

# MARKET pulse.se



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BY ASIT C. MEHTA INVESTMENT INTERMEDIATES LTD

Dear Investors,

MARKET PULSE, the monthly report from ACMIL, aims to provide insightful perspectives on all aspects of the market, the Fundamental, Technical, and Derivatives. The report contents

## **Market Update**

- Domestic & Global Update

## **Q2FY20 Result Updates**

- Ashok Leyland Limited
- Cochin Shipyard Limited
- Indian Hotels Limited
- KEC International Limited
- KNR Constructions Limited
- LIC Housing Finance Limited
- Mahanagar Gas Limited
- Radico Khaitan Limited

## **Technical Report**

- Nifty View
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## **Derivatives Report**

- Rollover Report

## **Retail Research Call Performance**

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MARKET PULSE aims to capture the market in all its hues and colors and provides a range of information that helps in making wise investment decisions.

Regards,  
Research Team  
ACMIL

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## Domestic Market Update

Bulls continued their run for a second straight month in November, as Benchmark Indices scaled a fresh record high with Nifty and Sensex touching 41,164 and 12,159. However, broader indices continued to underperform the benchmark indices as BSE Midcap rose 1.32% while small cap indices were flat during the month. During the month, Reliance Industries became India's first company to cross Rs 10-lakh-crore in market capitalisation as it rose to an all-time high of Rs.1,564. It has risen 38% so far this year compared with the Nifty 50 index's nearly 11% gain during the period.

Moreover, Telecom stocks were in focus as Bharti Airtel and Vodafone Idea were up 17% and 70% respectively as cabinet approved deferral of spectrum instalment payments for 2 years to grant some relief. All the three telecom operators announced tariff hikes for the first time in the last two years effective from December, 2019. Further, FII continue to be net buyer for a second straight month.

FIIs bought stocks worth Rs. 12,924cr. However, DIIs turn out to be net seller for the first time in last six months as they sold stocks worth Rs. 7970cr. On the macro side, India's GDP growth falls to 4.5% in July-September quarter as consumption failed to revive and private investment remained stagnant. However, government expenditure picked up pace and helped hold up the economy. Going ahead, the market would eye the following key events closely:

1. Outcome of Fed meet
2. Outcome of Karnataka by-poll election

## Global Market Update

November 2019 was another ripper for the broader markets with multiple record highs reached for U.S. equities. The S&P 500 rose by 3.37%, pushing its year-to-date return to over 25% and putting it on course for its best calendar year performance since 2013. The Dow Jones and Nasdaq was up 3.72% and 4.49%. Optimism around a trade deal, combined with improving economic activity led to positive equity market returns in the US market.

FTSE 100 was up 1.36% as the spotlight has shifted to the upcoming general election in UK on 12 December. Thus, politics is likely to remain the front and centre of investors' minds as the year draws to a close. In China, the Shanghai market was down 1.95% as the ongoing protests in Hong Kong will continue to hinder the region's economy, along with the slowdown in Chinese growth and the ongoing trade uncertainty. Moreover, President Donald Trump signed a bill backing Hong Kong protesters, a move that could further strain discussions on the trade front with China. Going ahead, on global side, market will closely eye any development on US - China Trade talks, outcome of UK election, and outcome of OPEC and allied meet.

## Global Indices Performance

Index	29-Nov-19	31-Oct-19	Change MoM
Dow Jones	28051	27046	3.72%
S&P 500	3140	3038	3.37%
Nasdaq	8665	8292	4.49%
CAC 40	5905	5730	3.06%
DAX	13263	12867	3.08%
FTSE 100	7347	7248	1.36%
Nikkei 225	23294	22927	1.60%
Hang Seng	26346	26907	-2.08%
Shanghai	2872	2929	-1.95%
Nifty 50	12056	11877	1.50%
BSE Sensex	40794	40129	1.66%
Brent Crude (\$)	60.49	60.23	0.43%
WTI Crude (\$)	55.17	54.18	1.83%

Sources: Yahoo Finance /BSE

## Accumulate

### Key Data

Sector	Auto
CMP	77
BSE Code	500477
NSE Code	ASHOKLEY
Face Value (Rs)	1
Mkt Cap (Rs Cr)	22442
52 Week High	109
52 Week Low	56.95

Source : NSE, BSE

## Ashok Leyland Limited

### Q2FY20 Result Update

- During Q2FY20, the company's revenue de-grew by 41% YoY to Rs.51210mn due to sluggish demand environment. Operating profit were Rs.7681mn (down 40% YoY) with 15% margins. Net profit was Rs.699mn (down 87% YoY) with 1.3% margin.
- In November, AL sold total 9377 vehicles in domestic market, 25% down YoY due to global headwinds. Overall, 3447 trucks were sold, 1874 buses and 4056 light CVs. Exports for the month was 798 units, up 45% YoY.
- Ashok Leyland is the market leader in MHCV segment with 34% market share. They are the biggest supplier to state governments. Recently they received an order for 1750 buses from Tamil Nadu State Transport.
- AL is focused on increasing its sales in semi-urban and rural regions. It has partnered with Axis Bank and ICICI Bank to offer customized financial solutions for vehicle purchases. This year with good monsoons, consumer demand revival is much expected.
- BEST buses in Mumbai are one of the major consumers of CNG, around 1800 buses i.e.67% of total fleet uses CNG. In Q1FY20, some buses were scrapped so volumes were impacted but now they are materializing in Q3FY20. Around 500 buses will be delivered by the end of Nov, Dec, and another 500 would follow in FY21.
- Ashok Leyland Limited has retained its leadership in MHCV market despite of headwinds industry is going through with 34% domestic market share. Company is all set with its BSVI vehicle portfolio which will be compulsory from FY21. Although volume growth is decelerating we believe top line to revive with excellent product mix company have. At the current price of Rs.77, ALL is trading at 22.7x its FY21E EPS of Rs.3.4. We recommend to **"ACCUMULATE"** the stock.

