

The Morning Post

Friday, January 10, 2025

As of 08:18 AM in Morning

Global Markets

North American Markets

LTP

Change

Change %

If U.S. indices rise, expect global positivity benefiting Indian IT, Pharma, and large-cap stocks; if Canada's S&P/TSX gains on higher oil, Indian energy and metal stocks may follow, but sharp U.S. market drops signal risk aversion, potentially weakening Indian markets.

▲ Dow Jones (US)	🕒	42635.20	+93.10	+0.22%
▲ Nasdaq Composite (US)	🕒	19478.88	+9.51	+0.05%
▲ S&P 500 (US)	🕒	5918.25	+7.59	+0.13%
▲ S&P/TSX (Canada)	🕒	25073.40	+33.30	+0.13%

Asian-Pacific Markets

LTP

Change

Change %

Asia-Pacific indices, such as Nikkei 225, Shanghai Composite, and S&P/ASX 200 and other indices, provide insights into regional economic health, trade, and industrial demand, where rising indices signal stronger commodity demand benefiting Indian exporters, while declines or weaker demand in China can pressure Indian Metals and Energy sectors.

▼ S&P/ASX (Australia)	🕒	8265.80	-63.40	-0.76%
▼ Nikkei 225 (Japan)	🕒	39377.70	-172.55	-0.44%
▼ KOSPI (Korea)	🕒	2520.21	-8.21	-0.32%
▼ Shanghai Index (China)	🕒	3204.57	-7.14	-0.22%
▲ CSI 1000 (China)	🕒	5666.17	+3.40	+0.06%
▼ Hang Seng (Hong Kong)	🕒	19263.52	-64.55	-0.33%
▼ Straits Times Index (Singapore)	🕒	3807.70	-29.05	-0.76%
▼ Tokyo Price Index (Japan)	🕒	2725.04	-10.88	-0.4%

European Markets

LTP Change Change %

European indices like FTSE 100, DAX, and CAC 40 reflect the economic health of Europe, where rising indices indicate optimism in global trade and industrial activity, benefiting Indian exporters and large-cap stocks, while declines may signal economic concerns, leading to cautious sentiment in Indian markets.

▲ FTSE 100 (UK)	🕒	8319.70	+68.70	+0.83%
▲ DAX Index (Germany)	🕒	20317.10	+32.90	+0.16%
▲ CAC 40 (France)	🕒	7490.28	+69.08	+0.93%

Major Futures

LTP Change Change %

Major futures, such as Dow Futures, Nasdaq Futures, and Dollar Index Futures, provide a forward-looking view of market trends, where rising futures indicate positive sentiment that can boost Indian equities, while falling futures or a strengthening Dollar Index may signal global risk aversion, potentially pressuring Indian markets.

▲ Dow 30 Futures (US)	🕒	42635.20	+93.10	+0.22%
▲ Nasdaq 100 Futures (US)	🕒	21180.97	+24.21	+0.11%
▲ S&P 500 Futures (US)	🕒	5918.25	+7.59	+0.13%
▼ US Dollar Index Futures (US)	🕒	109.18	-0.05	-0.05%
▼ FTSE 100 Futures (UK)	🕒	8312.0	-8.5	-0.1%
▼ DAX Futures (Germany)	🕒	20443.0	-8	-0.04%

ADR and GDR

LTP

Change

Change %

American Depositary Receipts (ADRs) and Global Depositary Receipts (GDRs), such as Infosys ADR and Tata Steel GDR, reflect global investor sentiment toward Indian companies, where rising values indicate optimism that can boost their corresponding Indian stocks, while declines signal caution, potentially leading to weaker performance in related sectors.

▲ Infosys ADR	🕒	22.78	+0.19	+0.84%
▲ Wipro ADR	🕒	3.51	+0.04	+1.15%
▼ HDFC Bank ADR	🕒	60.38	-0.15	-0.25%
▼ ICICI Bank ADR	🕒	29.23	-0.12	-0.41%
▲ Dr, Reddy's Laboratories ADR	🕒	15.81	+0.10	+0.64%
▲ Tata Steel GDR	🕒	15.00	+15.00	+inf%
▲ Reliance Industries GDR	🕒	58.30	+58.30	+inf%
▲ Axis Bank GDR	🕒	61.40	+61.40	+inf%
▲ Larsen & Toubro GDR	🕒	41.20	+0.30	+0.73%
▲ State Bank of India GDR	🕒	88.70	+88.70	+inf%

Major Commodities and Currencies

Precious Metals

LTP Change Change %

Precious metals like Gold, Silver, and Platinum are often seen as safe-haven investments, where rising prices indicate increased risk aversion and market uncertainty, while declining prices reflect improved investor confidence and support for equity markets.

