

Trading Calls

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 correction, selective fall this fall was sharp which was expected. One position was built that volume is low in this sharp fall compare to previous which is technically sound. Hence we advise our client to Buy near 1663 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.

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 5 columns: Sector, 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, and Utilities.

Table with 3 columns: Market, Value, % Change. Row: SGX Nifty, 9652.00, 0.11%.

Nifty Key Levels

Table with 3 columns: Support, S1, S2. Row: Support, S1: 9589, S2: 9547. Row: Resistance, R1: 9687, R2: 9750.

Market Outlook

There are still 3 weeks left in F&O Expiry for June series but large option position has got built betting on possibility of narrow market all through the June series. Also the way outstanding open interest of Nifty Put options has kept supporting and driving this market higher for last 4 months is unprecedented. But thinking this a new normal could prove very costly later on though at least for now that possibility is not there. Last week RBI did not cut rates though drastically reduced inflation target is perplexing. Cutting risk weightage to housing loan now as real estate prices have cooled off (more time correction) is pragmatic. One of the major developments last week was Saudi Arabia, Egypt, the United Arab Emirates and Bahrain cutting their ties with Qatar. The nations accused Qatar of meddling in their internal affairs and backing terrorism. Question is whether Qatar will decides to disrupt the production cutback deal of OPEC and creates another meltdown in commodity prices triggered by crude is a major issue for the market. In another development, the European Central Bank (ECB) kept interest rates unchanged in its monetary policy meet and indicated that the ECB similar to US FED is aiming to end its ultra-easy monetary policy. Also recently India has been favorable in terms of ease of doing business and this is structural positive. Nifty continue to have trading range of 9550-9750 for June series.

Table with 4 columns: FII, Buy(Cr.), Sale(Cr.), Net(Cr.). Rows: 14-Jun-17, Jun-17, DII, 14-Jun-17, Jun-17.

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

Long Position				
	DII	FII	Pro	Other
Future Index	18527	244146	21544	98268
Future Stock	34332	431334	149704	932405
Option Index Call	142834	250181	187249	460189
Option Index Put	38988	365097	206847	640133
Option Stock Call	357	34746	47283	255762
Option Stock Put	0	29152	46472	109456

Short Position				
	DII	FII	Pro	Other
Future Index	21685	77103	44387	239310
Future Stock	523244	696462	79220	248849
Option Index Call	0	191139	219494	629819
Option Index Put	0	91807	326918	832340
Option Stock Call	57	32684	105946	199461
Option Stock Put	0	18510	55191	111379

High ES & High PS Stock Maintaining Strength

BSE Code	NSE CODE	1 Month Return %
512573	AVANTI	29.6
532856	TIMETECHNO	25.7
532636	INDIAINFO	24.9
511431	VAKRANSOFT	24.7
500407	SWARAJENG	23.1
524742	CAPPL	16.3
532892	MOTILALOF	16.0
517334	MOTHERSUMI	14.7
532509	SUPRAJIT	14.2
500878	CEATLTD	13.6

High ES & Low PS Stock Showing Strength

BSE Code	NSE CODE	1 Month Return %
533088	MHRIL	25.4
532777	NAUKRI	20.1
532218	SOUTHBANK	17.8
532156	VAIBHAVGEM	17.0
505714	GABRIEL	15.5
532548	CENTURYPLY	15.5
530367	NRBBEARING	15.4
517380	IGARASHI	14.6
500187	HSIL	13.8
500575	VOLTAS	13.7

Low ES & Low PS Stock Maintaining Weakness

BSE Code	NSE CODE	1 Month Return %
511389	VIDEOIND	(75.44)
532712	RCOM	(42.81)
535648	JUSTDIAL	(19.90)
532944	ONMOBILE	(18.35)
524404	MARKSANS	(18.21)
532480	ALBK	(17.85)
532839	DISHTV	(16.44)
532370	RAMCOSYS	(15.18)
532939	RPOWER	(13.92)
500870	CASTROLIND	(11.60)

Low ES & High PS Stock Showing Weakness

BSE Code	NSE CODE	1 Month Return %
523204	ABAN	(22.04)
500116	IDBI	(20.03)
500106	IFCI	(18.63)
519600	CCL	(17.52)
532955	RECLTD	(15.55)
532779	TORNTPOWER	(14.03)
500040	CENTURYTEX	(11.86)
500271	MFSL	(11.59)
532477	UNIONBANK	(11.16)
514162	WELSPUNIND	(10.49)

