KARVY
STOCK BROKING

25th JUL, 2020

K STREET

RULE THE MARKET

ISSUE: 099

CONTENTS

Team

Srinivas Krishnan Bobba
Sharath Kumar Jutur
Rahul Sharma
Thomas V Abraham
Sachin Mittal
Veeresh Hiremath
Bharat Sunnam
Ramesh Chenchala
Kushal Asthana

Karvy Head Office

Karvy Stock Broking Limited, Plot No.31/P, Karvy Millennium Towers, Nanakramguda, Financial District, Gachibowli, Hyderabad, Telangana-500032, India.

For More updates & Stock Research

Visit: www.karvyonline.com
Toll free: 1800 419 8283
Email: research@karvy.com

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From The Desk Of Research Head

Banking Sector – Entering rough waters

As we entered FY20 on a sliding path all economic indicators started deteriorating gradually, be it consumption or growth or tax collections. The journey of 2020 was blotted with debt defaults by some of the marquee names of the Indian corporate sector. The worst part is this time the presence of some of the top notch names in the banking and NBFC sector, which are life line of the credit flow in the economy hit it hard where it hurts the most. It is in the context that we gave a royal welcome to coronavirus in to our nation that it nearly ravaged the economy but for some measures announced by the central government and RBI that we are barely able to survive.

While the real damage caused by the pandemic is not just hard to assess as the way out is not yet clear, RBI did its bit to assess the overall shape of the economy, state of banking and NBFCs and the likely impact on the banking sector's balance sheets and how these factors would have a feedback loop to the economy. As a part of its Financial Stability report, RBI conducted stress test to assess the economic impact of the pandemic and overall state of the country's financial system. RBI in its assessment also highlighted the risks it sees to the stability of our financial system.

In a base case scenario, RBI assumes a contraction of 4.4% in GDP, fiscal deficit of 10.9% and CPI of 4.1% to assess the likely impact on the banking system and other aspects of the financial stability. As per RBI's assessment, in such a scenario banks' NPA are expected to increase to 12.5% by March 2021 from 8.5% in March 2020. It further maintained that it is difficult to ascertain the actual impact of the six-month loan moratorium extended by banks to the stressed borrowers and how it will play out on the asset quality of the banks. However, RBI said that as it slowly unfolds RBI will disseminate the possible outcomes in the forthcoming RBI's publications.

In a worst case scenario, RBI assumed a GDP contraction of 8.9%, fiscal deficit of 13.9% and CPI of 11.8%. In this worst case scenario, as per RBI's assessment banking sector's GNPAs are expected to spike to 14.7%, which is very a very scary scenario. RBI indicated that the rise in asset quality stress will result in system-wide CAR to drop from 14.6% in March 2020 to 13.3% in base case scenario and 11.8% under worst case scenario. Perhaps, in an attempt to prepare for this worst possible scenario, RBI directed all banks to strengthen their capital buffers as the sector waits of face the tsunami of bad loans.

RBI raised alarm about the liquidity crisis being faced by the NBFC sector, which often fills the vacuum created by the banking sector to serve the large section of the society which often get excluded from formal financing channels of the financial system. RBI cited fresh concerns over liquidity situation of NBFCs. NBFCs' funding share has been declining ever since the IL&FS crisis. RBI's assessment revealed that about one-fifth of NBFCs might fail to comply with minimum capital requirement norm. In fact RBI highlighted this as one of the major challenges going forward.

- DR. RAVI SINGH
Vice President & Head of Research

NEWS

Auto

- CEAT to acquire additional 5.14% stake in Tyresnmore Online by investing Rs. 2.60 Cr in tranches. In a separate announcement CEAT said that it has launched contactless services to its clients, which will be available in 22 cities by next week and will be extended to all cities in India in a phased manner.
- FADA (Federation of Automobile Dealers Associations) said that total vehicle registrations plummet 42% in June YoY and annual outlook remains grim. Registration of passenger vehicles declined to 1,26,417 units vs. 2,02,011 units in June 2019. However, sequentially numbers are encouraging as registration of two wheelers, cars, tractors and small Cvs went up sharply (nearly 4x) driven by rural demand in the first fully operational month after lockdown.
- Bajaj Auto's management said that nearly all manufacturing operations came to a standstill during lockdown for a period of 28-45 days between March and May. The management said the now it has been able to ramp up production to 70% of pre-covid levels. It further said that it has not raised any equity during this period and is sufficiently financed to manage its business and continues to remain debt-free
- Bajaj Auto to focus on exports market to deal with pandemic related disruptions at home market. Bajaj Auto is the largest domestic exporter of motor cycles. Exports form 40%-45% of overall motor cycle sales for the company.

Banking / Financials / Insurance

- Insurance regulator IRDAI directs Axis Bank and Max Life to alter deal terms. The regulator has not agreed to the 'value creation options' condition that allowed Axis Bank to exit at a fixed price. Axis Bank in April 2020 agreed to hike its stake in Max Insurance to 30% for Rs. 1600. Cr
- Amid rumors of government extending moratorium beyond August 31, banks and corporates are coming together in their last effort to convince government and RBI to allow one-time debt recast with appropriate tabs to keep banks and borrowers from abusing it. Banks are against extending moratorium beyond August 31.
- SBI's research wing pitches for easing of Basel rules. It stressed the need to conserve capital in these tough times and identified three measures that could save capital worth Rs. 3 lakh crore for the banking system. This comes amid freeze on insolvency proceedings for one year and uncertainty over government's capital infusion into PSBs. These factors along with ending of moratorium on August 31 will mean higher recognition of NPAs and consumption of capital.
- RBL Bank which raised Rs. 2025 Cr as recently as December 2019 through QIP is likely to raise another Rs. 1000 Cr through preferential allotment. Other smaller banks like Federal Bank and DCB Bank are likely to join their bigger peers and hit markets to raise capital in the near future.
- Yes Bank seeks RBI nod to redeem Tier II bonds issued in August 2010.

FMCG

- HUL posted revenue growth of 4.4% for the quarter at Rs. 10,560 Cr. However, excluding the numbers of the recently acquired Horlicks business, revenue was lower by 7% on YoY basis. On a segmental basis, Food and refreshments grew 51.7% while personal care and home care degrew 12% and 2% over the same period.
- Asian Paints Q1FY21: Revenue declined by 42.7%, on account of low demand (lockdown) and PAT was down by 67% for the week. Double digit volume growth in June resulted in the numbers beating street expectations in the period. Decorative segment revived the most in June, while the other segments (industrial coating and home improvement) are showing slow signs of recovery.
- ITC's major revenue contributor (over 40%) – the cigarettes business, saw revenues decline by 29% (lockdown effect in April and May), which resulted in total revenue being reported below Rs10000 Cr for the first time since FY19. Reported PAT stood at Rs.2342.7 Cr.

Infrastructure

- Engineering and construction major Larsen and Toubro Ltd posted 68.37% decline in consolidated net profit to Rs. 536.88 crore for the first quarter ended June 30, mainly due to covid-19-induced lockdown that stalled project executions. The company had clocked a net profit of Rs. 1,697.62 crore in the year-ago period.
- NHAI annuls Rs 2,193 crore bid won by IRB Infra for BOT project in West Bengal On July 10, the company said it has won a project for widening of a 63.83 km stretch on the NH-19 that will be its first project in eastern India.

