KARVY STOCK BROKING

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K STREET

RULE THE MARKET

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CONTENTS

Team

Srinivas Krishnan Bobba
Sharath Kumar Jutur
Rahul Sharma
Thomas V Abraham
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

Multicap Schemes – Volatile Times

SEBI issued a circular on September 11 tweaking investment rules of multicap schemes. These new norms clearly prescribed minimum investment limits which were not there hitherto. The new rules mandate minimum investment of 75% in equities as opposed to 65% currently. SEBI in the circular has also altered the portfolio allocation norms with intent to bring in more diversification across large cap, mid cap and small caps. These norms require fund managers of multi cap schemes to allocate minimum of 25% each across large caps, mid caps and small caps. There were no such defining norms in the past. According to industry estimates, current AUM of multi-cap funds is Rs. 1.3 Tn and the approximate split between large cap, mid cap and small cap is at 78%, 16% and 5% respectively, nearly mimicking the current proportion of market capitalization across categories in NSE 500 stocks. These new allocation rules are to be complied by fund managers before Jan 31 2021, within one month of AMFI releasing next list of large cap, mid cap and small cap stocks.

The circular was received with hue and cry as fund managers feel that the new norms come at an inopportune time when the market is undergoing huge volatility on account of uncertainty about the economic impact of the pandemic. Fund managers believe that increasing exposure to small and mid caps around these uncertain times would increase volatility in their portfolio. Some think that increased volatility in performance of MF schemes would shoo away investors for longer than usual lean times. Such concerns are valid given the fact that this disruption comes within six months of the Franklin Templeton fiasco which saw nearly Rs. 22000 Cr worth of investors' funds trapped in 6 high-yielding debt schemes that were wound down.

Operationally, re-allocating the funds from large cap stocks to illiquid small and mid caps would increase volatility as portfolios of most multicap schemes are biased towards large caps with 65%-90% exposure to large cap stocks. According to industry estimates nearly Rs. 33000 Cr need to be re-allocated to small and mid caps. Fund managers are caught between a rock and hard place as they need to choose between complying with these new norms which is detrimental to investors' returns and missing on the objective of doing what is right for their investors.

However, SEBI followed up with another circular on Sep 13 clarifying that multi-cap schemes need not churn their portfolio by selling large caps and buying small and mid caps to meet the new norms. It has provided the fund managers with a range of options including merging schemes with large cap schemes or merging them with existing mid cap or small cap schemes or facilitating investors to switch to other schemes. The regulator in the circular further noted that it will examine the proposals submitted by the industry, if any to meet the desired objective of making schemes true-to-label and appropriate benchmarking.

While this new mandate is likely to have a very deep impact on multicap schemes, it is likely to see rally in small and mid caps. Some are optimistic that fund managers who were handicapped to compulsorily buy large caps at expensive valuations either due to peer-pressure or due to the fear of being left out in participating in the large cap rally will now have an option to scout for quality names in small and mid caps available at attractive valuations. These new norms should also address the industry concerns about lopsided nature of the market rally with lack of participation from most of the small and mid caps. This in the long run should also address concerns about biased nature of portfolio allocation by fund managers – currently top 10 companies account for more than half of the total Rs. 8.5 Tn of AUM. While this is a long-drawn process, one thing is for sure that these schemes will see a lot of shuffling in their allocation and investors in these schemes should be ready for some volatile times.

- DR. RAVI SINGH
Vice President & Head of Research

KARVY STOCK BROKING

NEWS

AUTO

- TVS Motors expands operations in Sri Lanka. The company announced partnership with Autotecnica Columbiana (Auteco) SAS. As per the partnership deal, Auteco will operate 50 exclusive TVS Motor Dealerships and will create dedicated space for the brand in over 600 retail outlets.
- Ashok Leyland bags order from Procure Box to supply 1400 immediate commercial vehicles (ICVs). Procure Box, a logistics start up is acquiring trucks for fuel distribution like gas cylinder distribution across 750 districts in the country. Ashok Leyland has been making significant efforts to increase its presence in ICV market and this order from Procure Box has significantly enhanced its ICV order book. The order to supply Ecomet brand of trucks is to be executed over next 5-6 months.
- Auto stocks are in focus as a FinMin official asked auto companies to reduce royalty payments to foreign parent companies and boost cost efficiencies to reduce prices amid demand for tax cuts. In effect, the government has categorically ruled out long-pending demand for tax cuts to ride out corona crisis and the economic slump that has affected demand.
- Motherson Sumi Systems expects to garner as much as a quarter of its revenues from new segments such as aerospace, defence, healthcare and information technology in the next five years as a part of the strategy to reduce its dependence on auto components business which is facing the brunt of the turmoil caused by the covid pandemic.

BANKING

- US-based Rosen Law Firm has filed class-action law suit against HDFC Bank for losses suffered by some investors because of alleged false and misleading information by the lender. The case is related to allegations against HDFC Bank that it forced customers to buy vehicle tracking systems between 2015 and 2019.
- The Supreme Court dismissed a petition filed by SBI seeking to lift stay on initiating personal bankruptcy proceedings against Anil Ambani, Chairman of Reliance Group. The court however gave SBI liberty to seek modification of stay order passed by the high court.
- Rating agency ICRA said in a research note that divestment of majority government's majority stake in PSBs is credit negative for the banks. The rating agency said that the NPA and GNPA ratio at these banks are at record high levels. They have weak credit profiles and their credit ratings are supported by sovereign ownership and a stable depositor base.
- SBI could be sitting on a goldmine as its digital start up YONO could be valued at $40 Bn, according to a report in ET. This could unveil huge value unlock potential as lender is considering long term plans to hive it off as a separate entity once it assumes a certain size

CONSUMPTION

- Hospitality firm EIH approves rights issue to raise up to Rs. 350 Cr. The committee in its meeting held on Thursday approved the issue of 5,37,94,768 equity shares of face value Rs 2 each. The company further said the rights entitlement ratio has been fixed at eight equity shares for every 85 equity shares held by eligible equity shareholders of the company as on the record date, which has been fixed as September 23, 2020.

