



Market News

According to the new guidelines, stocks in the F&O segment that fail to meet the criteria for three consecutive months on a rolling basis will be removed. The guidelines also state that no new contracts will be issued for these stocks once they exit the F&O segment. SEBI has implemented new eligibility criteria for stocks in the Futures and Options (F&O) segment. The criteria, according to a note from IIFL is largely unchanged from the proposal released on June 28, 2024, and requires stock exchanges to adjust their rules and regulations accordingly. According to the new guidelines, stocks in the F&O segment that fail to meet the criteria for three consecutive months on a rolling basis will be removed. The guidelines also state that no new contracts will be issued for these stocks once they exit the F&O segment.

Bharat Petroleum Corp. is in talks with lenders to raise about Rs 32,000 crore (\$3.8 billion), according to people familiar with the matter, in what could be the biggest local-currency loan in the country this year.

The state-run oil company has already received expressions of interest, with the nation's

largest lender, State Bank of India, set to lead the transaction, the people said, asking not to be identified because the deliberations are private.

The proposed deal would help the expansion of one of India's biggest refiners at a time when the country is boosting its petrochemical capacity to keep pace with growing plastics consumption. The heightened interests among banks also reflect their eagerness to increase lending to large corporates, broadening their credit business beyond small to midsize companies. Punjab National Bank, Bank of Baroda and Bank of India are some of the other lenders on the 15-year loan, and more may join, the people said. It may be priced around 8.4% level, one of the people said. Shares of Patel Engineering rose 7 percent to Rs 57.40 a piece in morning trade on August 30 after the company signed a memorandum of understanding (MoU) with RVNL to jointly pursue hydro and infrastructure projects in both domestic and international markets.

Results & Corporate Action



MARKET-HUB

Corporate Action	Company	Type & Percentage	Record Date	Ex-Date
Splits	<u>Bondada Eng.</u>	Old FV 10 New FV 2	02-09-2024	02-09-2024
Splits	<u>Sapphire Foods</u>	Old FV 10 New FV 2	05-09-2024	05-09-2024
Rights	<u>Patel Integrate</u>	Rights Ratio 8:103	06-09-24	06-09-24
Dividend	<u>Vinati Organics</u>	Final 700.00	03-09-2024	03-09-2024
Dividend	<u>Ion Exchange</u>	Interim 150.00	03-09-2024	03-09-2024
Dividend	<u>Uni Abex</u>	Final 250.00	04-09-2024	04-09-2024
Dividend	<u>RHI Magnesita</u>	Final 250.00	05-09-2024	05-09-2024
Dividend	<u>Gulf Oil Lubric</u>	Final 1000.00	05-09-2024	05-09-2024
Dividend	<u>Triveni Turbine</u>	Final 130.00	06-09-2024	06-09-2024
Dividend	<u>Triveni Engg</u>	Final 125.00	06-09-2024	06-09-2024
Dividend	<u>Cuj Intrux</u>	Final 100.00	06-09-2024	06-09-2024
Dividend	<u>Sterling Tools</u>	Final 100.00	06-09-2024	06-09-2024
Dividend	<u>Sika Interplant</u>	Final 100.00	06-09-2024	06-09-2024
Dividend	<u>Protean eGov</u>	Final 100.00	06-09-2024	06-09-2024
Dividend	<u>Zen Tech</u>	Final 100.00	06-09-2024	06-09-2024
Dividend	<u>KRBL</u>	Final 400.00	06-09-2024	06-09-2024
Dividend	<u>JagsonpalPharma</u>	Final 100.00	06-09-2024	06-09-2024



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Corporate Action	Company	Type & Percentage	Record Date	Ex-Date
Dividend	<u>Uniphos Ent</u>	Final 285.00	06-09-2024	06-09-2024
Dividend	<u>GNFC</u>	Final 165.00	06-09-2024	06-09-2024
Dividend	<u>Triton Valves</u>	Final 100.00	06-09-2024	06-09-2024
Dividend	<u>SML Isuzu</u>	Final 160.00	06-09-2024	06-09-2024

Nifty Spot in Last Week:-

As we saw the Price Movement in Nifty fut in last week that In Upside is 25399 and in Downside 24835.00.



NIFTY WEEKLY CHART



BANKNIFTY WEEKLY CHART

Nifty Fut in Upcoming Week:-

Nifty down side 24850 is strong support up side 25500 to 25700 is resistance.

Bank Nifty fut in Upcoming week:-

Bank Nifty down side 51000 is strong support up side above 52000 next target 52500 possibility.

