

## 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. We observed that volume is low in this sharp fall and hence we observed an impulse which is technically sound. Hence we advise to Buy 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.

Acc Tgt  
achived and  
50% profit  
Book

### 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.

#### Institutional Turnover

FII	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
27-Jun-17	7231	6939	292
Jun-17	90454	92445	(1991)
DII	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
27-Jun-17	2900	3048	(149)
Jun-17	52402	47839	4563

Market	Value	% Change
SGX Nifty	9486.00	-0.38%

#### Nifty Key Levels

Support		
Resistance		

#### 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.

#### Sectoral Performance (%)

	1 Day	1 Week	1Month	1 Year
Auto Components	(1.1)	(4.0)	1.6	46.0
Automobiles	(0.7)	(2.4)	(1.5)	24.4
Chemicals	(1.5)	(2.8)	0.4	31.2
Construction Materials	(2.1)	(3.8)	(3.1)	20.2
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)	(2.6)	(5.7)	16.0
Energy	0.3	(2.2)	(3.9)	40.8
Financials	(1.4)	(2.9)	(0.0)	35.9
Health Care	(0.3)	(0.8)	2.6	(6.2)
Household Durables	(0.5)	(1.5)	(1.6)	20.64
Household Pers. Products	1.6	1.8	3.0	12.9
Information Technology	(0.95)	(1.9)	(6.0)	(6.6)
Metals/Mining/Minerals	(0.3)	(2.4)	(3.4)	23.3
Telecom	1.1	0.7	0.3	4.0
Utilities	(0.2)	(1.8)	0.4	18.3

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

Long Position				
	DII	FII	Pro	Other
Future Index	15601	267538	23595	103666
Future Stock	33854	431353	180320	993190
Option Index Call	135006	236080	180687	735332
Option Index Put	34019	467360	183337	559307
Option Stock Call	309	37219	55173	304907
Option Stock Put	0	31851	54348	112392

Short Position				
	DII	FII	Pro	Other
Future Index	24703	89687	37670	258340
Future Stock	507620	753978	115215	261904
Option Index Call	0	222944	351276	712884
Option Index Put	0	107034	287067	849922
Option Stock Call	14	35586	139409	222599
Option Stock Put	0	19509	61578	117504

## High ES & High PS Stock Maintaining Strength

BSE Code	NSE CODE	1 Month Return %
532509	SUPRAJIT	31.3
532832	IBREALEST	29.4
500407	SWARAJENG	27.8
532636	INDIAINFO	23.2
532856	TIMETECHNO	20.0
511196	CANFINHOME	19.5
532892	MOTILALOFS	19.5
522074	ELGIEQUIP	17.2
511431	VAKRANSOFT	17.1
534758	CIGNITITEC	17.0

## High ES & Low PS Stock Showing Strength

BSE Code	NSE CODE	1 Month Return %
524804	AUROPHARMA	27.6
532830	ASTRAL	25.6
533088	MHRIL	24.9
532890	TAKE	22.6
505714	GABRIEL	21.1
532548	CENTURYPLY	20.4
500408	TATAELXSI	19.7
517380	IGARASHI	19.7
532617	JETAIRWAYS	18.9
532777	NAUKRI	16.6

## Low ES & Low PS Stock Maintaining Weakness

BSE Code	NSE CODE	1 Month Return %
511389	VIDEOIND	(69.10)
535648	JUSTDIAL	(20.40)
532839	DISHTV	(18.70)
532712	RCOM	(16.10)
532944	ONMOBILE	(15.70)
532885	CENTRALBK	(15.00)
533573	APLLTD	(14.50)
524404	MARKSANS	(11.30)
532418	ANDHRABANK	(8.50)
532525	MAHABANK	(8.30)

## Low ES & High PS Stock Showing Weakness

BSE Code	NSE CODE	1 Month Return %
532523	BIOCON	(63.90)
532955	RECLTD	(19.70)
532843	FORTIS	(15.00)
532477	UNIONBANK	(11.30)
532779	TORNTPOWER	(10.50)
500116	IDBI	(9.60)
530965	IOC	(9.40)
532755	TECHM	(8.90)
530019	JUBILANT	(7.70)
500106	IFCI	(7.20)

