

Tuesday
01st October, 2024

Lighting a path forward in Equities & Commodities...

SENSEX

NIFTY

GOLD

SILVER

CRUDE OIL

USD / INR



LIGHTHOUSE
MONTHLY INVESTMENT RESEARCH

Price Forecast

INSTRUMENT	30th Sept. 2024	1 Month	2 Month	3 Month	1 year
SENSEX	85572	81500	83500	86000	89500
NIFTY	25811	24900	25500	26300	27000
USD \$ / INR	83.97	84.2	84.1	83.7	85
GOLD	74869	73100	76100	77500	78300
SILVER	90719	88000	94500	96000	100000
CRUDE OIL	5742	5900	6350	6500	6900



Dear Valued Reader,

It was a September to Remember— and most importantly, in a good-way as benchmark Nifty simply went North-way.

The Good News: Nifty rallies to 2024's highest close, notches gain for 4th consecutive month, and most importantly, Dalal Street is seen firing on all cylinders.

The biggest positive takeaway is that Nifty bulls are unfazed by overbought technical conditions and most importantly, have shrugged-off conventional wisdom that the bull market depends only on participation from HDFC Bank and Reliance Industries.

Interestingly, the benchmark Nifty is a clear outperformer, and actually inspired by retail participation, the Aam Admi.

Nifty's record lifetime high is inspiring FOMO attraction at Dalal Street. But that said investors have gone "all in" with a disregard for caution. The perma-bulls camp are also ignoring the fact that the street has fully priced in whatever economic recovery we are likely to see near term

We are ready with our Oct-Nov-Dec 2024 forecast.

Now, before we get into detail and start a brand new-innings of trading this October 2024, let's review how the major indices listed at Dalal Street fared in September, August, and July 2024 and also their performance in the year 2024.

Happy Investing!!



Market recap:

Instruments	Prices as on 30th Sept 2024	Sept 2024 % Change	August 2024 % Change	July 2024 % Change	2024 % Change
Sensex	84300	+2.35%	+0.76%	+10.52%	+22.87%
Nifty	25811	+2.28%	+1.14%	+3.91%	+16.49%
BSE Auto Index	61051	+3.40%	-1.90%	+13.5%	+46.37%
BSE Bankex Index	60038	+2.96%	-0.94%	-1.30%	+13.41%
BSE Capital Goods Index	73107	-0.08%	-3.27%	+4.58%	+28.33%
BSE Consumer Durables	67662	+6.40%	+4.37%	+3.57%	+31.04%
BSE FMCG	23788	+4.1%	-8.79%	+9.64%	+17.23%
BSE Healthcare	44236	+2.45%	+6.56%	+10%	+34.98%
BSE Metal	34609	+6.63%	-0.96%	-0.85%	+25.85%
BSE Mid-Cap	49352	+0.58%	+0.89%	+5.36%	+30.08%
BSE Small-Cap	57131	+1.98%	+1.25%	+6.14%	+30.67%
BSE Power	8652	+5.10%	-2.49%	+6.12%	+105.48%
BSE Realty	8593	+4.36%	-3.60%	+7.02%	+42.72%
BSE Oil/gas	31835	-3.47%	+1.27%	+10.48%	+34.1%
BSE IT	42370	-2.6%	-14.00%	+16.35%	+20.90%



The Back Story: Bulls storm Dalal Street as Nifty hits fresh historic high at 26277.35; Notches gains for 4th consecutive month.

Nifty wrapped up the month on a solid higher footing, up 2.28% as Dalal Street was seen firing on all cylinders confirming the bullish narrative of a more sustainable rally higher on our hands.

The Eleven-Positive Catalysts:

- 1) The Fed's 50 basis point jumbo rate cut is likely to trigger expectations of global interest rate cuts...
- 2) Investors' now hope that the Federal Reserve will be successful in piloting the US economy to a soft landing.
- 3) Wall Street jumping out of the gate.
- 4) China's stimulus boosts metal stocks across globe. There are also signs of recovery in the Chinese economy
- 5) A new Japanese prime minister who is committed to lower rates
- 6) A dovish European central bank.
- 7) Increasing bets that the Reserve Bank of India (RBI) could take over the theme of slashing interest rates from the Federal Reserve.
- 8) FIIs posted a handsome buy figure in the month gone by to the tune of Rupees 15424.20 crores.
- 9) Moody's raises India's 2024 GDP growth forecast to 7.2% in 2024, 6.8% in 2025
- 10) Sentiments buoyed after Mukesh Ambani unveiled a new AI-led road-ahead for Reliance Industries. RIL considers 1:1 Bonus Issue in Board Meeting on September 5th
- 11) Upbeat US GDP data: The US economy grew 3% in Q2, faster than initially thought, easing recession fears.

