



Morning Coffee

October 15, 2019

One Stop Investment Avenue



Market Updates

Asian Markets	Close	Abs. Change	Per. Change
HANG-SENG (15Oct2019)	26526.97	5.12	0.02
NIKKEI 225 (15Oct2019)	22177.12	378.25	1.74
STRAIT TIMES (15Oct2019)	3126.39	1.94	0.06
Global Bellwethers	Close	Abs. Change	Per. Change
DOW JONES 30 (14Oct2019)	26787.36	(29.23)	(0.11)
NASDAQ (14Oct2019)	8048.65	(8.39)	(0.10)
FTSE UK (14Oct2019)	7213.50	(33.60)	(0.46)
Indian Benchmarks (14Oct2019)	Close	Abs. Change	Per. Change
NIFTY 50	11341.15	36.10	0.32
NIFTY 200	5826.25	20.80	0.36
NIFTY 500	9192.65	31.25	0.34
Indian Broader Markets			
NIFTY MIDCAP 100	15593.30	34.45	0.22
NIFTY SMLCAP 100	5401.55	2.95	0.05
NSE Sector indices			
NIFTY BANK	28181.95	139.45	0.50
NIFTY FINANCIAL SERVICES	12791.20	21.85	0.17
NIFTY IT	15277.75	(44.15)	(0.29)
NIFTY ENERGY	15610.20	99.70	0.64
NIFTY FMCG	30591.00	174.80	0.57
NIFTY AUTO	7520.35	123.30	1.67
NIFTY METAL	2360.20	23.10	0.99
NIFTY CONSUMPTION	4932.30	40.55	0.83
NIFTY PHARMA	7361.70	83.25	1.14
NIFTYINFRA	3200.55	24.25	0.76
NIFTY REALTY	252.05	4.75	1.92
NIFTY MEDIA	1718.25	11.00	0.64
NIFTY MNC	13439.40	131.00	0.98

Fund Flow

Participant (14Oct2019)	Latest	MTD (Calendar)	YTD (FY)
FII's	895.63	(2389.40)	(34217.80)
DII's	(425.15)	4207.42	61953.51

Stocks in News

- Moderation in FMCG growth rates is due to slowdown in rural areas: HUL CMD. The volatility in crude oil and currency are key monitorables for us, said Mehta.
- NCLAT stays implementation of JSW Steel's resolution plan for Bhushan Power. Appellate tribunal also asks ED to release all attached assets immediately to RP of Bhushan Power, bars further attachment.
- Jindal Steel's import brings first Capesize vessel to Gopalpur Port. Essar Shipping-owned vessel carries 105,000 tonnes of limestone for JSPL; Gopalpur is undertaking an expansion plan entailing dredging of the channel to enable it to receive large ships.
- Moody's downgrades Indiabulls to B2 on fund raising challenge, governance. Rating agency says continued decline in on-balance sheet loans is a reflection of its funding challenges.
- Sun Pharmaceutical launches Cequa to treat dry eye disease in US market. Cequa is indicated to increase tear production in patients with dry eye, Sun Pharma said.
- Dalmia Bharat lines up Rs 3,500 cr capex to ramp up capacity by next March. The brownfield expansion in east India involves increasing the capacity in its West Bengal plant from 1.3 mtpa to 4 mtpa and in its Rajgangpur plant by another 3 mtpa.
- French energy giant Total SA to buy 37% stake in Adani Gas for \$600 mn to expand India footprint. The deal will give Total access to India's natural gas market and support its drive to become one of the world's top LNG players.

Economic News

- Health care sector is on a recovery path after muted performance: Icria. The strong performance of the sector is in line with our expectations: Icria.
- Retail inflation at 14-month high, WPI falls to 39-month low of 0.33%. The CPI food inflation rate rose to 5.11 per cent in September.
- Oil Minister urges Sitharaman to include jet fuel, natural gas under GST. Including aviation turbine fuel and natural gas will not just help companies set off tax that they paid on input but will also bring about uniformity in taxation on the fuels in the country.
- RBI imposes fine on Lakshmi Vilas Bank, Syndicate Bank for violating norms. This action is based on the deficiencies in regulatory compliance.

Global News

- China auto sales decline 5.2% in September, 15th month in a row. As recently as three years ago, automakers had enjoyed double-digit annual growth in China.
- Brexit on October 31 a 'priority' for British government: Queen Elizabeth. After weeks of gloom, the last few days have given a glimmer of hope that an agreement can be reached.

