

Indices	3-Oct	1-Oct	% Chg.
S&P BSE SENSEX	35,976	36,526	-1.51%
Nifty 50	10,858	11,008	-1.36%
NIFTY Midcap 100	17,086	17,285	-1.15%
NIFTY Smallcap 100	6,195	6,167	0.47%

BSE Sectoral Indices			
	3-Oct	1-Oct	% Chg.
Nifty Metal	3,592	3,528	1.81%
Nifty Realty	216	216	-0.05%
Nifty Media	2,472	2,483	-0.45%
Nifty PSU Bank	2,786	2,799	-0.46%
Nifty MNC	13,380	13,486	-0.78%
Nifty Pharma	9,951	10,034	-0.83%
Nifty Infrastructure	2,933	2,965	-1.07%
Nifty Energy	15,371	15,540	-1.09%
Nifty Financial Services	10,589	10,707	-1.09%
Nifty Bank	25,070	25,367	-1.17%
Nifty FMCG	29,498	29,924	-1.42%
Nifty IT	15,910	16,214	-1.87%
Nifty Auto	9,375	9,660	-2.94%

Major Indices			
	3-Oct	2-Oct	% Chg.
United States	26,828	26,774	0.20%
S&P 500	2,926	2,923	0.07%
London	7,510	7,475	0.48%
Frankfurt	12,288	12,288	0.00%

Major Asian Indices			
	3-Oct	2-Oct	% Chg.
Hong Kong	27,091	27,126	-0.13%
Nikkei 225	24,111	24,271	-0.66%
Korea	2,310	2,310	0.00%
Shanghai	2,821	2,821	0.00%
Taiwan	10,864	10,920	-0.51%

FII's & DII's in equity					Rs Crs
	Buy	Sell	Net	Total %	
03-Oct					
FII / FPI Investments	7,489	9,039	-1,550	39%	
DII's Investments	4,785	3,383	1,402	19%	

\* Total % - contribution to the total turnover

FII's in Derivatives (F&O)					Rs Crs
	Index Fut	Index Opt	Stock Fut	Stock Opt	
03-Oct					
Net	-700	-1,357	-50	47	
OI	18,495	65,981	83,525	4,492	
Chg.OI	1.8%	3.9%	-0.2%	43.6%	
FII's contribution to the total F&O turnover					30%

Curr. Derivatives (NSE)				
	3-Oct	1-Oct	Chg.	% Chg.
USDINR 29-OCT-2018	73.59	73.15	-0.44	-0.6%
EURINR 29-OCT-2018	85.15	85.12	-0.03	0.0%
JPYINR 29-OCT-2018	64.75	64.31	-0.44	-0.7%
GBPINR 29-OCT-2018	95.55	95.53	-0.02	0.0%

Commodities (MCX)				
	3-Oct	1-Oct	Chg.	% Chg.
Aluminium(31OCT2018 )	165	153	12.35	8.1%
Copper (30NOV2018)	465	455	9.75	2.1%
Crude (19OCT2018)	5,646	5,501	145.00	2.6%
Gold (05OCT2018)	31,009	30,592	417.00	1.4%
Silver (05DEC2018)	39,092	38,445	647.00	1.7%

ADR				
	3-Oct	1-Oct	Chg.	% Chg.
Wipro (WIT)	5.23	5.20	0.03	0.58%
Dr. Reddy's Lab (RDY)	33.54	33.81	-0.27	-0.80%
Tata Motors (TTM)	15.38	15.52	-0.14	-0.90%
HDFC Bank (HDB)	91.91	93.41	-1.50	-1.61%
Infosys (INFY)	10.04	10.27	-0.23	-2.24%
ICICI Bank (IBN)	8.26	8.47	-0.21	-2.48%

## Domestic Market View

### Markets likely to make negative start

Late hour sell-off mainly dragged the Indian markets lower to settle near intra-day low level on Wednesday after the rupee collapsed to a new life-time low amid surging crude oil prices and unabated foreign fund outflows coupled with Italy crisis. Today, the markets are likely to make gap-down opening following weakness in other Asian markets. Investors will be eyeing Services PMI data for the month of September to be out later in the day.