### Financial Snapshot

Rs (Mn)	Q2FY20	Q2FY19	% Chg	Q1FY20	% Chg
Net Income	51210	87205	-41.28%	66024	-22.44%
Op exp	43529	74316	-41.43%	55445	-21.49%
EBITDA	7681	12889	-40.41%	10579	-27.39%
% margin	15.00%	14.78%	22bps	16%	-122bps
PAT	699	5504	-87.30%	2750	-74.58%
% margin	1.36%	6.31%	-495bps	4.17%	-281bps
EPS	0.15	1.78		0.84	

Source : Company, ACMIIL Research

## Accumulate

### Key Data

Sector	Defence
CMP	400
Target Price	490
BSE Code	540678
NSE Code	COCHINSHIP
Face Value (Rs)	10
Mkt Cap (Rs Cr)	5293.84
52 Week High	424.55
52 Week Low	326.9

Source : NSE, BSE

## Cochin Shipyard Limited

### Q2FY20 Result Update

- During Q2FY20, the company's revenue grew 23% YoY to Rs.10508mn backed by strong order book of Rs.160812mn. Operating profits grew 17% YoY to Rs.2847mn with 27% margin. Net profits grew 40% YoY to Rs.2063mn with 19.6% margins.
- Shipbuilding business reported Rs.7880mn revenue (up 70% YoY) and Ship repairing reported Rs.1832mn revenues, (down 46% YoY).
- During the quarter company received order for design and construction of 23 boats from Kochi Metro Rail Limited (KMRL) for Kochi water metro project. These boats will be used as hybrid electric passenger ferries. Contract value is Rs.175.7Cr.
- CSL signed Phase III contract with Indian Navy for Indigenous Aircraft Carrier construction. Under this contract CSL will also undertake post delivery service of vessels. Contract value is ~Rs.3000Cr
- CSL has signed agreement with Andaman & Nicobar Administration to commence operations at Marine Dockyard, Port Blair. CSL will set up a ship repairing ecosystem at the islands. This will boost ship repairing revenue for the company. CSL will receive Rs.15Cr p.a as management fees apart from profits earned by providing services
- Cochin Shipyard is the largest shipyard in South Asia and enjoys monopoly for Defense projects. They hold key orders from Indian Navy and Indian Air force. Company is expanding its capabilities to provide diversified services across the coastal lines and adjoining islands. At the current price of Rs.400, CSL is trading at 8.3x its FY21E EPS of Rs.48. We recommend to **"ACCUMULATE"** the stock for a target of Rs.490.

### Financial Snapshot

Rs(Mn)	Q2FY20	Q2FY19	% Chg	Q1FY20	% Chg
Net Income	10508	8552	23%	8027	31%
Op exp	7661	6119	25%	5944	29%
EBITDA	2847	2433	17%	2083	37%
% margin	27.09%	28.45%	-136bps	25.95%	114bps
PAT	2063	1471	40%	1190	73%
% margin	19.63%	17.20%	243bps	14.82%	481bps
EPS	15.7	10.8		9.05	

Source : Company, ACMIIL Research

## Accumulate

### Key Data

Sector	Hospitality
CMP	148
Target Price	190
BSE Code	500850
NSE Code	INDHOTEL
Face Value (Rs)	1.00
Mkt Cap (Rs Cr)	17,797
52 Week High	164.30
52 Week Low	121.30

Source : NSE, BSE

## Indian Hotels Limited

### Q2FY20 Result Update

- During Q2FY20, company's revenue grew 5% YoY to Rs.10286mn. RevPAR was at Rs.4833 (up 3.9% YoY) much higher than the industry average of Rs.3254 (up 3.1% YoY). Operating profit was Rs.1816mn (+57% YoY) with 17.7% margin (+590bps). IHL reported net profit of Rs.693mn with 6.7% margins compared with loss of Rs.55mn in previous year same quarter.
- During H1FY20, IHL has signed 14 new hotels across its brands. Under "Taj" hotels are signed for Agra, Ahmadabad and Dehradun locations. A Jaipur hotel for "SeleQtions", five new hotels for "Vivanta" at Gorakhpur, Manipal, Miramar, Noida and Shillong. One each "Ginger" hotel at Amravati, Dwarka, Goa, Nagpur and Udaipur.
- For H2FY20, the management expects to open Taj hotel at Goa, Darjeeling, and Dubai; two SeleQtions at Delhi and Jaipur, and Ginger hotel at Surat, Vizag, and Bharuch.
- During the current quarter, IHL inaugurated and commenced operations of Taj Tirupati with religious tourism in focus. It is based at the foothills of Tirumala with 106 rooms, four F&B outlets. By 2022, they target to have 225 hotels in the portfolio, 26% addition from current portfolio of 180 hotels.
- Following Aspiration 2022, management believes their property portfolio would be equal in terms of fee based business and leased or owned properties. This would increase the bottom line with better sustainable margins. We believe with strong parentage and mixed hotel portfolio will aid IHL to outperform industry growth. Revenue CAGR for IHL is expected to be 10% for FY20-22. At the current price of Rs.148, IHL is trading at 48x its FY21E EPS of Rs.3.1. We recommend to **"ACCUMULATE"** the stock with target of Rs.190.