Bottom-line: Simply put, the optimism at Dalal Street is a rout for Nifty bears, and the expected massive breakout on the upside is proof that bulls are destined to keep crushing the perma-bears.



Gainers over 1-Month

Stocks	LTP (30th Sept 2024)	Change %	52 Week H/L
BAJAJ AUTO	12346	17.56%	12774/4903
BAJAJ FINSERV	1973.40	14.80%	2029.9/1419.05
BHARTI AIRTEL	1709.55	12.27%	1779/895.45
BAJAJ FINANCE	7703.00	12.23%	8192/6187.80
M&M	3094.90	11.30%	3222.10/1450.0

Stocks at 52 Week High

Stocks	LTP (30th Sept 2024)	52 Week High
APOLLOHOSP	7200.0	7316.95
BRITANNIA	6339.0	6362.90
HINDALCO	755.0	764.45
PIDILITE	3360	3415
RPOWER	48.66	48.66

Losers over 1-Month

Stocks	LTP (30th Sept 2024)	Change %	52 Week H/L
TATAMOTORS	974.65	-9.52%	1179.9/608.30
ONGC	297.60	-9.50%	345.0/179.90
TCS	4268.50	-5.08%	4592.25/3311.0
COALINDIA	510.15	-4.00%	543.55/283.05
SBIN	787.90	-3.43%	912/543.20

Stocks at 52 Week Low

Stocks	LTP (30th Sept 2024)	52 Week Low
CSB BANK	313	305.7
UJJIVANSFB	40.48	39.90
ZEELEARN	8.94	9.80
-	-	-

FII / DII - monthly break up and compared to August 2024.

FII (Sept) Rs. In Cr.	FII (Aug) Rs. In Cr.	DII (Sept) Rs. in Cr.	DII (Aug) Rs. In Cr.
+15424.2	-21368.51	31680.3	48278.65



Looking Ahead: The battle will be between overbought technical conditions on one hand and then increasing bets into the narrative that a soft landing in the US is underway.

Sensex: 84,300.

Nifty: 25,811.

Nifty's 4-months rally in a row is inspiring FOMO attraction at Dalal Street and most importantly, the street is actually hoping for more fireworks on increasing bets that the Reserve Bank of India (RBI) could take over the theme of slashing interest rates from the Federal Reserve.

The Fed's 50 basis point jumbo rate cut is likely to trigger expectations of global interest rate cuts...

Our **call of the month** however suggests a careful approach is the need of the hour as Nifty likely to be choppier and volatile than usual.

Well, there is a bright chance that Nifty bears can come to life amidst expected massive profit booking as investors could refrain to overstay at Dalal Street on backdrop of two-negative catalysts:

- 1) Excessive optimism.
- 2) Overbought technical conditions.

Daily chart of Nifty:



The other big villain which can bring back concerns about the inflation, economy and earnings is: WTI Oil which could flare up on backdrop of middle-east geopolitical session which are brewing on the horizon.

The message is very clear — trade selectively and stay nimble.

The most probable bullish scenario could be that the benchmarks hold their ground.

The gyan mantra for perma-bulls camp is: 'Be Flexible & Focus on very long term' will be the winning theme for 2025.

Technically, the ice likely to crack on this bull market only any move below Nifty 24365 mark with aggressive downside targets at 23500 mark.