There will be some cautiousness with Exporters' body Federation of Indian Export Organisations' (FIEO) statement that the growth of country's exports is likely to slow in the coming months owing to various domestic and global factors. It said Indian exports have always been influenced by the growth in global trade and therefore, the subdued global trade forecast of 3.9% in 2018 and 3.7% in 2019 will have adverse bearing on export. Besides, the Confederation of Indian Industry (CII) has submitted a dozen suggestions to the Prime Minister's Office, the finance minister and Reserve Bank of India (RBI) on curbing rupee volatility and controlling the current account deficit (CAD). CII has suggested incentives for foreign currency non-repatriable (FCNR) accounts, non-resident Indian (NRI) bonds and a special dollar window for oil companies, among the 12 measures to manage volatility in the rupee.

Meanwhile, the government on Wednesday announced a 6% hike in wheat support price to Rs 1,840 per quintal and up to 21% increase in other rabi crops, a move that will give farmers Rs 62,635 crore additional income and help contain their simmering discontent over high input cost and low returns. There will be some buzz in the oil marketing companies (OMC) with report that the RBI allowed the OMCs to raise External Commercial Borrowings (ECB) from all recognised lenders under the automatic route. Also, there will be some reaction in public sector baking stocks with report that the government will release the second tranche of capital infusion into the public sector banks (PSBs) under its recapitalisation programme.

## Domestic Market Overview

### Benchmarks witness massacre; Nifty slips below 10,900 mark

Wednesday turned-out to be a horrendous day of trade for Indian equity benchmarks with frontline gauges ending below their crucial 36,000 (Sensex) and 10,900 (Nifty) levels. Markets started the session on pessimistic note as traders remained on sidelines ahead of the Reserve Bank of India's monetary policy review later this week and Services PMI data for the month of September to be released on October 4. Sentiments remained dampened with the government data showing that the growth of eight core sectors slowed to 4.2% in August, due to fall in output of crude oil, petroleum product and fertiliser. Besides, retail inflation for industrial workers rose to 5.61% in August from 2.52% in the year-ago month mainly due to rise in prices of food items and petroleum products. Weakness in rupee, which slipped below 73 per dollar mark for the first time, too dampened sentiments. The Indian currency dropped to a record low in opening deals on Wednesday as a sharp rise in global crude oil prices over the last two sessions weighed on sentiment for the local unit.

Selling got intensified in last leg of trade and dragged markets to end near intraday lows, as market participants remained concerned with ICRA's latest report stating that credit quality pressure on investment grade entities has risen in the six months of April-September 2018, with an increase in the downward rating pressure on them. Anxiety also spread among traders after provisional estimate of the first phase of the 10th agricultural census showed that the average size of the Indian farmland shrank by over 6% between 2010-11 and 2015-16, with operational holding in the country dropping to 1.08 hectares from 1.15 hectares in 2010-11. Traders shrugged off report that the Commerce Ministry focusing on nine sectors, including pharma, food processing and textiles, to boost exports in the current fiscal. The ministry is targeting a minimum growth rate of 16% in exports this fiscal. Also, traders failed to get any sense of relief with report that the finance ministry expects the GST collections to cross Rs 1 lakh crore in November and December on account of festive season demand and the anti-evasion measures initiated by the revenue department.

stocks related to steel companies remained in focused amid reports that the Centre is considering a Steel Ministry's proposal to first merge the loss-making steel firms to create a single state-owned steel manufacturer to bring in efficiency. Stocks related to power sector ended lower with report that power tariff touched a decade high of Rs 18 per unit in the spot market on Tuesday due to low hydro and wind energy production and coal shortage at thermal plants. Auto stocks edged lower on reporting sales numbers for the month of September.