INSURANCE

- Insurance companies are in focus as insurance regulator IRDAI plans to prescribe risk-based solvency requirements and greater equity capital to ensure that insurers have sufficient capital adequacy to withstand socio-economic shocks such as coronavirus pandemic. The regulator also wants insurers to improve persistency ratio and introduce new products.

IT

- Happiest Minds Technology stock more than doubled on its debut on bourses highlighting resurgent capital markets and demand for software services firms in these uncertain times. Shares of the software company listed at Rs. 350 - a premium of 110% against the issue price of Rs. 166 per share. The stock hit an intra-day high of Rs. 394.95 before closing at Rs. 371.

NBFC

- India Max Investment Fund and Keynote Capitals bought 1,500,694 and 441,000 shares respectively of LKP Securities at Rs. 4.65 per share. India Max Investment Fund and Grovsnor Investment Fund held 2.91% and 2.63% stake respectively in LKP Securities at the end of June

FORTHCOMING EVENTS

COMPANY NAME	EVENT	EX-DATE
HSIL Ltd	Buyback	21-Sep-20
Mold-Tek Packaging Ltd	Fund Raising	21-Sep-20
Mohota Industries Ltd	Financial Results/Other business matters	21-Sep-20
Prabhat Dairy Ltd	Financial Results	22-Sep-20
Sanghvi Forging and Engineering Ltd	Financial Results	22-Sep-20
CREDITACCESS GRAMEEN Ltd	Financial Results	23-Sep-20
Spandana Sphoorty Financial Ltd	Fund Raising	23-Sep-20
Container Corporation of India Ltd	Dividend - Rs 2.85 Per Sh	21-Sep-20

GLOBAL NEWS

- Canada's top diplomat said Ottawa will review its policy towards Beijing and will do so through the "lens of China of 2020". The comments mark a major policy shift towards China that brings Canada more in line with the hardline posture adopted by the United States, Australia and parts of the European Union.
- Spanish banks merge in sign of hard economic times ahead. The deal comes as Europe's financial sector braces for lean times. With banks' profitability in recent years already dented by low interest rates, which squeeze their profits on loans, they are battling a steep economic downturn as well as uncertainty about the future.

PHARMA & HEALTHCARE

- Dr. Reddy's Laboratories Ltd. announced the settlement of their litigation with Celgene, a wholly-owned subsidiary of Bristol Myers Squibb relating to patents for REVLIMID® (lenalidomide) Capsules. In settlement of all outstanding claims in the litigation, Celgene has agreed to provide Dr. Reddy's with a license to sell volume-limited amounts of generic lenalidomide capsules in the U.S. beginning on a confidential date after March 2022 subject to regulatory approval. The agreed-upon percentages are confidential. Dr. Reddy's is also licensed to sell generic lenalidomide capsules in the U.S. without volume limitation beginning on January 31, 2026.
- Dr. Reddy's Lab announces the launch of Over-the-Counter Olopatadine Hydrochloride Ophthalmic Solution USP, 0.2% and 0.1%, the store-brand equivalent of Pataday®, the Eye Allergy Drop in the U.S. Market. Dr. Reddy's Olopatadine Hydrochloride Ophthalmic Solution USP, 0.2% and 0.1% are indicated for the temporary relief of itchy eyes due to pollen, ragweed, grass, animal hair and dander. The Olopatadine Hydrochloride Ophthalmic Solution USP, 0.1% is also indicated for the temporary relief of red eyes. The Pataday® brand had U.S. sales of approximately $31 million since the launch in March 2020 according to IRi.
- The government is looking to increase the number of Pradhan Mantri Bhartiya Janaushadhi Kendras (PMBJK) to 10,500 in the country by March 2025, the Ministry of Chemicals and Fertilizers said on Thursday. As on September 15, 2020, the number of Janaushadhi Kendras in the country stood at 6,606, the ministry said in a statement.

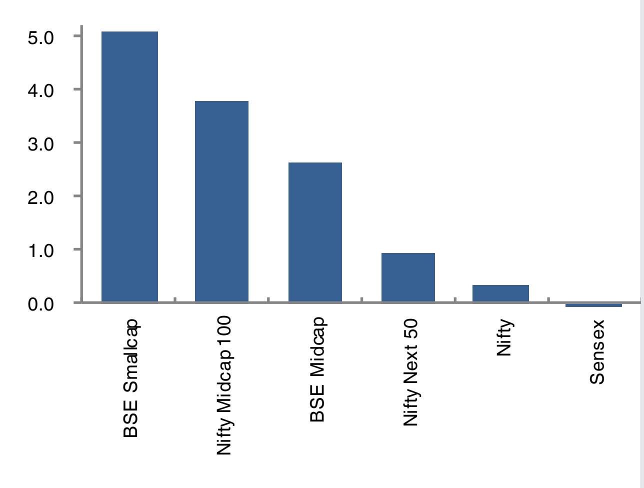
REALTY

- Tata group companies: Shapoorji Pallonji (SP) Group has slapped a notice on Tata Sons Ltd's board, seeking unspecified damages for blocking the group's plan to raise funds by pledging its shares in the Tata group holding company. It added that Tata Sons has created panic among its lenders and financial institutions and caused damage to the SP group.

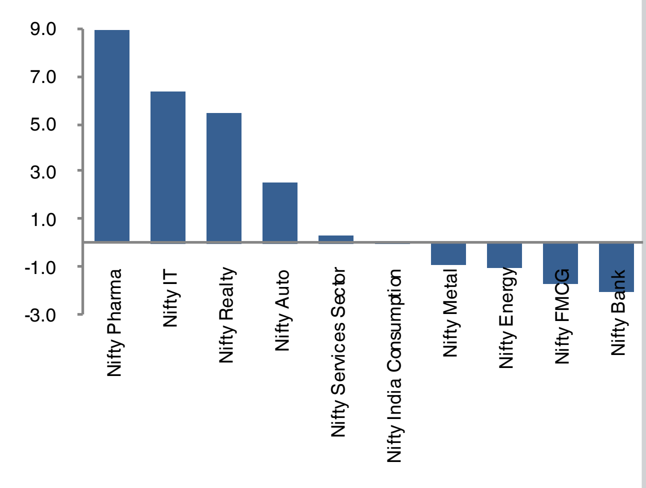
TELECOM & MEDIA

- Vodafone Idea after facing regulator's ire has dropped the claims of faster data speed which formed a prominent part of its pay-more-for-priority offerings and has filed for a revised plan with TRAI according to PTI sources.

