

The Daily

December 20, 2023





| DOMESTIC INDICES | | | |
|------------------|-------|--------|----------|
| | CLOSE | POINTS | % CHANGE |
| SENSEX | 71437 | 122 | 0.17 |
| NIFTY | 21453 | 34 | 0.16 |
| MIDCAP | 36186 | -114 | -0.31 |
| SMALL CAP | 42328 | 42 | 0.10 |

| SECTORAL INDICES | | | |
|------------------|-------|--------|----------|
| | CLOSE | POINTS | % CHANGE |
| OIL & GAS | 22405 | 103 | 0.46 |
| CD | 49053 | 209 | 0.43 |
| METAL | 26040 | 103 | 0.40 |
| POWER | 5800 | 22 | 0.39 |
| HEALTHCARE | 30680 | 86 | 0.28 |
| BANKEX | 54083 | 61 | 0.11 |
| FINANCE | 10445 | -5 | -0.05 |
| CG | 54739 | -161 | -0.29 |
| REALTY | 5966 | -35 | -0.58 |
| AUTO | 40885 | -283 | -0.69 |
| TECK | 15842 | -129 | -0.81 |
| IT | 35974 | -303 | -0.84 |

| BSE 200 GAINERS/LOSERS | | | |
|------------------------|------|-----------|-------|
| GAINERS | % | LOSERS | % |
| IRFC | 6.13 | SAIL | -3.88 |
| OIL | 5.79 | ZEEL | -3.17 |
| COALINDIA | 5.57 | LTTS | -3.05 |
| NESTLEIND | 4.66 | SIEMENS | -2.89 |
| IOB | 4.11 | MAXHEALTH | -2.69 |

| ADVANCE/DECLINES | | |
|------------------|------|----|
| | BSE | % |
| ADVANCES | 1895 | 49 |
| DECLINES | 1866 | 48 |
| UNCHANGED | 143 | 4 |

| INSTITUTIONAL ACTIVITY | | | |
|------------------------|------------|------------|-----------|
| Rs Cr | 18-12-2023 | 19-12-2023 | DEC TOTAL |
| FII | -34 | -602 | 29097 |
| DII | 414 | 294 | 3890 |

Indian markets could open higher, in line with mostly higher Asian markets today and positive US markets on Dec 19.

U.S. stocks closed higher Tuesday, with the Dow Jones Industrial Average notching a fifth straight record close and the S&P 500 closing just shy of its peak, as investors keep cheering the chances of Federal Reserve rate cuts next year and an economy that keeps chugging along.

November housing starts in the US increased 14.8% after a revised 0.2% gain for October. That's the best reading since May.

In Bank of America's latest look at fund-manager sentiment, managers had their rosiest view of the stock market since January 2022 — right around the S&P 500's record close.

Most markets in the Asia-Pacific region rose, tracking overnight gains on Wall Street as traders continued to remain optimistic about the U.S. Federal Reserve cutting interest rates in 2024 and Japan stocks extending gains to another session after the country's central bank left its ultra-loose monetary policy unchanged at its final meeting this year. The People's Bank of China held its one-year loan prime rate — the peg for most household and corporate loans in the country — at 3.45%. The five-year benchmark loan rate — the peg for most mortgages — was unchanged at 4.2%.

Nifty ended with marginal gains on Tuesday after a weak morning session. A strong recovery from the lows helped the index to close in the green. Nifty finally gained 34.45 points or 0.16% to close at 21,453.1. Markets seem to be consolidating in a range for the last two sessions. Further directional cues are likely to emerge on a move beyond the 21337-21595 trading range.

Bharat Petroleum Corporation Ltd approves setting up of new Polypropylene unit

Bharat Petroleum Corporation Limite has approved a proposal for setting up Polypropylene (PP) Unit, for production of 400 Kilo-Tonnes Per Annum Polypropylene at Kochi Refinery, at gross project cost of Rs. 5044 crore. Considering the robust growth due to expanding market demand of the petrochemical segment in India and availability of Propylene feedstock provides BPCL Kochi Refinery (KR) opportunities for production of Polypropylene, which has wide applications in downstream industries such as Packaging Films, Sheet, Boxes, Containers, Bags, Home Ware, Home Care, Personal Care and articles of day-to-day usage.



