

Morning Notes

Indices	18-Jan	17-Jan	% Chg.
S&P BSE SENSEX	36,387	36,374	0.03%
Nifty 50	10,907	10,905	0.02%
NIFTY Midcap 100	17,517	17,636	-0.67%
NIFTY Smallcap 100	6,371	6,440	-1.07%

BSE Sectoral Indices			
Nifty Energy	14,608	14,258	2.45%
Nifty IT	14,893	14,800	0.63%
Nifty Metal	2,957	2,963	-0.20%
Nifty Financial Services	11,678	11,704	-0.22%
Nifty Bank	27,457	27,529	-0.26%
Nifty Auto	8,845	8,878	-0.38%
Nifty MNC	13,599	13,660	-0.44%
Nifty FMCG	30,540	30,737	-0.64%
Nifty PSU Bank	3,084	3,120	-1.17%
Nifty Realty	238	241	-1.28%
Nifty Infrastructure	3,056	3,105	-1.59%
Nifty Media	2,390	2,429	-1.61%
Nifty Pharma	8,690	8,931	-2.70%

Major Indices	18-Jan	17-Jan	% Chg.
United States	24,706	24,370	1.38%
S&P 500	2,671	2,636	1.32%
London	6,968	6,835	1.95%
Frankfurt	11,206	10,919	2.63%

Major Asian Indices	18-Jan	17-Jan	% Chg.
Hong Kong	27,091	26,756	1.25%
Nikkei 225	20,666	20,402	1.29%
Korea	2,124	2,107	0.82%
Shanghai	2,596	2,560	1.42%
Taiwan	9,836	9,789	0.48%

FII's & DII's in equity					Rs Crs
18-Jan	Buy	Sell	Net	Total %	
FII / FPI Investments	3,458	3,583	-125	23%	
DII's Investments	3,282	3,283	-1	21%	
* Total % - contribution to the total turnover					

FII's in Derivatives (F&O)					Rs Crs
18-Jan	Index Fut	Index Opt	Stock Fut	Stock Opt	
Net	-398	-1,054	538	-115	
OI	38,410	63,239	85,335	10,518	
Chg.OI	0.7%	1.8%	-0.3%	6.0%	
FIIs' contribution to the total F&O turnover					35%

Curr. Derivatives (NSE)	18-Jan	17-Jan	Chg.	% Chg.
USDINR 29-JAN-2019	71.24	71.09	0.15	0.21%
EURINR 29-JAN-2019	81.30	81.10	0.19	0.24%
JPYINR 29-JAN-2019	65.14	65.39	-0.25	-0.38%
GBPINR 29-JAN-2019	92.28	91.59	0.69	0.75%

Commodities (MCX)	18-Jan	17-Jan	Chg.	% Chg.
Aluminium(31JAN2019)	133.1	131.5	1.65	1.3%
Copper (28FEB2019)	429.4	423.3	6.10	1.4%
Crude (19FEB2019)	3,854	3,724	130.00	3.5%
Gold (05FEB2019)	32,091	32,268	-177.00	-0.5%
Silver (05MAR2019)	39,198	39,400	-202.00	-0.5%

ADR (\$)	18-Jan	17-Jan	Chg.	% Chg.
Wipro (WIT)	5.34	5.24	0.10	1.91%
Infosys (INFY)	10.67	10.58	0.09	0.85%
HDFC Bank (HDB)	103.35	102.87	0.48	0.47%
Tata Motors (TTM)	12.96	12.98	-0.02	-0.15%
Dr. Reddy's Lab (RDY)	37.04	37.30	-0.26	-0.70%
ICICI Bank (IBN)	10.46	10.54	-0.08	-0.76%

Domestic Market View

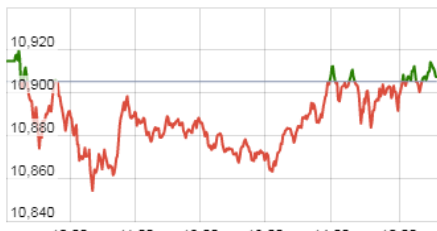
Benchmarks likely to make slightly positive start of the new week

Indian markets ended lackluster session almost flat with positive bias on Friday as higher oil prices and a weakening rupee offset positive cues from global markets. Today, the start of the new week is likely to be slightly in green tracking positive global cues amid developments in the US-China trade relations. Traders will be getting some encouragement with Union Commerce and Civil Aviation Minister Suresh Prabhu's statement that India has the potential to be a \$5 trillion economy in the next 7-8 years. Prabhu said his department had prepared a road map to make this possible by focusing on manufacturing, service sector and agriculture. Traders may take note of central bank Governor Shaktikanta Das on Friday said the Reserve Bank of India (RBI) will make all efforts to maintain financial stability and to facilitate enabling conditions for sustainable and robust growth. Also, there will be some support with a private report that India is likely to surpass the United Kingdom in the world's largest economy rankings in 2019. The report projects real GDP growth of 1.6% for the UK, 1.7% for France and 7.6% for India in 2019. Besides, RBI's latest data showed that the forex reserves continued its upward march and increased by \$1.267 billion to \$397.351 billion in the week to January 11, aided by a rise in core currency assets and value of gold. The overall kitty had swelled by \$2.68 billion to \$396.084 billion in the previous reporting week.

