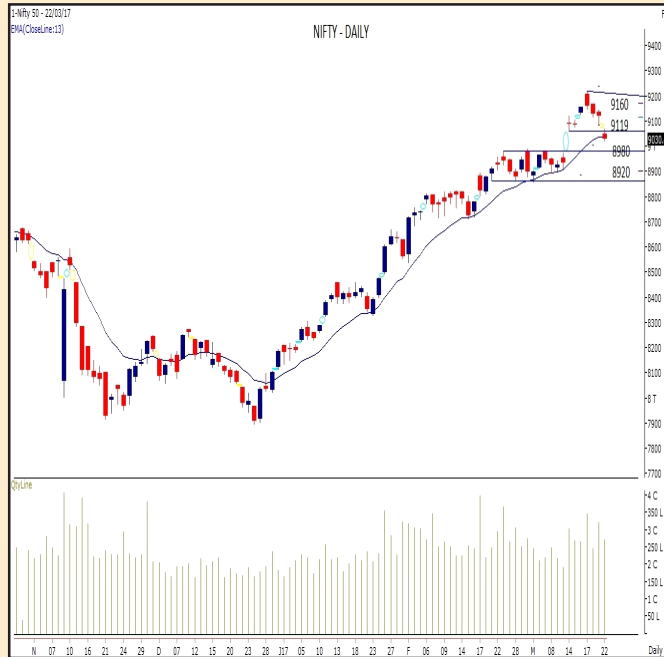


# MOST Market Outlook

23rd March 2017

## Nifty Chart



## Trading Idea - Cash & Future

Scrip	Reco	MBP	SL	Target
DABUR	BUY	282	277	295

## Corporate Action:

AJANTPHARM	Interim Dividend - INR 7.00
ASAHISONG	Interim Dividend - INR 3.00
AUDICH	Interim Dividend - INR 3.50
ENGINEERSIN	Interim Dividend - INR 2.50
NILE	Interim Dividend - INR 3.00

## Security in Ban period:

CENTURYTEX, HDIL, IBREALEST, JETAIRWAYS, JPASSOCIAT, JSWENERGY, KSCL, ORIENTBANK, SINTEX, WOCKPHARMA

## Nifty Outlook

Nifty Fut.	R1	R2	S1	S2
9046	9119	9160	8980	8920

'Nifty index opened gap down and closed with the intra day loss of around 90 points. It has formed a Bearish candle and broken the support of 9119 and 9075 on closing basis led by weakness in the Global market. Index started to form lower highs – lower lows from last three sessions and requires to negate the same to get stability in the market. Now if it manages to cross and hold above 9075 then only we may see a move towards 9119 then 9160 while on the downside next supports are seen at 8980 then 8920 levels.

## Currency (USDINR) Outlook

USDINR	S1	S2	R1	R2
65.45	65.25	65.10	65.80	66.15

Sideways consolidation within 65.25 - 65.80 is likely with a negative bias.

## Sectoral Outlook

Sector	Outlook
FMCG	POSITIVE
AUTO	NEGATIVE

## Trading Idea - Derivatives

### STRATEGY : LT Call Ladder Spread

Instrument	B/S	Lot	Reco	CMP
LT CE 1540	Buy	1	17	17
LT CE 1560	Sell	1	10.65	10.65
LT CE 1580	Sell	1	6.45	6.45

Target Profit: Rs.10000; Maximum Loss: Rs.1000 below 1540; Hedge above: Buy Future abv 1595; Margin Requirement: approx Rs. 1,96,000

## Market Drivers

- ✓ Indian markets corrected yesterday in line with global cues. Banking, metals corrected while sectors like software, pharma held ground. Mid cap space also saw some correction. US markets were ranged yesterday. Europe lost ground. Asia is trading flattish to positive. Hindustan Zinc announced a Rs 27.50 dividend. PSU companies are likely to announce dividend. Companies like Max Financials, Equitas, Capital Trust, Suzlon, and Indigo will be available for trading in F&O. New entrants in F&O could see trading interest. Nifty has supports around the 9050 levels and could consolidate around these levels.