| GLOBAL INDICES | | | |
|----------------|--------|--------|----------|
| | CLOSE | POINTS | % CHANGE |
| DOW JONES | 37558 | 251.90 | 0.68 |
| S & P 500 | 4768 | 27.81 | 0.59 |
| NASDAQ | 16812 | 82.05 | 0.49 |
| FTSE | 7638 | 23.55 | 0.31 |
| CAC | 7575 | 5.81 | 0.08 |
| DAX | 16744 | 93.86 | 0.56 |
| NIKKEI | 33805 | 585.11 | 1.76 |
| SHANGHAI | 2928 | -4.69 | -0.16 |
| HANG SENG | 16724 | 202.00 | 1.22 |
| BOVESPA | 131851 | 767.00 | 0.59 |

| EXCHANGE RATES | | |
|----------------|-------|----------|
| | VALUE | % CHANGE |
| USD/INR | 83.2 | 0.20 |
| EURO/USD | 1.097 | -0.10 |
| USD/GBP | 1.272 | -0.08 |
| USD/JPY | 143.9 | 0.08 |

| COMMODITIES | | |
|-------------------------|--------|----------|
| | VALUE | % CHANGE |
| GOLD (\$ / Oz) | 2053.1 | 0.05 |
| SILVER (\$ / Oz) | 24.4 | 0.30 |
| CRUDE OIL FUTURES | 74.1 | 0.19 |
| BRENT OIL (\$ / Barrel) | 79.3 | -0.08 |

| BOND YIELD | | |
|-----------------------|-------|------------|
| | VALUE | ABS CHANGE |
| IND10 YEAR BOND YIELD | 7.171 | +0.018 |

| ADR | | |
|----------------|-------|----------|
| | VALUE | % CHANGE |
| DR REDDY'S LAB | 68.1 | 1.38 |
| HDFC BANK | 66.2 | 0.09 |
| ICICI BANK | 24.5 | -0.16 |
| TATA MOTORS | 25.1 | 0.00 |
| WIPRO | 5.27 | -0.85 |
| VEDANTA LTD | 16.50 | 0.00 |
| INFOSYS | 18.78 | -0.11 |

LTIMindtree Collaborates with Microsoft to Deliver AI Powered Employee Engagement Applications

LTIMindtree announced a strategic collaboration with Microsoft to introduce cutting-edge, AI Powered Employee Engagement Applications. This collaboration marks a significant leap forward in delivering enhanced employee and customer experiences. Under the umbrella of LTIMindtree's innovative Canvas.AI suite of AI offerings and solutions, these Generative AI Powered Employee Engagement Applications will redefine enterprise effectiveness and enable greater personalization.

Bids for another 100 critical mineral blocks in February 2024: Mines Minister Pralhad Joshi

The Indian government plans to call bids for an additional 100 critical mineral blocks in February 2024, as part of the second round of auctions, according to Mines Minister Pralhad Joshi. Bids have already been invited for 20 critical mineral-bearing blocks. India recently identified 24 minerals as strategic and critical for the country, including graphite, molybdenum, lithium, and platinum group elements.

Delhi HC orders CBI & DRI to investigate allegations of over-invoicing by companies including Adani, Essar Groups

Delhi High Court on Tuesday directed the CBI and DRI to meticulously and expeditiously look into the allegations of over invoicing of coal imports and equipment by several companies, including Adani Group and Essar Group, and take action in accordance with law.

JB Chemicals & Pharma entered into Ophthalmology segment

JB Chemicals & Pharmaceuticals Ltd (JB Pharma) approved the execution of a Trade-Mark License Agreement with Novartis Innovative Therapies AG, Switzerland which is perpetual in nature, for a portfolio of ophthalmology brands for the India market which will be effective from January 2027 for a consideration of US\$ 116mn payable on or before 31st December 2026.

It would be at US\$ 116 million (~Rs 964 crore) (excluding applicable taxes, stamp duty and working capital) for the Trade Marks License Agreement to Novartis Innovative Therapies AG, Switzerland. Rs 125 crore (excluding applicable taxes, stamp duty and working capital) under the Promotion and Distribution Agreement to Novartis Healthcare Private Limited, India.



As per IQVIA, MAT September, 2023, sales for this ophthalmology portfolio stood at Rs 207.8 crore
Key brands include Azopt, Travatan, Simbrinza, Travacom, Vigamox and Nevanac.

Deepak Nitrate subsidiary to supply propylene and hydrogen to Petronet LNG

A wholly-owned subsidiary of Deepak Nitrite announced that it will supply propylene and hydrogen to Petronet LNG. The wholly-owned subsidiary, Deepak Phenolics Limited, will supply 250 kilotons per annum (KTPA) of propylene and 11 KTPA of hydrogen from its Petronet Petrochemical Project in Dahej, Gujarat, as stated by Deepak Nitrate in an exchange filing. For this, the boards of both companies approved a binding term sheet.

The arrangement spans 15 years from the initial delivery of propylene and hydrogen. A Definitive Agreement will be formalized in due course, solidifying this strategic partnership between DPL and PLL in the realm of chemical off-take.

