

Opening Bell

Market Outlook

Indian markets are expected to open in the green today tracking positive global cues. The markets in the near term will watch the RBI's monetary policy meet, results of Gujarat elections and US Fed policy.

Markets Yesterday

- Domestic markets ended marginally in the positive territory with gains in stocks like Gail, Yes Bank, Coal India, Vedanta, etc. However, weak Asian cues led overall sentiments to remain muted
- US markets ended marginally in the green with reports indicating a better-than-expected jump in the economic index

Key Developments

- USFDA has issued an establishment inspection report (EIR) in relation to cGMP inspection of Biocon's aseptic product facility (inspected on May 25-June 3, 2017). The outcome has been classified as voluntary action indicated (VAI) while the EIR says the inspection has been closed
- As per media sources, Moody's Investors Service has upgraded the corporate family rating of Vedanta's parent company (Vedanta Resources) to Ba3 from B1 earlier. It has also upgraded the company's senior unsecured bond rating to B2 from B3. The rating outlook is stable. The rating upgrade reflects the relatively benign operating environment and stabilising commodity prices that is expected to aid EBITDA and cash flow generation
- Cipla has received USFDA approval to market the generic version of Otsuka America Pharmaceutical's Dacogen (CVS). The drug had US sales of US\$180 million (IMS MAT September 2017)
- Glenmark has received USFDA approval to market the generic version of Allergan Pharma's Loestrin 24 Fe tablets (contraceptive). The drug had US sales of \$97 million (IQVIATM MAT September 2017)

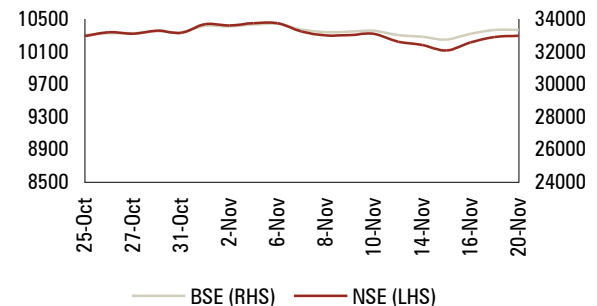
Nifty Heat Map

GAIL	460.4 3.5%	Yes Bank	313.4 2.4%	BOSCH	19,376.5 2.2%	Vedanta Ltd	313.9 2.0%	Coal India	278.4 2.0%
Kotak Bank	1,040.6 1.7%	NTPC	180.5 1.6%	ONGC	180.0 1.4%	IBULHSG FIN	1,199.5 1.3%	Bajaj Auto	3,242.0 1.1%
Indusind Bank	1,649.3 1.1%	Hindalco	261.5 1.0%	Bajaj Finance	1,805.3 1.0%	RIL	920.9 1.0%	Bharti Infratel	383.7 0.9%
Maruti	8,425.7 0.9%	Hero Moto	3,658.6 0.8%	HDFC Bank	1,838.2 0.7%	UPL	728.9 0.6%	L&T	1,229.8 0.6%
Axis Bank	545.2 0.5%	ITC	259.2 0.5%	Tata Motors	423.0 0.3%	HCL Tech	842.2 0.3%	HPCL	415.6 0.2%
Tata Steel	702.2 0.1%	Power Grid	208.8 0.1%	BPCL	504.5 0.1%	Sun Pharma	517.2 0.0%	TCS	2,703.5 -0.1%
Bharti Airtel	492.7 -0.2%	Eicher	30,639.7 -0.2%	Wipro	294.4 -0.3%	HUL	1,274.5 -0.3%	Aurobin	706.5 -0.3%
Lupin	826.2 -0.4%	Asian Paints	1,166.4 -0.4%	Zee Ent.	532.7 -0.5%	IOC	393.0 -0.6%	Adani Ports	398.6 -0.6%
M&M	1,408.0 -0.6%	Cipla	604.3 -0.7%	HDFC Ltd	1,689.2 -1.0%	Infosys	960.6 -1.1%	SBI	333.0 -1.3%
TECHM	476.8 -1.6%	Ultratech	4,181.3 -2.0%	ICICI Bank	318.6 -2.0%	Dr Reddy	2,274.5 -2.1%	Ambuja Cement	264.7 -3.6%

