

Indices	5-Dec	4-Dec	% Chg.
S&P BSE SENSEX	35,884	36,134	-0.69%
Nifty 50	10,783	10,870	-0.80%
NIFTY Midcap 100	17,331	17,589	-1.46%
NIFTY Smallcap 100	6,161	6,272	-1.78%

BSE Sectoral Indices			
	5-Dec	4-Dec	% Chg.
Nifty IT	15,013	15,000	0.09%
Nifty Media	2,500	2,542	-1.67%
Nifty Metal	3,120	3,237	-3.61%
Nifty Energy	14,294	14,359	-0.45%
Nifty Pharma	8,812	9,064	-2.78%
Nifty MNC	13,680	13,839	-1.14%
Nifty Realty	235	237	-0.76%
Nifty Infrastructure	3,059	3,109	-1.61%
Nifty Auto	8,993	9,212	-2.38%
Nifty Bank	26,520	26,694	-0.65%
Nifty FMCG	29,936	30,151	-0.71%
Nifty Financial Services	11,317	11,351	-0.30%
Nifty PSU Bank	2,880	2,905	-0.87%

Major Indices			
	5-Dec	4-Dec	% Chg.
United States	25,027	25,027	0.00%
S&P 500	2,700	2,700	0.00%
London	6,922	7,023	-1.44%
Frankfurt	11,200	11,335	-1.19%

Major Asian Indices			
	5-Dec	4-Dec	% Chg.
Hong Kong	26,820	27,260	-1.62%
Nikkei 225	21,919	22,036	-0.53%
Korea	2,101	2,114	-0.62%
Shanghai	2,650	2,666	-0.61%
Taiwan	9,917	10,084	-1.65%

FII's & DII's in equity					Rs Crs
05-Dec	Buy	Sell	Net	Total %	
FII / FPI Investments	5,062	5,420	-358	33%	
DII's Investments	2,304	3,096	-792	17%	
<i>* Total % - contribution to the total turnover</i>					

FII's in Derivatives (F&O)					Rs Crs
05-Dec	Index Fut	Index Opt	Stock Fut	Stock Opt	
Net	-1,165	-915	-843	310	
OI	25,078	55,263	83,669	5,594	
Chg.OI	7.3%	-0.3%	-1.7%	9.7%	
<i>FII's' contribution to the total F&O turnover</i>					29%

Curr. Derivatives (NSE)				
	5-Dec	4-Dec	Chg.	% Chg.
USDINR 27-DEC-2018	70.64	70.69	-0.05	-0.06%
EURINR 27-DEC-2018	80.39	80.83	-0.44	-0.54%
JPYINR 27-DEC-2018	62.68	62.85	-0.18	-0.28%
GBPINR 27-DEC-2018	90.38	90.79	-0.40	-0.44%

Commodities (MCX)				
	5-Dec	4-Dec	Chg.	% Chg.
Aluminium(31DEC2018)	140.1	139.7	0.40	0.3%
Copper (28FEB2019)	437.2	434.5	2.70	0.6%
Crude (18DEC2018)	3,802	3,768	34.00	0.9%
Gold (05FEB2019)	30,821	30,952	-131.00	-0.4%
Silver (05MAR2019)	36,383	36,634	-251.00	-0.7%

ADR (\$)				
	5-Dec	4-Dec	Chg.	% Chg.
Dr. Reddy's Lab (RDY)	38.44	38.44	-	0.00%
Wipro (WIT)	5.25	5.25	-	0.00%
Infosys (INFY)	9.85	9.85	-	0.00%
HDFC Bank (HDB)	99.29	99.29	-	0.00%
ICICI Bank (IBN)	10.00	10.00	-	0.00%
Tata Motors (TTM)	12.09	12.09	-	0.00%

*The US markets were closed on Wednesday for former President Bush's Funeral.

Domestic Market View

Markets to make gap-down opening on Thursday

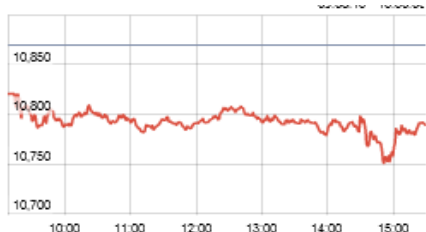
Indian markets ended lower for second straight session on Wednesday, with Sensex and Nifty settling below their crucial 35,900 and 10,800 levels, respectively, amid weak global cues. Besides, the Reserve Bank of India (RBI) kept its key policy rate unchanged, maintaining status quot. Today, the markets are likely to make a gap-down opening tracking weakness in other Asian counterparts amid growing uncertainty about the global economy. Investors will be looking ahead for cues from a closely watched the Organization of the Petroleum Exporting Countries (OPEC) meeting and the outcome of assembly elections in five states.