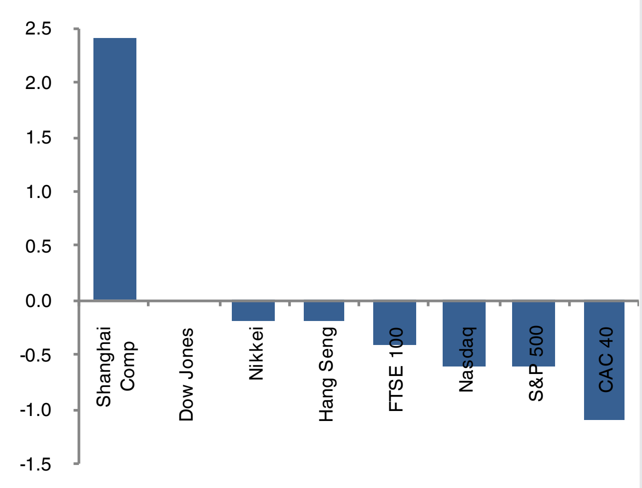
INDIAN INDICES (% CHANGE)



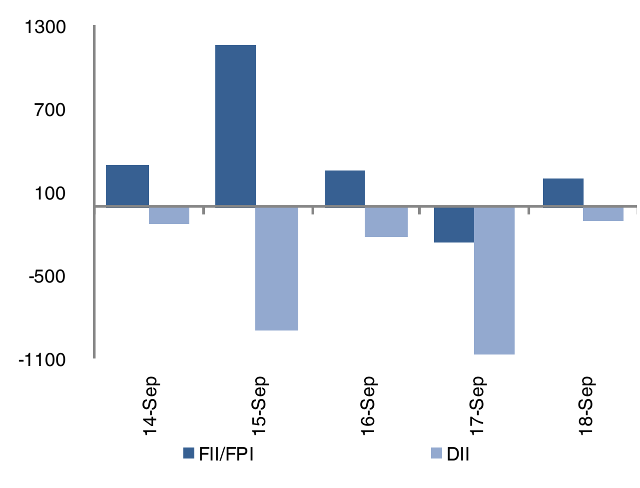
SECTORAL INDICES (% CHANGE)



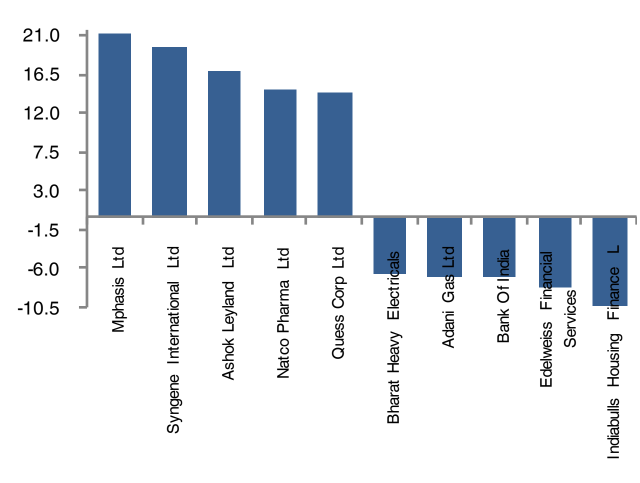
GLOBAL INDICES (% CHANGE)



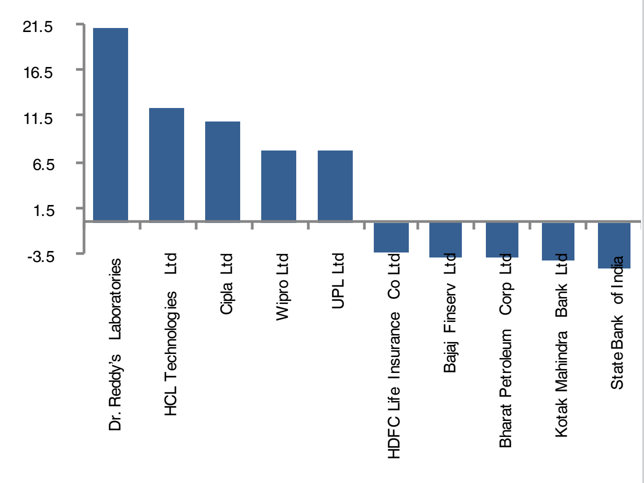
FII/FPI & DII TRADING (IN RS. CRORES)



NIFTY MIDCAP100 TOP GAINERS & LOSERS (1W)



NSE NIFTY TOP GAINERS & LOSERS (1W)



Source: Karvy Research

BEAT THE STREET - TECHNICAL ANALYSIS

Adani Ports & Special Economic Zone Ltd

STOCK	ADANIPORTS
CMP	358
ACTION	BUY
ENTRY	353-355
AVERAGE	340
STOP LOSS	320
TARGET 1	390
TARGET 2	405

On the technical front, ADANIPORTS has higher highs and higher lows on the daily charts and is currently placed above the major long-term EMAs in the daily frame. In the recent past, after clocking a low of 203 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 340 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 is witnessing bounce from the support zone around 340-345 levels. This may trigger a fresh round of buying which may take the stock towards 390 plus 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 50 levels indicating the intact bullishness in the stock. We expect the counter to continue its outperformance in the coming trading days as well and may move towards 400-405 levels in the medium-term. Any correction towards the recent support levels of 340 levels may be utilized to average the positions.

