

## Trading Calls

Market	Value	% Change
SGX Nifty (at 8.00 am IST) prev closing	9786.50	-0.65%

### Nifty Key Levels For The Week

Support	S1: 9700	S2 : 9540
Resistance	R1 : 10050	R2 : 10180

### Market Outlook

Nifty formed doji red candle after travelling from North to south. It remained in the narrow range due to the uncertainty on border. For gaining momentum on upside, it has to cross and sustain above 10050 to witness an up move towards 10180 and 10330 levels. Until then, it will remain vulnerable to selling pressure and on sustaining below 9700, it can slip down till 9540 level where key support level is seen.

### FII DERIVATIVES POSITION FOR 17-June-2020

Net (Amt. in crs)

INDEX FUTURES	266
INDEX OPTIONS	(919)
STOCK FUTURES	553
STOCK OPTIONS	30

### Institutional Turnover

FII	Buy(cr.)	Sell(cr.)	Net(cr.)
17-Jun-20	4,911	5,397	(487)
Jun-20	79,411	72,141	7,270
DII	Buy(cr.)	Sell(cr.)	Net(cr.)
17-Jun-20	3,760	3,592	168
Jun-20	53,795	53,389	406

### Sectoral Performance (%)

	1 Day	1 Week	1 Month	1 Year
Auto Components	0.87	(0.38)	12.92	(18.44)
Automobiles	1.16	0.10	12.22	(15.95)
Chemicals	0.16	(0.35)	7.51	6.30
Construction & Engineering	(0.56)	(4.51)	6.35	(35.85)
Construction Materials	0.22	0.04	9.45	(11.52)
Diversified Financial Services	(0.17)	(0.93)	9.45	(27.28)
Electrical Equipment	(0.03)	(3.97)	6.32	(31.74)
Energy	(0.04)	1.16	11.27	0.44
Financials	(0.50)	(2.81)	8.39	(30.18)
Health Care	0.35	(0.92)	6.51	30.72
Household Durables	0.36	(1.57)	8.10	(7.91)
Household & Personal Products	0.07	(1.78)	3.60	4.93
Information Technology	0.24	(2.00)	9.65	(9.71)
Metals/Mining/Minerals	(0.75)	(3.02)	6.25	(33.21)
Telecom	2.32	(1.64)	7.03	35.80
Utilities	(0.65)	(3.06)	4.98	(15.69)

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

	Long Position			
	DII	FII	Pro	Other
Future Index	26861	59533	25862	135280
Future Stock	56706	1067357	150069	466469
Option Index Call	4584	214559	224634	808253
Option Index Put	70121	259255	220668	869934
Option Stock Call	163	24596	104797	375860
Option Stock Put	199	25052	105517	197278

	Short Position			
	DII	FII	Pro	Other
Future Index	20698	60043	42070	124725
Future Stock	911512	502209	100277	226603
Option Index Call	0	179153	348238	724639
Option Index Put	0	190471	324318	905189
Option Stock Call	4646	29282	199117	272371
Option Stock Put	0	27945	120763	179338

## High ES & High PS Stock Maintaining Strength

BSE Code	NSE CODE	1 Month Return %
524404	MARKSANS	73.8
521064	TRIDENT	39.3
532482	GRANULES	37.9
500038	BALRAMCHIN	37.7
533248	GPPL	33.4
500173	GUJFLUORO	32.4
532659	IDFC	32.0
500493	BHARATFORG	29.0
533150	GODREJPROP	29.0
532221	SONATSOFTW	24.1

## High ES & Low PS Stock Showing Strength

BSE Code	NSE CODE	1 Month Return %
532370	RAMCOSYS	90.9
500288	MOREPENLAB	89.3
532654	MCLEODRUSS	72.0
504067	ZENSARTECH	65.4
500520	M&M	30.3
500171	GHCL	30.3
500690	GSFC	29.9
502330	IPAPPM	29.4
532129	HEXAWARE	28.4
532218	SOUTHBANK	27.4

## Low ES & Low PS Stock Maintaining Weakness

BSE Code	NSE CODE	1 Month Return %
526612	BLUEDART	(3.0)
502865	FORBESGOK	(2.5)
500252	LAXMIMACH	(2.5)
532331	AJANTPHARM	(2.4)
522275	ALSTOMT&D	(0.4)
533217	HMVL	0.8
532259	APARINDS	4.3
519552	HERITGFOOD	5.3
532524	PTC	6.3
532349	TCI	6.5

## Low ES & High PS Stock Showing Weakness

BSE Code	NSE CODE	1 Month Return %
526797	GREENPLY	(11.9)
531500	RAJESHEXPO	(9.8)
532805	REDINGTON	(7.2)
532531	STAR	(5.9)
508486	HAWKINCOOK	(5.6)
532548	CENTURYPLY	(5.2)
532498	SHRIRAMCIT	(5.2)
500710	AKZOINDIA	(2.4)
500135	ESSELPACK	(1.7)
532539	MINDAIND	(1.2)

\* 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

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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