



Market Outlook:

May 22, 2023

The domestic equity barometers ended the week with limited losses. The Nifty settled tad above the 18,200 level. The performance of the broader market was mixed. While factors like strong foreign institutional investor (FII) buying and positive domestic economic indicators had been driving the recent rally, global uncertainties surrounding interest rates and the US debt ceiling impasse have now prompted investors to take some profits off the table at regular intervals. In the week ended on Friday, 12 May 2023, the S&P BSE Sensex fell 298.22 points or 0.48% to settle at 61,729.68. The Nifty 50 index lost 111.4 points or 0.61% to close at 18,203.40. The BSE Mid-Cap index declined 0.18% to settle at 26,154.36. The BSE Small-Cap index advanced 0.61% to close at 29,796.33.

Trading could be volatile in the forthcoming week as traders roll over positions in the F&O segment from the near month May series to June series. The May 2023 F&O contracts will expire on 25 May 2023. Domestic and global macroeconomic data, trend in global stock markets, the movement of rupee against the dollar and crude oil prices will also dictate trend on the bourses. Investment by foreign portfolio investors (FPIs) and domestic institutional investors (DIIs) will also be monitored.

Major Events for Next Week

Domestic:

FX Reserves, USD(May 19)	26-May-23
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International:

US API Weekly Crude Oil Stock(May 19)	23-May-23
US EIA Crude Oil Stocks Change(May 19)	24-May-23
US Continuing Jobless Claims(May 12)	25-May-23
US Initial Jobless Claims(May 19)	25-May-23
US EIA Natural Gas Storage Change(May 19)	25-May-23
US Wholesale Inventories(Apr) PREL	26-May-23

Major News:

Pfizer: The company initiated voluntary recall of all batches of Magnex, Magnex Forte, Zosyn and Magnamycin after an out-of-specification was observed at the manufacturing facility of its contract manufacturer for the recalled products, Astral SteriTech. The recall will have an impact on the company's revenue and profitability.

Nazara Technologies: Nodwin Gaming, a subsidiary of the company, signed definitive and binding agreements to raise \$28 million (Rs 232 crore) from existing investors—Nazara, Krafton and JetSynthesys—and new ones.

Vedant Fashions: Promoter Ravi Modi Family Trust will exercise the oversubscription option in the ongoing offer for sale after the non-retail investors placed bids for 223.80% of the portion reserved for them on the first day. The promoter will offload 2.88% additional stake under the greenshoe option.

Rail Vikas Nigam: The company has formed a joint venture, Indore MMLP Pvt., with National Highways Logistics Management and Madhya Pradesh Industrial Development Corporation to build multi modal logistics parks under the Bharatmala Project. RVNL is receiving Rs 77.62 crore for rail connectivity, NHLML is receiving Rs 186.97 crore towards MMLP land, road connectivity and other works, and MPIDC is receiving Rs 88.68 crore for MMLP land.

Wipro: The company entered a five-year business partnership with ServiceNow to invest in and introduce new offerings to market to drive business transformation for clients.

South Indian Bank: The bank hiked marginal cost of funds based lending rates across tenures in the range of 5-10 basis points, effective May 20.

Rattanindia Enterprises: The company appointed Vinu Balwant Saini as chief financial officer, effective May 20.

State Bank of India/HDFC Bank: The Reserve Bank of India allowed to acquire up to 9.99% of the paid-up share capital or voting rights of HDFC Bank. SBI Funds Management has been advised by RBI to acquire the shareholding by Nov. 15, 2023.

Vedanta: The company's board will meet on May 22 to consider the first interim dividend for the fiscal 2023-24. The record date for the dividend, if approved, will be May 30.

JSW Steel: The company has been selected as the preferred bidder for composite licence of unexplored Surjagad 4 iron ore block in Gadchiroli, Maharashtra. The highest final offer price by the company is 131.05% of average monthly prices of iron ore of different grades and quality.

Surya Roshni: The company has received an order from Indraprastha Gas for supply 3LPE coated carbon steel pipes. It has also received orders from Indian Oil Corporation and Maharashtra Natural Gas in May for supply of API pipes and GI pipes. The total value of these orders is Rs 62.23 crore.

Vedant Fashions: Promoter Ravi Modi Family Trust will sell up to 9.88% stake in the company through an offer for sale on May 18 and 19. The floor price for the offer is Rs 1,161 per share.

