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# MOVERS & SHAKERS



## INDIAN INDICES

Indices	Jan-19	Dec-18	Monthly Change (%)
SENSEX	36256.69	36068.33	0.52 ↑
NIFTY 50	10830.95	10862.55	-0.29 ↓
NIFTY BANK	27295.45	27160.20	0.50 ↑
NIFTY MIDCAP 100	16904.75	17875.50	-5.43 ↓
NIFTY 500	9003.85	9170.00	-1.81 ↓
NIFTY IT	15499.30	14440.30	7.33 ↑
NIFTY REALTY	228.55	232.35	-1.64 ↓
NIFTY INFRA	2976.85	3175.30	-6.25 ↓

(Source: BSE & NSE)

## BSE SECTORAL INDICES

Indices	Jan-19	Dec-18	Monthly Change (%)
AUTO	18494.59	20833.73	-11.23 ↓
BANKEX	30731.37	30376.68	1.17 ↑
CD	21255.75	20694.63	2.71 ↑
CG	17311.11	18821.04	-8.02 ↓
FMCG	11615.86	11829.07	-1.80 ↓
HC	13881.35	13923.37	-0.30 ↓
IT	15264.10	14089.56	8.34 ↑
METAL	10958.60	11839.59	-7.44 ↓
OIL&GAS	13612.32	13748.57	-0.99 ↓
PSU	6904.46	7236.53	-4.59 ↓
REALTY	1774.09	1797.83	-1.32 ↓
TECK	7520.46	7066.06	6.43 ↑

(Source: BSE)

## GLOBAL INDICES

Indices	Jan-19	Dec-18	Monthly Change (%)
DOW JONES	24999.67	23327.46	7.17 ↑
NASDAQ	7281.74	6635.28	9.74 ↑
HANG SENG	27942.47	25845.70	8.11 ↑
FTSE	6968.85	6728.13	3.58 ↑
NIKKEI	20773.49	20014.77	3.79 ↑

(Source: Telequote software)

## COMMODITIES

Particulars	Jan-19	Dec-18	Monthly Change (%)
MCX GOLD	33056.00	31391.00	5.30 ↑
MCX SILVER	40439.00	38821.00	4.17 ↑
MCX CRUDE OIL	3869.00	3170.00	22.05 ↑
MCX NATURAL GAS	201.50	212.20	-5.04 ↓

(Source: Telequote software)

## FOREX

Particular	Jan-19	Dec-18	Monthly Change (%)
USD-INR ₹	71.26	69.76	2.15 ↑
EUR-INR €	82.01	79.98	2.54 ↑
GBP-INR £	93.66	89.02	5.21 ↑
JPY-INR ¥	65.68	63.89	2.80 ↑

(Source: Telequote software)

## FII Activity (Rs. Cr.)

Date	Gross Purchases	Gross Sales	Net Pur/Sales
Total for Jan 2019	94,064.54	99,328.39	-5,263.85
<b>Total for 2019*</b>	<b>94,064.54</b>	<b>99,328.39</b>	<b>-5,263.85</b>

(Source: SEBI)

## MF Activity (Rs. Cr.)

Date	Gross Purchases	Gross Sales	Net Pur/Sales
Total for Jan 2019	56,260.59	49,255.32	11,444.84
<b>Total for 2019*</b>	<b>56,260.59</b>	<b>49,255.32</b>	<b>11,444.84</b>

\*Till Jan 2019

(Source: SEBI)

Going ahead, Indian equity markets are expected to remain positive this month. Chances of a rate cut by the Reserve Bank of India's (RBI's) in February monetary policy are moderate as the Budget is inflationary in nature. With 2019-20 Interim Budget announcements are supportive to Middle class income, consumption stocks like FMCG, Realty and Auto will be in focus.

### Monthly Market Roundup

In the month of January, the S&P BSE Sensex was up by 0.5% and the CNX Nifty was down by 0.3%. Four heavyweight stocks cushioned the benchmark CNX Nifty as it ended 0.3 % lower compared with a 4.8% drop in Nifty Smallcap 100 Index and a 5.5% fall in Nifty Midcap 100 Index. These are Reliance Industries Ltd.(up by 9.3%), Tata Consultancy Service Ltd.(up by 6.2%), Axis Bank Ltd(up by 16.2%). and Infosys Ltd(up by 13.8%) .

