

Trading Calls

Market	Value	% Change
SGX Nifty (at 8.00 am IST) prev closing	9856.30	-0.86%

Nifty Key Levels For The Week

Support	S1: 9850	S2 : 9800
Resistance	R1 : 10100	R2 : 10150

Market Outlook

Bullish formation of Heikin Ashi candle suggests bulls are not ready to lose their grip so easily and defended its lower crucial support standing around 9900 levels. Nifty is trading above 20 DMA and mid-term moving average 50 DMA indicating bullish bias to continue further. At the same any decisive close above 100 DMA standing around 10200 levels will open gates of the path going towards 200 DMA places around 10900 marks in short term.

FII DERIVATIVES POSITION FOR 12-June-2020

Net (Amt. in crs)

INDEX FUTURES	(502)
INDEX OPTIONS	(666)
STOCK FUTURES	(840)
STOCK OPTIONS	34

Institutional Turnover

FII	Buy(cr.)	Sell(cr.)	Net(cr.)
12-Jun-20	3,580	4,891	(1,311)
Jun-20	66,645	54,449	12,196
DII	Buy(cr.)	Sell(cr.)	Net(cr.)
12-Jun-20	5,252	3,307	1,945
Jun-20	41,466	43,466	(2,000)

Sectoral Performance (%)

	1 Day	1 Week	1 Month	1 Year
Auto Components	0.43	(2.66)	13.40	(20.50)
Automobiles	3.10	(0.83)	14.23	(18.43)
Chemicals	0.55	(1.24)	8.52	2.98
Construction & Engineering	0.17	(1.04)	15.13	(34.69)
Construction Materials	2.81	(0.83)	14.80	(13.87)
Diversified Financial Services	1.51	2.15	10.04	(28.06)
Electrical Equipment	(0.04)	(2.98)	11.05	(31.69)
Energy	2.32	0.20	9.81	(3.92)
Financials	0.91	(1.27)	9.66	(30.70)
Health Care	0.51	(0.22)	5.33	27.44
Household Durables	(0.32)	(1.84)	10.37	(9.54)
Household & Personal Products	0.10	(0.08)	5.87	3.73
Information Technology	(1.41)	(1.10)	5.21	(11.55)
Metals/Mining/Minerals	0.33	(3.38)	10.34	(34.41)
Telecom	2.64	(3.89)	6.96	30.51
Utilities	(0.39)	(0.47)	7.21	(14.40)

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

	Long Position			
	DII	FII	Pro	Other
Future Index	31274	63778	25152	139342
Future Stock	56370	1063764	133818	453282
Option Index Call	4584	209646	179853	516930
Option Index Put	70845	237425	196493	693785
Option Stock Call	117	22605	102717	325962
Option Stock Put	65	24706	99196	184571

	Short Position			
	DII	FII	Pro	Other
Future Index	18481	66137	30033	144895
Future Stock	913869	466318	92047	235000
Option Index Call	0	153736	216927	540350
Option Index Put	0	170857	261388	766303
Option Stock Call	2931	26422	179933	242115
Option Stock Put	0	27281	115054	166203

High ES & High PS Stock Maintaining Strength

BSE Code	NSE CODE	1 Month Return %
524404	MARKSANS	65.9
521064	TRIDENT	46.4
500038	BALRAMCHIN	44.3
533248	GPPL	39.2
532482	GRANULES	37.2
500850	INDHOTEL	36.4
533150	GODREJPROP	34.3
532659	IDFC	31.0
532483	CANBK	29.8
500495	ESCORTS	27.8

High ES & Low PS Stock Showing Strength

BSE Code	NSE CODE	1 Month Return %
532370	RAMCOSYS	65.4
504067	ZENSARTECH	43.7
500171	GHCL	42.6
514043	HIMATSEIDE	33.8
500288	MOREPENLAB	32.9
500690	GSFC	32.1
532654	MCLEODRUSS	31.4
500294	NCC	31.1
502330	IPAPPM	30.3
500520	M&M	29.4

