

Key Benchmark indices across the globe

#

Index	Sep. 04, 2023	Sep. 01, 2023	Change	% change	Open	High	Low
Nifty	19,528.80	19,435.30	93.50	0.48	19,525.05	19,545.15	19,432.85
Sensex	65,628.14	65,387.16	240.98	0.37	65,525.91	65,683.91	65,285.56
Shanghai Composite	3,177.06	3,133.25	43.81	1.38	3,145.94	3,177.06	3,143.88
Hang Seng	18,844.16	18,382.06	462.10	2.45	18,592.53	18,899.49	18,575.45
Kospi	2,584.55	2,563.71	20.84	0.81	2,566.93	2,584.55	2,560.32
Dow Jones	34,772.62#	34,837.71	65.09	0.19	34,863.48	34,865.48	34,734.68
Nasdaq	14,031.82#	14,034.97	3.15	0.02	14,129.96	14,149.62	13,982.42
FTSE	7,452.76#	7,464.54	11.78	0.16	7,464.54	7,523.40	7,448.31
CAC	7,279.51#	7,296.77	17.26	0.24	7,332.20	7,358.89	7,267.25
DAX	15,824.85#	15,840.34	15.49	0.10	15,904.63	15,958.74	15,795.97

#denotes levels of Sep. 04, 2023 at the time of writing this report

Key macroeconomic indicators

Index	Sep. 04, 2023	Sep. 01, 2023
Brent Crude Oil (\$ per barrel)	89.20#	88.55
Gold (\$ per ounce)	1,938.28#	1,938.80
Indian Rupee against US\$	82.74	82.72
India 10 year bond yield (%)	7.20	7.18
US 10 year G-sec (%)	4.18#	4.09

#denotes levels of Sep. 04, 2023 at the time of writing this report

FII & DII activity

Index	Sep .04, 2023	Sep. 01, 2023
FII activity (Rs. In Crore)	3,367.67	487.94
DII activity (Rs. in Crore)	2,563.48	2,294.93

Indian equities witness buoyancy; PSU stocks witness significant rally..

- 1) On Monday, the Indian benchmark indices ended in green. The Nifty opened on a positive note and touched an intraday high of 19,545.15. Finally, the Nifty ended the day up by 93.50 points or 0.48 percent to end at levels of 19,528.80. On the other hand, the Sensex ended the day, up by 240.98 points or 0.37 percent to end the day at levels of 65,268.14
- 2) Among the Nifty 50 stocks, the major gainers were Coal India, Wipro, Ultratech Cement, HCL Technologies, Jio Financial Services up in the range of 3.88 percent to 4.64 percent. On the other hand, the major losers were Mahindra & Mahindra, Nestle India ITC, Axis Bank, Bajaj Finance down in the range of 0.58 percent to 1 percent.
- 3) The broader markets too were upbeat on Monday. The Nifty Midcap 100 index was up by 0.98 percent and the Nifty Smallcap 100 index was up by 1.33 percent.
- 4) In terms of the sectoral indices performance, the major gainers were Nifty PSU Bank index up by 2.43 percent, Nifty Metal index up by 2.28 percent, Nifty IT index up by 2.06 percent. On the other hand, the major losers were Nifty Consumer Durables index down by 0.22 percent, Nifty FMCG index down by 0.13 percent.
- 5) On Monday, FIIs net sold equities worth Rs. 3,367.67 Crore. On the other hand, DIIs net bought equities worth Rs. 2,563.48 Crore. In the month of August 2023, FIIs have net sold equities worth Rs. 20,620.65 Crore. On the other hand, DIIs have net bought equities worth Rs. 25,016.95 Crore.

Sectors & Stocks

- 1) Shares of GMR Power and Urban Infra Limited ended up by 19.86 percent to Rs. 34.10 at the NSE on Monday. GMR Smart Electricity Distribution Private Limited (GSEDPL), a stepdown subsidiary of GMR Power and Urban Infra Limited, has received the Letter of Award ('LOA') from Purvanchal Vidyut Vitran Nigam Limited to implement smart metering project in the Purvanchal (Varanasi, Azamgarh zone and Prayagraj, Mirzapur zone) area of Uttar Pradesh. GSEDPL will install, integrate and maintain 50.17 lakh smart meters in the given area.