Cipla Ltd

STOCK	CIPLA
CMP	805
ACTION	BUY
ENTRY	ABV 815
AVERAGE	750
STOP LOSS	704
TARGET 1	950
TARGET 2	980

On the technical front, CIPLA has higher highs and higher lows on the daily charts and is currently placed above the significant long-term EMAs. In the recent past, after clocking the high of 814.50 levels, the stock has witnessed correction and formed a base around 750 levels on the daily charts. At the current juncture, the stock has a support zone around 704 levels on the lower side and is all set to move higher. The overall chart structure of the counter looks bullish with a technical breakout at the 696 levels forming higher highs and higher lows. This may trigger a fresh round of buying which may take the stock towards 950 plus levels. The stock is currently outperforming the broader markets indicating the inherent strength in the counter and is trading well above the long-term support levels. On the Bollinger band (20,2) the stock price is plotting above the upper band indicating the price likely to trend 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 the bullish zone of above 70 levels indicating the intact bullishness in the stock. We expect the counter to continue its outperformance in the coming trading weeks as well and may move towards 980 levels in the medium term. Any correction towards the recent support levels of 750 levels may be utilized to average the positions.

SECTORAL SNIPPETS

NIFTY CONSUMPTION index had a flat week (net change of 0.1%). Overall, within the space, many companies are undergoing a restructuring phase as they find ways to ensure no defaults and sustainability in the near term. Future retail and and its woes to meet financial liabilities has now been sorted and other companies that are in the same boat that made news this week includes East India Hotels with the board approving rights issue to the tune of Rs. 350 Cr. Additionally, from the discretionary space, Raymond's Q1 numbers were more on expected lines as despite opening up of shops, demand continued to be low on account of economic and off season factors. Companies focused well into smaller cities such as V mart and to an extent even BATA witnessed positive price movements last week. This was mainly on account of positivity around rural market and also the portfolio restructuring exercise being undertaken on account of SEBI guidelines for multi cap funds. With regard to the re alignment, we believe there would be more such actions within the space as fund managers figure out the best way to re arrange their portfolios as per the new guidelines. This might result in fund managers offloading stocks with higher risk/ weak balance sheet. Technically, the index is near its peak in the current calendar year and we expect consolidation to continue than make further highs in the near term. Support levels are at 5100 and 5000 and resistance can be seen at 5200 and 5400.

NIFTY PHARMA outperformed Nifty with a gain of 8.9 % while the Nifty 50 gained by 0.4 % during the week. The positive news of Dr Reddys Lab, Cadila Healthcare and Indoco Remedies receiving niche and good approvals for the US market, DCGI giving permission to Serum Institute to resume trials on Oxford COVID 19 vaccine, Dr Reddys and Russian Direct Investment fund agreement to cooperate on Clinical trials and distribution of Sputnik V vaccine in India and J B Chemicals and Pharma solid Q1 performance could more than offset the negative news of increase in Jan Aushadhi stores to 10500 by 2025. From January 2020, the index has been steadily moving up from 8000 plus levels and had solid gains during the current week. We believe the Pharma Index will consolidate in the current week and await positive news flow on approvals and vaccine progress. On stock-specific, major stocks were gainers during the week with the exception of Alkem Labs. Key gainers during the week were Dr Reddys Lab (20.4%), Cipla (11 %), Lupin (12.4 %) and Cadila Healthcare (10.3%). Key losers during the week was Alkem Labs which declined by 1.8%.The index may face resistance at 12515 levels followed by 13140 levels. For the week ahead, support for the index can be pegged at 11740 levels followed by 11440 levels.

NIFTY BANK's underperformance to Nifty continues for third straight week with Nifty Bank ending the week down -2% vs. Nifty closing up 0.40%. Technically, Nifty Bank continues to consolidate around 50 DMA for the past two weeks. For most part of the week the index continued to take support at the support zone of 22000-22100. However, it made an attempt to breach this level by making a low of 21792 during the week but recovered and ended the week above 22000 at 22063. Fundamentally, banks were weighed down by uncertainty over interest loan waiver case pending hearing in the Supreme Court as the apex court directed banks not to tag any loans as non-performing until further orders while extending an interim loan moratorium to 28 September. RBI further directed banks to automate the process to recognize the NPAs, reverse interest accrued and actual realization on those assets which is expected to bring in uniformity in NPA recognition and removes managements' discretion in delaying NPA recognition. Among the stocks, the majority of the index stocks closed in red except Federal Bank, Indusind and IDFC First Bank. Bandhan Bank was the top loser ending 5% down for the week. As indicated by the derivatives data, Bank Nifty may face resistance at 23000 levels followed by 23500 levels. For the week ahead, support for the index can be pegged at 22000 levels followed by 21000 levels.

Nifty FMCG underperformed the broader index by 170 bps (down 1.7%) for the week. No major events and with an empty calendar in the coming week, we expect the consolidation phase to continue. While there have been positives regarding vaccine, the pace of recovery domestically and globally, continues be unclear. Globally, we do not see further stimulus packages and the low crude prices indicated he requirement of a longer period for global revival in demand. Domestically, rural continues to outperform urban and remains the focus of major companies as they look to weather this storm. In the space, generally, the listed players have strong balance sheet with very limited debt and it should act as a good cushion in the near term. Hence, valuations to continue to be expensive and more sideways movement to be expected in the coming week. The factor that could cause movements in stock price – significant buying/ selling are the portfolio re alignments that has been occurring in the last week on account of new SEBI guidelines for multi-cap funds. However, we believe the large cap from the space will continue to be the safe heavens and hence do not expect significant sell of from these areas to balance the portfolio as per the guidelines. Immediate support for the index can be seen at 29900 and 29200 while resistance can be seen at 31200 and 31800.

WEEKLY VIEW OF THE MARKET

NIFTY (11504.95): Indian equity benchmark index Nifty 50 closed slightly higher by 0.35% during the week. During the last five 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 11185 levels in future sessions. On the global front, the stocks in Asia-Pacific were mostly higher on Friday trade, with the Chinese yuan holding on to recent gains against the dollar. The onshore Chinese yuan, which strengthened significantly against the greenback in recent days, gained further to 6.7523 per dollar following levels above 6.81 seen earlier this week. European stocks were mixed on Friday as investors monitored a rise in coronavirus cases across the continent and the prospects of economic recovery. Cases of Covid-19 have now passed 30 million worldwide, resulting in more than 946,000 deaths. The World Health Organization warned on Thursday of a "very serious situation" arising in Europe as cases rise significantly across the continent, forcing a reimplementation of lockdown measures in certain regions. Domestically, for the week, investors may focus on Bank Loan Growth and M3 Money Supply data releasing on Sep 25th. On the derivatives front, open interest data suggests that the index may find its supports around 11500 followed by 11000 levels while on the higher side, 11600 and 12000 levels may act as strong resistance.

