

Trading Calls

SBIN BUY 17th June 2020

In last some days, RSI had given a breakout by trading above 50 levels from below and made a high of 78 then after it is trading lower or retracing towards center line placed at 50 levels, this behavior is called as 'RSI PBB' setup. RSI PBB is pull back buy setup which indicates, once RSI turns its tail upside after taking support from zone of 45-55 levels, target is previous swing high of RSI which was 78 or previous swing high of prices. Currently the SBIN is going through this setup and we expect higher price movement towards 210 levels in coming days. At the same time SBI can give a breakout of inverse Head & Shoulders pattern on a close above 193 which can even extend our targets to 240 marks. Looking at above mentioned rationale, we suggest buying SBI for higher targets above 200 levels.

CANBK BUY 17th June 2020

A Cup & Handle reversal pattern forms after a down trend, and its completion marks a trend reversal to up trend. C & H patterns are an integral part of technical analysis, but successful traders combine these techniques with technical indicators and other forms of technical analysis to maximize their odds of success. In the standard Cup & Handle pattern, we connect the high after Cup with the high created after the handle. A trend line is drawn by connecting these highest points of the two peaks, which is called as "Neckline". This trend line is the most important component of C & H pattern. CANNK has given a rounding bottom breakout around 100 for having targets of 120. At the same time this stock is having a strong resistance line standing around 108 levels indicating strong bullish breakout above these levels. Recent formation of cup and Handle pattern will give a breakout on a close above 108 marks which suggests buying in the stock on dip for higher targets of 135 too. Volume can also add further insight while trading these patterns. Decent volume participation while giving breakout is also giving support to C & H pattern.

Market	Value	% Change
SGX Nifty (at 8.00 am IST) prev closing	10237.00	2.03%

Nifty Key Levels For The Week

Support	S1: 10100	S2 : 10000
Resistance	R1 : 10350	R2 : 10380

Market Outlook

Benchmark index gave a retracement towards 20 DMA in the the last week and managed to close near high indicates healthy upside movement in progress which can be seen in a lot of mid-cap & small-cap stocks as well. Nifty is trading above 20 DMA and mid-term moving average 50 DMA is a sign of bullish bias to continue further. At the same index has managed to close above 100 DMA standing around 10100 levels is showing bullish journey to continue towards 200 DMA places around 10900 marks.

FII DERIVATIVES POSITION FOR 19-June-2020

	Net (Amt. in crs)
INDEX FUTURES	511
INDEX OPTIONS	595
STOCK FUTURES	1,161
STOCK OPTIONS	81

Institutional Turnover

FII	Buy(cr.)	Sell(cr.)	Net(cr.)
19-Jun-20	14,764	13,527	1,237
Jun-20	99,094	90,220	8,874
DII	Buy(cr.)	Sell(cr.)	Net(cr.)
19-Jun-20	6,512	7,392	(881)
Jun-20	63,977	63,321	656

Sectoral Performance (%)

	1 Day	1 Week	1 Month	1 Year
Auto Components	1.61	3.25	18.99	(15.07)
Automobiles	1.68	1.59	20.85	(12.68)
Chemicals	0.84	1.31	12.21	8.50
Construction & Engineering	1.01	(0.12)	13.81	(33.37)
Construction Materials	0.86	0.89	16.07	(10.18)
Diversified Financial Services	2.57	5.91	24.27	(22.24)
Electrical Equipment	1.90	1.69	15.14	(29.19)
Energy	5.02	8.16	23.53	7.57
Financials	1.95	4.54	22.61	(26.12)
Health Care	0.21	0.30	7.78	33.02
Household Durables	0.20	1.46	13.98	(5.68)
Household & Personal Products	0.89	(0.21)	6.18	6.46
Information Technology	(0.08)	1.05	7.41	(10.08)
Metals/Mining/Minerals	0.14	1.99	15.09	(31.21)
Telecom	1.51	1.40	0.56	38.97
Utilities	1.03	(0.17)	8.18	(14.03)

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

	Long Position			
	DII	FII	Pro	Other
Future Index	23856	70540	26689	132132
Future Stock	61839	1081723	160005	470365
Option Index Call	4584	218373	184710	492345
Option Index Put	79653	244948	182256	766293
Option Stock Call	117	24327	118209	324541
Option Stock Put	144	25967	100968	225905

	Short Position			
	DII	FII	Pro	Other
Future Index	20023	55465	33837	143892
Future Stock	914709	490772	135290	233161
Option Index Call	0	169127	217890	512995
Option Index Put	0	185418	264316	823416
Option Stock Call	4967	27605	182349	252273
Option Stock Put	0	28509	145658	178817

