

23rd July, 2024

MOST MARKET ROUNDUP



Nifty : 24,479.05 -30.20 (-0.12%)

Sensex : 80,429.04 -73.04 -0.09%

- On budget day, the equity benchmarks Sensex and Nifty closed slightly lower amid volatile trading. The finance minister's proposal to hike the securities transaction tax on futures and options, along with increases in short-term and long-term capital gains taxes in the 2024-25 budget, initially led to significant market drops. However, the markets rebounded sharply from intra-day lows after the finance minister announced a Rs. 2.66 lakh crore allocation for rural development, including infrastructure and job creation, along with increased capital spending and a revised FY25 GDP forecast from 5.1% to 4.9%. As a result, Sensex, which had fallen over 1,200 points or 1.5% during the day, recovered most losses to close 73 points lower or 0.1% down at 80,429. Nifty dipped 30 points or 0.1% to 24,479, after an intra-day drop of 435.05 points or 1.8% to 24,074.
- The government plans to levy a 20% tax on financial assets held for less than 12 months, up from 15%, and increase the long-term capital gains tax to 12.5% from 10% on all assets. Additionally, the finance minister hiked the securities transaction tax on futures and options transactions to 0.02% and 0.01%, respectively.

Technical Outlook:

- Nifty index opened positive and witnessed volatile swings in the first half of the session. It witnessed some decline post the Union Budget announcement and slipped to 24074 zones. It was followed by a swift recovery thereafter and closed near 24500 zones. It formed a small bodied Bearish candle with longer lower shadow indicating absorption of any small declines.
- Now it has to hold 24400 zones for an up move towards 24600 and 24750 zones whereas supports are placed at 24350 then 24250 zones.

Derivative Outlook:

- Nifty future closed negative with losses of 0.23% at 24452 levels. Positive setup in Titan, ITC, Tataconsum, Godrejcp, Coforge, Torntpharma, Escorts, NTPC, Dabur, LTTS, TVS Motor, Hcltech, Granules, Bata India, Hindunilvr, Colpal, Infy, Drreddy, Sunpharma and Persistent while weakness in Manapurram Finance, Muthootfin, BEL, IRCTC, Godrejprop, Oberoirly, Hindalco, DLF, ABB, RBL Bank, Bajaj Finance and Axis Bank.
- India VIX was down by 18.46% from 15.44 to 12.59 levels. Volatility crashed post the event and comforted the bulls for a smart recovery from support zones.
- On option front, Maximum Call OI is at 25000 then 25500 strike while Maximum Put OI is at 24000 then 23000 strike. Call writing is seen at 25000 then 25150 strike while Put writing is seen at 23900 then 24400 strike. Option data suggests a broader trading range in between 24000 to 25000 zones while an immediate range between 24200 to 24700 levels.

NEWS:

- The government has lowered fiscal deficit target to 4.9 per cent for the current financial year as against 5.1 per cent estimated in February's interim Budget. Finance Minister Nirmala Sitharaman, however, retained the
- fiscal deficit estimate at 4.5 per cent for 2025-26 as announced in February.
- Government allocated Rs 4.54 lakh crore towards defence expenditure for FY25, significantly lower than Rs 6.21 lakh crore announced by her in the Interim Budget while FY24 was Rs5.94 lakh cr.
- Budget provides Rs. 2.66 lakh crore for rural development - Finance Minister Nirmala Sitharaman on Tuesday announced that Rs. 2.66 lakh crore has been allocated for rural development, including rural infrastructure. She also said that three crore additional houses will be constructed under the PM Awas Yojana in rural and urban areas.
- Government plans to set up a critical mineral mission for domestic exploration, recycling of minerals and overseas acquisition of critical mineral assets, Finance Minister Nirmala Sitharaman said in her budget presentation
- Finance Minister Nirmala Sitharaman announced allocating Rs 11 lakh, 11 thousand and 111 crore towards capital expenditure. This would account for 3.4% of the GDP. Enumerating it as among the policy prerogatives towards investment in infrastructure by central government
- Under new tax regime, tax rate structure to be revised as follows - Rs 0-Rs 3 lakh –Nil, earlier up to 2.5 lakh it was nil. Rs 3-7 lakh - 5% tax, earlier it was 5% on Rs2.5 lakh - Rs5 lakh. . Rs 7-10 lakh it is 10% tax, earlier from 5 lakh to 10 lakh it was 20% tax. Income of Rs 10-12 lakh - 15% tax, earlier income above 10 lakh was 30% tax. Income between Rs12-15 lakh income- 20% tax , earlier income above 10 lakh was 30% tax. Income above Rs 15 lakh 30% tax rate , earlier income above 10 lakh was 30% tax
- Sitharaman increased the short-term capital gains tax to 20% for certain financial assets. Short-term capital gains tax is applicable when an investor sells equity shares within 12 months of a purchase. he short-term capital gains were from 15% earlier.
- The long-term capital gains tax was also hiked to 12.5%, from the earlier 10%. Equities listed for more than 1 year are taxed under long-term capital gains.
- The government also increased the exemption for long-term capital gains tax to ₹1.25 lakh per year. Additionally, the finance minister also hiked securities transaction tax on futures and options transactions to 0.02% and 0.01% respectively. Buyback of shares will be taxed at the hands of the recipient
- While the taxes on investors increased, the corporate tax rate on foreign companies was reduced from 40% to 35% and the angel tax was abolished. Finance Minister Nirmala Sitharaman, on July 23, announced a cut in custom duty on gold and silver to 6% from 10%

