

Trading Calls

Market	Value	% Change
SGX Nifty (at 8.00 am IST) prev closing	9196.00	0.14%

Nifty Key Levels For The Week

Support	S1: 9140	S2 : 9050
Resistance	R1 : 9270	R2 : 9350

Market Outlook

Index started the session on a positive note on the back of favourable cues from global bourses. But, the bears took the gap-up opening as a selling opportunity and started dragging the index lower from early hours. Nifty continued to make lower lows as the day progressed and fell below the 9200 mark. On the other side, banknifty gave symmetrical triangle breakdown which also suggest negative sentiments to continue in coming session. Eventually, Nifty concluded the session a tad above the 9200 level and formed a bearish candle on the daily chart. Any violation of 9140 level will cause further weakness towards 9050-9000 zone.

On the upside, an intraday resistance is seen around 9270 levels. If Nifty crosses and sustains above this, then it may test upside levels 9350-9400 zone.

FII DERIVATIVES POSITION FOR 05-May-2020

Net (Amt. in crs)

INDEX FUTURES	179
INDEX OPTIONS	(581)
STOCK FUTURES	(175)
STOCK OPTIONS	18

Institutional Turnover

FII	Buy(cr.)	Sell(cr.)	Net(cr.)
05-May-20	3,700	4,759	(1,059)
May-20	9,182	11,615	(2,433)
DII	Buy(cr.)	Sell(cr.)	Net(cr.)
05-May-20	3,351	4,347	(995)
May-20	7,108	9,765	(2,657)

Sectoral Performance (%)

	1 Day	1 Week	1 Month	1 Year
Auto Components	(0.54)	(1.50)	14.06	(33.21)
Automobiles	(0.68)	(0.35)	20.69	(33.26)
Chemicals	(1.16)	(5.25)	14.23	0.45
Construction & Engineering	(1.32)	(1.97)	9.85	(38.93)
Construction Materials	(0.95)	(2.83)	10.27	(26.01)
Diversified Financial Services	(2.09)	1.88	7.89	(30.79)
Electrical Equipment	(2.05)	(3.79)	5.13	(34.58)
Energy	1.31	2.63	26.94	(14.71)
Financials	(2.21)	(1.79)	9.46	(33.08)
Health Care	(1.42)	(3.08)	21.45	12.03
Household Durables	0.28	(1.21)	11.83	(12.54)
Household & Personal Products	(1.89)	(9.91)	(2.68)	5.34
Information Technology	(0.11)	3.67	15.10	(14.93)
Metals/Mining/Minerals	(1.08)	0.93	7.83	(43.56)
Telecom	(0.85)	7.03	24.71	15.99
Utilities	0.67	0.98	10.14	(18.27)

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

Long Position				
	DII	FII	Pro	Other
Future Index	22448	61337	14322	91777
Future Stock	34753	1002703	97731	346635
Option Index Call	4584	102214	122540	575445
Option Index Put	61465	170810	131748	434083
Option Stock Call	0	7083	48874	162170
Option Stock Put	0	9123	48553	81597

Short Position				
	DII	FII	Pro	Other
Future Index	7134	47817	22686	112247
Future Stock	772389	459659	61866	187908
Option Index Call	0	89260	215229	500294
Option Index Put	0	102425	168088	527593
Option Stock Call	691	8837	83235	125364
Option Stock Put	0	8819	53250	77204

High ES & High PS Stock Maintaining Strength

BSE Code	NSE CODE	1 Month Return %
530813	KRBL	65.2
524404	MARKSANS	61.0
500257	LUPIN	51.1
524208	AARTIIND	48.0
506820	ASTRAZEN	47.4
500087	CIPLA	46.2
532301	TATACOFFEE	42.4
523642	PIIND	41.6
500325	RELIANCE	37.1
503806	SRF	33.9

High ES & Low PS Stock Showing Strength

BSE Code	NSE CODE	1 Month Return %
532654	MCLEODRUSS	133.2
500288	MOREPENLAB	84.4
532296	GLENMARK	63.0
530001	GUJALKALI	59.1
524735	HIKAL	52.9
507488	GMBREW	47.4
532374	STRTECH	38.7
511072	DHFL	36.3
500294	NCC	36.1
532733	SUNTV	31.7

Low ES & Low PS Stock Maintaining Weakness

BSE Code	NSE CODE	1 Month Return %
535754	ORIENTCEM	(14.3)
532349	TCI	(12.3)
532477	UNIONBANK	(12.2)
526521	SANGHIIND	(7.6)
507880	VIPIND	(7.4)
522249	MAYURUNIQ	(5.1)
524000	MAGMA	(4.7)
523756	SREINFRA	(4.1)
500106	IFCI	(2.2)
500252	LAXMIMACH	0.3

Low ES & High PS Stock Showing Weakness

BSE Code	NSE CODE	1 Month Return %
532134	BANKBARODA	(19.1)
511243	CHOLAFIN	(15.8)
500164	GODREJIND	(15.1)
500575	VOLTAS	(10.6)
531531	HATSUN	(9.6)
532313	MAHLIFE	(8.4)
532498	SHRIRAMCIT	(7.4)
500710	AKZOINDIA	(7.1)
533088	MHRIL	(5.5)
531500	RAJESHEXPO	(4.3)

* 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. Macrodata 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 tarrifs 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 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 of 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



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-

- After the breakdown of its rising wedge pattern, pair found support near 74.90 levels
- Possibility of bounce back arises if it holds above 74.90 mark
- While indicators and oscillators are giving mixed signal suggest indecisiveness for the market participants
- With support at 74.90, pair can extend up to 76.50 and 77.05 mark where it can face stiff resistance
- 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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