

Trading Calls

CUMMINSIND Long/Buy 3rd Apr 2018

Cummins India Ltd has corrected around 30% in a time span of just three months. Currently it has found a strong support near Rs 680 and thereafter started to give pullback since last couple of trading days. Therefore we advise traders to initiate long position in the stock near Rs 727 with a stop loss of Rs 678. The upside targets are Rs 778 and Rs 824.

ENGINERSIN Long/Buy 2nd Apr 2018

After making double top on daily chart, finally it has achieved its 200% target of 148 on 23rd March 2018. Hence we recommend buy in the range of 160-156 for the price targets of 174.50 and 181 with 141.50 as SL.

BHARTIARTL Long/Buy 21th Mar 2018

After making the top of 565, stock is consolidating below 200 SMA. It has retraced almost 80% of preceding impulse. During corrective fall volume is very low . Therefore we advise traders to initiate long position in the stock near Rs 412 with a stop loss of Rs 389. The upside targets are Rs 435 and Rs 447

PNB Long/Buy 14th Mar 2018

After corrected more than 50% in a time span of just one and half month, Punjab National Bank has been consolidating in a narrow range of 91-100 since last few days. Therefore we advise to initiating long position in the stock near Rs 98 with a stop loss of Rs 91. The upside targets are Rs 106 and Rs 117.

Institutional Turnover			
FII	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
05-Apr-18	4461	4569	(108)
Apr-18	13956	15130	(1174)
DII	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
05-Apr-18	4561	3946	615
Apr-18	10851	9344	1507

Market	Value	% Change
SGX Nifty	10339.50	-0.16%

Nifty Key Levels

Support	S1 : 10230	S2 : 10190
Resistance	R1 : 10350	R2 : 10380

Market Outlook

Nifty at Strong Resistance Zone!
Thursday, Nifty opened around 10228, made a low of 10227, then after making a high of 10331 closed higher side around 10325(+196) and traded within a range of 101 points. Nifty started the day on firm footing note and closed above the mentioned resistance level of 10280 levels. It continues to expand this pullback further higher with participation coming from almost all sectors. However Nifty is trading around 10320-10360, which is strong resistance zone, it is likely to face resistance and trader lower for the day. Key resistances are around 10350-10380 and immediate supports are seen around 10230-10190.

Sectoral Performance (%)				
	1 Day	1 Week	1Month	1 Year
Auto Components	1.5	6.2	4.3	22.5
Automobiles	1.8	4.6	3.2	17.6
Chemicals	1.4	4.0	2.7	16.9
Construction Materials	1.9	2.6	(0.4)	7.7
Construction & Engg	0.2	0.1	5.2	32.5
Div. Financial Services	0.9	2.0	12.2	58.7
Electrical Equipment	1.0	2.6	(2.3)	3.3
Energy	1.3	1.1	(3.4)	9.4
Financials	2.7	2.9	1.2	11.8
Health Care	1.0	3.0	(2.9)	(11.3)
Household Durables	1.9	3.4	0.9	18.33
Household Pers. Products	1.6	1.8	3.0	12.9
Information Technology	1.32	1.8	(2.0)	22.2
Metals/Mining/Minerals	3.1	3.0	(4.4)	10.4
Telecom	0.5	0.4	(4.8)	3.7
Utilities	1.3	2.6	(0.5)	3.2

Participant wise Open Interest In Equities Derivative (no. of contracts)

Long Position				
	DII	FII	Pro	Other
Future Index	27135	38970	23050	263292
Future Stock	20027	643714	131198	941364
Option Index Call	60927	201902	153223	396931
Option Index Put	79212	332409	155987	603206
Option Stock Call	9	13038	30814	151736
Option Stock Put	0	11947	32279	75760

Short Position				
	DII	FII	Pro	Other
Future Index	20577	156465	23074	152331
Future Stock	863140	443603	71964	357596
Option Index Call	0	97151	205361	510470
Option Index Put	0	107850	225581	837383
Option Stock Call	0	15192	55498	124907
Option Stock Put	0	11200	28059	80727

