MARKET-HUB
NEWS LETTER
Beyond Research,
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Market News

The BSE Small-cap index rose 2.6 percent and hit fresh record high of 43,957.62. Alok Industries, Sun Pharma Advanced Research Company, Inox Green Energy Services, Waaree Renewable Technologies, Reliance Power, Sobha, Indo Amines, HPL Electric & Power, GTL Infrastructure, Oswal Greentech and Himadri Speciality Chemical added 25-52 percent. On the other hand, NLC India, KPR Mill, Thangamayil Jewellery, Vadilal Industries, Craftsman Automation, 360 ONE WAM, MSTC, Escorts Kubota and Sandur Manganese and Iron Ores declined 6-11 percent.

BSE Mid-cap Index climbed to new record high of 37,892.11 and added 2.3 percent supported by Biocon, Godrej Industries, GlaxoSmithKline Pharmaceuticals, Godrej Properties, NHPC and Torrent Power. However, losers included 3M India, Steel Authority of India, CRISIL, Vedant Fashions and Nuvoco Vistas Corporation.

Shares of Shree Cement saw heavy selling on January 5 after media reports said that the income tax department has slapped a Rs 4,000-crore tax order on the company. Sources told CNBC TV-18 that the I-T department claims Rs 4,000 crore from Shree Cement for wrongful claims and deductions. The company termed the allegations speculative and devoid of merit.

The tax sleuths did a survey on the company in June 2023. The survey report highlights Rs 8,500 crore wrongful claims from Apr ’14-Mar ‘23.

Shares of Suzlon Energy gained over 2 percent on January 5 after the company bagged a new order for the development of a 225-MW wind power project from Everrenew Energy Private Ltd.

It would install 75 wind turbine generators (WTGs) with a Hybrid Lattice Tubular (HLT) tower and a rated capacity of 3 MW each across the client’s several sites.

This order is for the firm's larger-rated 3 MW, S144-140m turbines from the 3–3.15 MW product series, Suzlon Energy said in a filing. The WTGs and HLT tower will be installed at sites in Vengaimandalam, Trichy district and Ottapidaram, Tuticorin district in Tamil Nadu.Shares of KPI Green Energy Ltd gained 1.7 percent after the company informed that subsidiary KPIG Energia Pvt Ltd has received a solar power contract from Jayco Synthetics.

KPIG Energia has been awarded the execution contract for a 3-megawatt solar power project under the captive power producer segment. The project is scheduled to be completed in fiscal year 2025 in various tranches as per the terms of the order.

Results & Corporate Action

Result Calendar

Date	Company Name
09 January 2024	DELTA
11 January 2024	TCS,HDFCAMC,INFY
12 January 2024	HCLTECH,WIPRO,HDFCLIFE

Corporate Action	Company	Type & Percentage	Record Date	Ex-Date
Bonus	Allcargo Logistics Ltd.	Bonus Ratio 3:1	02-01-2024	02-01-2024
Split	Indian Link Chain MNF Ltd.	Old FV 100 New FV 10	03-01-2024	03-01-2024
Split	Pearl Global Industries Ltd.	Old FV 10 New FV 05	05-01-2024	05-01-2024
Split	7NR Retail Ltd.	Old FV 10 New FV 05	05-01-2024	05-01-2024
Split	Nestle India Ltd.	Old FV 10 New FV 01	05-01-2024	05-01-2024
Rights	Mercury Ev-Tech Ltd.	Rights Ratio 23.1	01-01-2024	01-01-2024

Nifty Spot in Last Week:-

As we saw the Price Movement in Nifty Spot in last week that In Upside is 212834.35 and in Downside 21500.35.

NIFTY WEEKLY CHART

BANKNIFTY WEEKLY CHART

Nifty Spot in Upcoming Week:-

Nifty down side 21400 strong support buy in deep with sl 21400 day closing basis up side target 21800 to 22100 possibility.

Bank Nifty in Upcoming week:-

Bank Nifty down side 47400 strong support buy in deep with sl 47400 day closing basis side target 49000 possibility.

Recommendation for next week

Serial No.	Stock Name Cash segment	Above/Below/Add HOLD	CMP as on 06.01.2024	Trail SL	Buy Stop loss	Sell Stop loss	Target
1	TARMAT (BUY)	HOLD 101	96		90		230
2	SBCL (BUY)	CMP 601	601		580		700
3	WIPRO (BUY)	HOLD 450	456		430		600

Commodity Market

COPPER:- Investors can buy on deep around 715 with sl 704 up side target will be 735 possibility.

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CRUDEOIL:- Investors can buy in deep around level 5800 to 5660 with stop loss 5300 up side target will be to 6600 possibility.