### Financial Snapshot

Rs (Mn)	Q2FY20	Q2FY19	% Chg	Q1FY20	% Chg
Net Income	10286	9811	4.84%	10570	-2.69%
Op exp	8470	8653	-2.11%	8465	0.06%
EBITDA	1816	1158	56.82%	2105	-13.73%
% margin	17.7%	11.8%	590 bps	19.9%	-230 bps
PAT	693	-55	1360%	50	1286.00%
% margin	6.7%	-		0.47%	620 bps
EPS	1.42	-		0.89	

Source : Company, ACMIIL Research

## Accumulate

### Key Data

Sector	INFRASTRUCTURE
CMP	277
Target Price	333
BSE Code	532714
NSE Code	KEC
Face Value (Rs)	2/-
Mkt Cap (Rs Cr)	7,122
52 Week High	340
52 Week Low	229

Source : NSE, BSE

## KEC International Limited

### Q2FY20 Result Update

- KEC International's 2QFY20 revenue grew by 16.6% to Rs.28,088Mn and Profit grew by 16.6% on account of a strong operating performance, lower interest cost and a lower tax. Management has guided for interest cost to be 2.7% of sales for entire FY20. For 2QFY20 Interest cost as a % of sales came in at 2.9% vs 3.2% in 2QFY19.
- During the quarter, company's operating profit grew by 17% to Rs.2,937Mn and EBITDA margin came in at 10.5%
- Overall Transmission & Distribution (64% of overall revenue) segment revenues increased 30% led by strong execution in SAE(US subsidiary) and domestic. Domestic T&D had a growth of 21.5% whereas SAE business grew 94.4%.
- Railway revenue (29% of overall revenue) continued to register strong growth of 35% YoY to Rs5680Mn. The civil segment's revenue declined 50.5% YoY to INR 520mn while the order inflow also slowed down due to weak ordering amid low industrial capex.
- Company's order book declined by 10% YoY to Rs.18,085Cr (1.6x of FY19 revenue) as of 2QFY20-end and the company's order intake plus L1 order in 2QFY20 stands at Rs.8,766Cr. Management has acknowledged that order inflows have not picked up and meeting its earlier guidance of Rs.17,000Cr worth of order inflows in FY20 could be challenging although they remain hopeful of strong 2HFY20 recovery led by domestic T&D and railway segment.
- Moreover, Management has reiterated its revenue growth guidance of 15-20% for FY20 and FY21 and is confident of the timely execution of orders at EBITDA margins of 10.5%.
- At the current price of Rs.277/-, the stock trades at 9.13x its FY21E EPS of Rs. 30.31/-. With strong balance sheet, robust order backlog, superior execution capabilities, we believe KEC will benefit from strong infrastructure spending across business vertical presence. Based on 11x its FY21E EPS of Rs. 30.31/-, we arrive at a target price of Rs 333/-. Hence, we recommend to **ACCUMULATE**.

### Financial Snapshot

Rs in mn	Q2FY20	Q2FY19	% Chg	Q1FY20	% Chg
Net Income	28,088	24,085	16.6%	24,125	16%
Op exp	25,151	21,553	16.6%	21,612	16%
EBITDA	2,937	2,532	16%	2513	17%
% margin	10.5%	10.5%	--	10.4%	10bps
PAT	1390	963	44%	886	57%
% margin	4.9%	4%	+90bps	3.7%	+120bps
EPS	5.41	3.75	44%	3.45	57%

Source : Company, ACMIIL Research



## Accumulate

### Key Data

Sector	Infrastructure
CMP	228
Target Price	296
BSE Code	532942
NSE Code	KNRCON
Face Value (Rs)	2/-
Mkt Cap (Rs Cr)	3,215
52 Week High	303
52 Week Low	181

Source : NSE, BSE

## KNR Constructions Ltd

### Q2FY20 Result Update

- KNR Construction's Q2FY20 revenue grew by 31.2% to Rs.5,462Mn and profit grew by 55.8% to Rs.701Mn. This includes receipt of arbitration claim of 571Mn. Adjusting for this, core revenues grew 25.6% YoY to Rs.4,891Mn
- KNR reported EBITDA margin of 23%, adjusted for arbitration claim adjusted EBITDA margins came at 19.7% in Q2FY20 on account of higher revenues contribution from high margin irrigation projects worth Rs.950Mn.
- As on 30 September, 2019 KNR's order book stands strong at Rs.6,681.8 Cr & this gives revenue visibility for next 2-3 years. On the new orders front, The Company won Irrigation Project of Rs.850Cr from Megha Engineering & Infrastructure Ltd. Further, Management is targeting incremental Order inflow of Rs.1000 -1500Cr in H2FY20E.
- Overall, we expect revenues to grow at 19 % CAGR to Rs.3018Cr in FY19-21E.
- At the current price of Rs.228/-, the stock trades at 11.93x its FY21E EPS of Rs. 19.10/-. Considering strong execution, Strong order book, healthy balance sheet and strong return ratios, we believe KNR is well-positioned to gain traction in the infrastructure sector. Based on SoTP valuation we arrive at a target price of Rs 296/-. Hence, we recommend to **ACCUMULATE**.

