

NEWSLETTER

03rd June 2023

BGSE FINANCAILS LTD

OVERVIEW

Sensex, Nifty end higher this week; Broader markets outshine!

- Benchmark indices ended with marginal gains in the highly volatile session on June 2 even as Asian peers logged strong gains after the US Senate voted in favour of the proposed debt ceiling budget cuts package. Hang Seng in particular soared over 4 per cent. Meanwhile, Indian rupee ended higher by 11 paise at 82.30 per dollar against previous close of 82.41.
- The 30-share benchmark index ended at 62547.11 up by 118.57 points or by 0.19 % and then NSE Nifty was at 18534.1 up by 46.35 points or by 0.25 %. Sensex touched intraday high of 62719.84 and intraday low of 62379.86 The NSE Nifty touched intraday high of 18573.7 and intraday low of 18478.4 The top gainers of the BSE Sensex pack were Tata Steel Ltd. (Rs. 108.00,+1.93%), Maruti Suzuki India Ltd. (Rs. 9488.80,+1.73%), Mahindra & Mahindra Ltd. (Rs. 1341.40,+1.71%), Sun Pharmaceutical Industries Ltd. (Rs. 999.35,+1.20%), Larsen & Toubro Ltd. (Rs. 2235.25,+1.19%), among others.
- The top losers of the BSE Sensex pack were Infosys Ltd. (Rs. 1298.65,-1.58%), Wipro Ltd. (Rs. 404.80,-0.60%), Tata Consultancy Services Ltd. (Rs. 3308.00,-0.46%), HCL Technologies Ltd. (Rs. 1136.90,-0.38%), Reliance Industries Ltd. (Rs. 2454.95,-0.29%), among others. Metal index was at 19721.31 up by 332.48 points or by 1.71%. Hindalco Industries Ltd. (Rs. 420.75,+3.53%), Jindal Steel & Power Ltd. (Rs. 525.05,+3.02%), Tata Steel Ltd. (Rs. 108.00,+1.93%), JSW Steel Ltd. (Rs. 706.15,+1.82%), Steel Authority of India (SAIL) Ltd. (Rs. 83.64,+1.69%), Oil&Gas index was at 17824.38 down by -126.6 points or by -0.71%. Adani Total Gas Ltd. (Rs. 674.60,-2.78%), Gujarat Gas Ltd. (Rs. 475.15,-2.73%), Indraprastha Gas Ltd. (Rs. 459.10,-2.66%), Bharat Petroleum Corporation Ltd. (Rs. 360.10,-1.18%), GAIL (India) Ltd. (Rs. 104.55,-0.81%),.
- The Market breadth, indicating the overall strength of the market, was weak. On BSE out of total shares traded 3945 , shares advanced were 2319 while 1466 shares declined and 160 were unchanged..

RECOMMENDATIONS

03-06-2023	Fundamentals											Technical	
Sl No	Scrip Name	Sector	CMP	Market Cap(In Cr)	Price/Bookvalue	P/E	6 Month Return	Buy	Target	Stop-Loss	RSI	50 DAy EMA	
1	Adani Power	Power	255.65	98602.64	2.47	10.40	-14.66%	245-260	280-300	205	55.24	247	
2	Larsen & Toubro Ltd	Construction & Engineering	2235.25	314082.26	3.01	36.26	7.21%	2210-2240	2250-2310	2165	50	2240	
3	HEG Ltd	Electrodes - Graphite	1303.4	5030.54	0.83	9.45	-14.59%	1275-1350	1415-1500	1225	67	1060	
4	BEML	Engineering - Heavy	1496.75	6233.14	2.17	39.48	1.94%	1450-1525	1600-1665	1400	59	1452	

GROWTH STOCKS LIKELY TO PERFORM**Fundamental Valuation**

- Price to Book Value-The price-to-book (P/B)-** Price to book value ratio measures whether or not a company's stock price is undervalued. The higher the ratio, the higher the premium the market is willing to pay for the company above its hard assets. A company either is undervalued or in a declining business if the value of 1 or less.
- Price to earnings-** Price to Earnings Ratio or Price to Earnings Multiple is the ratio of share price of a stock to its earnings per share (EPS). PE ratio is one of the most popular valuation metrics of stocks. It provides indication whether a stock at its current market price is expensive or cheap.
- Market Capitalization-**Market capitalization refers to how much a company is worth as determined by the stock market. It is defined as the total market value of all outstanding shares.

