

Morning Moves

April 25, 2014

Global Indices

Global Indices	(Close)	(Pts)	Chg(%)
SGX Nifty*	6881.50	-24.50	-0.36
Dow Jones	16501.65	0.00	0.00
NASDAQ	4148.34	21.37	0.52
S&P 500	1878.61	3.22	0.17
FTSE 100	6703.00	28.26	0.42
Nikkei 225*	14490.80	85.81	0.60
Hang Seng*	22391.36	-171.4	-0.76

Source : Bloomberg (as of 8:00 am IST)

Sectoral Gainers/Losers

Sector	(Close)	(Pts)	Chg(%)
S&P BSE C G	12761.14	187.84	1.49
S&P BSE BANKEX	15012.05	165.87	1.12
S&P BSE REALTY	1463.29	-18.92	-1.28
S&P BSE CD	6604.25	-58.43	-0.88

Source: BSE India

Nifty : Top Gainers & Losers

Gainers	Chg(%)	Losers	Chg(%)
BANKBARODA	3.78	CAIRN	-2.67
KOTAKBANK	3.21	DLF	-2.58
AMBUJACEM	2.52	IDFC	-1.47
PNB	2.45	ULTRACEMCO	-1.46
LT	1.85	BPCL	-1.20

Source : NSE India

Institutional Activity

Cash Market	Net Value	Futures (FII)	Net Value
FII	767.71	Index	1710.02
DII	-533.88	Stock	-952.84

Source: NSE India Value (Rs in crs)

Intra-day Recommendations

Scrip Code	Act	Entry	SL	Tgt
TATASTEEL	L	426-427	421	433
AXISBANK	L	1519-1520	1505	1540
LT	L	1376-1377	1366	1398
SUVEN	L	85-86	83.50	90
WIPRO	S	524-525	519	534

Note: Act=Action: Entry=Entry; SL=Stop loss; Tgt=Target; L= Long; S= Short, BLW= Below.ABV=Above

Market Buzz

- South Indian Bank's Q4 net down 19% at Rs 127 crore
- Bharti Infratel Q4 net profit jumps 64% to Rs 472 crore
- ACC Q1 net profit fell to Rs 400 crore, sales volume flat
- Shriram Properties plans to raise around Rs 1500 crore equity
- IBM signs deal with Polaris FT for social software solutions
- Indian Hotels seeks SEBI nod to raise Rs 1,000 crore via debentures
- LIC sold shares worth Rs 6,300 crore in Sensex companies
- RBI unsupportive of HDFC Bank's plea to raise FII holding
- PSBs may get additional capital infusion of Rs 7000 crore
- Allahabad Bank to raise Rs 320 crore in QIP
- RIL, ONGC lock horns over gas transport from KG-D6 block
- RIL raises \$550 million from Japanese banks

Source: Bloomberg, leading business newspapers & websites

Market View


Will ICICI Bank & Axis Bank Q4 results cheer the market? The Nifty is expected to trade volatile in the range of 6800-6880 levels. The SGX Nifty is trading negative at 6881 mark, down by 24 points. The Asian markets are trading in red while the US markets closed flat. We suggest buying Nifty around 6800 levels for upside targets of 6830-6850 levels maintaining stop loss of 6770 levels. Banking, Oil & Gas and Capital Goods sectors will see buy interest for today's session. For Nifty, the key support levels are 6800-6770 and resistance levels are 6830-6850 for the day.

