

**Key Benchmark indices across the globe**

Index	June 06, 2023	June 05, 2023	Change	% change	Open	High	Low
<b>Nifty</b>	18,599.00	18,593.85	<b>5.15</b>	<b>0.03</b>	18,600.80	18,622.75	18,531.60
<b>Sensex</b>	62,792.88	62,787.47	<b>5.41</b>	<b>0.01</b>	62,738.35	62,867.95	62,554.21
<b>Shanghai Composite</b>	3,195.34	3,232.44	<b>37.10</b>	<b>1.16</b>	3,228.41	3,247.35	3,189.27
<b>Hang Seng</b>	19,099.28	19,108.50	<b>9.22</b>	<b>0.05</b>	19,117.11	19,377.38	19,033.85
<b>Kospi</b>	2,615.41	2,601.36	<b>14.05</b>	<b>0.54</b>	2,617.43	2,618.62	2,608.01
<b>Dow Jones</b>	33,539.28#	33,562.86	<b>23.58</b>	<b>0.07</b>	33,540.28	33,618.16	33,473.38
<b>Nasdaq</b>	13,259.56#	13,229.43	<b>30.13</b>	<b>0.23</b>	13,199.59	13,281.95	13,165.65
<b>FTSE</b>	7,631.99#	7,599.99	<b>32.00</b>	<b>0.42</b>	7,599.99	7,636.06	7,556.16
<b>CAC</b>	7,213.92#	7,200.91	<b>13.01</b>	<b>0.18</b>	7,189.63	7,219.37	7,175.60
<b>DAX</b>	15,995.29#	15,963.89	<b>31.40</b>	<b>0.20</b>	15,939.31	16,009.28	15,925.56

#denotes levels of June 06, 2023 at the time of writing this report

**Key macroeconomic indicators**

Index	June 06, 2023	June 05, 2023
<b>Brent Crude Oil (\$ per barrel)</b>	76.08#	76.71
<b>Gold (\$ per ounce)</b>	1,963.97#	1,961.76
<b>Indian Rupee against US\$</b>	82.60	82.69
<b>India 10 year bond yield (%)</b>	6.98	7.00
<b>US 10 year G-sec (%)</b>	3.71#	3.69

#denotes levels of June 06, 2023 at the time of writing this report

**FII & DII activity**

Index	June 06, 2023	June 05, 2023
<b>FII activity (Rs. in Crore)</b>	<b>385.71</b>	<b>700.98</b>
<b>DII activity (Rs. in Crore)</b>	<b>489.02</b>	<b>1,195.98</b>

**Indian benchmark indices end in positive terrain; stock specific action witnessed..**

- 1) On Tuesday, the Indian benchmark indices ended in green. The Nifty opened on a positive note and later touched an intraday high of 18,622.75. Finally, the Nifty ended the day, up by 5.15 points to end at levels of 18,599. On the other hand, the Sensex ended the day up by 5.41 points or 0.01 percent to end the day at levels of 62,792.88.
- 2) Among the Nifty 50 stocks, the major gainers were Ultratech Cement, Divis Laboratories, Kotak Mahindra Bank, Grasim Industries, Tata Motors up in the range of 1.60 percent to 2.91 percent. On the other hand, the major losers were Tech Mahindra, Infosys, Tata Consultancy Services, Wipro, Oil & Natural Gas Corporation of India (ONGC) down in the range of 1.00 percent to 1.92 percent.
- 3) The broader markets too were upbeat on Tuesday. The Nifty Midcap 100 index was up by 0.06 percent and the Nifty Smallcap 100 index was up by 0.54 percent.
- 4) In terms of the sectoral indices performance, the major gainers were Nifty Realty index up by 1.19 percent, Nifty Auto index up by 1.09 percent, Nifty Healthcare index up by 0.62 percent. On the other hand, the major losers were Nifty IT index down by 1.88 percent, Nifty PSU Bank index down by 0.20 percent, Nifty Metal index down by 0.14 percent, Nifty Media index down by 0.14 percent.

- 5) On Tuesday, FIIs have net bought equities worth Rs. 385.71 Crore. On the other hand, DIIs net sold equities worth Rs. 489.02 Crore. In the month of May 2023, FIIs have net bought equities worth Rs. 27,856.48 Crore and DIIs have net sold equities worth Rs. 3,306.35 Crore.

### Sectors & Stocks

- 1) Shares of Sharda Cropchem Limited ended up by 11.04 percent to Rs. 557.20 at the NSE on Tuesday. The Company is global agrochemicals company with a peer position in the generic crop protection chemicals industry. The Company's vast and growing library of dossiers and IPRs provides it with solid foundation for growth in the global marketplace, especially in Advanced Markets such as Europe, North America and Latin America. The Company has a asset light business model - Efficiently channelizing time and resources for strengthening core competency of identifying generic molecules and registration opportunities which offer scalable growth with limited capital requirements, large pipeline of registrations (procured 2,821 registrations. Additionally, it has filed 1,143 applications for registrations globally pending at different stages as on March 31, 2023), enduring relationship with multiple manufacturers and formulators enables to source and supply formulations or generic active ingredients at competitive prices. With diversified range of product portfolio, Company has grown by expanding business operations in 80+ countries, across Europe, NAFTA, Latin America and ROW. The Company has presence in the entire agrochemical value chain with 500 third party distributors and 400+ sales force serving the Company's esteemed clientele in 80+ countries.
- 2) Shares of Aegis Logistics Limited ended up by 9.40 percent to Rs. 348 at the NSE on Tuesday. The Company delivered strong overall financial performance in FY23. Mr. Raj Chandaria - Chairman and Managing Director of the Company in Q4FY23 analyst concall said "In FY23, we delivered growth through a combination of mergers and acquisitions and organic growth. And we have now embarked on the largest capex implementation in the history of the company, and I'm pleased to say that it's progressing well"

