

## Trading Calls

### TORNTPOWER Long/Buy 24th May 2017

Today TORNTPOWER has confirmed the bottom of wave (II) with good volume. Last few couple of days Stochastic is spending time in over sold zone and giving initial sign of reversal. Hence we advise our client to buy near 195.50 for the first price target of 203 and second price target of 209 (which is estimated target of 1 of (III), with 187 as SL.

### 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 reversal trend line with reasonable volume. Therefore we advise our client to buy near 935 for the first price target of 967 and 999 with 903 as SL. Stochastic is also in rising trend.

INFY first targ achieved at Rs 935

### 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. 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.

Market	Value	% Change
SGX Nifty	9406.00	0.36%

### Nifty Key Levels

Support	S1: 9309
Resistance	R1: 9460

### Market Outlook

Bears are becoming confident looking at the ferocity with which mid and small cap stocks have corrected over last 5 trading session. Nifty Mid Cap Index has fallen by 8% from the peak whereas Nifty Small Cap Index has fallen by whopping 10%. Almost since start of the May series Nifty range was stable at 9300-9500. But now as Nifty has come close to 9300 just at the expiry, open interest instead of increasing for 9300 Put, is seeing unwinding. These surely will make today's derivative expiry highly volatile. Right strategy at this point is selling on corrective bounce and not of catching this falling knife as reading of various moving averages suggests major support levels are still away as far as Mid Cap and Small Cap Index is concerned. Though chance of a counter trend bounce-back in next 3-5 trading session is very high. These counter trend bounce back will be sharp and will be of small time duration based on history of how Nifty Mid Cap and Small Cap Index have behaved in last five years. Key trackable for emerging market today would be how yuan (Chinese currency) behaves post first rating downgrade by Moody's for Chinese debt since 1989.

Institutional Turnover			
Fill	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
24-May-17	5943	5862	82
May-17	85843	87292	(1449)
DII	Buy(Cr.)	Sale(Cr.)	Net(Cr.)
24-May-17	3165	2967	197
May-17	50297	46264	4033

Sectoral Performance (%)				
	1 Day	1 Week	1Month	1 Year
Auto Components	(0.8)	(4.6)	(0.4)	41.5
Automobiles	0.0	(2.5)	5.0	31.5
Chemicals	(0.9)	(6.5)	(2.1)	30.9
Consumer Finance	(0.7)	(7.6)	(4.9)	42.9
Construction Materials	(2.4)	(7.6)	(2.0)	35.8
Construction & Engg	0.2	0.1	5.2	32.5
Div. Financial Services	0.9	2.0	12.2	58.7
Electrical Equipment	(1.4)	(7.7)	(5.4)	22.0
Energy	0.2	(4.4)	(4.9)	48.3
Financials	(0.7)	(4.5)	(0.0)	45.5
Health Care	(1.9)	(7.0)	(7.7)	(5.5)
Household Durables	(1.0)	(6.8)	(4.9)	25.95
Household Pers. Products	1.6	1.8	3.0	12.9
Information Technology	0.29	1.6	5.8	(1.7)
Metals/Mining/Minerals	(2.5)	(6.8)	(6.1)	32.1
Telecom	(2.3)	(4.5)	1.7	(1.1)
Utilities	(1.1)	(5.3)	(6.2)	23.4

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

	Long Position			
	DII	FII	Pro	Other
Future Index	18742	197904	18970	217920
Future Stock	29588	520677	167730	958451
Option Index Call	142584	309714	194826	527704
Option Index Put	13530	432078	184557	628262
Option Stock Call	831	32948	59860	321330
Option Stock Put	0	23914	60822	115571

	Short Position			
	DII	FII	Pro	Other
Future Index	24340	104170	58096	266930
Future Stock	478885	740343	99432	357786
Option Index Call	0	217277	295478	662073
Option Index Put	0	114367	309977	834084
Option Stock Call	6	37859	150030	227074
Option Stock Put	0	21059	58593	120655

## High ES & High PS Stock Maintaining Strength

BSE Code	NSE CODE	1 Month Return %
512573	AVANTI	54.9
524742	CAPPL	45.3
532814	INDIANB	26.7
500878	CEATLTD	21.6
500407	SWARAJENG	21.5
523756	SREINFRA	20.5
500469	FEDERALBNK	19.9
502165	OCL	19.6
533309	DALMIABHA	18.2
532832	IBREALEST	17.9

## High ES & Low PS Stock Showing Strength

BSE Code	NSE CODE	1 Month Return %
532156	VAIBHAVGEM	20.2
532129	HEXAWARE	17.7
532644	JKCEMENT	17.7
506197	BLISSGVS	14.0
532540	TCS	11.2
530007	JKTYRE	11.1
500304	NIITLTD	10.9
524084	MONSANTO	10.5
531162	EMAMILTD	10.0
533088	MHRIL	9.5

