



# Morning Coffee

September 27, 2019

One Stop Investment Avenue



## Market Updates

Asian Markets	Close	Abs. Change	Per. Change
HANG-SENG (27Sep2019)	25876.42	(165.51)	(0.64)
NIKKEI 225 (27Sep2019)	21758.39	(289.85)	(1.31)
STRAIT TIMES (27Sep2019)	3114.77	(11.04)	(0.35)
Global Bellwethers	Close	Abs. Change	Per. Change
DOW JONES 30 (26Sep2019)	26891.12	(79.59)	(0.30)
NASDAQ (26Sep2019)	8030.66	(46.72)	(0.58)
FTSE UK (26Sep2019)	7351.10	61.10	0.84
Indian Benchmarks (26Sep2019)	Close	Abs. Change	Per. Change
NIFTY 50	11571.20	131.00	1.15
NIFTY 200	5977.60	65.90	1.11
NIFTY 500	9443.80	99.65	1.07
Indian Broader M Markets			
NIFTY MIDCAP 100	16450.40	131.65	0.81
NIFTY SMLCAP 100	5750.90	35.00	0.61
NSE Sector indices			
NIFTY BANK	30002.60	416.55	1.41
NIFTY FINANCIAL SERRVICES	13288.25	146.95	1.12
NIFTY IT	15312.90	(67.00)	(0.44)
NIFTY ENERGY	15446.90	267.70	1.76
NIFTY FMCG	31027.70	101.75	0.33
NIFTY AUTO	7659.75	189.30	2.53
NIFTY METAL	2520.45	100.70	4.16
NIFTY CONSUMPTION	4984.20	65.30	1.33
NIFTY PHARMA	7857.30	67.60	0.87
NIFTYINFRA	3204.35	48.60	1.54
NIFTY REALTY	267.80	6.85	2.63
NIFTY MEDIA	1870.95	44.75	2.45
NIFTY MNC	13643.30	190.95	1.42

## Fund Flow

Participant (26Sep2019)	Latest	MTD (Calendar)	YTD (FY)
FII's	737.17	(7118.37)	(31145.40)
DII's	339.28	12132.71	56782.72

## Stocks in News

- JLR to suspend production in UK plants for a week in November. The Tata Motors-owned automaker has three manufacturing plants in the UK at Halewood, Solihull and Castle Bromwich.
- Jaypee Infratech undergoing insolvency but 'in good health': Manoj Gaur. Jaypee Infratech went into insolvency in August 2017 after the National Company Law Tribunal (NCLT) admitted an application filed by an IDBI Bank-led consortium.
- China opens public hospitals for Dr Reddy's Laboratories generic drugs. First Indian firm to get contract for supplying generic schizophrenia drug to public hospitals there.
- Indiabulls Real Estate sells properties to Blackstone for Rs 2,700 crore. Indiabulls Real Estate has sold a 50 stake in Indiabulls One Centre and Indiabulls Finance Centre in the Lower Parel area of Mumbai and a commercial property in Gurugram to Blackstone.
- Strong order pipeline, better margins accelerate Bharat Electronics stock. For FY20, the firm has generated orders worth Rs 9,000 crore. Achieving its full-year guidance of Rs 15,000 crore may now not be difficult, say analysts.
- SpiceJet to expand domestic network, launch 46 new flights from next month. Besides, the airline, in a release, also announced the launch of Rajkot as its 54th destination, with a direct flight services from here to Gujarat's fourth-largest city.
- GMR aims to boost international airport business, from Europe to Indonesia. Bids for airports in Thailand, Indonesia, will sell four road projects.

## Economic News

- Tax cut will give much more in long run than revenue lost: Revenue Secy. In an interview with Indivjal Dhasmana, Revenue Secretary A B Pandey tells that the crucial parameter is whether the deficit number reflects disciplined fiscal behaviour of the central government.
- Centre approves construction of 1.23 lakh houses under PMAY-Urban. With this approval, over 90 lakh houses have so far been sanctioned against the target of 1.12 crore by 2022 under PMAY (Urban).
- Banks to discontinue cashback on credit card payments at petrol pumps. "The 0.75 per cent cashback on fuel transactions will be discontinued with effect from October 1," read a message from State Bank of India to its customers.
- IHB to raise Rs 6,700 crore to complete Kandla-Gorakhpur LPG pipeline. The project, being executed at a capital cost of Rs 10,000 crore, will be funded with Rs 6,730 crore of debt and Rs 3,360 crore of equity.

