

Trading Calls

HDFCLTD

10-Apr-20

The stock is in reversal phase. An 'Inverted Hammer' pattern is formed on daily candlestick chart. So some pullback is very likely in the short term. Therefore we recommend initiating long position in the stock by placing stop loss at 1469 (closing basis) for the target price of 1777 and then 1984.

Market	Value	% Change
SGX Nifty (at 8.00 am IST) prev closing	8872.75	-0.64%

Nifty Key Levels For The Week

Support	S1: 8875	S2 : 8650
Resistance	R1 : 9055	R2 : 9150

Market Outlook

Deceptive breakout from the ascending triangle pattern dishearten the bulls completely. Despite gap up opening, nifty shed all its gain in the second half of the day and once again closed in negative territory. Formation of bearish candle near crucial resistance of 9150 level not looking augur well for bulls. Fresh round of selling is expected below 8975 level from where nifty can tumble towards 8650 and 8555 levels. Intermediate resistance is seen at 9055 followed by 9150 levels.

FII DERIVATIVES POSITION FOR 15-April-2020

Net (Amt. in crs)

INDEX FUTURES	1,283
INDEX OPTIONS	93
STOCK FUTURES	(195)
STOCK OPTIONS	(52)

Institutional Turnover

FII	Buy(cr.)	Sell(cr.)	Net(cr.)
15-Apr-20	14,199	12,841	1,359
Apr-20	57,821	56,361	1,460
DII	Buy(cr.)	Sell(cr.)	Net(cr.)
15-Apr-20	4,672	5,770	(1,098)
Apr-20	26,762	30,982	(4,220)

Sectoral Performance (%)

	1 Day	1 Week	1 Month	1 Year
Auto Components	2.35	11.32	(14.11)	(37.64)
Automobiles	(2.76)	19.34	(13.69)	(37.99)
Chemicals	2.76	13.33	(4.00)	(2.93)
Construction & Engineering	2.40	12.48	(14.23)	(38.89)
Construction Materials	3.56	14.95	(10.33)	(21.37)
Diversified Financial Services	(2.10)	4.97	(29.22)	(34.50)
Electrical Equipment	2.02	11.83	(8.42)	(32.60)
Energy	(2.15)	7.22	2.10	(24.66)
Financials	(2.46)	7.14	(25.59)	(35.48)
Health Care	(0.38)	18.21	16.10	5.90
Household Durables	0.76	7.64	(17.05)	(18.26)
Household & Personal Products	4.83	14.25	16.88	20.14
Information Technology	0.08	7.21	(4.74)	(20.13)
Metals/Mining/Minerals	1.05	11.29	(5.60)	(42.95)
Telecom	(0.13)	20.59	(0.90)	10.43
Utilities	0.65	8.78	(2.68)	(22.30)

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

	Long Position			
	DII	FII	Pro	Other
Future Index	32710	64287	22156	95979
Future Stock	69746	1004990	93599	309293
Option Index Call	4530	133126	103108	491756
Option Index Put	61741	170643	115321	482870
Option Stock Call	0	7695	57069	138665
Option Stock Put	0	8391	36022	99481

	Short Position			
	DII	FII	Pro	Other
Future Index	7485	70808	29207	107632
Future Stock	763222	431022	92314	191070
Option Index Call	0	99212	189794	443514
Option Index Put	0	114747	169343	546485
Option Stock Call	2193	8609	73855	118772
Option Stock Put	0	7238	62697	73959

High ES & High PS Stock Maintaining Strength

BSE Code	NSE CODE	1 Month Return %
524404	MARKSANS	38.2
500087	CIPLA	36.6
532321	CADILAHC	32.9
500257	LUPIN	24.7
500124	DRREDDY	18.1
532523	BIOCON	9.9
500660	GLAXO	9.2
500420	TORNTPHARM	8.3
500126	MERCK	7.4
500696	HINDUNILVR	7.3

High ES & Low PS Stock Showing Strength

BSE Code	NSE CODE	1 Month Return %
500288	MOREPENLAB	63.4
532648	YESBANK	48.8
532296	GLENMARK	6.7
524742	CAPPL	4.0
532654	MCLEODRUSS	3.4
531642	MARICO	3.0
530001	GUJALKALI	1.4
500188	HINDZINC	1.1
500875	ITC	(0.1)
500182	HEROMOTOCO	(5.9)

Low ES & Low PS Stock Maintaining Weakness

BSE Code	NSE CODE	1 Month Return %
535789	IBULHSGFIN	(63.1)
524000	MAGMA	(53.9)
530073	SANGHVIMOV	(41.7)
500840	EIHOTEL	(41.3)
522074	ELGIEQUIP	(39.2)
507880	VIPIND	(37.9)
514162	WELSPUNIND	(37.2)
500877	APOLLOTYRE	(36.3)
532814	INDIANB	(34.3)
523756	SREINFRA	(34.1)

Low ES & High PS Stock Showing Weakness

BSE Code	NSE CODE	1 Month Return %
532144	WELCORP	(56.2)
532811	AHLUCONT	(51.6)
511243	CHOLAFIN	(46.5)
533519	L&TFH	(46.2)
500330	RAYMOND	(44.3)
532498	SHRIRAMCIT	(42.8)
511218	SRTRANSFIN	(41.6)
511431	VAKRANSOFT	(41.1)
532313	MAHLIFE	(39.0)
500067	BLUESTARCO	(38.6)

* 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.

