



NEWSLETTER

7/19/2021

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Market Outlook

Sensex, Nifty end flat; IT, banking stocks weigh!

- ✚ Indian benchmark indices pulled back from their all-time highs to settle on a flat note on Friday due to selloffs mainly in IT and banking counters amid lack of directional cues from global markets. Buying interest was seen in the pharma sector in anticipation of strong Q1 results.
- ✚ Foreign institutional investors (FIIs) continue as net sellers in the domestic equity market during the past few days, he added. Elsewhere in Asia, bourses in Shanghai, Seoul and Tokyo ended with losses, while Hong Kong was positive. Equities in Europe were largely trading with gains in mid-session deals.
- ✚ The 30-share benchmark index ended at 53140.06 down by -18.79 points or by -0.04 % and then NSE Nifty was at 15923.4 down by -0.8 points or by -0.01 %. Sensex touched intraday high of 53290.81 and intraday low of 52997.09 The NSE Nifty touched intraday high of 15962.25 and intraday low of 15882.6
- ✚ The top gainers of the BSE Sensex pack were Bharti Airtel Ltd. (Rs. 541.00,+2.94%), UltraTech Cement Ltd. (Rs. 7331.40,+1.95%), Tata Steel Ltd. (Rs. 1278.30,+1.77%), Power Grid Corporation of India Ltd. (Rs. 233.80,+1.50%), Reliance Industries Ltd. (Rs. 2111.80,+1.37%), among others.
- ✚ The top losers of the BSE Sensex pack were HCL Technologies Ltd. (Rs. 1004.90,-3.38%), Infosys Ltd. (Rs. 1555.00,-1.60%), Bajaj Finserv Ltd. (Rs. 12754.00,-1.56%), ICICI Bank Ltd. (Rs. 660.25,-1.06%), NTPC Ltd. (Rs. 119.10,-1.04%), among others.
- ✚ Among the sectors, Realty index was at 3163.35 up by 39.79 points or by 1.27%. Prestige Estates Projects Ltd. (Rs. 329.90,+3.74%), DLF Ltd. (Rs. 330.90,+2.68%), Phoenix Mills Ltd. (Rs. 876.05,+1.96%), Indiabulls Real Estate Ltd. (Rs. 142.95,+1.49%), Godrej Industries Ltd. (Rs. 1577.70,+1.46%), TECK index was at 13161.04 down by -97.12 points or by -0.73%. Tata Elxsi Ltd. (Rs. 4302.55,-4.12%), HCL Technologies Ltd. (Rs. 1004.90,-3.38%), Just Dial Ltd. (Rs. 1073.30,-3.04%), Larsen & Toubro Infotech Ltd. (Rs. 4288.00,-2.93%), Tanla Platforms Ltd. (Rs. 929.95,-2.28%), The Market breadth, indicating the overall strength of the market, was weak. On BSE out of total shares traded 3587 , shares advanced were 1890 while 1519 shares declined and 178 were unchanged.

Several High Frequency Indicators Of Economic Activity Recovering Says RBI

- ✚ Reserve Bank of India stated in the latest issue of its monthly Bulletin yesterday that the tapering of the second Covid-19 wave, coupled with an aggressive vaccination push, has brightened near-term prospects for the Indian economy. While several high frequency indicators of activity are recovering, a solid increase in aggregate demand is yet to take shape.
- ✚ On the supply side, agricultural conditions are turning buoyant with the revival in the monsoon, but the recovery of manufacturing and services sectors has been interrupted by the second wave. A pick-up in inflation is driven largely by adverse supply shocks and sector-specific demand-supply mismatches caused by the pandemic. These factors should ease over the year as supply side measures take effect

Centre borrows, releases Rs 75k cr to compensate states for GST revenue shortfall

