

The Daily

July 04, 2024





DOMESTIC INDICES			
	CLOSE	POINTS	% CHANGE
SENSEX	79987	545	0.69
NIFTY	24287	163	0.67
MIDCAP	46803	400	0.86
SMALL CAP	53442	454	0.86

SECTORAL INDICES			
	CLOSE	POINTS	% CHANGE
BANKEX	60344	1037	1.75
FINANCE	11622	178	1.55
CG	73758	713	0.98
METAL	33551	324	0.97
POWER	7976	76	0.96
HEALTHCARE	37429	270	0.73
AUTO	57251	150	0.26
REALTY	8699	23	0.26
IT	38107	66	0.17
TECK	17519	29	0.17
CD	59088	16	0.03
OIL & GAS	29634	-7	-0.03

BSE 200 GAINERS/LOSERS			
GAINERS	%	LOSERS	%
PFC	5.67	GUJGASLTD	-1.95
BHEL	4.80	ASHOKLEY	-1.88
BANDHANBNK	4.30	PATANJALI	-1.66
RECLTD	4.25	POLICYBZR	-1.53
SOLARINDS	4.19	TCS	-1.27

ADVANCE/DECLINES		
	BSE	%
ADVANCES	2355	59
DECLINES	1566	39
UNCHANGED	100	2

INSTITUTIONAL ACTIVITY			
Rs Cr	02-07-2024	03-07-2024	JULY TOTAL
FII	-2000	5484	3035
DII	648	-924	10299

Indian markets could open higher, in line with mostly higher Asian markets today and positive US markets on July 03

Wall Street traders pulled stocks higher as bond yields fell after a series of weaker-than-estimated economic reports strengthened the case for the Federal Reserve to start cutting rates this year. The S&P 500 rose to new highs in Wednesday's shortened trading session as investors appeared to ignore sluggish economic data. The exchanges in the US will be shut on Thursday for Independence Day.

The U.S. ISM measure of services activity surprised by sliding to its lowest since mid-2020, with employment notably weak ahead of the June payrolls report due on Friday. Private companies added 150,000 jobs in June, below the upwardly revised 157,000 in May and the Dow Jones consensus estimate for 160,000. First-time applications for U.S. unemployment benefits increased last week (to 2.38 lakhs), while the number of people on jobless rolls rose further to a 2-1/2-year high towards the end of June, reflecting a gradual cooling in the labor market.

Minutes from the Fed's June policy meeting showed officials were awaiting further evidence that inflation is cooling and were divided on how long to keep rates elevated. Federal Reserve officials at their June meeting indicated that inflation is moving in the right direction but not quickly enough for them to lower interest rates, minutes released Wednesday showed. The FOMC "dot plot" showed one quarter percentage point cut by the end of 2024, down from the three indicated following the last update in March.

Investors will now keep a close eye on Friday's US jobs report. Economists anticipate a 190,000 gain in June nonfarm payrolls — less than the previous month — with the unemployment rate holding at 4%.

India has asked power companies to order equipment worth \$33 billion this year to fast track capacity additions of coal-fired power in the years ahead, as it struggles to meet growing electricity demand, two government officials said.

Stocks in Asia rose Thursday to 27 month highs after US shares touched a fresh peak as economic data supported the case for Federal Reserve interest-rate cuts.

Nifty ended higher on July 3 with Nifty above 24,250 amid buying across the sectors. At close, Nifty was up 0.67% or 162.7 points at 24286.5. Nifty rose again on July 03 forming a long legged doji type pattern. A breach of the low of the day i.e. 24207 could bring in more weakness while 24380 could offer resistance on upmoves in the near term.



GLOBAL INDICES			
	CLOSE	POINTS	% CHANGE
DOW JONES	39308	-23.85	-0.06
S & P 500	5537	28.01	0.51
NASDAQ	20187	174.74	0.87
FTSE	8171	49.92	0.61
CAC	7632	93.79	1.24
DAX	18380	215.88	1.19
NIKKEI	40751	155.00	0.38
SHANGHAI	2989	6.16	0.21
HANG SENG	18083	86.50	0.48
BOVESPA	125662	875.00	0.70

EXCHANGE RATES		
	VALUE	% CHANGE
USD/INR	83.5	0.20
EURO/USD	1.079	0.05
USD/GBP	1.275	0.09
USD/JPY	161.4	-0.20

COMMODITIES		
	VALUE	% CHANGE
GOLD (\$ / Oz)	2369.6	0.01
SILVER (\$ / Oz)	30.8	-0.01
CRUDE OIL FUTURES	83.5	-0.48
BRENT OIL (\$ / Barrel)	87.0	-0.14

BOND YIELD		
	VALUE	ABS CHANGE
IND10 YEAR BOND YIELD	7.001	-0.008

ADR		
	VALUE	% CHANGE
DR REDDY'S LAB	76.1	-0.09
HDFC BANK	66.6	-0.49
ICICI BANK	28.9	0.59
TATA MOTORS	25.1	0.00
WIPRO	6.38	-0.62
VEDANTA LTD	16.50	0.00
INFOSYS	19.37	0.70

NECIL looks to ramp up coal production in Assam

Coal India unit Northeastern Coalfields (NECIL) which is operating one coal mine in Margherita sub-division in Tinsukia district, is making efforts to increase production from two lakh metric tonnes to 15 lakhs tonnes per annum.