High ES & High PS Stock Maintaining Strength

BSE Code	NSE CODE	1 Month Return %
533150	GODREJPROP	52.5
532659	IDFC	44.6
521064	TRIDENT	44.2
500251	TRENT	41.0
532483	CANBK	40.5
500173	GUJFLUORO	39.2
500493	BHARATFORG	38.9
500034	BAJFINANCE	37.1
530813	KRBL	36.5
500490	BAJAJHLDNG	34.2

High ES & Low PS Stock Showing Strength

BSE Code	NSE CODE	1 Month Return %
500288	MOREPENLAB	77.5
504067	ZENSARTECH	53.8
534690	LAKSHVILAS	51.1
502330	IPAPPM	46.5
500294	NCC	44.6
500171	GHCL	44.2
514043	HIMATSEIDE	44.1
532218	SOUTHBANK	39.1
500407	SWARAJENG	38.9
511072	DHFL	35.9

Low ES & Low PS Stock Maintaining Weakness

BSE Code	NSE CODE	1 Month Return %
526612	BLUEDART	0.4
532331	AJANTPHARM	4.3
500252	LAXMIMACH	5.5
502865	FORBESGOK	7.8
519552	HERITGFOOD	8.8
532259	APARINDS	9.8
500405	SUPPETRO	10.2
532349	TCI	12.2
500031	BAJAJELEC	12.8
522074	ELGIEQUIP	13.3

Low ES & High PS Stock Showing Weakness

BSE Code	NSE CODE	1 Month Return %
531500	RAJESHEXPO	(8.0)
508486	HAWKINCOOK	(7.3)
532531	STAR	(2.6)
532805	REDINGTON	(0.9)
520113	VESUVIUS	0.2
532683	AIAENG	0.5
532555	NTPC	2.1
532539	MINDAIND	2.3
526797	GREENPLY	2.5
532498	SHRIRAMCIT	2.8

* 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.

STDC / R25 Open Calls for 22-06-2020 (2)

STDC (7)

No	Date	Type	Buy/Sell	Stock	Entry1	Entry2	SL	Tgt 1	Tgt 2
1	17-Jun-20	STDC	BUY	SBIN	171	149	130	210	240
2	17-Jun-20	STDC	BUY	CANBK	101	95	84	120	135

VIEW

Domestic markets able to recover their previous week losses after shrugging weak economic cues, rising coronavirus cases and spat between India & China. Reliance was the main precursor which boosted the sentiment of market participants as it sputred to its record high of 1788 on friday after Mukesh ambani claimed that his company is now debt free after a record of Rs 1.69 lakh crore fund raising within two months . Now the market is looking poised to move further higher only escalation of tension at the border may halt this rally.

Technical Outlook-

- a) Ascending triangle breakout on hourly chart with decent volume suggest that this bull move rise further.
- b) Closing above 100 DMA'S (10097) indicate that momentum is still in the hand of Bulls
- c) Momentum indicator RSI is also trading above 60 with bullish crossover on the cards implying bullish connotation
- d) A decisive close above 10330 level can push index toward 10500-10600 zone near 61.8% fibonacci retracement
- f) As of now support is shifted higher towards 10100 followed by 9850 levels.

CHART ANALYSIS



SUPPORT & RESISTANCE LEVELS

	NIFTY LEVEL	JUSTIFICATION
Resistance 2	10500	Psychological levels
Resistance 1	10330	Immediate Resistance
Close	10244	
Support 1	10100	100 DMA
Support 2	9850	Base of ascending triangle

VIEW

In line with our expectation Banknifty gave a good pullback rally last week and closed the week with a net gain of 3.3% over its previous week's close. HDFC Bank and ICICI Bank were the main catalysts to lift the index higher and they closed after gaining over 5% each.

OBSERVATIONS:

- 1) Banknifty is in the process of making a "Cup with Handle" pattern on the daily chart.
- 2) Banknifty has found a strong support at 50 DMA last week.

Currently Banknifty is in the process of making a 'Cup with Handle' pattern on the daily chart. It is a bullish continuation pattern. The breakout point (resistance) of the pattern is at 21980 and a successful closing beyond this level is likely to take the index higher to 24000 and then 25600 in the short term. Therefore we are strongly recommending to initiate fresh long position (positional basis) in the Banknifty above 21980.

CHART ANALYSIS



SUPPORT & RESISTANCE LEVELS

RESISTANCE/SUPPORT	BANKNIFTY LEVEL
Resistance 2	21980
Resistance 1	21600
Close	21338
Support 1	20400
Support 2	19900

VIEW

Finally the pair has crawled above the congestion zone in which its trading from last few weeks. Since starting of June months bulls are taking charge and pair is rising up continuously from 74.97 to 75.77. Bulls are looking strong on the every time frame including daily, weekly and monthly charts. Chaos between India and China on border can further undermine the value of Indian currency. Retreat of dollar index from its three months low is another catalyst for its depreciation. Odds are in favour of bulls and we will keep our view bullish on the pair as long as it holds above the baseline.

