

Morning Note

Indices	24/Apr	23/Apr	% Chg.
S&P BSE SENSEX	39,055	38,565	1.27%
Nifty 50	11,726	11,576	1.30%
NIFTY Midcap 100	17,844	17,779	0.37%
NIFTY Smallcap 100	6,571	6,520	0.79%
BSE Sectoral Indices			
Nifty Energy	16,306	16,011	1.84%
Nifty PSU Bank	3,170	3,121	1.54%
Nifty Financial Services	12,467	12,295	1.39%
Nifty Bank	29,861	29,480	1.29%
Nifty IT	16,370	16,166	1.26%
Nifty Media	2,390	2,362	1.21%
Nifty Infrastructure	3,170	3,145	0.79%
Nifty Pharma	9,459	9,389	0.75%
Nifty Realty	265	263	0.65%
Nifty FMCG	30,631	30,495	0.45%
Nifty Metal	3,048	3,042	0.19%
Nifty MNC	13,280	13,299	-0.14%
Nifty Auto	8,646	8,683	-0.42%

Major Indices	24/Apr	23/Apr	% Chg.
United States	26,597	26,656	-0.22%
S&P 500	2,927	2,934	-0.22%
London	7,472	7,523	-0.68%
Frankfurt	12,313	12,236	0.63%

Major Asian Indices	24/Apr	23/Apr	% Chg.
Hong Kong	29,806	29,963	-0.53%
Nikkei 225	22,200	22,260	-0.27%
Korea	2,201	2,221	-0.88%
Shanghai	3,202	3,199	0.09%
Taiwan	11,028	11,026	0.02%

FII's & DII's in equity				Rs Crs	
	Buy	Sell	Net	Total %	
24-Apr					
FII / FPI Investments	5,235	4,260	975	28%	
DII's Investments	3,182	3,839	-657	21%	
* Total % - contribution to the total turnover					

FII's in Derivatives (F&O)				Rs Crs	
	Index Fut	Index Opt	Stock Fut	Stock Opt	
24-Apr					
Net	441	-125	382	61	
OI	23,799	78,184	99,317	7,952	
Chg.OI	9.4%	2.4%	4.0%	-2.5%	
FII's' contribution to the total F&O turnover					42%

Curr. Derivatives (NSE)	24/Apr	23/Apr	Chg.	% Chg.
EURINR 26-APR-2019	78.38	78.50	-0.125	-0.16%
GBPINR 26-APR-2019	90.46	90.74	-0.28	-0.31%
USDINR 26-APR-2019	69.90	69.73	0.17	0.24%
JPYINR 26-APR-2019	62.53	62.40	0.13	0.21%

Commodities (MCX)	24/Apr	23/Apr	Chg.	% Chg.
Aluminium(30APR2019)	153	151	1.60	1.1%
Copper (30APR2019)	451	446	4.70	1.1%
Crude (20MAY2019)	4,629	4,641	-12.00	-0.3%
Gold (05JUN2019)	31,818	31,562	256.00	0.8%
Silver (03MAY2019)	37,482	36,976	506.00	1.4%

ADR (\$)	24/Apr	23/Apr	Chg.	% Chg.
HDFC Bank (HDB)	116.00	114.17	1.83	1.60%
Infosys (INFY)	10.58	10.53	0.05	0.47%
Dr. Reddy's Lab (RDY)	40.85	40.89	-0.04	-0.10%
ICICI Bank (IBN)	11.30	11.35	-0.05	-0.44%
Wipro (WIT)	4.44	4.47	-0.03	-0.67%
Tata Motors (TTM)	15.84	16.48	-0.64	-3.88%

Domestic Market View

Markets to make slightly negative start of F&O expiry session

Snapping three-day losing streak, Indian markets gained momentum and ended higher with gains of over a percent on Wednesday, as earnings optimism outweighed concerns over elevated oil prices. Today, the start of the F&O series expiry session is likely to be slightly negative tailing the weakness in Asian peers. Besides, lots of volatility may be seen towards the expiry of April series as traders rollover their positions. However, some relief may come with report that giving relief to composition scheme taxpayers under the GST, the finance ministry has allowed such businesses to file self-assessed tax return on quarterly basis in a simplified form. In yet another simplification, the Goods and Services Tax (GST) Council has added flexibility into the way a company can utilise the available input tax credit. Any company would now be eligible to use credit available against paid integrated GST (IGST) to set off tax liabilities of state GST (SGST) and central GST (CGST) in any proportion and in any order.

