MARKET-HUB
NEWS LETTER

Beyond Research,
Beyond Advice

16th January 2021

Issue – 432

Market News

indian Railway Finance Corporation, the dedicated market borrowing arm of the Indian Railways, on January 15 raised Rs 1,390 crore from 31 anchor investors ahead of its IPO opening.

The Rs 4,633-crore maiden public issue of state-owned entity will open for bidding on January 18, with a price band of Rs 25-26 per share. The same will close for subscription on January 20.

"The company and selling shareholders, in consultation with merchant bankers, has finalised allocation of 53,45,63,007 equity shares to anchor investors, at an upper price band of Rs 26 per share," IRFC said in its circular published on the exchange.

Copper prices slid to Rs 608.50 per kg on January 15 as participants increased short position as seen by the open interest. The base metal extended decline after a gap down open on the firm dollar.

Base metals consolidated at highs after stimulus announcement and fall in LME and ShFE warehouse stocks. However, the upside was capped amid demand concerns from the biggest metals' consumer, China, where the coronavirus outbreak has prompted the government to re-impose lockdowns.

Multiplex player PVR on January 15 reported a consolidated net loss of Rs 49.21 crore for the quarter ended December 31, 2020, against a profit of Rs 36.26 crore in the corresponding quarter a year ago.

In the quarter ended September 30, 2020, PVR had reported a loss of Rs 184.06 crore as the outbreak of coronavirus and lockdowns hit the business.

Indigo Paints, one of the fastest-growing paint companies in India, was trading at more than 50 percent premium over its higher issue price band of Rs 1,490 per share in the grey market after the announcement of IPO details.

The premium in the grey market as of January 15 was at around Rs 840-850 per share, which means the grey market trading price stood at Rs 2,340-2,330 against the issue price of Rs 1,490, as per the data available on IPO Watch. The premium increased significantly from Rs 400-500 on January 11 to Rs 840-850 today.

Results & Corporate Action

Result Calendar	
Date	**Company Name**
18 January 2021	MINDTREE
19 January 2021	ICICIGI
20 January 2021	HAVELLS,HDFCAMC, FEDRALBANK,BAJFINANCE BAJAJFINSV
21 January 2021	BAJAJAUTO,BIOCON, JINDALSTEL,SRF,ASIANPAINT, BANDHANBANK
22 January 2021	SBILIFE,JSWSTEEL,HDFCLIFE, RELIANCE

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Corporate Action	Company Name	Type & Percentage	Record Date	Ex-Date
Dividend	Wipro	Interim (50%)	25-01-2021	22-01-2021
	CESC	Interim (450%)	25-01-2021	22-01-2021

Nifty Spot in Last Week:-

As we saw the Price Movement in Nifty Spot in last week that In Upside is 14653.35 and in Downside 14357.85

NIFTY WEEKLY CHART

BANKNIFTY WEEKLY CHART

Nifty Spot in Upcoming Week:-

There is strong Support is 14000 up side 14630 is resistance .

Bank Nifty in Upcoming week:-

There is strong Support is 31950 if break this level then down side target 31600 to 31200 possibility.

Recommendation for next week

Serial No.	Stock Name Cash segment	Above/Below/Add HOLD	CMP as on 16.01.2021	Trail SL	Buy Stop loss	Sell Stop loss	Target
1	NAVKARCORP(BUY)	Hold43.35	42.75		35		70
2	ARVIND(BUY)	Hold41.60	553	38.70			55/60
3	HDFCLIFE(BUY)	Hold643	705	695			750
4	ABCAPITAL(BUY)	HOLD89.50	93.30		82		115

Commodity Market

COPPER:-Sell on rise with sl 633 down side target 580 possibility,if close above 633 level then up side target 700 possibility.

CRUDEOIL:- buy in deep with sl 3480 upside target 3900 to 4130 possibility.

SILVER: - buy in deep with sl 59000 upside target 67000 possibility, sell on rise with sl 70200 down side target 59000 possibility.

GOLD:- Sell on rise with sl 49700 down side target 48400 to 46300 possibility.