Top Gainers	Company	LTP	Chg	% Chg
CNX Nifty	YESBANK	212	11	5.6
	HINDALCO	254	12	4.8
	IBULHSGFIN	940	34	3.7
	HINDPETRO	252	9	3.6
	VEDL	240	8	3.4

Top Losers	Company	LTP	Chg	% Chg
CNX Nifty	M&M	788	-60	-7.0
	EICHERMOT	23070	-1680	-6.8
	INFRATEL	250	-17	-6.5
	TCS	2157	-99	-4.4
	AXISBANK	572	-22	-3.6

Top Gainers	Company	LTP	Chg	% Chg
BSE 100	YESBANK	213	12	5.8
	HINDALCO	254	11	4.7
	IBULHSGFIN	944	39	4.3
	SIEMENS	980	36	3.8
	HINDPETRO	251	8	3.3

Top Losers	Company	LTP	Chg	% Chg
BSE 100	EICHERMOT	23171	-1668	-6.7
	M&M	791	-56	-6.7
	INFRATEL	253	-14	-5.3
	IDEA	37	-2	-5.2
	SRTRANSFIN	1079	-58	-5.1

Top Gainers	Company	LTP	Chg	% Chg
BSE Midcap	NATIONALUM	69	7	11.5
	GET&D	261	23	9.8
	JSWENERGY	63	3	4.8
	WHIRLPOOL	1391	55	4.2
	MRPL	72	2	3.0

Top Losers	Company	LTP	Chg	% Chg
BSE Midcap	IIFL	490	-29	-5.6
	SRTRANSFIN	1079	-58	-5.1
	RNAM	158	-8	-5.0
	PNBHOUSING	908	-45	-4.7
	MUTHOOTFIN	407	-19	-4.4

Top Gainers	Company	LTP	Chg	% Chg
BSE Smallcap	TRIGYN	97	16	20.0
	IL&FSENGG	19	3	19.8
	VIKASECO	17	3	19.4
	IL&FSTRANS	32	5	19.3
	GATI	80	13	18.7

Top Losers	Company	LTP	Chg	% Chg
BSE Smallcap	AIFL	246	-27	-10.0
	JKIL	148	-16	-10.0
	AZZINFRA	9	-1	-9.9
	CENTUM	373	-30	-7.4
	BATAINDIA	915	-56	-5.8

**NIKKEI 225 INDEX**



**FTSE 100 IDX**



**NASDAQ NMS COMPOSITE**



**Global Market Overview**

**Asian markets end mostly lower on Wednesday**

Asian markets ended mostly lower on Wednesday as investors fretted about Italy's budgetary spending and a controversial clause in the new US-Mexico-Canada trilateral pact put the focus back on the Sino-US tariff dispute. The US-China trade dispute is unlikely to be resolved anytime soon as a provision in the new US-Mexico-Canada trade agreement gives the Trump administration an effective veto over any China trade deal by Canada or Mexico. Japanese shares ended lower as the weak yen trend paused on concerns over Italian finances and automakers skidded after posting weak US sales data. On the economic front, the latest survey from Nikkei revealed that the services sector in Japan continued to expand in September, but at a sharply slower pace, with a two-year low services PMI score of 50.2. That's down from 51.5 in August. Meanwhile, China's financial markets remain closed for the National Day holiday. South Korean markets were also closed for a public holiday.

**US markets end higher on Wednesday on upbeat economic data**

The US markets ended higher on Wednesday even though market pared earlier gains. Besides, the Dow Jones Industrial Average settled at an all-time high. The gains were supported by upbeat economic data, but markets pared gains as the data also raised concerns about the outlook for interest rates. The payroll processor ADP released a report showing stronger than expected private sector job growth in the month of September. ADP said private sector employment jumped by 230,000 jobs in September after climbing by an upwardly revised 168,000 jobs in August. Street had expected employment to increase by about 185,000 jobs. Meanwhile, investors eyeing the Labor Department's monthly jobs report including both public and private sector jobs, which is scheduled to release on Friday. The report is expected to show employment climbed by about 188,000 jobs in September after jumping by 201,000 jobs in August.

