



## Market News

US markets continued to fall for a sixth day in a row on April 19, as Israel launched retaliatory attacks on Iran. At 8:45 pm IST, the S&P 500 fell 0.32 percent to 4,995.02 while Netflix dragged the Nasdaq Composite, which tumbled 1.11 percent to 15,428.61.

The Dow Jones Industrial Average, however, traded positive up 0.42 percent at 37,932.98. Netflix shares fell 8.43 percent to \$559.07, after the company announced that it would cease disclosing subscriber additions and average revenue per member rating from 2025 onwards.

The GIFT Nifty traded positive, up 0.32 percent higher at 22,181.50 as Nifty and Sensex edged higher during the day.

European markets traded mixed. The FTSE was up 0.23 percent at 7,894.64 while the DAX traded 0.55 percent lower at 17,793.17. The CAC also traded flat-to-negative at 8,023.02.

HDFC Asset Management Company reported a consolidated net profit of Rs 540.84 crore for the quarter ended on March 2024. Net profit rose 43.77 percent year-on-year

from Rs 376.17 crore in the same quarter last fiscal.

The AMC's consolidated revenue increased by 28.55 percent to Rs 695.43 crore against Rs 540.95 crore in the previous year, the company announced in the results announced after market hours.

“The Board of Directors in the said meeting has recommended a dividend of Rs. 70/- per equity share of Rs. 5/- each of the Company, for the financial year ended March 31, 2024, subject to approval of shareholders at the ensuing Annual General Meeting. The dividend if approved by the shareholders, will be dispatched / remitted commencing from the day after the ensuing Annual General Meeting.”, the company said in the press release.

Jio Financial Services on April 19 reported a net profit of Rs 310 crore for the January-March quarter of the financial year 2023-24. The company's net interest income (NII) stood at Rs 280 crore for the quarter. Its total income came in at Rs 418 crore and revenue at Rs 418 crore.



## Result Calendar



**DATE :- 22-APR-24**

**COMPANY NAME :- RELIANCE, PERSISTENT**

**DATE :- 23-APR-24**

**COMPANY NAME:- ICICIPRULI**

**DATE :- 24-APR-24**

**COMPANY NAME :- INDHOTEL, LTIM,  
HINDUNILVR, OFSS, SYNGENE**

**DATE :- 25-APR-24**

**COMPANY NAME:- LTTS, MPHASIS,  
NESTLEIND,BAJFINANCE, INDUSINDBK**

**DATE :- 26-APR-24**

**COMPANY NAME:- HCLTECH, MARUTI,  
BAJAJFINSV, ATUL, SBILIFEFIRSTB**

**DATE :- 27-APR-24**

**COMPANY NAME:- IDFCFIRSTB, ICICIBANK,  
L&TFH**

Corporate Action	Company	Type & Percentage	Record Date	Ex-Date
<b>Bonus</b>	Anup Eng	Bonus Ratio 1:1	23-04-2024	23-04-2024
<b>Split</b>	Bharat Bijlee	Old FV 10 New FV 5	24-04-2024	24-04-2024
<b>Rights</b>	Sobhagya Mercan	Rights Ratio 34:1	23-04-2024	23-04-2024
<b>Dividends</b>	Aegis Logistics	Interim 125.00	22-04-2024	22-04-2024
<b>Dividends</b>	VUENOW INFRA	Interim 5.00	23-04-2024	23-04-2024
<b>Dividends</b>	Aster DM Health	Interim 1180.00	23-04-2024	23-04-2024
<b>Dividends</b>	Fortis Malar	Interim 400.00	23-04-2024	23-04-2024
<b>Dividends</b>	Huhtamaki India	Interim 250.00	24-04-2024	24-04-2024

### Nifty Spot in Last Week:-

As we saw the Price Movement in Nifty Spot in last week that In Upside is 22427.45 and in Downside 21777.65.



NIFTY WEEKLY CHART



BANKNIFTY WEEKLY CHART

### Nifty Spot in Upcoming Week:-

Nifty down side 21700 is strong support if not close below this level then up side target 22800 to 23000 possibility if close below 21700 level then we can see down side 21400 to 21200 level possibility.