NHPC: The company received letter of intent from Gujarat Urja Vikas Nigam for 200 MW capacity Solar Power Project within 600 MW Gujarat State Electricity Corporation's solar park at Khavda. The estimated financial implication for project will be Rs 1,007.60 crore.

ICICI Prudential Life Insurance Company: The life insurer appointed Dhiren Salian as chief financial officer with effect from May 18 due to early retirement of Satyan Jambunathan from the post.

Bharat Petroleum Corporation: The company will set up an ethylene cracker project at Bina Refinery in Madhya Pradesh with a capex outlay of Rs 49,000 crore. It will set up 50 MW wind power plant for captive consumption at Bina Refinery and Mumbai Refinery in Maharashtra, with total project cost of Rs 978 crore. It will also build petroleum oil lubricants and lube oil base stock storage installations worth Rs 1,903 crore, with receipt pipelines at Rasayani in Maharashtra.

MRF: The company has signed a purchase agreement with First Energy 4 for acquisition of 19.1% stake and purchasing solar power. The acquisition will be done for a cash consideration of Rs 1,3.09 crore.

Aurobindo Pharma: The company received tentative approval from U.S. FDA for its Abacavir tablets, used in treatment of HIV infection.

KPI Green Energy: The company and its subsidiary KPIG Energia received commissioning certificates from Gujarat Energy Development Agency for solar power projects with a cumulative capacity of 10.18 MW, to be set up for five clients.

One 97 Communications: The parent company of Paytm appointed Bhavesh Gupta as president and chief operating officer.

Reliance Industries: Jio-bp, the fuel vending joint venture between Reliance Industries and bp, launched premium diesel fuel at a price below that charged by state-run oil companies.

Ultratech Cement: Ultratech Nathdwara Cement, the company's wholly owned subsidiary commissioned a brownfield cement facility with annual capacity of 0.8 million tonnes in Neem Ka Thana, Rajasthan. The company's total grey cement manufacturing capacity now stands at 129.95 million tonnes per annum.

Wipro: The company will integrate its cloud computing framework with Google Cloud's Rapid Migration Program, together with artificial intelligence and automated tooling, to accelerate cloud adoption among its clients.

HCL Technologies: The company expanded its partnership with SAP, becoming a customer of and a global strategic service partner for SAP SuccessFactors Human Experience Management Suite.

NIIT: The company bought remaining 10% stake in RPS Consulting for a fixed consideration of Rs 15 crore, and a performance based earnout consideration of up to Rs. 3.71 crore, payable over the next two years. NIIT now owns 100% stake in RPS Consulting.

Punjab & Sind Bank: The bank will hike marginal cost of funds based lending rates for overnight, one-month, and six-month tenures in the range of 5-10 basis points. Lending rates for three-month and one-year tenures have been kept unchanged.

HDFC Bank/HDFC: Markets regulator SEBI has approved change in control of HDFC Capital Advisors, a subsidiary of HDFC and a co-investment portfolio manager, pursuant to the merger of the two companies.

Vedanta: The company appointed Sonal Shrivastava as the chief financial officer, effective June 1, it said in a statement.

Indian Railways Finance Corporation: The company will consider and approve market borrowing programme for the financial year 2022-23 on May 24.

Adani Green Energy: The board meeting to consider a proposal for raising funds, scheduled on May 13 has been postponed to May 24.

Global Market Round Up:

US Markets

Stock futures retreated slightly on Sunday evening as traders monitored the negotiations over the US debt ceiling. Futures for the Dow Jones Industrial Average ticked down 48 points, or about 0.1 percent. S&P 500 futures dipped about 0.2 percent, and Nasdaq 100 futures also shed 0.1 percent. Stocks rose last week despite the uncertainty in Washington. The Nasdaq Composite climbed 3.04 percent, while the S&P 500 gained 1.65 percent. The Dow added 0.38 percent. President Joe Biden and House Speaker Kevin McCarthy, R-Calif., are set to meet Monday to continue negotiations. Treasury Secretary Janet Yellen has said the U.S. could default on its debt as early as June 1.

European Markets

European markets closed higher Friday as US debt ceiling talks boosted investor sentiment. The pan-European Stoxx 600 index closed up 0.77 percent, with all sectors in the green bar retail, which dipped 0.8 percent. Financial services led gains, with a 2.2 percent uptick, followed by construction stocks, which were up 1.56 percent. German stocks extended the previous day's gains, with the DAX index climbing 0.8 percent to close at 16,275.38, an all-time high. Tesco shares traded 0.5 percent lower after the supermarket chain said Chairman John Allan would step down at its shareholder meeting on June 16, following reported allegations of inappropriate behavior.

