



THE HSL TIMES

Friday, June 19th, 2020

DAX Fut.: 12276(+0.19%)

Dow Fut. : 25974 (+0.28%)

WTI-Crude:39.27(+1.11%)

Gold: 1733.6(-0.15%)

What's affecting the market?

Bank of England boost buying of bonds worth \$125 Billion to counter the effects of Covid-19. However, the bank also indicated of slowing the buying pace and other clues on its future plans.

SEBI issued new framework for REITs and InvITs allowing declassification of the status of sponsor of these emerging investment instruments.

SEBI measures to control market volatility measures which were announced in march has not been extended till 30th July.

United States jobless claims reaches 1.5 Million last week, which is well above the expected levels of 1.3 Million.

QUOTE FOR THE DAY
"The intelligent investor is a realist who sells to optimists and buys from pessimists."
- Benjamin Graham

NOTICE BOARD
HSL launched its PMS Services.

THE TECHNICAL ROOM

NIFTY	
R1: 10120	R2: 10300
S1: 10000	S2: 9900
Highest OI Additions	
Call : 10400	
Put : 9800	

BANK NIFTY	
R1: 21000	R2: 21500
S1: 20500	S2: 20000
Highest OI Additions	
Call : 21000	
Put : 20900	

Industry Outlook – Paints

Paint Industry is a ~50,000 crore industry as per FY19 numbers. It is broadly divided into 2 segments – Decorative, which forms 75% of industry and Industrial which forms remaining 25%. ~80% of industry is organized sector post GST implementation in 2017.

There are 4 major players in organized sector which are Asian Paints, Berger Paints, Kansai Nerolac, Akzo Nobel. Asian Paints has been the leader since 1967 and is also 3rd largest paint company in Asia. Financials of these 4 companies reflect healthy liquidity, almost zero debt profile and decent profitability.

Paint industry's major expenditure is raw material, forming 50-60% of sales. With Make in India initiative, material cost can significantly decrease.

With recent outbreak of COVID-19, business is bound to hamper due to low disposable income, economic slowdown, sharp plunge in auto sales and real estate industry slowdown. Demand is expected to revive only after H1 FY2020 with onset of festive seasons.

Compiled by - Mudit Kabra

Top Gaining Sectors (Month to Date)

Sector	Market Cap.	% Chg.
Retail	197310	27.55
Healthcare	876,371	13.5
Software and IT	1560154	13.10
FMCG	1340374	12.53
Oil and Gas	1477351	8.53
Chemicals	572903	6.10

FII/DII COLUMN