Vedanta reports rise in production of aluminium, iron ore, zinc in Q1

Vedanta Ltd on Wednesday reported a rise in production of aluminium, zinc, iron ore and steel in the June quarter. However, the production of mined metal at overseas and oil and gas dropped during the quarter.

Hindustan Zinc sees exponential growth in demand for silver going ahead

Hindustan Zinc sees the demand for silver going up exponentially in the coming years, and is targeting production in the range of 750-775 tonne in the current fiscal. Silver finds application in both industrial usage and as a precious metal, and the country's largest producer's output was 746 tonne last year, an all-time high, and 5% higher as compared to the previous year.

Mahindra & Mahindra selects ABB technology for new EV paint facility

Mahindra & Mahindra (M&M) has selected ABB's PixelPaint technology for its new electric vehicle paint facility, ABB said on Wednesday. The deployment of the technology also includes 42 robots from the IRB 5500 family making M&M the first OEM in India to use PixelPaint technology for the painting of contrasting roofs and pillars.

Bandhan Bank Q1FY25 business update

The bank reported loans and advances at Rs 1.26 lakh crore up 21.8%. Total deposits up 22.8% year-on-year at Rs 1.08 lakh crore, While CASA ratio at 33.4% vs 37.1% QoQ for the end of Q1 FY25.

Suryoday Small Finance Bank Q1FY25 business update

The bank reported gross advances up 42% year-on-year at Rs 9,037 crore, deposits also up 42% year-on-year at Rs 8,137 crore, CASA ratio stood at 17.7% vs. 20.1% QoQ and 14.9% YoY, while GNPA at 2.67% vs. 2.80% QoQ. The disbursements in Q1 FY25 stood at around Rs 1,740 crore as compared to Rs 1,190 crore in Q1 FY24 (YoY growth of 46%), on the back of the continued momentum in Vikas Loan as well as Retail Assets disbursements



ITD Cementation promoter to consider divestment in the company

Promoter Italian Thai Development Public Company is exploring the potential divestment of its investment in the company. Promoters' hold 46.64% stake as on Mar-2024.

Brigade Enterprises signed a joint development agreement in Bengaluru

The company signed a joint development agreement for 1.2 million sq ft residential project in Bengaluru. It is at West Bengaluru's Tumkur Road. The project is to be spread over 8 acres, with a Gross Development Value of Rs 1,100 crore. The project, consisting primarily two and three bedroom apartments. This project reflects Brigade's ongoing planned investment in Bangalore's real estate market, to meet the evolving needs of the dynamic urban homebuyer.

Important news/developments to influence markets

US service sector sags in June as orders sink

A measure of U.S. services sector activity slumped to a four-year low in June amid a sharp drop in orders, potentially hinting at a loss of momentum in the economy at the end of the second quarter.

U.S. private employers add 150,000 jobs in June - ADP

Private employers in the U.S. added fewer roles than anticipated in June, but job gains remained somewhat resilient thanks to a rebound in hiring in the leisure and hospitality industries, according to a report from payrolls processor ADP

Euro zone business growth slowed sharply in June, PMI shows

Overall business growth across the euro zone slowed sharply last month as a solid expansion in the bloc's dominant services industry failed to offset a further deterioration in manufacturing

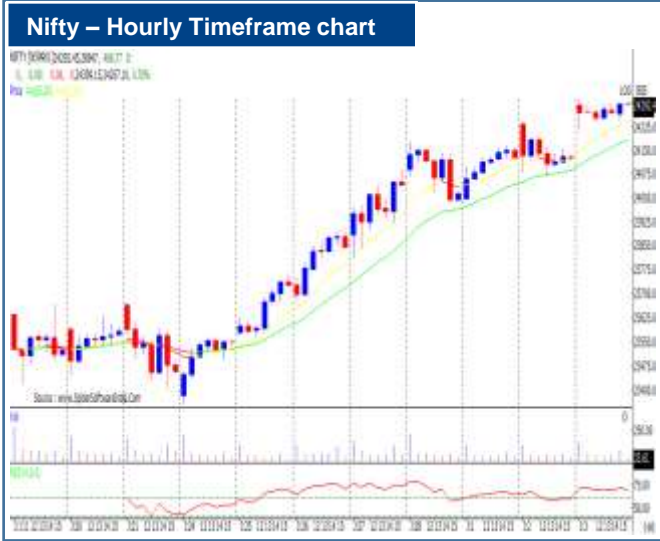
India's services growth picks up in June on record rise in exports, PMI shows

Growth in India's dominant services industry accelerated last month, buoyed by strong demand and a record rise in export orders, according to a business survey that also showed companies were hiring at the fastest in nearly two years.



Index	CMP	View	R1	R2	S1	S2
Nifty July Future	24365	Positive	24450	24580	24240	24105
Bank Nifty July Future	53094	Positive	53540	53965	52650	52190

Daily Technical View on Nifty



Uptrend continuation pattern..