\* 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)

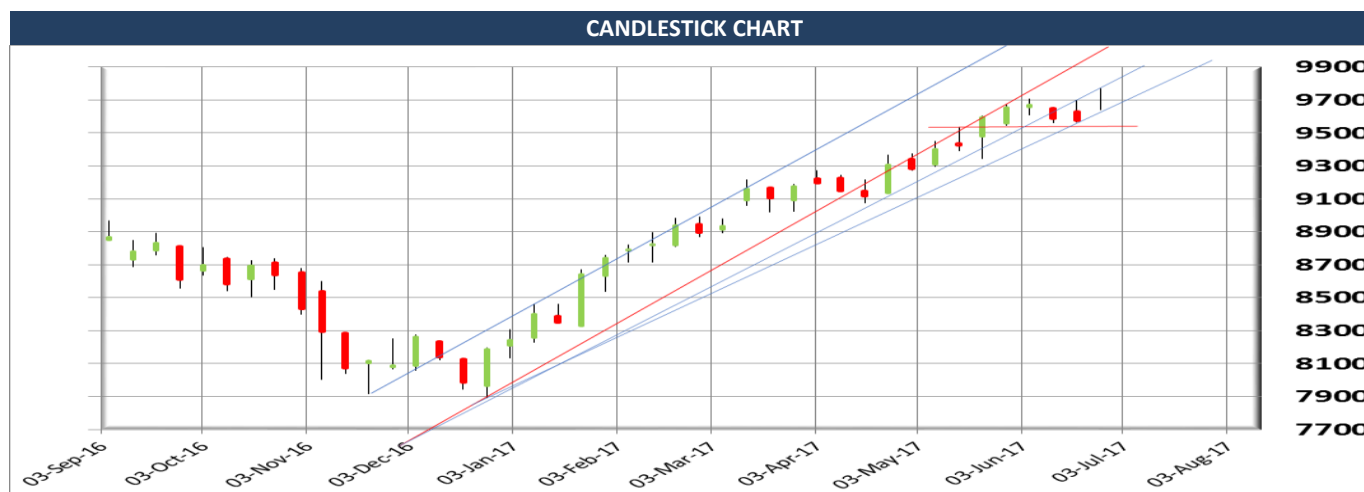
\* PS- Price Score is of a company is relative price performance in multiple time-frame

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

The two scenarios discussed last week played to perfection. Early in the week when market broke 9605 on the upside it went up to 9700 and in the latter part of the week when the market broke 9605 on the down side it quickly went down to 9565. For the current week, we have a new channel ranging from 9640 to 9770. Apart from this we have a squeeze on the daily Bollinger Bands which is indicating towards a big move of on either side. Difficult to say on which side.

We now have three scenarios.

1. Market recovers quickly and goes above 9640. In this case the market will come within the new upward sloping channel and the strong uptrend will resume and if all time high of 9705 is broken market will find resistance at the top of the channel i.e 9770.
2. If the market is unable to break 9640 on the upside quickly this week and takes support at 9550 we can expect the market to move in box range of 9550 to 9700
3. The real problem will start if 9550 is broken on the downside and it will get further accentuated in case market does not hold support level of 9525 in which case market can easily go to a level of 9475.



## RESISTANCE AND SUPPORT LEVELS BASED ON WEEKLY AND DAILY ANALYSIS

RESISTANCE/SUPPORT	NIFTY LEVEL	JUSTIFICATION
Resistance 1	9640	LOWER RANGE OF NEW CHANNEL
Resistance 2	9709	ALL TIME HIGH
Resistance 3	9770	TOP OF CHANNEL
Support 1	9547	WEEKLY LOW LAST WEEK OF MAY
Support 2	9525	9 DMA WEEKLY
Support 3	9475	PROJECTED RSI SUPPORT

**Rating : Long / BUY**

**20-Jun-17**

BSE Code	532953
NSE Symbol	VGUARD
52wk Range H/L	220.85/152.10
Mkt Capital (Rs Cr)	7941
Av.Cash Volume(,000)	1071
Open Interest	3591000

Buy Price	186.85
Stop Loss	176
Target Price1	198
Target Price2	207
Upside in Tgt1	6%
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.

