

Massive volatility witnessed after one of its kind technical glitch experienced today at NSE; Indian equities witness strong rally..

- 1) India's largest stock exchange, the National Stock Exchange (NSE), abruptly shut its cash and derivatives segment, following a glitch which froze stock prices, caused panic among investors. Trading was halted at 11:40 am and resumed only at 3:30 pm. The glitch, which came a day ahead of the monthly F&O expiry for the February series, caused massive volatility during the last hour of trade. "NSE has multiple telecom links with two service providers to ensure redundancy and we have received communication from both the telecom service providers that there are issues with their links due to which there is an impact on NSE system. We are working on restoring the systems as soon as possible," NSE said.
- 2) Post resumption of trade, both the Sensex and Nifty witnessed bouts of volatility as investors scurried to square off their positions, and execute morning trades.
- 3) The benchmark S&P BSE Sensex rallied to day's high during the fag-end of the session, soaring 1,130 points in the intra-day trade. The index ended 1,030 points, or 2 per cent, higher at 50,782 levels. HDFC Bank, Axis Bank, ICICI Bank, SBI, and HDFC, up in the range of 3 per cent and 5 per cent, were the top gainers among the 23 stocks that ended in the green.
- 4) On the contrary, Dr Reddy's Labs, TCS, Sun Pharma, Asian Paints and Power Grid declined between 0.5 per cent and 1.4 per cent and closed as top laggards on the index.
- 5) Weightage-wise, HDFC Bank, Reliance Industries, HDFC, ICICI Bank, and Axis Bank supported the index.
- 6) Overall, market breadth on the BSE remained tilted towards advances with over 1,850 stocks settling higher, compared with around 1,000 stocks that slipped today.
- 7) On the NSE, the Nifty50 closed above the 14,950-mark, up 272 points or 1.9 per cent at 14,982 levels. The index hit an intra-day high of 15,009.
- 8) In the broader markets, the S&P BSE SmallCap index settled 1 per cent higher on the back of gains in IIFL Securities, Manali Petrochemicals, Religare Broking, Dredging Corporation of India, and Nava Bharat Ventures, that gained in the range of 11 per cent and 20 per cent.
- 9) The S&P BSE MidCap index, on the other hand, ended 0.77 per cent higher.
- 10) Sectorally, the Nifty Bank and Private Bank indices closed 4 per cent higher each after Finance Minister Nirmala Sitharaman said that the government has lifted embargo on grant of government business to private banks. Federal Bank, Bandhan Bank, IDFC First Bank, and IndusInd Bank remained top performers on the Nifty Private Bank index.
- 11) That apart, the Nifty Financial Services, Realty, and Media indices closed between 1 per cent and 2.5 per cent higher. On the downside, the Nifty IT was the only index that ended in the red, down 0.11 per cent.

Index	Today's Close	Prev. close	Change	% change	Open	High	Low
Sensex	50,781.69	49,751.41	1,030.28	2.07	49,763.94	50,881.17	49,648.78
Nifty	14,982.00	14,707.80	274.20	1.86	14,729.15	15,008.80	14,723.05

Sectors and stocks

- 1) Shares of Hindustan Copper continued its rally in Wednesday's session and rose by 10 per cent to hit an eight-year high of Rs. 128 on the BSE amid heavy volumes. The stock of state-owned copper producer was trading at its highest level since February 2013. Hindustan Copper, a vertically integrated copper producer, is primarily engaged in the business of mining and processing of copper ore to produce refined copper metal. The government of India holds a 76.05 per cent stake in the company through the President of India. In the past one month, the market



