

Wednesday, 22 January 2025



Nifty	Sensex	US \$	Gold \$	Crude Oil \$
23,024.65	75,838.36	108.09	2,748.90	75.76
-1.37%	-1.60%	-0.01%	0.17%	-0.17%

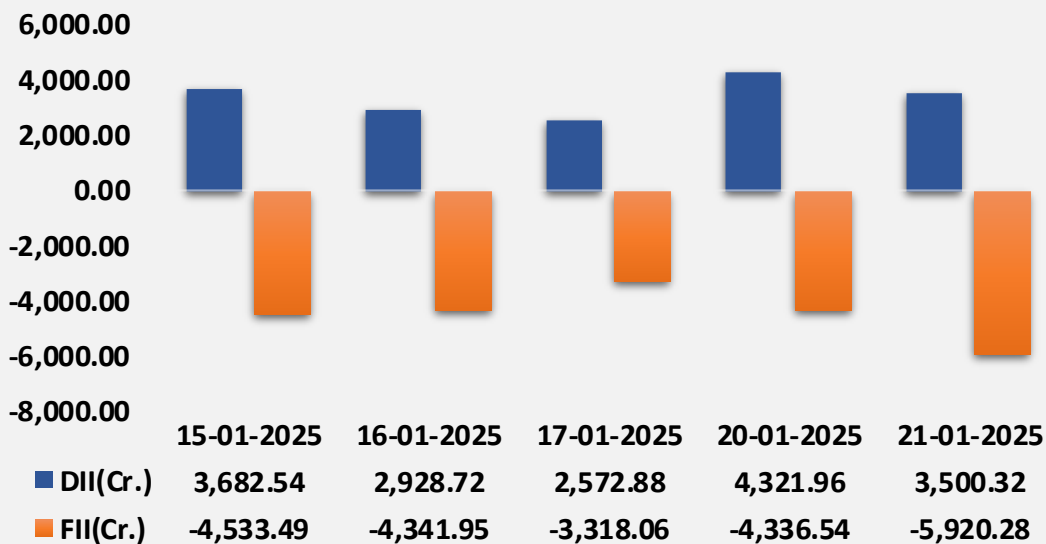
Equity Indices – Key Valuation Ratio

Index	Last Close	% Change	P/E	Dividend Yield
Sensex	75,838.36	-1.60	21.80	1.20
Nifty	23,024.65	-1.37	21.07	1.36
Nifty Smallcap 50	2,054.65	-1.82	58.08	0.12
Nifty Midcap 50	14,963.00	-2.19	46.69	0.82
Nifty Auto	22,303.20	-1.63	21.77	1.01
Nifty Bank	48,570.90	-1.58	13.03	1.03
Nifty Energy	34,308.50	-1.89	15.63	2.29
Nifty Fin. Services	22,548.90	-1.65	15.59	0.95
Nifty FMCG	55,622.65	-0.21	45.40	1.86
Nifty IT	41,697.95	-1.17	31.75	2.30
Nifty Pharma	21,882.90	-1.35	34.62	0.62
Nifty PSU Bank	6,308.15	-1.73	7.16	2.34
Nifty India Defence	20,930.30	-2.74	27.00	0.78

Equity Market Observations

The US stock market closed higher on Tuesday, with the S&P 500 and Dow hitting their highest levels in over a month after Donald Trump's inauguration, driven by optimism over potential policy actions in the banking and energy sectors. However, Asian markets traded flat after Trump's proposal to impose 25% tariffs on Mexico and Canada by February 1, which dampened earlier optimism. The dollar and US 10-year bond yields dipped slightly, while emerging markets like India may benefit from potential delays in tariff hikes. In India, the market opened lower, weighed down by declines in banking and metal stocks. Zomato shares dropped nearly 9% following disappointing results, and electronics stocks, including Dixon, faced a slide. Key earnings reports from HDFC Bank, Hindustan Unilever, BPCL, Coforge, and Pidilite will influence sector movement. FII continued to sell, offloading ₹5,920.28 crore in equities, adding pressure. The domestic market is expected to stay volatile, with a close eye on large-cap Q3FY25 results and upcoming Union Budget 2025. Keep an eye on IT stocks as President Donald Trump's push to boost investment in artificial intelligence improved the outlook for the region's tech firms.

