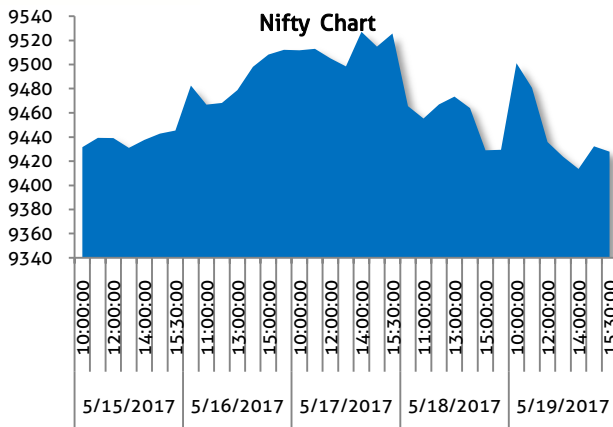


# Ashika Weekly Insight

22 May 2017 to 27 May 2017



**Market Outlook - Indian Equity market clocked modest gains in the week gone by on expectation of a possible interest rate cut by RBI as the latest data showed a sharp fall in headline retail inflation and after reports suggested monsoon rains expected to arrive ahead of schedule. GST Council finalizing rates for the goods and services further aided sentiment. Though global market saw sell off amidst the political crisis in U.S. and Brazil. In the forthcoming week market may remain volatile as traders roll over positions in the F&O segment. Macroeconomic data, Q4 results, trend in global markets, investment by FPIs & DIIs, the movement of rupee against the dollar and crude oil price movement will dictate trend in Index in week ahead.**

### Global Indices

Indices	Closing*	Return(%)					
		1 D	1 W	1 M	3 M	6 M	1 Y
Dow Jones	20,804.8	0.7	(0.4)	1.1	0.9	10.1	19.3
Nasdaq	6,083.7	0.5	(0.6)	2.8	4.6	14.1	29.1
FTSE 100	7,470.7	0.5	0.5	4.9	2.6	9.9	23.4
CAC 40	5,324.4	0.7	(1.5)	4.9	8.7	17.6	24.3
DAX	12,638.7	0.4	(1.0)	5.1	7.5	18.3	29.0
Hang Seng	25,174.9	0.2	0.1	4.6	4.4	12.7	27.8
Nikkei 225	19,590.8	0.2	(1.5)	6.3	1.3	9.7	17.7
Shanghai Comp.	3,090.6	0.0	0.2	(2.6)	(4.3)	(3.3)	10.1
Straits Times	3,216.9	(0.1)	(1.2)	2.5	3.9	14.3	17.4
Nifty	9,427.9	(0.0)	0.3	3.2	7.4	16.7	21.1
Sensex	30,464.9	0.1	0.9	3.5	7.6	16.2	19.9

\* As on May 19, 2017

### Commodities

Commodities	Latest Price	%CH-1W	%CH-1M
Brent Crude(\$/BBL)	53.82		6.1
Gold (\$/oz)	1253.60		2.0
Silver (\$/oz)	16.84		2.8
Copper (\$/MT)	5596.00		1.4
Alum (\$/MT)	1938.00		3.1
Zinc(\$/MT)	2569.00		(0.5)

## Global Updates

### USA

- The Conference Board leading economic index rose by 0.3 percent in April, matching the downwardly revised increase in March as well as expectations.
- First-time claims for U.S. unemployment benefits in the week ended May 13th edged down to 232,000, a decrease of 4,000 from the previous week's unrevised level of 236,000.
- U.S. industrial production climbs more than expected in April by 1.0 percent after climbing by a downwardly revised 0.4 percent in March.
- Consumer sentiment index for May came in at 97.7 compared to the final April reading of 97.0.

