

Trading Calls

CADILA Long/Buy 17th July2018

1. Completion of Bullish Gartlay Harmonic pattern suggest up move
2. Formation of Double bottom pattern in oversold zone of RSI creating positive sentiment
3. Bullish crossover in MACD also indicating positive rhythm
4. If pattern unfolds, one can expect good move in coming session. STDC- BUY CADILA AT 349-353, SL BELOW 329 (CLOSING BASIS), T1- 384, T2-400

JINDAL STEEL Long/Buy 12th July2018

A bullish Sea-pony harmonic pattern is a bullish reversal pattern that is based on various Fibonacci ratios and one which marks the end of a price decline. By definition, point D is the inflection point as it is around this point, prices is expected to find a bottom and potentially reverses to the upside. Formation of Morning star on daily chart is likely to set stage of bottoming out around 215-220 zone. RSI seems to be reversing from oversold zone implying trend reversal. Currently it has been running in a falling channel and channel breakout is expected above 230 from where it can lead higher in the days ahead, potentially towards 265 and 280 mark.

VEDL Long/Buy 9th July2018

Scrip has witnessed a decent correction from the peak of 355 to show signs of bottoming out at around 215-220 levels and currently has produced a Morning star candlestick pattern on daily chart to show strength and is poised for an upward move in coming days with bias improving and turning out to positive. Occurrence of BULLISH SHARK PATTERN is also giving cues for going long in the stock. Positive Divergence in RSI and Positive crossover in MACD also conducive for its upmove. With decent volume participation , we recommend buy in this

GODREJ AGROVET Long/Buy 9th July2018

Occurrence of double bottom formation on lower time frame & having positive divergence in RSI, shows limited downside and possibility of reversal in coming sessions. Godrej Agrovet is trading near it's demand zone 590-610, projecting demand overruling supply ahead. Majority of the oscillators are trading in oversold zone too, expecting some pull back rally. As well as prices have taken support from strong trendline (touching points 529-567), anticipating turned back from current levels. Looking all technical factors, it should trade with positive tone

ALBK Long/Buy 6th July2018

Daily chart of ALBK reveals that demand is increasing and supply is diminishing. Rising trendline from lower levels is displaying trend reversal and creates buying opportunity at current juncture. Emergence of Hammer above rising trend line on weekly chart augur well for the Bulls and indicate surge on upside. Apart from this, Declining MACD Histogram along with positive crossover signals optimism, suggest upside move in the counter in coming sessions.

MGL Long/Buy 6th July2018

After the correction from the high of 1377, this counter appears to be stabilizing around 800 levels and positioning itself for rally. The daily MACD is sharply moving towards a positive crossover. The RSI just crossed above 30 from a bottoming formation which is bullish. Once it manages to push itself above 840, the move on upside can be swift. Hence, positional traders are advised to go long with a stop of 680 where 78.6% fibonacci retracement is seen.

Market	Value	% Change
SGX Nifty	11099.00	-0.02%

Nifty Key Levels

Support	S1 : 11000	S2 : 10930
Resistance	R1 : 11171	R2 : 11240

Market Outlook

In line with our weekly view, Bulls continued to cheer on the road of D-street. GST rate act as a fuel to Sensex which rose to a new high and Nifty is only 100 point away for making the same. On the other side, momentum is seen in PSU Banks where as Nifty metal and madcap bounced back from its lows. Range breakout is showing the new target of 11171 where index can see some selling pressure which will be absorbed very rapidly then it will move towards 11240 levels. The 11000 level as being psychological levels act as key support from now onwards.

Institutional Turnover

FII	Buy(cr.)	Sell(cr.)	Net(cr.)
23-Jul-18	4,411	4,151	259
Jul-18	66,950	73,364	(6,412)
DII	Buy(cr.)	Sell(cr.)	Net(cr.)
23-Jul-18	3,560	3,435	125
Jul-18	53,756	47,601	6,255

Sectoral Performance (%)

	1 Day	1 Week	1 Month	1 Year
Auto Components	0.80	1.78	(0.99)	1.96
Automobiles	0.17	(1.55)	(2.57)	2.05
Auto Components	0.80	1.78	(0.99)	1.96
Construction & Engineering	1.39	0.51	(2.18)	(0.79)
Construction Materials	2.08	2.85	1.71	(12.89)
Diversified Financial Services	1.30	3.97	1.73	10.13
Electrical Equipment	2.17	3.59	2.12	(4.27)
Energy	(0.40)	3.19	3.55	12.69
Financials	0.86	2.41	0.93	7.30
Health Care	0.85	1.26	(3.89)	(5.94)
Household Durables	2.59	3.66	(2.33)	11.24
Household & Personal Products	1.69	(0.88)	4.69	30.84
Information Technology	0.03	0.26	7.50	40.22
Metals/Mining/Minerals	1.12	(0.51)	(7.61)	(1.94)
Telecom	2.56	0.89	(4.81)	(21.43)
Utilities	1.37	1.56	(3.71)	(10.31)

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

Long Position				
	DII	FII	Pro	Other
Future Index	37995	179688	16780	207407
Future Stock	36077	670996	209398	981330
Option Index Call	31067	199595	166294	405849
Option Index Put	91018	416637	143146	678732
Option Stock Call	56	28975	65704	348187
Option Stock Put	0	25364	57117	162849

Short Position				
	DII	FII	Pro	Other
Future Index	55533	159546	61060	165731
Future Stock	940770	452702	137219	367110
Option Index Call	0	104785	208921	489099
Option Index Put	0	168982	300540	860011
Option Stock Call	584	40460	150707	251171
Option Stock Put	0	23677	72813	148840

High ES & High PS Stock Maintaining Strength

BSE Code	NSE CODE	1 Month Return %
532511	EXCELCROP	26.7
534758	CIGNITITEC	24.8
500034	BAJFINANCE	21.8
532129	HEXAWARE	17.0
532978	BAJAJFINSV	16.7
532424	GODREJCP	15.8
532648	YESBANK	15.4
517354	HAVELLS	14.0
523367	DCMSHRIRAM	13.7
524494	IPCALAB	13.6

High ES & Low PS Stock Showing Strength

BSE Code	NSE CODE	1 Month Return %
517380	IGARASHI	7.3
532482	GRANULES	7.2
502165	OCL	2.3
533248	GPPL	1.4
533151	DBCORP	0.8
532134	BANKBARODA	0.6
500425	AMBUJACEM	0.3
511431	VAKRANSOFT	-0.3
500878	CEATLTD	-0.3
517385	SYMPHONY	-0.5