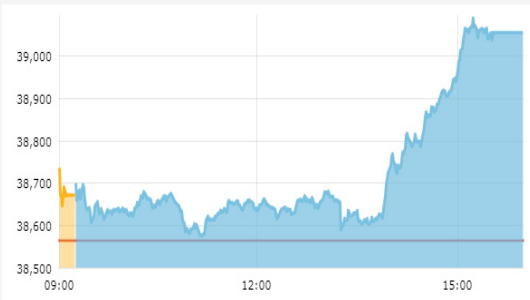
Moreover, the Finance Ministry has introduced changes in the e-way bill system, including auto calculation of distance based on PIN codes for generation of e-way bill and blocking generation of multiple bills on one invoice, as it seeks to crack down on GST evaders. There will be some buzz in the banking sector with report that the RBI has directed banks to disclose loans outstanding to Infrastructure Leasing & Financial Services and the provisions required to be made against the exposure, in their notes accompanying their fourth-quarter financial results. The RBI wants banks to disclose the total loans outstanding as well as the percentage of loans that are non-performing as per the Income Recognition and Asset Classification (IRAC) guidelines but not yet classified as NPAs. There will be some reaction in telecom sector stocks with ICRA's report that the wireless broadband subscriber base continues to maintain its strong growth trajectory, increasing to 532 million in February 2019, or 45 percent of the total subscriber base, witnessing addition of 10.2 million during the month. There will be lots of earnings reaction based on the performance of the companies.

Domestic Market Overview

NSE NIFTY



BSE SENSEX



Bulls make comeback; Sensex reclaims 39k mark

Bulls made a roaring comeback on Wednesday's trading session, with Sensex and Nifty closing with gains of more than a percent each. After a positive start, the markets remained in green terrain throughout the day, as the Reserve Bank of India (RBI) decided to infuse more liquidity into market. It will buy government securities under Open market operations (OMOs) for an aggregate amount of Rs 25,000 crore in May 2019 through two auctions of Rs 12,500 crore each. But, gains were limited, amid credit rating agency, Care Ratings' latest report warning that a spike in crude oil prices by 10 percent owing to the US sanctions on Iranian crude exports can result in a 0.40 percent widening of the current account deficit (CAD), which can subsequently play out into a 3-4 percent fall in the rupee and also push up inflation by 0.24 percent.

Further, key indices gained traction in the dying hours of the trade, buoyed by Fitch Ratings' report indicating that the RBI is the first central bank in the Asia-Pacific region to begin an explicit interest rate easing cycle buoyed by benign food inflation and easier global financial condition. Some support also came with a report that around 3.10 crore small farmers have so far received the first tranche of Rs 2,000 each under the PM-Kisan scheme and 2.10 crore peasants have got the second installment as well, costing Rs 10,500 crore to the exchequer. The market participants took note of another report that the Ministry of Corporate Affairs plans to start gathering 'primary data' from persons who have put in their money in chit funds and deposit-taking schemes, amid continuing efforts to clamp down on illicit fundraising activities.

Stocks related to the microfinance industry remained in focus, with ICRA's latest report stating that the microfinance industry (MFI) is expected to grow at 20-22% in the current fiscal. The rating agency estimated Rs 3,500-4,700 crore of capital requirement for the industry over the next three years. Further, power sector stocks also remained in limelight, with rating agency ICRA in its another report that it has estimated 7-7.5 GW solar power capacity addition during the

current financial year, which includes 1 GW of rooftop solar.

Finally, the BSE Sensex gained 489.80 points or 1.27% to 39,054.68, while the CNX Nifty was up by 150.20 points or 1.30% to 11,726.15.

