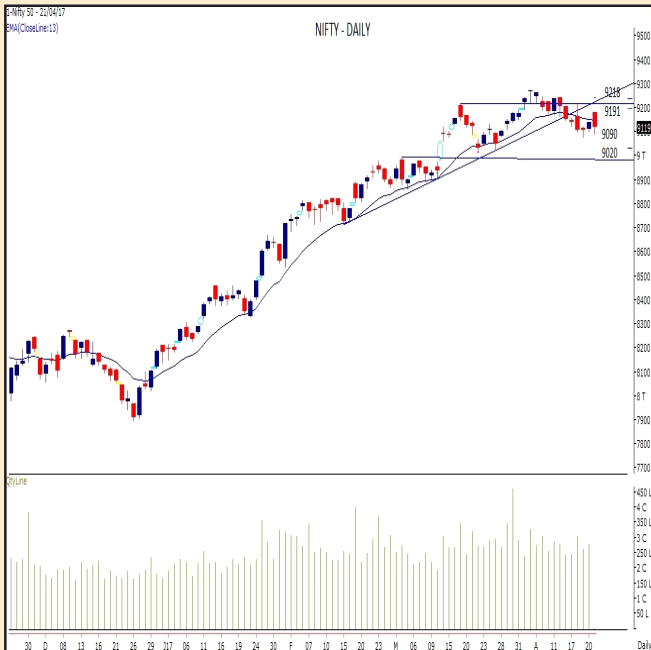


## Nifty Chart



## Trading Idea - Cash & Future

Scrip	Reco	CMP	SL	Target
<b>BHARAT FORGE</b>	<b>BUY</b>	<b>1074</b>	<b>1040</b>	<b>1150</b>

## Corporate Action:

NA

## Security in Ban period:

BHARATFIN, DLF, INFIBEAM, IRB, JINDALSTEL, JISLJALEQS, JPASSOCIAT, JSWENERGY, ORIENTBANK, RCOM, RELCAPITAL, TV18BRDCST, UJJIVAN

## Today Event

NA

## Nifty Outlook

Nifty Cash	R1	R2	S1	S2
<b>9119</b>	<b>9191</b>	<b>9218</b>	<b>9090</b>	<b>9020</b>

'Nifty index opened positive but failed to hold its gain and corrected sharply towards 9088 mark. However it recovered from lower levels but closed with the loss of around 15 points. Index has got stuck in a broader trading range and sustained selling pressure is being witnessed at higher zone. Now if it sustains below 9090 then it may drift down towards 9020 while a move above 9135 may attract buying interest towards its next multiple hurdle of 9191 and 9218.

## Currency (USDINR) Outlook

USDINR	S1	S2	R1	R2
<b>64.64</b>	<b>64.55</b>	<b>64.30</b>	<b>64.85</b>	<b>65.00</b>

The pair is likely to trade in a range between intraday resistance at 64.85 and support at 64.55 level with a sideways bias.

## Sectoral Outlook

Sector	Outlook
<b>NBFC</b>	<b>POSITIVE</b>
<b>AUTO</b>	<b>POSITIVE</b>

## Trading Idea - Derivatives

STRATEGY UPDATE : MARUTI Bull Call spread

Instrument	B/S	Lot	Reco	CMP
MARUTI 27 Apr 6200 CE	Buy	1	71	58.00
MARUTI 27 Apr 6350 CE	Sell	1	25	19.15

Target: Rs 15000; SL: Rs.5000; Margin: approx Rs. 112000

## Market Drivers

- ✓ Global cues will continue to be relevant in the near term. French elections are being closely monitored. Reports indicate a lead for Emmanuel Macron who is seen as more for continuity while the opponent is seen as disruptive. Win for Macron could bring a relief rally. On the other hand North Korea continued to make aggressive statements which will also keep market participants watchful. On the domestic front, focus remains on results. HDFC Bank posted strong set of numbers. Loan growth was strong driven by loans to corporates. Operating profits saw a best of almost 10 percent which is substantial. Mid-caps in sectors like infra, real estate, auto ancillary continued to see interest. Overall focus will remain on results and global cues.