Low ES & Low PS Stock Maintaining Weakness

BSE Code	NSE CODE	1 Month Return %
511389	VIDEOIND	(35.12)
530813	KRBL	(30.46)
532662	HTMEDIA	(29.86)
500219	JISLJALEQS	(23.75)
532706	INOXLEISUR	(23.66)
500185	HCC	(23.61)
500378	JINDALSAW	(20.26)
532800	TV18BRDCST	(19.70)
532929	BRIGADE	(19.20)
532430	BFUTILITIE	(18.09)

Low ES & High PS Stock Showing Weakness

BSE Code	NSE CODE	1 Month Return %
507488	GMBREW	(27.95)
532300	WOCKPHARMA	(20.79)
533552	RUPA	(16.45)
532478	UBL	(15.39)
514162	WELSPUNIND	(14.97)
524000	MAGMA	(13.97)
500124	DRREDDY	(13.79)
533148	JSWENERGY	(12.90)
532321	CADILAHC	(12.68)
500672	NOVARTIND	(11.41)

* 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.

No confidence motion in parliament is unable to stir the confidence of market participants on D-street. Domestic market is still looking firm although Indices facing volatile ride for going forward but in our view it will eventually scale all worries as it did in the past. Projection of IMF about India that it will be the fastest growing economy in the world which is also looking augurs well for the investors. For testing the historic high, Nifty and Bank nifty needs to witness follow thru buying support. Market is looking choppy due to F&O expiry of next week and it will take cues from earning season, Dollar Rupee exchange rate, global news and progress of the monsoon.

NIFTY-

- Emergence of **Spinning top** on weekly chart suggest indecisiveness among Bulls and Bears
- But construction of **Pole** and **Flag** pattern on shorter time frame of chart imply strong move on upside
- Pole and Flag breakout is expected to come above **11080** levels which can push Nifty towards its life time high of 11171
- Above which Nifty will march towards uncharted territory and ready to give 4 to 5 % move on higher side
- View will negates if it get close below **10900-10930** zone.

BANKNIFTY-

Bank Nifty traded within the same range of previous week and still facing resistance near its falling trend line. A decisive breakout above **27165** levels will clear the corridor for an uptrend and could see a rally towards its life time high of **27650** mark. Key support is located at **26610** levels followed by **26000** levels.

CHART ANALYSIS



SUPPORT & RESISTANCE LEVELS

RESISTANCE/SUPPORT	NIFTY LEVEL	JUSTIFICATION
Resistance 2	11180	Price extension of two leg is seen
Resistance 1	11100	Previous swing high
Close	11010	
Support 1	10930	Point of polarity
Support 2	10800	Current week low

Technical Chart



Against our hope, Pair turned positive as it was not able to breach our mentioned support. It gave steepest single day fall since may 29 which comes on a day before a no confidence vote in parliament. Powell comments bolstered the expectations of interest rate. US central raised interest rate in June and policymakers indicated that they expect two more rate increases this year.

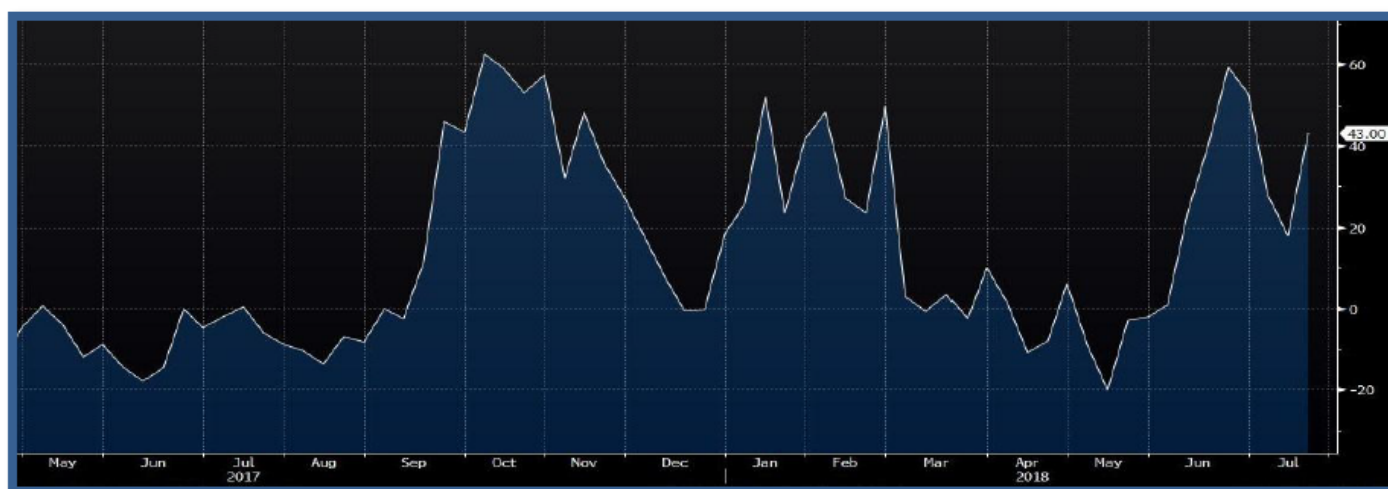
But if we look at technical chart, then we will find out double top price pattern which can hinder the possible run of USDINR on higher side in this coming week. Probability is higher that it can gain retest its lower level of 68.30 mark. Breakdown is expected below 68.30 mark on closing basis then after it can slip down till 67.30 mark where its next key support is seen. On the flip side, if it able to get close above 68.10-68.15 mark then it will surge on higher side till 70 mark.

Zinc – Bargain Buy

24-Jul-18

Zinc prices have fallen by 23 percent during the last 30 days and it was the biggest loser among the metal complex. Zinc was the biggest hit as it was the only metal which had rallied the most and prices fell on lower deficit expectation and new zinc concentrate supply coming into the market and last and the most important reason is the US-China trade conflict. However, we believe selling in the counter is overdone and going forward we expect Zinc prices to turn positive ahead of drop in Chinese zinc production and lower inventories.