BULLION

The gold market had witnessed both sided movement in the week ended on 18th September 2020. During first part of the week, the prices were on a rising trend and hit 2-weeks high as market participant bought gold on the expectation of status quo on the interest rate by the U.S. Federal Research, Bank of Japan and Bank of England. As expected all these three central banks kept the interest rates unchanged and U.S. Fed had indicated that they will maintain near-zero interest rate till 2023. U.S. Treasury Secretary said there still could be a deal with the U.S. Congress for more federal coronavirus-related aid. The European Union ramped up pressure on Prime Minister Boris Johnson to step back from breaking the Brexit treaty. U.S. House of Representatives Speaker Nancy Pelosi said Democrats were open to delaying an October recess to get a deal with Republicans on a new coronavirus aid bill. Fed officials have said the economy needs another round of massive stimulus spending, but Democrats and Republicans have been at loggerheads on the size of the spending. The U.S. retail sales for August came in at 0.6% against market expectation of 1.0% indicating the economic recovery is stalled as the COVID-19 has been rising day-by-day. The gains seen at the beginning of the week were eroded towards the end of the week after the U.S. Federal Reserve dashed investors' hopes for more stimulus to support the coronavirus-hit economy. The U.S. central bank also stated that it expected a faster economic recovery than previously forecast, with unemployment falling more quickly than it had expected in June. U.S. new jobless claims remained perched at higher levels last week suggesting stalling labour market recovery.

ENERGY

The oil futures on NYMEX are heading for the first weekly gains in the three weeks as OPEC and its allies said the producer group would crack down on countries that failed to comply with output cuts and planned to hold an extraordinary meeting in October if oil markets weaken further. The panel of major producers, including Saudi Arabia and Russia, did not recommend any changes to their current output reduction target of 7.7 million barrels per day (BPD), or around 8% of global demand. U.S. oil companies are resuming to produce oil after Hurricane Sally passed through the Gulf of Mexico. Since the OPEC had said that it will press on those member countries who did not comply with the agreed production cut. The OPEC said that world oil demand would tumble by 9.46 million barrels per day (BPD) this year, a sharper decline than it predicted in a report a month ago. Earlier in the week, the market was boosted by supply disruption in the Gulf of Mexico due to Hurricane. More than 25% of U.S. offshore oil and gas output was shut and export ports were closed on Tuesday as Hurricane Sally sat just off the U.S. Gulf Coast. According to the American Petroleum Institute (API), U.S. crude oil stocks have fallen by 9.5 million barrels last week. Distillate stocks rose by 3.461 million barrels bigger than the market expectation of 0.16 million barrels. The stocks have jumped to their highest level for this time of year since at least 1991, and U.S. refiners' margins for producing distillate are the lowest in 10 years.

BASE METALS

LME base metals forward contract had witnessed a mixed trend during the week ended on 18th September 2020 with copper, aluminium, zinc and lead ending on a positive note while aluminium is ending in the red. Copper advanced the gains to hit 26 months high on LME on stronger demand from the world's largest consumer and falling inventories are LME warehouse. Confidence in Chinese demand was reinforced by Chinese banks extending more new loans in August than expected, while broad credit growth quickened. Stocks of copper in LME-approved warehouses, at 74,875 tonnes, are at their lowest since 2005, when the commodity price bull run took off, triggered by accelerating Chinese demand. China's industrial output accelerated the most in eight months in August and retail sales grew, suggesting the economic recovery is gathering pace. U.S. factory production increased for a fourth straight month in August, but the recovery is showing signs of strain, suggesting a business investment in equipment could remain depressed through the end of the year as the COVID-19 pandemic drags on. China's aluminium production in August rose 2.3% from a month earlier, setting a record high for a second month. Zinc prices pushed towards the 16-month highs hit earlier this month as the resurgent Chinese industry bolstered the outlook for demand and the yuan strengthened, making metals more affordable for Chinese buyers. China's refined copper output in August rose from the previous month on lower maintenance at smelters. Refined copper output stood at 894,000 tonnes last month, up from 814,000 tonnes in July and was 9.7% higher than the same period year ago, according to the National Bureau of Statistics. Production of alumina stood at 6.45 million tonnes, hitting the highest level on statistics bureau records. Investment between the United States and China tumbled to a nine-year low in the first half of 2020, hit by bilateral tensions that could pressure more Chinese companies to divest U.S. operations. U.S.-China tensions will likely have an impact on metals markets going forward and could flare up even more after the U.S election as both candidates have said they want to limit China's influence in the world. On-warrant inventories of copper in LME-registered warehouses were at 46,700 tonnes, near their lowest since March 2019. The premium for cash copper over the three-month contract was last at $26 a tonne, indicating tight nearby supply.

NEWS DIGEST

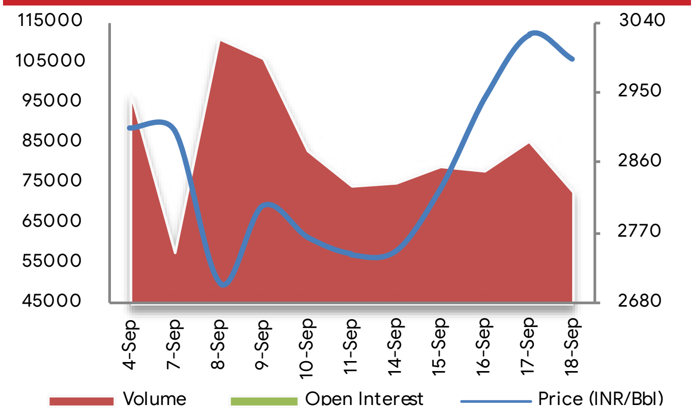
- U.S. President Donald Trump announced a new round of pandemic assistance to farmers of about $13 billion at a campaign rally in Wisconsin on Thursday night, delivering aid to an important sector in a crucial battleground state. “Starting next week my administration is committing an additional ... $13 billion in relief to help farmers recover from the China virus, including Wisconsin's incredible dairy, cranberry and ginseng farmers who got hurt badly,” Trump said, referring to the novel coronavirus virus. Wisconsin is known for its milk and cheese industries, which have been hard hit by both the White House's trade policies and the COVID-19 pandemic - but the amount of assistance to farmers weeks before the vote was unexpected. Trump beat Democrat Hillary Clinton in Wisconsin in 2016 by less than 1% of the vote - and marked the first time the state had voted for a Republican in a presidential election since 1984.

