

Trading Calls

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FII DERIVATIVES POSITION FOR 26-May-2020	
	Net (Amt. in crs)
INDEX FUTURES	189
INDEX OPTIONS	483
STOCK FUTURES	(1,413)
STOCK OPTIONS	(186)

Institutional Turnover			
FII	Buy(cr.)	Sell(cr.)	Net(cr.)
26-May-20	11,850	7,134	4,716
May-20	114,698	104,999	9,699
DII	Buy(cr.)	Sell(cr.)	Net(cr.)
26-May-20	6,700	3,859	2,841
May-20	71,074	63,239	7,835

Market	Value	% Change
SGX Nifty (at 8.00 am IST) prev closing	9043.00	0.24%

Nifty Key Levels For The Week

Support	S1: 8960	S2 : 8800
Resistance	R1 : 9180	R2 : 9300

Market Outlook

Despite positive bias in global market, indices failed to hold morning gain and formed in red. From last three days, nifty is oscillating in the specified range of 200- 300 points. A decisive breakout in either of direction is required for further directional move. Resistance stands at 9180 followed by 9300 levels. While a breach below 8960 level can extend weakness towards 8800 levels where major support is seen.

Sectoral Performance (%)	1 Day	1 Week	1 Month	1 Year
	Auto Components	1.62	4.20	1.29
Automobiles	1.32	8.07	6.57	(29.73)
Chemicals	0.94	4.76	(3.98)	(0.80)
Construction & Engineering	1.12	2.81	1.16	(42.79)
Construction Materials	3.74	12.41	7.68	(20.70)
Diversified Financial Services	(1.30)	(2.40)	(10.04)	(40.60)
Electrical Equipment	0.58	(0.04)	(11.47)	(38.71)
Energy	(0.25)	0.73	2.92	(15.09)
Financials	0.01	(0.83)	(11.99)	(41.87)
Health Care	(0.61)	3.30	1.64	19.67
Household Durables	0.35	2.39	(4.55)	(13.90)
Household & Personal Products	(0.15)	(0.24)	(11.10)	1.64
Information Technology	(2.37)	1.30	3.97	(10.44)
Metals/Mining/Minerals	2.17	1.18	(0.22)	(40.10)
Telecom	(4.41)	4.50	15.21	25.05
Utilities	1.87	3.28	(1.45)	(17.96)

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

	Long Position			
	DII	FII	Pro	Other
Future Index	27562	51946	39308	116118
Future Stock	49973	1045169	204542	486290
Option Index Call	4584	139766	144881	671782
Option Index Put	67003	226505	135247	487416
Option Stock Call	0	9232	75979	353440
Option Stock Put	0	14881	94657	119549

	Short Position			
	DII	FII	Pro	Other
Future Index	12606	73537	22591	126200
Future Stock	912082	580583	104770	188539
Option Index Call	0	122507	268138	570368
Option Index Put	0	126337	151712	638122
Option Stock Call	1900	19468	198166	219117
Option Stock Put	0	11362	78630	139095

High ES & High PS Stock Maintaining Strength

BSE Code	NSE CODE	1 Month Return %
532541	NIITTECH	37.0
526299	MPHASIS	28.7
531768	POLYMED	26.2
532922	EDELWEISS	21.9
506820	ASTRAZEN	20.8
532819	MINDTREE	20.5
500770	TATACHEM	19.9
500312	ONGC	17.8
500495	ESCORTS	15.9
500493	BHARATFORG	13.6

High ES & Low PS Stock Showing Strength

BSE Code	NSE CODE	1 Month Return %
500520	M&M	26.1
532466	OFSS	17.3
532921	ADANI PORTS	16.0
500182	HEROMOTOCO	11.9
532654	MCLEODRUSS	9.6
532296	GLENMARK	9.4
500086	EXIDEIND	8.4
500302	PEL	7.7
500407	SWARAJENG	5.9
524735	HIKAL	5.5

Low ES & Low PS Stock Maintaining Weakness

BSE Code	NSE CODE	1 Month Return %
524000	MAGMA	(33.1)
522275	ALSTOMT&D	(32.7)
500840	EIHOTEL	(23.2)
532662	HTMEDIA	(23.1)
500110	CHENNPETRO	(23.0)
523204	ABAN	(21.6)
532477	UNIONBANK	(19.5)
532885	CENTRALBK	(19.3)
532524	PTC	(18.1)
519552	HERITGFOOD	(17.8)