High ES & High PS Stock Maintaining Strength

BSE Code	NSE CODE	1 Month Return %
500304	NIITLTD	21.5
532798	NETWORK18	18.8
506285	BAYERCROP	17.9
532129	HEXAWARE	16.7
511431	VAKRANSOFT	16.4
533155	JUBLFOOD	16.3
500034	BAJFINANCE	15.5
532498	SHRIRAMCIT	15.2
511218	SRTRANSFIN	14.9
500413	THOMASCOOK	14.4

High ES & Low PS Stock Showing Strength

BSE Code	NSE CODE	1 Month Return %
500253	LICHSGFIN	11.0
534139	SCHNEIDER	9.6
532805	REDINGTON	9.1
532134	BANKBARODA	6.9
514043	HIMATSEIDE	5.4
532772	DCBbank	5.0
500530	BOSCHLTD	4.7
533088	MHRIL	4.5
500878	CEATLTD	4.1
500483	TATACOMM	2.8

Low ES & Low PS Stock Maintaining Weakness

BSE Code	NSE CODE	1 Month Return %
500185	HCC	(26.91)
533096	ADANIPOWER	(18.82)
530813	KRBL	(17.03)
532749	ALLCARGO	(15.30)
532525	MAHABANK	(14.71)
532622	GDL	(13.02)
526612	BLUEDART	(12.33)
532370	RAMCOSYS	(11.94)
521248	KITEX	(11.55)
532505	UCOBANK	(11.28)

Low ES & High PS Stock Showing Weakness

BSE Code	NSE CODE	1 Month Return %
532144	WELCORP	(21.95)
532712	RCOM	(16.16)
532843	FORTIS	(14.49)
500470	TATASTEEL	(13.96)
538835	INTELLECT	(13.06)
500295	VEDL	(10.27)
533552	RUPA	(10.11)
500307	NIRLON	(9.82)
500116	IDBI	(9.78)
532779	TORNTPOWER	(9.33)

* ES- Earning Score is average of EM (Earning Momentum defined as relative performance in terms of operating profit growth) and EQ (Earning Quality defined as relative balance sheet strength in terms of debt and working capital)

* PS- Price Score is of a company is relative price performance in multiple time-frame

Analysis shown here is only for companies with market cap more than Rs 1,000 Cr.

Nifty Weekly

In line with our analysis, Market rebounded nicely despite a panic selloff in the preceding week. Indices made a smart come back this week owing to the massive short covering but at current juncture, it will be premature to point out that the intermediate trend has changed. For carrying this pullback further higher, Indices have to **sustain above 200 DMA**. Until this happen, another correction on lower side can not ruled out.

Harmonic pattern formed on daily chart of Nifty signifies that this pullback can extend up to 10365 levels where 61.8 Fibonacci retracement of A to D leg is seen. For gaining further momentum, it has to give **decisive close above 10365 levels** from where it can inch forward towards 10480 levels. Failure to sustain above 10270 levels, it can drag down till 10030, 9950 and 9900 levels where key supports are located.

- Technical parameters **favouring Bulls-**
- a) Occurrence of **TWEEZER BOTTOM CANDLESICK PATTERN** on weekly chart positive for the market
 - b) **RSI curled up from the bullish support zone**
 - c) Occurrence **of AB=CD Harmonic pattern** on daily chart
 - d) **Internal trendline** coincides around **9950 mark**

BANK NIFTY- It is looking strong as it formed Bullishbelt hold candlesticks pattern on weekly chart. As long as it holds above 23660 , it is positive and bounce back toward 24590 and 25010 is on cards. On the flip side, a decisive break below 23660 will result in further weakness till 22900 levels.

CHART ANALYSIS



SUPPORT & RESISTANCE LEVELS

RESISTANCE/SUPPORT	NIFTY LEVEL	JUSTIFICATION
Resistance 2	10365	61.8% retracement of A to D leg
Resistance 1	10230	High of Previous week Candle
Close	10121	
Support 1	10030	Change in Polarity
Support 2	9950	Low of current week candle

CRUDE OUTLOOK

WTI falls below \$63 per barrel on rising oil output and US-China trade conflict.