Top Gainer

Company	LTP	Chg	% Chg
ULTRACEMCO	4432	233.8	5.6
BPCL	349	12.6	3.8
HCLTECH	1141	39.1	3.5
INDUSINDBK	1704	53	3.2
ONGC	168	4.6	2.8

Top Losers

Company	LTP	Chg	% Chg
TATAMOTORS	224	-7.4	-3.2
HEROMOTOCO	2616	-22.2	6.0
MARUTI	6994	-54.6	-6.9
COALINDIA	254	-1.5	-6.8
CIPLA	559	-3.0	-5.5

Top Gainer

Company	LTP	Chg	% Chg
HINDPETRO	268	14.5	5.7
ULTRACEMCO	4396	192.8	4.6
BPCL	349	12.2	3.6
HCLTECH	1141	37.5	3.4
DIVISLAB	1741	51.2	3.0

Top Losers

Company	LTP	Chg	% Chg
TATAMOTORS	224	-7.7	-3.3
TATAMTRDVR	108	-3.6	-3.2
ACC	1607	-51.0	-3.1
MRF	55834	-830	-1.5
CROMPTON	234	-3.4	-1.4

Top Gainer

Company	LTP	Chg	% Chg
RNAM	208	20.9	11.2
RELCAPITAL	155	12	8.0
GRUH	314	16.1	5.4
DHFL	145	4.7	3.3
SAIL	56	1.8	3.3

Top Losers

Company	LTP	Chg	% Chg
SHRIRAMCIT	1679	-50.9	-2.9
TORNTPHARM	1779	-31.2	-1.7
IGL	308	-5.1	-1.6
MRF	55834	-830.2	-1.5
JINDALSTEL	172	-3	-1.5

Top Gainer

Company	LTP	Chg	% Chg
DVL	110	18.4	20.0
MAHABANK	18	1.8	11.2
VISHAL	321	32.1	11.1
IBREALEST	116	10.8	10.2
APOLLOPIPES	436	39.2	9.9

Top Losers

Company	LTP	Chg	% Chg
ZFSTEERING	602	-66.0	-9.9
MUTHFTN	785	-62.2	-7.4
EVEREADY	155	-11.8	-7.1
STRTECH	193	-14.3	-6.9
FELDVR	35	-2.2	-6.0

NIKKEI 225 INDEX



FTSE 100 IDX



NASDAQ NMS COMPOSITE INDEX



Global Market Overview

Asian markets end mixed on Wednesday

Asian markets ended mixed on Wednesday as investors digested upbeat corporate earnings results from the US and looked forward to further progress in US-China trade talks. According to US Press Secretary Sarah Huckabee Sanders, US Trade Representative Robert Lighthizer and Treasury Secretary Steven Mnuchin will head to Beijing next week for talks that start on April 30. Following those talks, Chinese Vice Premier Liu He will lead a delegation to Washington for further discussions that begin on May 8. Japanese shares ended lower as investors braced for a flurry of earnings reports due out on Friday and the 10-day Golden Week holiday starting this weekend. Meanwhile, Chinese shares ended largely unchanged after the country's central bank extended 267.4 billion yuan (\$39.8 billion) to some commercial banks to support liquidity in the banking system.

US markets end lower on Wednesday

The US markets ended lower with cut of around quarter percent on Wednesday, a day after the S&P 500 and Nasdaq carved out their first records in months, following earnings from high-profile companies, including Dow components Boeing and Caterpillar Inc., that offered a mixed picture of American corporations. A mixed batch of earnings reports from big-name companies such as Boeing (BA), Caterpillar (CAT) and AT&T (T) also contributed to the choppy trading on Wall Street. A light day on the US economic front also kept traders on the sidelines ahead of the release of reports on weekly jobless claims, durable goods orders and first quarter GDP in the coming days.

Corporate quarterly results remain in focus for markets midweek. More than a fifth of the S&P 500 constituents have reported results, with nearly 80% of those companies producing earnings results that topped street's consensus estimates, compared with about 65% in the fourth quarter. To be sure, that reflects lowered estimates heading into the quarter amid worries about a recession and anemic growth outside of the US, amplified by a trade spat between Washington and Beijing.

Dow Jones Industrial Average declined 59.34 points or 0.22 percent to 26597.05, Nasdaq dropped 18.81 points or 0.23 percent to 8102.02 and S&P 500 was down by 6.43 points or 0.22 percent to 2927.25.