Asian Markets

Asia-Pacific markets traded mixed on Monday after the Group of Seven summit in Hiroshima concluded and talks on the debt ceiling are slated to resume in the US. In Japan, the Nikkei 225 slid 0.11 percent and the Topix traded close to the flatline following its outperformance last week. Investors will further digest Japan's machinery orders for March on Monday. In Australia, the S&P/ASX 200 was marginally lower, while South Korea's Kospi was fractionally higher. In contrast, the Kosdaq saw a loss of 0.34 percent. Hong Kong's Hang Seng index looks to slightly fall, with futures at 19,410 compared to its close of 19,450.57. China's 1-year and 5-year loan prime rates for May are scheduled to be released later in the day.

SGX Nifty

The SGX Nifty indicates a negative start for the broader index with a loss of 28 points on Monday. SGX futures stood at 18,209.

Indices

Emerging Markets

	Closing 19/05/23	Closing 12/05/23	% Chg	Week High / Low		52 Week High / Low	
Sensex	61730	62028	-0.5	62563	61252	63583	50921
Nifty	18203	18315	-0.6	18459	18060	18888	15183
Shanghai	3284	3272	0.3	3318	3236	3425	2885
Bovespa (Brazil)	110108	108256	1.7	110206	108085	120752	95267
RTS (Russia)	1036	1038	-0.2	1050	1023	1496	900
Argentina (Marvel)	331211	313281	5.7	331923	312917	331923	81977
Chile	5641	5600	0.7	5644	5586	6013	4871

US Markets

	Closing 19/05/23	Closing 12/05/23	% Chg	Week High / Low		52 Week High / Low	
DJIA	33536	33310	0.7	33580	33006	34712	28661
S&P 500	4198	4131	1.6	4202	15862	4325	3492
Nasdaq	12689	12329	2.9	12699	12263	13181	10089

European Markets

	Closing 19/05/23	Closing 12/05/23	% Chg	Week High / Low		52 Week High / Low	
FTSE	7776	7755	0.3	3228	7713	8047	6708
DAX	16281	15914	2.3	16287	15862	16287	11863
CAC 40	7505	7415	1.2	7507	7355	7581	5628

Asia Pacific Markets

	Closing 19/05/23	Closing 12/05/23	% Chg	Week High / Low		52 Week High / Low	
Nikkei	30808	29388	4.8	30925	29476	30925	25520
KOSPI	2538	2475	2.5	2538	2456	2686	2135
Hang Seng	19451	19627	-0.9	20183	19353	22701	14597
Strait Times	3203	3209	-0.2	3228	3169	3408	2969
KLCI Malaysia	1429	1423	0.4	1429	1416	1570	1373

Sector wise movement during the week

SECTOR	CLOSE (19 May)	CLOSE (12 May)	% Chg	Week High	Week Low	52 Week High	52 Week Low	% Chg 52 week High	% Chg 52 week Low
Nifty Index	18203	18315	-0.6	18459	18060	18888	15183	-3.6	19.9
Sensex	61730	62028	-0.5	62563	61252	63583	50921	-2.9	21.2
BSE500	24504	24622	-0.5	24803	24302	25554	20483	-4.1	19.6
BSE200	7793	7838	-0.6	7897	7728	8165	6552	-4.6	18.9
BSEMDCAP	26152	26201	-0.2	26573	25906	26573	20814	-1.6	25.6
BSESMCAP	29748	29617	0.4	30063	29535	30186	23261	-1.5	27.9
Nifty M50	9176	9150	0.3	9332	9095	9332	6963	-1.7	31.8
BSE Realty	3672	3626	1.3	45065	17573	3860	2914	-4.9	26.0
BSE IT	28228	27904	1.2	28302	27753	31300	26314	-9.8	7.3
CNX IT	28304	28028	1.0	28421	27777	31587	26184	-10.4	8.1
CNXBANK	43969	43794	0.4	44152	43446	44152	32291	-0.4	36.2
BANKEK	49922	49768	0.3	50182	49313	50182	37243	-0.5	34.0
BSEFMCG	17581	17591	-0.1	45065	17410	17878	13168	-1.7	33.5
BSE CG	36423	36542	-0.3	37117	36188	37653	24550	-3.3	48.4
BSE PSU	10225	10269	-0.4	10482	10155	10482	7540	-2.5	35.6
BSE Auto	31881	32042	-0.5	32407	31416	32407	24384	-1.6	30.7
BSE METAL	19435	19675	-1.2	19978	19263	22025	14853	-11.8	30.8
BSE HC	22784	23146	-1.6	23419	22759	24677	20848	-7.7	9.3
BSE CD	38944	39630	-1.7	17878	17410	44083	33420	-11.7	16.5
BSEOIL	18003	18383	-2.1	18527	17785	21198	16379	-15.1	9.9
BSE Power	3733	3824	-2.4	3843	3676	5353	3236	-30.3	15.4

