

Daily Dossier

12 February 2019

Outlook



The Nifty ended 0.53% down at 10831.40. It opened flat and remained range bound, however, sudden sell off in the last hour led the benchmark index below 10,850. Finishing off the session below 10,850 might be a concern for the bulls. However, we may witness a quick relief rally from around 10,800 levels. Next support is placed around 10,740.

On the Nifty hourly chart; RSI is approaching towards trend line support which might be resulting in Nifty pullback towards 10,850 levels, critical moving average band. However, successful closing above 10,850 is necessary for further rise towards 10,930.

Nifty patterns on multiple time frames show; Nifty ended the session below 10,850, IT majors were a spoilsport. However, Nifty bulls may attempt a pullback rally which is likely to breakout 10,850. On the flip side breaking down 10,800 may unfold next leg of decline towards 10,740.

Nifty Crucial Supports & Resistances for tomorrow-
Supports- 10800, 10740 Resistances- 10850, 10930

Open Positional Calls-

T+10 Positional Pair Trade-

Leg 1: Buy HINDALCO Fut (1 lot=3500) around @203, TGT- 217

Leg 2: Buy HINDALCO 195-PE (1 lot= 3500) around @5.00

Trade ends if HINDALCO Fut closes below 197

T+3 Positional Buy-

Option Segment: TATA STEEL 510-CE @ 6.50, TGT - 14.50, SL- 2.50

T+3 Positional Buy-

Future Segment: BANK NIFTY Fut on dips in the price range of @ 27230-27200, TGT- 27530, SL- 27,080

