

NIFTY (Weekly)



The week that went by:

D-street started the truncated week on a strong note with the 40 points gap-up opening. Nifty50 Index made a fresh high of 10242.95 in first session itself but failed to hold higher levels and slipped thereon. However, in the last session, Nifty managed to recover its early losses and ended the day at high points of the day. Post the stellar performance in last three days, on day2 Index rested a bit and opened on a flat note with negative bias. Index made another high of 10251.85 and slipped to remain in consolidation mode for the rest of the day. Stock specific and result impact related activities continued. On last day of the truncated week, Nifty opened with 20-25 points gap-down opening and continued to slide. With the support of heavyweights such as Reliance and HDFC Bank Index recovered but failed to hold higher levels and ended the day with 23.60 points. Broader Market outperformed the Major Indices.

Nifty 50=10210.85 BSE Sensex30=32584.35 Nifty Midcap 100=18867.50 Nifty Smallcap100=8079.30

MARKET OUTLOOK

As Nifty50 Index has formed a DOJI candlestick pattern which reflects the hesitation at higher levels and suggests fight between bulls and bears. Activities of the upcoming week will decide the winner of the battle. Market likely to remain volatile due to Q2 results of heavyweights such as HDFC Bank, Infosys, HCL Tech etc.

Nifty has immediate resistance of 10320. On the downside 10180 and 10080 will hold as an immediate support. Bank Nifty has resistance of 25100 followed by 24850 whereas support is placed around 24000 & 23740

SECTORAL GAINERS / LOSERS

GAINER



Nifty Energy sector ended the week with the gain of 2.94% versus 0.42% of Nifty and outperformed the same. Heavyweight stock i.e. Reliance Industries contributed the most with gains of 4.16% and outperformed the both. Other components like BPCL, Power grid and ONGC ended the week with the gains of 4.84%, 3.69% and 2.75 respectively. White three soldier candlestick pattern formed with signals too much of overbought condition; however any dip can be materialized as buying opportunity.

LOSER



Nifty PSU Bank sector continued its underperformance with the correction over (2.80%) and underperformed the Nifty50 Index. Heavyweights of the sector i.e. SBI and PNB corrected over (3.00%) each. Other components of the sector like Bank of Baroda, Union bank, Canara bank ended the week with the loss of (2.08%), (1.18%) and (1.13%) respectively. Syndicate bank was the only stock which ended the week with the gains of 3.49% Index has breached the 100WMA which indicates further continuation of underperformance.

CMP: 669

LIC HOUSING FINANCE LTD

Target Price: Rs705 -Rs740

Overview: LIC Housing Finance Ltd. is one of the largest Housing Finance company in India. Incorporated on 19th June, 1989 under the Companies Act, 1956, the Company was promoted by LIC of India and went public in the year 1994. The main objective of the Company is providing long term finance to individuals for purchase or construction of house or flat for residential purpose/ repair and renovation of existing flat / houses.

NAPSHOT

| | |
|--------------------|------------|
| Market Cap (Cr) | 33711 |
| 52 week H / L (Rs) | 794.10/470 |
| BSE Code | 500253 |
| NSE Code | LICHSGFIN |



Investment Rationale:

LIC HOUSING FINANCE LTD imitate a breakout from Inverted Head and shoulder formation. Stock price is in uptrend from late December of 2016 and made a 52 week high of 794. Stock retraced 61.8% of the previous move and found the support at 604 which was previously acted as a resistance. Joint breakout has been seen in the counter; at the same time price and RSI has given breakout from Inverted head and shoulder pattern. +DMI is on verge of positive crossover to ADX. Stock successfully tested 50 Week Moving Average.

Buy LIC HOUSING FINANCE LTD at current market price of Rs669 with a closing stop loss of Rs635 for a target of Rs705-Rs740 with a perspective of 3-4 months.

DERIVATIVES CORNER

| Top OI Gainers with increase in Price | | | |
|---------------------------------------|------------|---------------|------------------|
| Long Accumulation | | | |
| Stocks | OI (in mn) | OI Change (%) | Price Change (%) |
| TORNT PHARMA | 0.52 | 48.37 | 4.32 |
| MGL | 0.79 | 16.23 | 3.05 |
| JUST DIAL | 4.58 | 8.62 | 3.68 |
| RBL BANK | 5.74 | 7.81 | 0.11 |
| IGL | 1.11 | 6.41 | 4.91 |

| Top OI Closures with increase in Price | | | |
|--|------------|---------------|------------------|
| Short Covering | | | |
| Stocks | OI (in mn) | OI Change (%) | Price Change (%) |
| DHFL | 19.68 | (25.96) | 1.59 |
| INFIBEAM | 27.93 | (13.02) | 2.17 |
| POWER GRID | 19.26 | (12.88) | 3.65 |
| PETRONET | 10.62 | (6.13) | 2.27 |
| SAIL | 59.46 | (5.51) | 0.76 |

| Top OI Gainers with decrease in Price | | | |
|---------------------------------------|------------|---------------|------------------|
| Short Accumulation | | | |
| Stocks | OI (in mn) | OI Change (%) | Price Change (%) |
| NIIT TECH | 0.97 | 15.60 | (3.24) |
| RELCAPITAL | 12.30 | 10.08 | (0.80) |
| INDIAN BANK | 3.98 | 5.39 | (3.08) |
| RPOWER | 55.17 | 5.22 | (2.21) |
| ZEEL | 8.18 | 5.11 | (1.00) |

| Top OI Closures with decrease in Price | | | |
|--|------------|---------------|------------------|
| Long Unwinding | | | |
| Stocks | OI (in mn) | OI Change (%) | Price Change (%) |
| BEML | 2.21 | (8.37) | (2.87) |
| INFRATEL | 8.31 | (6.72) | (3.31) |
| SHREE CEMENT | 0.036 | (6.56) | (1.45) |
| BIOCON | 9.34 | (5.09) | (1.18) |
| NATIONALUM | 22.92 | (4.82) | (1.96) |

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