

5th August, 2024

Most
Market
 **OUTLOOK**



- The market is expected to open on a weak note due to a sharp decline of 2-5% across global markets, along with a drop in US futures, following a significant increase in the US unemployment rate to a nearly three-year low. Weaker-than-expected US jobs report, in which the unemployment rate jumped to near a three-year high of 4.3% in July as hiring significantly slowed and 8-month low PMI Data pulled down US market second consecutive days. Dow Jones slipped 1.5% while Nasdaq Composite dropped 2.4% after poor earning guidance announced by Intel and Amazon.
- Japan Index slipped 6% followed by Taiwan and South Korea Index dropped 4% each. Japan Index slipped 20% from 11th July, fastest declined after covid.

Actionable Idea for the Day

Technical Pick: (2-3 Days)

Sun Pharma : Buy

(CMP 1731 SL 1680 TP 1830)

Fundamental Pick: (1 Year)

GSK Pharma : Buy

(CMP : 2820)

Technoquant Intraday Sell Idea

BALRAMPUR CHINI (Sell)

(CMP 482 SL 487 TP 472)

ELGI Equipments (Sell)

(CMP 688 SL 695 TP 675)

Index Levels :

Nifty Cash	R1	R2	S1	S2
24,717	24,850	25,000	24,600	24,500
BankNifty Cash	R1	R2	S1	S2
51,350	52,000	52,350	51,250	51,000

Top 5 Investment Idea

Stock Name	Rating	CMP	TP	Upside
M&M	Buy	2,749	3310	20%
SBI	Buy	848	1015	20%
Max Healthcare	Buy	916	1060	16%
Coal India	Buy	525	600	14%
LT	Buy	3,666	4150	13%

Fundamental Outlook

Global Market Summary:

- US markets on Friday corrected for the second consecutive day after job data came in weaker than expected. S&P 500 down 1.8%, while the Nasdaq down 2.4%.
- Dow Futures is currently trading 0.6% lower.
- European indices too extended the losses on Friday amid a global downturn
- Asian markets are also trading red.
- **Global Cues: Negative**

Indian Market Summary:

- Nifty saw a profit booking on Friday and settled with a loss of 293 points (+1.2%) at 24718 levels.
- FIIs: -Rs3310 crore DIIs: +Rs2966 crore.
- Currently GIFT Nifty is trading 289 points or 1.5% lower.
- **Domestic Cues: Weak**

News and Impact :

SJVN: The Cabinet Committee on Economic Affairs has approved the investment of Rs 5,792.36 crores for the 669 MW Lower Arun Hydro Electric Project at a levelized tariff of Rs 4.99 per unit.

Impact: **Positive**

Ambuja Cements: The Company announced an investment of Rs 1,600 crore in Bihar. The company plans to build a standalone facility called Warisaliganj Cement Grinding Unit, in Mosama village, with an overall capacity of 6 millions of tonnes per annum. **Impact:** **Positive**

GSK Pharma: CMP INR2820

- GSK Pharma (GLXO) revenue grew 7% YoY to INR8.1b (in line). Gross margin (GM) expanded 260bp YoY at 63.8%, due to a change in product mix and lower RM cost. Consequently, EBITDA margin expanded 940bp YoY to 28.3% (our est: 26.1%) due to higher GMs
- EBITDA grew 60.2% YoY to INR2.3b (vs. est. of INR2.1b). ₹ Adj. PAT for GLXO grew 58.6% YoY to INR1.8b for the quarter.
- Respiratory portfolio comprising Nucala and Trelegy delivered a growth of 57% for the quarter. The Paediatric vaccine segment delivered double-digit growth of 15% for the quarter.

View: Positive

CDSL: CMP INR2453

- The company's revenue was up ~72% YoY. Its net profit grew by 82% YoY to ₹134.20 crore.
- EBITDA for the April-June period stood at ₹154.4 crore with an EBITDA margin of around 60%.
- During Q1 FY25, 99 lakh new demat accounts were opened. It became the first depository to register over 12.5 crore demat accounts as of June 30, 2024.