- ✚ The government has borrowed and given to the states Rs 75,000 crore to make up for the shortfall in their revenues because of the GST implementation. The Finance Ministry in a statement said the amount released is about half of the Rs 1.59 lakh crore that was agreed to be borrowed in the current fiscal by the Centre and passed on to the states and Union Territories on a back-to-back basis to meet their resource gap. The amount released is in addition to the normal GST compensation that is paid bi-monthly to states out of the collections made from the levy of a cess on luxury and sin goods. "The Ministry of Finance has released today Rs 75,000 crore to the States and UTs with legislature under the back-to-back loan facility in lieu of GST compensation. This release is in addition to normal GST compensation being released every 2 months out of actual cess collection," the statement said. Finance Minister Nirmala Sitharaman in a tweet said,
- ✚ "Almost 50 per cent of the total shortfall for the entire year released in a single instalment". The Centre has estimated the shortfall in GST compensation payable to the states in the current fiscal at Rs 2.59 lakh crore, of which about Rs 1.59 lakh crore would have to be borrowed this year. The Centre expects to collect over Rs 1 lakh crore through cess on luxury, demerit and sin goods, which will be given to the states to compensate them for the shortfall in revenue arising out of the GST implementation. Hence, the remaining Rs 1.59 lakh crore would have to be borrowed to meet the promised compensation to states under the Goods and Services Tax (GST) regime.
- ✚ The ministry said in the May 28 GST Council meeting, it was decided that the central government would borrow Rs 1.59 lakh crore and release it to states and UTs with the legislature on a back-to-back basis to meet the resource gap due to the short release of compensation on account of the inadequate amount in the compensation fund. "This amount of Rs 1.59 lakh crore would be over and above the compensation, in excess of Rs 1 lakh crore (based on cess collection), that is estimated to be released to States/UTs with Legislature during this financial year. The sum total of Rs 2.59 lakh crore is expected to exceed the amount of GST compensation accruing in FY 2021-22," the ministry said. All eligible states and UTs (with the legislature) have agreed to the arrangements for the funding of the compensation shortfall under the back-to-back loan facility, the ministry said.

- ✚ "For effective response and management of COVID-19 pandemic and a step-up in capital expenditure, all States and UTs have a very important role to play. "For assisting the States/UTs in their endeavour, Ministry of Finance has front-loaded the release of assistance under the back-to-back loan facility during FY 2021-22 Rs 75,000 crore (almost 50 per cent of the total shortfall for the entire year) released today in a single instalment.
- ✚ The balance amount will be released in the second half of 2021-22 in steady instalments," it added. The release of Rs 75,000 crore being made now is funded from borrowings of the Centre in 5-year securities, totalling Rs 68,500 crore and 2-year securities for Rs 6,500 crore issued in the current financial year, at a weighted average yield of 5.60 and 4.25 per cent per annum, respectively. "Government of India"s release of Rs 75,000 crore to States and UTs under the back-to-back loan facility in-lieu of GST compensation not to change the GoI"s borrowing programme in the first half of 2021-22," the statement said. Icra Chief Economist Aditi Nayar said,
- ✚ "The release of these funds from the Government of India"s borrowings raised so far, corroborates the inference that healthy tax and non-tax revenues have boosted the cash flows of the central government". Last year too the Centre had borrowed and released to the states Rs 1.10 lakh crore towards GST compensation. Besides, Rs 70,000 crore was released from the compensation fund. For fiscal 2020-21, about Rs 63,000 crore GST compensation was pending to the states/UTs as of March 30, 2021

S&P affirms India rating at lowest investment grade for 14th year in a row

- ✚ S&P Global Ratings affirmed India"s sovereign rating at the lowest investment grade of "BBB-" for the 14th year in a row with a stable outlook, and said that the country"s strong external settings will act as a buffer against financial strains despite elevated government funding needs over the next 24 months.
- ✚ The sovereign credit ratings on India reflect the economy"s above-average long-term real GDP growth, sound external profile, and evolving monetary settings, S&P Global Ratings stated. "India"s democratic institutions promote policy stability and compromise, and also underpin the ratings.
- ✚ These strengths are balanced against vulnerabilities stemming from the country"s low per capita income and weak fiscal settings, including consistently elevated general government deficits and indebtedness," it said in a statement. S&P Global Ratings has forecast economic activity in India to begin to normalise throughout the remainder of fiscal 2022, resulting in real GDP growth of about 9.5 per cent. A significant proportion of this rebound will be due to the very weak base in the prior fiscal year, when the economy contracted by a record 7.3 per cent. India"s fiscal settings are weak, and deficits will remain elevated over the coming years even as the government undertakes some consolidation.

