

Indices	8-Jan	7-Jan	% Chg.
S&P BSE SENSEX	35,981	35,850	0.36%
Nifty 50	10,802	10,772	0.28%
NIFTY Midcap 100	17,634	17,658	-0.13%
NIFTY Smallcap 100	6,403	6,387	0.25%

BSE Sectoral Indices			
	8-Jan	7-Jan	% Chg.
Nifty PSU Bank	3,195	3,109	2.77%
Nifty Pharma	8,865	8,733	1.51%
Nifty Bank	27,510	27,305	0.75%
Nifty Auto	8,860	8,820	0.45%
Nifty Metal	3,010	2,997	0.44%
Nifty Financial Services	11,635	11,592	0.38%
Nifty Realty	239	239	-0.02%
Nifty Infrastructure	3,146	3,146	-0.02%
Nifty FMCG	30,272	30,283	-0.04%
Nifty IT	14,286	14,292	-0.04%
Nifty MNC	13,607	13,621	-0.10%
Nifty Energy	14,106	14,137	-0.22%
Nifty Media	2,496	2,527	-1.24%

Major Indices			
	8-Jan	7-Jan	% Chg.
United States	23,787	23,531	1.09%
S&P 500	2,574	2,550	0.97%
London	6,862	6,811	0.74%
Frankfurt	10,804	10,748	0.52%

Major Asian Indices			
	8-Jan	7-Jan	% Chg.
Hong Kong	25,875	25,836	0.15%
Nikkei 225	20,204	20,039	0.82%
Korea	2,025	2,037	-0.58%
Shanghai	2,526	2,533	-0.26%
Taiwan	9,564	9,590	-0.28%

FII's & DII's in equity				
	Buy	Sell	Net	Total %
08-Jan				
FII / FPI Investments	3,437	3,991	-554	26%
DII's Investments	3,344	2,645	698	21%
<i>* Total % - contribution to the total turnover</i>				

FII's in Derivatives (F&O)				
	Index Fut	Index Opt	Stock Fut	Stock Opt
08-Jan				
Net	-418	-488	228	-27
OI	30,773	52,023	82,461	6,605
Chg.OI	3.4%	3.5%	1.5%	2.2%
<i>FII's contribution to the total F&O turnover</i>				
24%				

Curr. Derivatives (NSE)				
	8-Jan	7-Jan	Chg.	% Chg.
USDINR 29-JAN-2019	70.36	69.82	0.54	0.77%
EURINR 29-JAN-2019	80.65	80.03	0.63	0.78%
JPYINR 29-JAN-2019	64.80	64.55	0.25	0.38%
GBPINR 29-JAN-2019	89.80	89.04	0.76	0.85%

Commodities (MCX)				
	8-Jan	7-Jan	Chg.	% Chg.
Aluminium(31JAN2019)	130.2	130.6	-0.45	-0.3%
Copper (28FEB2019)	413.4	409.8	3.65	0.9%
Crude (18JAN2019)	3,474	3,442	32.00	0.9%
Gold (05FEB2019)	31,741	31,648	93.00	0.3%
Silver (05MAR2019)	39,337	39,222	115.00	0.3%

ADR (\$)				
	8-Jan	7-Jan	Chg.	% Chg.
ICICI Bank (IBN)	10.76	10.45	0.31	2.97%
Tata Motors (TTM)	12.96	12.75	0.21	1.65%
Dr. Reddy's Lab (RDY)	36.90	36.53	0.37	1.01%
Wipro (WIT)	5.11	5.06	0.05	0.99%
HDFC Bank (HDB)	103.81	103.05	0.76	0.74%
Infosys (INFY)	9.75	9.71	0.04	0.41%

Domestic Market View

Sensex, Nifty to open in green on positive global cues

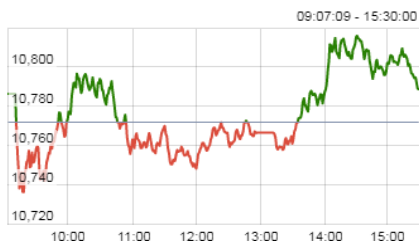
Indian markets ended Tuesday's choppy trading session on positive note for the third straight day on widespread buying towards the fag-end amid fresh inflows by foreign funds and positive global cues. Today, the markets are likely to make positive start tacking firm global cues amid optimism on the potential for progress in trade talks between Washington and Beijing. Traders will be getting encouragement with the World Bank's forecast that India's Gross Domestic Product (GDP) is expected to grow at 7.3% in the fiscal year 2018-19, and 7.5% in the following two years. It said the growth is attributed to an upswing in consumption and investment. The bank said India will continue to be the fastest growing major economy in the world.

