

## Trading Calls

Market	Value	% Change
SGX Nifty (at 8.00 am IST) prev closing	10089.80	0.82%

### Nifty Key Levels For The Week

Support	S1: 9940	S2 : 9820
Resistance	R1 : 10180	R2 : 10330

### Market Outlook

Domestic market lost steam at higher levels and nifty pared losses around 150 point from day high. Formation of evening star suggest further correction towards 9940 level where key support lies from where bounce back is also not ruled out. Now resistance has shifted lower at 10180 followed by 10320 levels. A decisive breach below 9940 can start fresh round of selling till 9820 levels.

### FII DERIVATIVES POSITION FOR 09-June-2020

Net (Amt. in crs)

INDEX FUTURES	226
INDEX OPTIONS	(193)
STOCK FUTURES	973
STOCK OPTIONS	20

### Institutional Turnover

FII	Buy(cr.)	Sell(cr.)	Net(cr.)
09-Jun-20	6,502	6,011	491
Jun-20	54,828	39,596	15,232
DII	Buy(cr.)	Sell(cr.)	Net(cr.)
09-Jun-20	4,044	4,777	(733)
Jun-20	30,007	33,579	(3,572)

### Sectoral Performance (%)

	1 Day	1 Week	1 Month	1 Year
Auto Components	(0.84)	2.07	15.98	(19.07)
Automobiles	(0.66)	1.31	21.16	(19.02)
Chemicals	(0.50)	(0.33)	7.39	3.42
Construction & Engineering	(0.36)	2.20	17.25	(33.82)
Construction Materials	(0.70)	(0.68)	13.89	(16.20)
Diversified Financial Services	(0.91)	1.60	8.62	(29.69)
Electrical Equipment	(0.85)	1.73	11.74	(31.14)
Energy	(2.07)	2.08	3.80	(4.89)
Financials	(1.84)	1.00	7.76	(31.10)
Health Care	0.99	2.01	5.03	27.89
Household Durables	(0.52)	1.53	10.20	(8.95)
Household & Personal Products	0.13	0.77	4.73	5.49
Information Technology	(0.45)	1.82	9.97	(7.43)
Metals/Mining/Minerals	(0.89)	2.87	14.74	(32.08)
Telecom	(3.47)	3.84	15.05	31.18
Utilities	(0.40)	2.06	9.22	(14.35)

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

	Long Position			
	DII	FII	Pro	Other
Future Index	32169	66043	26786	120041
Future Stock	57239	1075669	122381	416014
Option Index Call	4584	220735	217708	754904
Option Index Put	70808	232520	194189	758677
Option Stock Call	13	19528	103921	262647
Option Stock Put	0	19798	87461	178257

	Short Position			
	DII	FII	Pro	Other
Future Index	16804	56570	31201	140464
Future Stock	895236	442566	99394	234107
Option Index Call	0	158611	340845	698475
Option Index Put	0	165912	276479	813803
Option Stock Call	2302	24324	153256	206227
Option Stock Put	0	22422	112545	150549

## High ES & High PS Stock Maintaining Strength

BSE Code	NSE CODE	1 Month Return %
524404	MARKSANS	66.6
500173	GUJFLUORO	45.8
532848	DELTACORP	40.2
530813	KRBL	39.3
533150	GODREJPROP	38.8
521064	TRIDENT	36.5
532424	GODREJCP	35.5
500490	BAJAJHLDNG	31.8
505537	ZEEL	30.5
500493	BHARATFORG	30.3

## High ES & Low PS Stock Showing Strength

BSE Code	NSE CODE	1 Month Return %
511072	DHFL	47.6
504067	ZENSARTECH	35.4
500171	GHCL	34.0
532129	HEXAWARE	31.4
500294	NCC	29.7
500690	GSFC	28.6
502330	IPAPPM	26.2
500407	SWARAJENG	26.1
514043	HIMATSEIDE	25.9
532218	SOUTHBANK	23.8

## Low ES & Low PS Stock Maintaining Weakness

BSE Code	NSE CODE	1 Month Return %
500111	RELCAPITAL	(9.9)
506690	UNICHEMLAB	(5.1)
526612	BLUEDART	(4.2)
532524	PTC	(3.3)
502865	FORBESGOK	(3.1)
500405	SUPPETRO	(1.3)
500219	JISLJALEQS	(0.7)
524000	MAGMA	0.6
522275	ALSTOMT&D	0.8
533217	HMVL	1.8

## Low ES & High PS Stock Showing Weakness

BSE Code	NSE CODE	1 Month Return %
511218	SRTRANSFIN	(17.9)
531500	RAJESHEXPO	(11.7)
526797	GREENPLY	(7.0)
520113	VESUVIUS	(6.8)
532810	PFC	(5.1)
532498	SHRIRAMCIT	(5.0)
508486	HAWKINCOOK	(4.5)
532531	STAR	(3.1)
500710	AKZOINDIA	(3.0)
500253	LICHSGFIN	(2.4)

\* 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

Despite negative rating from Moody's, domestic market continue to trade with their gaining momentum streaks on north side without any hiccups and witnessed three months high candle. Easing of lock down and hope of coronavirus vaccine in the offing infused positive sentiment in the market. Short covering in PSU banks further strengthen the power of bulls which kept the market aloft. Market did excellent recovery in last couple of weeks and nifty reclaim five digit of 10000 mark. Even declining VIX supporting the higher market base. However any gloomy development at macro levels can hinder this momentum, therefore buying on dips would be the good strategy to play in the coming week.

