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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

Q1FY20 Result Update

Technical Report

- Nifty View
- Bank Nifty View
- HDFC Bank View

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

July turned out to be the worst month for Nifty in 17 years. The NSE benchmark ended the month 6 % lower, marking its biggest fall monthly drop since 2002. Market sentiment was hit this month following no major announcements in Union Budget amid tepid corporate earnings. The BSE Sensex ended 5% down at 37,481. Further, the Indian markets witnessed sharp equity outflows by FIIs as they were spooked by higher surcharge announced in the Budget, and by the proposal to increase minimum public holding from 25% to 35%.

FIIs sold Rs.11,850cr worth of equities, which was one of the reasons of major wealth destruction across sectors while DIIs were net buyers to the tune of Rs. 8,772cr. The pain is even worse in the boarder market as BSE midcap and smallcap indices fell 8% and 11%, respectively during the month. On the sectoral front, PSU Banks led the fall with 14% MoM drop on concerns around asset quality followed by metals, which also declined 14% MoM on continued uncertainty around US - China trade talks and global slowdown.

Auto index lost 15% MoM indicate that the industry continues to remain under stress. On positive side India's monsoon is expected to be normal in August and September, as per the India Meteorological Department in its forecast for the second half of the four-month rainfall season. A healthy monsoon in July has brought down the country wide rainfall deficit to 7%.

On the macro side, India's industrial production growth slipped to 3.1% in May mainly on account of weakness in mining and manufacturing sectors. Retail inflation rose to 3.2% in June vs. 3.1% in May. Going ahead, the market would eye the following key events closely:

- Balance of Q1FY20 results
- Monsoon progress,

Global Market Update

The major U.S. equity indices followed June's robust performance with broad gains throughout most of July. However, the month ended on a sour note as the Federal Reserve cut its key interest rate by a quarter basis point to 2 % from 2.25 % and signalled that it is in no rush to continue with easing.

Germany's DAX fell 1.69% MoM after a survey showed that business confidence in Europe's largest economy dropped to a six-year low. The U.S. dollar index (DXY) gained 2.6% in July for its best monthly performance since November 2016. The Dollar rose against most major currencies as economic data came out better than expected. The long 10-year US Treasury yield was flat MoM at 2.01% while the 2-year yield gained eleven bps to 1.87%.

Benchmark crude oil prices remained capped during July, primarily owing to global growth concerns amid adverse impact of the ongoing US-China trade war. Crude has been getting support from continued US sanctions on Iran and Venezuela, renewed geopolitical tensions in the Middle East region and OPEC's decision to extend supply cut for 9 months to March 2020.

The International Monetary Fund (IMF) has trimmed its forecast for global economic growth again as the U.S.-China trade war continues, Brexit worries linger and inflation remains muted. The global economy is expected to expand by 3.2% in 2019, the revised economic growth figure is 0.1 percentage points lower than the forecast in April and is 0.3 percentage points below the fund's growth estimate at the start of the year.

Global Indices Performance

Index	28-Jun-19	31-Jul-19	Change MoM
Dow Jones	26600	26864	0.99%
S&P 500	2942	2980	1.30%
Nasdaq	8006	8175	2.12%
CAC 40	5539	5519	-0.36%
DAX	12399	12189	-1.69%
FTSE 100	7426	7587	2.17%
Nikkei 225	21276	21522	1.15%
Hang Seng	28542	27778	-2.68%
Shanghai	2978	2933	-1.53%
Nifty 50	11789	11118	-5.69%
BSE Sensex	39395	37481	-4.86%
Brent Crude (\$)	64.4	65.17	1.20%
WTI Crude (\$)	58.2	58.58	0.65%

Sources: Yahoo Finance /BSE

HOLD

Key Data

Sector	Automobile
CMP	63.5
Target Price	83
BSE Code	500477
NSE Code	ASHOKLEY
Face Value (Rs)	1
Mkt Cap (Rs Cr)	18537
52 Week High	135
52 Week Low	60.85

Source : NSE, BSE

Ashok Leyland

Q1FY20 Result Update

- During Q1FY20, the company's revenue de-grew 8% to Rs.66,124mn while profit de-grew 40% to Rs.2749mn.
- While the industry has witnessed a decline in volume of 17%, Ashok Leyland's market share has grown by 4% backed by 12% growth in light commercial vehicle business. M&HCV declined by 10% leading to overall volume growth of 6%.
- The company is well-prepared for introducing BSVI vehicles and sees volume to revive with pre orders in coming quarters.
- To streamline the operations, Ashok Leyland has undertaken cost cutting measures, which will save around Rs 500 crore. Capex plans for FY20 would be around Rs 1,700-2,000 crore for BS VI, modular platform, and project phoenix.
- At the current market price of Rs.63.5, stock is trading at 6.1x its FY21E EPS of Rs.10.4. We believe with an upturn in automobile segment, better demand, good monsoon, and expansion across the vehicle segments, AL enjoys high growth prospects. Hence, we recommend **HOLD** rating with a target price of Rs.83, 8x FY21E EPS.

Financial Snapshot

Rs in mn	Q1FY20	Q1FY19	% Chg	Q4FY19	% Chg
Net Income	66124	71938	-8	99032	-33
Op exp	55540	54641	1.6	83571	-33.5
EBITDA	10584	17297	-39	15461	-31.5
% margin	16	24	-800 bps	15.6	40bps
PAT	2749	4638	-40.7	7531	-63
% margin	4.1	6.5	-240bps	7.6	-350bps
EPS	0.84	1.51		2.43	

Source : Company, ACMIIL research

ACCUMULATE

Key Data

Sector	Tea & Coffee
CMP	246
Target Price	321
BSE Code	519600
NSE Code	CCL
Face Value (Rs)	2/-
Mkt Cap (Rs Cr)	3272
52 Week High	306
52 Week Low	225