However, traders may take some support with the Reserve Bank of India (RBI) Monetary Policy Committee (MPC) cutting H2FY19 inflation forecast to 2.7-3.2 percent from 3.9-4.5 percent earlier. It pegged H1 FY20 inflation at 3.8-4.2 percent. Moreover, Deputy Governor Viral Acharya said there is more than enough liquidity in the system at the moment, but the Reserve Bank of India will step in as a lender of last resort if necessary. Besides, the RBI has retained its Gross Domestic Product (GDP) forecast for the current fiscal at 7.4 percent and said growth will accelerate further to 7.5 percent in first half of 2019-20, driven by acceleration in investment activity.

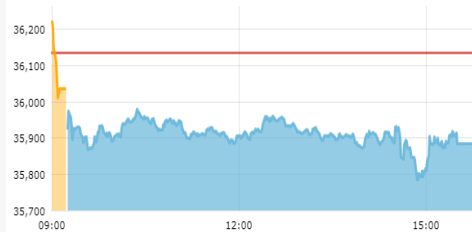
Meanwhile, the Union Cabinet is expected to approve a policy to boost exports of agriculture commodities such as tea, coffee and rice and increase the country's share in global agri trade. The proposed policy would focus on all aspects of agricultural exports including modernising infrastructure, standardisation of products, streamlining regulations, curtailing knee-jerk decisions, and focusing on research and development activities. There will be some buzz in the port sector stocks with report that rating agency ICRA maintained stable year-end outlook for the port sector, terming rebound in coal volumes and steady progress on the Sagarmala project positive for Indian port sector players in the medium term.

Domestic Market Overview

NSE NIFTY



BSE SENSEX



RBI's policy decision fails to provide any relief to equity markets

Indian equity markets failed to take any sense of relief with the Reserve Bank of India's (RBI) policy decision to keep the repo rate unchanged on Wednesday, as both Sensex and Nifty ended in red, breaching their crucial psychological level of 35,900 and 10,800 respectively. The RBI on expected lines kept the repo rate unchanged at 6.50%, taking into account easing global crude prices, benign inflation and moderation in economic growth. The start of the day was pessimistic, as the trade was impacted by Niti Aayog Vice Chairman Rajiv Kumar's statement that the country's economy is likely to bounce back during the fourth quarter at a faster rate to match the overall projection for the current fiscal, but, he added that the economy is unlikely to recover in the third quarter from the slow pace during the last quarter. Traders reacted negatively to the private report showing that the sudden move to demonetise a bulk of Indian currency in circulation and the deteriorating agrarian distress in the country have exposed the consequences of financial exclusion. Some worries also came with another private report stating that listed companies accounted for a little less than a third of the corporate tax in FY18, down from nearly 40% in FY17 and 49% a decade ago.

However, fall in the markets remained restricted, after India's services sector activity strengthen further in month of November, amid an upsurge in demand. As per the survey report, the seasonally adjusted Nikkei Services Business Activity Index rose to 53.7 in November from 52.2 in October. Further, the Nikkei India Composite PMI Output Index -- which measures both manufacturing and services -- too improved to 54.5 in November from 53.0 in October. Adding some relief, Engineering Export Promotion Council (EEPC) said that India's engineering exports are likely to touch \$80 billion this fiscal on account of healthy growth in key markets, including the US and Europe. Some support also came with Economic Affairs Secretary Subhash Chandra Garg's statement that the PMI data for November shows overall strong increase in business activity as well as demand and should augur well for economic growth in October-December quarter. Meanwhile, SBI research report stated that incremental credit to micro and small enterprises (MSEs) has increased five times to Rs 1.23 lakh crore compared to Rs 25,700 crore during corresponding period pre-GST.