T+3 Positional Buy-

Option Segment: NIFTY 28'Feb 11'000-CE @ 60, TGT- 90, SL- 45

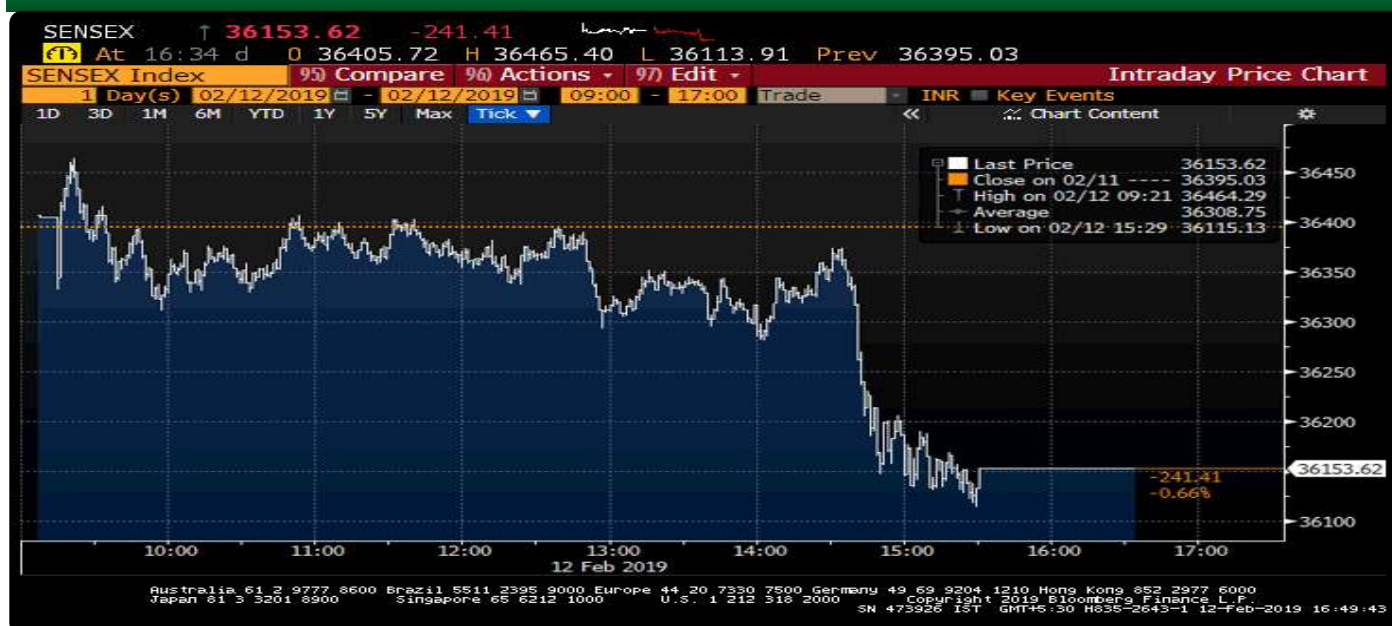
Top Stock Drivers For The Day

Name	CMP	News/Views	Impact
Indian Hotels Company Ltd	136.00	Following news came after market hours and are likely to react tomorrow: Consolidated Revenue went up by 10.5% at INR1323.45 cr. beating the Bloomberg estimates of INR1282.6 cr. Consolidated EBITDA for the company went up by 19.6% to INR335.54 cr. beating the Bloomberg estimates of INR315 cr. PAT for the company went up by 51% to INR170 cr. against Bloomberg estimate of INR130.6 cr.	Positive

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Intraday Chart of Sensex



Market Turnover (In Crore) 12-02-2019

Name	Last	Previous
NSE Cash	27934.45	27308.2
NSE F&O	683890.96	546033.37
BSE Cash	2,159.65	2,335.75
BSE F&O	0.24	0.24

NIFTY Top Gainers

Name	%1D	%5D	Day Vol	Avg 5 Day Vol
JSW Steel	3.88	0.66	12,748,459	5,543,764
Zee Enterprise	3.24	13.51	6,978,555	12,948,990
NTPC	2.22	3.48	12,417,295	7,542,459
Coal India	1.94	3.07	7,857,592	3,983,620
Sun Pharma	1.88	6.51	8,559,968	7,685,721

NIFTY Top Losers

Name	%1D	%5D	Day Vol	Avg 5 Day Vol
SBI	1.82	3.25	15,326,106	16,075,230
HCL Technologies	1.90	1.05	1,394,441	1,484,234
HDFC	2.21	3.85	2,642,567	2,121,385
Hero Motocorp	3.10	1.93	627,923	556,518
Bharti Infratel	3.29	8.29	3,518,639	4,732,024

Bulk and Block Deals

<https://www.nseindia.com/products/content/equities/equities/bulk.htm>

<http://www.bseindia.com/markets/equity/EQReports/BulknBlockDeals.aspx>

FII Derivatives Flow (In Crore) 12-02-2019

Instrument	Purchase	Sale	Net
Index Future	2360.83	1959.37	401.46
Index Option	91208.44	90601.22	607.22
Stock Future	10981.73	11527.86	-546.13
Stock Option	8569.31	8336.54	232.78

Institutional Flow (In Crore) 12-02-2019

Institution	Purchase	Sale	Net
FII	4020.15	4486.93	-466.78
DII	2441.11	2563.75	-122.64

Market in Retrospect

Indian equity benchmarks closed lower for the third straight trading session, clocking their worst three-day fall since Dec. 24, 2018. Sensex Index closed 0.66% lower today at 36,153.62 and the Nifty ended at 10,831.40, down 0.53%.

Nifty Metal was the top gainer, gaining by 1.57%, followed by Nifty Media which was up by 1.33%. Nifty PSU Bank was the top loser, losing by 1.61%.

JSW Steel was the top gainer, gaining by 3.88%, followed by Zee Enterprise & NTPC which gained by 3.24% & 2.22% respectively. Bharti Infratel was the top loser, losing by 3.29%, followed by Hero Motocorp & HDFC Ltd, which fell by 3.10% & 2.21% respectively.

The Advance Decline ratio stood at 733 : 1002.



Indian Indices

Name	Index	Net Chng	%1D	%5D	%1M	%3M	%1Y
Sensex	36153.62	241.41	0.66	1.26	0.40	3.85	5.40
Nifty	10831.40	57.40	0.53	0.94	0.34	3.33	2.77
BSE M Cap	14108.64	8.91	0.06	2.31	7.04	4.72	16.28
BSE S Cap	13392.21	58.27	0.43	1.97	8.27	7.95	27.47
Nifty MC 100	16328.15	8.55	0.05	2.29	7.52	6.37	18.97
BSE Auto	18611.48	94.95	0.51	2.30	6.85	8.61	26.47
BSE Capgoods	16568.95	31.75	0.19	3.04	9.13	8.80	15.28
BSE FMCG	11455.32	83.76	0.73	1.32	4.21	2.96	8.18
BSE Metal	10376.79	168.60	1.65	0.03	6.80	18.24	31.97
BSE Oil&Gas	13449.17	8.16	0.06	1.51	1.99	0.97	14.00
BSE Healthcare	13760.67	40.66	0.30	0.08	1.84	5.67	5.21
BSE Power	1771.05	1.49	0.08	3.15	10.39	8.74	22.11
BSE Realty	1729.76	22.61	1.29	0.78	5.66	0.27	31.30
BSE ConsDur	21536.89	15.68	0.07	1.42	2.94	8.88	1.07
BSE Bank	30165.77	246.06	0.81	1.29	2.06	4.55	3.73
BSE IT	15508.70	146.70	0.94	0.45	10.40	8.83	28.55