Some support will also come with the finance ministry's statement that the recovery of evaded indirect taxes shot up in 2018-19, after a low in 2017-18, the year when the goods and services tax (GST) was implemented. Recovery as a percentage of the evaded taxes dropped from 26% in 2016-17 to 14% in 2017-18. Then, it went up to 29% in 2018-19 (April to December period). Traders may take note of a report that the central government has released Rs 48,202 crore as GST compensation to states during April-November 2018, higher than the Rs 48,178 crore paid in the previous financial year.

There will be some buzz in the banking sector stocks with ICRA's report that the government decision to infuse Rs 41,000 crore more capital into the state-run banks is positive for these lenders as it will help them lower their losses on dud loans. With this round, the overall capital infusion into state-run banks during FY15-FY19 stands at Rs 2.56 trillion. There will be some reaction in gems and jewellery sector stocks with a private report indicating that India's gold imports have declined by 14.5% in 2018 to 759 tonnes from 876 tonnes the previous year. The reasons are sluggish demand, changes in regulations such as alteration of criteria for nominated agencies to import gold and the ban on export of 24 carat jewellery to stop misuse.

Domestic Market Overview

NSE NIFTY



BSE SENSEX



Higher GDP forecast keeps markets high for third straight session

Higher gross domestic product (GDP) growth forecast kept Indian equity benchmarks higher for the third straight session on Tuesday. The Central Statistics Office (CSO) in its First Advance Estimates of National Income, 2018-19, showed that India's economic growth is expected to grow at 7.2% in the current fiscal year (FY19) from 6.7% in the previous fiscal, mainly due to improvement in the performance of agriculture and manufacturing sectors. The start of the trading session was cautious, impacted by Credit ratings agency, Crisil Ratings' latest report that India Inc is likely to register fall in revenue as well as profit growth numbers in Q3 (October-December) of 2018-19. Attributing the estimate mainly to high base in general and certain sector specific issues, it said that revenue growth will dip by up to 5 percentage points on average to 12-13%. The trade remained volatile for most part of the session, as Reserve Bank of India (RBI) governor Shaktikanta Das warned against farm loan waivers, saying a generalised loan waiver adversely hits the credit culture and suggested that states should look at their fiscal position before announcing these amnesty schemes.

However, in the last leg of the trade, the markets gained momentum to end with notable gains, as Economic Affairs Secretary Subhash Chandra Garg described the 7.2% GDP growth projection for 2018-19 as very healthy and noted that India remains to be the fastest growing economy in the world. Garg also highlighted that increase in gross fixed capital formation (GFCF) indicates a pickup in investment activities. Traders were seen taking encouragement with the Finance Ministry's latest report indicating that in the first nine months (April-December) of current financial year (FY19), the direct tax collections surged by 14.1% to Rs 8.74 lakh crore. During the same period, the refunds amounting to Rs 1.30 lakh crore have also been issued, an increase of 17% from the year-ago period. Some comfort also came with a private report expecting that the government to maintain fiscal deficit target of 3.2-3.3%. Meanwhile, RBI Governor Shaktikanta Das has said that necessary steps will be taken by the central bank if there is a liquidity shortage in the economy. Das also said that he will meet representatives of non-banking finance companies to understand the liquidity crunch the sector is facing.

Banking stocks ended in green, with RBI governor Shaktikanta Das' expressing satisfaction over performance of the banking sector saying non-performing assets (NPAs) have declined, particularly that of public sector banks (PSU banks). However, realty stocks ended lower, despite reports that housing sales rose six per cent in 2018 in eight major cities as developers reduced prices and offered indirect discounts to lure customers. Sale of residential units increased in six cities-Delhi-NCR, Mumbai, Bengaluru, Chennai, Hyderabad and Ahmedabad; but declined in two cities-Kolkata and Pune. Stocks related to cement industry remained in focus, amid credit rating agency, ICRA's report showing that the domestic cement demand is expected to be at 7% in FY2019 and around 8% in FY2020, driven by housing, primarily rural housing and affordable housing and improved focus on infrastructure segments like roads, metro and irrigation projects.