FORTHCOMING EVENTS

COMPANY NAME	EVENT	EX-DATE
ICICI Bank	Q1FY21 results	25th July 2020
Supreme Industries	Q1FY21 results	25th July 2020
Escorts	Q1FY21 results	27th July 2020
Havells India	Q1FY21 results	27th July 2020
Marico	Q1FY21 results	27th July 2020
Pfizer	Q1FY21 results	27th July 2020
Vguard	Q1FY21 results	27th July 2020
Castrol	Q1FY21 results	28th July 2020
Nestle	Q1FY21 results	28th July 2020

GLOBAL NEWS

- Gold touches new lifetime high as international prices surge
- International flights: After US, Spice Jet now gets flying rights to the UK
- India Begins Production of Oxford Coronavirus Vaccine 'Covidshield' amidst trials; SII to Create 30 Crore Doses by Year-End.

- Engineering firm ABB India reported about 76% decline in net profit at Rs.16.75 crore for the June quarter, mainly due to lower revenues. The company's net profit stood at Rs. 69.74 crore in the quarter ended June 30, 2019.

Information Technology

- Redington India announced that it's unit running Apple Retail stores has exited retail business.
- Tata Elxsi reported a strong set of numbers. Revenues were up 10.6% YoY to Rs. 400.48 Cr and PAT jumped 41% to Rs. 68.87 Cr. Growth was driven by its largest division Embedded Product Design and among verticals, Media & Communications and Healthcare verticals recovered sharply growing 23.3% and 26.5% respectively.
- Wipro said IT will acquire Salesforce implementation partner 4C for 68 Mn Euros. It is second acquisition after new CEO Thierry Delaporte took over reigns of the company.
- Mphasis reported a 2.5% sequential dip in revenues to Rs. 2288 Cr. At Rs. 358 Cr EBIT declined 6.3% and EBIT margin declined to 15.6% from 16.3% posted in Q4FY20. PAT declined 22.1% sequentially to Rs. 275 Cr.

Pharmaceuticals

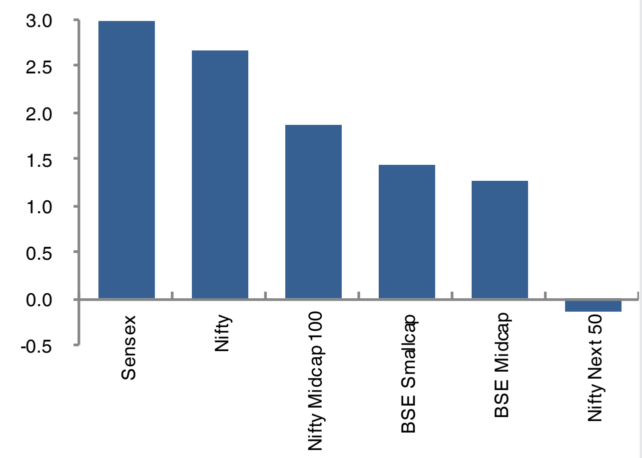
- Cadila Healthcare has received approval from the US Food and Drug Administration (FDA) to initiate clinical trials of Desidustat in chemotherapy induced anaemia (CIA).
- Lupin receives US FDA's tentative approval for Empagliflozin and Linagliptin Tablets. Empagliflozin and Linagliptin Tablets are indicated as an adjunct to diet and exercise to improve glycemic control in adults with type 2 diabetes mellitus.
- Glenmark Pharma said Phase 3 clinical trials of Favipiravir in mild to moderate coronavirus patients demonstrated significant faster time to clinical improvement. Results from the Phase 3 trial showed numerical improvements for the primary efficacy endpoint with 28.6% faster viral clearance in the overall population in the Favipiravir plus standard supportive care compared to those in the standard supportive care alone.

Oil and Gas

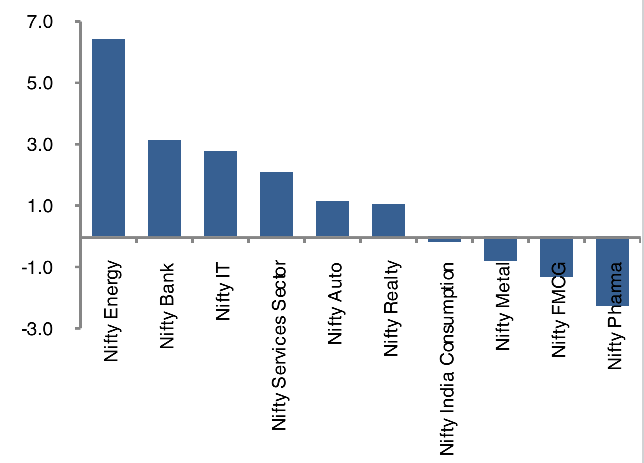
- Castrol India Ltd on Tuesday has announced that it has joined hands with Jio-BP to sell the lubricants. Under this partnership, Castrol lubricants will be available at the Jio-BP retail sites.
- Reliance Industries defer board meeting to July 30 on Q1FY 21 result.
- India's top gas importer Petronet LNG is set to cancel its offer to buy an annual 1 million tonnes of liquefied natural gas (LNG) for 10 years due to unfavourable long term contract which puts GAIL as a front-runner

KARVY STOCK BROKING

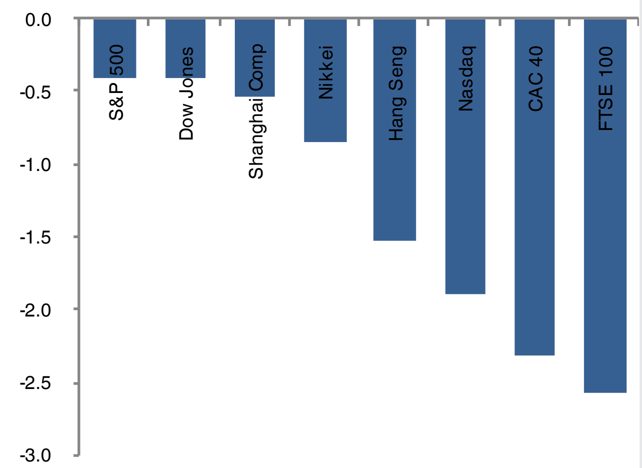
INDIAN INDICES (% CHANGE)



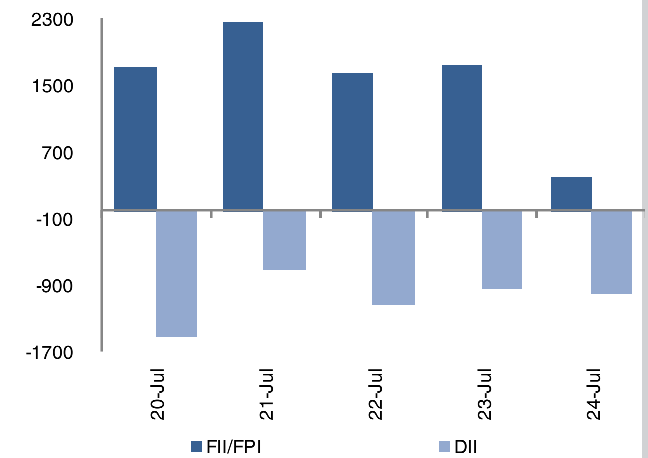
SECTORAL INDICES (% CHANGE)



