

The Daily

September 07, 2022





DOMESTIC INDICES

	CLOSE	POINTS	% CHANGE
SENSEX	59197	-49	-0.08
NIFTY	17656	-10	0.06
MIDCAP	25702	121	0.47
SMALL CAP	29086	30	0.10

SECTORAL INDICES

	CLOSE	POINTS	% CHANGE
POWER	5239	98	1.90
OIL & GAS	19937	266	1.35
METAL	19241	166	0.87
Healthcare	22906	113	0.50
REALTY	3769	18	0.49
CD	42898	144	0.34
TECK	13100	4	0.03
CG	33178	8	0.02
AUTO	30308	-31	-0.10
Finance	8484	-24	-0.28
IT	28329	-84	-0.29
BANKEX	45414	-187	-0.41

BSE 200 GAINERS/LOSERS

GAINERS	%	LOSERS	%
VLB	5.66	ICICIGI	-3.67
CROMPTON	5.05	PATANJALI	-2.87
TATAPOWER	4.63	NHPC	-2.70
AMBUJACEM	4.59	TATACONSUM	-2.35
SRTRANSFIN	4.58	SYNGENE	-2.32

ADVANCE/DECLINES

	BSE	%
ADVANCES	1789	50
DECLINES	1665	46
UNCHANGED	134	4

INSTITUTIONAL ACTIVITY

Rs Cr	05-09-2022	06-09-2022	SEPT TOTAL
FII	-812	1145	1588
DII	534	633	1390

Indian markets could open lower, in line with mostly lower Asian markets today and negative US markets on Tuesday.....

US stocks closed lower on Tuesday after a volatile session that saw the Dow swing roughly 400 points from peak to trough, while the Nasdaq Composite clinched its longest losing streak in six years falling for 7 consecutive sessions. Linger concerns about the economic fallout from a European energy crisis were again in focus on Tuesday, as was the Federal Reserve's determination to dampen inflation by aggressively hiking interest rates.

The US 10-year yield up nearly 14 basis points at 3.337%. The 2-year Treasury yield rose to 3.499%, just under its recent multiyear high. Meanwhile, the ICE U.S. Dollar Index was back above 110, right around its strongest level in two decades.

Fed-funds futures traders have priced in a 72% probability that the Fed will raise interest rates by another 75 basis points to a range of 3.00% to 3.25% after its meeting on Sept. 21.

Asian stocks extended declines on Wednesday amid a jump in Treasury yields and the dollar on expectations of aggressive monetary tightening by the Federal Reserve to tackle inflation and as investors anticipate the Federal Reserve to give its summary on current economic conditions, also known as the Beige Book.

Nifty ended almost flat on Sept 06 after a day of swings either side. At close, Nifty was down 10.2 points or 0.06% at 17655.6.

Nifty, though having closed almost flat, formed higher top higher bottom formation compared to the previous session. It formed a high wave doji candle suggesting indecision after a rise. Negative global cues could see Nifty opening lower. Nifty could remain in the 17402-17777 band for the near term.

Reliance buying California solar software firm SenseHawk for Rs 255 crore

Reliance Industries Ltd (RIL) has entered into definitive agreements for acquiring 79.4 percent stake in SenseHawk Inc, a California-based solar energy management software developer, for \$32 million (Rs 255 crore) via primary and secondary purchases, the transaction is expected to be completed before 2022 end, subject to regulatory and other customary closing conditions.