Top Gainers		Company	LTP	Chg	% Chg	Top Losers		Company	LTP	Chg	% Chg
CNX Nifty	SUNPHARMA	449	18	4.2	CNX Nifty	ZEEL	449	-14	-3.0		
	ICICIBANK	379	12	3.2		UPL	751	-13	-1.7		
	SBIN	306	9	3.1		KOTAKBANK	1228	-19	-1.5		
	TATAMOTORS	180	5	2.6		BPCL	351	-5	-1.4		
	YESBANK	192	5	2.5		HINDPETRO	247	-3	-1.1		
Top Gainers		Company	LTP	Chg	% Chg	Top Losers		Company	LTP	Chg	% Chg
BSE 100	PAGEIND	22937	1030	4.7	BSE 100	HAVELLS	671	-23	-3.3		
	SUNPHARMA	447	17	4.0		APOLLOHOSP	1250	-31	-2.4		
	ICICIBANK	380	13	3.5		ZEEL	452	-11	-2.4		
	SBIN	305	9	3.2		GODREJCP	781	-19	-2.4		
	AUOPHARMA	746	23	3.0		BHARATFORG	472	-8	-1.8		
Top Gainers		Company	LTP	Chg	% Chg	Top Losers		Company	LTP	Chg	% Chg
BSE Midcap	PAGEIND	22937	1030	4.7	BSE Midcap	GRUH	256	-50	-16.4		
	RPOWER	30	1	4.7		HAVELLS	671	-23	-3.3		
	INDIANB	258	11	4.5		IIFL	480	-15	-3.0		
	UNIONBANK	94	4	4.3		TIFHL	483	-15	-2.9		
	MOTILALLOFS	699	26	3.9		GET&D	296	-8	-2.7		
Top Gainers		Company	LTP	Chg	% Chg	Top Losers		Company	LTP	Chg	% Chg
BSE Smallcap	HFCL	24	3	12.5	BSE Smallcap	USHAMART	32	-4.0	-11.1		
	SREEL	241	22	10.1		PGEL	113	-10	-8.5		
	ONMOBILE	43	4	9.6		ASL	53	-4	-7.3		
	SILINV	237	20	9.3		ORIENTBELL	195	-14	-6.5		
	NELCAST	85	7	8.4		SPAISA	298	-16	-5.0		

NIKKEI 225 INDEX



FTSE 100 IDX



NASDAQ NMS COMPOSITE INDEX



Global Market Overview

Asian markets end mixed on Tuesday

Asian markets ended mixed on Tuesday as traders await for the developments from the second day trade talks between China and United States. Japanese shares ended higher after Amazon and Microsoft Corp fueled a second straight session of gains on Wall Street overnight. Though, China stocks closed slightly lower amid investor caution as US and Chinese officials seek to reach a trade deal in Beijing. Seoul stocks fell as investors monitored the second day of trade talks between China and the United States.

US markets end higher on Tuesday

Extending their gains for third straight day, the US markets ended higher on Tuesday, as optimism about trade talks between the US and China contributed to the continued strength on markets amid a second day of meetings between US and Chinese officials. Face-to-face negotiations between US and Chinese officials entered a second day Tuesday, with hopes rising that the talks will bear fruit after Chinese President Xi Jinping's top policy aide, Premier Liu He, made an appearance on Monday. Meanwhile, President Donald Trump stated that talks were going well. Besides, support also came in real estate and internet stocks, while Apple Inc. and other mega-cap tech companies also helped to propel the market higher. Apple shares rose 1.9 percent after CEO Tim Cook tried to assuage some of the concerns plaguing the tech giant. Amazon also gained 1.66 percent, while Facebook jumped 3.26 percent. Netflix and Alphabet also closed higher.

These gains add to the so-called FAANG trade's sharp rise since December 24. Through Tuesday's close, Facebook shares have surged 15.9 percent since then, while Amazon has rocketed 26.8 percent. Alphabet shares, meanwhile, were up 11 percent in that time period. Netflix's stock was up nearly 37 percent in that time. On the economic front, small-business optimism fell in December, according to the National Federation of Independent Business small-business optimism index, which decreased 0.4 points to a seasonally adjusted level of 104.4, its lowest in 14 months.

Dow Jones Industrial Average surged 256.10 points or 1.09 percent to 23787.45, Nasdaq gained 73.53 points or 1.08 percent to 6897.00 and S&P 500 was up by 24.72 points or 0.97 percent to 2574.41.

Index Futures

(OI in '000)Shares)	Future 8-Jan	Chg (%)	Spot 8-Jan	Spot 7-Jan	Chg (%)	Prem / Disc	Total Open Interest 8-Jan	Chg (%)
NIFTY	10,844.7	0.38	10,802	10,772	0.28	42.5	26,762	1.92
NIFTYIT	14,334.0	0.04	14,286	14,292	-0.04	48.3	27	0.37
BANKNIFTY	27,602.6	0.38	27,510	27,305	0.75	93.1	2,038	27.75

Increasing OI, Increasing Delivery Qty & 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
	8-Jan	Chg (%)	8-Jan	7-Jan	% Del.							
ICICIBANK	96,734	14.0%	97,55,241	62,46,200	43%	47%	35,09,041	380	380	3.4%	3.3%	0.3
ORIENTBANK	13,489	11.0%	7,44,369	4,16,002	15%	12%	3,28,367	101	102	3.1%	3.9%	0.8
UBL	1,950	9.1%	2,35,511	1,86,249	27%	40%	49,262	1411	1414	1.7%	1.7%	3.4
MUTHOOTFIN	2,285	8.6%	8,63,611	4,04,999	29%	36%	4,58,612	517	514	0.8%	0.5%	-2.7
MCX	2,806	8.1%	2,24,609	1,03,854	32%	27%	1,20,755	743	747	2.6%	2.6%	4.7
JUSTDIAL	2,257	6.3%	2,43,900	86,346	19%	8%	1,57,554	497	499	1.5%	2.2%	2.3
SREINFRA	12,660	5.5%	15,31,702	5,99,654	24%	23%	9,32,048	36	36	6.3%	7.2%	0.2
SRF	831	3.9%	1,07,782	65,409	19%	20%	42,373	2025	2032	1.2%	1.5%	7.0
RELCAPITAL	13,413	3.7%	7,59,842	5,74,451	19%	10%	1,85,391	222	223	2.5%	2.2%	1.4

