



Morning Coffee

October 29, 2019

One Stop Investment Avenue™



Market Updates

Asian Markets	Close	Abs. Change	Per. Change
HANG-SENG (29Oct2019)	26879.86	(11.40)	(0.04)
NIKKEI 225 (29Oct2019)	22977.47	110.20	0.48
STRAIT TIMES (29Oct2019)	3215.19	29.66	0.93
Global Bellwethers	Close	Abs. Change	Per. Change
DOW JONES 30 (28Oct2019)	27090.72	132.66	0.49
NASDAQ (28Oct2019)	8325.99	82.87	1.01
FTSE UK (28Oct2019)	7331.30	6.80	0.09
Indian Benchmarks (27Oct2019)	Close	Abs. Change	Per. Change
NIFTY 50	11627.15	43.25	0.37
NIFTY 200	6001.60	26.10	0.44
NIFTY 500	9478.35	47.25	0.50
Indian Broader Markets			
NIFTY MIDCAP 100	16272.85	106.15	0.66
NIFTY SMLCAP 100	5665.10	66.25	1.18
NSE Sector indices			
NIFTY BANK	29516.30	120.35	0.41
NIFTY FINANCIAL SERVICES	13395.40	48.60	0.36
NIFTY IT	14956.40	57.55	0.39
NIFTY ENERGY	16113.75	42.10	0.26
NIFTY FMCG	31803.45	117.85	0.37
NIFTY AUTO	8102.00	115.65	1.45
NIFTY METAL	2421.95	11.10	0.46
NIFTY CONSUMPTION	5089.85	7.60	0.15
NIFTY PHARMA	7743.55	7.00	0.09
NIFTYINFRA	3259.50	6.40	0.20
NIFTY REALTY	265.00	0.10	0.04
NIFTY MEDIA	1744.15	11.80	0.68
NIFTY MNC	13998.80	65.25	0.47

Fund Flow

Participant (27Oct2019)	Latest	MTD (Calendar)	YTD (FY)
FIs	6.61	(1344.27)	(33172.67)
DIs	54.39	5421.61	63167.70

Stocks in News

- Dr Reddy's gets 4 observations from USFDA for Srikakulam plant. The audit of the company's API Srikakulam Plant (SEZ) by the United States Food and Drug Administration (USFDA) was completed on Friday, the Hyderabad-based pharma major said in a regulatory filing.
- Thomas Cook ordered to pay Rs 400,000 compensation for cancelled tour. The complaint said he wanted to travel by Eurostar train from London to Paris, which Thomas Cook agreed to arrange.
- RIL to set up Rs 1.08-trillion digital arm, work on making Jio debt-free. Board approves the transfer of Rs 1.08 trillion debt to the new subsidiary; Jio listing could be next.
- Mahindra's subsidiary to acquire 100% stake in Peugeot Motorcycles. The move, it said, "reaffirms the commitment" of the group to future growth of the French company.
- GVK to raise Rs 7,614 crore to retire debt of its holding companies. The GVK Group had earlier said it was determined to acquire the 13.5 per cent in Mumbai International Airport Limited owned by South African firm Bid Services Division Mauritius or Bidvest.
- BPCL's Mozambique deal under govt scanner; yet to get approval. Bharat Petro Resources Ltd (BPRL), an exploration and production subsidiary of BPCL, had in August 2008 bought a 10 per cent stake in Area-1 Offshore of the Rovuma Block.
- NCLAT sets aside Ambience insolvency proceedings; NCLT to decide afresh. A three-member NCLAT bench said, "We accordingly, set aside the impugned order dated August 27, 2019 without extending any opinion on merit of the claim and counter claim of the parties".