On the sectoral front, realty stocks ended lower, despite Crisil Ratings' latest report indicating that residential real estate demand may pick up in the medium-term following improvement in end-user participation on rising affordability, increasing launch of units with mid-income ticket sizes and implementation of RERA. Sugar stocks also plunged, amid a private report stating that Indian sugar mills have 39.73 lakh tonnes of sugar till November 30, which is almost similar to the sugar production of 39.14 lakh tonnes during same period of previous year.

Top Gainers CNX Nifty	Company	LTP	Chg	% Chg
	HINDUNILVR	1852	44	2.5
HDFC	1971	31	1.6	
INFRATEL	258	3	1.2	
HCLTECH	1046	10	1.0	
HDFCBANK	2103	17	0.8	

Top Losers CNX Nifty	Company	LTP	Chg	% Chg
	SUNPHARMA	417	-26	-5.8
HINDALCO	221	-12	-5.2	
TATASTEEL	517	-22	-4.0	
IBULHSGFIN	772	-32	-3.9	
VEDL	198	-8	-3.9	

Top Gainers BSE 100	Company	LTP	Chg	% Chg
	HINDUNILVR	1846	37	2.1
HDFC	1973	34	1.8	
DLF	177	3	1.6	
CADILAHC	358	6	1.6	
INFRATEL	258	4	1.5	

Top Losers BSE 100	Company	LTP	Chg	% Chg
	BHARATFORG	532	-49	-8.5
SUNPHARMA	414	-29	-6.6	
BHEL	66	-4	-5.8	
MOTHERSUMI	158	-9	-5.6	
PFC	92	-5	-5.3	

Top Gainers BSE Midcap	Company	LTP	Chg	% Chg
	EDELWEISS	193	6	3.4
INDHOTEL	147	3	2.3	
GSKCONS	7645	145	1.9	
IDBI	61	1	1.4	
NATCOPHARM*	721	9	1.3	

Top Losers BSE Midcap	Company	LTP	Chg	% Chg
	BHARATFORG	532	-49	-8.5
RELINFRA	308	-22	-6.6	
RELCAPITAL	219	-14	-5.9	
DHFL	211	-12	-5.5	
JINDALSTEL	148	-8	-5.2	

Top Gainers BSE Smallcap	Company	LTP	Chg	% Chg
	CAPITALT	248	41	19.5
TRIGYN	90	8	9.1	
NOVARTIND	742	51	7.4	
INDIAGLYCO	333	20	6.3	
RUCHISOYA	7	0	5.0	

Top Losers BSE Smallcap	Company	LTP	Chg	% Chg
	KESORAMIND	85	-12	-12.7
PUNJLLOYD	6	-1	-9.2	
PRAKASH	85	-8	-8.4	
HCG	197	-17	-8.1	
SPARC	223	-17	-6.9	

NIKKEI 225 INDEX



FTSE 100 INDEX



DAX INDEX



Global Market Overview

Asian markets end in red on Wednesday

Asian markets ended lower on Wednesday amid concerns over trade and worrying signals of economic health after the difference between three- and five-year US Treasury yields dropped below zero. Traders were skeptical around the Trump-Xi agreement announced over the weekend. In China, traders paid little attention to encouraging services data. The services sector in China continued to expand in November, and at an accelerated rate, the latest survey from Caixin revealed with a PMI score of 53.8. That beat expectations for 50.8, which would have been unchanged from the October reading. While, the latest survey from Nikkei showed that the services sector in Japan continued to expand in November, albeit at a fractionally slower pace with a PMI score of 52.3, down from 52.4 in October. Chinese shares ended lower as investor doubts mounted over whether China and the United States will be able to settle their trade dispute before the 90-day deadline expires, and as new data showed a worsening business outlook. Further, Japanese shares fell after a plunge on Wall Street overnight on growth and trade concerns.

US markets remain close for former President Bush's Funeral

The US markets were closed on Wednesday for former President Bush's Funeral.