GLOBAL INDICES			
	CLOSE	POINTS	% CHANGE
DOW JONES	31145	-173.14	-0.55
S & P 500	3908	-16.07	-0.41
NASDAQ	11545	-85.96	-0.74
FTSE	7300	13.01	0.18
CAC	6105	11.39	0.19
DAX	12871	110.66	0.87
NIKKEI	27343	-283.51	-1.03
SHANGHAI	3250	6.13	0.19
HANG SENG	18963	-239.73	-1.25
BOVESPA	109764	-2440.00	-2.17

EXCHANGE RATES		
	VALUE	% CHANGE
USD/INR	79.9	0.20
EURO/USD	0.989	-0.11
USD/GBP	1.148	-0.34
USD/JPY	143.5	0.47

COMMODITIES		
	VALUE	% CHANGE
GOLD (\$ / Oz)	1707.1	-0.34
SILVER (\$ / Oz)	17.8	-0.59
CRUDE OIL FUTURES	85.6	-1.43
BRENT OIL (\$ / Barrel)	91.7	-1.18

BOND YIELD		
	VALUE	ABS CHANGE
IND10 YEAR BOND YIELD	7.179	-0.040

ADR		
	VALUE	% CHANGE
DR REDDY'S LAB	52.5	0.96
HDFC BANK	62.0	-0.03
ICICI BANK	22.1	1.37
TATA MOTORS	28.3	-1.15
WIPRO	4.95	-0.80
VEDANTA LTD	16.50	0.00
INFOSYS	17.98	-0.61

Bharat Electronics says semiconductor shortage has eased but not fully over

Bharat Electronics (BEL), the semiconductor shortage has eased out but is not fully over yet and the company is witnessing a delay in execution of orders. There is no denial that there is a shortage of semiconductor on one account. There is a pent-up demand and also, the full-fledged manufacturing in those countries who are making the semiconductors is not completely operational.

India's coal output remains below estimate at 58 MT in August

India produced 58.33 million tonnes of coal in August, missing its target of 67.94 MT for the month, according to the government data. The coal production target for August was 67.94 million tonnes (MT), according to the government's monthly statistics (provisional). However, the production during last month increased by 8.27 per cent to 58.33 MT in August from 53.88 MT in the corresponding month of previous fiscal. Country's coal output in the first five months of the ongoing financial year increased to 324.39 MT as against 263.97 MT in the April-August period of the previous fiscal. The total despatch of coal also increased by 5.41 per cent to 63.43 MT in August over 60.18 MT in the year-ago month. Amid rising demand, the supply of coal to power utilities grew by 10.84 per cent to 54.09 MT during August compared to 48.80 MT in the same month last fiscal. Coal-based power generation in August was 85,785 MU in comparison to 86,039 MU in July this fiscal, registering a minor drop of 0.3 per cent.

Tata Motors launches new range of CNG-powered medium & heavy trucks with ADAS features

Tata Motors launched five CNG-powered Medium & Heavy Commercial Vehicle (M&HCV) trucks in the 28 and 19 tonne nodes. Along with the launch of the country's first CNG-powered Medium and Heavy Commercial Vehicle (M&HCV) range of trucks, the company also rolled out a new series of advanced intermediate and light commercial vehicle (I&LCV) tippers and trucks. Besides, it also introduced Advanced Driver Assistance System (ADAS) and new features in its range of Prima, Signa and Ultra trucks.

Pieter Elbers takes charge as IndiGo CEO

Pieter Elbers took charge as the CEO of InterGlobe Aviation Ltd, the parent firm of IndiGo airline. Born in Schiedam in The Netherlands, Elbers holds a bachelor's degree in logistics management and a master's degree in business economics. Elbers started his career at KLM Royal Dutch Airlines in 1992 and went on to become its CEO in 2014.



Blue Star bags two orders worth Rs 390 crores from Bangalore Metro

Blue Star Ltd announced that the company has secured two new orders from Bangalore Metro Rail Corporation Limited (BMRCL) for the upcoming Reach-6 of Bangalore Metro Rail Project Phase-II, also known as the Pink Line.

