

Indian Market View

Asian shares started the week in the red on Monday, faltering for the eighth straight day while the dollar held on to recent gains as U.S. President Donald Trump raised the stakes in the heated trade dispute with China. On Friday, Wall Street stocks ended lower while world share indexes registered their biggest weekly declines in almost six months after Trump threatened tariffs on a further \$267 billion worth of Chinese imports, on top of earlier promises to levy duties on \$200 billion worth of Chinese goods. Beijing has warned of retaliation if Washington launches any new measures. Worries from the trade ructions to emerging market turmoil have weighed on equities, with even U.S. stocks joining in with declines. Trump's signal that he's ready to target a sum of goods equal to virtually all imports from China came as data showed a healthy American labor market with signs of wage inflation that could clear the way for two more Federal Reserve interest rate hikes this year.

Amidst mild gains in key US futures (upto 0.2%), Japan's Nikkei 225 opened low and down by 1.7%, while China H-shares and Hang Seng were down by 0.7%. ASX200 and Kospi however were mildly gaining by 0.58% and 0.22%.

Oil prices rose on Monday as U.S. drilling for new production stalled and as the market eyed tighter conditions once Washington's sanctions against Iran's crude exports kick in from November. U.S. energy companies cut two oil rigs last week, bringing the total count to 860, energy services firm Baker Hughes said on Friday. The U.S. rig count has stagnated since May, after staging a recovery since 2016, which followed a steep slump the previous year amid plummeting crude prices. WTI and Brent crude added 45/50cents to last trade.

So far, SGX Nifty traded 0.49 percent lower at 11,578.00. Expect NIFTY to open gap down, and fall upto 11547 (S1) initially followed by gradual weakening upto 11462 (S2). Should Rupee does not recoup losses during the day as suggested by sticky and rising crude oil prices, NIFTY can fall to 11412 (S3). Pivot at 11598 looks highest point of resistance as the sequential supports would post resistance as trading progress, during the day.

Noted Corporate Development

- Tata Motors' Jaguar Land Rover's total retail sales for August fell 4.9 percent to 36,629 units on a year on year basis. Jaguar retail sales were 11,802 units, up 7.7 percent, driven by the introduction of the E-PACE and I-PACE, as well as XE long wheelbase sales in China. Land Rover retailed 24,827 vehicles, down 9.9 percent as increased sales of the Velar and the refreshed Range Rover were offset by the impact of the lower sales in China on Range Rover Evoque and Discovery Sport in particular.
- JK Lakshmi Cement to issue securities up to Rs 500 crore.
- State Bank of India spokesperson said that the bank withdrew itself from the process of sale of debt of Essar Steel India Ltd. and will proceed as per the order of NCLAT.
- Reliance Industries' subsidiary Reliance Retail Ventures acquired additional 16.31 percent equity holding in Genesis Colors Ltd. for Rs 34.8 crore. Post the acquisition Reliance Retail Ventures along with its subsidiaries owns 65.77 percent in Genesis Colors.
- Soril Infra Resources plans to raise Rs 550 crore for diversification/expansion of the existing and future businesses. Promoters to infuse Rs 440 crore, while non-promoters to infuse Rs 110 crore. The company to issue 1 crore convertible warrants at Rs 550 each (28 percent discount).
- RITES received a turnkey railway contract of Rs 294.67 crore from ministry of railways for doubling of rail lines for South Western Railways.
- Thyrocare Technologies approved buyback of 8.63 lakh shares at Rs 730 per share aggregating to Rs 66 crores. The buyback size is 14.97 percent of the aggregate paid-up share capital and free reserves.
- HDIL sought shareholders' approval to raise \$200 million. The annual general meeting will be held on Sept. 29.

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, Vile Parle (E), Mumbai 400 057 Tel
No: +91 022-6723 6000/6001 Fax: +91 22 6723 6088

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