Economic News

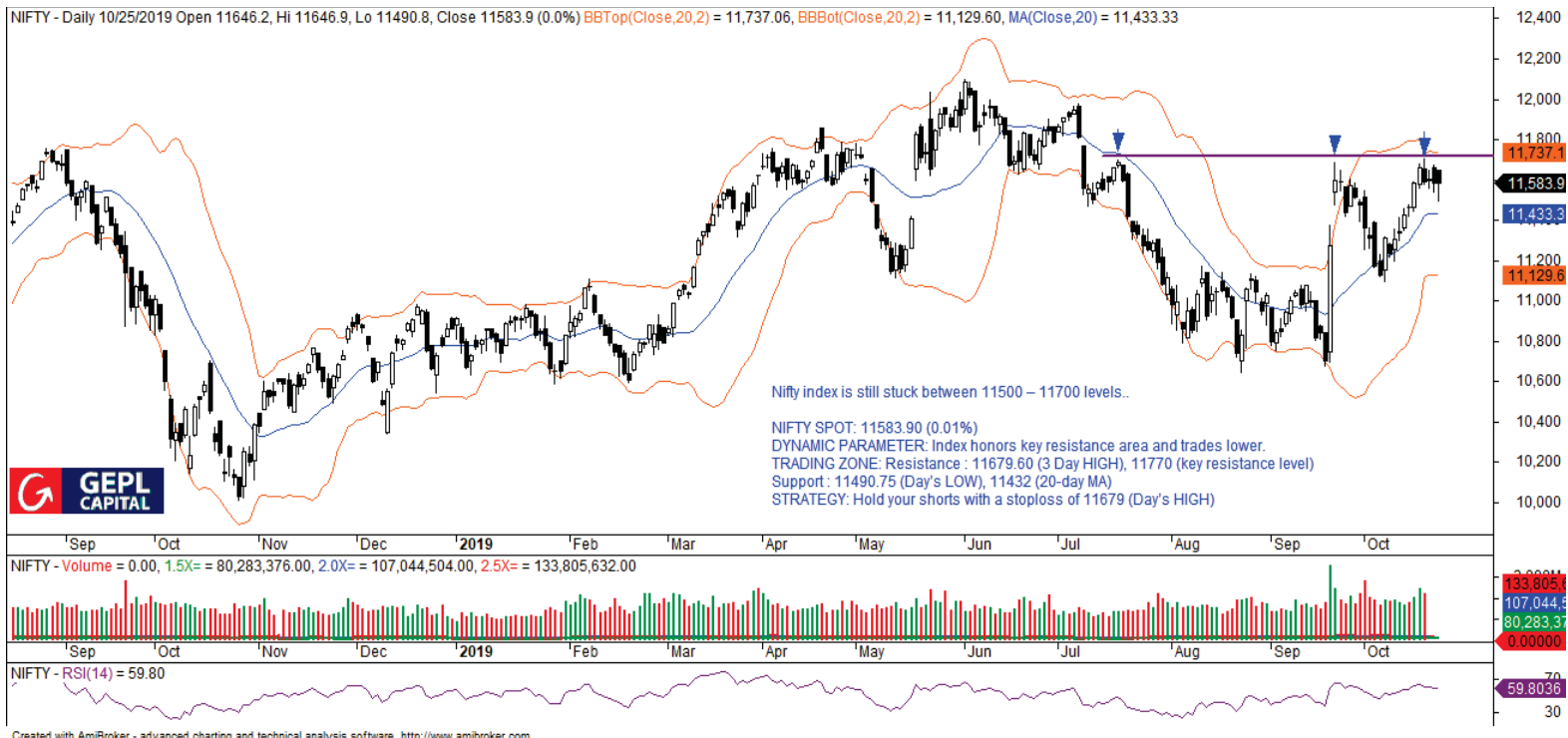
- Housing finance companies' gross non-performing assets up 2.2%: Icra. Markets like Surat and Pune in the affordable segment could show higher slippages owing to delays and challenges faced by some projects.
- Economic slowdown hit jewellery and apparel sales this Diwali: Report. The average value of card transactions in the two affected segments dipped in the days leading to Diwali, according to the data released by transaction processing company, Worldline.
- Govt may bring plan to prevent Rs 1-trn power sector debt from becoming NPA. Government sources said that Power and Petroleum Ministries are in the final leg of drafting the new subsidy scheme.

Global News

- Five-months of relentless anti-govt protests push Hong Kong into recession. Hong Kong's Financial Secretary said, the city is unlikely to achieve annual economic growth this year.