Seven of every 10 Nifty 50 stocks fell in January, including the HDFC bank(down by 2.3%) that has the highest weight on the benchmark. Others include L&T (down by -9%), Maruti (down by -11%),IndusInd bank (down by -6.2%) and Eicher motors (down by -13%).

On the sectoral front BSE IT, BSE Consumer Durable, BSE Teck ended with gains of 8.3%,5.2% and 6.4% respectively. BSE Cap Goods, BSE Auto and BSE Metal ended with lower by -5.8%, -11.2% and -7.4% respectively. While, Nifty Bank ended marginally lower by -0.5%.

On the economic front, the total gross GST revenue collected in the month of January 2019 stood at Rs 1,02,503 crore, the third time in this fiscal , despite tax rate cuts.

Foreign Portfolio Investors (FPIs) withdrew over Rs 5,300 crore from the Indian capital markets in January, indicating their 'wait and watch' approach ahead of the general elections.

Prior to this, they had infused a net sum of over Rs 17,000 crore in the capital markets -- equity and debt -- during November and December 2018. In October, they had pulled out a massive Rs 38,900 crore.

On The Global Front the Fed held rates unchanged at a range of 2.25% to 2.50%, as widely expected and US-China trade talks resumed in the month.

### Nifty Technical Outlook: February



The current price action on the monthly chart has formed a narrow range body this suggests indecisiveness prevailing at current levels.

In coming month if Nifty trades and close above 10911 level then it is likely to test 11029 - 11147 - 11284 levels. However, if Nifty trades and close below 10750 level then it can 10632 - 10514 - 10377 levels.

**Broadly we are of the opinion that 10500 is crucial support for current month as long as nifty holds the above mentioned zone there is high probability that nifty would test 11029 - 11147 - 11284 levels on the upside. Hence cautiously positive approach at current level should be adopted.**

### Economic Data Wrap Up – Jan

- India's Jan Nikkei manufacturing PMI rose to 53.9 from 53.2 in Dec.
- India's Jan Nikkei services PMI rose to 52.2 from 53.2 in Dec.
- India's Nov IIP growth fell to 0.5% from 8.1% in Oct.
- India's Dec CPI inflation fell to 2.19% from 2.33% in Nov.
- India's Dec WPI inflation fell to 3.80% from 4.64% in Nov..
- India's Dec trade deficit reduced to \$13.08 bln from \$ 14.2bln YoY.

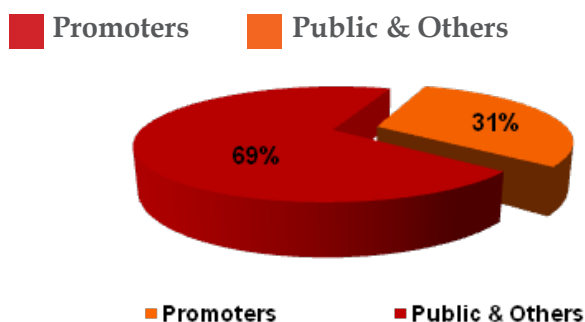
# Fundamental Stock

## NIIT Technologies

BUY Target Price: Rs 1570

Value Parameters -	
BSE Code	532541
NSE Symbol	NIITTECH
CMP (As on 1st Feb, 2019)	Rs 1319
Face Value	Rs 10
52 Week High/Low	1425/679
Market Cap (Rs mn)	81,119
EPS (FY21E)	95.2
PE ratio (x)	13.9

### Shareholding Pattern % (December '18)



## Company Overview

NIIT Technologies (N-Tech) is a leading global IT solutions organization, enabling its clients to achieve real world business impact through unparalleled domain expertise working at the intersection of emerging technologies. With nearly 10,000 people serving clients across US, Europe, Asia, and Australia, N-Tech fosters a culture that promotes innovation and constantly seeks to find new yet simple ways to add value for its clients.

### Business Verticals

The company focuses on three key verticals,--- 1) Banking and financial services (BFSI), 2) Insurance and 3) Travel and Transportation (T&T).

## Investment Rationale

### Impressive growth driven by digital revenue

Over the quarters N-Tech has consistently maintained stable growth in its BFSI segment due to continued ramp up in top accounts in US and Europe and also due to digital engagements especially in Cloud, Artificial Intelligence (AI), Data & Automation, which will be the new growth drivers for the company going forward.

### Sustained uptick in fresh order intake

N-Tech has a robust order book to the tune of US \$375mn at the end of Q3FY19. The company had consistently increased its fresh order intake over the last few quarters.