Index Futures

(OI in '000)Shares)	Future 5-Dec	Chg (%)	Spot 5-Dec	Spot 4-Dec	Chg (%)	Prem / Disc	Total Open Interest 5-Dec	Chg (%)
NIFTY	10,827.7	-0.73	10,783	10,870	-0.80	44.8	20,900	1.65
NIFTYIT	15,070.0	0.11	15,013	15,000	0.09	57.0	17	14.38
BANKNIFTY	26,643.8	-0.96	26,520	26,694	-0.65	124.2	1,712	5.08

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

Symbol	Total OI 5-Dec	Chg (%)	Del Qty Cash Market			Prev % Del.	Increase Del Qty	Spot (₹)	Fut (₹)	Spot Chg (%)	Fut Chg (%)	Prem / Disc
			5-Dec	4-Dec	% Del.							
JUSTDIAL	1,999	7.5%	1,54,260	1,38,503	7%	11%	15,757	491	492	0.1%	-0.3%	1.8
RBLBANK	7,061	2.3%	5,94,394	3,18,059	48%	41%	2,76,335	559	555	0.5%	-0.2%	-4.4
DLF	25,484	0.8%	5,97,888	5,71,331	8%	11%	26,557	177	177	1.8%	1.7%	0.1
ADANI PORTS	18,678	0.3%	12,97,629	7,40,518	25%	27%	5,57,111	375	376	0.1%	0.1%	1.1

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

Symbol	Total OI 5-Dec	% Chg.	Del Qty Cash Market			Prev % Del.	Increase in Del Qty	Spot (₹)	Fut (₹)	Spot Chg (%)	Fut Chg (%)	Prem / Disc
			5-Dec	4-Dec	% Del.							
ADANI ENT	44,468	12.7%	44,13,649	5,37,982	47%	13%	38,75,667	157	158	-2.9%	-3.3%	0.5
CHOLAFIN	549	9.8%	1,02,475	58,148	30%	30%	44,327	1,278	1,271	-1.2%	-1.9%	-6.9
SUNPHARMA	59,514	8.5%	1,40,63,520	1,35,77,618	27%	34%	4,85,902	413	415	-6.8%	-6.8%	2.1
BALKRISIND	2,675	7.3%	1,79,008	91,655	20%	24%	87,353	933	937	-2.1%	-1.7%	4.3
BHARATFORG	9,779	6.5%	25,49,913	5,00,790	23%	36%	20,49,123	531	533	-9.2%	-8.7%	1.5
NESTLEIND	273	6.5%	62,114	37,802	71%	72%	24,312	10488	10511	-0.8%	-1.0%	22.3
ONGC	83,899	4.9%	50,39,607	47,67,237	49%	46%	2,72,370	144	142	-1.7%	-1.9%	-1.3