Decreasing OI, Decreasing Delivery Qty & Decreasing 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
	8-Jan	Chg (%)	8-Jan	0-Jan	% Del.							
KSCL	1,422	23.3%	1,37,854	1,06,312	13%	33%	31,542	538	538	-1.7%	-1.7%	-0.2
INDIACEM	20,795	10.8%	13,32,666	11,77,301	9%	22%	1,55,365	91	91	-0.6%	-0.7%	0.4
HAVELLS	5,228	9.8%	5,58,001	1,27,533	32%	18%	4,30,468	670	673	-3.5%	-3.2%	3.6
ZEEL	13,828	8.7%	24,91,695	10,28,022	57%	33%	14,63,673	452	454	-2.3%	-2.3%	2.7
APOLLOTYRE	10,710	8.0%	4,57,619	1,88,668	33%	18%	2,68,951	229	229	-0.3%	-0.7%	0.4
HINDALCO	43,127	7.1%	76,54,807	26,54,724	55%	31%	50,00,083	207	208	-1.0%	-0.9%	1.3
APOLLOHOSP	833	7.1%	4,97,489	4,17,526	54%	58%	79,963	1250	1257	-2.3%	-2.2%	8.0
KOTAKBANK	12,267	6.7%	7,91,096	5,44,736	45%	42%	2,46,360	1229	1236	-1.2%	-1.1%	7.50
HDFCBANK	13,994	6.6%	12,20,334	7,80,696	56%	56%	4,39,638	2103	2112	-0.8%	-0.9%	9.15

Corporate News

- **Oriental Bank of Commerce** has received approval for raising capital for an amount upto Rs 5,500 crore through issuance of equity shares to the Government of India on preferential basis. The Board of Directors of the bank at its meeting held on January 08, 2019 has approved the same.
- **Bharat Dynamics (BDL)** has signed contract worth of Rs 760 crore approximately with the Indian Army for production and supply of Anti-Tank Guided Missiles (ATGM) and Launchers. The Missiles and Launchers will be manufactured under continued technical collaboration with Russia at the Bhanur Unit of BDL in Telangana State.
- **Kridhan Infra's** Singapore Subsidiary - Swee Hong (SHL) together with its step-down subsidiaries, has successfully secured a contract from the Public Utilities Board worth SG \$32.5 million in aggregate for construction of link sewers for the DTSS Phase 2 Project at Old Choa Chu Kang Road/ Jalan Bahar, in Singapore.
- **Artson Engineering** has received approval for availing additional credit facilities up to Rs 25 crore, within the overall limits approved by the shareholders. The Board of Directors of the company at their meeting held on January 8, 2019, approved the same.
- **Medico Intercontinental** is planning for diversification into Pharmaceutical Industry. The meeting of the Board of Directors of the company is scheduled to be held on January 16, 2019, to consider the same.
- **Bharat Dynamics (BDL)** has signed contract worth around Rs 760 crore with the Indian Army for production and supply of Anti-Tank Guided Missiles (ATGM) and Launchers. The Missiles and Launchers will be manufactured under continued technical collaboration with Russia at the Bhanur Unit of BDL in Telangana State.
- **GAIL India** is reportedly seeking for a liquefied natural gas (LNG) cargo for delivery in late January to February. The cargo is for delivery over January 20 to February 5 on a delivered ex-ship (DES) Dabhoj/Dahej basis.
- **Tata Motors'** wholly owned subsidiary -- Jaguar Land Rover (JLR) has reported 16.23% rise in its sales in India at 4,596 units in 2018. The company had sold 3,954 units in 2017.
- **Hind Rectifiers** has bagged orders of Rs 88.05 crore in December 2018. This includes substantial orders from Diesel Locomotive Works worth 61 crore. With these order wins, the company has a strong all time high pending order book of Rs 292.92 crore.
- **Mahindra & Mahindra's (M&M)** TUV300 SUVs has joined the vehicle fleet of Police department of Andhra Pradesh. The police department of Andhra Pradesh has taken delivery of a fresh batch of Mahindra TUV300 SUVs. The government has added 242 TUV300's to the fleet and these vehicles will be used for patrolling. These newest additions to the patrolling police vehicle fleet of Andhra Pradesh are powered by the carmaker's own mHawk 100 engine.
- **Cyient** has been ranked as an 'Established and an Expansive' player by Zinnov, a global consulting and advisory firm, in its 2018 report on engineering R&D services. The report also placed Cyient in the 'Leadership Zone' across four industry verticals-aerospace, energy & utilities, transport, and construction & heavy machinery-retaining its leadership position of several years.
- **Sadbhav Infrastructure Project's** collection of toll revenue from its 10 operational Special Purpose Vehicles (SPVs) has increased by around 6.2% to Rs 2,757.6 million in Q3FY19 from Rs 2,597.8 million in Q3FY18. The company's toll revenue from its Ahmedabad Ring Road Infrastructure (ARRIL) in Q3FY19 has increased by around 4.8% to Rs 242.1 million from Rs 231.0 million in Q3FY18.
- **Zydus Cadila** has received the final approval from the United States Food and Drug Administration (USFDA) to market Aripiprazole Tablets USP (US RLD - Abilify) in the strengths of 2 mg, 5 mg, 10 mg, 15 mg, 20 mg, and 30 mg. It will be manufactured at the group's formulations manufacturing facility at Moraiya, Ahmedabad.
- **DQ Entertainment (DQE)** has launched a range of toys of its globally popular kids animated show The Jungle Book at the Hong Kong Licensing show which is being held between 7th-9th January 2019 .European & Global Licensing (EGL), Netherlands which had been named the global master toy licensee for DQE's Jungle Book franchises has designed and produced a wide variety of plush and figurine toys inspired by the famous brand of DQE.
- **Reliance Communications (RCOM)** has been given 4 weeks' time by the Supreme Court to file its response to the contempt petition filed by Ericsson. Thereafter, Ericsson has been given one week's time to file its rejoinder. The matter will be taken up for hearing thereafter.