Source : NSE, BSE

CCL Products Ltd

Q1FY20 Result Update

- During Q1FY20, the company's revenue de-grew by 7% to Rs 10814mn led by delay in billing approximately 150tonnes of order during the quarter. Overall, pending orders constitute Rs 8-9cr.
- The company's B2C contributed Rs 15cr in Q1FY20 compared with Rs 9cr on YoY basis.
- Operating profit grew 9% in Q1FY20 at Rs 69cr with EBITDA margin improving from 21.6% in Q1FY19 to 25.4% in Q1FY20 led by commencement of new freeze-dried plant at Chittoor.
- However, higher depreciation and finance cost led to 12% de-growth in profit for the quarter at Rs 35cr.
- During FY20, the company expects its incremental 5000tonnes p.a. new freeze-dried facility at Chittoor to operate at 50% capacity whereas they expect the Vietnam facility to ramp up at 90% capacity utilization.
- The company would incur capex worth \$20mn for debottlenecking Vietnam facility by adding 3500MT p.a. capacity by end-FY20 and would set up 5000MT agglomeration capacity at its India plant.
- For FY20, the company guided to grow 15-20% in term of volume, revenue, and EBITDA. Further, the company stuck to its domestic business revenue guidance of Rs 110-115cr in FY20 compared with Rs 80cr in FY19.
- Overall, over the next two years (FY19-FY21E), we expect the company's revenue and profitability to grow at a CAGR of 16% and 17% respectively led by improvement in margin.
- At the recommended price of Rs. 246/-, the stock trades at 15.6x its FY21E EPS of Rs 15.8/-. We believe ramp up of existing as well as incremental capacity, focus on domestic brand business and improving product mix would place CCL on a high-growth trajectory. Hence, we recommend **ACCUMULATE** rating with a target price of Rs 321/-, which implies 21% upside from the recommended level.

Financial Snapshot

Rs in mn	Q1FY20	Q1FY19	% Chg	Q4FY19	% Chg
Net Income	2732	2944	-7.2%	2621	4.2%
Op exp	2038	2308	-11.7%	2081	-2.1%
EBITDA	694	636	9.1%	540	28.5%
% margin	25.4%	21.6%	380 bps	20.6%	480 bps
PAT	347	395	-12.2%	356	-2.5%
% margin	12.7%	13.4%	-70 bps	13.6%	-90 bps
EPS	2.61	2.97		2.68	

Source : Company, ACMIL research

ACCUMULATE

Key Data

Sector	Defence
CMP	346
Target Price	490
BSE Code	540678
NSE Code	COCHINSHIP
Face Value (Rs)	10
Mkt Cap (Rs Cr)	4558
52 Week High	462
52 Week Low	355

Source : NSE, BSE

Cochin Shipyard Limited

Q1FY20 Result Update

- During Q1FY20, the company's consolidated revenue grew 12% YoY to Rs.8027mn while profit grew 12% YoY to Rs.1190mn.
- During the quarter, company's operating margin increased to 26% from 24% on YoY basis to Rs.2083mn.
- Ship building revenues increased by 32% in Q1FY20 to Rs.6021mn. Moving ahead, the management is sure to maintain such growth in the coming quarters with healthy order inflows. As on June 30,2019, the order book was Rs.11,600Cr.
- During Q1FY21, the company entered into Phase III of IAC and will be commissioned soon. It also signed a contract for construction of eight Anti-Submarine Warfare Shallow Water Crafts (ASWSWCS) for the Indian Navy. It launched 2 x RO-PAX Vessels, commenced Steel Cutting for 2 x RO Vessels and commenced Block Erection of 2 x RO PAX Vessels for IWAJ. For Tamil Nadu fishermen, two Fishing Vessels (Tuna Long Liner cum Gillnetter) were delivered. During the quarter, orders worth Rs.8,000Cr were acquired.
- Ship repair revenues de-grew by 36% YoY to Rs.1333mn as the last year base was high due to the Vikrant project. The management is procuring orders for small vehicles from the inlands, and anticipate revenues to inch up in the coming quarters.
- At the recommended price of Rs.346, the company's stock trades at 7x its FY21E EPS of Rs.49. Based on 10x FY21E EPS, we arrive at a target price of Rs.490, which implies upside from the recommended level. Hence, we recommend to **ACCUMULATE** the stock.

Financial Snapshot

Rs in mn	Q1FY20	Q1FY19	% Chg	Q4FY19	% Chg
Net Income	8027	7164	12	8510	-5.6
Op exp	5944	5521	7.6	6787	-12.4
EBITDA	2083	1643	26.7	1723	20.8
% margin	26	23	300 bps	20	600 bps
PAT	1190	1062	12	954	24
% margin	14.8	14.8	-	11.2	360 bps
EPS	9.05	7.81		7.26	

Source : Company, ACMIIL research

HOLD

Everest Ind

Q1FY20 Result Update

- During Q1FY20, the company's revenue grew 3% while profit de-grew 16%.
- During the quarter, the company's operating margin also declined to 9.3% from 10.1% on YoY basis due to rise in input cost and price decline.
- On the volume side, the company's cement sheet roofing business grew 8.7% at 287,000 tonnes whereas steel building division reported flat growth at 13,000 tonnes.
- The company expects higher disposable income and government initiative in areas of housing and infrastructure to drive building product demand.
- On the steel building side, the company has an outstanding order book of 27,000MT in its pipeline in turnkey projects, which provides visibility for the next 5 months. Further, the company has taken steps to increase average order size. However, the company believes that prolonged slowdown in the auto sector would impact steel business' overall performance.
- The company is focusing on de-bottlenecking in existing plant instead of any greenfield expansion, which will increase its capacity by 10%.
- At the current price of Rs. 318/-, the stock trades at 6x its FY21E EPS of Rs 52.9/. With strong balance sheet, revival in rural economy, and leadership position, we believe Everest Ind will benefit from strong infrastructure spending across its business verticals' presence. Based on 7x its FY21E EPS, we arrive at a target price of Rs 370/-. Hence, we recommend to **HOLD**.