## Highest Call OI

Instrument	Strike	OI	Chg in OI
Nifty 27-Apr	9200	6125025	963975
Bank Nifty 27-Apr	22000	866800	101920

## Highest Put OI

Instrument	Strike	OI	Chg in OI
Nifty 27-Apr	9000	5147625	-77925
Bank Nifty 27-Apr	21500	725120	-16840

## Trading Calls

### BHARAT FORGE

CMP : INR 1074

**Buy**

Target : INR 1150



- ✓ Price action of Bharat Forge clearly shows a rising trend. We noticed that price is taking support at 1041 and making a sharp reversal
- ✓ We see a confluence of a rising trend line. Buying interest on every small decline indicates overall strength in stock which has potential to outperform the broader market
- ✓ We are expecting the stock to extend its up move towards 1150 levels

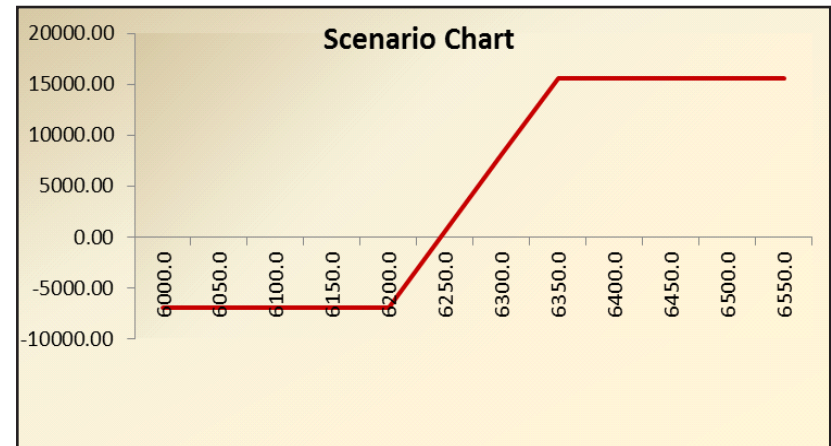
## Derivatives Idea

### MARUTI

**Bull Call spread**

Buy 1 Lot 6200 CE

Sell 1 Lot 6350 CE



- ✓ Maruti has taken support near to 6050 and adding fresh built up of long position
- ✓ Highest Put concentration at 6200 could act as vital support while unwinding in 6300-6350 CE could see momentum towards 6300 (highest call concentration)
- ✓ Indicating positive to range bound move thus bull call spread is recommended

## FII & DII Activity (INR in Cr)

Cat.	Amt	MTD	YTD
FII	-978	-4702	20660
DII	1132	4336	34267

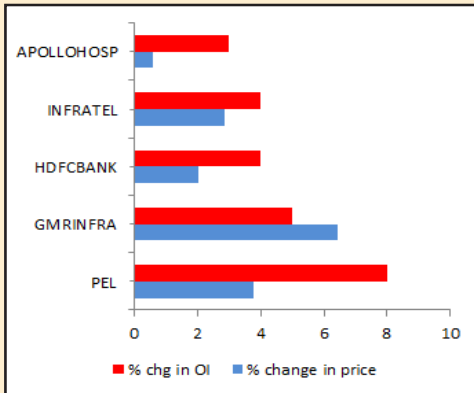
## FII F&O

Institution	Net B/S	OI
INDEX FUTURES	-1,238	Short
INDEX OPTIONS	512	Synthetic Short
STOCK FUTURES	-91	Short