## Low ES & Low PS Stock Maintaining Weakness

BSE Code	NSE CODE	1 Month Return %
511389	VIDEOIND	(43.70)
521248	KITEX	(24.38)
531768	POLYMED	(24.15)
532712	RCOM	(16.81)
532300	WOCKPHARMA	(16.22)
532370	RAMCOSYS	(15.23)
523598	SCI	(13.44)
532800	TV18BRDCST	(13.32)
532638	SHOPERSTOP	(13.27)
500420	TORNTPHARM	(12.11)

## Low ES & High PS Stock Showing Weakness

BSE Code	NSE CODE	1 Month Return %
512599	ADANIENT	(20.85)
500219	JISLJALEQS	(20.62)
500645	DEEPAKFERT	(14.32)
532523	BIOCON	(13.40)
500620	GESHIP	(13.04)
505533	WESTLIFE	(12.45)
532221	SONATSOFTW	(12.44)
519600	CCL	(11.78)
500116	IDBI	(11.42)
500188	HINDZINC	(10.97)

\* 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

25th May 2017

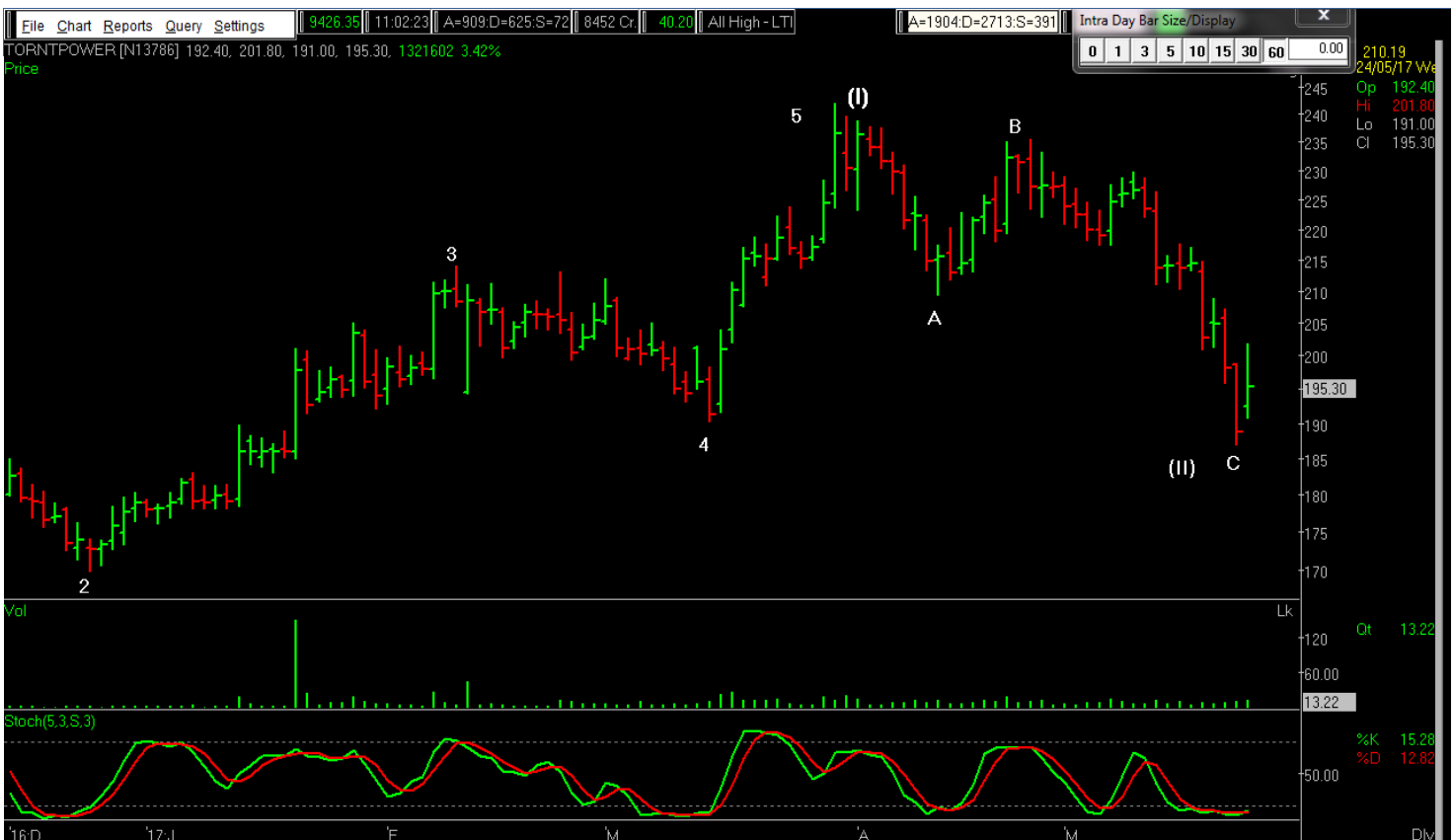
**Rating : Long / BUY**

Initiation Date

**24-May-17**

BSE Code	532779
NSE Symbol	TORNTPOWER
52wk Range H/L	241.25/159
Mkt Capital (Rs Cr)	9393
Av.Cash Volume	2,630
Open Interest	-

