

## Trading Calls

**ASHAPURMIN** Long/Buy 16th May 2017

Today it has broken the trend reversal trend line with good volume. Therefore we advise our client to buy near 67.60 for the price target of 72.20 and 74.30 with 63.40 as SL.

**GSPL** Long/Buy 10th May 2017

Today GSPL has confirmed the low point of wave 4, Hence we advise our client to buy near 176.40 for the internal wave iii target of 183.50 and 189 of wave 5 with 169.40 as SL. Volume is support during confirmation of point 4.

**RTNPOWER** Long/Buy 4th May 2017

Stock is in rising trend and rising in the form of 1,2,3,4,5,6,7. Hence we advise our client to buy near 8.65 for the first price target of 9.05 and second price target of 9.35 with 8.25 as SL. Stochastic is also trying to take support near preceding bottom.

**INFY** Long/Buy 3th May 2017

Today Infy has broken the trend line on the upside with reasonable volume. Therefore we advise our client to buy near 935 for the first price target of 967 and second price target of 1000 with 900 as SL. Stochastic is also in rising trend.



**DABUR** Long/Buy 3th April 2017

Dabur India is in continuous uptrend since January 2017. The stock has given a bullish breakout above 200 DMA with decent volumes. So some fresh buying is likely to emerge in the stock at the current level.

**MERCK** Long/Buy 22th Mar 2017

After consolidating near 50 DMA since last one month, MERCK Ltd. has given a sharp pullback rally yesterday. The stock has also given a channel breakout above Rs 1020 with decent volumes.

Therefore we advise traders to initiate long position in the stock near Rs 1025 with a stop loss of Rs 928. The upside targets are Rs 1123 and Rs 1248. The indicators (like RSI and MACD) are in oversold zone suggesting some fresh upside in the extreme short term.

Market	Value	% Change
SGX Nifty	9400.00	0.08%

### Nifty Key Levels

Support	S1: 9309	
Resistance	R1: 9505	

### Market Outlook

Trend that started last Thursday remained in motion yesterday as well. Derivative open interest is helping Nifty remain firm but high valuation and weakening price pattern is forcing mid and small cap to fall. Nifty Mid and Small cap has surely entered into a corrective zone and any corrective or bounce back rally will be an opportunity to trim positions. One must reshuffle portfolio by reducing position in small & micro cap growth stock and add weightage to mid and large cap quality stock.

Option data is indicating unwinding of positions in Put Back spread hinting some more downside in the near term. Nifty range for remaining two trading sessions in May series remains 9300-9500. Interestingly S&P 500(US) is back to 2400 levels ignoring Trump/Comey/Russia fears of last week.

Institutional Turnover			
Fill	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
23-May-17	5725	6125	(401)
May-17	79900	81430	(1531)
DII	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
23-May-17	3416	3063	353
May-17	47132	43297	3835

Sectoral Performance (%)				
	1 Day	1 Week	1Month	1 Year
Auto Components	(1.1)	(3.7)	1.4	41.8
Automobiles	0.8	(1.9)	6.3	32.0
Chemicals	(1.4)	(5.3)	(0.5)	31.9
Consumer Finance	(0.9)	(8.0)	(3.4)	44.7
Construction Materials	(0.8)	(6.8)	4.8	40.1
Construction & Engg	0.2	0.1	5.2	32.5
Div. Financial Services	0.9	2.0	12.2	58.7
Electrical Equipment	(2.3)	(7.0)	(3.6)	23.1
Energy	(1.4)	(4.9)	(4.4)	47.3
Financials	(0.8)	(4.1)	2.1	46.9
Health Care	(2.7)	(5.4)	(6.3)	(4.5)
Household Durables	(1.8)	(6.6)	(3.7)	26.56
Household Pers. Products	1.6	1.8	3.0	12.9
Information Technology	(0.11)	1.2	6.0	(2.5)
Metals/Mining/Minerals	(1.4)	(3.3)	(3.2)	35.2
Telecom	(1.2)	(1.4)	4.6	0.6
Utilities	(1.7)	(4.0)	(4.8)	25.4

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

	Long Position			
	DII	FII	Pro	Other
Future Index	18609	175932	18277	226640
Future Stock	29824	489929	176471	984823
Option Index Call	142584	300196	191498	503406
Option Index Put	5198	427917	213100	622574
Option Stock Call	831	32028	58379	329290
Option Stock Put	0	22981	58902	119953

