

**Domestic bourses remain volatile and ended in negative terrain; Pharma stocks continue to rally..**

Benchmark indices ended Wednesday's volatile session in the negative territory as Covid-19 cases continued to rise in India despite national lockdown which is a matter of concern. Weak global cues, too, dented the sentiment.

The S&P BSE Sensex shed 173 points or 0.58 per cent to 29,894 levels with TCS (down around 4 per cent) being the biggest loser, followed by Titan, ICICI Bank, and SBI. Sun Pharma (up nearly 5 per cent), on the other hand, was the top gainer on the index. Nifty ended at 8,749, down 43 points or 0.49 per cent.

Broader market, however, outperformed the benchmark indices. The S&P BSE MidCap were up by around 2 per cent to 10,976 levels and the S&P BSE SmallCap index rallied 1.86 per cent to 9,980.

On the sectoral indices, Nifty Realty index declined the most - over 1 per cent to 180.50 levels. Nifty Metal and Nifty IT indices were next on the list. Nifty Bank shed 0.6 per cent to 18,946.45-mark.

**Crude oil**

Crude oil steadied near US\$32 a barrel, supported by hopes that a meeting between OPEC members and allied producers on Thursday will trigger output cuts to shore up prices that have collapsed due to the coronavirus pandemic.

**Sectors and stocks**

Shares of Larsen & Toubro (L&T) rose 3 per cent on intraday basis to Rs. 832 on Wednesday, extending their previous day's 3.5 per cent gain on the BSE, after the engineering and construction giant won two large orders from state-owned companies. L&T today announced that L&T Hydrocarbon Engineering, a wholly owned subsidiary of the company has been awarded a large project by Indian Oil Corporation Limited (IOCL). The company said it has won a large contract from the Indian Army for setting up an advanced IT-enabled system to operate the Armed Forces network under the Network of Spectrum (NFS). Although the company did not mention the exact value of the contract, according to its project classification, the value of a large order ranges between Rs. 2,500 crore and Rs. 5,000 crore. "The engineering, procurement, construction and commissioning (EPCC) contract is for setting up a new 9 MMTPA Atmospheric & Vacuum Distillation Unit (AVU) and allied facilities (EPCC-1 package) for Barauni refinery capacity expansion project at IOCL's Barauni Refinery, Bihar. The capacity of Barauni Refinery is being augmented from current installed capacity of 6.0 MMTPA to 9.0 MMTPA," L&T said in a press release. With the past two days' gain, L&T's stock has recovered 26 per cent from its multi-year low of Rs. 661, touched on March 25, 2020. The stock hit a 52-week high of Rs. 1,607 on May 28, 2019.

Shares of Cadila Healthcare (Zydus Cadila) ended up by 12 per cent to Rs. 349.85 on the NSE . The company today said that it has initiated an accelerated research programme with multiple teams in India and Europe developing a vaccine for the novel coronavirus, 2019-nCoV (COVID-19) based on two approaches.

Shares of Balrampur Chini Mills (BCML) were locked at the 5 per cent upper circuit for the nine straight day, at Rs. 126.40, on the NSE after the credit rating agency ICRA re-affirmed the credit ratings for both long-term and short-term. The outlook on the long term rating remained stable.

Shares of Deepak Nitrite climbed 7 per cent on intraday basis to Rs. 465 on Wednesday, thus surging 22 per cent in the past two trading days after the company commenced the production of 2 Ethyl Hexyl Nitrate (2EHN) at its Nandesari facility in Gujarat with effective Monday, April 6, 2020. 2EHN finds application and is one of the essential raw materials / additives used in refining process of diesel oil produced by various refineries. In view of requirement of 2EHN by petroleum refineries to ensure continued supply of diesel oil during lockdown due to COVID-19, the Company applied to the concerned authorities for granting permission to manufacture 2EHN. "Accordingly, Vadodara District Industries Commissionerate vide their letter dated March 31, 2020 granted permission to the Company to commence production of 2EHN at its manufacturing facility situated at 4-12, GIDC Chemical Complex, Nandesari, Dist. Vadodara, Gujarat (Nandesari facility)," Deepak Nitrite said in a regulatory filing. "In view of the above and in order to support uninterrupted supply of essential commodities across the Nation, the Company, after taking all precautionary measures for ensuring supply of raw materials and manpower; and safety of its workmen, commenced production of 2EHN at its Nandesari facility effective April 6, 2020," it added. The stock of commodity chemicals company hit an all-time high of Rs 543 on March 4, 2020. Despite a 14 per cent correction from record high level, it has outperformed the market by surging 21 per cent in the past three months, as compared to a 25 per cent fall in the S&P BSE Sensex during the same period. During the recent fall in stock price, the promoters had bought 64,500 equity shares or 0.03 per cent stake in the company via open market, the exchange data shows.



Ashok Leyland jumped 10 per cent to Rs. 43.80 apiece on the BSE while Maruti gained over 3 per cent to Rs. 4,697 even as the company informed that it had lowered production by 32.05 per cent in March.

Shares of State Bank of India (SBI) slipped 3.2 per cent on intraday basis and finally ended down by 1.85% to Rs. 183 on the National Stock Exchange (NSE) on Wednesday after the bank slashed its marginal cost-based lending rate (MCLR) by 35 basis points across all tenors. On Tuesday, SBI cut its marginal cost of funds-based lending rate (MCLR) for the 11th consecutive time in FY 2019-20, following rate cut announced by the Reserve Bank of India to tackle the economic fallout from the coronavirus pandemic. The one year MCLR will be 7.40 per cent per annum with effect from April 10, 2020. It has also cut savings rate by 0.25 per cent to 2.75 per cent on all deposits. The new rate will come into effect from April 15, 2020.

### **Global markets**

World stocks turned negative on Wednesday as the coronavirus death toll mounted and euro zone finance minister failed to agree a rescue package to help economies recover from the impact of the outbreak. The pan-European STOXX 600 index dipped 0.7 per cent. London's FTSE 100 fell 0.9 per cent, as the country's coronavirus death toll crossed 6,100. Germany's DAX shed 0.8 per cent after rallying more than 8 per cent in the past two days, as the number of confirmed cases rose for a second straight day.

Japanese shares were boosted by Prime Minister Shinzo Abe's ending market uncertainty by declaring an emergency, helping the Nikkei share average close 2.13 per cent higher.

E-Mini futures for the S&P 500 rose 0.5 per cent.

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