

| Indices            | 1-Jan  | 31-Dec | % Chg. |
|--------------------|--------|--------|--------|
| S&P BSE SENSEX     | 36,255 | 36,068 | 0.52%  |
| Nifty 50           | 10,910 | 10,863 | 0.44%  |
| NIFTY Midcap 100   | 17,894 | 17,876 | 0.10%  |
| NIFTY Smallcap 100 | 6,477  | 6,449  | 0.42%  |

| BSE Sectoral Indices     |        |        |        |
|--------------------------|--------|--------|--------|
|                          | 1-Jan  | 31-Dec | % Chg. |
| Nifty Realty             | 238    | 232    | 2.22%  |
| Nifty PSU Bank           | 3,137  | 3,088  | 1.59%  |
| Nifty Financial Services | 11,702 | 11,586 | 1.00%  |
| Nifty Bank               | 27,392 | 27,160 | 0.85%  |
| Nifty Infrastructure     | 3,191  | 3,175  | 0.48%  |
| Nifty Media              | 2,574  | 2,566  | 0.31%  |
| Nifty Pharma             | 8,882  | 8,869  | 0.15%  |
| Nifty Energy             | 14,348 | 14,335 | 0.09%  |
| Nifty IT                 | 14,451 | 14,440 | 0.07%  |
| Nifty FMCG               | 30,398 | 30,517 | -0.39% |
| Nifty MNC                | 13,882 | 13,942 | -0.43% |
| Nifty Auto               | 9,182  | 9,236  | -0.57% |
| Nifty Metal              | 3,135  | 3,155  | -0.61% |

| Major Indices |        |        |        |
|---------------|--------|--------|--------|
|               | 1-Jan  | 31-Dec | % Chg. |
| United States | 23,327 | 23,327 | 0.00%  |
| S&P 500       | 2,507  | 2,507  | 0.00%  |
| London        | 6,728  | 6,728  | 0.00%  |
| Frankfurt     | 10,559 | 10,559 | 0.00%  |

| Major Asian Indices |        |        |        |
|---------------------|--------|--------|--------|
|                     | 1-Jan  | 31-Dec | % Chg. |
| Hong Kong           | 25,846 | 25,846 | 0.00%  |
| Nikkei 225          | 20,015 | 20,015 | 0.00%  |
| Korea               | 2,041  | 2,041  | 0.00%  |
| Shanghai            | 2,494  | 2,494  | 0.00%  |
| Taiwan              | 9,727  | 9,727  | 0.00%  |

| FII's & DII's in equity                               |       |       |     |         |
|---|-------|-------|-----|---------|
|   | Buy   | Sell  | Net | Total % |
| 01-Jan  |       |       |     |         |
| FII / FPI Investments                                 | 1,665 | 1,714 | -48 | 17%     |
| DII's Investments                                     | 1,591 | 1,449 | 143 | 15%     |
| <i>* Total % - contribution to the total turnover</i> |       |       |     |         |

| FII's in Derivatives (F&O)                               |           |           |           |           |
|--|-----------|-----------|-----------|-----------|
|  | Index Fut | Index Opt | Stock Fut | Stock Opt |
| 01-Jan   |           |           |           |           |
| Net  | -476      | 403       | -83       | 72        |
| OI   | 24,965    | 40,745    | 79,275    | 3,203     |
| Chg.OI   | -0.2%     | 0.9%      | 0.3%      | 10.9%     |
| <i>FII's' contribution to the total F&amp;O turnover</i> |           |           |           |           |
| <b>15%</b>   |           |           |           |           |

| Curr. Derivatives (NSE) |       |        |       |        |
|-------------------------|-------|--------|-------|--------|
|                         | 1-Jan | 31-Dec | Chg.  | % Chg. |
| USDINR 29-JAN-2019      | 69.72 | 69.94  | -0.22 | -0.32% |
| EURINR 29-JAN-2019      | 80.21 | 80.29  | -0.08 | -0.10% |
| JPYINR 29-JAN-2019      | 63.67 | 63.67  | -0.01 | -0.01% |
| GBPINR 29-JAN-2019      | 89.26 | 89.26  | 0.00  | 0.00%  |

