

Nifty Chart



Nifty Outlook

Nifty Fut.	R1	R2	S1	S2
9117	9165	9191	9090	9020

'Geopolitical turmoil took over initial optimism, Nifty index opened positive but failed to surpass immediate hurdle of 9218 and corrected sharply towards 9100. It negated the effect of previous day's Doji candle and formed a strong Bearish Candle on the daily chart by closing below its 13 DEMA. It continued its losing streak for fourth consecutive session and now a hold below 9165 may drag the index towards 9020-9000 zone while on the upside hurdles are seen at 9191 and 9218 mark.

Currency (USDINR) Outlook

USDINR	S1	S2	R1	R2
64.68	64.30	64.05	64.85	65.10

Intraday pullback is likely to continue as long as 64.30 is held as strong support.

Market Drivers

- ✓ TCS results were in line with expectations. Expectations were muted post Infosys results. Management has sounded confident of maintaining margins but given the quarterly numbers, concerns over slower growth and likely pressure on margins on account of likely higher costs and currency headwinds, stock could continue to remain range bound. Global cues remain mixed to marginally negative. Metal stocks saw correction on back of global cues. Nifty after seeing healthy gains in trade during the day closed lower reacting to global cues. FIIs remained net sellers. Monsoon forecast may also fail to enthuse markets. Among results, private banks like Indusind bank and yes bank are expected to report strong numbers. But overall global cues would be important in near term.

Trading Idea - Cash & Future

Scrip	Reco	MBP	SL	Target
Maruti	BUY	6137	6071	6300

Corporate Action:

OFSS - Interim Dividend - INR 170.00

Security in Ban period:

BHARATFIN, HDIL, IBREALEST, INFIBEAM, JPASSOCIAT, JSWENERGY, UJJIVAN

Today Event

US - US Fed Release Beige book

Sectoral Outlook

Sector	Outlook
NBFC	POSITIVE
AUTO	POSITIVE

Trading Idea - Derivatives

STRATEGY UPDATE : Petronet Call Butterfly Spread

Instrument	B/S	Lot	Reco	CMP
Petronet 27 Apr 430 CE	Buy	1	8.85	10.75
Petronet 27 Apr 440 CE	Sell	2	5.5	7.15
Petronet 27 Apr 450 CE	Buy	1	3.25	4.00

Target: Rs 10000; SL: Rs.3000; Margin: approx Rs. 161000

Highest Call OI

Instrument	Strike	OI	Chg in OI
Nifty 27-Apr	9200	5198925	243900
Bank Nifty 27-Apr	22000	556360	5120
Bank Nifty 20-Apr	22000	759240	209640

Highest Put OI

Instrument	Strike	OI	Chg in OI
Nifty 27-Apr	9100	5272800	-291450
Bank Nifty 27-Apr	21500	727120	36040
Bank Nifty 20-Apr	21000	463360	139680

Trading Calls

Maruti

MBP : INR 6137

Buy

Target : INR 6300



- ✓ Price formed a Piercing pattern on Monday right at the confluence of a rising trendline, retracement level 78.6 % and a 50 period moving average
- ✓ This is a strong indication of buying interest at the support of 6040. The overall trend in the stock is positive and the current decline is a good opportunity to buy the stock
- ✓ On the upside price has the potential to rally towards 6300 over next couple of days