STDC / R25 Open Calls for 16-04-2020 (1)

STDC (1)									
No	Date	Type	Buy/Sell	Stock	Entry1	Entry2	SL	Tgt 1	Tgt 2
1	10-Apr-20	STDC	BUY	HDFCLTD	1635	1525	1469	1777	1984

VIEW

Domestic market mirrored the buoyancy of global equity market aided by news that infections were peaking in European nations that were most affected countries around the world. Expectation of second stimulus package from Indian govt has fostered the bullish sentiment on D-street. US market also rose for the third time in four days as the Federal Reserve rolled out a massive \$2.3 trillion program to bolster local governments and businesses, while oil prices gained on expectations of a drastic cut in output. A pullback rally does not mean that we are out of the woods, this optimism can wear off quickly if cases will climb in India or stay home lockdown will be extended. Stay cautious, stay alert and stay safe in terms of your health as well as towards the volatility of the market.

Technical Outlook-

- a) Index seems to have resumed its northward side as it formed big bullish candle on weekly chart
- b) Formation of ascending triangle on daily chart also bolstered this bullish strength
- c) Indicators and oscillators are also looking conducive for the price pattern
- d) Volatility also cooled off further as India VIX declined till 49 from 55 level of previous week
- e) Ascending triangle breakout is expected above 9150 level and above which Nifty can extend up to 9400 and 9600 levels
- f) Immediate support is seen at 8555 level followed by 8360 level. Below which it can slip down till 8000 levels

CHART ANALYSIS



SUPPORT & RESISTANCE LEVELS

	NIFTY LEVEL	JUSTIFICATION
Resistance 2	9400	Previous swing high
Resistance 1	9150	Ascending triangle breakout
Close	9111	
Support 1	8555	Previous swing low
Support 2	8360	Ascending line breakdown

VIEW

After opening with a negative session, Banknifty fell to make a weekly low of 17143 on the first day of the week. However it was unable to maintain at the lower level and a smart recovery was witnessed in next three successive days of the last week. At the end of the week Banknifty closed with a net gain of 15.5% over its previous week's close. The buying was witnessed across the board . However private banking stocks were on the buyers' radar.

OBSERVATIONS:

1) Banknifty is in the process of making a 'Symmetrical Triangle' pattern on the daily chart.

In reference to the above observations it can be concluded that currently Banknifty is in the process of making a Symmetrical Triangle pattern on the daily chart and the further trend of the index will depend on the breakout / break down of upper / lower trend line of the said triangle pattern.

A breakout from the upper trend line (it would happen after a closing above 20925) indicates the start of a new bullish trend and the pattern target of the index is 27000, while a breakdown from the lower trend line (it would happen after a closing below 17140) indicates the start of a new bearish trend and in that case Banknifty may correct up to 11200 in the near future.

CHART ANALYSIS



SUPPORT & RESISTANCE LEVELS

RESISTANCE/SUPPORT	BANKNIFTY LEVEL
Resistance 2	21470
Resistance 1	20925
Close	19913
Support 1	17950
Support 2	17140

VIEW

With fresh cases of virus mounting day by day, concern over a looming economic recession kept investors on edge. Global coronavirus cases surpassed 1 million with more than 52,000 deaths. In India, an ongoing 21 day lockdown has brought Asia's third-largest economy to halt. Most of the asian currencies have been falling due to uncertainty over the economic outlook. Indian currency also remained weak, hitting record lows of 76.55 mark. Until the virus peaks, we anticipate the weakness will continue and pair can take further upsurge on upside.

TECHNICAL FACTORS-

- a) A huge breakout of medium term of rounding pattern formation has boosted the sentiment for pair
- b) Prices are trading well above their short term moving averages, indicating the weakness in Rupee
- c) However, USDINR is facing stiff resistance at rising resistance line near 76.55-76.60 mark
- d) Once this level will clear then pair can surge till 78 levels
- e) Near term support lies at 75.30 followed by 74.35 mark. A strong close below the same could lead to strength in Rupee

CHART ANALYSIS



SUPPORT & RESISTANCE LEVELS

USDINR LEVEL	
Resistance 2	78.00
Resistance 1	76.6
Close	76.30
Support 1	75.3
Support 2	74.35

STDC : Long / BUY

10-Apr-20

BSE Code	500010
NSE Symbol	HDFCLTD
52wk Range H/L	2599.90/1473.50
Mkt Capital (Rs Cr)	290472
Av.Cash Volume(,000)	4926
Open Interest	

Buy Price	1635 & 1525
Stop Loss	1469
Target Price1	1777
Target Price2	1984
Upside in Tgt1	12.50%
Upside in Tgt2	25.60%

Technical Chart



BUY HDFCLTD IN 1635-1630 RANGE & 1520-1530 RANGE SL 1469 TGT 1777, 1984

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