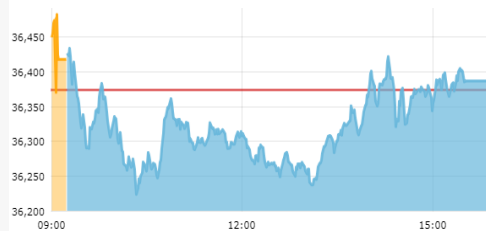
Meanwhile, Exporters body FIEO has sought immediate intervention of the government and RBI to resolve issues related to payment mechanism for Iran and flow of credit to push shipments. However, there may be some cautiousness with Care Ratings' report that the Centre is unlikely to meet its disinvestment target of Rs 80,000 crore this year, resulting in overshooting the fiscal deficit target. The report said owing to a shortfall in disinvestment realisations as well in indirect tax collections under the GST regime, the fiscal deficit will come in at 3.5% as against the targeted 3.3%. There will be some buzz in the banking sector stocks with RBI Governor Shaktikanta Das' statement that efforts are being made to strengthen corporate governance in the public sector banks to effectively check incidence of financial frauds.

Domestic Market Overview

NSE NIFTY



BSE SENSEX



Markets manage to keep their head above water

The Indian equity benchmarks saw volatility on the last trading day of the week but managed to end in green terrain with minor gains. The markets made a slightly higher opening, buoyed by India Ratings and Research's (Ind-Ra) latest report that India's Gross Domestic Product (GDP) growth is likely to grow a tad higher at 7.5% in 2019-20 (FY20) on account of steady improvement in major sectors -- industry and services. Traders were seen reacting positively towards reports that India Inc has urged the Reserve Bank of India (RBI) to cut its benchmark interest rate and lower the cash reserve ratio (CRR) to boost growth. It suggested various measures to ease tight liquidity situation and reduce high cost of credit in the light of consistently falling inflation. But soon, the key indices turned volatile to swung between gains & losses, on the back of cautiousness on the street ahead of corporate earnings results. Traders took note of RBI official's statement that with the country's GDP size increasing in quantitative terms, there could be need for more currency in the economy.

However, in the last leg of the trade, the markets erased all of their losses to end flat with positive bias, tracking positive global markets. Domestic sentiments got relief came with a private report that eighteen micro finance non-banking financial companies (NBFC-MFIs) have pooled assets worth a combined Rs 835 crore for securitisation, to tide over a liquidity problem in the sector. Adding some comfort, Prime Minister Narendra Modi said that his government has helped create crores of employment opportunities across sectors in the past four-and-a-half years. Separately, Prime Minister also said that India is aiming at being in the list of top 50 countries in ease of doing business by next year. The market participants also took support with Agriculture Minister Radha Mohan Singh's statement indicating announcement of major measures in the coming weeks to address farm distress across the country, a move that will come ahead of Lok Sabha elections.

Agri industry stocks remained in limelight, with Union Minister of Agriculture and Farmers' Welfare Shri Radha Mohan Singh stating that India has achieved tremendous progress in agriculture and allied sectors under Modi government and is committed to doubling farmers' income by 2022 through a series of focused programmes, while stocks related to rubber industry remained in focus

with Union minister for commerce and Industry and Civil Aviation Suresh Prabhu's statement that the government is developing a National Rubber Policy to address various issues concerning the sector. Further, stocks related to textile sector ended mostly lower, even though Confederation of Indian Textile Industry (CITI) estimating that domestic technical textile industry will reach market potential of Rs 2,00,823 crore by 2020-21 from Rs 1,16,217 crore in FY18 with a CAGR of 20%. It pointed out that the demand for this sector is rising due to many factors including rapid urbanisation, advances in medical technology, expansion in construction sectors, awareness on safety and environmentalism and increased spending on healthcare.

Company	LTP	Chg	% Chg
RELIANCE	1186	51	4.5
WIPRO	347	11	3.3
KOTAKBANK	1240	20	1.7
HINDALCO	209	3	1.4
HCLTECH	968	13	1.4

Company	LTP	Chg	% Chg
RELIANCE	1183	49	4.3
WIPRO	346	10	2.9
KOTAKBANK	1237	17	1.4
HINDALCO	209	3	1.4
FEDERALBNK	90	1	1.3

Company	LTP	Chg	% Chg
SHRIRAMCIT	1764	33	1.9
LTI	1801	27	1.5
KANSAINER	455	6	1.4
IGL	280	4	1.3
FEDERALBNK	90	1	1.3

Company	LTP	Chg	% Chg
KRBL	381	42	12.3
TFCILTD	138	11	8.6
ASTRON	121	9	8.3
IBULISL	366	17	5.0
CAPITALT	231	11	5.0