	Short Position			
	DII	FII	Pro	Other
Future Index	24214	84579	62658	268007
Future Stock	477593	731066	103184	369204
Option Index Call	0	208115	242248	687321
Option Index Put	0	113662	353753	801375
Option Stock Call	13	37944	150716	231855
Option Stock Put	0	22167	57552	122117

## High ES & High PS Stock Maintaining Strength

BSE Code	NSE CODE	1 Month Return %
512573	AVANTI	45.3
524742	CAPPL	40.8
532814	INDIANB	26.8
532892	MOTILALOFS	21.2
500302	PEL	20.6
500407	SWARAJENG	19.8
500878	CEATLTD	18.9
532832	IBREALEST	17.5
502165	OCL	17.1
523756	SREINFRA	16.6

## High ES & Low PS Stock Showing Strength

BSE Code	NSE CODE	1 Month Return %
532156	VAIBHAVGEM	23.2
532129	HEXAWARE	18.7
532644	JKCEMENT	16.7
532798	NETWORK18	14.3
532218	SOUTHBANK	13.8
534816	INFRATEL	10.7
524084	MONSANTO	9.7
506197	BLISSGVS	9.4
530007	JKTYRE	9.1
532540	TCS	8.3

## Low ES & Low PS Stock Maintaining Weakness

BSE Code	NSE CODE	1 Month Return %
511389	VIDEOIND	(37.39)
531768	POLYMED	(26.13)
521248	KITEX	(25.50)
532300	WOCKPHARMA	(17.38)
532712	RCOM	(17.04)
532370	RAMCOSYS	(16.38)
505163	ZFSTEERING	(15.28)
532622	GDL	(13.94)
526612	BLUEDART	(13.75)
532430	BFUTILITIE	(13.24)

## Low ES & High PS Stock Showing Weakness

BSE Code	NSE CODE	1 Month Return %
500219	JISLJALEQS	(23.13)
512599	ADANIENIT	(22.58)
530019	JUBILANT	(16.64)
532779	TORNTPOWER	(15.39)
532523	BIOCON	(15.23)
500188	HINDZINC	(15.01)
500645	DEEPAKFERT	(14.94)
505533	WESTLIFE	(12.81)
500620	GESHIP	(12.20)
500031	BAJAJELEC	(12.16)

\* 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.

During the week Nifty again remained within the two boundary lines as shown below in the chart. It is now five weeks since Nifty has remained within this channel. The lower red line is the bottom of bull channel which is in operation since December 16. This line is important on two counts. First it is now six months old and second it has been tested at least four times. Last week also the market came very near to this line and bounced back. Relevance of this line should not be overlooked

The range of channel for week starting 22 May is 9435 to 9640 indicated by the black line in the channel. If in this week 9435 is not held the short-term trend will be down and we may see a correction. In case 9435 is held the uptrend will continue and the market may test its recent all-time high.

The problem with the market now is that the higher levels are no more supported by valuations. Trailing PE of the market is already nearing 25 and historically any investment in Nifty at a level above 23.5 does not give positive returns

**CANDLESTICK CHART**



**RESISTANCE AND SUPPORT LEVELS BASED ON WEEKLY ANALYSIS**

RESISTANCE/SUPPORT	NIFTY LEVEL	JUSTIFICATION
Resistance 1	9532	ALL TIME HIGH
Resistance 2	9640	TOP OF THE CHANNEL
Support 1	9390	PREVIOUS WEEK LOW
Support 2	9355	20 DMA
Support 3	9276	9DMA WEEKLY

24th May 2017

**Rating : Long / BUY**

Initiation Date

**16-May-17**

BSE Code	527001
NSE Symbol	ASHAPURMIN
52wk Range H/L	83/52.95
Mkt Capital (Rs Cr)	594
Av.Cash Volume	297
Open Interest	-

Buy Price	67.6
Stop Loss	63.4
Target Price1	72.2
Target Price2	74.3
Upside in Tgt1	6.80
Upside in Tgt2	9.91



Today it has broken the trend reversal trend line with good volume. Therefore we advise our client to buy near 67.60 for the price target of 72.20 and 74.30 with 63.40 as SL.

