

## Trading Calls

**ITC** **BUY** **24th June 2020**

ITC is trading in a rising wedge every since it made a bottom near 134 levels and upper trend line comes near 220 marks. Recently it has given golden crossover and as per the setup prices should move up towards higher pivot points in short-term and mid-term as well. At the same time prices has given trend line breakout on the upside with the expansion of bands on daily chart suggesting a continuation of trend in the direction of breakout. MACD has given bullish crossover and about to move above equilibrium level of zero on daily chart. It has been in a steady uptrend in last few days with higher trough and crests as well. Positive crossover of 20 and 50 dma's suggest firm support on dips. Looking at above rationale traders can accumulate this stock for higher levels.

**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.

### FII DERIVATIVES POSITION FOR 29-June-2020

	Net (Amt. in crs)
INDEX FUTURES	(1,242)
INDEX OPTIONS	(225)
STOCK FUTURES	(790)
STOCK OPTIONS	(128)

### Institutional Turnover

FII	Buy(cr.)	Sell(cr.)	Net(cr.)
29-Jun-20	3,965	5,902	(1,937)
Jun-20	150,419	142,926	7,493
DII	Buy(cr.)	Sell(cr.)	Net(cr.)
29-Jun-20	4,337	3,301	1,036
Jun-20	94,927	94,544	383

Market	Value	% Change
SGX Nifty (at 8.30 am IST)	10313.50	0.50%

### Nifty Key Levels For The Week

Support	S1: 10220	S2 : 10190
Resistance	R1 : 10330	R2 : 10440

### Market Outlook

Despite negative opening, index has seen some buying interest as the day progressed. Formation of doji's candle indicates uncertainty in the market. Although fresh buying is only expected above wall of worry which stands at 10555( 61.8% & 200 EMA)levels. Till then we expect consolidation which can accelerate the momentum above the same levels. On sustaining above 10330 level, it can extend up to 10440 & 10550 level. Support lies at 10220 followed by 10190 levels. Below this it can slip down till 10000 levels.

### Sectoral Performance (%)

	1 Day	1 Week	1 Month	1 Year
Auto Components	(1.85)	(0.91)	9.51	(15.35)
Automobiles	(1.07)	(0.86)	6.94	(13.56)
Chemicals	(0.85)	0.65	4.53	10.40
Construction & Engineering	(1.66)	1.54	6.13	(33.66)
Construction Materials	(0.99)	(0.18)	3.63	(12.38)
Diversified Financial Services	(1.77)	(2.33)	19.20	(24.37)
Electrical Equipment	(1.38)	1.90	12.94	(28.71)
Energy	(1.33)	(1.32)	14.55	6.57
Financials	(0.81)	(1.09)	14.39	(27.57)
Health Care	(0.18)	(0.67)	4.77	31.01
Household Durables	(1.05)	(0.46)	7.16	(8.32)
Household & Personal Products	0.80	3.76	5.12	11.21
Information Technology	(1.17)	2.65	5.98	(6.60)
Metals/Mining/Minerals	(2.69)	(1.88)	7.24	(32.44)
Telecom	1.66	(0.75)	6.85	39.13
Utilities	(1.23)	1.53	9.28	(14.11)

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

Long Position				
	DII	FII	Pro	Other
Future Index	15830	31574	24599	140975
Future Stock	31350	899899	117267	432127
Option Index Call	267	153510	180424	616146
Option Index Put	33670	191828	205232	625119
Option Stock Call	0	11246	58493	206114
Option Stock Put	0	13195	77153	78384

Short Position				
	DII	FII	Pro	Other
Future Index	19345	67478	25848	100307
Future Stock	808484	388301	61584	222274
Option Index Call	0	134126	228845	587376
Option Index Put	0	120046	259939	675864
Option Stock Call	2942	21900	110140	140871
Option Stock Put	0	15283	49746	103703

## High ES & High PS Stock Maintaining Strength

BSE Code	NSE CODE	1 Month Return %
500034	BAJFINANCE	46.8
530813	KRBL	40.5
500251	TRENT	40.3
500173	GUJFLUORO	39.5
532659	IDFC	38.3
532978	BAJAJFINSV	37.4
500038	BALRAMCHIN	36.0
532430	BFUTILITIE	35.0
500403	SUNDRMFAST	33.0
500266	MAHSCOOTER	32.4

## High ES & Low PS Stock Showing Strength

BSE Code	NSE CODE	1 Month Return %
532218	SOUTHBANK	68.8
500288	MOREPENLAB	54.0
502330	IPAPPM	46.8
500302	PEL	44.8
532370	RAMCOSYS	43.1
500144	FINCABLES	42.5
504067	ZENSARTECH	40.9
514043	HIMATSEIDE	38.8
532175	CYIENT	38.5
511072	DHFL	38.2

