

Nifty Chart



Nifty Outlook

Nifty Cash	R1	R2	S1	S2
9342	9400	9420	9280	9250

'Nifty index remained in a narrow range and closed with the marginal loss of around 10 points on the last trading sessions of April series. It seems to taking a pause after a swift rally of 250 points in last three sessions but major trend of the market is still positive as it is making higher lows. Now it has to hold above 9350 to extend its up move towards 9400-9420 while on the downside multiple support are seen at 9280 and 9250.

Currency (USDINR) Outlook

USDINR	S1	S2	R1	R2
64.39	64.20	63.85	64.55	64.70

Pullback towards 64.55 levels looks possible as long as 64.20 curtains the lower side.

Market Drivers

- ✓ Indices traded in a narrow range on expiry day. Pharma stocks lost ground while cement and oil refining stocks saw gains. Banking continued to see a lot of interest. Axis slipped marginally post results while Kotak Bank gained post results. Kotak Bank results were better than expected. Management also indicated that the NPA increase cycle is over. PSU banks continued to see gains. Maruti results were in line. Overall the results season has been positive till now. US markets ended flattish and Asia is also trading ranged. Post the sharp up move in Indian markets, some consolidation cannot be ruled out but overall bias remains positive.

Trading Idea - Cash & Future

Scrip	Reco	CMP	SL	Target
MUTHOOT FIN	BUY	400	388	425

Corporate Action:

ABB	Dividend - INR 4.00
DWEKAM	Stock Split From Rs.10/- to Rs.1/-

Security in Ban period:

NIL

Today Event

US - GDP (QoQ)

Sectoral Outlook

Sector	Outlook
NBFC	POSITIVE
Banking	POSITIVE

Trading Idea - Derivatives

STRATEGY : Tatamotors Call Butterfly Spread

Instrument	B/S	Lot	Reco	CMP
Tatamotors 25 May 460CE	Buy	1	14.5	14.5
Tatamotors 25 May 480CE	Sell	2	7	7
Tatamotors 25 May 500CE	Buy	1	3.5	3.5

Target: Rs 20000; SL: Rs.6000; Margin: approx Rs.170,000

Highest Call OI

Instrument	Strike	OI	Chg in OI
Nifty 27-Apr	9400	4107825	347325
Bank Nifty 27-Apr	22300	540280	121240

Highest Put OI

Instrument	Strike	OI	Chg in OI
Nifty 27-Apr	9100	4743975	-466875
Bank Nifty 27-Apr	21500	819440	-123480

Trading Calls

MUTHOOT FIN

CMP : INR 400

Buy

Target : INR 425



- ✓ 'Muthoot Fin is in a strong uptrend. Price seems to be bouncing off its rising trend line
- ✓ Price decline from the high at 420 is on very low volumes and thus seems to be a 'flag' pattern. This is a continuation pattern and suggests higher prices
- ✓ Overall this stock is in a strong uptrend and hence it is recommended to buy this stock for a rally towards 425. Keep a stop below 388

FII & DII Activity (INR in Cr)

Cat.	Amt	MTD	YTD
FII	-182	-5477	19885
DII	233	7563	37495

Derivatives Idea

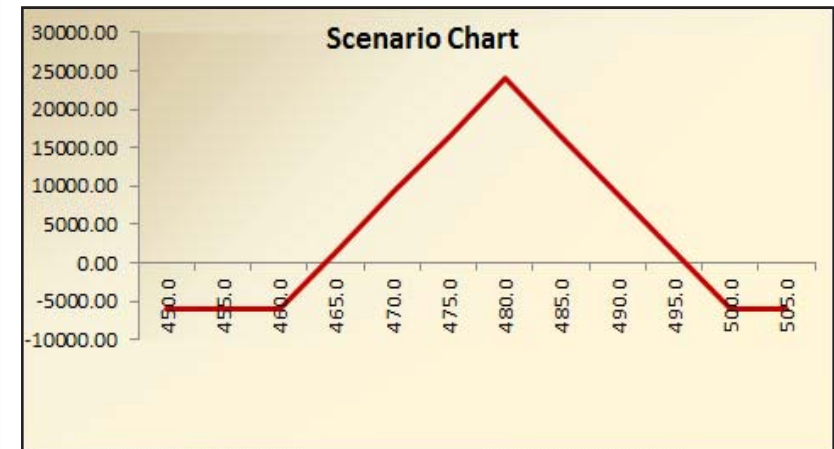
Tatamotors

Call Butterfly Spread

Buy 1 Lot 460 CE

Sell 2 Lots 480 CE

Buy 1 Lot 500 CE



- ✓ Tatamotors has witnessed accumulation in open interest in past few trading session
- ✓ Positive sector outlook along with fresh built up could boost the momentum
- ✓ Highest call congestion is at 460 Ce ,unwinding in same could propel momentum towards 480
- ✓ Thus low risk Call butterfly Spread is recommended