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	11604.50	11502.60	11444.97	11524.73	11582.37	11662.13	11719.77	BULL
BANKNIFTY-NEAR MONTH	29438.00	28912.60	28709.47	29073.73	29276.87	29641.13	29844.27	BULL
NIFTY MIDCAP 100	16166.70	16005.50	16014.23	16090.47	16168.48	16244.72	16322.73	BULL
NIFTY SMLCAP 100	5598.85	5537.95	5551.85	5575.35	5606.60	5630.10	5661.35	BULL

Key Highlights:

Nifty index is still stuck between 11500 - 11700 levels....

NIFTY SPOT: 11583.90 (+0.01%)

DYNAMIC PARAMETER: Index honors key resistance area and trades lower.

TRADING ZONE:

Resistance : 11715 (5 Day HIGH), 11770 (Gap Resistance)

Support : 11490 (Day's Low), 11432 (20 Day SMA)

BROADER MARKETS: UNDERPERFORM, MIDCAP 16166.70(-0.18%) , SMALLCAP 5598.85 (-0.30%), Advance-Dcline: 736/1012

STRATEGY: Bullish above 11715 level (5 Day High)

BANKNIFTY SPOT: 29395.95 (+0.99%)

DYNAMIC PARAMETER: INDEX holds strong support of 20 day MA (28840)

TRADING ZONE:

Resistance : 29693 (3 Day High) / 29754 (3 Week High)

Support : 28840 (20 Day SMA) / 28634 (Fibonacci Retracement)

VIEW: Bullish till above 28840 (20 Day SMA)

Stocks to Watch:

BULLISH	BEARISH
SRTRANSFIN	GAIL
EICHERMOT	INDUSINDBK
CASTROLIND	UJJIVAN
MARUTI	INFY
ICICIBANK	IBULHSGFIN

Sector view for the day:

Bullish Sectors	Bearish Sectors
PSU BANK	INFRA
IT	METAL

Stock view for the day:

Stock	View	Duration	CMP	Support	Resistance
CASTROLIND	BULLISH	INTRADAY	154	149	162
UJJIVAN	BEARISH	INTRADAY	279	271	284

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	11583.90	11608.95	25.05	43.60	13894425	-492225	1.08	12000	11000	0.99	15.32
Previous	11582.60	11611.15	28.55	43.30	14386650	-199950	1.04	12000	11000	1.03	16.24
Change	1.30	-2.20	-	-	-	-	-	-	-	-	-0.92
% Chg	0.01	-0.02	-	-	-	-	-	-	-	-	-5.67

Key Highlights:

- Nifty October Futures ended 2.20 point down @ 11608.95 with a premium of 25.05 points.
- Nifty futures open interest decreased by 4.92 lakh shares with October series total open interest stands at 1.39 crore shares.
- Nifty 12000 call has highest OI, whereas 11000 put holds the highest OI and Banknifty 30000 call has highest OI and 28500 put has highest OI.
- Nifty 11700 call saw unwinding of 5.38 lakh shares in OI, whereas 11500 put saw addition of 4.01 lakh shares in OI.
- India VIX ended 5.67% down @ 15.32 against the previous close of 16.24