Index Futures

(OI in '000 Shares)	Future 24/Apr	Chg (%)	Spot 24/Apr	Spot 23/Apr	Chg (%)	Prem / Disc	Total Open Interest 24/Apr Chg (%)	
NIFTY	11,738	1.31	11,726	11,576	1.30	12.1	21,804	11.80
NIFTYIT	16,385	1.25	16,370	16,166	1.26	14.6	19	-4.25
BANKNIFTY	29,890	0.65	29,861	29,480	1.29	29.5	2,395	13.44

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

Symbol	Total OI		Del Qty Cash Market					Spot	Fut	Spot	Fut	Prem / Disc
	24/Apr	Chg	24/Apr	23/Apr	% Del.	Prev. % Del.	Increase in Del Qty	(₹)	(₹)	Chg (%)	Chg (%)	
ONGC	91,380	33.8%	15,917,762	3,368,250	45%	31%	12,549,512	169	169	2.2%	3.1%	0.6
PAGEIND	146	20.6%	24,128	7,218	45%	34%	16,910	23586	23563	3.1%	2.9%	-22.3
PCJEWELLER	10,147	17.4%	3,352,223	3,280,913	6%	5%	71,310	133	134	5.1%	5.4%	0.6
CHOLAFIN	742	16.9%	213,551	186,173	38%	36%	27,378	1424	1426	0.6%	0.4%	1.8
KOTAKBANK	11,676	16.8%	1,043,647	999,247	51%	53%	44,400	1367	1370	0.9%	1.1%	2.8
ITC	85,140	15.0%	8,411,275	5,131,008	71%	64%	3,280,267	306	307	1.1%	0.9%	0.1
LT	10,726	14.5%	1,584,702	1,256,157	69%	56%	328,545	1361	1364	1.0%	1.1%	3.7
HCLTECH	9,430	9.8%	1,470,984	620,983	50%	57%	850,001	1139	1140	3.0%	3.2%	1.0

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

Symbol	Total OI		Del Qty Cash Market					Spot	Fut	Spot	Fut	Prem / Disc
	24/Apr	Chg	24/Apr	23/Apr	% Del.	Prev. % Del.	Increase in Del Qty	(₹)	(₹)	Chg (%)	Chg (%)	
POWERGRID	23,560	17.8%	2,887,222	2,735,613	69%	72%	151,609	192	192	-0.5%	-0.5%	0.5
ACC	3,274	11.9%	1,215,428	231,588	26%	21%	983,840	1606	1607	-3.3%	-3.4%	0.7
NMDC	20,796	8.3%	1,338,988	1,156,078	46%	47%	182,910	102	103	-0.1%	-0.3%	0.2
MRF	36	6.3%	2,224	1,055	37%	29%	1,169	55642	55667	-1.5%	-1.7%	24.8
HEROMOTOCO	2,951	6.0%	511,925	138,631	52%	32%	373,294	2612	2619	-1.1%	-0.7%	6.7
BRITANNIA	2,024	5.0%	168,117	107,550	62%	70%	60,567	2978	2987	-0.4%	-0.4%	8.9
COALINDIA	45,560	4.8%	11,377,884	4,874,083	77%	64%	6,503,801	254	254	-0.6%	-0.5%	0.1
CIPLA	11,530	4.2%	833,684	411,749	42%	18%	421,935	559	560	-0.6%	-0.5%	1.5

