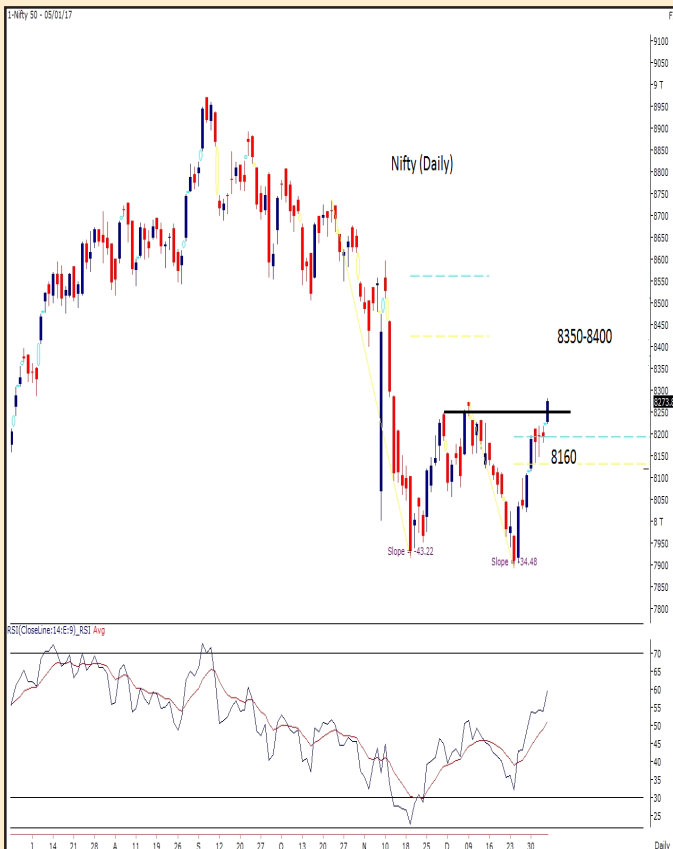


## Nifty Chart



## Nifty Outlook

Nifty	R1	R2	S1	S2
8288	8315	8340	8255	8230

'Nifty has retraced its previous declining move within a faster time & confirms the impulse wave characteristics. It also closed the session above its 200 DEMA of 8260 (Nifty Spot). The ongoing momentum is expected to extend towards 8350 & longs could be maintained with a stop below 8160.

## Currency (USDINR) Outlook

USDINR	S1	S2	R1	R2
68.11	67.75	67.60	68.25	68.50

Sideways-to-negative move could be seen as long as price holds below 68.20 - 68.25 area.

## Sectoral Outlook

Sector	Outlook
ENERGY	POSITIVE
AUTO	NEUTRAL

## Market Drivers

- ✓ Indian markets went past key technical levels helped by sectors like metals, banking and auto. The mid cap space continued to do well. FIIs remained net sellers in cash but the net sell figure was marginal. DIIs continued to be net buyers. Signs of abating of selling pressure from FIIs, signs of normalisation in economic activity will bode well for the market though results related tentativeness is bound to remain in the near term.

## Trading Idea - Cash & Future

Scrip	Reco	MBP	SL	Target
HEROMOTO	BUY	3080	3020	3180

## Trading Idea - Derivatives

STRATEGY : Indiacem Ratio Call Spread

Instrument	B/S	Lot	Reco	CMP
25 JAN 130 CE	Buy	1	3	3
25 JAN 135 CE	Sell	2	1.6	1.6

Target : Rs.8000 SL : Rs2000 Hedge: Buy future above Rs.137.5

## Highest Call OI

Instrument	Strike	OI	Chg in OI
Nifty 25-Jan	8400	4456950	642975
Bank Nifty 25-Jan	19000	775840	172240
Bank Nifty 12-Jan	18500	337120	197400

## Highest Put OI

Instrument	Strike	OI	Chg in OI
Nifty 25-Jan	8000	6266250	140475
Bank Nifty 25-Jan	18000	670480	83600
Bank Nifty 12-Jan	17800	237120	219280

## Trading Calls

### HEROMOTO

MBP INR 3080

Buy

Target INR 3180



- ✓ 'Occurrence of 'Bullish Hammer' on the weekly scale at the retracement support
- ✓ The recent rebound post the pattern confirms the reversal & provides a good reward to risk opportunity for trading longs
- ✓ Long positions could be added with a stop below 3020 for an initial target up to 3180

## Derivatives Idea

### Indiacem

Buy 1 Lot 130 CE

Sell 2 Lots 135 CE

Ratio Call Spread



- ✓ IndiaCem is in long- long unwinding cycle
- ✓ Stock is quoting near its highest Call concentration at 125. Unwinding in same could lead to option trigger and push stock higher
- ✓ Considering stable volatility and to benefit from theta decay, Ratio Call Spread is recommended

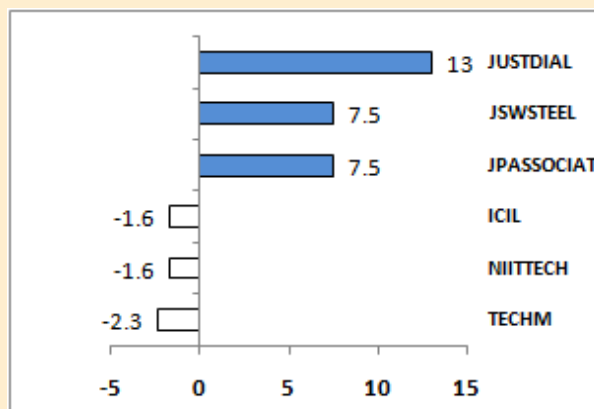
## FII & DII Activity (Rs. in Cr)