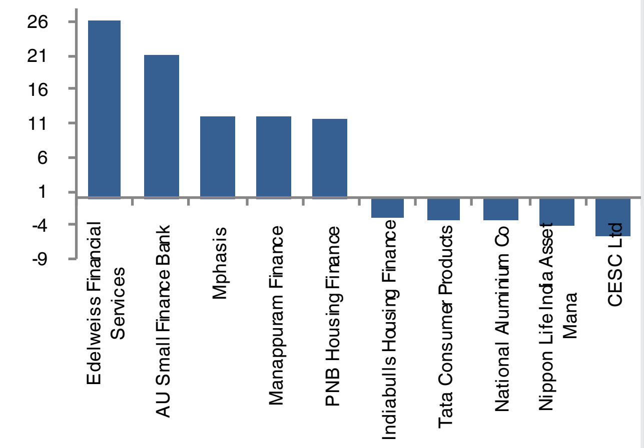
GLOBAL INDICES (% CHANGE)



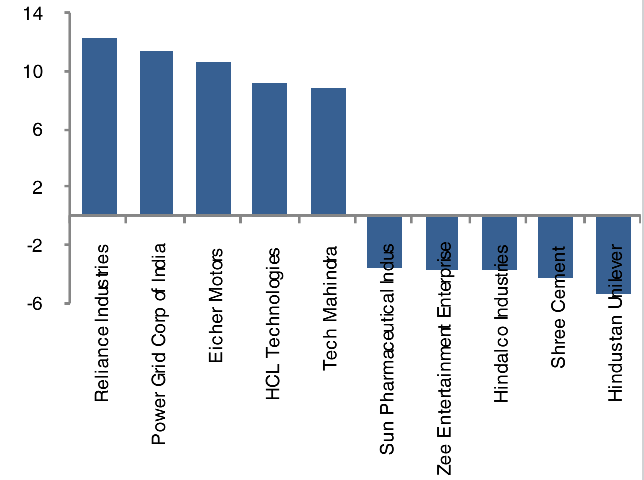
FII/FPI & DII TRADING (IN RS. CRORES)



NIFTY MIDCAP100 TOP GAINERS & LOSERS (1W)



NSE NIFTY TOP GAINERS & LOSERS (1W)



Source: Karvy Research

BEAT THE STREET - TECHNICAL ANALYSIS

HCL Technologies Ltd

STOCK	HCLTECH
CMP	684
ACTION	BUY
ENTRY	675-677
AVERAGE	640
STOP LOSS	605
TARGET 1	750
TARGET 2	785

On the technical front, HCLTECH has higher highs and higher lows on the daily charts and is currently placed above the major medium-term supports in all the daily frame. In the recent past, after clocking a low of 375 levels, the stock has witnessed bounce and rallied to the current levels forming a secular uptrend. At the current juncture, the stock has formed a base around 640 levels on the lower side and is all set to move higher. The overall chart structure of the counter looks bullish from current levels and has given a breakout of the swing resistance 662 levels. This may trigger a fresh round of buying which may take the stock towards 750 levels. The stock is currently performing in line with the broader markets indicating the inherent strength in the counter and is trading well above the major long -term support levels. On the Bollinger band (20,2) the stock price is trading above the mean with the upper band facing in the northward direction indicating the price likely to move higher. Analyzing the recent volume price action, the volumes have been encouraging in the recent up move indicating strong hands have started accumulating the stock at current levels. On the oscillator's side, RSI (14) is trading in a comfortable zone of above 70 levels indicating the bullishness in the stock. We expect the counter to continue its bullish performance in the coming trading days as well and may move towards 7 85levels in the medium-term. Any correction towards the recent support levels of 640 levels may be utilized to average the positions.

Zee Entertainment Enterprises Ltd

STOCK	ZEEL
CMP	151 (Spot Levels)
ACTION	SELL
ENTRY	Below 149
AVERAGE	161
STOP LOSS	173
TARGET 1	125
TARGET 2	110

On the technical front, ZEEL has higher lows and lower lows on the daily charts and is currently placed below the medium-term resistance. In the recent past, after clocking the high of 210 levels, the stock has witnessed a round of profit booking which dragged the counter below the short-term moving average of 21-DEMA on the daily charts. At the current juncture, the stock is forming a ceiling around 161 levels on the higher side and is all set to move lower below 149 levels. The overall chart structure of the counter looks bearish at the current levels forming higher lows and lower lows. This may trigger a fresh round of selling which may take the stock towards 125 levels. The stock is underperforming compared to the broader markets indicating the inherent weakness in the counter and is trading well below the medium and longer-term resistance levels. On the Bollinger band (20,2) the stock price is plotting below the mean indicating the price likely to trend lower. Analyzing the recent volume price action, the volumes are significant in the recent down move indicating strong hands have started supplying the stock at current levels. On the oscillator's side, RSI (14) is trading in the bearish zone of below 40 levels indicating the bearishness in the stock. We expect the counter to continue its underperformance in the coming trading weeks as well and may move towards 110 levels in the short to medium term. Any upward rally towards the recent resistance levels of 161 levels may be utilized to average the positions.

SECTORAL SNIPPETS

Nifty Pharma underperformed Nifty with a loss of 2.2% while the Nifty 50 gained by 2.7% during the week. The positive news of positive results from Alembic Pharma and Biocon, hope of Pfizer's vaccine, the Russian Vaccine, the Chinese vaccine and Cadila Healthcare vaccine's possible entry in March 2021 coupled with Taro's settlement with DOJ over generic drug price fixation, slew of approvals for Remdesvir and Favipiravir for Indian companies for tackling COVID 19 and approval of ANDAs for Indian companies could not stem the fall in the pharma index. From January 2020, the index has been steadily moving up from 8000 plus levels and had losses during the current week. We believe the sector valuations have moved into premium territory and stocks would move on positive news flow /triggers which involve upgrade in earnings. On stock-specific, all the stocks were in red with the exception of Divis which gained 3.7%. Lupin (-4.8%), Cadila Healthcare (-3.8%), Biocon (-3.8%) and Sun Pharma (-3.6%) were the major losers during the week. The index may face resistance at 10425 levels followed by 10670 levels. For the week ahead, support for the index can be pegged at 9995 levels followed by 9815 levels.

Nifty Financial Services gained by 2.47% during the week passed, while the broader index Nifty gained by 2.68%. The index has shown uptrend this week after improving in sentiment on with possibility of successful test result on COVID-19 vaccine but limited upside due to expected Q1 results; overall benchmark index has shown a growth in INDIA VIX. Nifty Financial Services has seen increased average volume traded suggests an improvement of overall market sentiments until this weekend and index found support on heavyweight NBFCs and life insurance stocks. On the chart, strong support is seen at 10400 levels for the index this week and resistance at around 11300 levels and the market is expected to remain volatile next week with an increase in average volume traded and turnover. More banks and deposit-taking NBFC are yet to announce results coming week and expected to remain flat with the revival plan for the same in the upcoming credit cycle amid improved sector liquidity and fundraising. Moreover, life insurance firms has already seen declined top-line and limited PAT and is expected to bring cost-effective measures on digital sales channels as top priority. Next week will see market to consolidate and start looking beyond FY21 on management guidelines.