Varun Beverages to acquire PepsiCo's South Africa bottler Bevco

Varun Beverages Ltd (VBL), one of PepsiCo's largest franchise bottlers worldwide, announced the acquisition of South Africa-based Beverage Company (Bevco) along with its wholly-owned subsidiaries at an enterprise value of Rs 1,320 crore.

The proposed transaction is valued at an enterprise level of ZAR 3 billion (Rs 1,320 crore) and will help it expand its geographical footprint in the African market.

RVNL JV emerges as the lowest bidder

RVNL emerged as the lowest bidder for a project worth Rs 123 crore in a 49:51 Joint venture with KRDL. The project is to upgrade Varkala Sivagiri railway station in Kerala.

Nippon Life India AMC bulk deal update

IndusInd Bank will sell a 2.86% stake in NAM India via a block deal today. The floor size is set at Rs 426 per share, 5% discount to closing price.

JK Tyre and Industries launches QIP issue to raise Rs 500 crore

The company opened its QIP for raising up to Rs 500 crore, and has set the floor price of QIP at Rs 358.96 per share which indicates a discount of 5.2% to the stock's previous close of Rs 378.70.



Important news/developments to influence markets

US Building Permits Fall More than Expected

Building permits in the United States fell by 2.5% to a seasonally adjusted annual rate of 1.460 million in November 2023, below market expectations of 1.470 million, preliminary data showed.

Japan Trade Gap Plunges

Japan's trade deficit decreased sharply to JPY 776.94 billion in November 2023 from JPY 2,057.64 billion in the same month of the prior year, compared with market estimates of a shortfall of JPY 962.4 billion.

Bank of Japan Holds Rates

The Bank of Japan maintained its key short-term interest rate at -0.1% and that of 10-year bond yields at around 0% in a final meeting of the year by unanimous vote, as widely expected.

Euro Area Inflation Rate Confirmed at 2.4%

Annual inflation rate in the Euro Area decreased to 2.4% in November 2023, the lowest since July 2021, from 2.9% in October and in line with the preliminary release.



| Index | CMP | View | R1 | R2 | S1 | S2 |
|--------------------------|--------------|---------|-------|-------|-------|-------|
| Nifty Dec Fut | 21527 | Bullish | 21609 | 21692 | 21430 | 21332 |
| BankNifty Dec Fut | 48009 | Bullish | 48230 | 48450 | 47787 | 47564 |

Daily Technical View on Nifty



- ✓ Nifty recovered 168 points from the day's low of 21337 and hit fresh all time high of 21505.
- ✓ Nifty ended the session off the highs and settled with 34 points gain at 21453.
- ✓ Nifty continue to remain in bullish trend and holding longs with trailing stoploss is the ideal strategy.
- ✓ 5 days EMA is placed near 21300 and same is expected to act as a support going forward.
- ✓ Resistance for the Nifty is seen in the zone of 21500-21600, where call writing has been happening in the derivative side.
- ✓ As per the seasonality, December has been the best month for the Nifty and as in this month till date, index has risen more than 6%.
- ✓ Oscillators have reached the overbought zone on daily and weekly charts for Nifty.
- ✓ However, unless important support breaks on the price charts, trend reversal would not be confirmed.
- ✓ So, it would be advisable to hold on the longs with the trailing stoploss for index and stocks.
- ✓ Positionally on the upside, next target for Nifty is seen at 22231, which happens to be 100% extension level of the entire swing seen from March 2023 bottom (16828) to Sep 2023 top (20222) and from Sep 2023 top (20222) to October 2023 bottom(18837).





OPEN SHORT-TERM TRADING CALLS

| NO. | RECO DT. | RECO | COMPANY NAME | ENTRY | CMP | SL | TARGET | UPSIDE % | VALID TILL |
|-----|-----------|------|-----------------------|----------------|-----------|----------|----------|----------|------------|
| 1 | 19-DEC-23 | BUY | BANK NIFTY DEC FUT | 48188.55-47980 | 48,000.00 | 47,880.0 | 48,600.0 | 1.3 | 22-DEC-23 |
| 2 | 14-DEC-23 | BUY | BAJAJ FINANCE DEC FUT | 7514.20-7395 | 7,659.90 | 7,295.0 | 7,840.0 | 2.4 | 28-DEC-23 |
| 3 | 4-DEC-23 | BUY | GREAVES COTTON | 138.50-133.80 | 140.05 | 131.9 | 146.0 | 4.2 | 28-DEC-23 |
| 4 | 7-DEC-23 | BUY | AVTNPL | 94.30-92 | 94.20 | 90.8 | 101.0 | 7.2 | 21-DEC-23 |
| 5 | 12-DEC-23 | BUY | REDINGTON | 173.90-169 | 175.40 | 165.5 | 184.0 | 4.9 | 26-DEC-23 |
| 6 | 14-DEC-23 | BUY | ADVENZYMES | 369-362 | 374.80 | 357.5 | 395.0 | 5.4 | 28-DEC-23 |
| 7 | 18-DEC-23 | BUY | ZYDUS LIFE | 660-670.70 | 685.85 | 645.0 | 705.5 | 2.9 | 1-JAN-24 |
| 8 | 19-DEC-23 | BUY | NOCIL | 271.10-264 | 273.60 | 258.0 | 293.0 | 7.1 | 2-JAN-24 |