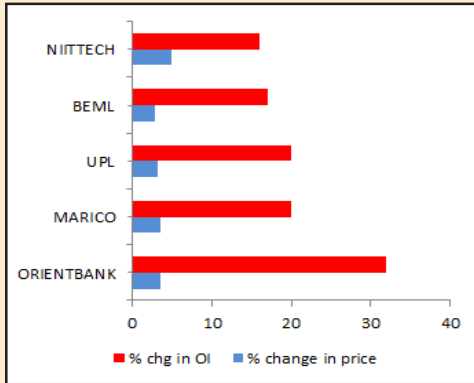
FII F&O

Institution	Net B/S	OI
INDEX FUTURES	587	Unwinding
INDEX OPTIONS	1,322	Unwinding
STOCK FUTURES	-795	Unwinding

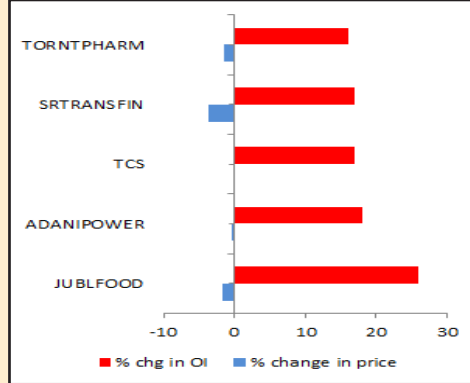
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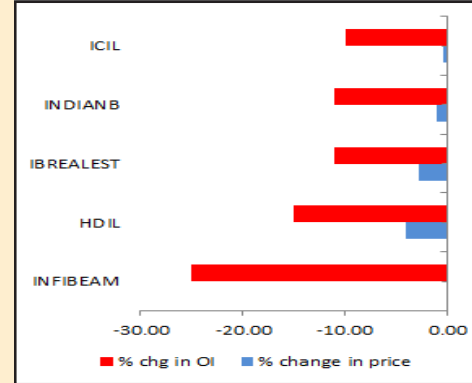
Long Built-up (Combine)



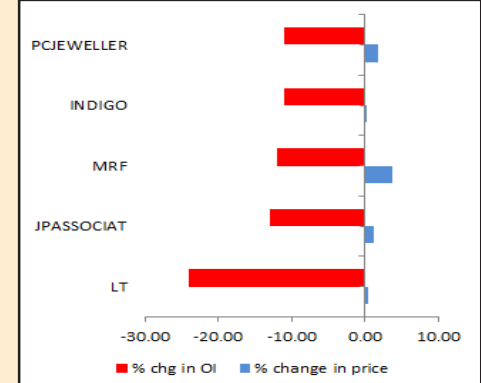
Short Built-up (Combine)



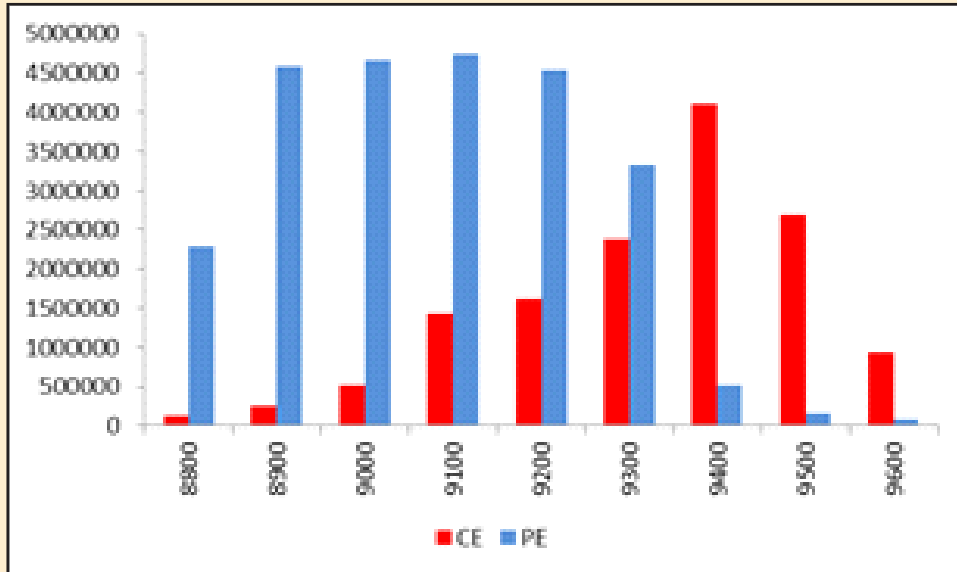
Long Unwinding (Combine)