Key Data

Sector	Cement and Cement Products
CMP	318
Target Price	370
BSE Code	508906
NSE Code	EVERESTIND
Face Value (Rs)	10/-
Mkt Cap (Rs Cr)	497
52 Week High	598
52 Week Low	314

Source : NSE, BSE

Financial Snapshot

Rs in mn	Q1FY20	Q1FY19	% Chg	Q4FY19	% Chg
Net Income	4,322	4,189	3.2%	3,678	17.5%
Op exp	3,918	3,764	4.1%	3,435	14.1%
EBITDA	404	425	-4.9%	243	66.3%
% margin	9.3%	10.1%	-80 bps	6.6%	270 bps
PAT	246	293	-16.0%	147	67.3%
% margin	5.7%	7.0%	-130 bps	4.0%	170 bps
EPS	15.7	18.7		9.39	

Source : Company, ACMIL research

ACCUMULATE

Key Data

Sector	FMCG
CMP	622
Target Price	800
BSE Code	532424
NSE Code	GODREJCP
Face Value (Rs)	1
Mkt Cap (Rs Cr)	63,690
52 Week High	979
52 Week Low	585

Source : NSE, BSE

Godrej Consumer Products Limited

Q1FY20 Result Update

- During Q1FY20, the company's revenue de-grew by 5.5% YoY to Rs. 23701mn while profits were flat at Rs.4076mn. International business grew by 9% in constant revenue terms.
- Indonesia constant currency sales grew 4% YoY, Africa, USA, and Middle East (GAUM) together grew 2% YoY on constant currency basis. Others after adjusting for Europe business divestment (LATAM, Europe and SAARC) grew 56% YoY on constant currency basis. Indonesia business was affected by slowdown in hypermarket/super-market channel in 1QFY20. Distribution expansion gives them confidence for future growth.
- During the quarter, company's operating margin increased by 110bps to 20% from 18.9% YoY with operating margins of Rs.4770mn. However, one of the reasons for decline in revenue was price cuts taken by company for its insecticides and soap segments due to GST.
- On the volume side, the company's Indian business had volume growth of 5% YoY. Volumes were subdued in Indonesia and Africa regions as exports from these regions were low. Moving ahead, the company is planning to relaunch the hair color brand Darling in the international markets apart from other planned innovative products. For the Indian business, comparatively June was stronger giving the management optimistic indication of volume revival. Improved liquidity in the market would also be the key for volume growth as liquidity crunch was the biggest headwind for the FMCG sector.
- At the current market price of Rs.622, stock is trading at a 34x its FY21E EPS of Rs.18.11. We believe with an upturn in consumer demand, good monsoon, expansion across the markets, and improving product mix, GCPL enjoys high growth prospects. Hence, we recommend **ACCUMULATE** rating with a target price of Rs.800, 44x FY21E EPS.

Financial Snapshot

Rs in mn	Q1FY20	Q1FY19	% Chg	Q4FY19	% Chg
Net Income	23701	25081	-5.5	24817	-4.5
Op exp	18920	20320	-6.9	18750	0.9
EBITDA	4781	4760	0.5	6067	-21
% margin	20	18.9	101 bps	24.5	-450 bps
PAT	4076	4050	0.6%	9352	-56
% margin	17.19	16.14	105 bps	37.68	-205 bps
EPS	3.99	3.96		9.15	

Source : Company, ACMIIL research

ACCUMULATE

Key Data

Sector	Paper & paper products
CMP	116
Target Price	191
BSE Code	532162
NSE Code	JKPaper
Face Value (Rs)	10/-
Mkt Cap (Rs Cr)	2474
52 Week High	194
52 Week Low	104

Source : NSE, BSE

JK Paper Ltd

Q1FY20 Result Update

- During Q1FY20, the company's revenue de-grew by 10% led by 13% decline in volume growth.
- However, the company's operating margin improved from 25.2% in Q1FY19 to 33.2% in Q1FY20 due to better operating parameters and improved realisation. The international pulp prices declined from \$800 per tonne to \$550 per tonnes, lowering input cost pressure.
- During the quarter, Sirpur Paper Mills Ltd, a step-down subsidiary, has capitalised a part of Plant & Machinery, and the company commenced its production effective 24th May, 2019.
- This has resulted in 33.5% growth in profit at Rs 127cr on YoY basis.
- The company expects new capacity to come on stream by late 2020.
- Overall, over the next two years (FY19-FY21E), we expect the company's revenue and profitability to grow at a CAGR of 9% and 8% respectively.
- At the current price of Rs. 116/-, the stock trades at 4.19x its FY21E EPS of Rs 27.7/-. With incremental volume addition, healthy balance sheet, and growing industry demand, we believe JK Paper would benefit in the coming quarters. Based on 7x its FY21E EPS, we arrive at a target price of Rs 191/-. Hence, we recommend to **ACCUMULATE**.

Financial Snapshot

Rs in mn	Q1FY20	Q1FY19	% Chg	Q4FY19	% Chg
Net Income	7,131	7,950	-10.3%	8,072	-11.7%
Op exp	4,760	5,944	-19.9%	5,889	-19.2%
EBITDA	2,371	2,006	18.2%	2,183	8.6%
% margin	33.2%	25.2%	800 bps	27.0%	620 bps
PAT	1,271	952	33.5%	1,122	13.3%
% margin	17.8%	12.0%	580 bps	13.9%	390 bps
EPS	6.93	5.37		6.34	

Source : Company, ACMIL research

ACCUMULATE

Key Data

Sector	FMCG
CMP	377
Target Price	411
BSE Code	531642
NSE Code	MARICO
Face Value (Rs)	1/-
Mkt Cap (Rs Cr)	48,772
52 Week High	397
52 Week Low	283

