

## 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.

**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.

Market	Value	% Change
SGX Nifty (at 8.30 am IST)	10484.00	0.84%

### Nifty Key Levels For The Week

Support	S1: 10299	S2 : 10265
Resistance	R1 : 10450	R2 : 10555

### Market Outlook

After four days of consolidation, market reversed its losses and reclaimed 10400 level. In this process, it formed small bullish candle. Now RSI momentum indicator also turned up suggest further action on North side. Index is galloping toward the wall of worry level at 10555 (61.8% and 200 EMA) where bulls can get tough fight from bears. Any decisive move above the same will open new leg on upside. On the flip side, support is shifted higher towards 10299 followed by 10265 levels.

### Sectoral Performance (%)

	1 Day	1 Week	1 Month	1 Year
Auto Components	0.55	(0.24)	6.72	(15.37)
Automobiles	(0.13)	(0.22)	4.73	(13.76)
Chemicals	0.76	(1.36)	3.63	10.77
Construction & Engineering	(0.75)	(2.26)	4.70	(34.40)
Construction Materials	(0.33)	1.39	5.49	(10.34)
Diversified Financial Services	3.19	0.75	17.05	(22.55)
Electrical Equipment	0.05	0.61	7.35	(28.85)
Energy	1.62	0.03	11.50	7.29
Financials	2.68	2.14	12.67	(26.26)
Health Care	(0.59)	(1.64)	2.31	27.50
Household Durables	(0.24)	(1.21)	2.39	(9.38)
Household & Personal Products	(0.28)	2.05	3.53	11.28
Information Technology	0.04	1.71	3.05	(7.01)
Metals/Mining/Minerals	0.51	(1.07)	4.12	(31.93)
Telecom	(0.51)	0.21	4.19	36.59
Utilities	(0.25)	(0.86)	6.67	(15.69)

### FII DERIVATIVES POSITION FOR 01-July-2020

	Net (Amt. in crs)
INDEX FUTURES	1,115
INDEX OPTIONS	(1,589)
STOCK FUTURES	132
STOCK OPTIONS	87

### Institutional Turnover

FII	Buy(cr.)	Sell(cr.)	Net(cr.)
01-Jul-20	3,630	5,326	(1,696)
Jul-20	3,630	5,326	(1,696)
DII	Buy(cr.)	Sell(cr.)	Net(cr.)
01-Jul-20	3,669	2,292	1,377
Jul-20	3,669	2,292	1,377

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

	Long Position			
	DII	FII	Pro	Other
Future Index	19680	39264	17942	137543
Future Stock	34498	915405	122064	438783
Option Index Call	267	158276	235688	679747
Option Index Put	39353	213247	238350	899488
Option Stock Call	0	17061	67846	236479
Option Stock Put	0	15225	82638	96509

	Short Position			
	DII	FII	Pro	Other
Future Index	16252	53672	29448	115057
Future Stock	829492	392855	64958	223445
Option Index Call	0	145027	277430	651521
Option Index Put	0	139369	388170	862899
Option Stock Call	3749	27292	124333	166012
Option Stock Put	0	16469	60144	117759

## High ES & High PS Stock Maintaining Strength

BSE Code	NSE CODE	1 Month Return %
524404	MARKSANS	40.9
521064	TRIDENT	39.4
500034	BAJFINANCE	36.8
500173	GUJFLUORO	33.8
530813	KRBL	32.7
532430	BFUTILITIE	31.8
532978	BAJAJFINSV	29.4
500049	BEL	27.9
500038	BALRAMCHIN	27.7
532922	EDELWEISS	25.8

## High ES & Low PS Stock Showing Strength

BSE Code	NSE CODE	1 Month Return %
534690	LAKSHVILAS	73.2
532654	MCLEODRUSS	67.7
500288	MOREPENLAB	49.4
532370	RAMCOSYS	43.9
532175	CYIENT	38.5
504067	ZENSARTECH	38.0
532218	SOUTHBANK	36.9
502330	IPAPPM	33.0
514043	HIMATSEIDE	32.0
500144	FINCABLES	30.8

## Low ES & Low PS Stock Maintaining Weakness

BSE Code	NSE CODE	1 Month Return %
500840	EIHOTEL	(9.4)
500413	THOMASCOOK	(9.3)
526612	BLUEDART	(1.8)
532331	AJANTPHARM	(1.4)
530965	IOC	(0.5)
526586	WIMPLAST	1.3
530073	SANGHVIMOV	1.4
500405	SUPPETRO	1.5
532259	APARINDS	2.0
500031	BAJAJELEC	2.8

## Low ES & High PS Stock Showing Weakness

BSE Code	NSE CODE	1 Month Return %
505744	FMGOETZE	(14.8)
523398	HITACHIOM	(11.1)
532683	AIAENG	(7.9)
532539	MINDAIND	(6.9)
500710	AKZOINDIA	(5.2)
531500	RAJESHEXPO	(4.7)
532555	NTPC	(4.5)
532805	REDINGTON	(4.4)
500067	BLUESTARCO	(3.6)
508486	HAWKINCOOK	(2.2)

\* 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.

