

Trading Calls

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Market	Value	% Change
SGX Nifty (at 8.00 am IST) prev closing	9717.50	1.97%

Nifty Key Levels For The Week

Support	S1: 9445	S2 : 9390
Resistance	R1 : 9700	R2 : 9850

Market Outlook

Recent surge is largely reflecting buoyancy on the local front despite increasing number of cases in india. The breakout in the benchmark index, after few days of congestion phase, has further boosted sentiment. Formation of bullish candle on the daily scale indicates upbeat sentiment. As of now, it needs to hold above 9445 to witness an upmove towards 9700 and then 9850 levels. Overall setup and momentum seems to be positive and a hold of recent levels could extend rally, while support exists at 9445 and then 9390 levels.

Sectoral Performance (%)

	1 Day	1 Week	1 Month	1 Year
Auto Components	2.47	3.15	11.44	(31.54)
Automobiles	1.43	1.44	11.75	(32.92)
Chemicals	(0.89)	1.80	17.01	4.52
Construction & Engineering	2.90	2.83	9.35	(36.43)
Construction Materials	1.04	(1.73)	10.60	(23.83)
Diversified Financial Services	3.92	7.61	4.66	(26.07)
Electrical Equipment	0.61	(0.09)	9.84	(32.32)
Energy	0.39	4.01	28.47	(15.72)
Financials	3.00	7.10	4.63	(27.74)
Health Care	0.29	2.40	31.89	11.22
Household Durables	1.71	4.53	12.24	(9.71)
Household & Personal Products	(1.94)	(5.15)	6.51	10.59
Information Technology	2.33	6.29	5.53	(18.13)
Metals/Mining/Minerals	3.42	2.80	11.98	(41.84)
Telecom	2.44	(0.58)	12.26	10.49
Utilities	1.28	(1.78)	9.46	(18.82)

FII DERIVATIVES POSITION FOR 29-April-2020

Net (Amt. in crs)

INDEX FUTURES	(66)
INDEX OPTIONS	423
STOCK FUTURES	478
STOCK OPTIONS	44

Institutional Turnover

FII	Buy(cr.)	Sell(cr.)	Net(cr.)
29-Apr-20	5,734	5,012	722
Apr-20	113,691	120,869	(7,178)
DII	Buy(cr.)	Sell(cr.)	Net(cr.)
29-Apr-20	4,304	4,225	79
Apr-20	68,439	69,843	(1,404)

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

	Long Position			
	DII	FII	Pro	Other
Future Index	21177	85330	32662	75036
Future Stock	50961	1019478	125804	354333
Option Index Call	4584	148346	125533	452916
Option Index Put	59809	199611	172590	666071
Option Stock Call	53	6515	81460	186874
Option Stock Put	0	11400	59328	125367

	Short Position			
	DII	FII	Pro	Other
Future Index	4515	62573	21890	125227
Future Stock	798912	463745	110886	177033
Option Index Call	0	95668	211478	424233
Option Index Put	0	137783	256935	703363
Option Stock Call	2680	10275	115365	146582
Option Stock Put	0	8024	89109	98962

High ES & High PS Stock Maintaining Strength

BSE Code	NSE CODE	1 Month Return %
524404	MARKSANS	93.0
530813	KRBL	71.5
524208	AARTIIND	59.9
500087	CIPLA	58.0
532301	TATACOFFEE	52.3
523642	PIIND	51.3
500325	RELIANCE	51.2
532187	INDUSINDBK	50.7
506820	ASTRAZEN	49.5
521064	TRIDENT	49.2

High ES & Low PS Stock Showing Strength

BSE Code	NSE CODE	1 Month Return %
532654	MCLEODRUSS	130.2
500288	MOREPENLAB	129.9
524742	CAPPL	86.6
524735	HIKAL	82.4
530001	GUJALKALI	82.2
532296	GLENMARK	72.7
507488	GMBREW	56.1
502330	IPAPPM	53.2
500302	PEL	52.9
533655	TRITURBINE	51.2

Low ES & Low PS Stock Maintaining Weakness

BSE Code	NSE CODE	1 Month Return %
523756	SREINFRA	(9.6)
532477	UNIONBANK	(1.1)
532839	DISHTV	1.0
530965	IOC	1.1
526521	SANGHIIND	1.6
524000	MAGMA	1.6
535754	ORIENTCEM	5.1
500110	CHENNPETRO	8.6
522074	ELGIEQUIP	10.7
500413	THOMASCOOK	11.0

