



# Morning Coffee

Mar 18, 2024

One Stop Investment Avenue



## Market Updates

Asian Markets	Close	Abs. Change	Per. Change
HANG-SENG	16,717.0	(37.0)	(0.1)
NIKKEI 225	39,531.0	817.0	2.1
STRAIT TIMES	3,169.0	(3.0)	(0.1)
Global Bellwethers	Close	Abs. Change	Per. Change
DOW JONES 30	38,714.0	(190.0)	(0.5)
NASDAQ	17,808.0	(206.0)	(1.2)
FTSE UK	7,727.0	(15.0)	(0.2)
Indian Benchmark	Close	Abs. Change	Per. Change
NIFTY 50	22,023.0	(123.0)	(0.6)
NIFTY 200	12,080.0	(67.0)	(0.6)
NIFTY 500	19,825.0	(91.0)	(0.5)
Indian Bro ader Markets	Close	Abs. Change	Per. Change
NIFTY MIDCAP 100	46,685.0	(215.0)	(0.5)
NIFTY SMLCAP 100	14,846.0	58.0	0.4
NSE Sector Indices	Close	Abs. Change	Per. Change
NIFTY BANK	46,594.0	(195.0)	(0.4)
NIFTY FINANCIAL SERRVICES	20,644.0	(81.0)	(0.4)
NIFTY IT	37,500.0	(178.0)	(0.5)
NIFTY ENERGY	37,583.0	(576.0)	(1.5)
NIFTY FMCG	54,155.0	10.0	0.0
NIFTY AUTO	20,192.0	(321.0)	(1.6)
NIFTY METAL	7,802.0	3.0	0.0
NIFTY CONSUMPTION	9,858.0	(36.0)	(0.4)
NIFTY PHARMA	18,718.0	(178.0)	(1.0)
NIFTYINFRA	7,988.0	(55.0)	(0.7)
NIFTY REALTY	830.0	(1.0)	(0.2)
NIFTY MEDIA	1,822.0	(0.8)	(0.0)
NIFTY MNC	25,108.0	123.0	0.5

## Fund Flow

Participants in INR Cr	Latest	MTD Calendar	YTD (CY)
FII's	849	14,414	25,765
DII's	(682)	19,495	77,821

Source: BS = Business Standard, Tol: Times of India, MC = Money Control, B = Bloomberg

## Stocks in News

- **LIC:** The government has approved a 17% overall hike in wages for more than 1.10 lakh employees of the insurance giant.
- **ITC:** Company enters share purchase agreement with Russell Credit, acquiring 45.36% stake in International Travel House.
- **ZEE ENTERTAINMENT:** Punit Goenka, the company's MD & CEO, streamlines technology and data vertical.
- **GUJARAT GAS:** Company invites expressions of interest from ceramic customers for natural gas purchase.
- **HAL:** Company secures Rs 2,890 crore contract with Ministry of Defence for mid-life upgrade of 25 Dornier aircraft and associated equipment for Indian Navy.
- **JINDAL STAINLESS:** Company supplies stainless steel for India's first underwater metro line in Kolkata, a landmark project valued at Rs 4,965 crore.
- **RVNL:** Company secures Letter of Acceptance worth Rs 339 crore from Maharashtra Metro Rail for Pune Metro Rail Project design and construction.
- **PNB:** Bank's EGM approves raising equity capital up to Rs 7,500 crore via qualified institutional placements or other permitted modes, or a combination thereof.
- **LUPIN:** USFDA inspects company's Aurangabad manufacturing facility from March 6 to March 15, 2024, concludes with issuance of Form 483 containing one observation.
- **SJVN:** Company receives letter of intent from Gujarat Urja Vikas Nigam for 200 MW solar project.
- **KSB:** Company secures letter of award worth Rs 63.22 crore for contract of 2500 solar water pumping systems under PM-Kusum III Scheme.
- **IRCON INTERNATIONAL:** Company secures Letter of Acceptance for construction of twintube unidirectional tunnel in Mizoram valued at Rs 631 crore.
- **JSW ENERGY:** JSW Neo Energy, a unit of the company, receives letter of award from Solar Energy Corp for additional 500 MW wind capacity.

## Economic News

- **RBI intensifies scrutiny on retail lending, focusing on top-up home loans:** RBI tightens supervision on retail lending, focusing on mortgage top-ups, algo-based credit models, and co-lending. It aims to manage risks in the financial system amid rapid credit expansion and global economic uncertainty. The RBI typically uses moral suasion - speeches, calls to bank executives, individual meetings - as initial steps to prod banks, before considering more assertive enforcement.

