

Wednesday, August 09, 2017

Market May Witness Sell Off As FII And Pro Have Created Big Sell Positions

Indian Market Outlook:

The Benchmark Index Nifty on 8th August, opened at 10068 closed at 9979 after making a low of 9947. The Index ended 78 points down from its previous close of 10057.

The Securities and Exchange Board of India (Sebi) has directed stock exchanges to initiate action against 331 listed entities suspected to be shell companies. These companies will not be allowed to trade this month, according to a Sebi circular sent to exchanges on 7 August.

These 331 shares will be kept in stage four of the so-called Graded Surveillance Mechanism (GSM) with immediate effect. Stage four GSM allows trading in stocks only once a month. These companies would also be subject to independent audit and also a forensic audit to examine their financials.

BankNifty opened at 24942 and closed at 24600 after making a low of 24534. The Index was down by 306 points from its previous close of 24906.

The Small Cap Index opened at 7814 closed at 7653 after making a low of 7625. The Index was down by 133 points from its previous day close of 7786.

Nifty to open gap up by 3 points at 9975 against yesterday's close of 9978 as per SGX Nifty.

Results for the day

BALMLAWRIE	AUBANK	INDIAGLYCO	PFS	NHPC
COSMOFILMS	AUROPHARMA	INDNIPPON	MFSL	NMDC
BHARATGEAR	BAGFILMS	INDOCO	MGL	NOIDATOLL
3MINDIA	FINCABLES	HBSTOCK	PILANIINVS	OSWALAGRO
BINDALAGRO	GENUSPOWER	INEOSSTYRO	PKTEA	SKMEGGPROD
BLS	GMDCLTD	JSL	MMTC	THOMASCOOK
DFMFOODS	DYNAMATECH	KHANDSE	PREMIERPOL	TRITURBINE
ACCELYA	GREENLAM	KOTHARIPRO	SANGHIIND	TUBEINVEST
BLUECHIP	EDL	LSIL	SANGHVIMOV	UNICHEMLAB
AJANTPHARM	EICHERMOT	ITDCEM	MUNJALSHOW	TAINWALCHM
ALANKIT	GTLINFRA	JAICORPLTD	NAGAFERT	SHANKARA
ANANDAMRUB	ENGINERSIN	JAYAGROGN	NAGAROIL	TATAMOTORS
APARINDS	HERCULES	JITFINFRA	PSB	TATAMTRDVR
APCL	HIGHGROUND	MANDHANA	PSPPROJECT	WABAG
ARIES	INOXWIND	MANINFRA	NATIONALUM	WHEELS
ASHOKA	INSECTICID	MARALOVER	NAVNETEDUL	WONDERLA
CUB	HARITASEAT	PARAGMILK	NBVENTURES	WSTCSTPAPR
ATNINTER	HONAUT	PFOCUS	NECLTD	VBL
				VINDHYATEL

FII and PRO have sold 396110 contracts in Index Options in last 10 days and also in the current Expiry they have sold 246951 contracts. Nifty has corrected 159 points from its recent high of 10138 which it has made on 2nd Aug and closed at 9979 last day. Yesterday, FII and PRO has created a combined short position of 104947 contracts which is more than double the average of 43000 contracts. This data suggest that market may fall further.

Date	FII	PRO	FII+PRO	CLI	DII	Nifty	Bank Nifty
	Net OI Index Options (FII)	Net OI Index Options (PRO)	Combined Position	Net OI Index Options (CLI)	Net OI Index Options (DII)	Close	Close
Average(ADM) 1 Year	22000	30000	43000	43000	271	72	240
Expiry Position	-111502	-135449	-246951	248282	-1331	-42	-322
10 Day' Net Position (A-B)	-68676	-327434	-396110	399617	-3507	-42	-71
(A)8-Aug-17	-133234	-94062	-227296	165286	62009	9979	24600
7-Aug-17	-110174	-12175	-122349	61275	61073	10057	24906
4-Aug-17	-111584	2856	-108728	46108	62620	10066	24827
3-Aug-17	-104757	-23550	-128307	67053	61254	10014	24675
2-Aug-17	-92764	-13321	-106085	45031	61054	10082	25055
1-Aug-17	-85982	39845	-46137	-13620	59756	10115	25123
31-Jul-17	-85164	48658	-36506	-24916	61421	10077	25104
28-Jul-17	-73505	18412	-55093	-7660	62753	10015	24811
27-Jul-17	-21732	41387	19655	-82996	63340	10021	24922
(B)26-Jul-17	-64558	233372	168814	-234331	65516	10021	24671

Cash Market Data

DATES	FII	DII	FII+DII
8-Aug-17	1539.82	798.55	2338.37
7-Aug-17	-199.21	308.15	108.94
4-Aug-17	-853.8	1017.1	163.3
3-Aug-17	24.07	-389.34	-365.27
2-Aug-17	473.72	-232.95	240.77
1-Aug-17	-945.83	1390.7	444.82
31-Jul-17	-1196.94	1768.4	571.49
28-Jul-17	-223.12	424.67	201.55
27-Jul-17	1869.92	-660.03	1209.89
26-Jul-17	-60.6	676.61	616.01

In last 10 days FII and DII were buyers in the cash segment. In combined they have bought stocks worth Rs.5529.87 Crore.