Observation: The upside momentum with range bound action continued in the market on Wednesday and the Nifty closed the day with another gain of 162 points.

After opening with an upside gap of 168 points, the market moved up further and registered new all-time high at 24307 in the early part of the session. It later shifted into an intraday range movement with positive bias for mid to later part of the session and the opening upside gap remains unfilled.

A small negative candle was formed on the daily chart with gap up opening (body gap, not a western gap) at the new highs with minor lower shadow.



Though, this market formation looks like a doji type pattern or a consolidation at new highs, but the underlying trend of the market remains positive. Presently such consolidations or minor dips are eventually resulting in an uptrend continuation pattern.

Conclusion: Having reached near to the overhead resistance of around 24400 levels (1.618% Fibonacci Extension), the market could shift into further consolidations/range bound movement in the short term before showing further upmove in the near term.

A decisive move above 24400 levels could open the next upside target of 24900 levels (1.786% Fib. Extension) in the coming week. Immediate support is placed at 24110 levels.



OPEN SHORT TERM TRADING CALLS

NO.	RECO DT.	RECO	COMPANY NAME	ENTRY	CMP	SL	TARGET	UPSIDE %	VALID TILL
1	3-JUL-24	BUY	BANK NIFTY JULY FUT	53080.15-52880	53,094.9	52,780.0	53495	0.8	8-JUL-24
2	2-JUL-24	BUY	LUPIN JULY FUT	1631-1606	1,639.7	1,585.0	1700	3.7	16-JUL-24
3	3-JUL-24	BUY	MFSL JULY FUT	993.30-965	1,005.0	945.0	1055	5.0	17-JUL-24
4	3-JUL-24	BUY	MPHASIS JULY FUT	2546-2502	2,576.5	2,465.0	2670	3.6	17-JUL-24
5	3-JUL-24	BUY	BHEL JULY FUT	307.90-298	313.9	294.0	325	3.6	17-JUL-24
6	21-JUN-24	BUY	IRCON	279-269	274.0	265.0	299	9.1	5-JUL-24
7	1-JUL-24	BUY	IEX	188.3-182.50	184.5	178.5	201	8.9	15-JUL-24
8	1-JUL-24	BUY	VINDHYA TELELINKS	2532.65-2451	2,460.0	2,419.0	2672	8.6	15-JUL-24
9	1-JUL-24	BUY	QUESS CORP	625-610	632.0	594.0	670	6.0	15-JUL-24
10	1-JUL-24	BUY	MPS	2080-2000	2,069.6	1,950.0	2270	9.7	15-JUL-24
11	3-JUL-24	BUY	NBCC	161-163.85	161.3	157.0	172	6.6	17-JUL-24
12	3-JUL-24	BUY	DEEPAK FERTILIZERS	742.65-718	711.4	707.0	799	12.3	17-JUL-24
13	3-JUL-24	BUY	KNR CONSTRUCTION	356.90-346	343.1	339.0	379	10.5	17-JUL-24
14	3-JUL-24	BUY	AUROBINDO PHARMA	1220-1239.85	1,208.5	1,200.0	1302	7.7	17-JUL-24
15	3-JUL-24	BUY	KRBL	307.50-300	302.9	297.0	330	8.9	17-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	219.1	199.0	235.0	250.0	14	10-SEP-24
2	11-JUN-24	BUY	IFCI	60.98-56.50	60.0	54.0	68.0	72.0	20	11-SEP-24
3	11-JUN-24	BUY	ZENSAR TECHNOLOGY*	691.25-647	738.3	691.3	762.0	795.0	8	11-SEP-24
4	11-JUN-24	BUY	AARTI INDUSTRIES*	640-663.30	706.4	663.3	712.0	760.0	8	11-AUG-24
5	13-JUN-24	BUY	KOPRAN	247.30-235	251.5	228.0	270.0	300.0	19	13-SEP-24
6	14-JUN-24	BUY	BEML*	4100-4260.6	4487.0	4260.6	4641.0	5000.0	11	14-SEP-24
7	14-JUN-24	BUY	STAR	947-890	942.0	870.0	1045.0	1090.0	16	14-SEP-24
8	18-JUN-24	BUY	PRICOL	482.45-464	484.0	450.0	527.0	555.0	15	18-SEP-24
9	1-JUL-24	BUY	B SOFT	700-718	707.2	680.0	754.0	832.0	18	1-SEP-24
10	2-JUL-24	BUY	NLC INDIA	240-249.25	257.1	236.0	280.0	300.0	17	2-OCT-24
11	3-JUL-24	BUY	CASTROL*	224.26-213	214.6	224.3	245.0	265.0	23	3-OCT-24
12	3-JUL-24	BUY	IPCA LAB	1155-1114	1128.0	1080.0	1240.0	1305.0	16	3-SEP-24
13	3-JUL-24	BUY	AMI ORGANICS	1391.75-1336	1325.0	1295.0	1517.0	1600.0	21	3-OCT-24

*= 1st Target Achieved

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