

Friday, 17 January 2025



<b>Nifty</b>	<b>Sensex</b>	<b>US \$</b>	<b>Gold \$</b>	<b>Crude Oil \$</b>
23,311.80	77,042.82	108.94	2,714.82	79.01
<b>0.42%</b>	<b>0.42%</b>	<b>-0.02%</b>	<b>0.00%</b>	<b>0.44%</b>

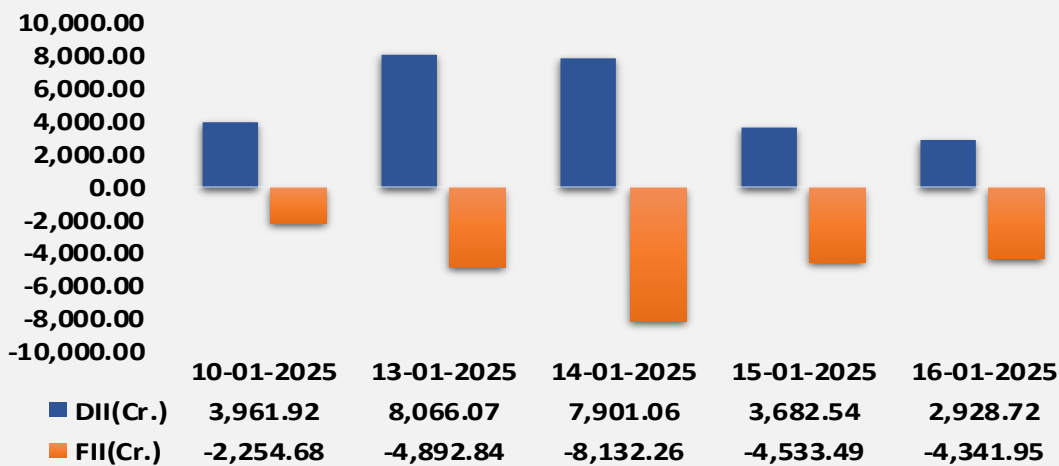
### Equity Indices – Key Valuation Ratio

Index	Last Close	% Change	P/E	Dividend Yield
Sensex	77,042.82	0.42	22.22	1.18
Nifty	23,311.80	0.42	21.46	1.29
Nifty Smallcap 50	2,089.85	1.29	58.89	0.12
Nifty Midcap 50	15,131.50	0.62	47.27	0.81
Nifty Auto	22,861.25	0.65	22.31	0.98
Nifty Bank	49,278.70	1.08	13.26	1.01
Nifty Energy	34,275.10	1.34	15.65	2.29
Nifty Fin. Services	22,943.75	1.16	15.90	0.93
Nifty FMCG	55,240.00	-0.56	45.09	1.87
Nifty IT	43,188.80	-0.49	33.62	1.91
Nifty Pharma	21,909.75	-0.29	34.66	0.61
Nifty PSU Bank	6,307.60	2.55	7.17	2.34
Nifty India Defence	21,635.75	0.72	27.91	0.75

## Equity Market Observations

US retail sales grew in December, pointing to strong consumer demand and reinforcing the Fed's cautious approach to rate cuts. Global Markets participants are awaiting clarity on far - reaching sanctions and trade polices ahead of president - elect Donald Trump' second term. On January 16, the Indian market closed higher, extending its winning streak for the third consecutive session, fuelled by positive factors like the Gaza ceasefire, lower-than-expected US CPI inflation at 3.2%, and the anticipation of more Federal Reserve rate cuts this year. The NIFTY heavyweight index stocks Reliance Industries Ltd (RIL) reported strong Q3 FY25 results, driven by solid performances across its Digital Services, Retail, and Oil-to-Chemicals segments. Foreign institutional investors continued to be net sellers in the cash market on Thursday, albeit with lower selling volumes. The domestic equity market will react initially on Q3FY25 earnings of heavyweight stocks like Reliance, Infosys, Axis Bank and LTIMindtree. Today, IT giants like Wipro, Tech Mahindra, and insurance companies such as SBI Life Insurance and ICICI Lombard are set to announce their results. The trading sentiments is likely to remain volatile in near term ahead of Q3FY25 earnings.

