

MARKET pulse.se



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

Overall Outlook

- Domestic & Global Update

Investment Idea

- ABB India Limited

Technical View

- Nifty View
- Bank Nifty View
- Indian Oil Corporation Limited (IOC)

Derivatives Report

- Rollover Report

Retail Research Call Performance

Event Calendar

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

The Indian Equity Market slow but steady increased towards higher levels in the month of April. Nifty & Sensex ended positive monthly closing of around 3.59 % & 4.06 % respectively. Broader Market outperformed, BSE Midcap & BSE Small cap ended monthly in positive territory & closed around 5.14% & 7.27% respectively. FPI bought equity worth Rs. 5711.80 crore & DII bought worth Rs. 2216.57 crore for month of April.

Q4FY23 will be the focus for the month of May, as several companies released strong numbers till the end of April. Certain companies in the Banking and Finance, Cement, Auto and Auto Auxiliary, and FMCG industries, among others, reported good results. Earnings of Indian companies in general (except for few sectors due to Global headwinds) will remain robust thanks to recent commodity price declines and strong local demand.

RBI approach is still softer & data dependent with respect to future rise in policy rates as highlighted in minutes of meetings, its read as Pro-Growth approach & positive sign for overall GDP growth of the country. Monsoon developments is to watch out in coming months as fear of below monsoon due to El Nino as predicted by Skymet. Recently, RBI & finance ministry raised sign of caution for Indian Banking sector due to ongoing global banking crisis & also told banks to be prepared for any kind of shocks if global banking crisis excels. They also raised concern for Exports due to recent slowdown worry in global market. These factors to watch out in coming months for any kind of uncertain risk for the Indian economy in short term.

India's PMI data (both Manufacturing & Service) is still showing overall strength due to strong growth & domestic demand. CPI for the month of April came around 5.66% which is so far at comfort table levels & below RBI target upper end range of 6% levels. The softening of commodity prices will be beneficiary to control Inflation at lower levels moving forward except fear of inch up in food inflation remains due to uncertainty of monsoon in future. India's trade deficit narrowed down to \$19.7 bn (March 2023). India's recent GST Tax collection came at record high of around 1.87 lakh crore for the month of April 2023. India's crude import of Urals oil from Russia Increased drastically from last three Quarters. It reached 36.4% in month of April 2023 of overall crude Import. Ural Oil from Russia is available at a discounting rate. So its beneficiary to manage overall import Crude basket price & subsequently to control the inflation.

We are going to see improvement in corporate earnings moving forward due to moderation of commodity prices in general and continue to like & bullish on some of the sectors like Auto & Auto Ancillary, Cements, Defense, Railways, Capital goods & Engineering, Infrastructure & Construction sectors, Banking & Financials etc. these are going to be outperformer in the rally ahead. Some of the laggard sectors also has some value buying opportunity to accumulate at lower levels includes Information Technology, Specialty Chemicals & Metals etc.

Global Market Update

Global Indices particularly Dow Jones, S&P 500 & Nasdaq composite ended month with advance of 2.41%, 1.46% & 0.03 % respectively. It managed to find support at lower levels but it's trading in narrow range in short term. Its currently closed at upped end of range, any kind of breakout from this range, will lead to sharp rally in USA market in short to medium term.

Many data over USA is showing conflicting sign for the economy. Certain data such as ISM MFG & Service PMI, Retail sales, home sales indicating slowdown in economy due to rise in interest rate. While recent job data is still looks robust. U.S banking system is sound & resilient but tighter credit conditions for households and businesses are likely to weight on economic activity as indicated by Fed governor in his speech. The FED hiked Policy rate by 25 Basis points to 5% to 5.25% Range in recent monetary policy meet in May. Its 10th hike consecutive by FED since March 2022. The central Bank also signaled that it may be done with a tightening cycle. So Most awaited "PAUSE" in policy rate hike around the corner now. ECB increased policy rate by 25 basis points to 3.25% in May policy meet. BOE also going to rise interest rate in monetary policy meet in Month of second week of May. These Two Central bankers still worried about inflation & not reached at Pivot level for Pause in hike in policy rates. The fear of recent global banking crisis is constantly to watch out for any kind of uncertain risk for global economy. Economic slowdown worry due to Rising Interest scenario will continue to be a headwinds for world economy.

The recent supply cut of crude oil production by Opec plus of 5 lakh barrel per day is going to be effective from May. The supply worries & demand uncertainty will keep crude oil prices to trade in range unless some other shocks come from ongoing Geo-political tension between Russia & Ukraine, may put pressure on crude oil prices. This will lead to risk of spike in inflation & rise in interest rate further. This will be negative for the market.

Conclusively, we are in to time wise corrective or consolidation phase of Indian equity market due to near term challenges of Rise in interest rate & Inflation. These both challenges are going to ease further in coming time. The corporate earning is going to improve in FY24 will be positive trigger for Indian equity markets.

We feel India is in a very good spot in this economic slowdown worry because of its favorable policy reforms & domestic growth. Overall big picture of multi-year growth upcycle in Indian equity is still intact. We continue to reiterate same view that these time wise corrective phase is stock specific buying opportunity for 2 to 3 years Investment perspectives.