### Financial Snapshot

Rs(Mn)	Q2FY20	Q2FY19	% Chg	Q1FY20	% Chg
Net Income	5,462	4,163	31.2%	4,646	18%
Op exp	4,204	3,331	25%	3,745	12%
EBITDA	1,258	832	51%	901	40%
% margin	23%	20%	300bps	19.4%	360bps
PAT	701	450	56%	478	47%
% margin	12.8%	10.8%	200bps	10.3%	250bps
EPS	4.97	3.19	56%	3.39	47%

Source : Company, ACMIL Research

## Accumulate

### Key Data

Sector	Finance
CMP	454
BSE Code	500253
NSE Code	LICHSGFIN
Face Value (Rs)	2
Mkt Cap (Rs Cr)	22921
52 Week High	587
52 Week Low	354

Source : NSE, BSE

## LIC Housing Finance Limited

### Q2FY20 Result Update

- During Q2FY20, consolidated revenue increased by 18% YoY to Rs.49,806mn with 36% growth in net profit to Rs.7,679mn. EPS is Rs.15.30.
- NII for the quarter grew 16% YoY to Rs.12,131mn, maintaining NIM of 2.42%. Disbursements during the quarter was down by 15% YoY to Rs.1,21,734mn due to 85% degrowth in project loan to Rs.4,450mn, however Individual Home Loan Disbursements grew by 16% YoY to Rs.1,01,361mn.
- As on Q2FY20 end, Outstanding Loan book is at Rs.20,30,372mn, up 14.50 % YoY. Individual Home Loan Portfolio grew by 13 % to Rs.15,40,592mn. Of the total loan book, 76.5% is retail home loans, 16.7% is retail LAP and 6.8% is developers' loans.
- Gross NPA increased to 2.38% compared to 1.98 in Q1FY20 and 1.2% in Q2FY19. NNPA is 1.4% compared to 1.1% in Q1FY20 and 0.6% in Q2FY19. Average Cost of funds declined to 8.36% and Yield on advances increased to 10.34% giving a spread of 1.98%.
- Company raised Rs.190,000mn through commercial papers (CPs) and non convertible debentures (NCDs) to meet the revised norms of the National Housing Bank (NHB). ICRA has assigned A1+ rating to its CPs. They have Rs 2,83,844mn debt maturing till December 31, 2019. At the CMP of Rs.454, it is trading at 1.4x its PBV at ABV of Rs.322.18. we recommend to **"ACCUMULATE"** the stock.

### Financial Snapshot

Rs(Mn)	Q2FY20	Q2FY19	% Chg	Q1FY20	% Chg
Net Income	49806	42051	18%	48165	3%
Op exp	41147	34654	19%	39613	4%
EBITDA	8659	7397	17%	8552	1%
% margin	17%	18%	-100bps	18%	-
PAT	7679	5630	36%	6091	26%
% margin	15.42%	13.39%	203bps	12.65%	277bps
EPS	15.22	11.6		12.07	

Source : Company, ACMIIL Research

## Accumulate

### Key Data

Sector	Gas Distribution
CMP	1027
Target Price	1200
BSE Code	539957
NSE Code	MGL
Face Value (Rs)	10
Mkt Cap (Rs Cr)	10041
52 Week High	1067.25
52 Week Low	754.15

Source : NSE, BSE

## Mahanagar Gas Limited

### Q2FY20 Result Update

- During Q2FY20, the company's revenue grew 12.2% YoY to Rs.8845mn while profit grew 98.5% YoY to Rs.2706mn. Operating profit grew 23.6% to Rs.2963mn with 33.5% margin.
- MGL distributed total 276SCMmn volume during the quarter, up 2.2% MoM. CNG was 202.5SCMmn, PNG for domestic use was 35SCMmn, and PNG for commercial use was 38.38SCMmn.
- During Q2FY20, 32341 households were added and established connectivity with more than 1.2mn households for piped gas supply. Industry and commercial customers were 3923, adding 47 during the quarter.
- BEST buses in Mumbai are one of the major consumers of CNG, around 1800 buses i.e.67% of total fleet uses CNG. In Q1FY20, some buses were scrapped so volumes were impacted. However, now they are materializing in Q3FY20. Around 500 buses will be delivered by the end of Nov, Dec, and another 500 would follow in FY21.
- Capex guidance stands at Rs.30mn for 2HFY20 and Rs.50mn for FY21.
- Mahanagar Gas Limited is a leading gas distributor in Maharashtra with forte in CNG supply. The company also has a significant presence in the PNG market for household and commercial segments. With the ample growth opportunity and rising demand for clean energy, volume growth for MGL is expected to be 7-8% for FY20E and FY21E. At the current price of Rs.1027, MGL is trading at 12.11x its FY21E EPS of Rs.84.8. We recommend to "ACCUMULATE" the stock for a target of Rs.1200.

### Financial Snapshot

Rs(Mn)	Q2FY20	Q2FY19	% Chg	Q1FY20	% Chg
Net Income	8845	7811	13.2%	8515	3.9%
Op exp	5881.6	5414.2	8.6%	5542.9	6.1%
EBITDA	2963.4	2396.8	23.6%	2972.1	-0.3%
% margin	33.5%	30.68%	282bps	34.9%	-140bps
PAT	2706	1363	98.5%	1702	59.0%
% margin	30.6%	17.4%	132 bps	20.0%	1000bps
EPS	27.4	13.8		17.2	

Source : Company, ACMIIL Research

## Accumulate

### Key Data

Sector	Breweries
CMP	312
Target Price	370
BSE Code	532497
NSE Code	RADICO
Face Value (Rs)	2
Mkt Cap (Rs Cr)	4154
52 Week High	449
52 Week Low	262

Source : NSE, BSE

## Radico Khaitan Limited

### Q2FY20 Result Update

- During Q2FY20, Radico reported revenue growth of 32% YoY to Rs.25219mn, with volume growth of 10.9% YoY to 5.78mn cases. Volume growth for Prestige and above categories was 11.6% YoY, which accounts for 28.3% of the total IMFL volumes. Regular category volume growth was 10.6% YoY.
- IMFL sales value growth was 16.4% YoY for Q2FY20 and it accounts for 82% of the net revenue. In value terms, Prestige and above brands contributed about 48% of total IMFL sales value.
- Due to higher raw material prices and alcohol purchases operating profit declined by 8% to Rs.885mn with 3.5% margin. Finance cost for Q2FY20 declined by 16.2% YoY to Rs. 76.7mn from Rs.91.6mn.
- Recently launched premium black whisky brand "8PM" is now available in 11 states and by FY20 end it will be supplied in four more states.
- In the international market, luxury brands Rampur Indian Single Malt and Jaisalmer Indian Craft Gin continued to gain strong traction and penetrated market in the US and Europe. Jaisalmer Gin is now available in over 20 countries, globally.
- Management is confident of better H2FY20 given better monsoon and pick up in consumer sentiments. Moreover, alcohol price increases and good product mix will improve margin and cash flows.
- Radico is the leading brewery in India with 157mn liters capacity and 28 bottling units. Strong network span across country with 75000 retailers and 8000 outlets. With double digit volume growth, Radico is expected to have annual top line growth of 20-22% for FY20 and FY21. At the current price of 312, Radico is trading at 12x its FY21E EPS of Rs.25.8. We recommend to "ACCUMULATE" the stock for a target of Rs.370.