The Company's press release said "We expect similar LOA from Dakshinanchal Vidyut Vitran Nigam Limited to implement smart metering project in the Dakshinanchal (Agra and Aligarh zone) area of 25.52 lakh smart meters, shortly. The implementation tenure is expected to be 27 months from the date of execution of the contract and an operating period of 93 months. The total contract value (inclusive of GST) for Prayagraj & Mirzapur Zone is about INR 2386.72 Crs and for Varanasi & Azamgarh Zone is about INR 2736.65 Crs. The LOA has been issued in conclusion to the e-tender floated by UP Discoms for different areas of Uttar Pradesh. GSEDPL participated in the e-tender and emerged as a winner. The project will be spanned over a period of 10 years. This Advanced Metering Infrastructure (AMI) Project shall include Supply, Installation, Integration, Commissioning and Operation & Maintenance of smart meters on DBFOOT basis backed by state-of-the-art technology and software solutions for end-to-end automated system management. The project will be executed under Revamped Distribution Sector Scheme (RDSS) and is expected to reduce the AT&C losses in the designated area and improve operational and collection efficiency of UP Discoms."

- 2) Shares of Rail Vikas Nigam Limited (RVNL) ended up by 11.53 percent to Rs. 154.25 at the NSE after hitting an intraday high of Rs. 163.45 at the NSE on Monday. According to the Company's press release, " M/s RVNL-MPCC JV emerges as the Lowest Bidder (L1) for "All civil engineering works (Earthwork, Blanketing, Retaining Wall /Boundary Wall/ Side Drain, Major Bridges, Minor Bridges and LHS/RUB, LCs, Construction of Station Buildings, Platform, Subways cover over Platforms, Staff Quarters, Passenger Amenities, Circulating Area, approach roads, Offices, Service Buildings, watering, Sanitation, protection works etc. and Supply of 50 mm Machine Crushed Stone Ballast, Complete track works including linking of Track works in connection with Gauge Conversion work between Petlad - Bhadrans (22.50Kms) of Vadodara Division of Western Railway." The RVNL Share is 74% and MPCC Share is 26%. The project cost is 174.27 Crore.
- 3) Shares of Nazara Technologies Limited ended up by 10.20 percent to Rs. 837 at the NSE on Monday. Nazara Technologies Limited ("Company" or "Nazara") an India based, diversified gaming and sports media platform today announced that its board has approved preferential allotment of equity shares to raise up to Rs. 100 crores, subject to the receipt of approval of the shareholders of the Company and such regulatory / statutory authorities as may be applicable. The Company is proposing to issue 14,00,560 equity shares of face value of Rs. 4/- each at a price of Rs. 714/- per equity share aggregating to INR 999,999,840/- ("Issue") proportionately to M/s Kamath Associates & M/s NKSquared. As per the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements), Regulations, 2018, these equity shares will be locked in for a period of 6 months from the date of issue. This infusion of fresh funds will be utilized to invest in funding requirements and growth objectives of the Company including for making strategic acquisitions and investments in various companies / body corporates / entities, meeting growth and funding requirements based on the business opportunities across the subsidiaries / associates / joint venture of the Company, as applicable, through investment in subsidiaries / associates / joint venture of the Company.

Nitish Mittersain, CEO of Nazara Technologies, remarked "Nikhil Kamath symbolizes success in India's tech arena, and this fund raise holds immense value for us at Nazara as we continue to build a diversified gaming platform in India. Beyond the funds raised, his investment stands as a resounding vote of confidence in Nazara."