Besides, a separate report from the Institute for Supply Management showed an unexpected acceleration in the pace of growth in US service sector activity in September. The ISM said its non-manufacturing index climbed to 61.6 in September from 58.5 in August, with a reading above 50 indicating growth in the service sector. Economists had expected the index to dip to 58.0. With the unexpected increase, the ISM said the non-manufacturing index reached its highest level since the inception of the composite index in 2008.

Dow Jones Industrial Average jumped 54.45 points or 0.20 percent to 26,828.39, Nasdaq gained 25.54 points or 0.32 percent to 8,025.08 and the S&P 500 was up by 2.08 points or 0.07 percent to 2,925.51.

## Index Futures

(OI in '000 Shares)	Future 3-Oct	Chg (%)	Spot 3-Oct	Spot 1-Oct	Chg (%)	Prem / Disc	Total Open Interest 3-Oct	Chg (%)
NIFTY	10,893.6	-1.52	10,858	11,008	-1.36	35.4	18,143.1	5.45
NIFTYIT	15,946.0	-1.89	15,910	16,214	-1.87	36.2	39.3	10.24
BANKNIFTY	25,163.7	-1.80	25,070	25,367	-1.17	93.8	1,939.2	2.07

## Increasing OI, Increasing Delivery Qty &amp; Increasing Price in Stock Futures (Open Interest in '000 Shares)

Symbol	Total OI		Del Qty Cash Market			Prev % Del.	Increase Del Qty	Spot (₹)	Fut (₹)	Spot Chg (%)	Fut Chg (%)	Prem / Disc
	3-Oct	% Chg.	3-Oct	1-Oct	% Del.							
HINDALCO	41,328	12%	34,99,473	30,14,308	20%	23%	4,85,165	254	255	4.0%	4.8%	1.6
VEDL	53,155	10%	1,41,01,730	78,61,131	36%	47%	62,40,599	240	242	2.7%	3.0%	1.4
CHENNPETRO	1,119	8%	1,64,523	71,807	22%	22%	92,716	290	289	2.9%	2.0%	-0.8
GAIL	17,805	3%	21,65,377	19,77,167	54%	41%	1,88,210	382	383	0.3%	-0.1%	1.6
NATIONALUM	50,592	2%	84,01,255	29,65,703	27%	28%	54,35,552	69	69	11.0%	11.0%	0.5
COALINDIA	18,357	2%	12,89,185	8,11,272	38%	36%	4,77,913	277	277	1.8%	1.5%	0.7
IDBI	53,140	2%	23,53,732	21,22,829	14%	12%	2,30,903	56	56	2.1%	2.7%	0.2
MRPL	5,832	1%	23,08,346	13,62,610	21%	43%	9,45,736	72	72	3.5%	2.9%	0.3
ONGC	45,795	1%	51,13,703	18,84,321	56%	40%	32,29,382	181	182	0.9%	1.2%	0.7

## Increasing OI, Increasing Delivery Qty &amp; Decreasing Price, (Open Interest in '000 Shares)

Symbol	Total OI		Del Qty Cash Market			Prev % Del.	Increase in Del Qty	Spot (₹)	Fut (₹)	Spot Chg (%)	Fut Chg (%)	Prem / Disc
	3-Oct	% Chg.	3-Oct	1-Oct	% Del.							
BATAINDIA	1,808	19%	3,26,155	2,88,757	20%	33%	37,398	915	920	-5.5%	-5.8%	4.5
RAMCOCEM	810	18%	1,61,114	84,500	60%	40%	76,614	637	633	-2.4%	-3.6%	-4.6
M&M	15,813	12%	40,22,706	18,40,235	57%	58%	21,82,471	792	796	-6.6%	-6.8%	4.8
EICHERMOT	276	11%	1,27,555	56,879	46%	48%	70,676	23236	23280	-6.5%	-6.6%	44.5
MFSL	2,477	11%	10,55,069	3,80,087	36%	43%	6,74,982	393	395	-3.9%	-3.0%	1.9
RELCAPITAL	10,773	10%	9,25,641	4,54,357	9%	5%	4,71,284	277	278	-3.5%	-3.6%	0.8
DIVISLAB	2,710	7%	3,43,011	2,26,074	36%	20%	1,16,937	1309	1316	-0.2%	-0.6%	7.2
JUBLFOOD	3,678	7%	3,61,114	1,58,474	27%	13%	2,02,640	1192	1197	-4.4%	-4.0%	4.7
FEDERALBNK	50,567	6%	29,39,348	26,63,495	28%	22%	2,75,853	70	71	-3.6%	-3.9%	0.5