SILVER: Investors can buy in deep around level 72000 to 70000 with stop loss of 69000 up side target will be to 78000 possibility.

GOLD:- Investors can buy in deep around level 61500 with stop loss 60900 up side target will be to 63500 possibility.

Currency Market (Future Levels)

USDINR: - Investors can sell on rise around 83.40 range with sl 83.60 down side target 82.30 to 81.50 possibility.

GBPINR: Investors can sell on rise around 107.30 to 107.60 range with sl 108.30 down side target 104.50 possibility.

EURINR: Investors buy in deep around 89.25 to 88.90 range with sl 88.50 down side target 91.50 to 93.00 possibility.

JPYINR:- buy on every deep add 55.85 to 55.00 with sl 56.00 target 60.00 to 61.00 possibility.

Currency FUT LEVEL	DEMAND ZONE LEVEL		CLOSE	SUPPLY ZONE LEVEL	
	D2	D1		S1	S2
USDINR	81.50	82.30	83.16	83.50	84.00
GBPINR	103.50	104.50	105.32	106.00	107.00
EURINR	88.50	90.00	90.79	91.50	92.20
JPYINR	55.80	56.50	57.33	58.50	59.20

Currency Corner

Premium / Discount (USD/ INR) Based on Forward Rates	
Duration	Premium
One month Forward	0.09
Three month Forward	0.17
Six month	0.49
One year	1.28

RBI reference Rates	
Currency	Rates
USD	83.17
GBP	105.35
Euro	90.88
100 Yen	57.26

Learning from Marcellus Investment's Portfolio Changes (Part ii)

Hello Readers, we have all known Marcellus as a very seasoned and sharp stock pickers. Besides the return such stocks generate, there is lot to learn from the logic behind their selection. Also, they are very open in sharing 'whats and whys' of their stock selection. Here is 'what' they have changed and 'why'. This is in continuation of our previous article along with one exit they have made.

3. PDS Limited

a. PDS is a sourcing platform for retailers & brands in the Western world. In its core business of 'Design-led Sourcing' (90% of FY23 revenues), PDS acts as a link between retailers & brands in the West and small garment manufacturers in the Far East. PDS has 250+ designers and 600+ factories associated with its platform which enables it to provide entire design to delivery of apparels to its customers.

b. PDS's key competitive advantage is its entrepreneur-driven partnership model which enables it to scale up efficiently without diluting management bandwidth and remain agile in a dynamic industry. Overtime, PDS has ventured into 'Sourcing as a Service' business model where it takes over the sourcing office of a brand in the Far East countries. This helps generate a steady stream of annual income and open opportunity to up-sell its design & compliance services. In FY23, PDS expanded its expertise into 'Brand Management' services by going up the value to take over the entire design team of brands in addition to managing their sourcing.

c. In the last 5 years, PDS has grown its revenues at 17% and PAT at 73% CAGR and ended up with a ROCE (pretax) of 27% in FY23. Key value drivers for the firm going forward are increasing share of value-added business, increasing wallet share and synergies between various group companies.

4. Cera Sanitaryware

a. Cera is the no. 2 player in the mass-affluent segment of the sanitaryware and faucets market in India. It's a pan-India brand, with maximum revenues from the south (40% of total revenues) – a geography that is likely to continue growing faster relative to other regions. The company has grown revenues at 11% CAGR over the last 5 years, while earnings over the same period have grown at a CAGR of 16%, while maintaining an average RoCE of 20%.

b. The company's moats are built on strong distribution, continuous product innovation and introduction and an established brand image. The company has also been focusing on deepening these moats, with regular capacity expansions, steady new product introductions, and investments in manufacturing capabilities that go towards improvement in product quality and finish. Working capital cycle has come down an average 111 days during F18-20 to an average of 77 days during F21-23.

c. Over the next few years, we expect to see strong a demand environment for Cera's products. Cera is a mid-to-late cycle play on residential real estate. In the March 2023 quarter, new project launches in the top 7 property markets in India were at a decadal high. Large players such as DLF and Godrej Properties have reported record new sales bookings in F23 (up 107% and 56% respectively). These new launches would be ready for bathroom fitouts in the next 18-24 months and will translate to a surge in demand for bathware.

Exit from Amrutanjan: One of our key investment thesis for Amrutanjan revolved around its success in the Sanitary Napkin segment. However, our recent channel checks suggest that Sanitary Napkins has become a crowded space with many regional players as well as a few national players competing for market share. This has made it difficult for Amrutanjan to gain market share thus delaying the path to profitability in the Comfy segment. When the reduced estimates for Amrutanjan are fed into our position sizing framework, the result is an exit from LCP.