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price of Hindustan Copper has rallied by 134 per cent after the company reported turnaround results with a consolidated net profit of Rs. 108.19 crore in the December quarter (Q3FY21). It had posted a net loss of Rs. 95.61 crore in Q3FY20. Revenue from operations jumped nearly 6-fold to Rs. 538.42 crore from Rs. 93.29 crore in the corresponding quarter of the previous fiscal. For the first nine months (April-December) of the financial year 2020-21 (9MFY21), Hindustan Copper posted a consolidated net profit of Rs. 147 crore against a net loss of Rs. 55 crore during the same period of last fiscal. In the entire previous financial year 2019-20 (FY20), the company had posted a consolidated net loss of Rs. 569 crore. The financial performance during FY20 was affected due to non-lifting of copper concentrate by the buyer owing to reasons attributable to the international market and one time write off of closing stock amounting to Rs. 257.10 crore. Growing demand from the power sector in view of the government laying thrust on renewable energy and increasing demand from the households for consumer durables increased demand for copper in India. The manufacturing of electric vehicles (EV) also augments well for the consumption of copper as EV use four times more copper than traditional internal combustion engines. Copper is essential to EV technology and its supporting infrastructure and the evolving market will have a substantial impact on copper demand, Hindustan Copper said. The per capita copper consumption in India is expected to increase from the current level of 0.5 Kg to 1 kg by 2025. The average per capita copper consumption in the world is 3.2 kg, the company said in its FY20 annual report.

- 2) Shares of Tata Consumer Products hit a record high, up 4 per cent, of Rs. 654 on the National Stock Exchange (NSE) in intra-day trade on Wednesday after the exchange said the Tata group company will be included in the Nifty50 index from March 31. The stock surpassed its previous high of Rs. 646 touched on February 17. The Tata group company engaged in the tea & coffee business will replace state-owned Gail India. Tata Consumer, formerly known as Tata Global Beverages, will join FMCG peers such as Hindustan Unilever, Nestle India and Britannia in the widely-tracked Nifty 50 index. The move is expected to result in passive inflows of \$89 million (Rs. 650 crore) in Tata Consumer. Gail, on the other hand, could see outflows of \$57 million (Rs. 410 crore). In the past one month, the stocks of Tata Consumer and Gail have outperformed the market by gaining 11 per cent, against a 2.3 per cent rise in the Nifty50 index.
