

## Nifty Chart



## Nifty Outlook

Nifty Fut.	R1	R2	S1	S2
8954	9119	9250	8900	8860

'Nifty index formed a Hammer candle on the daily chart as it recovered well from lower levels. It has been consolidating in between 8860 to 9000 zone from last thirteen trading sessions and is awaiting a decisive range breakout to commence the next leg of rally. Now after the positive opening, index requires a hold above 9119 to start a fresh move towards 9250 while 8860 is likely to act as a major support.

## Currency (USDINR) Outlook

USDINR	S1	S2	R1	R2
66.73	66.15	65.95	66.75	66.95

The pair is likely to trade in a lower range between resistance at 66.45/66.50 and support at 66/65.95 level.

## Market Drivers

- ✓ Indian markets open after a break and will react to election results. UP state election results played out hugely in favour of BJP. Also BJP is set to form govt in 4 out of 5 states which went for election which will be seen positively. SGX Nifty is trading above record highs. Money waiting on sidelines should enter the market as event is through. Also this could pave way for a longer rally on expectations of more policy reforms on one hand and sustenance of same govt for a longer time frame. GST now becomes a certainty. Some of the logistic stocks could see gains. Banking, Auto, metals and govt dependent sectors like infra and defense could see gains. In the near term the market could move closer to its record highs. Sustaining above the same will open room for further upsides from a technical perspective.

## Trading Idea - Cash & Future

Scrip	Reco	MBP	SL	Target
BEL	BUY	1570	1540	1630

## Corporate Action:

COALINDIA	Interim Dividend - INR 18.75
DICIND	Dividend - INR 4.00
EMAMILTD	Interim Dividend - INR 1.75
TVSMOTOR	Interim Dividend - INR 1.25

## Security in Ban period:

JETAIRWAYS, JINDALSTEL, JPASSOCIAT, RCOM

## Sectoral Outlook

Sector	Outlook
CAPITAL GOODS	POSITIVE
MIDCAP	POSITIVE

## Trading Idea - Derivatives

### STRATEGY : LT Bull Call Spread

Instrument	B/S	Lot	Reco	CMP
LT CE 1500	Buy	1	28	28
LT CE 1540	Sell	1	14	14

Target Profit: Rs.13000 SL Rs 7000

## Highest Call OI

Instrument	Strike	OI	Chg in OI
Nifty 30-Mar	9000	6567300	83925
Bank Nifty 30-Mar	21500	839720	46480
Bank Nifty 16-Mar	21000	410880	194920

## Highest Put OI

Instrument	Strike	OI	Chg in OI
Nifty 30-Mar	8900	4584000	305025
Bank Nifty 30-Mar	20000	619480	-16160
Bank Nifty 16-Mar	20000	466720	273080

## Trading Calls

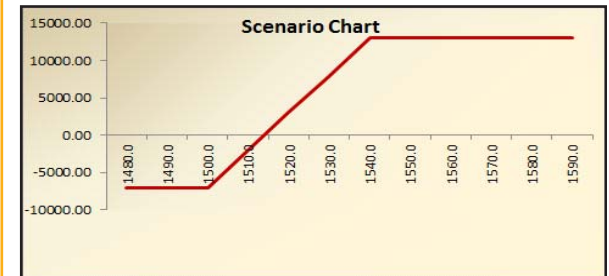
**BEL** MBP INR 1570  
**Buy** Target INR 1630



- ✓ It has given a breakout from its falling channel on daily chart and holding the gains above 1540
- ✓ Major trend of the stock is positive and recent price set up is suggesting a fresh momentum to the stock
- ✓ Thus recommending to buy with the trading SL of 1540 for a potential upside target of 1630

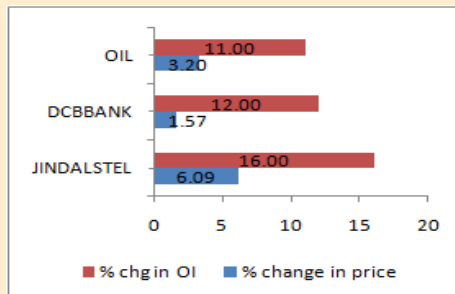
## Derivatives Idea

**LT** Buy 1 Lot 1500 CE  
**Bull Call Spread** Sell 1 Lot 1540 CE

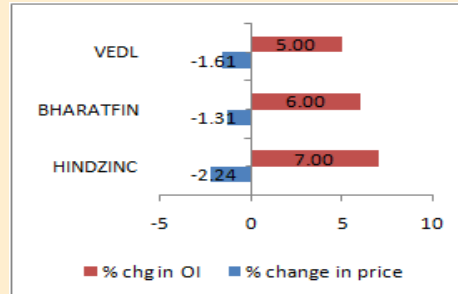


- ✓ LT has witnessed accumulation in OI in last few trading session. Option indicative band suggest 1500 as highest call congestion while support are distributed across strikes of 1440-1480. Unwinding in 1500 CE could lead to option trigger, thereby boosting momentum
- ✓ Thus Bull Call Strategy is recommended