LME Zinc Cash-3M



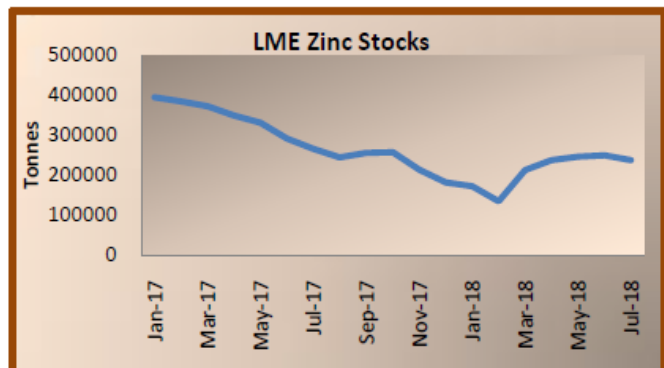
LME Zinc Cash to 3Month reversed its recent downfall and moved higher towards \$43 suggest the backwardation still in play and therefore, this scenario indicates supply tightness in the refined metal that will likely keep the short sellers away and prices supportive.

Zinc Still A Deficit Market

Zinc market is still in deficit, however the deficit this year is expected to be much smaller than the last year. As per ILZSG, Global zinc market balance continues to remain in deficit this year. The group expects the demand to exceed supply by 239,000 tonnes in 2018, although a lower deficit figure than the 460,000 tonnes in 2017.

Inventories falling in Both the Exchanges

Zinc inventories have been falling in both the Shanghai and LME warehouses, indicating a tightness to occur in future and hence the prices are expected to rise. Shanghai stock have dropped to just 58,000 tonnes, which is the lowest since 2008 level. And LME inventories are trending continuously lower since the last six trading sessions standing at 237,000 tonnes, down 60% since September 2015.



Source: Bloomberg, Narnolia Research



Source: Bloomberg, Narnolia Research

Fall in China's Zinc Output

A continuous fall in Zinc prices have reduced the smelting margins of the Chinese smelters which is prompting one of the largest China zinc producer Dongling to cut the refined production by 10%. Many zinc smelters have lengthened the maintenance to reduce output while some producers have curbed their production. Also, Chinese government push towards clean environment has constrained the production of most of the zinc mining, smelting and refining activities.

China's zinc production in June fell by 5% to 475,000 tons and further the output is expected to decline in July as well as more smelters undergoes maintenance.

Therefore, all the above factors mentioned makes us to come to a conclusion that the zinc prices are at an attractive buy levels and we expect MCX zinc prices to test 190-195 levels in the coming weeks.

STDC- BUY CADILA

17-Jul-18

BSE Code	532321
BSE Symbol	CADILA
52wk Range H/L	341/554.9
Mkt Capital (Rs Cr)	40,721.89
Av.Cash Volume(,000)	10712428
Open Interest	NA

Buy Price	351
Stop Loss	329
Target Price1	384
Target Price2	400
Upside in Tgt1	9%
Upside in Tgt2	0.215805471

Technical Chart



STDC- BUY CADILA AT 349-353, SL BELOW 329 (CLOSING BASIS), T1- 384, T2-400

1. Completion of Bullish **Gartley Harmonic pattern** suggest up move
2. Formation of **Double bottom pattern** in **oversold zone** of **RSI** creating positive sentiment
3. **Bullish crossover** in **MACD** also indicating positive rhythm
4. If pattern unfolds, one can expect good move in coming session.

STDC- BUY JINDAL STEEL

12-Jul-18

BSE Code	532286
BSE Symbol	JINDAL STEEL
52wk Range H/L	294/112
Mkt Capital (Rs Cr)	21,193.19
Av.Cash Volume(,000)	9368740
Open Interest	NA

Buy Price	212.5
Stop Loss	170
Target Price1	265
Target Price2	280
Upside in Tgt1	25%
Upside in Tgt2	65%

Technical Chart



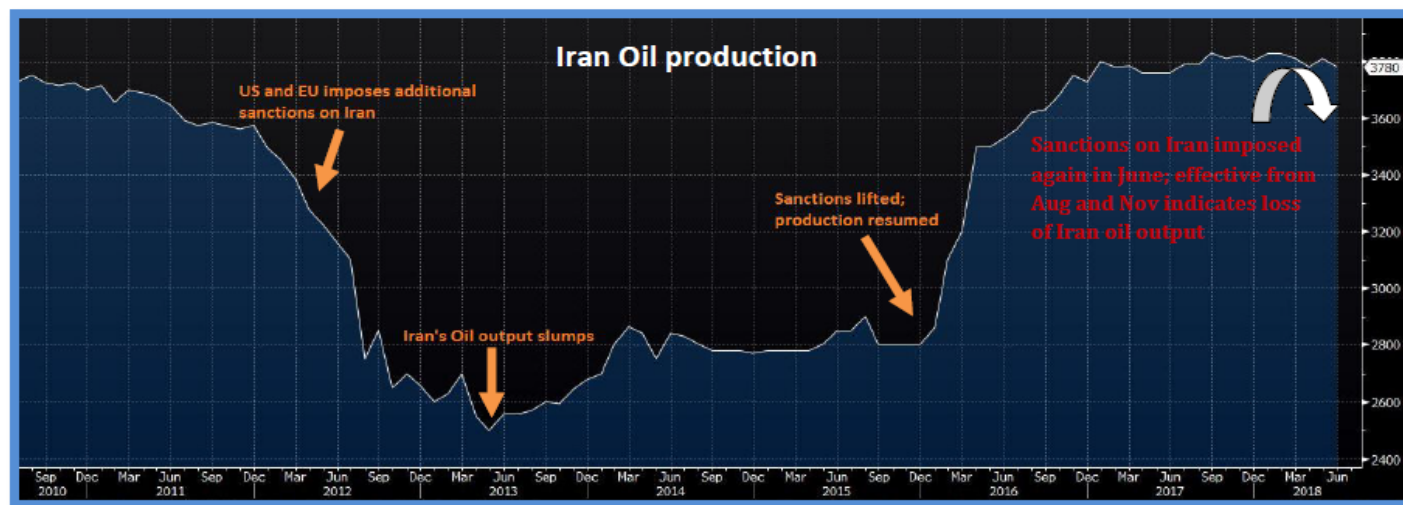
STDC- BUY JSPL AT 220-225 OR DIP TOWARDS 195-200, SL BELOW 170 (CLOSING BASIS), T1- 265, T2-280

A bullish **Sea-pony harmonic pattern** is a bullish reversal pattern that is based on various Fibonacci ratios and one which marks the end of a price decline. By definition, point D is the inflection point as it is around this point, prices is expected to find a bottom and potentially reverses to the upside. Formation of **Morning star on daily chart** is likely to set stage of bottoming out around 215-220 zone. RSI seems to be **reversing from oversold zone** implying trend reversal. Currently it has been running in a falling channel and channel breakout is expected above 230 from where it can lead higher in the days ahead, potentially towards 265 and 280 mark.

