

Nifty is likely to trade in a tight range, indicating that our stock markets are likely to remain calm for the remainder of the day due to the Thanksgiving holiday in the US.

Amongst stocks, we like GRASIM, EASY TRIP PLANNERS, POLYPLEX CORPORATION on the buy side.



Daily Research Reports

Good Morning & Welcome to Friday's trading session dated 26th of November 2021.

In early action, **SGX Nifty is seen trading in a tight range**, indicating that our stock markets are likely to remain calm for the remainder of the day due to the Thanksgiving holiday in the US.

U.S stock and bond markets will trade during truncated hours Friday.

That said, **any upside likely to be capped as keeping markets nervous are latest Fed minutes — which suggests:**

- # Minutes from the November Fed meeting show members concerned about inflation and willing to tighten policy should it continue to run hot.
- # The meeting summary noted that the officials would be willing to raise interest rates "sooner than participants currently anticipated."
- # They also indicated at the meeting that they feel conditions warrant a reduction in monthly asset purchases, with some members pushing for a more aggressive tapering.

That brings us to our **call of the day** which suggests Nifty will cling to major recovery gains only above 17881 mark.

Until then, bull-bear tug-of-war likely to unfold.

Amidst this backdrop, here is our preferred strategy:

- # **Nifty (17536):** Sell below 17351. Stop 17911. Targets 17271/17001. Aggressive targets at 16871 mark.
- # **Bank Nifty (37365):** Sell between 37701-37751 zone. Stop 38897. Targets 36651/36057. Aggressive targets at 34693.

Keeping investors at edge is the surge of Covid-19 cases in Europe and subsequent lockdowns in some regions which dampens bullish sentiment, compounding pressure on equities from an uptick in bond yields.

Long story short: As long as the above headwinds are on the front pages' investors are likely to be apprehensive about over-committing.

On the positive side, helping sentiments are the fact that the U.S. oil prices which are trading sluggish below the \$80 per barrel, after reports that Japan will participate in a coordinated release of crude reserves initiated by President Joe Biden. Earlier there was calls from lawmakers for President Joe Biden to release crude from the nation's Strategic Petroleum Reserve.

TOP SECTORS:

- # **Bullish View:** PVT Banks.
- # **Bearish view:** Pharma, Realty.

INDICES

Nifty	17536	0.70%
Bank Nifty	37365	-0.21%
Nifty Auto Index	11248	-0.54%
Nifty FMCG Index	28260	0.21%
Nifty Infra Index	5200	1.29%
Nifty IT Index	35300	0.96%
Nifty Media Index	2312	1.40%
Nifty Midcap Index	8631	0.45%
Nifty Metal Index	5624	0.38%
Nifty Pharma Index	13567	1.18%
Nifty Reality Index	526	1.95%
Nifty Smallcap Index	11092	0.77%
Sensex	58795	0.78%
SGX Nifty	17579	-0.04%

Outlook for the Day

A volatile session likely

Nifty Outlook

Intraday	Negative (17357-17651)
Medium Term	Positive (16771-18701)
Long Term	Positive (15251-19251)

Key Levels to Watch

Nifty Support	17357/16211
Nifty Resistance	17757/17881

Pivot Level

Nifty	18101
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Outlook for Friday: Nifty likely to trade choppy in a range-bound move.

Amongst stocks, Latent View Analytics continues to be in limelight as was locked at the 20 per cent upper circuit for the second straight day in yesterday's trade. The stock has now zoomed 257 per cent from its issue price in just three trading sessions

ITC advanced 1.7% in yesterday's trade to Rs 231.70 after the company said that it was developing a nasal spray for Covid-19 prevention and had initiated clinical trials for the same.

STOCKS IN FOCUS:

BULLISH VIEW: GRASIM, SBI, ICICI BANK, ADANI ENTERPRISES, ONGC, POLYPLEX CORPORATION, IEX, GDL, VEDANTA, EASY TRIP PLANNERS, BHARTI AIRTEL, DABUR.

BEARISH VIEW: NAUKRI, JUBILANT FOODS, BAJAJ FINANCE, PVR, INDIA CEMENT, METROPOLIS, ULTRATECH, INDUSIND BANK, L&T FINANCIAL, STAR, BHARAT FORGE.

Our **chart of the day** is negative on stocks like JUBILANT FOODS, NAUKRI, BHARAT FORGE and ULTRATECH CEMENT with an inter-week perspective on any early corrective bounce.