- 3) Shares of Matrimony.com hit a record high of Rs. 1,160 after rallying by 19 per cent on the BSE in the intra-day trade on Wednesday. The stock has rallied by 43 per cent in the past two trading days. The stock of the leading consumer internet company in India surpassed its previous high of Rs. 1,025 touched on September 21, 2017, also its debut day on the bourses. It has zoomed by 362 per cent from its 52-week low of Rs. 251 touched in March 2020. Matrimony.com is a signature consumer internet conglomerate, managing marquee brands such as BharatMatrimony, CommunityMatrimony and EliteMatrimony. The company delivers matchmaking and marriage related services to users in India and the Indian diaspora.

Key recent major developments..

- 1) The government has an ambitious plan to monetise around 100 government-owned assets as part of the monetisation plan, said Prime Minister Narendra Modi when he spoke about various reforms undertaken in the Union Budget. "With this the government will be aiming to achieve Rs. 2.5 trillion investment, we are going ahead with the mantra of monetise and modernise," PM Modi said. Speaking at a webinar on privatisation by the Department of Investment and Public Asset Management (DIPAM), Modi said state-owned companies in four strategic sectors will be kept at bare minimum and that the government is committed to privatising PSUs in all sectors barring four strategic ones. Further, PM Modi urged for the feedback on the privatisation and monetisation initiative for swift implementation. Outlining the government focus going forward, PM Modi said that the government is working on Rs 111 trillion national infrastructure pipeline (NIP) fund. "The government has no business to be in business. When government monetises, that space is filled by private sector of the country. Private sector brings investment and best global practices with them," he said.
- 2) The Centre has lifted the embargo on grant of government business to private banks, enabling banks to participate in all developmental activities. "Private banks can now be equal partners in development of the Indian economy, furthering the government's social sector initiatives and enhancing customer convenience," Finance Minister Nirmala Sitharaman tweeted on Wednesday.
- 3) India will start the next stage of vaccinations for those above 60 years of age and those above 45 with comorbidities such as diabetes and heart ailments from March 1, the government announced in the cabinet briefing on Wednesday. The vaccine will be given for free in over 10,000 government hospitals and will come for a price which is yet to be decided in more than 20,000 private centres. "The health ministry in the next 3-4 days would announce the price at which private hospitals would be providing the vaccine," Prakash Javadekar, environment minister told reporters. The list of comorbidities which will be given priority in vaccination among those above 45 years of age will also be announced soon by the health ministry. India has given the first dose of covid antidote to 1.21 crores beneficiaries in the nation-wide vaccination till date. India became the fastest country in the world to reach the 6