24/07/2018

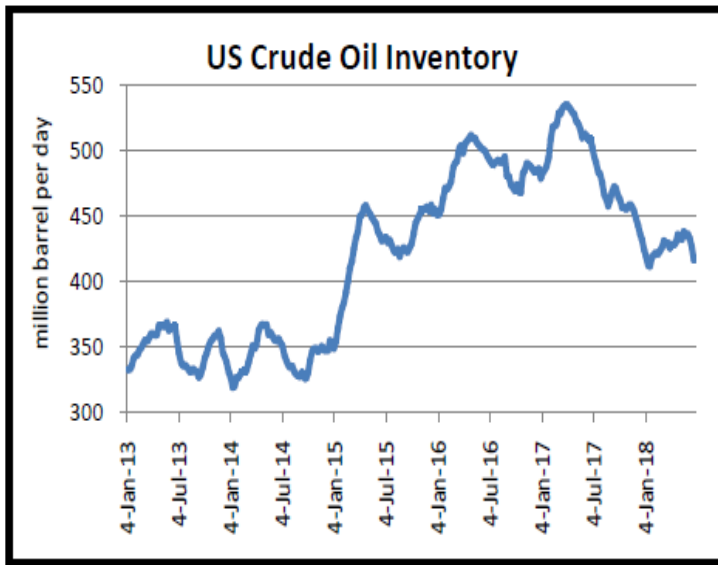
Narnolia Securities Ltd | Retail Technical Research

Oil prices have remained steady at \$74 due to supply disruption in Libya, Canada and impending sanction on Iran, all of which increases the likelihood of big shortfall in the oil market. Bullish oil factors are ruling over Bearish factors as investors are currently assuming that the oil supply increase from OPEC will not suffice the current oil demand and prevailing supply curtailments.



Back in 2012, when US and EU imposed additional sanction on Iran which restricted Iran to export oil due to which the country's production fell towards 2 mbpd from the pre-sanctions level of 3.8 mbpd. Later in 2015, the sanctions were lifted and the country resumed its production towards pre-sanction level. **Last month in June, US withdrew from the deal and imposed sanctions on Iran that will repeat the episode of decline in Iran oil production and exports in the year 2018-19.** US sanctions are about snap back in two parts, with a first round returning in August, and with the toughest sanctions returning in early November. US has also warned that it will impose sanctions on foreign companies that do business with Iran, in an effort to cut Iran's exports of crude oil and condensates to zero from the current 2 million barrels per day. However, exemptions to few countries will be provided, with no criteria or specification given.

Iran's President Rouhani hinted at a threat to disrupt oil shipments from neighboring countries if Washington tries to cut its exports. "If they want to stop Iranian oil exports, we will not allow any oil shipment to pass through the Strait of Hormuz". About 20% of the world petroleum passes through this strait, making it highly important route for the international trade. Therefore, any blockage in the strait could disrupt the world oil supply.



“Loss of Iran oil supply can be replaced by US, leading to lower US crude inventories”.

If Iran stops exporting oil to other countries, this loss of supply can be replaced by higher exports from United States which may lead to drawdown in US inventories going forward, another supporting sign for oil prices.

To conclude, we can say that with no clear clarity from the outcome of the OPEC meeting along with several supply disruptions, there is a high volatility in crude oil keeping oil prices close to 2014 level high. Also, there is uncertainty relating to Iran sanctions as to how much production and exports would decline in future. Outage in Canada pipeline which can last through July end and indefinite conflict in Libya are supporting the crude oil prices. At present, total of 1.8-2.0 million barrels of unplanned supply outages have occurred in June 2018.

STDC- BUY VEDL

9-Jul-18

BSE Code	500295
BSE Symbol	VEDL
52wk Range H/L	355/270
Mkt Capital (Rs Cr)	40,721.89
Av.Cash Volume(,000)	10712428
Open Interest	NA

Buy Price	207.5
Stop Loss	183
Target Price1	270
Target Price2	300
Upside in Tgt1	30%
Upside in Tgt2	64%

Technical Chart



STDC- BUY VEDL AT 220-226 OR DIP TOWARDS 195-200, SL BELOW 183 (CLOSING BASIS), T1- 270, T2-300

Scrip has witnessed a decent correction from the peak of 355 to show signs of bottoming out at around 215-220 levels and currently has produced a **Morning star candlestick pattern** on daily chart to show strength and is poised for an upward move in coming days with bias improving and turning out to positive. Occurrence of **BULLISH SHARK PATTERN** is also giving cues for going long in the stock. **Positive Divergence in RSI** and **Positive crossover in MACD** also conducive for its upmove. With decent volume participation, we recommend buy in this stock.

24/07/2018

Narnolia Securities Ltd | Retail Technical Research

VIEW

9-Jul-18

BSE Code	540743
BSE Symbol	Godrej Agrovet Ltd
52wk Range H/L	738/522.15
Mkt Capital (Rs Cr)	2,006.35
Av.Cash Volume(,000)	640.69
Open Interest	NA

Buy Price	612
Stop Loss	540
Target Price1	700
Target Price2	740
Upside in Tgt1	14%
Upside in Tgt2	21%

Technical Chart

Godrej Agrovet: weekly



STDC: BUY GODREJ AGROVET AROUND 610-614 AND 580-85 SL 540 TARGET 700/ 740

Occurrence of double bottom formation on lower time frame & having positive divergence in RSI, shows limited downside and possibility of reversal in coming sessions. **Godrej Agrovet** is trading near it's demand zone 590-610, projecting demand overruling supply ahead. Majority of the oscillators are trading in oversold zone too, expecting some pull back rally. As well as prices have taken support from strong trendline (touching points 529-567), anticipating turned back from current levels. Looking all technical factors, it should trade with positive tone and we expect Godrej Agrovet to trade higher in coming weeks by taking support from 600 levels.