Corporate News

- **Glenmark Pharmaceuticals** has received approval from the Ministry of Healthcare, Russia to market Momate Rhino (Mometasone Furoate 50 mcg) metered nasal spray as an over-the-counter (OTC) product for the treatment of seasonal and perennial allergic rhinitis in patients above 18 years of age.
- United States Food and Drug Administration (USFDA) has concluded the audit at **Jeevan Scientific Technology's** clinical pharmacology centre, Hyderabad. The auditors started the review on April 15, 2019 and completed on April 24, 2019. The audit is completed with NIL Observation (i.e. zero 483 observation), signifying that best practices were followed, in compliance to applicable regulations.
- **Infosys** has been positioned a Leader in Gartner's Magic Quadrant for Public Cloud Infrastructure Professional and Managed Services, Worldwide. According to Gartner, Leaders have a track record of successful delivery of high-quality professional and managed services that thoughtfully exploit the capabilities of the cloud platform. They are well-positioned to continue delivering leading-edge services in the future.
- **Astron Paper & Board Mill** will temporary shutdown Unit-2 located at Bhuj in the state of Gujarat from mid night i.e of April 24, 2019 to May 15, 2019 due to capacity expansion/modernization of plant.
- **Future Retail** has raised nearly Rs 2,000 crore through issue of warrants to its promoter group entity on a preferential basis.
- The United States Food and Drug Administration (USFDA) has classified the inspection conducted at **Lupin's** Pithampur (Indore) Unit-2 facility in January 2019 as Official Action Indicated (OAI). The USFDA has stated that this facility may be subject to regulatory or administrative action and that it may withhold approval of any pending applications or supplements in which this facility is listed.
- **Indiabulls Real Estate** has decided to focus only on Mumbai & NCR markets and hence has decided to divest Century, the parent company that houses Hanover Square property, London. In light of continuing Brexit related issues and uncertainty around it, the London property market remains sluggish so the promoter has undertaken to buy the parent company of London asset for GBP 200 million. The company had purchased this property for GBP 161.5 million. CBRE, London has recently valued the property at GBP 189 million. Transaction is subject to approvals including the shareholders' approval. Since it is a related party transaction, Promoter will not be participating in the voting on this item.
- **Surya Roshni** has obtained order aggregating to Rs 231.18 crore (GST Extra) for supply of API 3LPE Coated 5L Grade Pipes to Indian Oil Corporation through competitive e-bidding.
- **Tata Global Beverages'** India tea business has clocked 9% volume growth for the Fiscal 2019. The company has registered a 7% value growth across its brands for the full year. For the March quarter 2019

Corporate News

India registers a 12% volume growth and 11% value growth.

- **ACC** is investing in a pipeline of solutions and products including a portfolio of dry mix products. Besides, the company's brand campaign 'Karein Kuch Kamaal' is receiving very positive response across markets and will help them build long-term brand equity.
- The Securities and Exchange Board of India (SEBI) has barred **Hotel Leelaventure** from selling its four hotels and other assets to Canadian investment fund Brookfield Asset Management.
- Zee Theatre, the popular theatre segment of **Zee Entertainment Enterprises** and Airtel Digital TV, the DTH arm of Bharti Airtel, have launched 'Spotlight' - a video on demand channel that will air the best of Indian plays by popular theatre groups from across the country.
- The United States Food and Drug Administration (USFDA) has retained the Official Action Indicated (OAI) status for Goa Plant - I (Finished Dosages Facility) of **Indoco Remedies**. The facility was inspected by the USFDA in January 2019. The plant currently supplies against one approved ANDA and has four ANDAs pending for approval.
- Japan's Softbank is reportedly looking to make a \$2-3 billion investment in **Reliance Industries'** (RIL) telecom arm -- Reliance Jio Infocomm (Jio) as billionaire Mukesh Ambani looks to deleverage business by selling stakes. This comes on the back of reports of Saudi giant Aramco in discussions to buy a 25 percent stake in Reliance Industries' refining and petrochemical business for \$10-15 billion.
- Government has raised authorised capital of **Allahabad Bank** by Rs 5,000 crore to Rs 8,000 crore. The increase in authorised capital will help enable the bank to raise further fund up to a maximum ceiling of Rs 8,000 crore.
- **Power Grid Corporation of India** has chosen Siemens to modernize the country's first and oldest high voltage direct current (HVDC) link, Vindhyachal. Located in Madhya Pradesh, the 500-megawatt HVDC back-to-back system was put into operation in 1989 to interconnect the asynchronous 400-kilovolt alternating current networks of the Northern and Western regions. By installing its latest HVDC components Siemens will extend the useful life of the system.
- **Bajaj Finserv** is offering a substantial business loan for CAs of up to Rs 35 lakh, so they can finance the purchase and installation of the latest tax software without breaking into a sweat. To diversify business and scale operations bit by bit, CAs can avail a CA loan from Bajaj Finserv as a Flexi Loan.
- **Infosys** has entered into partnership with Huawei Cloud to jointly develop solutions around cloud computing services for business organisations. As part of the agreement, Infosys will join the Huawei Cloud Partner Network (HCPN) and the two companies will develop new cloud solutions leveraging