## Corporate News

- **Aditya Birla Capital's** 100% subsidiary -- Aditya Birla Finance (ABFL) has received a 7 year long term loan of Rs 1,000 crore from International Finance Corporation (IFC), a member of the World Bank Group. ABFL will use the proceeds to finance renewable energy projects and help the country move towards its target of 175 GW of renewable energy capacity by 2022. ABFL is a well-diversified non-banking finance company (NBFC) with a long term credit rating of AAA from both ICRA as well as India Ratings.
- **Bharti Airtel** has entered into acquire deal with AuthMe ID Services (AuthMe) a Bengaluru based start-up focused on Artificial Intelligence based solutions, to add to its initiatives to serve customers with innovative digital products.
- **Coal India** is reportedly planning to pick up 20-30% stake in an Australian coal mining company. With this deal, the company will ensure stable supply of coking coal, which can be supplied back to India at cheaper rates as compared to global prices.
- **Cholamandalam Investment and Finance Company** has reduced its shareholding in White Data Systems (WDSI) to 31% from 63%. Consequently, WDSI ceases to be a subsidiary of the company with effect from October 01, 2018.
- **Indian Hotels Company** has been emerged as the Successful Bidder for grant of license rights for Hotel Taj Mansingh. The company has been declared successful bidder by the New Delhi Municipal Corporation (Estate -1 Department), Palika Kendra.
- **Hindustan Oil Exploration Company** has executed the Revenue Sharing Contract with Government of India for Block AA-ONHP2017/19 which the company had won under the Open Acreage Licensing Policy (OALP) Bid Round I on October 01, 2018.
- **Tata Communications** has made a further investment of 65% in Teleena Holding B.V. (Teleena) (a mobile virtual network enabler headquartered in the Netherlands) on October 02, 2018 as part of the company's long-term development strategy of its global mobility and IoT (Internet of Things) services. Consequently, Teleena along with its four subsidiaries, have become indirect wholly owned subsidiaries of the company. This acquisition follows Tata Communications' investment in Teleena in January 2017, when the company became the single largest shareholder in Teleena with a 35% stake.
- **Atishay** has won the project for Preparation and Printing of Urdu Electoral rolls for Bhopal and Burhanpur District. Atishay has developed transliteration software for converting Hindi data in to Urdu Language. In this, the data is converted to Urdu language, from Devanagari through Transliteration Software developed by Atishay. The preparation of Electoral Rolls in Urdu language is mandatory for some designated Assembly Constituency in the State, by Election Commission of India. Thereafter this Urdu Electoral Roll is published on due date.
- **Infosys** Finacle, part of EdgeVerve Systems, a product subsidiary of Infosys has launched Finacle Digital Engagement Suite, an advanced omnichannel solution suite that helps banks onboard, sell, service and engage customers with tailored experiences. This builds on the success of Finacle's omnichannel solution suite that has been consistently recognized as a leader by several industry analysts and has been adopted by banks across 78 countries.
- **Mohit Industries** has reported sales of Rs 95.40 crore (provisional) for half year ended on September, 2018 against sales of Rs 79.91 crore in corresponding half year ended in previous year, which increased by 19.38% over the corresponding half year ended in previous year.
- **Maruti Suzuki India** will proactively and voluntarily undertake a recall for Super Carry vehicles to inspect for a possible defect in fuel pump assembly. 640 vehicles in the domestic market manufactured between January 20, 2018 till July 14, 2018 will be covered in this recall campaign.
- **Uflex's** Chemical Business has taken yet another significant step with the introduction of its new Ink series 'FlexGreen' an exclusive range of UV LED sheetfed Inks for commercial printing and packaging. FlexGreen will substantially help reduce import dependence.
- **NCC** has received three new orders totaling to Rs 408.3 crore (exclusive of GST) in the month of September, 2018. Out of this, two orders of Rs 332 crore pertain to Water & Environment Division, one order of Rs 76.2 crore pertains to Buildings Division. These orders are received from state government agencies and do not include any internal orders.
- **Hindustan Construction Company (HCC)**, in the joint venture with Hyundai Development Corporation (HDC), has been awarded a Rs 2,126 crore contract by the Municipal Corporation of Greater Mumbai (MCGM). The contract is for design and construction of the Mumbai Coastal Road Project, Package II. The company's share in the JV is 55% (Rs 1,169 crore) and the project is to be completed in 4 years (48 months).
- **Aurionpro Solutions'** wholly owned subsidiary -- Aurionpro Solutions Pte. has entered into an agreement for an all cash deal for the acquisition of majority stake of 51% in Neo.Bnk Pte., a