Economy News

- ✚ The country's strong external settings help buffer the risks associated with the government's high deficits and debt stock, S&P said while affirming "BBB-" long-term and "A-3" short-term unsolicited foreign and local currency sovereign ratings on India. "The stable outlook reflects our expectation that India's economy will recover following the resolution of the COVID-19 pandemic, and that the country's strong external settings will act as a buffer against financial strains despite elevated government funding needs over the next 24 months," it added.
- ✚ The sovereign credit ratings on India reflect the economy's above-average long-term real GDP growth, sound external profile, and evolving monetary settings. India's democratic institutions promote policy stability and compromise, and also underpin the ratings. These strengths are balanced against vulnerabilities stemming from the country's low per capita income and weak fiscal settings, including consistently elevated general government deficits and indebtedness.

Govt brings Dept of Public Enterprises under Finance Ministry

- ✚ The government has brought Department of Public Enterprises (DPE) under the Finance Ministry in a bid facilitate its ambitious disinvestment programme. Earlier, DPE was part of Ministry of Heavy Industries and Public Enterprises. "Ministry of Finance (Vitta Mantralaya), after the sub-heading (v) Department of Financial Services (Vittiya Sewayen Vibhag), following sub-heading shall be inserted, namely:- (vi) Department of Public Enterprises (Lok Udyam Vibhag)" as per the Cabinet Secretariat notification dated July 6, 2021.
- ✚ The gazette notification issued said these rules may be called the Government of India (Allocation of Business) Three Hundred and Sixty First Amendment Rules, 2021. "They shall come into force at once," the notification said. With the addition, this will be the sixth department under the Finance Ministry. The rejig comes ahead of Cabinet expansion slated later in the day. Finance Minister Nirmala Sitharaman in her Budget 2021-22 had announced a big-ticket privatisation agenda, including privatisation of two public sector banks and one general insurance company.
- ✚ As part of the divestment strategy for the financial sector, the government has decided to go for a mega initial public offering (IPO) of Life Insurance Corporation of India (LIC) and residual stake sale in IDBI Bank during the financial year beginning April. The government has budgeted Rs 1.75 lakh crore from stake sale in public sector companies and financial institutions during 2021-22.

Economy News

Indian economy may clock double-digit growth in 2021: Moody's

- ✚ The second wave of COVID-19 infections presents a risk to India's growth forecast as the reimposition of measures to curb the spread of the virus will hit economic activity, but a double-digit GDP growth is likely in 2021 given the low level of activity last year, Moody's said on Tuesday. Moody's expects that given the focus on "micro-containment zones" to deal with the current wave of infections, as opposed to a nationwide lockdown, the impact on economic activity would be less severe than that seen in 2020. "India's very low coronavirus death count (only about 1,70,179 deaths have been recorded as of April 12) and relatively very young population also help mitigate risks. GDP is still likely to grow in double digits in 2021 given the low level of activity in 2020," Moody's Investors Service said. In its commentary on India, Moody's said the countermeasures to combat the second wave – some of which are due to remain in place at least until the end of April – risk weakening the economic recovery.
- ✚ However, the targeted nature of containment measures and rapid progress on vaccinating the population will mitigate the credit-negative impact. In February, Moody's had bettered India's growth projection for the current fiscal year, which began on April 1, to 13.7 per cent as economic activity gathered pace. For the calendar year 2021, Moody's has projected economic growth rate at 12 per cent. As per official estimates, the Indian economy contracted 8 per cent in 2020-21 fiscal year, which ended on March 31, 2021.
- ✚ "The second wave of infections presents a risk to our growth forecast as the reimposition of virus management measures will curb economic activity and could dampen market and consumer sentiment," Moody's said. Retail and recreational activity across India had dropped by 25 per cent as of April 7 compared with February 24, according to Google mobility data. This was mirrored in the Reserve Bank of India's March consumer confidence survey which showed a deterioration in perceptions of the economic situation and expectations of decreased spending on nonessential items, it noted. Moody's said vaccination will be a key element in controlling the second wave of COVID-19 as the authorities balance virus management against maintaining economic activity.
- ✚ India began its vaccination drive against COVID-19 in mid-January and has administered 100 million doses of the vaccine as of April 10, becoming the fastest country to reach that threshold so far. However, a shortage of vaccines and India's nearly 1.4 billion population, which includes many people living in rural, more remote locations, could slow the progress of the vaccine rollout, it added.
- ✚ As of early April, around 7 per cent of the population has been inoculated. The vaccination drive was expanded to all citizens aged 45 years and above, which is about 25 per cent of the population– from April 1. Workplace vaccination centres were also launched on April 11, through which the government expects to facilitate inoculation among workers, while minimizing risk. "India has prioritized domestic vaccine distribution, delaying exports, amid the resurgence in coronavirus infections," Moody's said. The government also placed a temporary prohibition on the export of remdesivir, which is used in the treatment of coronavirus patients. India has been experiencing a second wave of coronavirus infections since March 2021.