TECHNICAL FACTORS-

- a) Pair is making successively higher highs and higher lows from last three weeks
- b) It also gave valid breakout above 76.15 mark which is providing bullish signal
- c) RSI has taken bounce from 60 levels and getting stronger on daily chart and MACD indicator is providing bullish crossover at reference line which is making supportive outlook for buyers
- d) On sustaining above 76.50, pair can push to make its new record low which is above 77 mark
- e) On contrary a steep down fall below 75.75 will change the outlook from bullish to bearish and we may see further downfall till 75 mark.

CHART ANALYSIS



SUPPORT & RESISTANCE LEVELS

USDINR LEVEL

Resistance 2	77.00
Resistance 1	76.5
Close	76.26
Support 1	75.75
Support 2	75.00

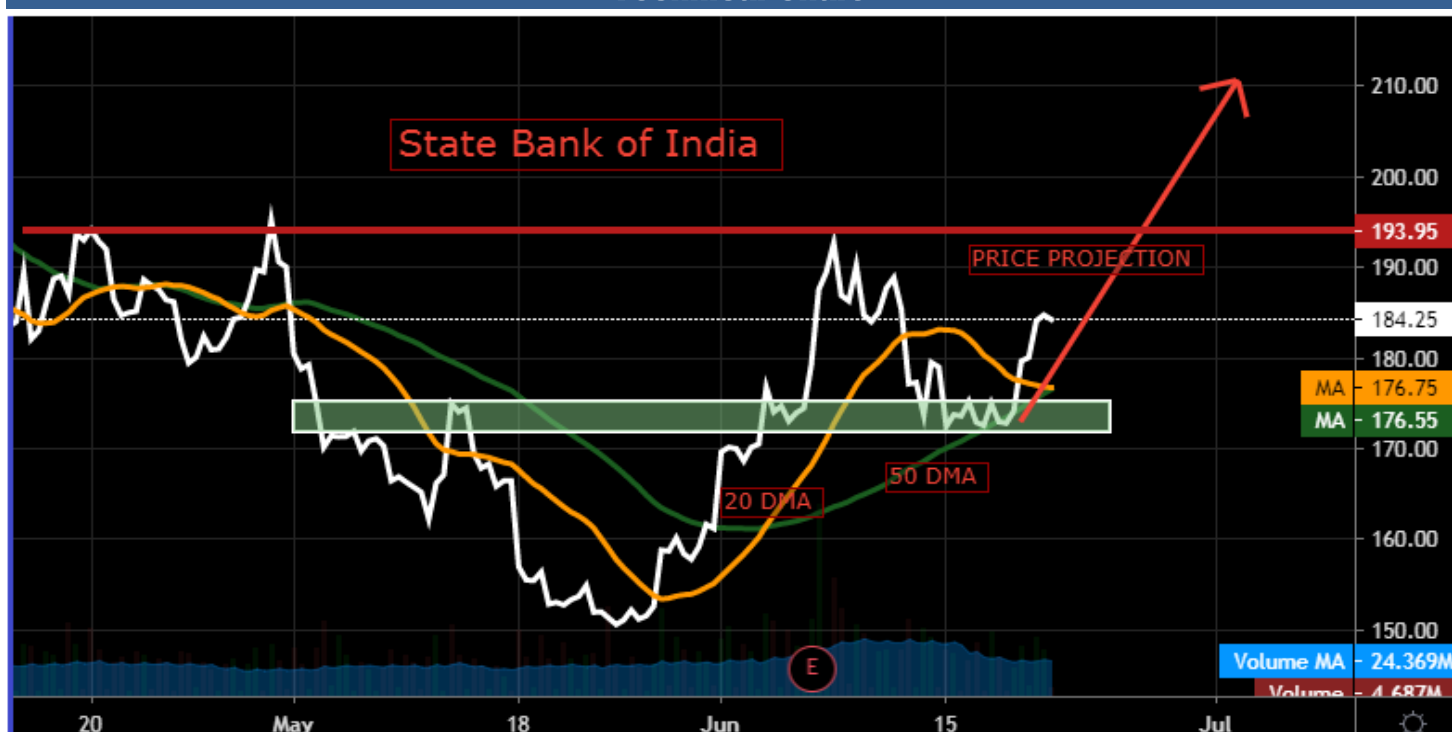
STDC : Long / BUY

17-Jun-20

BSE Code	500112
NSE Symbol	SBIN
52wk Range H/L	373/149
Mkt Capital (Rs Cr)	72000
Av.Cash Volume(00000)	50.75