Derivatives Idea

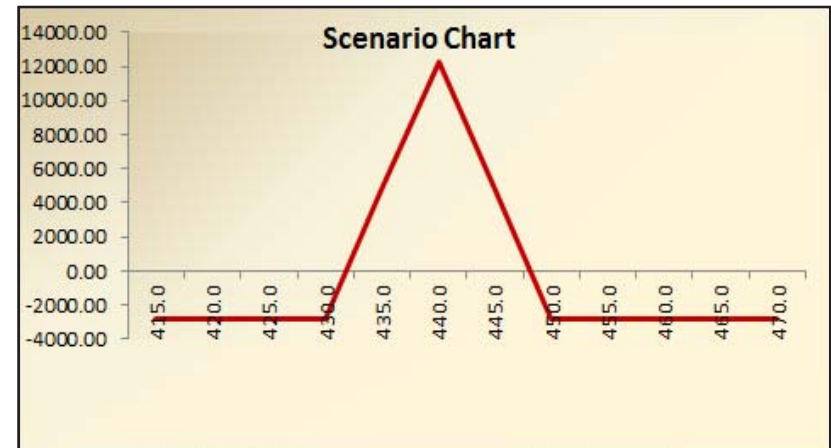
Petronet

Call Butterfly Spread

Buy 1 Lot 430 CE

Sell 2 Lots 440 CE

Buy 1 Lot 450 CE



- ✓ Petronet has seen accumulation in OI in past few trading session
- ✓ Highest Put concentration at 420 could act as vital support while unwinding in 430 CE could see momentum towards 440 (highest call concentration)
- ✓ Indicating stable volatility, Call Butterfly Spread is recommended

FII & DII Activity (INR in Cr)

Cat.	Amt	MTD	YTD
FII	-931	-2882	22480
DII	878	2669	32601

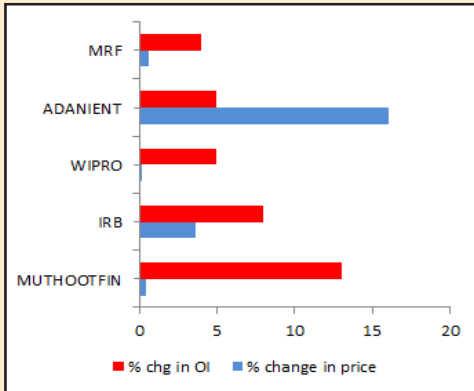
FII F&O

Institution	Net B/S	OI
INDEX FUTURES	-245	Short
INDEX OPTIONS	1,393	Writing
STOCK FUTURES	160	Long