### Bank Nifty in Upcoming week:-

Bank Nifty down side 45650 is strong support if not close below this level then up side target 48255 to 48500 possibility if close below 45650 level then we can see down side 45100 to 44500 level possibility.

## Recommendation for next week

Serial No.	Stock Name Cash segment	Above Below/Add HOLD	CMP as on 20.04.2024	Trail SL	Buy Stop loss	Sell Stop loss	Target
1	PETRONET (BUY)	CMP 300	300		270		350
2	GLENMARK (BUY)	HOLD 1035	1053		970		1150
3	ASHIANA (BUY)	ABOVE 488	369		340		425-450

# Commodity Market

**COPPER CMP (845):-** Investors can buy in deep around level 820 with sl 814 up side target 870 to 900 possibility.



**CRUDEOIL CMP (6980):-** Investors can sell on rise around level 7380 to 7420 with stop loss 7525 down side target will be to 6700 to 6500 possibility buy in deep around 6550 with sl 6380 up side target 7000 possibility.

**SILVER CMP (83524):-** Investors can buy on every deep with stop loss of 78000 closing bais up side target will be 89000 to 91000 possibility.



**GOLD CMP (72800):-** up side 73400 to 73900 is resistance down side 71000 to 70800 is strong support.

## The Mega Opportunity in Indian Megacaps

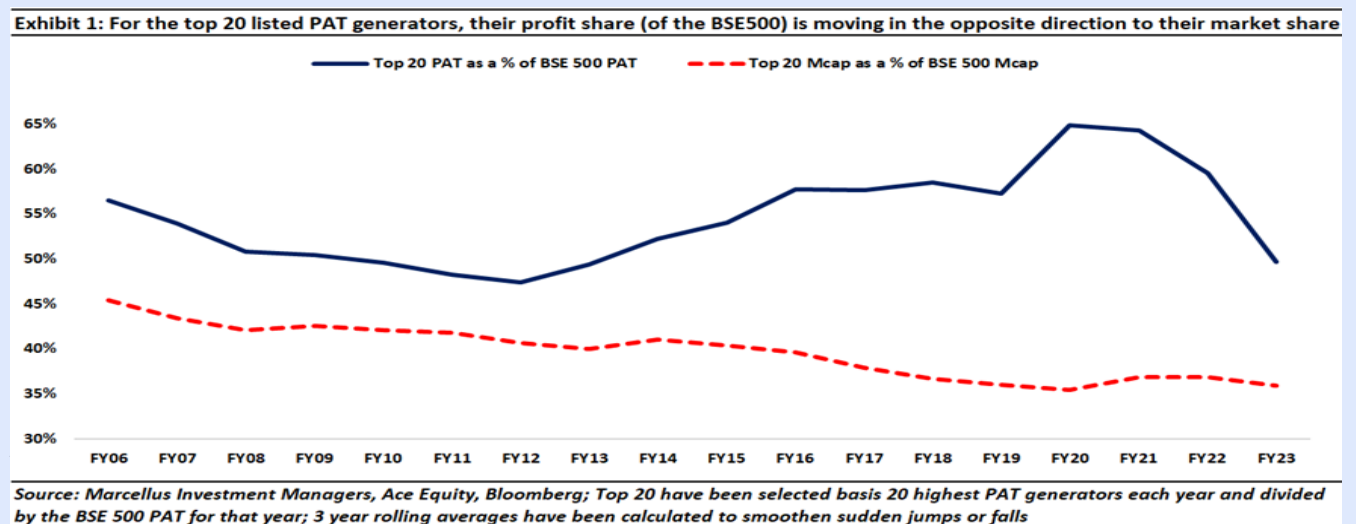
This article is presented by Saurabh Mukherjea's Marcellus Investment Manager via their blog.

