

Sensex holds 26000, Midcap shines; IndusInd Bank, Hindalco surge



Moneycontrol Bureau

12:59 pm Market Update: Equity benchmarks rallied further in afternoon trade with the [Nifty](#) reclaiming 8350 level.

The 30-share BSE [Sensex](#) gained 194.12 points or 0.72 percent at 27093.68 and the 50-share NSE [Nifty](#) rose 74.20 points or 0.90 percent to 8362.80.

About 1651 shares advanced against 899 declining shares on the BSE.

12:50 pm FM on GST: Finance Minister Arun Jaitley today reiterated that the Centre is still aiming to roll out the Goods and Services Tax (GST) regime from April 1 if all pending issues are sorted out.

GST, which is to subsume most of central and state taxes like excise, service tax and VAT, needs to roll out by latest September 16, 2017, he said.

This because, under the Constitutional Amendment passed by Parliament for the GST implementation, some of the existing levies would expire after September 16.

Jaitley said the government was aiming to implement the new sales tax from April this year.

12:40 pm Interview: On the recent deal with Shiva Cement, Anil Kumar Pillai, Director and CEO of JSW Cement, said that along with acquiring 35.6 percent of promoters' stake JSW will also take over the Rs 65 crore debt of the company.

In an interview with CNBC-TV18 he said that JSW will use a part of Shiva Cement's clinker for its Salboni unit and this acquisition will help in leveraging grinding operations in the eastern region.

Listing the company's future outlook, Pillai said that they will look to list JSW Cement in the next 2 years and plans to reach 30 metric tonne capacity by 2020.

12:20 pm FII View: Earnings growth is expected to remain muted in 2017, says Gautam Chhaochharia, Head of India Research at UBS Securities. A big reason for this, would be the government's move to demonetise high denominations, whose immediate impact is the cash crunch.

But he says the main impact would be felt in March as demand destruction continues. He feels the impact will last till the fourth quarter of FY17. The near-term worry due to demonetisation can still be felt, he adds.

He keeps a target of 8,800 points for Nifty by the end of 2017. The risk reward, he says, is not yet attractive in the near-term.

He expects two rate cuts by the Reserve Bank of India in 2017.

Also read - [Buy, sell, hold: 6 stocks analysts are betting on](#)

12:00 pm Market Check

Benchmark indices maintained positive momentum in noon trade on hopes of stable or better-than-expected earnings for the quarter ended December 2016. IndusInd Bank started earnings season yesterday, showing higher-than-expected profit and NII growth with slight weakness in asset quality.

The 30-share BSE [Sensex](#) gained 156.52 points at 27056.08 and the 50-share NSE [Nifty](#) rose 57.85 points to 8346.45. The broader markets extended gains, rising nearly a percent each on positive breadth.

IndusInd Bank was biggest gainer on the Nifty, up nearly 5 percent after stable earnings. Hindalco Industries retained its upmove, gaining 4.5 percent on top of 4 percent upside in previous session after Motilal Oswal said it was the top pick in metals space on strong earnings visibility and reasonable valuations.

HDFC Bank, ICICI Bank, L&T, Lupin, Tata Steel and SBI were other gainers with 1-3 percent upside while TCS and Infosys were down 0.5-1 percent ahead of earnings later this week.

Asian shares were mostly positive as investors prepare for Donald Trump's first full press conference as president-elect.

Oil edged up, lifted by reports of Saudi supply cuts to Asia, but prices were prevented from rising further over a lack of detail of these reductions and because of signs of rising supplies from other producers. Prices for Brent crude futures, the international benchmark for oil prices, were trading at USD 53.71 per barrel, up 0.13 percent from their last close.

11:00 Nifty, Sensex maintain upmove; SBI, Coal India gain 1-4% Coal India, Tata Steel, Lupin, L&T and SBI are top gainers while Bajaj Auto, TCS, Cipla, Hero MotoCorp and Infosys are losers in the Sensex.