Corporate News

- Huawei Cloud and Infosys products and services to help customers securely adopt cloud-based systems for their enterprise workloads.
- Airtel Digital TV, the DTH arm of **Bharti Airtel**, and Zee Theatre, the popular theatre segment of **Zee Entertainment Enterprises**, have launched 'Spotlight' - a video on demand channel that will air the best of Indian plays by popular theatre groups from across the country.
 - **Housing Development Finance Corporation (HDFC)** has received approval from Reserve Bank of India (RBI) for acquiring up to 9.9 per cent stake in Bandhan Bank upon the effective date of scheme of amalgamation following the Gruh Finance deal. The scheme remains subject to approvals from the National Company Law Tribunal and the respective shareholders of Gruh Finance and Bandhan Bank.
 - Securities and Exchange Board of India (SEBI) has imposed a fine of Rs 30 lakh on **Geojit Financial Services** for various violations of stock broker norms. The regulator had conducted an inspection of the books of accounts and other records of the company. The inspection period was financial years 2013-14 and 2014-15.
 - **Sasken Technologies** has received approval to Buy-back up to 19,98,678 fully paid up Equity Shares of the Company having face value of Rs 10 each representing 11.68% of the total number of equity shares of the Company at a price not exceeding Rs 850 per Equity Share payable in cash for a total consideration not exceeding Rs 169.88 crore which is 24.96% and 25.00% of the total paid-up equity capital and free reserves. The Board of Directors of the Company at its meeting held on April 23, 2019 has approved the same.
 - **Johnson Controls-Hitachi Air Conditioning India** has launched latest range of energy-efficient and expandable Inverter AC solutions in the capital. With the launch of its all new range of most energy-efficient and environmentally friendly air conditioning solutions, the organization aims to bring about a revolution in Indian AC industry and to become India's leading HVAC brand.
 - **Maruti Suzuki** has launched the New Alto, which has been India's best-selling car for 15 consecutive years. The New Alto is with enhanced safety features and captivating design and now comes with BSVI compliant engine, nearly a year before the regulation being mandated.
 - **NIIT Technologies** has been positioned as a 'Leader' in the Overall market segment for RPA and AI in Banking in NelsonHall NEAT report 2019.
 - **SML ISUZU** has launched two new vehicles - Sartaj 5252 XM (CNG) Truck and Ambulance in the domestic market.

Economy

- **Microfinance industry likely to grow at 20-22% in current fiscal: ICRA**
Highlighting good growth prospects, credit rating agency, ICRA in its latest report has said that the micro-finance industry (MFI) is expected to grow at 20-22% in the current fiscal. The rating agency estimated Rs 3,500-4,700 crore of capital requirement for the industry over the next three years. According to the report, the asset quality indicators of the microfinance industry should be supported by ensuring stringent group selection/elimination norms and adequate credit discipline at the borrower level. Further, it said that the segment remains vulnerable to income shocks, political interference, and event risks and the credit costs for the sector are likely to remain volatile with a mean level of 1.5-2 per cent annualized. Besides, the rating agency said that investors continued to support the MFI with equity infusion of around Rs 4,350 crore in FY19 as against Rs 4,100 crore in FY18. It said that more than 90% of the capital raised in the last fiscal was by the MFI with assets under management (AUMs) of greater than Rs 1,000 crore. This implies that larger entities have been able to attract capital, while the smaller less-diversified entities continue to struggle on this front.
- **India's pharmaceutical exports up 11% to \$19.2 billion in FY19**
India's pharmaceutical exports have reported an increase of 11 percent to \$19.2 billion during the financial year 2019, on the back of higher demand in regions like North America and Europe. According to a commerce ministry data, pharma exports fetched \$17.27 billion in FY18 and \$16.7 billion in the previous fiscal. It highlighted that North America constitutes over 30 percent of Indian pharma exports followed by Africa and the European Union with 19.37 percent and 15.92 percent respectively. Chinese market is also gradually opening up and the government is working to push India's exports there as it holds huge potential. The other important destinations include South Africa, Russia, Nigeria, Brazil and Germany, where exports are registering growth. The sector accounted for about 6 percent of the country's total exports of \$331 billion in 2018-19. It is one of the top five sectors in the exports segment. Generic drugs form the largest segment of the Indian pharmaceutical sector holding 75 percent of the market share by revenue. India supplies 20 percent of global generic medicines in terms of volume, making the country the largest provider of generic medicines globally. Over 55 percent of India's exports go to highly regulated markets. Higher growth in outbound shipments helps create employment opportunities, earn foreign exchange and boost economic activities.