LME

Name	Index	Net Chng	%1D	%5D	%1M	%3M	%1Y
Gold(\$/Ounce)	1313.34	5.21	0.40	0.15	2.02	9.42	0.70
Silver(\$/Ounce)	15.82	0.11	0.70	0.21	1.43	13.03	4.40
Aluminium	1855.75	1.75	0.09	2.08	2.36	4.64	12.50
Copper	6135.75	55.00	0.89	0.24	3.64	0.94	8.58
Zinc	2643.25	58.75	2.17	5.87	5.81	2.21	22.53
Lead	2028.50	34.00	1.65	3.95	2.00	3.68	20.01

Currency

Name	Rate	Net Chng	%1D	%5D	%1M	%3M	%1Y
INR	70.74	0.44	0.62	1.18	0.27	3.04	9.08
USD Index	97.02	0.04	0.04	0.99	1.41	0.54	7.55
YUAN	6.77	0.02	0.29	0.40	0.07	2.82	6.57
GBP	1.29	0.00	0.03	0.73	0.11	0.01	7.14
EUR	1.13	0.00	0.04	1.10	1.65	0.55	8.23
YEN	110.50	0.12	0.11	0.49	2.12	3.02	1.67

Agro Commodities

Name	Price	Net Chng	%1D	%5D	%1M	%3M	%1Y
Coffee	103.55	0.25	0.24	4.08	3.40	11.42	24.28
Cotton	72.10	0.34	0.47	3.47	2.61	9.41	4.86
Sugar	12.67	0.18	1.44	1.32	1.93	3.13	15.19
Wheat	517.25	1.00	0.19	1.90	0.43	1.76	3.99
Soybean	909.75	4.75	0.52	1.14	0.05	1.45	10.52

Global Indices (Updated at 4:30 pm)

Name	Index	Net Chng	%1D	%5D	%1M	%3M	%1Y
Dow Jones	25053.11	53.22	0.21	0.74	4.41	1.32	1.84
Nasdaq	7307.91	9.71	0.13	0.54	4.83	1.49	4.67
S&P 500	2709.80	1.92	0.07	0.55	4.37	0.60	2.03
FTSE100	7156.15	25.38	0.36	0.32	3.42	1.44	0.31
CAC40	5069.81	54.97	1.10	0.27	6.03	0.20	1.37
DAX	28157.00	31.00	0.11	1.05	5.64	NA	NA
Mexico IPC	43285.16	104.71	0.24	1.04	0.62	0.06	9.50
Brazil Bovespa	94412.94	930.19	0.98	4.24	0.81	10.39	16.71
Russian RTS	1212.20	11.02	0.92	0.91	5.54	8.76	0.51
Japan Nikkei	20864.21	531.04	2.61	0.09	2.48	6.23	2.42
Hang Seng	28171.33	27.49	0.10	0.82	5.64	9.90	4.37
Taiwan Index	10097.74	93.49	0.93	1.29	3.47	2.71	3.10
Shanghai Comp	2671.89	18.00	0.68	2.99	4.62	1.57	15.29
KOSPI	2190.47	9.74	0.45	0.65	5.54	5.29	8.17
Malaysia KLCI	1687.41	1.15	0.07	0.23	0.25	0.51	7.80
Jakarta Comp	6426.32	68.68	1.06	0.85	1.02	11.24	1.49
Philippine SE	8009.92	51.62	0.64	0.74	1.34	15.65	5.63
Thai Exch	1642.49	4.49	0.27	0.64	2.85	0.75	8.72

Freight

Name	Index	Net Chng	%1D	%5D	%1M	%3M	%1Y
Baltic Dry	595.00	6.00	1.00	6.15	49.10	47.11	47.02
Baltic Dirty	791.00	4.00	0.50	1.86	14.85	27.16	23.59