Source: BS = Business Standard, ToI: Times of India, MC = Money Control, B = Bloomberg

Technical Snapshot



Name	Previous Close	Reversal	Support 2	Support 1	Pivot Point	Resistance 1	Resistance 2	Trend
NIFTY-NEAR MONTH	11328.50	11433.95	11211.07	11269.78	11351.87	11410.58	11492.67	BEAR
BANKNIFTY-NEAR MONTH	28210.00	28790.00	27653.80	27931.90	28360.95	28639.05	29068.10	BEAR
NIFTY MIDCAP 100	15575.05	15728.80	15472.85	15523.95	15618.35	15669.45	15763.85	BEAR
NIFTY SMLCAP 100	5398.65	5439.40	5371.88	5385.27	5406.43	5419.82	5440.98	BEAR

Key Highlights:

Nifty continues to maintain its higher highs and higher lows formation....

NIFTY SPOT: 11341.15 (+0.32%)

DYNAMIC PARAMETER: Doji candle pattern

TRADING ZONE:

Resistance : 11420 (Day's High) / 11565 (78.6% Fibonacci Retracement)

Support : 11253 (20 Day SMA) / 11189 (3 Day Low)

BROADER MARKETS: UNDERPERFORMED, MIDCAP 15593.30 (+0.22%), SMALLCAP 5401.55 (+0.05%), Advance-Decline: 907 / 879

STRATEGY: Bullish till above 11090 level (5 Day Low)

BANKNIFTY SPOT: 28181.95 (+0.50%)

DYNAMIC PARAMETER: INDEX Spinning Top Candle Pattern

TRADING ZONE:

Resistance : 28604 (3 Day High) / 28858 (5 Day Low)

Support : 27702 (3 Day Low) / 27568 (5 Day Low)

VIEW: Bullish till above 27568 (5 Day Low)

Stocks to Watch:

BULLISH	BEARISH
ASIANPAINT	M&MFIN
TATAMOTORS	RBLBANK
MARUTI	LICHAGFIN
BHARTIARTL	SRF
BIOCON	IBULHSGFIN

Sector view for the day:

Bullish Sectors	Bearish Sectors
REALTY	PSU BANK
AUTO	IT

Stock view for the day:

Stock	View	Duration	CMP	Support	Resistance
MARUTI	BULLISH	INTRADAY	6821	6770	6895
LICHSGFIN	BEARISH	INTRADAY	362	354	368

Derivatives Snapshot

	Nifty Spot	Nifty Futures	Nifty Futures Prem. / Disc	Nifty Futures Basis	Nifty Futures OI	Nifty Futures Change in OI	Nifty Futures Volume (in cr.)	Highest Total OI Call Strike	Highest Total OI Put Strike	Nifty OI PCR	NSE VIX
Current	11341.15	11336.30	-4.85	47.35	14377650	-379125	1.14	12000	11000	0.97	17.43
Previous	11305.05	11311.70	6.65	47.55	14756775	192000	1.48	12000	11000	0.96	17.14
Change	36.10	24.60	-	-	-	-	-	-	-	-	0.29
% Chg	0.32	0.22	-	-	-	-	-	-	-	-	1.69

Key Highlights:

- Nifty October Futures ended 24.60 points up @ 11336.30 with a discount of 4.85 points.
- Nifty futures open interest decreased by 3.79 lakh shares with October series total open interest stands at 1.44 crore shares.
- Nifty 12000 call has highest OI, whereas 11000 put holds the highest OI and Banknifty 29000 call has highest OI and 28000 put has highest OI.
- Nifty 11700 call saw addition of 3.16 lakh shares in OI, whereas 11000 put saw addition of 3.46 lakh shares in OI.
- India VIX ended 1.69% up @ 17.43 against the previous close of 17.14