Economy News

52 WEEK HIGH AND LOWS

TICKER NAME	LTP(RS.)	52-WEEK HIGH(RS.)	52-WEEK LOW(RS.)
ABBOTT INDIA	17,480.95	17,600.00	13,970.10
ACC	2,129.15	2,135.00	1,254.10
ALKEM LABS	3,349.75	3,603.30	2,415.00
AMBUJA CEM	383.05	388.80	185.80
ARVIND MILL	107.75	112.10	27.55
AUTOMTVAXLES	1,407.75	1,480.00	508.50
BAJAJ HOLDIN	3,975.25	4,018.80	2,219.00
BALKRISHINDS	2,383.50	2,404.05	1,230.00
BF INVEST	414.25	422.50	255.05
BOMBAYDYEING	102.45	103.95	58.40

TOP GAINERS

COMAPNY NAME	LTP	PREV. CLOSE	CHANGE(RS.)	CHANGE (%)	HIGH	LOW	52 WEEK HIGH/LOW	TTQ	TTV (IN LAKHS)
CYIENT LTD.	1061.70	947.45	114.25	12.06↑	1091.40	910.95	1091/273	203885	2024.72
FIRSTSOURCE SOL	229.70	205.30	24.40	11.89↑	235.90	206.30	236/41	1446001	3217.60
MOTILAL OSWAL F	1125.65	1020.40	105.25	10.31↑	1179.00	1026.15	1179/539	348205	3892.36
SYNGENE INTERNA	668.30	613.70	54.60	8.90↑	699.95	646.95	700/402	366160	2453.74
SUNDARAM CLAYTO	3904.40	3599.55	304.85	8.47↑	4244.95	3669.65	4245/1521	13699	546.05
VODAFONE IDEA L	9.45	8.77	0.68	7.75↑	9.64	8.97	14/7	161894709	15144.98
HIMATSINGKA SEI	245.55	227.95	17.60	7.72↑	248.55	228.15	249/55	70854	171.10
IIFL WEALTH MAN	1381.30	1283.75	97.55	7.60↑	1444.00	1283.40	1444/880	19578	268.52
RPSG VENTURES	639.35	594.30	45.05	7.58↑	645.00	586.00	645/163	66656	412.21
ORIENT ELECTRIC	333.50	311.05	22.45	7.22↑	335.90	310.75	345/172	239678	786.08

TOP LOSERS

COMAPNY NAME	LTP	PREV. CLOSE	CHANGE(RS.)	CHANGE (%)	HIGH	LOW	52 WEEK HIGH/LOW	TTQ	TTV (IN LAKHS)
BAJAJ HINDUSTHA	19.20	20.20	-1.00	-4.95↓	19.20	19.20	25/4	455689	87.49
KITEX GARMENTS	175.35	183.65	-8.30	-4.52↓	180.00	167.20	224/92	320622	557.83
TATA ELXSI	4302.55	4487.20	-184.65	-4.12↓	4469.80	4200.00	4573/894	62162	2705.96
AEGIS LOGISTICS	320.70	334.45	-13.75	-4.11↓	341.60	319.20	394/179	1339608	4296.65
EPL L	247.00	256.35	-9.35	-3.65↓	258.45	246.05	319/185	43262	108.48
HIND.CONSTRUCTI	13.07	13.55	-0.48	-3.54↓	13.85	12.94	16/5	669643	88.43
BODAL CHEMICALS	117.10	121.40	-4.30	-3.54↓	122.00	116.20	126/59	185203	219.79
SUZLON ENERGY L	7.96	8.25	-0.29	-3.52↓	8.15	7.93	9/3	8069633	646.03
WONDERLA HOLIDA	240.10	248.75	-8.65	-3.48↓	250.75	238.00	270/130	35531	86.84
HCL TECHNOLOGIE	1004.90	1040.00	-35.10	-3.38↓	1049.05	998.45	1074/607	680060	6881.81

