

Market News

Indices end at 2-month low, Sensex sinks 560 pts, Nifty holds 11,400
Benchmark indices ended at two-month low on July 19 after Finance Minister Nirmala Sitharaman dashed hope of a tweak in FPI surcharge. Continued asset quality concerns in Q1 also spooked markets.

Cyient Q1: Profit falls 48.8 percent to Rs 90.5 crore versus Rs 176.6 crore, revenue dips 6.4 percent to Rs 1,089 crore versus Rs 1,162.9 crore, dollar revenue declines 5.2 percent to \$156.6 million versus \$165.2 million QoQ.

L&T Infotech Q1: Profit falls 11.3 percent to Rs 355.7 crore versus Rs 378.5 crore; revenue dips to Rs 2,484.9 crore versus Rs 2,486 crore, dollar revenue grows 0.8 percent to \$356.5 million versus \$353.8 million QoQ.

Tata Motors: Company incorporated wholly owned unit Brabo Robotics & Automation w.e.f July 17.

Jet Airways: Insolvency Resolution Professional (IPR) published the list of creditors, claims filed for airline, financial creditors claim Rs 10,231 crore against airline but IRP admits Rs 8,463 crore of financial creditors claims.

Bandhan Bank slips 4% post Q1 nos; PAT up 45% to Rs 701 cr, NII grows 37%

Shares of Bandhan Bank slipped nearly 4 per cent in the intra-day trade on Friday after declaring June quarter results for the financial year 2019-20 (FY20). The lender posted a 45.44 per cent year-on-year (YoY) jump in PAT (profit after tax) or net profit at Rs 701 crore. It had logged PAT of Rs 482 crore in the year-ago period. In the previous quarter, the numbers stood at Rs 651 crore.

Reliance Q1 profit rises 7% YoY to Rs 10,104 crore, beats Street estimates

Mukesh Ambani-led Reliance IndustriesNSE -1.02 % on Friday reported 6.82 per cent yearly rise in profit at Rs 10,104 crore for the June quarter thanks to robust growth in telecom and retail businesses. Analysts in an ET NOW poll had projected a profit of Rs 9,550 crore.

Reliance's telecom unit Jio reported 45.60 per cent rise in profit at Rs 891 crore while sales of retail unit grew 47.5 per cent to Rs 38,196 crore.

Results & Corporate Action

Result Calendar	
Date	Company Name
22 nd July 2019	DHFL,JUSTDIAL, KOTAKBANK, MASTEK, ORIENTBANK, TVSMOTOR,
23 rd July 2019	HDFCLIFE, HINDUNILVR, KAJARIACER, LT, NIITTECH, SBILIFE, ZEEL
24 th July 2019	CANBK, ICICIPRULI, IDFCFIRSTB, INFRATEL, INTELLECT, JUBLFOOD, RNAM, SYNDIBANK, VGUARD
25 th July 2019	AMBUJACEM,BAJAJFINSV, BAJFINANCE, BANKBARODA, BIOCON, GRUH, PVR, RBL, TATAMOTORS, TATAMTRDVR,
26 th July 2019	AARTIDRUGS, ABB, BAJAJ-AUTO, JSWSTEEL, MARUTI,
28 th July 2019	CYBELEIND, ESCORTS, HAVELLS, ICICIBANK,



Corporate Action	Company Name	Type & Percentage	Record Date	Ex-Date
Bonus	Captain Technoc	Bonus Ration (1:1)	23-07-2019	22-07-2019
	Zota Health Car	Bonus Ration (4:10)	26-07-2019	25-07-2019
	Varun Beverages	Bonus Ratio (1:2)	27-07-2019	25-07-2019
Rights	Tata Sponge	Right Ratio (15:7)	25-06-19	24-06-19
	Pacific Ind	Right Ratio (127:100)	26-07-19	25-07-19
Dividend	West Coast Pap	Final (250%)	~	22-07-2019
	Shoppers Stop	Final (15%)	~	22-07-2019
	Solitaire Mach	Final (11%)	~	22-07-2019
	RPG Life	Final (30%)	23-07-2019	22-07-2019
	Redington	Final (165%)	~	22-07-2019
	National Perox	Final (650%)	~	22-07-2019
	NOCIL	Final (25%)	~	22-07-2019
	Kalpataru Power	Final (150%)	~	22-07-2019
	Jenburkt Pharma	Final (102%)	~	22-07-2019
	JMC Projects	Final (35%)	~	22-07-2019
	ICICI Bank	Final (50%)	~	22-07-2019
	Future Life	Final (70%)	23-07-2019	22-07-2019
	DLF	Final (100%)	23-07-2019	22-07-2019
	Carborundum	Final (125%)	~	22-07-2019
	Captain Technoc	Final (2%)	23-07-2019	22-07-2019
	Cholamandalam	Final (20%)	~	22-07-2019
	Bata India	Final (125%)	~	22-07-2019
	Blue Dart	Final (125%)	~	22-07-2019
	Bombay Cycle	Final (50%)	~	22-07-2019
	Victoria Mills	Final (50%)	~	23-07-2019
	TCI Express	Final (30%)	~	23-07-2019
	Sicagen India	Final (40%)	~	23-07-2019
	Singer India	Final (20%)	~	23-07-2019
	Mahindra Logist	Final (18%)	~	23-07-2019
	J. K. Cement	Final (100%)	~	23-07-2019
	Hikal	Final (30%)	~	23-07-2019
	Hind Copper	Final (10.40%)	~	23-07-2019
	Geojit Fin	Final (100%)	~	23-07-2019
	Dixon Technolog	Final (20%)	~	23-07-2019
	Deltron	Interim (110%)	24-07-2019	23-07-2019
	Apollo Tyres	Final (325%)	~	23-07-2019