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million Covid-19 vaccination mark. About 18-19 vaccine candidates against COVID-19 are in the pipeline and in different clinical trial stages, Health Minister Harsh Vardhan had said earlier. He added, "About 18-20 vaccine candidates against COVID-19 are in the pipeline and are in preclinical, clinical and advanced stages. He further said that India will be supplying vaccines to 20-25 other countries.

- 4) On Monday, the Monetary Policy committee (MPC) minutes were released. "Growth, although uneven, is recovering and gathering momentum, and the outlook has improved significantly with the rollout of the vaccine programme in the country. The growth momentum, however, needs to strengthen further for a sustained revival of the economy and for a quick return of the level of output to the pre-Covid trajectory," said RBI Governor Shri Shaktikanta Das. He added "The sharp correction in food inflation has improved the near-term headline inflation outlook, although core inflation pressures persist". High frequency indicators suggest that the economic recovery is normalising fast in both rural and urban areas. The agricultural sector has been resilient throughout the pandemic and its prospects appear bright in view of higher rabi sowing and comparatively better reservoir levels. Manufacturing activity is picking up. Although initial revival was propelled by pent-up demand, indications are that growth impulses are now being driven by pick-up in activity across manufacturing and services. Forward looking surveys conducted by the Reserve Bank signal greater optimism from manufacturing with the expectation of an expansion in production volumes and new orders in Q4:2020-21 and the following two quarters. The purchasing managers' index for manufacturing is in expansionary zone and was above its long-period average in January 2021. Trends in railway freight traffic, toll collection, goods and service tax collections, e-way bills and steel consumption suggest that services sector activity is also recovering. The purchasing managers' index for services is in the expansion territory. Services and infrastructure sector reported increase in turnover in Q3 and expected further improvement through Q2:2021-22 as reported by firms participating in the Reserve Bank's services and infrastructure survey.
- 5) Last week on Saturday, Prime Minister Narendra Modi made a strong case for repealing archaic laws and making it easier to do business in India, stating that the centre and states need to work closely to boost economic growth. Addressing the sixth Governing Council meeting of NITI Aayog, the Prime Minister said that the private sector should be given full opportunity to become a part of government's Aatmanirbhar Bharat programme. "Centre and states should work together for the nation's progress... The government has to respect and give due representation to the private sector for economic progress," Modi said. He said that the positive response to the Union Budget 2021-22 indicates that the country wants to move forward on the path of development at greater speed. Modi said that the initiatives taken by the government would provide opportunity to everyone to participate in nation building to its full potential. Referring to the farm sector, the Prime Minister said that efforts should be made to produce agriculture items like edible oil and reduce their imports. "This can be done by guiding farmers," he said, adding the money being spend on imports can go to the accounts of farmers," he said. The Prime Minister also underlined the need for reducing compliance burden and repealing obsolete laws. He asked the states to form committees to reduce regulations which are no longer relevant in the wake of technology growth. Modi said states should attract investment using production-linked incentive (PLI) scheme.
- 6) Finance minister Nirmala Sitharaman on last Saturday asked India Inc to exhibit their animal spirits to put Indian economy on a sustainable path of recovery, now that the Budget and the earlier government moves has given clarity on policies and tax rates. She also urged credit rating agencies to grade the economies in relative sense and not as silos. "I have been waiting to see greater investments from the private sector post-the corporate tax rate cuts. Now that the policy is clear, tax rates have been brought down, policy consistency has been underlined and ease of doing business is still going further, I would like now to see private investors and private industry in India coming forward with the so called animal spirit to show that it is possible to pull India up and keep it high as one of the fastest growing economies," she said in her address on the occasion of the foundation day of All India Management Association (AIMA).
- 7) The Reserve Bank of India (RBI) earlier came out with a slew of directions related to maintenance of liquidity coverage ratio, risk management, asset classification and loan-to-value ratio, among others, for HFCs. All non-deposit taking HFCs with an asset size of Rs. 10,000 crore and above, and all deposit taking HFCs irrespective of their asset size will have to achieve a minimum liquidity coverage ratio (LCR) of 50 per cent by December 1, 2021 and gradually to 100 per cent by December 1, 2025. No housing finance company shall grant housing loans to individuals up to Rs. 30 lakh with LTV ratio exceeding 90 per cent and above Rs. 30 lakh and up to Rs 75 lakh with LTV ratio exceeding 80 per cent. The central bank said these directions, which shall come into force with an immediate effect, are aimed at preventing the affairs of any HFCs from being conducted in a manner detrimental to the interest of investors and depositors.
- 8) Earlier, the Cabinet approved production-linked incentive (PLI) scheme worth Rs. 12,195 crore for telecom equipment manufacturing, Union minister Ravi Shankar Prasad said. He added that the government is positioning India as a global powerhouse for manufacturing, and has created a conducive environment for ease of doing business.