### Organisation restructuring to put thrust on growth

N-Tech has undertaken massive restructuring exercise with special focus on large deal wins to drive sales momentum. With this restructuring, N-Tech has transformed itself from a geo-centric organisation to a vertical-centric organisation, which has been formed around three key verticals of 1) Travel & Transportation, 2) Insurance and 3) BFS.

### PAT to witness 27.8% CAGR over FY18-21E

With 20.3% CAGR revenue growth over FY18-21E and stable EBITDA margin of 17-18%, we expect N-Tech's PAT to grow from Rs 2803mn in FY18 to Rs 5854mn in FY21E, thereby registering a CAGR of 27.8%.

## Outlook & Valuation

At CMP of Rs 1319, N-Tech trades at FY19E, FY20E and FY21E, P/E multiples of 20.1x, 16.3x and 13.9x respectively which is attractive. We value the stock at FY21E target P/E multiple of 16.5x, which yields a target price of Rs 1570 per share. We are positive on N-Tech and have a BUY rating with a TP of Rs 1570 (16.5x FY21E EPS), which gives an upside of 19%.

# AUT SECTOR

## January Sales



### Maruti Suzuki

**Total Sales: 151,721 units, 0.2 % yoy up**  
 Domestic Sales: 142,150 units, 1.1% yoy up  
 PV Sales: 139,440 units, 0.2% yoy up  
 Exports: 9571 units, -11% yoy down



### TVS Motor

**Total Sales: 282,630 units, 4% yoy up**  
 2Wheeler Sales: 269,277 units, 2% yoy up  
 3Wheelers Sales: 13,353 units, 52% yoy up  
 Exports: 52,650 units, 23% yoy up



### Mahindra & Mahindra

**Total Sales: 55,722 units, 7% yoy up**  
 Domestic Sales: 52500 units, 6% yoy up  
 PV Sales: 23,872 units, 1% yoy up  
 CV Sales: 22,625 units, 8% yoy up  
 M&HCV Sales: 849 units, -19% yoy down  
 Exports: 3,222 units, 22% yoy up



### Atul Auto

**Total Sales: 3564 units, -10.9 % yoy down**



### Tata Motors

**Total Sales: 54,915 units, -8% yoy down**  
 PV Sales: 17,826 units, -11% yoy down  
 CV Sales: 37,089 units, -6% yoy down  
 M&HCV Sales: 11,694 units, -9% yoy down  
 Exports: 3,270 units, -37% yoy down



### Escorts

**Total Sales: 5,991 units, 12.7% yoy up**  
 Domestic Sales: 5,762 units, 11.7% yoy up  
 Exports: 229 units, 46.8% yoy up



### Bajaj Auto

**Total Sales: 407,50 units, 15% yoy up**  
 Domestic Sales: 231,461 units, 14% yoy up  
 CV Sales: 56,690 units, -12% yoy down  
 Motorcycle Sales: 350,460 units, 21% yoy up  
 Exports: 175,689 units, 16% yoy up



### Ashok Leyland

**Total Sales: 19,741 units, 9 % yoy up**  
 M&HCV Sales: 14,694 units, 8% yoy up  
 LCV Sales: 5,047 units, 13% yoy up



### Hero MotoCorp

**Total Sales: 582,756 units, -9% yoy down**



### Volvo-Eicher Commercial Vehicles

**Total Sales: 5,906 units, - 13% yoy down**

### Eicher Motorcycle

**Total Sales 72,701 units, -7 % yoy down**  
 Domestic Sales: 70,872 units, -9% yoy down  
 Exports: 1,829 units, 9% yoy up

## Zinc-Ready to Zoom

### ZINC

### BUY

Buy: Zinc Feb on dips to Rs.186.00-Rs.185.50

Targets: Rs.194.20-Rs.201.50

Stop Loss: < Rs.181.50

After trading at an all time high of Rs.232.70 in February 2018, Zinc prices kept tumbling for the remaining ten months of the year and marked a bottom at Rs.163.80 in this south bound journey. The year 2019 brought a change of fortune for Zinc bulls. The relief rally began right from the start of the year and in last five weeks it has turned itself as a strong contender of another leg of fully fledged bullish rally. Let's gauge the future possibilities on technical chart and let's see how a mid-term trader can benefit from the same.