Oil Prices faced sharp declines on Nymex Crude on renewed worries of OPEC Compliance among the member countries. The largest producing countries are raising their oil output above the targeted level of oil output. Iraq, the second largest OPEC producer, announced and approved a plan to raise the country’s oil output capacity to 6.5 mbpd by the year 2022. Iraq’s oil capacity in January 2018 was close to 5 mbpd and producing around 650,000 bpd above the OPEC’s targeted levels of 4.4 mbpd of oil output.

Saudi Oil pricing: Saudi Arabia is seen cutting the future oil prices for all crude grades to Asian countries for the month of May 2018. This signifies that the Saudi Arabia is trying to capture the market share and foresees the bearishness in oil prices.

Russia increased their production to 10.97 mbpd in March 2018, up from 10.95 mbpd last month. Russia, world’s largest oil producer, and OPEC agreed to engage in oil production cut deal to maintain the production and achieve the oil market rebalancing.

US Sanctions on Iran Crude oil prices are getting support from US-Iranian tension as US could bring back sanctions on Iran, OPEC’s third largest oil producer. US President has threatened to modify the international nuclear deal with Iran and

impose additional sanction on the country. US have given European Union a deadline of 12th May 2018 to fix the nuclear deal with Iran. Iranian issue will provide a significant move in the crude prices for the coming month.

New Discovery

Bahrain says it has discovered its largest oil field off the west coast of the island in the Khaleej Al Bahrain Basin. The details about the size and the extraction are to be released on 5th April by the Oil ministry.

Trade conflict with China China increased tariffs by up to 25 percent on 128 U.S. products in retaliation with US trade tariff on steel and aluminium imports. Increasing trade conflict between US and China will shake the global markets and negatively impact the crude oil prices.

Outlook

Crude oil prices are trading lower on increasing oil supply and US-China trade conflict worries. Re-impose of sanctions by United States on Iran is threatening oil output of 450,000-500,000 bpd and declining output of Venezuela are keeping prices higher. However, higher oil supply from Non-OPEC nations and demand supply scenario showing forecast of a surplus market for the next quarter of 2018. We forecast WTI prices to fall towards \$60-58 per barrels by the second quarter of 2018.

Important Events For The Week				
		Actual	Forecast	Previous
3 Apr				
7.15am	API Crude Stock Estimates			51.6
4 Apr				
	China Caixin Services PMI			54.2
4:30pm	EUR CPI Flash Estimate y/y			
7:10pm	US ADP Non-Farm Employment Change		206K	235K
7.30pm	US ISM Non-Manufacturing PMI		59.2	59.5
	US Factory Orders m/m		1.8%	-1.4%
8.00pm	Crude oil Inventory			1.6M
5 Apr				
1.30pm	EUR Final Services PMI		55	55
6.00pm	US Unemployment Claims		223K	215K
	US Trade Balance		-56.5B	-56.5B
8.00pm	US Natural Gas Stock		-29	-63
6 Apr				
6.00pm	US Non-Farm Employment Change		190K	313K
	US Unemployment Rate		4.0%	4.1%

Rating : Long / BUY

3-Apr-18

BSE Code	500480
NSE Symbol	CUMMINSIND
52wk Range H/L	1096.80/680.65
Mkt Capital (Rs Cr)	20513
Av.Cash Volume(,000)	324
Open Interest	2133000

Buy Price	727
Stop Loss	675
Target Price1	778
Target Price2	824
Upside in Tgt1	7%
Upside in Tgt2	13%

Technical Chart



Cummins India Ltd has corrected around 30% in a time span of just three months. Currently it has found a strong support near Rs 680 and thereafter started to give pullback since last couple of trading days. The ADX has reached near 60 and RSI & Stochastic reached at the deep oversold zone. So some upmove is expected in the stock from the current level.

Therefore we advise traders to initiate long position in the stock near Rs 727 with a stop loss of Rs 678. The upside targets are Rs 778 and Rs 824.

