

## Nifty Chart



## Nifty Outlook

Nifty Fut.	Reco.	CMP	SL	TGT
8592	BUY	8590	8530	8700

'Nifty retraced back towards the 8600 level as it shed some gains from its previous session. The ongoing up move could see a movement beyond 8700 in case momentum picks up in the coming days. Only a decisive close below 8510 could distort the ongoing bullish sequence & hence could be considered as a trail stop for longs.

## Currency (USDINR) Outlook

USDINR	S1	S2	R1	R2
67.64	67.45	67.30	67.90	68.10

The pair is likely to trade sideways-to-positive above 67.45 and the current rally could extend higher towards 67.85/67.90

## Sectoral Outlook

Sector	Outlook
<b>AUTO</b>	<b>Positive</b>
<b>MIDCAPS</b>	<b>Positive</b>

## Market Drivers

- ✓ Market took a breather in last session; Nifty lost (-0.52%) closing marginally below 8600. Slew of companies reported good set of 1QFY17 earnings yesterday. Ambuja Cements net profit was up 77%, ACC net profit grew by 81%, TVS Motor profit was up 45% while IDFC's net profit registered a growth of 60%. Continuity of encouraging 1QFY17 earnings update by corporates so far along with expectation of GST bill clearance in parliament this monsoon session has kept the momentum and sentiments positive. On the global front U.S. stocks marginally advanced as investors await the Federal Reserve monetary policy announcement today. The central bank is widely expected to hold interest rates steady and stop short of signaling a possible rate increase in September because of continued uncertainty about the economic outlook.

## Highest Call OI

Instrument	Strike	OI	Chg in OI
Nifty 28-July	8700	5642025	-493800
Bank Nifty 28-July	19000	771240	115320

## Trading Idea - Cash & Future

Scrip	Reco	CMP	SL	Target
HAVELLS	BUY	370	358	400

## Trading Idea - Derivatives

### STRATEGY - TATASTEEL Long Call

Instrument	B/S	Lot	Reco	CMP
28 July 370 CE	Buy	1	1.9	1.9

Target Profit :8 Stop Loss: 0

## Highest Put OI

Instrument	Strike	OI	Chg in OI
Nifty 28-July	8400	5027550	-389100
Bank Nifty 28-July	18500	693880	68280



## Morning Meet Notes

### Research Notes

Aviation update: Domestic air passengers in India grew 20.8% YoY; Load factor stood at 81% in Jun-16 (v/s 86.5% in May-16)

	Sales	% Y/Y	EBITDA	% Y/Y	PAT	% Y/Y	Rationale	Comments
MSIL	14927.0	11.0	2215.0	2.0	1486.0	23.0	BUY\5510/ I	1. Volume up 2%; Realization up 9% (YoY) 2. EBITDA margins declined on adverse forex; PAT beat on higher other income and lower depreciation 3. Raise estimate by 15/12 % for 17/18; raise target price; value MSIL at 20x FY18EPS
Ambuja	2541.0	2.0	581.0	58.0	408.8	76.0	NEUTRAL\ 860\I	1. Vol. growth -3%; Realization up 5.3% (YoY) 2. Profitability at 15-Q high; northern region pricing was best 3. Energy costs fell 9% YoY on increased pet coke usage. 4. trades at 15xCY17 EV/EBITDA
ACC	2869.8	-3.1	409.2	46	237.8	81	Buy/1833/B	1. Vol. growth -1.2%; Realization down 3% (YoY) 2. Energy costs fell on increased pet coke usage resulting strong growth in EBITDA 3. Expect strong performance in 2H on improved costs and higher than average prices; We have a neutral rating with 10% upside
Bajaj Finance	1403.1	45.0	831.2	58.0	424.0	54.0	BUY/10712 /A	1. AUM growth 40% at 496B driven by growth in commercial (74%), consumer finance (47%) 2. Asset quality healthy; provision coverage at 73% 3. Raise estimate by 2/7 % for FY17/18; value at 5.3xFY18BV

# MOST Market Outlook

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