| Commodities (MCX)    |        |        |        |        |
|----------------------|--------|--------|--------|--------|
|                      | 1-Jan  | 31-Dec | Chg.   | % Chg. |
| Aluminium(31DEC2018) | 128.0  | 128.2  | -0.20  | -0.2%  |
| Copper (28FEB2019)   | 407.7  | 407.8  | -0.05  | 0.0%   |
| Crude (18JAN2019)    | 3,177  | 3,170  | 7.00   | 0.2%   |
| Gold (05FEB2019)     | 31,422 | 31,391 | 31.00  | 0.1%   |
| Silver ( 05MAR2019)  | 38,786 | 38,821 | -35.00 | -0.1%  |

| ADR (\$)              |        |        |      |        |
|-----------------------|--------|--------|------|--------|
|                       | 1-Jan  | 31-Dec | Chg. | % Chg. |
| Infosys (INFY)        | 9.52   | 9.52   | -    | 0.00%  |
| HDFC Bank (HDB)       | 103.59 | 103.59 | -    | 0.00%  |
| Dr. Reddy's Lab (RDY) | 37.70  | 37.70  | -    | 0.00%  |
| Wipro (WIT)           | 5.13   | 5.13   | -    | 0.00%  |
| ICICI Bank (IBN)      | 10.29  | 10.29  | -    | 0.00%  |
| Tata Motors (TTM)     | 12.18  | 12.18  | -    | 0.00%  |

## Domestic Market View

### Benchmarks likely to open in red; manufacturing PMI data eyed

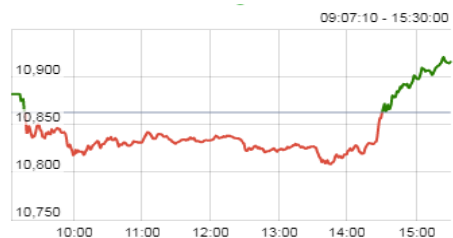
Erasing all of their initial losses, Indian markets ended the first trading day of 2019 on optimistic note, thanks to a sharp recovery in heavyweight financials in the last hour of trade. Today, the markets are likely to make pessimistic start amid weakness in Asian peers. Investors will be eyeing manufacturing PMI data for the month of December to be out later in the day. There will be some cautiousness with the government once again missing the target of garnering more than one lakh crore rupees from Goods and Services Tax (GST) in the month of December, giving rise to concerns that the government may not be able to contain the fiscal deficit to 3.2% of the GDP. The government has collected Rs 94,726 crore from GST in the month of December.

However, traders may get some encouragement later in the day with a report that India remained ahead of China to retain the tag world's fastest growing large economy withstanding several ups and downs, spike in oil prices and global trade war like situation during 2018. Indian economy's roller-coaster ride during the year gone by was best captured by the Gross Domestic Product (GDP) growth. In the first quarter of 2018-19 ending June 30, it grew at an impressive 8.2%. Meanwhile, Prime Minister Narendra Modi said the government is in favour of bringing construction related material in the 5% slab of GST, informed that changes in the tax structure will continue as there is scope for improvement. There will be buzz in the micro, small and medium enterprise (MSME) industry stocks with the Reserve Bank of India (RBI) allowing a one-time restructuring of existing debt up to Rs 25 crore for the companies which have defaulted on payment but the loans given to them have continued to be classified as standard assets. The decision will help the MSMEs which are facing cash crunch in the wake of demonetisation and GST implementation.

There will be some action in aviation industry stocks with report that jet fuel price was cut by a record 14.7% on the back of decline in international rates, making it cheaper than both petrol and diesel. The price of Aviation Turbine Fuel (ATF) -- used to power airplanes -- was slashed by Rs 9,990 per kilolitre, or 14.7 percent, to Rs 58,060.97 per kl.

## Domestic Market Overview

### NSE NIFTY



### BSE SENSEX



### Markets greet New Year with an optimistic start

Indian equity benchmarks greeted New Year with optimistic approach where the Sensex and Nifty reclaiming their crucial psychological levels of 36,200 and 10,900, respectively. After cautious start of the Tuesday's trading session, the key indices remained lackluster for most part of the day, as the growth of eight core industries slowed to sixteenth-month low of 3.5% in November 2018, as compared to 4.8% in October 2018, due to fall in output of crude oil and fertilisers. The market participants got worried with policy advocacy body US-India Strategic Partnership Forum (USISPF) saying that India's recent changes in e-commerce foreign direct investment (FDI) rules show a lack of predictability in the regulatory environment and could add to the long list of trade issues that the country is trying to resolve with the United States. Some concerns also came with Ministry of Commerce & Industry's report that some industry associations including those relating to steel have expressed concerns on imports under bilateral free trade agreements with Japan, Korea and ASEAN. However, steel imports from these countries include high grade steel, which are not manufactured domestically.