2

Stock Quotes

Rating : Long / BUY

2-Apr-18

BSE Code	532178	Buy Price	158
NSE Symbol	ENGINEERSIN	Stop Loss	141
52wk Range H/L	206.20/140.95	Target Price1	174.5
Mkt Capital (Rs Cr)	10192	Target Price 2	181
Av.Cash Volume(,000)	4892	Stop Loss %	10%
Period	NA	Target %	15%
P/E		Risk & Reward	
20 SMA		200 SMA	

Technical Chart



Description

After making double top on daily chart, finally it has achieved its 200% target of 148 on 23rd March 2018. Around 147 level it has formed DB pattern at 147 level and it has given fresh breakout with good volume. From recent low of 147.15 stock price is rising in impluse which you can see on hourly chart.

Hence we recommend buy in the range of 160-156 for the price targets of 174.50 and 181 with 141.50 as SL.

6th Apr 2018

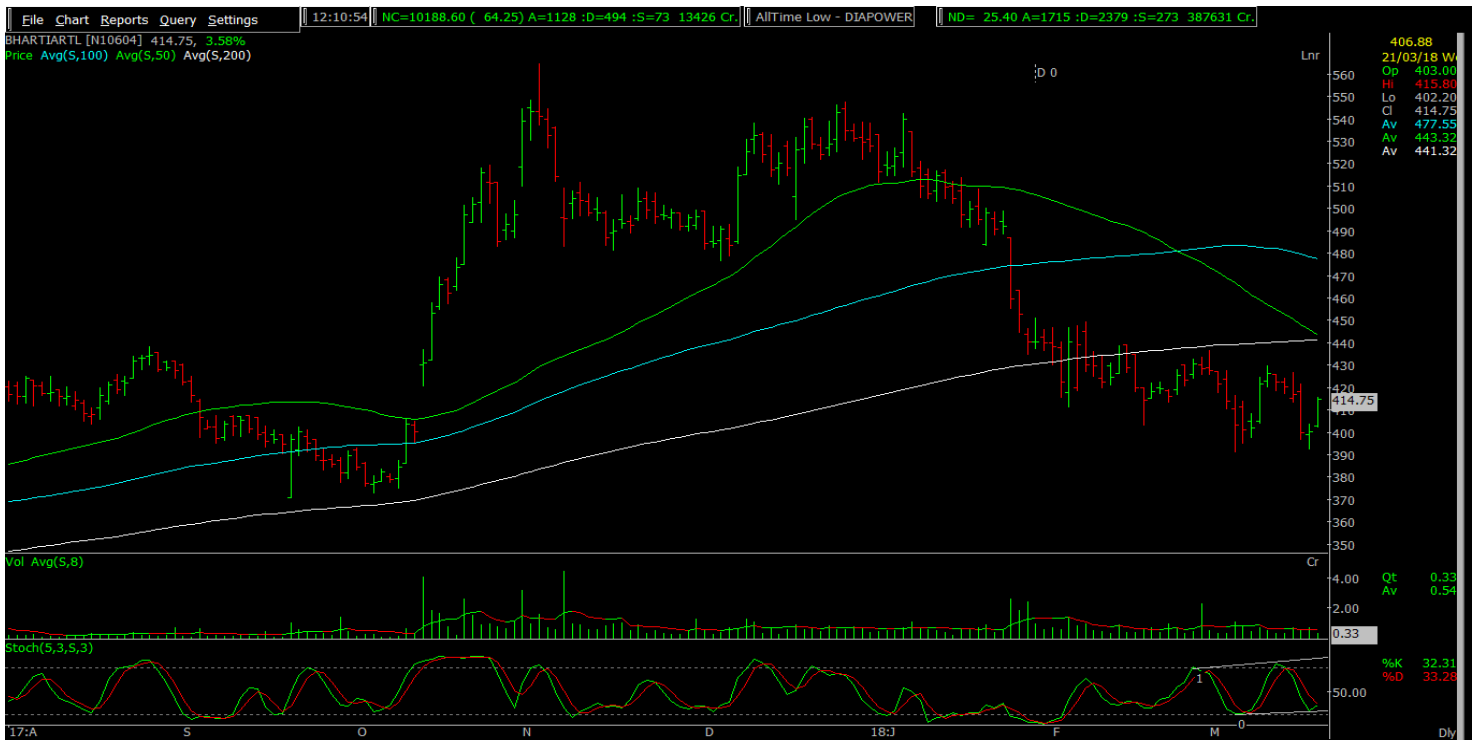
Narnolia Securities Ltd Research Lab

Stock Quotes

Rating : Long / BUY

21-Mar-18

BSE Code	532454	Buy Price	412
NSE Symbol	BHARTIARTL	Stop Loss	389
52wk Range H/L	565/325.50	Target Price1	435
Mkt Capital (Rs Cr)	164872	Target Price 2	447
Av.Cash Volume(,000)	54408	Stop Loss %	6%
Period	NA	Target %	8%
P/E		Risk & Reward	
20 SMA		200 SMA	441.3



Description

After making the top of 565, stock is consolidating below 200 SMA. It has retraced almost 80% of preceding impulse. During corrective fall volume is very low. Stochastic is giving sign of reversal with higher high, higher low formation.

Therefore we advise traders to initiate long position in the stock near Rs 412 with a stop loss of Rs 389. The upside targets are Rs 435 and Rs 447

Rating : Long / BUY

14-Mar-17

BSE Code	532461	Buy Price	97.95
NSE Symbol	PNB	Stop Loss	91
52wk Range H/L	231.60/91.30	Target Price1	106
Mkt Capital (Rs Cr)	340.5	Target Price2	117
Av.Cash Volume(,000)	19162	Upside in Tgt1	8%
Open Interest	70436000	Upside in Tgt2	19%

Technical Chart



After corrected more than 50% in a time span of just one and half month, Punjab National Bank has been consolidating in a narrow range of 91-100 since last few days. Currently some delivery based buying was witnessed in the stock and a positive divergence was formed both in RSI & Stochastic.

Therefore we advise to initiating long position in the stock near Rs 98 with a stop loss of Rs 91. The upside targets are Rs 106 and Rs 117.