Global Indices Performance

Index	31-Mar-23	28-Apr-23	Change MoM
Dow Jones	33,273	34,098	2.5%
S&P 500	4,109	4,169	1.5%
Nasdaq	12,222	12,227	0.0%
CAC 40	7,322	7,492	2.3%
DAX	15,629	15,922	1.9%
FTSE 100	7,632	7,871	3.1%
Nikkei 225	28,041	28,855	2.9%
Hang Seng	20,584	19,895	-3.3%
Shanghai	3,273	3,323	1.5%
Nifty 50	17,360	18,065	4.1%
BSE Sensex	58,992	61,112	3.6%
Brent Crude (\$)	79.8	80.3	0.7%
WTI Crude (\$)	75.7	76.8	1.5%

Sources : Yahoo Finance /BSE

Domestic & Sectoral Indices Performance

Index	31-Mar-23	28-Apr-23	Change MoM
Nifty 50	17,360	18,065	4.1%
Nifty IT	28,699	27,708	-3.5%
Nifty Next 50	37,798	39,514	4.5%
Nifty Bank	40,609	43,234	6.5%
NIFTY MIDCAP 100	30,035	31,795	5.9%
Nifty 500	14,558	15,220	4.5%
Nifty 100	17,186	17,904	4.2%
Nifty Midcap 50	8,467	8,963	5.9%
Nifty Realty	387	445	14.9%
Nifty Infra	5,091	5,356	5.2%
Nifty Energy	22,814	23,735	4.0%
Nifty FMCG	45,905	47,814	4.2%
Nifty MNC	19,135	19,812	3.5%
Nifty Pharma	12,017	12,614	5.0%
Nifty PSE	4,474	4,683	4.7%
Nifty PSU Bank	3,716	4,168	12.1%
Nifty Serv Sector	23,037	23,734	3.0%
India VIX	13	11	-15.4%
Nifty Auto	12,244	13,189	7.7%
Nifty Metal	5,497	5,799	5.5%
Nifty Media	1,700	1,715	0.9%

Sources : NSE

Accumulate

Key Data

DATE	04.05.2023
Reco Price	3,600-3,660
Target	5,040
Sector	Capital Goods - Electrical Equipment
BSE Code	500002
NSE Code	ABB
EPS (CY22)	47.96
Face Value (Rs.)	2.00
Market Cap (Cr)	78,935.87
52-week High/Low (Rs)	3,754 /2,084.15

Source : NSE, BSE

Shareholding pattern (March-2023)

	%
Promoters	75.00
DII's	8.98
FII's	8.46
Public	7.56
Total	100.00

Source : NSE, BSE

Price Performance



Rebase to 100

ABB India Limited

Company Background

ABB India Limited (ABB) is an India-based global technology company. The Company's segments include Robotics and Discrete Automation, Motion, Electrification Products and Process Automation. Its Robotics and Discrete Automation segment provides value-added solutions in robotics, machine and factory automation. Its Motion segment provides products, solutions and related services that increase industrial productivity and energy efficiency. Its Electrification Products segment provides technology across the full electrical value chain from substation to the point of consumption. Its Process Automation segment provides products, systems and services designed to optimize the productivity of industrial processes. It serves various industries, such as oil and gas, chemicals and pharmaceuticals, metals and minerals, marine and turbocharging.

Outlook and Valuation

ABB India exploring opportunities for modernizing existing capacities and embracing digitalization. The business potential of tier 3 and 4 cities is getting a boost with the drive to electrify and build smart infra and transportation systems like electric coaches, metros, semi-high-speed railways, airports, and highway corridors. ABB's strong ordering traction in CY23 was driven by these segments viz. electronics, data centers, warehouse and logistics, rail and metro, food and beverage, and water and renewables.

ABB India offers sustainability, energy, and resource efficiency solutions to its customers in the electrification and automation domains. To bring in value, it plans to add more digital content to its product offerings. Going ahead, we expect the company's revenue to grow at a **CAGR of ~19%** over **CY22- CY25E**. Hence, we recommend ABB with a target price of **₹ 5040** based on at PE Multiple of **~72.5x of CY25E EPS of ₹ 69.5**; it's currently available at very lower valuation of **52.5x** which is far below Median PE valuation of last 5 years. It's available at very attractive valuation by looking at strong order inflow and earnings growth visibility in next 3 years. **Hence, we recommend ACCUMULATE rating for the long term.**

Financial Snapshot

Particulars	CY20	CY21	CY22	CY23E	CY24E	CY25E
Sales	5,820.95	6,934.00	8,567.53	10,598.03	12,505.68	14506.59
EBITDA	267.71	566.47	967.71	1,305.68	1,588.22	1,849.59
EBITDA Margin (%)	4.60%	8.17%	11.30%	12.32%	12.70%	12.75%
Net profit	219.22	519.71	1,016.23	1,048.26	1,267.70	1,472.70
PAT Margin (%)	3.77%	7.50%	11.86%	9.89%	10.14%	10.15%
EPS (Rs)	10.35	24.53	47.96	49.47	59.82	69.50

Source : Company, ACMIIL Research

Investment Idea

Company Business And Products

ABB India Limited is an integrated power equipment manufacturer supplying the complete range of engineering, products, solutions and services in areas of Automation and Power technology.

Business Segments

- A) **Electrification:** This segment provides technology across the full electrical value chain from substation to the point of consumption, enabling safer and more reliable power. A range of digital and connected innovations for low- and medium-voltage, including EV infrastructure, sensing and control, etc.
- B) **Motion:** This segment provides products, solutions and related services that increase industrial productivity and energy efficiency. Its motors, generators and drives provide power, motion and control for a wide range of automation applications.
- C) **Industrial Automation:** This segment provides products, systems and services designed to optimize the productivity of industrial processes. Solutions include turnkey engineering, control systems, measurement products, life cycle services, outsourced maintenance and industry specific products.
- D) **Robotics and Discrete Automation:** This segment provides value-added solutions in robotics, machine and factory automation.

Synergies with Parent

ABB India Limited is an integrated power equipment manufacturer supplying the complete range of engineering, products, solutions and services in areas of Automation and Power technology.

Company's Segment-wise certain Product Offerings

1. **Electrification:** Solar inverters, Distribution solution, Smart power, Smart building, Power conversion, wiring accessories, switchgear, cabling, sensing, E-mobility and control etc..
2. **Motion:** IEC LV Motors, NEMA Motors, Electrical motors, and generators in transportation and infrastructure etc.
3. **Process Automation:** Programmable logic controllers, control system, measurement, and analytics (Data Centre, Marine & Ports, Energy Industries, Process Industries, Chemical, Oil & Gas and Cement Industry).
4. **Robotics and Discrete Automation:** Used in AI (Artificial Intelligence), Machine automation, automobiles, and manufacturing.