Sell Something: Sell JUBILANT FOODS (CMP 3778): Sell JUBILANT FOODS December Futures for 0-5 days between 3801-3815 zone for an objective of 3501. Stop 3907. F1 Alert: Overbought conditions.

WHAT TECHNICAL TELLS US ON NIFTY/SENSEX:

Daily chart of Nifty:



Technically speaking, From a chartist standpoint, Nifty's biggest support seen at 17357 mark. Below 17357 mark, expect waterfall of selling towards 16,871 mark. Hence, caution will continue to be the buzzword and any intraday strength will be an opportunity to lighten leveraged long positions

Technical Strategy

Easy Trip Planners (ETP)	553
Action	BUY
Target	857
Support	481/441
Resistance	737/901
Holding Period	90-120 days

Incorporated in the year 2008, **Easy Trip Planners (ETP)** operates an online travel portal (EaseMyTrip) focusing on the B2B2C distribution channel and providing travel agents access to its website to book domestic travel airline tickets in order to cater to the offline travel market in India.

- # The biggest positive catalyst is driven by a rebound in travel sentiment.
- # The strength of ETP has increased significantly over the years. GoAir, and SpiceJet have recognized ETP as amongst the top travel partners in terms of revenue and passenger count.
- # Online travel market in India is set to double over the next five years to reach \$31 billion in FY25E, growing at 14% CAGR from FY20 levels
- # Registered customer has increased at a CAGR of 21% in the past three years, i.e. from 58.7 lakh customers in FY18 to 1.04 crore in FY21
- # As of FY20, airline tickets accounted for 94.0% of revenues while hotels and other services contributed 5.4% and 0.6% of revenues, respectively.
- # Consistent track record of financial and operational performance. No equity infusion subsequent to the original incorporation requirements, and most importantly, ETP has historically financed its working capital requirements and the expansion of the business and operations primarily through funds generated from its operations and debt financing. ETP is a zero debt, cash rich company (Total | 228 crore as of FY21) as this business requires minimal capex for growth
- # The thirteen-year-old OTA which has been profitable since its inception went public with a Rs 510 crore initial public offer in March at a listing price of Rs 187.
- # EMT is known to run a tight ship with low employee and marketing costs and high level of automation. In FY 2021 the company reported a net profit of Rs 61.4 crore as against Rs 33 crore a year earlier. In the first quarter FY 2022 which was impacted by the second wave of pandemic it posted a net profit of Rs 15.4 crore. Profit grew six times on a year on year basis due to higher margins and commissions.
- # In-house advanced technology and analytics capabilities.
- # Wide distribution network supported by a hybrid platform.
- # Experienced management team with an established track record.
- # On its international foray, Easy Trip Planners will launch localized search engines in the Philippines, Thailand and the US.

Technically, brace yourselves for a major higher high play on the monthly charts. An impulse uptrend is seen forming on the long term charts too, with positive SAR series, major confirmation above its all-time-highs at 717 mark.

Add to that a bullish divergence and a rising stochastic signal (on weekly charts) with recent increase in volumes signaling a larger rebound. The 200 days Exponential Moving Average (EMA) of the stock on the daily chart is currently at 405 levels. The level of Rs 405-425 zone will act as a strong support zone and any corrective declines to these levels will be a screaming buy, hence should be used as an opportunity to initiate aggressive long positions.

A potential entrance exists at CMP and on dips between 450-460 zone, targeting 611/719 mark and then aggressive targets at psychological 800 mark. Stop 389. Holding period 5-8 months.

Bulls' will now get conviction of strength only above Nifty 17881 mark.

Long story short: Nifty's upside bias has weakened; downside risk now seen at 16871 mark.

Bank Nifty: Bank Nifty was seen trading with slight negative bias in yesterday's trade. We suspect, corrective declines on cards only below 36665 which could trigger waterfall of selling towards 36001 mark. We suspect, Bank Nifty to mildly underperform Nifty.

DERIVATIVE & INSTITUTIONAL CUES:

India VIX, which measures the expected volatility in the market, inched lower by 2.53% from 17.09 to 16.46 in yesterday's trade.

FIIs camp continue to be net sellers, selling to the tune of Rs. 2300.65 crores in Thursday's trade. In the current month so far, FIIs have net offloaded nearly Rs 25,338.63 crore worth of shares.

The Put-Call Open Interest Ratio is at 0.87 for Nifty.

Stock banned in F&O segment: NIL.