### Financial Snapshot

Rs (Mn)	Q2FY20	Q2FY19	% Chg	Q1FY20	% Chg
Net Income	25219	19103	32.0%	26804	-5.9%
Op exp	24334.1	18142	34.1%	25764	-5.5%
EBITDA	884.9	961	-7.9%	1040	-14.9%
% margin	3.5%	5.03%	-153 bps	3.9%	-40bps
PAT	800.5	506	58.2%	570	40.4%
% margin	3.2%	2.6%	60 bps	2.1%	110 bps
EPS	5.99	3.79		4.26	

Source : Company, ACMIIL Research

## NIFTY



Chart as on 29h Nov 2019

### Nifty- Weekly Chart

- The index on the weekly scale has witnessed trend line breakout as well as cup and handle pattern in the month of October. Post breakout, the index has seen consolidation in a narrow band. However, in the last week of November series we have seen the breakout of three weeks consolidation with the help of which index has close the series on a positive note at 12056 levels.
- However, for short term index is consolidating in rising channel pattern as highlighted in above chart. As per this pattern, 12350 will act as short-term resistance zone followed by 12500.
- 50 DEMA is placed close to 11710 levels which coincide with recent breakout point of 11700. Thus, 11700 will act as the key support for the index.
- RSI on the weekly scale has witnessed trend line breakout indicating strength.
- For the December series, 11700 and 11500 will act as support point whereas 12350 and 12500 will act as resistance points..

## BANK NIFTY



Chart as on 29th Nov 2019

### Bank Nifty- Weekly Chart

- In November series, BankNifty has seen continuation of uptrend with the help of that index has broken its previous all time high of 31784 and close the November series on positive note at 31946 level.
- As long as index holds recent breakout point of 31000, bullish momentum can be continued.
- 161.8 retracement of current swing is placed close to 32800 will act as primary hurdle followed by 33500 where trend line resistance is placed.
- 21 DEMA is placed close to 31030 levels and trend line breakout point is placed close to 31000. Thus, 31000 will act as strong demand zone for BankNifty. 50 DEMA is placed at 30145 which will act as next support for index.
- RSI on weekly scale has witness trend line breakout suggesting strength.
- For the December series, 31000 and 30000 will act as support points whereas 32800 and 33500 will act as resistance points..

## DECEMBER SERIES VIEW

In November expiry, the benchmark indices registered a new all-time high of 12,158 with huge volatility due to foreign investors buying, positive global cues boosted by phase-one trade deal between the US and China, weakness in Crude oil, and government's positive steps regarding corporate tax cuts, which boosted domestic sentiment. Meanwhile, the country's economic growth outlook for this fiscal, US-China trade war, concerns over global economic slowdown, and weakness in Rupees against Dollar would continue to cap the upside. Finally, the index kept its head above the 12100 mark on the F&O expiry day and ended up 2.30% (EoE) indicating neutral to positive for the short term. On the expiry day, Nifty Futures rollover stood at 80%, which is higher than the average rollover of 75% of the last three series. Nifty will start the December series with an OI of 1.46 Cr shares compared with OI of 1.49 Cr shares at the beginning of the November series. Market-wide rollovers stood higher at 94% compared with the average rollovers of 92% in the last three series. Going into December, key events that would act as market triggers would include global markets trends, FII inflows, the movement of Rupee against the Dollar, and crude oil price movement will dictate the trend on the bourses in the near term.

## DERIVATIVES INDICATORS

India VIX closed on weaker note at 13.98% vs. 16.28% of the previous month indicating low volatility in market. Another leading derivative indicator, Nifty PCR, opened on higher note this month at 1.71 against last month's 1.42.