### EUROPE

- Eurozone consumer confidence strengthened for a third consecutive month in May to its highest level in nearly a decade to -3.3 from April's -3.6.
- British manufacturing order books improved in May to 9 percent from 4 percent in April.
- The euro area current account surplus declined in March to a seasonally adjusted EUR 34.1 billion from a record EUR 37.8 billion in February.

### ASIA

- Standard & Poor's lifted the sovereign ratings of Indonesia to 'BBB-' from 'BB+', with stable outlook.
- Foreign direct investment in to China decreased 4.3 percent from last year to CNY59.91 billion in April.
- Indonesia's central bank maintained its interest rate on Thursday for the seventh consecutive month at 4.75 percent.

## Global Economic Calendar

Date	Curr.	Event	Forecast	Previous
22-May-17	JPY	Trade Balance (Apr)	521B	615B
23-May-17	JPY	All Industries Activity Index (MoM)		0.70%
23-May-17	EUR	Manufacturing PMI (May)	56.5	56.7
23-May-17	GBP	Public Sector Net Borrowing (Apr)	8.15B	4.37B
23-May-17	GBP	CBI Distributive Trades Survey	10	38
23-May-17	USD	Manufacturing PMI (May)	53	52.8
23-May-17	USD	New Home Sales (MoM) (Apr)	-1.30%	5.80%
24-May-17	JPY	Manufacturing PMI (May)		52.7
24-May-17	USD	MBA 30-Year Mortgage Rate		4.23%
24-May-17	USD	Existing Home Sales (Apr)	5.65M	5.71M
25-May-17	GBP	GDP (YoY) (Q1)	2.10%	2.10%
25-May-17	USD	Initial Jobless Claims		232K
25-May-17	USD	Wholesale Inventories (MoM)		0.20%
26-May-17	JPY	National CPI (YoY) (Apr)		0.20%
26-May-17	JPY	Tokyo CPI (YoY) (May)		-0.10%
26-May-17	USD	Durable Goods Orders (MoM)	-1.20%	1.70%
26-May-17	USD	GDP (QoQ) (Q1)	0.90%	0.70%
26-May-17	USD	Michigan Consumer Senti (May)	97.5	97.7

## Indian Economy

### Economy

- The government is re-designing the export benefit scheme Merchandise Exports from India Scheme (MEIS) to make it goods and services tax (GST)-compliant, a senior official said on Wednesday.
- The Cabinet Committee on Economic Affairs (CCEA) on Wednesday approved the laying of rail tracks in Maharashtra, Uttar Pradesh and Andhra Pradesh to decongest busy routes.
- Amid concerns over job losses in \$155 billion IT sector, industry lobby Assocham on Wednesday said this is the time for outsourcing companies "to look inward" and focus on the domestic opportunity to curtail layoffs.
- Imports of truck & bus radial (TBR) tyres rose by nine per cent to hit a new high of 120,000 units a month in financial year 2016-17 over the previous year.
- Monsoon rains, which are vital for farm output and economic growth in India, reached the country's Andaman and Nicobar islands on Sunday, six days ahead of schedule, the domestic weather office said in a statement.

### Corporate

- CESC Ltd, the Rs 32,000 crore RP Sanjiv Goenka group flagship company may consider business restructuring plan in 's board meet.
- Dabur has acquired 100 percent stake in South African personal care companies D and A cosmetics and Atlanta Body & Health Products for 2 million rand and 47 million rand respectively.
- Eicher Motors plans to almost double its exclusive retail presence abroad. Thailand, Indonesia, Colombia and Brazil as having the potential to become very large markets for itself over time.
- Siemens has bagged a contract from Vedanta for providing digital fleet center solution to connect the latter's two power plants in India to the monitoring stations.
- Jindal Poly Films to consider proposal to raise funds up to Rs 800 crore to meet the needs of growing business on May 25.
- IRB Infra has successfully completed concession period of Thane Bhiwandi Bypass Project on May 13, 2017.
- Mangalore Refinery and Petrochemicals Ltd (MRPL) plans to invest Rs 15,000-18,000 crore in raising its Mangalore oil refinery capacity by 10 million tons by 2022.
- Sunil Healthcare expansion of production capacity of Empty Hard Gelatin Capsule from 11 billion to 13 billion (approx) p.a
- Kotak Mahindra Bank closed the QIP issue after issuing 62 million equity shares at Rs 936 per share. Public shareholding to now increase to 68.96 percent from 67.92 percent.