Fund Activity



Economic Update: India & Global

Great Britain Unemployment Rate - The UK's unemployment rate rose to 4.4% between September and November 2024, up from 4.3% in the previous two periods and reaching its highest level since May. The increase was driven by a rise in individuals unemployed for up to 12 months. Year-on-year, both short-term and long-term unemployment saw an uptick. This rise in unemployment highlights a stagnation in the UK labour market, potentially weakening the economy.

Economic Event for the Day

- India M3 Money Supply (Previous 9.3%)

Key Stocks in Focus

- RailTel Corporation of India** has received a work order worth ₹46.79 crore from North Western Railway for signalling Impact- **Positive**
- Neuland Laboratories'** Board has approved a capital expenditure of ₹342 crore to increase the peptide synthesizer reactor capacity from 0.5 KL to 6.37 KL in Unit-1, and to build an additional capacity of 52 KL in Unit-3. Impact- **Neutral to Positive**

- **JK Tyre & Industries** has received a \$100 million sustainability-linked loan from the International Finance Corporation. The funding includes \$30 million for JK Tyre & Industries and up to \$70 million for Cavendish Industries (CIL), a subsidiary of JK Tyre. Impact- **Neutral to Positive**
- **Wendt GmbH** plans to divest its entire 37.5% ownership interest in Wendt (India) through one or more transactions in the secondary market. Additionally, the company has entered into a Trademark Assignment Agreement with Wendt GmbH to acquire full ownership of the 'Wendt' brand and trademarks, which have over 60 registrations in 40 countries, for a sum of 3.8 million euros. Impact- **Neutral to Positive**
- **Sobha**, the real estate developer, has received call money totalling ₹994.74 crore on the first and final call for its rights share issue. Impact- **Neutral**
- **Aditya Birla Fashion and Retail** completed a ₹1,860 crore fundraise through a qualified institutional placement (QIP), allotting 6.85 crore equity shares at ₹271.3 per share to eligible buyers, including Amansa Holdings, SBI Life Insurance, and others. Impact- **Neutral to Positive**
- **Tata Power** Delhi Distribution announced its partnership with Tata Power EV Charging Solutions Ltd for developing public electric vehicle charging infrastructure at Delhi Municipal Corporation sites. Impact- **Neutral to Positive**
- Solar solutions provider **Jupiter International** announced on Tuesday that it has secured a ₹3 crore order from the West Bengal Khadi & Village Industries Board. The project involves supplying, installing, and maintaining rooftop grid-connected Solar PV power plants across 23 locations in West Bengal. Impact- **Positive**