View: Positive

NIFTY (CMP : 24717) Nifty immediate support at 24600 then 24500 zones while resistance at 24850 then 25000 zones. Now if it manages to hold 24700 zones, a bounce could be seen towards 24850 then 25000 zones while a hold below the same could see some more weakness towards 24600 then 24500 and event lower zones.

1-Nifty50 - 02/08/24
EMA(CloseLine:20)



BANK NIFTY (CMP : 51350) Bank Nifty support at 51250 then 51000 zones while resistance at 52000 then 52350 zones. Now it has to continue to hold above 51250 zones for a bounce towards 51650 then 52000 levels while on the downside a hold below 51000 could see a decline towards 50750 and 50500 zones.

1-Niftybank - 02/08/24
EMA(CloseLine:20)



Technical Trading Idea

Sun Pharma : Buy CMP : 1731 Target : 1830 SL : 1680 Duration : 2-3 Days

- Sun pharma is in overall uptrend and holding gains at higher zones. It has given range breakout on weekly chart with surge in volumes. Momentum indicator RSI is positively placed which may support the ongoing up move.

1-Sun Pharma Ltd - 02/08/24



Derivative Outlook

- Nifty August future closed at 24,711.55 with a discount of 6.15 point v/s 21.35 point premium in the last session.
- Nifty futures OI decreased by 2.65% to 1.64 Cr and Bank Nifty futures OI increased by 4.71% to 28.15 Lakhs.
- Nifty Put/Call Ratio (OI) decreased from 1.07 to 0.91 level.
- India VIX was up 11.41% from 12.94 to 14.40 levels. Volatility spiked above 14.5 zones and caused discomfort to the bulls as profits are being taken home.
- On option front, Maximum Call OI is at 26000 then 25500 strike while Maximum Put OI is at 24000 then 24100 strike. Call writing is seen at 26000 then 25900 strike while Put writing is seen at 24100 then 23500 strike. Option data suggests a broader trading range in between 24400 to 25000 zones while an immediate range between 24500 to 24900 levels.

- **Option Buying:** Buy Weekly Nifty 24800 Call till it holds above 24700 zones. Buy Weekly Bank Nifty 51700 Call till it holds above 51250 zones.
- **Option Strategy:** Nifty Weekly Bull Call Ladder Spread (Buy 24700 CE, Sell 24900 CE and Sell 25100 CE) at net premium cost of 60-70 points. Bank Nifty Weekly Bull Call Ladder Spread (Buy 51500 CE, Sell 52000 CE and Sell 52500 CE) at net premium cost of 120-130 points. We can continue with buy on decline stance and need to plan the trading strategy after its morning stability.
- **Option Writing:** Sell Weekly Nifty 23900 PE and Sell 25100 CE with strict double SL. Sell Weekly Bank Nifty 49000 PE and 52600 CE with strict double SL.

Today's **Sell** Ideas:

Stock Names	Close Price	SL (1%)	TP (2%)
BALRAMPUR CHINI (Sell)	482	487	472
ELGI Equipments (Sell)	688	695	675

What is this?

Based on technical indicators this strategy gives 2 stocks that have a high likelihood to fall during the day (from open to close). This is an intraday Sell strategy which can provide a good cushioning during a black swan event.

What are the rules?

- Stock names will be given at market open (9:15 am)
- Recommended time to entry: between 9:15 to 9:30 am.
- Entry: We short 2 stocks daily (intraday)
- Exit: we will exit at 3:15 as this is an intraday call
- SL: is placed at 1% of the open.
- Book profit: At 2% fall since open.
- In special situations the book profit might be delayed if the stock is in free fall.

Siddhartha Khemka Head - Retail Research

Chandan Taparia, CMT, CFTE Derivatives & Technical Analyst

Disclosures:

The following Disclosures are being made in compliance with the SEBI Research Analyst Regulations 2014 (herein after referred to as the Regulations).

