

The Daily

Oct 11, 2023





DOMESTIC INDICES			
	CLOSE	POINTS	% CHANGE
SENSEX	66079	567	0.87
NIFTY	19690	178	0.91
MIDCAP	32048	361	1.14
SMALL CAP	37679	469	1.26

SECTORAL INDICES			
	CLOSE	POINTS	% CHANGE
REALTY	4842	190	4.08
METAL	22959	581	2.59
FINANCE	9626	117	1.24
BANKEX	49945	611	1.24
AUTO	36331	441	1.23
TECK	14816	168	1.15
IT	32902	317	0.97
POWER	4512	43	0.96
OIL & GAS	18580	130	0.70
CG	47810	251	0.53
CD	46004	138	0.30
HEALTHCARE	28004	25	0.09

BSE 200 GAINERS/LOSERS			
GAINERS	%	LOSERS	%
IRFC	6.29	BAYERCROP	-2.18
DELHIVERY	5.85	MAXHEALTH	-1.84
GODREJPROP	5.77	TRENT	-1.30
COALINDIA	5.39	STARHEALTH	-1.30
NMDC	5.10	JUBLFOOD	-1.24

ADVANCE/DECLINES		
	BSE	%
ADVANCES	2553	67
DECLINES	1103	29
UNCHANGED	133	4

INSTITUTIONAL ACTIVITY			
Rs Cr	09-10-2023	10-10-2023	OCT TOTAL
FII	-998	-1005	-12101
DII	2661	1963	11810

Indian markets could open higher, in line with mostly higher Asian markets today and positive US markets on Oct 10

U.S. stocks closed higher Tuesday, as Treasury yields fell and fresh comments from Federal Reserve officials bolstered hopes that the central bank may be finished raising interest rates. Federal Reserve officials suggested a recent tightening of credit conditions may reduce the need for another interest rate hike by the central bank.

The 10-year US Treasury which was not trading Monday because of a U.S. national holiday, saw its yield dive 12.9 basis points to 4.654% on Tuesday.

The Golden Dragon index of Chinese companies listed in the US climbed the most in more than a month as Bloomberg News reported the Asian nation is considering a new economic stimulus.

Gross direct tax collections for 2023-24 crossed the Rs 11-lakh-crore mark in October with the figure standing at Rs 11.07 lakh crore as on October 9, the Finance Ministry said on October 10. As per the ministry's statement, the gross direct tax collection so far in the current financial year is 18 percent higher compared to the same period last year.

On a net basis, the direct tax collections stand at Rs 9.57 lakh crore, 21.8 percent higher on a year-on-year (YoY) basis with refunds to the tune of Rs 1.5 lakh crore having been issued so far.

Asian stocks edged higher to two week highs after US equities were buoyed by Wall Street scaling back wagers on Federal Reserve rate hikes.

Nifty advanced on Oct 10 after holding on to steady gains through the day aided by positive global cues. At close, Nifty was up 0.91% or 177.5 points at 19689.9. Nifty rose on Oct 10 forming a higher bottom and a possible bullish inverted H&S pattern on daily charts. It could now head towards 19766 and later 19878, while 19589 could provide support in the near term.



GLOBAL INDICES			
	CLOSE	POINTS	% CHANGE
DOW JONES	33739	134.65	0.40
S & P 500	4358	22.58	0.52
NASDAQ	15132	84.36	0.56
FTSE	7628	136.00	1.82
CAC	7162	141.03	2.01
DAX	15424	295.41	1.95
NIKKEI	31914	150.00	0.47
SHANGHAI	3090	14.40	0.47
HANG SENG	17956	253.50	1.43
BOVESPA	116737	1581.00	1.37

EXCHANGE RATES		
	VALUE	% CHANGE
USD/INR	83.2	0.20
EURO/USD	1.061	0.04
USD/GBP	1.230	0.09
USD/JPY	148.6	-0.04

COMMODITIES		
	VALUE	% CHANGE
GOLD (\$ / Oz)	1875.3	0.00
SILVER (\$ / Oz)	22.0	0.28
CRUDE OIL FUTURES	86.0	0.08
BRENT OIL (\$ / Barrel)	87.8	0.06

BOND YIELD		
	VALUE	ABS CHANGE
IND10 YEAR BOND YIELD	7.351	-0.035

ADR		
	VALUE	% CHANGE
DR REDDY'S LAB	66.8	0.17
HDFC BANK	59.0	0.25
ICICI BANK	22.9	0.70
TATA MOTORS	25.1	0.00
WIPRO	4.90	0.41
VEDANTA LTD	16.50	0.00
INFOSYS	17.85	0.56

IMF raises India's FY24 growth forecast to 6.3%

The International Monetary Fund (IMF) has bumped up India's growth forecast for FY24 to 6.3% from 6.1% estimated earlier, hailing the country as one of the "growth engines in the world economy". The upward revision reflects "stronger-than-expected consumption during April-June", IMF said in the World Economic Outlook (WEO). The outlook for FY25 is unchanged at 6.3%.