- Singapore based technology firm focused on developing micro services based open banking platform.
- **Satra Properties India** has received an approval for the sale of 49% stake in Wholly Owned material subsidiary of the company i.e. Satra Property Developers (SPDPL). The Board of Directors of the company at their meeting held on October 01, 2018, approved the same.
  - **Yash Chemex** has fully repaid working capital (WC) facilities of Rs 4 crore to YES Bank and as on date there is NIL outstanding against the loan.
  - **Coal India** has reported provisional coal production of 40.24 million tonnes (MT) in September 2018, as against 38.76 MT reported during corresponding month of previous year. The company's total off-take for the month of September stood at 43.91 MT, as against 43.57 MT in September 2017.
  - **Maruti Suzuki's Eeco** has crossed the milestone of 5 lakh sales. Designed to perform twin objectives of a being a brilliant family transport and a dependable business vehicle, Eeco has built a strong foothold across the country since its launch in January 2010.
  - **Steel Strips Wheels (SSWL)** has bagged new Exports orders for Caravan wheels & Truck wheels for US and EU Trailer markets. Order comprises of about 100,000 Wheels to be shipped from October until December 2018 with a total value close to \$3 million.
  - **MOIL** has fixed/revised prices of different grades of Manganese Ore with effective from October 01, 2018, in line with the business practice of fixing/revising prices Manganese Ore.
  - **Larsen & Toubro Infotech (LTI)** has won two awards at the globally acclaimed 2018 Stevie Awards for Great Employers. LTI bagged the awards for its unique employee engagement and internal communications initiatives.
  - **TVS Motor Company** has registered a sales growth of 18% with sales increasing from 359,850 units in September 2017 to 423,978 units in the month of September 2018.
  - **Confidence Petroleum** has commissioned two more auto LPG dispensing station, one in Bagalkot in the state of Karnataka and the other one in Patancheru in the state of Telangna..
  - **Gayatri Projects** has bagged a new order of Rs 1312.00 crore for Construction of Access Controlled Nagpur - Mumbai Super Communication Expressway (Maharashtra Samruddhi Maha Marg) in the State of Maharashtra on EPC Mode for Package - 11, from Km 502.698 to Km 532.094 (Section - Village Dhotre to Village Darde Karhale) in District Ahmednagar.
  - **Wipro** has completed divestment of data centre operations in India to Ensono for \$6 million on September 30, 2018.
  - **JSW Steel** has been awarded the Deming Prize for its Vijayanagar Works manufacturing unit. The company's Vijayanagar Works is the largest single location integrated steel plant in the world to be awarded the prestigious Deming Prize for excellence in Total Quality Management (TQM).
  - **Future Enterprises** has executed shareholders agreement and share subscription agreement, to acquire majority stake in Livquik Technology (India). Consequent to subscription of the majority share capital, Livquik will become subsidiary of the company.
  - **Gayatri Projects** has been awarded with the add-on works to its existing works of Chintalapudi Lift Irrigation Scheme. These two additions lead to a consolidated increase of Rs 548.98 crore, nearly 55% of the existing value. This contract is to be executed under the EPC model, and benefits from the synergies of being an extension of an existing project.
  - **Infosys** has entered into three-year collaboration with Cornell University to reshape the workforce driving digital transformation by advancing employee education and research. Through this collaboration, the company - alongside expert faculty at Cornell - will educate its global workforce on technologies such as Blockchain, machine learning and human computer interaction; as well as impart skills in data analytics, design, systems thinking, critical thinking and engineering on Cornell's eCornell virtual learning platform. At least 3,000 Infosys employees globally are expected to participate in the joint certification program, while others will participate course-by-course.
  - **Dr. Reddy's Laboratories'** wholly owned subsidiary -- Promius Pharma, LLC, has sold its rights of Cloderm (clocortolone pivalate) Cream, 0.1 % and its authorized generic to EPI Health, LLC, an affiliate of EPI Group, LLC.
  - **Trigyn Technologies'** wholly owned subsidiary -- Trigyn Technologies, Inc., has been awarded a contract to provide General, Professional and Information Technology Staff Augmentation Services for the New York City Housing Authority (NYCHA).
  - **Ipca Laboratories'** wholly owned subsidiary -- Ipca Pharmaceuticals Inc., USA has acquired 80% share capital of Bayshore Pharmaceuticals LLC (Bayshore), a New Jersey liability company on October 2, 2018, for cash of \$10.286 million. The acquired company belongs to Sales and Marketing of FDA approved Generics Drug Products in the United States of America.