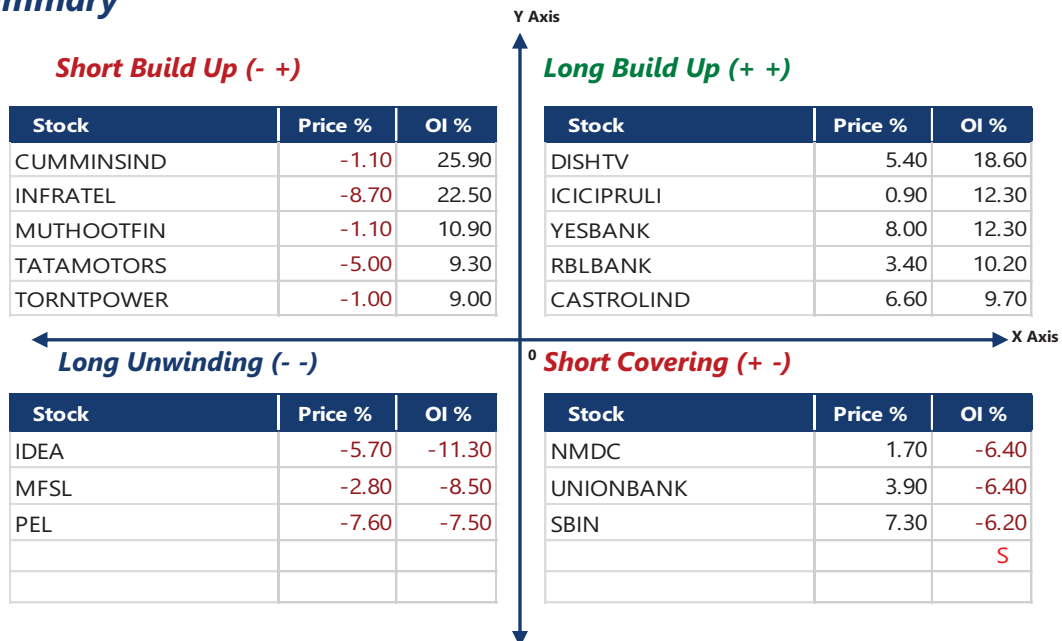
FII Derivatives Statistics

	Buy (₹ in Cr.)	Sell (₹ in Cr.)	Net Buy Sell (₹ in Cr.)	Cumulative (₹ in Cr.)
INDEX FUTURES	3924.62	4920.31	-995.69	2338
INDEX OPTIONS	176209.46	174435.83	1773.63	21633
STOCK FUTURES	21652.51	21304.76	347.75	2703
STOCK OPTIONS	8077.64	7997.17	80.47	-420

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	102.75	121	135	85	Open
2	30-Sep-19	BUY	VOLTAS	STD	679.5	722	760	648	Profit Book

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	667.45	661.00	809.00	1%	OPEN
2	16-Aug-18	Alembic Pharmaceuticals Ltd.	SALES NOTE	538.55	674.00	808.00	-20%	OPEN
3	9-Aug-18	Escorts Ltd	SALES NOTE	642.05	873.00	1,012.00	-26%	OPEN
4	2-Aug-18	Goodricke Group Ltd	SALES NOTE	167.95	295.80	364.00	-43%	OPEN
5	20-Jul-18	MAHINDRA CIE	SALES NOTE	156.00	256.00	306.00	-39%	OPEN
6	11-Jun-18	Wonderla Holidays Ltd.	SALES NOTE	287.15	334.00	1,195.00	-14%	OPEN
7	24-Apr-18	Ultamarine and Pigments Ltd	SALES NOTE	188.00	365.00	446.00	-48%	OPEN
8	30-Jan-19	CCL Products (India) Ltd.	SALES NOTE	196.50	270.00	342.00	-27%	OPEN
9	19-Jul-19	GRSE	SALES NOTE	205.85	131.00	200.00	57%	OPEN
		Average Returns as on 27-Oct-2019					-27%	

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	973.25	1091	2079	-11%	OPEN
2	17-Jun-15	EICHER MOTORS	VALUE PICK	21,347.85	19297	36957	11%	OPEN
3	17-Jun-15	GULF OIL LUBRIC	VALUE PICK	861.60	442	802	95%	OPEN
4	17-Jun-15	KAJARIA CERA	VALUE PICK	556.35	380	665	46%	OPEN
5	17-Jun-15	KOVAI MEDICAL	VALUE PICK	650.00	560	1118	16%	OPEN
6	17-Jun-15	REPRO INDIA	VALUE PICK	620.00	452	926	37%	OPEN
7	17-Jun-15	TATA ELXSI	VALUE PICK	786.30	559	1084	41%	OPEN
8	17-Jun-15	UNITED SPIRITS	VALUE PICK	627.95	693	1371	-9%	OPEN
9	17-Jun-15	WABCO INDIA	VALUE PICK	6,135.00	5406	10474	13%	OPEN
10	17-Feb-16	MINDA IND	VALUE PICK	368.00	151	295	144%	OPEN
Average Returns as on 27-Oct-2019							27%	