Petrol consumption rises 8% YoY in September; diesel up 4%

Consumption of petrol rose 8% year-on-year in September while that of diesel increased 4% on increased mobility and economic activity ahead of the festive season. The consumption of jet fuel rose 12% as more people flew, boosting revenues for airlines. Sales of liquefied petroleum gas (LPG), mainly used for cooking in the country, expanded 4.5% in September. Consumption of bitumen, used mainly for road construction, rose 45%.

Direct tax collections cross Rs 11 lakh crore in October, up 18% YoY: Fin Min

Gross direct tax collections for 2023-24 crossed the Rs 11-lakh-crore mark in October with the figure standing at Rs 11.07 lakh crore as on October 9, the Finance Ministry said. As per the ministry's statement, the gross direct tax collection so far in the current financial year is 18 percent higher compared to the same period last year. On a net basis, the direct tax collections stand at Rs 9.57 lakh crore, 21.8 percent higher on a year-on-year (YoY) basis with refunds to the tune of Rs 1.5 lakh crore having been issued so far.

Govt plans to reduce renewable generation obligation for new power plants to 6-10% from 40%

In a major reversal of its previous order, the Union government has now proposed to impose a Renewable Generation Obligation (RGO) of 6-10 percent on new coal and lignite power plants, instead of 40 percent as was notified in March.

Laxmi Organic announces QIP

The company has allocated 9,625,579 Equity Shares at an Issue price of ₹ 269.20 per Equity Share which is at a discount of ₹ 14.07 per Equity Share i.e. 4.97 % to the floor price of ₹ 283.27 per Equity Share aggregating total amount of approx. Rs.259 crores.



Purvankara Ltd. announces Q2 updates.

Achieved highest-ever sales value of INR 1,600 Crore in any quarter and the second quarter of any financial year since inception. Up by 102% compared to INR 791 Crore in Q2FY23. Achieved sales value of INR 2,725 crores in H1FY24. Up by 109% when compared to INR 1,304 Crore in H1FY24. Customer collections from the real estate business increased to INR 879 Crore in Q2FY24 in comparison to the customer collection of INR 518 Crore in Q2FY23 which implies a jump of 70% YoY. Average price realisation increased by 7% to INR 7,947/sft during Q2FY24 from INR 7,419/sft in Q2FY23. Company have launched 1 new project in Bengaluru and 2 new phases in Chennai and Bengaluru each.

L&T Construction Awarded (Significant*) Contracts for its Water & Effluent Treatment (WET)Business

The WET business has secured an Engineering, Procurement and Construction order from the Public Health Engineering Department, Rajasthan to construct a Water Supply Project for 648 villages of the District of Chittorgarh from the Chambal River under the Jal Jeevan Mission (Package-I) The scope of the project includes Intake Structures, 3 Water Treatment Plants of aggregate capacity 175 MLD, Transmission and Distribution pipelines of 1800 Km, 13 Clear water reservoirs of aggregate capacity 21600 KL, 13 Pump House, 31 Over Head Service Reservoirs of aggregate capacity 4850 KL and 22,000 Functional Household Tap Connections along with associated Electromechanical & Instrumentation Works. The project also includes automation and SCADA work including Operation & Maintenance for 10 Years. The business has also secured an order from the Guwahati Water Supply and Sewerage Board, Assam for Construction & Commissioning of balance works of 107 MLD Capacity South Guwahati West Water Supply Project. The scope of work includes 84 Kms of DI pipeline, 3 Kms of MS Pipeline, 4 pre-settling tanks along with associated electrical, mechanical & instrumentation works for existing WTP. The project will cater to the water demands of the western part of South Guwahati city.

CAI lowers India's cotton consumption to 311L bales in crop year 22-23

CAI has said that cotton consumption in India for crop year 2022-23 may decline to 311 lakh bales, down from 318 lakh bales in 2021-22. Cotton exports dropped to 15.50 lakh bales from last year's 43 lakh bales. Cotton imports also decreased to 12.50 lakh bales. However, CAI revised its production estimates upwards to 318.90 lakh bales for 2022-23.