## STDC / R25 Open Calls for 02-07-2020

### STDC (2)

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	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-

- a) Bulls failed to cross the worry of wall which stands at 10550 levels (61.8% Fibonacci retracement)
- b) Index registered a spinning top at the apex of rising wedge which indicate indecisiveness in the market
- c) Weekly momentum indicator RSI and MACD support the bullishness in the price pattern as they are still trading above rising line
- d) To reinstate the bullish undertone, nifty has to surpass above 10550 level from where it can extend this rally towards 10750 and 10900 levels
- f) 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%

### Technical Chart



#### 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.

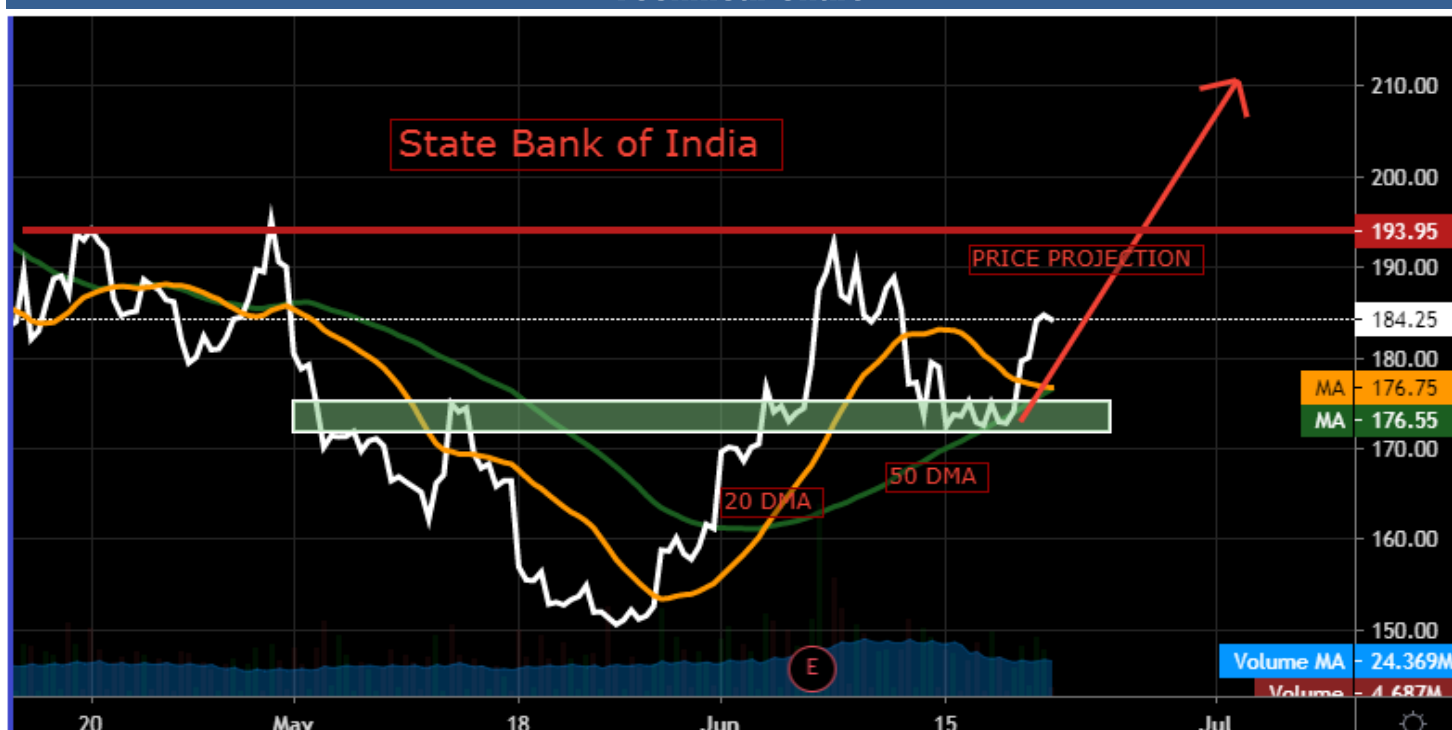
**STDC : Long / BUY**

**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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