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Friday, July 19th: BLUE DART, BPCL, NAM-INDIA, OBEROI REALTY, PAYTM, PVR INOX, RELIANCE (RIL).



## Daily Research Reports

## # Good Morning & Welcome to Friday's trading session at Dalal Street, dated July 19th 2024.

# Our **call of the day** suggests a cautious approach shall be a prudent strategy. The gyan mantra for aggressive bullish traders is to "raise stops to protect gains"

New bulls need to be aware that the space is getting 'crowded'.

# Gift Nifty is wavering in early action indicating Nifty may lack direction in today's trade.

# Overnight, Wall Street traded volatile following massive profit booking from overbought conditions.

# Copper prices have slumped to a 3-Month low amidst pessimism over industrial demand in top consumer China.

# Our call of the day suggests that the biggest risk to stock markets across globe are no longer on inflation but

- 1) Excessive optimism.
- 2) Geopolitical conflict risk.

Donald Trump, who is now the favorite to win November's election has said Taiwan should be paying the U.S. for protection and accused it of stealing America's semiconductor business.

Please note, Taiwan is the dominant country in the global chip industry and a critical part of the supply chain.

## Outlook on Friday: Nifty may trade volatile.

# Overnight, Infosys ADRs had zoomed 9.5% higher in intraday trade as its Q1 results surpassed street estimates.

INFY reported a 7% rise in first quarter net profit and raised its growth outlook for the current financial year. For the current fiscal year, it raised revenue growth guidance to 3-4 percent in constant currency terms.

# The corporate earnings season to trickle in today:

Friday, July 19th: BLUE DART, BPCL, NAM-INDIA, OBEROI REALITY, PAYTM, PVR INOX, RELIANCE (RIL).

## STOCKS TO WATCH:

### # SECTORS:

# **Bullish Sectors:** OIL & GAS, INFRA, PSE, PHARMA, FMCG

# **Bearish Sectors:** METALS, MEDIA

## INDICES

<b>Nifty</b>	24801	0.76%
<b>Bank Nifty</b>	52621	0.43%
<b>Nifty Auto Index</b>	25577	0.37%
<b>Nifty FMCG Index</b>	61225	0.96%
<b>Nifty Infra Index</b>	9341	0.11%
<b>Nifty IT Index</b>	40010	2.22%
<b>Nifty Media Index</b>	2010	-3.57%
<b>Nifty Midcap Index</b>	16002	-0.63%
<b>Nifty Metal Index</b>	9637	-0.87%
<b>Nifty Pharma Index</b>	20768	0.01%
<b>Nifty Reality Index</b>	1123	-0.32%
<b>Nifty Smallcap Index</b>	18829	-1.22%
<b>Sensex</b>	81344	0.78%
<b>SGX Nifty</b>	24895	0.17%

## Outlook for the Day

Overbought conditions prevail

## Nifty Outlook

<b>Intraday</b>	Positive (24700-25000)
<b>Medium Term</b>	Positive (23550-25500)
<b>Long Term</b>	Positive (22000-26500)

## Key Levels to Watch

<b>Nifty Support</b>	24451/24301
<b>Nifty Resistance</b>	25100/25500

## Pivot Level

<b>Nifty</b>	21987
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# **BULLISH STOCKS (Long Build-up+ Short Covering):** INFY, COFORGE, TATA MOTORS, INDIA CEMENT, COAL INDIA, BALRAMPUR CHINNI, HUL, MARICO, MPHASIS BFL, BHARTI AIRTEL, OFSS

# **BEARISH STOCKS (Long Unwinding + Short build-up):** PVR INOX, BHEL, METROPOLIS, GMR INFRA, BIOCON, HINDALCO.

# Our **chart of the day** is bullish on BALRAMPUR CHINI and Tata Motors with an inter-month perspective as the stock is signaling a massive breakout on the upside.

# **The 1 stock to buy right now:**

BUY BALRAMPUR CHINNI (CMP 450): Buy at CMP. Stop at 427. Targets 463/477. Aggressive targets at 515. (Intermonth Strategy). Rationale: Momentum Play. Positive reverse divergences on the daily charts. Moved above 7-month high.

#### **FII/DII & OPTIONS DATA:**

# The Put-Call Open Interest Ratio was at 1.32 for Nifty.

# In yesterday's trade, FIIs turned out to be net buyers to the tune of Rupees 5484 crores while DIIs were net sellers to tune of Rupees 2904 crores.

# The Nifty options data suggests Nifty is likely to be in a trading range of 24000-25000 zone. Maximum Call OI is at 25000 followed by 24800 strike prices. So, the 25000 mark is now Nifty's major resistance zone on closing basis.

Maximum Put open interest stands at 24800 levels followed by 24700 levels.

Call writing was seen at 24800 and then at 25000 strike price, while there was meaningful Put writing at 24800 and then at 24700 strike prices.