Company at a glance

5	Manufacturing Locations	21	Sales Offices
25	Plants	750 +	Partners

Investment Rationale

- The Company has recently inaugurated smart instrumentation factory for the production of measurement and analytical devices, to meet increasing domestic demand. Order pipeline continues to remain strong in high-growth sectors such as data center, railways & Metro, F&B, renewables etc. on the back of 5G roll out, RBI's data localization norms, and cloud storage adoption. ABB's offerings in data center space includes UPS, MV & LV, Switchgear, LV components, Automation & Instrumentation, Motors, Drives, Digital Power Trains ensuring strong growth.
- We remain positive on ABB in long run given its diversified business model with focus on high growth segments, healthy exports outlook and organic as well as inorganic growth. Given robust enquiry pipeline, penetration in Tier 3 and 4 markets driving volume growth across businesses and focus on operational efficiencies.
- ABB India is the market leader in electrification and automation products. The company's strong market position is supported by access to the latest technologies, diverse product portfolio, cost-competitive operations, wide geographical reach, and strong market penetration through channel partners.
- Company's revenue increased 24% YoY in CY22 led by growth in sectors such as food & beverages, data centers, transportation, energy efficiency, and building automation. ABB also enhanced its presence in various segments, including AI-enabled city gas distribution networks, advanced process control for lime kilns, and energy efficiency projects with specialized drives and motors. Additionally, the company launched new products such as flame-proof motors for explosive atmospheres and smart electric metering and energy monitoring solutions.

Investment Idea

- ABB's robotics and discrete automation revenue grew 3% in CY22, and the company expects the demand for flexible robotic automation solutions to remain strong in the coming year. The automotive sector is likely to remain a major contributor, particularly with the increasing demand for electric vehicles.
- ABB registered 22% growth in electrification business revenue in CY22, aided by a stable business environment and focused efforts in key segments such as renewables, data centres, buildings, railways, and food & beverages. In addition to strong local demand, exports reached an all-time high with significant orders from countries such as Brazil, UAE and Oman. As per the company, the pace of capex-led recovery, especially in sectors such as transportation and construction, will be a determining factor for domestic growth momentum.
- Company has bagged most prestigious Indian government building project in the capital for Low Voltage portfolio and Medium Voltage Panels including Digital offering.
- Government's push for infrastructure and a slew of development projects ranging from construction of highways, rail lines and airports will continue to support company's overall growth prospects.
- The Company is in line with the local government's "Make in India" program, the state-of-the-art factory which aims at supporting local economy and meeting the growing demand for instrumentation devices.
- Aided by the progressive policies by the central government, ABB is poised to continue its growth in the coming year propelling business growth across most sectors. The increased infrastructure spending, rising exports, rapid digitization, and spill-over effects of geopolitical developments will likely aid this growth. Cement, Coal & Steel projects, and investments are on the rise. The chemical sector is also seeing good traction. Projects in downstream refinery and Water segments with EPC's will be key drivers for next couple of quarters.

Key Mile Stones achieved & Future focus areas of ABB:

- 30% of installed wind & Solar Projects are use ABB solutions.
- 80% of Metro deploy ABB Technology.
- 65% of Made in India car painted by ABB robotics.
- ABB is leader in electrification & Automation.
- Over 28% Hyper-scale data centres pan India uses ABB solution.
- Over 770 Indian Railway Locomotives run on ABB traction transformers.
- ABB Robotics Solution used for Manufacturing & assembly of various 5G enabled network & electrical devices.
- The company has solution with ABB robotics for the Passenger E-Vehicles, tools, design & stimulation.
- The company has traction under Vande-bharat Trains.
- The company has started IE3 motors which are the special motors supplying to EV Steering pumps.
- Automated system for GAS network which is getting set up across the cities to provide pipe gas to customers.
- Robotics solution for automotive applications which are getting for electrical & 5G equipment manufacturing.
- The company future focus are is Waste water management.
- The company want to explore both Organic & inorganic Opportunists for available cash on balance sheet of Rs 3942 crore for future growth in the areas of digitalization as a partner to serve both global & local.
- The company has recently acquired a company globally in EV charging space.
- ABB India received as ESG Company in CY 2022.

Industry Push for future growth drivers:

- Government Initiatives such as Jal Jeevan Mission, PMKSY, Namami Gange with an outlay of ~INR 4.5 trillion in next 4 years.
- Increasing demand for industrial process water to benefit company's vision towards sustainability.
- Insufficient wastewater network coverage and treatment infrastructure to give a concurrent push.
- Government Capex Outlay of 10 lakh crore in FY23/24 budget will lead to overall growth of the country.
- The allocation to Railways around 2.4 lakh crore in FY23/24 budget which is highest ever capital Outlay.
- The government continued fiscal support for digital infrastructure.
- The government various green growth initiatives such as national green hydrogen mission, Renewable energy , waste to way plant will be growth drivers for sector as well.

Investment Idea

- The Production Linked Incentive (PLI) and other policy measures are expected to continue driving growth in sectors that ABB has identified as having high-potential in the current environment, including data centers, electronics, warehouse and logistics, railways and metro, automotive, food and beverage, pharmaceuticals and healthcare, renewables, water, and wastewater, among others.

Segment-wise outlook

1. Electrification

The segment remains firmly committed to prioritizing high-growth areas such as renewables, data centres, buildings, e-mobility, rail, infrastructure, and food & beverages, while keeping a close watch on emerging segments like green hydrogen, among others. The trajectory of capital expenditure-led recovery, particularly in transportation and construction, will be a key factor in determining growth momentum going forward.

2. Motion

The segment is expected to benefit from a growing need for infrastructure improvement across several areas, including housing, water, digital technology, and transportation. The water & wastewater, F&B, HVAC, metals, and cement segments are also anticipated to contribute to growth.