MARKET PERFORMANCE

SUPER STOCK MOVERS

COMPANYNAME	JUL16	JUL15	JUL14	JUL13	JUL12
AHLUW.CONTRA	401.00	398.25	385.80	380.10	371.60
APOLLO HSPT	3780.05	3761.65	3754.95	3750.20	3747.45
BAYER CROP	5953.70	5917.55	5826.35	5684.55	5644.15
BIOCON INDIA	409.25	403.15	399.30	387.60	387.35
CAMLIN FINE	225.60	222.05	218.85	217.90	206.35
CEAT	1449.85	1437.10	1423.40	1353.55	1323.90
CREDITACCESS	746.20	740.90	721.65	720.85	716.75
DCMSHRIMCONS	1012.45	945.00	904.90	902.20	879.90
ECLERX SERVI	2238.10	2230.30	2130.40	2101.00	2099.25
GABRIELINDIA	129.65	129.50	128.20	126.45	125.70

TOP QUANTITY TRADED

COMAPNY NAME	LTP	PREV. CLOSE	CHANGE(RS.)	CHANGE (%)	HIGH	LOW	52 WEEK HIGH/LOW	TTQ	TTV (IN LAKHS)
VODAFONE IDEA L	9.45	8.77	0.68	7.75↑	9.64	8.97	14/7	161894709	15144.98
YES BANK LTD.	13.42	13.54	-0.12	-0.89↓	13.60	13.30	21/11	11074617	1484.74
SUZLON ENERGY L	7.96	8.25	-0.29	-3.52↓	8.15	7.93	9/3	8069633	646.03
SOUTH INDIAN BA	12.48	12.36	0.12	0.97↑	12.91	12.18	14/6	5976705	748.30
RELIANCE POWER	13.02	13.12	-0.10	-0.76↓	13.44	12.79	18/2	4263430	557.28
STEEL AUTHORITY	127.20	126.15	1.05	0.83↑	128.45	126.40	151/32	3212745	4092.04
IDFC FIRST BANK	54.05	53.40	0.65	1.22↑	54.60	53.20	69/24	3201839	1712.28
GMR INFRASTRUCT	31.10	30.85	0.25	0.81↑	31.45	30.80	34/19	3168872	988.66
NATIONAL ALUMIN	88.25	83.90	4.35	5.18↑	88.70	84.00	89/29	2820782	2463.49
HFCL	80.15	78.50	1.65	2.10↑	82.00	74.60	96/11	2630276	2056.19

TOP VALUE TRADED

COMAPNY NAME	LTP	PREV. CLOSE	CHANGE(RS.)	CHANGE (%)	HIGH	LOW	52 WEEK HIGH/LOW	TTQ	TTV (IN LAKHS)
VODAFONE IDEA L	9.45	8.77	0.68	7.75↑	9.64	8.97	14/7	161894709	15144.98
IRCTC	2427.00	2268.95	158.05	6.97↑	2458.00	2268.00	2458/1291	516387	12322.52
WIPRO LTD	577.65	575.75	1.90	0.33↑	589.00	568.25	589/252	1319818	7624.85
RELIANCE INDS.	2111.80	2083.25	28.55	1.37↑	2114.50	2085.00	2369/1812	333073	7008.50
DLF LTD.	330.90	322.25	8.65	2.68↑	336.40	321.05	336/135	2127058	7004.62
HCL TECHNOLOGIE	1004.90	1040.00	-35.10	-3.38↓	1049.05	998.45	1074/607	680060	6881.81
HDFC AMC	3089.30	3087.05	2.25	0.07↑	3289.25	3062.10	3358/2071	213319	6809.72
TATA STEEL	1278.30	1256.10	22.20	1.77↑	1281.15	1258.60	1281/332	525026	6669.41
BHARTI AIRTEL	541.00	525.55	15.45	2.94↑	543.25	525.65	623/394	1164767	6263.71
AEGIS LOGISTICS	320.70	334.45	-13.75	-4.11↓	341.60	319.20	394/179	1339608	4296.65