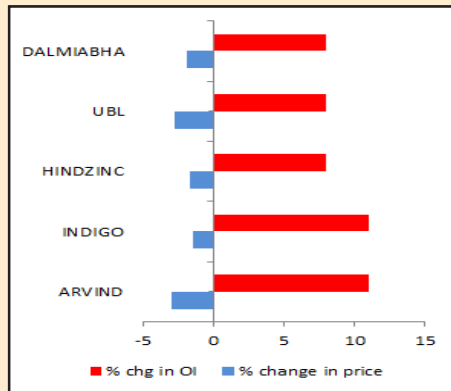
MOST Market Outlook

19th April 2017

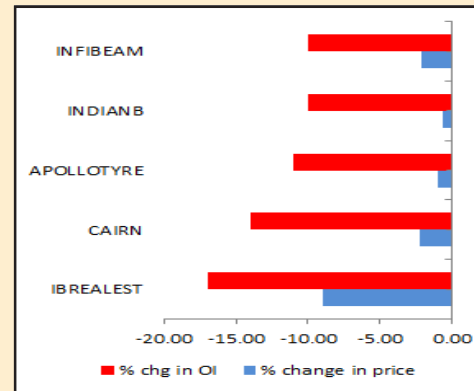
Long Built-up



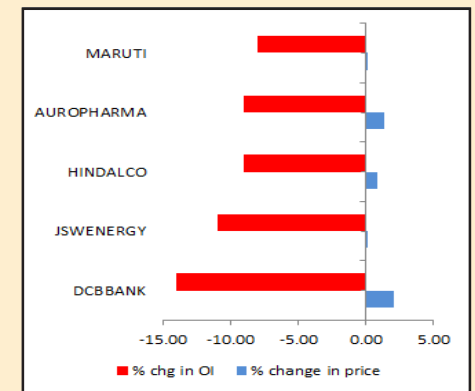
Short Built-up



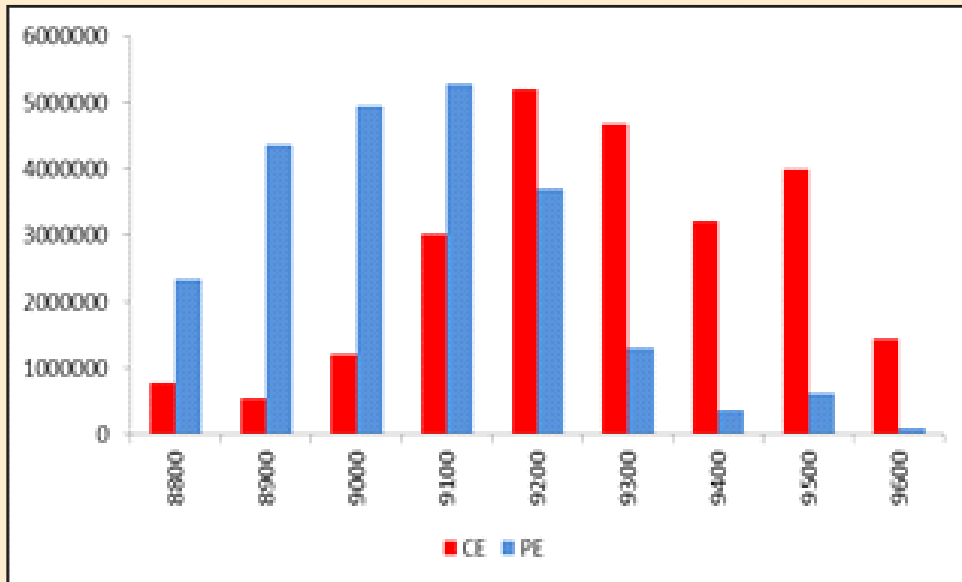
Long Unwinding



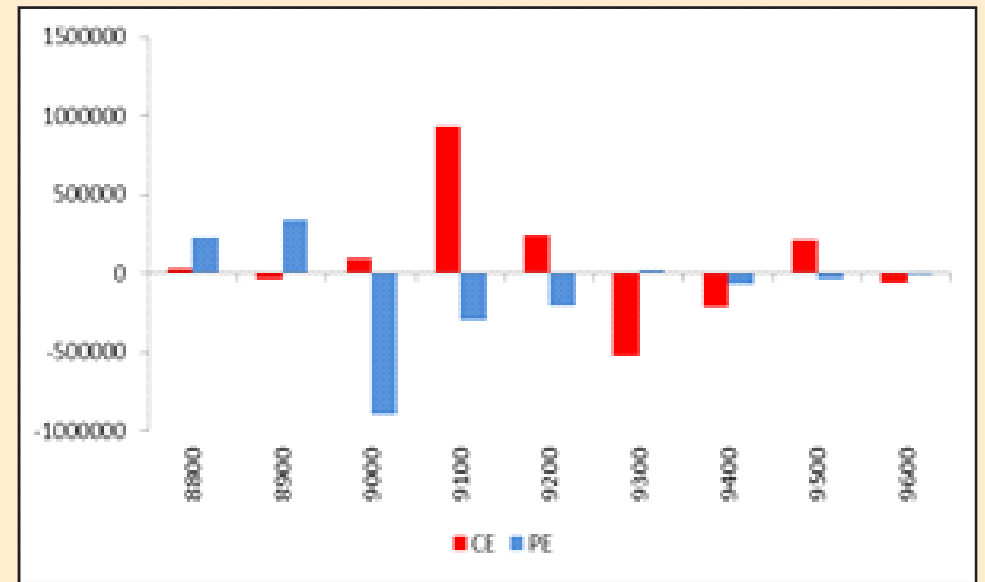
Short Covering



Nifty Option OI



1- Day change in Nifty OI



Morning Meet Notes

Research Notes

Gruh Finance - Impressive all-round performance (CMP 392, TP 421, Recom Neutral)