▲ Gold/USD	🕒	2697.60	+4.70	+0.17%
▲ Silver/USD	🕒	31.16	+0.11	+0.37%
▼ Platinum/USD	🕒	965.30	-19.50	-1.98%
▲ Palladium/USD	🕒	946.00	+11.00	+1.18%

Energy

LTP Change Change %

Energy commodities such as Crude Oil, Brent Oil, and Natural Gas are critical economic indicators, where rising prices benefit energy producers like ONGC but pressure oil marketing companies (OMCs) and inflation-sensitive sectors like FMCG, while falling prices ease inflation and reduce costs for energy importers.

▼ Brent Oil	🕒	77.16	-0.05	-0.06%
▼ Crude Oil WTI	🕒	74.16	-0.13	-0.17%
▲ Natural Gas	🕒	3.72	+0.01	+0.22%

Major Currencies

LTP Change Change %

Major currency pairs, such as USD/INR and EUR/USD, influence global trade and investment, where a stronger USD benefits export-driven sectors like IT and Pharma in India but raises costs for import-dependent industries like Energy and FMCG.

▼ EUR/USD	🕒	1.03	-0.00	-0.02%
▲ USD/JPY	🕒	158.26	+0.12	+0.08%
▼ GBP/USD	🕒	1.23	-0.00	-0.04%
▲ USD/CAD	🕒	1.44	+0.00	+0.07%
▼ AUD/USD	🕒	0.62	-0.00	-0.02%
▲ USD/CNY	🕒	7.33	+0.00	+0.02%
▼ USD/INR	🕒	85.87	-0.03	-0.03%

<u>Metals (LME)</u>		LTP	Change	Change %
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Base metals like Copper, Aluminium, and Zinc traded on the London Metal Exchange (LME) reflect industrial demand and global growth, where rising prices signal strong economic activity benefiting Indian metal companies like Tata Steel, while falling prices indicate weaker demand, pressuring the sector.

▲ Aluminium	🕒	2537.97	+47.67	+1.91%
▲ Zinc	🕒	2815.18	+22.71	+0.81%
▼ Lead	🕒	1912.87	-7.28	-0.38%
▲ Nickel	🕒	15278.04	+36.40	+0.24%
▼ Tin	🕒	29602.00	-256.99	-0.86%
▲ Copper	🕒	9021.90	+48.40	+0.54%

Indian Markets

Major Indian Indices

LTP

Change

Change %

Just a glimpse of what happened in the indian markets yesterday.

▼ Nifty 50	🕒	23526.50	-148.25	-0.63%
▼ Nifty Bank	🕒	49503.50	-209.05	-0.42%
▼ Sensex	🕒	77620.21	-586.00	-0.75%
▲ India VIX	🕒	14.66	+0.19	+1.33%

Gift Nifty (SGX)

LTP

Change

Change %

Gift Nifty (previously SGX Nifty) tracks the performance of the Nifty 50 index traded in the Gujarat International Finance Tec-City (GIFT City) and serves as an early indicator for Indian markets.

If Gift Nifty rises in premarket trading: It signals positive sentiment and a likely strong opening for the Nifty 50 index.

If Gift Nifty falls: It suggests caution among traders, indicating a weak or volatile start for Indian markets.

Gift Nifty is closely influenced by global market trends, such as movements in U.S. indices (Dow, Nasdaq, and S&P 500) and Asian markets like Nikkei and Shanghai Composite.

The index allows foreign investors to trade in Indian equity futures during non-market hours, making it a key tool for gauging overnight sentiment and its impact on the Indian markets.

▼ Gift Nifty	🕒	23584.5	-75.5	-0.32%
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Sector Wise

IT Sector		LTP	Change	Change %
<i>The Information Technology (IT) sector is a major driver of the Indian economy, influenced by global demand, technological trends, and the USD/INR exchange rate.</i>				
<i>If the USD strengthens against the INR: IT exporters like Infosys and TCS benefit as they earn more in rupee terms, boosting profitability and market sentiment.</i>				
<i>If global tech indices like the Nasdaq Composite rise: This reflects strong demand for technology services, which positively impacts Indian IT companies.</i>				
<i>If the USD weakens or global tech demand slows: IT companies face revenue pressures, leading to muted stock performance.</i>				
<i>The IT sector is a key indicator of India's export-driven growth and is highly sensitive to global economic conditions.</i>				
▲ Nasdaq Composite	🕒	19478.88	+9.51	+0.05%
▲ Infosys ADR	🕒	22.78	+0.19	+0.84%
▲ Wipro ADR	🕒	3.51	+0.04	+1.15%
▼ USD/INR	🕒	85.87	-0.03	-0.03%

Metal Sector

LTP Change Change %

The metal sector reflects industrial growth and global demand for base metals like Copper, Aluminium, and Zinc.