The first order, worth Rs 203 crores, is a turnkey project including maintenance works for Tunnel Ventilation System (TVS) and Environmental Control System (ECS), as well as SCADA works for six underground stations and associated tunnel sections in Reach-6 of Bangalore Metro Rail Project Phase-II. The second order, valued at Rs 187 crores, is also a turnkey project for Electrical & Mechanical (E&M) works including hydraulics, fire safety systems, and backup power systems for five underground stations, associated tunnel sections, and five elevated stations in Reach-6 of Bangalore Metro Rail Project Phase-II.

Paras Defence & Space Technologies entered into an exclusive agreement with ELDIS Pardubice

Company has entered into an Exclusive Teaming Agreement with 'ELDIS Pardubice' s.r.o., Czech Republic with an intention to provide Turnkey Anti-Drone Systems for Civilian Airports in India.

Important news/developments to influence markets

- Japan's household spending grew for a second straight month in July despite a resurgence in COVID-19 cases. Household spending rose 3.4% in July from a year earlier, following 3.5% gain in June.
- Factory orders in Germany fell 1.1% month-over-month in July of 2022, after a downwardly revised 0.3% drop in the prior month. It marked the sixth consecutive month of lower manufacturing orders, amid persistently high inflation and supply chain issues.
- The S&P Global US Services PMI was revised lower to 43.7 in August of 2022 from a preliminary reading of 44.1, extending the decline from 47.3 in the prior month and pointing to the sharpest contraction in the US services sector since May 2020.
- The ISM Services PMI unexpectedly edged higher to 56.9 in August of 2022 from 56.7 in July, pointing to the strongest growth in services activity in four months.



Index	Short term trend	Target	Reversal	CMP	S1-S2	R1-R2
Nifty Fut	Down	17442	17789	17683.0	17540-17442	17789-17845
Bank Nifty Fut	Down	39037	40174	39812.3	39457-39037	40000-40174

Nifty – 15 min Timeframe chart



Nifty – Daily Timeframe chart



Daily Technical View on Nifty

Market: Observation

- Markets ended lower on Tuesday with marginal losses. The Nifty traded within a 180 point range during the session and finally lost 10.2 points or 0.06% to close at 17,655.6. Broad market indices like the BSE Mid Cap and Small Cap indices ended higher, thereby out performing the Sensex/Nifty. Market breadth was negative on the BSE/NSE.

Nifty: Short term trend is now down

- Zooming into 15 minute chart, we see Nifty opened higher, but then came down and traded in a range. Selling pressure towards the dosing led to the Nifty ending marginally in the red.
- In the process, the Nifty has broken its intra day supports and closed below the 20 period MA on the 15 min chart, indicating a weak bias for the very near term. Further downsides are likely once the immediate support of 17587 is broken.

Nifty: Daily chart shows index could consolidate

- On Daily chart, we observe that Nifty is now consolidating in a range just below the downward sloping trend line that has held down the highs of 2021 and 2022.
- Further weakness is likely once the immediate support of 17468 is broken on the Nifty. In this scenario, the Nifty could then move down further towards the next support of 17345. Immediate resistances to watch are at 17765-17778.