Buy Price	195.5
Stop Loss	187
Target Price1	203
Target Price2	209
Upside in Tgt1	3.84
Upside in Tgt2	6.91



Today TORNTPOWER has confirmed the bottom of wave (II) with good volume. Last few couple of days Stochastic is spending time in over sold zone and giving initial sign of reversal. Hence we advise our client to buy near 195.50 for the first price target of 203 and second price target of 209 (which is estimated target of 1 of (III), with 187 as SL.

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**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.

**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.

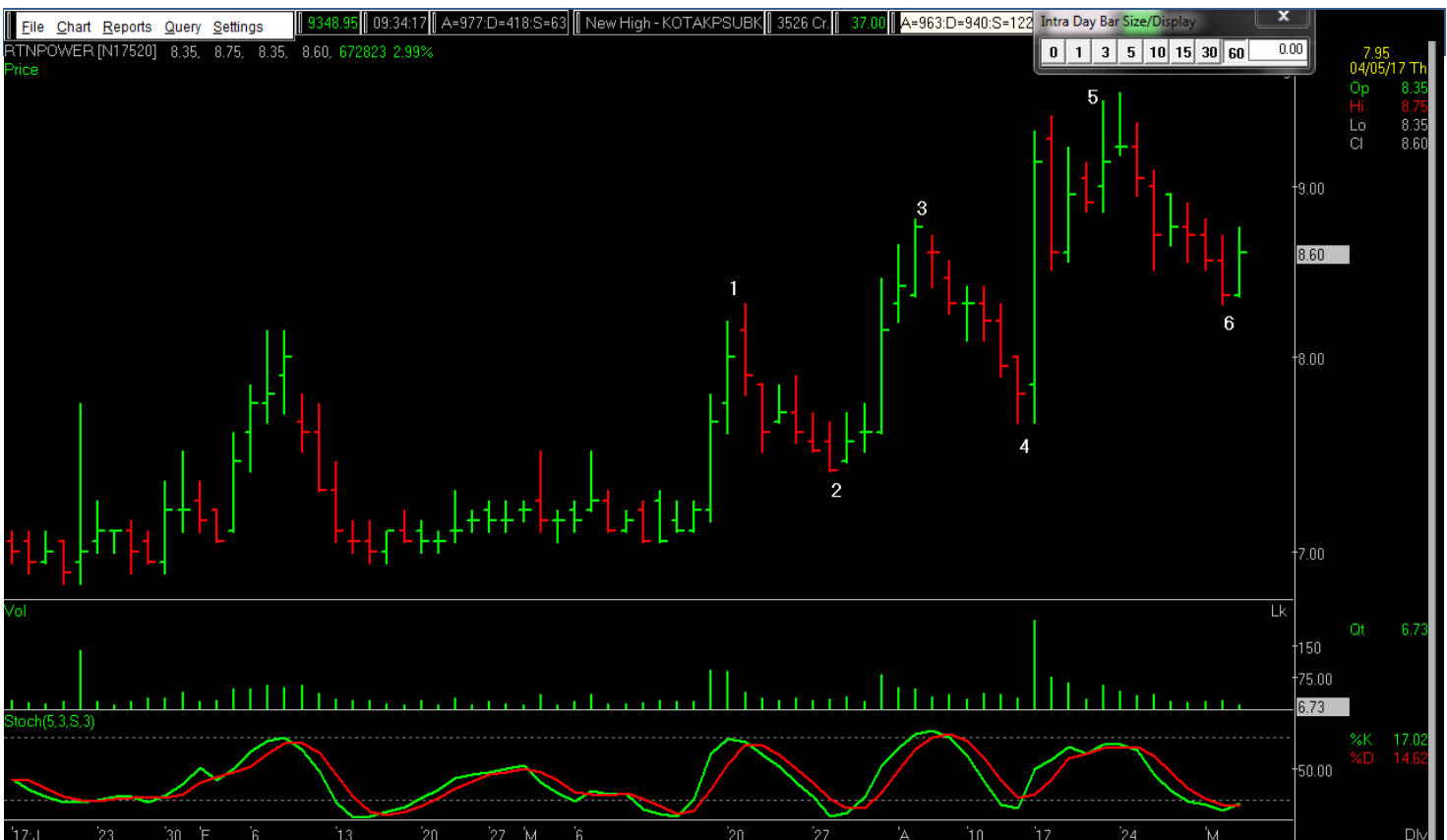
**Rating : Long / BUY**

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.

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**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.

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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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**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.

25th May 2017

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# Narnolia

Advance Strategy - Simple Solutions

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