Today's Highlights

US existing home sales MoM

Index Movement (past month)



	Close	Previous	Chg (%)	MTD(%)	YTD(%)	P/E (1yr fwd)
Sensex	33,360	33,343	0.1	0.4	25.3	23.1
Nifty	10,299	10,284	0.1	-0.4	25.8	22.0

Institutional Activity

	CY15	CY16	YTD CY17	Yesterday	Last 5 Days
FII (₹ cr)	18,451	14,049	-29,967	-359	2,666
DII (₹ cr)	66,249	11,320	78,962	613	3,795

World Indices – Monthly performance

Nikkei	22,262	BSE	33,360	Nasdaq	6,791	Dow Jones	23,430	Kospi	2,536
	3.2%		3.0%		2.4%		1.6%		1.5%
NSE	10,299	Germany	13,059	Shanghai	3,403	France	5,340	U.K.	7,389
	1.5%		0.5%		0.4%		-0.6%		-1.8%

Markets Today

	Close	Previous	Change (%)	MTD(%)	YTD(%)
Commodities					
Gold (₹/10 gm)	29,634	29,461	0.6	1.0	6.5
Silver (₹/kg)	39,703	39,478	0.6	2.2	0.7
Crude (\$/barrel)	62.3	62.2	0.1	1.5	9.6
Copper (\$/tonne)	6797.25	6743.5	0.8	-0.3	23.1
Currency					
USD/INR	65.10	65.02	0.1	-0.5	4.3
EUR/USD	1.17	1.17	0.0	0.7	11.5
USD/YEN	112.67	112.62	0.0	0.9	3.8
ADRs					
HDFC Bank	96.5	97.0	-0.5	5.1	59.9
Tata Motors	32.4	32.5	-0.4	-0.9	-5.6
Infosys	15.1	15.2	-0.7	2.3	2.4
Dr Reddys Labs	35.3	35.9	-1.8	-1.3	-20.7

Key Data Points

KEY ECONOMIC INDICATORS

Key Economic Indicator	Period	Latest	Prior Values
RBI Cash Reserve Ratio	N/A	4.00%	4.00%
RBI Repo Rate	N/A	6.00%	6.25%
RBI Reverse Repo Rate	N/A	5.75%	6.00%
CPI YY	October	3.58%	3.28%
Current Account Balance	Q2	-14.3bln \$	-3.4bln \$
Exports - USD	October	23.1bln \$	28.61bln \$
FX Reserves, USD Final	w/e	375.72bln \$	372.73bln \$
GDP Quarterly yy	Q1	5.70%	6.10%
GDP Annual	12M	7.10%	7.60%
Imports - USD	October	37.12bln \$	37.6bln \$
Industrial Output yy	September	3.80%	4.30%
Manufacturing Output	September	3.40%	3.10%
Trade Deficit - RBI	Q2	-41.2bln \$	-29.7bln \$
Trade Deficit Govt - USD	October	14.02bln \$	8.98bln \$
WPI Food yy	October	4.30%	2.04%
WPI Fuel yy	October	10.52%	9.01%
WPI Inflation yy	October	3.59%	2.60%
WPI Manufacturing Inflation yy	October	2.62%	2.72%

