

Indian Market View

Asian shares fell in early trade on Tuesday as a relief rally sparked by a truce in the U.S.-China trade war gave way to doubts on whether the two countries are able to resolve their differences before a 90-day deadline. NIKKEI down 1.13%, but Hang Seng mild up by 0.2%.

Overnight, the Dow Jones Industrial Average closed 1.13% higher, the S&P 500 gained 1.09% and the Nasdaq Composite added 1.51%. But even before the trading day ended, major U.S. indexes pulled back from intraday highs as investors pondered unresolved issues between the two countries.

There was confusion over when the 90-day period would start (1 Dec/Jan?) Moreover, none of the commitments that U.S. officials said had been given by China, including reducing its 40% tariffs on autos, were agreed to in writing and specifics had yet to be hammered out.

In contrast to the retreat in equity markets, oil prices continued to rise on Tuesday after surging 4% the day before on the U.S.-China trade truce, and ahead of a key OPEC meeting that is expected to lead to supply cuts.

SGX NIFTY 10,916.30 (-13.45 /-0.12%) After failing to cross the psychological 11000 mark amidst brief relief rally globally, NIFTY is clearly on sideline waiting for State Poll results (exit poll post Friday market, and vote counting on Tuesday, 11 Dec) Healthier Nov PMI is being ignored by the market. Poll results could prove to be short term pause. The oil prices, expected to remain benign as even Fed members are projecting moderation of US economy in 2019, which would counter the supply intervention by Opec+, if materializes in the OPEC meet this week. Softer oil prices if sustained through fiscal end, market would continue to get investors' backing, domestic as well FII, irrespective of political events' outcome. Market factors status quo from RBI's ongoing MPC meet. Rupee snapped its four-day winning streak and closed at 70.46 against the dollar versus 69.58 on Friday. Expect a flat market on flat trend prevailing globally.

Noted Corporate Development

- Sun Pharma highlighted that there was no wrongdoing and gave clarity on the recent queries raised on the company. Founder Dilip Shanghvi said that the points raised in the sales note pertained to information which was sourced from public domain. He added that while few of the issues were not related to the company, and some were factually incorrect and were 10-15 years. He also said that the company had not received any communication from the SEBI on reopening the insider trading case.
- GAIL said that it will challenge CESTAT Delhi's order of demand notice of Rs 2,822 crore at a higher forum. The order had allowed the appeal filed by the Department and held that the product manufactured by GAIL at its Gas Processing Plants was 'Natural Gasoline Liquid' and not Naphtha. This had attracted an additional Excise Duty of Rs.15 per liter. Company said that necessary disclosure in Notes to Accounts under contingent liability for aforesaid show-cause notices for financial year 2017-18 had been made.
- Axis Bank clarified the news on IT Department probing the company's staff for alleged facilitation of benami deals. It said that the matter was reported in media in March and an internal inquiry had already been conducted by the bank.
- Uflex's global film manufacturing arm received an U.S. patent that covers the entire categories of BOPET films. The company got the exclusive rights of manufacturing of the special film in the U.S., Europe and India.
- NCC received two new orders worth Rs 220.2 crore for November from state government agencies. Of this, Rs 174.2 crore pertains to the electrical division while Rs 46 crore is for water division.
- NMDC revised Lump Ore prices to Rs 3,550 per ton and Fines at Rs 3,110 per ton, effective Dec.1.
- Welspun Enterprises arm signed a concession agreement with NHAI for a four-laning construction project in Tamil Nadu. Bid project cost stood at Rs 2,004.51 crore
- Omax Autos board approved the proposal of setting up new industrial unit for manufacture and supply of 'Long Member' in Uttar Pradesh. Project would cost Rs 165 crore and the proposed capacity addition will be 144 thousand Long Member.
- VST Tillers Tractors' Power Tillers sales were at 2108 units and Tractors sales at 628 units for November.

SGX Nifty: Daily and Weekly Chart





Contact Person Detail

SURYA NARAYAN NAYAK
HEAD-Research & Sales
Email-surya.nayak@kcsecurities.com
Contact No-+9122 - 67236089

KantilalChhaganlal Securities Pvt Ltd
Vilco Center, 'A' Wing, Near Garware House, 8,
Subhash Road, Ville Parle (E), Mumbai 400 057 Tel
No: +91 022-6723 6000/6001 Fax: +91 22 6723 6088

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