Source : NSE, BSE

Marico Ltd

Q1FY20 Result Update

- During Q1FY20, the company's consolidated revenue grew 7% while profit grew at 21%. Overall volumes grew 6%.
- During the quarter, the domestic business clocked a turnover of Rs. 1,731Cr, a growth of 6% YoY, led entirely by volumes. The operating margin improved to 22.6% in Q1FY20 as against 19.5% in Q1FY19, which was mainly attributable to a 25% decline in copra prices Y-o-Y.
- The company witnessed 6% volume growth backed by healthy 9% and 7% volume growth in parachute and value-added hair oil (VAHO) respectively. However, volume growth in Saffola has been muted at 3%. The company witnessed price growth of 1% largely on account of small price changes in the Saffola and VAHO segments. However, premium brands under VAHO categories witnessed muted growth during the quarter.
- Marico's International business grew 7% in constant currency terms led by double-digit growth in the key markets of Bangladesh and Vietnam. Gross margin expansion in the Bangladesh business led to a rise in the operating margin of the international business from 20.3% in Q1FY19 to 25.6% in Q1FY20.
- The management has guided to 6-8% volume growth in India with small inflation and more than 19% operating margin with 10% of the sales to be spent towards A&P spend.
- At the current price of Rs. 377/-, the stock trades at 38.39x its FY21E EPS of Rs 9.82/-, we believe Marico will benefit from continued low raw material prices with healthy domestic volume growth outlook in key segments. Thus, the international business would continue healthy momentum. Based on 41.85x its FY21E EPS, we arrive at a target price of Rs 411/-. Hence, we recommend to **ACCUMULATE**.

Financial Snapshot

Rs in mn	Q1FY20	Q1FY19	% Chg	Q4FY19	% Chg
Net Income	21,660	20,268	6.9%	16,090	34.6%
Op exp	17,050	16,719	1.97%	13,260	25.85%
EBITDA	4610	3,549	26.5%	2830	58.7%
% margin	21.28%	17.51%	377 bps	17.58%	370 bps
PAT	3080	2557	20.5%	4010	-23.2%
% margin	14.21%	12.61%	160 bps	24.92%	-1071 bps
EPS	2.5	2.0	25	1.7	47

Source : Company, ACMIIL research

ACCUMULATE

Key Data

Sector	Containers & Packaging
CMP	265
Target Price	398
BSE Code	533080
NSE Code	MOLDTECK
Face Value (Rs)	5/-
Mkt Cap (Rs Cr)	734
52 Week High	372
52 Week Low	202

Source : NSE, BSE

Moldteck Packaging

Q1FY20 Result Update

- During Q1FY20, company's revenue and profitability grew 14% and 14.6% respectively led by double-digit growth in volume. During the quarter, F&F volumes grew 89.0% YoY to 1169 tons. Revenues grew 71% YoY from Rs 16cr to Rs 28cr.
- Apart from 5, 15, and 17 liters packs, the company has also introduced new 10-liter square packs, which will start contributing to revenues August onwards. The company is confident of growing this segment on back of growth coming from edible oil and ice cream segment as well as addition of a new major cheese manufacturer.
- However, the company's operating margin declined from 17.4% in Q1FY19 to 16.3% in Q1FY20 due to onetime write-off of at RAK plant and commencement of new plants.
- IML revenues as a percentage of sales increased from 61.7% in Q1FY19 to 65% in Q1FY20 and volumes from 53.5% to 61% on back of manifold growth in F&F business.
- During the quarter, the company has successfully started supplies to Asian Paints from its Vizag Unit while supplies from the Mysuru Unit had started during Q4FY19. The company supplied a total of 434 tons, which garnered revenues of Rs 8cr. The company expects to generate additional Rs 45cr revenue in the remaining three quarters.
- The capex plan for FY20E is Rs 30cr on setting up a capacity in Kanpur for Berger and Nerolac but it will be on leasehold premises to minimize risks and outlay. The capex will be funded by way of internal accruals.
- Overall, over the next two years (FY19-FY21E), we expect the company's revenue and profitability to grow at a CAGR of 12.5% and 15.5% respectively.
- At the current price of Rs. 265/-, the stock trades at 17.2x its FY21E EPS of Rs 15.5/-. With incremental volume addition, healthy balance sheet, and rising F&F contribution, we believe the company would benefit in the coming quarters. Based on 25.8x its FY21E EPS, we arrive at a target price of Rs 398/-. Hence, we recommend to **ACCUMULATE**.

Financial Snapshot

(Rs in mn)	Q1FY20	Q1FY19	% Chg	Q4FY19	% Chg
Net Income	1,166	1,023	14.0%	1,042	11.9%
Op expenditure	976	845	15.5%	857	13.9%
EBITDA	190	178	6.7%	185	2.7%
% margin	16.3%	17.4%	-110 bps	17.8%	-150 bps
PAT	94	82	14.6%	88	6.8%
% margin	8.1%	8.0%	10 bps	8.4%	-30 bps
EPS	4.62	5.23		5.95	

Source : Company, ACMIIL research

Stocks for Long Term

Asian Paints Limited	ITC Limited	Mahindra & Mahindra Limited
Cochin Shipyard Limited	KEC International Limited	SBIN
Finolex Industries	LIC Housing Finance Limited	Ultratech Cement Limited
ICICI Bank	Larsen & Turbo Limited	

NIFTY



Chart as on 2nd August, 2019

Nifty- Weekly Chart

Last month, the index has witnessed a strong weakness due to which it has broken its intermediate swing low of 11108 and 200 DSMA (11160). However, the index has seen a sharp recovery from 10850 where 100 WSMA is placed. With the help of this recovery, the index has managed to close the week above the trendline support of 10950. On daily scale, the RSI oscillator is placed in highly oversold zone, and on weekly scale, it is placed close to oversold zone. Thus, for the short term, some consolidation or up-move can be seen, but trend remains down. As long as the index holds the support of 10850, we can expect pull-back towards 11200-11300 levels in the short term.

For August, 11300 and 11500 will act as hurdle. On the downside, 10850 and 10500 will act as support for Nifty.