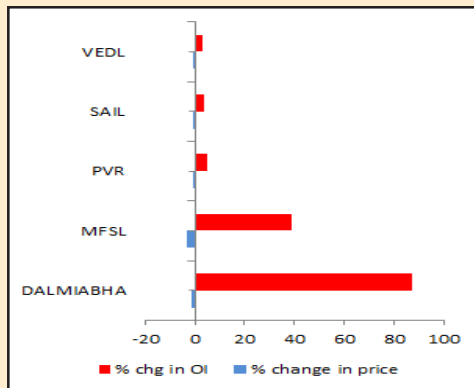
# MOST Market Outlook

24th April 2017

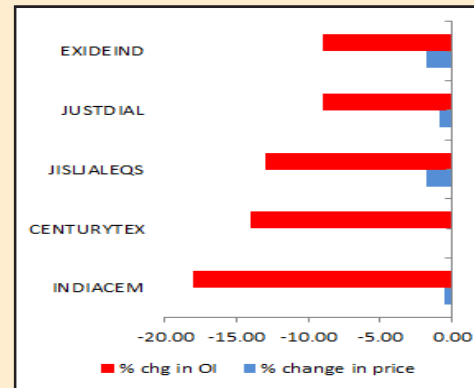
## Long Built-up



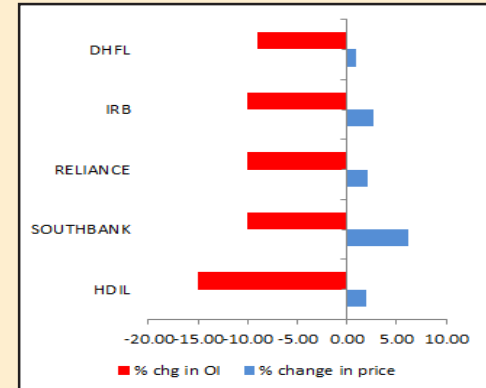
## Short Built-up



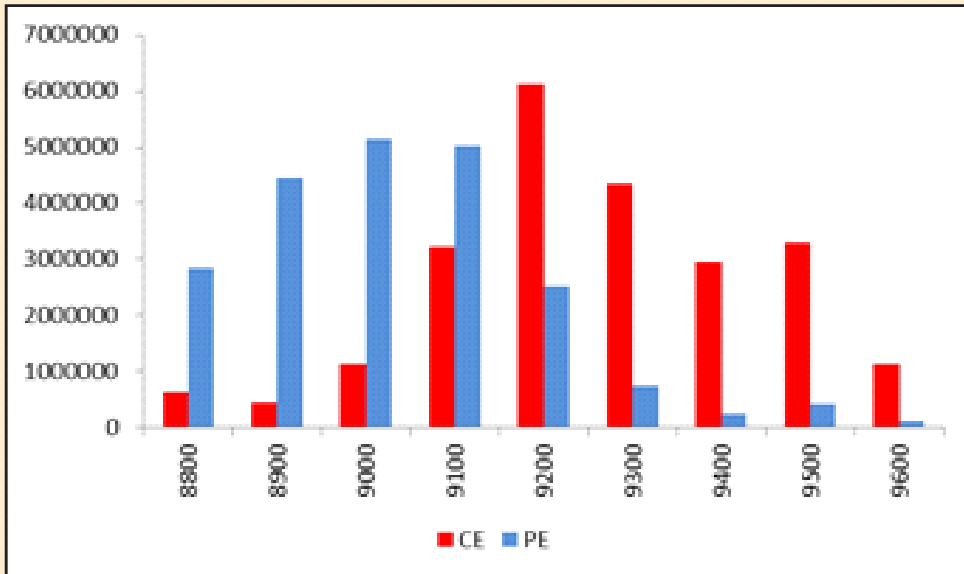
## Long Unwinding



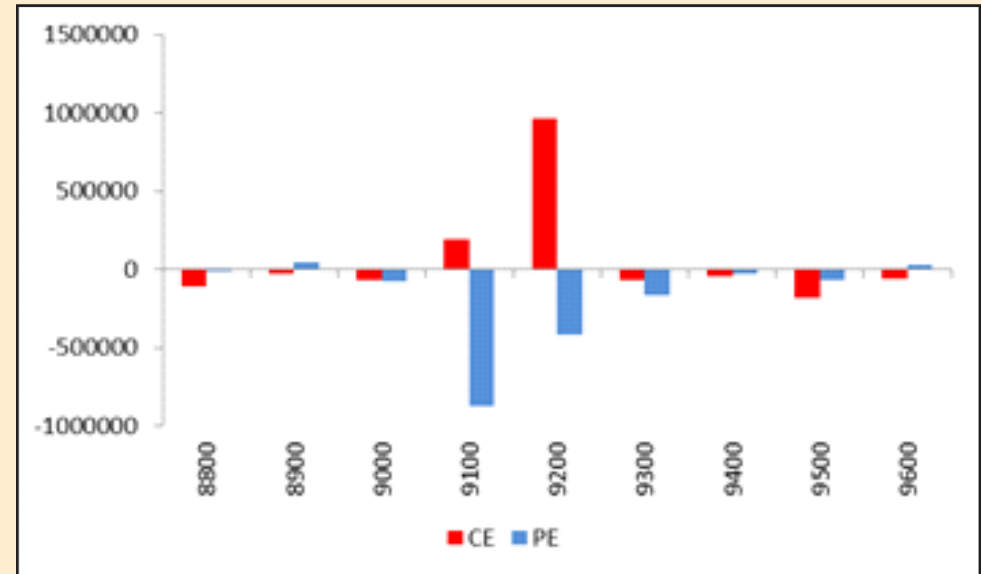
## Short Covering



## Nifty Option OI



## 1- Day change in Nifty OI



## Morning Meet Notes

### Research Notes

#### **HDFC Bank - Stellar performance on all fronts (CMP 1497, TP 1790, Recom BUY)**

- ✓ HDFC Bank's (HDFCB) 4QFY17 PAT grew 18% YoY to INR39.9b, led by 27% YoY PPop growth.
- ✓ NII grew 22% YoY to INR90.5 bn. Loans grew 12% QoQ and 19% YoY to INR5.55t.
- ✓ Margins (reported) increased 20bp sequentially to 4.3%
- ✓ GNPA stable at 1.1% and NNPA at 0.3%
- ✓ We value the bank at 4x FY19 BV

#### **ACC - Volume growth led by capacity expansion (CMP 1497, TP 1521, Recom Neutral)**

- ✓ 1QCY17 volumes increased 3.8% YoY to 6.60mt. Cement realization of INR4,265/t (+4% YoY, -2% QoQ)
- ✓ EBITDA declined 9% YoY to INR3.42b, translating into margin of 11.0% (-231pp YoY, +250pp QoQ)
- ✓ PAT declined 10% YoY at INR2.11b
- ✓ With new growth avenues (expansion in east) and market share improvement, we expect better profitability in CY17/CY18
- ✓ The stock trades at ~30% discount to peers at EV/ton of USD109 (CY18E)