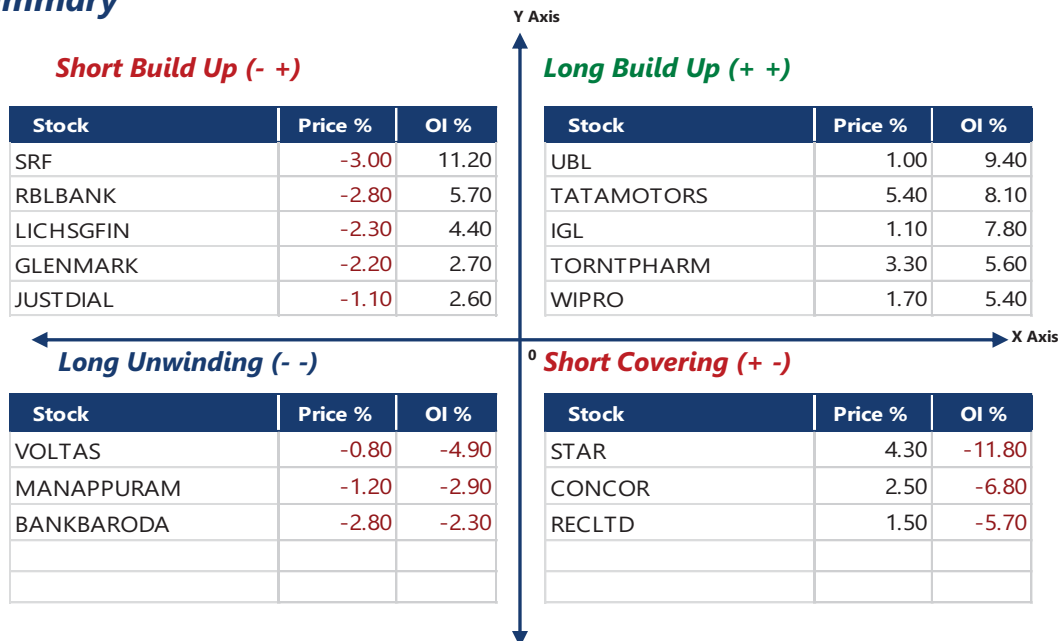
FII Derivatives Statistics

	Buy (₹ in Cr.)	Sell (₹ in Cr.)	Net Buy Sell (₹ in Cr.)	Cumulative (₹ in Cr.)
INDEX FUTURES	4148.98	3174.19	974.79	1294
INDEX OPTIONS	174906.35	174314.93	591.42	15015
STOCK FUTURES	11827.62	11575.65	251.97	-846
STOCK OPTIONS	4541.50	4642.74	-101.24	-262

Securities in Ban for Trade

Sr. No	Stock Name	Sr. No.	Stock Name
1	-	5	-
2	-	6	-
3	-	7	-
4	-	8	-

Open Interest Summary



- Long Build Up:** When price of a particular stock/Index future rises along with the rise in Open Interest.
- Short Build Up:** When Price of a particular stock/Index future falls with the rise in Open Interest.
- Short Covering:** When price of a particular stock/Index future rises with the fall in Open Interest.
- Long Unwinding:** When price of a particular stock/Index future falls along with the fall in Open Interest.



Equity Technical Recommendation:

Sr. No.	Date	Action	Company	Product *	Reco. Price	Target 01	Target 02	Stop Loss	Remarks
1	25-Sep-19	BUY	DEEPAKFERT	STD	110.5 / 95	121	135	85	Open
2	30-Sep-19	BUY	VOLTAS	STD	677 - 682	722	760	648	Open
3	3-Oct-19	BUY	ESCORTS	STD	602 - 609	681	745	560	Open
4	11-Oct-19	BUY	HDFCLIFE	5 DAY	592.5	615	638	570	Open
5	14-Oct-19	BUY	TATAMOTORS	5 DAY	126	135	148	118	Open

Equity Technical - Product Profile

Product	Maximum Open Recommendations	Return Objective	Segment	Duration
Intraday	5	1%	Cash + F&O	Intraday
BTST / STBT	2	1-2%	F&O	1 Day
5-Day	5	2-4%	F&O	T + 5
Smart Trader Delivery	10	3-15%	Cash Only	Week to 3 Months
Rolling Reversal	1	Variable subject to market	F&O	-

Fundamental Recommendation:

Current Calls: Fundamental

Sr. No	Date	Company	Product *	CMP	Reco. Price	Target	Return since Inception	Remarks
1	10-Sep-18	Havells India Ltd	IC	653.30	661.00	809.00	-1%	OPEN
2	16-Aug-18	Alembic Pharmaceuticals Ltd.	SALES NOTE	533.30	674.00	808.00	-21%	OPEN
3	9-Aug-18	Escorts Ltd	SALES NOTE	611.25	873.00	1,012.00	-30%	OPEN
4	2-Aug-18	Goodricke Group Ltd	SALES NOTE	165.00	295.80	364.00	-44%	OPEN
5	20-Jul-18	MAHINDRA CIE	SALES NOTE	144.25	256.00	306.00	-44%	OPEN
6	11-Jun-18	Wonderla Holidays Ltd.	SALES NOTE	285.85	334.00	1,195.00	-14%	OPEN
7	24-Apr-18	Ultamarine and Pigments Ltd	SALES NOTE	187.35	365.00	446.00	-49%	OPEN
8	30-Jan-19	CCL Products (India) Ltd.	SALES NOTE	237.60	270.00	342.00	-12%	OPEN
9	19-Jul-19	GRSE	SALES NOTE	168.15	131.00	200.00	28%	OPEN
Average Returns as on 14-Oct-2019							-29%	

Fundamental Recommendation:

Current Calls: Value Picks

Sr. No	Date	Company	Product *	CMP	Reco. Price	Target	Return since Inception	Remarks
1	17-Jun-15	BASF INDIA	VALUE PICK	948.70	1091	2079	-13%	OPEN
2	17-Jun-15	EICHER MOTORS	VALUE PICK	18,311.25	19297	36957	-5%	OPEN
3	17-Jun-15	GULF OIL LUBRIC	VALUE PICK	884.00	442	802	100%	OPEN
4	17-Jun-15	KAJARIA CERA	VALUE PICK	561.00	380	665	48%	OPEN
5	17-Jun-15	KOVAI MEDICAL	VALUE PICK	672.00	560	1118	20%	OPEN
6	17-Jun-15	REPRO INDIA	VALUE PICK	561.50	452	926	24%	OPEN
7	17-Jun-15	TATA ELXSI	VALUE PICK	646.00	559	1084	16%	OPEN
8	17-Jun-15	UNITED SPIRITS	VALUE PICK	616.50	693	1371	-11%	OPEN
9	17-Jun-15	WABCO INDIA	VALUE PICK	6,080.00	5406	10474	12%	OPEN
10	17-Feb-16	MINDA IND	VALUE PICK	355.50	151	295	135%	OPEN
Average Returns as on 14-Oct-2019							21%	

Our recommendation of Diwali Picks 2018

Sr. No	Date	Company	Product *	CMP	Reco. Price	Target	Return since Inception	Remarks
2	31-Oct-18	Exide Industries Ltd.	Diwali Pick	183.60	255.50	305.00	-28%	OPEN
3	31-Oct-18	Tata Elxsi Ltd.	Diwali Pick	646.00	955.30	1,144.00	-32%	OPEN
Average Returns as on 14-Oct-2019							-30%	

*Product profile

Value Picks	: Multi-bagger stocks with more than 2 years horizon.
Initiating coverage(IC)	: Average returns of 20-30% with a 12-24 months horizon.
Sales Note	: Average returns of 15-20% with a 10-15 months horizon.
Diwali Picks	: Average returns of 15-20% with a 10-15 months horizon.



Debt Market Snapshot

Forex Rates	Prev. Close	Abs. Change	Change (%)
USD/INR	71.02	(0.05)	(0.07)
EUR/INR	78.53	0.13	0.16
GBP/INR	89.82	2.71	3.11
JPY/INR	65.57	(0.60)	(0.91)

Particulars	Latest	Previous	Chg (bps)
5 Year GOI Bond	6.26	6.31	(0.05)
10 Year GOI Bond	6.68	6.73	(0.05)
15-Year GOI Bond	7.03	7.05	(0.02)
Call Money (WAR)	5.06	5.04	0.02
CBLO (WAR)	4.59	4.58	0.01
US 10 Year	1.73	1.67	0.06
Crude Oil (in \$/bl)	60.51	59.10	1.41
Inflation (Monthly CPI)	3.21	3.18	0.03

Highly Traded Govt. Bonds (Top 5)

Security	Volume	High	Low	LTP
7.26% GS 2029	11020	103.96	103.48	103.96
7.32% GS 2024	4465	103.92	103.74	103.9150
7.57% GS 2033	2000	104.7475	104.53	104.66
7.27% GS 2026	1280	104.1475	103.97	104.1175
7.00% GS 2021	650	101.6350	101.60	101.63

Government Security Market:

- The Inter-bank call money rate traded in the range of 3.70% - 5.20% on Monday ended at 5.15% .
- Total Borrowings From RBI's Repo with banks taking Rs. 38170 mn on Monday Vs. Rs 42320 mn on Friday .
- The benchmark 7.26% GOI 2029 closed at 6.6770% on Monday Vs. 6.7344% on Friday .

Global Debt Market:

U.S. stock index futures turned lower Monday morning after China said it needed to have further discussions before it would sign off on the so-called phase one trade deal U.S. President Donald Trump touted on Friday. Market focus is largely attuned to global trade developments, amid the long-running U.S.-China trade dispute.

10 Year Benchmark Technical View:

10 year (7.26% GOI 2029) yield likely to move in the range of 6.64% to 6.70% level on Tuesday .

Taxfree Bonds in Secondary Market:

Issuer	Coupon	Yield	LTP	Volume	Maturity Date
NHAI	7.6 (7.35)	5.69	1,174.00	18,332	11-Jan-31
IRFC	8	5.65	1,051.00	8,880	23-Feb-22
HUDCO	8.1	5.4953	1,106.00	7,085	05-Mar-22
NHAI	8.2	5.2081	1,066.25	4,461	25-Jan-22
NABARD	7.64 (7.35)	5.59	1,186.05	2,900	23-Mar-31

Taxable Bonds in Secondary Market:

Issuer	Coupon	Yield	LTP	Volume	Maturity Date
ECLFINANCE	10.15	10.9	961	7,856	04-Jan-29
SBIN	9.95	8.1026	11,421.01	492	16-Mar-26
M&MFIN	9	8.882	1,036.99	1,659	06-Jun-26
SRTRANSFIN	9.3	12.35	936	1,306	12-Jul-23

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