

23rd April, 2024

Most
Market
 **OUTLOOK**



- Expect market to open on a positive note on account of across the global market rally amid easing geo-political tension between Iran-Israel, falling oil price and cooling down global Vix (Volatility Index). Both US and India Vix fell sharply by 10% and 5% respectively, indicating a stable market.
- Overnight, US market gained by 1%, after a fall of six-day streak due to reduced geo-political tension. Heavyweights, Microsoft Corp., Alphabet Inc., Meta Platforms Inc and Tesla to report results this week, representing over 40% of S&P 500 market capitalization.
- Gift Nifty is up by 60 points. Expect positive for tractor stock after the news of Eicher to hike price. PSU Banks may be positive after the news that the Centre may disinvest minority stakes in five public sector banks.
- Expect positive for oil marketing companies for HPCL BPCL, IOC on account of benefit of fall in price.

Actionable Idea for the Day

Technical Pick:

Canara Bank : Buy

(CMP 600 SL 584 TP 635)

2-3 Days)

Fundamental Pick:

Reliance : Buy

(CMP : 2960, TP: 3245)

(Duration 1 Year)

Index Levels :

Nifty Cash	R1	R2	S1	S2
22,336	22,500	22,600	22,222	22,100
BankNifty Cash	R1	R2	S1	S2
47,925	48,250	48,500	47,777	47,500

Top 5 Investment Idea

Stock Name	Rating	CMP	TP	Upside
HUL	Buy	2,246	2900	29%
HDFC Bank	Buy	1,514	1950	29%
Dalmia Bharat	Buy	1,960	2500	28%
Max Healthcare	Buy	761	950	25%
Adani Ports	Buy	1,323	1590	20%

Global Market Summary:

- US markets yesterday ended their six-day losing streak ahead of key earning reports lined up this week. The Nasdaq was up 1% while the S&P 500 gained 0.8%.
- Dow Futures is trading 13 points higher. European indices ended with gains of ~0.2% - 1.6%.
- Asian markets are trading higher.
- **Global Cues: Positive**

Indian Market Summary:

- Nifty maintained its strength throughout the session to close at the day's high with gains of 189 points (+0.9%) at 22,336 levels.
- FIIs: -Rs2915 crore DIIs: +Rs3543 crore.
- Currently GIFT Nifty is trading 55 points down.
- **Domestic Cues: Muted**

News and Impact :

HAL: HAL has signed a Transfer of Technology agreement with National Aerospace Laboratories for the manufacture of the Bismaleimide Engine Bay Door for the series production of Light Combat Aircraft Tejas Mk1A. **Impact: Positive**

Tejas Network: Company reported revenue growth of 343% at Rs 1,327 crore vs Rs 299 crore. Net profit came in at Rs 147 crore vs net loss of Rs 11.47 crore in the previous year. Margins were seen at 23.09%.

Impact: Positive

Result today: Tata Consumer, Tata Elxsi, ICICI Prudential Life Insurance, 360 One WAM, MCX, Cyient DLM.

Fundamental Actionable Idea

Reliance: CMP INR2960 TP 3245 Upside 10%, Buy

- Reliance's 4QFY24 consolidated revenue & EBITDA grew 11%, each primarily due to the growth in the O2C segment.
- Standalone revenue grew by 13% led by better feedstock sourcing, ethane cracking, and higher domestic product placement
- Net debt improved sequentially to INR1,163b from INR1,194b.
- Segment-wise, the Consumer business continues to post double-digit EBITDA growth, with both RJio and Reliance Retail likely to record 14% and 25% EBITDA CAGR over FY24-26, respectively.
- Overall, we remain positive on both the Refining and Petrochemical segments.

View: Buy

MCX: CMP INR3902 TP INR 4300 Upside 10%, Buy

- MCX has allowed FPIs under the categories of individuals, family offices, and corporates into oil and natural gas derivatives, which made up 77% of MCX's March turnover.
- The move, which takes immediate effect, comes during increased activity in energy derivatives worldwide.
- The company will also launch a Natural gas and Crude oil mini-option contract today.
- We expect MCX to deliver a revenue/EBITDA/PAT CAGR of 28%/205%/157% over FY24-26, led by a 47% CAGR in options volumes.

View: Buy

Nifty Technical Outlook

NIFTY (CMP : 22336) Nifty immediate support at 22222 then 22100 zones while resistance at 22500 then 22600 zones. Now it has to hold above 22222 for an up move towards 22500 then 22600 zones whereas supports are placed at 22222 then 22100 zones.