- The Saudi Energy Minister warned traders on Thursday against betting heavily in the oil market saying he will try to make the market “jumpy” and promised those who gamble on the oil price would be hurt “like hell”. The comments by Prince Abdulaziz bin Salman, OPEC's most influential minister, came after a virtual meeting of a key panel of OPEC and allies, led by Russia, known as OPEC+. Prince Abdulaziz told the gathering OPEC+ could hold an extraordinary meeting in October if the oil market soured because of weak demand and rising coronavirus cases, according to an OPEC+ source. “Anyone who thinks they will get a word from me on what we will do next, is absolutely living in a La La Land... I'm going to make sure whoever gambles on this market will be ouching like hell,” Prince Abdulaziz told a news conference when asked about OPEC+ next steps. He said OPEC+ would take a pro-active and pre-emptive stance in addressing oil market challenges.

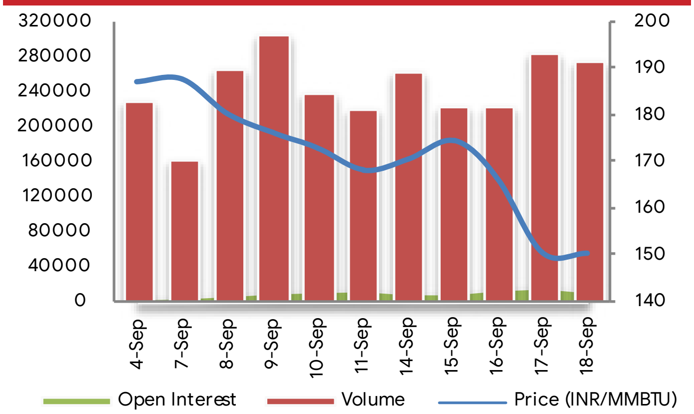
- Swiss exports of gold to the United States all but halted in August while shipments to China and India rose, customs data showed on Thursday, suggesting a big transfer of bullion to New York that followed the coronavirus outbreak has run its course. The pandemic upended the global gold trade, shutting the vast consumer markets of Asia while triggering a rush among western investors to buy what they consider a safe financial asset. Prices of U.S. gold futures surged above prices in other parts of the world, incentivising an unprecedented transfer of gold bars to New York. Switzerland, the world's biggest gold refining and transit centre, shipped 412.9 tonnes of gold worth $22 billion to the United States between March and July but just 23.7 tonnes to China, Hong Kong and India combined, Swiss customs data shows. In August, however, U.S. shipments fell to 28.5 tonnes and were almost offset by 26.8 tonnes of gold coming into Switzerland from the United States.

- Malaysian palm oil futures rose over 3% on Friday, logging their biggest weekly jump in five years, tracking strength in rival oils and on increased demand from key consumer China ahead of Golden Week holiday. The benchmark palm oil contract FCPOc3 for December delivery on the Bursa Malaysia Derivatives Exchange closed up 107 ringgit, or 3.6%, at 3,082 ringgit ($749.88) a tonne, hitting its highest since Jan. 13. It has gained 9.6% in the week and logged its sharpest weekly rise since Sept. 25, 2015. “The market was sharply higher, mirroring solid gains in palm olein and soybean oil on Dalian as speculative buying and hedging rise ahead of the Golden Week holiday,” said Sathia Varqa, co-founder of Singapore-based Palm Oil Analytics. China, the world's second-largest palm oil buyer after India, will celebrate the week-long holiday starting from Oct. 1.

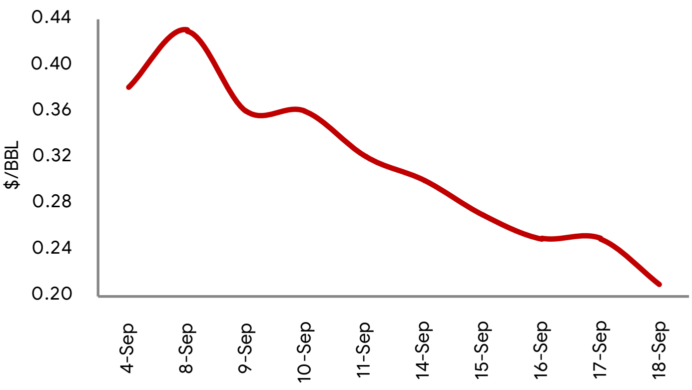
MCX CRUDE - PRICE, VOLUME & OPEN INTEREST



