

Trading Calls

RUPA Long/Buy 2nd Nov 2017

After giving sharp correction it had taken support near previous bottom with good volume now stock was consolidating from last few couple of days and today it has given brekout with good volume. Hence we advise long near 433 for the price target of 482 and 500 with 384 as SL.

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Institutional Turnover			
FII	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
13-Nov-17	4621	4854	(234)
Nov-17	54744	66755	(12011)
DII	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
13-Nov-17	3659	3928	(269)
Nov-17	40265	40527	(262)

Market	Value	% Change
SGX Nifty	10257.00	-0.04%

Nifty Key Levels

Support	S1 : 10187	S2: 10123
Resistance	R1 : 10369	

Market Outlook

Nifty trading above 23 times its trailing 12 months earning requires the market to go in for a price or time correction. Though we need to remember Newton's 1st Rule- "An object at rest stays at rest and an object in motion stays in motion with the same speed and in the same direction unless acted upon by an unbalanced force"

So Nifty that has smartly rallied along with other global markets over last 10-12 months and is now touching a high level of valuation surely needs some unbalanced force to get back to a normal level of valuation. A Recent statement by Chinese Central Bank (PBOC) of "latent risk accumulating, including some that are 'hidden, complex, sudden, contagious and hazardous.'" could be one of those unbalanced force.

Nifty RSI has exhibited negative divergence on 3rd November and suggests caution

Sectoral Performance (%)				
	1 Day	1 Week	1Month	1 Year
Auto Components	(0.3)	(1.7)	0.9	34.3
Automobiles	(0.4)	(3.0)	0.3	23.8
Chemicals	(0.2)	(1.4)	1.7	30.6
Construction Materials	(0.5)	(1.8)	4.7	31.3
Construction & Engg	0.2	0.1	5.2	32.5
Div. Financial Services	0.9	2.0	12.2	58.7
Electrical Equipment	(0.6)	(2.2)	2.9	26.0
Energy	(1.1)	(5.3)	0.8	37.1
Financials	(0.7)	(2.2)	1.4	30.7
Health Care	(0.5)	(4.9)	(1.4)	(8.6)
Household Durables	(0.2)	0.6	5.3	33.00
Household Pers. Products	1.6	1.8	3.0	12.9
Information Technology	0.76	3.2	5.3	25.1
Metals/Mining/Minerals	(1.6)	(4.0)	0.8	24.4
Telecom	(1.8)	(5.7)	7.9	37.7
Utilities	(0.4)	(1.5)	1.4	26.8

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

Long Position				
	DII	FII	Pro	Other
Future Index	15906	191880	48987	178721
Future Stock	44738	457940	168437	1177638
Option Index Call	118787	307192	156231	545746
Option Index Put	67986	395310	233221	665445
Option Stock Call	489	31135	56310	336578
Option Stock Put	24	24294	58536	125624

Short Position				
	DII	FII	Pro	Other
Future Index	21517	168699	26281	218997
Future Stock	837491	554126	96559	360577
Option Index Call	0	191824	303370	632762
Option Index Put	0	212030	248244	901688
Option Stock Call	111	37706	133127	253568
Option Stock Put	0	25574	55282	127622

High ES & High PS Stock Maintaining Strength

BSE Code	NSE CODE	1 Month Return %
532814	INDIANB	50.0
532149	BANKINDIA	47.4
532617	JETAIRWAYS	47.2
505726	IFBIND	44.6
532254	POLARIS	42.0
532156	VAIBHAVGEM	32.2
532401	VIJAYABANK	30.8
500292	HEIDELBERG	30.7
532942	KNRCON	29.7
532129	HEXAWARE	28.4

High ES & Low PS Stock Showing Strength

BSE Code	NSE CODE	1 Month Return %
532371	TTML	102.2
512161	8KMILES	72.4
512131	SIGNET	32.2
514034	JBFIN	29.8
532134	BANKBARODA	24.1
509820	PAPERPROD	22.4
500676	GSKCONS	21.5
526797	GREENPLY	16.9
511218	SRTRANSFIN	16.4
506690	UNICHEMLAB	15.6

Low ES & Low PS Stock Maintaining Weakness

BSE Code	NSE CODE	1 Month Return %
530943	SABTN	(63.12)
532712	RCOM	(25.23)
511389	VIDEOIND	(18.92)
532121	DENABANK	(15.01)
532843	FORTIS	(11.27)
532915	RELIGARE	(9.82)
531795	ATULAUTO	(8.03)
524404	MARKSANS	(7.13)
500271	MFSL	(5.04)
532939	RPOWER	(3.62)

Low ES & High PS Stock Showing Weakness

BSE Code	NSE CODE	1 Month Return %
500085	CHAMBLFERT	(9.72)
512070	UPL	(9.11)
532321	CADILAH	(8.26)
530019	JUBILANT	(8.13)
500104	HINDPETRO	(7.66)
530965	IOC	(5.05)
520056	SUNCLAYLTD	(4.18)
524000	MAGMA	(3.94)
524200	VINATIORGA	(3.41)
526521	SANGHIIND	(3.02)

