

3rd May, 2024

Most  
**Market**  
 **OUTLOOK**



- Expect market to open on a strong note on account of smart rally in US market on Thursday, positive opening in Asian markets and solid gain in US Future after Apple Inc announced record of \$110bn share buy-back. Better than expected Apple quarterly results, falling US Dollar Index to 1-month low at 105 level and US Federal Reserve downplayed the prospect of further interest-rate hikes lifted US market up to 1.5%.
- US Payroll data will be release today, important parameter for US economy growth outlook. Dow Index Future is up 0.6%. Gift Nifty is up 125 points, just few points away from record high.
- Rally in the global markets, impressive quarterly results by corporates, falling oil price to 2-month low, impressive April PMI data, record GST collection , US Fed signaling no rate hike and impressive April auto monthly sales will be positive for the market sentiment.

## Actionable Idea for the Day

### Technical Pick:

**Bajaj Auto : Buy**

**(CMP 9110 SL 8850 TP 9600)**

**2-3 Days)**

### Fundamental Pick:

**KEI Industries : Buy**

**(CMP : 3999, TP: 5000)**

**(Duration 1 Year)**

## Index Levels :

Nifty Cash	R1	R2	S1	S2
22,648	22,783	22,850	22,500	22,400
BankNifty Cash	R1	R2	S1	S2
49,229	49,750	49,975	49,000	48,888

## Top 5 Investment Idea

Stock Name	Rating	CMP	TP	Upside
Star Health	Buy	563	730	30%
Dabur	Buy	525	650	24%
Cyient DLM	Buy	690	840	22%
Ultratech	Buy	9,983	11500	15%
ICICI Bank	Buy	1,139	1300	14%

# Fundamental Outlook

## Global Market Summary:

- US markets yesterday rallied with the S&P 500 up 0.9% and Nasdaq up 1.5% ahead of key U.S. employment data.
- Dow Futures is trading 426 points (+1%) higher.
- European market ended on a mixed note. Asian markets are trading mixed.
- **Global Cues: Mixed**

## Indian Market Summary:

- Nifty remained in positive territory throughout the session to close with marginal gains of 52 points at 22657 levels.
- FII: -Rs964 crore DII: +Rs1352 crore. Currently GIFT Nifty is trading flat.
- **Domestic Cues: Flat**

## News and Impact :

**Coal India:** Coal India reported 26% growth in its consolidated net profit to Rs 8,682 crore for Q4FY24. The production of raw coal increased to 241 million tonnes vs 198 million tonnes in the previous year.

**Impact:** **Positive**

**Mazagon Dock:** The company received an international shipbuilding order worth \$42 million to construct three hybrid-powered vessels. **Impact:** **Positive**

**Results Today:** Titan, Britannia, Godrej Properties, MRF, Tata Tech

## Fundamental Actionable Idea

### KEI Industries: CMP INR3999 TP5000, Upside 25% BUY

- KEI's 4QFY24 revenue increased 19% YoY to INR23.2b, led by 18%/53% growth in the cables & Wires/EPC segment.
- EBITDA grew 21% YoY to INR2.4b while Profit increased 22% YoY to INR1.7b.
- We expect a healthy PAT CAGR of ~25% over FY24-FY26E and an RoA/RoE of 4.3%/22% in FY26E.
- A robust business model with backward integration, strong earnings growth and sector dynamics augurs well for the company

**View: Buy**

### Bajaj Finance: CMP INR6883

- RBI has lifted the digital lending restriction on Bajaj Finance nearly six months after it imposed them for violation of its guidelines.
- The company further said that it would now resume sanction and disbursement of loans in the above two business segments including issuance of EMI cards.
- We expect a healthy PAT CAGR of ~25% over FY24-FY26E, and an RoA/RoE of 4.3%/22% in FY26E

**View: Positive**

# Nifty Technical Outlook

**NIFTY (CMP : 22648)** Nifty immediate support at 22500 then 22400 zones while resistance at 22783 then 22850 zones. Now it has to hold above 22600 for an up move towards 22783 then 22850 zones whereas supports are placed at 22500 then 22400 zones.

3-Nifty50 - 02/05/24



# Bank Nifty Technical Outlook

**BANK NIFTY (CMP : 49229)** Bank Nifty support at 49000 then 48888 zones while resistance at 49750 then 49975 zones. Now it has to cross and hold above 49250 zones for an up move towards 49750 then life time high of 49975 marks while on the downside support is seen at 49000 then 48888 levels.

3-Niftybank - 02/05/24



# Technical Trading Idea

**Bajaj Auto : Buy      CMP : 9110      Target : 9600      SL : 8850      Duration : 2-3 Days**

- Bajaj Auto has given falling supply trend line breakout on daily chart and managed to close above the same. It is in continuous uptrend and holding gains at higher levels.
- Buying is visible across Auto space which may support the ongoing up move. It has formed a strong bullish candle on daily scale & momentum indicator RSI is positively placed which may take the prices higher.