Nifty Bank and Nifty ended the week up 3% led by gains in heavy weights including ICICI Bank, SBI and Axis Bank. Bank Nifty during the week broke below wedge on daily charts which we mentioned last week and lower channel of the wedge acted as resistance. 23000 is acting as a tough level to breach on the upside. During the week Bank Nifty spent consolidating in a tight range between 23200 and 22400. Among non-heavy weights this week's performance was driven by Federal Bank, RBL Bank and IDFC Bank. Federal Bank was top performer of the week gaining 10% as smart money moved into the stock given attractive valuations and as the stock reacted positively to its Q1FY21 results. Among heavyweights ICICI Bank is the top gainer gaining 8% for the week ahead of its Q1FY21 results announcement scheduled tomorrow. Bandhan Bank, Bank of Baroda and PNB were top losers of the week. Next week's direction of the index will be set by ICICI Bank's results and worries over extension of moratorium beyond August 31 2020. Going forward, we see 21500-22000 as immediate support zone followed by 20000. On the upside we see 23000 followed by 24300 are key resistance levels to watch.

Nifty FMCG underperformed the larger index during the week despite better than expected results from major players. Rich valuations and positive news on Covid vaccine is driving the market towards growth sectors. During the week, HUL, ITC and Asian Paints delivered what was largely good numbers under the circumstances. While the numbers (volumes) for segments like personal care and industrial paints are still low, these segments should also pick up in the coming quarters as economy nimble back to normalcy. Non discretionary companies with exposure to rural India will continue to be the outperformers. Most of the major players in the Index within the sector have already published results with the exception of Titan, Nestle and Grasim. In general, management commentaries have been mixed as there is cheer regarding unlock measures and vaccine but also apprehension with the dynamic lockdown scenarios having caused uncertainty regarding the supply chain as well as at factory level (HUL closed 1 plant during the week as employees tested positive for Covid). With most major results out of the way, we do not expect significant traction for the sector in the coming week. Technically, the support levels are at 29700 and further at 28300 while resistance levels are 31500 and 32600.

WEEKLY VIEW OF THE MARKET

NIFTY (11194.15): Indian equity benchmark index Nifty 50 closed higher by 2.68% during the week. During the last four months, the index witnessed a bounce towards the current levels after correcting from 12150 levels towards the low of 7511 levels. Technically, from March 2020, the index is forming higher highs indicating that the bulls are reclaiming the lost ground. However, the index may resume its bearish bias if it breaches and sustains below 10800-10810 levels in future sessions. On the global front, mainland Chinese stocks mostly deepened losses by the close, with other Asia Pacific markets also moving lower as US - China tensions worsened on Friday. Tensions between the US and China took centre stage this week. China announced on Friday that it ordered the United States to shut its consulate in Chengdu, following the US demanding the closure of the Chinese consulate in Houston. Preceding that, Secretary of State Mike Pompeo also slammed China in a speech on Thursday. He said Washington will no longer tolerate Beijing's attempts to usurp global order. European markets closed lower on Friday as escalating diplomatic tensions between the world's two largest economies continued to weigh on sentiment. Domestically, for the week, on the data front, investors may focus on Federal Fiscal Deficit (Jun), Infrastructure Output (YoY) (Jun) releasing on Jul 31. On the derivatives front, open interest data suggests that the index may find its supports around 11000 followed by 10500 levels while on the higher side, 11300 and 11500 levels may act as strong resistance.

KARVY STOCK BROKING

BULLION

After witnessing a choppy trend in the penultimate week, the global bullion market staged its biggest weekly rally in the week ended on 24th July 2020. The gold futures on CME crossed $1900 a troy ounce mark and made a high of $1904.6, which is just ~$7 away from its all time high of $1911.6 per troy ounce. An increasing case on COVID-19 in the United States and other countries has been attracting the investors to park their funds in safe asset classes and the best asset class during such economic uncertainty is the gold. As a result of increased investment flow into gold, CME gold futures gained by 4.9% WoW. Along with gold, CME silver also staged its biggest weekly gains registering a whopping weekly gain of 15.9%. Apart from rising COVID-19 cases, one more important event that pushed gold prices near to their all time highs was tiff between the United States and China wherein the former had ordered for closure of latter's consulate Houston. In a retaliation, China also ordered closure of U.S. consulate in Chengdu. In response to global benchmarks, MCX gold and silver futures gained by 4.2% and 15.7%, respectively during the week. MCX gold futures crossed a psychological barrier of Rs. 50000 per 10 grams and made an all time high of Rs. 51184 per 10 grams while MCX silver futures hit 8-years high of Rs. 62400 per kg.

ENERGY

In contrast to the bullion market, the global oil market remained on sideways trend in the week ended on 24th July 2020. On one hand, rising COVID-19 concerns has been impacting the fuel demand and on the other hand, OPEC+ is planning to end production cut of 9.7 million barrels per day from August. However, there was some positive side news in terms of Tropical Storm Hanna, forecast to cross to Baffin Bay, 46 miles (74 km) south of Corpus Christi, Texas, on Saturday afternoon or evening. So far, energy companies said there have been no evacuations of workers or shutdowns of production from offshore platforms in the northern Gulf of Mexico. Meanwhile, U.S. business activity increased to a six-month high in July. U.S. companies, however, reported a drop in new orders as new COVID-19 cases spiked. The U.S. oil and gas rig count fell by two to an all-time low of 251 in the week to July 24, according to data from energy services firm Baker Hughes Co. Weighing on prices, China ordered the United States to close its consulate in the city of Chengdu, responding to a U.S. demand this week that China close its Houston consulate.

BASE METALS

Rising tension between the United States and China wherein both the countries have ordered for closure of each other consulate in their respective countries has resulted into fall in the industrial metal prices. However, there was a cap on sharp fall in the prices as China, the world's largest consumer of metals, has been consuming more and more metals but there are no adequate supplies from major supplying nations. Global equities fell sharply and the dollar stabilised near its weakest in two years, helping metals by making them cheaper for non-U.S. buyers. China's economy is expected to expand by 2.2% this year, a poll showed, while German manufacturing stabilised, euro zone business activity bounced back to growth and U.S. business activity reached a six-month high in July. On-warrant copper stocks in LME-registered warehouses fell to 52,000 tonnes - a fifth of their level two months ago - after 5,100 tonnes of cancellations. ShFE STOCKS: Copper stocks in Shanghai Futures Exchange warehouses fell by 963 tonnes to 157,684 tonnes in the week to Friday. The premium for cash copper over three-month metal on the LME rose as high as $28.50, compared with minus $30 in May, pointing to a tighter market.