### Bhushan Steel bags Odisha iron ore mine in auction

With a quote to share 100.05 per cent revenue from mining operation with the Odisha government, Bhushan Steel (BSL) has bagged the Kalmong west iron ore mine in Sundergarh district in an auction for the property which saw some aggressive bidding by country's top notch steel companies. The companies which participated in the bid for the mine, having a reserve of 92 million tonne, included Tata Steel, JSW, Jindal Steel and Power (JSPL), Tata Sponge and two Bhushan firms- Bhushan Steel and Bhushan Power and Steel. BSL, which finally won the bid, runs a 4.7 million tonne integrated steel plant at Meramundali in Dhenkanal district of Odisha. The bidding for iron ore property is mainly done on the basis of revenue sharing from mining operation with the state government. The revenue sharing of 100.05 per cent as quoted by BSL, excludes payment towards royalty, contribution to district mineral foundation (DMF) and National Mineral Exploration Trust (NMET) which together would account for payout of another 16.8 per cent of the value of mineral raised by the company. Beyond this, the company also has to bear the cost of investment to open the mine and operate it. It may be noted, this is the second iron ore property to be auctioned in the state. Last year, Essar Steel had bagged the Ghoraburhani-Sagasahi iron ore block having a reserve of 100 million tonne with a quote to share 44.35 per cent revenue with the state government. But auction saw revenue sharing quote by companies shooting up by more than 100 per cent compared to the last year. Explaining the cause of such aggressive bidding, an official said, "With the property being offered for captive use, steel companies were eager to grab it for their raw material security. Besides, with the steel prices looking up they were not hesitant to quote high rate of revenue sharing as they thought they can recover the cost from conversion of iron ore to steel."