# **Stocks banned in F&O segment:** BALRAMPUR CHINI, BANDHAN BANK, GMR INFRA, GNFC, HAL, HIND COPPER, INDIA CEMENT, PEL, RBL BANK, SAIL, VEDANTA

## WHAT TECHNICALS TELLS US

### Daily chart of Nifty:



**# Nifty:** In yesterday's trading session, after cautious optimistic start, Nifty bulls regrouped as the benchmark witnessed massive momentum on the upside amidst short covering and value buying and the positive takeaway was that the benchmark ended way above the dotted lines.

Nifty's new all-time-high now at 24837.75 forming a bullish candle.

Technically, overbought technical conditions prevail.

The technical landscape suggests Nifty's major support at 24651/24377 mark. Interweek support seen at 24167 mark.

Nifty's hurdles seen at 25100 mark and then at 25500 mark.

Nifty's 200 DMA at 21732 mark.

### Daily chart of Bank Nifty:



**# Bank Nifty:** In yesterday's trading session, Bank Nifty was mostly seen consolidating hard but the positive takeaway was that Bank Nifty ended well above the dotted lines.

Technically, overbought technical conditions prevail.

Bank Nifty's new all-time-high now at 53357.70 mark.

Bank Nifty was seen slightly underperforming Nifty's gains. Bank Nifty ended with 0.43% gains as against Nifty's 0.76% gains.

Interestingly, in Thursday's trade, Nifty PSU Bank index ended 0.02% higher while Nifty Private Bank index ended 0.40% higher.

Intraday support for Bank Nifty now seen at 52169/51900 mark and then at 51650 mark on closing basis.

In today's trade, Bank Nifty is likely to face resistance only at 53357/53900 mark. Bank Nifty's 200-DMA is placed at 47200 mark.

**ECONOMIC CUES:**

# The ECB kept interest rates steady in July, in line with expectations, after cutting rates by 25bps in June, the first decrease since 2016. Policymakers said they will keep the rates sufficiently restrictive for as long as necessary to bring back inflation to the 2% target, and will continue to follow a data-dependent and meeting-by-meeting approach. Still, the central bank noted that most inflation measures stabilized or edged down last month.

# India's WPI inflation at 16-Month high. Wholesale prices advanced by 3.36% year-on-year in June 2024, accelerating from a 2.61% rise in the previous month, compared to market estimates of a 3.5% gain. It marked the eighth consecutive period of wholesale inflation and the fastest pace since last February 2023, due to a faster rise in manufacturing, primary articles, and food prices.

**GLOBAL STOCK MARKETS:**

Wall Street in Thursday's trade was seen trading were lower extending their recent fall.

Although the Nasdaq began the day in the green, the attempted rebound from its ugly session on Wednesday failed. The tech sector remained under pressure, with chip makers dropping over fears of stricter curbs on exports to China.

The Biden administration has floated the possibility of implementing harsher restrictions on U.S. semiconductor companies' exports to Chinese customers, which could weigh on sales and earnings for American chip makers.

The US 10-Year Treasury Yield Falls to 4-Month Low: The yield on the 10-year Treasury note pared its increase to hover at 4.17% on Thursday, remaining close to the four-month low amid increasing bets that the Federal Reserve will deliver multiple rate cuts this year.

**RECAP OF PREVIOUS DAY'S TRADING SESSION:**

# Amidst volatility, Nifty ends at record highs on growing optimism that the Federal Reserve (Fed) will reduce rates in September.

# Nifty's new all-time-high now at 24837.75.

NIFTY (+188, 24801)

Sensex (+627, 81343)

Bank Nifty (+224, 52621)

**# Sentimental Overview:**

Bullish sentiments also prevail as the Finance Minister Sitharaman gears up for historic Union Budget presentation on July 23 at 11 am.

Nifty's record lifetime high is inspiring FOMO attraction at Dalal Street is indicating that the street is actually hoping for more fireworks on 23d July at 11 A.M.

**# Technical Overview:**

More and more funds seen attracted to Nifty's higher high/low technical landscape.

Nifty's immediate goalpost continues to be at psychological 25000 mark.

The line in the sand is at Nifty's psychological support at 24300 mark and then all eyes will be on the biggest support make-or-break support at 24451 mark.

**# Buzzing stocks:**

Stocks scaling fresh 52-week highs:

TCS

SBI LIFE

ONGC

Wipro

HUL

INFOSYS

TECH MAHINDRA

BRITANNIA

**# Outperforming Nifty Sectors:**

NIFTY Auto (+0.38%)

NIFTY FMCG (+0.87%)

NIFTY IT (+2.19%)

**# Underperforming Nifty Sectors:**

NIFTY MEDIA (-3.56%)

NIFTY PSE (-1.38%)

NIFTY PHARMA (-1.16%)

**# Bulls of the day:**

LTIM (+3.48%)

ONGC (+2.99%)

TCS (+2.84%)

WIPRO (+2.41%)

BAJAJFINSV (+2.39%)

**# Bears of the day:**

HEROMOTOCORP (-1.49%)