Quarterly Results Update

- **Dalmia Bharat's** Q3 consolidated profit plummeted 75.2% YoY to ₹66 crore, with revenue declining 11.7% to ₹3,181 crore. EBITDA fell 34.4% to ₹511 crore, and margins dropped significantly to 16.1% from 21.6%. Impact- **Negative**
- **India Cements'** Q3 standalone net loss widened sharply to ₹428.8 crore from ₹16.5 crore YoY, as revenue declined 16.5% to ₹903.2 crore. The quarter included an exceptional loss of ₹190 crore, compared to a gain of ₹26.2 crore in the year-ago period. Impact- **Negative**
- **Tata Technologies'** Q3 consolidated profit dipped 0.9% YoY to ₹168.6 crore, while revenue increased by 2.2% to ₹1,317.4 crore. EBITDA declined 1.07% to ₹234 crore, with margins narrowing by 50 bps to 17.8%. Impact- **Neutral to Negative**
- **IndiaMART InterMESH** reported a 47.9% YoY surge in Q3 consolidated profit to ₹121 crore. Revenue grew 16.05% to ₹354.3 crore, while EBITDA jumped 61.3% to ₹138.2 crore, with margins improving significantly to 39% from 28%. Impact- **Positive**
- **Cyient DLM** reported a 40.4% YoY drop in Q3 consolidated profit to ₹10.99 crore, despite a 38.4% revenue growth to ₹444.2 crore. EBITDA fell 4.4% to ₹28.1 crore, with margins declining to 6.3% from 9.1%. Impact- **Neutral to Negative**
- **Jana Small Finance Bank** reported a 17.8% YoY decline in Q3 profit to ₹110.7 crore, while net interest income grew 8% to ₹592.6 crore. Gross NPA improved to 2.80% from 2.97% QoQ, and net NPA fell to 0.94% from 0.99% QoQ. Impact- **Neutral to Negative**
- **KEI Industries** reported a 9.4% YoY rise in Q3 profit to ₹164.8 crore, while revenue increased 19.8% to ₹2,467.3 crore.
- **Rossari Biotech's** Q3 profit fell 7.85% YoY to ₹31.7 crore, while revenue increased 10.6% to ₹512.7 crore.
- **Tanla Platforms'** Q3 profit declined 15.4% YoY to ₹118.5 crore, while revenue dipped slightly by 0.2% to ₹1,000.4 crore.
- **PNB Housing Finance** reported a 36% YoY increase in profit, reaching ₹471.4 crore, compared to ₹346.5 crore. Revenue grew 10% to ₹1,922.8 crore, up from ₹1,748 crore.

Results for the Day

HDFC Bank, Hindustan Unilever, Bharat Petroleum Corporation, Coforge, Elecon Engineering, Go Digit General Insurance, Gravita India, Heritage Foods, HUDCO, Laxmi Organic Industries, Nuvoco Vistas Corporation, Persistent Systems, Pidilite Industries, Polycab India, Tata Communications, Ujaas Energy, and Zensar Technologies.

Latest IPOs

Stallion India Limited's ₹199.45 crore book-built IPO has closed, with the issue being oversubscribed by more than 188 times. The retail portion was subscribed 96.79 times, the non-institutional investors' portion was subscribed 422.33 times, and the QIBs' portion was booked nearly 173 times. The company is set to debut on the market on 23rd January. Specializing in refrigerant and industrial gases, Stallion India focuses on high-margin products and strategic expansion to boost earnings. With solid financials and reasonable pricing, the IPO is considered suitable for medium to long-term investment.

The Denta Water, a mainline issue worth ₹220.50 crore, opens for subscription from today until 24th January 2025. The IPO comprises a ₹220.50 crore fresh issue, with a face value of ₹10 and a price band set between ₹279.00 and ₹294.00 per share. The minimum application is for 50 shares, amounting to ₹14,700. The tentative listing date on the exchange is 29th January 2025. Denta Water specializes in providing EPC services for the groundwater recharging segment and has established a niche presence. Well-informed investors may consider parking their funds for the medium to long term.

Bulk Deals

Company	Acquirer	Qty	Price	Seller	Qty	Price
MIDEASTP	KANAK INNOVATIVE LLP	35000	14	MOLEM INVESTMENTS AND FINANCE PRIVATE LIMITED	34962	14
MAFIA	GIRIRAJ STOCK BROKING PRIVATE LIMITED	24000	23.1	GIRIRAJ STOCK BROKING PRIVATE LIMITED	24000	23.1
LAXMIDENTL	GRAVITON RESEARCH CAPITAL LLP	441122	555.46	AAKRAYA RESEARCH LLP	443979	553.74
ONWARDTEC	SUCHITA SUNIL MANOHAR	142000	326.59	INCRED ASSET MANAGEMENT PRIVATE LIMITED	181577	325.22

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

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