2



DAILY COMMODITY SNAPSHOT

9th April, 2018

Precious Metals

	Last Price	% Chg
Comex Gold	1326.6	0.29
Comex Silver	16.223	0.11
MCX Gold	30408	-0.37
MCX Silver	38322	0.03
USDINR	65.11	-0.07
US Dollar index	89.75	0.1

Last

CRUDE OIL

Precious Metal Related News

Gold prices rose on Monday after three consecutive sessions of falls as the dollar eased concerns of trade tensions between China.

Gold discounts in India narrowed as improvement in demand for weddings and hopes that retail purchases will rise next month on account of a key festival.

LAUNCHING FROM NEXT WEEK

9TH APRIL 2018



Narnolia Securities Ltd

201 | 2nd Floor | Marble Arch Building | 236B-AJC Bose
Road | Kolkata-700 020 , Ph : 033-40501500

email: narnolia@narnolia.com,
website : www.narnolia.com

Risk Disclosure & Disclaimer: This report/message is for the personal information of the authorized recipient and does not construe to be any investment, legal or taxation advice to you. Narnolia Securities Ltd. (Hereinafter referred as NSL) is not soliciting any action based upon it. This report/message is not for public distribution and has been furnished to you solely for your information and should not be reproduced or redistributed to any other person in any form. The report/message is based upon publicly available information, findings of our research wing "East wind" & information that we consider reliable, but we do not represent that it is accurate or complete and we do not provide any express or implied warranty of any kind, and also these are subject to change without notice. The recipients of this report should rely on their own investigations, should use their own judgment for taking any investment decisions keeping in mind that past performance is not necessarily a guide to future performance & that the value of any investment or income are subject to market and other risks. Further it will be safe to assume that NSL and /or its Group or associate Companies, their Directors, affiliates and/or employees may have interests/ positions, financial or otherwise, individually or otherwise in the recommended/mentioned securities/mutual funds/ model funds and other investment products which may be added or disposed including & other mentioned in this report/message.