### Technical Outlook-

- a) Nifty registered bullish belt hold candle after the formation of evening star on weekly chart indicate this move can expand further.
- b) Formation of higher highs and higher lows remain intact from last three weeks
- c) Bullish crossover in MACD on daily chart also looking conducive for price pattern
- d) However, Index gained more than 1100 point in last six trading days so minor profit booking can not be ruled out
- e) A close above 10200 level can push index toward 10500-10600 zone near 61.8% fibonacci retracement
- f) As long as nifty sustain above 9940 followed by 9700, trader can follow buy on dip approach

### CHART ANALYSIS



### SUPPORT & RESISTANCE LEVELS

	NIFTY LEVEL	JUSTIFICATION
Resistance 2	10500	Psychological levels
Resistance 1	10200	Immediate Resistance
Close	10142	
Support 1	9940	Previous swing low
Support 2	9700	Line of Parity

VIEW

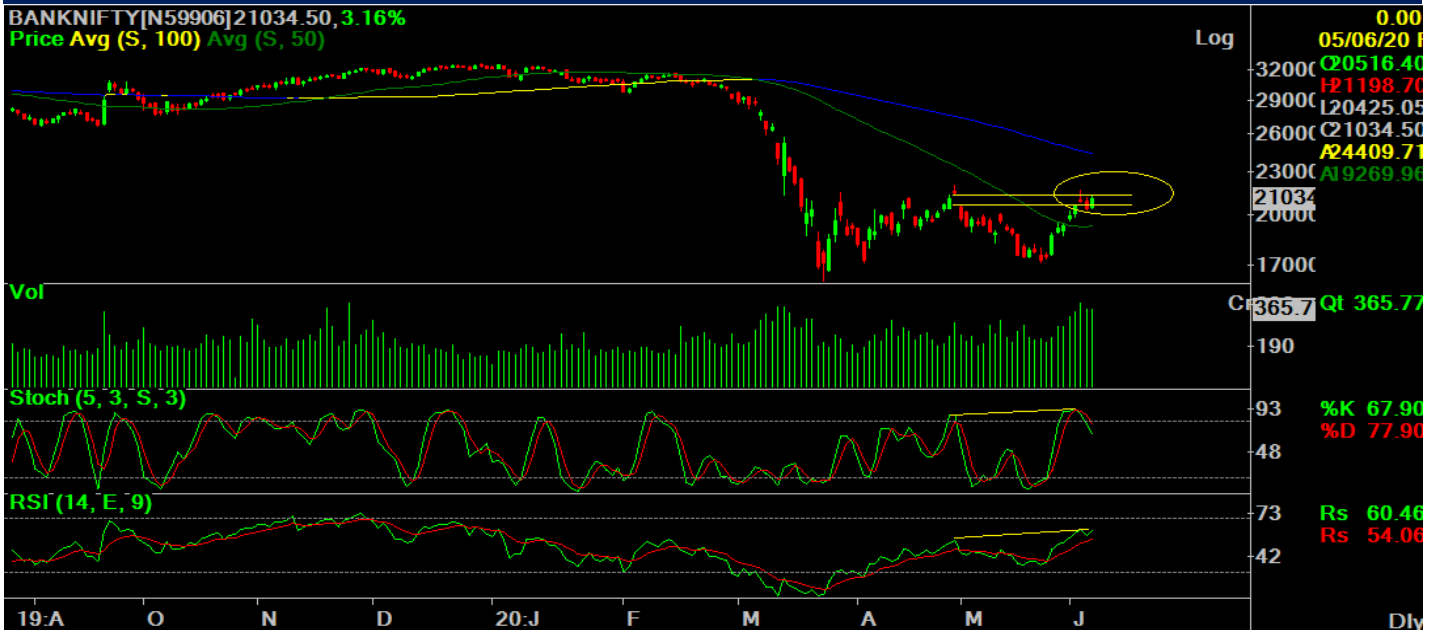
Banknifty continued its pullback rally throughout last week and closed the week with a net gain of 9% over its previous week's close. The buying was witnessed across the board. State Bank, Kotak Bank and HDFC Bank were on the buyers' radar.

**OBSERVATIONS:**

- 1) Banknifty has filled the gap (20530-21353, which was left on 4th May 2020 ) completely last week.
- 3) Hidden Bearish Divergences are still maintaining in Stochastic and RSI on the daily chart of Banknifty

According to the above observations it can be concluded that Banknifty has completed its gap-filling process. Last week some delivery based buying was also witnessed in this sector, so the current pullback may continue for another few days. However existence of Hidden Bearish Divergences both in Stochastic and RSI are giving some profit booking signal in the near future. On the higher side the index may find stiff resistance in 21980-22560 zone. We recommend booking profits of existing long positions in Banknifty and Fresh short can also be initiated in the index in 21980-22560 zone.

CHART ANALYSIS



SUPPORT & RESISTANCE LEVELS

RESISTANCE/SUPPORT	BANKNIFTY LEVEL
Resistance 2	22560
Resistance 1	21980
Close	21034
Support 1	20240
Support 2	19130

VIEW

From the last few weeks, pair has stuck in the narrow range of 76.15 and 74.90 mark. In the process of this, it has formed a strong base at its lower levels. Appreciation in USD due to better expected jobless claim data is not looking augur well for Rupee. But inflow of hefty amount of money in equity has restricted the downside move as the pair is still trading below our mentioned resistance. Price analysis shows that buying interest can pull the prices again toward upper range in the coming days.

**TECHNICAL FACTORS-**

- a) Consolidation above rising trendline support of 74.90-75 zone suggest sideways to positive move further
- b) Higher tops and higher bottom is still intact and this subdued phase is preparing the bulls for next leg of rally
- c) Moreover, positive crossover in MACD and RSI bouncing back from support levels suggest that the rangebound move is likely to be biased towards bulls
- d) Immediate resistance continue to stand at 76.15 from where pair can extend up to 76.50 and 77.10 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	75.56
Support 1	74.9
Support 2	74.30

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