Double-digit volume growth in beverages category in India: PepsiCo

PepsiCo saw double-digit volume growth in the beverages category in India in the third quarter ended 9 September. However, India recorded a mid-single-digit volume decline for its convenient food category.

Setback for IOC as Delhi HC closes options to settle claim of Rs 8,772 crore

Terming the disputes as “non-arbitrable” and “no reference to arbitration tribunal (AT) is warranted”, the Delhi High Court on junked the Indian Oil Corp’s petition for appointment of an arbitral tribunal to settle its Rs 8,772-crore claim against Lakshmi Mittal-led ArcelorMittal Nippon Steel. The claim was initially filed against bankrupt Essar Steel India, which was taken over by ArcelorMittal in December 2019 after it won approval from the Supreme Court.

Campus Activewear collaborates with Sonam Bajwa to launch Chunky Sneaker collection

Campus Activewear has consistently delivered products that merge functionality with fashion, and now, with Sonam Bajwa's influence, the brand aims to set new pathways with the launch of the Chunky sneaker collection. Campus Activewear aims to revolutionise the fashion, style and comfort quotient for women in their daily lives. By welcoming Sonam Bajwa into the fold, Campus aims to heighten the aspirational appeal, catering to a fashion-forward audience.

RBI bans new customers on BoB's mobile application

The Reserve Bank of India (RBI) has banned public sector Bank of Baroda (BoB) from onboarding any new customers onto its ‘bob World’ mobile application with immediate effect. The action is based on certain material supervisory concerns observed in the manner of taking on customers by the bank so far, RBI said. The central bank’s action comes almost three months after a news network exposed how the bank linked bank accounts to unregistered mobile numbers to artificially increase the number of downloads and sign ups.



Infineon Tech onboards LTIMindtree as strategic partner for SAP transformation

LTIMindtree announced on October 10 that it has been taken on board as a strategic partner for SAP services transformation by Infineon Technologies AG. Infineon Technologies AG is a global semiconductor leader in power systems and IoT. The company drives decarbonisation and digitisation with its products and solutions. Under the partnership, LTIMindtree will play a pivotal role in supporting Infineon's SAP transformation endeavours, while enabling operational excellence and process efficiencies.

TCS Q2FY24 result preview

TCS Ltd is likely to report 2% QoQ and 9.5% YoY growth in revenue to Rs 60,565 crore in Rupee terms. In US\$ terms, revenue could grow by 1.5% QoQ and 6.6% YoY to US\$ 7,332 mn in Q2FY24. Net profit could rise by 4.1% QoQ and 10.5% YoY to Rs 11,530 crore in Q2FY24. EBIT margin could inch up by 90 bps QoQ and 10 YoY to 24.1%.

The management commentary on demand environment in US and Europe region, updates on BFSI, and Retail verticals, TCV (Total Contract Value) in the backdrop of the macroeconomic slowdown in the US and Europe, margin outlook, update on any possible delays or cancellation of projects and detail update on up coming Buyback offer would be key monitorables.

Important news/developments to influence markets

US Small Business Optimism at 4-Month Low

The NFIB Small Business Optimism Index in the United States decreased for a second month to 90.8 in September 2023, the lowest in four months, from 91.3 in August and well below market forecasts of 91.4.

US Inflation Expectations Rise to 3.7% in September

US consumer inflation expectations for the year ahead increased to 3.7% in September 2023 from 3.6% in August, the highest in three months

US Wholesale Inventories Continue to Fall in August

US wholesale inventories edged down by 0.1% month-over-month in August 2023, marking the ninth consecutive month of either stagnant or decreasing stock levels and aligning with the preliminary estimate.



Index	CMP	View	R1	R2	S1	S2
Nifty Oct Future	19745	Positive	19850	19940	19675	19590
Bank Nifty Oct Future	44545	Positive	44850	45275	44110	43650

Daily Technical View on Nifty



Sharp upside reversal..

Observation: After showing weakness on Monday, Nifty witnessed sharp comeback on the upside on Tuesday and closed the day higher by 177 points. After opening with a positive note, the market continued its upside momentum for the whole session. Minor intraday consolidation has been bought into and Nifty closed near the highs. The opening upside gap remains unfilled.