He further added "For the liquid division, we expect our liquids business with its leading position in the key ports of India to perform well for FY24, especially considering the good economic growth in the country. The liquids expansion of 50,000 kiloliters at Haldia, which we referred to as H5 is now complete and fully commissioned. The additional 5,50,000 kiloliters acquired from Friends Group during the last year is now available for use for the full year of FY24, and our capacity expansions at Kochi of 50,000 kiloliters and Mangalore of 70,000 kiloliters will be commissioned towards the end of FY24. We have now added JNPT to our net list of terminals, which - and are currently building liquid tanks with a capacity of 1,10,000 kiloliters as a first step. We expect to commission this in mid-2024. So in summary, at the moment, we have just commissioned 50,000 kiloliters of liquid tankage and have an additional 230,000 kiloliters under construction, which will be fully available in FY '25. As far as the Gas division is concerned, during the last year, Pipavav port completed its work on making the LPG jetty compliant for handling VLGCs, with commissioning now expected once the permit - final permit has been received, which will further improve the competitiveness of Pipavav as a logistics hub."

- 3) Shares of Kaynes Technology India Limited ended up by 5.99 percent to Rs. 1,420 at the NSE on Tuesday. Kaynes Technology is a leading end-to-end and IoT solutions-enabled integrated electronics manufacturer in India, having capabilities across the entire spectrum of Electronics System and Design Manufacturing (ESDM) services. It has over three decades of experience in providing Conceptual Design, Process Engineering, Integrated Manufacturing and Life Cycle Support for major players in the Automotive, Industrial, Aerospace and Defence, Outer-space, Nuclear, Medical, Railways, Internet of Things ("IoT"), Information Technology ("IT") and other segments. The company has 8 advanced manufacturing infrastructure to manufacture high mix and high value products at variable or flexible volumes across all industry verticals. Apart from this, the company also has Service centres in Cochin and Mumbai, catering to Railway, Aerospace, Defence and Industrial Clients.

Earlier, commenting on FY23 results Mr. Ramesh Kunhikannan, Managing Director & Promoter, Kaynes Technology India Limited said: "Kaynes delivered revenue growth of 59% for FY23 as we witnessed strong demand across the Automotive, Railways, IT/IoT and Consumer verticals. With an executable order book of over INR 26,482 mn, we have visibility of strong growth as we approach FY24. After successfully completing our IPO, we are now focused on upgrading our capacity and capabilities which are expected to streamline in phases starting FY24. This will help us benefit from the industry tailwinds in the manufacturing sector. Given the proven track record of our execution capabilities, we are now targeting orders having higher proportion of value-added services and along with increasing our overall wallet share"

- 4) Shares of ION Exchange (India) Limited ended up by 5.19 percent to Rs. 4,147.50 at the NSE on Tuesday. The Company offers one stop water and non-water treatment solutions catering to diverse segments like infrastructure, industry, institutions, municipalities, homes and communities, urban and rural. It offers a wide range of solutions



across the water cycle from pre-treatment to process water treatment, wastewater treatment, recycle, zero liquid discharge, sewage treatment, packaged drinking water, sea water desalination etc. The Company is also engaged in manufacturing ion exchange resins, membranes, speciality chemicals for water and wastewater treatment as well as non-water applications. It has two facilities for in-house R&D and two applications and testing centers. It has over 50 patents to their credit and 100+ products commercialized. The Company exports to Africa, Japan, Middle East, Russia, Southeast Asia, Europe, UK, USA, Canada and neighbouring countries.

Mr. Vasant Naik – Group Chief Financial Officer of the Company in Q4FY23 analyst concall said "The execution of the UP Jal Nigam Project is progressing satisfactorily and revenue has been recognized based on work completion. The execution of the other engineering orders picked up pace during the quarter on the back of the increased order flows and the high order backlog. The company continues to invest in engineering infrastructure, including manpower to enhance its execution capabilities for handling the increased order backlog. The company during the quarter also witnessed steady order flows both in the domestic and the international market."

### **Ajcon Global's view on Indian equities in the near term**

- 1) On Tuesday, Indian benchmark indices ended in positive terrain. We expect Indian equities to remain rangebound amidst volatility led by global uncertainties. The companies which have registered strong performance in Q4FY23 and FY23 have witnessed good rally. We suggest investors to remain stock specific. Domestically, the economy is doing well which is evident from the recent GST collection data, manufacturing PMI and Services PMI data, and other indicators like passenger air traffic, hotel occupancy, power consumption, auto sales, coal production data etc.
- 2) Q4FY23 earnings season has been decent. IT giants had reported weak performance but IT midcaps have delivered good Q4FY23 performance. Results announced by PSU Banks, NBFCs announced indicates good times for Banking and Financial Services sector. Private Banks too had reported decent Q4FY23 performance.
- 3) While the global central banks especially in US and Europe are grappling with issues like balancing inflation and growth; however, Reserve Bank of India is balancing inflation and growth in a good manner. In addition, the Indian Banking has proved to be resilient to global factors and macroeconomic headwinds. This will infuse confidence amongst investor community which will attract FIIs inflows. Street participants will continue to watch global bond yields as it will dictate treasury performance of Banks, rupee movement against the US Dollar, crude oil price movement, economic activity in China, developments related to tussle between China and Taiwan, key implications of ongoing war between Russia and Ukraine.
- 4) We have faith in the India story and believe that the domestic economy is strongly placed as compared to the global peers which will attract investors. At the moment, companies in the sectors like Banking, NBFCs, Capital Goods, select companies in the Infrastructure space, Railways, Defence and select companies in the new age business segment can be considered.



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