- **JSW Steel** has reported crude steel production of 4.23 million tons (MT) in Q3 FY19, registering a growth of 3% over corresponding period of previous year.
- **Tata Consultancy Services (TCS)** has been recognized as a Leader in the Everest Group PEAK Matrix for Blockchain Services.
- **Bharat Petroleum Corporation's (BPCL)** is reportedly looking to revive its plan to build a terminal for imported Liquefied Natural Gas (LNG) amid increasing domestic demand for the clean fuel.
- **Steel Authority of India (SAIL)** is expected to supply 10 lakh tonne of steel in 2018-19 and 12 lakh tonne in 2019-20 to Indian Railways for doubling of rail lines, gauge conversion, new lines and track renewal works.
- **Jindal Steel & Power (JSPL)** has completed over 55% of the order secured from Indian Railways. The order was to supply around one lakh tonne rails to the national transporter over a period of one year.
- **Essel Propack** has launched a new generation extrusion laminator, at its plant in Vasind, Shahapur District. Maharashtra Essel Propack conceptualized, designed and co-developed this with its technology partner, as one more contribution to the 'Green & Sustainable' initiatives of all its stakeholders. The size of investment is around Rs 39 crore. This new addition shall increase the lamination capacity by 25Mn.sq.mtrs from existing 55Mn.sq.mtrs p.a.
- **State Bank of India (SBI)** is likely to remain operational on the two days of general strike called by central trade unions on January 8 and 9.
- **SREI Infrastructure Finance's** wholly-owned subsidiary -- Srei Equipment Finance has entered into a memorandum of understanding (MoU) with Eksportkreditt Norge AS, a Norwegian state-owned provider of export credits, to facilitate financing of equipment import from Norway to India. This MoU was signed at the India-Norway Business Summit 2019.
- **Reliance Industries' (RIL)** telecom arm -- Reliance Jio Infocomm (Jio) – has launched the Kumbh JioPhone. The company has offered 4G data and a suite of benefits especially designed for the needs of pilgrims. This will enrich the spiritual experience of millions of pilgrims attending the divine holy dip.
- **Thirumalai Chemicals** has received approval from its board for formation of a Wholly Owned Subsidiary (WOS) in the Netherlands for marketing and distribution of the company's products in Europe and other countries. The subsidiary in Europe will also handle REACH Compliances. The initial investment will be up to euro 200,000.
- **Goa Carbon** has reported production of 6,289 million tonnes (MT) of Calcined Petroleum Coke at Goa plant in the month of December 2018. The total value of the quantity produced is Rs 18.25 crore.
- **GRUH Finance** has received approval for scheme of amalgamation between the company and Bandhan Bank. The proposed amalgamation would be in the best interest of the Amalgamating Companies and their respective shareholders, employees, creditors and other stakeholders. The Board of Directors of the Company at its meeting held on January 07, 2019 has approved the same.
- **Prabhat Dairy** has entered in comprehensive Animal Nutrition business and increased the focus on this by expanding the farmer base buying cattle feed for its animals.
- Government of India (GoI), the Patent Office has granted the Patent for to **Insecticides' (India)** Insecticidal combination of 'Diafenthiuron and Acetamiprid in Wettable Power Form' for the term of 20 years from July 23, 2013.
- **Himachal Futuristic Communications (HFCL)** has received approval to enhance additional manufacturing capacity of Optical Fibre Cable (OFC) at Hyderabad from 7 million Fibre Kilometer (FKM) to 10.5 million FKM where the Company is already setting up Optical Fibre (OF) and OFC manufacturing Facilities. The additional Investment required for enhancement of capacity Rs 35 crore.
- **Exide Industries** has agreed to invest up to 30% of total equity share capital in each of the three special purpose vehicle(s) namely, 'CSE Solar Sunpark Haryana', 'CSE Solar Sunpark Maharashtra' and 'Greenyana Solar' (hereinafter collectively called as 'Cleantech') aggregating upto Rs 20.05 crore.
- Government is planning to incentivise **Oil and Natural Gas Corporation (ONGC)** and Oil India to raise output from fields given without auction to state-run firms in previous years. The government is thinking of offering fiscal incentives to nomination blocks, were the bulk of production lies. The government is auctioning 14 blocks in this round for which bids will be accepted until March 12.