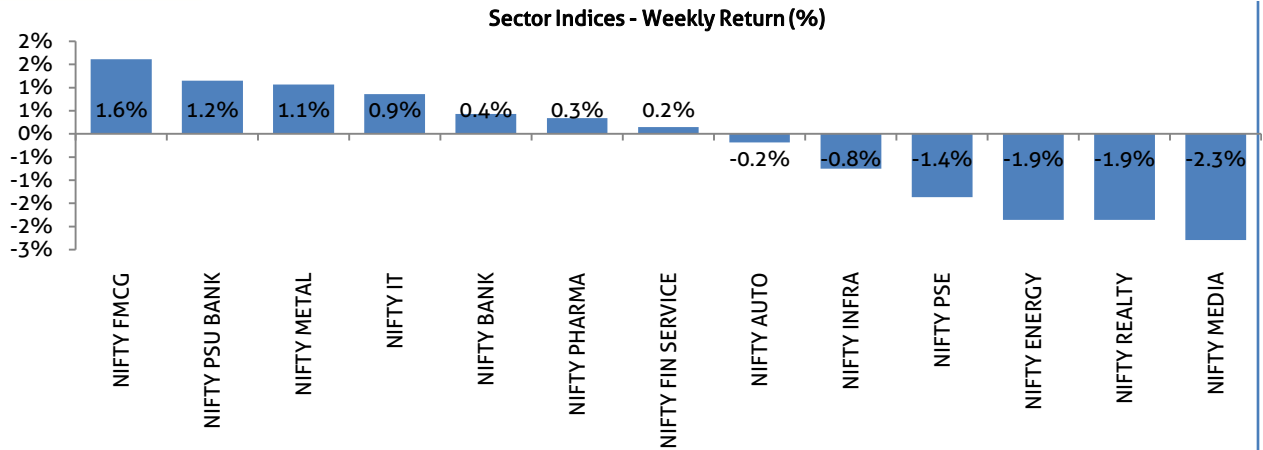
### Corporate Action for the week

#### Events

Sl. No.	Scrip Name	Ex-Date	Purpose
1	PHL	22-May-17	Amalgamation
2	HCLTECH	24-May-17	Buy Back of Shares
3	ADVENZYMES	25-May-17	Stock Split From Rs.10/- to Rs.2/-
4	CHEMFALKAL	25-May-17	Amalgamation
5	HINDCOMPOS	25-May-17	Bonus issue 1:2
6	HINDCOMPOS	25-May-17	Stock Split From Rs.10/- to Rs.5/-
7	SINTEX	25-May-17	Spin Off

#### Dividend

Sl. No.	Scrip Name	Ex-Date	CMP	Div. Amt	Div Yield(%)
1	CASTROLIND	22-May-17	436.8	4.50	1.03
2	DCBBANK	24-May-17	191.1	0.50	0.26
3	HCLTECH	24-May-17	846.0	6.00	0.71
4	MERCK	25-May-17	1049.8	11.00	1.05
5	RAYMOND	25-May-17	721.5	1.25	0.17
6	JKPAPER	26-May-17	108.5	1.50	1.38
7	PLASTIBLEN	26-May-17	492.1	2.50	0.51



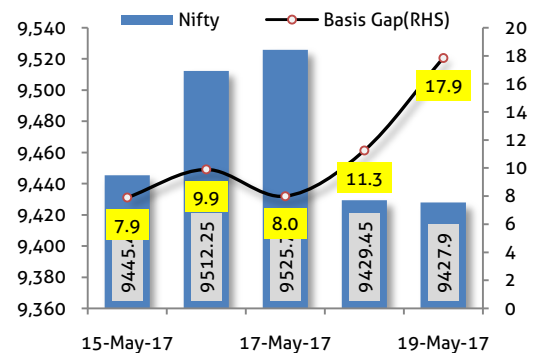
Source: NSE

### Technical Analysis- NIFTY



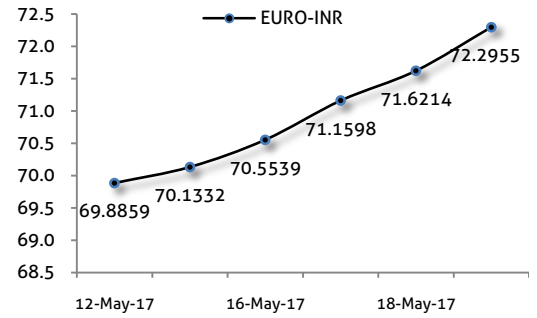
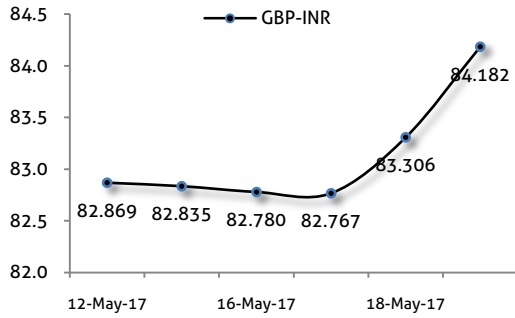
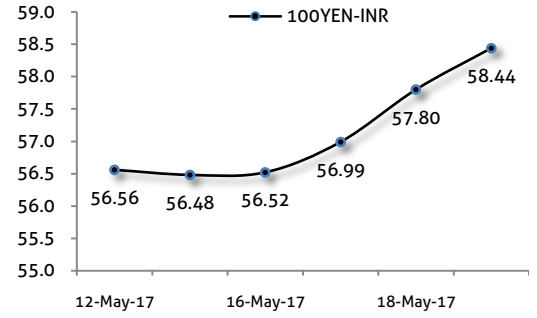
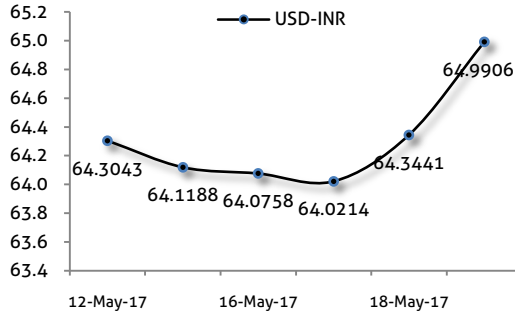
### Nifty- Technical