### Fund Activity



## Economic Update: India & Global

**United Kingdom Balance of Trade** - The UK's trade deficit declined to £4.76 billion in November 2024, down from an upwardly revised £5.01 billion in October. Imports grew 0.6% mom to a five-month high of £72.79 billion, while exports rose by 1.0% to a four-month high of £68.03 billion. Goods imports grew by 0.5%, with imports from non-EU countries remaining stable. Meanwhile, imports from the EU fell by 1.2%, primarily due to a £0.4 billion drop in fuel imports, including refined oil imports from the Netherlands and Belgium.

**United States Initial Jobless Claims**- US initial jobless claims rose by 14,000 to 217,000 for the week ending January 11, 2024, exceeding market expectations of 210,000. Despite this increase, claims remain at levels indicative of a strong labor market with low layoffs, supporting the broader economy.

**United States Retail Sales** - US retail sales rose by 0.4% month-over-month in December 2024, the smallest increase in four months, following an upwardly revised 0.8% gain in November and falling short of the 0.6% forecast. Despite the moderation, the data reflects strong consumer spending.

## Economic Event for the Day

- USA Industrial Production (Previous -0.1%)

- India Foreign Exchange Reserve (Previous \$634.59B)
- Great Britain Retail Sales (Previous 0.2%)

## Key Stocks in Focus

- **HFCL** has received an advance work order valued at ₹2,501.30 crore from Bharat Sanchar Nigam Limited (BSNL) for the design, supply, construction, installation, upgradation, operation, and maintenance of the middle-mile network for BharatNet Phase III in the Punjab telecom circle. Impact- **Positive**
- **Bajaj Healthcare** has acquired exclusive rights for manufacturing, distribution, and sales of the finished formulation of Magnesium L Threonate (Magtein) in India from Threotech LLC, the rights holder. The Magtein brand by Threotech LLC has a sales value of approximately \$438 million. Impact- **Positive**
- **Bharat Petroleum Corporation (BPCL)** has signed a loan agreement worth Rs 31,802 crore with a consortium led by State Bank of India to finance projects at Bina. Other consortium members include Punjab National Bank, Union Bank of India, Canara Bank, Bank of India, and Export-Import Bank of India. The funds will be used for the development of a petrochemical complex and refinery expansion at Bina. Impact- **Neutral to Positive**
- **TVS Motor Company** has announced its entry into the Moroccan market in collaboration with its distribution partner, Hindi Motors. The company is launching its two-wheeler models—TVS Ntorq 125, TVS Raider 125, and TVS Apache 160 and 200—in Morocco. Impact- **Neutral to Positive**
- **Jammu & Kashmir Bank** has received an administrative warning letter from SEBI for the delayed submission regarding the appointment of the MD & CEO. Impact- **Neutral to Negative**
- **One Mobikwik Systems** has announced a strategic partnership with Piramal Capital & Housing Finance to offer personal loans to MobiKwik customers. Impact- **Neutral to Positive**

