

2nd April, 2024

Most
Market
 **OUTLOOK**



- Strong opening in the Asian markets, second highest domestic GST collection during the month of March, impressive quarterly business updates by corporates, mixed bag on March auto monthly sales data and ahead of RBI policy outcome this week, may open domestic bourses on flat to negative note.
- Overnight, US market ended on a mixed bag on expectation of US Fed to slow cut interest rate due to ISM Manufacturing PMI data reported to 15-month high. Gift Nifty decline by 60 points.
- Gold Finance stocks will be positive on account of surging gold price to record high of above Rs68000/10 gram. Record high defence exports will be positive for defence stocks. Surging oil price to 5-month high will be positive for upstream oil companies.

Actionable Idea for the Day

Technical Pick:

Bank of Maharashtra : Buy

(CMP 65 SL 62 TP 71)

2-3 Days)

Fundamental Pick:

HAL : Positive

(CMP : 3400)

(Duration 1 Year)

Index Levels :

| Nifty Cash | R1 | R2 | S1 | S2 |
|----------------|--------|--------|--------|--------|
| 22,462 | 22,650 | 22,750 | 22,350 | 22,222 |
| BankNifty Cash | R1 | R2 | S1 | S2 |
| 47,578 | 48,000 | 48,250 | 47,250 | 47,000 |

Top 5 Investment Idea

| Stock Name | Rating | CMP | TP | Upside |
|-------------|--------|-------|------|--------|
| Godrej Prop | Buy | 2,385 | 2855 | 20% |
| GAIL | Buy | 183 | 215 | 17% |
| Bajaj Fin | Buy | 7,244 | 8500 | 17% |
| Adani Ports | Buy | 1,378 | 1600 | 16% |
| Titan | Buy | 3,746 | 4300 | 15% |

Global Market Summary:

- US markets yesterday, fell ~0.5%, dragged down by worries over the timing of interest rate cuts by the Fed after stronger-than-expected manufacturing data pushed Treasury yields higher.
- Dow Futures is trading +0.3% lower. European indices yesterday gained ~0.5%.
- Asian markets today, are trading mixed
- **Global Cues: Weak**

Indian Market Summary:

- Nifty yesterday, opened gap up and maintained strength throughout the session to close with gains of 135 points (+0.6%) at 22462 levels. FII: -Rs522 crore DII: +Rs1208 crore.
- Currently GIFT Nifty is trading -0.3% lower (60 points down).
- **Domestic Cues: Negative**

News and Impact :

ABFRL: ABFRL is aiming to demerge its cash cow business – Madura Fashion & Lifestyle (MFL) into a separate listed entity to unlock the shareholders' value. The remaining business (currently loss making) will continue to be a part of ABFRL and following demerger, the company plans to raise fresh capital to support ABFRL growth prospects. While MFL is a cash cow business which may fund its growth internally and will doesn't need to raise capital. **Impact: Positive**

Real Estate: Registration of properties in the Mumbai municipal area rose 8 per cent to 14,149 units on strong housing demand, according to Knight Frank. Last month, the state government collected Rs 1,123 crore as stamp duty on registration of properties. **Impact: Positive for realty stocks**

Fundamental Actionable Idea

HAL: CMP INR3400

- HAL records highest-ever revenue from ops of over ₹29,810 cr In FY24, up 11% YoY
- Received fresh manufacturing contracts of over ₹19,000 cr and Repair & Overhaul contracts of over ₹16,000 cr during FY24, taking total order book to above ₹94000crore (3x OB/Sales)
- In addition, India exported a record-breaking Rs 21,083 crore worth of defense equipment for the first time ever in FY24.

View: **Positive**

Indigo: CMP INR3554

- March 2024 average daily air traffic grew 4% to 4.36 lakh vs 4.19 lakh. For Q4FY24 total air traffic was up 5% to 3.94 cr vs 3.74 cr
- In addition ATF prices has also been reduced by OMCs which will be positive for airline stocks.
- INDIGO has formulated its three-pillar strategy for growth: affordable fares, lower cancellations and on-time performance. It also aims to significantly expand its international network.

View: **Positive**

Nifty Technical Outlook

NIFTY (CMP : 22462) Nifty immediate support at 22350 then 22222 zones while resistance at 22650 then 22750 zones. Now it has to continue to hold above 22350 zones to witness an up move towards 22650 and 22750 zones while on the downside support exists at 22350 and 22222 zones.

4-Nifty50 - 01/04/24
EMA(CloseLine:50)



BANK NIFTY (CMP : 47578) Bank Nifty support at 47250 then 47000 zones while resistance at 48000 then 48250 zones. Now it has to continue to hold above 47250 zones to extend the move towards 48000 then 48250 zones while on the downside support is seen at 47250 and 47000 zones.

