

Trading Calls

Market	Value	% Change
SGX Nifty (at 8.00 am IST) prev closing	9201.00	-1.13%

Nifty Key Levels For The Week

Support	S1: 9170	S2 : 9090
Resistance	R1 : 9400	R2 : 9600

Market Outlook

On the very much expected line, after opening with positive bias nifty moved higher inside the rising wedge pattern. From last three days, it has been making higher highs and higher lows suggest positive move but traders should also become cautious as it approaching towards upper trend line of area pattern from where some profit booking is expected. A decisive close above 9400 can push index towards 9600 level. While support lies at 9170 followed by 9090 levels.

Institutional Turnover

FII	Buy(cr.)	Sell(cr.)	Net(cr.)
23-Apr-20	6,172	6,286	(115)
Apr-20	93,523	100,177	(6,654)
DII	Buy(cr.)	Sell(cr.)	Net(cr.)
23-Apr-20	3,829	3,491	338
Apr-20	51,479	53,498	(2,019)

Sectoral Performance (%)

	1 Day	1 Week	1 Month	1 Year
Auto Components	0.54	0.70	20.68	(34.34)
Automobiles	0.61	1.95	17.74	(36.08)
Chemicals	0.79	2.94	26.16	3.53
Construction & Engineering	(0.05)	(2.53)	20.63	(38.63)
Construction Materials	(1.10)	(0.57)	13.97	(20.54)
Diversified Financial Services	1.15	1.81	11.62	(29.78)
Electrical Equipment	1.96	0.29	14.78	(30.71)
Energy	0.56	10.11	40.25	(15.19)
Financials	2.42	4.08	15.81	(30.23)
Health Care	0.43	0.94	36.32	10.06
Household Durables	1.16	4.08	17.01	(12.56)
Household & Personal Products	(2.00)	(3.58)	23.20	13.69
Information Technology	4.74	6.31	15.55	(17.13)
Metals/Mining/Minerals	1.60	(3.49)	17.59	(42.96)
Telecom	(0.62)	(0.64)	23.26	7.92
Utilities	(1.37)	(0.99)	17.79	(19.71)

FII DERIVATIVES POSITION FOR 23-April-2020

	Net (Amt. in crs)
INDEX FUTURES	139
INDEX OPTIONS	1,212
STOCK FUTURES	(98)
STOCK OPTIONS	(1)

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

	Long Position			
	DII	FII	Pro	Other
Future Index	39286	70530	20954	101821
Future Stock	66891	1016091	136240	356169
Option Index Call	4584	117319	86377	294171
Option Index Put	62970	160748	96470	398994
Option Stock Call	0	10371	72807	207051
Option Stock Put	0	14690	51632	134815

	Short Position			
	DII	FII	Pro	Other
Future Index	4237	78431	23939	125984
Future Stock	762514	473707	132608	206562
Option Index Call	0	88112	112292	302047
Option Index Put	0	101881	136173	481128
Option Stock Call	2193	16595	109771	161670
Option Stock Put	0	10710	84920	105507

High ES & High PS Stock Maintaining Strength

BSE Code	NSE CODE	1 Month Return %
524404	MARKSANS	77.8
500087	CIPLA	51.7
500124	DRREDDY	51.0
500325	RELIANCE	41.6
532523	BIOCON	37.9
532488	DIVISLAB	34.2
500257	LUPIN	34.0
500420	TORNTPHARM	33.4
521064	TRIDENT	32.3
532514	IGL	32.3

High ES & Low PS Stock Showing Strength

BSE Code	NSE CODE	1 Month Return %
500288	MOREPENLAB	115.2
532654	MCLEODRUSS	76.5
532296	GLENMARK	70.8
530001	GUJALKALI	64.0
524735	HIKAL	53.7
507488	GMBREW	44.8
532374	STRTECH	35.5
524742	CAPPL	34.4
511072	DHFL	29.6
500294	NCC	29.2

Low ES & Low PS Stock Maintaining Weakness

BSE Code	NSE CODE	1 Month Return %
523756	SREINFRA	(19.2)
507880	VIPIND	(16.9)
526521	SANGHIIND	(15.6)
522074	ELGIEQUIP	(13.5)
535754	ORIENTCEM	(13.4)
535789	IBULHSGFIN	(12.7)
532839	DISHTV	(12.1)
530073	SANGHVIMOV	(8.5)
526612	BLUEDART	(7.6)
500252	LAXMIMACH	(5.7)

Low ES & High PS Stock Showing Weakness

BSE Code	NSE CODE	1 Month Return %
532811	AHLUCONT	(33.2)
532134	BANKBARODA	(25.6)
532498	SHRIRAMCIT	(25.5)
511243	CHOLAFIN	(24.3)
532313	MAHLIFE	(23.4)
500164	GODREJIND	(17.8)
511431	VAKRANSOFT	(17.6)
532343	TVSMOTOR	(17.2)
532805	REDINGTON	(14.6)
532144	WELCORP	(14.0)

* 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.

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-

- a) 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.
- b) Although formation of **hanging man** suggest caution for Bulls.
- c) Ascending peaks of **MACD and stochastic** on daily chart are also showing strength.
- e) 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
- f) 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



SUPPORT & RESISTANCE LEVELS

USDINR LEVEL

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

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