#### **Ashok Leyland - (CMP 85, TP 98, Recom BUY)**

- ✓ EGR based solution to BS4 could give AL competitive advantage
- ✓ Near term demand weak, but macro indicators suggests recovery
- ✓ Confident of converting BS3 inventory to BS4 due to EGR technology
- ✓ LCVs - target to double market share to 30% by launching 1 product per quarter
- ✓ Exports - targeting 33% of volumes from exports
- ✓ AL trades at 16.5x/12.9 FY18E/FY19E EPS and EV/EBITDA of 9.8x/7.7x respectively

## Upcoming Economic Events Calendar

	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



- ✓ The pair closed the last week near 64.64, up by about 0.25% for the period.
- ✓ Sideways-to-lower move is expected to continue for the short-term as long as the pair holds below stiff trend line resistance at 64.90-65 zones.
- ✓ Selling on rallies is thus advised

### GBPINR



- ✓ GBPINR closed towards a 1.5-month high near 82.63 level last week after breaking out of strong resistance near 82.10 level.
- ✓ The same is now likely to act as strong support and short-term bias looks positive above it.
- ✓ Buying on dips is thus advised with a gradual upside move towards 'Double Bottom' target near 84.40 looking likely.
- ✓ Immediate resistance is at last week's high near 83.10 levels

# MOST Market Outlook

24th April 2017

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