RECOS

6-Jul-18

BSE Code	538480	Buy Price	41
BSE Symbol	ALBK	Stop Loss	37
52wk Range H/L	37/89	Target Price1	47
Mkt Capital (Rs Cr)	4,477.43	Target Price2	50
Av.Cash Volume(,000)	5367.86	Upside in Tgt1	15%
Open Interest	NA	Upside in Tgt2	22%

Technical Chart



STDC- BUY ALBK AT 42.5 OR DIP TOWARDS 39.5-40, SL – 37 (CLOSING BASIS), T1- 47,50

Daily chart of ALBK reveals that demand is increasing and supply is diminishing. **Rising trendline** from lower levels is displaying trend reversal and creates buying opportunity at current juncture. Emergence of **Hammer** above rising trend line on weekly chart augur well for the Bulls and indicate surge on upside. Apart from this, **Declining MACD Histogram** along with **positive crossover** signals optimism, suggest upside move in the counter in coming

RECOS

6-Jul-18

BSE Code	539957
BSE Symbol	MGL
52wk Range H/L	1377/772
Mkt Capital (Rs Cr)	1,03,768.58
Av.Cash Volume(,000)	6,72,201
Open Interest	NA

Buy Price	790
Stop Loss	680
Target Price1	930
Target Price2	1030
Upside in Tgt1	18%
Upside in Tgt2	30%

Technical Chart



STDC- BUY MGL AT 790-810 OR DIP TOWARDS 730-740, SL – 680 (CLOSING BASIS), T1- 930, 1030

After the correction from the high of 1377, this counter appears to be stabilizing around 800 levels and positioning itself for rally. The daily MACD is sharply moving towards a positive crossover. The RSI just crossed above 30 from a bottoming formation which is bullish. Once it manages to push itself above 840, the move on upside can be swift. Hence, positional traders are advised to go long with a stop of 680 where 78.6% fibonacci retracement is seen.

Gold Silver Ratio

Ratio simply provides insight into how the price of silver is behaving relative to the price of gold. The gold to silver ratio is the amount of silver it takes to purchase one ounce of gold. Gold-to-silver ratio is one of many indicators used to determine the right (and wrong) time to buy or sell one of the particular precious metal.

Formula

Gold Silver Ratio = Price of Gold per ounce/
Price of Silver per ounce

For example = Price of Comex gold is equal to \$1298 per ounce. The price of Silver is \$16.65. This information gives us the ratio value:
 $1298/16.65 = 77.95$

The ratio can rise either because the price of gold increased or the price of silver decreased. Similarly, the ratio can fall either because the price of gold decreased or the price of silver increased.

This ratio can be used as one of the factors to identify which commodity is likely to increase more as compared to the other. This means that when the ratio is high, investors tend to favor silver. When the ratio is low, investors tend to favor gold. However, it is difficult to identify the high and lows of the ratio.

COMMODITY

Fundamental Qualities of Precious Metals

Gold is also seen as a form of currency and safe haven in times of political uncertainty and silver is increasingly used as an industrial metal. With the strong economic growth, industrial demand for Silver is set to rise as more than 50 percent of supply is used for industrial application like electronics, solar panels, battery sector etc.



Currently, Gold/Silver ratio is trading 78, which is near record levels and the price of Silver is trading at \$16.35 oz. The ratio is trading much above the average of 65. Higher ratio suggests the price of Silver is much cheaper than the Gold. It directs us that the Silver prices are expected to rally more than the gold prices or gold prices are expected to fall more than the silver. But, given the advantage of silver being an industrial metal and the stretched gold-to-silver ratio, we wouldn't be surprised to see silver prices continue to outperform gold.

NICKEL UPDATE

21-May-18

Nickel is the best performing metal on LME this year, gaining nearly 16 percent so far this year. Nickel prices are strengthening after making a low last year is driven by solid global demand. Also, increasing demand for electric vehicles is supporting the nickel prices.

	2016	2017	2018*	Jan-Mar18
Global Nickel Output	1989	2076	2227	530.6
Global Nickel Demand	2033	2192	2344	569.8
Surplus/Deficit RHS	-44	-116	-117	-39.1

Source: INSG, Narnolia Research

Figures in 000 tonnes

Global Nickel Deficit rose to 15,700 in March 2018, higher than the revised deficit of 6,000 tonnes in the previous month. During the period of Jan-Mar 2018, deficit widened to 39,100 tonnes from 27,100 tonnes in the same period of 2017. Global nickel is expected to remain in a deficit of 117,000 tonnes during the year 2018.

SUPPLY

Philippines is shuttering mines and slashing production from 347,000 million tonnes in 2016 to 230,000 million tonnes in 2017. The output of Indonesia is recovering after the export ban. Indonesia is overtaking Philippines and increasing its nickel ore exports to China.

NPI

Nickel pig iron (NPI) production in China in the first four months of 2018 reached 150,000 mt in nickel content, registering a 15.6% year-on-year increase due to the increased availability of Indonesian ore. NPI production in Indonesia has continued to increase due to the ramp up of new projects. Higher NPI production, however, can increase the global nickel supply and reduce the imports of refined nickel.

Demand Shift from Steel to Lithium-Ion Batteries

Nickel-containing batteries also had a positive effect on nickel usage, and this trend is expected to continue. Lithium-Ion Batteries is comprised of cobalt, lithium and nickel. Currently, a very small proportion of nickel is used for the production of batteries which improves the energy density of batteries and extends driving range. Lithium Ion batteries are used in Electric Vehicles China, again, is becoming the largest producer and consumer of electric vehicles.

Demand for nickel from the battery industry alone would reach 570,000 tonnes by 2025 which is more than 10 times the current demand of 33,000 tonnes.

Although stainless steel production will remain the largest end user for nickel, its share in global nickel demand will decrease to from 70% to 60% as the evolution of electric vehicles will accelerate nickel demand for batteries.

Stainless Steel Production

According to the International Stainless Steel Forum (ISSF), world stainless steel melting production reached 48.1 million tonnes in 2017, representing a 5.8% growth year-on-year, but production is expected to grow at a slower rate in 2018. In 2017, Indonesia started producing stainless steel and will continue to ramp up production.

New Energy Vehicle Sales in China

Mass production and sales of electric vehicles will transform the nickel market. Electric Vehicles is on track to become the dominant form of transportation in future. China's total new vehicles sales in 2017 stood at 7,77,000 units. This year, sales are rising at a pace of more than 120% every month as compared to same period last year. Electric Vehicle sales in China currently stand at 222,668 units during the Jan-Apr period this year. The government expects annual NEV output to hit 2 million in 2020, and NEV sales to make up 20 percent of the overall auto market by 2025.

