



Muthoot Securities

# MARKET MANTHRA

20-MAR-2020

## Domestic Indices

index	Close	Prv close	%Chg
NIFTY 50	8,263.5	8,468.8	-2.42
NIFTY SMLCAP 50	1,807.5	1,922.9	-6.00
NIFTY MIDCAP 50	3,225.4	3,370.6	-4.31
NIFTY SMLCAP 250	3,344.1	3,531.2	-5.30
NIFTY BANK	20,044.6	20,580.2	-2.60
NIFTY FIN SERVICE	9,594.3	9,800.3	-2.10
NIFTY METAL	1,576.2	1,664.2	-5.29
INDIA VIX	72.0	64.0	12.50

## Global indices

Indices	Close	Prv close	%Chg
NASDAQ	7,344.0	7,190.0	-1.80
FTSE	7,069.0	7,086.0	0.42
CAC 40	5,236.0	5,243.0	0.29
DAX	12,247.0	12,248.0	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

The domestic equity market tried to escape the bear hug with some intermittent recovery, but ended with a whimper at an over three-year low as concerns over economic impact of coronavirus persisted. Bargain buying in some information technology and financial shares helped cushion the fall. Also, helping the domestic stocks was the decision of the SEBI to extend the deadline for listed companies to submit their earnings for the March quarter and annual earnings for 2019-20 (Apr-Mar) by 30-45 days to Jun 30. The Nifty 50 closed at 8263.45, down 205.35 points, while the Sensex closed at 28288.23, down 581.28 or 2%.

## Global Market

The yield on the benchmark US Treasury note slid and equities gained on Thursday after central banks worldwide stepped in to soften the economic impact of the coronavirus pandemic. Benchmark equity indices in the US ended higher on Thursday as emergency steps by policymakers worldwide to aid financial markets boosted investor sentiment, which has been struggling from the impact of coronavirus. Asian equity indices were higher today, tracking gains in US markets overnight as steps taken by policymakers worldwide, including the US Federal Reserve, to fight a recession and aid financial markets calmed investors.

## Market preview

Benchmark indices are seen opening with some modest gains mirroring cues from global markets on measures taken by policymakers and governments to calm the panic amongst investors over the coronavirus outbreak. However, gains might be capped due to the rise in the number of coronavirus cases in India, which is so far at 193.

## News corner

## Corporate

**Maruti Suzuki hits over 3-year low on demand concerns**

Shares of Maruti Suzuki India fell sharply to hit their over three-year low of 4,652.55 rupees backed by heavy volumes on concerns over demand as the coronavirus outbreak further weakens the outlook for discretionary demand. The company's weak product line-up and possibility of hit to production at its plant at Manesar, Haryana, due to COVID-19 outbreak also weighed on the sentiment of investors. The company's shares have fallen 23.4% so far in March and are on course to mark their biggest monthly decline in the past ten years

**IOC up 4% on fall in crude oil prices, hefty dividend**

Shares of Indian Oil Corp rebounded and rose 4% as the slump in global crude oil prices is seen aiding the company, and a hefty dividend payout likely attracted investors. Global crude oil prices have declined 47% in March so far due to weakness in demand triggered by the coronavirus and a price war between Saudi Arabia and Russia after major oil producers failed to reach a deal to cut output.

## Domestic

**IT companies seen weak as Accenture cuts sales growth view**

Shares of information technology companies are seen weak today as industry bellwether Accenture has slashed its revenue growth guidance for the current fiscal year in the light of the uncertainty around the coronavirus outbreak. On Thursday, the New York-listed company cut its revenue growth expectations for financial year 2020 and said it expects to grow 3-6%, as against its earlier forecast of 6-8%. In the first six months, the company's revenue grew by 8%, effectively. This indicates that business will be flat or negative in the next two quarters. Jefferies India reportedly said Accenture's lowered annual revenue growth estimate implies flat to 3.5% sequential decline in revenues. Accenture's business is a key barometer on the impact on other Indian information technology companies.

## International

**COMMODITY**

**CRUDE OIL:** Futures settled higher on Thursday, rebounding from steep losses in the last three sessions, as global central banks stepped in and offered supportive measures to tackle the economic fallout of the pandemic. Prices rose further due to possible intervention by the US in an oil price war between Russia and Saudi Arabia, with US President Trump saying he would get involved "at the appropriate time".

**PRECIOUS METALS:** Gold futures settled slightly higher on Thursday as improvement in risk appetite reduced appeal for the yellow metal after several central banks announced measures to support the global economy, which has been severely affected by the pandemic. COMEX Apr gold futures (troy ounce): \$1,479.3 Thursday vs \$1,477.9 Wednesday. COMEX May silver futures (ounce): \$12.13 Thursday vs \$11.77 Wednesday

## Stock to watch

- **ADANI GAS:** To pay 0.25 rupee per share interim dividend.
- **ALANKIT LTD:** The board has approved acquiring 100% stake, or 1.4 mln shares, for 66.2 mln rupees in group company Alankit Imaginations at 47.30 rupees per share, which includes a premium of 37.30 rupees per share, subject to necessary approvals. The board approved acquisition of another 2.6 mln equity shares on private placement basis for 123 mln rupees in Alankit Imaginations at 47.30 rupees per share.
- **ASHOK LEYLAND:** May buy an additional 12% stake in its finance arm Hinduja Leyland Finance for 8 bln rupees from promoter Hinduja Group.
- **ASIAN PAINTS:** Promoter Sattva Holding and Trading bought 363,590 shares or 0.03% stake of the company at 1,621 rupees per share through a block deal on the BSE.
- **AXIS BANK:** In the wake of the outbreak of coronavirus, the bank has declared itself ready to safeguard the interests of its customers and employees in its offices, branches and automated teller machines and said it is constantly monitoring the situation
- **BAJAJ FINANCE:** Blackrock Global Funds India Fund bought 45,000 shares or 0.007% stake of the company at 2,953 rupees a share through a block deal on the BSE
- **BANK OF BARODA:** Will waive digital transaction charge for three months to encourage customers avoid queueing up at bank branches or automated teller machines for cash in the wake of the rapidly spreading coronavirus pandemic.
- **BHARTI AIRTEL:** Is preparing to offer post-paid mobile telephony, fixed broadband, DTH and landline services under a single 'quad-play' plan, called Airtel One, as it looks to boost profitability through improved customer stickiness and revenue

## Data Alert

### Overseas

- US RETAIL ECONOMIST/GOLDMAN SACHS CHAIN STORE SALES for week ended Sat.
- US JOHNSON REDBOOK RETAIL SALES INDEX for week ended Sat. 1825 IST

### Domestic

- Index of Industrial Production for January, by NSO. 1730 IST.
- CPI (Combined) for February, by NSO. 1730 IST.

## Actions watch

### BONUS

Company	Ratio	Ex.date
RADIOCITY	1:4	12-MAR

### Major Dividends

Company	Div/Share	Ex.date
ADANI PORTS	Rs.3.20	16-MAR
APTECH LTD	Rs.4.50	16-MAR
CUPID	Rs 3.50	16-MAR
HAVELLS	Rs. 4.00	16-MAR

### DERIVATIVES IN BAN PERIOD

YES BANK

### RESULTS TODAY

## 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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