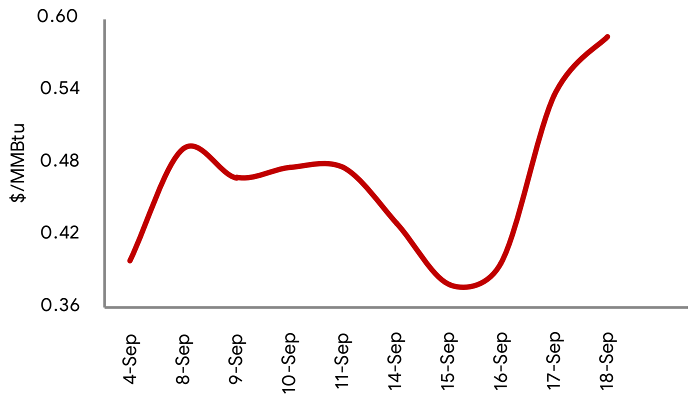
MCX NATURAL GAS – PRICE, VOLUME & OPEN INTEREST



CALENDAR SPREAD NYMEX - CRUDE OIL



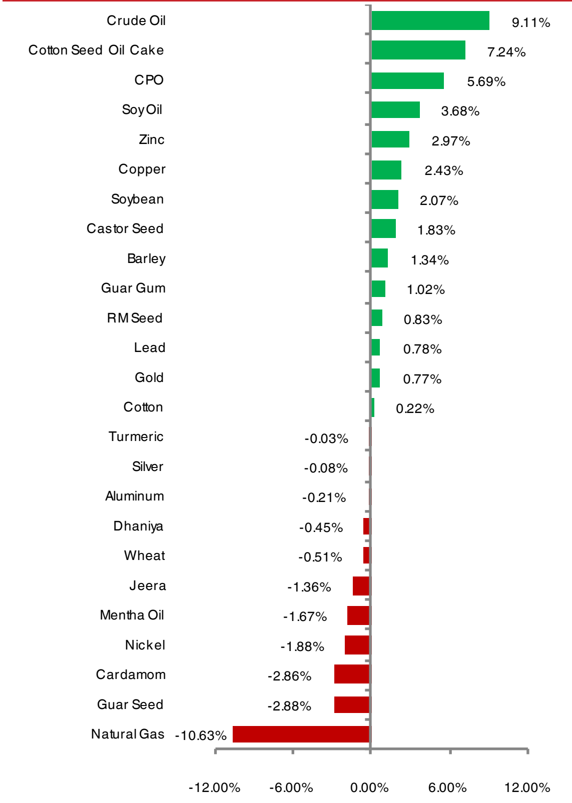
CALENDAR SPREAD NYMEX – NATURAL GAS



TRENDSHEET

Commodities	11-Sep	18-Sep	% Change	52 Week High	% Change from 52 Week High	52 Week Low	% Change from 52 Week Low
MCX Gold (Rs/10 gms)	51319	51715	0.77	56191	-7.97	36771	40.64
MCX Silver (Rs/Kg)	67928	67877	-0.08	77949	-12.92	33580	102.14
MCX Crude Oil (Rs/bbl)	2743	2993	9.11	4670	-35.91	795	276.48
MCX Natural Gas (Rs/mmBtu)	168	151	-10.63	206	-26.91	111	36.20
MCX Copper (Rs/kg)	524	537	2.43	546	-1.68	336	59.80
MCX Lead (Rs/kg)	147	148	0.78	170	-12.65	119	24.86
MCX Zinc (Rs/kg)	192	198	2.97	200	-0.90	124	60.07
MCX Nickel (Rs/kg)	1112	1091	-1.88	1290	-15.47	806	35.37
MCX Aluminium (Rs/kg)	145	144	-0.21	150	-3.47	126	15.10
NCDEX Soybean (Rs/Quintal)	3824	3903	2.07	4506	-13.38	3276	19.14
NCDEX Refined Soy Oil (Rs/10 kg)	890	923	3.68	955	-3.36	728	26.74
NCDEX RM Seed (Rs/Quintal)	5331	5375	0.83	5489	-2.08	3770	42.57
MCX CPO (Rs/10 kg)	765	809	5.69	840	-3.73	543	48.90
NCDEX Castor Seed (Rs/Quintal)	4046	4120	1.83	5930	-30.52	3520	17.05
NCDEX Turmeric (Rs/Quintal)	5908	5906	-0.03	6820	-13.40	5200	13.58
NCDEX Jeera (Rs/Quintal)	14005	13815	-1.36	17560	-21.33	13110	5.38
NCDEX Dhaniya (Rs/Quintal)	6726	6696	-0.45	7421	-9.77	5267	27.13
MCX Cardamom (Rs/kg)	1750	1700	-2.86	4185	-59.38	0	-
NCDEX Wheat (Rs/Quintal)	1759	1750	-0.51	2290	-23.58	1800	-2.78
NCDEX Guar Seed (Rs/Quintal)	4135	4016	-2.88	4450	-9.74	3190	25.89
NCDEX Guar Gum (Rs/Quintal)	6172	6235	1.02	8340	-25.24	4700	32.66
MCX Cotton (Rs/Bale)	17840	17880	0.22	20350	-12.14	14800	20.81
NCDEX Cocud (Rs/Quintal)	1700	1823	7.24	3645	-49.99	1507	20.97
MCX Mentha Oil (Rs/kg)	965	949	-1.67	1336	-28.92	905	4.90

FUTURE PRICES (% CHANGE)



