

Domestic Indices

index	Close	Prv close	%Chg
NIFTY 50	11,466.5	11,371.6	0.83
NIFTY SMALLCAP 50	2,780.1	2,741.6	1.40
NIFTY MIDCAP 50	4,480.2	4,478.5	0.04
NIFTY SMLCAP 250	4,628.8	4,614.3	0.31
NIFTY BANK	22,227.2	21,900.3	1.49
NIFTY FIN SERVICE	11,030.2	10,913.8	1.07
NIFTY METAL	2,370.7	2,332.0	1.66
INDIA VIX	21.3	22.5	-5.57

Global indices

Indices	Close	Prv close	%Chg
NASDAQ	10,503.0	10,473.0	0.28
FTSE	6,252.7	6,290.0	-0.61
CAC 40	5,068.0	5,069.0	-0.50
DAX	12,983.0	12,919.0	0.30
NIKKIEI	12,380.0	12,319.0	-0.47
HANGSENG	31,549.0	31,563.0	0.11
KOSPI	2,485.0	2,504.0	0.42
SHANGHAI	3,290.0	3,305.0	0.34

As on 8.00 IST

Nifty Watch



Nifty Spot intraday 5 Min

Market wrap up

Unwinding of positions ahead of the implementation of tighter rules on margin collection, concerns that moratorium on loans may be extended, and fresh tensions at the India-China border prompted the steepest crash in India's headline indices in over three-and-a-half months. The sell-off was more intense in mid- and small-cap stocks, which sharply underperformed blue-chips, as brokers asked clients to cut quite a lot of positions in the cash market. Under the new rules aimed at formalising leveraged trading, which come into effect Tuesday, brokers have to collect margin before execution of trades by their clients

Global Market

Asian stocks rose today as a private survey showed Chinese manufacturing activity expanded at its fastest pace in nearly a decade in August. The data led to hope of recovery in the world's second largest economy after the hit from COVID-19 pandemic. Investors await monetary policy decision from the Australian central bank. While the Reserve Bank of Australia is not expected to change policy rates, its commentary on the economic outlook will be closely watched. On Monday, most US and European share indices ended lower, but a rise in share of Apple lifted the NASDAQ Composite index.

Market preview

Strength in Asian markets and likely gains in heavyweight Reliance Industries Ltd could help benchmark indices open higher, but the sustainability of these gains will depend on the Supreme Court's orders on petitions for loan moratorium and the verdict on telecom companies' adjusted gross revenue dues, scheduled for today. Today, the Nifty 50 is seen drawing support at 11320 points, and in case the index breaches this level, a fall up to 11240 points can be seen, a technical analyst said. The 11500-point mark will remain a major resistance level.

News corner

Corporate

NMDC slumps on concerns over higher mine royalty

Shares of NMDC fell sharply as sources told Cogencis that the Karnataka government decided to renew the company's lease of the Donimalai mine after it shut in 2018, but at a higher royalty payment of 37% compared with 15% earlier. The move by Karnataka sparked fear that it may lead to other governments also asking for higher royalties on their mines operated by NMDC. The company could face request from Chhattisgarh to increase the royalty payment on the recently renewed mine leases, especially as many of those mine leases expired after Donimalai.

Multiplex companies sink as govt extends curbs on theatres

Shares of multiplex companies fell sharply today after the government extended the restrictions on theatres until Sep 30. Investors had hoped that the government would allow multiplex owners to resume operations in limited capacity from Tuesday, given media reports earlier in the month. The government's decision to retain the curbs comes in the backdrop of record-high daily cases of COVID-19 in the country and the fear that crowding in enclosed spaces such as theatres could worsen the crisis.

