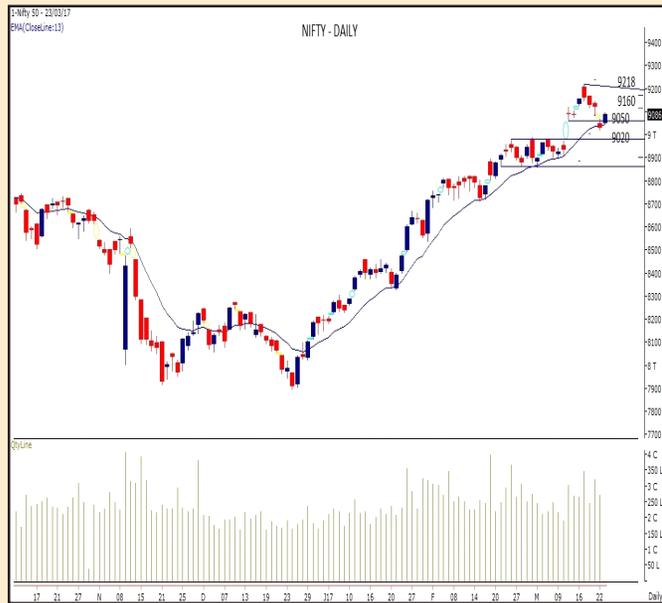


# MOST Market Outlook

24th March 2017

## Nifty Chart



## Nifty Outlook

Nifty Fut.	R1	R2	S1	S2
9104	9160	9218	9050	9020

'Nifty index opened positive and formed a strong Bullish candle on daily chart as it took support at its 13 DEMA and headed towards 9100. It has negated its formation of lower highs – lower lows of previous three sessions and now a hold above 9075 could extend its momentum towards 9160 zone while on the downside supports are seen at 9050 and 9020.

## Currency (USDINR) Outlook

USDINR	S1	S2	R1	R2
65.51	65.25	65.10	65.80	66.15

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

## Market Drivers

- ✓ Indian markets recovered after couple of days of correction. Yes Bank, Tata Motors, NTPC, Gail were among the top gainers while TCS, Eicher Motor and ITC were among the losers. Yes Bank QIP will take away the overhang, improve its book value. It will lead to about 8 percent dilution. PSUs gained on expectation of dividend. Mid cap space saw interest. Flows continued to remain positive from FIIs. DIIs were net sellers. Global cues remain mixed. Govt action, news flows continue to be positive. Reports indicate some action likely to resolve the NPA situation. Also on govt front, action is likely in the infrastructure, affordable housing space and value unlocking in PSUs. Overall these sectors could remain in focus.

## Trading Idea - Cash & Future

Scrip	Reco	MBP	SL	Target
LUPIN	BUY	1480	1460	1530

## Sectoral Outlook

Sector	Outlook
FMCG	POSITIVE
AUTO	NEGATIVE

## Highest Call OI

Instrument	Strike	OI	Chg in OI
Nifty 30-Mar	9200	6076650	-346650
Bank Nifty 30-Mar	21500	708120	44800

## Corporate Action:

NLCINDIA	Interim Dividend - INR 7.34
SANDESH	Interim Dividend - INR 5.00
POLYMED	Bonus issue 1:1

## Security in Ban period:

BHARATFIN, CENTURYTEX, HDIL, IBREALEST, IFCL, JETAIRWAYS, JPASSOCIAT, JSWENERGY, ORIENTBANK, RELCAPITAL, SINTEX, WOCKPHARMA

## Trading Idea - Derivatives

### STRATEGY UPDATE : LT Call Ladder Spread

Instrument	B/S	Lot	Reco	CMP
LT CE 1540	Buy	1	17.00	20.00
LT CE 1560	Sell	1	10.65	12.25
LT CE 1580	Sell	1	6.45	6.10

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

## Highest Put OI

Instrument	Strike	OI	Chg in OI
Nifty 30-Mar	8800	5544525	151050
Bank Nifty 30-Mar	20500	1123640	62920

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## Trading Calls

**LUPIN** MBP INR 1480  
**Buy** Target INR 1530



- ✓ 'Lupin has taken multiple support near to 1440 and made a strong base to start the positive momentum. It is moving upwards after a long consolidation so looks attractive in terms of risk - reward ratio
- ✓ Thus, recommending to buy with the trading SL of 1460 for a potential upside target of 1530