However, in the last leg of the trade, the markets managed to erase all of their losses and ended the session on positive note, aided by the Finance Ministry's statement that in order to ensure that the fiscal deficit remains within the target of 3.3% of the Gross Domestic Product (GDP) for 2018-19, the government is closely monitoring the macroeconomic conditions. The Ministry has directed ministries and departments to meet their additional requirements of funds from savings and keep their expenditure within the amount earmarked in the Budget for 2018-19. Trade turned positive, also because of reports that India remained ahead of China to retain the tag world's fastest growing large economy withstanding several ups and downs, spike in oil prices and global trade war like situation during 2018. Some relief also came with Sebi's data report showing that Indian companies

raised over Rs 29,300 crore by issuing non-convertible debentures (NCDs) to retail investors in 2018 to meet their business requirements, representing a three-fold surge compare to the preceding year. Investors took a note of a report stating that the country's external debt fell by \$19.3 billion, or 3.6 per cent, to \$510.4 billion during the six-month period ended September, due to a decrease in commercial borrowings, non-resident Indian (NRI) deposits and valuation effect.

| Top Gainers | Company    | LTP  | Chg | % Chg |
|-------------|------------|------|-----|-------|
| CNX Nifty   | BHARTIARTL | 322  | 9   | 3.0   |
|             | HDFC       | 2010 | 42  | 2.1   |
|             | SBIN       | 301  | 5   | 1.6   |
|             | BPCL       | 369  | 6   | 1.6   |
|             | INFRATEL   | 263  | 4   | 1.5   |

| Top Losers | Company    | LTP  | Chg | % Chg |
|------------|------------|------|-----|-------|
| CNX Nifty  | M&M        | 773  | -31 | -3.8  |
|            | HINDALCO   | 223  | -3  | -1.5  |
|            | IBULHSGFIN | 842  | -12 | -1.4  |
|            | HINDUNILVR | 1799 | -21 | -1.1  |
|            | JSWSTEEL   | 303  | -3  | -1.1  |

| Top Gainers | Company    | LTP | Chg | % Chg |
|-------------|------------|-----|-----|-------|
| BSE 100     | BANKBARODA | 123 | 4   | 3.7   |
|             | CROMPTON   | 234 | 7   | 3.0   |
|             | PETRONET   | 229 | 6   | 2.5   |
|             | BHARTIARTL | 320 | 7   | 2.1   |
|             | PNB        | 80  | 2   | 2.1   |

| Top Losers | Company  | LTP   | Chg  | % Chg |
|------------|----------|-------|------|-------|
| BSE 100    | M&M      | 774   | -30  | -3.8  |
|            | DABUR    | 423   | -8   | -2.0  |
|            | HINDALCO | 223   | -3   | -1.5  |
|            | PAGEIND  | 24803 | -358 | -1.4  |
|            | NMDC     | 96    | -1   | -1.3  |

| Top Gainers | Company     | LTP | Chg | % Chg |
|-------------|-------------|-----|-----|-------|
| BSE Midcap  | INDIANB     | 252 | 8   | 3.2   |
|             | UNIONBANK   | 88  | 3   | 3.2   |
|             | CROMPTON    | 234 | 7   | 3.0   |
|             | CANBK       | 282 | 7   | 2.4   |
|             | NATCOPHARM* | 697 | 16  | 2.4   |

| Top Losers | Company    | LTP  | Chg | % Chg |
|------------|------------|------|-----|-------|
| BSE Midcap | MOTILALOFs | 656  | -22 | -3.2  |
|            | FRETAIL    | 496  | -9  | -1.7  |
|            | SUPREMEIND | 1155 | -19 | -1.6  |
|            | ABFRL      | 199  | -3  | -1.5  |
|            | SAIL       | 56   | -1  | -1.4  |