NICKEL UPDATE

Stock Scenario

LME Nickel Stocks have fallen by 15 percent since the start of the year standing at 308,478 tonnes. Nickel stocks registered with the Shanghai Futures Exchange (ShFE), meanwhile, stands at just 33,000 tonnes, down from a 2016 peak of above 100,000 tonnes.

Cancelled Stocks, metal being taken off warrant in anticipation of physical load-out, has also been elevated. The ratio of cancelled to total LME tonnage has risen above 30 percent.

Outlook

Global nickel prices are majorly driven by higher demand from the battery sector and not due to higher demand from Stainless steel sector. We expect Nickel prices to remain firm in the coming quarter as well as strong electric vehicle sales and production is keeping nickel prices positive. We expect MCX Nickel prices to test 1150 and 1250 levels on the upside.

TECHNICAL OUTLOOK ON MCX NICKEL



In line with expectation, Nickel prices surged higher and met our first and second target of 980 and 1080 levels. Momentum is expected to continue in coming sessions as no reversal is seen on chart as of now. RSI has been trading near its falling trend line and breakout above this RSI trend line can trigger further upside momentum. Prices can extend up to 1155 (78.6% retracement of the fall from 1328 to 547) and 1250 levels where next resistance is seen. Now support is shifted higher at 900 level followed by 835 level and as long as it sustains above the same, upside view will remain intact.

VIEW

26-Jun-18

BSE Code	500570
BSE Symbol	TATAMOTORS
52wk Range H/L	468/252.55
Mkt Capital (Rs Cr)	51,69,429
Av.Cash Volume(,000)	14213.35
Open Interest	NA

Buy Price	286
Stop Loss	249
Target Price1	335
Target Price2	377
Upside in Tgt1	17%
Upside in Tgt2	32%

Technical Chart



BUY TATAMOTORS around 285-287 and 265-267 SL 249(closing) target 335/377

Although Tata motors is trading lower, recent close above 270 levels shows support at lower levels. Prices have taken support as indicated on chart from Lower trend line of falling channel around 260 levels. It has turned back from strong support zone and previous aborted bottom, marked as a green rectangle on chart, suggests buying demand on lower levels. However recent close above 270 levels, shows weakening of down move and we expect prices to retrace towards 333 levels. We suggest buy on dip towards 266 levels for target of 335 / 377 keeping stop loss of 249 on closing basis.

VIEW

19-Jun-18

BSE Code	532898
BSE Symbol	POWERGRID
52wk Range H/L	226/189
Mkt Capital (Rs Cr)	1,03,768.58
Av.Cash Volume(,000)	6,72,201
Open Interest	NA

Buy Price	192
Stop Loss	173
Target Price1	225
Target Price2	235
Upside in Tgt1	17%
Upside in Tgt2	22%

Technical Chart



STDC- BUY POWERGRID AT 199-195 OR DIP TOWARDS 188, SL – 173 (CLOSING

Daily chart of Powergrid reveals that demand is increasing and supply is diminishing. Stripe is about to complete **Ascending triangle pattern on hourly chart** which is displaying trend reversal at current juncture. Moreover, Scrip took support from **78.6%** retracement of the rally from 189 to 226 mark and formed **Morning Star** which indicate positive rhythm. Apart from this, **Declining MACD Histogram** signals optimism, suggest upside move in the counter in

24/07/2018

Narnolia Securities Ltd | Retail Technical Research

LTDC

29-May-18

BSE Code	500875
BSE Symbol	TATAMOTORS
52wk Range H/L	353/250
Mkt Capital (Rs Cr)	235,094.00
Av.Cash Volume(,000)	8829841
Open Interest	NA

Buy Price	273
Stop Loss	225
Target Price1	310
Target Price2	330
Upside in Tgt1	14%
Upside in Tgt2	21%

Technical Chart



LTDC : Buy ITC around 270-275 OR ON DIP TOWARDS 255-260 SL -225 (Closing Basis) Target 310/330

Stock bottomed out near the levels of 247-250 and formed double bottom on weekly chart. Series of long legged doji near channel support line showing upswing move towards channel resistance line from where stock can give breakout on upside. Script has respected the up trendline and prices has started running in the channel. Declining MACD histogram and sustainability of RSI above 50 adds the conviction of going long for the target of 310 and 330 with SL of 225 mark.

VIEW

16-May-18

BSE Code	532454
BSE Symbol	BHARTIARTL
52wk Range H/L	565/361
Mkt Capital (Rs Cr)	49514
Av.Cash Volume(,000)	22,979.56
Open Interest	NA

Buy Price	371
Stop Loss	337
Target Price1	435
Target Price2	489
Upside in Tgt1	17%
Upside in Tgt2	32%

Technical Chart



STDC : Bharti airtel: Buy around 371-376 and 360-365 sl 337(closing) target 435/489.

From last few months script has been trading in the channel after hitting the high of 564, it again enter in the channel and retesting its previous resistance which now become its support , on weekly chart it has formed head and shoulder pattern and taken support from it neck line, which coincide with 200 week simple moving averages, and it has positive divergence in Money Flow index which also imply positive move on upside.

24/07/2018

Narnolia Securities Ltd Retail Technical Research

VIEW

15-May-18

BSE Code	532522
NSE Symbol	PETRONET
52wk Range H/L	275.65
Mkt Capital (Rs Cr)	198.2
Av.Cash Volume(,000)	1690759
Open Interest	NA

Buy Price	205
Stop Loss	173
Target Price1	238
Target Price2	270
Upside in Tgt1	16%
Upside in Tgt2	32%

Technical Chart



BUY PETRONET @ 205-210 SL-173 TGT-238, 270

After hitting high of 275 , scrip has seen correction till 61.8% Fibonacci retracement of the up move from 163 to 275 level which indicate halt in this fall.