OPEN E-MARGIN POSITIONAL CALLS

| NO. | RECO DT. | RECO | COMPANY NAME | ENTRY | CMP | SL | TARGET 1 | TARGET 2 | UPSIDE % | VALID TILL |
|-----|-----------|------|-------------------|---------------|--------|--------|----------|----------|----------|------------|
| 1 | 13-NOV-23 | BUY | NCC* | 156-162.65 | 166.1 | 162.7 | 174.0 | 184.0 | 11 | 13-FEB-24 |
| 2 | 16-NOV-23 | BUY | DREAMFOLKS | 530-550.90 | 554.9 | 505.0 | 597.0 | 650.0 | 17 | 16-FEB-24 |
| 3 | 17-NOV-23 | BUY | RVNL* | 156-164.35 | 183.9 | 164.4 | 177.0 | 194.0 | 6 | 17-FEB-24 |
| 4 | 21-NOV-23 | BUY | BASF | 2943-3066 | 3059.7 | 2882.0 | 3280.0 | 3525.0 | 15 | 21-FEB-24 |
| 5 | 21-NOV-23 | BUY | EPL LTD | 190-200.50 | 200.9 | 184.0 | 218.0 | 235.0 | 17 | 21-FEB-24 |
| 6 | 22-NOV-23 | BUY | GLAND PHARMA* | 1650-1704.35 | 1859.0 | 1704.0 | 1810.0 | 1890.0 | 2 | 22-JAN-24 |
| 7 | 6-DEC-23 | BUY | SHYAM METALICS* | 496.85-471 | 539.6 | 496.9 | 542.0 | 575.0 | 7 | 6-MAR-24 |
| 8 | 6-DEC-23 | BUY | ITC | 450-459.65 | 456.1 | 433.0 | 491.8 | 520.0 | 14 | 6-FEB-24 |
| 9 | 6-DEC-23 | BUY | ROSSARI BIOTECH | 753-791.05 | 808.0 | 722.0 | 890.0 | 925.0 | 14 | 6-MAR-24 |
| 10 | 11-DEC-23 | BUY | KARURVYSYA BANK * | 150-158 | 168.7 | 158.0 | 172.0 | 185.0 | 10 | 11-MAR-24 |
| 11 | 12-DEC-23 | BUY | BITES | 485-497.60 | 515.9 | 470.0 | 532.0 | 580.0 | 12 | 12-MAR-24 |
| 12 | 12-DEC-23 | BUY | GSFC | 212-225.20 | 230.9 | 206.0 | 247.0 | 270.0 | 17 | 12-FEB-24 |
| 13 | 12-DEC-23 | BUY | EQUITAS BANK* | 94.50-98.50 | 105.6 | 92.6 | 105.5 | 113.5 | 8 | 12-MAR-24 |
| 14 | 13-DEC-23 | BUY | NAZARA TECH* | 808.40-842.35 | 875.2 | 842.4 | 901.5 | 968.0 | 11 | 13-MAR-24 |
| 15 | 13-DEC-23 | BUY | VEDL | 243-253.75 | 262.1 | 235.0 | 275.0 | 295.0 | 13 | 13-FEB-24 |
| 16 | 14-DEC-23 | BUY | STAR CEMENT | 165-174.10 | 176.8 | 160.0 | 188.0 | 210.0 | 19 | 14-MAR-24 |
| 17 | 15-DEC-23 | BUY | GODREJ AGRO | 544.70-520 | 560.2 | 501.0 | 598.0 | 630.0 | 12 | 15-MAR-24 |
| 18 | 18-DEC-23 | BUY | SCI | 151-163.40 | 169.1 | 145.0 | 182.0 | 199.0 | 18 | 18-MAR-24 |

*= 1st Target Achieved



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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: Murlu V Karkera Email: complianceofficer@hdfcsec.com Phone: (022) 3045 3600

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