IPO NOTE & LISTING:

Star Health & Allied Insurance Company Limited filed RHP with SEBI on 19-Nov-2021

Issue Date : 30-Nov to 2-Dec, 2021

Fresh : ₹2000 Cr

OFS : 58,324,225 Shares

Retail : 10%

Emp : ₹100 Cr

FV : ₹10

IPO Open : November 30, 2021

IPO Close : December 2, 2021

Basis of Allotment : December 7, 2021

Initiation of Refunds: December 8, 2021

Credit of Shares : December 9, 2021

IPO Listing Date : December 10, 2021

ECONOMIC CUES:

EU Q3 Gross Domestic Product was confirmed at 2.2% in the three months to September.

India's annual wholesale price-based inflation in October rose to 12.54% from the previous month's 10.66%, remaining in double-digits for the seventh month in a row, government data showed on Monday.

India's retail inflation rate, which is measured by the Consumer Price Index (CPI), rose to 4.48 percent in the month of October 2021, data released by the Ministry of Statistics and Programme Implementation (MoSPI) revealed on November 12.

There was a marginal increase in retail inflation in October due to an uptick in food prices, government data showed.

The CPI-based inflation in September 2021 was at 4.35 percent and in October 2020 it was 7.61 percent.

For the fourth month in a row, CPI has been below the Reserve Bank of India's six percent margin. The Government of India had told RBI to maintain a retail inflation rate at four percent with an upper and lower margin of two percent on either side for five years, till March 2026.

The gap between retail and wholesale price-based inflation has widened in recent months as many companies and retailers are still trying to absorb galloping input costs that threaten to hit their bottom lines.

GLOBAL STOCK MARKETS:

Overnight at Wall Street, on account of the Thanksgiving holiday, the U.S. traders took a day off. But, nevertheless, equities around the world were moving higher and U.S. stock market futures got a boost.

The New York Stock Exchange and the Nasdaq are both closed on Thanksgiving, as are U.S. bond and over-the-counter markets. Stock and bond markets will trade during truncated hours Friday.

In the week gone by, Dow was down 1.38% at 35602 but S&P 500 was up 0.32% at 4698 & was Nasdaq too ended up 1.24% at 16057.

RECAP OF PREVIOUS DAY'S TRADING SESSION:

Nifty edges higher amidst short covering.

Nifty (+121, 17536)

Sensex (+454, 58795)

Adv-Dec 25 — 25

Nifty PCR 0.87

INDIA VIX 16.46 (-2.53%)

Nifty MidCap (+0.45%, 8631)

NiftySmallC (+0.92%, 11109)

BANK Nifty (-0.21%, 37365)

Nifty IT (+1.02%, 35521)

USD/INR (+0.15%, 74.51)

The benchmark Nifty edged higher on the last day of November expiry amidst short covering on the back of consistent buying support in index heavyweights - Reliance, ITC and Infosys.

RIL zoomed 6.36% higher after its Board decided to implement a scheme of arrangement to transfer Gasification Undertaking into a wholly-owned subsidiary.

The positive takeaway was that investors shrugged off risks over interest rate hike.

The key highlights of yesterday's trade:

- # Nifty makes a smart comeback, ends above 17500 mark.
- # Nifty Energy and Reality indices rebound, up 2.66% & 1.94% respectively.
- # Mid-cap & Small-cap indices end in green, up 0.54% & 0.94% respectively.
- # Top Index Gainers: RELIANCE (+6.36%) DIVIS LAB (+2.4%) ITC (+1.78%).
- # Top Index Losers: MARUTI (-1.28%) BRITANNIA (-1.20%) INDUSIND (-1%).

Jubilant Foodworks appears weak while Grasim is our preferred bet on the buy side.

STOCKS	LTP	S1	S2	R1	R2	BIAS	TRADING STRATEGY
BHARAT FORGE	735	727	697	777	703	Negative	Sell between 751-765 zone. Stop 783. Targets 727/713. Aggressive targets at 697. Breakdown Play. (Interweek Strategy).
JUBILANT FOODS	3758	3676	3589	3865	3949	Negative	Sell between 3835-3850 zone. Stop 3963. Targets 3676/3589. Aggressive targets at 3371. Overbought conditions. (Interweek Strategy).
NAUKRI	5953	5870	5637	6419	6687	Negative	Sell between 5991-6025 zone. Stop 6437. Targets 5870/5750. Aggressive targets at 5637. Biggest support at 5870. (Interweek Strategy).
GRASIM	1767	1717	1675	1823	1893	Positive	Buy at CMP. Stop 1701. Targets 1823/1851. Aggressive targets at 1893. Key support at 1717. Oversold conditions. (Interweek Strategy).
SBI	491	477	453	517	545	Positive	Buy at CMP. Stop 469. Targets 503/517. Aggressive targets at 545. Key support at 477. Oversold conditions. (Interweek Strategy).