Company	LTP	Chg	% Chg
SUNPHARMA	390	-36	-8.5
BHARTIARTL	311	-22	-6.5
GAIL	322	-11	-3.3
HINDPETRO	239	-5	-2.0
LT	1320	-27	-2.0

Company	LTP	Chg	% Chg
SUNPHARMA	391	-36	-8.5
BHARTIARTL	311	-21	-6.4
IDEA	35	-2	-4.5
PEL	2295	-92	-3.8
GLENMARK	641	-20	-3.1

Company	LTP	Chg	% Chg
ISEC	228	-20	-8.2
SUNTV	525	-41	-7.3
INDIANB	246	-15	-5.6
AUBANK	621	-33	-5.0
IDBI	58	-2	-3.8

Company	LTP	Chg	% Chg
LINDEINDIA	614	-153	-20.0
SPARC	148	-24	-13.7
PHILIPCARB	184	-23	-11.2
EXCELINDUS	1147	-127	-10.0
INDOCO	200	-15	-7.0

NIKKEI 225 INDEX



FTSE 100 IDX



NASDAQ NMS COMPOSITE INDEX



Global Market Overview

Asian markets end higher on Friday

Asian markets ended higher on Friday as reports of progress in US-China trade talks as well as stronger than expected economic data from the US helped ease global growth worries. Chinese shares ended higher ahead of China's fourth-quarter GDP data, due on Monday. Further, Japanese shares closed higher as the yen weakened on improved risk appetite after reports that the US could lift trade tariffs on China. On economic front, Japan's overall consumer prices were up 0.3% on year in December, the Ministry of Internal Affairs and Communications said on Friday, down from 0.8% in November. Core consumer prices - which exclude volatiles prices of food - were up an annual 0.7%. That was down from 0.9% in the previous month. On a monthly basis, overall inflation was down 0.2% and core CPI eased 0.1%.

US markets extend gains on optimism about trade leads

Extending gains for fourth straight session, the US markets ended sharply higher on Friday, with gains of over a percent each, as traders continued to express optimism about trade talks between the US and China. Adding to the optimism, a private report stated that China has offered to go on a six-year buying spree to ramp up imports from the US. As per the report, China would seek to reduce its trade surplus with the US by increasing annual goods imports by a combined value of more than \$1 trillion. Besides, the Wall Street Journal report said the US is weighing easing tariffs in an effort to calm markets and give China an incentive to make deeper concessions. According to the Journal, Treasury Secretary Steven Mnuchin proposed the idea of lifting some or all tariffs in a series of strategy meetings. The aim of easing the tariffs is to advance trade talks and win China's support for longer-term reforms.

Investors overlooked a report from the University of Michigan showing a substantial deterioration in US consumer sentiment in the month of January. The preliminary report said the consumer sentiment index plummeted to 90.7 in January from the final December reading of 98.3. Street had expected the index to dip to 97.0. With the much steeper than expected drop, the consumer sentiment index tumbled to its lowest level since hitting 87.2 in October of 2016. Meanwhile, a separate report from the Federal Reserve showed industrial production increased by slightly more than expected in December, as jumps in manufacturing and mining output more than offset a sharp pullback in utilities output. The Fed said industrial production rose by 0.3% in December after climbing by a downwardly revised 0.4% in November. Street had expected industrial production to edge up by 0.2% compared to the 0.6% advance originally reported for the previous month.

Dow Jones Industrial Average jumped 336.25 points or 1.38 percent to 24706.35, Nasdaq surged 72.76 points or 1.03 percent to 7157.23 and S&P 500 was up by 34.75 points or 1.32 percent to 2670.71.

Index Futures

(OI in '000)Shares)	Future 18-Jan	Chg (%)	Spot 18-Jan	Spot 17-Jan	Chg (%)	Prem / Disc	Total Open Interest	
							18-Jan	Chg (%)
NIFTY	10,927.2	0.01	10,907	10,905	0.02	20.2	28,179	0.52
NIFTYIT	14,904.0	0.61	14,893	14,800	0.63	11.0	19	-2.62
BANKNIFTY	27,547.9	-0.51	27,457	27,529	-0.26	91.2	2,122	-4.29

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

Symbol	Total OI		Del Qty Cash Market			Prev % Del.	Increase Del Qty	Spot (₹)	Fut (₹)	Spot Chg (%)	Fut Chg (%)	Prem / Disc
	18-Jan	Chg (%)	18-Jan	17-Jan	% Del.							
APOLLOHOSP	829	10.2%	2,82,433	1,47,755	39%	34%	1,34,678	1,366	1,359	1.2%	1.2%	-7.1
ASIANPAINT	7,157	7.9%	8,55,910	5,89,484	69%	66%	2,66,426	1,400	1,407	0.8%	0.8%	6.2
MGL	734	1.0%	1,07,954	36,322	26%	41%	71,632	904	907	0.4%	0.2%	2.3
UBL	2,548	0.7%	56,508	52,425	33%	21%	4,083	1415	1418	0.4%	0.1%	3.4
VOLTAS	4,708	0.3%	1,90,294	1,68,795	47%	32%	21,499	535	535	0.2%	-0.1%	0.0

