

## Nifty Chart



## Nifty Outlook

Nifty Fut.	Reco.	CMP	SL	TGT
8639	BUY	8620	8565	8700

Nifty ejected from the recent consolidation & could see an immediate movement till 8700; the ongoing up move could witness an extension beyond 8700 in case the momentum remains intact. Only if a decisive close below 8520 is witnessed trading longs shall be reduced. Until then bullish bias remains intact.

## Currency (USDINR) Outlook

USDINR	S1	S2	R1	R2
67.35	67.20	67.05	67.50	67.70

The pair is likely to trade sideways-to-positive above 67.20 and the current rally could extend higher towards 67.50.

## Sectoral Outlook

Sector	Outlook
AUTO	Positive
MIDCAPS	Positive

## Market Drivers

- ✓ Markets staged a strong rally in last session; Nifty gained 1.11% closing above 8600 a new closing high for CY2016. 1QFY17 earnings so far has been good & mostly in line with expectations be it Private Banks, NBFC's and others like Reliance Industries, Ashok Leyland & ITC barring Technology stocks which disappointed on all counts. On the global front U.S. stocks retreated from record levels to close lower Monday, as investors turned cautious ahead of a busy week of earnings and central bank meetings. The Federal Reserve kicks off its monetary policy meeting on Tuesday and will announce its decision on Wednesday. It is widely expected to hold interest rates steady because of continued uncertainty about the economic outlook. At least 15 central banks are scheduled to hold policy meetings in the next few days.

## Highest Call OI

Instrument	Strike	OI	Chg in OI
Nifty 28-July	8700	6135825	343650
Bank Nifty 28-July	19000	655920	-80440

## Trading Idea - Cash & Future

Scrip	Reco	CMP	SL	Target
SR Trans Fin	BUY	1198	1140	1360
HDFC	BUY	1380	1350	1440

## Trading Idea - Derivatives

### STRATEGY - TATAMTRDVR Call Butterfly Spread

Instrument	B/S	Lot	Reco	CMP
28 July 330 CE	B	1	6.3	4.2
28 July 340 CE	S	2	2.8	1.15
28 July 350 CE	B	1	1	0.35

Target Profit :17400 Stop Loss: 3600

## Highest Put OI

Instrument	Strike	OI	Chg in OI
Nifty 28-July	8500	5766900	795075
Bank Nifty 28-July	18500	625600	99640

## Trading Calls

### SR Trans Fin

MBP INR 1198  
Target INR 1360

Buy



- ✓ 'Occurrence of a 'Bullish Harami' re-confirms the immediate support at 1150.
- ✓ We expect stock to resume its bullish momentum & continue its secular up move. Trading longs could be added with a stop at 1140 & a target up to 1360.

### HDFC

MBP INR 1380  
Target INR 1440

Buy



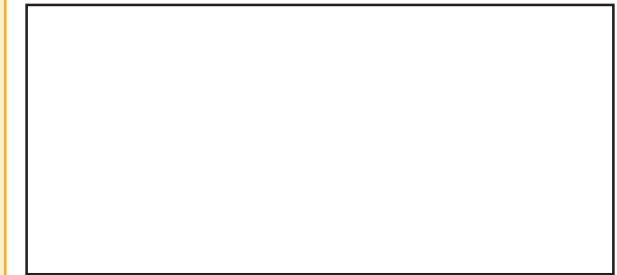
- ✓ 'Rising Three' candlestick formation on the immediate scale re-affirms the strength in the ongoing bullish trend.
- ✓ HDFC could be traded with a stop below 1350 with an expectation of a move towards 1440.

## Derivatives Idea

### TATAMTRDVR

Buy 1 Lot 330 CE  
Sell 2 Lots 340 CE  
Buy 1 Lot 350 CE

Call Butterfly Spread



Target Profit : 17400 Stop Loss : 3600

- ✓ Tatamtrdvr is in long- long Unwinding cycle
- ✓ Positive sector outlook along with unwinding cycle augur well for upside momentum

...g stable volatility and to benefit from volatility decay, Call butterfly spread is rec-

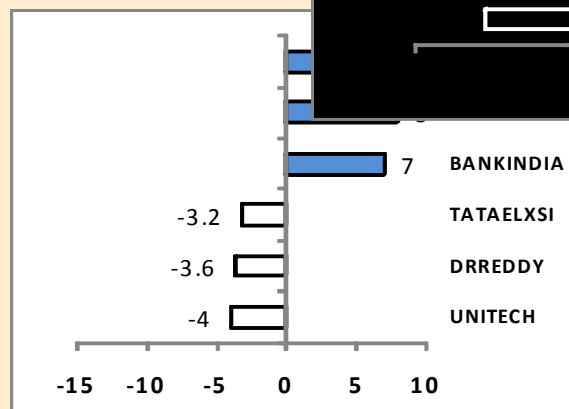
## FII & DII Activity (Rs. in Cr)

Cat.	Amt	MTD	YTD
FII	891	7294	-25557
DII	-68	-4558	44039

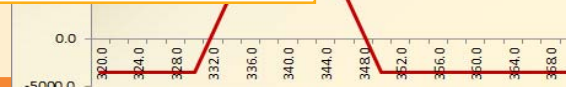
## FII F&O

Institution	Net B/S	OI
Index Future	-288.08	Short
Index Options	604.32	Writing
Stock Futures	-631.08	Short

## Major Price % Change



Chart



Change

## Morning Meet Notes

### Research Notes

SKS ANALYST MEET TAKEAWAYS: 35% AUM CAGR FOR 5 YEARS | OPEX GROWTH OF 25%

- ✓ Management is confident of 50% AUM growth CAGR over the next two years, driven by 20% increase in average ticket size and 30% increase in number of borrowers.
- ✓ Expect PAT to double for SKS; Awaiting Result Update for SKS.
- ✓ MFI industry is in a sweet spot for next 5 years. Fewer listed players will lead to scarcity premium in valuations.

Annual Report: The Ramco Cements

- ✓ During 1HFY16, the southern markets declined 12%. However, demand in AP and Telangana picked up in 2HFY16, leading to 8% growth. For FY16, the decline was 5%.
- ✓ With no immediate expansion plans, the visibility of deleveraging is strong; saw cost moderation of 8%, led by lower power, fuel and freight costs
- ✓ TRCL offers a strong play on southern recovery due to (a) superior brand, (b) edge on cost efficiencies, aiding industry-leading profitability, BUY Target of INR625 (12% upside)

Company	Sales	% Y/Y	EBITDA	% Y/Y	PAT	% Y/Y	Rationale	Comments
MMFSL	6.8	-6	3.6	-22	0.9	-2	Buy/393/B	1. PAT way below est; GNPA's rise 270bp QoQ to 10.7% 2. Given good monsoons, mgmt expects to turnaround in 2H 3. EPS CAGR of 22% over FY16-18; Trades at 2.5x FY18 P/B

# MOST Market Outlook

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