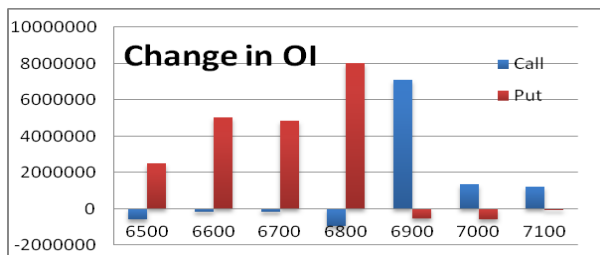
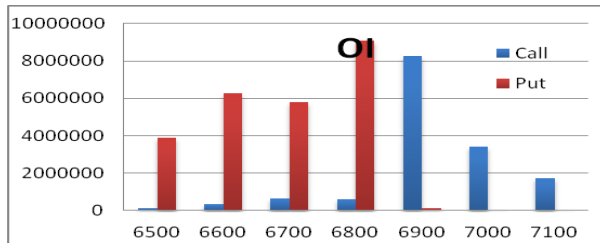
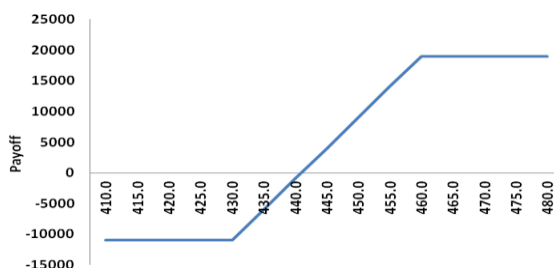
Nifty Option: Sell Nifty May 6600 PE @ 135-136, SL: 6500 (Spot), Tgt: 112-110 TF: 3-5 days.

DERIVATIVES INSIGHT
Nifty Tracker

Particulars	Current	Previous	% Chg
Nifty Spot	6840.80	6815.35	0.37
Near Fut	6899.15	6876.70	0.33
Mid Fut	6920.60	6891.30	0.43
Near Fut OI	1.41	0.96	47.18
Near Mid Fut OI	0.09	0.06	45.48
COC %	8.65	8.88	-23.18
Mid COC %	6.65	6.71	-5.71
Nifty PCR Vol	1.22	1.02	19.48
Nifty PCR OI	0.97	0.97	0.21
Market OI (Rs. cr.)	86355	160009	-46.03
Market COC (%)	9.94	33.05	-69.92
India VIX	31.13	33.36	-6.68

Nifty Dynamics

- Nifty May futures premium decreased to 58.35 points from 61.35 points. Futures added 45 lakh shares in OI.
- Nifty June futures premium increased to 79.80 points from 75.95 points. Futures added 3 lakh shares in OI.
- India Vix in Wednesday's trade decreased to 31.13% from 33.36%. While Nifty historical volatility fell to 13.73% from 14.14%.
- India Vix Fut shed 8,250 shares in OI.
- Nifty put options added 35 lakh shares in open interest, while Nifty call options added 42 lakh shares.
- Nifty call options average Implied Volatility (IV) increased to 30.84% from 22.81%, and Nifty put options average (IV) increased to 27.75% from 18.76%.
- Market COC decreased to 9.94% from 33.05%.

Options Activity (Near Month)

Hybrid Strategy Payoff

Positional Recommendations

Crompton Greaves May Fut: Buy @ 186-187 levels for targets of 198 & 205 with stop loss at 182 levels. Crompton Greaves saw strong rollover of positions in May series, Stock saw rollover of 99.82% positions to May series, which is above 3M Avg of 56.47%. Stock has open interest of 2,02,04,000 share, added 53,32,000 shares in Wednesdays trade.

Bharat Forge May Fut: Buy @ 432-434 for targets of 448 & 454 with stop loss at 425 levels. Bharat Forge saw 99.96% of positions being rolled to May series, which is more than the 3M Avg of 65.27%. Stock has open interest of 27, 09,000 shares, added 9, 90,000 shares in open interest on the last day of expiry.

ICICI Bank May 1350 CE: ICICI Bank 1350-strike May-call option has open interest of 64,000 shares. It added 21,000 shares in Wednesday's trade with rise in IVs to 41.85%. Long positions can be assumed in the option between Rs. 52-54 with stop loss at 38 for targets of Rs. 78-80.

Hybrid Strategy
Bull call in Tata Motors

Tata Motors May 430-strike call option, which has open interest of 1,24,000 shares added 36,000 shares in open interest, with fall in IVs to 36.14%. whereas it's May 460-strike call option, which has open interest of 59,000 shares, added 10,000 shares in open interest with fall in IVs to 37.28%.

Buy one May 430 CE @ 20-21 and sell one 460 CE @ 10-11; BEP : 441 ; Max loss : 11000 ; Max Gain : 19000.