## BANKNIFTY

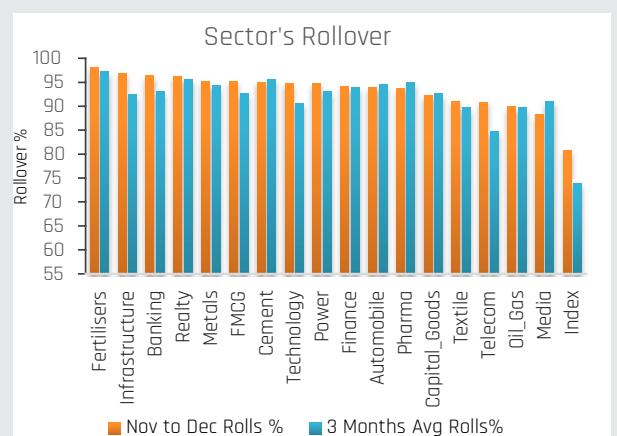
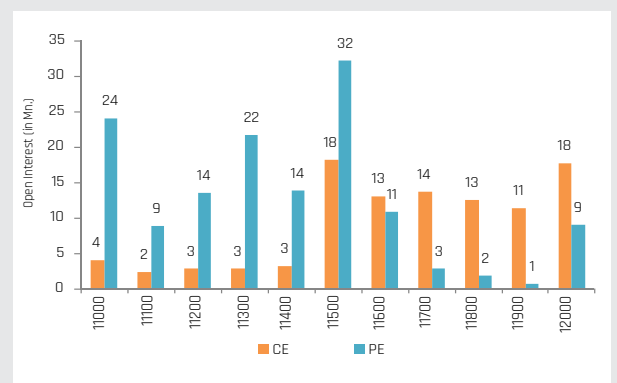
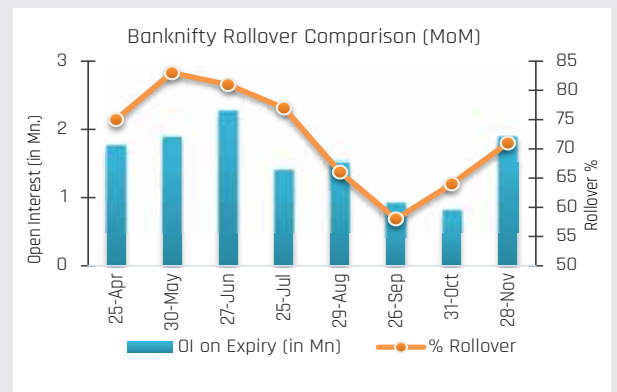
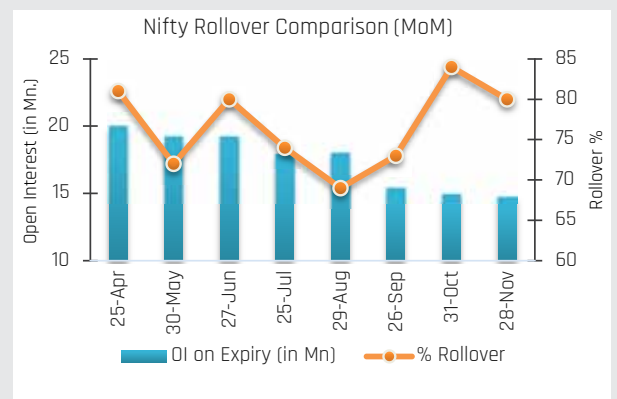
The index saw higher rolls of 71% compared with the 3M average of 63%. BankNifty will start the December series with an OI of 1.89 Mn shares compared with OI of 0.80 Mn shares at the beginning of the November series. As per options data, support for the index is around 31500 and 31000 whereas resistance stands at 32500 and 33000 for the short term.

## OPTION ANALYSIS

From the OI Concentration (26-December Series), addition of open interest on the call options front exists at the strike prices of 12000 and 12500 (with nearly 18.21 lacs and 17.77 lacs shares outstanding). This indicates that 12500 levels would act as the resistance zone on the upside. On the Put options front, addition of open interest is at the strike prices of 12000 and 11500 (with nearly 19.13 lacs and 16.44 lacs shares outstanding respectively), indicating 11500 stronger support zone on the downside.

## SECTOR/STOCK ROLLOVER ACTIVITY:

- From the sectoral action, rollovers accelerated for **Fertilizers, Infrastructure Banking, FMCG, Telecom, Technology, Power, and Metals** stocks on expiry. However, low rollovers were seen in **Media, Pharma, Cement and Automobile** stocks.
- Within the Nifty50 space, index heavyweights such as **NTPC, ONGC, VEDL, HDFCBANK, ICICIBANK, HINDUNILVR, and INFY** saw aggressive rollover in the December series while low rolls were seen in **ZEEL, COALINDIA, EICHERMOT, TCS, EICHERMOT and TITAN** compared with the 3M average.
- From the midcap space, **TORNTPHARM, CENTURYTEX, GODREJCP, APOLLOHOSP, MINDTREE, and UBL** saw high rollovers whereas **OIL, BIOCON, ASHOKLEY, BHEL, and TVSMOTOR** saw lower rollover compared with the 3M average.



## Stocks to watch out based on Rollover Analysis:

POSITIVE	
HDFCBANK	Strong rollover of 99% compared with 3 month avg of 90% indicating long position carried forward.
COLPAL	Rollover of 81% compared with 3 month avg of 92% indicating cut down the short position.
ULTRACEMCO	Strong rollover of 97% compared with 3 month avg of 94% indicating long position carried forward.
NEGATIVE	
TITAN	Weak rollover of 93% compared with 3 month avg of 95% indicating cut down the long position.
BAJAJ-AUTO	Rollover of 99% compared with 3 month avg of 91% indicating short position carried forward.



MT Medium Risk Calls												
Calls Performance	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19
Calls Activated	4	16	13	17	13	30	20	25	35	25	13	21
Successful	3	9	8	9	9	19	10	17	28	15	6	11
Unsuccessful	1	7	5	8	4	11	10	8	7	10	7	10
Success Rate	75%	56%	62%	53%	69%	63%	50%	68%	80%	60%	46%	52%

MT High Risk Calls												
Calls Performance	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19
Calls Activated	8	2	6	7	4	12	2	9	3	7	15	20
Successful	6	1	4	2	3	9	2	6	2	6	13	12
Unsuccessful	3	1	2	5	1	3	0	3	1	1	2	8
Success Rate	75%	50%	67%	29%	75%	75%	100%	67%	67%	86%	87%	60%

Positional Calls												
Calls Performance	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19
Calls Activated	9	10	9	11	12	22	19	16	23	13	17	17
Successful	8	5	7	6	10	16	9	5	10	11	12	12
Unsuccessful	1	5	2	5	2	6	10	11	13	2	5	5
Success Rate	89%	50%	78%	55%	83%	73%	47%	31%	43%	85%	71%	71%