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

Symbol	Total OI		Del Qty Cash Market			Prev % Del.	Increase Del Qty	Spot (₹)	Fut (₹)	Spot Chg (%)	Fut Chg (%)	Prem / Disc
	18-Jan	Chg (%)	18-Jan	17-Jan	% Del.							
SUNPHARMA	62,841	23.7%	2,55,29,338	32,15,448	28%	36%	2,23,13,890	391	392	-7.8%	-8.3%	1.4
SUNTV	8,616	13.9%	13,28,277	2,66,818	19%	23%	10,61,459	525	527	-7.0%	-7.2%	1.3
INDIANB	4,472	9.8%	3,76,181	3,09,917	19%	23%	66,264	246	246	-5.1%	-5.6%	-0.3
ULTRACEMCO	2,032	8.4%	1,18,891	85,977	48%	34%	32,914	3820	3820	-0.5%	-0.8%	0.1
RELCAPITAL	14,811	8.0%	13,14,132	5,79,738	22%	12%	7,34,394	210	210	-3.5%	-3.8%	0.0
SREINFRA	16,164	6.1%	13,57,329	5,25,753	19%	22%	8,31,576	34	34	-0.3%	0.1%	0.1
OFSS	125	5.8%	10,629	9,490	49%	38%	1,139	3616	3634	-2.0%	-2.0%	18.0
PEL	2,660	5.5%	2,86,351	1,73,310	47%	43%	1,13,041	2296	2297	-3.7%	-3.9%	1.25
BAJAJFINSV	713	5.2%	93,018	46,612	47%	32%	46,406	6250	6274	-1.7%	-1.8%	23.60

Corporate News

- **KPR Mills'** Ethiopian garment facility has started the commercial production. It has a production capacity of ten million garments per annum.
 - **Aro Granite Industries** has received approval for installation of a new Plant for manufacturing Quartz. The new Quartz Plant, (Engineering Stone) with an installed capacity of 180,000 sq. mtrs. will be setup in the existing unit at Hosur in the state of Tamil Nadu, by constructing a new Shed of 7,600 Sq. Mtrs.
 - **Infibeam Avenues** has divested its ownership with control in its Wholly Owned Subsidiary -- Infinium (India) to Ingenius E-commerce. The Memorandum of Understanding (MoU) has been executed on January 19, 2019. The total consideration received for the sale is Rs 60 crore.
 - **Wockhardt** has received approval from the United States Food & Drug Administration (USFDA) for an ANDA for 100 mg and 400 mg tablets of Imatinib Mesylate, which is used to treat many kinds of cancers and tumors. The company's Imatinib Mesylate tablets are a generic version of Gleevec, marketed in USA and other countries by Novartis.
 - **Vodafone Idea** is planning to raise funds through rights issue, qualified institutions placement, preferential allotment or any other mode. The Board of Directors of the Company at its meeting to be held on January 23, 2019 to consider the same.
 - **ITI** has signed a contract with Gujarat Fibre Grid Network (GFGNL) for implementing BharatNet Phase II project in one of the two packages in the state of Gujarat. The Purchase Order from GFGNL is valued at Rs 1011.41 crore towards the CAPEX part of the project, to be completed in a period of one year and Rs 190.04 crore towards operation and maintenance of the network for 3 years after the implementation of the project.
 - **PSP Projects** has received work orders worth Rs 572.17 crore from various clients for industrial, residential and institutional projects. The work orders includes Rs 535.53 crore of work order from Sumer Corporation for construction of SRA Rehab Building at Chandivali, Mumbai in the state of Maharashtra and the remaining work orders from Zydus Cadila Group, Torrent Pharmaceuticals and Corona Remedies.
 - **Nayara Energy, formerly known as Essar Oil** is planning to invest \$850 million for expansion of its petrochemical business. The company will invest the same for 450,000 tonnes a year
- Propylene Recovery Unit (PRU), a similar capacity Polypropylene plant and a 200,000 tonnes MTBE (methyl tertiary-butyl ether) plant.
 - **BEML** has received the Governance Now 6th PSU Award for its achievement and commitment to raise the standard in the public sectors. The award presented to the company for resilient growth (Miniratna -1) category.
 - **Torrent group** will invest Rs 10,000 crore in renewable energy, power and gas distribution businesses in Gujarat. The group has already invested Rs 30,000 crore in the state in power and pharmaceutical sectors.
 - **MOIL** has signed a Memorandum of Understanding (MoU) with Gujarat Mineral Development Corporation (GMDC) to take up project of joint exploration of manganese-bearing areas, exploring its feasibility and to conduct mining operations as well as to set up value additional plant in joint venture at Vadodara and Chhota Udepur (Gujarat) with a proposed investment of around Rs 250 crore. The company is proposed to commence activities of exploration on this project in 2019.
 - **Reliance Industries** has committed to invest Rs 3 lakh crore in various projects in the next 10 years in Gujarat that may range from energy and petrochemical to new technology and digital business. The company operates the world's largest oil refining complex at Jamnagar in Gujarat as well as petrochemical units at multiple locations in the state.
 - **IRB Infrastructure Developers** will soon commence work on the highway project worth Rs 2,043 crore in Gujarat. The project is part of the upcoming Vadodara-Mumbai Expressway. The company had won the 23.74 km project on hybrid annuity mode from National Highways Authority of India (NHAI) in March 2018.
 - **Bharat Heavy Electricals (BHEL)** and Libcoin are in talks to form a consortium to initially build a 1GWh lithium-ion battery plant in India. The plant's capacity will be scaled up to 30GWh in due course.
 - **MRF** has bagged the top rank in terms of customer satisfaction in the J D Power 2018 India Tractor Tyre Satisfaction Index Study. MRF Tyres performed strongly in the four tyre performance-related factors - durability, traction, ride quality and appearance.
 - **Welspun Enterprises** has got January 16, 2019 as appointed date from National Highways Authority of India (NHAI) for the Project entailing the 4-laning of the 62.7 Km stretch, at a bid project cost of Rs 1,048 crore. Under the concession agreement construction of the project is to