4-Niftybank - 01/04/24
EMA(CloseLine:50)



Bank of Maharashtra : Buy CMP : 65 Target : 71 SL : 62 Duration : 2-3 Days

- Bank of Maharashtra has given falling supply trend line breakout on daily chart and holding well above the same. Buying is visible across Psu banks which may support the ongoing up move. Breakout is supported by noticeable volumes and supports are gradually shifting higher.
- Momentum indicator Relative Strength Index (RSI) is positively placed which may take the prices higher.

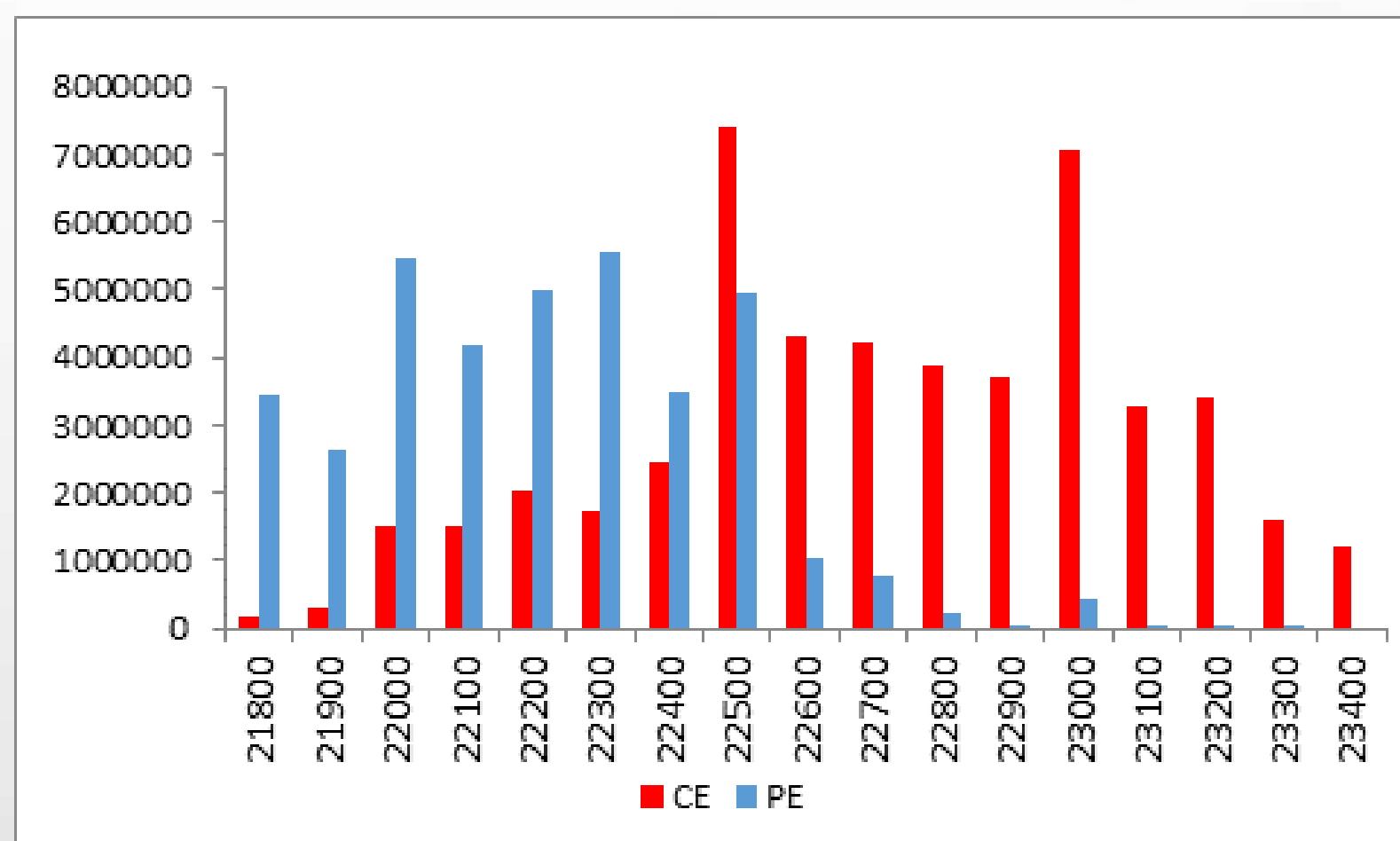
4-Bank Of Maharashtra - 01/04/24
EMA(CloseLine:50)



