

## Trading Calls

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FII DERIVATIVES POSITION FOR 06-May-2020	
	Net (Amt. in crs)
INDEX FUTURES	511
INDEX OPTIONS	449
STOCK FUTURES	236
STOCK OPTIONS	(4)

Institutional Turnover			
FII	Buy(cr.)	Sell(cr.)	Net(cr.)
06-May-20	4,545	5,039	(494)
May-20	13,727	16,654	(2,927)
DII	Buy(cr.)	Sell(cr.)	Net(cr.)
06-May-20	3,812	3,489	322
May-20	10,920	13,254	(2,334)

Market	Value	% Change
SGX Nifty (at 8.00 am IST) prev closing	9154.00	-1.37%

### Nifty Key Levels For The Week

Support	S1: 9140	S2 : 9000
Resistance	R1 : 9350	R2 : 9400

### Market Outlook

After two days of brutal sell off, index formed green doji candle on daily chart suggest indecisiveness among market participants. Upside is looking capped till it holds below 9350- 9400 zone until then it will vulnerable to selling pressure. Sustainability below 9140 will push index lower till 9000 levels.

	Sectoral Performance (%)			
	1 Day	1 Week	1 Month	1 Year
Auto Components	0.64	(0.95)	14.79	(31.93)
Automobiles	1.70	1.11	22.74	(31.46)
Chemicals	0.09	(5.56)	14.33	1.31
Construction & Engineering	0.67	(1.58)	10.58	(37.78)
Construction Materials	1.57	(1.18)	12.01	(23.93)
Diversified Financial Services	2.88	(0.84)	11.00	(27.71)
Electrical Equipment	(0.47)	(4.39)	4.63	(33.94)
Energy	(0.07)	2.51	26.85	(14.17)
Financials	2.40	(2.75)	12.09	(30.61)
Health Care	0.13	(1.29)	21.61	12.56
Household Durables	(0.72)	(3.65)	11.03	(12.15)
Household & Personal Products	(0.89)	(9.66)	(3.55)	5.70
Information Technology	(0.54)	2.75	14.48	(15.62)
Metals/Mining/Minerals	0.10	1.30	7.94	(42.60)
Telecom	2.20	10.85	27.46	17.73
Utilities	0.59	2.01	10.79	(17.31)

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

	Long Position			
	DII	FII	Pro	Other
Future Index	22503	66554	12752	87020
Future Stock	36467	1018129	101511	359028
Option Index Call	4584	116154	117157	579770
Option Index Put	61465	175269	133065	550963
Option Stock Call	0	8195	55484	174305
Option Stock Put	0	10086	50757	90001

	Short Position			
	DII	FII	Pro	Other
Future Index	7094	43287	26729	111719
Future Stock	790491	469675	67699	187270
Option Index Call	0	91805	214236	511624
Option Index Put	0	112097	205359	603306
Option Stock Call	891	9878	88089	139126
Option Stock Put	0	9751	56884	84209

## High ES & High PS Stock Maintaining Strength

BSE Code	NSE CODE	1 Month Return %
524208	AARTIIND	51.3
530813	KRBL	48.9
500257	LUPIN	47.7
506820	ASTRAZEN	46.8
523642	PIIND	42.1
500325	RELIANCE	41.6
524404	MARKSANS	40.7
532301	TATACOFFEE	38.8
500087	CIPLA	37.0
500003	AEGISCHEM	32.0

## High ES & Low PS Stock Showing Strength

BSE Code	NSE CODE	1 Month Return %
532654	MCLEODRUSS	133.7
500288	MOREPENLAB	88.3
532296	GLENMARK	71.2
530001	GUJALKALI	52.8
500294	NCC	43.7
524735	HIKAL	42.4
500520	M&M	41.6
532374	STRTECH	39.8
532733	SUNTV	39.2
511072	DHFL	35.0

## Low ES & Low PS Stock Maintaining Weakness

BSE Code	NSE CODE	1 Month Return %
532477	UNIONBANK	(13.4)
526521	SANGHIIND	(9.4)
524000	MAGMA	(6.4)
535754	ORIENTCEM	(6.0)
507880	VIPIND	(4.9)
522249	MAYURUNIQ	(2.1)
532349	TCI	(1.9)
506690	UNICHEMLAB	0.0
530965	IOC	0.1
500413	THOMASCOOK	0.2

## Low ES & High PS Stock Showing Weakness

BSE Code	NSE CODE	1 Month Return %
532134	BANKBARODA	(19.4)
500164	GODREJIND	(17.7)
532313	MAHLIFE	(10.9)
500710	AKZOINDIA	(6.7)
533088	MHRIL	(6.4)
511243	CHOLAFIN	(6.2)
531531	HATSUN	(3.0)
532509	SUPRAJIT	(2.9)
500575	VOLTAS	(1.8)
532144	WELCORP	(1.7)

\* 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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