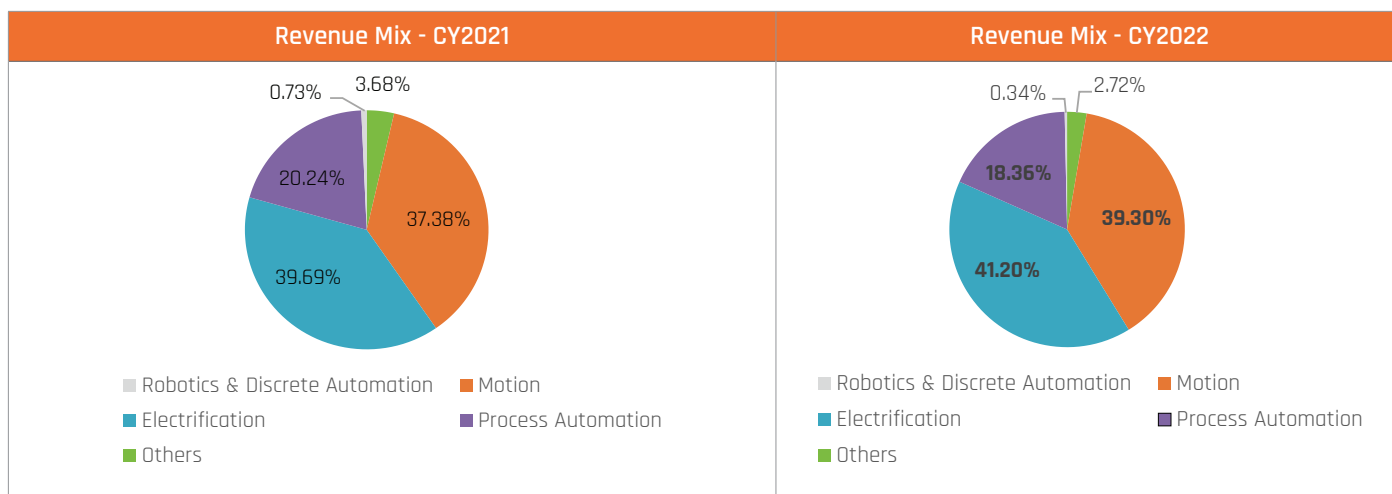
3. Process automation

Process automation business growth across most sectors is expected to continue. The cement, coal and steel sectors are experiencing an upswing in projects and investments, while the chemical sector is also seeing promising progress. Downstream refinery and water segments with EPCs will be key drivers for the next couple of quarters.

4. Robotics and discrete automation

The segment is expected to benefit from demand for electric vehicles. Meanwhile, the food and beverage, consumer goods, and electronics sectors are displaying promising signs of growth. Manufacturing activity in metals and plastics segments should remain stable, and there is good interest from educational universities for robotics lab and training centers.

Revenue Mix

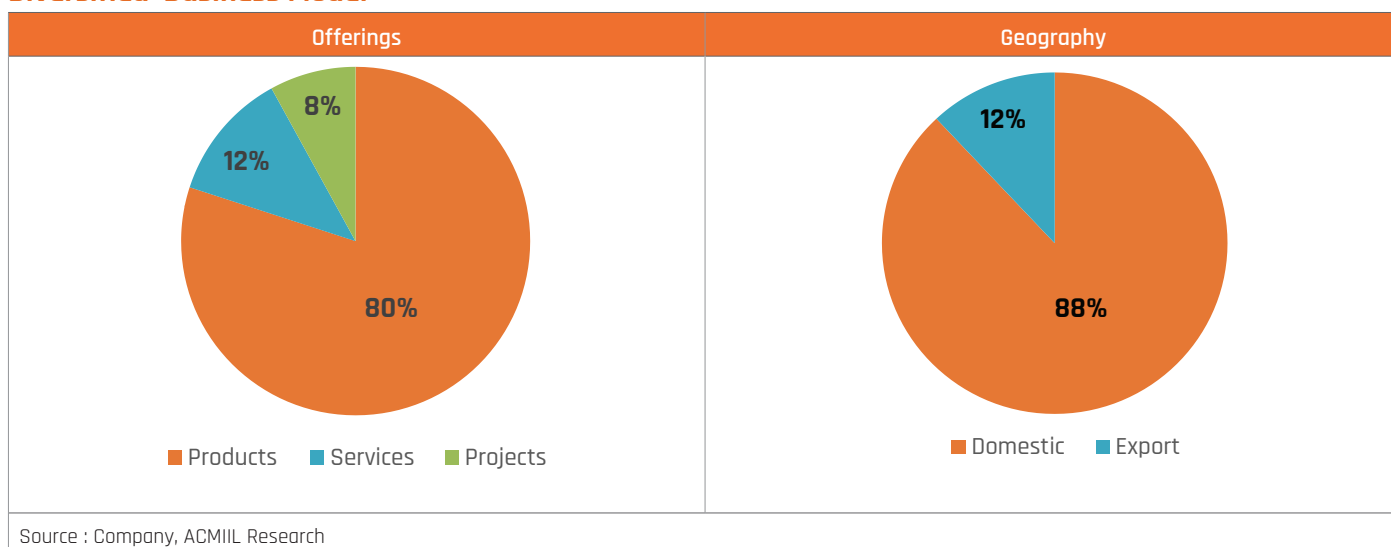


Source : Company, ACMIL Research

Diverse businesses growing in leading segments

Focus	Enhance	Sustain
<ul style="list-style-type: none"> Electronics Data Centers Warehouse & Logistics 	<ul style="list-style-type: none"> Water & waste Water Food & Beverage Pharma & Healthcare Automotive Power Distribution Railways & Metro Renewable 	<ul style="list-style-type: none"> Cement Metals & Mining Oil, Gas and Chemicals Building & Infra Rubber & Plastics Marine & Ports Pulp & Paper Textile Conventional Power
High Growth	High-Moderate Growth	High-Moderate Growth

