

**AJCON GLOBAL**  
YOUR FRIENDLY FINANCIAL ADVISOR

## Market Wrap

April 03, 2018

### **Banking giants rise; investors will keep an eye on RBI policy scheduled for Thursday..**

Benchmark indices rose in the last leg of trade to end higher on Tuesday despite weakness in global peers, with gains in lenders such as State Bank of India, ICICI Bank and Axis Bank.

The S&P BSE Sensex ended at 33,371, up 115 points while the broader Nifty50 index settled at 10,245, up 33 points.

Among sectoral indices, the Nifty PSU Bank index was up over 1.5% led by a rise in the shares of Bank of India and Bank of Baroda.

Among major economic data Activity in India's manufacturing sector expanded at its weakest pace in five months in March as order and production growth slowed, discouraging firms from hiring, a business survey showed on Tuesday. The Nikkei Manufacturing Purchasing Managers' Index, compiled by IHS Markit, fell to 51.0 last month from February's 52.1, well short of a Reuters poll median of 52.8.

Investors will now look forward to Reserve Bank of India's (RBI) first bi-monthly policy decision of FY19 to be held on Thursday.

### **Sectors and stocks**

March 2018 was a strong month for the domestic automotive industry with robust volume growth across segments. MHCV industry volumes increased by 16-18% yoy on a relatively high base last year. Demand in rural India climbs up, which is reflected in strong demand for two-wheelers and tractors. Industry volumes in these segments increased by 18-40% yoy; all major OEMs (except Bajaj Auto) reported strong double-digit yoy volume growth.

Shares of tyre manufacturer were in focus in otherwise subdued market with MRF hitting new high of Rs 75,474, up 3.3% on the BSE on Tuesday. The tyre major has surpassed its previous high of Rs 74,499 recorded in December 26, 2017. Among other tyre stocks, Ceat and Apollo Tyres were up 3%, TVS Srichakra, JK Tyre & Industries, Goodyear India, Govind Rubber and Balkrishna Industries up in the range of 1% to 2% on the BSE. On comparison, the S&P BSE Sensex was trading 0.04% lower at 33,241 points at 10:27 am. Since February 2018, MRF has outperformed the market by gaining 10% after the company reported better than expected EBITDA margins at 18.5%, up 160 bps QoQ and 70 bps YoY, for the third quarter ended December 2017. Government announced increase in custom duty on truck and bus radials (TBR) imports from 10% to 15% in union budget FY19 which augurs well for tyre companies. While incremental benefit will be limited owing to already low imports post Goods and Services Tax (GST) and Anti-dumping duty (ADD); it gives further confidence in sustained depressed Chinese imports.

Shares of InterGlobe Aviation, which operates no-frills carrier IndiGo, private sector lender IndusInd Bank, tyre Company Apollo Tyres and microfinance institution Bharat Financial Inclusion were among 11 stocks from the S&P BSE500 index hitting their respective 52-week highs in otherwise subdued market.

Britannia Industries, Dilip Buildcon, Firstsource Solutions, Lakshmi Machine Works, MRF, Nestle India and TV18 Broadcasting too hit 52-week highs in intra-day trade on the BSE on Tuesday.

Lupin was up 3% to Rs 798, extending its Monday's 5% surge on the BSE, after the company announced the successful completion of the inspection by the UK MHRA at its Goa facility in March, 2018. There were no critical or major observations in the inspection, Lupin said in a press release. "We are committed to maintaining truly global quality standards at our manufacturing units. The successful inspection by UK MHRA is a meaningful development for our Goa plant," said Nilesh Gupta, Managing Director, Lupin. On Monday, April 2, Lupin announced the successful facility review carried out by Health Canada for its Pithampur Unit 2 (Indore) manufacturing facility. Following the review, Health Canada has maintained the compliant rating for Unit 2 at Pithampur (Indore) and has issued a revised 'Establishment License,' it added.



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Motherson Sumi gained as much as 6% in early morning deals after the auto component player acquired French component maker Reydel for \$201 million. The acquisition would enable both the companies to capitalise on new opportunities in their existing and new geographies, as well as within each other's customer portfolios. The acquisition will be done by Motherson's step down subsidiary Samvardhana Motherson Automotive Systems Group BV (SMRPBV) using its cash and banking limits. The acquisition will be closed over the next three-four months.

**Global Markets**

In the global markets' space, Asia Pacific stocks finished the first trading day of the quarter on a weaker note as markets reversed gains seen earlier in the day. Markets also digested new tariffs on US goods announced by China on Monday after Beijing floated the proposal last month.

**Latest Block deals**

All Prices in ₹

Deal Date	Security Code	Security Name	Client Name	Deal Type *	Quantity	Trade Price
03/04/2018	500878	CEATLTD	INSTANT HOLDINGS LIMITED	B	275,000	1,556.35
03/04/2018	500878	CEATLTD	CHATTARPATI APARTMENTS LLP	S	275,000	1,556.35
03/04/2018	500173	GUJFLUORO	HOTZ INDUSTRIES LIMITED	B	130,600	796.15
03/04/2018	500173	GUJFLUORO	VINAY MITTAL	S	130,600	796.15
03/04/2018	505509	RESPONIND	FAIRPOINT TRADECOM LLP	B	12,500,000	40
03/04/2018	505509	RESPONIND	WELLKNOWN BUSINESS VENTURES PVT LTD	S	12,500,000	40
03/04/2018	532983	RPGLIFE	NUCLEUS LIFE TRUST	B	5,021,628	394.1
03/04/2018	532983	RPGLIFE	EKTARA ENTERPRISES LLP	B	1,791,500	394.1
03/04/2018	532983	RPGLIFE	EKTARA ENTERPRISES LLP	B	284,500	394.1
03/04/2018	532983	RPGLIFE	CHATTARPATI APARTMENTS LLP	S	5,021,628	394.1
03/04/2018	532983	RPGLIFE	INSTANT HOLDINGS LIMITED	S	284,500	394.1
03/04/2018	532983	RPGLIFE	SUDARSHAN ELECTRONICS AND TV LTD	S	1,791,500	394.1

\* B - Buy, S - Sell



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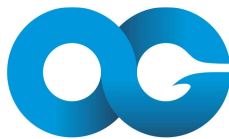
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