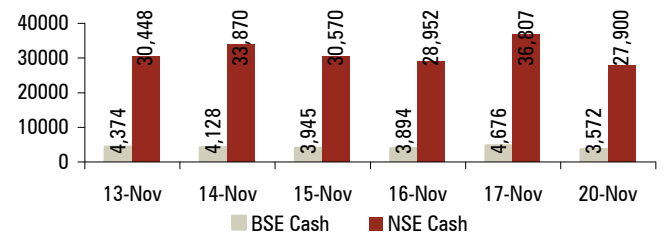
Sectoral Index

Sector	Close	Previous	Change	% Change	Volume
Auto	25146.26	25069.79	76.47	0.31	1289000
Banks	29220.96	29241.86	-20.9	(0.07)	8748000
BSE Small Cap	11792.74	11901.39	-108.65	(0.91)	66926000
Capital Goods	18294.03	18236.01	58.02	0.32	6783000
Consumer Durables	20384.24	20336.24	48	0.24	853000
FMCG	8304.6	8368.14	-63.54	(0.76)	1023000
Healthcare	17870.57	18140.06	-269.49	(1.49)	1830000
IT	11396.98	11501.95	-104.97	(0.91)	1254000
Metals	14438.24	14248.56	189.68	1.33	6081000
Mid Cap	10993.02	11070.76	-77.74	(0.70)	64406000
Oil & Gas	15814.08	15714.85	99.23	0.63	2442000
Power	2293.66	2271.83	21.83	0.96	14622000
PSU	9305.12	9267.28	37.84	0.41	23981000
Real Estate	2414.4	2362.03	52.37	2.22	8723000

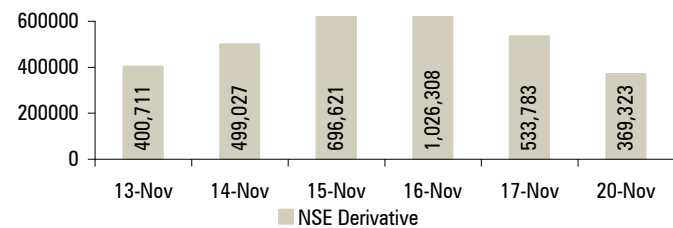
Key News for Today

Company/ Industry	News	View	Impact
Logistics sector	The government has granted infrastructure status to the logistics sector	This will make it easier for companies operating cold chains, industrial parks and warehousing facilities to raise long-term credit from banks and other financial institutions at low rates and attract foreign investment	↑
Simplex Infrastructure	NBCC has awarded a contract for construction of various buildings for IIT Bhubaneswar and its extended campus to Simplex Infrastructure (SIL) for ₹ 524.1 crore with a completion period of 15 months	This order win takes SIL's order inflow to ~₹ 4673 crore in YTFY18E in addition to L1 orders worth ₹ 1357 crore. The company is in line to meet its order inflow guidance of ~₹ 7000-8000 crore for FY18E. This would further boost SIL's execution and bodes well for the company	↑

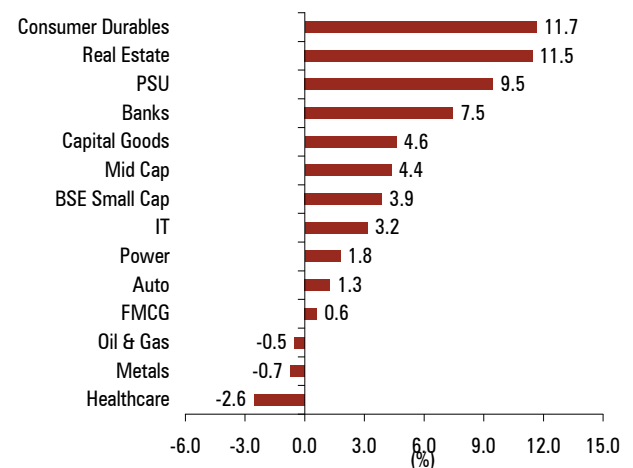
Exchange Cash Turnover (₹ crore)



NSE Derivative Turnover (₹ crore)