Diversified Business Model



Key Q1CY23 Results Highlights:

- The Company reported PAT of Rs 245 Crore in first Quarter of CY2023 compared with Rs 149 Crore a year ago on a like-to-like basis, without any exceptional items. Operation EBITA margin at 11.4% in Q1CY23 compared with 8.5% in Q1CY22
- In Q1 2022, (January-March 2022) Rs 293 crore was disclosed as exceptional gain item in the financial results from the sale of the turbocharger business to its wholly-owned subsidiary
- Revenue of the company rose to Rs 2,411 crore in the first quarter of CY2023 compared with Rs 1,968 crore in the corresponding period of CY2022.
- Its cash position continues to remain robust at Rs 3,942 crore at the end of Q1 2023 vis-a-vis Rs 2,707 crore in Q1 2022.
- The Company expects to maintain PAT Margin of 10% moving forward with better product mix & Cost rationalization with the help of localization.
- During the quarter, the Company has accounted a warranty cost of Rs 23 Crores in the Motion business towards a potential quality issue with a supplier which requires rectification to full fill the customer obligation.
- The firm continued to focus on value chain improvements to address headwinds of possible commodity price changes and inflation.
- The year (2023) has begun on solid footing, continuing the growth momentum set last year across orders, revenue, and profit. The first quarter (January-March 2023) witnessed best-ever order intake of Rs 3125 crore as compared to Q1 of the last five years.
- ABB is a technology leader in electrification and automation, enabling a more sustainable and resource-efficient future.
- Its total Outstanding Order book (includes both Order back log & Fresh order) of around Rs 10742 crore at the end of Q1CY2023.
- The Company want to maintain order book above Rs 10000 crore in next 3 years giving more confidence of earning visibility moving forward in coming years.

Financial Performance

Particulars (in Cr.)	CY17	CY18	CY19	CY20	CY21	CY22	CY23E	CY24E	CY25E
Sales	6,093.73	6,690.12	7,315.06	5,820.95	6,934.00	8,567.53	10,598.03	12,505.68	14,506.59
Total Expenses	5,668.97	6,223.89	6,777.08	5,553.24	6,367.53	7,599.82	9,292.36	10,917.46	12,657.00
Operating Profit	424.76	466.23	537.98	267.71	566.47	967.71	1,305.68	1588.22	1,849.59
EBITDA Margin (%)	6.97%	6.97%	7.35%	4.60%	8.17%	11.30%	12.32%	12.70%	12.75%
Other Income	266.85	338.59	25.78	170.42	266.41	505.80	215.00	226.00	239.00
Interest	62.08	60.22	28.19	24.62	18.69	15.40	15.00	14.00	13.00
Depreciation	101.23	92.76	90.40	120.36	102.70	104.70	108.00	110.00	112.00
Profit before tax	528.30	651.84	445.17	293.15	711.49	1,353.41	1,397.68	1,690.22	1,963.59
Tax	108.35	140.95	141.77	73.93	191.78	337.18	349.42	422.56	490.90
Tax %	20.51%	21.62%	31.85%	25.22%	26.95%	24.91%	25.00%	25.00%	25.00%
Net profit	419.95	510.89	303.40	219.22	519.71	1,016.23	1,048.26	1,267.70	1,472.70
Net profit margin (%)	6.89%	7.64%	4.15%	3.77%	7.50%	11.86%	9.89%	10.14%	10.15%
Number of Shares	21.19	21.19	21.19	21.19	21.19	21.19	21.19	21.09	21.19
EPS (Rs.)	19.82	24.11	14.32	10.35	24.53	47.96	49.47	59.82	69.50

Source : Company, ACMIL Research

Risk & concerns:

- Rise in commodities prices may adversely affect scale of operations, profitability & margins of the company.
- Any kind of Supply chain disruption due to Geo-Political issue.
- GDP slowdown in India may hamper Industrial & Auto-motive growth.

NIFTY-WEEKLY CHART



Chart as on 05/05/2023

NIFTY - WEEKLY CHART

- The index began the week on a positive note, with bullish momentum. However, the index experienced massive profit booking on Friday. On the back of that, the index has settled the week on a flat note at 18069.
- On a weekly scale, the index broke out of a falling channel pattern, which was followed by an inverted head and shoulder pattern breakout. On the back of that index has witnessed strong rally.
- However, the index has encounter the resistance near previous supply zone (18200) and formed a Shooting Star candlestick pattern as highlighted in the above chart. According to this pattern, as long as the index remains below 18270, profit booking may occur. A daily close above 18270 would signal an upward movement towards 18500-18600 levels.
- The recent breakout of 17800 will give the index with immediate support, followed by 17700, where the 21-DEMA is located.
- For the short term, 18000 and 17700 will act as support points, whereas 18300 and 18600 will act as resistance points.

BANKNIFTY- WEEKLY CHART



Chart as on 05/05/2023

BANK NIFTY - WEEKLYCHART

- The index started the week on a bullish note and maintained that momentum until Friday. However, the index experienced massive profit booking on Friday on the back of heavy sell off in HDFCBANK. As a result, the index has settled the week on a negative note at 42661.
- Technically, the index has encountered resistance around the previous supply zone and formed the Dark Cloud Cover candlestick pattern, as shown in the above chart. According to this pattern, as long as the index remains below 43740, profit booking may occur.
- The recent breakout point for the index is placed close to 41670, which will act as first key support for the stock, followed by 40830, where the 34-WEMA is placed.
- The momentum indicator RSI on the weekly scale is placed above centre point, indicating strength.
- For the short term, 41670 and 40830 will act as support points, whereas 43740 and 44100 will act as resistance points.