The silvery bluish metal is back in the form with an 'X' wave in the making on weekly chart. The ABC structure which caused the damage for most part of the last year can be actually seen as a blessing in disguise as the 10 month long correction has again created a room for bulls to take positions for the much anticipated leg of the 'X' wave rally. The second leg concluded in the first week of last month, i.e. January and in last five weeks, the third leg has structured itself and is now nearing a breakout targeted to score new all time highs this year. Momentum indicators like RSI, MACD & ADX are well supporting the turnaround and we may see the pace getting more electrifying after a couple of weeks. Prices are



expected to get a minor pull back from here and then consolidate to rally further. Traders with a mid-term perspective can look to **buy Zinc February contract on dips to Rs.186.00-Rs.185.50 for targets in the range of Rs.194.20-Rs.201.50. Maintain stop loss below Rs.181.50.**

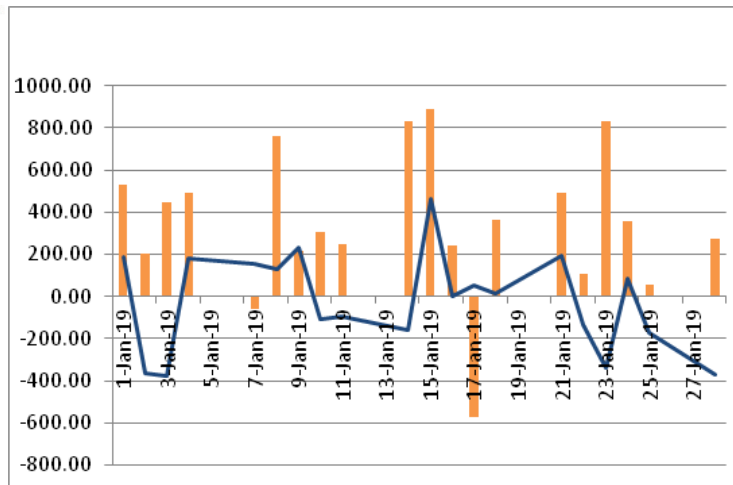


## MUTUAL FUND ROUNDUP

Indian equity markets ended on mixed note in January 2019. The barometer index, S&P BSE Sensex delivered positive returns of 0.52% to settle at 36256.69 and Nifty50 lost 0.29% ending the month at 10830.95.

### MF ACTIVITY

Indian mutual funds turned net buyers of equities to the tune of Rs 11,444.84 crore in the month of Jan 2019. Highest buying was recorded in the fourth week of the month when the fund houses made total net buy of Rs 6282.53 crore of equities. On the other hand, foreign institutional investors (FIIs) sell Rs 5263.85 crore worth of equities in January 2019.



### Mutual Fund Activity In January 2019

Rs in Crores	Gross Purchases	Gross Sales	Net Investment
1 <sup>st</sup> Week	7429.48	5761.92	1667.56
2 <sup>nd</sup> Week	13338.43	11870.72	1467.71
3 <sup>rd</sup> Week	11323.54	9566.66	1756.88
4 <sup>th</sup> Week	10410.19	8567.66	6282.53
5 <sup>th</sup> Week	13758.95	13488.36	270.16
<b>Total</b>	<b>56260.59</b>	<b>49255.32</b>	<b>11444.84</b>

Note: Mutual Fund activity as on 31<sup>st</sup> Jan 2019



## Equity Scheme Recommendation

Scheme Name	Latest NAV*	AUM as on Jan 31 <sup>st</sup> , 2019 (Rs in Cr)	Launch Date	Returns (%)				Min. Investment Amount	
				One Year	Three Years	Five Years	Since Inception	SIP	Lump sum
<b>Large Cap Fund</b>									
HDFC Top 100 Fund(G)	466.06	14699	3-Sept-96	-3.29	15.89	15.81	19.79	500	5000
ICICI Pru Bluechip Fund (G)	39.74	18870	23-May-08	-4.86	13.53	15.18	13.76	500	1000
SBI Blue Chip Fund	36.29	19096	14-Feb-06	-7.5	9.76	15.63	10.45	500	5000
Axis Bluechip Fund(G)	26.77	2927	05-Jan-10	4.41	13.89	15.25	11.24	1000	5000
<b>Multi Cap Fund</b>									
Axis Focused 25 Fund(G)	25.19	5904	29-Jun-12	-5.34	14.85	16.73	14.92	1000	5000
Mirae Asset India Equity Fund	47.94	9033	04-Apr-08	-3.34	16.21	19.35	15.58	1000	5000
SBI Magnum Multi cap Fund (G)	45.29	5743	29-Sept-05	-7.3	12.57	19.1	12.02	500	1000
<b>Mid Cap Fund</b>									
HDFC Mid-Cap Opportunities Fund	51.16	19702	25-Jun-07	-12.8	12.7	20.73	15.13	500	5000
L&T Mid Cap Fund (G)	127.35	3197	9-Aug-04	-14.4	14.3	24.15	19.22	500	5000

Note: Returns as on 31<sup>st</sup> Jan, 2019, Returns < 1 yr annualized, Returns > 1 yr compounded annualized.

