

Trading Calls

LT BUY 22nd June 2020

Larsen & Toubro is trading above 900 marks with positive sentiments. This stock is trading higher after making a bottom near 875 levels in the last week. At the same time crucial support trend line is also supportive to the counter near 870-860 zone indicates higher probability of short term bottoming out scenario near 875 levels. Overall this script is running in rising wedge pattern and upper trend line is standing around 1020 marks. Relative Strength Index is trading above 50 is also adding support to positive momentum. Looking at above technical rationale, we suggest buying Larsen & Toubro around 907-900 and lower around 860-870 keeping a stop loss of 790 on closing basis for higher targets of 1020 and it can be extended to 1120 levels.

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.

Institutional Turnover

	FII	Buy(cr.)	Sell(cr.)	Net(cr.)
22-Jun-20	22-Jun-20	5,468	5,044	424
Jun-20	Jun-20	104,562	95,264	9,298
	DII	Buy(cr.)	Sell(cr.)	Net(cr.)
22-Jun-20	22-Jun-20	4,782	6,069	(1,288)
Jun-20	Jun-20	68,759	69,390	(631)

FII DERIVATIVES POSITION FOR 22-June-2020

	Net (Amt. in crs)
INDEX FUTURES	76
INDEX OPTIONS	(167)
STOCK FUTURES	(770)
STOCK OPTIONS	228

Market	Value	% Change
SGX Nifty (at 8.30 am IST)	10337.20	0.31%

Nifty Key Levels For The Week

Support	S1: 10275	S2 : 10090
Resistance	R1 : 10400	R2 : 10550

Market Outlook

Firm global cues led a gap up start but profit-taking at the higher levels capped the upside as the session progressed. Nifty registered gravestone doji but confirmation is yet to come. Now the level of 10275 is crucial for the index and it has to cross above 10400 level for carrying this up move towards 10550-10600 zone. While a slip below 10275 can push lower towards 100 SMA which stands at 10090 levels.

Sectoral Performance (%)

	1 Day	1 Week	1 Month	1 Year
Auto Components	1.11	5.61	18.04	(14.75)
Automobiles	1.52	4.91	16.33	(12.22)
Chemicals	1.02	2.70	8.52	9.96
Construction & Engineering	0.75	2.39	14.17	(33.82)
Construction Materials	0.56	2.70	9.76	(11.76)
Diversified Financial Services	2.29	10.98	29.82	(21.10)
Electrical Equipment	1.75	5.05	18.03	(28.53)
Energy	(0.22)	6.90	20.71	6.72
Financials	1.80	9.49	26.15	(25.49)
Health Care	2.11	2.23	5.74	34.06
Household Durables	0.70	3.55	12.50	(5.61)
Household & Personal Products	0.58	1.29	6.22	8.15
Information Technology	(0.57)	0.44	3.53	(10.16)
Metals/Mining/Minerals	3.09	6.94	18.85	(29.77)
Telecom	2.09	4.53	3.60	40.09
Utilities	2.19	3.80	11.46	(12.74)

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

Long Position				
	DII	FII	Pro	Other
Future Index	21158	74527	29845	124620
Future Stock	61366	1061774	166870	461434
Option Index Call	4584	225966	184692	578726
Option Index Put	79339	254358	206163	867277
Option Stock Call	132	22112	118307	323123
Option Stock Put	130	24709	101037	224056

Short Position				
	DII	FII	Pro	Other
Future Index	20495	56892	40660	132103
Future Stock	893601	491247	148935	217661
Option Index Call	0	179934	246963	567071
Option Index Put	0	195258	313543	898336
Option Stock Call	5182	25603	186140	246749
Option Stock Put	0	24545	144521	180866

High ES & High PS Stock Maintaining Strength

BSE Code	NSE CODE	1 Month Return %
500038	BALRAMCHIN	54.5
533150	GODREJPROP	52.9
521064	TRIDENT	49.7
500173	GUJFLUORO	48.3
532483	CANBK	44.5
500490	BAJAJHLDNG	44.3
500034	BAJFINANCE	39.1
500469	FEDERALBNK	38.9
500251	TRENT	38.4
532187	INDUSINDBK	37.1

High ES & Low PS Stock Showing Strength

BSE Code	NSE CODE	1 Month Return %
532370	RAMCOSYS	74.1
500144	FINCABLES	57.5
534690	LAKSHVILAS	56.1
532218	SOUTHBANK	54.2
502330	IPAPPM	52.6
504067	ZENSARTECH	52.6
532296	GLENMARK	51.1
500171	GHCL	46.8
514043	HIMATSEIDE	46.5
511072	DHFL	44.1

Low ES & Low PS Stock Maintaining Weakness

BSE Code	NSE CODE	1 Month Return %
526612	BLUEDART	(1.0)
532331	AJANTPHARM	0.8
519552	HERITGFOOD	9.3
502865	FORBESGOK	10.0
532349	TCI	10.6
524804	AUROPARMA	11.1
532259	APARINDS	11.4
500645	DEEPAKFERT	13.1
531508	EVEREADY	13.8
500405	SUPPETRO	14.7