Corporate News

- **Infosys** has inaugurated its Technology and Innovation Hub in Hartford. The company has also hired more than 7,000 American workers in the last 18 months as part of its ongoing commitment to accelerate the pace of digital innovation for American enterprises.
- **Trigyn Technologies'** wholly owned subsidiary -- Trigyn Technologies, Inc. has entered into \$1.1 million strategic partnership with New York based enterprise artificial intelligence startup WhizAI with participation from angel groups and existing investors.
- **Sagar Cements (SCL)** has received approval to invest a sum of Rs 150 crore in Satguru Cement (SCPL), Indore in the state of Madhya Pradesh, to set-up a green field cement manufacturing plant of 1 million ton capacity along with waste heat recovery power plant at a total cost of Rs 426 crore. SCL will be holding 65% in the equity share capital of SCPL on completion of the above projects. The Board of Directors of the Company at its meeting held on December 5, 2018 has approved the same.
- **Power Grid Corporation of India** has been declared as the successful bidder under Tariff based competitive bidding (TBCB) to establish 'Transmission System for Evacuation of Power from 2 x 660 MW Jawaharpur Thermal Power Project and construction of 400 kV substation at Firozabad along with associated Transmission Lines' on build, own operate and maintain (BOOM) basis.
- UROS Group, a global innovator in turnkey IoT solutions and smart connectivity, is collaborating with **Tata Communications**, a leading digital infrastructure provider, to support the deployment of IoT and Smart City solutions across large commercial and public sector organisations globally.
- **Ravalgaon Sugar Farm** has received approval from its board for sale of land measuring 1,118 sq meters along with staff quarters (built up area 330 Sq meters) on an as is where is basis for Rs 28 lakh (all inclusive), sale of candy sugar plant and machinery on an as is where is basis for Rs 75 lakh plus taxes and sale of candy sugar plant structure subsequent to the sale of plant and machinery. The company has also received approval for capital expenditure of Rs 18 lakh towards construction of factory compound wall plus additional Rs 20 lakh for any additional steps required to protect the property, as and when required in the future.
- **Mahindra & Mahindra Financial Services (Mahindra Finance)** has received an approval for the allotment of 584 Secured Redeemable Principal Protected - Market Linked Non-Convertible Debentures (NCDs) of the face value of Rs 10,00,000 each, at a premium, aggregating to Rs 58.40 crore and 92 Secured Redeemable Principal Protected -Market Linked Non-Convertible Debentures (NCDs) of the face value of Rs 10,00,000 each, at a premium, aggregating to Rs 9.20 crore and 449 Secured Redeemable Principal Protected - Market Linked Non-Convertible Debentures (NCDs) of the face value of Rs 10,00,000 each, at a par, aggregating to Rs 44.90 crore.
- **Jet Airways** has introduced 65 additional frequencies on its international and domestic routes starting December 2018, which will further strengthening its network over its hubs of Mumbai and Delhi. On the international network from Delhi, the airline has added an additional third service between Delhi and Bangkok and a fourth frequency on the Delhi to Kathmandu route to meet the growing demand from travelers.
- **Indian Hume Pipe Company** has received Letter of Acceptance (LoA) for the work of Rs 204.51 crore from public Health & Municipal Engineering Department, Government of Andhra Pradesh for the work of Kurnool District (NCT) - Package II - External Aided Project (EAP) -Assistance from Asian Infrastructure Investment Bank (AIIB) - Andhra Pradesh Urban Water Supply and Septage Management Improvement Project (APUWSSMIP) for providing water supply distribution network, house service connections, AMR meters and SCADA including operation & maintenance for 7 years including defect liability for 2 years in Municipal Towns of Yemmiganur, Atmakuru, Allagadda, Gudur & Nandikotkur in Kurnool District. The project is to be completed within 24 months.
- Maharashtra authorities have imposed Rs 33.78 crore fine on **Dilip Buildcon (DBL)** for allegedly excavating murum (soft rock) illegally in Beed district in the state of Maharashtra. The company was engaged in illegal excavation work during cementing of the Majalgaon-Kej road as part of the Khamgaon-Pandharpur National Highway project stretch.
- **Khadim India** has redeemed Commercial Paper worth Rs 30 crore, which was been issued on August 31, 2018. The maturity date of the instrument is on November 30, 2018.
- Stichting Depository APG Emerging Markets Equity Pool (APG) has acquired 430.916 equity shares of **SH Kelkar and Company (SHK)** on November 29, 2018 due to which the shareholding of APG in the Company has increased beyond 5% of the paid-up capital of the company. The shareholding of APG in the Company is 5.26% after APG's acquisition on November 29, 2018.
- **Maruti Suzuki India** will raise prices of various models, as the cost of company's vehicles has been impacted adversely due to increase in commodity prices and foreign exchange rates, etc.
- United States Food and Drug Administration (USFDA) has completed inspections at **Lupin's** Mandideep location. Lupin's Mandideep location houses the company's cardiovascular 'Pril' API facilities, Cephalosporin API facilities and Cephalosporin Solid Oral Dosage Form facility. These

inspections were carried out between November 26 and December 4, 2018. The inspection at Unit-2, the Cardiovascular 'PriI' API facilities closed with 4 observations.