## Quarterly Results Update

- **Reliance Industries** reported an 11.7% YoY rise in Q3 profit to ₹21,930 crore, with revenue up 7.7% at ₹2.67 lakh crore and EBITDA increasing 7.8% to ₹48,003 crore. Margins improved slightly to 18%. The board approved acquiring a 100% stake in Lakadia B Power Transmission and Reliance New Energy Battery.
- **Jio Platforms** Q3 (YoY) profit surged 26% to ₹6,861 crore, with revenue rising 19.2% to ₹38,750 crore. EBITDA grew 18.8% to ₹16,585 crore, while margins stood at 50.1% compared to 50.4%.
- **Infosys** Q3 (QoQ) profit grew 4.6% to ₹6,806 crore, with revenue rising 1.9% to ₹41,764 crore. EBIT increased 3% to ₹8,912 crore, and margins expanded 20 bps to 21.3%. Dollar revenue rose 0.9% to \$4,939 million. The company raised its FY25 revenue growth guidance to 4.5-5% while maintaining operating margin guidance at 20-22%.
- **Axis Bank** Q3 (YoY) profit rose 4% to ₹6,304 crore, with net interest income up 9% at ₹13,606 crore. Provisions and contingencies surged 109.6% YoY to ₹2,155.6 crore but declined 2.2% QoQ. Gross NPA increased to 1.46% (from 1.44% QoQ), and net NPA rose to 0.35% (from 0.34% QoQ).
- **LTIMindtree** Q3 (QoQ) profit declined 13.2% to ₹1,086.7 crore, while revenue grew 2.4% to ₹9,660.9 crore. EBIT fell 8.9% to ₹1,329 crore, with the EBIT margin dropping 170 bps to 13.8%. Dollar revenue rose 1.1% to \$1,138.7 million.
- **Havells India** Q3 (YoY) profit dropped 3.3% to ₹278.3 crore, while revenue grew 10.8% to ₹4,889 crore. EBITDA declined 1.4% to ₹426.5 crore, with margins narrowing by 110 bps to 8.7%.
- **Hatsun Agro Products** Q3 (YoY) profit fell 28.7% to ₹40.9 crore, while revenue increased 6.5% to ₹2,009.8 crore.
- **Metro Brands** Q3 (Consolidated YoY) profit decreased by 3.7% to ₹95.1 crore, while revenue grew 10.6% to ₹703.1 crore.

## Results for the Day

Wipro, Tech Mahindra, SBI Life Insurance Company, ICICI Lombard General Insurance Company, Indian Hotels, Jio Financial Services, 5paisa Capital, Aether Industries, Concord Enviro Systems, Mamata Machinery, MRO-TEK Realty, Ponni Sugars (Erode), Rallis India, Ramkrishna Forgings, Sanathan Textiles, Seshasayee Paper & Boards, Supreme Petrochem, Steel Strips Wheels, Sterlite Technologies, and Swaraj Engines

## Latest IPOs

### Ongoing IPOs

**Stallion India Limited's**, a book-built issue worth ₹199.45 crore, comprises a fresh issue of 1.79 crore shares totalling ₹160.73 crore and an offer for sale of 0.43 crore shares amounting to ₹38.72 crore. The IPO is currently live and will close on January 20, 2025. On the first day of subscription, the IPO has been subscribed 7.08x in total. The retail investors' portion received a 9.69x subscription, while the non-institutional investors' quota was subscribed 10.36x. The portion allocated to qualified institutional buyers (QIBs) has been booked 4%. By focusing on high-margin offerings and strategic expansion, it aims to boost earnings. With reasonable pricing and solid financials, the IPO is suitable for medium to long-term investment.

### Bulk Deals

Company	Acquirer	Qty	Price	Seller	Qty	Price
PARMESHWAR	PARNIKA AGARWAL	130000	71.59	MANSI SHARE & STOCK ADVISORS PRIVATE LIMITED	110000	70.45
JUNGLECAMP	ANUSHRIA REALTECH PRIVATE LIMITED	96000	85.08	M7 GLOBAL FUND PCC - NOLANA	91200	85.12
GOBLIN	CRAFT EMERGING MARKET FUND PCC-ELITE CAPITAL FUND	84000	31.5	KOMALAY INVESTRADE PRIVATE LIMITED	84000	31.5
QUADFUTURE	AAKRAYA RESEARCH LLP	360455	524.78	GRAVITON RESEARCH CAPITAL LLP	363794	527.12

Source: SSL Research Centre/ET/Business Standard/Trading Economics/Money control/Mint, Etc.,

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