* 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

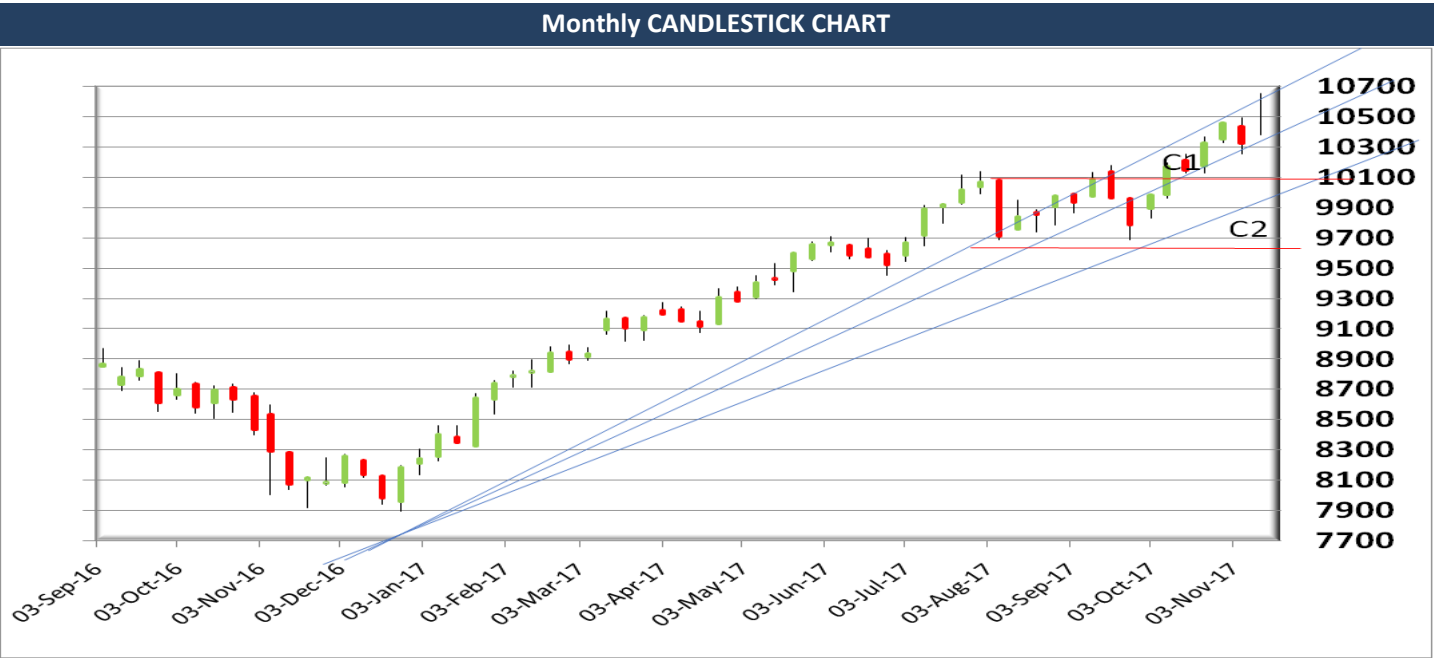
Analysis shown here is only for companies with market cap more than Rs 1,000 Cr.

There are three important features in Nifty movement during last week.

- 1. Nifty successfully defended 10250 which is an important long-term support on monthly charts.
- 2. On Friday in the last 30 minutes Nifty recovered from 10254 to 10344. An up move of about 90 points.
- 3. Nifty closed just within the channel C1

All the above indicate that uptrend is very much intact and this will be further confirmed once Nifty quickly moves above 10375. The Nifty is back in Channel C1. The range of this channel for next week is 10375 to 10650. For strong up move Nifty should quickly move above 10375 and remain above this level. Once Nifty quickly crosses this level next target is 10490. Nifty can face considerable resistance at 10500 levels and profits should be aggressively booked at this level. In case Nifty is able to cross 10500 next target will be 10600.

In case Nifty is not able to quickly move above 10375 then we may see weakness with strong support at 10260 and a break of this important support level will take Nifty to 10100.



RESISTANCE AND SUPPORT LEVELS BASED ON WEEKLY AND DAILY ANALYSIS

RESISTANCE/SUPPORT	NIFTY LEVEL	JUSTIFICATION
Resistance 1	10375	BOTTOM OF CHANNEL C1
Resistance 2	10490	ALL TIME HIGH
Resistance 3	10600	MEASURED RANGE
Support 1	10250	PREVIOUS WEEK LOW
Support 2	10237	GAP UP 24/25 OCT
Support 3	10100	50 DMA

Rating : Long / BUY

Initiation Date 2-Nov-17

BSE Code	533552	Buy Price	433
NSE Symbol	RUPA	Stop Loss	384
52wk Range H/L	590/244	Target Price1	482
Mkt Capital (Rs Cr)	3455	Target Price2	500
Av.Cash Volume	863	Upside in Tgt1	11.32
Open Interest	-	Upside in Tgt2	15.47



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