

## 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	<b>9273.00</b>	<b>-0.39%</b>

### Nifty Key Levels For The Week

<b>Support</b>	S1: 9100	S2 : 9050
<b>Resistance</b>	R1 : 9400	R2 : 9450

### Market Outlook

Nifty spikes up almost 3% following positive corona virus drug experiment on Friday, giving second consecutive higher weekly closing. Weekly candlestick has formed a bullish continuation pattern and index has managed to close above previous three weeks high placed around 9141, which is indicating persistence of ongoing positive trend. Moreover, index is trading above 5 Daily SMA and 5 Week SMA placed around 8800 marks, indicates upside move will continue in near-term towards three monthly SMA which is standing around 9700 marks.

### FII DERIVATIVES POSITION FOR 17-April-2020

Net (Amt. in crs)

INDEX FUTURES	<b>(7)</b>
INDEX OPTIONS	175
STOCK FUTURES	<b>(729)</b>
STOCK OPTIONS	<b>(2)</b>

### Institutional Turnover

FII	Buy(cr.)	Sell(cr.)	Net(cr.)
17-Apr-20	7,495	8,887	<b>(1,392)</b>
Apr-20	72,095	74,947	<b>(2,852)</b>
DII	Buy(cr.)	Sell(cr.)	Net(cr.)
17-Apr-20	4,146	3,612	534
Apr-20	35,563	37,927	<b>(2,364)</b>

### Sectoral Performance (%)

	1 Day	1 Week	1 Month	1 Year
Auto Components	4.43	14.03	0.32	<b>(33.25)</b>
Automobiles	5.29	11.67	<b>(3.71)</b>	<b>(35.14)</b>
Chemicals	0.88	9.19	3.99	<b>(0.63)</b>
Construction & Engineering	2.10	13.60	<b>(1.86)</b>	<b>(36.92)</b>
Construction Materials	0.96	13.38	<b>(1.64)</b>	<b>(20.67)</b>
Diversified Financial Services	4.76	7.43	<b>(12.97)</b>	<b>(30.00)</b>
Electrical Equipment	0.33	6.57	<b>(1.98)</b>	<b>(32.10)</b>
Energy	3.52	3.39	16.67	<b>(21.24)</b>
Financials	5.31	7.23	<b>(9.39)</b>	<b>(31.42)</b>
Health Care	<b>(0.91)</b>	5.06	21.20	6.46
Household Durables	4.97	9.65	<b>(6.04)</b>	<b>(13.23)</b>
Household & Personal Products	<b>(1.97)</b>	<b>(2.50)</b>	15.37	15.00
Information Technology	2.62	2.80	6.57	<b>(19.35)</b>
Metals/Mining/Minerals	1.63	9.34	6.52	<b>(41.31)</b>
Telecom	0.20	9.52	7.27	7.34
Utilities	1.45	7.78	8.94	<b>(19.37)</b>

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

Long Position				
	DII	FII	Pro	Other
Future Index	39413	67820	17083	91971
Future Stock	66652	1011512	96739	335696
Option Index Call	4530	126391	95628	353382
Option Index Put	62556	176436	101034	444806
Option Stock Call	0	9733	66565	152614
Option Stock Put	0	11305	39420	119828

Short Position				
	DII	FII	Pro	Other
Future Index	4039	67846	24664	119738
Future Stock	780998	442442	100215	186944
Option Index Call	0	95584	128471	355876
Option Index Put	0	108787	140282	535763
Option Stock Call	2193	11712	82311	132696
Option Stock Put	0	9604	74772	86177

## High ES & High PS Stock Maintaining Strength

BSE Code	NSE CODE	1 Month Return %
524404	MARKSANS	68.3
500087	CIPLA	51.5
532321	CADILAHC	41.2
500257	LUPIN	38.8
500124	DRREDDY	37.7
532523	BIOCON	29.9
521064	TRIDENT	29.7
500312	ONGC	21.9
532488	DIVISLAB	21.7
500660	GLAXO	21.0

## High ES & Low PS Stock Showing Strength

BSE Code	NSE CODE	1 Month Return %
500288	MOREPENLAB	60.1
532296	GLENMARK	57.5
530001	GUJALKALI	30.2
500294	NCC	27.8
507488	GMBREW	27.0
532654	MCLEODRUSS	24.3
524735	HIKAL	23.2
500875	ITC	20.4
500188	HINDZINC	20.3
524742	CAPPL	18.8