Date	SL NO	STOCK NAME	BUY	TARGET	SL	TIME FRAME	STATUS
19-04-2021	1	BHEL	43-46	53-60	39	1-2 Months	All targets achieved
19-04-2021	2	GAIL	132-136	148-163	125	1-2 Months	All targets achieved
19-04-2021	3	SBI Cards	935-955	1050-1125	895	1-2 Months	All targets achieved
19-04-2021	4	Astral Poly technik	1575-1625	1775-1975	1500	1-2 Months	All targets achieved
19-04-2021	5	CARE ratings	425-455	500-545	400	1-2 Months	All targets achieved

- 1. 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 tips are revised based on market condition.
- We provide positional call in stocks, bank nifty, or nifty. Our services are to give tracking of the market for substantial returns. We provide only 1 to 3 calls in a month with the high level preciseness of 80 to 90%.
- Our positional call service provides you stock tips for best returns. You will get a good time to enter in the calls. Following our services is the best way to maximize your profit. Our positional calls are for traders of Indian share market. We carry out timely follow ups of all the calls and also give you important news and market updates. Our team provides calls through convenient ways like SMS and chat apps.
- 5. Positional trading is best for those who want to generate more income from stock market but do not want regular income. In a positional way, the Positional Trader follows the weekly chart. The holding period for the shares ranges from one month to 6 months. You need to select the type of trading as per your profit expectation. If you are looking for regular income, day trading is best. Positional trading is specifically to create wealth from share market long term**

“We are a team of seasoned stock market analysts providing tips for intraday, nifty, call options and positional call. Clients appreciate our calls for greater effectiveness and accuracy. Our team of analysts works round the clock to track the movements in the market. We continuously track scripts for possible movements and provide the most efficient tips and recommendations.”

**Positional call
status for the
past 3 months**

INDUSTRY NEWS

Mineral Production Jumps 23.3% On Year In May 2021

✚ The index of mineral production of mining and quarrying sector for the month of May, 2021 (Base: 2011-12=100) at 108.0, was 23.3% higher as compared to the level in the month of May, 2020. The cumulative growth for the period April- May, 2020-21 over the corresponding period of previous year stood at 29.4%. Production level of important minerals in May, 2021 were: Coal 532 lakh tonnes, Lignite 31 lakh tonnes, Natural gas (utilized) 2660 million cu. m., Petroleum (crude) 24 lakh tonnes, Bauxite 1643 thousand tonnes, Chromite 436 thousand tonnes, Copper conc. 10 thousand tonnes, Gold 31 kg, Iron ore 234 lakh tonnes, Lead conc. 26 thousand tonnes, Manganese ore 223 thousand tonnes, Zinc conc. 112 thousand tonnes, Limestone 322 lakh tonnes, Phosphorite 117 thousand tonnes and Magnesite 7 thousand tonnes. The production of important minerals showing positive growth during May, 2021 over May, 2020 include: Copper conc. (120.4%), Natural Gas (utilized) (20.1%), Magnesite (19.6%), Manganese Ore (16.9%), Coal (6.6%), and Iron ore (1.3%). The production of other important minerals showing negative growth is: Zinc conc. (-0.5%), Bauxite (-1.5%), Phosphorite (-2.1%), Petroleum (crude) (-6.3%), Lignite (-6.3%), Limestone (-8.6%), Lead conc. (-13.7%), Chromite (-19.7%), and Gold (-78.3%).