If global commodity prices rise (e.g., on the LME): It signals strong global industrial demand, benefiting Indian metal companies like Tata Steel and Hindalco.

If Chinese economic data shows strength: Higher Chinese demand boosts global prices, positively impacting Indian metal stocks.

If prices fall due to weaker demand: Companies face margin pressure, and stock performance may decline, especially if the INR strengthens.

The metal sector is highly sensitive to geopolitical events, trade policies, and economic trends, making it a key indicator of industrial activity.

▼ S&P/ASX	🕒	8266.40	-62.80	-0.75%
▼ Shanghai Index (China)	🕒	3204.39	-7.32	-0.23%
▼ AUD/USD	🕒	0.62	-0.00	-0.02%
▲ Tata Steel GDR	🕒	15.00	+15.00	+inf%
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Energy Sector

LTP Change Change %

The energy sector is driven by crude oil and natural gas prices, influencing upstream companies like ONGC and downstream oil marketing companies (OMCs) like HPCL.

If crude oil prices rise: Producers like ONGC benefit from higher realizations, while OMCs face margin pressures due to increased input costs.

If crude oil prices fall: It eases inflation, supports margin expansion for OMCs, and benefits industries like FMCG and transportation.

Global factors such as OPEC decisions and geopolitical events significantly impact crude oil prices and the performance of energy stocks.

The energy sector's dynamics affect inflation, input costs, and broader market sentiment.

▲ S&P/TSX	🕒	25073.40	+33.30	+0.13%
▲ USD/CAD	🕒	1.44	+0.00	+0.07%
▼ Brent Oil	🕒	77.16	-0.05	-0.06%
▼ Crude Oil WTI	🕒	74.15	-0.14	-0.19%
▲ Natural Gas	🕒	3.71	+0.01	+0.16%

The banking sector is highly influenced by macroeconomic factors like bond yields, credit growth, and interest rates, making it a key indicator of economic health.

If bond yields fall (e.g., India 10-Year Government Bond Yield): Banks benefit from lower borrowing costs, improved net interest margins (NIM), and mark-to-market gains on bond portfolios.

If credit growth is strong: Rising loan demand signals economic expansion, driving banking stocks like HDFC Bank and SBI higher.

If bond yields rise or credit growth weakens: Higher yields squeeze margins, reducing profitability, while weak credit demand reflects slowing economic activity.

Global factors like rising U.S. Treasury yields can lead to capital outflows, negatively impacting Indian banking stocks and broader market sentiment.

▼ HDFC Bank ADR	🕒	60.38	-0.15	-0.25%
▼ ICICI Bank ADR	🕒	29.23	-0.12	-0.41%
▲ Axis Bank GDR	🕒	61.40	+61.40	+inf%
▲ State Bank of India GDR	🕒	88.70	+88.70	+inf%
▼ U.S. 10-Year Treasury Yield	🕒	4.68	-0.01	-0.17%
▼ India 10-Year Bond Yield	🕒	6.76	-0.00	-0.04%

Headlines

Indian Market Overview

- **Markets Likely to Open Higher:** GIFT Nifty trading around 24,130, indicating a positive start.
 - **Previous Session Recap:** Sensex and Nifty declined 1.5% on November 28 due to F&O expiry pressure and geopolitical uncertainties.
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Global Market Cues

- **Global Markets Mixed:** Asian equities fell on concerns of slowing Chinese growth and geopolitical risks. US equity futures rose post-Thanksgiving holiday, signaling optimism ahead of upcoming economic data.
 - **US Bond Yields:** 10-year Treasury yield declined to 4.24%, reflecting investor caution.
 - **Dollar Index:** Steady at 104.50, on track to snap an eight-week winning streak as risk sentiment improved.
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Commodities Market

- **Crude Oil Prices:** Brent Crude trading at \$82.70 per barrel, up by 0.5% ahead of the OPEC+ meeting on December 5. Focus on potential output cuts to stabilize prices.
 - **Gold:** Held steady at \$1,980 per ounce as geopolitical concerns and subdued US markets limited major moves.
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Domestic Developments

- **BSE Price Band Revision:** Adani Total, LIC, Zomato, Paytm, and 42 other stocks now restricted to a 10% price band.
 - **SEBI Update:** NSE and BSE will act as alternative trading venues for each other starting April 1, 2025.
 - **New F&O Launches:** NSE to roll out futures and options contracts for Zomato, Jio Financial, DMart, and 42 other stocks on November 29, 2024.
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Sector-Specific News