Energy Markets

Name	Index	Net Chng	%1D	%5D	%1M	%3M	%1Y
NYMEX Crude	53.19	0.75	1.43	0.93	3.06	11.28	10.32
BRENT Crude	62.55	1.00	1.63	0.86	3.12	11.67	5.68
Natural Gas	2.65	0.01	0.26	0.49	10.05	19.56	8.31

Bond Markets

Name	Yield	Net Chng	%1D	%5D	%1M	%3M	%1Y
US	2.68	0.02	0.88	0.79	0.88	15.87	6.35
UK	1.18	0.00	0.00	4.22	8.61	18.80	26.36
Brazil	5.52	0.05	0.97	0.16	3.41	0.18	8.09
Japan	0.01	0.02	55.17	44.44	176.47	110.92	119.70
Australia	2.12	0.05	2.52	5.79	8.28	22.77	27.34
India	7.35	0.00	0.01	0.48	3.08	5.77	1.93
Switzerland	0.27	0.01	4.29	17.03	76.32	5260.00	233.33
Germany	0.12	0.00	1.67	28.24	48.95	69.35	83.88

News Impact

Result Update

PI Industries Ltd

Standalone revenue for Q3FY19 came in at INR707.5cr, up 31.57% yoy, while its operating profit came in at INR148.6cr, up 41.8% yoy. The EBITDA margin expanded 152bps yoy to 21% in Q3FY19. The net profit after tax stood at INR107.3cr for Q3FY19, up 33.04% yoy. The performance of the company beat the estimates on all parameters. The revenue, EBITDA, and net profit beat the estimate of INR635cr, INR131cr, and INR91cr by 11%, 13%, and 18%, respectively.

Vindhya Telelinks

Revenue stood at INR522.8 Cr., up 63% YoY and down 7.7% QoQ. Revenue from Cables business increased 93.5% YoY to INR186.6 Cr. Revenue from EPC business increased 56% YoY to INR362.4 Cr. EBITDA stood at INR81.6 Cr., up 96.8% YoY and down 19.5% QoQ. EBITDA margin expanded 267bps YoY to 15.6%. PAT stood at INR37.8 Cr., up 127% YoY and down 32.3% QoQ. PAT Margin expanded 203bps to 7.2%.

Hindalco Industries Limited

- Hindalco fails street estimates widely reporting standalone sales of INR11937 Cr (8% YoY and 10% QoQ), EBITDA of INR928 Cr (down 35% YoY and 15% QoQ) and Net Income of INR247 Cr (down 46% YoY and 20% QoQ) respectively. The Sales EBITDA and PAT figures fell short of street estimates by 5%, 26% and 39% respectively.
- The Production of Aluminium stood at 324,000 tonnes, Alumina at 749,000 tonnes, Copper cathode production at 105,000 tonne (up 4% YoY) and Copper Cathode Rod production at 66,000 tonnes (up 59% YoY).
- The expansion plan at Utkal Alumina is stated to be on track and expected to be completed by FY21. Regarding the Aleris acquisition, the Company expects it to be completed by Q2 FY20.

HEG Limited

HEG beats all street estimates reporting standalone sales of INR1865 Cr (121% YoY and 4% QoQ), EBITDA of INR1313 Cr (up 136% YoY and down 4% QoQ) and Net Income of INR866 Cr (up 153% YoY and down 2% QoQ) respectively. The Sales EBITDA and PAT figures beat the street estimates by 13%, 17% and 18% respectively.