## Highest Call OI

Instrument	Strike	OI	Chg in OI
Nifty 30-Mar	9200	6423300	69750
Bank Nifty 30-Mar	21500	663320	-211680
Bank Nifty 23-Mar	21300	881640	145800

## Highest Put OI

Instrument	Strike	OI	Chg in OI
Nifty 30-Mar	8900	5420400	213900
Bank Nifty 30-Mar	20500	1060720	399840
Bank Nifty 23-Mar	20500	385360	141320

## Trading Calls

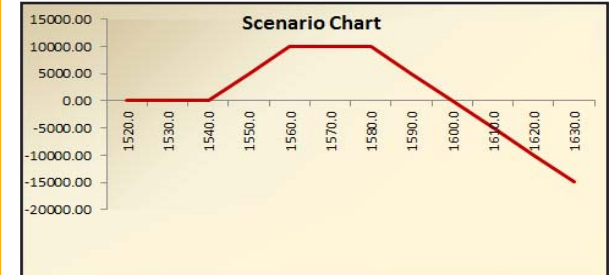
**DABUR** MBP INR 282  
**Buy** Target INR 295



- ✓ 'Dabur has given a consolidation breakout on weekly chart and holding the gains from last two weeks
- ✓ It has also formed a Head & Shoulder pattern on daily scale which has a bullish implication
- ✓ Thus, recommending to buy with the trading SL of 277 for a potential upside target of 295

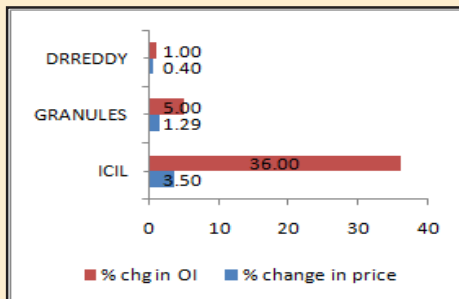
## Derivatives Idea

**LT** Buy 1 Lot 1540 CE  
**Call Ladder Spread** Sell 1 Lot 1560 CE  
 Sell 1 Lot 1580 CE

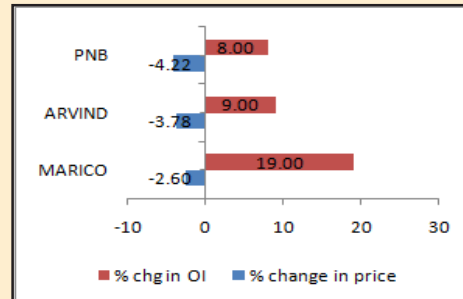


- ✓ LT is consolidating in 1st few trading session
- ✓ Highest put congestion at 1520 could provide support to the stock. while highets call congestion is placed at 1560
- ✓ As we are participating bullish momentum and to benefit from theta decay, Bull Call Ladder is recommended

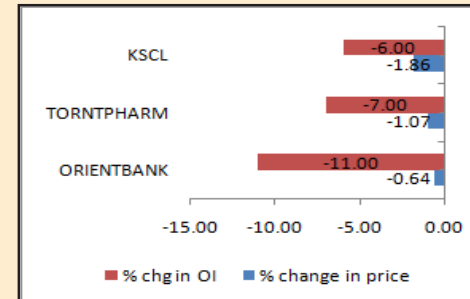
## Long Built-up



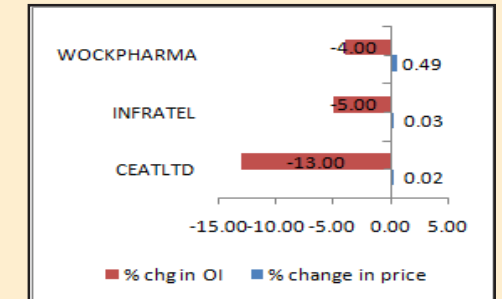
## Short Built-up



## Long Unwinding



## Short Covering



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

Cat.	Amt	MTD	YTD
FII	357	17608	40698
DII	-780	-8168	9269

## FII F&O

Institution	Net B/S	OI
INDEX FUTURES	1053	Long
INDEX OPTIONS	461	Put long
STOCK FUTURES	-1820	Short

## Morning Meet Notes

### Research Notes

#### **Mahindra & Mahindra - Best bet on rural recovery (CMP 1271, TP 1546, Recom. BUY)**

- ✓ M&M is the best play among key auto OEMs on the rural market recovery
- ✓ Tractors back on track after demonetization impact
- ✓ Passenger UVs: Worst is behind us as rural recovery to enable market share recovery
- ✓ EBITDA margins to remain stable
- ✓ Cheapest large cap auto stock with valuations of 17x/14.2x FY18/19E consol EPS and 15.2x/12.8x on core PE basis

## Currency Ideas

### USDINR



- ✓ USDINR is now consolidating in a range of 65.30 - 65.75 with a negative bias
- ✓ Strong short-term support is placed at 65.10 whereas strong intraday resistance is at 65.80 levels
- ✓ Selling on rise is advised targeting 65.10

### GBPINR



- ✓ GBPINR could not sustain below 79.55 and has reversed sharply
- ✓ Strong short-term resistance is placed at 81.90 marks whereas 81.20 / 80.80 may act as strong supports
- ✓ Expect consolidation within 81.20 - 81.90 with a bullish bias

# MOST Market Outlook

23rd March 2017

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