Momentum Call												
Calls Performance	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19
Calls Activated	43	59	43	46	42	37	63	85	53	84	82	80
Successful	28	33	25	30	32	19	43	45	35	61	58	54
Unsuccessful	15	26	18	16	10	18	20	40	18	23	24	26
Success Rate	65%	56%	58%	65%	76%	51%	68%	53%	66%	73%	71%	68%

Techno Funda												
Calls Performance	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19	Aug-19	Sep-19	Oct-19	Nov-19
Calls Activated	-	-	-	-	-	-	2	2	-	-	1	-
Successful	-	-	-	-	-	-	2	1	-	-	1	-
Unsuccessful	-	-	-	-	-	-	0	1	-	-	0	-
Success Rate	-	-	-	-	-	-	100%	50%	-	-	100%	-

# Retail Research Call Performance

## Investment Idea

Date	Company	Rec	Rec Price	Close Rate	Target	Remarks	Profit / Loss per Share	Gain / Loss %	Status	Close Date
23 Aug 18	INDIANHUME	Accu	285.00	355	364	Profit of Rs.70/-	70.00	24.56%	Successful	21 Dec 18
29 Aug 18	GRINDWELL	Accu	525.00	585	635	Profit of Rs.60-	60.00	11.43%	Successful	16 Jul 19
22 Oct 18	FINPIPE	Accu	475.00	574	570	Target Achieved	99.00	20.84%	Successful	30 Oct 18
24 Oct 18	GULFOILLUB	Accu	707.50	872	872	Target Achieved	164.50	23.25%	Successful	17 Jan 19
25 Oct 18	DBCORP	Accu	164.00	204	209	Profit of Rs.40/-	40.00	24.39%	Successful	15 Mar 19
26 Oct 18	RITES	Accu	240.00	297	297	Target Achieved	57.00	23.75%	Successful	13 Nov 18
5 Dec 18	BRIGADE	Accu	202.50	255	252	Target Achieved	52.50	25.93%	Successful	18 Mar 19
31 Dec 18	JKCEMENT	Accu	710.00	866	866	Target Achieved	156.00	21.97%	Successful	29 Mar 19
26 Feb 19	MARICO	Accu	340.00	398.5	411	Profit of Rs.58.50/-	58.50	17.21%	Successful	22 Oct 19
4 Apr 19	ITDCEM	Accu	130.00	65	158	Loss of Rs.65 /-	-65.00	-50.00%	Unsuccessful	18 Sep 19
9 Oct 17	RECLTD	Accu	152.5	183.50	210	Part Profit of Rs.31/-	31.00	20%	Successful	3 Nov 17
5 Dec 17	ALLCARGO	Accu	177.50	155.25	230	Loss of Rs.22.25/-	-22.25	-12.54%	Unsuccessful	18 Nov 19
25 Oct 18	GODREJCP	Accu	707.5	850.00	890	Part Profit of Rs.142.5/-	142.50	20%	Successful	19 Dec 18
22 May 17	GREAVESCOT	Accu	138.6	138.00	190	Neutral	-0.60	0%	Neutral	5 Nov 19
27 Feb 18	MOLDTKPAC	Accu	320-330		398				Open	
5 Mar 18	LICHSGFIN	Accu	505-515		672				Open	
17 May 18	PHILIPCARB	Accu	230-240		348				Open	
7 Jun 18	KEC	Accu	340-345		439				Open	
4 Jul 18	ASHOKLEY	Accu	125-130		170				Open	
13 Jul 18	FCONSUMER	Accu	46-47		59				Open	
23 Oct 18	JKPAPER	Accu	158-162		191				Open	
5 Dec 18	CCL	Accu	260-270		321				Open	
5 Dec 18	VARROC	Accu	710-720		840				Open	
4 Jan 19	MGL	Accu	890-900		1185				Open	
4 Apr 19	COCHINSHIP	Accu	384-390		490				Open	
23 Apr 19	MAHINDCIE	Buy	215-225		284				Open	
6 Jun 19	RADICO	Buy	334.00		419				Open	
25 Jun 19	M&MFIN	Accu	390-395		452				Open	
30 Aug 19	INDHOTEL	Accu	135-140		190				Open	
23 Sep 19	KNRCON	Accu	230-240		296				Open	
14 Oct 19	KEC	Accu	275-280		333				Open	
14 Oct 19	MGL	Accu	925-935		1200				Open	
15 Oct 19	JKPAPER	Accu	113-117		141				Open	
15 Oct 19	RADICO	Accu	294-298		370				Open	
16 Oct 19	MOLDTKPAC	Accu	298-302		344				Open	

## Call Tracker

Positional Call Top 5 Gainer									
Date	Company	Rec	Rec Price	Stop Loss	Call Closed At	Target	P/L per Share	Gain / Loss %	Closed Date
22-Nov	GODFRYPHLP	Buy	1160	1108	1232.5	1250-1280	72.5	6.25%	25-Nov
5-Nov	TATAMOTORS	Sell	173	183.3	163	158-155	10	5.78%	21-Nov
14-Nov	TORNTPHARM	Buy	1765	1640	1865	1950-2000	100	5.67%	27-Nov
22-Oct	HEIDELBERG	Buy	188.5	178	199	205-210	10.5	5.57%	5-Nov
8-Nov	CIPLA	Sell	465	491.3	440	425-418	25	5.38%	15-Nov

Positional Call Loser									
14-Nov	JMFINANCIL	Sell	89.5	98.8	98.5	74-71	-9	-10.06%	22-Nov
7-Nov	PRESTIGE	Buy	312	288	288.5	340-360	-23.5	-7.53%	15-Nov