News Impact

IPCA Lab

- Ipca Lab posted very good set of numbers despite missing the revenue estimate. Top line of the company grew 10% YoY but fell 5% sequentially at INR947.6 cr.
- Total expenditure fell to 75.5% of the revenue versus 81% a year back driven by ease of operating & manufacturing expenses. It resulted 43% jump in EBITDA YoY & 34% sequentially. EBITDA beats Bloomberg estimate at INR231.7 cr. EBITDA Margin also expanded by 570 bps at 24.5%.
- Net Profit also surpassed Bloomberg estimated, jumped 52% YoY & 34% QoQ at INR160 cr. Net Profit Margin stood at 16.9%.
- In the 9 months period top line of the company grew 15% at INR2839 cr. EBITDA excluding Forex component jumped 67% at INR585 cr. There is a Forex gain of INR26.85 cr versus a loss of 9.67 cr last yr. same quarter. Net Profit jumped 90% at INR585 cr.
- From the 9 month time frame, domestic business grew 9% YoY, export business grew 25% YoY. Among export business branded business grew 9% YoY, Institutional business grew 105 YoY & generic business grew 5% YoY. Total API business grew 21% YoY. Revenue contribution of domestic business stood at 52% & export business stood at 48%.
- Domestic formulation business grew 10% YoY but fell 105 sequentially at INR421 cr. Domestic API business contracted 24% YoY & 13.5% QoQ at INR44.5 cr.
- Foreign formulation business grew 3.5% YoY but fell 2% sequentially at INR282.4 cr. Among Branded business grew 41%YoY & 25.6% QoQ at INR104.6 cr. Institutional business fell 30%YoY & 11% QoQ at INR39 cr. Generic business also fell 2% YoY & 13% sequentially at INR139 cr.
- Total Domestic formulation business grew 5.5% YoY but fell 10.4% QoQ where total export business grew 15% YoY & 1% QoQ in this quarter. Revenue contribution of the domestic & export business stood at 50-50.

Dollar Industries Ltd

- Revenue grew 10% YoY & 1% QoQ to INR244.5 Cr (Our estimate was INR253.5 Cr.)
- Gross margins expanded by 28 bps YoY & compressed by 57 bps to 60.1% YoY.
- EBITDA is flat YoY & grew 2% QoQ to INR36.8 Cr. (Our estimate was INR36.8 Cr.), EBITDA margin compressed by 145 bps YoY due to higher other expenses & expanded by 15 bps QoQ to 15%.
- Company reported PAT of INR19.35 Cr. (Our estimate was INR19 Cr.) up 8% YoY & down 1% QoQ.

News Impact

Dhanuka Agritech

- Net Sales at INR216.79 Cr., down 2.13% YoY and 43.5% QoQ.
- EBITDA stands at INR21.5 Cr., down 39% YoY and 71.6% QoQ.
- Net Profit at INR14.60 Cr., down 48.93% YoY and 73.5% QoQ.

Redington

- Revenue stood at INR12640.8 Cr. up 12% YoY. Both the India and the overseas business grew 12%.
- EBITDA stood at INR285.5 Cr., up 31%. The EBITDA for overseas business grew 60% to INR166 Cr. while it grew 5% for India business.
- PAT grew 14% YoY to INR145.1 Cr. led by overseas business. The PAT for India business declined 6% YoY to INR51.3 Cr.

Bata India Ltd.

- Revenue grew 16% YoY & 16% QoQ to INR778.6 Cr (Our estimate was INR829 Cr.)
- Gross margins expanded by 349 bps YoY & 281 bps QoQ to 58.6% owing to favorable product mix.
- EBITDA grew by 47% YoY & 87% QoQ to INR163.6 Cr. (Our estimate was INR128 Cr.), EBITDA margin expanded by 449 bps YoY & 804 bps QoQ to 21% due to optimization in rent and other expenses.
- Company reported PAT of INR103.1 Cr. (Our estimate was INR74 Cr.) up 51% YoY & 85% QoQ.

Lux Ind Ltd.

- Revenue grew 1% YoY & 2% QoQ to INR283.6 Cr.
- Gross margins expanded by 78 bps YoY & compressed by 439 bps QoQ to 52.7% owing to higher input cost.
- EBITDA grew by 16% YoY & flat QoQ to INR43 Cr., EBITDA margin expanded by 199 bps YoY & compressed by 43 bps QoQ to 15.2% due to optimization in jobbing and employee expenses.
- Company reported PAT of INR24.3 Cr. up 32% YoY & 14% QoQ.

News Impact

OIL India Ltd.

- Revenue grew 23% YoY & down by 6% QoQ to INR3514 Cr.
- Gross margins compressed by 238 bps YoY & 83 bps QoQ to 98% owing to volatility of crude oil prices.
- EBITDA grew by 24% YoY & 3% QoQ to INR1521.7 Cr., EBITDA margin expanded by 35 bps YoY & 389 bps QoQ to 43.3%. due to optimization in employee expenses.
- Company reported PAT of INR1233.45 Cr. up 75% YoY & 43% QoQ.