INDIAN OIL CORPORATION LIMITED (IOC)



Chart as on 05/05/2023

Indian Oil Corporation Limited (IOC)- WEEKLY CHART

- The stock on weekly scale has cross the trend line resistance and it is on the verge of breaking the cup and handle pattern, indicating strength.
- According to the breakout of the cup and handle pattern, if the stock maintains support at 75.75, it may challenge the levels of 100-103 in the near future.
- The 100-Weekly EMA is placed near 76, which is acting as strong support for the stock. Thus, any dips around 76 will offer a good entry point for the stock.
- The momentum indicator RSI on a weekly scale is placed above the centre point and trend line breakout point, indicating strength.
- Based on the above technical setup, we recommend to accumulate IOC in the range of 80-84 with a stop loss of 74.9 on a closing basis for the target of 95-100 in the medium term..

Derivatives Report

MAY SERIES VIEW

Bulls returned to Dalal Street after falling for the four expiry months in a row, supported by favorable global cues and sustained buying by foreign institutional investors (FIIs). Moreover, the Central Bank of India (RBI) unexpectedly kept the benchmark rate unchanged, which also improved market confidence. Finally, Nifty rose more than 4.50% during the April series and closed at 17915 with a gain of 834 points (EoE) indicating neutral to positive bias for the short term. Meanwhile, Geopolitical issues, economic slowdown risk, and higher inflation numbers will remain a concern for the markets. Thus, investors should remain cautious on the higher side. On the expiry day, the Nifty futures rollover stood at 64%, which is lower as compared to the last three series average rollover of 75%, indicating cut down the short position. Nifty will begin the May series with the lowest open interest in thirty months at 0.89 crore shares, compared to 1.36 crore shares at the commencement of the April series. Market-wide rollovers stood at 93% as compared to the average rollovers of 92% in the last three series. Going forward, monthly auto sales data, Rupee movement against the Dollar, bond yields, Q4FY23 earnings, Fiis flow, global cues, tensions between Russia and Ukraine, and crude oil price movement will dictate the trend on the bourses next month.

DERIVATIVES INDICATORS

The volatility index, India VIX, is cooled off by 16.18% and closed around multi-year lows at 11.43 vs. 13.63 level of the previous month favorable for bulls. We expect volatility will remain continue due to global cues such as the banking crisis and economic data. Another leading derivatives indicator, Nifty PCR, opened on a higher note this month at 1.20 against last month's 0.94.

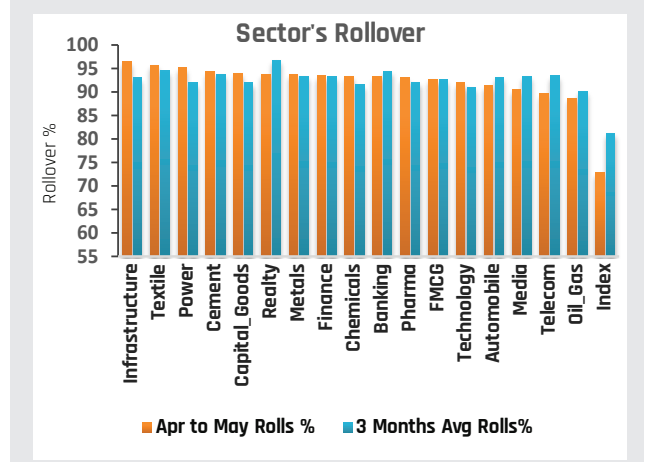
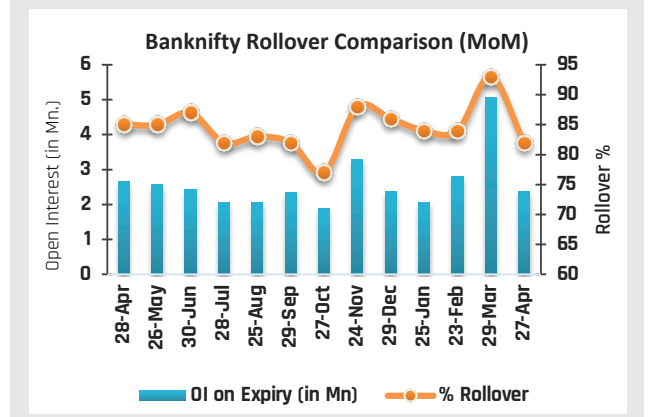
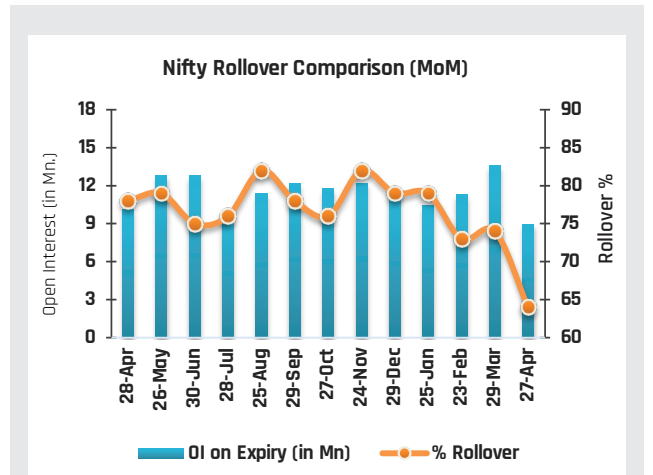
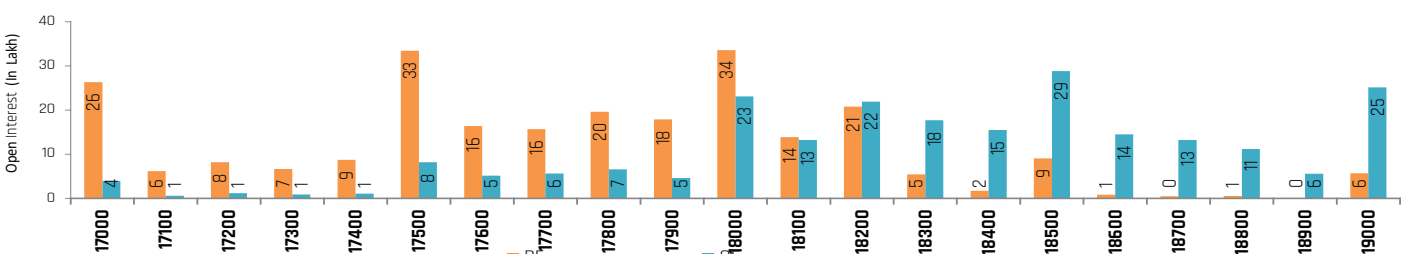
BANKNIFTY

The index saw low rolls of 82% as compared with the 3M average of 87%. BankNifty will start the May series with OI of 2.38 Mn shares as compared with OI of 5.05 Mn shares at the beginning of the April series. As per technical, support for the index stands around 41600 and 41000 whereas resistance stands at 43600 and 44100 for the short term.