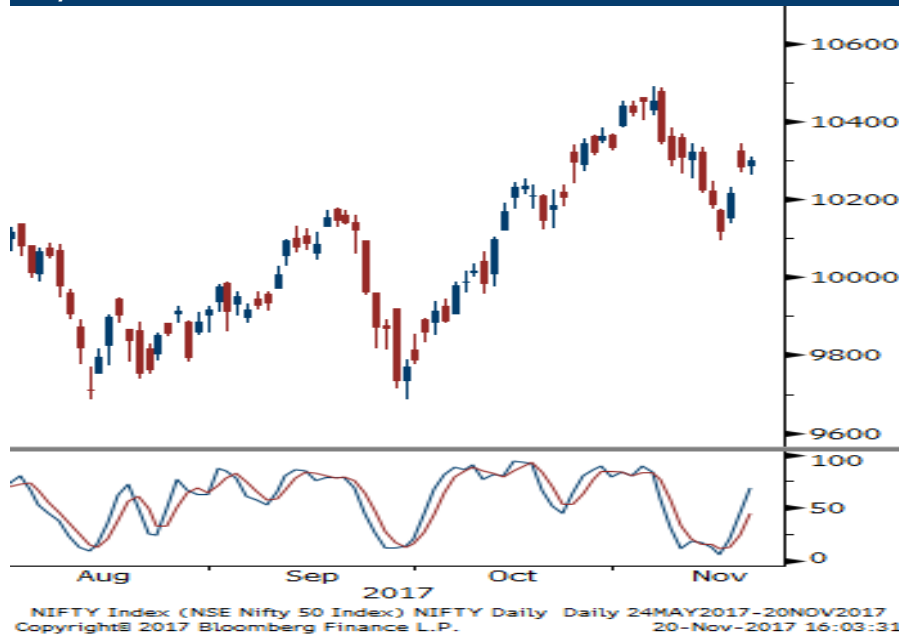
Sectoral Performance – Monthly Returns (%)



Key developments (Continued...)

- In its analyst meet, Jet Airways has said it will focus on reducing expenses (i.e. maintenance cost & distribution cost) by 10-15% and aim to increase ancillary revenues by around ₹ 250 crore. Jet would also be deploying 15% more fuel efficient B737 Max aircraft from June 2018. The company expects more than 25 B737 Max planes to be delivered by March 2020. The company would also increase number of seats of Boeing 777 planes from 346 to 400 seats from 2019 onwards
- Quesc Corp has acquired Tata Business support services (TBSS) for ₹ 153 crore. Quesc would own 51% stake while Tata Sons would hold the remaining 49% stake in the company. TBSS has a workforce of 27,000 employees and reported revenues of ₹ 661 crore in FY17. The deal is expected to be completed by December 31, 2017
- Marico has forayed into the soups category under the existing Brand "Saffola". The soup category is worth ₹ 450 crore largely dominated by Hindustan Unilever and Nestlé. The move is part of its strategy to launch healthy snacks at the premium end of the portfolio
- According to media sources, the Tech Mahindra management has alluded at touching the US\$5 billion mark in revenues in FY18E. TechM has revenues of \$4,351 million in FY17 while the same number was at \$2317 million in H2FY18. Revenues of \$5 billion in FY18E implies a CQGR of ~2.2-2.5% in Q3 and Q4FY18E
- Ashoka Buildcon has received appointed date as November 16, 2017 for the Project of six laning of Ranastalam to Anandpuram (47 km stretch) section of NH-5 (new NH- 16) in Andhra Pradesh under NHDP Phase - V (Package II) on a hybrid annuity mode project
- According to media sources, Infibeam is in talks with Prem Watsa's Fairfax Financial Holdings to sell a minority stake to Fairfax. Infibeam is also considering a strategic investment in and buyouts of retail chains that are using its platform to sell online

Nifty Chart



Technical Outlook

Equity benchmarks extended their winning streak for a third session in a row on a low volume day on Monday while broader markets remained buoyant resulting in a strong market breadth on Monday. The Nifty midcap and small cap indices gained over 0.7% each. The price action formed a small-bodied bull candle with lower high-low as compared to Friday as the index took a breather after gaining 250 points in the prior two sessions. The index is marking time after retracing seven sessions decline (10490-10094) by 61.8% in just two sessions. A faster retracement above the recent high of 10490 in coming week will confirm our bullish stance. We expect index to hold above Friday's rising gap (10214) and eventually head towards 10600 levels in coming weeks.

