

Trading Calls

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FII DERIVATIVES POSITION FOR 18-June-2020	
	Net (Amt. in crs)
INDEX FUTURES	172
INDEX OPTIONS	737
STOCK FUTURES	1,230
STOCK OPTIONS	48

Institutional Turnover			
FII	Buy(cr.)	Sell(cr.)	Net(cr.)
18-Jun-20	4,918	4,551	367
Jun-20	84,329	76,693	7,637
DII	Buy(cr.)	Sell(cr.)	Net(cr.)
18-Jun-20	3,671	2,540	1,131
Jun-20	57,466	55,929	1,537

Market	Value	% Change
SGX Nifty (at 8.00 am IST) prev closing	10034.30	-0.40%

Nifty Key Levels For The Week

Support	S1: 9845	S2 : 9725
Resistance	R1 : 10180	R2 : 10330

Market Outlook

Market shrugged off weak global cues and broke above from three days of congestion. Now it reached near 100 days SMA which stands near 10112, hopefully after crossing it index will continue its up move towards 10180 & 10330 levels. One can retain optimistic outlook till it holds above 9845 followed by 9725 levels.

Sectoral Performance (%)

	1 Day	1 Week	1 Month	1 Year
Auto Components	1.36	2.05	17.82	(16.93)
Automobiles	0.45	3.01	20.20	(14.96)
Chemicals	0.01	1.02	10.55	6.66
Construction & Engineering	1.65	(0.95)	14.05	(34.85)
Construction Materials	0.94	2.84	17.28	(11.93)
Diversified Financial Services	4.14	4.82	22.37	(24.43)
Electrical Equipment	1.78	(0.25)	13.12	(30.61)
Energy	2.05	5.39	16.32	1.93
Financials	3.92	3.47	20.53	(27.61)
Health Care	(0.20)	0.60	7.40	31.28
Household Durables	1.75	0.93	13.78	(6.10)
Household & Personal Products	(0.27)	(0.99)	4.59	5.37
Information Technology	0.10	(0.30)	8.12	(10.07)
Metals/Mining/Minerals	3.09	2.18	14.00	(31.38)
Telecom	(0.27)	2.52	9.28	35.31
Utilities	1.47	(1.58)	9.46	(14.85)

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

	Long Position			
	DII	FII	Pro	Other
Future Index	23861	60064	27981	144090
Future Stock	60104	1072277	157016	472111
Option Index Call	4584	194189	141700	402542
Option Index Put	76787	229784	143316	618911
Option Stock Call	163	24773	111676	354197
Option Stock Put	199	24737	102119	213435

	Short Position			
	DII	FII	Pro	Other
Future Index	20434	55955	37011	142596
Future Stock	914075	491198	115888	240347
Option Index Call	0	147094	173241	422680
Option Index Put	0	173514	213654	681630
Option Stock Call	5096	27802	191954	265957
Option Stock Put	0	28446	132934	179110

High ES & High PS Stock Maintaining Strength

BSE Code	NSE CODE	1 Month Return %
524404	MARKSANS	72.5
500038	BALRAMCHIN	49.3
532706	INOXLEISUR	44.0
532659	IDFC	42.3
500173	GUJFLUORO	42.1
521064	TRIDENT	40.5
533248	GPPL	38.5
533150	GODREJPROP	37.7
532689	PVR	34.9
530813	KRBL	34.8

High ES & Low PS Stock Showing Strength

BSE Code	NSE CODE	1 Month Return %
500288	MOREPENLAB	94.7
532370	RAMCOSYS	87.5
532654	MCLEODRUSS	86.7
504067	ZENSARTECH	59.6
500171	GHCL	43.4
502330	IPAPPM	40.9
500407	SWARAJENG	40.6
534690	LAKSHVILAS	39.3
532129	HEXAWARE	35.7
500690	GSFC	35.4

Low ES & Low PS Stock Maintaining Weakness

BSE Code	NSE CODE	1 Month Return %
526612	BLUEDART	0.5
500252	LAXMIMACH	0.7
532331	AJANTPHARM	4.1
502865	FORBESGOK	4.1
519552	HERITGFOOD	8.0
532259	APARINDS	8.2
522275	ALSTOMT&D	9.3
532349	TCI	9.6
522074	ELGIEQUIP	9.9
533217	HMVL	10.4

Low ES & High PS Stock Showing Weakness

BSE Code	NSE CODE	1 Month Return %
531500	RAJESHEXPO	(7.0)
508486	HAWKINCOOK	(4.6)
532498	SHRIRAMCIT	(2.7)
520113	VESUVIUS	(1.8)
526797	GREENPLY	(1.8)
532805	REDINGTON	(0.2)
532531	STAR	0.3
500710	AKZOINDIA	3.8
532555	NTPC	4.3
532683	AIAENG	4.4

* 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

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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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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