Technical Analysis

- Moving Average** -The moving average can be used to identify buying and selling opportunities with its own merit. When the stock price trades above its average price, it means the traders are willing to buy the stock at a price higher than its average price. This means the traders are optimistic about the stock price going higher. Therefore, one should look at buying opportunities.

In the above case all the stocks are trading below the Exponential Moving averages, meaning its trading at a Discount to its past 50day trading prices, it's a good time to enter and capitalize on such growth stocks.

- Relative strength Index**-The RSI provides technical traders with signals about bullish and bearish price momentum, and it is often plotted beneath the graph of an asset's price. An asset is usually considered overbought when the RSI is above 70 and oversold when it is below 30. The RSI line crossing below the overbought line or above oversold line is often seen by traders as a signal to buy or sell. The RSI works best in trading ranges rather than trending market.

ECONOMY NEWS

GST revenue collections rise 12% on yearly basis in May

The Goods and Services Tax (GST) revenue collection in May 2023 was Rs 157,090 crore, which is 12% higher than the GST revenue collection in May 2022. The revenue from import of goods was 12% higher in May 2023, while the revenue from domestic transactions (including import of services) was 11% higher than in May 2022. Of the total GST collection in May 2023, Rs 28,411 crore was Central GST (CGST), Rs 35,828 crore was State GST (SGST), Rs 81,363 crore was Integrated GST (IGST), and Rs 11,489 crore was cess. The highest ever GST collection was in April 2023, at Rs 187,035 crore. This was Rs 19,495 crore more than the next highest collection of Rs 167,540 crore in April 2022. The increase in GST revenue collection in May 2023 is a positive sign for the Indian economy. It indicates that economic activity is picking up and that businesses are generating more revenue. This is likely due to a number of factors, including the government's economic reforms, the improvement in the global economy, and the festive season in India...

India's manufacturing sector expands at fastest pace in 31 months

India's manufacturing sector expanded at its fastest pace in 31 months in May, as new orders and output grew at a faster pace, a private survey showed on Friday. The S&P Global India Manufacturing Purchasing Managers' Index (PMI) rose to 58.7 in May from 57.2 in April, marking the highest reading since March 2021. A reading above 50 indicates expansion, while a reading below 50 indicates contraction. The growth was driven by strong demand from both domestic and export markets. New orders rose at their fastest pace in 13 months, while output expanded at its fastest pace in four months. The survey also showed that input costs continued to rise in May, but at a slower pace than in April. This was due to a decline in the prices of crude oil and other raw materials. The strong performance of the manufacturing sector is a positive sign for the Indian economy.

The sector accounts for about 15% of India's gross domestic product. The government has set a target of 7.5% growth for the current financial year. The strong performance of the manufacturing sector is likely to help the government achieve its growth target. Some of the factors that contributed to the growth of the manufacturing sector in May included strong demand from both domestic and export markets, decline in the prices of crude oil and other raw materials and Government policies that have boosted investment and growth. The government is taking steps to further boost the manufacturing sector, such as simplifying the regulatory environment and providing incentives to businesses. These measures are expected to help the sector grow at a faster pace in the coming months.

India's GDP growth at 6.1% in Q4, FY23, beats expectations

India's economy grew at a rate of 6.1% in the fourth quarter of 2022-23, beating expectations and helping to push the full-year growth rate to 7.2%. This makes India the fastest-growing major economy in the world. The growth was driven by strong performance in the agriculture, manufacturing, and services sectors. Agriculture grew by 5.5%, manufacturing by 4.5%, and services by 8.4%. The growth comes despite headwinds from the global economic slowdown and the war in Ukraine. However, high-frequency indicators suggest that the economy is still growing at a healthy pace. For the current financial year, the government has forecast growth of 6.5%. However, some economists believe that the economy could grow even faster, given the strong momentum in the first quarter. The strong growth is a positive sign for India, and it could help to boost job creation and incomes. It also gives the government more room to maneuver on fiscal and monetary policy. However, there are some risks to the outlook, including the global economic slowdown, the war in Ukraine, and the monsoon. If these risks materialize, they could weigh on growth in the coming months..