24th May 2017

**Narnolia Securities Ltd** | Market Research

**Rating : Long / BUY**

Initiation Date

**15-May-17**

BSE Code	524804
NSE Symbol	AUROPHARMA
52wk Range H/L	895/581.60
Mkt Capital (Rs Cr)	36333
Av.Cash Volume	16,713
Open Interest	-

Buy Price	623
Stop Loss	575
Target Price1	675
Target Price2	700
Upside in Tgt1	8.35
Upside in Tgt2	12.36



After spending some time in correction. We have observed that from recent bottom it is rising in impulse. Hence we advise our client to buy near 623 for the first price target of 675 and second price target of 700 with 575 as SL.

24th May 2017

**Narnolia Securities Ltd** | Market Research

**Rating : Long / BUY**

**Initiation Date 10-May-17**

BSE Code	532702
NSE Symbol	GSPL
52wk Range H/L	204/119
Mkt Capital (Rs Cr)	9978
Av.Cash Volume	4,989
Open Interest	-

Buy Price	176.4
Stop Loss	169.4
Target Price1	183.5
Target Price2	189
Upside in Tgt1	4.02
Upside in Tgt2	7.14



Today GSPL has confirmed the low point of wave 4, Hence we advise our client to buy near 176.40 for the internal wave iii target of 183.50 and 189 of wave 5 with 169.40 as SL. Volume is support during confirmation of point 4.