- 9) The Cabinet had approved the Comprehensive Economic Cooperation and Partnership Agreement (CECPA) between India and Mauritius to encourage and improve trade between the two countries. The Agreement is a limited agreement, which will cover trade in goods, rules of origin, trade in services, technical barriers to trade (TBT), sanitary and phytosanitary (SPS) measures, dispute settlement, movement of persons, telecom, financial services, customs procedures and cooperation in other areas. The CECPA will be the first trade agreement to be signed by India with a country in Africa, information and broadcasting minister Prakash Javdekar said.
- 10) The Government of India is planning to spend around Rs. 7.5 trillion to build oil and gas infrastructure over the next five years, said Prime Minister Narendra Modi. Strong emphasis has been laid on the expansion of city gas distribution networks by covering 470 districts, the PM said, adding that the government is aiming to increase the share of gas in the energy basket from 6.3 per cent currently to 15 per cent. He said the share of energy from renewable sources will be raised to 40 per cent by 2030.
- 11) The wholesale price index (WPI)-based inflation rate rose to 2.03 per cent in January from 1.22 per cent in the previous month as fuel and non-food manufactured products faced price pressures. Economists feel there is no further room for rate cuts by the monetary policy committee of the Reserve Bank of India in the current cycle. The WPI inflation rose because it consists of mainly manufactured items which have a weight 64.23 per cent. Besides, fuel and power have 13.15 per cent weight. Both these categories surged in inflation or decreased in the deflation rates. Core inflation rate (that on manufactured items sans processed food products) rose to a 27-month high 5.1 per cent in January.
- 12) The consumer price index (CPI)-based inflation rate, on the other hand, fell to a 16-month low of 4.06 per cent from 4.59 per cent over this period. While the directions of CPI and WPI inflation rates look divergent, a deeper analysis showed that items within each of them moved more or less in tandem.
- 13) The country's exports grew by 6.16 per cent to US\$27.45 billion in January, according to data by the commerce ministry. Imports too grew by 2 per cent to about US\$42 billion, leaving a trade deficit of US\$14.54 billion during the month under review, the data showed. Exports during April-January this fiscal dipped by 13.58 per cent to US\$228.25 billion, while imports declined by 25.92 per cent to US\$300.26 billion.
- 14) Indian tech industry continues to be a net hirer with significant focus on digital upskilling amidst COVID-19 crisis. The industry is expected to add over 138,000 net new hires in FY2020-21, taking total employee base to 4.47 million in FY2020-21. Digital talent pool is expected to cross 1.17 million, growing at 32 per cent over last year.
- 15) Investing in digital continues to rise as an imperative for the industry, with organisations building their capabilities and aligning business models to digital practices--up to 28-30 per cent of the industry revenues was recorded for digital.
- 16) Global rating agency Moody's on last Thursday said that India's economic recovery reduces the risk of a sharp deterioration in public sector banks' (PSBs) mildly improving asset quality. However, the capital shortfalls will remain despite a likely government equity infusion and this makes banks vulnerable to unexpected shocks and restricting credit growth.
- 17) According to the Federation of Automobile Dealers Association (FADA), the automobile registrations declined by 9.66 percent in January 2021 on YoY basis after showing a year-on-year (YoY) growth in December, 2020. Registration data compiled from the Centre's VAHAN portal reflect retail sales of automobiles. All categories except tractors were in the red, it said, adding that YoY, two-wheeler (2W), three-wheeler (3W), commercial vehicle (CV) and passenger vehicle (PV) registrations fell 8.78 per cent, 51.31 per cent, 25 per cent and 4.46 per cent, respectively. Tractors continued to see strong momentum with a YoY growth of 11.14 per cent, FADA said. The association added that non-availability of vehicles due to scarcity of semiconductors, fading pent-up demand and recent price hikes coupled with no festivities and auspicious days landed January registrations in the negative zone. While dealer inventory for PVs continued to fall and come in the range of 10-15 days, 2W inventory stayed put at 30-35 days, it said. PV retail sales in January were recorded at 2,81,666 units, as a semiconductor shortage impacted the segment, compared with 2,94,817 units in January 2020. Similarly, 2W sales declined to 11,63,322 units (12,75,308 units).
- 18) The Reserve Bank of India (RBI) earlier announced its plan to buy bonds worth Rs. 20,000 crore under Open Market Operations (OMO) to support the government's borrowing programme. "On a review of current liquidity and financial conditions, therefore, the Reserve Bank has decided to conduct purchase of government securities under OMO for an aggregate amount of Rs 20,000 crore on February 10, 2021," the central bank said in a press release.