Motilal Oswal Financial Services Ltd. (MOFSL) is a SEBI Registered Research Analyst having registration no. INH000000412. MOFSL, the Research Entity (RE) as defined in the Regulations, is engaged in the business of providing Stock broking services, Depository participant services & distribution of various financial products. MOFSL is a listed public company, the details in respect of which are available on www.motilaloswal.com. MOFSL is registered with the Securities & Exchange Board of India (SEBI) and is a registered Trading Member with National Stock Exchange of India Ltd. (NSE) and Bombay Stock Exchange Limited (BSE), Multi Commodity Exchange of India Limited (MCX) and National Commodity & Derivatives Exchange Limited (NCDEX) for its stock broking activities & is Depository participant with Central Depository Services Limited (CDSL) National Securities Depository Limited (NSDL), NERL, COMRIS and CCRL and is member of Association of Mutual Funds of India (AMFI) for distribution of financial products and Insurance Regulatory & Development Authority of India (IRDA) as Corporate Agent for insurance products. Details of associate entities of Motilal Oswal Financial Services Ltd. are available on the website at <http://onlinereports.motilaloswal.com/Dormant/documents/Associate%20Details.pdf>

Details of pending Enquiry Proceedings of Motilal Oswal Financial Services Limited are available on the website at <https://galaxy.motilaloswal.com/ResearchAnalyst/PublishViewLitigation.aspx>

MOFSL, it's associates, Research Analyst or their relatives may have any financial interest in the subject company. MOFSL and/or its associates and/or Research Analyst or their relatives may have actual beneficial ownership of 1% or more securities in the subject company at the end of the month immediately preceding the date of publication of the Research Report or date of the public appearance. MOFSL and its associate company(ies), their directors and Research Analyst and their relatives may have any other potential conflict of interests at the time of publication of the research report or at the time of public appearance, however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report..

In the past 12 months, MOFSL or any of its associates may have:

- received any compensation/other benefits from the subject company of this report
- managed or co-managed public offering of securities from subject company of this research report,
- received compensation for investment banking or merchant banking or brokerage services from subject company of this research report,
- received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company of this research report.

- MOFSL and it's associates have not received any compensation or other benefits from the subject company or third party in connection with the research report.
- Subject Company may have been a client of MOFSL or its associates during twelve months preceding the date of distribution of the research report.
- Research Analyst may have served as director/officer/employee in the subject company.
- MOFSL and research analyst may engage in market making activity for the subject company.

MOFSL and its associate company(ies), and Research Analyst and their relatives from time to time may have:

a) a long or short position in, act as principal in, and buy or sell the securities or derivatives thereof of companies mentioned herein.

(b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the company(ies) discussed herein or act as an advisor or lender/borrower to such company(ies) or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.; however the same shall have no bearing whatsoever on the specific recommendations made by the analyst(s), as the recommendations made by the analyst(s) are completely independent of the views of the associates of MOFSL even though there might exist an inherent conflict of interest in some of the stocks mentioned in the research report.

Above disclosures include beneficial holdings lying in demat account of MOFSL which are opened for proprietary investments only. While calculating beneficial holdings, It does not consider demat accounts which are opened in name of MOFSL for other purposes (i.e holding client securities, collaterals, error trades etc.). MOFSL also earns DP income from clients which are not considered in above disclosures.

To enhance transparency, MOFSL has incorporated a Disclosure of Interest Statement in this document. This should, however, not be treated as endorsement of the views expressed in the report. MOFSL and / or its affiliates do and seek to do business including investment banking with companies covered in its research reports. As a result, the recipients of this report should be aware that MOFSL may have a potential conflict of interest that may affect the objectivity of this report.

Terms & Conditions:

This report has been prepared by MOFSL and is meant for sole use by the recipient and not for circulation. The report and information contained herein is strictly confidential and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of MOFSL. The report is based on the facts, figures and information that are considered true, correct, reliable and accurate. The intent of this report is not recommendatory in nature. The information is obtained from publicly available media or other sources believed to be reliable. Such information has not been independently verified and no guaranty, representation of warranty, express or implied, is made as to its accuracy, completeness or correctness. All such information and opinions are subject to change without notice. The report is prepared solely for informational purpose and does not constitute an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments for the clients. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. MOFSL will not treat recipients as customers by virtue of their receiving this report.

Analyst Certification

The views expressed in this research report accurately reflect the personal views of the analyst(s) about the subject securities or issues, and no part of the compensation of the research analyst(s) was, is, or will be directly or indirectly related to the specific recommendations and views expressed by research analyst(s) in this report.