Low ES & High PS Stock Showing Weakness

BSE Code	NSE CODE	1 Month Return %
508486	HAWKINCOOK	(8.7)
531500	RAJESHEXPO	(6.6)
532805	REDINGTON	(5.2)
532539	MINDAIND	(4.5)
532683	AIAENG	(2.3)
520113	VESUVIUS	(0.5)
532498	SHRIRAMCIT	1.1
500123	DRBECK	1.1
532555	NTPC	2.5
512529	SEQUENT	2.6

* 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 23-06-2020

STDC (3)									
No	Date	Type	Buy/Sell	Stock	Entry1	Entry2	SL	Tgt 1	Tgt 2
1	22-Jun-20	STDC	BUY	LT	903.5	865	790	1020	1120
2	17-Jun-20	STDC	BUY	SBIN	171	149	130	210	240
3	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 spurred 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-

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

- Pair is making successively higher highs and higher lows from last three weeks
- It also gave valid breakout above 76.15 mark which is providing bullish signal
- 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
- On sustaining above 76.50, pair can push to make its new record low which is above 77 mark
- 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

22-Jun-20

BSE Code	500510
NSE Symbol	LT
52wk Range H/L	1591/661
Mkt Capital (Rs Cr)	116926
Av.Cash Volume(Lakhs)	2.26

Buy Price	907-900& 870-860
Stop Loss	790
Target Price1	1020
Target Price2	1120
Upside in Tgt1	12.00%
Upside in Tgt2	23.00%

Technical Chart



STDC BUY LT AROUND 907-900 AND 870-860 SL 790(CLOSING) TARGET 1020/1120

Larsen & Toubro is trading above 900 marks with positive sentiments. This stock is trading higher after making a bottom near 875 levels in the last week. At the same time crucial support trend line is also supportive to the counter near 870-860 zone indicates higher probability of short term bottoming out scenario near 875 levels. Overall this script is running in rising wedge pattern and upper trend line is standing around 1020 marks. Relative Strength Index is trading above 50 is also adding support to positive momentum. Looking at above technical rationale, we suggest buying Larsen & Toubro around 907-900 and lower around 860-870 keeping a stop loss of 790 on closing basis for higher targets of 1020 and it can be extended to 1120 levels.