Derivatives Strategies

Future Call: SELL RELIANCE DECEMBER FUTURES between 2375-2381 zone. Targets at 2311 and then at 2265. Stop: 2421. Holding Period: Intraday. Analyst's Remark: Breaking Down (IPCALABS DECEMBER Futures CMP 2354.15)

Option Call: SELL NIFTY 09th DECEMBER CE Strike Price 17400 at CMP 258.35. Maximum Profit: Rs. 12,917.50 Loss: Unlimited. Stop: Exit Call Option if NIFTY moves above 17575. (NIFTY DECEMBER Futures CMP 17402.85).

Market Summary:

- Nifty November Futures ended Thursday's session at a premium of +66.
- The 09th December expiry Put-Call Open Interest Ratio was at 0.97 for Nifty whereas it was 0.59 for Bank Nifty.
- The 09th December expiry Put-Call Volume Ratio was at 0.74 for the Nifty and 0.64 for Bank Nifty.
- For Nifty, Maximum Call Open Interest (OI) stands at 18000 Strike Price, followed by 17700 Strike Price for 09th December Series. Long buildup was seen at strike prices 17500-17800.
- Maximum Put Open Interest (OI) was seen at strike price 17000 followed by 16800 strike prices for 09th December series. Short buildup was seen at strike prices 16500-17500.
- For Bank Nifty, Maximum Call Open Interest (OI) stands at 37500 Strike Price and Maximum Put Open Interest stands at 37300 Strike Price.
- As per Thursday's provisional data available on the NSE, FIIs sold shares worth Rs. 2300.65 crores in the Indian Equity Market. DIIs on the other hand bought shares worth Rs. 1367.80 crores in the Indian Equity market.
- Long Buildup: HDFCBANK, MCDOWE-N.
- Short Buildup: HUL, FSL, EICHER, BAJFINANCE.
- Short Covering: SBIN, TATAMOTORS, MOTHERSUMI, RELIANCE.
- Long Unwinding: HINDPETRO, INDUSINDBANK, HDFCLIFE.
- Stocks banned in F&O segment:** NIL.
- New in Ban: NIL.
- Out of Ban: ESCORTS, IBULHSGFIN.

Changes in Open Interest (OI) in yesterday's trade.

Nifty Spot	17536.25 (+0.70%)
Bank Nifty Spot	37364.75 (-0.21%)
VIX	16.6625 (-2.53%)
Premium	+66
Nifty Future OI	1.05 crores (+39.43%)
Bank Nifty Future OI	22.95 crores (+54.34%)

Cash Volumes (INR in Cr.)	Yesterday	Day Before Yesterday
BSE Cash Vol. (Rs. in Cr)	4729.73	5129.88
NSE Cash Vol. (Rs. in Cr)	62,431.56	64,703.29
NSE Derivative Vol. (Rs. in Cr)	1,35,04,962	79,06,935

Derivatives Vol. (INR in Cr.)	No of contracts	Turnover (Rs. In cr.)
Index Future Volumes	5,86,362	52,759
Stock Future Volumes	22,39,199	1,64,662
Index Option Volumes	14,36,32,401	1,30,91,646
Stock Option Volumes	25,31,082	1,95,895
Total	14,89,89,044	1,35,04,962

Major Changes in Nifty Options (OI)

Calls	in lakhs (% Change)
17600	0.97 (+56%)
17700	1.4 (+71%)
17800	1.41 (+60%)

Puts	in lakhs (% Change)
16900	0.73 (+192%)
17000	2.61 (+81%)
17100	0.47 (+194%)

