



Muthoot Securities

# MARKET MANTHRA

23-SEP-2020

## Domestic Indices

index	Close	Prv close	%Chg
NIFTY 50	11,153.7	11,250.6	-0.86
NIFTY SMALLCAP 50	2793.35	2841.1	-1.68
NIFTY MIDCAP 50	4,496.6	4,572.9	-1.67
NIFTY SMALLCAP 250	4865.5	4956.8	-1.84
NIFTY BANK	21,139.1	21,366.8	-1.07
NIFTY NEXT 50	26357.5	26671.25	-1.18
NIFTY METAL	2,214.0	2,240.4	-1.18
INDIA VIX	21.11	22.19	-4.87

## 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

Benchmark equity indices extended their losses from Monday and ended at their lowest level in six weeks today as investors' appetite for equities remains weak, given concern over economic recovery and lofty valuations. Market participants said investors were wary of taking aggressive bets in the market given the sell-off on Monday and a lack of appetite among retail investors to "buy the dip". Institutional investors, too, have shown a reluctance to take advantage of a near 700-point correction in the Nifty 50 index since the start of the month, as they remained concerned

## Global Market

Movement in Asian equities was mixed in early trade today as market participants assessed US Federal Reserve Chair Jerome Powell's comments during his testimony to a US Congress panel. Powell said the US central bank would do as much as it could to support the economy, adding that further recovery was contingent on keeping COVID-19 under control and fiscal support from the government. Market participants continue to worry that fresh restrictions to control COVID-19 could hit economic recovery. UK Prime Minister Boris Johnson has announced fresh curbs for businesses and urged people to work from home as much as possible. COVID-19 cases have surged recently

## Market preview

Benchmark equity indices are likely to see another subdued trading session, tracking similar cues from other Asian markets as investors may refrain from taking aggressive bets given concern over fresh COVID-19 lockdowns in Europe. The September futures of the Nifty traded on the Singapore Exchange were flat, indicating a tepid start for local equities. The Nifty 50 could move in a range of 11000-11340 points today. The weakness in sentiment has also been exacerbated by the recent bounce back in the US dollar, which makes it unattractive for short-term foreign investors to invest in local stocks.

## News corner

## Corporate

**TCS extends gains on order from UK-based Morrisons**

Shares of Tata Consultancy Services extended gains to hit a lifetime high of 2,555 rupees after the company said UK's supermarket chain Morrisons had awarded it a five-year contract for application management, data and cyber-security services. Morrisons first selected TCS as its technology services partner in 2016. TCS will help the retailer digitalise and modernise operations, across various lines of businesses. Defensive buying and optimistic commentary from companies have led to gains in information technology stocks in recent weeks. TCS Chief Executive Officer Rajesh Gopinathan recently said the industry was at the cusp of a significant growth phase.

**Sun Pharma Advanced research up on licensing deal for Elepsia**

Shares of Sun Pharma Advanced Research Company rose as investor sentiment was boosted by the company's deal to sell a commercial licence for its drug Elepsia to Tripoint Therapeutics in the US. Under the deal, the company will earn a royalty of 15-50% on sales of the anti-epileptic drug made by Tripoint in the US. The licensing deal provided visibility on the company's revenue stream for the next few years, given the five-year tenure of the deal.

## Domestic

**Metal companies fall for 4th day as growth worries heighten**

Shares of metal companies fell for the fourth straight session today, reflecting the recent loss of confidence of investors in the sector's recovery trajectory. Sell-off in global equities and re-emergence of lockdowns as a means to stem the rise of COVID-19 cases in Europe meant that investors have had to dial back their optimism for the sector. In addition to that, domestic demand has largely remained anaemic because of lack of government spending and dormant private sector activity. The pent-up demand of the post lockdown months have faded, and fresh demand remains a concern, said analysts. Analysts now expect the ongoing correction to sustain until fresh signs of demand recovery emerge for the sector. At 1434 IST, the Nifty Metal index was down 1.9% at 2198.20 points.

## International

**COMMODITY**

**PRECIOUS METALS:** Gold futures closed lower on Tuesday as the US dollar strengthened further due to worry over fresh restrictions imposed in various parts of Europe and rising number of COVID-19 cases globally. Some market participants also said investors were reallocating their funds from gold on hope of a rise in bond yields in Oct-Dec.

COMEX Dec gold futures (ounce): \$1,907.6 Tuesday vs \$1,910.6 Monday. COMEX Dec silver futures (ounce): \$24.52 Tuesday vs \$24.39 Monday

### Stock to watch

- BHARTI AIRTEL: Telecom operators, VVVVVVVVV

### Actions watch

#### SPLIT

Company	Ratio	Ex.date
LAURUSLAB	1:5	29-SEP

#### Major Dividends

Company	Div/Share	Ex.date
NXTDIGITAL	Rs.5.00	22-SEP
HGS	Rs.6.00	22-SEP
JBCHEMPHARM	Rs 1.00	22-SEP

#### DERIVATIVES IN BAN PERIOD

SAIL	VEDL
IDEA	GLENMARK

#### RESULTS TODAY

AIML	CREDITACC
SHAKTIPR	KONARKSY
SUNRAJDI	

### Data Alert

#### Overseas

- GERMANY FLASH PMI for Sep. 1300 IST
- EUROZONE FLASH PMI for Sep. 1330 IST

#### Domestic

- Money supply as on Sep 11, by Reserve Bank of India
- Rainfall for week to Sep 23, by IMD

### Thought of the day

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



## Previous Tracker

## Disclaimer

This report/ document has been prepared by the Research department of Muthoot Securities Limited solely for the information of authorized recipient. All reasonable care has taken to ensure that the information contained herein is not misleading or untrue at the time of publication, but we make no representation as to its accuracy or completeness. All information is for private use of the person to whom it is provided and is not for public distribution and without liability whatsoever on the part of Muthoot Securities Limited. This report shall not be copied, printed, distributed or re-distributed to any person. Nothing contained herein should be construed as an offer to buy or sell or a solicitation of an offer to buy or sell. Past performance is no guide to the future. Muthoot Securities Ltd shall not be liable for any direct or indirect losses arising from the action initiated by you on the basis of information provided in this report/ document and accepts no responsibility for statements made or any other source of information received by you and you would be doing so at your own risk. Muthoot Securities Limited, its associate and group companies, its directors, associates, employees from time to time may have various interests/ positions in any of the securities of the Company (ies) mentioned therein or be engaged in any other transactions involving such securities or otherwise in other securities of the companies / organization mentioned in the document or may have other potential conflict of interest with respect of any recommendation and / related information and opinions.