Cat.	Amt	MTD	YTD
FII	-87	-1649	-12231
DII	449	1459	36822

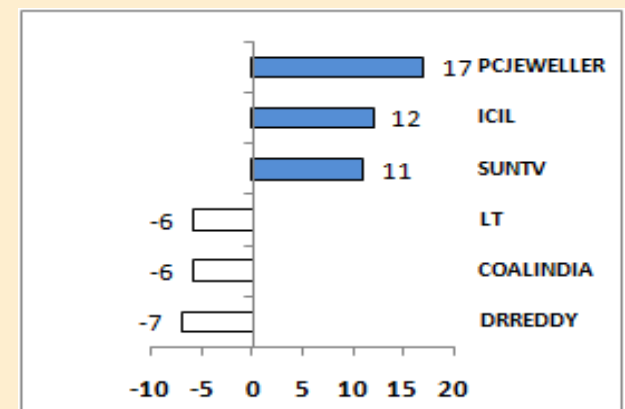
## FII F&O

Institution	Net B/S	OI
Index Future	1674	Long
Index Options	1541	Call Long
Stock Futures	348	Long

## Major Price % Change



## Major OI % Change



## Morning Meet Notes

### Research Notes

#### **Yes Bank: Best placed in the current environment (CMP 1210, TP 1500, 24% Upside)**

- ✓ Strong branch expansion (950 vs 214 in FY11) to improve CASA & Retail Loan Growth
- ✓ Demonetization to result in CASA improving by 200bp to 32% (40% by 2020)
- ✓ Expect Loan CAGR of 25%+, RoE of 20%+, Trades at 2.6x FY18 P/B

#### **3QFY17 PREVIEW | BANKS**

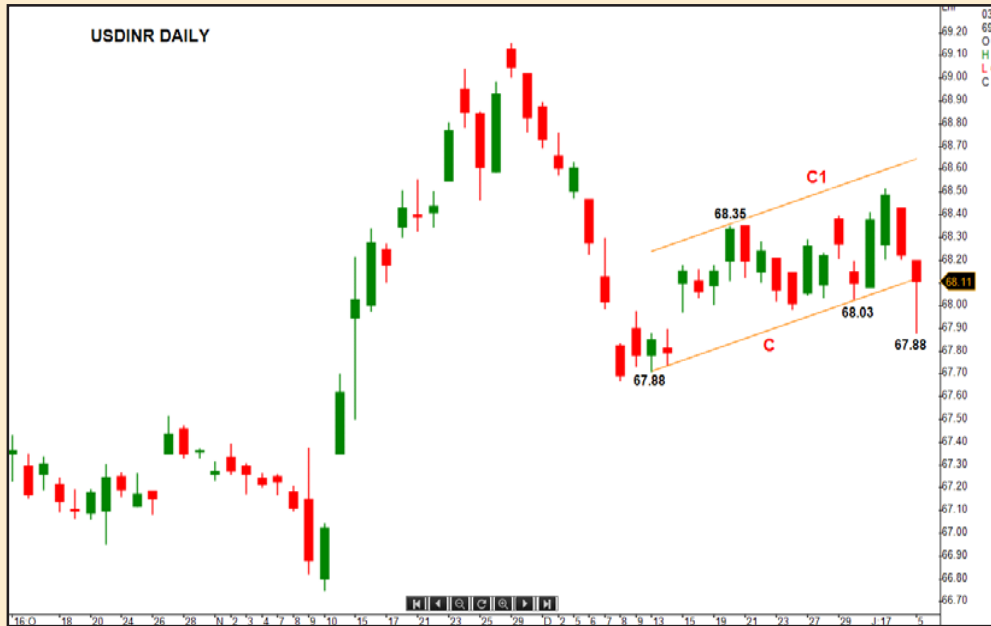
- ✓ Sharp uptick in CASA (expect at least 500bp QoQ rise in CASA)
- ✓ Weak loan growth as focus on deposit mobilisation
- ✓ Lower bond yields to lead to high MTM gains on investment portfolio
- ✓ Asset quality to be stable QoQ - small borrowers given extra 90 days
- ✓ Prefer **ICICIB** and **YES** amongst private banks; **SBIN** and **PNB** amongst PSU banks
- ✓ Rather than current qtr earnings, management commentary on future is important

#### **3QFY17 PREVIEW | OIL & GAS**

- ✓ Brent up 7% QoQ and 13% YoY; GRM at USD 6.7/bbl, up from USD 5.1/bbl - to moderately benefit upstream cos - ONGC, OIL
- ✓ RIL - while core growth would be significant, telecom losses to cap consolidated growth
- ✓ **OMCs** with stable marketing margins remain our top picks

## Currency Ideas

### USDINR



- ✓ USDINR (Jan. contract) breached below our recommended critical support of 68 (low 67.88), but failed to sustain at lower levels and turned higher closing at 68.11
- ✓ Immediate resistance for the pair is at 68.20 - 68.25 and bias looks weak as long as price holds below the same
- ✓ Price sustained break below 68.00 will confirm weakness and will target 67.75 - 67.65 levels
- ✓ Selling is advised for the session

### JPYINR



- ✓ JPYINR (Jan. contract) will open with positive note as per parity around 58.70 against the yesterday's close of 58.47
- ✓ Price sustained trade above 58.85 - 59.00 levels will confirm a consolidation break out and will lead the move towards 59.55 - 59.80 levels
- ✓ Immediate support is at 58.35 - 58.25 whereas major support is placed at 57.75
- ✓ Buying above resistance zone is advised for short-term

# MOST Market Outlook

6th January 2017

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