NEWS DIGEST

- Mexico has asked top Wall Street banks to submit quotes for its giant oil hedging program, sources familiar with the matter said on Friday, while trading in crude oil options has increased this week ahead of the megadeal. The finance ministry has asked banks for price quotes, one source with direct knowledge of the matter said, signaling the beginning of the process to execute the hedge. The ministry was not immediately available for comment. Every year, Mexico buys as much as $1 billion in financial contracts, the world's largest oil hedge program, to protect its oil revenues. Bankers and officials on both sides of the deal expect a smaller hedge this year because the options used to protect oil profits are more expensive than last year. The oil market crashed earlier this year, with the U.S. crude benchmark CLc1 falling to negative-$40 a barrel in April. It was trading around $43 on Friday.

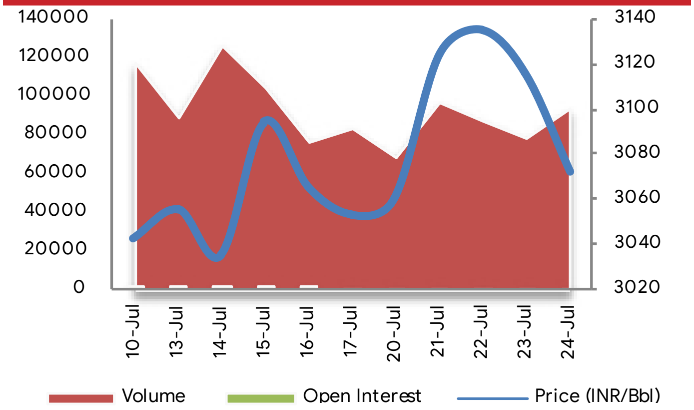
- China has accelerated grains buying from abroad in the first half of 2020 and may fully use up its annual quotas for corn and wheat imports for the first time ever, traders and analysts said this week. China, the world's top agricultural market, imported 3.66 million tonnes of corn from January to June, 51% of its annual quota for the grain set at 7.2 million tonnes, according to customs data released on Thursday. Wheat imports came at 3.35 million tonnes, 35% of its yearly quota at 9.64 million tonnes, the data showed. Last year, China only used 67% of its annual quota for corn and one-third of its yearly wheat quota. The import surge has increased expectations that China will fully use up its corn and wheat quotas for the year for the first time, said a source with knowledge of China's agricultural buying.

- China's Shanghai Futures Exchange will prepare for the listing of ferrochrome futures, advance products like cold-rolled coils, medium plates and steel options, and speed a drive for foreign investors to trade steel futures, an exchange official said. China's internationalisation of commodities futures contracts would allow foreign investors to trade in them. At present, foreign companies have limited access to its commodities markets. The measures will fend off systemic financial risks and safeguard stable operations, exchange chairman Jiang Yan told the online China Steel Development Forum on Friday. The opening up of the steel futures market would enhance its pricing power in the global market, he added.

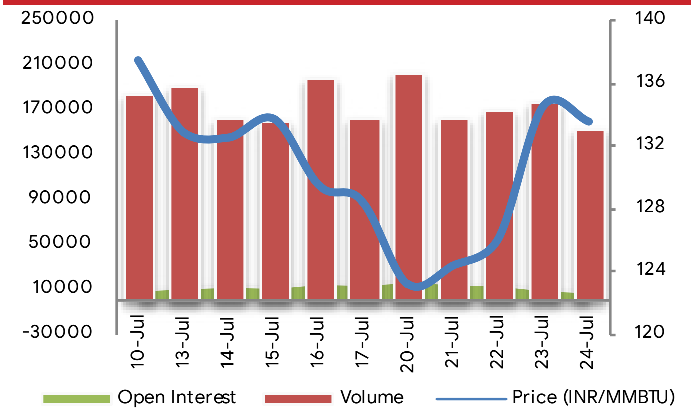
- Ukraine, a leading global grain producer and exporter, has harvested 20.6 million tonnes of grain from 38% of the sown area so far 2020 as of July 23, the economy ministry said on Friday. The volume included 12.8 million tonnes of wheat, 6.4 million tonnes of barley and 385,000 tonnes of peas, the ministry said in a statement. Ukraine harvested a record 75.1 million tonnes of grain in 2019 but sees the 2020 harvest falling to around 68 million tonnes due to poor weather.