Number of frauds surge in FY23, amount halved, says RBI

According to Reserve Bank data released on Tuesday, the amount involved in banking fraud practically halved to Rs 30,252 crore, but the number of incidents increased to 13,530 in 2022–23 year over year. The Reserve Bank's Annual Report 2022–23 stated that, in terms of quantity, frauds predominated in the digital payment (card/internet) category. However, in terms of value, frauds have been reported primarily in the loan portfolio (advances category). A total of 9,097 frauds had taken place in 2021-22 involving Rs 59,819 crore. In 2020-21, the number of frauds was 7,338 and amount involved was Rs 1,32,389 crore. "An assessment of bank group-wise fraud cases over the last three years indicates that while private sector banks reported maximum number of frauds, public sector banks continued to contribute maximum to the fraud amount during 2022-23," the report said. Data are in respect of frauds of Rs 1 lakh and above reported during the three years. The report said there was a 55 per cent decline in the amount involved in the total frauds reported during 2021-22 over 2020-21.

India's growth momentum likely to be sustained in 2023-24, says RBI

According to the Reserve Bank's annual report, which was released on Tuesday, India's growth momentum is projected to be sustained in 2023–24 in an environment of lowering inflationary pressures due to prudent macroeconomic policies and lower commodity prices. However, it also stated that sluggish global development, ongoing geopolitical unrest, and a potential increase in financial market volatility as a result of fresh stress events in the world financial system could be threats to growth. "On the back of sound macroeconomic policies, softer commodity prices, a robust financial sector, a healthy corporate sector, continued fiscal policy thrust on quality of government expenditure, and new growth opportunities stemming from global realignment of supply chains, India's growth momentum is likely to be sustained in 2023-24 in an atmosphere of easing inflationary pressures," it said. The RBI's Annual Report for 2022-23, a statutory report of its Central Board of Directors, further said its monetary policy remains focused on withdrawal of accommodation to ensure that inflation progressively aligns with the target, while supporting growth.

MARKET PERFORMANCE

52 WEEKS HIGH AND LOWS

Ticker Name	LTP(Rs.)	52-Week High(Rs.)	52-Week Low(Rs.)
3M INDIA	26249.55	26500	19418.6
AB CAPITAL	172.45	176.55	85.7
ACE	496.35	505	198.95
ANANTRAJINDS	155.85	156.95	42.65
APOLLO HSPT	4967.3	5000.9	3528.2
ARROW WEB	242.15	248.15	162.1
AVENTIS PHAR	7000.6	7030	5240
BAJAJ AUTO	4666.7	4707.25	3462.05
BHANSALIENGG	158.55	159.5	87.15
BHARAT DYNAM	1121.55	1127	648.4

TOP GAINERS

Comapny Name	LTP	Prev. Close	Change(Rs.)	Change (%)	High	Low	52 Week High/Low	TTQ	TTV (in Lakhs)
GRAPHITE INDIA	376.7	335.55	41.15	12.26	380	336.2	467/252	539660	2032.9
BEST AGROLIFE	1023.95	920.25	103.7	11.27	1035	918.05	1774/791	46729	478.48
LLOYDS STEELS I	25.63	23.29	2.34	10.05	26.29	23.36	45164	4342670	1113.03
HEG LTD.	1303.2	1188.05	115.15	9.69	1315	1191	1378/891	105356	1373
GLOBUS SPIRITS	1105.55	1012.55	93	9.18	1115	1010.2	1115/700	79543	879.39
TIME TECHNOPLAS	105.63	97.48	8.15	8.36	108.11	97.81	126/70	1406164	1485.33
PARAS DEFENCE	538.75	500.05	38.7	7.74	544.95	521.1	811/447	175157	943.66
TV18 BROADCAST	39.59	36.75	2.84	7.73	40.05	36.51	47/27	3407886	1349.18
JK LAKSHMI CEME	720.9	669.2	51.7	7.73	727.15	672.15	897/382	69152	498.52
FSN E-COMMERCE	135.6	126.15	9.45	7.49	136.75	125.7	250/114	2479343	3361.99

TOP LOSERS

Comapny Name	LTP	Prev. Close	Change(Rs.)	Change (%)	High	Low	52 Week High/Low	TTQ	TTV (in Lakhs)
EDELWEISS FIN.	41	66.59	-25.59	-38.43	41.37	37.43	77/37	2631985	1079.11
VRL LOGISTICS L	695.2	743.7	-48.5	-6.52	743.15	691	762/483	27132	188.62
DILIP BUILDCON	211.8	222.75	-10.95	-4.92	228.5	208.3	261/160	297014	629.08
OPTIEMUS INFRAC	226.1	234.1	-8	-3.42	235.7	225	376/160	16084	36.37
NIIT LTD.	390.2	403	-12.8	-3.18	407.95	390.05	489/271	24458	95.44
VALIANT ORGANIC	602.1	619.95	-17.85	-2.88	628	597	869/366	6143	36.99
MAHANAGAR GAS	1038	1068.2	-30.2	-2.83	1076.05	1030	1105/666	20011	207.71
ADANI TOTAL GAS	674.6	693.9	-19.3	-2.78	702.75	668	3998/633	221789	1496.19
GUJARAT GAS	475.15	488.5	-13.35	-2.73	491.95	473.25	578/404	297157	1411.94
ADANI TRANSMISS	794.4	816.4	-22	-2.69	837.55	791.3	4239/630	347027	2756.78