	Ashok Leyland	Final (310%)	~	23-07-2019
	Wires and Fabri	Final (6%)	~	24-07-2019
	V-Mart Retail	Final (17%)	~	24-07-2019
	Thangamayil	Final (50%)	~	24-07-2019
	Cholamandalam	Final (65%)	~	24-07-2019
Dividend	Sobha	Final (70%)	~	24-07-2019
	Motilal Oswal	Final (450%)	25-07-2019	24-07-2019
	Larsen	Final (900%)	~	24-07-2019
	Eicher Motors	Final (1250%)	~	24-07-2019
	Tata Comm	Final (45%)	~	25-07-2019
	Thermax	Final (350%)	27-07-2019	25-07-2019
	ICICI Securitie	Final (114%)	~	25-07-2019
	Future Supply	Final (12.50%)	26-07-2019	25-07-2019
	Exide Ind	Final (90%)	~	25-07-2019
	Dynamic Ind	Final (15%)	~	25-07-2019
	Bajaj Electric	Final (175%)	~	25-07-2019
	Bombay Dyeing	Final (75%)	~	25-07-2019
	Adani Ports	Final (10%)	~	26-07-2019
	Aarti Drugs	Final (10%)	~	26-07-2019
	Arihant Capital	Final (15%)	~	26-07-2019

Nifty Spot In Last Week :-

As we saw the Price Movement in Nifty Spot in last week that In Upside is 11,706.65 and in Downside 11,399.35.



Nifty Spot In Upcoming Week :-

There is strong Resistance is 11,680 if not close above this level Till sell on rise down side target will 11,370 possibility, if break this level then next down side target 11,222 possibility.

Bank Nifty in Upcoming week :

There is strong Resistance is 30,700 if not close above this level Till sell on rise down side target will 29,500 possibility,if break this level then next down side target 29,150 possibility.

Recommendation for next week

Serial No.	Stock Name Cash segment	Above /Below /Add HOLD	CMP as on 20.07.2019	Trail SL	Buy Stop loss	Sell Stop loss	Target
1	AMBUJACEM(SELL)	HOLD 217/19	214	225			203/196
2	NIFTY(SELL)	HOLD11510	11437	11580			11370/11222
3	SBIN(SELL)	HOLD 361	356	366.50			355/344
4	COLPAL(BUY)	AROUND 1126	1173		1110		1230
5	SUNPHARMA(BUY)	AROUND 402/7	421		390		452

Commodity Market

COPPER:~ Buy on deep with stop loss 430 upside target will be 470 possibility.



CRUDEOIL :- Buy in deep with sl 3,570 upside target will be 3,850 possibility, sell on rise with sl 4,170.

SILVER:- Buy on deep with stop loss 38,400 upside target will be 42,200 possibility.



GOLD:- Buy in deep with sl 34,000 day closing bais upside target will be 35,700 possibility, sell on rise with sl 35,800.

Currency Market (Future Levels)

USDINR: Investors can sell on rise with stop loss of 69.50 down side target will be 68.20 is support if close below 68.20 then next down target 67.70 possibility.



EURINR There is strong support is 77.00 if close below this level then next down side target 76.25 possibility, sell on rise with sl 78.55.



GBPINR: Investors can sell on rise with the stop loss of 87.50 and down side target will be 85.60 possibility, buy on deep with sl 84.50 up side target will be 87 possibility.



JPYINR: Investors can sell on rise with stop loss of 64.57 down side target will be 63.50 possibility .

Currency FUT LEVEL	DEMAND ZONE LEVEL		CLOSE	SUPPLY ZONE LEVEL	
	D2	D1		S1	S2
USDINR	67.70	68.20	68.77	69.05	69.35
GBPINR	84.50	85.70	86.39	86.94	87.26
EURINR	76.28	77.00	77.48	77.92	78.05
JPYINR	62.80	63.50	64.04	64.57	65.00

Premium / Discount (USD/ INR) Based on Forward Rates	
Duration	Premium
One month Forward	0.22
Three month Forward	0.44
Six month	1.22
One year	2.44

RBI reference Rates	
Currency	Rates
USD	68.88
GBP	85.72
Euro	77.44
100 Yen	63.99

Evaluating Budget:

At times it is said that the budget is just a formalities and will not have impact on the stock market beyond few days. Well, it is not always true. Budgets shows the intention and the strategy of the ruling party.

