

TECHNICAL OUTLOOK

NIFTY WEEKLY CLOSE – 9266.75 (↑ 154.85)

Last week, Nifty began on a mild note, and remained stable in the truncated week. Nifty moved higher till 9324, and closed the week at 9266 with a gain of 154 points.

On daily chart, Nifty remains above its 13-day EMA, however, remains below other key averages. On weekly chart as well, Nifty remains below all its key averages. Daily as well as weekly RSI is above its average.

Going ahead, Nifty is likely to attempt move higher where it would face resistance at 9400, as mentioned in our earlier report. While 9970 would be the resistance at higher level, Nifty would seek support near 8700. We maintain a cautious approach.



WEEKLY MARKET REVIEW**Sensex, Nifty end with modest gains**

Indian markets logged gains for the second consecutive week after RBI's second batch of stimulus measures lifted investors' sentiment amid the coronavirus pandemic. Positive global cues also boosted sentiment. World stocks rose on optimism over slowing of new virus cases, with the death toll in countries considered corona hotspots also signalling signs of slowing down.

In the week ended on Friday, 17 April 2020, the Sensex rose 429.10 points or 1.38% to settle at 31,588.72. The Nifty 50 index gained 154.85 points or 1.70% to settle at 9,266.75. The BSE Mid-Cap index added 449.72 or 3.95% to settle at 11,824.07. The BSE Small-Cap index advanced 507.16 points or 4.93% to settle at 10,800.91.

Among stocks, Wipro declined 4.91%. On a consolidated basis, Wipro's net profit declined 5.29% to Rs 2,326.10 crore on 1.55% increase in revenue to Rs 15,711 crore in Q4 March 2020 over Q3 December 2019. The company's IT services segment revenue was at \$2,073.70 million in Q4, registering a decrease of 1% Q-o-Q. The company estimated that IT services revenues for Q4 March 2020 were negatively impacted by COVID-19 by approximately \$14 -\$16 million (0.7%-0.8% of revenues).

Media and entertainment company Zee Entertainment Enterprises (ZEEL) slumped 6.57%. The company will invest Rs 522 crore in Margo Networks (SugarBox), a tech startup it bought three years ago. SugarBox enables internet services to work in areas of bad or no network. ZEEL owns 80% stake in SugarBox and the additional investment will be used for operational and financial support.

Hindalco Industries surged 15.34%. It completed acquisition of US-based Aleris Corporation by Hindalco through its wholly-owned subsidiary Novelis Inc.

Larsen & Toubro (L&T) jumped 14.87%. The heavy civil infrastructure business of L&T Construction has secured two 'significant' contracts to build Regional Rapid Transit System (RRTS) Infrastructure from National Capital Region Transport Corporation (NCRTC). As per the L&T's classification, the valuation

of the 'significant' order stands between Rs 1,000 crore and 2,500 crore.

IndusInd Bank gained 20.04%. Goldman Sachs (Singapore) on Wednesday bought 41 lakh shares, or 0.59% stake, in the private lender at Rs 430.30 each via bulk deal on the NSE.

IT major TCS gained 2.32%. On a consolidated basis, TCS reported 0.85% fall in net profit to Rs 8,049 crore on 0.03% rise in total income to Rs 40,684 crore in Q4 March 2020 over Q3 December 2019.

Mahindra & Mahindra slipped 4.72%. Its wholly owned step-down subsidiary, Mahindra Renewables (MRPL), has completed the sale of the entire paid-up equity share capital of 1.20 crore equity shares held by the company in Divine Solren (DSPL) to CLP India, for a total consideration of Rs 124.47 crore.

Tata Motors rose 3.02%. Fitch Ratings has downgraded the long-term issuer default rating of Tata Motors to 'B' from 'BB-' and placed 'negative' outlook on the same. The downgrade reflects Fitch's significantly lower expectations for TML's profitability and cash flow over the next few years due to the effect of the coronavirus pandemic on demand and disruption to TML's Indian operations as well as to key auto markets globally that are served through its fully owned UK-based subsidiary, Jaguar Land Rover Automotive.