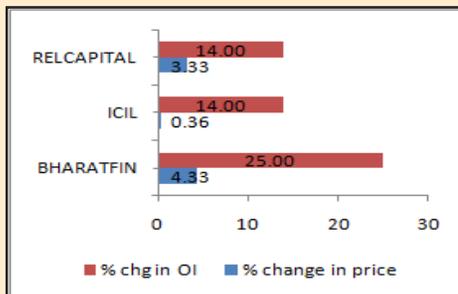
## Derivatives Idea

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

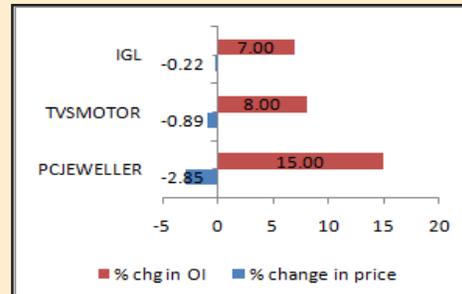


- ✓ LT is consolidating in 1st few trading session
- ✓ Highest put congestion at 1520 could provide support to the stock. while highets call congestionis placed at 1560
- ✓ As we are participating bullish momentum and to benefit from theta decay, Bull Call Ladder is recommended

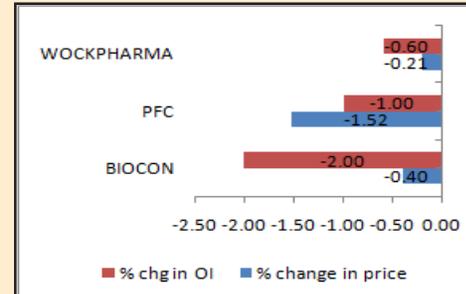
## Long Built-up ( Combined)



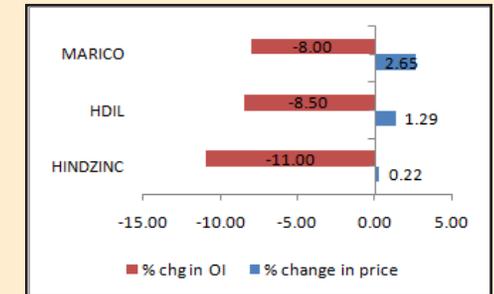
## Short Built-up ( Combined)



## Long Unwinding ( Combined)



## Short Covering ( Combined)



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

Cat.	Amt	MTD	YTD
FII	1094	18702	41792
DII	-591	-8758	8679

## FII F&O

Institution	Net B/S	OI
INDEX FUTURES	101	Long
INDEX OPTIONS	707	Long
STOCK FUTURES	-232	Short

## Morning Meet Notes

### Research Notes

**CAD widened to USD 7.9bn** in 3Q FY17 (vs market consensus of USD12bn), **Financial inflows declined to a three-quarter low of USD6.2b in 3QFY17**, cap inflows declined (record decline in FPI and redemption of USD18.5b on account of FCNR(B), expect **full yr CAD of 0.6% of GDP (USD13.4b) in FY17**

### Cement: Expect price volatility in short term in central markets

- ✓ Jaiprakash Associates Satna cluster units (Central India) operating <30% utilization on WC issues. Post completion of JPA's acq by UltraTech in 1QFY18, UTCEM to ramp up utilization to 60% in next 6-9 months; Lead to 6-7% higher supply in Central markets, leading volatility in cement prices, in short term
- ✓ Long-term attractiveness of Central India remains firm, the longer-term price trajectory should resume
- ✓ UTCEM's increasing presence in a market dominated by tier-II players would improve the overall business dynamics in the region

### Daikin management meet

- ✓ Achieves 40% growth in room ACs in FY17; targets 20-22% growth FY18, double capacity by Sep 2017
- ✓ Inverter ACs to account for 50% of Daikin India's room AC sales in FY18
- ✓ Losing share to LG in inverter ACs, but gaining share in fixed-speed Acs
- ✓ Daikin India could take price hikes post GST implementation in July 2017
- ✓ Aims at market leadership in room AC's by 2020; already reduced price gap with peers to 10-15% and aim is to further narrow this to 5%

### BHARTI: COMPLETING THE 2300 Mhz PAN INDIA SPECTRUM GAPS - TIKONA ACQUISITION

- ✓ Tikona has 20mhz spectrum each in Gujarat, UP W, UP E, Rajasthan and HP. Bharti has 10mhz spectrum each in Gujarat and HP, while no spectrum of 2300mhz band in the rest of the circles, completes Bharti's 2300mhz pan India spectrum footprint.
- ✓ Acq at INR 16b (14% premium) to the estimated market value of INR 14b
- ✓ 2300mhz's high data capacity has become imperative to fight Rjio's capacity driven competition, the acquisition will allow Bharti to accommodate high data volumes in the respective circles

## 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 82.05 / 82.35 mark whereas 81.60 / 81.20 may act as strong supports.
- ✓ Breach below 81.60 would be negative sign hinting at profit booking targeting 81.20 - 80.80 zone

# MOST Market Outlook

24th March 2017

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