Our recommendation of Diwali Picks 2019

Sr. No	Date	Company	Product *	CMP	Reco. Price	Target	Return since Inception	Remarks
1	12-Oct-19	Kotak Mahindra Bank Ltd.	Diwali Pick	1,593.25	1,588.00	1,870.00	0%	OPEN
2	12-Oct-19	Reliance Industries Ltd.	Diwali Pick	1,434.10	1,353.00	1,620.00	6%	OPEN
3	12-Oct-19	ICICI Lombard General Ins Co. Ltd.	Diwali Pick	1,363.90	1,207.00	1,425.00	13%	OPEN
4	12-Oct-19	Bajaj Finance Ltd.	Diwali Pick	3,981.00	3,973.00	4,720.00	0%	OPEN
5	12-Oct-19	Hindustan Unilever Ltd.	Diwali Pick	2,139.50	2,005.00	2,400.00	7%	OPEN
6	31-Oct-18	Exide Industries Ltd.	Diwali Pick	177.65	255.50	305.00	-30%	OPEN
7	31-Oct-18	Tata Elxsi Ltd.	Diwali Pick	786.30	955.30	1,144.00	-18%	OPEN
Average Returns as on 27-Oct-2019							-24%	

*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	70.89	(0.02)	(0.03)
EUR/INR	78.77	(0.06)	(0.07)
GBP/INR	90.88	(0.33)	(0.37)
JPY/INR	65.34	(0.09)	(0.14)

Particulars	Latest	Previous	Chg (bps)
5 Year GOI Bond	6.27	6.27	-
10 Year GOI Bond	6.68	6.69	(0.01)
15 Year GOI Bond	7.02	7.03	(0.01)
Call Money (WAR)	5.10	5.06	0.04
CBLO (WAR)	4.89	4.89	-
US 10 Year	1.77	1.76	0.01
Crude Oil (in \$/bl)	61.66	61.17	0.49
Inflation (Monthly CPI)	3.21	3.18	0.03

Highly Traded Govt. Bonds (Top 5)

Security	Volume	High	Low	LTP
7.26% GS 2029	6515	104.0250	103.83	103.9425
6.45% GS 2029	3175	99.74	99.60	99.63
7.32% GS 2024	1925	103.9175	103.84	103.85
7.27% GS 2026	1900	104.0975	103.99	104.0225
7.17% GS 2028	445	102.5975	102.52	102.52

Government Security Market:

- The Inter-bank call money rate traded in the range of 3.60% - 5.25% on Friday ended at 4.90% .
- Total Borrowings From RBI's Repo with banks taking Rs. 41520 mn on Friday Vs. Rs. 40350 mn on Thursday.
- The benchmark 7.26% GOI 2029 closed at 6.6778% on Friday Vs. 6.6858% on Thursday .

Global Debt Market:

U.S. government debt prices were slightly lower Friday morning, as investors await economic data. The moves come after weak economic data in the previous session, fueling expectations of another interest rate cut by the Federal Reserve.

10 Year Benchmark Technical View:

10 year (7.26% GOI 2029) yield likely to move in the range of 6.64% to 6.68% level on Tuesday

Taxfree Bonds in Secondary Market:

Issuer	Coupon	Yield	LTP	Volume	Maturity Date
NABARD	7.64 (7.35)	5.5748	1,189.98	11,307	23-Mar-31
NHAI	7.69 (7.39)	5.5725	1,155.50	8,928	09-Mar-31
NHAI	8.3	5.5935	1,164.01	4,046	25-Jan-27
NHAI	8.2	5.6913	1,057.99	4,233	25-Jan-22
HUDCO	8.2	5.7258	1,197.90	3,315	05-Mar-27

Taxable Bonds in Secondary Market:

Issuer	Coupon	Yield	LTP	Volume	Maturity Date
ECLFINANCE	10.15	10.9	960.5	7,557	04-Jan-29
ECLFINANCE	Cumulative	14.34	990	616	04-Jan-22
SRTRANSFIN	8.93	11.45	937	582	12-Jul-23
SBIN	9.95	7.8035	11,610.00	574	16-Mar-26
TCFSL	8.8	7.21	1,035.00	565	27-Sep-21

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