## Economy

### ➤ Indian firm's credit profile improves during H1FY19: Crisil

Providing some relief to the industries, credit rating agency, Crisil in its latest report has said that credit profiles of Indian corporates improved during the first half of the current fiscal year (H1FY19). As per the report, India Inc's credit ratio stood at 1.68 times in the April to September period as against 1.45 times in the preceding six months.

However, the rating agency pointed that credit profiles were moderated when compared to the same period last year (1.88 times in the first half of the previous fiscal year). Further, the report showed that the debt-weighted credit ratio of firms at 1.20 times during April- September 2018 against 1.53 times in the year-ago period and 3.19 times in the preceding six months.

Besides, Crisil listed the various risk factors for Indian companies in future such as the rupee depreciation, rising interest rates and tariff wars. But, Crisil-rated corporates are expected to sustain their credit risk profiles even in the face of headwinds, backed by strong demand, increased government spending towards infrastructure, and leaner balance sheets.

### ➤ Stable rupee needed for long term sustainable growth of India's international trade: CII

The Confederation of Indian Industry (CII) has said that the fall in the value of rupee does not benefit exporters, instead, a stable range-bound currency is needed for long term sustainable growth of India's international trade. It also said that in the present globalised environment, majority of costs like raw material, shipping charges, warehousing and other related services are denominated in foreign currency or at import parity price.

According to the chamber, most of exporters do long term hedging at the time of booking of orders, while importers press for reduction in prices citing depreciation of rupee. Hence, Chairman of CII National Committee on Exports and Imports Sanjay Budhia has said that it is more of a perception than reality that fall of Rupee helps exporters. He pointed out that what is required is a stable range-bound currency which will give stability and certainty for quoting prices and accepting orders in today's competitive global environment.

Recently, the rupee has taken a beating amid volatility in global markets and strengthening of the greenback. The central bank has been taking various measures to shore up the rupee.

### ➤ GST revenue may cross Rs 1 lakh crore mark in November, December

The Finance Ministry is expecting that the Goods and Services Tax (GST) collections are likely to cross Rs 1 lakh crore mark in November and December. The Ministry is expecting higher collections on the back of festive season demand and the anti-evasion measures initiated by the revenue department. In September, the GST revenue rose to Rs 94,442 crore.