- 4) Shares of Shipping Corporation of India Limited ended up by 9.92 percent to Rs. 142.35 at the NSE on Monday. The Company has been identified for strategic disinvestment by the Government of India. Transaction Advisors, Asset Valuers and Legal Advisors have been appointed by the Department of Investment and Public Asset Management (DIPAM) of Ministry of Finance. DIPAM had floated a Preliminary Information Memorandum (PIM) for inviting Expression of Interest on 22nd December 2020. Shipping Corporation of India Land and Assets Ltd (SCILAL) was incorporated in Nov 2021 for hiving off the Non-Core Assets of the Company as a part of the Demerger under SCI's strategic Disinvestment process. Further, Ministry of Corporate Affairs (MCA) has vide order dated 22.02.2023 approved the Scheme of Arrangement for Demerger between Shipping Corporation of India Limited and Shipping Corporation of India Land and Assets Limited (SCILAL). The Scheme of Demerger is effective from 14th March 2023. Pursuant to allotment of shares to the Shareholders of SCI in the ratio of 1:1, currently SCILAL is progressing towards obtaining the SEBI approval for Listing of shares on National Stock Exchange Limited (NSE) and Bombay Stock Exchange Limited (BSE).

- 5) Shares of NMDC Limited ended up by 5.59 percent to Rs. 137.80 after hitting an intraday high of Rs. 140.25 at the NSE on Monday after the Company reported encouraging Production & Sales of Iron Ore (Provisional) numbers for and up to the month of August 2023.

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

- 1) Indian equities continued its buoyancy on Monday. The rally was led by PSUs, Metal and IT stocks. Sentiments have turned positive led by good GDP data and Manufacturing PMI data, positive demand outlook led by upcoming festive season despite deficit rainfall in August 2023. We expect markets to remain stock specific in the near term. However, deficit rainfall and rising crude oil prices can play a spoilsport. We believe deficit rainfall in August can affect agriculture output which will result in subdued farmers' income. According to India Meteorological Department (IMD), even if the rainfall in September was to remain on the higher side, the June-September seasonal rainfall average is expected to be below normal for the season. This may result in some impact on sectors like Auto, Banking etc. Earlier, Chief Economic Advisor V Anantha Nageswaran was of the view that the economy is expected to grow at 6.5 per cent in the current fiscal notwithstanding deficient monsoon rains. He further added that there is no real cause for concern that inflation would spike out of control as both the government and the Reserve Bank are taking adequate steps to maintain supply and keep prices under check. The CEA said food inflation is likely to subside with the arrival of fresh stock and government measures. However, the impact of deficient rains in August is to be watched.
- 2) Domestically, we suggest investors to remain stock specific and be wary of valuations of companies getting out of comfort zone especially in smallcaps. At the moment, companies in the sectors like Auto, Auto ancillaries, 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. Results announced by PSU Banks, NBFCs announced indicated good times for Banking and Financial Services sector. Private Banks too had reported good Q1FY24 performance.
- 3) Street participants will continue to watch global bond yields as it will dictate treasury performance of Banks, rupee movement against the US Dollar, crude oil price movement, economic activity in China.



Disclaimer

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

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

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

Individuals employed as research analyst by Ajcon Global Services Limited or their associates are not allowed to deal or trade in securities that the research analyst recommends within thirty days before and within five days after the publication of a research report as prescribed under SEBI Research Analyst Regulations, 2014.

Subject to the restrictions mentioned in above paragraph, 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 Limited is a fully integrated stock broking, investment banking, merchant banking, corporate advisory, commodity and currency broking Company. It may therefore have commercial relationship for the above said services with the Company covered in this Report. Ajcon Global Services Limited 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 Limited encourages independence in research report preparation and strives to minimize conflict in preparation of research report. Ajcon Global Services Limited 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 Limited nor Research Analysts have any material conflict of interest at the time of publication of this report.

Ajcon Global Services Limited 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 Limited 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 Limited. While we would endeavour to update the information herein on a reasonable basis, Ajcon Global Services Limited 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 Limited 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 Limited 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 Limited 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 Limited 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.



AJCONGLOBAL

YOUR FRIENDLY FINANCIAL ADVISORS

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 Limited 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 Limited 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 Limited 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, research@ajcon.net, akash@ajcon.net

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