Co. Name	Close	Low	S2	S1	PP	R1	R2	High
NIFTY 50	24,479	24,074	23,870	24,175	24,379	24,683	24,887	24,583
ADANIENT	2,999	2,886	2,823	2,911	2,975	3,063	3,126	3,038
ADANIPTS	1,508	1,419	1,383	1,446	1,481	1,544	1,579	1,517
APOLLOHOSP	6,385	6,325	6,245	6,315	6,395	6,465	6,544	6,474
ASIANPAINT	2,900	2,886	2,850	2,875	2,911	2,936	2,972	2,947
AXISBANK	1,264	1,251	1,229	1,246	1,269	1,286	1,309	1,291
BAJAJ-AUTO	9,300	8,745	8,421	8,860	9,184	9,624	9,948	9,508
BAJAJFINSV	1,613	1,599	1,572	1,593	1,620	1,641	1,669	1,648
BAJFINANCE	6,728	6,620	6,439	6,584	6,764	6,909	7,089	6,945
BHARTIARTL	1,465	1,428	1,413	1,439	1,455	1,481	1,496	1,470
BPCL	306	296	289	297	305	314	321	312
BRITANNIA	5,947	5,841	5,766	5,857	5,931	6,021	6,095	6,005
CIPLA	1,495	1,475	1,463	1,479	1,491	1,508	1,520	1,504
COALINDIA	486	465	451	468	482	499	513	496
DIVISLAB	4,510	4,395	4,336	4,423	4,482	4,569	4,628	4,541
DRREDDY	6,868	6,717	6,656	6,762	6,823	6,929	6,990	6,884
EICHERMOT	4,908	4,786	4,701	4,804	4,890	4,993	5,079	4,975
GRASIM	2,824	2,774	2,739	2,782	2,816	2,859	2,893	2,851
HCLTECH	1,596	1,551	1,533	1,564	1,583	1,614	1,632	1,601
HDFCBANK	1,617	1,605	1,580	1,598	1,623	1,641	1,666	1,648
HDFCLIFE	643	623	612	628	639	654	665	650
HEROMOTOCO	5,509	5,330	5,169	5,339	5,500	5,669	5,830	5,660
HINDALCO	652	639	620	636	655	671	689	673
HINDUNILVR	2,766	2,732	2,690	2,728	2,770	2,808	2,849	2,811
ICICIBANK	1,227	1,213	1,193	1,210	1,229	1,246	1,266	1,249

Co. Name	Close	Low	S2	S1	PP	R1	R2	High
INDUSINDBK	1,410	1,396	1,380	1,395	1,411	1,426	1,442	1,427
INFY	1,833	1,783	1,762	1,797	1,819	1,854	1,875	1,840
ITC	497	466	456	476	487	507	518	497
JSWSTEEL	894	872	863	879	887	903	912	896
KOTAKBANK	1,767	1,739	1,721	1,744	1,762	1,785	1,804	1,781
LT	3,542	3,460	3,318	3,430	3,572	3,684	3,826	3,714
LTIM	5,693	5,548	5,454	5,574	5,667	5,786	5,879	5,760
M&M	2,817	2,743	2,694	2,755	2,805	2,867	2,916	2,855
MARUTI	12,625	12,360	12,199	12,412	12,573	12,787	12,948	12,735
NESTLEIND	2,580	2,550	2,522	2,551	2,579	2,608	2,635	2,607
NTPC	384	362	353	368	377	393	401	386
ONGC	315	297	287	301	311	325	335	321
POWERGRID	335	321	313	324	332	343	351	341
RELIANCE	2,970	2,926	2,884	2,927	2,969	3,012	3,055	3,012
SBILIFE	1,601	1,578	1,546	1,573	1,606	1,633	1,666	1,638
SBIN	864	849	831	847	866	883	901	885
SHRIRAMFIN	2,734	2,663	2,578	2,656	2,741	2,820	2,905	2,827
SUNPHARMA	1,600	1,574	1,562	1,581	1,593	1,612	1,625	1,606
TATACONSUM	1,258	1,200	1,178	1,218	1,240	1,280	1,303	1,263
TATAMOTORS	1,001	967	951	976	992	1,017	1,034	1,009
TATASTEEL	160	155	152	156	159	163	166	162
TCS	4,311	4,266	4,218	4,264	4,313	4,360	4,408	4,362
TECHM	1,494	1,460	1,443	1,468	1,486	1,511	1,528	1,503
TITAN	3,468	3,232	3,139	3,303	3,397	3,561	3,655	3,490
ULTRACEMCO	11,515	11,329	11,120	11,318	11,527	11,724	11,933	11,735
WIPRO	501	486	477	489	498	510	520	508

Siddhartha Khemka Head - Retail Research

Chandan Taparia, CMT, CFTe Derivatives & Technical Analyst

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Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com

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