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Market wrap

Jan. 01, 2019

CY2019 starts on a positive note; Banking stocks rally..

The Benchmark indices ended on a positive note on the first trading day of 2019 due to buying in heavyweights such as HDFC Bank, HDFC, Infosys and ICICI Bank. The S&P BSE Sensex gained 186 points or 0.52 per cent to settle at 36,255 in otherwise dull market characterized by low volumes. During the day, the benchmark index hit an intraday high and low of 36,284.04 and 35,888.62, respectively.

GST

GST collection dropped to Rs. 94,726 crore in December 2018, lower than Rs 97,637 crore collected in the previous month. The total number of sales returns or GSTR-3B filed till December 30, 2018, is 72.44 lakh, the finance ministry said in a statement. Compensation released to states for August-September stood at Rs. 11,922 crore. Of the Rs. 94,726 crore collected, Central GST (CGST) collection is Rs. 16,442 crore, State GST (SGST) is Rs. 22,459 crore, Integrated GST (IGST) is Rs. 47,936 crore and Cess is Rs 7,888 crore. The government has settled Rs. 18,409 crore to CGST and Rs. 14,793 crore to SGST from IGST as regular settlement, it said. The total revenue earned by central government and state governments after regular settlement in December is Rs. 43,851 crore for CGST and Rs. 46,252 crore for SGST, the ministry added. The Goods and Services Tax (GST) collection stood at Rs 1.03 lakh crore in April, Rs 94,016 crore in May, Rs. 95,610 crore in June, Rs. 96,483 crore in July, Rs. 93,960 crore in August, Rs. 94,442 crore in September, Rs. 1,00,710 crore in October and Rs. 97,637 crore in November.

Sectors and stocks

In the broader markets, the S&P BSE MidCap index closed flat at 15,426, down just 12 points. However, the S&P BSE SmallCap index ended 60 points higher at 14,767 levels.

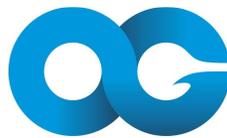
Among the sectoral indices, the Nifty PSU Bank index gained over one and half per cent led by Bank of Baroda and Punjab National Bank. The Nifty Realty index, too, surged over 2 per cent led Prestige Estates Projects and Oberoi Realty. Shares of real estate companies were in focus on Tuesday with the Nifty Realty index gaining more than 2 per cent in an otherwise subdued market.

D B Realty and Kolte-Patil Developers rallied 16% and 14%, respectively. The shares of Kolte-Patil Developer (KPD) have surged 14% to Rs 272 a piece on the back of an over 10-fold jump in trading volumes, after the rating agency CRISIL has revised the outlook on its rating on the long-term bank loan facilities of the real estate company to 'Positive' from 'Stable'. Ganesh Housing Corporation and Ajmera Realty & Infra India were up 6% each. Prestige Estates Projects, Oberoi Realty, Godrej Properties, Unitech, Indiabulls Real Estate and DLF from the Nifty Realty index up in the range of 2% to 5%.

Shares of public sector undertaking (PSU) banks gained for the third straight day on hopes of receding bad loans problem. Bank of Baroda (up 4%), Bank of India (up 2%), Oriental Bank of Commerce (up 2%), Punjab National Bank (up 2%) and Union Bank of India (up 3%) hit their respective three-month highs today.

Atul Auto hit an upper circuit limit of 20 per cent at Rs. 348.20 after the company posted a strong 50 per cent growth in sales numbers for December 2018. The three-wheeler manufacturer sold 4,332 units in December against 2,890 units in the same month last year. The company's total vehicle sales during December quarter grew 39 per cent at 13,808 units, as compared to 9,922 units sold in the previous year quarter.

JMC Projects (India) rallied 11% to Rs. 96.80 on Tuesday, thus surging 19% in the last two sessions after the construction and engineering company said it has secured new orders worth Rs. 596 crore. Out of Rs. 596



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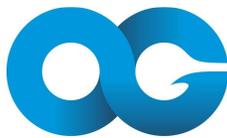
crore, Rs. 434 crore has been assigned for residential and commercial projects in South India. The second order amounting to Rs. 162 crore is for civil works for a steel plant in Orissa. Most of these new orders are repeat orders from the company's existing clients. The company said it was confident of meeting its revenue and margin guidance for financial year 2018-19. The stock hit a 52-week low of Rs 67 on October 8, 2018. It had corrected 53% from its 52-week high of Rs 142 touched on May 29 last year. JMC Projects (India) is a subsidiary of Kalpataru Power Transmission.

Auto major Mahindra & Mahindra (M&M) ended 4 per cent lower at Rs. 773 apiece after reporting disappointing sales numbers for December 2018 due to tight liquidity and low buying sentiment.

Shares of Gateway Distriparks (GDL) hit a 52-week low of Rs. 123 apiece, down 5% on BSE, after the company said it has failed to pay the balance payment to global private equity major Blackstone. "Due to un-contemplated events arising in the debt market, GDL could not raise the required funds before the due date of 28 December 2018 to make the balance payment of Rs. 560 crore plus compensation at 15% per annum from 28 September 2018 to 28 December 2018," the company said in a regulatory filing. Discussions are on to complete the transaction. In addition, Blackstone Mauritius has sent an Arbitration notice under share subscription and shareholders agreement entered between GDL, Gateway Rail Freight (GRFL) and Blackstone GPV Capital Partners (Mauritius) V-H Ltd (Blackstone), it added.

Global markets

On the global front, most Asian markets were shut today on account of New Year.



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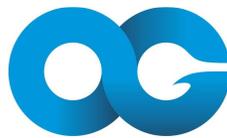
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