## Low ES & Low PS Stock Maintaining Weakness

BSE Code	NSE CODE	1 Month Return %
532331	AJANTPHARM	(3.4)
500840	EIHOTEL	(0.2)
526612	BLUEDART	0.0
500413	THOMASCOOK	0.4
502865	FORBESGOK	4.5
500031	BAJAJELEC	8.0
532259	APARINDS	9.3
519552	HERITGFOOD	9.4
500405	SUPPETRO	9.8
524804	AUOPHARMA	10.6

## Low ES & High PS Stock Showing Weakness

BSE Code	NSE CODE	1 Month Return %
531500	RAJESHEXPO	(4.3)
523398	HITACHIOM	(2.8)
500425	AMBUJACEM	(2.0)
532555	NTPC	(0.9)
532683	AIAENG	0.3
500215	ATFL	0.4
500710	AKZOINDIA	1.5
532539	MINDAIND	1.6
508486	HAWKINCOOK	1.8
500380	JKLAKSHMI	2.1

\* 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 30-06-2020**

STDC (3)									
No	Date	Type	Buy/Sell	Stock	Entry1	Entry2	SL	Tgt 1	Tgt 2
1	24-Jun-20	STDC	BUY	ITC	191.5	171.5	156	220	232
2	22-Jun-20	STDC	BUY	LT	903.5	865	790	1020	1120
3	17-Jun-20	STDC	BUY	SBIN	171	149	130	210	240

### VIEW

Strength in banks and comeback moves in high beta financial scrips along with the continuation of a pick up in breadth in the broader market underline market strength. India VIX remained flattish and hovering around its support of 25 levels and lower VIX is supporting the higher market base. Easing tension between India and china helped indices to extend their weekly gain. However some profit booking is seen at higher levels as they approached their psychological levels where they faced supply pressure but in the current scenario corrective moves on downside are likely to be short lived.

### Technical Outlook-

- Bulls failed to cross the worry of wall which stands at 10550 levels (61.8% Fibonacci retracement)
- Index registered a spinning top at the apex of rising wedge which indicate indecisiveness in the market
- Weekly momentum indicator RSI and MACD support the bullishness in the price pattern as they are still trading above rising line
- To reinstate the bullish undertone, nifty has to surpass above 10550 level from where it can extend this rally towards 10750 and 10900 levels
- However, confirmation of weakness can come with follow thru selling below 10000 level (near 100 SMA) where as minor support is seen near 10190 levels.

### CHART ANALYSIS



### SUPPORT & RESISTANCE LEVELS

	NIFTY LEVEL	JUSTIFICATION
Resistance 2	10750	Top of Beraish belt Hold
Resistance 1	10550	61.8% Fibonacci Retracement
Close	10383	
Support 1	10190	Immediate Swing Low
Support 2	10000	100 SMA

### VIEW

After opening with a green session, Banknifty rose to make a weekly high of 22480 on Wednesday. However it was unable to maintain at the higher level and some selling pressure brought the index lower to 20926. At last Banknifty ended the week with a net gain of 1.2% over its previous week's close.

### OBSERVATIONS:

1) Negative divergence in Stochastic was formed on the daily chart of Banknifty.

The above observation is suggesting of some profit booking in the near future and in the profit booking process Banknifty may test 20700 and then 19800. On the higher side 22500 would act as near-term stiff resistance of Banknifty and sustainable move beyond this level is likely to take the index further higher to 24000 in the short term. Therefore we recommend to initiate fresh long either near 19800 or only above 22500.

### CHART ANALYSIS



### SUPPORT & RESISTANCE LEVELS

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

### VIEW

Indian currency mirrored positive sentiment from the equity market which has been running with a bullish move from the last few weeks. Last week was the best weekly performance from the Rupee since May. RBI's forex reserves acted as a buffer which has altered the structural dynamics in the price action of Rupee. We expect that appreciation in Rupee will continue in the near term also as pair seems to be exhausted at upper levels.

### TECHNICAL FACTORS-

- a) Pair began the week on a negative note as it faced stiff resistance near 76.50 level
- b) On weekly chart, pair has formed bear candle and has closed below the lows of last week candle
- c) Daily strength indicator RSI and MACD are showing negative crossover suggesting the bearish momentum in the pair.
- ) If pair breaches 75.40 mark then it would witness selling which could lead the pair towards 74.90 mark where major support is seen.
- e) However, if the pair crosses above 76.15 mark then it will again bounce back towards 76.50 and 77 mark

