



# Morning Coffee

Mar 19, 2024

One Stop Investment Avenue



## Market Updates

Asian Markets	Close	Abs. Change	Per. Change
HANG-SENG	16,660.0	(86.0)	(0.5)
NIKKEI 225	39,565.0	(189.0)	(0.5)
STRAIT TIMES	3,176.0	3.0	0.1
Global Bellwethers	Close	Abs. Change	Per. Change
DOW JONES 30	38,790.0	4.0	0.2
NASDAQ	17,985.0	75.0	1.0
FTSE UK	7,722.0	176.0	(0.1)
Indian Benchmark	Close	Abs. Change	Per. Change
NIFTY 50	2,20,555.0	(4.0)	0.2
NIFTY 200	12,094.0	32.0	0.1
NIFTY 500	19,845.0	13.0	0.1
Indian Bro ader Markets	Close	Abs. Change	Per. Change
NIFTY MIDCAP 100	45,501.0	17.0	(0.4)
NIFTY SMLCAP 100	14,762.0	(183.0)	(0.6)
NSE Sector Indices	Close	Abs. Change	Per. Change
NIFTY BANK	46,575.0	(84.0)	(0.0)
NIFTY FINANCIAL SERRVICES	20,626.0	(18.0)	(0.1)
NIFTY IT	36,886.0	(17.0)	(1.6)
NIFTY ENERGY	37,825.0	(614.0)	0.6
NIFTY FMCG	53,907.0	242.0	(0.5)
NIFTY AUTO	20,446.0	(247.0)	1.3
NIFTY METAL	7,996.0	254.0	2.5
NIFTY CONSUMPTION	9,879.0	194.0	0.2
NIFTY PHARMA	18,814.0	95.0	0.5
NIFTYINFRA	8,023.0	40.0	0.5
NIFTY REALTY	834.0	3.0	0.5
NIFTY MEDIA	1,843.0	21.0	1.2
NIFTY MNC	-	-	-

## Fund Flow

Participants in INR Cr	Latest	MTD Calendar	YTD (CY)
FIIIs	(2,051)	14,414	22,865
DIIIs	2,261	19,495	80,764

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

## Stocks in News

- **TCS:** Tata Sons aims to sell 2.34 crore shares at Rs 4,001 each, intending to raise around Rs 9,362 crore (\$1.13 billion).
- **LT FINANCE:** The board approved raising funds through debentures, ensuring that the total issued and outstanding NCDs do not surpass Rs 1.01 lakh crore.
- **TATA STEEL:** Tata Steel UK will halt operations of the coke ovens at the Port Talbot plant in Wales due to declining operational stability. The company plans to boost coke imports to mitigate the effects of the closures.
- **HG INFRA ENGINEERING:** The company secured four orders totaling Rs 1,026 crore in collaboration with the Stockwell Solar Services JV consortium for solar business projects from Jodhpur Vidyut Vitran Nigam.
- **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.
- **IRCTC:** The company has greenlit a project with a budget of Rs 187 crore for establishing a disaster recovery site in Secunderabad.
- **SONATA SOFTWARE:** The company has entered a joint go-to-market agreement with Zones to streamline enterprise application delivery by offering comprehensive cloud managed services.
- **IOL CHEMICALS AND PHARMACEUTICALS:** The company's ten API manufacturing units in Punjab passed the Brazilian Health Regulatory Agency audit from March 11 to 15 without any observations, demonstrating compliance with GMP standards.
- **AGIS LOGISTICS:** The company's unit has greenlit the acquisition of specialized storage terminals in Mangalore, facilitating capacity expansion at its Mangalore facilities. The project involves an investment of up to Rs 75 crore for acquired capacity and up to Rs 50 crore for additional capacity currently under construction.
- **TVS MOTOR:** The company has deregistered its step-down subsidiary, Transtar China, as part of a rationalization of the holding structure of foreign subsidiaries.
- **LEMON TREE:** The company has signed a licensing agreement for an 80-room hotel in Tripura.

## Economic News

- **Morgan Stanley suggests that India is unable to achieve the robust 8-10% growth rates seen in China in the past:** Morgan Stanley predicts India won't match China's past high growth rates, foreseeing a steady 6.5%-7% growth due to infrastructure and workforce limitations. Despite this, India's economic prospects are positive, resembling the mid-2000s boom. However, replacing China as a manufacturing hub seems unlikely. India's recent growth and potential rate cuts by the Reserve Bank of India are key factors to watch.