With the current trend for GST mop-up, it is expected that the monthly collections could again touch Rs 1 lakh crore around November and December. The collections during November and December 2018 would reflect the sales and purchases made during the months of October and November 2018.

The Ministry said people usually hold back their purchases till Ganesh Chaturthi, which marks the onset of festive season and fell in September this year. Besides, the revenue department's initiative to plug loopholes in the system to curb evasion too would help in raising revenue. Besides, the collections stood at Rs 94,016 crore in May, Rs 95,610 crore in June, Rs 96,483 crore in July, Rs 93,960 crore in August.

### ➤ Core sector growth hits 8-month low of 4.2% in August

India's core sector output grew at a slower pace of 4.2% in August 2018, from 7.3% in July 2018, as output of coal, refinery products and fertilisers moderated. According to data released by the ministry of Commerce and Industry, the combined Index of eight core industries stood at 128.1 in August, 2018, which was 4.2% higher compared to the index of August, 2017. Its cumulative growth during April to August, 2018-19 was 5.5%. The Eight Core Industries - coal, crude oil, natural gas, refinery products, fertilisers, steel, cement and electricity - comprise 40.27% of the weight of items included in the Index of Industrial Production (IIP).

Among eight core sectors, Coal production having 10.33% weight rose 2.4 % in August, 2018 over August, 2017, and its cumulative index increased by 10.3% during April to August, 2018-19 over corresponding period of the previous year. Petroleum Refinery production having 28.04% weight increased 5.1% in August, 2018 over August, 2017 and its cumulative index surged by 7.4% during April to August, 2018-19 over the corresponding period of previous year.

The Natural Gas production having 6.88% weight rose by 1.1% in August, 2018 over August, 2017, while its cumulative index was down by 0.6% during April to August, 2018-19 over the corresponding period of previous year. On the flip side, Steel production having 17.92% weight

jumped by 3.9% in August, 2018 over August, 2017 and its cumulative index increased by 3.4% during April to August, 2018-19 over the corresponding period of previous year.

Fertilizer production having 2.63% weight declined by 5.3% in August, 2018 over August, 2017, while its cumulative index rose by 1.7% during April to August, 2018-19 over the corresponding period of previous year. Cement production having 5.37% weight jumped 14.3% in August, 2018 over August, 2017 and its cumulative index increased by 14.7% during April to August, 2018-19 over the corresponding period of previous year. On the other hand, Crude Oil production having 8.98% weight declined by 3.7% in August, 2018 over August, 2017 and its cumulative index fell by 3.3% during April to August, 2018-19 over the corresponding period of previous year.

➤ **Commerce ministry targets growth rate of 16% in exports in FY19; focusing on 9 sectors**

With an aim to boost exports in the current fiscal (FY19), the Commerce ministry is focusing on nine sectors, including pharma, food processing and textiles. In FY19, the ministry is targeting a minimum growth rate of 16% in exports. The nine sectors include Gems and jewellery, textiles, leather, engineering, electronics, defence, pharma, agri and marine products.

In order to push exports, the ministry has suggested several steps including demanding priority sector lending to exporters. Besides, the Defence Ministry sought cooperation of the Commerce Ministry to boost defence exports from Rs 5,000 crore to Rs 35,000 crore in the coming years.

Ministry of Electronics and IT suggested formulating a strategy to attract companies that are shifting their manufacturing bases from China due to high wages. The Department of Chemicals stated that they are looking at new countries for exports and raised delay in environmental clearance for agro-chemical sector. Since 2011-12, India's exports have been hovering at around \$300 billion. During 2017-18, the shipments grew by about 10% to \$303 billion.



## CNX Nifty



## Technical View

Index closed a day at 10858 with loss of 150 points on Wednesday session and formed bearish candle pattern on daily chart. Index has weekly channel support coming near 10700-10750 zone where 200 DMA and 50 WMA is placed, even it is 61.8% retracement from previous low. considering above all, if index managed to sustain above the said levels we may see a bounce in index up to 11000-11100 zone.

Source: LKP Research, BSE & Ace Equity

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