SECTOR/STOCK ROLLOVER ACTIVITY

- From the sectoral action, rollovers accelerated for **INFRASTRUCTURE, TEXTILE, POWER, CHEMICALS, PHARMA** and **TECHNOLOGY**, sectors in May expiry. However, low rollovers were seen in **OIL&GAS, AUTOMOBILE, TELECOM, REALTY** and **MEDIA** sectors stocks on expiry day as compared to three month's average as highlighted in the chart.
- Within the Nifty50 space, index heavyweights such as **HCLTECH, POWERGRID, NTPC, SUNPHARMA,** and **SBILIFE** saw aggressive rollover in the May series while low rolls were seen in **HDFC, ONGC, HEROMOTOCO, M&M** and **SBIN** compared with the 3M average rollover.
- From the midcap space, **ATUL, MARICO, HDFCAMC, INDIGO,** and **SYNGENE** saw high rollovers whereas **ZEEL, RAIN, SHRIRAMFIN, DELTACORP,** and **AUBANK** saw lower rollover compared with the 3M average

SECTOR/STOCK ROLLOVER ACTIVITY



Stocks to watch out based on Rollover Analysis

POSITIVE	
LT	Strong Rollover of 91% compared with 3 months average of 90%.
MCDOWELL-N	Strong Rollover of 95% compared with 3 months average of 96%.
MARUTI	Strong Rollover of 97% compared with 3 months average of 94%.
GNFC	Rollover of 88% compared with 3 months average of 95%.
NEGATIVE	
INFY	Rollover of 94% compared with 3 months average of 97%.
PVR	Rollover of 97% compared with 3 months average of 92%.

MT Medium Risk Calls												
Calls Performance	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23
Calls Activated	25	30	19	32	36	22	24	40	29	18	57	27
Successful	11	21	15	24	18	17	14	21	18	10	39	21
Unsuccessful	14	9	4	8	18	5	10	19	11	8	18	6
Success Rate	44%	70%	79%	75%	50%	77%	58%	53%	62%	56%	68%	78%

MT High Risk Calls												
Calls Performance	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23
Calls Activated	35	42	34	44	53	24	20	24	13	10	19	15
Successful	23	26	27	31	32	16	14	13	7	8	12	11
Unsuccessful	12	16	7	13	21	8	6	11	6	2	7	4
Success Rate	66%	62%	79%	70%	60%	67%	70%	54%	54%	80%	63%	73%

Positional Calls												
Calls Performance	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23
Calls Activated	15	9	11	7	20	7	17	11	9	14	9	8
Successful	11	7	10	7	13	6	16	4	6	12	6	8
Unsuccessful	4	2	1	0	7	1	1	7	3	2	3	0
Success Rate	73%	78%	91%	100%	65%	86%	94%	36%	67%	86%	67%	100%

Momentum Call												
Calls Performance	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23
Calls Activated	23	28	28	19	22	13	11	20	12	16	12	15
Successful	12	13	22	16	16	9	6	11	6	10	6	12
Unsuccessful	11	15	6	3	6	4	5	9	6	6	6	3
Success Rate	52%	46%	79%	84%	73%	69%	55%	55%	50%	63%	50%	80%

Techno Funda												
Calls Performance	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23
Calls Activated	2	2	-	-	-	-	-	-	-	-	-	1
Successful	1	2	-	-	-	-	-	-	-	-	-	1
Unsuccessful	1	0	-	-	-	-	-	-	-	-	-	0
Success Rate	50%	100%	-	-	-	-	-	-	-	-	-	100%

Retail Research Call Performance

Call Tracker

Positional Call Top 5 Gainer

Date	Company	REC	Rec Price	Stop Loss	Call Closed at	Target	P/L per Share	All charges	Gain / Loss %	Closed Date
24-Feb	PIIND	Accu	3060	2890	3340	3300-3400	280	-21.42	8.45%	28-Apr
28-Mar	FLUOROCHEM	Accu	2905	2690	3080	3200-3300	175	-20.34	5.32%	03-Apr
14-Mar	SANOFI	Accu	5675	5340	6010	6000-6300	335	-39.73	5.20%	10-Apr
16-Mar	CANBK	Accu	280.5	255	297	310-320	16.5	-1.96	5.18%	17-Apr
1-Feb	AXISBANK	Accu	837.5	790	886.5	900-950	49	-5.86	5.15%	25-Apr

Master Trade Medium Risk Top Gainer

Date	Company	Rec	Rec Price	Stop Loss	Call Closed at	Target	P/L per Lot	All charges	Gain / Loss per Lot	Lot	Closed Date
27-Apr	SUNPHARMA 980 CE MAY	Buy	23	16	29.5	30-35	6.5	100.00	4450.0	700	28-Apr
28-Apr	LT 2320 CE MAY	Buy	54	39	65.5	80-90	11.5	100.00	3350.0	300	28-Apr
28-Apr	TITAN 2640 CE MAY	Buy	59	45	67	80-90	8	100.00	2900.0	375	28-Apr
28-Apr	ULTRACEMCO 7600 CE MAY	Buy	147.5	99	172.5	200-240	25	100.00	2400.0	100	28-Apr
27-Apr	LAURUSLABS 310 CE MAY	Buy	11.5	7	13.75	16-21	2.25	100.00	2375.0	1100	27-Apr