BANKNIFTY



Chart as on 2nd August, 2019

BankNifty- Weekly Chart

Last month, the index has witnessed strong selling pressure due to which it has broken its intermediate swing low of 28550 as well as 50 WEMA indicating short-term weakness. However, on weekly scale, BankNifty is still holding a **higher top, higher bottom** formation indicating long-term uptrend. Trendline support is currently placed close to 27500 and 100 WEMA is placed close to 26780. If the index manages to hold support of 27500, we can expect a short-term pull-back towards 29000-29500. On the higher side, 20 DEMA is placed close to 29500 and bearish gap is placed close 29700. On daily scale, RSI oscillator is placed in highly oversold zone, and on weekly scale it is placed close to oversold zone. Thus, for the short term, some consolidation or up-move can be possible.

For August, 29000 and 29700 will act as hurdle. On the downside, 27500 and 26800 will act as support for BankNifty.

HDFCBANK



Chart as on 2nd August, 2019

HDFC BANK- Weekly Chart

- The stock on weekly scale is making a higher top, higher bottom formation indicating strong uptrend. Moreover, the stock has retested its previous breakout point as highlighted in the above chart.
- Weekly trendline support is currently placed close to 2150, which will act as strong support for the stock in the medium term.
- RSI oscillator on weekly scale is placed close to previous support zone and on daily scale it is placed close to oversold zone.
- Based on above set up, we recommend to BUY HDFCBANK in the range of 2200-2220 with a stop loss of 2130 on closing basis for a target price of 2300-2350 for the short to medium term.

AUGUST SERIES VIEW

Last month, the benchmark indices faced heavy selling pressure, which dragged the Nifty down by 589 points (EoE) as the sentiment was hurt after Finance Minister quashed hopes of any relief to overseas investors from the higher tax surcharge and Budget declarations about raising public holdings. Meanwhile, continuous heavy foreign fund outflow, concerns over an economic slowdown, weak corporate earnings, and weak monsoon would continue to weigh on market sentiment. Finally, Nifty Spot settled on a weaker note at 11252, down 4.97% (EoE) indicating weakness for the short term. On the expiry day, Nifty Futures rollover stood at 74%, which is lower than the average rollover of 78% of the last three series. Nifty will start the August series with an OI of 1.79 Cr shares compared with OI of 1.92 Cr shares at the beginning of the July series. Market-wide rollovers stood higher at 92% compared with the average rollovers of 90% in the last three series. Going into August, key events that would act as market triggers would include GST meeting to reduce tax, global markets trends, Q1FY20 earnings, FII inflows, progress of monsoon, 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 lower at 12.63 vs. 14.64 of the previous month indicating low volatility in market. Another leading derivative indicator, Nifty PCR, opened on a lower note this month at 1.37 against last month's 1.51.

BANKNIFTY

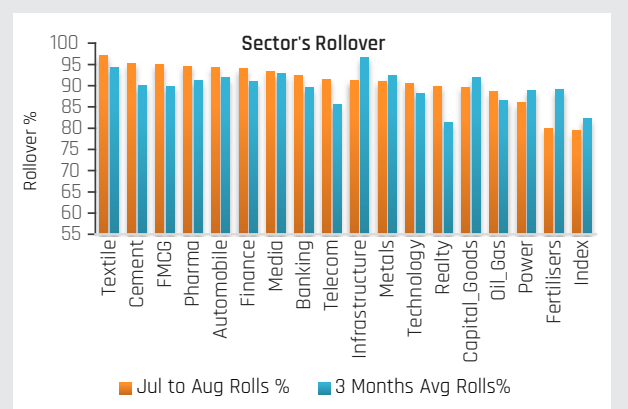
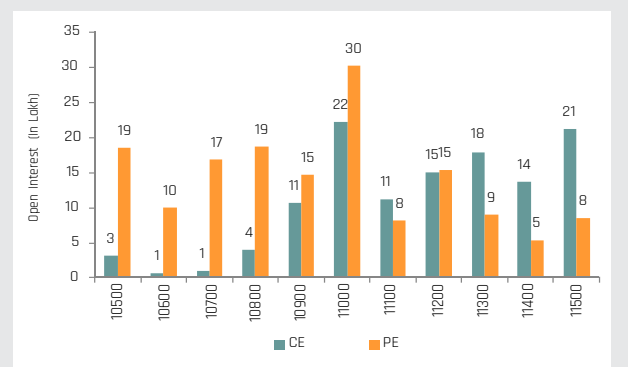
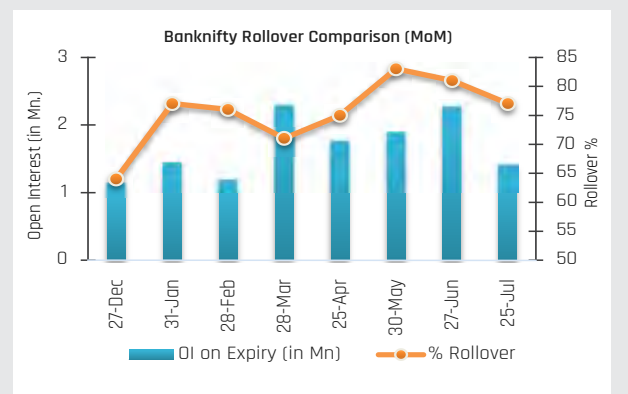
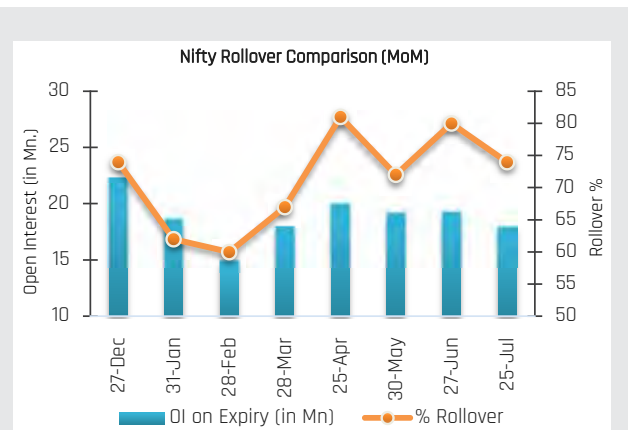
The index saw lower rolls of 77% compared with the 3M average of 80%. BankNifty will start the August series with an OI of 1.40 Mn shares compared with OI of 2.26 Mn shares at the beginning of the Jul series. As per options data, support for the index is around 28500 and 28000 whereas resistance stands at 30000 and 30500 for the short term.

