

Nifty Chart



Trading Idea - Cash & Future

Script	Reco	CMP	SL	Target
HUL	BUY	869	860	885

Corporate Action:

NIL

Security in Ban period:

NIL

Nifty Outlook

Nifty Fut.	R1	R2	S1	S2
8614	8655	8675	8625	8600

'Nifty surged during the final lap of the F&O Expiry & closed above 8600. Though the momentum oscillators have entered the overbought territory there is no sign of any weakness or indication of loss in strength. The ongoing momentum could extend towards 8740 while a breach below 8500 would distort the momentum.

Sectoral Outlook

Sector	Outlook
ENERGY	POSITIVE
FMCG	NEUTRAL

Trading Idea - Derivatives

STRATEGY UPDATED : TATAMOTORS Long Call Condor

Instrument	B/S	Lot	Reco	CMP
23 FEB 560 CE	Buy	1	15	16.75
23 FEB 580 CE	Sell	1	9	10.15
23 FEB 600 CE	Sell	1	5	5.75
23 FEB 620 CE	Buy	1	2.75	2.95

Target Profit: Rs.8000 SL: Rs.4000

Market Drivers

- ✓ Indian markets closed on a strong note on Wednesday. Sectors like financials, banking, auto, cement did well. Bank Nifty gained over 2 percent led by strong gains in Kotak. Nifty has now rallied by about 9 percent in a month. Global cues have been quite strong as well. With expectations of budget getting built up and consumption scenario returning to normal, domestic consumption stocks, housing finance, infra stocks could continue to remain in focus. FII flows also turned positive and this could continue to fuel positive sentiment. Near term resistance is expected around 8700 levels.

Highest Call OI

Instrument	Strike	OI	Chg in OI
Nifty 23-Feb	9000	3060525	883950
Bank Nifty 23-Feb	19500	488120	227720
Bank Nifty 02-Feb	19500	270240	130800

Highest Put OI

Instrument	Strike	OI	Chg in OI
Nifty 25-Jan (imm.)	8400	3236475	1643850
Bank Nifty 23-Feb	18000	335080	31920
Bank Nifty 02-Feb	19000	305080	257560

Trading Calls

HUL

Buy

CMP INR 869

Target INR 885



- ✓ 'Breakout from the continuation pattern indicates likely extension towards 885
- ✓ Momentum traders could participate the upmove with a stop below 860 for a pattern target upto 885

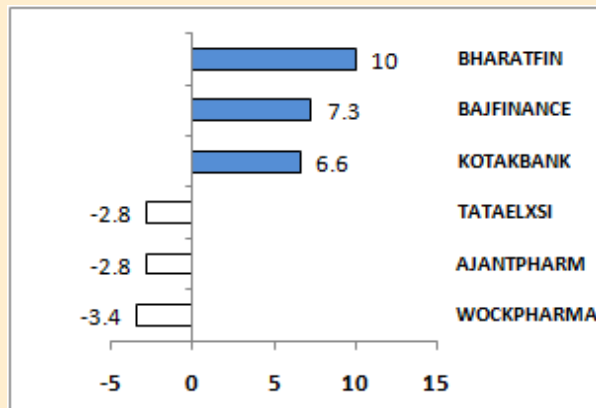
FII & DII Activity (Rs. in Cr)

Cat.	Amt	MTD	YTD
FII	1379	-1751	-12333
DII	383	4462	39825

FII F&O

Institution	Net B/S	OI
Index Future	371	Unwinding
Index Options	-350	Unwinding
Stock Futures	-46	Unwinding