## Debt Scheme- Liquid Funds Recommendation

Scheme Name	Latest NAV*	AUM as on Jan 31 <sup>st</sup> , 2019 (Rs in Cr)	Returns (%)				
			One Month	Three Months	Six Months	One Year	Since Inception
<b>Liquid Fund</b>							
Reliance Liquid Fund	4485.58	46319	0.59	1.89	3.76	7.51	7.4
ICICI Pru Liquid Fund	272.2	51345	0.58	1.88	3.71	7.46	7.88
<b>Ultra Short Term Fund</b>							
Kotak Saving Fund	29.55	6783	0.71	2.3	3.97	7.67	7.77
L&T Ultra Short term Fund	30.11	1512	0.64	2.23	3.97	7.63	7.46

Note: NAV and Returns as on 31<sup>st</sup> Jan, 2019, Returns < 1 yr annualised, > 1 yr compounded annualised.

## ELSS Scheme Recommendation

Scheme Name	Latest NAV*	Launch Date	Returns (%)			
			OneYear	Three Years	Five Years	Since Inception
Axis LT Equity Fund(G)	40.59	29-Dec-09	-4.05	11.18	19.3	16.59
Aditya Birla SL Tax Relief '96(G)	30.22	29-Mar-96	-5.47	13.55	19.61	10.67
Mirae Asset Tax Saver(G)	16.52	28-Dec-15	-4.3	19.62	-	17.61

Note: NAV and Returns as on 31<sup>st</sup> Jan, 2019, Returns <1 yr annualised, >1 yr compounded annualised.

# THE MONTH AHEAD KEY FINANCIAL EVENTS FEB 2019



## FEB 01

- Interim Budget for FY20.



## FEB 01-02

- Indian Nikkei Manufacturing PMI
- Indian Automobile Sales Data, by Automakers



## FEB 05

- Indian Nikkei Services PMI
- US ISM Non-Manufacturing PMI



## FEB 05-07

- Indian First advance GDP estimate for FY19
- RBI MPC meeting for sixth bi-monthly monetary policy



## FEB 06

- US Advance GDP
- US Retail Sales



## FEB 07-10

- Indian Automobile Sales Data, by SIAM
- BOE Bank Rate Votes



## FEB 08

- Canada Unemployment Rate



## FEB 11

- England GDP



## FEB 12

- Indian Industrial Production (IIP)
- Indian Consumer Price Index (CPI)



## FEB 13

- England CPI
- US CPI



## FEB 14

- Indian WPI Inflation
- Indian Trade Data
- US PPI



## FEB 15

- Europe Trade Balance
- US Retail Sales
- US Industrial Production



## FEB 27

- US Core Durable Goods Orders



## FEB 28

- India GDP for Oct-Dec
- US Prelim GDP





**THINK  
BIG  
START SMALL**

## ARIHANT'S SIP INVESTMENT

### WHY SIP INVESTMENT



**DISCIPLINED INVESTMENT**



**POWER OF COMPOUNDING**



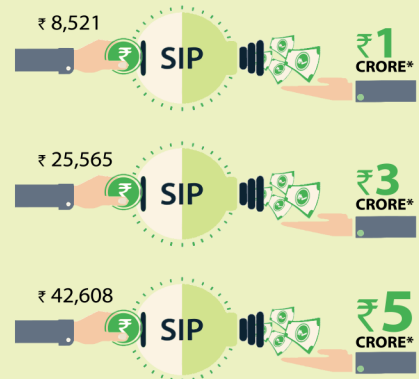
**RUPEE COST AVERAGING**



**SMALL POCKET INVESTMENT**

\* Note: The above figures are calculated at the rate of 14% p.a. for illustration purpose only. Mutual fund investments are subject to market risks. The actual result may vary from depicted result depending on scheme selected. It should not be construed to be indicative of scheme performance in any manner.

### 20 YEARS PERIOD



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