Point of

Polarity due to falling red trendline suggest a support for the scrip

Demand zone is created due to its previous resistance which becomes its support at current juncture

PETRONET LNG LIMITED

Industry Oil And Gas
Bloomberg PLNG IN
BSE Code 532522
NSE Code PETRONET

Wednesday, May 16, 2018

RATING	BUY
CMP	208
Price Target	286
Previous Target	286
Potential Upside	38%

Stock Info

52wk Range H/L	275/198
Mkt Capital (Rs Cr)	31,395
Free float (%)	50%
Avg. Vol 1M (000)	2621
No. of Shares (Crore)	150
Promoters Pledged %	1%

Volume growth remain key trigger

Key Highlights

- ☒ Petcoke (alternate fuel) prices has surged by 16% in Q4 FY18, and Petronet is likely to be benefited from this hike. Hence we factor 21% volume growth YoY in Q4.
- ☒ BPCL Kochi refinery has now stabilized, Capacity utilization at Kochi terminal range between 15%-20% for the last 3 quarters and offtake by BPCL refinery will gradually go up. Further the management has guided for sequential improvement in utilization. and current volume offtake trend will continue in accordance with the BPCL off taking volumes.
- ☒ Ministry has allowed use of LNG gas in heavy transport vehicles. Company plans a pilot project of LNG trucking in 2018 which will open new doors of LNG demand in the domestic market.
- ☒ Company has taken 5% hike in realization in Jan 2018. Company will slowly pass on the incremental cost of imported LNG on its cutomers.
- ☒ Dahej capacity expansion to 17.5MMT is on track and is expected to come on stream in the month of June-July 2018.

4Q FY18 Result:

Petronet LNG is expected to perform well in the upcoming quarter on the back of incremental volume at both Dahej and Kochi terminal. Dahej terminal is likely to be benefited from higher offtake by the power and fertilizer plants led by the sharp upsurge in the prices of the alternate fuel in Q4 FY18. Further, BPCL's Kochi refinery expansion is now stabilized and likely to take higher volume offtake from Petronet Kochi terminal. We expect that volume growth to remain in the range of 15-17%(due to lower base) in FY18 and 11% in FY19.

View and Valuation

Considering healthy volume growth at both terminal while maintaining the margins at its current level. We remain optimistic on this stock and expect revenue and PAT grow at 12% and 16% CAGR respectively over FY18-20.

We value PETRONET at 16x FY20e EPS and arrive at a target price of Rs.286 and recommend BUY.

Key Risks to our rating and target

- ♦ Weakness of rupee against dollar will make import of LNG costlier for the company
- ♦ Decline in the prices of the alternate fuel
- ♦ Any delay in supply of Gorgon Volume will lead to lower capacity utilization

KEY FINANCIAL/VALUATIONS	FY16	FY17	FY18	FY19E	FY20E
Net Sales	27133	24616	29892	32625	34568
EBITDA	1586	2592	3258	3565	3777
EBIT	1265	2223	2835	3139	3348
PAT	913	1706	2110	2423	2693
EPS (Rs)	6	11	14	16	18
EPS growth (%)	1%	87%	24%	15%	11%
ROE (%)	14%	21%	22%	21%	20%
ROCE (%)	14%	23%	27%	25%	23%
BV	44	54	65	77	91
P/B (X)	3	4	4	3	2
P/E (x)	21	18	17	13	12

Research Analyst

ADITYA GUPTA

aditya.gupta@narnolia.com

The views expressed above accurately reflect the personal views of the authors about the subject companies and its(their) securities. The authors have not and will not receive any compensation for providing a specific recommendation or view. Microsec Capital Ltd and other Narnolia group companies does and seeks to do business with companies covered in its research reports. As a result investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making their investment decision.

BSE Code	500304
BSE Symbol	NIITLTD
52wk Range H/L	125/82.30
Mkt Capital (Rs Cr)	1,705.15
Av.Cash Volume(,000)	851.24
Open Interest	NA

Buy Price	108
Stop Loss	83.9
Target Price1	127
Target Price2	149
Upside in Tgt1	18%
Upside in Tgt2	38%

Technical Chart



STDC - NIIT LTD - BUY around 108-109 and 100-102, SL – 83.90, T1- 127,149

This stock is in uptrend, Formation of hammer imply up move, Golden crossover can give a positive trigger in coming session, currently it trading above golden cross over, it can take support of 102 level and extend upto 130 and above.

24/07/2018

Narnolia Securities Ltd | Retail Technical Research

BSE Code	INE238A01034
BSE Symbol	AXISBANK
52wk Range H/L	627.50/447.80
Mkt Capital (Rs Cr)	1,40,614.79
Av.Cash Volume(,000)	62574.37
Open Interest	NA

Buy Price	540
Stop Loss	472
Target Price1	585
Target Price2	630
Upside in Tgt1	8%
Upside in Tgt2	17%

Technical Chart



STDC : Buy AXIS BANK baround 540-545 and 520-525 sl 472 target 585/630

Axis bank trading above 200 wsma and given breakout of Triangle pattern, All Oscillator are in uptrend. it has stock resistance zone at 630 level.

R-25

7-May-18

VIEW

After hitting a low of 860, scrip showed sharp momentum on upside till 1221 level due to positive divergence along with Hammer at lower levels.

On a weekly chart, Infy formed Pole and Flag pattern which comes in continue bullish formation.

In addition, pair has been consolidating above double bottom breakout on weekly chart, which suggest bullishness in the prices near term

Moreover, price is sustaining above all higher moving averages also supportive for the prices

Stock has formed a strong base around 1055-1090 zone and has reversed after the formation of Bullish belt hold which is a positive sign

ADX is also looking supportive as it has been sustaining near 40 levels indicating strong trend

Although

RSI also highlighting further gains in the coming session

On contrary, MACD negative crossover can force to take a dip towards 1090-1100 levels from where buyer can get opportunity to buy this scrip again.

R25 CALL: BUY INFY @ 1135-1155 and 1090-1100 SL -1055 (CLOSING BASIS) TGT-1350, 1450

CHART ANALYSIS



RATING	BUY
CMP	1173
Price Target	1350
Previous Target	1233
Potential Upside	15%

Stock Info

52wk Range H/L	1220/862
Mkt Capital (Rs Cr)	256176
Free float (%)	87%
Avg. Vol 1M (,000)	377
No. of Shares (Crore)	229
Promoters Pledged %	0%

Key Highlights

- Infosys shared the four pillars of its strategic plan for strong FY19 & FY20 performance [1] scaling agile digital, [2] energizing the core, [3] reskilling people and [4] expanding localization of talent.
- Infosys 's strategy has been progresssing well with 11.1% contribution from new service s(Cloud Ecosystem, Big data and Analytics , API and Micro service , Data and Mainframe modernization , Cyber)
- With continued investments in sales & marketing plan for Branding, Injecting digital specialists into accounts, Scaling large accounts, Shaping large deals, Acquiring new accounts and Enabling sales via continuous anytime-anywhere learning will improve the performance going forward.