be completed within 2.5 years from the appointed date and is to be maintained for 15 years from commercial operation date, post which it will be transferred to NHA. The project has already achieved the financial closure and loans are fully disbursable.

- **Minda Industries** has been awarded with the 'Most Promising Company of the Year' Award in 'India Business Leaders Awards' (IBLA) Ceremony conducted by CNBC TV 18 in Mumbai on January 17, 2019.
- US Food and Drug Administration (USFDA) has conducted an inspection at **Alkem Laboratories'** manufacturing facility located at Daman in the state of Gujarat, from January 14, 2019 to January 18, 2019. After the inspection there were no observation found.
- **Tasty Dairy Specialities** has participated as exhibitor in the Indus Food Trade Fair 2019 Event, which was held on January 14-15, 2019, at India Exposition Mart, Greater Noida, Uttar Pradesh, to meet investors and consumers to explore future business opportunities for the company.
- **Ratnamani Metals & Tubes** has received new domestic order aggregating to approximately Rs 200 crore for supply of Coated CS pipes for Oil & Gas sector to be completed by October, 2019.
- **Apollo Micro Systems (AMS)** has entered into an agreement with P2M Aviation Sagl (P2M), a company incorporated under the laws of Switzerland. Under this Agreement, both companies shall market and promote Speed Canard Aircraft (Aircraft) across the world.
- **Nihar Info Global** has decided to apply for land from two government organizations namely Andhra Pradesh Industrial Infrastructure Corporation (APIIC) and Telangana State Industrial Infrastructure Corporation (TSIIC) for expansion of company activities.
- **Surya Roshni** has obtained order aggregating to Rs 45.67 crore (exclusive of GST) for design, manufacture, supply, testing and warranty of LED street lights and other related works from Energy Efficiency Services (EESL) under all India SLNP (Street light National Program) through competitive e-bidding.
- **Kinetic Engineering's** board has approved the proposal for availing enhanced bill discounting facility from Mahindra & Mahindra Financial Services (Mahindra Finance). The Board of Directors of the company at its meeting held on January 18, 2019, approved the same.
- **Mahindra & Mahindra (M&M)** will launch its new compact sports utility vehicle (SUV) model XUV300 on February 14, 2019 in India. The company has opened booking for XUV300 on January 09, 2019.
- **Innovative Ideals & Services India** has tied-up with Leagoo as its India Exclusive Sales Partner for all Leagoo smart phones and other products.
- **Shilpa Medicare** has received the US Food and Drug Administration (USFDA) approval for its ANDA, Imatinib Mesylate Tablets, 100 mg and 400 mg on January 17, 2019.
- **GAIL India** is reportedly planning to call off Rs 270 crore pipe laying contracts with IL&FS. Due to its financial crisis IL&FS is unable to pay its subcontractors and suppliers, which in turn delaying the project. The company is planning to take away the two contracts from IL&FS and award these to others for speedy completion of the project.
- The Director General of Civil Aviation (DGCA) has imposed restrictions on **InterGlobe Aviation (IndiGo)** and **GoAir** for flying to Port Blair with Airbus 320 Neo fitted with Pratt and Whitney (PW) engines. The restriction has been taken after considering safety norms.
- US Food and Drug Administration (USFDA) has commenced inspection at **Indoco Remedies'** Goa Plant I (Solid oral facility) since January 17, 2019. Inspection of Goa Plant II (Sterile facility) was completed from November 14- 21, 2018.
- **Religare Enterprises** has settled a probe by the Securities and Exchange Board of India (SEBI) into alleged disclosure lapses by paying Rs 2 lakh towards settlement charges.
- **Larsen & Toubro Infotech (LTI)** has acquired Ruletronics for an enterprise value of \$7.48 million (about Rs 53 crore). The acquisition will strengthen the company's rapidly growing digital business with a suite of capabilities in Pega implementation in establishing BPM roadmap and strategy, customer services, RPA and decisioning.
- **Bajaj Holdings and Investment (BHIL)** is going to acquire 27% shareholding in **Maharashtra Scooters** held by Western Maharashtra Development Corporation (WMDC). The shares will be acquired at a price of Rs 232 per share. After the acquisition, the company will hold 51% share capital from 24%.
- **Coal India's** subsidiary -- Eastern Coalfields (ECL) has produced 32.9 million tonne (MT) of coal in the first three quarters (April-December) of the current financial year (FY19), registering a growth of nearly 17 per cent as compared to the year-ago period. ECL had produced 28.1 million tonne of coal in the same period last year.