* 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)

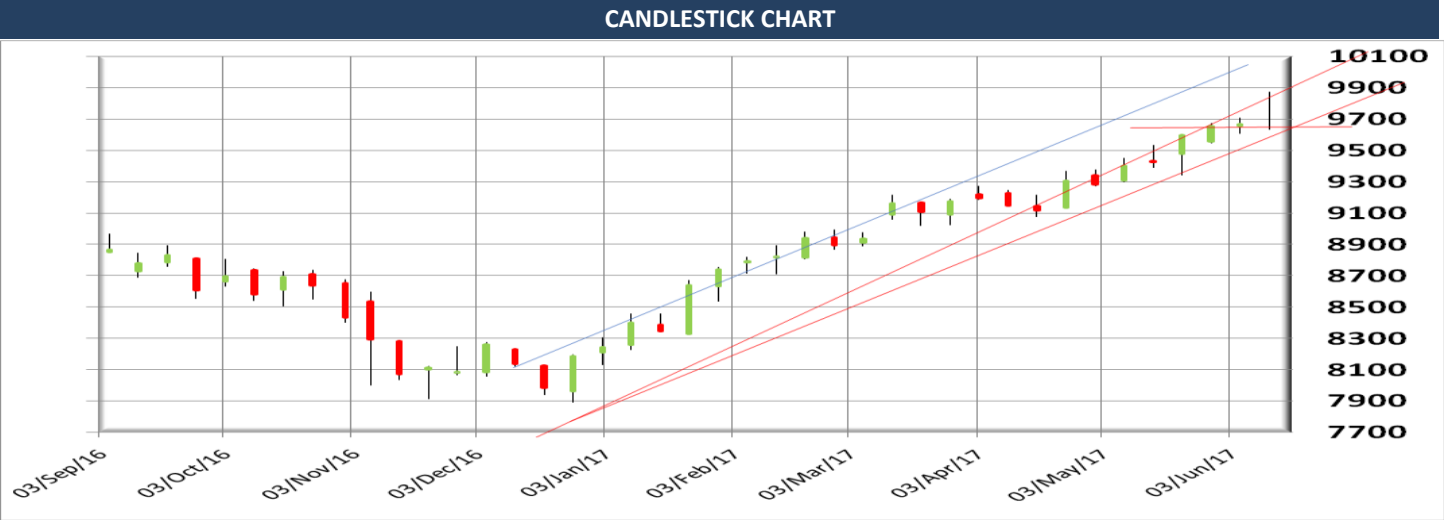
* PS- Price Score is of a company is relative price performance in multiple time-frame

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

During last week, the Nifty remained within the channel being mentioned in this analysis for last few weeks. But during last week the Nifty opened at 9656 and closed at 9668. The opening and closing was within a range of 12 points. It has thus formed a spinning candle somewhat like a Doji. This indicates indecision in the market. So the momentum on the upside is arrested for the time being.

The range for the Nifty for next week as per the channel is 9635 to 9875. The level of 9635 has assumed a lot of importance. It is the bottom of the trendline in operation since December 2016 and it is also the bottom of the gap up of ½ June 2017 on the daily charts. In the last week, this level was tested more than once but market did not close below this during entire week. A break below this level will bring a lot of weakness in the market and it can easily go to 9589 which is the monthly low.

But make no mistake this is a raging bull market and will remain so till 8800 levels are not broken in the near term. Be on the lookout for bullish signals and go long as soon as market reverses from support levels. On the upside the uptrend will resume once 9670 levels are broken.



RESISTANCE AND SUPPORT LEVELS BASED ON WEEKLY AND DAILY ANALYSIS

RESISTANCE/SUPPORT	NIFTY LEVEL	JUSTIFICATION
Resistance 1	9675	ALL TIME CLOSING HIGH
Resistance 2	9709	ALL TIME HIGH
Resistance 3	9725	PE 24.52 AND P/BV 3.66
Support 1	9634	BOTTOM OF GAP UP ½ JUNE 2017 AND BOTTOM OF CHANNEL
Support 2	9589	MONTHLY LOW
Support 3	9560	20 DMA

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.