Low ES & Low PS Stock Maintaining Weakness

BSE Code	NSE CODE	1 Month Return %
533217	HMVL	(4.1)
502865	FORBESGOK	(3.9)
526612	BLUEDART	(2.1)
500645	DEEPAKFERT	(1.2)
500111	RELCAPITAL	(0.2)
532331	AJANTPHARM	1.3
532524	PTC	2.7
532300	WOCKPHARMA	3.8
522275	ALSTOMT&D	4.1
500219	JISLJAEQS	4.3

Low ES & High PS Stock Showing Weakness

BSE Code	NSE CODE	1 Month Return %
531500	RAJESHXPO	(9.5)
508486	HAWKINCOOK	(4.9)
532498	SHRIRAMCIT	(3.4)
500215	ATFL	(3.4)
532531	STAR	(3.4)
526797	GREENPLY	(3.2)
532805	REDINGTON	(1.7)
520113	VESUVIUS	(1.6)
517380	IGARASHI	(1.5)
531599	FDC	0.3

* 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

Fear of a second wave of coronavirus cases and echoing weak global cues of the market has dented the sentiment. Indices snapped a three week winning streak and after hammering badly by Bears, they recouped major losses as buying emerged from their lower levels. Not only major indices but all the sectors barring the IT sector have found a strong foot as open and low was equal in most of the stocks. As of now, indices have to hold their swing low for carrying this momentum further in the coming session.

Technical Outlook-

- a) Formation of bullish belt hold candle near rising trendline on daily chart indicate strength in index
- b) Appearance of higher troughs and higher crests still intact from last four weeks
- c) Prices are trading above the crossover of 20 and 50 days SMA showing bullish connotation
- d) Recovery of 400 point in a single day implying positive sentiment
- e) A decisive close above 10330 level can push index toward 10500-10600 zone near 61.8% fibonacci retracement
- f) As long as nifty sustain above 9540 level, long position can be held

CHART ANALYSIS



SUPPORT & RESISTANCE LEVELS

	NIFTY LEVEL	JUSTIFICATION
Resistance 2	10500	Psychological levels
Resistance 1	10330	Immediate Resistance
Close	9972	
Support 1	9700	Line of Parity
Support 2	9540	Low of bullish belt hold

VIEW

In line with our expectation profit booking was witnessed at the higher levels of the banking sector last week and after opening with a positive session, Banknifty made a weekly high of 21807 on Monday. However it was unable to maintain at the higher levels and continuous profit booking caused it to fall up to 19526. At the end of the week Banknifty closed with a net loss of 1.8% lower its previous week's close.

OBSERVATIONS:

- 1) Banknifty found a strong support at 50 DMA.
- 2) Banknifty has filled the lower gap which was left on 1st June 2020 last week.

The above observations are giving indication of near-term pullback in banking sector. Therefore we recommend initiating fresh long positions in the Banknifty by placing stop loss at 50 DMA (currently is at 19505). The upward targets are 21600 and 22030.

CHART ANALYSIS



SUPPORT & RESISTANCE LEVELS

RESISTANCE/SUPPORT	BANKNIFTY LEVEL
Resistance 2	22030
Resistance 1	21600
Close	20654
Support 1	19980
Support 2	19505

VIEW

Gap down opening in the equity market and sustained outflow of foreign funds has spooked the sentiment of currency traders. Moreover, projection of weak growth in 2020 from US FED also dented the mood. RBI has been intervening in the market to curb volatility and also to push rupee higher but the force of sell off is so strong that the central bank has been unable to push the limit above 75 mark. Going ahead, we might see some pullback in the equity market which will give breathing space to the Rupee.

TECHNICAL FACTORS-

- a) On the daily chart, pair marked a green candle and closed with higher highs indicating positive biasness in the pair.
- 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	76.05
Support 1	74.9
Support 2	74.30

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