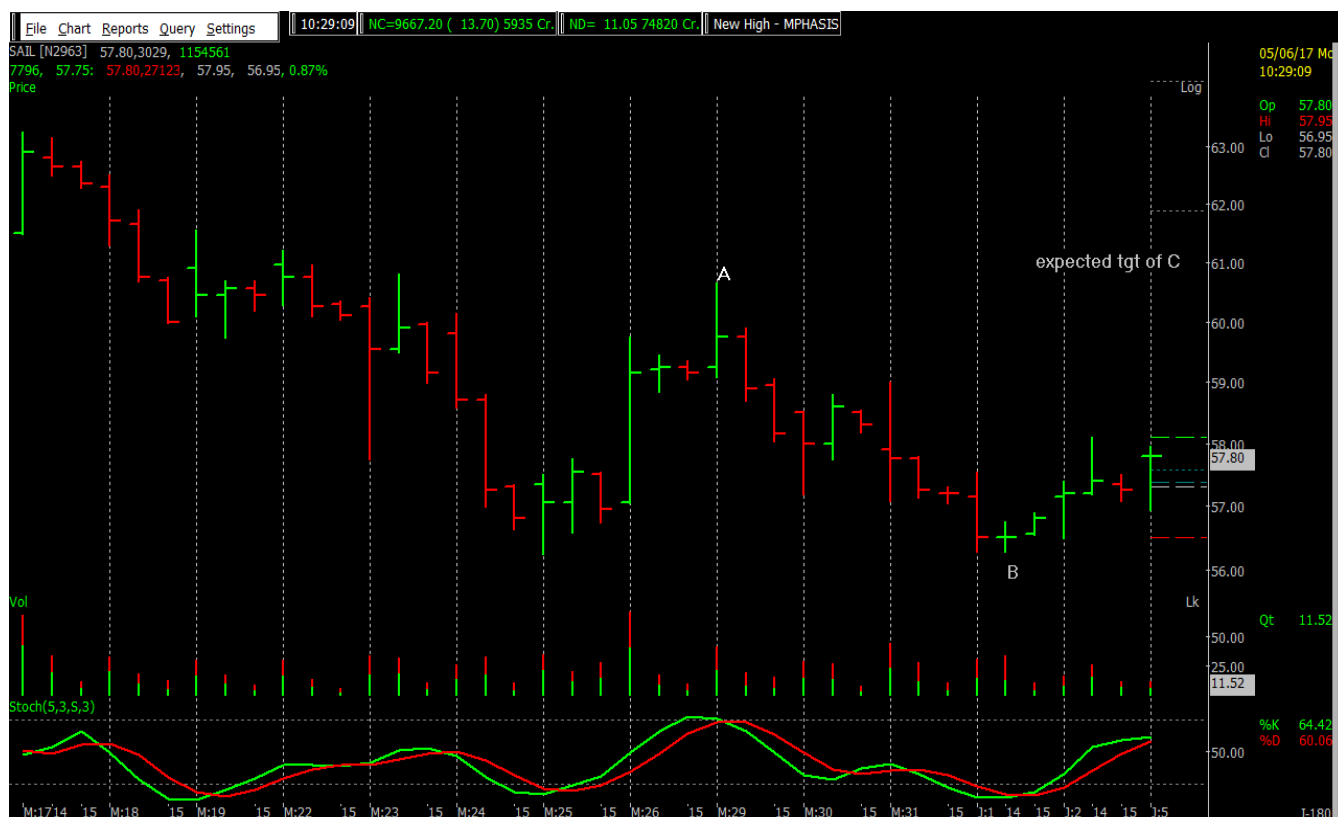
**Rating : Long / BUY**

Initiation Date

**6-Jun-17**

BSE Code	500113
NSE Symbol	SAIL
52wk Range H/L	68.55/40.75
Mkt Capital (Rs Cr)	23913
Av.Cash Volume	5,978
Open Interest	-

Buy Price	57.8
Stop Loss	56.2
Target Price1	59.5
Target Price2	60.5
Upside in Tgt1	2.94
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.