- **UCO Bank** has got board's approval for raising Rs 1,000 crore through sale of shares on private placement basis to fund business growth. The board of the bank also approved raising Rs 500 crore from tier-II bonds.
- **Hindustan Unilever (HUL)** is looking forward for the merger of GlaxoSmithKline Consumer Healthcare (GSKCH India) through an-all equity deal to complete in six-nine months due to pending clearances from various authorities. The company has already initiated the process of getting approval and has already initiated integration teams.
- **Parag Milk Foods** has launched premium milk brand 'Pride of Cows' in the Delhi-NCR market. The company will sell this cow milk at Rs 120 per litre. The company initially will be supplying 10,000 litres of premium fresh cow milk per day directly to customers by airlifting the product from its dairy farm near Pune in the state of Maharashtra and the company will increase the supply to 20,000 litres per day, in the next six months.
- **NHIDCL** has terminated contract awarded to IL&FS Transportation Network for construction, operation and maintenance of 2-Lane Bi-Directional Zojila Tunnel in the State of Jammu & Kashmir with effect from January 15, 2019.
- **Rushil Decor** has received a notice from Gujarat Pollution Control Board (GPCB) on January 15, 2019 to stop the Manufacturing process with immediate effect of one of the Laminate Sheet manufacturing units namely Rushil Decor (MRPL Unit) located at Village Dholakuva, Taluka Mansa, District Gandhinagar.
- **IIFL Holdings'** material subsidiary, India Infoline Finance (IIFL Finance) is going to launch a public issue of NCDs on January 22, 2019, to raise up to Rs 2,000 crore, for the purpose of business growth.

Economy

- **Domestic auto components industry likely to grow at around 15% in FY19: ICRA**

Despite a slowdown in demand in the automotive sector, credit rating agency, ICRA has remained optimistic over growth of the domestic auto components industry. According to its latest report, the industry is likely to grow at around 15 percent in the current financial year, on the back of healthy volume growth in two-wheelers, commercial vehicles and tractor segment until November last year.

ICRA expects automobile volumes to grow 8-9 percent during the current fiscal, as against 14.8 percent growth during 2017-18. The agency further noted that the aftermarket sales were impacted in FY2018 by GST-related inventory de stocking in the first quarter of FY2018 and initial implementation related uncertainties in the second quarter of FY2018. However, demand picked up in August-September 2018, with a sharp revival from the fourth quarter of 2017-18.

Going further, ICRA is also hoping growth in weighted-average demand for auto components from original equipment manufacturers (OEM) at 10-11 percent in the current fiscal, as compared with 9.5 percent expected in 2017-18, supported by strong commercial vehicle volumes.

However, it pointed that for exports, trade disputes, punitive tariffs, higher fuel prices and rising interest costs are expected to play spoilsport in light vehicle sales in the US, which is the major market for auto components industry other than Europe, over the next 12-18 months.

- **India need to move towards alternative fuels: Nitin Gadkari**

Union minister for transport Nitin Gadkari has said that there is need to move towards alternative fuels such as methanol, ethanol, bio- fuels and electric as it will help to reduce reliance on fossil fuels costs less.

Gadkari has pointed out that India's crude oil import bill is of Rs 7 lakh crore and this cost is creating big economic problems for the country and at the same time, the use of fossil fuels are creating pollution. He also said that as there is a lot of agriculture raw material waste, there is a need to convert it into energy through waste and move towards the alternative fuels. He said "the prime minister has already declared that by 2022, we will have to reduce the import bill of crude oil by 10 percent.

The minister further said that if bio mass projects are set up in the rural areas, it will create a lot of employment and people will not have to move towards the cities. It also noted that since all these raw material needed to make the bio fuels are available in the rural areas, the social economic scenario will also change. He stated that excepting some states, the public transport is facing losses. He added "so we need to convert the public transport on to electric or to ethanol."