Buy Price	172-170 & 148-150
Stop Loss	130
Target Price1	210
Target Price2	240
Upside in Tgt1	23.00%
Upside in Tgt2	41.00%

Technical Chart



STDC BUY SBI AROUND 172-170 AND 150-148 SL 130 TARGET 210/240

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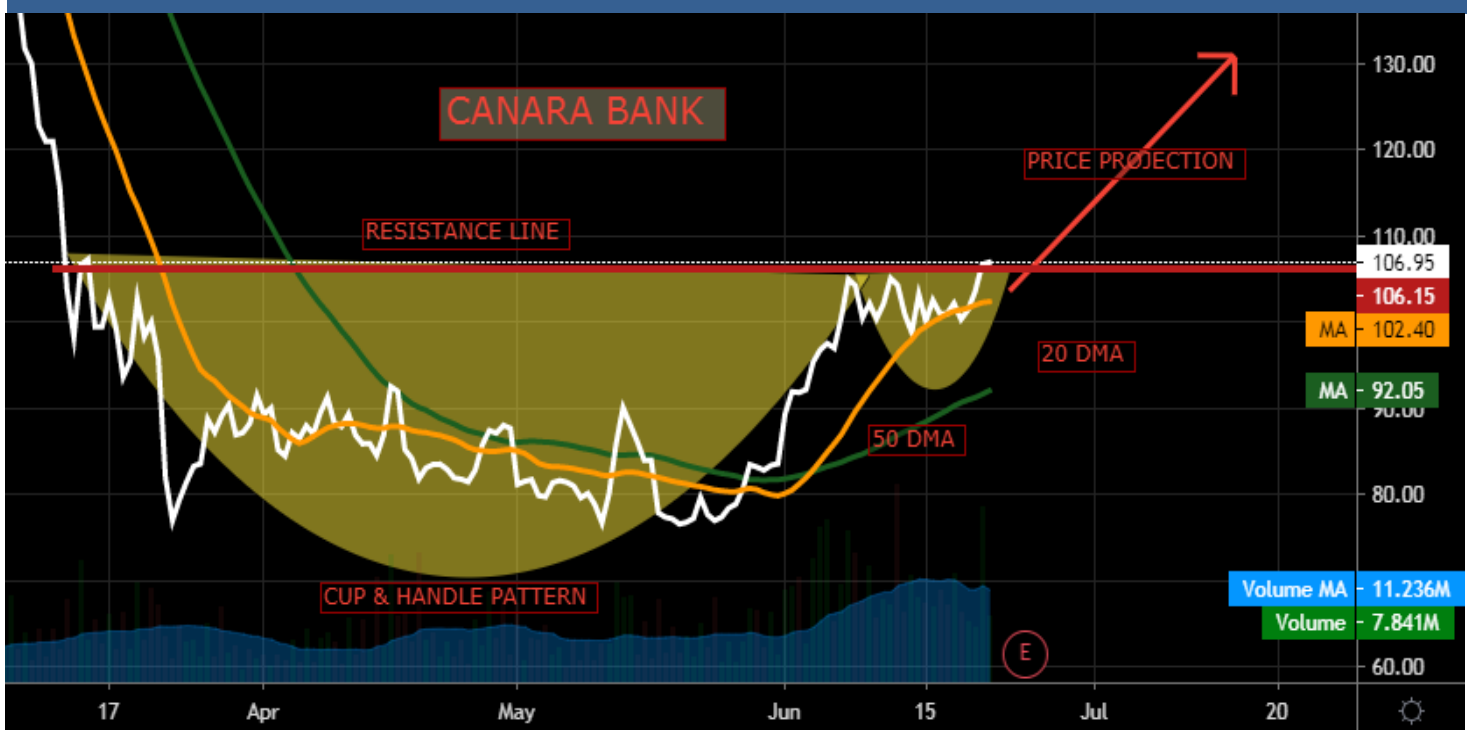
STDC : Long / BUY

17-Jun-20

BSE Code	532483
NSE Symbol	CANBK
52wk Range H/L	296/73
Mkt Capital (Rs Cr)	2160
Av.Cash Volume(00000)	13.35

Buy Price	100-101.50 & 94-95
Stop Loss	84
Target Price1	120
Target Price2	135
Upside in Tgt1	19.00%
Upside in Tgt2	34.00%

Technical Chart



STDC BUY CANARABANK AROUND 101.50-100 AND 95-94 SL 84 TARGET 120/135

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Disclosure of Interest Statement-

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