Source: BSE, NSE.

Action By Market Participants:

FIIs Movement (Rs Crores)						
Date	Net Investment		Gross Purchase		Gross Sales	
	Eq	Debt	Eq	Debt	Eq	Debt
15-May-22	1880	-355	7669	540	5789	895
16-May-22	1716	1162	7934	1727	6218	565
17-May-22	806	1504	7598	1881	6792	377
18-May-22	1805	-170	8522	686	6717	857
*FII's were net Buyer to the tune of Rs. -29274.53 derivative segment from 08,May to 11,May 2023 as per the data released by SEBI.						
On 12,May 2023 FII's derivative were net Seller to the tune of Rs.1012 as per the by NSE.						

Mutual Fund Movement (Rs Crores)						
Date	Net Investment		Gross Purchase		Gross Sales	
	Eq	Debt	Eq	Debt	Eq	Debt

NRI (Rs Crores)			
Date	Net Investment	Gross Purchase	Gross Sales
15-May-22	-9.17	14.76	23.93
16-May-22	0.08	18.49	18.41
17-May-22	-0.51	15.69	16.2
18-May-22	-2.66	15.56	18.22
19-May-22	-1.10	16.64	17.74

Top Gainers & Losers

BSE (Group 100)					
TOP GAINERS					
Scrip	Close 19/05/23	High	Low	Close 12/05/23	% Chg
DLF LTD	471.9	478.7	440.3	432.8	9.0%
AU SMALL FIN BANK LTD	753.8	756.0	709.1	706.7	6.7%
INDUSIND BANK L	1248.0	1251.0	1196.0	1187.5	5.1%
HERO MOTOCORP	2713.0	2766.4	2606.0	2585.5	4.9%
EICHER MOTORS	3570.9	3705.0	3511.5	3405.3	4.9%
TOP LOSERS					
Scrip	Close 19/05/23	High	Low	Close 12/05/23	% Chg
BAJAJ HOLDINGS AND INVESTMEN AVENUE SUPERMARTS LTD	6298.5	6888.0	6259.0	6921.0	-9.0%
DIVI'S LAB LTD	3395.3	3589.0	3352.0	3704.7	-8.4%
	3098.3	3336.4	3085.2	3329.2	-6.9%
POWER GRID CORP OF INDIA LTD	233.7	245.7	232.0	248.6	-6.0%
ICICI PRUD LIFE INSURA	425.9	440.4	420.0	450.0	-5.4%

NSE (NIFTY)					
TOP GAINERS					
Scrip	Close 19/05/23	High	Low	Close 12/05/23	% Chg
INDUSIND BANK LTD	1248.0	1251.0	1196.0	1187.5	5.1%
HERO MOTOCORP LTD	2713.0	2766.4	2606.0	2585.5	4.9%
EICHER MOTORS LTD	3570.9	3705.0	3511.5	3405.3	4.9%
AXIS BANK LTD	924.1	929.5	909.0	896.0	3.1%
TECH MAHINDRA LTD	1072.2	1078.8	1039.0	1044.1	2.7%
TOP LOSERS					
Scrip	Close 19/05/23	High	Low	Close 12/05/23	% Chg
DIVI'S LAB	3098.3	3336.4	3085.2	3329.2	-6.9%
POWER GRID CORP	233.7	245.7	232.0	248.6	-6.0%
SUN PHARMA INDUS	925.9	962.6	922.5	961.1	-3.7%
TATA STEEL LTD	104.7	108.7	104.1	108.6	-3.6%
JSW STEEL LTD	702.7	741.0	691.2	738.7	-4.9%

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