In this regard let us see an article by Swaminathan Aiyer, in the 'Times of India' (14.7.19). it says a lot about what did we miss?

"The Economic Survey said rightly that no country had ever grown fast without buoyant exports, and called for policies to generate a virtuous cycle of rising exports, GDP, savings and investment. The budget fails comprehensively to do this. Far from taking India to 8% growth, it could take India down to 6%.

Why have exports hardly grown for five years? Because India is a high-cost economy that cannot compete with its Asian peers. India has among the highest-cost land, labour, capital, electricity, railway freight rates, air freight, corporate and income tax rates. A thrust for 8% growth requires lowering every one of these rates. Alas, the budget goes in the opposite direction.

Back in 2007, finance minister Chidambaram grasped the importance of being competitive, and decreed that import duties should be reduced till they approximated the Asian norm of 10%. That was achieved by a series of cuts till 2008, and helped fuel India's biggest boom. Then Arun Jaitley said India would cut its corporate tax rate to 25% to compete with Asia.

This vision has been abandoned by Nirmala Sitharaman. She has done nothing to bring down the high costs of so many items. She has yet to cut corporate tax to the promised 25% rate for large companies with revenue of over Rs 400 crore. Meanwhile corporate tax in many Asian countries has fallen to 15-20%.

The new peak income tax rate of 42.7% is out of line with rates in several competing countries. Sitharaman wants to attract foreign investment and talent, but 42.7% income tax is a clear disincentive. Foreign portfolio investors organised as trusts suddenly find they have to pay 42.7% tax, and are exiting, causing a crash in stock markets.

Many Indian businessmen will move to low-tax havens like Singapore and Dubai, (7,000 billionaires have already left in recent years). Corporate promoters will keep profits in companies instead of distributing them as dividends that are highly taxed, so the policy is anti-dividend. A wedge as high as 17.7% between the top income-tax rate and corporate tax rate is a recipe for proliferating tax avoidance. The additional revenue sought by the budget may not accrue at all.

An elementary precept of economic liberalisation is that a tax on imports becomes a tax on exports. It creates a high-cost economy, appreciates the exchange rate, and induces investment to shift from export production to import-substitution. It induces retaliation against Indian exports, as the USA has demonstrated. Far from seeing this as a problem, Sitharaman wants to encourage it. Jaitley in last year's budget started the dismal trend of raising import duties on over 40 items just for protection. Sitharaman expands the list much further this year, declaring explicitly that she aims to reduce import dependence, protect the MSME sector, and curb non-essential imports. This is the language of the licence-permit Raj that trapped India into the Hindu rate of growth of 3.5%.

Infant industry protection for temporary periods has created competitive industries in some countries. But the new levies have no sunset clause. The industries being protected by Sitharaman are not infants, merely traditional BJP vote banks.

Attracting large foreign investment to boost investment requires stability and predictability in tax rates. But constant changes in income-tax surcharges and import tariffs represent tax policy driven by lobbying, not transparent principles. Foreign investors will not respond to her incentives if these can change at political whim in the next budget.

India urgently needs new land laws to slash land prices and acquisition costs; new labour laws that reduce effective cost through flexibility; lower fiscal deficits that help reduce the interest rate; electricity reforms that end high industrial rates to subsidise farmers; rail reforms that end high freight rates that subsidise passenger traffic; lower taxes on aviation spirit to lower air freight; and a shift from high support prices for crops to direct cash benefits for farmers to lower agricultural prices and make them internationally competitive.

This is a huge and politically difficult agenda. Nobody could expect Modi to grasp such thorny nettles in an election year. But despite winning a landslide Lok Sabha victory, he remains in election mode because some state election or another is always a few months away.

Modi and Sitharaman need to realise that the need of the hour is not to just to compete with the Congress and regional parties. More important is the need to compete with China and other competitors like Bangladesh, Vietnam, Indonesia and Thailand. They all have lower costs and faster export growth”

HEAD OFFICE

B/230-231, International Trade Center, Majura Gate, Ring Road, Surat-2.(Guj.) India Ph: 0261- 40 60 750, 246 27 90
Fax : 0261-246 27 91 www.markethubonline.com E-Mail : sales@markethubonline.com

BRANCH

Varachha Road, Surat - 6. Ph : 0261-254 49 06 • Mahidharpura, Surat-3. Ph : 0261 - 245 10 39

IA SEBI Registration no.:INA000005333

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