Major Price % Change



Derivatives Idea

TATAMOTORS

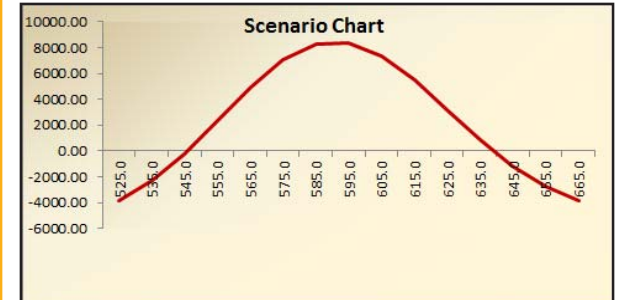
Long Call Condor

Buy 1 Lot 560 CE

Sell 1 Lot 580 CE

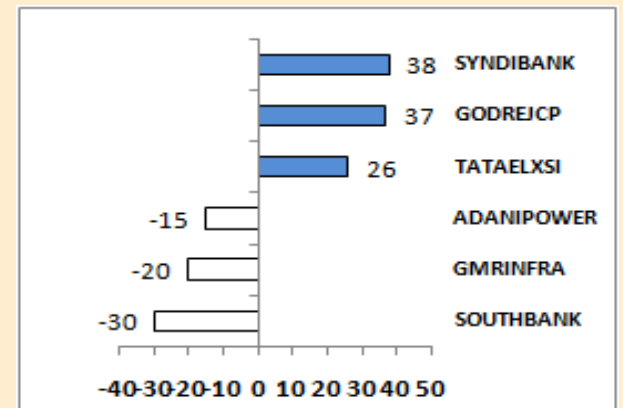
Sell 1 Lot 600 CE

Buy 1 Lot 620 CE



- ✓ TATAMOTORS is in long- long unwinding cycle
- ✓ Positive sector outlook along incremental built-up in futures could boost momentum
- ✓ Highest Call concentration for Feb series is at 540, unwinding in same could lead to option trigger. Expecting rise in volatility in coming sessions, low risk Long Call Condor Strategy is recommended

Major Combined OI % Change



Morning Meet Notes

Research Notes

Bharat Financial Inclusion: (CMP 749, TP 883, Rec. BUY)

- ✓ Total Income up 33% to INR 4.2b, PAT grew 80% YoY to INR1.4b, disbursement of INR29b unchanged YoY, -26% QoQ, loan book down 6% QoQ to INR85b.
- ✓ Expect +35% CAGR in AUM over the next 3 years. Maintain BUY

Bharti Airtel: (CMP 312, TP 410, Rec. BUY)

- ✓ Cons. Rev. down 5.3% QoQ (-2.7% YoY) to INR233.6b. EBITDA fell 10% QoQ to INR84.8b. PAT fell 65% QoQ to INR5b on exceptional item of INR2b and higher tax
- ✓ ARPU declined 8%/10% QoQ/YoY to INR172. RPM declined by a steep 9% QoQ to INR0.294/min

Wipro: (CMP 474, TP 540, Rec. Neutral)

- ✓ CC rev. grew 0.6% QoQ (lower than exp), EBIT margin inline at 16.4%, PAT grew 2.0% QoQ to INR21b
- ✓ Over FY16-19, we expect USD revenue/EPS CAGR of 5%/6%. Valuing it at 13x. Maintain Neutral

BIOcon: (CMP 995, TP 750, Rec. SELL)

- ✓ Rev. grew 29.3% YoY to INR10.3b, EBITDA grew 45% YoY to INR2.6b (est. of INR2.25b), with margin up 370bp to 25.4%. PAT grew 66% YoY to ~INR1.7b (est. of INR1.4b).
- ✓ We maintain Sell with a revised TP of INR800 @ 20x 1HFY19E EPS. Maintain SELL

Exide Ind.: (CMP 197, TP 233, Rec. BUY)

- ✓ Net sales grew ~12.6% YoY to INR17.25b (est. of INR15.5) driven by replacement market. EBITDA declined ~4% YoY (-22% QoQ) to INR2.3b. EBITDA margin declines 230bp YoY to 13.3%. PAT growth to ~9% YoY (-16% QoQ) to ~INR1.5b
- ✓ Expect EPS CAGR of 20%. Maintain BUY

CG CONSUMER ELECTRICALS: (CMP 184, TP 205, Rec. BUY)

- ✓ A net sale was ahead of exp. INR8.9b (+9.7% YoY). EBIDTA stood at INR1b (up 20% YoY). Operating margin was 11.2%. Net profit at INR0.57b was ahead of our estimate of INR0.33b
- ✓ We value CGCEL at 30x its FY19E EPS of INR6.7 to arrive at our target price of INR205

Alembic Pharma: (CMP 586, TP 630, Rec. Neutral)

- ✓ Sales declined 17% YoY. EBITDA margin contracted ~150bp QoQ to 19%. PAT was at INR860m (-27.5% QoQ).
- ✓ Maintain Neutral with TP of INR630 @20x 1HFY19E EPS

MOST Market Outlook

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