OPTION ANALYSIS

From the OI Concentration (29-August Series), addition of open interest on the call options front exists at the strike prices of 11000 and 11500 (with nearly 22.20 lacs and 21.21 lacs shares outstanding). This indicates that these 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 10800 and 10500 (with nearly 18.68 lacs and 18.63 lacs shares outstanding respectively), indicating a stronger support zone on the downside.

SECTOR/STOCK ROLLOVER ACTIVITY:

- From the sectoral action, rollovers accelerated for Textile, Cement, Banking, FMCG, Pharma, Automobile, and Telecom stocks on expiry. However, low rollovers were seen in Fertilizers, Infrastructure, Power, and Capital Goods stocks.
- Within the Nifty50 space, index heavyweights such as HINDPETRO, ADANI PORTS, COALINDIA, IOC, GAIL, TCS, and NTPC saw aggressive rollover in the August series while low rolls were seen in UPL, POWERGRID, HEROMOTOCO, SUNPHARMA, and VEDL compared with the 3M average.
- From the midcap space, TATAGLOBAL, ICICIPRULI, HAVELLS, BANKBARODA, LUPIN, and BIOCON saw high rollovers whereas CONCOR, MCX, INDIGO, CASTROLIND, and IGL saw lower rollover compared with the 3M average.



Stocks to watch out based on Rollover Analysis:

POSITIVE	
TCS	Strong rollover of 93% compared with 3 month avg of 80% indicating long position carried forward
AMARAJABAT	Strong rollover of 98% compared with 3 month avg of 95% indicating long position carried forward
COLPAL	Strong rollover of 97% compared with 3 month avg of 92% indicating long position carried forward
KOTAKBANK	Strong rollover of 86% compared with 3 month avg of 83% indicating long position carried forward
NEGATIVE	
TATAGLOBAL	Strong rollover of 97% compared with 3 month avg of 76% indicating short position carried forward.
ADANI PORTS	Strong rollover of 94% compared with 3 month avg of 78% indicating short position carried forward.
WIPRO	Strong rollover of 90% compared with 3 month avg of 81% indicating short position carried forward.

MT Medium Risk Calls												
Calls Performance	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19
Calls Activated	8	8	5	7	4	16	13	17	13	30	20	25
Successful	4	4	2	6	3	9	8	9	9	19	10	17
Unsuccessful	4	4	3	1	1	7	5	8	4	11	10	8
Success Rate	50%	50%	40%	86%	75%	56%	62%	53%	69%	63%	50%	68%

MT High Risk Calls												
Calls Performance	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19
Calls Activated	7	2	13	11	8	2	6	7	4	12	2	9
Successful	3	1	6	8	6	1	4	2	3	9	2	6
Unsuccessful	4	1	7	3	3	1	2	5	1	3	0	3
Success Rate	43%	50%	46%	73%	75%	50%	67%	29%	75%	75%	100%	67%

Positional Calls Technical Trade												
Calls Performance	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19
Calls Activated	14	23	34	13	9	10	9	11	12	22	19	16
Successful	11	10	22	7	8	5	7	6	10	16	9	5
Unsuccessful	3	3	12	6	1	5	2	5	2	6	10	11
Success Rate	79%	43%	65%	54%	89%	50%	78%	55%	83%	73%	47%	31%

Momentum Call												
Calls Performance	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19	Apr-19	May-19	Jun-19	Jul-19
Calls Activated	40	45	49	49	43	59	43	46	42	37	63	85
Successful	23	22	27	38	28	33	25	30	32	19	43	45
Unsuccessful	17	23	22	11	15	26	18	16	10	18	20	40
Success Rate	58%	49%	55%	78%	65%	56%	58%	65%	76%	51%	68%	53%