Although India's 20 most profitable listed companies (the 'Megacaps') account for around 50% of the profits generated by the BSE 500 companies, these Megacaps account for just 34% of the BSE500's market cap (down from 41% a decade ago and 45% nearly two decades ago). Indian retail investors' fascination with SmallCaps seems to be the primary reason for the decline in the market cap weight of the Megacaps. As a result, on a P/FCF basis, not only are the Megacaps cheaper than every other segment of the Indian stock market, but they are also trading at the lowest valuations we have seen for Megacaps since 2016.

“Buying something for less than its value. In my opinion, this is what it's all about—the most dependable way to make money. Buying at a discount from intrinsic value and having the asset's price move toward its value doesn't require serendipity; it just requires that market participants wake up to reality. When the



market's functioning properly, value exerts a magnetic pull on price.” – Howard Marks in his book *The Most Important Thing: Uncommon Sense for the Thoughtful Investor* (2011)



As is well understood now, over the past decade, India has seen a dramatic upgrade in its physical and virtual infrastructure. With the national highway network seeing a near doubling from ~79K km in 2012 to ~140K km in 2022, domestic air travel passengers more than doubling from ~58 mn in 2012-13 to ~136 mn in 2022-23, households with broadband connections growing ~7x from ~20 mn in 2013 to ~137 mn in 2023, and the number of bank accounts growing ~3x from ~100 crores in 2015 to ~300 crores in 2023, doing business in India has become easier than it was in the past.

The post-Covid recovery, aided by easier availability of credit due to the dramatic acceleration in the use of UPI and ever-widening spread of social media, has surely helped smaller companies find new customers and new ways to reach existing customers (see our 7th February 2023 blog, *The Polarization of Corporate Profits in India is Reducing*). However, the long-term structural trend seems to be that the networking of India is helping large companies spread their wings at a national level and make more money than ever before. As shown in the Exhibit 1 above, the top 20 listed companies' profit share as a percentage of BSE 500's has remained steady at ~50% in the last decade.

Exhibit 2: FY23's 20 largest PAT generators (the "Megacaps" are trading at very attractive FCF yields (i.e., the inverse of P/FCF)				
Company Name	Mcap (\$ bn)	PAT growth (FY13-23)	FCF yield	TSR (FY13-23)
Reliance Industries Ltd.	192	13%	-3.0%	21%
State Bank Of India	57	12%	7.7%	11%
HDFC Bank Ltd.	109	21%	3.2%	19%
Tata Consultancy Services Ltd.	143	12%	3.4%	18%
ICICI Bank Ltd.	75	13%	3.5%	18%
Oil & Natural Gas Corporation Ltd.	23	3%	15.2%	2%
Coal India Ltd.	16	5%	15.3%	5%
Housing Development Finance Corporation Ltd.*	59	18%	4.2%	14%
Infosys Ltd.	72	10%	3.1%	18%
ITC Ltd.	58	10%	3.7%	10%
NTPC Ltd.	21	3%	0.3%	8%
Power Grid Corporation Of India Ltd.	19	14%	14.3%	15%
HCL Technologies Ltd.	36	14%	5.4%	21%
Kotak Mahindra Bank Ltd.	42	21%	3.3%	18%
Larsen & Toubro Ltd.	37	9%	5.7%	15%
Bharti Airtel Ltd.	54	18%	4.5%	12%
Bajaj Finserv Ltd.	25	19%	2.3%	32%
Bajaj Finance Ltd.	41	35%	1.6%	48%
Mahindra & Mahindra Ltd.	18	12%	-8.1%	12%
Wipro Ltd.	24	6%	5.9%	11%
<b>Total</b>	<b>1,120</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Median</b>	<b>42</b>	<b>13%</b>	<b>3.6%</b>	<b>15%</b>

Source: Marcellus Investment Managers, Ace Equity, Bloomberg; for financials book yield instead of free cashflow yield has been used; for PAT growth and Total Shareholder Return 10 year CAGR has been calculated; note: FCF yield is the inverse of P/FCF. Hence the higher the FCF yield, the lower the P/FCF multiple. A negative FCF yield arises when a company is lossmaking; \* - HDFC was delisted on 13 July 2023

In the next episode we will further explore the real opportunity in this class of Indian Mega-cap stocks

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