

Nifty Chart



Nifty Outlook

Nifty	R1	R2	S1	S2
8294	8322	8354	8280	8260

'Nifty recouped from its previous sessions loss & added 55 points to its tally yesterday to close the day at 8291. The index maintains its bullish sequence & a breach above 8310 (High of the Weekly Doji) could amplify the bullish momentum. On a sustained close above 8310, trading stop could be raised to 8220 for longs.

Currency (USDINR) Outlook

USDINR	S1	S2	R1	R2
68.33	68.20	68.00	68.50	68.85

As long as 68.50 is capped as resistance, sideways consolidation will be seen for short-term.

Sectoral Outlook

Sector	Outlook
ENERGY	POSITIVE
MEDIA	NEUTRAL

Market Drivers

- ✓ European and US markets closed at highs. Indian markets closed firm. Among results, Indusind Bank was ahead of expectations. Limited impact of demonetisation was seen in results. This should have a positive rub off on other private banks as well. Global markets were buoyant with sectors like metals. FIIs selling activity has waned while DIIs remained net buyers. Positive results, better global cues and not so negative FII flows will be positive. Nifty moving above 200DMA will be positive from technical perspective.

Trading Idea - Cash & Future

Scrip	Reco	MBP	SL	Target
ZEEL	BUY	468	460	485

Trading Idea - Derivatives

STRATEGY : Banknifty Modified Bull Call Spread

Instrument	B/S	Lot	Reco	CMP
25 JAN 18600 CE	Buy	1	138	167
25 JAN 19000 CE	sell	1	48	49
25 JAN 17300 PE	Sell	1	57	22

Target : Rs.9000 SL : Rs3000 Hedge: Sell future below Rs.17300

Highest Call OI

Instrument	Strike	OI	Chg in OI
Nifty 25-Jan	8400	5207850	77025
Bank Nifty 25-Jan	19000	1176720	192000
Bank Nifty 12-Jan	18500	682320	-21360

Highest Put OI

Instrument	Strike	OI	Chg in OI
Nifty 25-Jan	8000	6620700	-57825
Bank Nifty 25-Jan	18000	773320	47320
Bank Nifty 12-Jan	18000	688480	81880

Trading Calls

ZEEL

Buy

MBP INR 468

Target INR 485



- ✓ 'On the 60 min scale of ZEEL a 'Rounding Bottom' formation is evident. 'Breakout & a pull-back towards the 'Rounding' formation provides another good opportunity to add longs.
- ✓ Traders could participate the upmove with a stop below 460 for a target upto 485.

FII & DII Activity (Rs. in Cr)

Cat.	Amt	MTD	YTD
FII	-21.2	-2250.2	-12832.2
DII	253.36	1974.36	37337.36

FII F&O

Institution	Net B/S	OI
Index Future	-203.65	Long Unwinding
Index Options	-119.05	Put writing
Stock Futures	435.56	Long

Major Price % Change

Derivatives Idea

Banknifty

Modified Bull Call Spread

Buy 1 Lot 18600 CE

Sell 1 Lot 19000 CE

Sell 1 Lot 17300 PE



- ✓ Bank Nifty is in Short Unwinding cycle
- ✓ Option indicative band stays at 18000-19000. Unwinding in 18500 CE could accelerate buying momentum towards 19000
- ✓ Considering we are participating rising momentum, Modified Bull Call Spread is recommended

Major OI % Change

Morning Meet Notes

Research Notes

Indusind Bank: Strong performance fades demonetization worries CMP: INR1,162 TP: INR1,430(+23%)

- ✓ Both corporate and consumer loans exhibited robust 25% YoY growth
- ✓ Strong core profitability (3% of avg. assets v/s private banks' avg. of 2.5% and HDFCB's 2.7%)
- ✓ Maintain Buy with a TP of INR1,430

3QFY17 PREVIEW | NBFCs, Expect demonetization-led subdued performance

- ✓ Expect NBFCs under our coverage universe to report PAT growth of 16%. HFCs (15% YoY)
- ✓ BHAFIN and LICHF are likely to post strong earnings growth of 25%+ YoY.
- ✓ Preferred picks - Bajaj Finance, LIC Housing, Gruh Finance.

News: Demonetisation hits home sales... negative for real estate...

- ✓ Home sales fell by 23% between July and Dec. 2016 vs +7% sales in H1CY16. New launches fell 79% to 68702 units in 2HCY16

MOST Market Outlook

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Dharmesh Kant (Head - Retail Research)
Dharmesh.Kant@motilaloswal.com

Sacchitanand Uttekar (Technical Analyst)
Sacchitanand.Uttekar@motilaloswal.com

Tina Gadodia (Derivatives Analyst)
Tina.Gadodia@motilaloswal.com

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Motilal Oswal Securities Ltd

Motilal Oswal Tower, Level 6, Sayani Road, Prabhadevi, Mumbai 400 025
Phone: (91-22) 30894200 Fax: (91-22) 22885038. E-mail: info@motilaloswal.com