Master Trade Medium Risk Top Losers

19-Apr	MARUTI 8700 CE APR	Buy	112	60	60	170-220	-52	100.00	-5300.0	100	21-Apr
12-Apr	TATACONSUM 725 CE APR	Buy	7	1.9	1.9	13-17	-5.1	100.00	-4690.0	900	13-Apr

Master Trade High Risk Top Gainer

Date	Company	Rec	Rec Price	Stop Loss	Call Closed at	Target	P / L per Lot	All charges	Gain / Loss per Lot	Lot	Closed Date
19-Apr	COLPAL APR FUT	Buy	1534.5	1495	1566.5	1570-1600	32	383.79	10816.2	350	24-Apr
18-Apr	M&M APR FUT	Buy	1208	1189	1224	1240-1250	16	599.76	10600.2	700	20-Apr
10-Apr	GUJGASLTD APR FUT	Buy	467	456	475.5	490-495	8.5	416.06	10208.9	1250	18-Apr
25-Apr	GUJGASLTD MAY FUT	Buy	463	452	471	475-485	8	412.13	9587.9	1250	28-Apr
25-Apr	TITAN MAY FUT	Buy	2642.5	2605	2669	2690-2730	26.5	700.61	9236.9	375	27-Apr

Master Trade High Risk Call Top Losers

25-Apr	AXISBANK MAY FUT	Buy	887	874	876	900-910	-11	735.84	-13935.8	1200	28-Apr
18-Apr	SIEMENS APR FUT	Buy	3336.5	3290	3290	3400-3430	-46.5	633.33	-13420.8	275	19-Apr

Momentum Call Top Gainer

Date	Company	Rec	Rec Price	Stop Loss	Call Closed At	Target	P / L per Share	All charges	Net Gain / Loss %	Closed Date
10-Apr	ARVIND	Buy	89.5	86	93.5	95-97	4	-0.63	3.77%	12-Apr
27-Apr	MIDHANI	Buy	198.5	193	204.5	208-212	6	-1.39	2.32%	28-Apr
20-Apr	NHPC	Buy	41.85	40.9	43	43.5-44	1.15	-0.29	2.05%	24-Apr
20-Apr	RELIANCE	Buy	2333	2270	2395	2450-2500	62	-16.33	1.96%	28-Apr
19-Apr	MCDOWELL-N	Buy	760	738	780	790-800	20	-5.32	1.93%	28-Apr

Momentum Call Top Loser

13-Apr	RCF	Buy	108.25	105	105	112-116	-3.25	-0.76	-3.70%	18-Apr
28-Mar	GSPL	Buy	268	262	261	278-285	-7	-1.88	-3.31%	03-Apr

Event Calendar

May 2023

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1	2	3	4	5	6
7 • Coal India	8 • AARTIIND • ALLSEC • APARINDS • ASALCBR • CANBK • CARBORUNIV • EXIDEIND • HINDMOTORS • INDINFR • KANSAINER • NBFOOT • OMAXAUTO • PIDILITIND • SEPOWER • Wholesale Inventories MoM (US)	9 • ALPSINDUS • BIRLACORPN • CASTROLIND • EVEREADY • HATSUN • LUPIN • MANINFRA • OSEASPR • SCI • STOVACQ • TECHCON • WESTLIFE	10 • BASF • BOSCHLTD • GODREJCP • LT • NOVARTIND • RAMAPETRO • SRGHFL • UNJHAFOR • VENKYS • CPI & Monthly Budge Statement, • Inflation Rate MoM and YoY	11 • ASIANPAINT • DICIND • EVERESTIND • GILLETTE • GSPL • NEULANLAB • PHTRADING • SKYLMILAR • TAMBOLI • ZENSARTECH • OPEC Monthly Report	12 • BANARBEADS • CIPLA • CUBEXTUB • GANGOTRI • KELENRG • MANAPPURAM • RANEHOLDIN • TATAMOTORS • YARNSYN • YASTF • Inflation Rate YoY (India) & Passenger Vehicles Sales MoM, • Manufacturing Production YoY, • Import Prices and Export Prices, • Industrial Production.	13 NAVINFLUOR
14	15 • ARISINT • MARUTISE • Balance of Trade	16 • GRANULES • HEUBACHIND • ICSL	17 • FACORALL • TIMKEN • WPI Food Inflation, • WPI Fuel and WPI Inflation	18 • CONCOR • NELCAST • RRFIN • SBIN • SHREYAS • TCI	19 • BALAJITELE • JMDVL • JSWSTEEL • MINDTECK • MSUMI	20 • EMESSA • RASRESOR
21	22 • COARO	23 • AKZOINDIA • AMARAJABAT • BIOCON • JCHAC • NIRLON • TIMEX	24 • CUMMINSIND • ICRA	25 • BOMBWIR • ESABINDIA • INTEGHT • LAKSELEC • PANJON • TRANSCOR • TTKPRESTIG • TUNITEX	26 • EMAMIPAP • HUDCO • IPRINGLTD • KOCL • MOTHERSON • SILVERPRL	27
28	29 • KILPEST • KOVAI • MORARJEE • NARMP • NHPC • SANCF • SONALAD	30 • DAULAT • IGLFXPL-B • TULASEEBIOE • UNIROYAL • WOODSVILA	31 • GDP Growth Rate YoY, • Fiscal year GDP Growth 3rd est			

Result Updates Economic & Other Event

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Market Watch	Positional Calls
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Asit C. Mehta

INVESTMENT INTERMEDIATES LTD.

Retail Research Desk

Email: retailresearch@acm.co.in

Research Analyst Registration Number:

INH000002483

CIN: U65990MH1993PLC075388

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