- **Larsen & Toubro's (L&T)** construction arm -- L&T Construction has won orders worth Rs 2,106 crore across two business segments. The company's Water and Effluent Treatment Business has secured orders worth Rs 1,954 crore from the Andhra Pradesh Capital Region Development Authority (AP CRDA) for investigation, design E and construction of roads, bridges, storm water drains, water supply, sewerage, utility ducts for power & ICT, reuse waterline, avenue plantation and artificial water body compatible with trunk infrastructure in layouts for in Amaravati Capital City in Andhra Pradesh. The business has also secured a turnkey order from the Jharkhand Urban Infrastructure Development Company (JUIDCO) for the execution of drinking water supply projects in the Hazaribagh and Ranchi districts of Jharkhand.
- **AARV Infratel** has entered a term sheet with Qess Corp for implementation of Optical Fiber laying activities as per Bharath Net Phase II project in the state of Gujarat Fibre Grid Network (GFGNL) for a total value of Rs 144.06 crore.
- **Seamec's** Vessel 'SEAMEC III' has commenced one year Charter with ONGC effective from December 04, 2018. As intimated earlier, the value of Charter during firm period is \$22.1 million inclusive of GST.
- **Bharti Airtel** is reportedly looking to partner with Vodafone Idea to co-own Indus Towers their fibre networks. With this, the company is looking forward to raise funds and boost growth and re-capture market leadership by end of March 2019.
- **Alembic Pharmaceuticals** has received approval from the US Food & Drug Administration (USFDA) for its Abbreviated New Drug Application (ANDA) Candesartan Cilexetil tablets USP, 4 mg, 8 mg, and 16 mg. The approved ANDA is therapeutically equivalent to the reference listed drug product (RLD), Atacand Tablets, 4 mg, 8 mg, and 16 mg, of ANI Pharmaceuticals, Inc. Candesartan cilexetil tablets are indicated for the treatment of hypertension in adults and in children 1 to less than 17 years of age, to lower blood pressure. Candesartan cilexetil tablets also indicated for the treatment of heart failure.
- **State Bank of India (SBI)** will cease to be a fund manager of retirement fund body EPFO by March-end, as a bank cannot function as an asset management company under the Reserve Bank of India (RBI) norms.
- **Maruti Suzuki India** has reported 12.6% fall in its production to 135,946 vehicles in November 2018, as compared to 155,568 vehicles in November 2017. Of total, the company manufactured 30,147 vehicles under mini segment (including Alto, Wagon R) in November 2018, as against 39,115 units manufactured in corresponding month previous year.
- **Asian Oilfield Services'** wholly owned subsidiary--Asian Oilfield & Energy Services DMCC (ADMCC) has entered into a Settlement Deed of \$4 million as final settlement amount with Koral Energy International for recovery of monies due under the Service Contract.
- **State Bank of India (SBI)** has raised funds by allotting 40,210 Non-Convertible, Taxable, Perpetual, Subordinated, Unsecured Basel III compliant Additional Tier 1 Bonds, for inclusion in Additional Tier 1 Capital of the Bank, in the nature of debentures of face value of Rs 10 lakh each, at par, bearing coupon of 9.56% p.a. payable annually with call option after 5 years or any anniversary date thereafter, aggregating to Rs 4,021 crore to the Bond subscribers on December 04, 2018, subject to receipt of funds by the Bank on December 04, 2018.
- **Bharti Airtel** has lost a paltry 23.58 lakh customers in September 2018. Following this, the company's total customer base has decreased to 34.35 crore with market share of 29.38%.
- **Indiabulls Ventures** has raised funds around Rs 1480 crore. The Allotment Committee of the Board of Directors of the company, in its meeting held on December 4, 2018, has issued and allotted an aggregate of 2,69,09,089 Compulsorily Convertible Debentures of face value of Rs 550 each (CCDs), for a value aggregating to approximately Rs 1480 crore, to certain foreign investors.
- **NTPC** has participated for 85 MW Solar capacities and has won the entire capacity bid by it, at a levelised tariff of Rs 3.02/unit, applicable for 25 years. The above 85 MW of solar projects shall be set up by NTPC and shall add to the installed capacity of NTPC.
- Pabrai Investment Funds has sold 3% stake in **Repco Home Finance** through an open market transaction for an estimated worth Rs 60 crore. Pabrai Investment Funds which held 7.16% stake in Repco Home Finance earlier, sold 17.85 lakh shares representing 2.85% of equity stake.
- Gaur Group, a leading name in NCR realty, has provided an exit to **Indiabulls Housing Finance** by paying back a debt of Rs 340 crore. The debt was raised 1.5 years back and was used for the construction of Gaur City Mall in Greater Noida West.

- **Oil India** has successfully commissioned the Cyclic Steam Stimulation (CSS) Technology in the well BGW - 8 in Baghewala PML of Rajasthan for extraction of heavy crude oil for the first time in India.

Economy

- **RBI on expected lines keep repo rate unchanged at 6.50%**

The Reserve Bank of India (RBI) on expected lines kept the repo rate unchanged at 6.50% in its Fifth Bi-monthly Monetary Policy Review, 2018-19, taking into account easing global crude prices, benign inflation and moderation in economic growth. Consequently, the reverse repo rate under the liquidity adjustment facility (LAF) stood at 6.25%, and the marginal standing facility (MSF) rate and the Bank Rate at 6.75%. RBI has maintained its stance of 'calibrated tightening' of monetary policy. It also maintained its Gross Domestic Product (GDP) growth projection at 7.4% for 2018-19.

