

Key Benchmark indices across the globe

Index	Oct. 12, 2023	Prev. close	Change	% change	Open	High	Low
Nifty	19,794.00	19,811.35	17.35	0.09	19,822.70	19,843.30	19,772.65
Sensex	66,408.39	66,473.05	64.66	0.10	66,564.57	66,577.60	66,339.42
Nikkei 225	32,494.66	31,746.53	558.15	1.72	32,120.94	32,494.66	32,120.94
Kospi	2,479.82	2,402.58	29.74	1.20	2,465.19	2,479.82	2,464.84
Dow Jones	33,780.83#	33,804.87	23.04	0.07	33,857.44	33,863.80	33,653.21
Nasdaq	13,694.70#	13,659.68	35.02	0.26	13,673.67	13,714.14	13,633.53
FTSE	7,644.78#	7,620.03	24.75	0.32	7,620.03	7,687.91	7,620.03
CAC	7,104.53#	7,131.21	26.68	0.38	7,175.77	7,182.30	7,097.53
DAX	15,425.03#	15,460.01	34.98	0.23	15,537.87	15,575.28	15,413.20

denotes Oct. 12, 2023 levels at the time of writing this report

Key macroeconomic indicators

Index	Oct. 12, 2023	Prev. close
Brent Crude Oil (\$ per barrel)	86.29#	85.82
Gold (\$ per ounce)	1,873.19#	1,873.61
Indian Rupee against US\$	83.24	83.20
India 10 year bond yield (%)	7.30	7.35
US 10 year G-sec (%)	4.65#	4.60

denotes Oct. 12, 2023 levels at the time of writing this report

FII & DII activity

	Oct. 12, 2023	Oct. 11, 2023
FII activity (Rs. in Crore)	1,862.57	421.77
DII activity (Rs. in Crore)	1,532.08	1,032.02

Indian benchmark indices end in the negative terrain; Mining stocks rally..

- 1) On Thursday, the Indian benchmark indices came ended in the negative terrain. The ongoing war between Israel and Palestine will act as a headwind. However, the easing of US bond yields and domestic bond yields will help in improving investor sentiments.
- 2) The Nifty opened on a positive note and later gave up all the gains and touched an intraday low of 19,772.65. Finally, the Nifty ended the day down by 17.35 points or 0.09 percent to end at levels of 19,794. On the other hand, the Sensex ended the day down by 0.10 percent to end the day at levels of 66,408.39.
- 3) Among the Nifty 50 stocks, the major gainers were Bharat Petroleum Corporation, Maruti Suzuki India, Coal India, Power Grid Corporation of India, Grasim Industries up in the range of 1.08 percent to 1.82 percent. On the other hand, the major losers were Infosys, Tech Mahindra, Apollo Hospitals, Tata Consultancy Services, HCL Technologies down in the range of 1.78 percent to 2.82 percent.
- 4) The broader markets were upbeat on Thursday. The Nifty Midcap 100 index was up by 0.17 percent and the Nifty Smallcap 100 index was up by 0.65 percent.
- 5) In terms of the sectoral indices performance, the major gainers were Nifty Media index up by 3.02 percent, Nifty Oil & Gas index up by 1.11 percent, Nifty Auto index up by 0.78 percent, Nifty Metal index up by 0.75 percent. On the other

hand, the major losers were Nifty IT index down by 1.67 percent, Nifty Realty index down by 0.18 percent, Nifty PSU Bank index down by 0.09 percent, Nifty Financial Services 25/50 index down by 0.02 percent.

- 6) On Thursday, FIIs have net sold equities worth Rs. 1,862.57 Crore. On the other hand, DIIs net bought equities worth Rs. 1,532.08 Crore. Month till date, FIIs have net sold equities worth Rs. 10,929.65 Crore and DIIs have net bought equities worth Rs. 8,475.71 Crore. In the month of September 2023, FIIs had net sold equities worth Rs. 26,692.16 Crore and DIIs had net bought equities worth Rs. 20,312.65 Crore.

Sectors & Stocks

- 1) Shares of Linde India Limited ended up by 14.17 percent to Rs. 6,676 at the NSE on Thursday. Recently in August 2023, the Company's Chairman in the 87th Annual General Meeting of the Company highlighted that the Company had recently made a strategic investment in Avaada MHYavat Pvt. Ltd., FP Solar Shakti Pvt. Ltd. and FPEL Surya Pvt. Ltd. The primary objective of these investments was to gain access to renewable power procurement under a captive mechanism. By utilizing this mechanism, Linde India aimed to secure renewable power at lower tariffs, leading to significant cost savings for its operations.