OPEN SHORT TERM TRADING CALLS

NO.	RECO DT.	RECO	COMPANY NAME	ENTRY	CMP	SL	TARGET	UPSIDE %	VALID TILL
1	6-SEP-22	BUY	NIFTY SEP FUT	17710-17645	17,683.95	17,610.0	17,850.0	0.9	9-SEP-22
2	5-SEP-22	BUY	NIFTY 15TH SEP 17700 CALL OPTION	193.75	183.5	147.0	275.0	49.9	12-SEP-22
3	1-SEP-22	BUY	TATA CONSUMER SEP FUT	802-825.40	823.3	788.0	880.0	6.9	15-SEP-22
4	2-SEP-22	SELL	ONGCSEP FUT	132.9-135	132.9	137.0	126.0	5.2	9-SEP-22
5	6-SEP-22	SELL	MOTHERSON SUMI SEP FUT	123-126	123.6	128.0	116.0	6.1	13-SEP-22
6	6-SEP-22	BUY	BALRAMPUR CHINI SEP FUT	375.7-364	376.0	354.0	402.0	6.9	13-SEP-22
7	6-SEP-22	BUY	TATA POWER SEP FUT	243-247.75	248.9	238.0	261.0	4.9	13-SEP-22
8	22-AUG-22	BUY	BAJAJ ELECTRIC	1195-1231.60	1,229.7	1,170.0	1,335.0	8.6	5-SEP-22
9	2-SEP-22	BUY	ZUARI AGRO	191.25-188	188.8	184.5	206.0	9.1	16-SEP-22
10	2-SEP-22	BUY	UTI AMC	815-839	841.6	800.0	905.0	7.5	16-SEP-22
11	2-SEP-22	BUY	CSB BANK	217.50-210	221.2	206.5	235.0	6.3	16-SEP-22
12	5-SEP-22	BUY	ENGINEERSINDIA	68.5-70.5	71.7	67.0	76.0	6.1	19-SEP-22
13	5-SEP-22	BUY	TV18 BROADCAST	43.95-42.80	43.9	42.0	46.7	6.4	19-SEP-22
14	5-SEP-22	BUY	HUHTAMAKI	208.7-205	211.2	202.5	225.0	6.5	19-SEP-22
15	6-SEP-22	BUY	MFL	1457.55-1430	1,459.8	1,414.0	1,550.0	6.2	20-SEP-22

OPEN CASH POSITIONAL CALLS

NO.	RECO DT.	RECO	COMPANY NAME	ENTRY	CMP	SL	TARGET 1	TARGET 2	UPSIDE %	VALID TILL
1	18-AUG-22	BUY	ICICI PRU	595.8	591.2	545.0	647.0	697.0	18	18-NOV-22
2	1-SEP-22	BUY	TATA COFFEE	237.4	243.6	218.0	260.0	280.0	15	1-DEC-22
3	5-SEP-22	BUY	BF INVEST	304.6	311.2	278.5	330.0	367.0	18	5-DEC-22

*= 1st Target Achieved



OPEN E-MARGIN POSITIONAL CALLS

NO.	RECO DT.	RECO	COMPANY NAME	ENTRY	CMP	SL	TARGET 1	TARGET 2	UPSIDE %	VALID TILL
1	1-AUG-22	BUY	HEG LTD*	1180.8	1211.6	1180.8	1302.0	1431.0	18	1-NOV-22
2	3-AUG-22	BUY	INFOSYS	1559.4	1455.1	1440.0	1679.0	1800.0	24	3-NOV-22
3	8-AUG-22	BUY	NIPPON LIFE ASSET MANAGEMENT	304.3	297.8	282.0	326.5	355.0	19	8-NOV-22
4	25-AUG-22	BUY	CLEAN SCIENCE	1762.8	1794.6	1625.0	1945.0	2140.0	19	25-NOV-22
5	25-AUG-22	BUY	CROMPTON	410.0	411.0	381.0	446.0	483.0	18	25-NOV-22
6	30-AUG-22	BUY	KANSAI NEROLAC	493.2	502.1	453.0	538.0	570.0	14	30-NOV-22
7	30-AUG-22	BUY	ENDURANCE	1472.2	1516.5	1360.0	1595.0	1750.0	15	30-NOV-22
8	2-SEP-22	BUY	NOCIL	279.0	285.3	249.0	310.0	350.0	23	2-DEC-22
9	5-SEP-22	BUY	HG INFRA	609.3	622.4	560.0	670.0	730.0	17	5-DEC-22
10	6-SEP-22	BUY	CREDIT ACCESS GRAMIN	1067.0	1052.8	982.0	1177.0	1240.0	18	6-DEC-22
11	6-SEP-22	BUY	CENTRAL BANK	20.0	20.6	18.0	22.5	25.0	21	6-DEC-22

*= 1st Target Achieved

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