



AJCON GLOBAL
YOUR FRIENDLY FINANCIAL ADVISOR

Market wrap

Jan. 03, 2019

Nervousness witnessed among street participants; domestic indices end in red..

Weak global cues, nervousness ahead of the start of third quarter corporate earnings and selling in metals, auto, IT and financial counters triggered another 1 per cent decline in the domestic stocks on Thursday. Equities on Wednesday, too, shed around 1 per cent.

The S&P BSE Sensex lost 378 points or 1.05 per cent to settle at 35,514 with HCL Tech (up 0.50 per cent) being the top gainer and ONGC (down 3.59 per cent) the worst laggard. HDFC, Reliance Industries (RIL), Larsen & Toubro and HDFC Bank contributed the most to the index's fall while Bajaj Auto, Asian Paints and Hindustan Unilever advanced the most.

Sectors and stocks

As many as 41 securities hit 52-week lows on NSE. The list included names such as Bharat Forge, Hinduja Ventures, and Lux Industries. On the contrary, four stocks hit their 52-week high.

Sectorally, metal stocks cracked the most followed by media, auto and IT stocks. The Nifty Metal index slipped 68 points or 2.25 per cent to settle at 2,960.40, with all the 15 constituents declining. JSPL, Hindalco and Tata Steel fell between 3-7 per cent.

In the broader market, The S&P BSE MidCap index lost 156 points or 1 per cent to settle at 15,076 while the S&P BSE SmallCap index closed at 14,573, down 86 points or 0.58 per cent.

Shares of Vijaya Bank and Dena Bank tanked up to 20% on the BSE on Thursday following an unfavorable share-swap ratio on their merger with Bank of Baroda. Dena Bank plunged 20% to Rs 14.40 on the BSE. The stock was trading close to its 52-week low of Rs 13.75 touched on July 16, 2018, in intra-day trade.

Shares of Jet Airways (India) slipped over 6% to Rs 247 on Thursday, falling over 11% in the past two trading days on BSE, after the rating agency ICRA on Wednesday downgraded the airline's Rs 10,963 crore loan and debenture ratings. "ICRA has revised the long-term rating (assigned to long-term loans and non-convertible debentures) to D from C. The short-term rating has been revised to D from A4," Jet Airways said in a statement. The rupee was trading on a weak note having slipped to 70.52 against the dollar in intra-day trade. On Wednesday, the domestic unit crashed 75 paise, its first loss in last four sessions, to close at 70.18 amid strengthening of the greenback and heavy selling in domestic equities.

Shares of metal companies were trading lower for the third day in a row on concerns of deteriorating Chinese demand outlook that weighed on commodity prices.

Nifty Metal index was down 1.6% to 2,979 levels in the intra-day trade, hitting 18-month low on the National Stock Exchange (NSE). Nifty Metal index has fallen 5% in the past three trading days, as compared to a 1.4% decline in the Nifty 50 index. It was trading at its lowest level since June 30, 2017.

Jindal Steel and Power (JSPL), NMDC, APL Apollo Tubes, Tata Steel, Hindalco, JSW Steel, Steel Authority of India (SAIL) were down in the range of 1% to 5% on the National Stock Exchange (NSE).

Tata Steel hit a 52-week low of Rs 483, down 2%, extending its past two days 5% fall on the NSE. It has fallen below its previous low of Rs 487 touched on December 11, 2018, in the intra-day trade.



AJCON GLOBAL
YOUR FRIENDLY FINANCIAL ADVISOR

JSPL dipped 5% to Rs. 150, which was 7% away from its 52-week low price of Rs. 140 touched on December 10. The stock slipped 10% in the past three trading days.

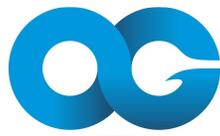
LMEX, a gauge of six metals traded on the London Metal Exchange (LME), hit 18-month low on Wednesday, January 2, 2019. LMEX index was down 7% in past one month.

World Steel Association (WSA) expects Chinese steel demand to be flat in 2019 in the absence of any major stimulus measures that were seen in H12018 particularly for the real estate sector.