SUPER STOCK MOVERS

CompanyName	May-30	Jun-01	May-31	May-30	May-29
3M INDIA	26249.55	26238.45	25173.45	24912.2	24129.65
AFFLE INDIA	962.5	960.75	958.45	944.8	942.55
ASTRAMICROWA	353.05	344.45	342.45	339.5	339.2
BALLARPRINDS	0.84	0.8	0.77	0.74	0.71
BANK OF MAHA	31.54	31.34	30.4	29.46	29.18
BAYER CROP	4302.75	4299.9	4231.45	4160.25	4111.6
BEML	1498.65	1495.25	1438.05	1433.95	1425.15
BIRLACORP	1160.45	1145.8	1121.05	1091.75	1022.9
BOSCH	18749.9	18616.25	18563.6	18542.8	18300.7
CAPLIN POINT	761.35	756.6	746.8	743.4	735.85

TOP QUANTITY TRADED

Comapny Name	LTP	Prev. Close	Change(Rs.)	Change (%)	High	Low	TTQ	TTV (in Lakhs)
SUZLON ENERGY L	10.99	11.15	-0.16	-1.43	11.39	10.86	67666335	7436.53
YES BANK LTD.	16.41	16.3	0.11	0.67	16.5	16.31	19079675	3130.97
JAIPRAKASH POWE	6.01	6.05	-0.04	-0.66	6.09	5.97	11347956	682.01
RELIANCE POWER	13.13	12.96	0.17	1.31	13.3	12.95	10987097	1442.61
SOUTH INDIAN BA	19.07	18.9	0.17	0.9	19.6	18.75	10015690	1909.99
VODAFONE IDEA L	7.16	7.17	-0.01	-0.14	7.23	7.13	9322616	667.5
HIND.CONSTRUCTI	18.67	18.32	0.35	1.91	19.08	18.35	8661242	1617.05
ZOMATO	71.19	67.92	3.27	4.81	73.2	69.4	6556794	4667.78
GTL INFRASTRUCT	0.8	0.8	0	0	0.81	0.79	4594068	36.75
LLOYDS STEELS I	25.63	23.29	2.34	10.05	26.29	23.36	4342670	1113.03

TOP VALUE TRADED

Comapny Name	LTP	Prev. Close	Change(Rs.)	Change (%)	High	Low	52 Week High/Low	TTQ	TTV (in Lakhs)
SUZLON ENERGY L	10.99	11.15	-0.16	-1.43	11.39	10.86	45089	67666335	7436.53
ADANI ENTERPRIS	2444.95	2492.25	-47.3	-1.9	2535	2425.8	4190/1017	297089	7263.68
CHOLAMANDALAM F	812.95	814.85	-1.9	-0.23	834.9	804	860/513	867342	7051.06
BHARTI AIRTEL	836.2	828.05	8.15	0.98	838.9	827.3	888/629	614899	5141.79
TATA MOTORS LTD	535.75	535.25	0.5	0.09	541.1	532.8	541/376	952306	5101.98
ZOMATO	71.19	67.92	3.27	4.81	73.2	69.4	76/41	6556794	4667.78
KPIT TECHNOLOGI	1115.4	1101.65	13.75	1.25	1152.8	1103.45	1153/452	361013	4026.74
MANAPPURAM FINA	112.5	113	-0.5	-0.44	115.15	112	134/82	3332190	3748.71
FSN E-COMMERCE	135.6	126.15	9.45	7.49	136.75	125.7	250/114	2479343	3361.99
ADANI PORTS & S	736.4	732.3	4.1	0.56	743.95	734.2	988/395	432409	3184.26

WHAT TO EXPECT GOING FORWARD?