Indian Equity market clocked modest gains in the week gone by on expectation of a possible interest rate cut by RBI as the latest data showed a sharp fall in headline retail inflation and after reports suggested monsoon rains expected to arrive ahead of schedule. GST Council finalizing rates for the goods and services further aided sentiment. Though global market saw sell off amidst the political crisis in U.S. and Brazil. In the forthcoming week market may remain volatile as traders roll over positions in the F&O segment. Macroeconomic data, Q4 results, trend in global markets, investment by FPIs & DIIs, the movement of rupee against the dollar and crude oil price movement will dictate trend in Index in week ahead.

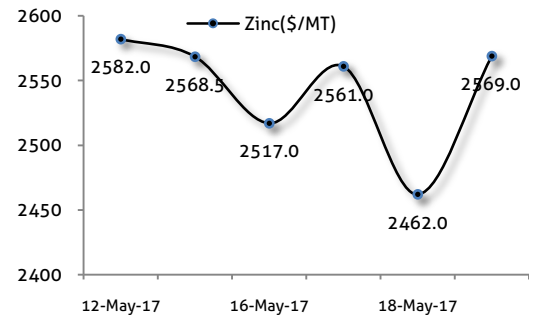
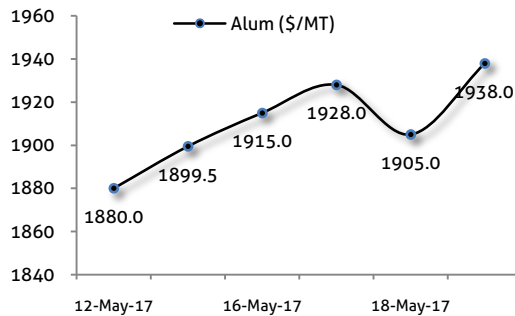
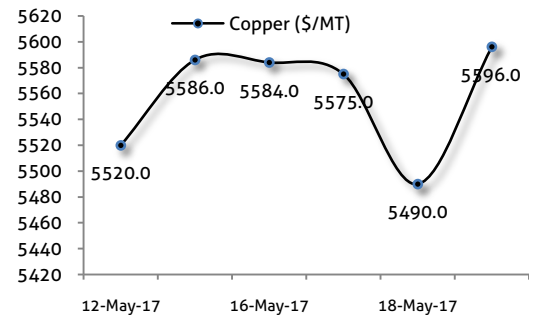
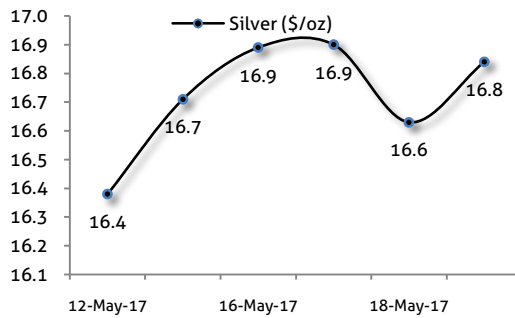
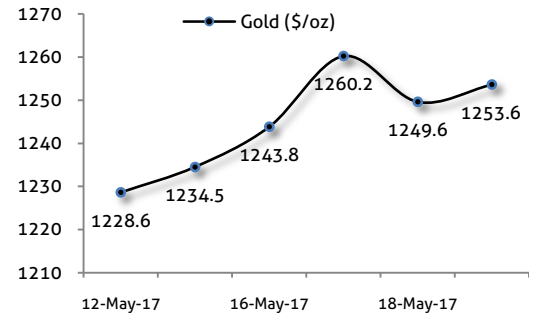
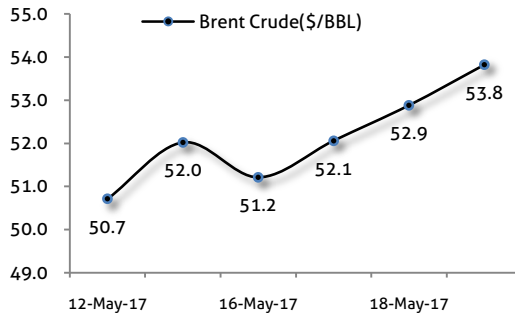