### CHART ANALYSIS



### SUPPORT & RESISTANCE LEVELS

#### USDINR LEVEL

Resistance 2	76.50
Resistance 1	76.15
Close	75.62
Support 1	75.4
Support 2	74.90

## STDC : Long / BUY

24-Jun-20

BSE Code	500875
NSE Symbol	ITC
52wk Range H/L	282/134
Mkt Capital (Rs Cr)	173720
Av.Cash Volume(Lakhs)	17

Buy Price	170-173 & 190-193
Stop Loss	156
Target Price1	220
Target Price2	232
Upside in Tgt1	14.00%
Upside in Tgt2	21.00%



### STDC BUY ITC AROUND 193-190 AND 170-173 SL 156 TARGET 220/232

ITC is trading in a rising wedge every since it made a bottom near 134 levels and upper trend line comes near 220 marks. Recently it has given golden crossover and as per the setup prices should move up towards higher pivot points in short-term and mid-term as well. At the same time prices has given trend line breakout on the upside with the expansion of bands on daily chart suggesting a continuation of trend in the direction of breakout. MACD has given bullish crossover and about to move above equilibrium level of zero on daily chart. It has been in a steady uptrend in last few days with higher trough and crests as well. Positive crossover of 20 and 50 dma's suggest firm support on dips. Looking at above rationale traders can accumulate this stock for higher levels.

## 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.



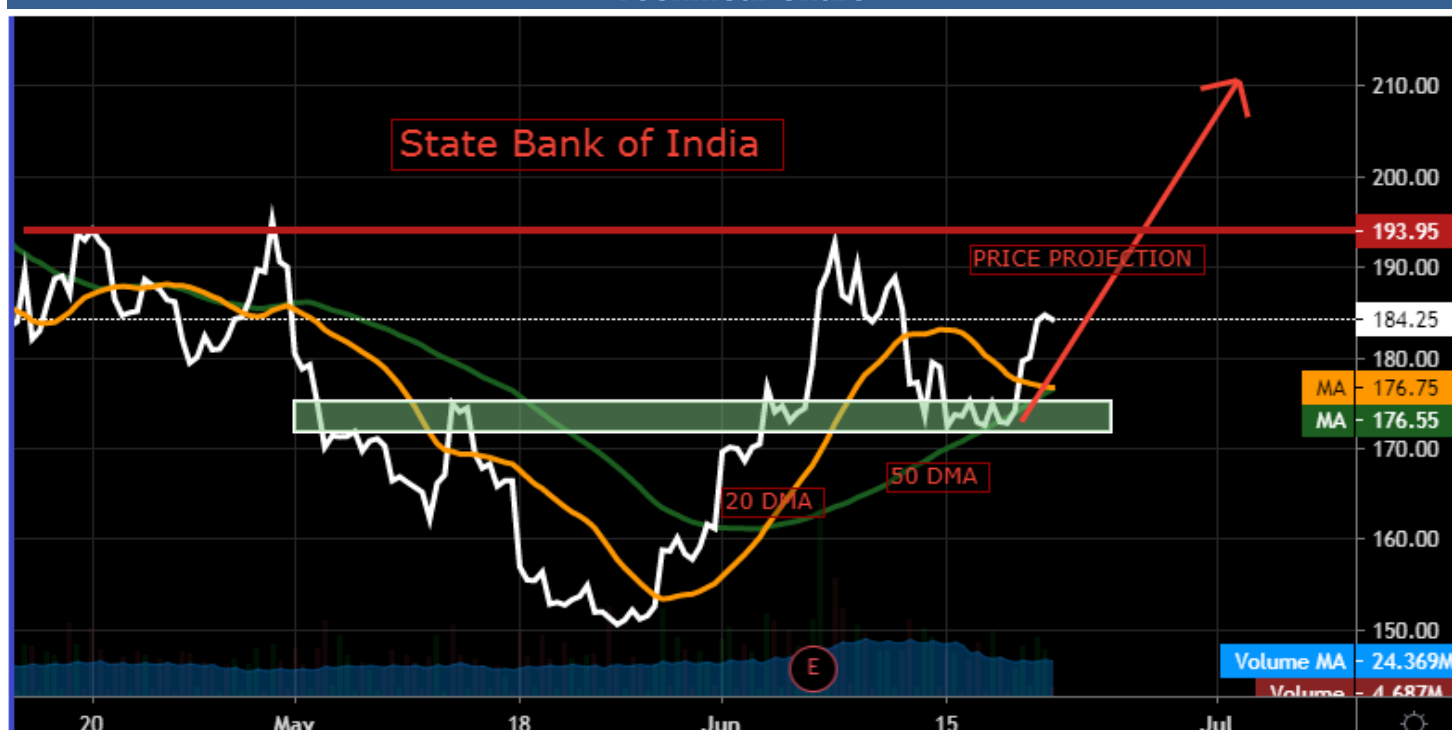
## STDC : Long / BUY

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

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.

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