## Global News

- India, US fail to seal trade deal over differences on import duties. ICT products make up a minuscule \$407 million, out of the \$35.54 billion of total inbound shipments from the US, as of now.

Source: BS = Business Standard, ToI: Times of India, MC = Money Control, B = Bloomberg

**Technical Snapshot**



Name	Previous Close	Reversal	Support 2	Support 1	Pivot Point	Resistance 1	Resistance 2	Trend
NIFTY-NEAR MONTH	11572.00	11222.66	11419.43	11495.72	11563.63	11639.92	11707.83	BULL
BANKNIFTY-NEAR MONTH	30006.50	28765.33	28920.83	29463.67	30219.23	30762.07	31517.63	BULL
NIFTY MIDCAP 100	16453.80	16171.45	16261.07	16357.44	16435.02	16531.38	16608.97	BULL
NIFTY SMLCAP 100	5750.80	5653.86	5704.17	5727.48	5745.07	5768.38	5785.97	BULL

**Key Highlights:**

**Nifty is holding the gap support.. autos and metals surges....**

**NIFTY SPOT:** 11571.20 (+1.15%)

**DYNAMIC PARAMETER:** INDEX reclaims yesterday's High

**TRADING ZONE:**

**Resistance :** 11695 ( 5 Day High) / 11771 (Gap Resistance)

**Support :** 11382 (Gap Support) / 11181 (Key Support)

**BROADER MARKETS:** UNDERPERFORMED, MIDCAP 16453 (+0.86%), SMALLCAP 5750 (+0.62%), Advance-Decline: 977 / 782

**STRATEGY:** Maintain longs with a trailing stop loss of 11381 (23rd Sep GAP Support)

**BANKNIFTY SPOT:** 30002.60 (+1.41%)

**DYNAMIC PARAMETER:** INDEX breaks two day Low

**TRADING ZONE:**

**Resistance :** 30388 (60 Min Resistance) / 30718 (Day's High)

**Support :** 29627 (Day's Low) / 29418 (Gap Support)

**VIEW:** Maintain Bullish stance till above 29212 (Fibonacci Retracement)

**Stocks to Watch:**

BULLISH	BEARISH
CONCOR	RAYMOND
BPCL	YESBANK
INDIGO	CIPLA
HINDPETRO	ARVIND
HDFCLIFE	BIOCON

**Sector view for the day:**

Bullish Sectors	Bearish Sectors
METAL CPSE	IT

**Stock view for the day:**

Stock	View	Duration	CMP	Support	Resistance
INDIGO	BULLISH	INTRADAY	1871	1845	1910
YESBANK	BEARISH	INTRADAY	51	49	52.5

## Derivatives Snapshot

	Nifty Spot	Nifty Futures	Nifty Futures Prem. / Disc	Nifty Futures Basis	Nifty Futures OI	Nifty Futures Change in OI	Nifty Futures Volume (incr.)	Highest Total OI Call Strike	Highest Total OI Put Strike	Nifty OI PCR	NSE VIX
Current	11571.20	11630.85	59.65	45.05	14783775	3902400	1.37	11200	11000	1.00	16.34
Previous	11440.20	11522.05	81.85	45.80	10881375	2906100	0.91	11500	11000	0.86	16.17
Change	131.00	108.80	-	-	-	-	-	-	-	-	0.17
% Chg	1.15	0.94	-	-	-	-	-	-	-	-	1.05

### Key Highlights:

- Nifty October Futures ended 108.80 point up @ 11630.85 with a premium of 59.65 points.
- Nifty futures open interest increased by 39 lakh shares with October series total open interest stands at 1.48 crore shares.
- Nifty 11200 call has highest OI, whereas 11000 put holds the highest OI and Banknifty 30500 call has highest OI and 29500 put has highest OI .
- Nifty 11800 call saw addition of 3.09 lakh shares in OI, whereas 11400 put saw addition of 5.31 lakh shares in OI.
- India VIX ended 1.05% up @ 16.34 against the previous close of 16.17