On the technical front, Nifty formed a "Shooting Star" or a "Gravestone Doji" pattern in weekly time frame indicating a reversal in the existing uptrend however before drawing conclusion once should wait for Nifty to breach the upward rising trendline since December 2016 onward and now the elevated trendline presently stands around 9370. The said level further coincides with projected 150% retracement of the entire fall from September 2016 till December 2016. Breach of the said support might act extremely negative for the market and might head towards the previous swing low of 9270-9200. The momentum oscillators are also in extremely overbought zone suggesting a pause or correction. Upside might be capped at 9550. On the F&O front Nifty has been continuously adding open interest with every up move which indicates strength in the current trend. Hereafter the range of 9300-9500 will remain crucial in expiry week. The put-call ratio of open interest closed at 1.32 indicating put writing. The options open interest concentration is at the 9500-strike call with the highest open interest; among put options the 9300-strike had witnessed the maximum buildup

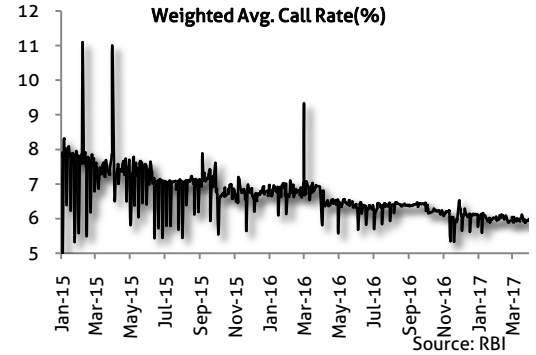
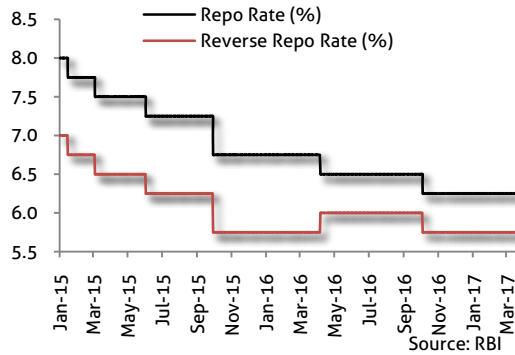
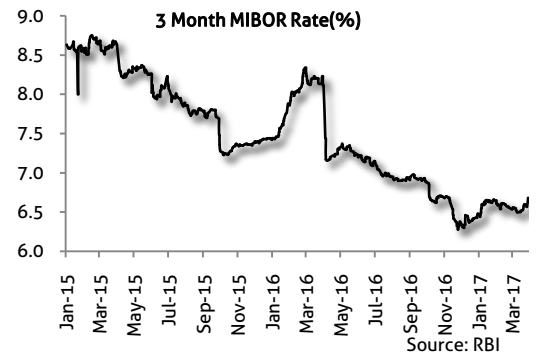
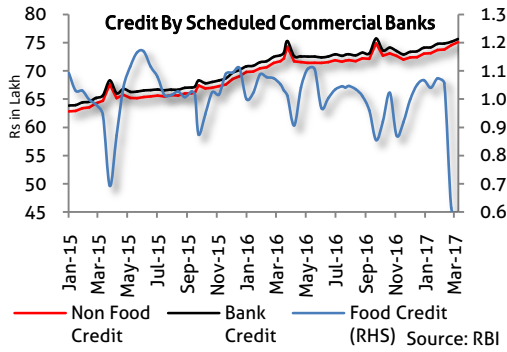
**Currencies**