## Global News

- **China's economy is displaying signs of recovery, yet its property sector continues to face challenges and remains sluggish:** China's manufacturing and investment show improvements, with industrial output up 7% and fixed-asset investments rising 4.2%. Real estate sector remains weak, but stable development policies are in place. Challenges in economic recovery persist amidst policy stimulus.

**Debt Market Snapshot**

Forex Rates	Prev. Close	Abs. Change	Change (%)
USD/INR	83.023	0.02	0.03
EUR/INR	88.827	0.33	0.37
GBP/INR	104.121	0.06	0.06
JPY/INR	55.1143	0.23	0.41

Particulars	Latest	Previous	Chg (bps)
5 Year GOI Bond	7.09	7.07	0.02
10 Year GOI Bond	7.09	7.06	0.03
15 Year GOI Bond	7.15	7.12	0.03
Call Money (WAR)	6.55	6.63	(0.08)
CBLO (WAR)	6.53	6.29	0.24
US 10 Year	4.30	4.30	-
Crude Oil (in \$/bl)	85.34	81.26	4.08
Inflation (Monthly CPI)	5.09	5.10	(0.01)

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

Security	Vol- ume	High	Low	LTP
7.18% GS 2033	12285	100.72	100.61	100.62
7.18% GS 2037	4695	100.38	100.25	100.37
7.25% GS 2063	1360	101.05	100.90	100.97
7.38% GS 2027	905	100.86	100.82	100.82
GOI FRB 2028	815	99.73	99.68	99.68

**Government Security Market:**

- The Inter-bank call money rate traded in the range of 5.00% - 6.75% on Monday ended at 6.40% .
- The 10 year benchmark (7.18% GS 2033) closed at 7.0871% on Monday Vs 7.0644% on Friday .

**Global Debt Market:**

U.S. Treasury yields were little changed on Monday as investors looked ahead to the Federal Reserve's March meeting, which could provide clues about the outlook for interest rates. The yield on the 10-year Treasury was up by less than 1 basis point at 4.308%. The 2-year Treasury yield was last less than 1 basis point lower at 4.715%. The Fed is due to meet on Tuesday and Wednesday and will announce its latest interest rate decision and monetary policy guidance at the end of its meeting. Markets are widely expecting the central bank to leave interest rates unchanged. However, investors are hoping that the central bank will provide clues about its expectations for monetary policy, including when rates may be cut and how many rate cuts will likely take place this year. This comes after recent inflation data for February came in slightly higher than expected, indicating that pressures from rising prices remain persistent. Fed policymakers have previously said that their decision-making regarding interest rates would be data-dependent and that they were still looking for more evidence that inflation is easing. Traders were last pricing in a roughly 58% chance of rates being cut in June, slightly lower than earlier in the month, according to CME Group's FedWatch tool. Also this week, the latest building permit and housing start data is expected and the Bank of England is due to make a decision on interest rates for the U.K.

**10 Year Benchmark Technical View :**

The 10 year Benchmark (7.18% GS 2033) yield likely to move in the range of 7.07% to 7.08% level on Tuesday.

**Tax free Bonds in Secondary Market:**

Issuer	Coupon	Yield	LTP	Volume	Maturity Date
NHAI	8.75	5.1	1,144.83	2,943	05-Feb-29
RECLTD	8.71	4.99	1,162.00	2,404	24-Sep-28
RECLTD	8.12	5	1,143.65	2,257	27/03/2027
PFC	8.92	4.99	1,305.00	1,568	16/11/2033
NHBTf2014	9.01	4.75	6,618.00	297	13-Jan-34

**Taxable Bonds in Secondary Market:**

Issuer	Coupon	Yield	LTP	Volume	Maturity Date
NTPC	8.49	7.45	5.05	122,981	25-Mar-25
IFCI	9.9	11.19	1,018.75	3,073	01-Dec-24
IIFL	10	12.75	933	1,748	24-Jun-28
IIHFL	10	13.28	953	1,500	03-Nov-28
IIFL	0	9.66	1,200.00	1,000	14-Oct-26

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