Domestic

Mid-, small-caps tank on margin rule, India-China worry

Investors aggressively booked profits in mid- and small-cap stocks due to worry that tighter margin rules by the Securities and Exchange Board of India may take effect from Tuesday. The indices have gained quite sharply in the past three months. Positions in the cash market, in mid- and small-cap segments especially, are being unwound as several brokerages are likely not ready to implement the new framework. Under the new rules aimed at formalising leveraged trading, brokers have to collect the margin before execution of trades by their clients. They can collect collateral through pledging, but existing demat accounts that are tagged as "client margin or collateral" must be closed, with funds in such accounts being transferred back to the clients' accounts. The regulator is reportedly meeting market intermediaries today to discuss the status of the implementation.

International

COMMODITY

CRUDE OIL: Futures ended higher on Monday because of shutdown of drilling rigs in Gulf of Mexico as two tropical storms are expected to hit the area within days of each other. The shutdowns resulted in half of the production in the region coming to a halt. NYMEX Oct futures (per barrel): \$42.62 Monday vs \$42.34 Friday. ICE Brent Oct futures (per barrel): \$45.13 Monday vs \$44.35 Friday

PRECIOUS METALS: Gold futures ended at their lowest level in a month on Monday as optimism over a potential treatment for coronavirus pushed equities higher and weakened demand for the safe-haven metal. COMEX Dec gold futures (ounce): \$1,939.2 Monday vs \$1,9470.0 Friday. COMEX Sep silver futures (ounce): \$26.61 Monday vs \$26.73 Friday

Stock to watch

- **ABB POWER PRODUCTS AND SYSTEMS INDIA:** Promoters of the company have raised by 1% the offer price to acquire shares from public shareholders under an open offer after investors complained that the price was not fair to minority shareholders
- **BANK OF BARODA:** Has cut interest rate on savings accounts with deposits up to 100,000 rupees by 25 basis points to 2.75%
- **BEML:** Has bagged an order worth 8.42 bln rupees from the defence ministry for supply of 330 high mobility vehicles for the Pinaka project
- **BHARAT PETROLEUM CORP:** Subsidy for the consumers getting liquefied petroleum gas from the company will continue even after the government privatises the company. The Ministry of Petroleum has decided to maintain the status quo even if a private player takes charge of the company
- **BHARTI AIRTEL:** Integrated Core Strategies (Asia) Pte bought 38 mln shares or 0.7% stake in the company at 513.79 rupees per share through bulk deal on the National Stock Exchange
- **BHARTI INFRATEL:** To proceed with merger of Indus Tower with the company and will buy VODAFONE IDEA's Indus Tower stake at 40 bln rupees.
- **BIOCON:** Subsidiary Biocon Biologics India and Mylan N.V. have launched insulin drug Semglee in the US
- **CEAT:** Westbridge Crossover Fund Llc has sold 835,958 shares or 2.1% stake in the company at 885 rupees per share through a bulk deal on BSE
- **COFFEE DAY ENTERPRISES:** Expects to receive a sum equivalent to the net asset value of its broking operations Way2Wealth Securities, adjusted for the business premium of 200-250 mln rupees, from its sale to Shriram Ownership Trust.
- **ENTERTAINMENT NETWORK INDIA:** Has terminated its advertising sales agreement with TV Today Network

Data Alert

Overseas

- US NEW HOUSING CONSTRUCTION for Jul. 1800 IST
- US RETAIL SALES INDEX for week ended Sat. 1825 IST

Domestic

- Na.

Actions watch

SPLIT

Company	Ratio	Ex.date
NA		

Major Dividends

Company	Div/Share	Ex.date
ONWARDTEC	Rs.1.50	08-JUL
LTTS	Rs.13.50	08-JUL
HDFCAMC	Rs 28.00	09-JUL
DRREDDY	Rs. 25.00	13-JUL

DERIVATIVES IN BAN PERIOD

ASHOKLEY	BHEL
CANBK	GMRINFRA
IDEA	LICHSGFIN
NATIONALUM	VEDL
PNB	SAIL

RESULTS TODAY

ARSSINFRA	AVANTI
EDELWIESS	HCC
IDFC	MADHUCON
NMDC	PANCARBON

Thought of the day

“Wide diversification is only required when investors do not understand what they are doing.”
Warren Buffett



Previous Tracker

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