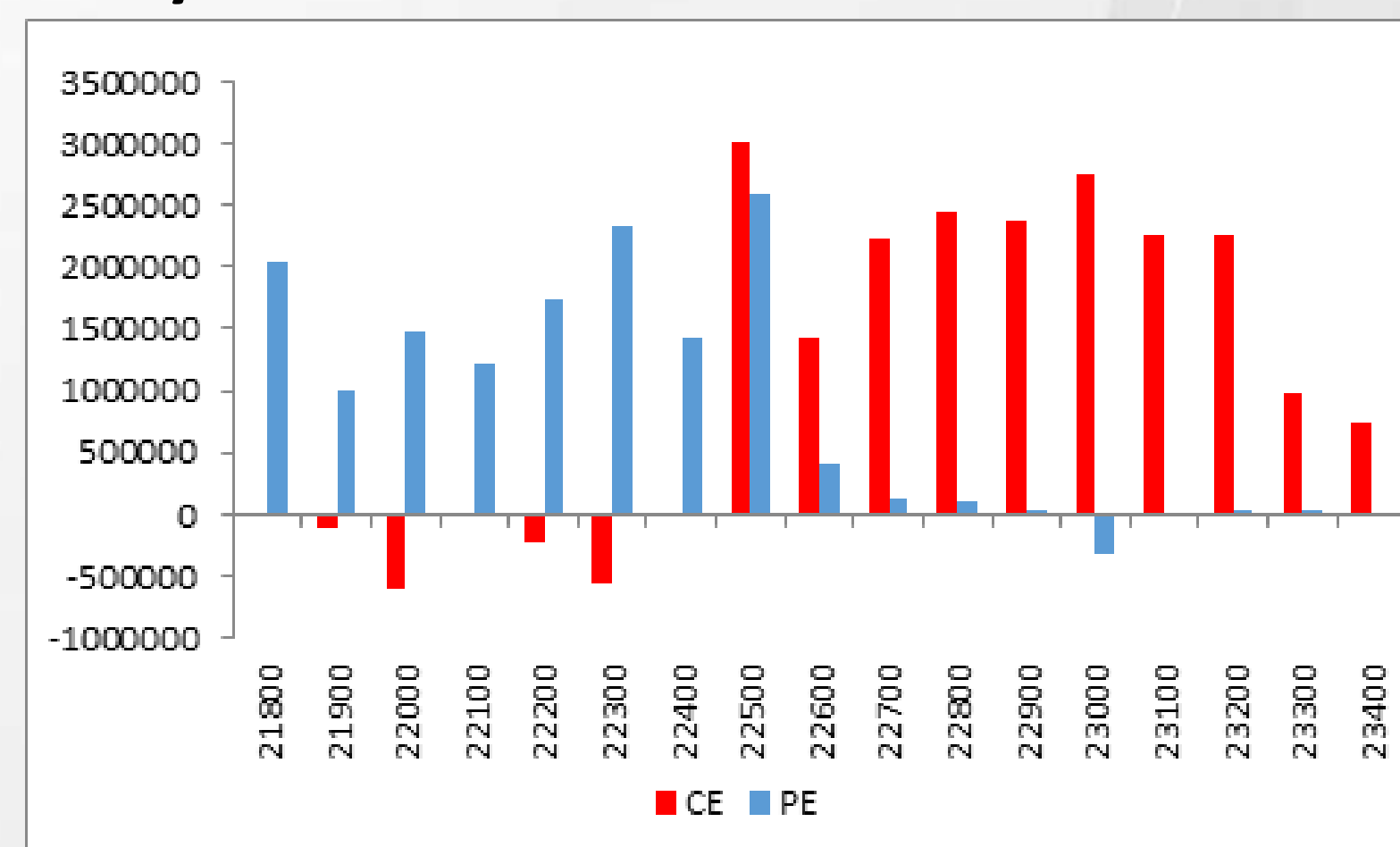
Derivative Outlook

- Nifty March future closed at 22,602.60 with a premium of 161.30 point v/s 140.60 point premium in the last session.
- Nifty futures OI decreased by 11.61% to 1.08 Cr and Bank Nifty futures OI decreased by 52.51% to 23.76 Lakhs.
- Nifty Put/Call Ratio (OI) decreased from 1.18 to 1.07 level.
- India VIX was down by 5.84% from 12.83 to 12.08 levels. Volatility has been cooling off and supporting the bullish stance in the market.
- Since it is the beginning of new series, option data is scattered at various far strike prices. On weekly front, Maximum Call OI is at 23000 then 22500 strike while Maximum Put OI is at 22000 then 22200 strike. Minor Call writing is seen at 22500 then 22700 strike while some Put writing is seen at 22500 then 22300 strike. Option data suggests a broader trading range in between 22000 to 22800 zones while an immediate trading range in between 22300 to 22600 zones.

1-Day change in Nifty OI



Nifty OI



- **Option Buying:** Buy Weekly Nifty 22450 Call till it holds above 22350 zones. Buy Weekly Bank Nifty 47700 Call till it holds above 47250 zones.
- **Option Strategy:** Weekly Nifty Bull Call Ladder Spread (Buy 22450 CE, Sell 22600 CE and Sell 22700 CE) at net premium cost of 40-45 points. Weekly Bank Nifty Bull Call Ladder Spread (Buy 47600 CE, Sell 48000 CE and Sell 48200 CE) at net premium cost of 110-120 points.
- **Option Writing:** Sell Weekly Nifty 22050 PE and 22800 CE at inflow of 20-22 points with strict double SL. Sell Weekly Bank Nifty 46700 PE and 48400 CE at inflow of 50-55 points with strict SL.

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