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

Retail Investment Idea

Date	Company	Rec	Rec Price	Close Rate	Target	Remarks	Profit / Loss per Share	Gain / Loss %	Status	Close Date
9 Oct 17	EIHOTEL	Accu	137.50	184	183.00	Profit of Rs.46.5/-	46.50	33.82%	Successful	8 Jan 18
10 Oct 17	NRBBEARING	Accu	125.50	158	155.00	Profit of Rs.32.5/-	32.50	25.90%	Successful	28 Nov 17
7 Nov 17	HATSUN	Accu	740.00	892.5	900.00	Profit of Rs.152.5/-	152.50	20.61%	Successful	13 Nov 17
4 Dec 17	SANGHIIND	Accu	118.50	143.5	145.00	Profit of Rs.25/-	25.00	21.10%	Successful	28 Dec 17
5 Dec 17	ALLCARGO	Accu	177.5	215.00	230.00	Part Profit of Rs.37.5/-	37.50	21%	Successful	27 Dec 17
21 Dec 17	KAJARIACER	Accu	715	500.00	872.00	Loss of Rs.215/-	-215.00	-30.07%	Unsuccessful	24 Jul 19
7 Feb 18	GREAVESCOT	Accu	130-132		190.00	Open				
27 Feb 18	MOLDTKPAC	Accu	320-330		398.00	Open				
5 Mar 18	LICHSGFIN	Accu	505-515		672.00	Open				
2 Apr 18	EVERESTIND	Accu	492.5	589.00	613.00	Part Profit of Rs.37.5/-	96.50	20%	Successful	21 Aug 18
4 Apr 18	GPPL	Accu	141.5	77.00	180.00	Loss of Rs.64.5/-	-64.50	-45.58%	Unsuccessful	26 Feb 19
19 Apr 18	MANPASAND	Accu	430	220.00	537.00	Loss of Rs.210/-	-210.00	-48.84%	Unsuccessful	1 Jun 18
30 Apr 18	HEIDELBERG	Accu	156	196.00	196.00	Profit of Rs.40/-	40.00	26%	Successful	20 May 19
7 Jun 18	KEC	Accu	340-345		439.00	Open				
4 Jul 18	ASHOKLEY	Accu	125-130		170.00	Open				
6 Aug 18	GABRIEL	Accu	150.00	102	182.00	Loss of Rs.48 /-	-48.00	-32.00%	Unsuccessful	15 Jul 19
29 Aug 18	GRINDWELL	Accu	525.00	585	635.00	Profit of Rs.60-	60.00	11.43%		16 Jul 19
22 Oct 18	FINPIPE	Accu	475.00	574	570.00	Target Achieved	99.00	20.84%	Successful	30 Oct 18
23 Oct 18	JKPAPER	Accu	158-162		191.00	Open				
24 Oct 18	GULFOILLUB	Accu	707.50	872	872.00	Target Achieved	164.50	23.25%	Successful	17 Jan 19
25 Oct 18	GODREJCP	Accu	707.5	850.00	890.00	Part Profit of Rs.142.5/-	142.50	20%	Successful	19 Dec 18
25 Oct 18	DBCORP	Accu	164.00	204	209.00	Profit of Rs.40/-	40.00	24.39%	Successful	15 Mar 19
26 Oct 18	RITES	Accu	240.00	297	297.00	Target Achieved	57.00	23.75%	Successful	13 Nov 18
5 Dec 18	CCL	Accu	260-270		321.00	Open				
5 Dec 18	BRIGADE	Accu	202.50	255	252.00	Target Achieved	52.50	25.93%	Successful	18 Mar 19
31 Dec 18	JKCEMENT	Accu	710.00	866	866.00	Target Achieved	156.00	21.97%	Successful	29 Mar 19
4 Jan 19	MGL	Accu	890-900		1185.00	Open				
26 Feb 19	MARICO	Accu	335-345		411.00	Open				
4 Apr 19	ITDCEM	Accu	128-132		158.00	Open				
4 Apr 19	COCHINSHIP	Accu	384-390		490.00	Open				
5 Dec 18	CCL	Accu	260-270		321.00	Open				
5 Dec 18	BRIGADE	Accu	202.50	255	252.00	Target Achieved	52.50	25.93%	Successful	18 Mar 19
31 Dec 18	JKCEMENT	Accu	710.00	866	866.00	Target Achieved	156.00	21.97%	Successful	29 Mar 19
4 Jan 19	MGL	Accu	890-900		1185.00	Open				
26 Feb 19	MARICO	Accu	335-345		411.00	Open				
4 Apr 19	ITDCEM	Accu	128-132		158.00	Open				
4 Apr 19	COCHINSHIP	Accu	384-390		490.00	Open				
Institutional Investment Idea										
29 Dec 17	GNA	Accu	435.00	542.5	539.00	Target Achieved	107.50	24.71%	Successful	16 Apr 18
29 Dec 17	ZENSARTECH	Accu	885.00	1090	1084.00	Target Achieved	205.00	23.16%	Successful	23 Apr 18
17 May 18	PHILIPCARB	Accu	230-240		348.00	Open				
13 Jul 18	FCONSUMER	Accu	46-47		59.00	Open				
25 Jul 18	ZEEMEDIA	Accu	27.5	13.10	60.00	Loss of Rs.14.40/-	-14.40	-52.36%	Unsuccessful	7 Feb 18
23 Aug 18	INDIANHUME	Accu	285.00	355	364.00	Profit of Rs.70/-	70.00	24.56%	Successful	21 Dec 18
5 Dec 18	VARROC	Accu	710-720		840.00	Open				
23 Apr 19	MAHINDCIE	Buy	215-225		284.00	Open				
6 Jun 19	RADICO	Buy	334.00		419.00	Open				
25 Jun 19	M&MFIN	Accu	390-395		452.00	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	
4-Jul	TORNTPHARM	Buy	1545	1454	1638	1730-1750	93	6.02%	26-Jul	
11-Jul	BERGEPAIN	Buy	304	288	316.25	330-340	12.25	4.03%	24-Jul	
12-Jul	ABFRL	Buy	201	189.3	208.75	222-226	7.75	3.86%	12-Jul	
10-Jul	TCS	Buy	2110	1973	2177	2295-2345	67	3.18%	30-Jul	
28-May	BAJAJFINSV	Sell	8175	8625	7925	7300	250	3.06%	8-Jul	
Positional Call Loser										
25-Jun	JUBLFOOD	Buy	1262.5	1158.3	1145	1450-1470	-117.5	-9.31%	24-Jul	
16-Jul	ABFRL	Buy	202	189.3	186	222-226	-16	-7.92%	31-Jul	
Techno -Funda (Positional) Top Gainer										
4-Apr	FINPIPE	Buy	474.5	435	524	560	49.5	10.43%	1-Jul	
Techno -Funda (Positional) Top Loser										
24-May	APOLLOTYRE	Buy	183.5	178.7	181.5	220-230	-2	-1.09%	24-Jul	
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
23-Jul	HINDALCO JUL 200 PE	Buy	1.25		2.9	5	1.65	5775	3500	24-Jul
22-Jul	YESBANK JUL 90 PE	Buy	2.1		3.8	7	1.7	3740	2200	22-Jul
18-Jul	DABUR 420 PE JUL	Buy	3.55		5.05	6.-8	1.5	1875	1250	18-Jul
18-Jul	NIFTY 11700 PE 18 JUL	Buy	37.5	80	55		17.5	1312.5	75	18-Jul
9-Jul	NIFTY 11550 CE 11-JULY	Buy	31.5	10	48	70	16.5	1237.5	75	09-Jul
Master Trade Medium Risk Top Losers										
23-Jul	SBIN JUL 350 CE	Buy	2.25	0.5	0.5	6	-1.75	-5250	3000	24-Jul
18-Jul	HDFCBANK 2420 CE JULY	Buy	29	10	8.5	60	-20.5	-5125	250	22-Jul
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
26-Jul	BAJAJFINSERV AUG FUT	Buy	7290	7550	7190	7000-6900	100	10000	125	29-Jul
	BAJAJFINSERV 29AUG 7100 PE	Sell	170		190		-20			17-Jul
16-Jul	BRITANNIA JUL FUT	Buy	2750	2675	2797.5	2900	47.5	9500	200	17-Jul
12-Jul	BRITANNIA JUL FUT	Buy	2755	2685	2797.5	2900	42.5	8500	200	12-Jul
1-Jul	GAIL JUL FUT	Buy	310.5	298	314.25	325	3.75	8001	2667	1-Jul
	GAIL 320 CE	Sell	6		6.75		-0.75			
Master Trade High Risk Top Gainer										
3-Jul	BIOCON JUL FUT	Buy	252	243	244	265-268	-8	-14400	1800	5-Jul
3-Jul	GAIL JUL FUT	Buy	153.25	148.5	148.5	162.5	-4.75	-14668.5	5334	9-Jul
	GAIL 315 CE	Sell	3		1		2			
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
5-Jul	WIPRO JULY FUT	Sell	278	282	274.75	270	3.25	10400	3200	5-Jul
26-Jul	TATAGLOBAL AUG FUT	Sell	261.5	266.5	257.75	250	3.75	10125	2700	29-Jul
28-Jun	POWERGRID JUL FUT	Buy	206.25	203	208.5	213	2.25	9000	4000	1-Jul
12-Jul	BATAINDIA JUL FUT	Buy	1337.5	1315	1353	1375	15.5	8525	550	12-Jul
27-Jun	COLPAL JUL FUT	Buy	1137	1120	1149	1170	12	8400	700	2-Jul
Momentum Call Top Loser										
1-Jul	BATAINDIA JUL FUT	Sell	1435	1458.7	1458.7	1400	-23.7	-13035	550	3-Jul
5-Jul	TVSMOTOR JUL FUT	Buy	429	417.3	417.3	450	-11.7	-12870	1100	8-Jul