| Top Gainers  | Company    | LTP | Chg | % Chg |
|--------------|------------|-----|-----|-------|
| BSE Smallcap | ATULAUTO   | 348 | 58  | 20.0  |
|              | SANGAMIND  | 82  | 14  | 19.9  |
|              | MTNL       | 19  | 3   | 19.8  |
|              | KELLTONTEC | 42  | 6   | 15.3  |
|              | UCOBANK    | 23  | 2   | 12.1  |

| Top Losers   | Company    | LTP | Chg  | % Chg |
|--------------|------------|-----|------|-------|
| BSE Smallcap | GTPL       | 86  | -5.4 | -5.9  |
|              | FAIRCHEM   | 347 | -19  | -5.3  |
|              | IL&FSTRANS | 13  | -1   | -5.0  |
|              | RUCHISOYA  | 9   | 0    | -5.0  |
|              | ARROWGREEN | 119 | -6   | -5.0  |

## NIKKEI 225 INDEX

## Global Market Overview

**Asian markets remain closed on account of New Year's Day holiday**

The Asian markets remained closed on Tuesday on account of 'New Year's Day' holiday.

**The US markets remained closed on Tuesday on account of New Year's Day holiday.**

## FTSE 100 IDX

## NASDAQ NMS COMPOSITE INDEX

## Corporate News

- **Tata Motors** has registered a drop of 8% in its domestic sales at 50,440 units in December 2018, as against 54,627 units over last year. The company's Commercial Vehicles (CV) domestic sales declined in December 2018 at 36,180 units, by 11%, compared to 40,447 units sold last December. The M&HCV truck segment declined by 27%, at 11,506 units, compared to 15,828 units over last December.
- **Eicher Motors'** motorcycle division has reported 13% fall in sales at 58278 units in December 2018 as compared to 66968 motorcycles sold in December 2017. During December 2018, the number of motorcycles exported increased by 41% to 2252 units from 1601 units in December 2017.
- **Endurance Technologies'** step-down subsidiary Endurance Fondalmec S.p.A (EF SpA) has been merged with another step-down subsidiary Endurance FOA S.p.A (EFOA SpA) with effect from January 1, 2019. These two entities are wholly-owned subsidiaries of Endurance Overseas Srl, Italy, a subsidiary of Endurance Technologies.
- **Ashoka Buildcon's** SPV -- Ashoka Bagewadi Saundatti Road has received a Provisional Completion Certificate for completion of 55.85 KMs out of total Project Length of 63.285 KMs of the Project viz. Project no. Wcp 1 design, build, finance, operate, maintain and transfer (DBFOMT) of Existing State Highway Bagewadi (NH-4) Bailhongal - Saundatti in the State of Karnataka on DBFOMT Annuity Basis.
- **Mahindra & Mahindra's (M&M)** Auto Sector has sold 39,755 vehicles in December 2018 compared to 39,200 vehicles sold during December 2017.
- **Crompton Greaves Consumer Electricals** has incorporated wholly owned subsidiary (WOS) company by name 'Pinnacles Lighting Project' to execute design, manufacture, testing, supply and O & M of LED Street Lights & Poles and other related works for implementation of Greenfield Street Lighting Project for 19 Urban Local Bodies (ULBs) in Odisha received from Government of Odisha, Housing & Urban Development Department on Public Private Partnership (PPP) basis.
- **SML Isuzu** has reported 16.1% loss in December 2018 sales. The company has sold 817 vehicles in December 2018 against 974 vehicles in December, 2017. Further, the company sold 9376 vehicles during April- December 2018.
- **Escorts Agri Machinery Segment (EAM)** has reported sale of 4,598 tractors in December 2018 as compared to 3,606 tractors in December 2017, registering growth by 27.5%.
- **Zydus Wellness** has availed credit rating of 'AA+' Stable from Credit Rating Agency CARE for proposed issue of Rs 1,500 crore Secured Redeemable Non-Convertible Debentures (NCDs). The proposed NCDs would have tenure of five years with repayment in annual installments of Rs 500 crore each in three years starting from the end of third year from the date of placement.
- **Choice International's** wholly owned subsidiary--Choice Equity Broking has executed the acquisition of broking business of Inditrade Capital with effect from December 29, 2018, whereby 1.28 lakh clients of Inditrade Capital have been transferred to Choice Equity Broking.
- **Satin Creditcare Network** has assigned three pools of receivables of an aggregate value of Rs 755 crore to banks on a Direct Assignment basis as per the guidelines prescribed by the Reserve Bank of India.
- **SpiceJet's** subsidiary-- SpiceFresh has reportedly started air cargo service from Guwahati. With this, two flights took off for Hong Kong and Dubai, with each carrying 1000kg of mandarin fruits for export.
- **UCO Bank** has received an amount of Rs 3,076 crore through capital infusion from Government of India. The Government has conveyed the decision on December 26, 2018 to invest in the bank by way of preferential allotment.
- **IL&FS Transportation Networks** has defaulted in payment of the interest worth Rs 20.97 crore on 5 non-convertible debentures (NCDs), because of insufficient funds.
- **Indiabulls Housing Finance** has raised funds through allotment of 6,500 Secured, Redeemable, Non-Convertible Debentures (NCDs) of face value Rs 10 lakh each, aggregating to Rs 650 crore. The date of allotment is December 31, 2018.
- **CMI** has secured L1 position for supply of Cadmium Catenary Wire to East Coast Indian Railways for a value of Rs 106.64 crore. The tender was decided through a reverse auction process.
- **Adani Ports and Special Economic Zone's (APSEZ)** stake in each of Adani Petroleum Terminal (APTPL), Adani Dhamra LPG Terminal (ADLPG) and Mundra LPG Terminal (MLPG) has been diluted to 0.99%, pursuant to the allotment of further equity shares by these subsidiary companies.