Economy

- **Spike in crude prices may adversely impact CAD, rupee, inflation: Care Ratings**

Credit rating agency Care Ratings in its latest report has warned that a spike in crude oil prices by 10 percent owing to the US sanctions on Iranian crude exports can result in a 0.40 percent widening of the current account deficit (CAD), which can subsequently play out into a 3-4 percent fall in the rupee and also push up inflation by 0.24 percent. It also said that Iran is India's third largest supplier and meets a tenth of India's crude demand and the immediate challenge is to find alternate suppliers who will be able to deliver India at competitive prices as Tehran offers after May 2.

According to the report, if the crude prices remain around \$75 a barrel for another month, the Reserve Bank of India's (RBI's) monetary policy committee (MPC) may postpone a rate cut in the June bi-monthly committee meetings. It pointed out that rising crude prices can have a two-way impact on the domestic economy, which will play out on both the revenue and expenditure fronts. It added that while higher oil prices will mean more revenue for the states as tax is ad valorem, but for the Centre, it may not matter as the rates are fixed.

Rating agency further said that oil marketing companies would earn higher profits if there is a pass-through which can be beneficial for the government too unless the subsidy on kerosene comes in the way. With the US-directed sanctions kicking off from May 2, it would be interesting to see how the various macroeconomic indicators of the domestic economy change course owing to increase in crude prices.

- **Domestic solar power capacity addition expected at around 7 GW to 7.5 GW in FY20: ICRA**

Rating agency ICRA in its latest note has estimated 7-7.5 GW solar power capacity addition during the current financial year (FY20), which includes 1 GW of rooftop solar. The agency said it is based on tendering and awards of projects in the last 12-15 months. The agency mentioned, By contrast, solar capacity addition is estimated to have remained subdued at around 6 GW to 6.5 GW in the financial year FY19 on account of weak trend in award of solar projects in the calendar year (CY) 2017.

ICRA said tendered project awards for solar PV (photovoltaic) projects during CY 2018 stood at about 11 GW against 4.5 GW in CY 2017, providing a healthy pipeline for capacity addition over the next 2-year period. It also said nearly 56% of the capacity auctioned in 2018 has been accounted for by central agencies, such as Solar Energy Corporation of India and NTPC, with the balance by state nodal entities and discoms under various state-level programmes.

Apart from the projects awarded through the bid route, ICRA expects about 1 GW to be added through open access or group captive route and grid-connected rooftop, with these additions being facilitated by favourable solar policies for open access route in a few states.

Economy

- **RBI to infuse Rs 25,000 crore in May via purchase of g-secs**

The Reserve Bank of India has decided to infuse more liquidity into market. It will buy government securities under Open market operations (OMOs) for an aggregate amount of Rs 25,000 crore in May 2019 through two auctions of Rs 12,500 crore each.

Based on a review of the evolving liquidity conditions and assessment of the durable liquidity needs going forward, the central bank has decided to purchase government securities (g-secs). The first auction of Rs 12,500 crore will be conducted on May 2, 2019. The date of the other auction was not announced. It also added that the OMO amount of Rs 25,000 crore was indicative and RBI retains the flexibility to change it, depending on the evolving liquidity and market conditions.

OMOs are conducted by the RBI by sale or purchase of g-secs to regulate money supply in the market. The sale or buying of g-secs infuses or reduces liquidity. OMOs like repo rate, cash reserve ratio and statutory liquidity ratio are monetary policy tools to balance inflation.

Economy

CNX Nifty



Technical View

Index closed a day at 11726 with strong gains of 150 points on Wednesday session and formed bullish candle on daily chart. Index has shifted its support to 11680-11635 zone and resistance is coming near 11750-11800 zone, holding above 11700 zone can lead into some more short covering in index. Nifty bank has support near 29650-29500 zone and resistance is coming near 30000-30150 zone.

Source: LKP Research, BSE, NSE & Ace Equity

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