Indian Hotels Company Ltd

- Consolidated Revenue went up by 10.5% at INR1323.45 cr. beating the Bloomberg estimates of INR1282.6 cr.
- Consolidated EBITDA for the company went up by 19.6% to INR335.54 cr. beating the Bloomberg estimates of INR315 cr.
- PAT for the company went up by 51% to INR170 cr. against Bloomberg estimate of INR130.6 cr.
- The company had an exceptional item of INR41 cr. as against INR18.74 cr. same quarter PY. The same included Incentive fees received by the Group during nine months ended December 31, 2018 aggregating to around INR48.11cr. pursuant to amendment to management Service Agreement of Taj Boston, USA in the first quarter.
- The above also included Loss on change in fair value of Cross Currency Swap derivative contracts for the nine months ended December 31, 2018 was INR55.67 Cr. (Previous period gain INR37.42 cr.) and gain for the quarter ended December 31, 2018 was INR40.83 Cr. (Previous period gain INR17.33 Cr.).
- Standalone Revenue went up by 5.6% to INR802.66 cr. EBITDA went up by 13.1% to INR260.66 cr. PAT went up by 47.7% to INR137.69 Cr.

Concall Highlights

Eicher Motors

- According to the Management, factors like increased insurance requirements, rising raw material costs and the subsequent price increase due to regulatory safety requirements impacted the momentum of the industry and also indicated that the current lull in the 2Ws demand is temporary in nature.
- Management is optimistic about the trend of premiumization in the motorcycling industry, and is confident about the continuation of this trend in the future.
- During Q3FY19, Co. added 20 more stores in India taking the tally to 878 in India. Currently, Co. is having 42 exclusive stores outside India and Co. also has presence in 500+ multi brand stores outside India.
- Newly launched Royal Enfield 650 twins received good orders from India as well as abroad. Co. is ramping up its production capacity which will be complete in coming 2-3 months.
- Construction of Phase II of Vallam Vadagal plant is on course and is expected to become operational by the end of 2019.
- 80% of the Co.'s product portfolio is ABS complied and the Co. is well ahead of regulatory timeframe. Rise in price due to the implementation of stringent safety standard may dent the consumer sentiment.
- Co. has opted for average INR1400 price hike with effect from 1st Feb, 2019.
- Current inventory level is at 30-35 days.

Suprajit Engineering Limited

- In 9mFY19, Co. achieved 60% of the consolidated revenue from domestic operations and the rest from its international operations.
- Co. is building a new plant within the premises of its existing European facility to meet the rising demand from the European OEMs. Management has indicated about various measures to boost their export revenue.
- Maruti Suzuki India Limited has done the first audit and Co. is well on track to become Maruti's preferred supplier.
- Co. will continue to assess certain strategic opportunities to strengthen its position in its core business of Cables and Halogen Lamps through asset purchases / M&A.
- The establishment of Greenfield plants of Suprajit Automotive at Doddaballapur (Karnataka) for cable exports and that of Suprajit Engineering at Narsapura (Karnataka), along with infrastructural additions at various other plants are progressing as per plan.
- Consolidated debt stood at INR342.5 crore by the end of Q3FY19.

News Impact

Triveni Turbines Ltd

- The management has stated that the enquiry level is at a very strong level of around 1.5GW. The management expects a good amount of enquiries would convert to orders intake for the company. The management expects order intake to be higher by 15% in the coming quarters.
- The product business domestic order book is 40% higher than last year. This is mainly driven by the Paper, Distillery, Co-generation, Cement-WHRS business.
- During Q3FY19, margins have dipped because of high Raw Material cost and new product launched in the quarter.
- In the renewable segment, the management is cautious on the lumpiness of order intake. They expect the order book to remain at similar levels as of last year.
- In GETL, there was a delay in order finalization and as a results order execution and revenue has been delayed to next quarter.
- In the Product business which 75% of the total revenue, the company runs at a utilisation level 60%. The management is simultaneously increasing its focus on the Aftermarket segment to diversify its concentration and also to improve its margins.

HIL

- Q3 has been an executional quarter, Co first time cross INR300 Cr. topline however, PAT showed de growth owing to interest cost of INR6 Cr led by acquisition of Pardor (Germany) subsidiary. Mgmt has mentioned that 'Pardor' is performing really well after acquisition.
- Co is confident of continuous growth in piping solutions backed by extensive brand, product range and network. Co is positive on the pipe business to achieve the profitable growth from FY20 onwards.
- Mgmt is focusing on enhanced operating leverage through optimization of processes and costs to produce sustained improvement in earnings going forward.
- Roofing solutions seeing enhanced connect with dealer base coupled with step up in marketing initiatives. Building solutions registers continuous gains in volumes in key segments of panels, boards, smart mix and thermal insulation.
- HIL has received the order for 'Charmiar' non asbestos roofing sheet from Indian Railway for Mumbai CST station. Co has taken a price hike in Q4 and as well as in Q2 by 5% which will help them to pass on the higher input cost and dollar/rupee conversion.