### FII Derivatives Statistics

	Buy (₹ in Cr.)	Sell (₹ in Cr.)	Net Buy Sell (₹ in Cr.)	Cumulative (₹ in Cr.)
INDEX FUTURES	10214.68	9134.59	1080.09	1080
INDEX OPTIONS	511053.11	507732.54	3320.57	3321
STOCK FUTURES	24835.45	24571.38	264.07	264
STOCK OPTIONS	3587.65	3550.56	37.09	37

### Securities in Ban for Trade

Sr. No.	Stock Name	Sr. No.	Stock Name
1	-	5	-
2	-	6	-
3	-	7	-
4	-	8	-

### Stocks with Highest Rollovers

No.	Scrip	Closing Price	% Change	Rollover %
1	GRASIM	-	-	99.46
2	CIPLA	-	-	99.31
3	PEL	-	-	99.29
4	BIOCON	-	-	99.21
5	DIVISLAB	-	-	99.17

### Stocks with Lowest Rollovers

No.	Scrip	Closing Price	% Change	Rollover %
1	APOLLOHOSP	-	-	62.80
2	INFRATEL	-	-	72.39
3	UBL	-	-	75.11
4	HINDUNILVR	-	-	78.34
5	TORNTPHARM	-	-	80.89

Nifty Futures has witnessed 73.08% rollover and Banknifty Futures has witnessed 57.62% rollover.

## Equity Technical Recommendation:

Sr. No.	Date	Action	Company	Product *	Reco. Price	Target 01	Target 02	Stop Loss	Remarks
1	24-Sep-19	BUY	RELIANCE	STD	1289	1365	1450	1230	Open
2	25-Sep-19	BUY	DEEPAKFERT	STD	110.5 / 95	121	135	85	Open
3	26-Sep-19	BUY	CONCOR	5 DAY	629.5	677	710	595	Open

### Equity Technical - Product Profile

Product	Maximum Open Recommendations	Return Objective	Segment	Duration
Intraday	5	1%	Cash + F&O	Intraday
BTST / STBT	2	1-2%	F&O	1 Day
5-Day	5	2-4%	F&O	T + 5
Smart Trader Delivery	10	3-15%	Cash Only	Week to 3 Months
Rolling Reversal	1	Variable subject to market	F&O	-

**Fundamental Recommendation:**

**Current Calls: Fundamental**

Sr. No	Date	Company	Product *	CMP	Reco. Price	Target	Return since Inception	Remarks
1	10-Sep-18	Havells India Ltd	IC	721.55	661.00	809.00	9%	OPEN
2	16-Aug-18	Alembic Pharmaceuticals Ltd.	SALES NOTE	522.30	674.00	808.00	-23%	OPEN
3	9-Aug-18	Escorts Ltd	SALES NOTE	610.10	873.00	1,012.00	-30%	OPEN
4	2-Aug-18	Goodricke Group Ltd	SALES NOTE	168.50	295.80	364.00	-43%	OPEN
5	20-Jul-18	MAHINDRA CIE	SALES NOTE	174.50	256.00	306.00	-32%	OPEN
6	11-Jun-18	Wonderla Holidays Ltd.	SALES NOTE	280.50	334.00	1,195.00	-16%	OPEN
7	24-Apr-18	Ultamarine and Pigments Ltd	SALES NOTE	206.05	365.00	446.00	-44%	OPEN
8	30-Jan-19	CCL Products (India) Ltd.	SALES NOTE	238.00	270.00	342.00	-12%	OPEN
9	19-Jul-19	GRSE	SALES NOTE	175.70	131.00	200.00	34%	OPEN
		Average Returns as on26-Sep-2019					-25%	

## Fundamental Recommendation:

### Current Calls: Value Picks

Sr. No	Date	Company	Product *	CMP	Reco. Price	Target	Return since Inception	Remarks
1	17-Jun-15	BASF INDIA	VALUE PICK	1,028.00	1091	2079	-6%	OPEN
2	17-Jun-15	EICHER MOTORS	VALUE PICK	17,907.85	19297	36957	-7%	OPEN
3	17-Jun-15	GULF OIL LUBRIC	VALUE PICK	863.80	442	802	95%	OPEN
4	17-Jun-15	KAJARIA CERA	VALUE PICK	570.65	380	665	50%	OPEN
5	17-Jun-15	KOVAI MEDICAL	VALUE PICK	670.00	560	1118	20%	OPEN
6	17-Jun-15	REPRO INDIA	VALUE PICK	555.55	452	926	23%	OPEN
7	17-Jun-15	TATA ELXSI	VALUE PICK	685.60	559	1084	23%	OPEN
8	17-Jun-15	UNITED SPIRITS	VALUE PICK	670.60	693	1371	-3%	OPEN
9	17-Jun-15	WABCO INDIA	VALUE PICK	6,172.40	5406	10474	14%	OPEN
10	17-Feb-16	MINDA IND	VALUE PICK	341.45	151	295	126%	OPEN
Average Returns as on 26-Sep-2019							23%	

