

18th 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
<b>United Spirits : Buy</b>	1563	1520	1645

## Fundamental Pick: (1 Year)

**ICICI Bank : Buy**

**(CMP : 1334, TP: 1550)**

## Focused Ideas for the month

Stock Name	TP	Upside
IPCA Labs	1930	24%
HCL tech	2300	18%
ICICI Bank	1550	16%
CAMS	6000	17%
L&T	4300	13%

## Quant Picks:

### Quant Intraday Sell Idea:

Stock Names	Close Price	SL (1%)	TP (1%)
CASTROL <b>(Sell)</b>	207	209	205
MRPL <b>(Sell)</b>	146	148	145

- Market is expected to open slightly lower due to weakness in global markets ahead of the U.S. interest rate decision today and concerns about FII's selling. U.S. stocks declined by up to 0.5%, with the Dow Jones falling for the ninth consecutive session, marking its longest losing streak since 1978, as investors await the Federal Reserve's anticipated rate decision and its outlook for next year.
- Asian markets are showing mixed trends, while U.S. index futures are flat to slightly positive. The U.S. 10-year bond yield rose to nearly 4.4%. While the market expects a 25 basis point rate cut, the Fed's commentary will be key, as the rate cut is already priced in.
- The Gift Nifty dropped by 0.2%. The market is expected to remain range-bound, with traders likely to avoid aggressive buying until the Fed's decision and commentary on future rates are clearer.
- Focus on Sugar, Real estate, Hotel and Rail stocks.

**NIFTY (CMP : 24336)** Nifty immediate support is at 24150 then 24000 zones while resistance at 24500 then 24650 zones. Now till it holds below 24500 zones weakness could be seen towards 24150 then 24000 zones whereas hurdles can be seen at 24500 and 24650 zones.



Nifty Cash	R1	R2	S1	S2
24,336	24500	24650	24150	24000

**BANK NIFTY (CMP : 52834)** Bank Nifty support is at 52500 then 52250 zones while resistance at 53000 then 53250 zones. Now till it holds below 53000 zones some weakness could be seen towards 52500 then 52250 levels while on the upside hurdle is seen at 53000 then 53250 zones.

1-Niftybank - 17/12/24



Bank Nifty Cash	R1	R2	S1	S2
52834	53000	53250	52500	52250

# Technical Trading Idea

**United Spirits : Buy      CMP : 1563      Target : 1645      SL : 1520      Duration : 2-3 Days**

- Stock has given Cup & Handle breakout on daily chart and holding well above the same. Breakout is supported with surge in volumes which may support the ongoing up move .
- The RSI indicator is headed up confirming the positive momentum.



- Nifty December future closed at 24,417.65 with a premium of 81.65 point v/s 70.25 point premium in the last session.
  - Nifty futures OI increased by 4.75% to 1.33 Cr and Bank Nifty futures OI increased by 3.83% to 27.12 Lakhs.
  - Nifty Put/Call Ratio (OI) decreased from 0.90 to 0.65 level.
  - Bank Nifty Put/Call Ratio (OI) decreased from 0.91 to 0.69 level.
  - On option front, Maximum Call OI is at 25000 then 26000 strike while Maximum Put OI is at 24000 then 23900 strike. Call writing is seen at 24500 then 24400 strike while Put writing is seen at 23900 then 24350 strike. Option data suggests a broader trading range in between 23900 to 24800 zones while an immediate range between 24100 to 24600 levels.
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- **Option Buying:** Buy weekly Nifty 24350 Put till it holds below 24500 zones. Buy Bank Nifty 52500 Put till it holds below 53000 zones.
  - **Option Strategy:** Nifty weekly Bear Put Spread (Buy 24300 PE and Sell 24100 PE) at net premium cost of 50-60 points. Bank Nifty Bear Put Spread (Buy 52600 PE and Sell 52100 PE) at net premium cost of 180 - 200 points.
  - **Option Writing:** Sell weekly Nifty 23900 PE and 24900 CE with strict double SL. Sell Bank Nifty 51000 PE and 54800 CE with strict double SL.

## Global Market Summary:

- US markets yesterday, fell 0.3-0.6%, as caution grew before the Federal Reserve's final interest rate decision for the year. Markets have priced in a 25bps rate cut on Wednesday, while the focus will be on long-term outlook as the Fed is expected to adopt a slower rate cut path after December.
- The Dow Index extended its losing run for 9th straight session, its longest since 1978. Dow -0.6%, S&P 500 -0.4% while Nasdaq -0.3%. Dow Futures is flat to marginal positive.
- European indices yesterday ended -0.3% to -0.8% lower,
- Asian markets today, are trading on a mixed note.
- **Global Cues: Negative**

## Indian Market Summary:

- Nifty yesterday, witnessed sharp correction, closing with a loss of 332 points at 24,320 (-1.35%) amid selling pressure. Broader markets also showed weakness with Midcap and Smallcap indices ending lower by 0.6-0.7% each
- FII: -Rs6,410 crore DII: +Rs2706 crore. Currently GIFT Nifty is trading -0.3% lower (70 points down).
- **Domestic Cues: Muted**

## News and Impact :

**JSW Energy** : The company is in talks with South Korea's LG Energy Solution for a \$1.5 billion joint venture in India to manufacture EV and energy storage batteries. The potential plant aims for 10 GWh capacity.

**Impact: Positive**

**Ambuja Cement**: Ambuja has announced to merge its subsidiaries, Sanghi Industries and Penna Cement, with the parent company. The move aims to boost shareholder value, streamline structure, and simplify compliance. Completion is expected in 9-12 months. **Impact: Positive**



## ICICI Bank: CMP Rs1334 TP 1550 Upside 16% Buy

- Loan growth remains healthy; focusing on delivering profitable growth. We estimate ICICIB to deliver a 17% CAGR in its loan portfolio over FY24-27E.
- ICICIB remains confident of sustaining a healthy deposit growth trajectory (with some industry-wide pressure on CASA deposits). We estimate a ~16% CAGR in deposits over FY24-27E.
- ICICIB has made significant progress in enhancing its asset quality and now maintains a best-in-class PCR of ~79%
- GNPA/NNPA ratios to remain stable at ~1.8%/0.4% by FY27E, with credit cost averaging at ~50bp over FY26-27E.
- We estimate ICICIB to achieve a CAGR of 15%/12% in PPOP/PAT over FY25-27E, leading to RoA/RoE of 2.1%/16.7% in FY27.
- ICICIB remains our top buy in the sector and we reiterate our BUY rating with a TP of INR1,550

**View: Buy**

## Max Healthcare: CMP Rs1205 TP 1380 Upside 15% Buy

- Max Healthcare plans to increase its total bed capacity by 84% (3,332 beds) by FY27 through INR73b capex, with 70% brownfield expansion ensuring efficient utilization of existing infrastructure.
- Beyond FY27, it aims to add ~4,500 beds to increase its capacity to over 11,000 beds, ensuring sustained growth, scale advantages, & robust long-term profitability through strategic expansions.
- We expect revenue/EBITDA/PAT CAGR of 18.4%/16.2%/20.5% over FY25-27, driven by brownfield expansions, enhanced operating leverage, and quicker EBITDA breakeven for new beds

**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%)
CASTROL <b>(Sell)</b>	207	209	205
MRPL <b>(Sell)</b>	146	148	145

## 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.