Low ES & High PS Stock Showing Weakness

BSE Code	NSE CODE	1 Month Return %
532505	UCOBANK	(26.7)
532134	BANKBARODA	(23.2)
532215	AXISBANK	(20.8)
511243	CHOLAFIN	(19.0)
526797	GREENPLY	(17.9)
500067	BLUESTARCO	(17.5)
505726	IFBIND	(16.9)
501455	GREAVESCOT	(16.6)
515030	ASAHIINDIA	(16.6)
531548	SOMANYCERA	(16.2)

* 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

Market was breathing a sigh of relief on the initial signs of lockdown being lifted but snapped a three days of winning streak to end lower on Friday as the extension of the moratorium on loans by the RBI led to a sell-off in financial stocks. In a surprise move, RBI cut repo rate by 40 bps to 4% and reverse repo rate at 3.35% but this cut is failed to cheer the market. Indices continued to exhibit lack of directional bias throughout the week. Coming week will be truncated one as the observance of Ramzan Id on Monday. We expect that market will continue to portray a sideways to bearish undertone in the upcoming week also until market break their recent swing high.

Technical Outlook-

- a) Although index showed pullback rally but it gave up a major part of gain which is a cause of concern
- b) But formation of Hammer on weekly chart are giving edge to Bulls as follow thru selling was also missing from the market
- c) Indicator and oscillator are giving mixed signal
- d) Falling VIX can provide stability which indicate the possibility of pullback
- e) Nifty would gain credence only on a convincing move above 9300 followed by 9450 levels
- f) Bulls can give tough fight near 8800 level but a close below this shall accentuate the selling pressure further toward 8650 level

CHART ANALYSIS



SUPPORT & RESISTANCE LEVELS

	NIFTY LEVEL	JUSTIFICATION
Resistance 2	9450	Near 38.2% Fibonacci Retracement
Resistance 1	9300	Line of Parity
Close	9050	
Support 1	8800	Crucial support
Support 2	8650	Line of Parity

VIEW

In line with our expectation selling pressure was witnessed in Banknifty throughout last week and the index ended the week with a net loss of 8.3% over its previous week's close. The selling was witnessed across the board. However Axis Bank, ICICI Bank and State were the main catalysts to drag the index lower.

OBSERVATIONS:

1) Banknifty has given bearish breakout of a Descending Triangle pattern on the daily chart.

According to the above observation it can be said that the recent trend of Banknifty is looking negative. The bearish breakout of descending triangle pattern below 18200 is indicating of some more downward price revision in the near future. The pattern target of the index is 16600.

CHART ANALYSIS



SUPPORT & RESISTANCE LEVELS

RESISTANCE/SUPPORT	BANKNIFTY LEVEL
Resistance 2	18280
Resistance 1	18000
Close	17278
Support 1	17140
Support 2	16600

VIEW

After spending a few days of consolidation, rupee saw modest loss while oscillating in a capped range. Weakness in the domestic equities pressurized the rupee which is also the major threat in the coming session also. Even RBI failed to enthuse the market participants after slashing interest rate for boosting liquidity in the market. We expect the pair to endure its up move and head higher to challenge its life time high.

TECHNICAL FACTORS-

- a) Pair has formed a higher base after arresting its intermediate correction near key value area of 74.90-75 zone
- b) On the daily chart, pair has formed bullish belt hold candle pattern however it remained restricted within previous two weeks High low range indicating absence of strength on either side
- c) Currently pair is sustaining above its 20 and 50 days SMA which support bullish sentiment in near term
- d) Breakout of the falling channel line is expected above 76.15 from where pair can extend up to 76.50 and 77.50 mark where it can face stiff resistance
- e) Strong support lies at 75-74.90 mark followed by 74.30 mark

CHART ANALYSIS



SUPPORT & RESISTANCE LEVELS

USDINR LEVEL

Resistance 2	76.50
Resistance 1	76.15
Close	75.99
Support 1	74.9
Support 2	74.30

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Correspondence Office Address: Arch Waterfront, 5th Floor, Block GP, Saltlake, Sector 5, Kolkata 700 091; Tel No.: 033-40541700; www.narnolia.com.

Registered Office Address: Marble Arch, Office 201, 2nd Floor, 236B, AIC Bose Road, Kolkata 700 020; Tel No.: 033-4050 1500; www.narnolia.com

Compliance Officer: Manish Kr Agarwal, Email Id: mkagarwal@narnolia.com, Contact No.:033-40541700.

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