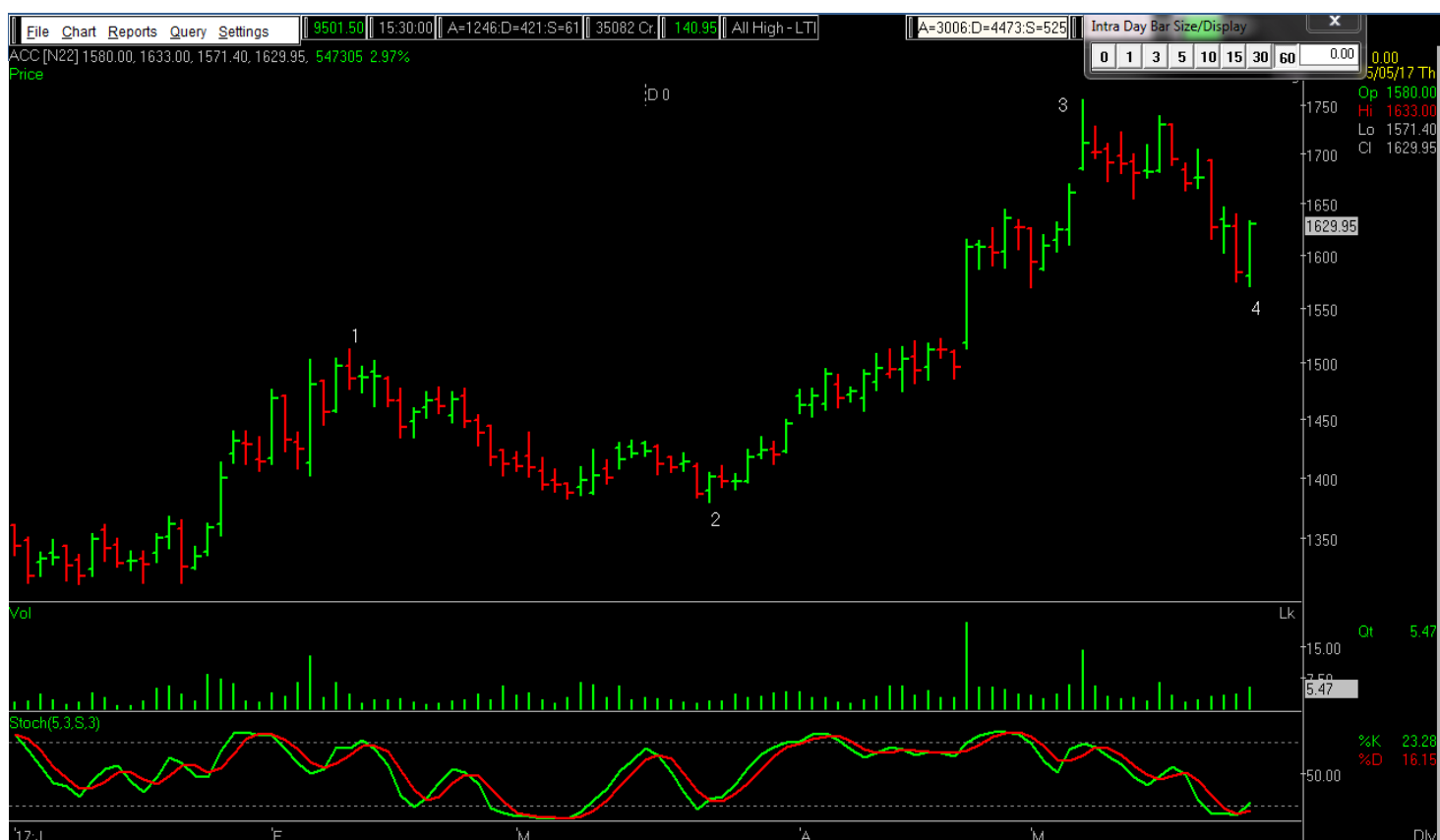
Rating : Long / BUY

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 observe that volume is low in this sharp fall compared to extended 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. Stochastic is also trying to move up from over sold zone.

15th June 2017

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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.

15th June 2017

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