

Trading Calls

Market	Value	% Change
SGX Nifty (at 8.00 am IST) prev closing	9386.00	1.08%

Nifty Key Levels For The Week

Support	S1: 9230	S2 : 9200
Resistance	R1 : 9500	R2 : 9559

Market Outlook

Index opened around 4% lower taking clues from global markets and closed below major support around 9300 marks. As Nifty is trading below short term crucial moving average 5 DMA placed around 9475 marks, one need to be cautious while taking long position. Moreover, strong support lies around 9230/9200 levels.

FII DERIVATIVES POSITION FOR 04-May-2020

Net (Amt. in crs)

INDEX FUTURES	(1,606)
INDEX OPTIONS	708
STOCK FUTURES	(1,386)
STOCK OPTIONS	(52)

Institutional Turnover

	FII	Buy(cr.)	Sell(cr.)	Net(cr.)
04-May-20		5,482	6,856	(1,374)
May-20		5,482	6,856	(1,374)
	DII	Buy(cr.)	Sell(cr.)	Net(cr.)
04-May-20		3,757	5,418	(1,662)
May-20		3,757	5,418	(1,662)

Sectoral Performance (%)

	1 Day	1 Week	1 Month	1 Year
Auto Components	(6.26)	0.77	14.68	(32.85)
Automobiles	(7.24)	1.24	21.52	(32.80)
Chemicals	(4.42)	(2.00)	15.57	1.63
Construction & Engineering	(5.47)	(0.39)	11.31	(38.12)
Construction Materials	(5.16)	(0.65)	11.33	(25.31)
Diversified Financial Services	(8.03)	6.48	10.20	(29.31)
Electrical Equipment	(4.16)	(2.06)	7.33	(33.22)
Energy	(2.95)	2.32	25.29	(15.82)
Financials	(7.93)	2.54	11.93	(31.57)
Health Care	0.52	(0.01)	23.21	13.65
Household Durables	(5.01)	0.58	11.52	(12.78)
Household & Personal Products	(4.52)	(7.24)	(0.81)	7.36
Information Technology	(4.39)	5.37	15.22	(14.83)
Metals/Mining/Minerals	(6.61)	2.45	9.01	(42.94)
Telecom	2.79	8.36	25.78	16.98
Utilities	(3.01)	0.39	9.41	(18.82)

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

	Long Position			
	DII	FII	Pro	Other
Future Index	26734	59288	16741	89497
Future Stock	35922	998309	94050	339364
Option Index Call	4584	102861	104602	441259
Option Index Put	59407	165828	120138	403271
Option Stock Call	0	4848	41965	138644
Option Stock Put	0	7277	44897	67784

	Short Position			
	DII	FII	Pro	Other
Future Index	6026	47692	24326	114216
Future Stock	780994	450479	56761	179411
Option Index Call	0	83163	159159	410984
Option Index Put	0	93922	162463	492259
Option Stock Call	500	6848	72709	105400
Option Stock Put	0	7118	45567	67273

High ES & High PS Stock Maintaining Strength

BSE Code	NSE CODE	1 Month Return %
530813	KRBL	88.7
524404	MARKSANS	66.5
500087	CIPLA	58.3
500257	LUPIN	50.7
524208	AARTIIND	48.4
506820	ASTRAZEN	44.1
532301	TATACOFFEE	41.0
500124	DRREDDY	33.8
500325	RELIANCE	33.6
523642	PIIND	33.1

High ES & Low PS Stock Showing Strength

BSE Code	NSE CODE	1 Month Return %
532296	GLENMARK	61.5
530001	GUJALKALI	60.7
524735	HIKAL	52.7
507488	GMBREW	51.2
508989	NAVNETEDUL	41.8
511072	DHFL	37.8
524742	CAPPL	37.0
502330	IPAPPM	37.0
500144	FINCABLES	36.2
500294	NCC	35.4

Low ES & Low PS Stock Maintaining Weakness

BSE Code	NSE CODE	1 Month Return %
535754	ORIENTCEM	(7.8)
532477	UNIONBANK	(7.3)
523756	SREINFRA	(5.2)
507880	VIPIND	(4.5)
526521	SANGHIIND	(2.9)
500252	LAXMIMACH	(2.5)
524000	MAGMA	(2.2)
530073	SANGHVIMOV	0.3
522249	MAYURUNIQ	0.7
532349	TCI	0.7