A long bull candle was formed on the daily chart, which indicates an attempt of upside breakout of the hurdle after a small dip. The recent swing low of 19333 could now be considered as a crucial bottom reversal pattern for the short term.



Bullish inverted head and shoulder pattern was formed on the daily chart and the Nifty is currently placed at the neckline of the pattern at 19700 levels. This is positive indication and a decisive upside breakout could open sharp upmove for the Nifty ahead.

Conclusion: The positive chart pattern like higher tops and bottoms has started to form and Monday's swing low of 19480 levels could now be considered as a new higher bottom of the sequence.

A decisive move above 19700 levels is likely to bring sharp upmove for the market towards 19950-20050 levels for the short term. Immediate support is placed at 19550 levels.



OPEN SHORT TERM TRADING CALLS

NO.	RECO DT.	RECO	COMPANY NAME	ENTRY	CMP	SL	TARGET	UPSIDE %	VALID TILL
1	4-OCT-23	SELL	APOLLO HOSPITAL OCT FUT	5040-5140	5,082.10	5,191.0	4,838.0	4.8	18-OCT-23
2	4-OCT-23	BUY	RAMCO CEMENT OCT FUT	944.50-923	953.00	905.0	1,003.0	5.2	18-OCT-23
3	5-OCT-23	BUY	MFSL OCT FUT	916.10-894	895.60	880.0	965.0	7.7	19-OCT-23
4	10-OCT-23	BUY	BATA OCT FUT	1630-1641.75	1,643.90	1,617.0	1,715.0	4.3	24-OCT-23
5	10-OCT-23	BUY	COLGATE PALMOLIVE OCT FUT	2000-2024	2,028.70	1,970.0	2,125.0	4.7	24-OCT-23
6	10-OCT-23	BUY	NMDC OCT FUT	149.7-146	151.10	143.0	157.0	3.9	24-OCT-23
7	3-OCT-23	BUY	GIC HOUSING	216.05-210	213.85	205.0	232.0	8.5	17-OCT-23
8	5-OCT-23	BUY	EASEMYTRIP	42.25-40.95	41.95	40.0	44.8	6.8	19-OCT-23
9	5-OCT-23	BUY	STOVE KRAFT	562.25-543	558.95	534.0	602.0	7.7	19-OCT-23
10	6-OCT-23	BUY	JM FINANCIALS	87-85	86.55	83.5	93.3	7.7	20-OCT-23
11	6-OCT-23	BUY	EID PARRY	523.80-508	519.85	497.0	555.0	6.8	20-OCT-23
12	10-OCT-23	BUY	CUB	132.95-129.20	134.75	127.0	141.0	4.6	24-OCT-23
13	10-OCT-23	BUY	MSTC	435.25-419	434.60	413.0	468.0	7.7	24-OCT-23

OPEN E-MARGIN POSITIONAL CALLS

NO.	RECO DT.	RECO	COMPANY NAME	ENTRY	CMP	SL	TARGET 1	TARGET 2	UPSIDE %	VALID TILL
1	8-AUG-23	BUY	BANDHAN BANK*	225-234	252.0	228.5	245.0	260.0	3	8-NOV-23
2	1-SEP-23	BUY	HIKAL	308-285	281.4	276.0	335.0	370.0	31	1-DEC-23
3	4-SEP-23	BUY	GSFC	159-172.25	172.6	154.0	191.5	215.0	25	4-DEC-23
4	6-SEP-23	BUY	SUN PHARMA	1143.06-1105	1126.5	1084.0	1214.0	1265.0	12	6-DEC-23
5	26-SEP-23	BUY	DEEPAK FERTILIZERS	594-631	626.8	569.0	698.0	728.0	16	26-DEC-23
6	27-SEP-23	BUY	APL APOLLO	1519-1590	1614.9	1495.0	1693.0	1820.0	13	27-DEC-23
7	27-SEP-23	BUY	BHEL	120-125.20	131.2	117.5	133.0	140.0	7	27-DEC-23
8	29-SEP-23	BUY	AJANTA PHARMA	1740-1796	1779.0	1690.0	1903.0	1975.0	11	29-DEC-23
9	29-SEP-23	BUY	GUJARAT ALKALI	680-720.30	722.0	665.0	783.0	827.0	15	29-DEC-23
10	10-OCT-23	BUY	VENKEYS	2040-2095	2124.9	1980.0	2250.0	2400.0	13	10-DEC-23
11	10-OCT-23	BUY	IRFC	69-73.55	75.7	66.8	81.0	90.0	19	10-JAN-24