Low ES & High PS Stock Showing Weakness

BSE Code	NSE CODE	1 Month Return %
532498	SHRIRAMCIT	(16.8)
532134	BANKBARODA	(13.1)
500164	GODREJIND	(9.9)
532343	TVSMOTOR	(9.2)
532313	MAHLIFE	(6.1)
500380	JKLAKSHMI	(3.9)
533088	MHRIL	(3.1)
503310	SWANENERGY	(0.5)
532144	WELCORP	0.2
500575	VOLTAS	2.5

* 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

Bulls are not losing their grip while Bears are putting pressure at higher levels as index turned down after two days of extension on the back of weak global cues due to the unsuccessful attempt of the potential antiviral drug for coronavirus. Except for the pharma sector, all other sectorial indices ended lower. Market participants are concerned that the sharp rise in coronavirus cases could weigh on the global as well as domestic market. However easing in the lockdown can provide some level of support to the domestic market.

Technical Outlook-

- Indices moved in line with our hope but failed to give breakout above the base line of ascending triangle pattern which has created the fear of dead cat bounce
- From last few days, Nifty was consolidating in the form of **Rising wedge pattern** on daily chart which give implication of bearishness
- It is evident on the weekly chart that index took halt at 9390 level near **38.2% Fibonacci retracement** of the fall from 12430 to 7511 levels
- Moreover, formation of **bearish belt hold** candlestick pattern on weekly chart suggest weakness but further confirmation is required
- Flattening of 14 period of RSI** near 40 mark indicate weakening of this pullback rally
- However, occurrence of **higher tops and higher bottoms** on weekly chart may provide relief to Bulls
- As of now, **9400 followed by 9550 level** will act as stiff resistance. As long as it holds below the same, index can slip down till **8800** from where it can find support. However, A fall below 8800 can trigger weakness towards 8650 and 8500 on downside

CHART ANALYSIS



SUPPORT & RESISTANCE LEVELS

	NIFTY LEVEL	JUSTIFICATION
Resistance 2	9550	Previous swing high
Resistance 1	9400	38.2% Fibonacci Retracement
Close	9154	
Support 1	8800	Ascending line breakdown
Support 2	8655	Line of Polarity

VIEW

In line with our expectation some selling pressure was witnessed in Banknifty throughout last week and the index closed with a net loss of 5.3% over its previous week's close. ICICI Bank and Axis bank were the major losers during the week and they closed after losing 10%-15% while some buying interest was seen in HDFC bank and kotak bank during the last week.

OBSERVATIONS:

- 1) Banknifty has made a 'Bearish Engulfing' pattern on the weekly chart.
- 2) Short term stiff resistance of Banknifty is at 21470.

The formation of bearish engulfing pattern on the weekly chart of Banknifty is giving indication of some more selling pressure in the near future. 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 short term stiff resistance of the Banknifty and trend reversal is possible only after closing above 21470.

CHART ANALYSIS



SUPPORT & RESISTANCE LEVELS

RESISTANCE/SUPPORT	BANKNIFTY LEVEL
Resistance 2	21470
Resistance 1	20925
Close	19586
Support 1	18450
Support 2	17140

VIEW

Indian currency witnessed breather from its all time low 77.04 and slipped near our mentioned support of 75.80 mark while tracking asian peers and mild gain in equity market. Stimulus measures took by RBI and investment of facebook in Reliance has provided strength which helped Rupee for finding the base near 77 mark. Market participants are looking for easing in the lockdown along with the flattening of curve in the Covid-19 cases which can provide further strength to Rupee but any news related to extension of lockdown can severely impact our struggling economy and depreciate our currency in coming sessions.

TECHNICAL FACTORS-

- a) Failure to break 77 mark decisively in three consecutive weeks forced the pair into sharp correction
- b) Pair has broken down from its rising wedge pattern with heavy volume suggest bearish implication for the pair
- c) On sustaining below 75.80-75.50 zone pair can slip downside till 74.30 mark
- d) However, RSI found support near 50 mark and turned up implies downside is limited
- e) Failure to breach our mentioned support, pair can rise up to 77 mark again. Above which it can extend up to 78 mark

CHART ANALYSIS



SUPPORT & RESISTANCE LEVELS

USDINR LEVEL

Resistance 2	78.00
Resistance 1	77
Close	75.83
Support 1	75.8
Support 2	75.50

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