Alternatively, if Nifty holds above 24365 mark then Nifty is poised to move above its biggest hurdles at 26300 and then at 26500 and finally psychological 27000+

<p>Preferred Trade on Nifty:</p>	<p>CMP 25811</p>	<p>Technically speaking, from a chartist standpoint, still extremely overbought technical conditions prevail. The near-term price action for Nifty is suggesting that we are likely to see an 24500- 26500 range in near term with slight negative bias. Please note, Nifty's 200DMA at 23097 mark.</p> <p>Buying on dips between 24750-25000 zone should be the preferred strategy. Targets at 26300/26600 mark and then at 27000-27500 zone with strict stop at 24301.</p>
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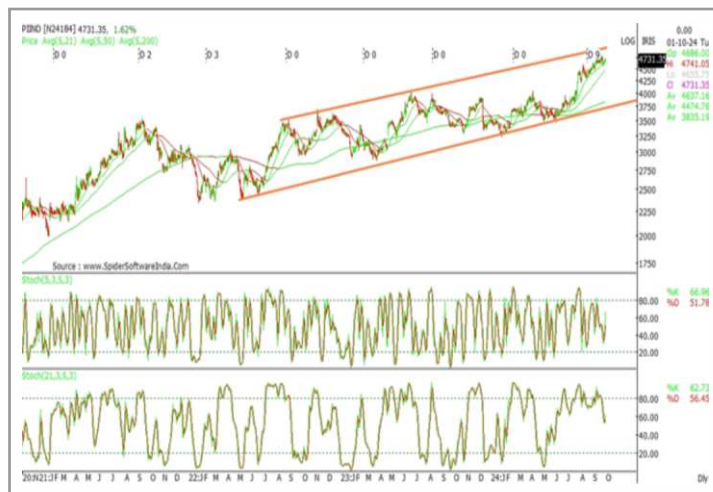
<p>Bullish looking stocks</p>	<p>Bearish looking stocks</p>
<p>NTPC, TRENT, TATA POWER, PI INDUSTRIES, POWERGRID, MGL, IGL, SUN PHARMA, FINO PAYMENT BANK, POLYPLEX, BOMBAY DYEING</p>	<p>ZYDUS LIFE, SAIL, BHARAT FORGE, INDUS TOWER</p>



The single-most conviction idea for October 2024.

PI Industries Limited (CMP 4731): Market Cap (Rs 71783 Cr.)

Daily chart of PI INDUSTRIES



Incorporated in 1947, **PI Industries Limited (earlier Pesticides India)** is a fast growing agri-sciences company with strong presence in both domestic and export market, specializing and manufacturing plant protection & specialty plant nutrient products and solutions under its agri-inputs business. The company has a strong product portfolio because of exclusive tie-ups with leading agro-chemical, pharmaceutical and fine chemical companies around the World. It is also one of India's leading custom synthesis (CSM) companies engaged in providing contract research and contract manufacturing services to global innovators. The CSM exports business contributes about 80% of the company's revenues which contributes about 80% of the company's revenues.

During Q1 FY25, PI Industries has shown 8 percent growth in Q1 FY 25 to reach Rs. 2,068.9 crore whereas net profit was up 17% to reach Rs. 448.8 crore.

There was 14% growth in Agchem Exports mainly driven by volumes and growth of new products. New

products growth around 24% Y-o-Y. Domestic revenues were subdued mainly due to delayed sowing and erratic spread of monsoon although favourable product mix and improved working capital management helped in containing the financial impact. Biological products' driving growth and revenue increased by around 39% Y-o-Y. Pharma contributed exports revenue of Rs. 25.3 crore and it dipped due to supply deferment of a few products. Net profit improved by 17% Y-o-Y attributable to EBITDA growth despite increased ETR of 20.7% (Q1FY24 ETR 14.0%).



Technically, brace yourselves for an impulse uptrend seen forming on the daily time scale, with positive SAR series. The sequence of higher high/low intact on all time frames.

Add to that a bullish divergence and a rising stochastic signal (on weekly charts) with recent increase in volumes signaling a larger rebound. The 200 days Exponential Moving Average (EMA) of the stock on the daily chart is currently at 3835-3850 zone. Any sharp corrective declines to 4000-4100 zone will be an opportunity to initiate aggressive long positions.

Simply buy at CMP, and on dips between 4250-4300 zone, targeting 4900/5100 mark and then at 5500 mark. Stop below 4119. Holding Period: 12-15 Months.





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Disclosure of interest statement – • Analyst interest of the stock / Instrument(s): - No. • Firm interest of the stock / Instrument (s): - No.