## Our recommendation of Diwali Picks 2018

Sr. No	Date	Company	Product *	CMP	Reco. Price	Target	Return since Inception	Remarks
2	31-Oct-18	Exide Industries Ltd.	Diwali Pick	195.55	255.50	305.00	-23%	OPEN
3	31-Oct-18	Tata Elxsi Ltd.	Diwali Pick	685.60	955.30	1,144.00	-28%	OPEN
Average Returns as on 26-Sep-2019							-26%	

### \*Product profile

Value Picks	: Multi-bagger stocks with more than 2 years horizon.
Initiating coverage(IC)	: Average returns of 20-30% with a 12-24 months horizon.
Sales Note	: Average returns of 15-20% with a 10-15 months horizon.
Diwali Picks	: Average returns of 15-20% with a 10-15 months horizon.

## Debt Market Snapshot

Forex Rates	Prev. Close	Abs. Change	Change (%)
USD/INR	70.89	(0.15)	(0.21)
EUR/INR	77.48	(0.61)	(0.78)
GBP/INR	87.48	(0.61)	(0.69)
JPY/INR	65.83	(0.35)	(0.53)

Particulars	Latest	Previous	Chg (bps)
5 Year GOI Bond	6.40	6.42	(0.02)
10 Year GOI Bond	6.72	6.76	(0.04)
15-Year GOI Bond	7.06	7.08	(0.02)
Call Money (WAR)	5.34	5.33	0.01
CBLO (WAR)	5.18	5.22	(0.04)
US 10 Year	1.74	1.65	0.09
Crude Oil (in \$/bl)	62.39	63.10	(0.71)
Inflation (Monthly CPI)	3.21	3.18	0.03

## Highly Traded Govt. Bonds (Top 5)

Security	Volume	High	Low	LTP
7.26% GS 2029	19530	103.85	103.26	103.6950
7.32% GS 2024	4690	103.52	103.26	103.4125
7.27% GS 2026	2485	103.75	103.3950	103.6250
7.57% GS 2033	1350	104.65	104.0525	104.41
8.20% GS 2022	830	104.80	104.76	104.77

## Government Security Market:

- The Inter-bank call money rate traded in the range of 4.10% - 5.45% on Thursday ended at 5.40% .
- Total Borrowings From RBI's Repo with banks taking Rs. 38320 mn on Thursday Vs. Rs. 36120 mn on Wednesday .
- The benchmark 7.26% GOI 2029 closed at 6.7171% on Thursday Vs. 6.7609% on Wednesday.

### Global Debt Market:

U.S. equity futures edged higher with Asian stocks on Thursday while European shares jumped as investors awaited the next developments in a week dominated by political dramas and a lack of clarity over trade. In a sign of the mixed sentiment, Treasuries also climbed, continuing a choppy few days.

### 10 Year Benchmark Technical View:

10 year (7.26% GOI 2029) yield likely to move in the range of 6.68% to 6.73% level on Friday .

## Taxfree Bonds in Secondary Market:

Issuer	Coupon	Yield	LTP	Volume	Maturity Date
NHAI	7.6 (7.35)	5.6694	1,173.00	21,701	11-Jan-31
NHAI	8.3	6.9203	1,160.00	12,429	25-Jan-27
NHAI	7.69 (7.39)	5.42	1,164.00	2,618	09-Mar-31
HUDCO	8.1	4.7884	1,120.00	2,215	05-Mar-22
PFC	8.2	9.4033	1,054.60	2,167	01-Feb-22

## Taxable Bonds in Secondary Market:

Issuer	Coupon	Yield	LTP	Volume	Maturity Date
ECLFINANCE	10.15	10.76	964.02	9,540	04-Jan-29
TCFSL	8.8	7.55	1,023.00	753	27-Sep-21
TCFSL	8.9	7.83	1,036.00	647	27-Sep-23
ECLFINANCE	9.95	11.46	950	610	04-Jan-24

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