Pivot Points

Index/Stocks	Close	S1	S2	R1	R2	Trend
S&P BSE SENSEX INDEX	33359.9	33282.0	33205.0	33444.0	33527.0	Neutral
Nifty 50	10298.8	10270.0	10242.0	10319.0	10338.0	Negative
ACC LTD	1707.1	1688.0	1670.0	1739.0	1772.0	Negative
AXIS BANK LTD	545.2	539.0	532.0	549.0	554.0	Negative
HDFC BANK LTD	1838.2	1832.0	1825.0	1843.0	1847.0	Positive
STATE BANK IND	333.0	331.0	328.0	337.0	340.0	Negative
HOUSING DEV FIN	1689.2	1681.0	1672.0	1703.0	1716.0	Negative
MARUTI SUZUKI IN	8425.7	8367.0	8309.0	8466.0	8507.0	Positive
TATA MOTORS LTD	423.0	420.0	417.0	426.0	429.0	Positive
MAHINDRA & MAHIN	1408.0	1398.0	1389.0	1418.0	1429.0	Negative
BAJAJ AUTO LTD	3109.4	3061.0	3013.0	3149.0	3187.0	Positive
TATA CONSULTANCY	2703.5	2691.0	2677.0	2723.0	2741.0	Negative
INFOSYS LTD	960.6	955.0	949.0	969.0	977.0	Negative
CIPLA LTD	604.3	598.0	591.0	610.0	615.0	Negative
OIL & NATURAL GA	180.0	178.0	176.0	180.0	182.0	Neutral
RELIANCE INDS	920.9	910.0	898.0	929.0	936.0	Negative
BHARTI AIRTEL	492.7	489.0	485.0	497.0	501.0	Negative
DLF LTD	227.7	224.0	220.0	231.0	234.0	Positive

CNX Nifty Technical Picture

Nifty 50	Intraday	Short Term
Trend	Up	Up
Trend Reversal		
Support	10290-10260	10100
Resistance	10344-10370	10600
20 Days EMA		10259
200 days EMA		9639