Bank Nifty Technical Outlook

BANK NIFTY (CMP : 47925) Bank Nifty support at 47777 then 47500 zones while resistance at 48250 then 48500 zones. Now it has to continue to hold above 47777 zones for an up move towards 48250 then 48500 zones while on the downside support is seen at 47777 then 47500 levels

2-Niftybank - 22/04/24



Technical Trading Idea

Canara Bank : Buy CMP : 600 Target : 635 SL : 584 Duration : 2-3 Days

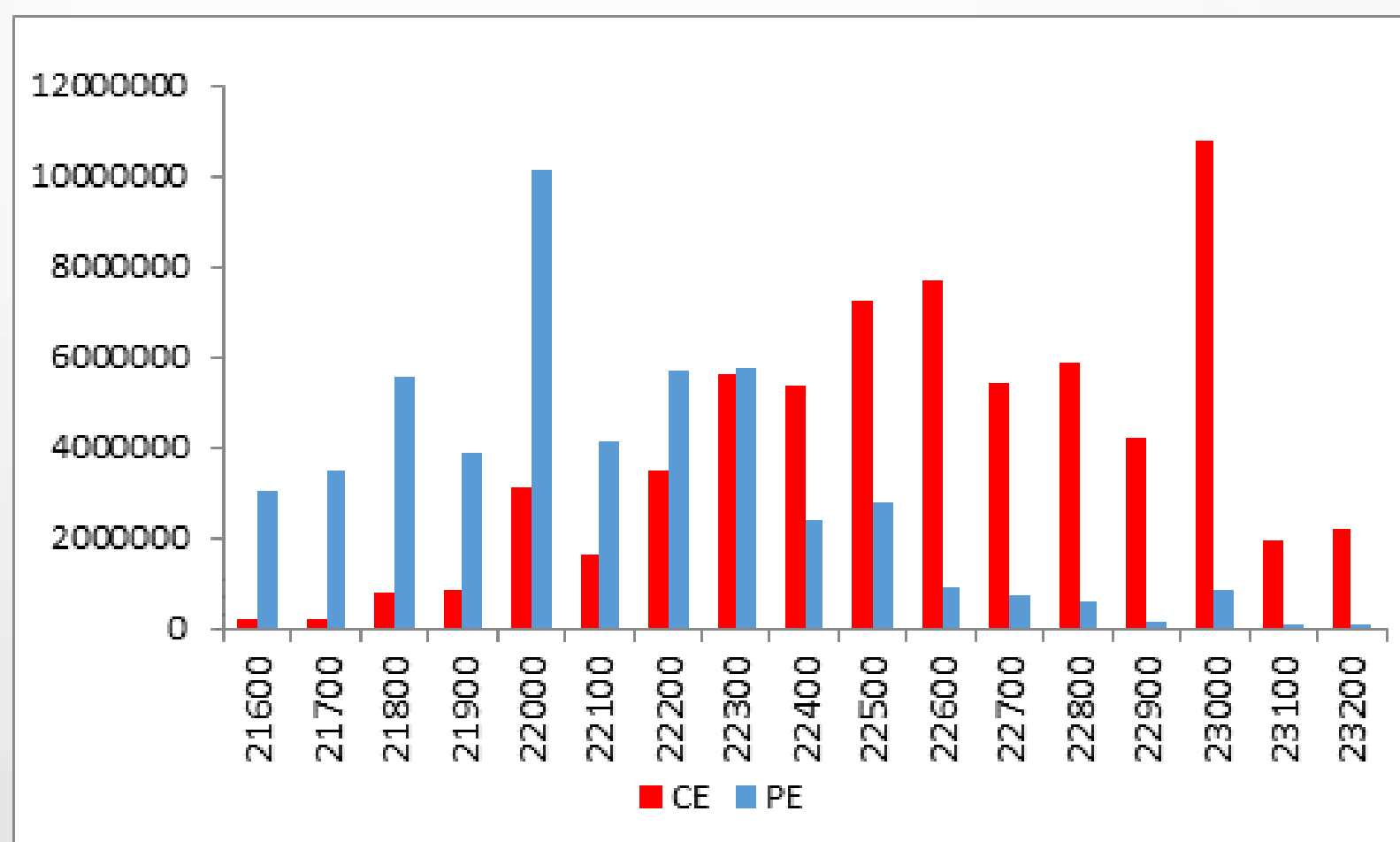
- Canara Bank is in overall uptrend and all the small declines are being bought into. It is perfectly respecting 50 DEMA and formed a strong bullish candle on daily scale.
- Buying is visible across PSU Banks which may support the ongoing up move. Momentum indicator RSI has given bullish cross over which may take the prices higher.