COALINDIA (-1.48%)

ASIANPIANTS (-1.40%)

GRASIM (-1.25%)

BAJAJ AUTO (-0.86%)

## Market Summary:

- Nifty July Futures ended Thursday's session at a premium of +07 vs premium of +27.
- The 25th July expiry Put-Call Open Interest Ratio was at 1.32 for Nifty.
- The 25th July expiry Put-Call Volume Ratio was at 0.95 for the Nifty.
- For Nifty, Maximum Call Open Interest (OI) stands at 25500 Strike Price, followed by 26000 Strike Price for 25th July Series. Long Buildup was seen at strike prices 24600-26000.
- Maximum Put Open Interest (OI) was seen at strike price 23500 followed by 23000 strike prices for 25th July series. Short Buildup was seen at strike prices 23500-25100.
- For Bank Nifty, Maximum Call Open Interest (OI) stands at 51000 Strike Price and Maximum Put Open Interest stands at 51000 Strike Price.
- As per Thursday's provisional data available on the NSE, FIIs bought shares worth Rs. 5483.63 crores in the Indian Equity Market. DIIs on the other hand, sold shares worth Rs. 2904.25 crores.
- Long Buildup: INDIACEM, ITC, TCS, INFY
- Short Buildup: HAL, JINDALSTEL, HEROMOTOCORP
- Short Covering: AMBUJACEM, COROMANDEL, UBL.
- Long Unwinding: TATACHEM, HAVELLS, INDIGO.
- Stocks banned in F&O Segment:** BALRAMCHIN, BANDHANBNK, GMRINFRA, GNFC, HAL, HINDCOPPER, INDIACEM, PEL, RBLBANK, SAIL, VEDL.
- New in Ban: BANDHANBNK, HAL, INDIACEM, SAIL.
- Out of Ban: NIL.

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

<b>Nifty Spot</b>	24800.85 (+0.76%)
<b>Bank Nifty Spot</b>	52620.70 (+0.43%)
<b>VIX</b>	14.51 (+2.04%)
<b>Premium</b>	+07 vs +27
<b>Nifty Future OI</b>	1.52 crores (+5.08%)
<b>Bank Nifty Future OI</b>	21.49 lakhs (+1.20%)

<b>Cash Volumes (INR in Cr.)</b>	<b>Yesterday</b>	<b>Day Before Yesterday</b>
<b>BSE Cash Vol. (Rs. in Cr)</b>	10103.81	8901.32
<b>NSE Cash Vol. (Rs. in Cr)</b>	1,47,781.49	1,25,150.72
<b>NSE Derivative Vol. (Rs. in Cr)</b>	64,91,995	58,50,714

<b>Derivatives Vol. (INR in Cr.)</b>	<b>No of contracts</b>	<b>Turnover (Rs. In cr.)</b>
<b>Index Future Volumes</b>	2,08,850	13,762
<b>Stock Future Volumes</b>	11,06,916	88,762
<b>Index Option Volumes</b>	9,82,06,800	62,49,307
<b>Stock Option Volumes</b>	17,35,388	1,40,165
<b>Total</b>	10,12,57,954	64,91,995

## Major Changes in Nifty Options (OI)

<b>Calls</b>	<b>in lakhs (% Change)</b>
24700	0.79 (+25%)
24800	1.3 (+94%)
24900	0.55 (+83%)

<b>Puts</b>	<b>in lakhs (% Change)</b>
24800	1.27 (+189%)
24900	0.24 (+300%)
25000	0.74 (+35%)





Stock	CMP	Support	Resistance	21 DMA	200 DMA	Intraday	Short Term	Long Term
ALUMINIUM 1	224	217	230	231	215	DOWN	DOWN	DOWN
COPPER 1	828	812	845	856	771	DOWN	DOWN	DOWN
CRUDEOIL 1	6973	6834	7112	6834	6564	UP	DOWN	UP
GOLD 1	74187	72703	75671	72075	65771	UP	UP	UP
LEAD 1	188	182	193	190	185	UP	DOWN	DOWN
NATURALGAS 1	177	172	183	216	204	DOWN	DOWN	DOWN
NICKEL	1476	1447	1506	1634	1950	DOWN	DOWN	DOWN
SILVER 1	91795	89959	93631	89889	77854	UP	UP	UP
STEEL 1	573	562	584	42125	44492	DOWN	DOWN	DOWN
ZINC 1	266	258	274	268	235	UP	DOWN	DOWN
CASTOR 1	6060	5939	6181	5839	5861	UP	UP	UP
DHANIYA 1	7110	6968	7252	7299	7421	DOWN	DOWN	UP
GUARGUM5 1	10730	10515	10945	10487	10920	UP	UP	DOWN
GUARSEED10 1	5410	5302	5518	5370	5467	DOWN	UP	DOWN
JEERAUNJHA 1	26770	26235	27305	28700	34445	DOWN	DOWN	UP
MENTHAOIL 1	959	940	978	932	923	UP	DOWN	UP
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