

Trading Calls

VGUARD Long/Buy 20th June 2017
V-Guard Industries Ltd has found a strong support near 100 DMA (at Rs 176) and thereafter gave a good pullback rally on Monday with decent volumes.
Therefore we advise traders to initiate long position in the stock near Rs 186.85 with a stop loss of Rs 176. The upside targets are Rs 198 and Rs 207.

SAIL Long/Buy 6th June 2017
SAIL is consolidating from last few couple of days in the form of A-B-C. Day before yesterday it has confirmed the low point of B, So we advise our client to Buy near 57.80 for the first price target of 59.50 and second price target of 60.50 (which is expected tgt of C) with 56.20 as SL.

ACC Long/Buy 25th May 2017
In respect to price corrective fall this fall was sharp which was expected. observed that volume is low in this sharp fall so impulse which is technically sound. Hence we near 1613 for the first price target of 1663 and second target of 1700 with 1563 as SL. Stockhastic is also trying to move up from over sold zone.

DABUR Long/Buy 3th April 2017
Dabur India is in continuous uptrend since January 2017. The stock has given a bullish breakout above 200 DMA with decent volumes. So some fresh buying is likely to emerge in the stock at the current level.

MERCK Long/Buy 22th Mar 2017
After consolidating near 50 DMA since last one month, MERCK Ltd. has given a sharp pullback rally yesterday. The stock has also given a channel breakout above Rs 1020 with decent volumes.
Therefore we advise traders to initiate long position in the stock near Rs 1025 with a stop loss of Rs 928. The upside targets are Rs 1123 and Rs 1248.

Table with 4 columns: FII, Buy(Cr.), Sale(Cr.), Net(Cr.) and 4 rows of institutional turnover data for FII and DII.

Table with 3 columns: Market, Value, % Change. Row: SGX Nifty, 9666.00, 0.12%.

Table with 3 columns: Support, S1 : 9570, S2: 9520. Row: Resistance, R1 : 9710.

Market Outlook
During last one month Nifty has traded between 9550 and 9710, a range of mere 1.7%. Nifty loosing volatility after sharp rally since December 2016 is a sign of maturity of our market or is this a lull before the storm, July series will surely let us figure out. In fact even global equity markets are trading strong almost in a bullet proof manner and this is amazing. US S&P 500 VIX has fallen to single digit levels. Lately cause of concern have been the performance of the broader market. Mid and Small cap stocks were leaders of the current market rally, but since middle of May Nifty Mid cap index and Nifty Small cap index surely has gone into a correction mode. And traders and short term investors need to be very cautious on small and micro cap stocks as valuation remains quite stretched for most of the small and micro cap stocks. Though Nifty continue to be in upward journey but if Nifty falls below 9500, it will bring sharper fall in mid, small and micro cap stocks.
Derivative range continues to be 9550-9750 though large open interest at 9700 CE make 9700 a strong resistance for current June series. Early indication of open interest built up for July series suggests wider Nifty range and consequently sharp volatility. BankNifty particularly looks vulnerable for volatility spike led by mid and small PSU banks where NPA woes appears to be getting further aggravated due to RBI latest directives. Early July series will be full of news about GST implementation and 1QFY18 and 2QFY18 surely will see negative impact on corporate earnings. GSTN system is expected to process 3.5 billion invoices every month, a change of this order surely will be nerve wrecking for many businesses particularly smaller one. We see clarity emerging only in September as far as fundamental of the market is concerned.

Table with 5 columns: Sectoral Performance (%), 1 Day, 1 Week, 1Month, 1 Year. Rows include Auto Components, Automobiles, Chemicals, Construction Materials, Construction & Engg, Div. Financial Services, Electrical Equipment, Energy, Financials, Health Care, Household Durables, Household Pers. Products, Information Technology, Metals/Mining/Minerals, Telecom, Utilities.

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

Long Position				
	DII	FII	Pro	Other
Future Index	15835	209939	20572	113486
Future Stock	21140	402402	134816	909112
Option Index Call	122258	205372	205673	398748
Option Index Put	37024	323335	183401	631041
Option Stock Call	0	15010	29869	141245
Option Stock Put	0	12232	33356	61448

Short Position				
	DII	FII	Pro	Other
Future Index	28720	62168	66231	202713
Future Stock	502409	646675	64633	253753
Option Index Call	0	153426	199480	579145
Option Index Put	0	63159	294699	816943
Option Stock Call	90	13495	61814	110725
Option Stock Put	0	8104	29147	69785

## High ES & High PS Stock Maintaining Strength

BSE Code	NSE CODE	1 Month Return %
532832	IBREALEST	25.8
500407	SWARAJENG	24.0
531266	VSTILLERS	22.5
524742	CAPPL	22.2
505726	IFBIND	21.1
511196	CANFINHOME	18.7
509966	VSTIND	17.8
533519	L&TFH	16.0
534758	CIGNITITEC	14.6
522074	ELGIEQUIP	13.5