- **Shriram Transport Finance Company** is considering raising of funds through various options of borrowings including by way of issue of securities in onshore/offshore market by public issue and private placement basis. Based on the market conditions the meeting(s) of Banking and Finance Committee/Debt Issuance Committee - Public NCDs / Bond Issuance Committee will be held during the next month ending January, 2019 to consider and approve the terms and conditions of issue of securities.
- **Premier** has entered into a term sheet for the sale of its property at Chinchwad, Pune in the state of Maharashtra with Runwal Realty. The proceeds from such sale would be utilized substantially to reduce the company's debts, fund labour, statutory, relocation and other operating dues.
- **MEP Infrastructure Developers'** Subsidiary Company--MEP Longjian VTR has achieved financial closure as per the Concession Agreement executed with the National Highways Authority of India (NHAI) dated July 04, 2018 for the project of Construction of Eight Laning of existing Four Lane Vadape to Thane from km. 539.202 to km. 563.000 Section of NH-3 (new NH-848) in the State of Maharashtra to be executed on Hybrid Annuity Mode by tying up of Project finance of Rs 567.78 crore.
- **Orient Tradelink (OTL)** which has already signed a deal of 10 Years with Shirdi Sai Baba Foundation in mid of this year for the publicity, Marketing and selling of 30 Religious Mantras and Audio Talks has got an order of 4000 Pen drives to be provided by February 28, 2019.
- **Maruti Suzuki India** has reported total sales of 128,338 units in December 2018, as compared 130,066 units in December 2017, registering fall of 1.3%. This includes 121,479 units in domestic market and 6,859 units of exports
- **Jayaswal Neco Industries** have been intimated by Indian Overseas Bank (IOB) and Union Bank of India (UBI) that they have assigned its debt of the company to Assets Care & Reconstruction Enterprise (ACRE).
- **Atul Auto** has reported sale of 4,332 units, with a rise of 49.90% for the month of December 2018 as compared to 2,890 units sold in December 2017. Total sales from April to December (2018-19) stood at 37,767 units as against 31,120 units sold during the same period of 2017-18.
- **Shilpa Medicare** has received US Food and Drug Administration (USFDA) approval for its ANDA Irinotecan HCL Injection USP, 40 mg/2mL and 100 mg/5mL (20mg/mL) Single Dose Vials. Irinotecan injection is used in the treatment of patients with metastatic carcinoma of the colon or rectum.
- **Centrum Capital's** subsidiary -- Centrum Financial Services has successfully acquired the Supply Chain Finance Business of L&T Finance (Business), consisting of an asset book of about Rs 650 crore in accordance with the Business Transfer Agreement executed on September 4, 2018.
- **Government of India (GoI)** will infuse capital of Rs 4,498 crore in Bank of Maharashtra and same will be kept in share application money account till all allotment formalities are completed.
- **Housing Development Finance Corporation (HDFC)** has increased its retail prime lending rate (RPLR) by 10 basis points (bps), making housing loans costlier for new borrowers. The new rates range from 8.90 to 9.15% on various slabs of loans. The company has increased its RPLR, on which its adjustable rate home loans are benchmarked, by 10 bps with effect from January 1, 2019.
- Government of India has conveyed sanction of President of India to invest Rs 1,678 crore in **Central Bank of India** in the preferential allotment of equity shares (Special Securities/Bonds) of the Bank during the financial year 2018-19, under Plan as Government's Investment.
- **Dynamic Technologies** has executed Business Transfer Agreement with Hi-Tech Arai. The company to sell the auto division of the company located at Chennai. In respect of the divestment of the Auto Division, the company will receive Rs 40 crore as consideration for transfer of all the fixed assets relating to the aluminum business of the Auto Division, which is in excess of the book value of underlying assets, while the company has carved out and redeployed some machinery worth Rs 8 crore into its other businesses.