Advances / Declines

	Advances	Declines	Unchanged
BSE	1615	1041	190
NSE	1100	647	86

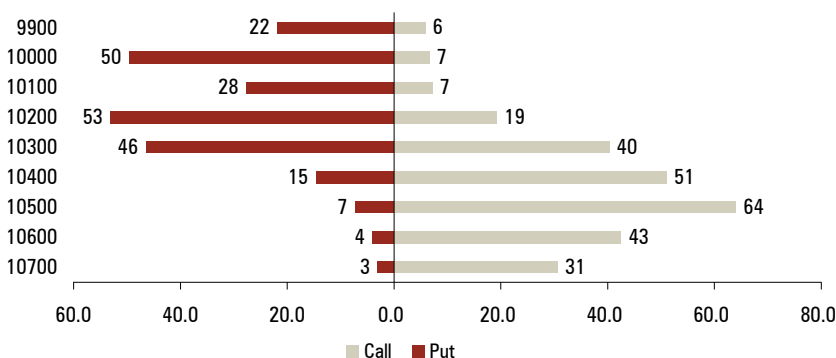
Daily Technical Calls

1. Buy Raymond in the range of 985.50-986.50
2. Buy GAIL in the range of 459.00-460.00

*All recommendations are of November Future

See Momentum Pick for more details

Nifty Call – Put Strike (No. of shares in lakh) – November 2017



Intraday Derivative Strategy

i) Hindalco

Buy HINDAL NOV Fut at 265.00-265.40

CMP: 263.5

Target 1: 266.7 Target 2: 269.3

Stop Loss: 263.3

ii) Bharat Petroleum

Sell BHAPET NOV Fut at 498.00-499.00

CMP: 502.1

Target 1: 495.7 Target 2: 490.7

Stop Loss: 502.3

See Daily Derivatives for more details

Results/Events Calendar

06	November Monday	07	November Tuesday	08	November Wednesday	09	November Thursday	10	November Friday	11	November Saturday
Gujarat Gas Gulf Oil Lubricants KEC International NRB		WABCO, Indoco Remedies Prism Cement, Cipla, BHEL Castrol India, Alembic Pharma Butterfly Gandhimati, Taro Bayer Cropscience		Thermax, Petronet LNG, MGL Pidilite, Voltas, Shree Cement VA Tech Wabag, Bharat Forge JK Lakshmi Cement, Navneet Ashok Leyland, City Union Bank		Amara Raja Batteries, Trent Tata Motors, TV Today Bajaj Electricals, Dalmia Bharat Page, India Cements, Jagran Pr HPCL, Saurashtra Cement		Nestle, Timken, Dredging Corp M&M, Motherson Sumi Bosch, Gujarat Siddhee Deccan Cement, Kesoram Ashoka Buildcon, Sobha Ltd		Mangalam Cement, L&T JK Cement, VST Tillers & Tracto Coal India, Control Print Kirkoskar Brothers, Siyaram Birla Corp, Visaka Ind	
13	November Monday	14	November Tuesday	15	November Wednesday	16	November Thursday	17	November Friday	18	November Saturday
Kanpur Plastipack, NTPC GSPL, Sadbhav Engineering Apollo Hospitals, Idea Cellular Star Cement, Sunteck Realty Prabhat Dairy, Indian Hotels		Cadila, IPCA, Eicher Motors NCC Limited, GAIL, Bata, NBCC Cox & Kings, Simplex Infra Bank of Baroda, PNC Infra Sun Pharma, Shankara Building		CARE Wonderla Holidays US CPI YoY		Gati US Industrial Prod MoM		ECB Current Account SA US Building Permits MoM			
20	November Monday	21	November Tuesday	22	November Wednesday	23	November Thursday	24	November Friday	25	November Saturday
Japan Trade Balance		US Existing Home Sales MoM		US Initial Jobless Claims		Monsanto India Markit Eurozone Mfg PMI UK GDP YoY		Markit US Mfg PMI Markit US Services PMI			
27	November Monday	28	November Tuesday	29	November Wednesday	30	November Thursday	01	December Friday	02	December Saturday
China Industrial Profits YoY				US GDP Annualized QoQ		India GDP YoY India GVA YoY China Manufacturing PMI Japan Industrial Prod YoY Eurozone CPI Core YoY		Nikkei India PMI Mfg Markit UK PMI Mfg Markit US Mfg PMI Nikkei Japan PMI Mfg Markit Eurozone Mfg PMI			
04	December Monday	05	December Tuesday	06	December Wednesday	07	December Thursday	08	December Friday	09	December Saturday
Eurozone PPI YoY		US Trade Balance Markit US Services PMI Eurozone GDP SA YoY		RBI Repurchase Rate RBI Reverse Repo Rate RBI Cash Reserve Ratio Nikkei India Services PMI		US Initial Jobless Claims		US Unemployment Rate UK Industrial Prod YoY UK Mfg Prodn YoY Japan GDP SA QoQ		China CPI YoY	

Major Economic Events this Week

Date	Event	Country	Period	Expected	Previous
21-Nov	Existing Home Sales MoM	US	Oct	0.2%	0.7%
23-Nov	UK GDP YoY	UK	3Q P	1.5%	1.5%
23-Nov	Markit Eurozone Manufact.	EU	Nov P	--	58.5
23-Nov	Markit Eurozone Services P	EU	Nov P	--	55.0
24-Nov	Markit US Manufacturing P	US	Nov P	--	54.6
24-Nov	Markit US Services PMI	US	Nov P	--	55.3
24-Nov	Nikkei Japan PMI Mfg	JN	Nov P	--	52.8

Bulk Deals

Company	Client Name	Type	No. of shares	Price (₹)
BSE*				
Bcl Industries & Infrastruct	Eq India Fund	Buy	450000	109.9
NSE*				
Steel Exchange India Ltd	Cosmos Prime Projects Limited	Buy	400,000	121.0

Recent Releases

Date	Report
17 November 2017	Result Update – Maharashtra Seamless
17 November 2017	Result Update – Mahindra & Mahindra
17 November 2017	Result Update – PNC Infratech
16 November 2017	Result Update – Bata India
16 November 2017	Result Update- Shankara Building Products



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