News Impact

VIP Industries Ltd

- Sales growth is mainly driven by volume growth of ~30-35% and value growth ~27%. Volume growth is driven by higher sales witnessed in smaller item like backpacks and lower end product like aristocrat.
- In Q3 EBITDA margin was under pressure led by rupee depreciation by 11% against dollar (Co. does not have any hedging policy), product mix, channel mix, & increase of import duty which impacted the profitability.
- Bangladesh operations topline grew by 111% & PAT grew by 56% to INR38.9 Cr and INR6.1 Cr. respectively. Bangladesh is contributing 10% of the total volume. Sales have doubled in Bangladesh however the profitability was not that high due to lower operating leverage.
- Co is trying to improve the realization of their aristocrat brand through cost optimization without changing the price point due to the stiff completion. Mgmt. is expecting the margin pressure to continue till Q4. Q1FY20 will be the target quarter for the Co to get earlier profitability.
- Distribution network helps the company to ramp up their ladies handbag brand “Caprese” and surpass the competitors in that front.
- Co is confident to grow at a run rate of 20% led by distribution channel, higher number of marriage days (101 nos days) in FY20, and new product launches. It will take 1-2 quarter to recover the margin through price hike and efficient purchase negotiation with China.

PI Industries

- Q3 revenue grew by 32% YoY mainly contributed by ~40% YoY growth in exports on account of ramp up in demand of existing products. Strong growth backed by demand upsurge in exports with improvement in global sentiment and strong product portfolio in both domestic and export markets.
- Domestic business grew 9% despite headwinds from erratic rainfall in key agrarian states and poor price realization in the key crops. Growth coming from both existing and new products.
- The EBITDA guidance is maintained at 21% to be contributed by better product mix and improved realization and operating leverage benefit.
- Company is gradually reducing the dependence on China in terms of sourcing of basic raw materials of intermediates, already developed various alternatives in India or outside China in some of the other Asian countries. Currently, less than the 20% of the raw materials are coming from China as compared to 30%-40% few years back.
- Commissioned one Multi Product Plant this quarter, other plant to be commissioned by next quarter. Construction of two new plants started, to be commissioned by Q3FY20. The company guided CapEx of INR300-350 Cr. every year moving forward for some time.

News Impact

Thyrocare

- Pathology business grew 13% YoY, Nuclear business grew 35% YoY.
- 15% reduction in price impacted the profitability. This was 2nd time price reduction after 2013 price reduction before IPO. Price reduction is due to high competition mainly from unorganized players. In nuclear more operators are coming in though there is no growth in demand.
In the month of Jan 2019 reduced thyroid rate in few geographies becomes effective.
- Actual price cut happened in May 2018. It takes 3 quarters to get an impact of the price cut.
- In nuclear more operators are coming in though there is no growth in demand.
- Price cut will compensate which has been absorbed in upcoming 2 yrs. Expecting 15% growth in topline by end of the year.
- Imaging business Capital employed in INR100 cr. A new Nuclear center becomes operational in Bangalore. No further investment in the imaging business till FY20.
- Metros are stagnant, expanding in dist. Headquarters. Getting into tier II & Tier III city by price cut.
- Unorganized players in the Industry is growing at a pace of 14-15%, Organized players are growing at 16-17%. 80% of players are unorganized in the Industry.
- B2B key driver having direct clients avoiding intermediaries. Ties up with Mumbai municipal corporation for tender of diagnostic kit.