4QFY18 Result: Strong performance in Revenue and Magin

Revenue for the quarter were Rs 18083 crore vs Rs 17794 crore with a sequential growth of 1.6% QOQ and 5.8% YOY. Revenue from Digital offerings was at \$ 2.79 billion (25.5% of total revenue) for FY18 which grew at 3.6% sequentially in 4QFY18. Operating margin for the quarter was at 24.7% which was impacted by higher variable pay and declined utilization, but the impact was more than offset by benefit from currency, onsite reduction and expenses reduction. PAT declined 28% QOQ led by impairment loss in respect of panaya. The board of directors recommended a final dividend of Rs 20 .50 per share amounting to Rs 5349 crores including DDT. Management expected to achieve 6% to 8% in constant currency terms excluding the revenue from current acquisition. Also, BFS is expected to be better for FY19 . The traction in faster-growing segments such as E&U, Communications and Insurance remains intact.

View and Valuation

The recent quarterly result, strong growth in New service(now contributes 11.1% of total revenue) and focus on digital business has showed positive performance for FY18. With the new management strategy for Scaling the Agile digital business, energizing the client's core technology landscape via AI and automation , Re -skilling other employees , and expanding the localization in markets as US , Europe and Australia has filled us with confidence for growth in FY19.

Thus we recommend BUY on the stock with the target price at Rs 1350(15x FY20EPS)

Research Analyst

NIHARIKA OJHA
niharika@narnolia.com

KEY FINANCIAL/VALUATIONS	FY15	FY16	FY17	FY18	FY19E
Net Sales	53319	62441	68485	70522	75729
EBITDA	14871	17120	18605	19010	19874
EBIT	17284	18982	19981	20341	20447
PAT	12372	13678	14353	16028	15069
EPS (Rs)	108	60	63	74	69
EPS growth (%)	-42%	-45%	5%	17%	-6%
ROE (%)	26	24	22	24	22
ROCE (%)	29	28	26	25	26
BV	444	253	302	298	337
P/B (X)	5	5	3	4	3
P/E (x)	20	20	16	16	17

The views expressed above accurately reflect the personal views of the authors about the subject companies and its(their) securities. The authors have not and will not receive any compensation for providing a specific recommendation or view. Narnolia Securities does and seeks to do business with companies covered in its research reports. As a result, investors should be aware that the firm may have a conflict of interest that could affect the objectivity of this report. Investors should consider this report as only a single factor in making their investment decision.

DISCLAIMER

The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations). Narnolia Financial Advisors Ltd. (Formerly Microsec Capital Ltd) (MCL) is a SEBI Registered Research Analyst having registration no. INH300002407. MCL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services, Merchant Banking, Portfolio Management & distribution of various financial products. MCL is a subsidiary company of G Raj & Company Consultants Ltd. (GRaj). MCL is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE), Bombay Stock Exchange Limited (BSE) and Metropolitan Stock Exchange Of India Ltd. (MSEI) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) & National Securities Depository Limited (NSDL) and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products. MCL is also SEBI registered Category 1 Merchant Banker & Portfolio Manager. Details of associate entities of MCL is available on the website at www.narnolia.com

No penalties have been levied on MCL by any Regulatory/Statutory authority. MCL, it's associates, Research Analyst or their relative may have any financial interest in the subject company. MCL and/or its associates and/or Research Analyst may have beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report. MCL and its associate company(ies), their directors and Research Analyst and their relatives may; (a) from time to time, have a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein. (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MCL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report. Research Analyst may have served as director/officer, etc. in the subject company in the last 12 month period. MCL and/or its associates may have received any compensation from the subject company in the past 12 months. In the last 12 months period ending on the last day of the month immediately preceding the date of publication of this research report, MCL or any of its associates may have: a) managed or co-managed public offering of securities from subject company of this research report, b) received compensation for investment banking or merchant banking or brokerage services from subject company of this research report, c) received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company of this research report. d) Subject Company may have been a client of MCL or its associates during twelve months preceding the date of distribution of the research report. MCL and it's associates have not received any compensation or other benefits from the subject company or third party in connection with the research report. MCL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MCL may have a potential conflict of interest that may affect the objectivity of this report. Compensation of Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

Terms & Conditions: This report has been prepared by MCL and is meant for sole use by the recipient and not for circulation. The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of MCL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. MCL will not treat recipients as customers by virtue of their receiving this report.

Analyst Certification The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issues, and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report.

Disclosure of Interest Statement Companies where there is interest

Analyst's ownership of the stocks mentioned NIL

A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com.

Research Analyst's views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of MCL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MCL research activity and therefore it can have an independent view with regards to subject company for which Research Team have expressed their views.

This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MCL & its group companies to registration or licensing requirements within such jurisdictions.

Disclaimer: The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent. This report and information herein is solely for informational purpose and may not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval. MCL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MCL to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sell in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Neither the Firm, not its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits or lost opportunities that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MCL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MCL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MCL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

Correspondence Office Address: Arch Waterfront, 5th Floor, Block GP, Saltlake, Sector 5, Kolkata 700 091; Tel No.: 033-40541700; www.narnolia.com. Registered Office Address: Shivam Chambers, 1st Floor, 53, Syed Amir Ali Avenue, Kolkata 700 091. Compliance Officer: Manish Kr Agarwal, Email Id: mkagarwal@narnolia.com, Contact No.:033-4054 1766.

Registration details Company & Group entities: MCL: SEBI Registration: INZ000166737 (BSE/NSE/MSE); CDSL: IN-DP-424-2007; NSDL: IN-DP-NSDL-245-2005; Research Analyst: INH300002407, Merchant Banking: (Registration No.: INM000010791), PMS: (Registration No.: INP000002304), AMFI: ARN 3087

SEBI Registration: BSE Broker INZ260010731; NSDL DP: IN-DP-NSDL-371-2014 G. Raj & Company Consultants Ltd (G RAJ), MCX/NCDEX Commodities Broker: INZ000051636 Microsec Commerze Limited, PMS: INP000005109Narnolia Velox Advisory Ltd., Investment Adviser: INA300005439 Eastwind Capital Advisors Pvt Ltd. (EASTWIND),IRDA License No.134 (Microsec Insurance Brokers Limited), AMFI: ARN 20558, PFRDA NPS POP: 35012016 Narnolia Securities Ltd. (NSL), RBI Registered NBFC:B.05.02568 Narnolia Capital Advisors Pvt. Ltd.