- **India's services PMI strengthen further; soars to 53.7 in November**

Amid an upsurge in demand, India's services sector activity strengthen further in month of November. As per the survey report, the seasonally adjusted Nikkei Services Business Activity Index rose to 53.7 in November from 52.2 in October. Further, the Nikkei India Composite PMI Output Index -- which measures both manufacturing and services -- too improved to 54.5 in November from 53.0 in October.

The survey report found that inflows of new work expanded at a pace not seen for over two years. Further, information & Communication led the increases in, while Real Estate & Business Services was the only category to not see expansion. Besides, Indian service providers continued to add to their payrolls, stretching the current sequence of expansion to 15 months. But, job creation in the manufacturing sector was weaker than recorded in its service counterpart.

On the price front, input cost inflation moderated to a seven-month low, but service providers lifted their selling prices again in the reported month, amid a healthier demand environment. Meanwhile, business sentiment at service providers strengthened in November, boosted by predictions of gradual improvements in market conditions. Likewise, optimism was higher in the manufacturing economy, lifting private sector confidence from October's 20-month low.

- **WTO to establish dispute panel to assess India-US case on steel, aluminium duties**

The World Trade Organisation's (WTO) dispute settlement body has decided to establish a panel to assess if high customs duties imposed by the US on certain steel and aluminium products infringes global trade norms. India had asked the Geneva-based multilateral body to set up the dispute panel against the US for imposing high import duties on certain steel and aluminium products, as both the countries failed to resolve the issue in a bilateral consultation process under the dispute settlement mechanism of the WTO.

Consultation is the first step of the dispute settlement process in the organization. If the two countries are not able to reach a mutually agreed solution through consultation, a country can request for a WTO dispute settlement panel to review the matter. Imposition of high import duties on these items by the US has impacted exports of these products by Indian businesses. The US move is also not in compliance with global trade norms.

Besides, India, Russia, Norway, Canada, Mexico, Switzerland, and European Union have also dragged the US in the WTO on Washington's move to impose 25% and 10% import duties on certain steel and aluminium products, respectively, which triggered global trade tensions. India has a significant export interest to the US on the steel and aluminium sector. As per estimates, India exports steel and aluminium goods worth about \$1.6 billion a year to the US. The US had imposed these duties on grounds of national security.

- **ITR filing increases 50% to 6.08 crore so far this year: CBDT Chairman**

Central Board of Direct Taxes (CBDT) Chairman Sushil Chandra has said that filing of income tax return (ITR) has increased 50 percent to 6.08 crore so far this year (assessment year 2018-19) compared to the year-ago period. Attributing this rise to demonetization, he said that note ban has been very good for increasing the tax base of the country.

Chandra has stated that the revenue department will achieve direct tax collection target of Rs 11.5 lakh crore in the ongoing financial year. He also said that so far 70 countries are sharing information with India under Automatic Exchange of Information (AEOI). Besides, he indicated that as on date, total direct tax mop-up stood at 48 percent of the Budget estimate. As a result of note ban, he highlighted that there has been an increase in corporate taxpayer from 7 lakh in last year to 8 lakh so far now.

Noting that the government was committed to reducing the corporate tax rate, CBDT Chairman said, 'our tax compliance should be good so that the government is in a position to reduce the

(corporate) tax rate.¹ Referring to permanent establishment (PE) rules, he said that PE rules are sustainable in the era of digital economy. He also said “So, from where the revenues are being generated, businesses will have to be taxed accordingly... These issues will have to be discussed in detail.”

