

NIFTY OUTLOOK


- It was a difficult week for the traders as the benchmark index, Nifty, remained volatile for most part of the week and ended lower by over half a percent.
- With no major event lined up, global cues would largely dictate the market trend. Besides, participants will be closely watching the currency movement, progress of monsoon and crude prices for cues.
- We believe Nifty would further consolidate in a broader range of 10,750-11,250 and a lot depends upon the performance of banking index. We advise continuing with stock-specific trading approach and focusing more on the trade management.

SECTOR WATCH

SECTOR	CMP	% CHANGE	TREND	STOCKS TO WATCH OUT FOR
AUTO	6998.45	-1.95%	Sideways to Bearish	AMARAJABAT, EXIDEIND
NIFTY BANK	28217.00	-0.76%	Sideways to Bullish	AXISBANK, KOTAKBANK
FIN SERVICE	12543.70	-1.81%	Bearish	RECLTD, M&MFIN
FMCG	28889.95	-1.41%	Bullish	COLPAL, DABUR, TATAGLOBAL
IT	15365.35	-2.88%	Sideways to Bearish	MINDTREE
MEDIA	1859.10	1.44%	Bearish	PVR, TVTODAY
METAL	2402.05	0.17%	Sideways to Bullish	HINDALCO
PHARMA	7684.30	-3.03%	Sideways to Bearish	SUNPHARMA, CIPLA, DRREDDY
ENERGY	14594.70	3.10%	Bullish	POWERGRID
REALTY	265.10	-0.21%	Sideways to Bearish	OBEROIRLTY

DERIVATIVES OUTLOOK

- Nifty futures volume weighted average price (VWAP) is at 11020 and Bank Nifty futures is at 28100.
- Maximum weekly positions are at 10900 PE and 11100 CE. Nifty is expected to be in the range of 10750-11250.
- ONGC and TELECOM stocks gained the most during the week where as PHARMA and AUTOMOBILE stocks lost the most during the week.
- FIIs were net buyer of around Rs 976 Cr in cash segment and DIIs were net buyer of around Rs 1821 Cr in cash segment during the week (Monday– to-Thursday).
- VIX is likely to hover around 14%-18% range for the next week.

Strategy - ENGINEERSIN added around 9% in open interest as long buildup was seen in it in previous session. Current chart pattern also indicates further up move in its price. We suggest buying ENGINEERSIN in cash as per below levels.

Strategy:- BUY ENGINEERSIN BETWEEN 101-103, STOPLOSS AT 99, TARGET 110.

LONG BUILDUP (Weekly change)

SYMBOL	PRICE	% CHANGE IN PRICE	OPEN INTEREST	% CHANGE IN OI
IDEA	6.45	19.40	443660000	2.10
IBULHSGFIN	541.90	11.30	21662400	31.90
APOLLOHOSP	1456.70	7.60	1808000	74.30

SHORT BUILDUP (Weekly change)

SYMBOL	PRICE	% CHANGE IN PRICE	OPEN INTEREST	% CHANGE IN OI
GLENMARK	360.00	-15.40	5898000	27.20
IDBI	24.40	-10.30	24420000	12.70
NCC	62.75	-8.60	37264000	5.70

Weekly News

- **Dixon technologies'** Q1FY20 consolidated revenue was up by 93.5% at Rs 1,146.9 cr YoY, led by stellar growth in consumer electronics & lighting segment. While its EBITDA and PAT was up 95% YoY at Rs 53 cr and 84.8% YoY at Rs 23.6 cr, respectively driven by strong revenue from all the segments.
- **Bharat Forge** reported its Q1FY20 results wherein its net sales de-grew by 3.6% YoY to Rs. 2,328 cr. In addition, EBITDA declined by 15% YoY to Rs 411 cr, while EBITDA margin contracted by 240 bps to 17.6%. Its Net profit declined 28% YoY to Rs 171.9 cr due to subdued demand in the domestic market and inventory destocking in export oil & gas business.
- **Dilip Buildcon** has received letter of acceptance (LOA) from Water Resources Department, Jharkhand for the construction of Kharkai Dam at Icha in the state of Jharkhand. The project cost is estimated to be ~Rs 973 cr and the time duration for completion is 36 months.
- **Wockhardt's** Q1FY20 consolidated revenue de-grew by 14.2% at Rs 871.2 cr YoY, while its loss narrowed to Rs 45 cr from Rs. 89.2 cr in Q1FY19. During the quarter, it repaid Rs 351 cr towards various long-term debt obligations and current outstanding debt stood at Rs 2,119 cr.
- **Grasim's** Q1FY20 consolidated revenue rose by 4.4% YoY to Rs. 5000 cr, while its net profit fell by 69% YoY to Rs 202 cr due to one-time loss of Rs 290 cr with respect to its investment in Aditya Birla Payments Bank that ceased operations last month.
- **Panacea Biotec** reported revenue growth of 20% YoY at Rs 126cr in Q1FY20. Its consolidated net loss narrowed to Rs 28.3 cr as against Rs 35.3cr in Q1FY19.
- US-based Kora Management, an existing investor, has committed to invest US\$75 million (around Rs 525 cr) in **Edelweiss Global Investment Advisors (EGIA)** subject to structuring. It plans to make additional investment of US\$50 million (around Rs 350 cr) at a later stage.
- **Sun Pharmaceutical Industries** has entered into a global licensing deal worth Rs 240 cr for developing new drugs with the Indian Institute of Chemical Technology, Hyderabad under the Council of Scientific and Industrial Research Indian. This would improve its global portfolio of specialities.
- **Hero MotoCorp** said, its manufacturing plant would be closed for four days from August 15 on the account of on-going demand slowdown, festive season (Independence Day & Raksha Bandhan) and the weekend.

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Nature of Interest (if answer to F (a) above is Yes :

S. No.	Statement	Answer	
		Yes	No
		Tick appropriate	
			No
	I/we or any of my/our relative has any financial interest in the subject company? [If answer is yes, nature of Interest is given below this table]		No
	I/we or any of my/our relatives, have actual/beneficial ownership of one per cent. or more securities of the subject company, at the end of the month immediately preceding the date of publication of the research report or date of the public appearance?		No
	I / we or any of my/our relative, has any other material conflict of interest at the time of publication of the research report or at the time of public appearance?		No
	I/we have received any compensation from the subject company in the past twelve months?		No
	I/we have managed or co-managed public offering of securities for the subject company in the past twelve months?		No
	I/we have received any compensation for brokerage services from the subject company in the past twelve months?		No
	I/we have received any compensation for products or services other than brokerage services from the subject company in the past twelve months?		No
	I/we have received any compensation or other benefits from the subject company or third party in connection with the research report?		No
	I/we have served as an officer, director or employee of the subject company?		No
	I/we have been engaged in market making activity for the subject company?		No

Name(s) with Signature(s) of RA(s).

[Please note that only in case of multiple RAs and if the answers differ inter-se between the RAs, then RA specific answer with respect to questions under F (a) to F(j) above , are given below]

SS..No.	Name(s) of RA.	Signatures of RA	Serial Question of question which the signing RA needs to make a separate declaration / answer	Yes	No.

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