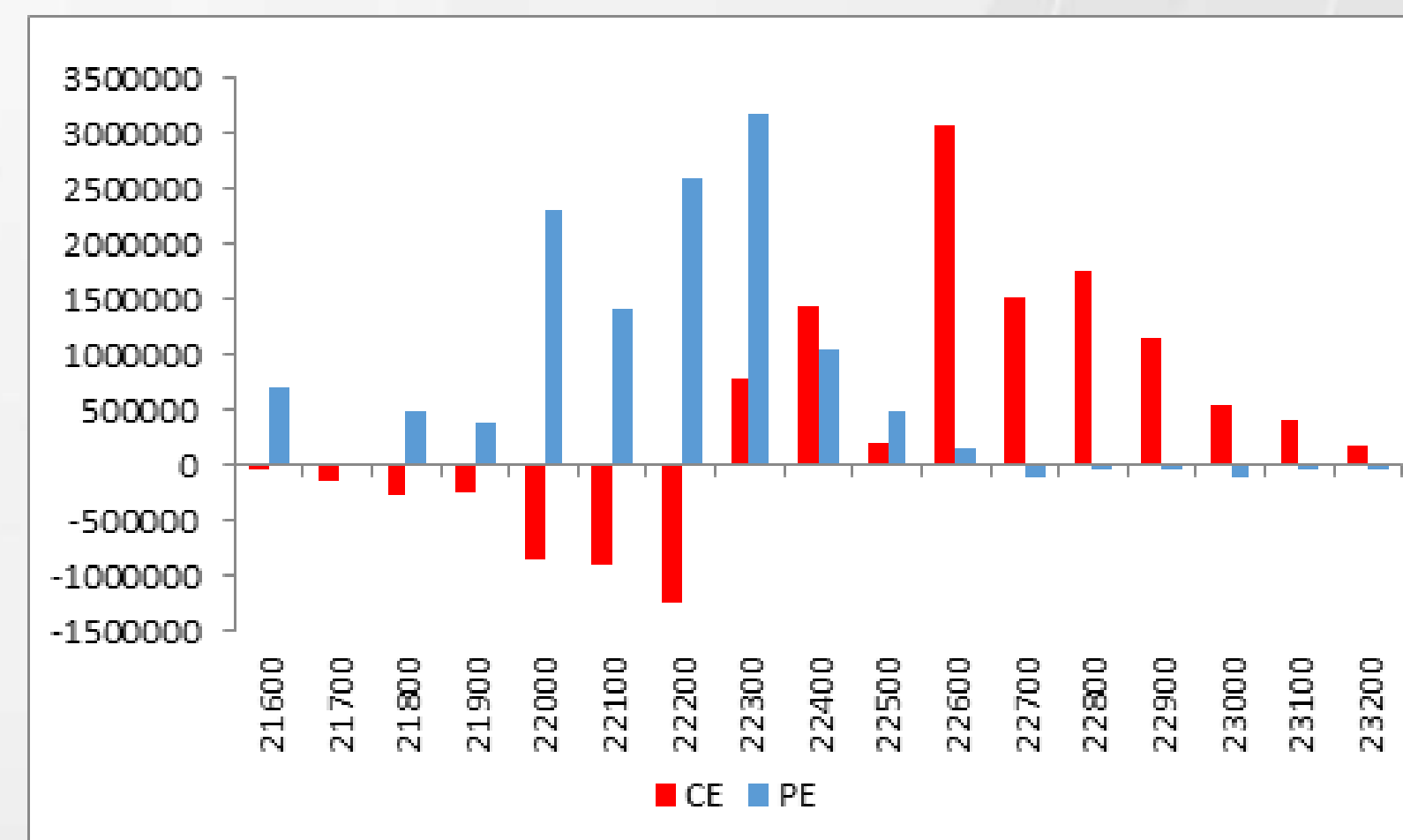
Derivative Outlook

- Nifty March future closed at 22,358.20 with a premium of 21.80 point v/s 18.30 point discount in the last session.
- Nifty futures OI increased by 1.03% to 1.56 Cr and Bank Nifty futures OI increased by 1.38% to 23.73 Lakhs.
- Nifty Put/Call Ratio (OI) increased from 1.03 to 1.14 level.
- India VIX was down by 5.65% from 13.46 to 12.70 levels. Volatility cooled off during the day and paved way for the bulls at crucial make or break zones.
- On option front, Maximum Call OI is at 22600 then 22500 strike while Maximum Put OI is at 22000 then 22300 strike. Minor Call writing is seen at 22600 then 22700 strike while Put writing is seen at 22300 then 22200 strike. Option data suggests a broader trading range in between 22000 to 22700 zones while an immediate trading range in between 22100 to 22500 zones.

1-Day change in Nifty OI



Nifty OI



- **Option Buying:** Buy Nifty 22400 Call till it holds above 22222 zones. Buy Weekly Bank Nifty 48000 Call till it holds above 47777 zones.
- **Option Strategy:** Nifty Bull Call Ladder Spread (Buy 22350 CE, Sell 22500 CE and Sell 22600 CE) at net premium cost of 45-50 points. Weekly Bank Nifty Bull Call Ladder Spread (Buy 48000 CE, Sell 48400 CE and Sell 48600 CE) at net premium cost of 120-130 points
- **Option Writing:** Sell Nifty 21900 PE and Sell 22700 CE at inflow of 20-22 points with strict double SL. Sell Weekly Bank Nifty 46800 PE and Sell 48700 CE at inflow of 50-55 points with strict SL.

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