Low ES & High PS Stock Showing Weakness

BSE Code	NSE CODE	1 Month Return %
532134	BANKBARODA	(18.0)
511243	CHOLAFIN	(15.4)
500164	GODREJIND	(14.5)
532498	SHRIRAMCIT	(8.2)
500380	JKLAKSHMI	(7.7)
500575	VOLTAS	(7.4)
532144	WELCORP	(7.3)
520051	JAMNAAUTO	(7.2)
531500	RAJESHEXPO	(6.2)
532313	MAHLIFE	(4.9)

* 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

Indian market showed an impressive show in the past week ahead as investors sentiment improved on hopes of gradual lifting of lockdown across the world which would help to start economic recovery. The benchmark indices ended the truncated week with 7.7 percent gain. But this pullback rally is going to fizzle out soon due to weak corporate earning results of Reliance and HUL. Macrodatab of core sectors output also contracted by a record of 6.5% in March as many factories shut down and production came to a virtual halt amid the coronavirus lockdown which also implies bearish outlook in the coming week. Weak global data and threat of Donald trump to impose new tariffs on China over the coronavirus crisis is another reason which can weigh down the market. Situation in the market as well as in economy remains complex and grim until the antidote of Covid-19 would be invented.

Technical Outlook-

- Index signed off the April series with strong signs and formed a bullish candle on daily, weekly and monthly charts
- However, while tracking global cues, gap down opening is expected on Monday
- This will do structural damage to the chart that has got momentum after the breakout from its Rising wedge pattern
- Fresh round can be expected below 9250 followed by 9140 below which it can slip down till 8950 and 8800 levels.
- Resistance stands at 9600 followed by 9900 levels on upside

CHART ANALYSIS



SUPPORT & RESISTANCE LEVELS

	NIFTY LEVEL	JUSTIFICATION
Resistance 2	9900	50% Fibonacci Retracement
Resistance 1	9600	Previous Swing High
Close	9859	
Support 1	9250	Line of Polarity
Support 2	9150	Line of Parity

VIEW

After opening with a green session, Banknifty continued its upward movement throughout last week and closed the week with a net gain of 10% over its previous week's close. The buying was witnessed across the board. However ICICI bank, Kotak bank, Axis bank and HDFC bank were on the buyers' radar.

OBSERVATIONS:

- 1) Banknifty has made a 'Gravestone doji' pattern on the daily chart.
- 2) Stochastic reached at overbought zone.

The formation of gravestone doji pattern along with overbought position of Stochastic is giving indication of some profit booking in the near future. Near-term strong support of the index is at 20730 and a breach of this level is likely to take the index further lower to 20270. On the higher side 22060-22570 zone would act as near term stiff resistance of the banknifty.

CHART ANALYSIS



SUPPORT & RESISTANCE LEVELS

RESISTANCE/SUPPORT	BANKNIFTY LEVEL
Resistance 2	22550
Resistance 1	22060
Close	21534
Support 1	20730
Support 2	20270

VIEW

This is the second consecutive week of gain for Rupee during which it has appreciated by 53 paise against US dollar, tracking positive equity market and week american currency in the overseas market. But in this coming week, Rupee can come under selling pressure as US FED widned a key program to help the economy, agreeing to lend to the larger firms which can support Dollar in this coming week. RBI has been intervening in the currency market to mitigate the volatility but the force of selloff is so strong that the RBI has been unable to push the unit above 74.90 mark

TECHNICAL FACTORS-

- a) After the breakdown of its rising wedge pattern, pair found support near 74.90 levels
- b) Possibility of bounce back arises if it holds above 74.90 mark
- c) While indicators and oscillators are giving mixed signal suggest indecisiveness for the market participants
- d) With support at 74.90, pair can extend up to 76.50 and 77.05 mark where it can face stiff resistance
- e) However, on sustaining below 74.90 mark, pair can extend down till 74.30 mark

CHART ANALYSIS



SUPPORT & RESISTANCE LEVELS

USDINR LEVEL

Resistance 2	77.00
Resistance 1	76.5
Close	75.72
Support 1	74.9
Support 2	74.30

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