## Economy

### ➤ Domestic steel consumption likely to surge 7% during FY19, FY20: ICRA

Driven by the government's focus on the infrastructure, affordable housing, power transmission and the Railways, credit rating agency, ICRA in its latest report has said that the domestic steel consumption is likely to surge 7% during current fiscal year (FY19) as well as in the next fiscal year (FY20).

However, the rating agency noted that domestic steel production growth is likely to remain low at about 2.5 to 3% in the ongoing fiscal due to increased threat from cheaper imports combined with a considerable de-growth in steel exports because of rising trade tensions globally.

Further, ICRA said that the domestic steel companies are expected to increase the capacity further by about 16 million tonne over FY2019 - FY2021, while capacity utilisation level is also expected to remain at a healthy 82-83% between FY2019 and FY2021, supported by a favourable domestic demand and low greenfield capacities coming up in the medium term.

As per the report, export volumes are likely to stabilise however in FY2020, albeit at a lower level, with domestic steel production slated to grow at a higher rate of around 5.5-6%, supported by healthy domestic demand.

➤ **India's external debt falls 3.6% to \$510.4 billion at September-end**

India's external debt has witnessed a decline of 3.6 percent to \$510.4 billion at September-end over its level at end-March 2018, on account of a decrease in commercial borrowings, short-term debt, non-resident Indian (NRI) deposits and valuation effect. According to the Reserve Bank of India (RBI), the decrease in the magnitude of external debt was mainly due to valuation gains resulting from dollar's strength against Indian rupee and major global currencies overseas. It added that valuation gains due to the appreciation of the dollar vis-a-vis the rupee and major currencies were placed at \$25.4 billion.

Excluding the valuation effect, the central bank noted that the increase in external debt would have been \$6.1 billion instead of a decrease of \$19.3 billion at end-September 2018 over end-March 2018. The debt was \$529.7 billion at the end of March 2018. Commercial borrowings continued to be the largest component of external debt with a share of 37.1 percent, followed by NRI deposits (23.9 per cent) and short-term trade credits (19.9 per cent).

As per RBI, at the end of September 2018, long-term debt (with original maturity of above one year) was placed at \$406.1 billion, recording a decline of \$21.4 billion over its level at the end of March 2018. According to the standard practice, the country's external debt statistics are released with a lag of one quarter. Dollar-denominated debt, with a share of 49.7 percent, continued to be the largest component of India's external debt at September-end, followed by the rupee (36.1 percent), SDR (5.3 percent), the yen (4.7 per cent) and the euro (3.2 percent).

➤ **Core sector growth hits 16-month low of 3.5% in November**

The growth of eight core infrastructure industries slowed to sixteenth-month low of 3.5% in November 2018, as compared to 4.8% in October 2018, due to fall in output of crude oil and fertilisers. According to data released by the ministry of Commerce and Industry, the combined Index of eight core industries stood at 128.5 in November, 2018, which was 3.5% higher

compared to the index of November, 2017. Its cumulative growth during April to November, 2018-19 was 5.1%. The Eight Core Industries - coal, crude oil, natural gas, refinery products, fertilisers, steel, cement and electricity - comprise 40.27% of the weight of items included in the Index of Industrial Production (IIP).