Disclosure of Interest Statement

Analyst ownership of the stock No

A graph of daily closing prices of securities is available at www.nseindia.com, www.bseindia.com. Research Analyst views on Subject Company may vary based on Fundamental research and Technical Research. Proprietary trading desk of MOFSL or its associates maintains arm's length distance with Research Team as all the activities are segregated from MOFSL research activity and therefore it can have an independent view with regards to subject company for which Research Team have expressed their views.

Regional Disclosures (outside India)

This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL & its group companies to registration or licensing requirements within such jurisdictions.

For Hong Kong:

This report is distributed in Hong Kong by Motilal Oswal capital Markets (Hong Kong) Private Limited, a licensed corporation (CE AYY-301) licensed and regulated by the Hong Kong Securities and Futures Commission (SFC) pursuant to the Securities and Futures Ordinance (Chapter 571 of the Laws of Hong Kong) "SFO". As per SEBI (Research Analyst Regulations) 2014 Motilal Oswal Financial Services Limited (SEBI Reg No. INH000000412) has an agreement with Motilal Oswal capital Markets (Hong Kong) Private Limited for distribution of research report in Hong Kong. This report is intended for distribution only to "Professional Investors" as defined in Part I of Schedule 1 to SFO. Any investment or investment activity to which this document relates is only available to professional investor and will be engaged only with professional investors." Nothing here is an offer or solicitation of these securities, products and services in any jurisdiction where their offer or sale is not qualified or exempt from registration. The Indian Analyst(s) who compile this report is/are not located in Hong Kong & are not conducting Research Analysis in Hong Kong.

For U.S.

MOTILAL Oswal Financial Services Limited (MOFSL) is not a registered broker - dealer under the U.S. Securities Exchange Act of 1934, as amended (the "1934 act") and under applicable state laws in the United States. In addition MOFSL is not a registered investment adviser under the U.S. Investment Advisers Act of 1940, as amended (the "Advisers Act" and together with the 1934 Act, the "Acts"), and under applicable state laws in the United States. Accordingly, in the absence of specific exemption under the Acts, any brokerage and investment services provided by MOFSL, including the products and services described herein are not available to or intended for U.S. persons. This report is intended for distribution only to "Major Institutional Investors" as defined by Rule 15a-6(b)(4) of the Exchange Act and interpretations thereof by SEC (henceforth referred to as "major institutional investors"). This document must not be acted on or relied on by persons who are not major institutional investors. Any investment or investment activity to which this document relates is only available to major institutional investors. In reliance on the exemption from registration provided by Rule 15a-6 of the U.S. Securities Exchange Act of 1934, as amended (the "Exchange Act") and interpretations thereof by the U.S. Securities and Exchange Commission ("SEC") in order to conduct business with Institutional Investors based in the U.S., MOFSL has entered into a chaperoning agreement with a U.S. registered broker-dealer, Motilal Oswal Securities International Private Limited. ("MOSIPL"). Any business interaction pursuant to this report will have to be executed within the provisions of this chaperoning agreement.

The Research Analysts contributing to the report may not be registered /qualified as research analyst with FINRA. Such research analyst may not be associated persons of the U.S. registered broker-dealer, MOSIPL, and therefore, may not be subject to NASD rule 2711 and NYSE Rule 472 restrictions on communication with a subject company, public appearances and trading securities held by a research analyst account.

For Singapore

In Singapore, this report is being distributed by Motilal Oswal Capital Markets Singapore Pte Ltd ("MOCMSPL") (Co.Reg. NO. 201129401Z) which is a holder of a capital markets services license and an exempt financial adviser in Singapore, as per the approved agreement under Paragraph 9 of Third Schedule of Securities and Futures Act (CAP 289) and Paragraph 11 of First Schedule of Financial Advisors Act (CAP 110) provided to MOCMSPL by Monetary Authority of Singapore. Persons in Singapore should contact MOCMSPL in respect of any matter arising from, or in connection with this report/publication/communication. This report is distributed solely to persons who qualify as "Institutional Investors", of which some of whom may consist of "accredited" institutional investors as defined in section 4A(1) of the Securities and Futures Act, Chapter 289 of Singapore ("the SFA"). Accordingly, if a Singapore person is not or ceases to be such an institutional investor, such Singapore Person must immediately discontinue any use of this Report and inform MOCMSPL.