Event Calendar

August 2019

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1 Monthly Auto sales Number	2 US Unemployment Rate Jun	3
4	5	6 <ul style="list-style-type: none"> Ibulhsgfin Titan Recltd Pidilitind MFSL Lakshvilas ABFRL IRB Fortis GSFC Nicindia Nilkamal HSIL Mindaind Jswenergy Jklakshmi Centralbk Luxind Thomascook Zensartech SFL 	7 <ul style="list-style-type: none"> Tatasteel Cipla Adanipower Adaniports Lupin Hindpetro Voltas Rajeshexpo Auropharma Hcltech Petronet Indiacem Adanigas Ramcocem Cumminsind Siemens Adanigreen DFSS KEC Bajajelec Allcargo PTC Sreinfra Astrazen Sundrmfast Lemontree ITI Welcorp Sudarschem Asterdm Sonatsftw Schneider Phoenixltd Mahseamles 	8 <ul style="list-style-type: none"> Ultracemco NBCC Adanient Tatachem Hexaware Enginersin MGL Radico Pageind Infibeam Godrejprop Adanitrans RCF PGHL GNFC Endurance Abbotindia Nbventures Geship Greavescot Tatainvest Cub Ircon Coffeeday Thermax Emamiltd GPPL Take Jslhisar Ucobank Advenzymes Maxindia Aparinds Indostar Alkoindia Tcnsbrands 	9 <ul style="list-style-type: none"> Spicejet Suntv Hindalco BHEL NCC Britannia SAIL BPCL GAIL Rcom Pcjeweller Cadilahe Mrf Natcopharm Honaut Oil Megh Fconsumer Sobha Jammaauto Inoxwind Pfizer Centuryply Shreecem SHK Himatseide NHPC SCI Varroc Gujalkali Itdecem Tvtoday NH 	10 <ul style="list-style-type: none"> Godfryphlp NTPC Balkrisind Divislab Chamblfert Hindcopper Pncinfra Thyrocare BDL Laopala Finolexind Aplapollo Suprajit
11	12 <ul style="list-style-type: none"> Graphite Blissgvs Ttkprestig Whirlpool Mothersumi Centurytex Sunteck Muthootfin Rpower Jindalsaw Wabag Shankara BBTC Aiaeng Cappl SJVN IFCI Alkem Mindacorp Timken 	13 <ul style="list-style-type: none"> Relinfra Manappuram Sunpharma Coalindia Bharatforg Apallohosp ONGC Nationalum Godrejind NMDC Glenmark Jaicorpltd Uflex Naukri Rain Boschltd Ipcalab Lalpathlab Rites Eihotel Timetechno Balmawrie Ashoka Fineorg Bluestarco Wabcoindia HAL Redington TNPL Gichsgfin 3Mindia Tvssrichak Jbcepharm DCAL 	14 <ul style="list-style-type: none"> Jindalstel HEG Grasim Swanenergy Wockpharma IDBI Edelweiss IGL Deepakfert Sadbhav Repcohome Gmrinfra MMTC IDFC ITDC Fincables Knrcon Galaxysurf GDL Jchac 	15	16	17
18	19	20	21 <ul style="list-style-type: none"> PGHH 	22 <ul style="list-style-type: none"> GILLETTE 	23	24
25	26	27	28	29	30 <ul style="list-style-type: none"> Government Budget Value Jul 	31

Result Updates Economic Event

ACMIIL Retail Research Products

Informational Products	Recommendation Products
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Equi-Tea	Positional Calls
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Weekly Derivative Synopsis	Portfolio Review
Rollover Snapshot	Equity SIP
Rollover Analysis	

Asit C. Mehta

INVESTMENT INTERMEDIATES LTD.

Retail Research Desk:

Akhil Rathi D: 91 22 2858 3210
 Hrishikesh Yedve D: 91 22 2858 3207
 Vrinda Aditya D: 91 22 2858 3209
 Neeraj Sharma D: 91 22 2858 3208
 Rohan Gawale D: 91 22 2858 3213
 Karan Desai D: 91 22 2858 3221

Email: retailresearch@acm.co.in

Research Analyst Registration Number:

INH000002483

CIN: U65990MH1993PLC075388

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