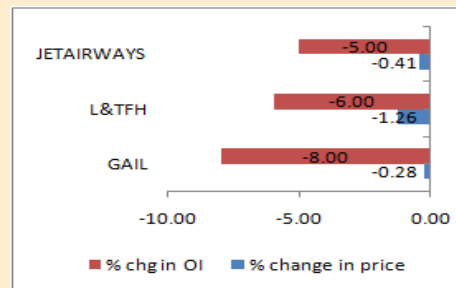
## Long Built-up



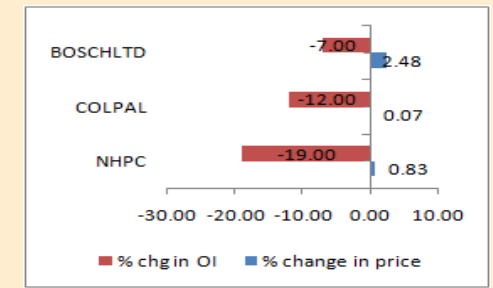
## Short Built-up



## Long Unwinding



## Short Covering



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

Cat.	Amt	MTD	YTD
FII	412	7412	30502
DII	-14	-3860	13575

## FII F&O

Institution	Net B/S	OI
INDEX FUTURES	-104	Short
INDEX OPTIONS	-3686	Call Writing
STOCK FUTURES	-925	Short

## Morning Meet Notes

### Research Notes

#### Dewan Housing Finance - Focusing on core mortgage business (CMP 330, TP 405, Recom. BUY)

- ✓ Entered into an agreement to divest its 50% stake in DHFL Pramerica Life Insurance
- ✓ Transaction would increase FY18 book value by 25-30% without any shareholder dilution
- ✓ Builder Loan book to increase to 14-15%.

#### Can Fin Homes - Canara Bank stake sale behind (CMP 1978, TP 2260, Recom. BUY)

- ✓ Canara Bank completes stake sale of 13.5% in Can Fin Homes to Caladium Investment for INR2105 per share.
- ✓ Maintain Positive Outlook on Can Fin Homes.

#### Economy Update - IIP

- ✓ IIP grew 2.7% in Jan'17
- ✓ Manufacturing sector grew 2.3% in January 2017, Mining grew at 5.3% and Electricity by 3.9%,
- ✓ Expect IIP to grow 1% in FY17

## Currency Ideas

### USDINR



- ✓ NSE USDINR fell and closed near 66.72, lower by about 0.4% for the last week, after it failed to breach immediate resistance near 67.20 levels earlier.
- ✓ The pair closed below recent low near 66.75 and has now breached another important support at 66.45 on DGCX.
- ✓ The 14-period ADX is indicating increase in bearish momentum and hence the short-term bias remains bearish as long as the pair holds below 66.75.
- ✓ Selling on rallies towards 66.45 is advised with test of December 2015 low near 66 levels looking likely.

### JPYINR



- ✓ NSE JPYINR fell and closed sharply lower near 57.90 last week (down by about 1.3%) after breaching important support near 58.50 level.
- ✓ This support was being held since the last 2 months and the same is now likely to act as an immediate resistance.
- ✓ Short-term bias now looks negative as vindicated by a downward-sloping 14-period RSI which indicates bearish momentum.
- ✓ Selling on rallies is thus advised with test of December 2016 low near 57.40 looking possible.

# MOST Market Outlook

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**Dharmesh Kant (Head - Retail Research)**  
[Dharmesh.Kant@motilaloswal.com](mailto:Dharmesh.Kant@motilaloswal.com)

**Chandan Taparia (Derivatives & Technical Analyst)**  
[Chandan.Taparia@motilaloswal.com](mailto:Chandan.Taparia@motilaloswal.com)

**Tina Gadodia (Derivatives Analyst)**  
[Tina.Gadodia@motilaloswal.com](mailto: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](mailto:info@motilaloswal.com)