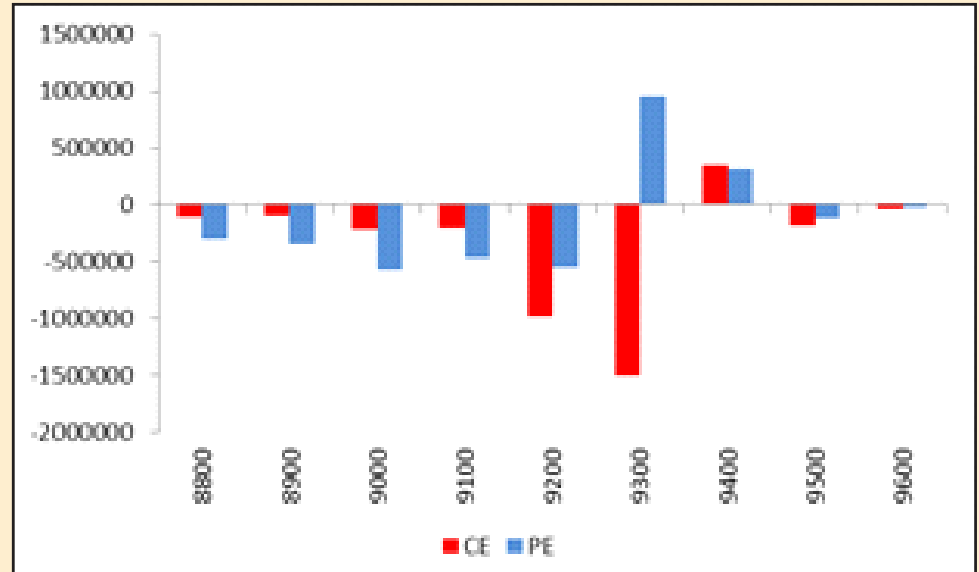
Short Covering (Combine)



Nifty Option OI



1- Day change in Nifty OI



Morning Meet Notes

Research Notes

TVS Q4:- (CMP 503, TP 581, Recom BUY)

- o SALES +1% | EBITDA -11% | PAT +6% | BS3 LOSS IMPACTS MARGINS | MARGINS AT 5.6%
- o Adjusted EBITDA Margins at 7.7%; healthy growth in EBITDA of 22%.
- o Reported PAT at INR 1.27 Bn led by tax rate of just 5%. (Est. INR 1B)
- o Increase estimates for FY18/19 by 10.3% and 24.1%, respectively, as we a) incorporate BMW alliance numbers in our estimates and b) increase our volume and EBITDA estimates. Value it at INR581/share based on SOTP basis

Maruti: CMP INR6371, TP INR7319, 15% Upside

- o Net sales grew ~20% YoY driven by 5% growth in realizations. Adjusted EBITDA grew 15% YoY. Lower other income restricted adjusted PAT growth to ~22% YoY.
- o Dividend is raised from INR35/share to INR75/share YoY, implying 37% payout
- o Call highlights: : a) Capacities can support up to 12% growth, but there is headroom to stretch, if needed. b) Waiting period on Ignis at 8-10 weeks. c) Impact of commodity price inflation largely reflected in 4QFY17.
- o Maintain Buy with a target price of INR7,319 (~20x Mar-19 core EPS + ~INR1,387 cash/share)

KOTAK BANK (CMP INR915, TP INR1050, 15% Upside

- o Loan Growth of 15% YoY led by CV, Personal Loans.
- o NII growth of 16% YoY.
- o Opex control led to PPOP growth of 41% and PAT growth of 40%
- o At our SOTP of INR1,050, KMB will trade at 3.8x 2019E consolidated BV

Upcoming Economic Events Calendar

					28-Apr-17
India					
UK					GDP (QoQ)
US					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 Target	
US				Initial Jobless Claims	CPI, Retail sales Advance
	15-May-17	16-May-17	17-May-17	18-May-17	19-May-17
India	WPI				
UK		CPI, Housing Price Index	Jobless Claims		
US		Industrial Production		Initial Jobless Claims	
	22-May-17	23-May-17	24-May-17	25-May-17	26-May-17
India				Eight Infrastructure	CPI, IIP
UK				GDP (QoQ)	
US		New Home sales	Manufacturing, Services and Composite PMI, Existing Home sales, FOMC Meeting Minutes	Initial Jobless Claims	Quarterly GDP

Note- CPI-Consumer Price Index, WPI-Wholesale Price Index, IIP- Index of Industrial Production, PMI-Purchasing Managers Index

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28th April 2017

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