Stock	CMP	Support	Resistance	21 DMA	200 DMA	Intraday	Short Term	Long Term
ALUMINIUM 1	213	207	220	212	202	DOWN	DOWN	DOWN
CARDAMOM 1	1505	1475	1535	1478	2690	DOWN	UP	DOWN
CASTOR 1	6458	6329	6587	6480	5399	UP	UP	UP
CHANA 1	5240	5135	5345	5109	5002	UP	UP	UP
COPPER 1	743	728	758	737	726	DOWN	UP	UP
COTTON 1	32020	31380	32660	32292	25346	UP	DOWN	UP
CRUDEOIL 1	5861	5744	5978	6033	5174	DOWN	DOWN	DOWN
GOLD 1	47438	46489	48387	48267	47132	DOWN	DOWN	UP
GUARGUM5 1	10890	10672	11108	12295	7750	DOWN	DOWN	UP
GUARSEED10 1	6045	5924	6166	6562	4768	DOWN	DOWN	UP
JEERAUNJHA 1	16360	16033	16687	15625	14061	UP	UP	UP
LEAD 1	186	180	192	187	176	DOWN	DOWN	DOWN
MENTHAOIL 1	927	908	945	943	957	DOWN	DOWN	UP
NATURALGAS 1	377	366	388	392	285	DOWN	DOWN	UP
NICKEL 1	1606	1574	1638	1521	1378	UP	UP	UP
RMSEED 1	8310	8144	8476	8171	7211	UP	UP	UP
RUBBER 1	19933	19534	20332	18023	16912	UP	UP	UP
SILVER 1	62635	61382	63888	64936	66507	DOWN	DOWN	UP
SYBEANIDR 1	6587	6455	6719	5689	6835	UP	UP	UP
ZINC 1	274	265	282	276	245	DOWN	UP	DOWN

USD/INR: Positive bias. Immediate targets seen at 74.89 mark.

Instrument	LTP	S1	S2	R1	R2	Bias	TRADING STRATEGY
MCX GOLD	47492	46871	46129	47915	48913	Neutral	Gold traded sideways amidst thin trading session. Rising US Dollar Index hits its highest in 16-month, while US Treasury yields soars. Intraday Strategy: Sell at CMP, targeting 46871/46129. Strict Stop at 48077.
MCX SILVER	63185	61789	59783	64501	66243	Neutral	Silver too mirrored Gold's sluggish action. Strength now likely only above 66243. Intraday Strategy: Sell at CMP, targeting 61789/59783. Strict Stop at 65019.
MCX CRUDE OIL	5840	5510	5279	5897	6111	Neutral	Oil prices remained subdued in yesterday's trade as well. Key support now seen at 5510 zone. Confirmation of strength only above 5897. Intraday Strategy: Buy only above 5897, targeting 6011/6111 mark. Strict Stop at 5489.
MCX COPPER	746.65	717	707	757	783	Neutral	Copper prices traded sluggish in a small rebound trade. Major intraday hurdles now at 757 mark. Intraday strategy: Sell at CMP. Targets 717/707. Strict stop at 761.
MCX NATURAL GAS	379.0	369	343	383	427	Positive	MCX Natural Gas witnessed a lacklustre session in yesterday's trade, up 1.49%. Key support seen at 369. Intraday Strategy: Buy at CMP, targeting 411/437 mark. Stop at 363.
USD-INR	74.51	74.13	73.69	74.89	75.15	Positive	USD/INR inched up in yesterday's trade. Key support now seen at 74.13. Interweek hurdles seen at 74.89 zone. Interweek Strategy: Buy at CMP, targeting 74.89/75.25 mark. Strict Stop at 73.89.

The Dollar Index hits its highest in 16-month, while US Treasury yields too soar.

Instrument	LTP	S1	S2	R1	R2	Bias	TRADING STRATEGY
GOLD (USD)	1789	1761	1729	1811	1859	Neutral	Key support at 1793 mark. Interweek Strategy: Establish sell positions between 1803-1811 zone. Targets 1761/1729 mark with stop at 1829.
SILVER (USD)	23.64	22.81	22.39	26.09	27.90	Neutral	Key hurdles at 26.09. Interweek Strategy: Establish sell positions at CMP. Targets 23.40/22.75 with stop at 25.41.
WTI CRUDE OIL (USD)	78.11	75	72.59	79	81.5	Neutral	Oil prices traded range-bound in yesterday's trade. Interweek Strategy: Establish buy positions only above 79. Targets 81.50/83.50. Stop at 74.59.
EUR/USD	1.1216	1.1079	1.0981	1.1255	1.1451	Negative	Interweek Strategy: Establish sell positions between 1.1201-1.1211 zone. Targets 1.1079/1.0981 with stop at 1.1375.
US Dollar Index	96.75	95.49	93.75	97.75	101.00	Positive	Interweek Strategy: Establish buy positions at CMP. Targets 97.75/101 with stop at 95.01.
DOW JONES	35804	35513	33759	37101	37896	Positive	Positive bias to continue for Dow Jones. Interweek Strategy: Establish buy positions at CMP. Targets 36709/37101 mark with stop at 35311.

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