Recommendation for next week

Serial No.	Stock Name Cash segment	Above / Below / Add HOLD	CMP as on 31.08.2024	Trail SL	Buy Stop loss	Sell Stop loss	Target
1	NILAINFRA(BUY)	ABOVE 15.40	14.40		14.00		20
2	VIJYA(BUY)	HOLD 832	932	885			975
3	TTML(BUY)	HOLD 89	97		80		115-150

Commodity Market

COPPER CMP (806):- Investors can buy in deep around level 770 to 775 with stop loss 740 up side target will be 850 possibility.



CRUDEOIL CMP (6201):- Investors can buy in deep around 5500 to 5600 with sl 5250 up side target 7300 possibility.

SILVER CMP (85248):- Investors can buy in deep around 81700 with sl 79800 up side target 88000 level possibility.



GOLD CMP (71651):- Investors can buy in deep around 66300 with sl 65100 up side target 69000 level possibility, sell on rise around 72500 with sl 73200 down side target 66500 possibility.

The untold story of bank deposits.

Author: Soumya Kanti Ghosh

Source: Business Standard (https://www.business-standard.com/opinion/columns/the-untold-story-of-bank-deposits-124081901082_1.html)

This is an interesting article that seems to be the most convincing answer of why the banks' deposits are falling.

We have taken this article from the news letter of M/e Marcellus Investments Manager vis. 'Three longs and Three Shorts

Whilst the Indian equity markets have been on fire, not breaking a sweat over any perceived disappointments, be it the election results or the unwinding of the Yen carry trade nor the fairly muted earnings season that went by. Yet Indian banking

stocks have lagged over concerns over a deposit crunch (deposits are the raw material for bank loans). Everyone from bank CEOs to investors to indeed the finance minister earlier this week, have raised concerns over the issue. In a seemingly healthy economy amidst a rocking financial market, why would banks struggle to raise deposits? Indeed, amongst the various explanations bandied around, one of them is the buoyancy in the market itself i.e, individuals and corporates are happy to participate in the market than keep their deposits in banks. Naysayers argue whilst that might explain partly how deposits are counted from a regulatory liquidity perspective, those monies should remain within the banking system.

Here's a more nuanced explanation from the country's largest bank, State Bank of India's Group Chief Economic Advisor and member of the 16th Finance Commission, Soumya Kanti Ghosh.

He first questions the fact that deposit growth has lagged credit growth:

“...the numbers suggest that the incremental deposit growth at Rs 61 trillion has outpaced the incremental credit growth at Rs 59 trillion since FY22. Hence, deposit growth has actually outpaced credit growth. What is thus actually important is whether such quantum of deposit growth is enough to fund the credit requirements of an economy expanding at 8 per cent and at what price it is being mobilised.”

Then he rebuts the financialisation of savings argument:

“...households are indeed investing in alternative instruments of savings like mutual funds, equity and non-bank deposits. These instruments accounted for Rs 3.2 trillion, or 10.5 per cent of incremental household savings at Rs 29.7 trillion in FY23. Households still invested Rs 10 trillion in bank deposits and another Rs 2.5 trillion in small savings deposits out of this Rs 29.7 trillion pie, or 42 per cent. The remaining were household investments in pension and provident funds channelled by respective market players.

Many analysts mistakenly consider such savings in alternative instruments as a leakage from the financial system and therefore a cause for decline in bank deposits. This is however incorrect, as banking deposits are purely used for transactional purposes through which households change instruments of savings, say from bank deposits to mutual funds or equities (except deposits in small savings) and hence it stays within the financial system.”

What then explains the deposit crunch? The author reckons that whilst the leakage is not from the money going into market instruments, there are other leakages:

“There are four leakages from the system. The government’s cash balance is at 10 per cent of the pie. As the government has been moving to just-in-time disbursement of funds for Centrally Sponsored Schemes that have a matching state share, there has been a change in the process flow for such disbursement.

Earlier, the states used to identify a single nodal agency (SNA) for each scheme and open accounts accordingly with banks. However, in the new dispensation, these accounts are now opened by the Centre at the RBI, with subsequent release through the states' financial management system. The government's cash balance, a by-product of government spending earlier through bank deposits, is now happening from the RBI.

Then there is the leakage through tax payment on deposits and also self-assessment tax that is 8.7 per cent of the leakage. Bank deposits are subject to taxation at the highest income buckets and the deposit amount (principal and interest) is taxed at accruals. This is in contrast with other asset classes, where the tax treatment is different and the realisation is taxed only at redemption.

The other two leakages are small savings (these are only shadow accounts with banks) at 7 per cent and currency with the public at 5.3 per cent. Thus, the overall lending pie is at 39 per cent, or Rs 23.9 trillion, of which priority sector commitments are at 15 per cent.”

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