Master Trade Medium Risk Top Gainer										
Date	Company	Rec	Rec Price	Stop Loss	Call Closed At	Target	P / L per Lot	Gain / Loss per Lot	Lot	Closed Date
1-Nov	INFRATEL NOV 200 CE	Buy	16.50		21.5		5	4000	2000	04-Nov
	INFRATEL NOV 210 CE	Sell	12.50		15.5		-3			
13-Nov	ICICIBANK NOV 490 PE	Buy	11.50		14.5		3	2887.5	1375	14-Nov
	ICICIBANK NOV 475 PE	Sell	6.50		7.4		-0.9			
14-Nov	BANKBARODA NOV 95 CE	Buy	1.9		3		1.1	2700	4500	15-Nov
	BANKBARODA NOV 100 CE	Sell	1		1.5		-0.5			
18-Nov	LT NOV 1380 PE	Buy	18	5	24	40	6	2250	375	18-Nov

Master Trade Medium Risk Top Losers										
18-Nov	BHARTIARTL NOV 410 PE	Buy	12.5		0		-12.5	-6187.5	1375	28-Nov
	BHARTIARTL NOV 395 PE	Sell	8		0		8			
20-Nov	ITC NOV 255 CE	Buy	2.25		0	5.00-6.00	-2.25	-5400	2400	28-Nov

Master Trade High Risk Top Gainer										
Date	Company	Rec	Rec Price	Stop Loss	Call Closed At	Target	P / L per Lot	Gain / Loss per Lot	Lot	Closed Date
30-Oct	BAJAJ-AUTO NOV FUT	Sell	3240	3360	3205	3040	35	9125	250	04-Nov
	BAJAJ-AUTO 3100 PE NOV	Sell	49.50		48		1.5			
5-Nov	HAVELLS NOV FUT	Buy	687	670	696	720-730	9	8500	1000	06-Nov
	HAVELLS 710 CE NOV	Sell	13.50		14		-0.5			
6-Nov	GRASIM NOV FUT	Buy	775	754	788	820	13	8250	750	08-Nov
	GRASIM 820 CE NOV	Sell	15.5		17.5		-2			
14-Nov	M&M NOV FUT	Buy	577.5	559	589.25	600	11.75	8250	1000	15-Nov
	M&M Nov 590 CE	Sell	9.5		13		-3.5			

Master Trade High Risk Top Losers										
19-Nov	HAVELLS OCT FUT	Buy	667	649	649	690	-18	-12500	1000	22-Nov
	HAVELLS 680 CE OCT	Sell	9		3.5		5.5			
20-Nov	ASIANPAINT NOV FUT	Buy	1741	1708	1708	1780	-33	-12600	600	22-Nov
	ASIANPAINT 1760 CE NOV	Sell	16.50		4.5		12			

Momentum Call Top Gainer										
Date	Company	Rec	Rec Price	Stop Loss	Call Closed At	Target	P / L per Lot	Gain / Loss per Lot	Lot	Closed Date
19-Nov	APOLLOHOSP NOV FUT	Buy	1404.5	1383.3	1426	1440-1445	21.5	10750	500	20-Nov
25-Nov	CENTURYTEX DEC FUT	Buy	459	438	476	490	17	10200	600	29-Nov
26-Nov	CESC DEC FUT	Buy	746	732	758	770-775	12	9600	800	29-Nov
5-Nov	COLPAL NOV FUT	Buy	1527	1509	1540	1560	13	9100	700	6-Nov
8-Nov	COLPAL NOV FUT	Buy	1578	1560	1591	1600	13	9100	700	8-Nov

Momentum Call Top Losers										
11-Nov	TORNTPOWER NOV FUT	Sell	298.5	303	303.5	290	-5	-15000	3000	13-Nov
5-Nov	ICICIBANK NOV FUT	Sell	470	480.2	480.2	450	-10.2	-14025	1375	6-Nov

# Event Calendar

## December 2019

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2 <ul style="list-style-type: none"> <li>• Markit Manufacturing PMI NOV</li> <li>• Monthly Auto Sales</li> </ul>	3	4 <ul style="list-style-type: none"> <li>• Markit Services PMI NOV</li> </ul>	5 <ul style="list-style-type: none"> <li>• RBI Interest Rate Decision</li> </ul>	6 <ul style="list-style-type: none"> <li>• Unemployment Rate OCT</li> </ul>	7
8	9	10	11 <ul style="list-style-type: none"> <li>• Fed Interest Rate Decision</li> </ul>	12 <ul style="list-style-type: none"> <li>• Inflation Rate YoY NOV,</li> <li>• Industria Production YoY OCT,</li> <li>• Manufacturing Production YoY OCT,</li> <li>• ECB Interest Rate Decision a</li> <li>• Fed Interest Rate Decision</li> </ul>	13 <ul style="list-style-type: none"> <li>• WPI Manufacturing YoY NOV</li> <li>• WPI Inflation YoY NOV</li> </ul>	14
15	16	17	18	19 <ul style="list-style-type: none"> <li>• Monetary Policy Meeting Minutes</li> </ul>	20	21
22	23	24	25	26	27	28
29	30	31 <ul style="list-style-type: none"> <li>• Government Budget Value NOV</li> </ul>				



Result Updates



Economic Event

## ACMIIL Retail Research Products

Informational Products	Recommendation Products
Morning Notes	Momentum Calls
Equi-Tea	Positional Calls
Market Watch	Smart Delivery Calls
Investor First Magazine	Investment Ideas
IPO/NCD/ETF/OFS/BOND	Master Trades High Risk
Market Pulse	Master Trades Medium Risk
RBI Monetary Policy	Techno-Funda
Union Budget Report	Top Mutual Fund Schemes
Weekly Derivative Synopsis	Portfolio Review
Rollover Snapshot	Equity SIP
Rollover Analysis	

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