- **India Inc urges RBI to cut interest rate, lower CRR to boost growth**

Ahead of the sixth bi-monthly monetary policy statement for 2018-19, India Inc has urged the Reserve Bank of India (RBI) to cut its benchmark interest rate and lower the cash reserve ratio

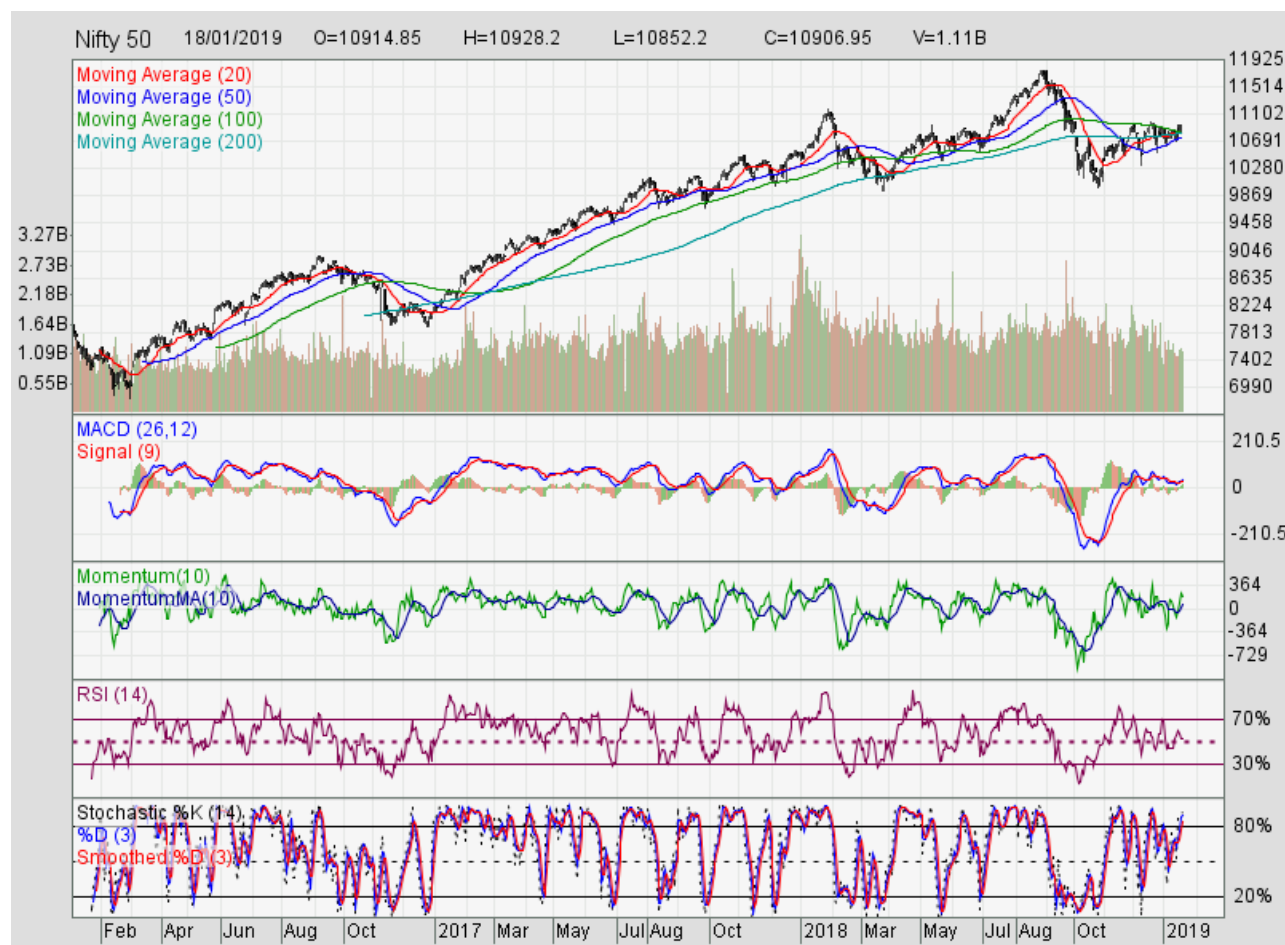
(CRR) to boost growth. It suggested various measures to ease tight liquidity situation and reduce high cost of credit in the light of consistently falling inflation.

The Confederation of Indian Industry (CII) suggested the policy measures required to ease the tight liquidity situation by effecting a cut in cash reserve ratio (CRR) by at least 50 basis points (bps), measures to facilitate flow of credit to industry, especially to micro, small and medium enterprises (MSMEs) and the infrastructure sector, and steps to address the high cost of credit by considering a reduction of 50 bps in repo rate given that inflation has been consistently low. On measures to address the financial challenges faced by the MSMEs, CII suggested that the RBI consider limiting the collaterals sought by banks to 133 percent of the exposure and eliminate the need for personal guarantees where sufficient collateral exists.

Meanwhile, the Federation of Indian Chambers of Commerce and Industry (FICCI) also made a pitch for cutting the repo rate and CRR to enable lowering of lending rates by banks. It believed that a reduction in repo rate and CRR would help in reviving the investment cycle in the country and will also boost consumption and support growth. It stated that the need of the hour is to have an accommodative monetary policy, focusing on growth. It added that the objectives of the Monetary Policy Committee should not be restricted to only price stability but also to consider growth and exchange rate stability.