KARVY STOCK BROKING

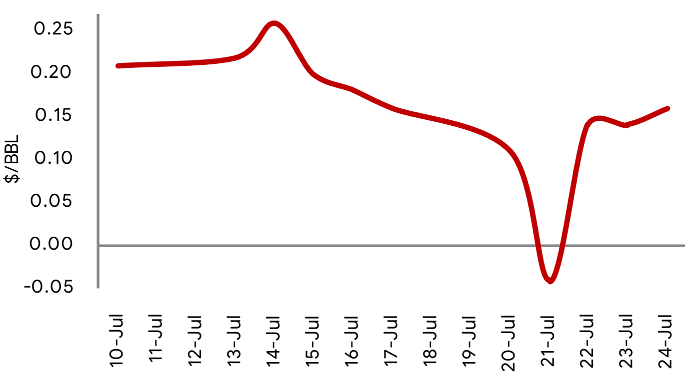
MCX CRUDE - PRICE, VOLUME & OPEN INTEREST



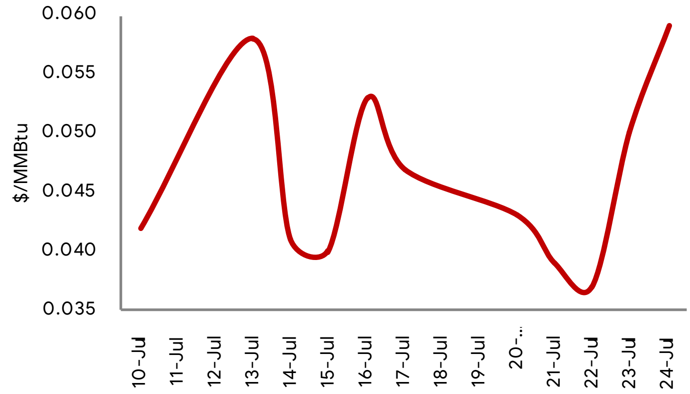
MCX NATURAL GAS – PRICE, VOLUME & OPEN INTEREST



CALENDAR SPREAD NYMEX - CRUDE OIL



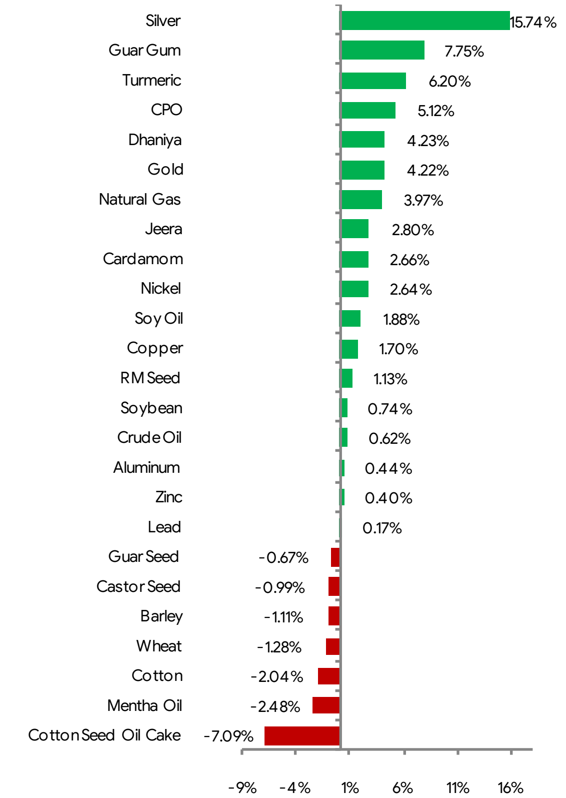
CALENDAR SPREAD NYMEX – NATURAL GAS



TRENDSHEET

Commodities	17-Jul	24-Jul	% Change	52 Week High	% Change from 52 Week High	52 Week Low	% Change from 52 Week Low
MCX Gold (Rs/10 gms)	48967	51035	4.22	51184	-0.29	34265	48.94
MCX Silver (Rs/Kg)	52899	61223	15.74	62400	-1.89	33580	82.32
MCX Crude Oil (Rs/bbl)	3053	3072	0.62	4670	-34.22	795	286.42
MCX Natural Gas (Rs/mmBtu)	129	134	3.97	206	-35.11	111	20.90
MCX Copper (Rs/kg)	500	509	1.70	514	-0.92	336	51.45
MCX Lead (Rs/kg)	146	147	0.17	170	-13.74	119	23.31
MCX Zinc (Rs/kg)	173	174	0.40	196	-11.29	124	40.86
MCX Nickel (Rs/kg)	994	1020	2.64	1315	-22.42	806	26.58
MCX Aluminium (Rs/kg)	137	137	0.44	150	-8.22	126	9.44
NCDEX Soybean (Rs/Quintal)	3764	3792	0.74	4506	-15.85	3276	15.75
NCDEX Refined Soy Oil (Rs/10 kg)	841	856	1.88	955	-10.32	728	17.61
NCDEX RM Seed (Rs/Quintal)	4779	4833	1.13	4890	-1.17	3770	28.20
MCX CPO (Rs/10 kg)	708	744	5.12	840	-11.44	504	47.47
NCDEX Castor Seed (Rs/Quintal)	4044	4004	-0.99	5930	-32.48	3520	13.75
NCDEX Turmeric (Rs/Quintal)	5520	5862	6.20	7062	-16.99	5200	12.73
NCDEX Jeera (Rs/Quintal)	13950	14340	2.80	18095	-20.75	13110	9.38
NCDEX Dhaniya (Rs/Quintal)	6284	6550	4.23	7421	-11.74	5267	24.36
MCX Cardamom (Rs/kg)	1429	1467	2.66	4265	-65.61	0	
NCDEX Wheat (Rs/Quintal)	1873	1849	-1.28	2290	-19.26	1800	2.72
NCDEX Guar Seed (Rs/Quintal)	3858	3832	-0.67	4450	-13.88	3190	20.13
NCDEX Guar Gum (Rs/Quintal)	5613	6048	7.75	8646	-30.05	4700	28.68
MCX Cotton (Rs/Bale)	16140	15810	-2.04	21560	-26.67	14800	6.82
NCDEX Cocud (Rs/Quintal)	1931	1794	-7.09	3698	-51.49	1507	19.04
MCX Mentha Oil (Rs/kg)	957	933	-2.48	1350	-30.90	914	2.06

FUTURE PRICES (% CHANGE)



KARVY STOCK BROKING

MARKET STANCE

USD/INR ended on Friday at 74.84 after hitting intraday high of 74.98 and low of 74.80.Pair is facing strong support in the 74.50/60 zone. IHS markit expects the Indian economy to rebound in the second half of 2020 as the impact of the COVID-19 pandemic subsides. Indian government is unlikely to meet the budget targets for 2020-21 due to the COVID-19 crisis. India's forex reserves climbed $3.1 billion to record $516.362 billion. Nomura sees India's FY21 GDP contracting 6.1%. Promising trial results from potential COVID-19 vaccines has helped investor's sentiment and the market is in risk on mode. India expects to miss its gross direct tax collection budget target by around Rs 3 lakh crore in FY21.

The Dollar posted its biggest weekly decline in almost four months against major currencies and also saw its largest weekly percentage loss against a surging euro since late March. Yen rose gained to its highest in more than four-months, while the dollar fell to near a two-year low, as risk appetite waned due to a host of concerns including a continued rise in coronavirus cases, a delay in the U.S. stimulus package bill and worsening U.S.-China tensions. China vowed to retaliate against a US order to close one of its consulates, and the US equity markets fell on weak data about its labor market. EU leaders reached a deal on COVID recovery fund worth EU 750B and supported commodity currencies and the euro. European Union leaders agreed on a 750 billion euro stimulus package that helped euro gain strength and euro-denominated assets. Japan's factory activity contracted for a 15th straight month in July. Fresh diplomatic tensions between Washington and Beijing heightened risk and overshadowed the boost to Wall Street from US stimulus hopes. Commodity currencies gained as risk-on moves continue in the wake of a fiscal stimulus deal reached by European Union. USD/INR to find support at 74.50 and resistance at 75.50 in the near term.

NEWS FLOWS OF LAST WEEK

- USD/INR ended on Friday at 74.84 after hitting intraday high of 74.98 and low of 74.80.
- IHS markit expects the Indian economy to rebound in the second half of 2020 as the impact of the COVID-19 pandemic subsides. Indian government is unlikely to meet the budget targets for 2020-21 due to the COVID-19 crisis.
- India's forex reserves climbed $3.1 billion to record $516.362 billion. Nomura sees India's FY21 GDP contracting 6.1%. Promising trial results from potential COVID-19 vaccines has helped investor's sentiment and the market is in risk on mode. India expects to miss its gross direct tax collection budget target by around Rs 3 lakh crore in FY21.
- Dollar posted its biggest weekly decline in almost four months against major currencies
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- Fresh diplomatic tensions between Washington and Beijing heightened risk
- Commodity currencies gained as risk-on moves continue in the wake of a fiscal stimulus deal reached by European Union. USD/INR to find support at 74.50 and resistance at 75.50 in the near term.