Hindalco Industries Limited

- Hindalco reports standalone sales of INR11937 Cr (8% YoY and 10% QoQ), EBITDA of INR928 Cr (down 35% YoY and 15% QoQ) and Net Income of INR247 Cr (down 46% YoY and 20% QoQ) respectively. The Sales, EBITDA and PAT figures fell short of street estimates by 5%, 26% and 39% respectively.
- The Net Income including Utkal Alumina however stood at INR713 Cr vs INR484 Cr last year, up 47% YoY.
- The Production of Aluminium stood at 324,000 tonnes, Alumina at 749,000 tonnes, Copper cathode production at 105,000 tonne (up 4% YoY) and Copper Cathode Rod production at 66,000 tonnes (up 59% YoY).
- The expansion plan at Utkal Alumina is stated to be on track and expected to be completed by FY21. Regarding the Aleris acquisition, the Company expects it to be completed by Q2 FY20.
- The Value Added Products sales of Aluminium stood at 35% of total Aluminium sales (against last year's 37%) and for the Copper Rods sales were 58% of total copper sales (40% higher than last year's).
- The Company has hedged about 15% of Aluminium at USD2400 per tonne and Copper at USD6200 per tonne for the current quarter.
- The Management did mention of import of Coal of 15% of their total use of 4.5 million MT of coal.

News Impact

Domestic News

IIP for the month of Dec 2018 is 2.4% vs 0.50 in Nov 18 and 1.6% expected.

CPI for the month of Jan 19 is 2.05% vs 2.19 in Dec 2018 and 2.50 expected

General Atlantic Partners (GA) and Varde Partners have emerged the frontrunners

General Atlantic Partners (GA) and Varde Partners have emerged the frontrunners to pick up a 22% stake in PNB Housing Finance from Punjab National Bank for around INR3500. PNB has decided to stay invested with a 10.7% stake and choose two buyers instead of selling the entire block to one suitor. As principal shareholder, Punjab National Bank owns 32.79% stake before the deal. GA, an existing investor, is likely to pick up another 12% in the mortgage firm, thereby taking its stake to around 22%. Varde is expected to pick up a 10% stake.

Reliance General Insurance files for IPO

Reliance General Insurance Co Ltd has filed for an IPO consisting of a fresh issue of shares worth up to INR2 billion. The IPO will also include an offer by Reliance Capital to sell up to 79.5 million shares. The Co. has appointed Motilal Oswal Investment Advisors Ltd, CLSA India Pvt Ltd and Credit Suisse Securities (India) Pvt Ltd as the global coordinators and book running lead managers to the issue. Haitong Securities India Pvt Ltd, IndusInd Bank Ltd and YES Securities (India) Ltd are the book running lead managers.

Events

CORPORATE ACTION BONUS / RIGHTS / STOCK SPLIT / DIVIDEND / FCCB / M&A / WARRANTS ETC.

Company	Record Date	Ex-Date	Details
Greaves Cotton Ltd			Cash dividend of INR4 effective 13/02/2019
Harita Seating Systems Ltd			Cash dividend of INR3 effective 13/02/2019
Sukhjit Starch & Chemicals Ltd/The			Cash dividend of INR7.50 effective 13/02/2019
Hikal Ltd			Cash dividend of INR0.60 effective 13/02/2019
National Fertilizers Ltd			Cash dividend of INR1.09 effective 13/02/2019
Himadri Speciality Chemical Ltd			Corporate meeting effective 13/02/2019
NMDC Ltd			102.041 Mln Shares buyback effective 13/02/2019

Domestic Events

- **Upcoming Results:-** Godrej Industries Ltd., Bharat Forge Ltd., Bosch Ltd., Goodyear India Ltd., Greenlam Industries Ltd, Gulf Oil Lubricants India Ltd., Igarashi Motors India Ltd., Jindal Worldwide Ltd., Kddl Ltd., Lemon Tree Hotels Ltd., Nbcc (India) Ltd., Prabhat Dairy Ltd., Reliance Capital Ltd., Ruchi Soya Industries Ltd.

Global Events

- The U.S. MBA Mortgage Application for the week ended February 08, 2019.,
- The U.S. Inflation for January 2019.,
- Euro Area Industrial Production for December 2018.

Source of News : The content may have been taken from The Economic Times, Business Standard, Business Line, Mint and other leading financial newspapers and financial portals BSE,NSE, Bloomberg, Moneycontrol & others.

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Stock Recommendation	Expected absolute returns (%) over 12 months
Strong Buy	>20%
Buy	between 12% and 20%
Accumulate	between 6% and 12%
Hold	between 0% and 6%
Sell	0 to <-10%
Neutral	No Rating
Stock Recommendation	Expected absolute returns (%) over 12 months

Bloomberg Ticker for Stewart & Mackertich Research: SMIF<Enter>

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