PIVOT TABLE

Scrip	CMP	S2	S1	Pivot	R1	R2
SENSEX	22876.54	22724.01	22800.27	22856.40	22932.66	22988.79
NIFTY	6840.80	6800.20	6820.50	6841.05	6861.35	6881.90
AXISBANK	1519.80	1473.37	1496.58	1515.22	1538.43	1557.07
BAJAJ-AUTO	2004.65	1979.22	1991.93	2003.82	2016.53	2028.42
BHARTIARTL	338.80	331.33	335.07	338.28	342.02	345.23
BHEL	189.60	184.87	187.23	189.37	191.73	193.87
CIPLA	399.05	395.92	397.48	398.87	400.43	401.82
COALINDIA	302.25	294.32	298.28	301.02	304.98	307.72
DRREDDY	2565.90	2539.33	2552.62	2568.38	2581.67	2597.43
GAIL	383.85	376.82	380.33	384.57	388.08	392.32
HDFC	879.55	854.32	866.93	874.72	887.33	895.12
HDFCBANK	733.00	714.83	723.92	731.68	740.77	748.53
HEROMOTOCO	2256.15	2190.92	2223.53	2259.77	2292.38	2328.62
HINDALCO	145.15	141.45	143.30	144.65	146.50	147.85
HINDUNILVR	595.50	589.77	592.63	595.87	598.73	601.97
ICICIBANK	1299.55	1271.72	1285.63	1295.32	1309.23	1318.92
INFY	3172.65	3148.32	3160.48	3176.17	3188.33	3204.02
ITC	353.20	345.80	349.50	352.25	355.95	358.70
LT	1376.35	1334.72	1355.53	1372.02	1392.83	1409.32
M&M	1039.15	1016.72	1027.93	1034.97	1046.18	1053.22
MARUTI	1982.05	1956.68	1969.37	1981.68	1994.37	2006.68
NTPC	122.10	119.83	120.97	122.93	124.07	126.03
ONGC	326.00	316.57	321.28	326.87	331.58	337.17
RELIANCE	967.15	953.38	960.27	971.13	978.02	988.88
SBIN	2065.20	2024.20	2044.70	2061.35	2081.85	2098.50
SSLT	192.55	189.72	191.13	192.92	194.33	196.12
SUNPHARMA	625.60	607.20	616.40	625.70	634.90	644.20
TATAMOTORS	425.05	415.62	420.33	427.02	431.73	438.42
TATAPOWER	83.65	81.85	82.75	83.90	84.80	85.95
TATASTEEL	426.55	416.25	421.40	425.35	430.50	434.45
TCS	2213.75	2176.78	2195.27	2219.58	2238.07	2262.38
WIPRO	524.70	510.43	517.57	528.13	535.27	545.83

Corporate Actions

Company	Series	Ex-Date	Record Date	Purpose
BOSCHLTD	EQ	12-May-14	-	AGM/ Dividend Rs 55 Per Share
THOMASCOOK	EQ	21-May-14	-	Dividend Rs.0.375 Per Share

Results

Exide	ICICI Bank	IDFC	KSB Pumps	Maruti Suzuki
Siemens	SBT	Sasken	UPL	Axis Bank

Sources: NSE India, BSE India, Bloomberg, Karvy Research, Leading Business Newspapers & Websites.

References

Page 1: FII= Foreign institutional investor, DII= Domestic institutional investor.

Page 2: Fut=Futures; COC=Cost of Carry; PCR = Put Call Ratio; Vol = Volume; OI = Open Interest; VIX = Volatility Index

Page 3: Pivot Point: Intra-day trading tool that applies stop loss based on NSE prices.

Pivot Point: This is a trigger point for intra-day buy/sell based on the price range of the previous day, based on NSE prices.

R1 (Resistance 1): First resistance over pivot point; **R2** (Resistance 2): Second resistance over R1.

S1 (Support 1): First support below pivot point; **S2** (Support 2): Second support below S1.

As per the tool, the trader should take a BUY position just above the pivot point; the stop loss should be kept at the pivot point and the first target would be R1. If R1 is crossed, then R2 becomes the next target with the stop loss at R1.

Similarly, if the price falls below the pivot point, the trader should SELL, keeping the pivot point as the stop loss and the first target as S1. If S1 is crossed, then S2 becomes the next target with the stop loss at S1.

Legends: BPP: Book part profits; BFP: Book full profits; AP: Average profits; EMA: Exponential moving average; SA: Simple average; RVS: Revised stop loss level.

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