## High ES & Low PS Stock Showing Strength

BSE Code	NSE CODE	1 Month Return %
532890	TAKE	38.0
532827	PAGEIND	25.8
500408	TATAELXSI	24.5
533088	MHRIL	23.2
500111	RELCAPITAL	20.3
532617	JETAIRWAYS	20.1
500413	THOMASCOOK	18.9
500187	HSIL	17.7
517380	IGARASHI	16.3
500330	RAYMOND	15.9

## Low ES & Low PS Stock Maintaining Weakness

BSE Code	NSE CODE	1 Month Return %
511389	VIDEOIND	(34.83)
532915	RELIGARE	(18.17)
535648	JUSTDIAL	(17.78)
532885	CENTRALBK	(14.91)
530073	SANGHVIMOV	(9.36)
500315	ORIENTBANK	(8.23)
532418	ANDHRABANK	(8.14)
504067	ZENSARTECH	(7.71)
532483	CANBK	(7.56)
524404	MARKSANS	(7.53)

## Low ES & High PS Stock Showing Weakness

BSE Code	NSE CODE	1 Month Return %
532523	BIOCON	(65.09)
532843	FORTIS	(16.48)
532461	PNB	(10.34)
500570	TATAMOTORS	(9.72)
532955	RECLTD	(9.12)
500116	IDBI	(8.79)
500405	SUPPETRO	(8.41)
500031	BAJAJELEC	(8.39)
500110	CHENNPETRO	(7.27)
530965	IOC	(6.97)

\* 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.

6th July 2017

Narnolia Securities Ltd | Market Research

**Rating : Long / BUY**

**20-Jun-17**

BSE Code	532953	Buy Price	186.85
NSE Symbol	VGUARD	Stop Loss	176
52wk Range H/L	220.85/152.10	Target Price1	198
Mkt Capital (Rs Cr)	7941	Target Price2	207
Av.Cash Volume(,000)	1071	Upside in Tgt1	6%
Open Interest	3591000	Upside in Tgt2	11%

**Technical Chart**



V-Guard Industries Ltd has found a strong support near 100 DMA (at Rs 176) and thereafter gave a good pullback rally on Monday with decent volumes.

Therefore we advise traders to initiate long position in the stock near Rs 186.85 with a stop loss of Rs 176. The upside targets are Rs 198 and Rs 207.

RSI, MACD and Stochastic all are in oversold zone, suggesting some fresh buying is likely to emerge at the current level.

Rating : Long / BUY

Initiation Date6-Jun-17

BSE Code	500113	Buy Price	57.8
NSE Symbol	SAIL	Stop Loss	56.2
52wk Range H/L	68.55/40.75	Target Price1	59.5
Mkt Capital (Rs Cr)	23913	Target Price2	60.5
Av.Cash Volume	5,978	Upside in Tgt1	2.94
Open Interest	-	Upside in Tgt2	4.67



SAIL is consolidating from last few couple of days in the form of A-B-C. Day before yesterday it has confirmed the low point of B, So we advise our client to Buy near 57.80 for the first price target of 59.50 and second price target of 60.50 (which is expected tgt of C) with 56.20 as SL.