Among eight core sectors, Coal production having 10.33% weight rose 3.7% in November, 2018 over November, 2017, and its cumulative index increased by 9.0% during April to November, 2018-19 over corresponding period of the previous year. Petroleum Refinery production having 28.04% weight increased 2.3% in November, 2018 over November, 2017 and its cumulative index surged by 5.3% during April to November, 2018-19 over the corresponding period of previous year.

The Natural Gas production having 6.88% weight increased by 0.5% in November, 2018 over November, 2017, while its cumulative index was down by 0.7% during April to November, 2018-19 over the corresponding period of previous year. Besides, Steel production having 17.92% weight jumped by 6.0% in November, 2018 over November, 2017 and its cumulative index increased by 3.7% during April to November, 2018-19 over the corresponding period of previous year. Electricity generation having 19.85% weight increased by 5.4% in November, 2018 over November, 2017 and its cumulative index increased by 6.7% during April to November, 2018-19 over the corresponding period of previous year.

Cement production having 5.37% weight jumped 8.8% in November, 2018 over November, 2017 and its cumulative index increased by 14.2% during April to November, 2018-19 over the corresponding period of previous year. On the flip side, Fertilizer production having 2.63% weight declined by 8.1% in November, 2018 over November, 2017, and its cumulative index was down by 1.3% during April to November, 2018-19 over the corresponding period of previous year. Crude Oil production having 8.98% weight decreased by 3.5% in November, 2018 over November, 2017 and its cumulative index fell by 3.6% during April to November, 2018-19 over the corresponding period of previous year.

➤ **Banking industry on 'course to recovery' as NPAs declined: Shaktikanta Das**

Indicating that the banking sector is on course to a recovery, Reserve Bank of India (RBI) governor Shaktikanta Das has said the period till September 2018 had seen a decline in gross non-performing asset (NPA) ratios - a first such dip in three years. Governor underlined that after a prolonged period of stress, the banking sector appears to be on course to recovery as the

load of impaired assets recedes, adding that state-run lenders, which account for a bulk of the dud assets, need operational improvements.

According to RBI's half-yearly financial stability report (FSR), the asset quality of banks showed an improvement, with Gross NPAs ratio declining to 10.8% in September 2018 from 11.5% in March 2018, while for the state-run lenders, the same improved to 14.8% in September 2018 from close to 15.2% in March 2018. The RBI Governor expressed hope that the GNPA ratio of all banks would come down to 10.3% by March 2019 from 10.8% in September 2018. In the last financial year (FY18), gross NPAs of the banking system shot up to Rs 10,39,700 crore, or 11.2% of total advances as against Rs 791,800 crore or 9.3% of advances in the same period of previous year(FY17).

Besides, he said even though the current NPA levels were high, stress tests done by the RBI had pointed to an improvement in the ratio in future. The immense effort put in by the stakeholders so far is required to be buttressed with substantive reforms in governance and oversight regime, supported by recapitalisation of weak PSBs.

➤ **Govt monitoring economic conditions to keep fiscal deficit within budgeted target**