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- 19) The RBI kept the repo rate unchanged at 4 per cent and maintained the policy stance as 'accommodative' in its bi-monthly monetary policy meeting. Besides, it projected the GDP growth of 10.5 per cent in FY22 for India while projection for CPI-based inflation was revised to 5.2 per cent for Q4FY21. RBI governor Shaktikanta Das also announced normalisation of CRR which, he said, would open up space for a variety of market operations to inject additional liquidity. Furthermore, absence of any concrete measures as expected by a set of bond traders weighed on the yields with 10-yr Gsec yields jumping 8bps from 6.07 per cent to 6.15 per cent. In another development, Das announced direct online participation by retail investors in Government securities in both primary and secondary market is a big initiative which will broaden the investor base.
- 20) Activity in India's services sector expanded for the fourth straight month in January as the Covid-19 vaccination roll-out drove business optimism, a private survey showed on Wednesday. The IHS India Services Business Activity Index rose to 52.8 in January from 52.3 in December, suggesting the pace of growth was moderate. The 50-point mark separates expansion from contraction. But it should be noted that the PMI is a month-over-month indicator, showing improvement over the previous month, and not over the previous year. "The Indian services sector enjoyed good levels of activity in January, with new business volumes rising for the fourth successive month and growth rates for both measures picking up from December," said Pollyanna De Lima, Economics Associate Director at IHS Markit. "The service sector looks set to sustain growth and confidence towards hiring may improve as COVID-19 concerns diminish," De Lima added.
- 21) In the Union Budget 2021-22, the FM announced capital expenditure of Rs. 5.54 trillion for FY22 (sharp increase of 34.5%) over last year's Rs. 4.39 trillion for FY21. Further, she announced the FY22 disinvestment target at Rs 1.75 trillion. Life Insurance Corporation of India (LIC) will go for an initial public offering (IPO) in FY22 as well. Further, allocation of Rs. 20,000 crore toward setting up a development financial institution (DFI) to have lending portfolio of Rs. 5 trillion over the next three year with the aim to mobilise funding required fulfilling National Infrastructure Plan (NIP).
- 22) FY21 fiscal deficit was pegged at 9.5 per cent of GDP. The optimism despite higher borrowing and a wider fiscal deficit, was on account of the positive measures to revive the Covid-19 hit economy. That said, while the fiscal deficit number and the gross borrowing estimates are a tad higher-than-expected, the money is being put to good use. The government plans to borrow around Rs. 12 trillion in FY22 and has pegged fiscal deficit at 6.8 per cent of the gross domestic product (GDP). Sitharaman said the government will be borrowing an additional Rs. 80,000 crore in this fiscal to meet its deficit for 2020-21, pegged at 9.5 per cent of the GDP. Therefore, the total gross borrowing this fiscal would be Rs. 14 trillion.
- 23) As per the budget proposals, the government plans to start the process of privatisation for two more public sector banks, other than IDBI Bank, and two insurance companies in fiscal 2021-22 which is a bold move. Remember, privatisation of banks has been promised long by successive governments but there has not been much of a progress. PSU stocks have rallied post the announcements as investors cheered the proposal. Privatisation of PSBs has not been taken by governments also because this is a politically sensitive decision.
- 24) Stressed Asset Resolution: Asset Reconstruction Company Limited and Asset Management Company to be set up. This entity, called as a 'bad bank', will give a big reprieve to NPA-ridden banks by absorbing the toxic assets and freeing them to pursue fresh lending. A bad bank will act as an aggregator of all stressed assets in the system. It is set up to buy the bad loans and other illiquid holdings of another financial institution. Once toxic assets are transferred to this entity, attempts for an early resolution by experts begins while originating banks can focus on their business. The bad bank idea has been supported by senior bankers and other financial sector experts citing that the idea will help for quicker bad asset resolution. The recovery through debt recovery tribunals and Insolvency and bankruptcy code (IBC) mechanism has been limited to only a few large cases. A bad bank could help in better bad loan resolution through an ARC model. In May 2020, when the IBA submitted its proposal to a government but the concept didn't take off at that point.
- 25) The extension of tax exemption schemes in Affordable Housing will have a strong positive effect on various sectors related to it.
- 26) The Government provided benefits to sectors which focus "Aatmanirbhar Bharat" or a self-reliant India in difficult times of COVID-19. The Budget would encourage industries to be 'vocal for local' for a future-ready India.
- 27) To make India future ready for any pandemic crisis in future, Healthcare sector got benefits with increased allocation and more specific allocation of Rs. 35,000 crores towards COVID-19 vaccination drive.
- 28) GST collections surged to an all-time high of about Rs. 1.20 lakh crore in January, 2021 as economic activities picked up after the withdrawal of stringent lockdown restrictions. Mop-up from the Goods and Services Tax (GST), which is