*= 1st Target Achieved



Disclaimer:

This report has been prepared by HDFC Securities Ltd and is solely for information of the recipient only. The report must not be used as a singular basis of any investment decision. The views herein are of a general nature and do not consider the risk appetite or the particular circumstances of an individual investor; readers are requested to take professional advice before investing. Nothing in this document should be construed as investment advice. Each recipient of this document should make such investigations as they deem necessary to arrive at an independent evaluation of an investment in securities of the companies referred to in this document (including merits and risks) and should consult their own advisors to determine merits and risks of such investment. The information and opinions contained herein have been compiled or arrived at, based upon information obtained in good faith from sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. Descriptions of any company or companies or their securities mentioned herein are not intended to be complete. HSL is not obliged to update this report for such changes. HSL has the right to make changes and modifications at any time.

This report is not directed to, or intended for display, downloading, printing, reproducing or for distribution to or use by, any person or entity who is a citizen or resident or located in any locality, state, country or other jurisdiction where such distribution, publication, reproduction, availability or use would be contrary to law or regulation or what would subject HSL or its affiliates to any registration or licensing requirement within such jurisdiction.

If this report is inadvertently sent or has reached any person in such country, especially, United States of America, the same should be ignored and brought to the attention of the sender. This document may not be reproduced, distributed or published in whole or in part, directly or indirectly, for any purposes or in any manner.

Foreign currencies denominated securities, wherever mentioned, are subject to exchange rate fluctuations, which could have an adverse effect on their value or price, or the income derived from them. In addition, investors in securities such as ADRs, the values of which are influenced by foreign currencies effectively assume currency risk. It should not be considered to be taken as an offer to sell or a solicitation to buy any security.

This document is not, and should not, be construed as an offer or solicitation of an offer, to buy or sell any securities or other financial instruments. This report should not be construed as an invitation or solicitation to do business with HSL. HSL may from time to time solicit from, or perform broking, or other services for, any company mentioned in this mail and/or its attachments.

HSL and its affiliated company(ies), their directors and employees may; (a) from time to time, have a long or short position in, and buy or sell the securities of the company(ies) mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.

HSL, its directors, analysts or employees do not take any responsibility, financial or otherwise, of the losses or the damages sustained due to the investments made or any action taken on basis of this report, including but not restricted to, fluctuation in the prices of shares and bonds, changes in the currency rates, diminution in the NAVs, reduction in the dividend or income, etc.

HSL and other group companies, its directors, associates, employees may have various positions in any of the stocks, securities and financial instruments dealt in the report, or may make sell or purchase or other deals in these securities from time to time or may deal in other securities of the companies / organizations described in this report. As regards the associates of HSL please refer the website.

HSL or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months.

HSL or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction in the normal course of business.

HSL or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither HSL nor Research Analysts have any material conflict of interest at the time of publication of this report. Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. HSL may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

Research entity has not been engaged in market making activity for the subject company. Research analyst has not served as an officer, director or employee of the subject company. We have not received any compensation/benefits from the subject company or third party in connection with the Research Report.

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

For grievance redressal contact Customer Care Team Email: customercare@hdfcsec.com Phone: (022) 3901 9400

HDFC Securities Limited, SEBI Reg. No.: NSE, BSE, MSEI, MCX: INZ000186937; AMFI Reg. No. ARN: 13549; PFRDA Reg. No. POP: 11092018; IRDA Corporate Agent License No.: CA0062; SEBI Research Analyst Reg. No.: INH000002475; SEBI Investment Adviser Reg. No.: INA000011538; CIN - U67120MH2000PLC152193

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Mutual Funds Investments are subject to market risk. Please read the offer and scheme related documents carefully before investing.

Registration granted by SEBI, membership of BASL (in case of IAs) and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

#HDFCsecMythBusters



**Scan the code to
download our mobile app now!**

Global Investing, Basket Investing are not a Exchange traded product and all disputes related to the distribution activity of Global Investing and Basket Investing will not have access to Exchange investor redressal forum or Arbitration mechanism. Involvement of HDFC securities is restricted to Referral only. HDFC securities does not offer this product directly to customers <https://www.hdfcsec.com/globalinvesting>. Account would be opened after all procedure relating to IPV and client due diligence is completed. Investment in securities market are subject to market risks, read all the related documents carefully before investing. SEBI registration & disclaimers: <https://www.hdfcsec.com/article/disclaimer-1795>.
The information is only for consumption by the client and such material should not be redistributed.