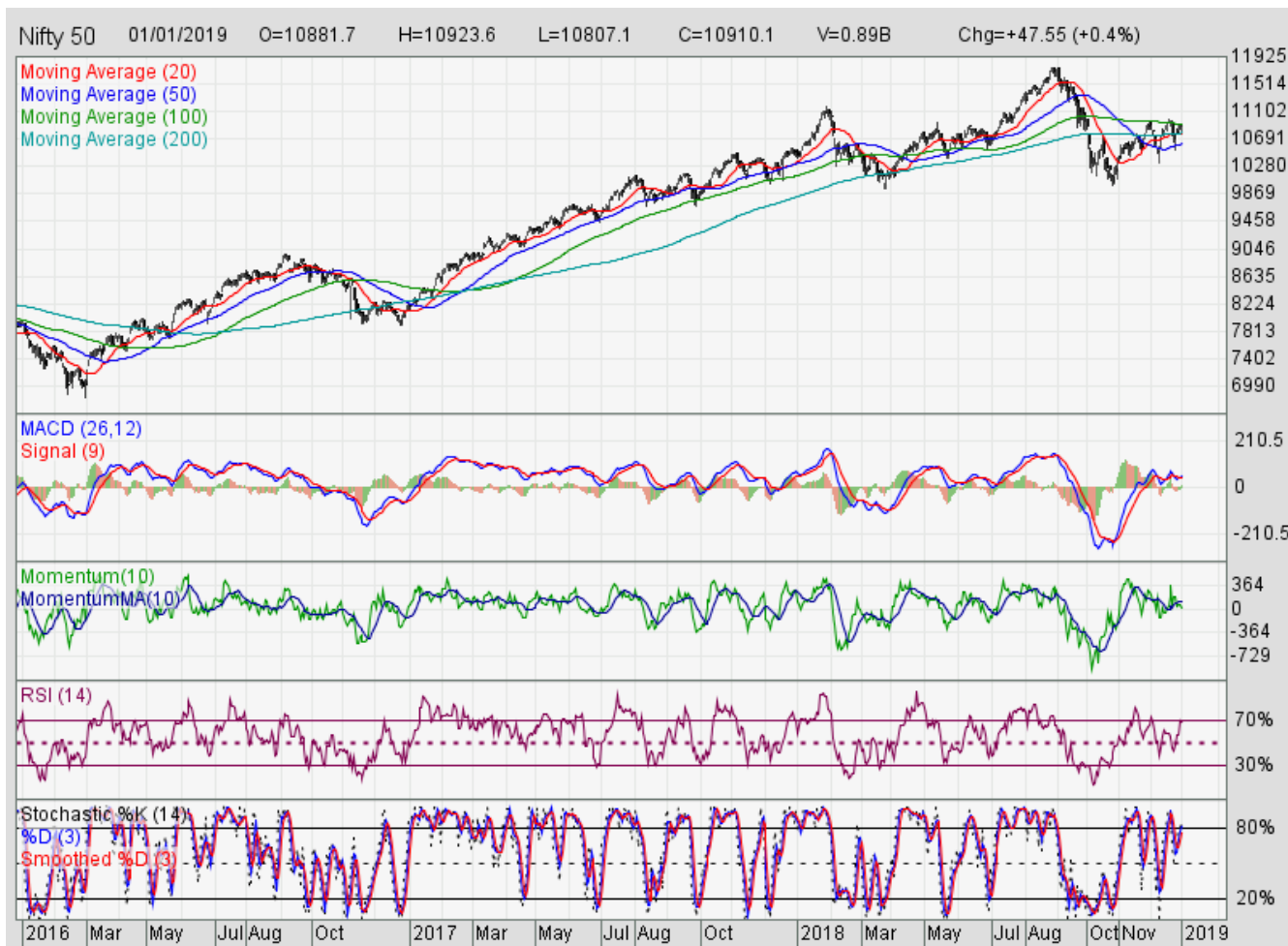
Expressing optimism over fiscal position of India, the Finance Ministry has said in order to ensure that the fiscal deficit remains within the target of 3.3% of the Gross Domestic Product (GDP) for 2018-19, the government is closely monitoring the macroeconomic conditions.

The Ministry has directed ministries and departments to meet their additional requirements of funds from savings and keep their expenditure within the amount earmarked in the Budget for 2018-19. It further said the efforts were being made to achieve the target for non-debt receipts as well as tax receipts.

Referring to the deviations, it said non-debt receipts have marginally deviated from their mid-year benchmark of 40% of Budget Estimates (BE). Total expenditure in first half 2018-19 (H1FY19) is 53.4% of BE which is 0.1% lower than corresponding period and 2.7% higher than five years' moving average. Net tax revenue in H1FY19 is 39.4% of BE but in comparison to past trend, it is 4.8% below corresponding period and 0.4% above five years' moving average.



## CNX Nifty Intraday chart



## Technical View

Index closed a day at 10910 with gains of 48 points on Tuesday session and formed hammer kind of candle pattern on daily chart. Index has strong resistance near 10950-11k mark any decisive break above 11k will only take index towards 11200 zone otherwise we may see some profit booking on higher side and support for index is coming near 10880-10820 zone. Nifty bank has support near 27300-27150 and resistance is formed near 27500-27700 zone.



Source: LKP Research, BSE & Ace Equity

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