP-24
7	14-JUN-24	BUY	STAR	947-890	956.8	870.0	1045.0	1090.0	14	14-SEP-24
8	18-JUN-24	BUY	DATA PATTERNS	2985.10-2835	2993.5	2745.0	3265.0	3450.0	15	18-SEP-24
9	18-JUN-24	BUY	PRICOL	482.45-464	503.3	450.0	527.0	555.0	10	18-SEP-24
10	19-JUN-24	BUY	IDFC FIRST BANK	82.65-79.50	82.2	77.5	89.0	97.0	18	19-AUG-24

*= 1st Target Achieved

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