Currency Market (Future Levels)

USDINR: - buy in deep with stop loss 72.80 upside target will be 73.50 possibility,sell on rise with sl 73.60 down side target 73.00 possibility.

GBPINR: - Investors can buy in deep with stop loss 98.00 upside target will be 100.50 possibility.

EURINR :- Investors can sell on rise with sl 89.90 down side target 87.50 possibility.

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JPYINR:- Investors can sell on rise with sl 71.15 down side target 69.50 possibility.

Currency FUT LEVEL	DEMAND ZONE LEVEL		CLOSE	SUPPLY ZONE LEVEL	
	D2	D1		S1	S2
USDINR	72.50	72.80	73.16	73.50	74.00
GBPINR	98.50	99.00	99.85	100.50	101
EURINR	87.50	88.00	88.65	89.00	90.50
JPYINR	69.50	70.00	70.38	71.15	71.70

Currency Corner

Premium / Discount (USD/ INR) Based on Forward Rates	
Duration	Premium
One month Forward	0.23
Three month Forward	0.36
Six month	1.19
One year	2.66

RBI reference Rates	
Currency	Rates
USD	73.12
GBP	99.72
Euro	88.87
100 Yen	70.29

Will the bull keep running?

At the time when the bull run is unabated, the most frequently asked question is will this bull run continue? To answer this question we are presenting an article by Akash Prakash of AMANSA CAPITAL.

Global markets opened strongly in the first week of 2021, hitting new highs, despite continued disappointment over the pace of vaccinations, the rapid spread of new strains of the virus and further lockdowns in the West. Markets have also seemingly shrugged aside the chaos of the last days of the Trump administration and are looking forward to the calm of a new administration.

With the Democrats having regained control of the US Senate, Joe Biden will now be able to control his legislative agenda and move forward largely unhindered by procedural gridlock. Markets have reacted strongly to the unification of the Democratic Party's control of government, as it signals certainty on a number of issues.

First of all, it is now almost certain that Mr Biden will be able to push through a much larger fiscal stimulus programme, targeted at individuals, local governments and small businesses.

What is also clear is that radical policies will have no place. Steep tax hikes or a severe regulatory pushback on either Big Tech or the Wall Street has little chance of seeing the light of day.

Thus, over the coming 12-18 months, we are likely to have accelerating growth, no tightening of monetary policy, surging corporate profitability (driven by cost cuts) and the beginnings of inflation. This is an environment conducive for equities and all risk assets globally. While we may see some sector rotation and movement from growth to value, equities as an asset class should do well. Such an environment will also be dollar-negative and positive for emerging market (EM) equities and other real assets such as commodities.

This is unfortunately the consensus view at the moment. While one dislikes being with the consensus, at times the consensus can be right. At least, for a while. The biggest risks to this view are the following.

Firstly, inflation may be a bigger issue than the consensus recognises. Already 10-year inflation expectations have crossed 2 per cent. Surging commodity and oil prices combined with a weak dollar will push inflation in the US upwards and the disruptions in supply chains may give certain companies and sectors pricing power.

The second risk to the bulls is linked to the vaccine rollout. God forbid, if the virus mutates in an unexpected fashion or if vaccine roll-out runs into problems, then all bets are off. Markets are assuming that by the second half of 2021, the world will be approaching some type of normalcy. If this is wildly optimistic, then markets may be ahead of themselves.

The final risk is linked to normalisation itself. At some stage, the Fed will come under pressure to taper its QE programme. Historically, this tapering has been a moment of market vulnerability, if not handled or communicated properly. Markets may undergo a shakeout at the first signs of the Fed reversing course on QE. Linked to this is also the diversion of liquidity. As economies normalise, excess liquidity will come out of financial assets and be used to fund the real economy. Inventories will be rebuilt or capital spending programmes restarted. As liquidity comes out of financial assets, markets may be vulnerable again. The Marshallian K will decline as liquidity moves into the real economy.

Markets are exuberant, and it is easy to see why. As always, while understanding and, in this case, also agreeing with the bullish thesis, have one eye on what can go wrong.

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