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levied when a consumable item is sold or a service such as travel booking rendered, in January was 8 per cent higher than such receipts in the same month of 2020. In a statement, the Finance Ministry said the January collections were the highest ever since the implementation of the nationwide tax in July 2017. The previous best was in December 2020 when Rs. 1,15,174 crore was collected. This is the fourth straight month of over Rs. 1 lakh crore tax collections, a sign of strong recovery.

- 29) India forecast robust economic growth of 11% for the fiscal year beginning on April 1 in its annual economic survey, on the back of the beginning of a nationwide coronavirus vaccination drive and a rebound in consumer demand. The Indian economy, which the International Monetary Fund singled out as a global bright spot only a few years ago, is set to contract 7.7% in this fiscal year, to March 31, the deepest contraction in four decades, the government said in the survey. But the government predicts the rollout of vaccines against COVID-19 will re-energise Asia's third-largest economy with 11% growth next year, putting it on track to post the strongest growth since India liberalised its economy in 1991. "With the economy's returning to normalcy brought closer by the initiation of a mega vaccination drive, hopes of a robust recovery in services sector, consumption, and investment have been rekindled," said the survey.

Global markets

- 1) European equities were up on Wednesday but world shares remained in the red after a weak Asian session, even after Fed Chair Jerome Powell pushed back against inflation fears.

Ajcon Global's view

- 1) Today, NSE witnessed a major technical glitch which caused sudden panic amongst investor community. Post, the resumption of trading again, PSU stocks witnessed strong upmove. However, there are concerns like increasing bond yields, higher commodity prices and rising COVID-19 cases in Maharashtra which led to new restrictions.
- 2) Before today's rise, Indian equities have been under a pressure since last week and on Monday. We believe intermediate corrections will happen and is part of a bull run. Bull run is created after one of its kind of Budget presented with significant outlay for investment led spending across infrastructure building like roads, power, railways, airports, ports, shipping, waterways etc. and with no changes in capital gains taxes or securities transaction tax (STT) or any form of Covid-19 pandemic-related tax which brought happiness at Dalal Street. Various PSUs have been re-rated as Privatisation agenda of the Government has made investors happy as its a bold move. Sentiments were upbeat post Budget as Government chose to revive growth which is the need of the hour owing to unprecedented crisis of COVID-19 and let fiscal prudence take a backseat (allowed fiscal deficit to remain high). Overall, the FM presented a reformist budget and good measures for the banking sector in 2021 especially with respect to the privatisation agenda. FPIs too cheered Budget announcements and have re-rated various sectors.
- 3) The Nifty valuations are trading around 37-40x which looks expensive but with recent budget proposals one will need to watch out the effect on corporate earnings in Q4FY21 and FY22. Q3FY21 earnings season has been robust for majority of the players till date and re-rating has already happened in infrastructure, Banks, NBFCs, auto and overall PSUs sector. Q3FY21 earnings season has been good after strong results by Companies like TCS, Hindustan Unilever, Maruti, Tata Motors, Colgate, SBI, Central Bank, Bank of India, Union Bank of India, HDFC Bank, ICICI Bank, Shriram Transport Finance, IIFL Finance, Ajanta Pharma, Avenue Supermarts (Dmart), Tata Elxsi, Bajaj Auto, Ceat, JK Tyre, Bajaj Auto, Bajaj Electricals, Polycab, NMDC, BEML, Amber Enterprises, Route Mobile, J.B. Chemicals and Pharmaceuticals, Balaji Amines, Neuland Laboratories, Greenply Industries, Voltas, Happiest Mind Technolo and many more.
- 4) With Union Budget 2021-22 presented, RBI's Monetary Policy keeping rates unchanged, stellar show by majority of the Companies in Q3FY21 earnings season; all eyes would be now FPI liquidity after stellar run and especially COVID-19 cases number after sudden spike in Maharashtra. The Budget proposals are long term in nature. The implementation of all these budget provisions may take some time and hence it is wise to take some profits from the table. We have been earlier advising to book partial profits which investors have been doing since last week and selling continued till Monday on fresh concerns. The market will now give stock specific opportunities based on recent budget proposals and Q3FY21 earnings performance especially in midcaps and smallcaps space.
- 5) We expect strong rally in PSU space going forward after Prime Minister Narendra Modi announcements today while speaking at webinar on privatisation by the Department of Investment and Public Asset Management (DIPAM) regarding monetisation of around 100 government-owned assets as part of the monetisation plan. Investors would look out for PSU names which were not in the limelight during the stellar rally.



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