Global Markets

US stock futures fell and Asian shares wobbled on Thursday after a rare revenue warning from Apple Inc added to worries about slowing global growth and weaker earnings.

MSCI's broadest gauge of Asia-Pacific shares outside Japan fell 0.4 per cent after an early attempt at a bounce. Japanese markets were closed for holidays but Nikkei futures dropped 1.9 per cent. Shares in China and Hong Kong see-sawed between gains and losses as investors waited for Beijing to roll out fresh support measures for the cooling Chinese economy.



AJCON GLOBAL
YOUR FRIENDLY FINANCIAL ADVISOR

Disclaimer

Ajcon Global Services Ltd. is a fully integrated investment banking, merchant banking, corporate advisory, stock broking, commodity and currency broking. Ajcon Global Services Ltd. research analysts responsible for the preparation of the research report may interact with trading desk personnel, sales personnel and other parties for gathering, applying and interpreting information.

Ajcon Global Services Ltd. is a SEBI registered Research Analyst entity bearing registration Number INH000001170 under SEBI (Research Analysts) Regulations, 2014.

Individuals employed as research analyst by Ajcon Global Services Ltd. or their associates are not allowed to deal or trade in securities that the research analyst recommends within thirty days before and five days after the publication of a research report as prescribed under SEBI Research Analyst Regulations.

Subject to the restrictions mentioned in above para, We and our affiliates, officers, directors, employees and their relative may: (a) from time to time, have long or short positions acting as a principal in, and buy or sell the securities or derivatives thereof, of Company mentioned herein or (b) be engaged in any other transaction involving such securities and earn brokerage.

Ajcon Global Services Ltd. or its associates may have commercial transactions with the Company mentioned in the research report with respect to advisory services.

The information and opinions in this report have been prepared by Ajcon Global Services Ltd. and are subject to change without any notice. The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of Ajcon Global Services Ltd. While we would endeavour to update the information herein on a reasonable basis, Ajcon Global Services Ltd. is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent Ajcon Global Services Ltd. from doing so. This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. Ajcon Global Services Ltd. will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. Ajcon Global Services Ltd. accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice. Ajcon Global Services Ltd. or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months.

Ajcon Global Services Ltd. encourages independence in research report preparation and strives to minimize conflict in preparation of research report. Ajcon Global Services Ltd. or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither Ajcon Global Services Ltd. nor Research Analysts have any material conflict of interest at the time of publication of this report. It is confirmed that Akash Jain – MBA (Financial Markets) or any other Research Analysts of this report has not received any compensation from the company mentioned in the report in the preceding twelve months.



AJCON GLOBAL

YOUR FRIENDLY FINANCIAL ADVISOR

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

Ajcon Global Services Ltd. or its subsidiaries collectively or Directors including their relatives, Research Analysts, do not own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report.

It is confirmed that Akash Jain – MBA (Financial Markets) research analyst or any other Research Analysts of Ajcon Global do not serve as an officer, director or employee of the companies mentioned in the report.

Ajcon Global Services Ltd. may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

Neither the Research Analysts nor Ajcon Global Services Ltd. have been engaged in market making activity for the companies mentioned in the report.

We submit that no material disciplinary action has been taken on Ajcon Global Services Ltd. by any Regulatory Authority impacting Equity Research Analysis activities.

Analyst Certification

I, Akash Jain MBA (Financial Markets), research analyst, author and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. I also certify that no part of compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view (s) in this report.

For research related queries contact:

Mr. Akash Jain – Vice President (Research) at, 022-67160431 (D)

CIN: L74140MH1986PLC041941

SEBI registration Number: INH000001170 as per SEBI (Research Analysts) Regulations, 2014.

Website: www.ajcononline.com

Registered and Corporate office

408 - (4th Floor), Express Zone, "A" Wing, Cello – Sonal Realty, Near Oberoi Mall and Patel's, Western Express Highway, Goregaon (East), Mumbai – 400063. Tel: 91-22-67160400, Fax: 022-28722062