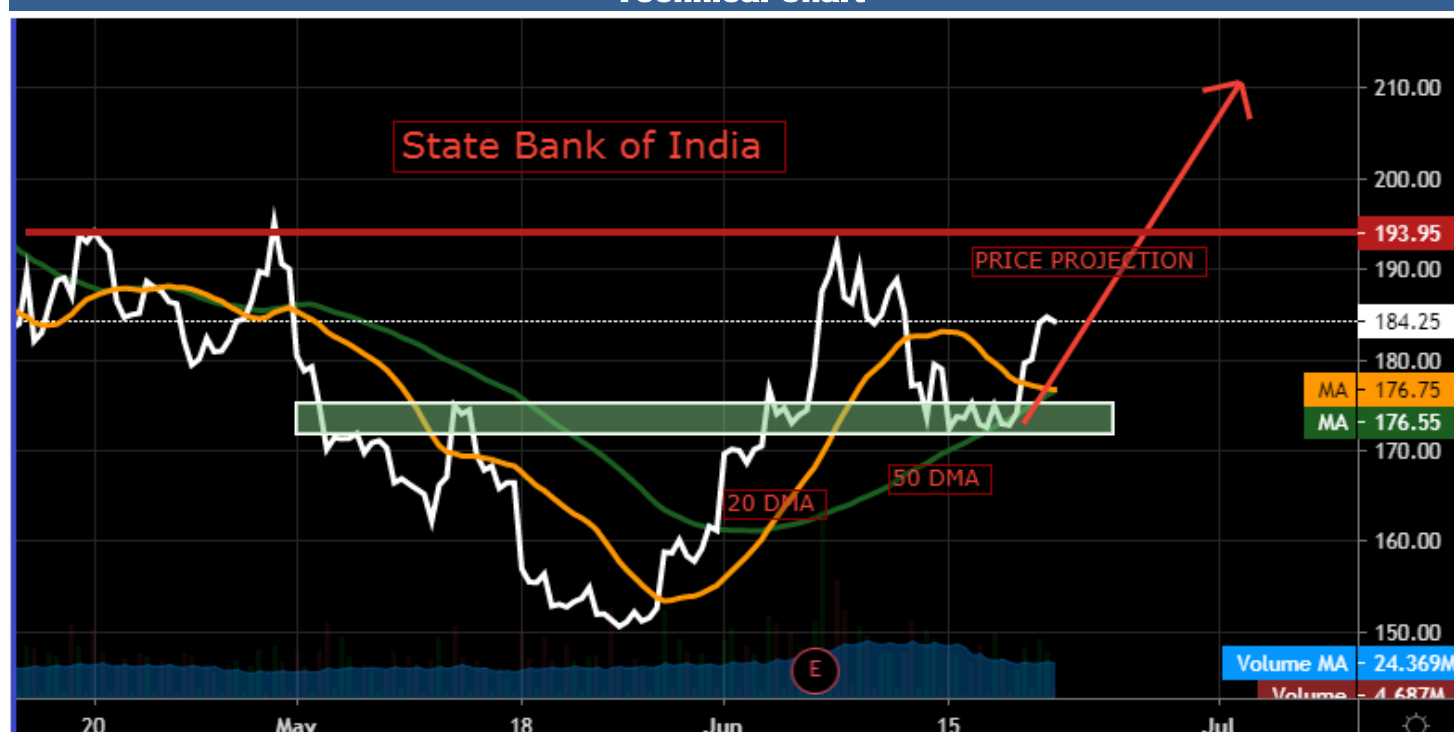
STDC : Long / BUY

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

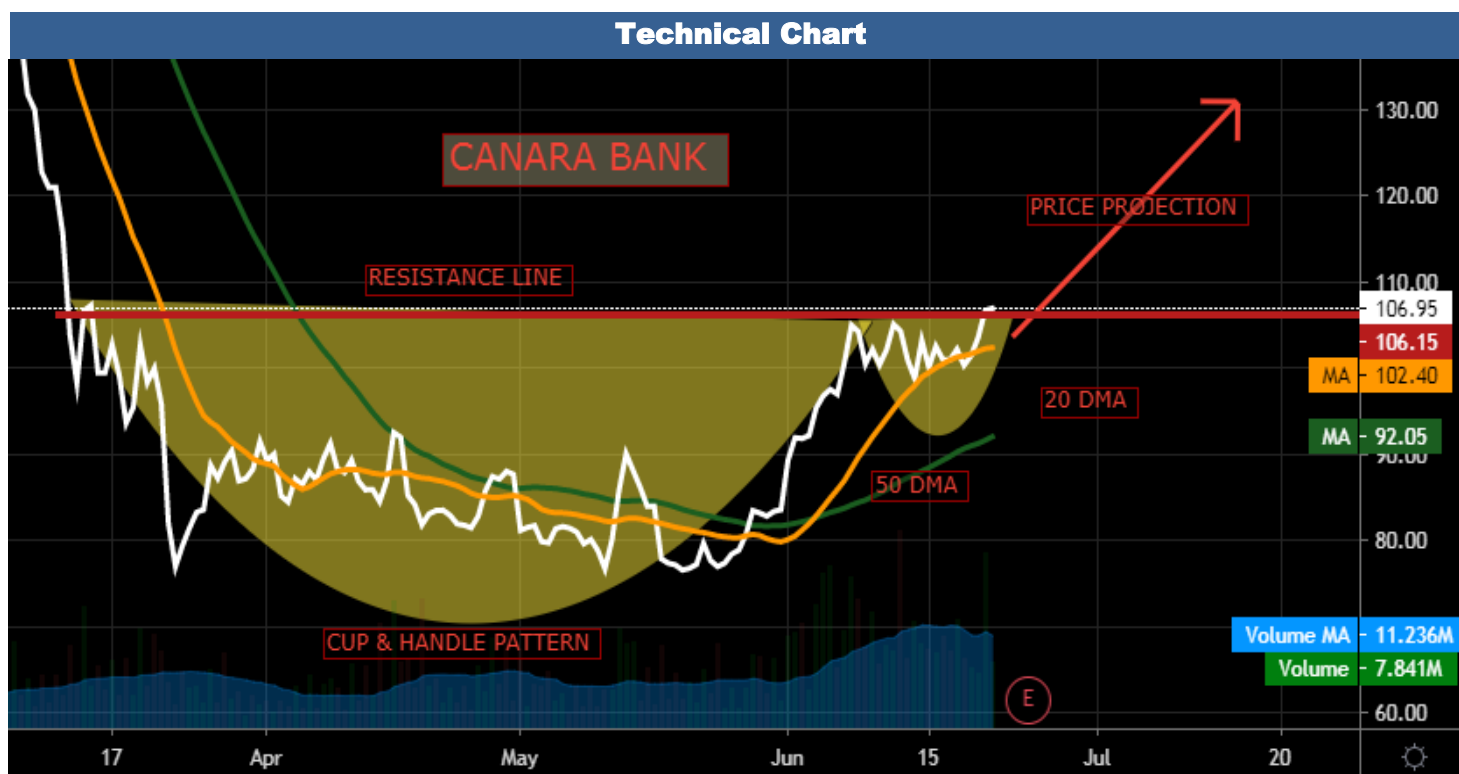
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STDC : Long / BUY

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%



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

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Disclosure of Interest Statement-

Analyst's ownership of the stocks mentioned in the Report	NIL
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