Among fresh liquidity measures, RBI announced targeted long-term repo operations (TLTRO) 2.0 to conduct long-term repo operations Rs 50,000 crore to begin with in tranches of appropriate sizes. The move will boost the liquidity in the market. In addition, it also announced Rs 50,000 crore to national financial institutions such as NABARD, SIDBI and NHB to enable them to meet sectoral credit needs. The central bank slashed reverse repo rate by 25 basis points to 3.75%. Reverse repo rate is the rate at which the RBI borrows from the banks. However, the policy repo rate remains unchanged at 4.40%, and the marginal standing facility rate and the bank rate remain unchanged at 4.65%.

Source: www.capitalmarket.com



SAJAG SECURITIES PVT. LTD.

MEMBER: NATIONAL STOCK EXCHANGE OF INDIA LTD.

MEMBER: BOMBAY STOCK EXCHANGE LTD.

DEPOSITORY PARTICIPANT: NATIONAL SECURITIES DEPOSITORY LTD.

DEPOSITORY PARTICIPANT: CENTRAL DEPOSITORY SERVICES LTD.

33/15 - B, KARVE ROAD, REGENT CHAMBERS, PUNE - 411004, TEL: 91-20-66014737, FAX: 91-20-25302555

email : business@sajag.co.in / investorgrievance@sajag.co.in

NSE TM ID - 07549

BSE TM ID - 3105

NSDL DP ID: IN303647

CDSL DP ID: 12062400

SEBI Regn. No. INZ000221337

Disclosure: This report is issued by Sajag Securities Pvt. Ltd. (SSPL), a stock broking company, which is regulated by SEBI and its research activities are as per SEBI Guidelines for Research Analysts December 2014. Registration Number: INH000001923. This report is prepared and distributed by SSPL for information purpose only. SSPL and the research analyst(s) who prepared this report do not have any long or short positions in derivatives markets in any of the above mentioned securities. SSPL or the research analyst(s) do not have ownership of 1% or more in the company. The research analyst(s) who prepared this research report hereby certifies that the views expressed in this research report accurately reflect the research analyst's personal views about all of the subject issuers and/or securities, that the analyst(s) have no known material conflict of interest and no part of the research analyst's compensation was, is or will be, directly or indirectly, related to the specific views or recommendations contained in this research report.

Disclaimer: Neither the information contained herein nor any opinion expressed should be construed or deemed to be construed as solicitation or as offering advice for the purposes of the purchase or sale of any security or investment or derivatives. The information and opinions contained in the report were considered by SSPL to be valid when published. The report also contains information provided to SSPL by third parties. The source of such information will usually be disclosed in the report. While SSPL has taken all responsible steps to ensure that this information is correct, SSPL does not offer any warranty as to the accuracy or completeness of such information. Any person placing reliance on the report to undertake trading does so entirely at his/her own risk and SSPL does not accept any liability as a result. Securities and Derivatives markets may be subject to rapid and unexpected price movements and past performance is not necessarily a guide to future performance. The report does not have regard to the specific investment objective, financial situation and the particular needs of any specific person who may receive this report. Investor must undertake independent analysis with their own legal, tax and financial advisors and reach their own decision regarding the appropriateness of investing in any securities or investment strategies discussed and recommended in this report and should understand that statements regarding future prospects may not be realized. In no circumstances be it used or considered as an offer to sell or a solicitation of any offer to buy or sell the securities mentioned in it. The information contained in the research reports may have been taken from trade and statistical services and other sources, which we believe reliable. SSPL does not guarantee that such information is accurate or complete and it should not be relied upon as such. Any opinions expressed reflect judgments at this date and are subject to change without notice. The target prices mentioned in the report are based on certain assumptions as of the date appearing in the material and may be subject to change from time to time without notice.