The Associated Chambers of Commerce and Industry of India (Assocham) suggested that the economy needs credit loosening so that liquidity can sustain the growth. It noted that the fundraising capability of NBFCs/HFCs has reduced significantly, warranting support from the government. It noted that they need to be provided the alternate options for raising funds. It added that this is imperative not just for the health of NBFCs/HFCs but for sustaining the GDP growth rate as well.

CNX Nifty Intraday chart



Technical View

Index closed a week at 10907 with gain 111 points on weekly basis and formed hammer candle pattern on weekly chart. Index has given symmetrical triangle breakout last week and prices are hovering above the breakout zone suggesting strength but index has formed strong resistance near 10930-10985 zone and support for index is coming near 10880-10850. Nifty bank has formed support near 27350-27180 zone and resistance is coming near 27600-27750 zone.

Source: LKP Research, BSE & Ace Equity

DISCLAIMERS AND DISCLOSURES

LKP Sec. Ltd. (CIN-U67120MH1994PLC080039, www.lkpsec.com) and its affiliates are a full-fledged, brokerage and financing group. LKP was established in 1992 and is one of India's leading brokerage and distribution house. LKP is a corporate trading member of Bombay Stock Exchange Limited (BSE), National Stock Exchange of India Limited (NSE), MCX Stock Exchange Limited (MCX-SX). LKP along with its subsidiaries offers the most comprehensive avenues for investments and is engaged in the businesses including stock broking (Institutional and retail), merchant banking, commodity broking, depository participant, insurance broking and services rendered in connection with distribution of primary market issues and financial products like mutual funds etc.

LKP hereby declares that it has not defaulted with any stock exchange nor its activities were suspended by any stock exchange with whom it is registered in last five years. However, SEBI and Stock Exchanges have conducted the routine inspection and based on their observations have issued advice letters or levied minor penalty on LKP for certain operational deviations in ordinary/routine course of business. LKP has not been debarred from doing business by any Stock Exchange / SEBI or any other authorities; nor has its certificate of registration been cancelled by SEBI at any point of time.

LKP offers research services to clients. The analyst for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report.

Other disclosures by LKP and its Research Analyst under SEBI (Research Analyst) Regulations, 2014 with reference to the subject company(s) covered in this report:-

Research Analyst or his/her relative's financial interest in the subject company. (NO)

LKP or its associates may have financial interest in the subject company.

LKP or its associates and Research Analyst or his/her relative's does not have any material conflict of interest in the subject company. The research Analyst or research entity (LKP) has not been engaged in market making activity for the subject company.

LKP or its associates may have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of Research Report.

Research Analyst or his/her relatives have actual/beneficial ownership of 1% or more securities of the subject company at the end of the month immediately preceding the date of publication of Research Report: (NO)

LKP or its associates may have received any compensation including for investment banking or merchant banking or brokerage services from the subject company in the past 12 months.

LKP or its associates may have received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past 12 months.

LKP or its associates may have received any compensation or other benefits from the Subject Company or third party in connection with the research report.

Subject Company may have been client of LKP or its associates during twelve months preceding the date of distribution of the research report and LKP may have co-managed public offering of securities for the subject company in the past twelve months.

Research Analyst has served as officer, director or employee of the subject company: (NO)

LKP and/or its affiliates may seek investment banking or other business from the company or companies that are the subject of this material. Our salespeople, traders, and other professionals may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein, and our proprietary trading and investing businesses may make investment decisions that may be inconsistent with the recommendations expressed herein.

In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest including but not limited to those stated herein. Additionally, other important information regarding our relationships with the company or companies that are the subject of this material is provided herein. This report is not directed to, or intended for distribution to or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction where such distribution, publication, availability or use would be contrary to law or regulation or which would subject LKP or its group companies to any registration or licensing requirement within such jurisdiction. Specifically, this document does not constitute an offer to or solicitation to any U.S. person for the purchase or sale of any financial instrument or as an official confirmation of any transaction to any U.S. person.

Unless otherwise stated, this message should not be construed as official confirmation of any transaction. No part of this document may be distributed in Canada or used by private customers in United Kingdom.

All trademarks, service marks and logos used in this report are trademarks or registered trademarks of LKP or its Group Companies. The information contained herein is not intended for publication or distribution or circulation in any manner whatsoever and any unauthorized reading, dissemination, distribution or copying of this communication is prohibited unless otherwise expressly authorized. Please ensure that you have read "Risk Disclosure Document for Capital Market and Derivatives Segments" as prescribed by Securities and Exchange Board of India before investing in Indian Securities Market. In so far as this report includes current or historic information, it is believed to be reliable, although its accuracy and completeness cannot be guaranteed.

All material presented in this report, unless specifically indicated otherwise, is under copyright to LKP. None of the material, nor its content, nor any copy of it, may be altered in any way, transmitted to, copied or distributed to any other party, without the prior express written permission of LKP.