INTERNATIONAL MARKET UPDATE

Index		Country	LTP	1Day % Change
Developed Markets				
America	S&P 500 Futures	US	2464.75	-0.32%
	Dow Jones Industrial Average	US	22085.34	-0.15%
Europe	DAX Futures	Germany	12206.40	-0.19%
	Euro Stoxx 50 Futures	Eurozone	3495.00	-0.17%
	CAC 40 Futures	Paris	5190.50	-0.28%
	FTSE 100 Futures	London	7449.20	-0.07%
Asia	Nikkei 225 Futures	Japan	19725.00	-1.28%
	S&P/ASX 200 Futures	Australia	5715.50	0.62%
Emerging Markets				
America	iBovespa Futures	Brazil	68022.00	-0.15%
	Hang Seng Futures	China	27627.50	-0.61%
	SET Index	Thailand	1575.70	-0.07%
	KOSPI 200	Korea	310.26	-1.02%
	MSCI Emerging Markets	Singapore	1078.53	0.29%

INTERNATIONAL MARKET MORNING UPDATE

International markets witnessed sell off after the remarks by President Donald Trump, added to concerns about rising tensions between the U.S. and North Korea.

S&P500 is trading at 2463, the Index fell almost 10 points from its high of 2473.

German Index Dax yesterday closed 12205, taking resistance of 12300.

MSCI emerging market Index is trading at 1071, the Index made high of 1077.

Sector Performance on 8th Aug

Major Sector Performance	
Major Sector	% Movement
REALTY	-2.86%
BANKS-PRIVATE AND PSU	-1.94%
CHEMICALS	-1.84%
TEXTILES AND APPAREL	-1.74%
INFRASTRUCTURE CONSTRUCTION AND ENGINEERING	-1.62%
PHARMA	-1.50%
INDUSTRIAL MANUFACTURING	-1.47%
TRANSPORTATION LOGISTICS	-1.40%
IT	-1.40%
POWER	-1.31%
AUTO PARTS & ANCL & TYRES	-1.23%
FINANCIAL SERVICES	-1.22%
FMCG-FOOD	-1.20%
interior Construction	-0.95%
FMCG AND BEVERAGES	-0.90%
ENERGY-OIL & GAS	-0.71%
CEMENT & CEMENT PRODUCTS	-0.66%
METALS AND MINING	-0.61%
AUTOMOBILES	-0.57%
Minor Sector Performance	
Minor Sector	% Movement
SUGAR	-5.55%
FILMS	-2.26%
TELECOM	-1.70%
DEFENCE	-1.49%
CONSUMER GOODS	-1.48%
MEDIA-TV AND NEWSPAPER	-1.20%
FERTILISERS	-1.04%
PACKAGING	-0.95%
HOTELS AND LEISURE	-0.91%
AIRLINES	-0.68%
GOLD & JEWELLERY	-0.36%
PAPER	-0.32%

Last Day, almost all the sectors participated in the downfall of Nifty and Small Cap. Among the major Sectors, Banks and Realty corrected most. Among the minor, Sugar sector witnessed a fall of 5.55%.

Fundamentally good stocks at correction from their Recent Highs

Share Name	SECTOR	LTP	Recent_High	Correction
SHRIRAM TRANSPORT FINANCE COMPANY	FINANCIAL SERVICES	971	1199	19%
SHRIRAM CITY UNION FINANCE	FINANCIAL SERVICES	2129	2587	18%
IG PETROCHEMICALS	CHEMICALS	433	525	18%
IDFC	FINANCIAL SERVICES	57	69	17%
SREI INFRASTRUCTURE FINANCE	FINANCIAL SERVICES	116	138	16%
GLENMARK PHARMACEUTICALS	PHARMA	668	746	10%
GNA AXLES	AUTO PARTS & ANCL & TYRES	269	299	10%
TATA INVESTMENT CORPORATION	FINANCIAL SERVICES	836	924	10%
TOURISM FINANCE CORPORATION OF INDIA	FINANCIAL SERVICES	100	111	9%
NAVIN FLUORINE INTERNATIONAL	CHEMICALS	725	799	9%
KPR MILL	TEXTILES AND APPAREL	777	856	9%
NOCIL	CHEMICALS	136	150	9%
SOBHA	REALTY	378	415	9%
HT MEDIA	MEDIA-TV AND NEWSPAPER	87	95	9%
THIRUMALAI CHEMICALS	CHEMICALS	1197	1306	8%
JSW HOLDINGS	FINANCIAL SERVICES	1825	1974	8%
DCM SHRIRAM	SUGAR	376	404	7%
HIMADRI SPECIALITY CHEMICAL LIMITED	CHEMICALS	84	90	6%
TATA SPONGE IRON	METALS AND MINING	842	895	6%
JK PAPER	PAPER	95	101	6%
PNB GILTS	FINANCIAL SERVICES	54	57	5%

Major Index Performance

Benchmarks	Last	% Change	Prev. High	Prev. Low
Nifty 50	9979	-0.78%	10084	9947
Nifty 50 Futures	10009	-0.76%	10106	9960
Bank NIFTY Futures	24705	-1.17%	25020	24577
NIFTY Free Float Smallcap 100	7653	-1.71%	7823	7625
India Vix	12.77	7.36%	13.05	10.49
USD/INR	63.644	-0.32%	63.865	63.621
Major Indices	Last	% Change	Prev. High	Prev. Low
Nifty Realty	272	-4.40%	286	271
Nifty PSU Bank	3570	-2.39%	3666	3549
Nifty PSE	4092	-2.01%	4172	4073
Nifty Metal	3390	1.47%	3440	3370
Nifty Financial Services	10102	-0.96%	10237	10060
Nifty Energy	13042	-1.70%	13264	12963
Nifty FMCG	25306	-1.18%	25711	25220
Nifty Auto	11118	-0.37%	11247	11070
Nifty Private Bank	13643	-1.17%	13839	13614
Nifty Infrastructure	3373	-1.20%	3420	3358
Nifty Pharma	9126	-1.12%	9265	9109
Nifty Media	3048	-0.94%	3091	3045
Nifty IT	10624	-0.52%	10708	10582

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