24th May 2017

**Narnolia Securities Ltd** | Market Research

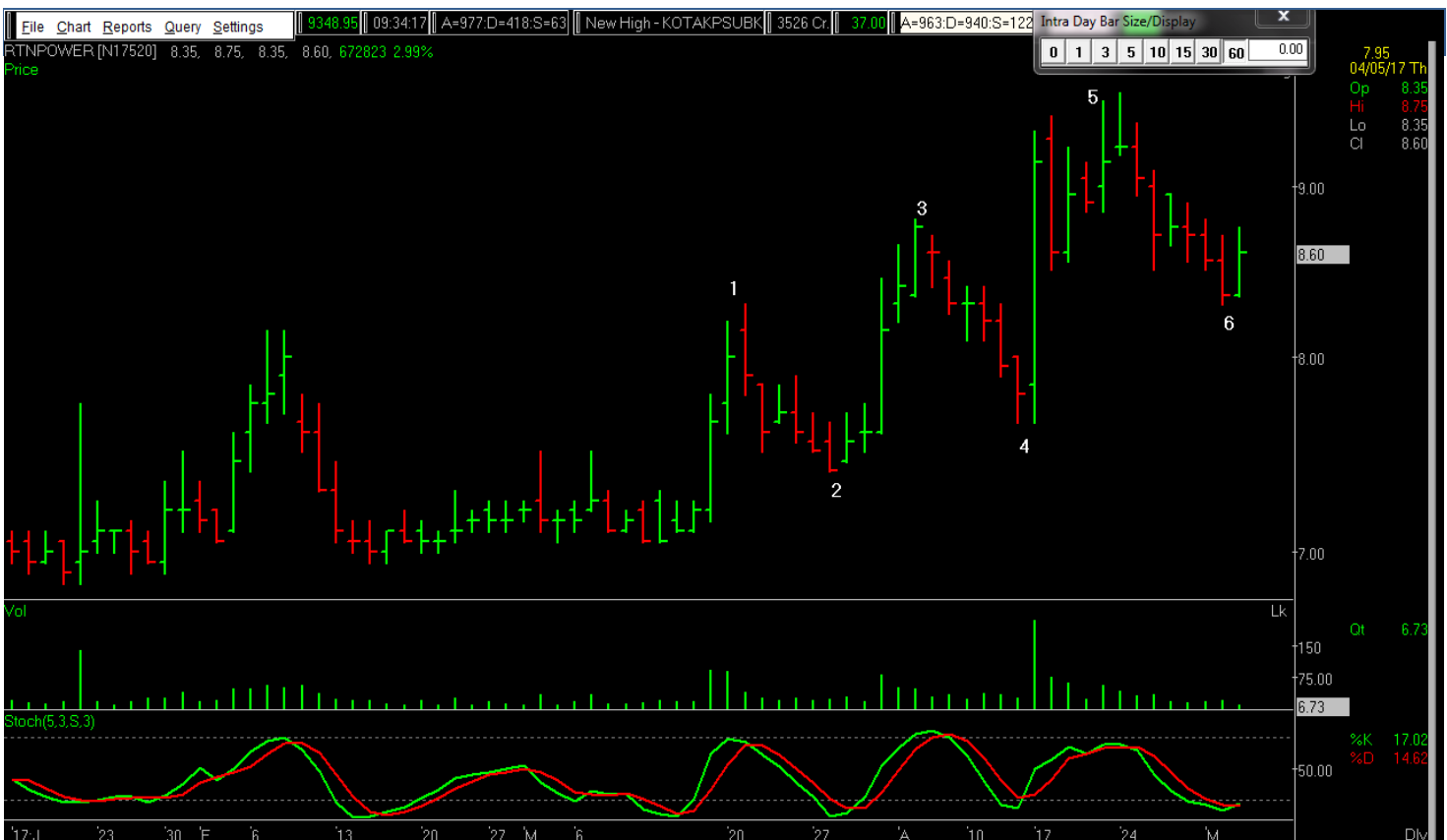
**Rating : Long / BUY**

Initiation Date

**4-May-17**

BSE Code	533122
NSE Symbol	RTNPOWER
52wk Range H/L	12.29
Mkt Capital (Rs Cr)	6.32
Av.Cash Volume	2,560
Open Interest	563

Buy Price	8.65
Stop Loss	8.25
Target Price1	9.05
Target Price2	9.35
Upside in Tgt1	4.62
Upside in Tgt2	8.09



Stock is in rising trend and rising in the form of 1,2,3,4,5,6,7. Hence we advise our client to buy near 8.65 for the first price target of 9.05 and second price target of 9.35 with 8.25 as SL. Stochastic is also trying to take support near preceding bottom.

24th May 2017

**Narnolia Securities Ltd** | Market Research

**Rating : Long / BUY**

Initiation Date

**3-May-17**

BSE Code	500209
NSE Symbol	INFY
52wk Range H/L	1278/900.30
Mkt Capital (Rs Cr)	214879
Av.Cash Volume	1,86,944
Open Interest	-

Buy Price	935
Stop Loss	903
Target Price1	967
Target Price2	985
Upside in Tgt1	3.42
Upside in Tgt2	5.35



Today Infy has broken the consolidation patten on upper side with resonable volume. Therefore we advise our client to buy near 935 for the first price target of 967 and second price target of 985 with 903 as SL. Stochastic is also in rising trend.

24th May 2017

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**Rating : Long / BUY**

**Initiation Date 3-Apr-17**

BSE Code	500096
NSE Symbol	DABUR
52wk Range H/L	244.95/320
Mkt Capital (Rs Cr)	50556
Av.Cash Volume(,000)	598
Open Interest	11453182

Buy Price	286.9
Stop Loss	270
Target Price1	304
Target Price2	327
Upside in Tgt1	6%
Upside in Tgt2	14%

### Technical Chart



Dabur India is in continuous uptrend since January 2017. The stock has given a bullish breakout above 200 DMA with decent volumes. So some fresh buying is likely to emerge in the stock at the current level.

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24th May 2017

**Narnolia Securities Ltd** | Retail Technical Research

**Rating : Long / BUY**

Initiation Date

22-Mar-17

BSE Code	500126
NSE Symbol	MERCK
52wk Range H/L	625.10/1157
Mkt Capital (Rs Cr)	1701
Av.Cash Volume(,000)	38.4
Open Interest	NA

Buy Price	1025.7
Stop Loss	928
Target Price1	1123
Target Price2	1248
Upside in Tgt1	9%
Upside in Tgt2	22%

### Technical Chart



After consolidating near 50 DMA since last one month, MERCK Ltd. has given a sharp pullback rally yesterday. The stock has also given a channel breakout above Rs 1020 with decent volumes.

Therefore we advise traders to initiate long position in the stock near Rs 1025 with a stop loss of Rs 928. The upside targets are Rs 1123 and Rs 1248.

The indicators (like RSI and MACD) are in oversold zone suggesting some fresh upside in the extreme short term.

24th May 2017

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# Narnolia

Advance Strategy - Simple Solutions

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