ECONOMIC GAUGE FOR THE NEXT WEEK								
Date	Time	Country	Indicator Name	Period	Poll	Prefix	Unit	Prior
20-Sep-20	4:31	United Kingdom	House Price Rightmove MM	Sep 2020			Percent	-0.2
20-Sep-20	4:31	United Kingdom	House Price Rightmove YY	Sep 2020			Percent	4.6
21-Sep-20	6:30	China (Mainland)	Loan Prime Rate 1Y	Sep 2020			Percent	3.85
21-Sep-20	6:30	China (Mainland)	Loan Prime Rate 5Y	Sep 2020			Percent	4.65
21-Sep-20	17:30	United Kingdom	Steel Production	Aug 2020		Thou		515
21-Sep-20	18:00	United States	National Activity Index	Aug 2020			Index	1.18
21-Sep-20	:	Japan	Chain Store Sales YY	Aug 2020			Percent	2.6
22-Sep-20	15:30	United Kingdom	CBI Trends - Orders	Sep 2020	-41		Balance	-44
22-Sep-20	18:25	United States	Redbook MM	W 19 Sep			Percent	-1.6
22-Sep-20	18:25	United States	Redbook YY	W 19 Sep			Percent	-1.2
22-Sep-20	19:30	United States	Existing Home Sales	Aug 2020	6	Mln	No. of	5.86
22-Sep-20	19:30	United States	Exist. Home Sales % Chg	Aug 2020	2.4		Percent	24.7
22-Sep-20	19:30	United States	Rich Fed Comp. Index	Sep 2020			Index	18
22-Sep-20	19:30	United States	Rich Fed, Services Index	Sep 2020			Index	2
22-Sep-20	19:30	United States	Rich Fed Mfg Shipments	Sep 2020			Index	22
22-Sep-20	19:30	Euro Zone	Consumer Confid. Flash	Sep 2020	-14.7		Balance	-14.7
23-Sep-20	6:00	Japan	Jibun Bank Mfg PMI Flash	Sep 2020			Diff.Idx	47.2
23-Sep-20	10:00	Japan	Total Ind'l Activity MM SA	Jul 2020			Percent	11.8
23-Sep-20	13:30	Euro Zone	Markit Mfg Flash PMI	Sep 2020	51.9		Diff.Idx	51.7
23-Sep-20	13:30	Euro Zone	Markit Serv Flash PMI	Sep 2020	50.5		Diff.Idx	50.5
23-Sep-20	13:30	Euro Zone	Markit Comp Flash PMI	Sep 2020	51.7		Diff.Idx	51.9
23-Sep-20	14:00	United Kingdom	Flash Composite PMI	Sep 2020	56.3		Diff.Idx	59.1
23-Sep-20	14:00	United Kingdom	Flash Manufacturing PMI	Sep 2020	54.3		Diff.Idx	55.2
23-Sep-20	14:00	United Kingdom	Flash Services PMI	Sep 2020	56		Diff.Idx	58.8
23-Sep-20	16:30	United States	MBA Mortgage Applications	W 18 Sep			Percent	-2.5
23-Sep-20	16:30	United States	Mortgage Market Index	W 18 Sep			Index	757.2
23-Sep-20	16:30	United States	MBA Purchase Index	W 18 Sep			Index	316.2
23-Sep-20	16:30	United States	Mortgage Refinance Index	W 18 Sep			Index	3289.4
23-Sep-20	16:30	United States	MBA 30-Yr Mortgage Rate	W 18 Sep			Percent	3.07
23-Sep-20	17:00	India	M3 Money Supply	W 11 Sep			Percent	12.6
23-Sep-20	18:30	United States	Monthly Home Price MM	Jul 2020			Percent	0.9
23-Sep-20	18:30	United States	Monthly Home Price YY	Jul 2020			Percent	5.7
23-Sep-20	18:30	United States	Monthly Home Price Index	Jul 2020			Index	289.9
23-Sep-20	19:15	United States	Markit Comp Flash PMI	Sep 2020			Diff.Idx	54.6
23-Sep-20	19:15	United States	Markit Mfg PMI Flash	Sep 2020	53.2		Diff.Idx	53.1
23-Sep-20	19:15	United States	Markit Svcs PMI Flash	Sep 2020	54.7		Diff.Idx	55
23-Sep-20	20:00	United States	EIA Ethanol Ref Stk	W 18 Sep		Thou	Barrel	19798
23-Sep-20	20:00	United States	EIA Ethanol Fuel Total	W 18 Sep		Thou	Brl/Day	926
23-Sep-20	20:00	United States	EIA Wkly Crude Stk	W 18 Sep		Mln	Barrel	-4.389
23-Sep-20	20:00	United States	EIA Wkly Dist. Stk	W 18 Sep		Mln	Barrel	3.461
23-Sep-20	20:00	United States	EIA Wkly Gsln Stk	W 18 Sep		Mln	Barrel	-0.381
23-Sep-20	20:00	United States	EIA Weekly Crude Imports	W 18 Sep		Mln	Barrel	-0.066
23-Sep-20	20:00	United States	EIA Weekly Rfg Stocks	W 18 Sep		Mln	Barrel	-0.007
23-Sep-20	20:00	United States	EIA Weekly Heatoil Stock	W 18 Sep		Mln	Barrel	0.495
23-Sep-20	20:00	United States	EIA Weekly Prods Imports	W 18 Sep		Mln	Brl/Day	-0.199
23-Sep-20	20:00	United States	EIA Weekly Dist Output	W 18 Sep		Mln	Brl/Day	0.005

23-Sep-20	20:00	United States	EIA Weekly Crude Runs	W 18 Sep		Mln	Brl/Day	0.709
23-Sep-20	20:00	United States	EIA Wkly Refn Util	W 18 Sep			Percent	4
23-Sep-20	20:00	United States	EIA Wkly Crude Cushing	W 18 Sep		Mln	Barrel	-0.074
23-Sep-20	20:00	United States	EIA Weekly Gasoline O/P	W 18 Sep		Mln	Brl/Day	-0.111
24-Sep-20	4:31	United Kingdom	GfK Consumer Confidence	Sep 2020	-27		Balance	-27
24-Sep-20	5:20	Japan	Service PPI	Aug 2020			Percent	1.2
24-Sep-20	15:30	United Kingdom	CBI Distributive Trades	Sep 2020	-10		Balance	-6
24-Sep-20	17:30	United States	Build Permits R Numb	Aug 2020		Mln	No. of	1.47
24-Sep-20	17:30	United States	Build Permits R Chg MM	Aug 2020			Percent	-0.9
24-Sep-20	19:30	United States	New Home Sales-Units	Aug 2020	0.9	Mln	No. of	0.901
24-Sep-20	19:30	United States	New Home Sales Chg MM	Aug 2020	-0.1		Percent	13.9
24-Sep-20	20:30	United States	KC Fed Manufacturing	Sep 2020			Index	23
24-Sep-20	20:30	United States	KC Fed Composite Index	Sep 2020			Diff.Idx	14
25-Sep-20	11:30	United Kingdom	PSNB Ex Banks GBP	Aug 2020	38.5	Bln	GBP	26.669
25-Sep-20	11:30	United Kingdom	PSNB, GBP	Aug 2020	35.05	Bln	GBP	25.944
25-Sep-20	11:30	United Kingdom	PSNCR, GBP	Aug 2020		Bln	GBP	16.491
25-Sep-20	13:30	Euro Zone	Money-M3 Annual Grwth	Aug 2020	10.4		Percent	10.2
25-Sep-20	13:30	Euro Zone	Loans to Households	Aug 2020			Percent	3
25-Sep-20	13:30	Euro Zone	Loans to Non-Fin	Aug 2020			Percent	7
25-Sep-20	13:30	Euro Zone	Broad Money	Aug 2020		Mln	EUR	14003368
25-Sep-20	18:00	United States	Durable Goods	Aug 2020	1.5		Percent	11.4
25-Sep-20	18:00	United States	Durables Ex-Transport	Aug 2020	1.3		Percent	2.6
25-Sep-20	18:00	United States	Durables Ex-Defense MM	Aug 2020			Percent	10.1
25-Sep-20	18:00	United States	Nondefe Cap Ex-Air	Aug 2020	1		Percent	1.9