## Global News

- **Shipping CEO Optimistic Despite Challenges; Inventory Recovery and Alliance Formations Ahead:** Hapag-Lloyd CEO Rolf Habben Jansen is optimistic about trade for 2024, noting improved demand and inventory recovery post-Chinese New Year. Despite a drop in 2023 profits and challenges from Red Sea issues, the company foresees lower earnings due to increased costs. Longer routes around Africa raise concerns about emissions and operational costs, affecting sustainability goals. To tackle reliability challenges, Maersk and Hapag-Lloyd form the Gemini alliance for better schedule reliability. U.S. shippers brace for potential port strikes, with peak season expected to start earlier than usual.

**Debt Market Snapshot**

Forex Rates	Prev. Close	Abs. Change	Change (%)
USD/INR	82.966	-0.11	-0.13
EUR/INR	90.284	-0.06	-0.07
GBP/INR	105.8	-0.15	-0.14
JPY/INR	55.8952	-0.18	-0.33

Particulars	Latest	Previous	Chg (bps)
5 Year GOI Bond	7.07	7.06	0.01
10 Year GOI Bond	7.06	7.04	0.02
15 Year GOI Bond	7.12	7.10	0.02
Call Money (WAR)	6.63	6.43	0.10
CBLO (WAR)	6.29	6.29	0.00
US 10 Year	4.30	4.19	0.11
Crude Oil (in \$/bl)	81.26	81.92	(0.66)
Inflation (Monthly CPI)	5.10	5.69	(0.59)

**Highly Traded Govt. Bonds (Top 5)**

Security	Volume	High	Low	LTP
7.18% GS 2033	11950	100.88	100.7750	100.7750
7.18% GS 2037	3755	100.64	100.58	100.64
7.30% GS 2053	860	102.25	101.88	101.9150
7.25% GS 2063	770	101.43	101.34	101.34
7.26% GS 2029	700	100.74	100.71	100.74

**Government Security Market:**

- The Inter-bank call money rate traded in the range of 5.00% - 6.60% on Friday ended at 6.35% .
- The 10 year benchmark (7.18% GS 2033) closed at 7.0644% on Friday Vs 7.0401% on Thursday.

**Global Debt Market:**

U.S. Treasury yields were little changed on Friday as investors considered the outlook for interest rates after inflation data released Thursday came in higher than expected. At 6:29 a.m. ET, the yield on the 10-year Treasury as down by 2 basis points at 4.279%. The 2-year Treasury yield was last less than one basis point higher at 4.692%. Yields and prices move in opposite directions and one basis point equals 0.01%. Investors assessed the path ahead for monetary policy after Thursday's inflation data came in hotter than expected, raising uncertainty about when interest rate cuts may begin. The producer price index, which tracks inflation on a wholesale level, reflected a 0.6% increase in February from the previous month. The core PPI, which excludes food and energy prices, came in at 0.3%. Economists had been looking for increases of 0.3% and 0.2%, respectively, according to a Dow Jones poll. That comes after the consumer price index for February also came in just above expectations earlier this week, advancing 0.4% from the previous month and 3.2% on an annual basis. The inflation readings marked the final key data release before the Federal Reserve's next meeting on March 19-20. Markets are widely expecting rates to be held steady then. Investors are, however, hoping for hints about the timeline for interest rate cuts, which Fed officials have so far given little indication about. According to CME Group's FedWatch tool, traders were pricing in an around 60% chance of the first rate cut to take place in June, a slightly lower probability than earlier in the week. On Friday, investors will be watching out for the latest consumer sentiment report, as well as import and export prices.

**10 Year Benchmark Technical View :**

The 10 year Benchmark (7.18% GS 2033) yield likely to move in the range of 7.05% to 7.06% level on Monday.

**Tax free Bonds in Secondary Market:**

Issuer	Coupon	Yield	LTP	Volume	Maturity Date
NHAI	7.35	5.05	1,199.99	5,530	11-Jan-31
NHAI	8.75	5.16	1,142.00	3,959	05-Feb-29
RECLTD	8.46	4.92	1,165.00	3,060	24-Sep-28
PFC	8.67	5.09	1,296.00	2,431	16-Nov-33
NHAI	8.3	5.25	1,117.00	1,710	25-Jan-27

**Taxable Bonds in Secondary Market:**

Issuer	Coupon	Yield	LTP	Volume	Maturity Date
NTPC	8.49	7.19	5.05	87,566	25-Mar-25
NHIT	7.9	8.06	309	1,423	14-Nov-40
INDIGRID	8.2	8.33	1,063.51	1,115	06-May-31
TATACAP	8.65	8.26	1,058.80	772	26-Aug-27
L&TFIN	9.35	7.88	1,060.00	700	13-Mar-29

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