He had further stated that the steel sector continued to create new opportunities for the gases business by setting up of new steel capacities by the steel majors, which would drive the long-term prospects of the gases business. Healthcare division would continue to drive the volumes of medical gases on the back of consistent rise in the public expenditure in this area. He added that the Prime Minister's Health Infrastructure Mission announced by the Government of India was expected to boost the healthcare business in the years to come and the Company was also optimistic of capturing growth from the manufacturing, fabrication and chemicals end user segments among others. The application technologies in the gases business offered enormous opportunities for growth such as - food and beverages, spice grinding, paper, cement, decarbonization and fuel savings in glass, steel, waste-water treatment, etc. As on 30 June 2023, the Project Engineering business had a strong order book of over Rs. 14,000 million and a strong customer demand was seen in this segment. He stated that as the concerns on inflation, higher commodity prices, supply chain disruptions would settle and a clearer picture emerged, India could be expected to see great opportunities and growth in the years ahead.

- 2) Shares of MOIL Limited ended up by 7.60 percent to Rs. 247 at the NSE on Thursday. Continuing its stellar performance, MOIL has created history by achieving best ever 6-monthly performance during April-September, 2023. Production of Manganese ore jumped to 8.15 lakh MT in the first half of FY'24, registering a growth of 45% over corresponding period last year (CPLY). Production of 1.35 lakh MT in September month is best ever production for any September month since inception. On sales front also, best ever 6-monthly performance of 7.57 lakh MT has been registered during April-September 2023, with a remarkable growth of 54% percent over CPLY. Sales of 1.56 lakh MT in September, 2023 has also been impressive, with a growth of 60% y-o-y. Further, MOIL has recorded highest ever production of Electrolytic Manganese Dioxide (EMD) during the first half of the current year, registering a growth of 26% y-o-y. EMD is a 100% import substitution product, used mostly for pharmaceuticals and manufacturing of batteries. Giving utmost thrust to exploration, MOIL has completed 34,684 meters of exploratory core drilling during April-September, 2023, which is more than three times of CPLY.
- 3) Shares of NMDC Limited ended up by 5.42 percent to Rs. 158.45 at the NSE on Thursday. The Company's Production & Sales of Iron Ore (Provisional) data for and up to the month of September 2023 has been encouraging which has led to the recent rally in the stock price.
- 4) Shares of GAIL (India) Limited ended up by 5.14 percent to Rs. 129.90 at the NSE on Thursday. The Company had witnessed good overall performance in Q1FY24. Commenting on Q1FY24 performance, Shri Sandeep Kumar Gupta, Chairman & Managing Director, GAIL had said that the Company has incurred a Capex of about Rs.2,391 crore during the quarter, mainly on Pipelines, Petrochemicals, Equity to JVs, etc. which is about 31 % of annual target of Rs. 7,750 crore. He added that GAIL has been authorized to build Gurdaspur- J arnmu Natural Gas pipeline having length of 160 km with Capex of Rs. 522 crore. He further stated that during the quarter, the company has acquired 100% stake in erstwhile JBF Petrochemicals Limited, now GAIL Mangalore Petrochemicals Limited, by infusing Rs. 2,101 crores through Corporate Insolvency Resolution Process (CIRP)."

Key recent developments

- 1) Germany is offering military help to Israel and promising to crack down on support for the militant Hamas group at home following the group's attack on Israel. Chancellor Olaf Scholz on Thursday underlined Germany's historical responsibility for Israel's security. The Defence Ministry said it agreed to an Israeli request to use up to two of five Heron TP combat drones that are currently leased by the German military and were already in Israel for the training of German service people. And Defence Minister Boris Pistorius said in Brussels that Israel has requested ammunition for warships, a request that will now be discussed. Scholz told the German parliament that he has asked Israeli Prime Minister Benjamin Netanyahu to inform Germany of any needs, "for example the treatment of wounded." "At this moment, there is only one place for Germany — the place at Israel's side," he told lawmakers. "Our own history, our responsibility arising from the Holocaust, makes it a perpetual task for us to stand up for the security of the state of Israel."(Source: AP)

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

- 1) Indian equities ended in the negative terrain on Thursday. The ongoing war between Israel and Palestine is acting as a headwind. We expect stock specific action to continue. Positive demand outlook led by ongoing festive season would keep bulls in the hunt. Investors will keenly watch the war situation between Israel and Palestine, global bond yields, rupee movement against the US Dollar, crude oil price movement, domestic economic activity in the festive season and Q2FY24 earnings season.
- 2) IT bellwether - Infosys Limited Q2FY24 results were above street expectations but the Company's revenue guidance was not encouraging and weak future outlook will affect the investor sentiments.
- 3) Domestically, we suggest investors to remain stock specific and be wary of valuations of companies which are out of comfort zone especially in the smallcaps pack. At the moment, companies in the sectors like FMCG, PSU Banks, Banking, NBFCs, Consumer Durables, Capital Goods, Defence, Engineering, Real Estate, select companies in the Infrastructure space, Railways can be considered. 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. Domestically, the economy is doing well which is evident from the recent GST collection data, increase in investment led spending and other indicators like passenger air traffic, hotel occupancy, power consumption, auto sales, coal production data etc. Encouraging Q1FY24 results suggest that economy is doing well. The recent business updates announced by few Banks, NBFCs and companies in other sectors were encouraging.



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