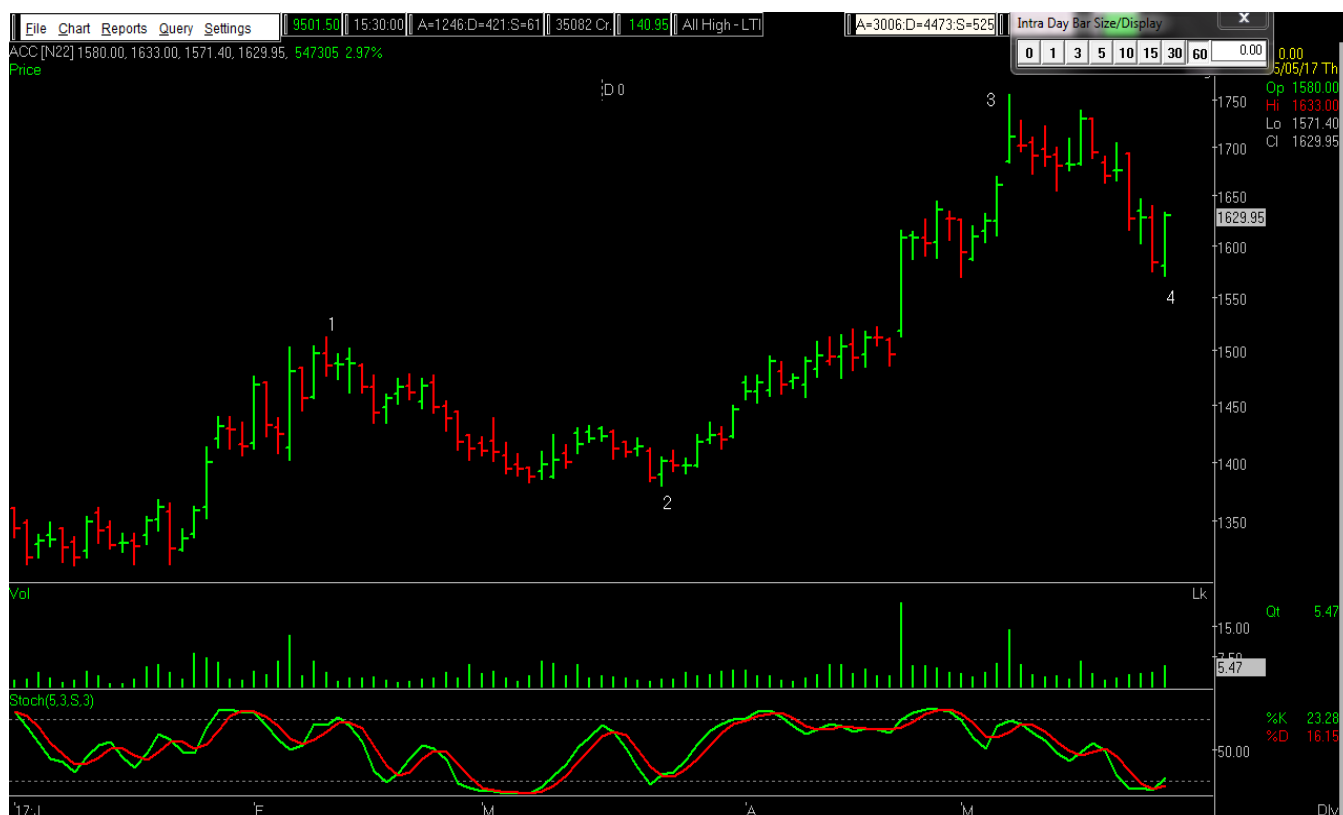
**Rating : Long / BUY**

**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.

**Rating : Long / BUY**

**Initiation Date**

**3-Apr-17**

BSE Code	500096
NSE Symbol	DABUR
52wk Range H/L	244.95/320
Mkt Capital (Rs Cr)	50556
Av.Cash Volume(,000)	598
Open Interest	11453182

Buy Price	286.9
Stop Loss	270
Target Price1	304
Target Price2	327
Upside in Tgt1	6%
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.

**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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