Vehicle Retail Sales Jump Around 23% On Year In June Says FADA

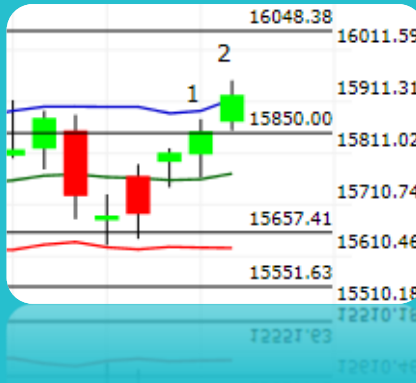
✚ The Federation of Automobile Dealers Associations (FADA) stated yesterday in a monthly update that total vehicle retail sales for the month of June 21 rose by 22.62% YoY on a low base. However, when compared to June 19 which is a regular pre-covid month, the retail sales are still down by 28.32%. On YoY basis, all categories were in green with 2 wheeler sales up by 17%, 3 wheelers up by 22%, Passenger vehicles up by 43%, Tractors up by 14% and Commercial vehicles up by a massive 236% (on a very low base due to non-availability of BS-6 vehicles). Positive momentum from June has been carried forward to July.

✚ With Southern India opening up, further pickup in demand can be expected said FADA. While daily infection cases have been contained offering some respite from the debilitating second wave, new virus mutants and the impending 3rd wave continue to pose as risks on a longer term. FADA also thanked the Government of India to bring entire Auto Retail under MSME.

INDUSTRY NEWS

Tyre exports grow by 10% to Rs 14,097cr in FY21

- ✚ Tyre exports from India grew by 10 per cent in value terms in 2020-21 to touch Rs 14,097 crore, industry body Automotive Tyre Manufacturers Association (ATMA) said on Thursday. Citing the latest data released by the Ministry of Commerce, ATMA said in volume terms tyre exports went up by 8 per cent and reached 3.64 crore units in the last fiscal.
- ✚ The growth in exports comes against the backdrop of disruption in international trade due to the coronavirus pandemic that led to a sharp contraction of 23 per cent in tyre exports from India in the Q1 of FY21, it said in a statement. "The spectacular rise in exports of tyres during a challenging year bears testimony to the resilience of the industry to bounce back despite a tough environment," ATMA Chairman Anshuman Singhanian said. Steps taken up by the government such as curbs on indiscriminate import of tyres helped the industry increase its export competitiveness, ATMA said adding,
- ✚ "Indian manufactured tyres are now exported to over 170 countries in the world, including some of the most discerning markets in North America and Europe." ATMA said the top five export markets for Indian manufactured tyres in FY21 were US, Germany, France, Italy and the UK, with shipments to each of these countries growing by double digits. "The US continues to be the largest market for Indian tyres accounting for 17 per cent of total tyres exported from the country during the year," it said. In the last five years, tyre exports from India have gone up by 60 per cent from Rs 8,825 crore in FY16 to Rs 14,097 crore in FY21, barring a marginal contraction witnessed in tyre exports in FY20.
- ✚ ATMA said the Indian tyre Industry has the potential of significantly increasing exports in the next 3-4 years if certain roadblocks, especially with regard to accessing natural rubber (NR) are removed. "Tyre industry needs to adhere to pre-import conditions for NR import against (tyre) export obligation. This makes the operations very constrictive and affects export performance," it said adding ATMA has asked the government to improve NR availability and quality for increasing competitiveness of the sector.



TECHNICAL ANALYSIS

INVESTMENT SUGGESTIONS

- ✚ Nifty50 on Friday hit an all-time high of 15,962, only to settle flat. In the daily closing the index formed a small bearish candle but made a bullish candle on the weekly chart.
- ✚ The index remained lacklustre, the weekly move still looks advantageous for the bulls as Nifty50 has managed to sustain above the 15,900 level. The current breakout can be deemed to fail if the index closes below 15,850 level
- ✚ "The index is expected to surpass the 16,000 mark and head towards 16,400 in the short term. The daily momentum indicator and the daily Bollinger Bands are supporting the bullish stance. On the other hand, 15850-15800 will act as a cushion in case of any minor degree dip
- ✚ This is an opportunity for the positional traders to initiate fresh long positions.

DISCLAIMER

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