- **Banking:** Focus on PSU banks as the government announces recapitalization plans worth ₹25,000 crore.
 - **IT Sector:** Infosys and TCS Q3 FY25 results due today. Analysts expect 10% YoY revenue growth.
 - **Automobile:** November sales figures to be announced, with early estimates indicating robust demand in the passenger vehicle segment.
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Key Economic Indicators

- **India CPI Data:** December CPI inflation data expected at 5.2%, up from 5.1% in November.
 - **Rupee Watch:** USD/INR trading at 85.95, showing stability amid muted dollar moves.
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Corporate Updates

- **Adani Group:** Plans to raise ₹5,000 crore via QIP to fund ongoing projects.
- **Reliance Industries:** Anticipated announcement on new telecom tariffs during the upcoming AGM.
- **HDFC Bank:** Reported record credit card issuance for December, signaling strong consumer demand.

Stocks in News

- 1. ITC Limited:** ITC is in the spotlight as investors anticipate a potential announcement regarding its FMCG business expansion and improved market share in the cigarette segment. The stock is also benefiting from strong Q3 performance expectations.
- 2. Coal India Limited:** Coal India is trending due to news of increased coal production to meet growing power sector demands. The company's plans to diversify into renewable energy have also sparked fresh investor interest.
- 3. Tata Consultancy Services (TCS):** TCS is on every trader's radar ahead of its quarterly earnings release today. Analysts expect strong revenue growth driven by higher client spending on digital transformation projects in North America.
- 4. Tata Elxsi:** Tata Elxsi is gaining traction following reports of new partnerships in the autonomous vehicle technology space, aligning with its focus on innovation and cutting-edge tech services.
- 5. Adani Wilmar:** Adani Wilmar is drawing attention after its recent price hike announcement across edible oils, expected to offset rising input costs. Its diversification into packaged food products is also fueling investor interest.
- 6. Mahanagar Gas Limited (MGL):** MGL is making headlines as a government decision to revise gas pricing could positively impact its margins, leading to bullish sentiment around the stock.
- 7. Indian Renewable Energy Development Agency (IREDA):** IREDA is in the news after securing major funding for renewable energy projects, reinforcing India's push towards clean energy and positioning itself as a key player in the green energy revolution.
- 8. Senores Pharmaceuticals:** Senores Pharma is attracting attention after receiving regulatory approval for a key product in the U.S. market, boosting expectations for higher export revenues.
- 9. Apollo Micro Systems:** Apollo Micro Systems is buzzing in the market due to its recent contract win in the defense sector, reflecting India's growing focus on indigenous defense manufacturing under the "Make in India" initiative.
- 10. Surya Roshni:** Surya Roshni is in focus after announcing a significant order win for its lighting and steel pipes business, reinforcing its position as a leader in infrastructure and consumer products.

Technical Analysis

Nifty 50:

Relative Strength Index (RSI): The RSI is a momentum oscillator that measures the speed and change of price movements. An RSI reading below 25 is interpreted as oversold, indicating a potential buying opportunity. An RSI between 25 and 45 suggests bearish conditions, while between 45 and 55 indicates a neutral market. An RSI above 55 is considered bullish.

Moving Averages (MAs): Moving averages smooth out price data to identify trends. Short-term MAs (e.g., 5-day, 10-day) can signal recent price movements, while long-term MAs (e.g., 50-day, 200-day) help identify overall trends. A price crossing above a moving average can indicate a bullish trend, while crossing below may suggest a bearish trend.

Support and Resistance Levels: Support levels are prices where an asset tends to stop falling, while resistance levels are where it tends to stop rising. Identifying these levels helps traders make buy or sell decisions.

Bank Nifty:

RSI: Similar to Nifty 50, the RSI for Bank Nifty can indicate overbought or oversold conditions. An RSI below 25 suggests oversold conditions, potentially signaling a buying opportunity. An RSI between 25 and 45 indicates bearish conditions, 45 to 55 is neutral, and above 55 is bullish.

Moving Averages: Analyzing short-term and long-term moving averages for Bank Nifty can help identify current trends. A crossover of short-term MAs above long-term MAs may indicate a bullish trend, while the opposite crossover can suggest a bearish trend.

Support and Resistance Levels: Identifying key support and resistance levels for Bank Nifty is crucial for making informed trading decisions. These levels can indicate potential entry or exit points.

FII & DII data

Foreign Institutional Investors (FIIs):

Purchases: ₹8,537.05 crore

Sales: ₹15,707.92 crore

Net Activity: Net sellers by ₹7,170.87 crore

Domestic Institutional Investors (DIIs):

Purchases: ₹16,727.63 crore

Sales: ₹9,088.00 crore

Net Activity: Net buyers by ₹7,639.63 crore