- **Endurance Technologies'** subsidiary -- Endurance Overseas Srl., Italy and the special purpose vehicle for strategic overseas investments, has acquired the entire equity stake in Fonpresmetal Gap SpA (Fonpresmetal), an aluminum die casting company in Italy.

Economy

- **India remains to be fastest growing economy in world: Economic Affairs Secretary**

After Central Statistics Office's (CSO) estimation on GDP growth, Economic Affairs Secretary Subhash Chandra Garg has described the 7.2% GDP growth projection for 2018-19 as very healthy and noted that India remains to be the fastest growing economy in the world.

Garg highlighted that increase in gross fixed capital formation (GFCF) indicates a pickup in investment activities. He pointed towards impressive GVA growth seen in several industry segments during 2018-19 compared to 2017-18. He further listed the facts and figures about the growth seen in industry segments in FY19 as compared to FY18 such as manufacturing at 8.3% against 5.7%, Construction at 8.9% against 5.7% and Electricity, Gas, Water Supply and Utilities at 9.4% against 7.2%.

Meanwhile, CSO in its First Advance Estimates of National Income, 2018-19, reported that India's economic growth is expected to grow at 7.2% in the current fiscal year (FY19), from 6.7% in the previous fiscal, mainly due to improvement in the performance of agriculture and manufacturing sectors.

- **RBI will take necessary steps if there is liquidity shortage in economy: Das**

Reserve Bank of India (RBI) Governor Shaktikanta Das has said that necessary steps will be taken by the central bank if there is a liquidity shortage in the economy. Though, he assured that liquidity needs have been met at the moment. Pointing out that liquidity in the system is regularly monitored, he said the RBI will take steps whenever there is any deficit. He also said "at the same time, I must also add the RBI would not like a situation where liquidity becomes a kind of loose money. Any infusion of liquidity will have to be carefully considered and has to be need-based. Therefore, caution and care have to be exercised by the RBI so that excess liquidity, ... sometimes have adverse consequences, that is not created."

Das also said that he will meet representatives of non-banking finance companies to understand the liquidity crunch the sector is facing. He informed that based on several inputs from various stakeholders, the RBI recently announced additional Open Market Operation (OMO) of Rs

60,000 crore spread over December and January. He believed that the liquidity requirements of the economy and financial institutions to a great extent are met.

The RBI governor met representatives of the MSME sector to interact and to get their views about the current state of functioning of the MSME and the implementation of the restructuring scheme which the RBI has announced earlier. Last week, the RBI allowed lenders to recast loans of stressed MSME, provided the total fund and non-fund based exposure to such a borrower does not exceed Rs 25 crore. Such a debt restructuring would not lead to a downgrade in asset classification.

- **India Inc likely to report lower revenue, profit growth in Q3FY19**

Credit ratings agency, Crisil Ratings in its latest report has said that India Inc is likely to register fall in revenue as well as profit growth numbers in Q3 (October-December) of 2018-19. Attributing the estimate mainly to high base in general and certain sector specific issues, it said that revenue growth will dip by up to 5 percentage points on average to 12-13 percent.

According to the report, auto companies will post a revenue growth of only 4 percent on rise in ownership costs and weaker finance options which have hit sales during the quarter while the same for the FMCG sector will be 8 percent on sluggish rural demand. It also noted that sugar, aluminium and telecom will face pressure from lower realisations. It also said that growth in operating profit will decline to 10 percent from 15 percent growth levels achieved over the preceding three quarters. Adding further, it said that commodity-linked sectors will see a jump in revenue growth, led by natural gas (37 percent), steel products (27 percent), cement (10 percent), while infrastructure-related sectors like construction are expected to clip at 12 percent.