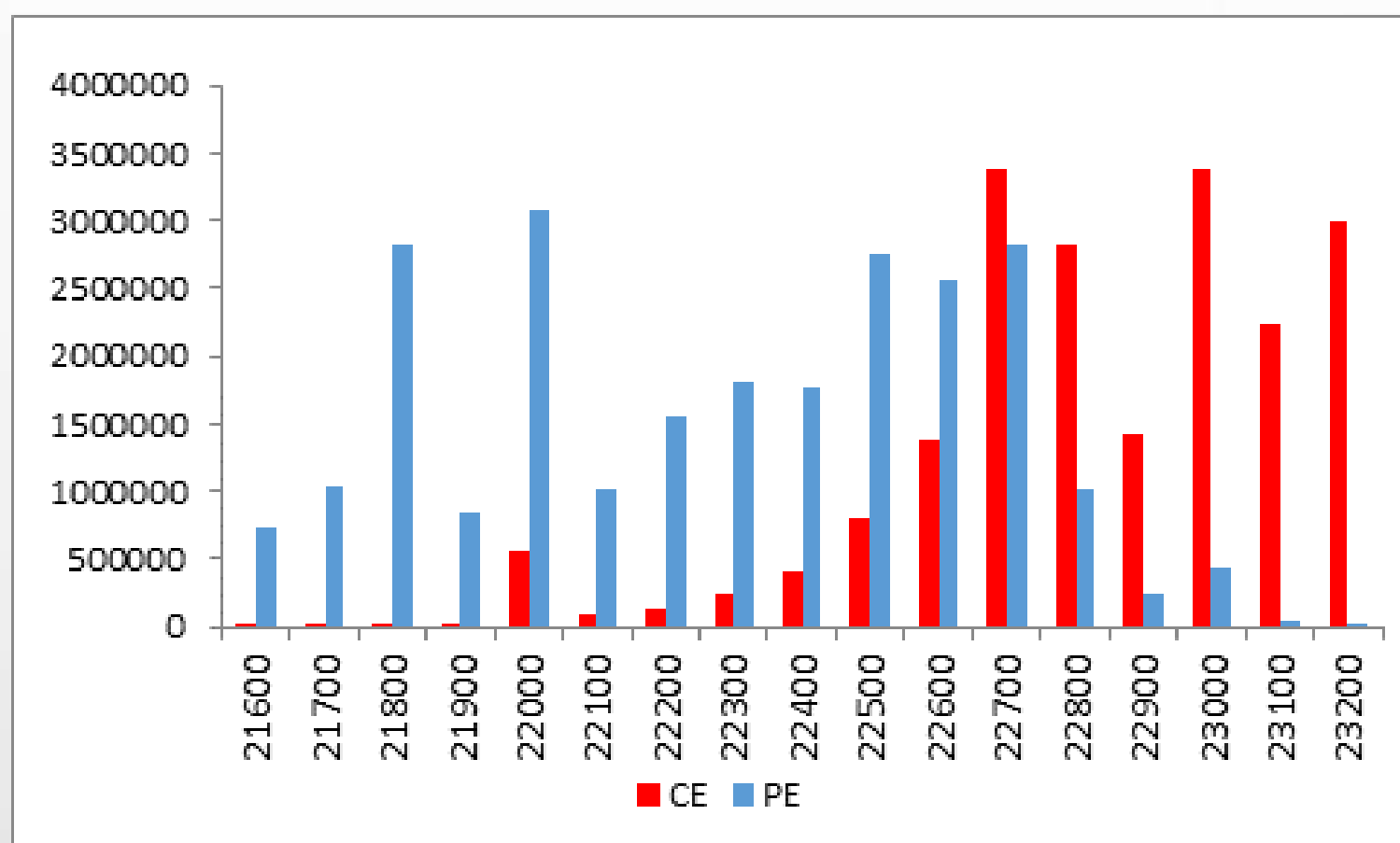


## Derivative Outlook

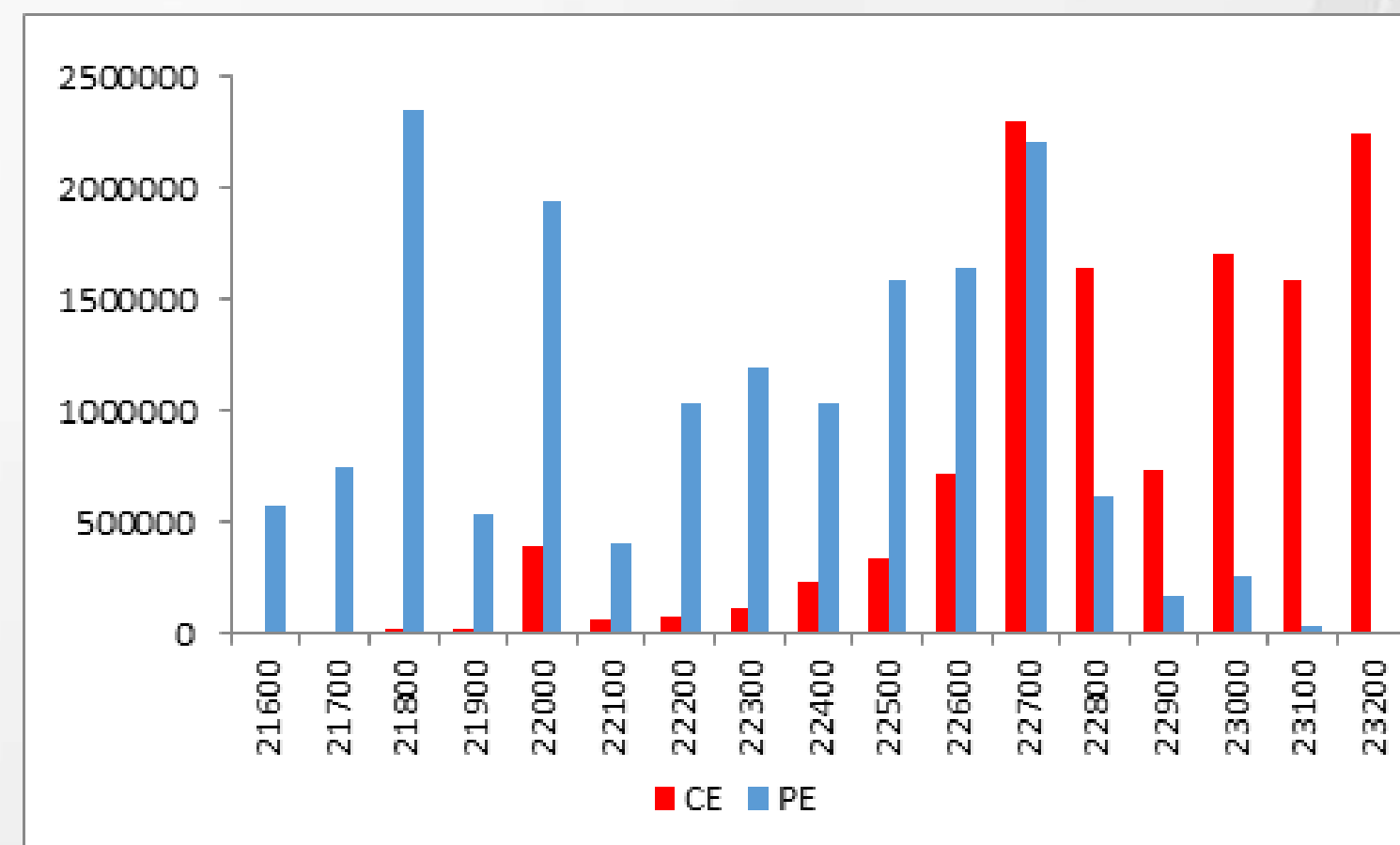
- Nifty May future closed at 22,773.95 with a premium of 125.75 point v/s 113.45 point premium in the last session.
- Nifty futures OI increased by 2.50% to 1.22 Cr and Bank Nifty futures OI decreased by 3.22% to 25.26 Lakhs.
- Nifty Put/Call Ratio (OI) increased from 1.11 to 1.28 level.
- India VIX was up by 4.51% from 12.87 to 13.45 levels. Volatility has been on the rise from the last six sessions and creating momentum at record high zones.
- On weekly front, Maximum Call OI is at 22700 then 23000 strike while Maximum Put OI is at 22500 then 22600 strike. Call writing is seen at 22700 then 23000 strike while Put writing is seen at 22600 then 22500 strike. Option data suggests a broader trading range in between 22200 to 23000 zones while an immediate range between 22400 to 22800 levels.



## Nifty OI



## 1-Day change in Nifty OI



- **Option Buying:** Buy Weekly Nifty 22700 Call till it holds above 22600 zones. Buy Weekly Bank Nifty 49700 Call till it holds above 49250 zones.
- **Option Strategy:** Weekly Nifty Bull Call Ladder Spread (Buy 22650 CE, Sell 22800 CE and Sell 23000 CE) at net premium cost of 50-60 points. Weekly Bank Nifty Bull Call Ladder Spread (Buy 49300 CE, Sell 49800 CE and Sell 50300 CE) at net premium cost of 120-150 points.
- **Option Writing:** Sell Weekly Nifty 22150 PE and Sell 23100 CE at inflow of 22-24 points with strict double SL. Sell Weekly Bank Nifty 47600 PE and Sell 51000 CE at inflow of 55-60 points with strict stop loss

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