CURRENCY TABLE

Currency Pair	Open	High	Low	Close
USD/INR	74.88	75.02	74.51	74.84
EUR/INR	85.57	87.19	85.24	87.13
GBP/INR	94.12	95.74	93.77	95.61
JPY/INR	69.99	70.76	69.51	70.43

KARVY STOCK BROKING

ECONOMIC GAUGE FOR THE NEXT WEEK							
Date	Time	Country	Indicator Name	Period	Poll	Unit	Prior
27 Jul 2020	7:00	China (Mainland)	Industrial profit YTD	Jun		Percent	-19.3%
27 Jul 2020	7:00	China (Mainland)	Industrial profit YY	Jun		Percent	6.00%
27 Jul 2020	10:00	Japan	Total Ind'l Activity MM SA	May		Percent	-17.2%
27 Jul 2020	10:30	Japan	Leading Indicator Revised	May		Index	1.6
27 Jul 2020	13:30	Euro Zone	Money-M3 Annual Grwth	Jun	9.3%	Percent	8.9%
27 Jul 2020	13:30	Euro Zone	Loans to Households	Jun		Percent	3.0%
27 Jul 2020	13:30	Euro Zone	Loans to Non-Fin	Jun		Percent	7.3%
27 Jul 2020	13:30	Euro Zone	Broad Money	Jun		EUR	13,790,007M
27 Jul 2020	18:00	United States	Durable Goods	Jun	7.2%	Percent	15.7%
27 Jul 2020	18:00	United States	Durables Ex-Transport	Jun	3.5%	Percent	3.7%
27 Jul 2020	18:00	United States	Durables Ex-Defense MM	Jun		Percent	15.3%
27 Jul 2020	18:00	United States	Nondefe Cap Ex-Air	Jun	2.3%	Percent	1.6%
27 Jul 2020	20:00	United States	Dallas Fed Mfg Bus Idx	Jul		Index	-6.10
28 Jul 2020	5:20	Japan	Service PPI	Jun		Percent	0.80%
28 Jul 2020	15:30	United Kingdom	CBI Distributive Trades	Jul	-25	Net balance	-37
28 Jul 2020	18:25	United States	Redbook MM	25 Jul, w/e		Percent	1.9%
28 Jul 2020	18:25	United States	Redbook YY	25 Jul, w/e		Percent	-7.5%
28 Jul 2020	18:30	United States	CaseShiller 20 MM SA	May	0.3%	Percent	0.3%
28 Jul 2020	18:30	United States	CaseShiller 20 MM NSA	May		Percent	0.9%
28 Jul 2020	18:30	United States	CaseShiller 20 YY	May	4.0%	Percent	4.0%
28 Jul 2020	19:30	United States	Consumer Confidence	Jul	94.5	Index	98.1
28 Jul 2020	19:30	United States	Rich Fed Comp. Index	Jul		Index	0
28 Jul 2020	19:30	United States	Rich Fed, Services Index	Jul		Index	-28
28 Jul 2020	19:30	United States	Rich Fed Mfg Shipments	Jul		Index	-1
28 Jul 2020	20:00	United States	Texas Serv Sect Outlook	Jul		Index	2.1
28 Jul 2020	20:00	United States	Dallas Fed Services Revenues	Jul		Index	5.7
29 Jul 2020	14:00	United Kingdom	BOE Consumer Credit	Jun	-1.650B	GBP	-4.597B
29 Jul 2020	14:00	United Kingdom	Mortgage Lending	Jun	1.650B	GBP	1.224B
29 Jul 2020	14:00	United Kingdom	Mortgage Approvals	Jun	33.000k	Number of	9.273k
29 Jul 2020	14:00	United Kingdom	M4 Money Supply	Jun		Percent	2.0%
29 Jul 2020	14:00	United Kingdom	Broad Money	Jun		GBP	2,715,197M
29 Jul 2020	16:30	United States	MBA Mortgage Applications	24 Jul, w/e		Percent	4.1%
29 Jul 2020	16:30	United States	Mortgage Market Index	24 Jul, w/e		Index	848.8
29 Jul 2020	16:30	United States	MBA Purchase Index	24 Jul, w/e		Index	310.9
29 Jul 2020	16:30	United States	Mortgage Refinance Index	24 Jul, w/e		Index	3,973.3
29 Jul 2020	16:30	United States	MBA 30-Yr Mortgage Rate	24 Jul, w/e		Percent	3.20%
29 Jul 2020	17:00	India	M3 Money Supply	17 Jul, w/e		Percent	12.4%
29 Jul 2020	18:00	United States	Adv Goods Trade Balance	Jun		USD	-75.26B
29 Jul 2020	18:00	United States	Wholesale Inventories Adv	Jun		Percent	-1.2%
29 Jul 2020	18:00	United States	Retail Inventories Ex-Auto Adv	Jun		Percent	-1.6%
29 Jul 2020	19:30	United States	Pending Homes Index	Jun		Index	99.6
29 Jul 2020	19:30	United States	Pending Sales Change MM	Jun	15.3%	Percent	44.3%
29 Jul 2020	20:00	United States	EIA Ethanol Ref Stk	24 Jul, w/e		Barrel	19,801k
29 Jul 2020	20:00	United States	EIA Ethanol Fuel Total	24 Jul, w/e		Barrel/Day	908k
29 Jul 2020	20:00	United States	EIA Wkly Crude Stk	24 Jul, w/e		Barrel	4.892M