Besides, the ratings agency has stated that the rupee was weaker by 11 percent during the quarter, which will benefit export-linked sectors such as software and pharma, which are estimated to grow by 21 percent and 10 percent, respectively. It noted that commodity- and infrastructure-linked sectors are expected to support revenue for the December quarter. In consumption spending-led sectors such as airlines and retail, it said that revenue will be supported by positive demand sentiment while in export-oriented segments such as software services and pharma, the boost would come from a weak rupee.

➤ **Direct tax collections surge by 14.1% to Rs 8.74 lakh crore in first nine months of FY19**

The Finance Ministry in its latest report has showed that in the first nine months (April-December) of current financial year (FY19), the direct tax collections surged by 14.1% to Rs 8.74 lakh crore. During the same period, the refunds amounting to Rs 1.30 lakh crore have also been issued, an increase of 17% from the year-ago period.

The net (post-refunds) direct tax collection for April-December period FY19 was Rs 7.43 lakh crore, up 13.6% from the year-ago period. The net direct tax collections represent 64.7% of the total budget estimates of the direct taxes of Rs 11.5 lakh crore for FY19. The growth in collection in the first nine months of the year was marginally lower than the rate of 14.4% required to meet the budget estimate in FY19. This was despite a robust 43.5% y-o-y growth in number of income tax e>Returns filed for the first nine months of FY19, which stood at 6.25 crore.

So far as the growth rate for Corporate Income Tax (CIT) and Personal Income Tax (PIT) is concerned, the growth rate of gross collections for CIT was 14.8% while that for PIT (including STT) was 17.2%. After adjustment of refunds, the net growth in CIT collections was 16.0% and that in PIT collections was 14.8%. It is pertinent to mention that collections of the corresponding period of FY18 also included extraordinary collections under the Income Declaration Scheme (IDS), 2016 amounting to Rs 10,844 crore (Third and last instalment of IDS), which do not form part of the current year's collections.

An amount of Rs. 3.64 lakh crore has been collected as Advance Tax, which was 14.5% higher than the Advance Tax collections during the corresponding period of last year. The growth rate of Corporate Advance Tax was 12.5% and that of PIT Advance Tax was 23.8%.

➤ **CSO pegs India's economic growth at 7.2% for FY19**

The Central Statistics Office (CSO), under Ministry of Statistics and Programme Implementation, in its First Advance Estimates of National Income, 2018-19, has stated that India's economic growth is expected to grow at 7.2% in the current fiscal year (FY19), a tad higher from 6.7% in the previous fiscal, mainly due to improvement in the performance of agriculture and manufacturing sectors. Though, the growth estimate is bit lower than 7.4% growth projected by the Reserve Bank for FY19. The gross domestic product (GDP) had expanded by 7.1% in 2016-17 and 8.2% in 2015-16.

As per the data, real GDP at Constant Prices (2011-12) in the year 2018-19 is likely to attain a level of Rs 139.52 lakh crore, as against the Provisional Estimate of GDP for the year 2017-18 of