## Low ES & Low PS Stock Maintaining Weakness

BSE Code	NSE CODE	1 Month Return %
524000	MAGMA	(38.8)
507880	VIPIND	(27.5)
522074	ELGIEQUIP	(26.8)
522249	MAYURUNIQ	(25.1)
535754	ORIENTCEM	(23.8)
532839	DISHTV	(23.2)
535789	IBULHSGFIN	(23.1)
523756	SREINFRA	(23.0)
500840	EIHOTEL	(18.8)
500101	ARVIND	(16.3)

## Low ES & High PS Stock Showing Weakness

BSE Code	NSE CODE	1 Month Return %
532498	SHRIRAMCIT	(38.2)
532144	WELCORP	(37.1)
532313	MAHLIFE	(34.2)
511431	VAKRANSOFT	(33.0)
511243	CHOLAFIN	(27.2)
500067	BLUESTARCO	(26.8)
532509	SUPRAJIT	(25.7)
523398	HITACHIOM	(23.1)
532343	TVSMOTOR	(22.6)
532805	REDINGTON	(22.4)

\* 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 20-04-2020 (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

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### VIEW

Spiralling covid-19 cases, rupee depreciation, rising interest rates and fear of economic recession have resulted in market volatility. However, announcement from RBI governor has given some relief measures by allocating Rs 50,000 Crore booster package for small and medium-sized industries. Indices remained volatile throughout the week as they struggled to hold above our demand zone on lack of conviction and follow up buying support. However, they tried their best to absorb selling pressure on Friday which augur well for the market but intermediate bouts of volatility and choppiness can not ruled out. For an intermediate trend change, a break and close below the recent lows is required which will provide confirmation for weakness. Until then, it will remain firm.

### Technical Outlook-

- We mentioned in our previous report, "Index seems to have **resumed its northward side** as it formed big bullish candle on weekly chart," this has occurred on the daily chart as it gave **ascending triangle breakout** which is implying that this move can extend further.
- Although formation of **hanging man** suggest caution for Bulls.
- Ascending peaks of **MACD and stochastic** on daily chart are also showing strength.
- For keeping this momentum on upside, it has to surpass the top of hanging man which comes at 9325 levels from where it can extend up to 9600 and 9800 levels
- Now support is started shifting higher from 8650 to 8820 levels. As long as index holds this support, bias will remain positive

### CHART ANALYSIS



### SUPPORT & RESISTANCE LEVELS

	NIFTY LEVEL	JUSTIFICATION
Resistance 2	9600	Previous swing high
Resistance 1	9325	Peak of hanging man
Close	9291	
Support 1	8820	Ascending line breakdown
Support 2	8655	Line of Polarity

### VIEW

After opening with a negative session, Banknifty fell to make a weekly low of 18403 on Thursday. However it was unable to maintain at the lower level and a smart recovery was witnessed on Friday of the last week. At the end of the week Banknifty closed with a net gain of 3.85% over its previous week's close. Axis bank, State bank and Indusind bank were the main catalysts to lift the index higher.

### OBSERVATIONS:

- 1) Banknifty has made a 'Hanging man' pattern on the daily chart.
- 2) Hidden Bearish Divergences are formed in RSI and Stochastic on the daily chart of Banknifty.

In reference to the above observations it can be concluded that in the extreme short term, some profit booking is expected in Banknifty from the current level. Near-term strong support of the index is at 18450 and a breach of this level is likely to take the index further lower to 17100. On the higher side 21470 would act as near-term stiff resistance of the Banknifty.

### CHART ANALYSIS



### SUPPORT & RESISTANCE LEVELS

RESISTANCE/SUPPORT	BANKNIFTY LEVEL
Resistance 2	21470
Resistance 1	20925
Close	20681
Support 1	19300
Support 2	18450

### VIEW

Domestic currency witnessed a marginal uptick after testing a record low of 76.91 in the current week. Lowering crude oil prices helped the local unit to some extent as record production cut agreement by OPEC members still look insufficient to rebalance the oil market. On Friday, RBI became active and announced certain measures to check this slide which can curtail the losses in the coming sessions. Now we expect that the pace of rupee depreciation would become gradually slower as long as it sustains below its current swing high.

### TECHNICAL FACTORS-

- a) From last two weeks, pair has been facing stiff resistance from its monthly rising trend line
- b) Formation of bullish belt hold on weekly chart suggesting some more weakness on chart for Rupee
- c) However, negative divergence of daily chart can rein the momentum in this coming week
- d) On sustaining above 77 mark, pair can extend up to 78 and 78.50 mark
- e) Support lies at 75.80-74.50 zone followed by 74.35 mark. A strong close below the same could lead to strength in Rupee

### CHART ANALYSIS

USD/INR



### SUPPORT & RESISTANCE LEVELS

#### USDINR LEVEL

Resistance 2	78.00
Resistance 1	77
Close	76.55
Support 1	75.8
Support 2	75.50

## 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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