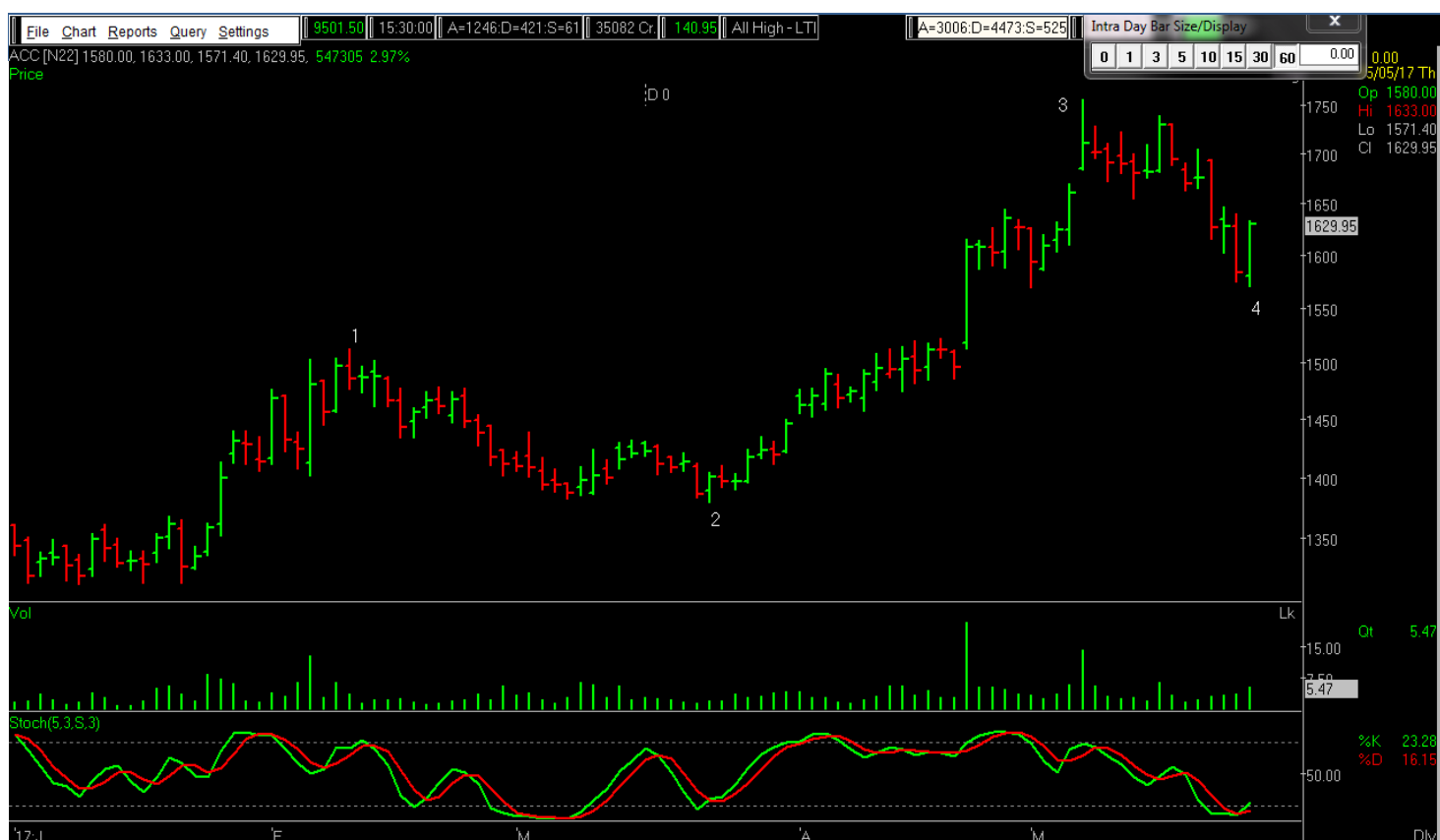
**Rating : Long / BUY**

**Initiation Date**

**25-May-17**

BSE Code	500410
NSE Symbol	ACC
52wk Range H/L	1753.85/1257
Mkt Capital (Rs Cr)	30322
Av.Cash Volume	15,161
Open Interest	-

Buy Price	1613
Stop Loss	1563
Target Price1	1663
Target Price2	1700
Upside in Tgt1	3.10
Upside in Tgt2	5.39



In respect to preceding corrective fall this fall was sharp which was expected. One positive thing we can observed that volume is low in this sharp fall compare to exptended impulse which is technically sound. Hence we advise our client to go long near 1613 for the first price target of 1663 and second price target of 1700 with 1563 as SL. Stockhastic is also trying to move up from over sold zone.

Rating : Long / BUY

Initiation Date 3-Apr-17

BSE Code	500096	Buy Price	286.9
NSE Symbol	DABUR	Stop Loss	270
52wk Range H/L	244.95/320	Target Price1	304
Mkt Capital (Rs Cr)	50556	Target Price2	327
Av.Cash Volume(,000)	598	Upside in Tgt1	6%
Open Interest	11453182	Upside in Tgt2	14%

Technical Chart



Dabur India is in continuous uptrend since January 2017. The stock has given a bullish breakout above 200 DMA with decent volumes. So some fresh buying is likely to emerge in the stock at the current level.

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**Rating : Long / BUY**

**Initiation Date**

**22-Mar-17**

BSE Code	500126
NSE Symbol	MERCK
52wk Range H/L	625.10/1157
Mkt Capital (Rs Cr)	1701
Av.Cash Volume(,000)	38.4
Open Interest	NA

Buy Price	1025.7
Stop Loss	928
Target Price1	1123
Target Price2	1248
Upside in Tgt1	9%
Upside in Tgt2	22%

### Technical Chart



After consolidating near 50 DMA since last one month, MERCK Ltd. has given a sharp pullback rally yesterday. The stock has also given a channel breakout above Rs 1020 with decent volumes.

Therefore we advise traders to initiate long position in the stock near Rs 1025 with a stop loss of Rs 928. The upside targets are Rs 1123 and Rs 1248.

The indicators (like RSI and MACD) are in oversold zone suggesting some fresh upside in the extreme short term.

# Narnolia

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