**Commodities**



## Banking Updates


 Weekly Call Status – 15<sup>th</sup> May 2017 – 19<sup>th</sup> May 2017

Particulars.	No. of Calls (nos.)	Gross profit/Loss (Rs.)	Profit booked (nos.)	Loss booked (nos.)	Exit at Cost
STKFUT	0	0	0	0	0
IDXFUT	0	0	0	0	0
STKOPT	0	0	0	0	0
IDXOPT	0	0	0	0	0
STBT-BTST	0	0	0	0	0
CASH	12	5774	5	7	0
<b>Total Calls</b>	<b>12</b>	<b>5774</b>	<b>5</b>	<b>7</b>	<b>0</b>
OPEN POSITION	4	0	0	0	0

Sl No	Entry Date	Stocks	Type	Position	Bidding Price	Target Price	Stop Loss	Status (Booked/Exit/SL/TA)	Exit Rate	Exit Date	Profit/(Loss) from each call	Net profit/Loss
1	8-May-17	WOCKPHARMA 680 PE	OPTSTK	BUY	26	47	13	OPEN				
2	11-May-17	ITC	CASH	BUY	276	284	272	BOOKED	295	19-May-17	19	6897
3	12-May-17	TVSMOTOR	CASH	BUY	503	520	495	BOOKED	522	15-May-17	19	3781
4	15-May-17	JSWSTEEL	CASH	BUY	198	205	194	BOOKED	205	16-May-17	7	3542
5	15-May-17	BHARATFIN	CASH	BUY	810	835	795	SL	795	17-May-17	-15	-1860
6	15-May-17	SBIN	CASH	BUY	300	310	296	BOOKED	310	19-May-17	10	3340
7	16-May-17	WIPRO	CASH	BUY	510	522	503	BOOKED	522	18-May-17	12	2364
8	16-May-17	AMBUJACEM	CASH	BUY	262	272	257	SL	257	19-May-17	-5	-1910
9	16-May-17	ENGINEERIND	CASH	BUY	171	178	167	SL	167	18-May-17	-4	-2340
10	16-May-17	BANKBARODA	CASH	BUY	193	207	187	SL	187	18-May-17	-6	-3114

Sl No	Entry Date	Stocks	Type	Position	Bidding Price	Target Price	Stop Loss	Status (Booked/Exit/SI/TA)	Exit Rate	Exit Date	Profit/(Loss) from each call	Net profit/Loss
11	17-May-17	RELCAPITAL	CASH	BUY	685	705	675	SL	675	17-May-17	-10	-1460
12	17-May-17	ICICIBANK	CASH	BUY	307	317	302	OPEN				
13	17-May-17	TNPL	CASH	BUY	358	410		OPEN				
14	18-May-17	DABUR	CASH	BUY	278	288	273	SL	273	18-May-17	-5	-1800
15	19-May-17	GODREJCP	CASH	BUY	1817	1880	1775	OPEN				
16	19-May-17	POWERGRID	CASH	BUY	210.5	218	207	SL	207	19-May-17	-3.5	-1666

Gross Profit/Loss Earned (Rs)	5774
Less: Expenses (Rs)*	-1318
Net Profit/Loss (Rs)	4456

\*Considering Brokerage & Taxes @ 0.03%

Note: The above profit/loss is based on all open position carried forward from the previous week.  
Cash Calls are calculated on a margin of Rs. 1,00,000.



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