Nifty Daily chart



The market after making new highs is struggling for momentum currently. The Inde has formed a small bodied Bearish candle indicating a pause to the momentum but the long-term view still remains positive. The Index holds a support of 18440 and resistance from 18650-18750 levels. Good news is the Volatility has taken a back seat which is good for us Retail traders. Options data and Open interest data Indicates a trading range between 18200 to 18800.FPIs as usual after buying spree are holding a lot of short positions currently, so the upside might look capped for the coming week with the levels mentioned. Expect Rangebound trading for the following week.

Asian shares and US shares rise on as debt default is averted, US stocks closed higher on Friday after a labor market report showing moderating wage growth in May indicated the Federal Reserve may skip a rate hike in two weeks, while investors welcomed a Washington deal that avoided a catastrophic debt default.

Nifty Levels

Resistance-**18250/18450**

Support-**18650/18750**

WHAT TO EXPECT FORWARD IN 2023?

In 2023 Both Nifty and Sensex might face a tough growth aspect because of Geopolitical issues active, Crude oil demand & supply, more interest rate Hikes possible if inflation is not curbed, Upcoming Elections impacting the market movement, Budget Dictating sector specific movement and decline, Mergers, Acquisitions & takeovers, earning season and Lot of market Events which will impact the market sentiments starting from.

1. From start of 2023, all stocks will have T+1 settlement. (Already Implemented)
2. Existing Mutual Funds investors will have to file for nomination on or before March 31, 2023, or else their units could be frozen.
3. Auto companies will hike prices in January.(Price rise has been done for most of the Auto companies)
4. For FX exposures banks need to do a provisioning of 20 to 80 bps from January.
5. Auto Expo to be held in January in Greater Noida.(Event completed)
6. From January, rating agencies will have to scrutinize the company themselves before giving Credit Enhancement (CE) rating. Earlier, they could have outsourced the facility.
7. From January, Delhi NCR will ban the use of coal due to increasing air pollution issues.
8. The HDFC-HDFC Bank merger is expected to be completed by the Q2 or Q3 of FY24. PVR-Inox merger to be finalized in 2023.
9. From April 1, 2023, Bharat NCAP - which is used to measure safety of vehicles - will be applicable.
10. From April 1, 2023 all Centre and state government vehicles which have completed 15 years or more will be scrapped.
11. From October 1, 2023, six airbags will be compulsory in all passenger vehicles.
12. China will reopen its borders and will ease Covid quarantine rules from January 8.
13. On May 6, the Coronation ceremony of King Charles III and Camilla will be conducted at Queen Consort, Westminster Abbey, London.
14. In 2023, Ukraine too will have parliamentary elections.
15. In February, State Legislative Elections will be held in Tripura, Meghalaya, Nagaland.
16. In May, State Legislative Elections will be held in Karnataka, and Jammu and Kashmir.
17. In November, Chhattisgarh, Madhya Pradesh, Mizoram will have State Legislative Elections.
18. Rajasthan, Telangana will have State Legislative Elections in December 2023.
19. India will host G20 New Delhi summit on September 9 and September 10.

Suggestions

“Investors should focus on Value Buying (Discounted stocks), stocks with steady earnings (Growth stocks) focus on sectors which are domestically oriented sectors (Supply chain of raw materials sourced locally) & fair valuation which is very important in selecting stocks.

One of the best ways to deal with a highly volatile market is to stay diversified. To some extent, a hybrid fund along with investments in gold and international markets should do the trick.

“The global sentiment and outlook will have an impact on Indian equity outcomes. We will continue to expect low teen returns from equities over the next 3-5 years using volatility as a lowered entry point. While the long-term outlook is solid, markets from the near-term lens seem to be fairly priced. In this context, investors looking to add fresh investment could invest in equity-oriented hybrid funds, allocate via SIPs, or keep aside say 20%-30% while making lump sum commitments for any plausible correction.

WHAT WE DO AND OFFER OUR CLIENTS?

We offer Research related services by our SEBI authorized Research team in respect to,

Positional Calls- Positional Calls identifies stocks on basis of technical analysis and derivative. Calls are released during market hours or weekends as an when opportunities are available. Each calls includes a target price and stop loss. We provide short term and long-term position equity trading calls with entry, exit and stop-loss levels. These equity positional calls are continuously monitored by our technical analyst expert. The stop-losses and targets of our equity calls are revised based on market condition. We provide positional call-in stocks, bank nifty, or nifty

“We are a team of seasoned stock market analysts providing Equity related research services.

Our team of analysts works round the clock to track the movements in the market. We continuously track scripts for possible movements and provide calls and recommendations.

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