29 Jul 2020	20:00	United States	EIA Wkly Dist. Stk	24 Jul, w/e		Barrel	1.073M
29 Jul 2020	20:00	United States	EIA Wkly Gsln Stk	24 Jul, w/e		Barrel	-1.802M
29 Jul 2020	20:00	United States	EIA Weekly Crude Imports	24 Jul, w/e		Barrel	-0.076M
29 Jul 2020	20:00	United States	EIA Weekly Rfg Stocks	24 Jul, w/e		Barrel	-0.004M
29 Jul 2020	20:00	United States	EIA Weekly Heatoil Stock	24 Jul, w/e		Barrel	-0.750M
29 Jul 2020	20:00	United States	EIA Weekly Prods Imports	24 Jul, w/e		Barrel/Day	0.190M
29 Jul 2020	20:00	United States	EIA Weekly Dist Output	24 Jul, w/e		Barrel/Day	-0.097M
29 Jul 2020	20:00	United States	EIA Weekly Crude Runs	24 Jul, w/e		Barrel/Day	-0.103M
29 Jul 2020	20:00	United States	EIA Wkly Refn Util	24 Jul, w/e		Percent	-0.2%
29 Jul 2020	20:00	United States	EIA Wkly Crude Cushing	24 Jul, w/e		Barrel	1.375M
29 Jul 2020	20:00	United States	EIA Weekly Gasoline O/P	24 Jul, w/e		Barrel/Day	-0.016M
29 Jul 2020	23:30	United States	Fed Funds Tgt Rate	29 Jul	0-0.25	Percent	0-0.25
29 Jul 2020	23:30	United States	Fed Int On Excess Reserves	29 Jul		Percent	0.10%
30 Jul 2020	5:20	Japan	Foreign Bond Investment	18 Jul, w/e		JPY	1,065.7B
30 Jul 2020	5:20	Japan	Foreign Invest JP Stock	18 Jul, w/e		JPY	67.2B
30 Jul 2020	5:20	Japan	Foreign Invest JP Bonds	13 Jul, w/e		JPY	749.6B
30 Jul 2020	5:20	Japan	Foreign Stock Investment	13 Jul, w/e		JPY	-3,639.0B
30 Jul 2020	5:20	Japan	Retail Sales YY	Jun	-6.5%	Percent	-12.3%
30 Jul 2020	5:20	Japan	Large Scale Retail Sales YY	Jun		Percent	-7%
30 Jul 2020	14:30	Euro Zone	Business Climate	Jul		Indicator	-2.26
30 Jul 2020	14:30	Euro Zone	Economic Sentiment	Jul	81.5	Index	75.7
30 Jul 2020	14:30	Euro Zone	Industrial Sentiment	Jul	-17.3	Net balance	-21.7
30 Jul 2020	14:30	Euro Zone	Services Sentiment	Jul	-23.5	Net balance	-35.6
30 Jul 2020	14:30	Euro Zone	Consumer Confid. Final	Jul	-15.0	Net balance	-15.0
30 Jul 2020	14:30	Euro Zone	Cons Infl Expec	Jul		Net balance	21.6
30 Jul 2020	14:30	Euro Zone	Selling Price Expec	Jul		Net balance	-4.4
30 Jul 2020	14:30	Euro Zone	Unemployment Rate	Jun	7.7%	Percent	7.4%
30 Jul 2020	18:00	United States	GDP Advance	Q2	-34.0%	Percent	-5.0%
30 Jul 2020	18:00	United States	GDP Sales Advance	Q2		Percent	-3.5%
30 Jul 2020	18:00	United States	GDP Cons Spending Advance	Q2		Percent	-6.8%
30 Jul 2020	18:00	United States	GDP Deflator Advance	Q2		Percent	1.6%
30 Jul 2020	18:00	United States	Core PCE Prices Advance	Q2		Percent	1.7%
30 Jul 2020	18:00	United States	PCE Prices Advance	Q2		Percent	1.3%
30 Jul 2020	18:00	United States	Initial Jobless Clm	25 Jul, w/e	1,400k	Person	1,416k
30 Jul 2020	18:00	United States	Jobless Clm 4Wk Avg	25 Jul, w/e		Person	1,360.25k
30 Jul 2020	18:00	United States	Cont Jobless Clm	18 Jul, w/e		Person	16.197M
30 Jul 2020	20:00	United States	EIA-Nat Gas Chg Bcf	24 Jul, w/e		Cubic foot	37B
30 Jul 2020	20:00	United States	Nat Gas-EIA Implied Flow	24 Jul, w/e		Cubic foot	37B
30 Jul 2020		Japan	Foreign Bond Investment	13 Jul, w/e		JPY	1,065.7B
30 Jul 2020		Japan	Foreign Invest JP Stock	13 Jul, w/e		JPY	67.2B
30 Jul 2020		Japan	Foreign Invest JP Bonds	13 Jul, w/e		JPY	749.6B
30 Jul 2020		Japan	Foreign Stock Investment	13 Jul, w/e		JPY	-3,639.0B
31 Jul 2020	5:00	Japan	Jobs/Applicants Ratio	Jun	1.16	Times	1.20
31 Jul 2020	5:00	Japan	Unemployment Rate	Jun	3.1%	Percent	2.9%
31 Jul 2020	5:20	Japan	Industrial O/P Prelim MM SA	Jun	1.2%	Percent	-8.9%
31 Jul 2020	5:20	Japan	Industrial O/P Prelim YY SA	Jun		Percent	-24.5%
31 Jul 2020	5:20	Japan	IP Forecast 1 Mth Ahead	Jul		Percent	5.7%

31 Jul 2020	5:20	Japan	IP Forecast 2 Mth Ahead	Aug		Percent	9.2%
31 Jul 2020	6:30	China (Mainland)	NBS Non-Mfg PMI	Jul		Index (diffusion)	54.4
31 Jul 2020	6:30	China (Mainland)	NBS Manufacturing PMI	Jul	51.0	Index (diffusion)	50.9
31 Jul 2020	6:30	China (Mainland)	Composite PMI	Jul		Index (diffusion)	54.2
31 Jul 2020	10:30	Japan	Consumer Confid. Index	Jul		Index	28.4
31 Jul 2020	11:30	United Kingdom	Nationwide house price mm	Jul	-0.1%	Percent	-1.4%
31 Jul 2020	11:30	United Kingdom	Nationwide house price yy	Jul		Percent	-0.1%
31 Jul 2020	14:30	Euro Zone	HICP Flash YY	Jul	0.2%	Percent	0.3%
31 Jul 2020	14:30	Euro Zone	HICP-X F&E Flash YY	Jul	0.7%	Percent	1.1%
31 Jul 2020	14:30	Euro Zone	HICP-X F,E,A&T Flash YY	Jul	0.7%	Percent	0.8%
31 Jul 2020	14:30	Euro Zone	HICP-X F, E, A, T Flash MM	Jul		Percent	0.30%
31 Jul 2020	14:30	Euro Zone	CPI NSA	Jul		Index	105.68
31 Jul 2020	14:30	Euro Zone	GDP Flash Prelim YY	Q2	-14.5%	Percent	-3.1%
31 Jul 2020	14:30	Euro Zone	GDP Flash Prelim QQ	Q2	-12.0%	Percent	-3.6%
31 Jul 2020	15:30	India	Fed Fiscal Deficit, INR	Jun		INR	4,663.43B
31 Jul 2020	17:00	India	Bank Loan Growth	13 Jul, w/e		Percent	
31 Jul 2020	17:00	India	Deposit Growth	13 Jul, w/e		Percent	
31 Jul 2020	17:00	India	FX Reserves, USD	20 Jul, w/e		USD	517.64B
31 Jul 2020	17:30	India	Infrastructure Output YY	Jun		Percent	-23.40%
31 Jul 2020	18:00	United States	Personal Income MM	Jun	-0.5%	Percent	-4.2%
31 Jul 2020	18:00	United States	Personal Consump Real MM	Jun		Percent	8.1%
31 Jul 2020	18:00	United States	Consumption, Adjusted MM	Jun	5.5%	Percent	8.2%
31 Jul 2020	18:00	United States	Core PCE Price Index MM	Jun	0.2%	Percent	0.1%
31 Jul 2020	18:00	United States	Core PCE Price Index YY	Jun	1.0%	Percent	1.0%
31 Jul 2020	18:00	United States	PCE Price Index MM	Jun		Percent	0.1%
31 Jul 2020	18:00	United States	PCE Price Index YY	Jun		Percent	0.5%
31 Jul 2020	18:00	United States	Employment Wages QQ	Q2		Percent	0.9%
31 Jul 2020	18:00	United States	Employment Benefits QQ	Q2		Percent	0.4%
31 Jul 2020	18:00	United States	Employment Costs	Q2	0.6%	Percent	0.8%
31 Jul 2020	19:15	United States	Chicago PMI	Jul	44.5	Index	36.6
31 Jul 2020	19:30	United States	U Mich Sentiment Final	Jul	72.9	Index	73.2
31 Jul 2020	19:30	United States	U Mich Conditions Final	Jul		Index	84.2
31 Jul 2020	19:30	United States	U Mich Expectations Final	Jul		Index	66.2
31 Jul 2020	19:30	United States	U Mich 1Yr Inf Final	Jul		Percent	3.1%
31 Jul 2020	19:30	United States	U Mich 5-Yr Inf Final	Jul		Percent	2.7%
31 Jul 2020	21:30	United States	Dallas Fed PCE	Jun		Percent	1.5%
31 Jul 2020		Japan	Construction Orders YY	Jun		Percent	-6.1%
31 Jul 2020		Japan	Housing Starts YY	Jun	-13.7%	Percent	-12.3%