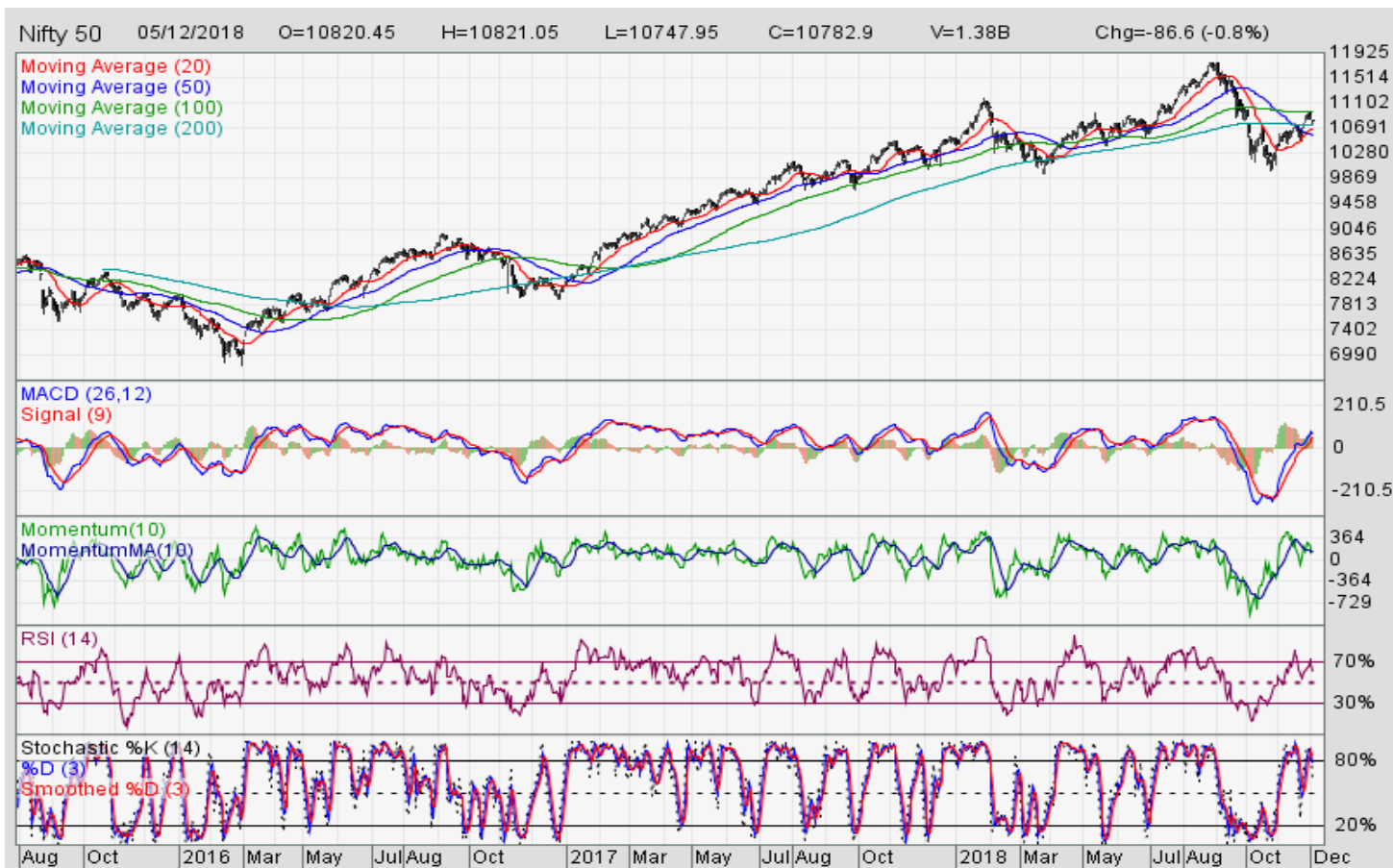
➤ **India’s engineering exports may touch \$80 billion in FY19: EEPC**

The Engineering Export Promotion Council (EEPC) has said it is expecting that India's engineering exports will touch \$80 billion in current financial year (FY19) in comparison to \$76 billion last financial year (FY18). The growth in engineering exports will be mainly on account of healthy growth in key markets, including the US and Europe.

In order to further boost the exports, EEPC also said the government should resolve issues related to credit availability and certain procedural matters. Besides, it demanded more measures such as high incentive rates under the Merchandise Exports from India Scheme (MEIS). It has demanded increase in the MEIS rates from 5-7% from the current 2-3%.

EEPC India Chairman Ravi Sehgal demanded that the manufacturers should get steel at global prices as domestic prices are quite high, adding that downstream players of engineering are impacted due to high steel prices. Additionally, 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 10783 with loss of 87 points on Wednesday session and formed bearish candle on daily chart . Now index has good support near 10720-10680 zone, risky traders can use buy on dip strategy with keeping overall stop loss below 10680 mark. Immediate resistance is coming near 10780-10830 zone and if index managed to sustain above 10830 then we may see a good short covering in index. Nifty bank has support near 26380-26250 zone and resistance is coming near 26600-26750.

Source: LKP Research, BSE & Ace Equity

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