

16th December, 2024

# Most Market OUTLOOK

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

## Technical Pick: (2-3 Days)

Stock Names	Close Price	SL	TP
Infosys : Buy	2000	1950	2100

## Fundamental Pick: (1 Year)

Dixon Tech : Buy

(CMP : 17980)

## Focused Ideas for the month

Stock Name	TP	Upside
Power grid	426	28%
HCL Tech	2300	17%
REC Ltd	630	13%
BoB	290	12%
Lemon Tree	165	11%

## Quant Picks:

### Quant Intraday Sell Idea:

Stock Names	Close Price	SL (1%)	TP (1%)
TANLA (Sell)	708	715	701
DABUR (Sell)	513	518	508

- The market is expected to open positively due to a rally in Asian markets, sustained buying by FIIs and optimism surrounding a potential US Fed interest rate cut, which is expected to boost market sentiment.
- In the US, markets ended mixed ahead of the US Federal Reserve's interest rate decision on December 18 while a 25 basis point rate cut is anticipated, the market is more focused on the Fed's commentary, as this rate cut has already been priced in.
- There's also hope for two more rate cuts in June and September 2025. Gift Nifty is down marginally. Focus this week – US Fed interest rate decision, Bank of Japan rate decision and Globally PMI data.
- Focus on Telecom, IT, Realty, Cement, Rail and Banking stocks.

# Nifty Technical Outlook

**NIFTY (CMP : 24768)** Nifty immediate support is at 24500 then 24300 zones while resistance at 25000 then 25200 zones. Now it has to continue to hold 24700 zones for the next up move towards 25000 then 25200 zones whereas supports can be seen at 24500 and 24300 zones.



Nifty Cash	R1	R2	S1	S2
24,768	25000	25200	24500	24300

**BANK NIFTY (CMP : 53583)** Bank Nifty support is at 53300 then 52850 zones while resistance at 54000 then 54500 zones. Now it has to hold above 53300 zones for a bounce towards 54000 then 54500 levels while support is seen at 53300 then 52850 zones.



Bank Nifty Cash	R1	R2	S1	S2
53583	54000	54500	53300	52850

# Technical Trading Idea

**Infosys : Buy    CMP : 2000    Target : 2100    SL : 1950    Duration : 2-3 Days**

- Stock has given range breakout on daily chart and gave highest daily close ever. Buying is visible across Nifty IT stocks which may support the ongoing up move.
- It has formed a bullish candle on daily scale and base is shifting higher. The MACD indicator is positively placed.



- Nifty December future closed at 24,830.75 with a premium of 62.45 point v/s 99.85 point premium in the last session.
  - Nifty futures OI decreased by 1.66% to 1.25 Cr and Bank Nifty futures OI decreased by 4.34% to 25.87 Lakhs.
  - Nifty Put/Call Ratio (OI) increased from 1.02 to 1.12 level.
  - Bank Nifty Put/Call Ratio (OI) increased from 0.90 to 0.95 level.
  - On option front, Maximum Call OI is at 26000 then 25000 strike while Maximum Put OI is at 24500 then 24000 strike. Call writing is seen at 25100 then 24800 strike while Put writing is seen at 24400 then 24500 strike. Option data suggests a broader trading range in between 24300 to 25200 zones while an immediate range between 24500 to 25000 levels.
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- **Option Buying:** Buy weekly Nifty 24900 Call if it holds above 24700 zones. Buy Bank Nifty 54100 Call till it holds above 53300 zones.
  - **Option Strategy:** Nifty weekly Bull Call Spread (Buy 24900 CE and Sell 25100 CE) at net premium cost of 50-60 points. Bank Nifty Bull Call Spread (Buy 53800 CE and Sell 54300 CE) at net premium cost of 200 - 220 points.
  - **Option Writing:** Sell weekly Nifty 24100 PE and 25350 CE with strict double SL. Sell Bank Nifty 51800 PE and 55300 CE with strict double SL.

## Global Market Summary:

- US markets yesterday, ended on a mixed note, cautiously awaiting US Fed interest rate decision along with PMI data.
- Dow Futures is trading flat.
- European indices yesterday ended marginally lower.
- Asian markets today, are trading on a mixed note.
- **Global Cues: Muted**

## Indian Market Summary:

- Nifty yesterday, witnessed a sharp recovery of more than 2% from day's low, rebounding from a significant dip earlier in the session, to close with gains of 220 points at 24,768 (+0.9%).
- FIIs: +Rs2335 crore DIIs: -Rs732 crore.
- Currently GIFT Nifty is trading flat.
- **Domestic Cues: Muted**

## News and Impact :

**Lupin:** The pharma company has acquired three anti-diabetes trademarks (GIBTULIO, GIBTULIO MET, and AJADUO) from Boehringer Ingelheim International GmbH to strengthen its diabetes portfolio in the country. **Impact: Positive**

**HBL Power:** NTPC Renewable Energy, a subsidiary of the company, has secured 500 MW of solar power capacity at a tariff of Rs 3.52 per kWh. This includes setting up an Energy Storage System (ESS) of 250 MW/1000 MWh along with the contracted solar capacity. **Impact: Positive**



## Dixon Tech: CMP INR17980

- Dixon Technologies and Vivo India announced the execution of a binding term sheet for a proposed joint venture.
- Dixon will hold a majority 51% stake in the joint venture, while Vivo India will hold the remaining 49%.
- As per management, this association will bolster Dixon's manufacturing excellence and superior execution abilities and Vivo's leadership in the Indian business ecosystem.
- We like Dixon as the revenue growth would be mainly driven by EMS (including mobile and IT hardware), consumer electronics, and new emerging segments such as refrigerators, wearables and hearables, and telecom networking products.
- We expect PAT CAGR of 51% over FY24-27, led by increased backward integration and the improving share of high margin segments.

**View:** Buy

## Bharti Airtel: CMP INR1682 TP INR1900 Upside 13% Buy

- Bharti Airtel has launched a new prepaid plan priced at ₹398 for users who want fast connectivity and premium entertainment.
- We continue to like Bharti's superior execution on the premiumization agenda. Further, with moderation in capex intensity, Bharti is likely to generate significant FCF (INR330b/430b in FY25/FY26), which should lead to significant deleveraging and improvement in shareholder returns.

**View:** Buy

**What are the rules?.**

**1. Weekly Buy Ideas:**

- Stock names will be given at market open (9:15 am)
- Recommended time to entry: between 9:15 to 9:30 am.
- Entry: We go long for a week (5 trading days)
- Exit: We Sell after a week of it's recommendation
- SL: is placed at 2% of the entry price
- Book Profit: is placed at 4% of the entry price

**Today's Techno Quant Weekly Buy Ideas : NIL**

## 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.

## Today's **Sell** Ideas:

Stock Names	Close Price	SL (1%)	TP (1%)
TANLA <b>(Sell)</b>	708	715	701
DABUR <b>(Sell)</b>	513	518	508

## 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 1% fall since open.
- In special situations the book profit might be delayed if the stock is in free fall.