Disclaimer:

This report is intended for distribution to Retail Investors.

The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent. This report and information herein is solely for informational purpose and may not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. Each recipient of this document should make such investigations as it deems necessary to arrive at an independent evaluation of an investment in the securities of companies referred to in this document (including the merits and risks involved), and should consult its own advisors to determine the merits and risks of such an investment. The investment discussed or views expressed may not be suitable for all investors. Certain transactions -including those involving futures, options, another derivative products as well as non-investment grade securities - involve substantial risk and are not suitable for all investors. No representation or warranty, express or implied, is made as to the accuracy, completeness or fairness of the information and opinions contained in this document. The Disclosures of Interest Statement incorporated in this document is provided solely to enhance the transparency and should not be treated as endorsement of the views expressed in the report. This information is subject to change without any prior notice. The Company reserves the right to make modifications and alternations to this statement as may be required from time to time without any prior approval. MOFSL, its associates, their directors and the employees may from time to time, effect or have effected an own account transaction in, or deal as principal or agent in or for the securities mentioned in this document. They may perform or seek to perform investment banking or other services for, or solicit investment banking or other business from, any company referred to in this report. Each of these entities functions as a separate, distinct and independent of each other. The recipient should take this into account before interpreting the document. This report has been prepared on the basis of information that is already available in publicly accessible media or developed through analysis of MOFSL. The views expressed are those of the analyst, and the Company may or may not subscribe to all the views expressed therein. This document is being supplied to you solely for your information and may not be reproduced, redistributed or passed on, directly or indirectly, to any other person or published, copied, in whole or in part, for any purpose. This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject MOFSL to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction. Neither the Firm, nor its directors, employees, agents or representatives shall be liable for any damages whether direct or indirect, incidental, special or consequential including lost revenue or lost profits that may arise from or in connection with the use of the information. The person accessing this information specifically agrees to exempt MOFSL or any of its affiliates or employees from, any and all responsibility/liability arising from such misuse and agrees not to hold MOFSL or any of its affiliates or employees responsible for any such misuse and further agrees to hold MOFSL or any of its affiliates or employees free and harmless from all losses, costs, damages, expenses that may be suffered by the person accessing this information due to any errors and delays.

This report is meant for the clients of Motilal Oswal only.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

Registered Office Address: Motilal Oswal Tower, Rahimtullah Sayani Road, Opposite Parel ST Depot, Prabhadevi, Mumbai-400025; Tel No.: 022 - 71934200 / 71934263; www.motilaloswal.com. Correspondence Address: Palm Spring Centre, 2nd Floor, Palm Court Complex, New Link Road, Malad (West), Mumbai- 400 064. Tel No: 022 71881000. Details of Compliance Officer: Neeraj Agarwal, Email Id: na@motilaloswal.com, Contact No.:022-40548085.

Grievance Redressal Cell:

Contact Person	Contact No.	Email ID
Ms. Hemangi Date	022 40548000 / 022 67490600	query@motilaloswal.com
Ms. Kumud Upadhyay	022 40548082	servicehead@motilaloswal.com
Mr. Ajay Menon	022 40548083	am@motilaloswal.com

Registration details of group entities.: Motilal Oswal Financial Services Ltd. (MOFSL): INZ000158836 (BSE/NSE/MCX/NCDEX); CDSL and NSDL: IN-DP-16-2015; Research Analyst: INH000000412 . AMFI: ARN .: 146822. IRDA Corporate Agent – CA0579. Motilal Oswal Financial Services Ltd. is a distributor of Mutual Funds, PMS, Fixed Deposit, Insurance, Bond, NCDs and IPO products.

Customer having any query/feedback/ clarification may write to query@motilaloswal.com. In case of grievances for any of the services rendered by Motilal Oswal Financial Services Limited (MOFSL) write to grievances@motilaloswal.com, for DP to dp grievances@motilaloswal.com.