- ✓ Gruh Finance (GRHF) reported PAT of INR1,104m (up 25% YoY)
- ✓ Loan growth for the quarter was robust 19% YoY
- ✓ GNPL ratio was largely stable YoY at 0.31% and maintain nil net NPLs
- ✓ We upgrade our FY18E/19E EPS by 2%/5%. We upgrade our TP to INR421 (9.5x FY19 P/B). Maintain Neutral

TCS - Margin aspirations face a stern test (CMP 2309, TP 2400, Recom Neutral)

- ✓ TCS' 4QFY17 CC revenue growth to 1% QoQ (compared to our estimate. of +2%)
- ✓ 4QFY17 PAT declined 2.5% QoQ to was INR66b.
- ✓ Margin at 25.7% contracted by 40bp QoQ
- ✓ We expect an EBIT margin in FY18/19 at 25.2/25.0%. our earnings estimates are lower by 3.4/3.3% for FY18/19
- ✓ Currently it trades at 16.5x FY18E earnings

Coal India - Volume growth to accelerate (CMP 279, TP 335, Recom BUY)

- ✓ COAL's dispatch growth to accelerate. Increase of 6.8% in FY18E and 6.6% in FY19E
- ✓ Cost of mining will decline despite wage hike
- ✓ We expect 6.7% CAGR in volumes, 21% CAGR in adj. EBITDA and 15% CAGR in EPS. Value stock at 7.5xEV/adj. EBITDA

Indraprastha Gas - Moving in the right direction, but fairly valued (CMP 1044, TP 1023, Recom Neutral)

- ✓ CNG segment to see 8-10% growth
- ✓ Expect >100,000 household connections every year
- ✓ Rewari to commence operations in FY18
- ✓ Overall volume growth of 11%/9% in FY18/19 and expect standalone EPS of INR49.4 for FY19. Our SOTP-based fair value stands at INR1,023

Economic Events Calendar, April 2017

			19-Apr-17	20-Apr-17	21-Apr-17
India					
UK					
US			US Fed Release Beige book	Initial Jobless Claims	Manufacturing PMI, Composite PMI, Existing Home sales
	24-Apr-17	25-Apr-17	26-Apr-17	27-Apr-17	28-Apr-17
India		Eight Infrastructure Industries			
UK					GDP (QoQ)
US		New Home sales		Wholesale Inventories, Retail Inventories, Intital Jobless claims, Pending Home sales	GDP (QoQ)
	1-May-17	2-May-17	3-May-17	4-May-17	5-May-17
India		Nikkei Manf. PMI		Nikkei Service and Composite PMI	
UK		Manufacturing PMI			
US	Manufacturing PMI		Service and Composite PMI, FOMC Rate decision	Initial Jobless Claims	Change in Non-farm pay roll, Unemployment Rate
	8-May-17	9-May-17	10-May-17	11-May-17	12-May-17
India					CPI, IIP
UK				IIP, BoE Rate decision, BoE Asset Purchase Traget	
US				Initial Jobless Claims	CPI, Retail sales Advance

Note- CPI-Consumer Price Index,WPI-Wholesale Price Index, IIP- Index of Industrial Production, PMI-Purchasing Managers Index

Currency Ideas

USDINR



- ✓ Strong support for the pair remains at 64.35 - 64.30 area and intraday pullback is likely to continue as long as price holds above the same.
- ✓ Resistances are pegged at 64.85 - 65.10 area.
- ✓ Downside for the pair will resume only if price break and sustains below supports

JPYINR



- ✓ Positive opening will be seen as per parity around 59.65.
- ✓ Short-term bias for the pair remains positive as long as 59.20 are held as strong support.
- ✓ Buying is advised for short-term targeting 60.20 - 60.40 levels

MOST Market Outlook

19th April 2017

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