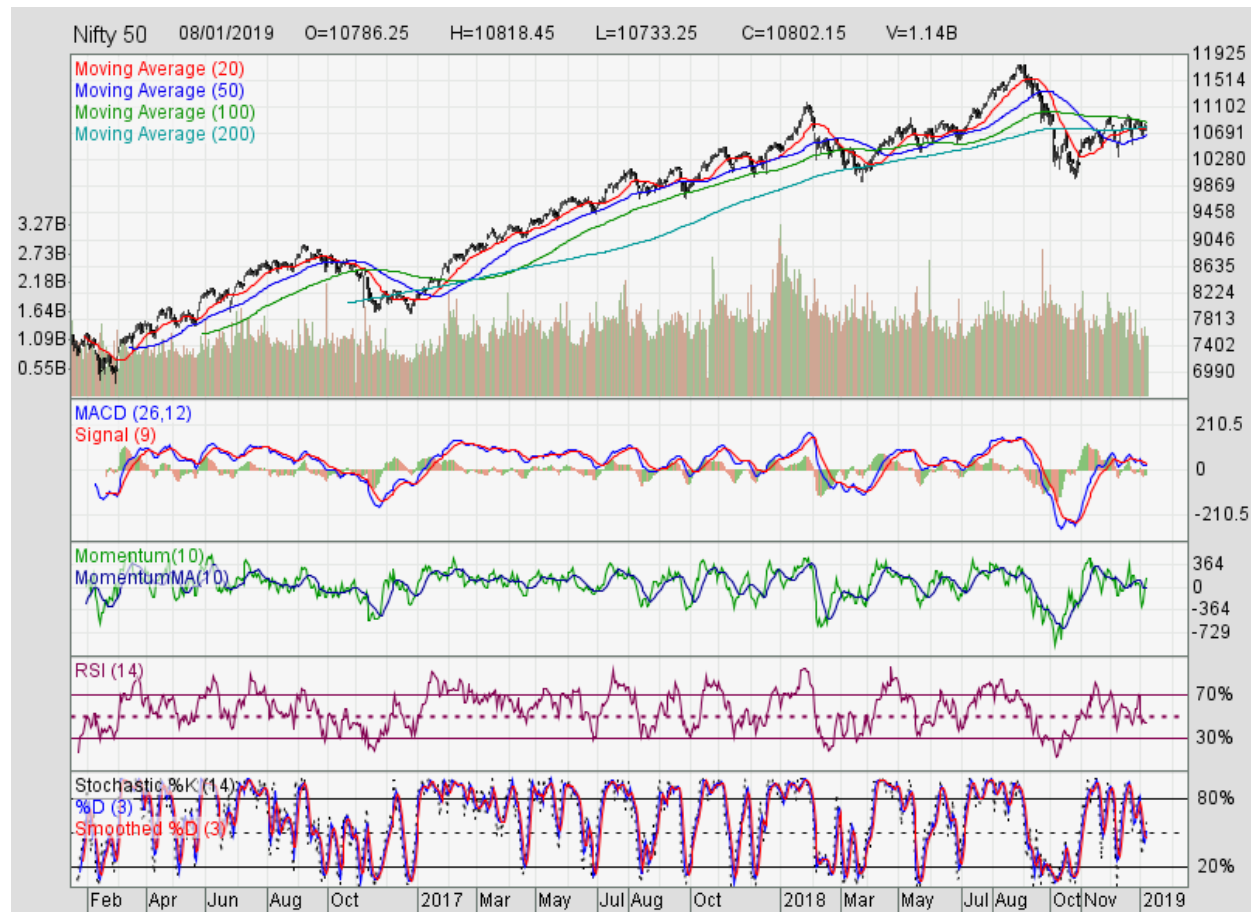
Rs 130.11 lakh crore, released on May 31, 2018. Real GVA, i.e, GVA at Basic Constant Prices (2011-12) is anticipated to increase from Rs 119.76 lakh crore in 2017-18 to Rs 128.09 lakh crore in 2018-19. Anticipated growth of real GVA at Basic Prices in 2018-19 is 7.0% as against 6.5% in 2017-18.

Among the sectors, the expansion in activities in 'agriculture, forestry and fishing' is likely to increase to 3.8% in the current fiscal from 3.4% in the preceding year. The growth of the manufacturing sector is expected to accelerate to 8.3% this fiscal, up from 5.7% in 2017-18. However, the mining and quarrying sector growth rate is estimated to decline from 2.9% in 2017-18 to 0.8% in current fiscal. Trade, hotels, transport, communication and services related to broadcasting will too witness deceleration to 6.9% from 8% in the previous fiscal. The growth rate of public administration, defence and other services will also dip to 8.9% from 10% last fiscal.

Besides, electricity, gas, water supply & other utility services growth is estimated at 9.4% in 2018-19, up from 7.2% in the last fiscal. Similarly, the construction sector is expected to grow at 8.9% from 5.7% previous fiscal. Financial, real estate & professional services' growth will be a tad higher at 6.8% this fiscal against 6.6% in 2017-18.

The per capita net national income during 2018-19 will be Rs 1,25,397, showing a rise of 11.1% as compared to Rs 1,12,835 during 2017-18 with the growth rate of 8.6%. Gross Fixed Capital Formation (GFCF), a barometer of investment, at current prices is estimated at Rs 55.58 lakh crore in 2018-19 as against Rs 47.79 lakh crore in 2017-18. At Constant (2011-12) Prices, the GFCF is estimated at Rs 45.86 lakh crore in 2018-19 as against Rs 40.88 lakh crore in 2017-18. The Government Final Consumption Expenditure (GFCE) at Current Prices is estimated at Rs 21.70 lakh crore in 2018-19 as against Rs 19.08 lakh crore in 2017-18. At Constant (2011-12) Prices, the GFCE is estimated at Rs 15.28 lakh crore in 2018-19 as against Rs 14.0 lakh crore in 2017-18.

CNX Nifty Intraday chart



Technical View

Index closed a day at 10802 with gains of 30 points and formed hammer kind of candle pattern on daily chart. Index again bounce back after taking support from its rising trend line and again index is moving up in V shape recovery suggesting possible targets of 10960 on the higher side. Index has formed support near 10800-10850 and resistance is near 10900-10950 zone. Nifty bank again given inverse H&S breakout on hourly chart suggesting more upside, immediate support is coming near 27400-27300 and resistance is coming near 27650-27750 zone.

Source: LKP Research, BSE & Ace Equity

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