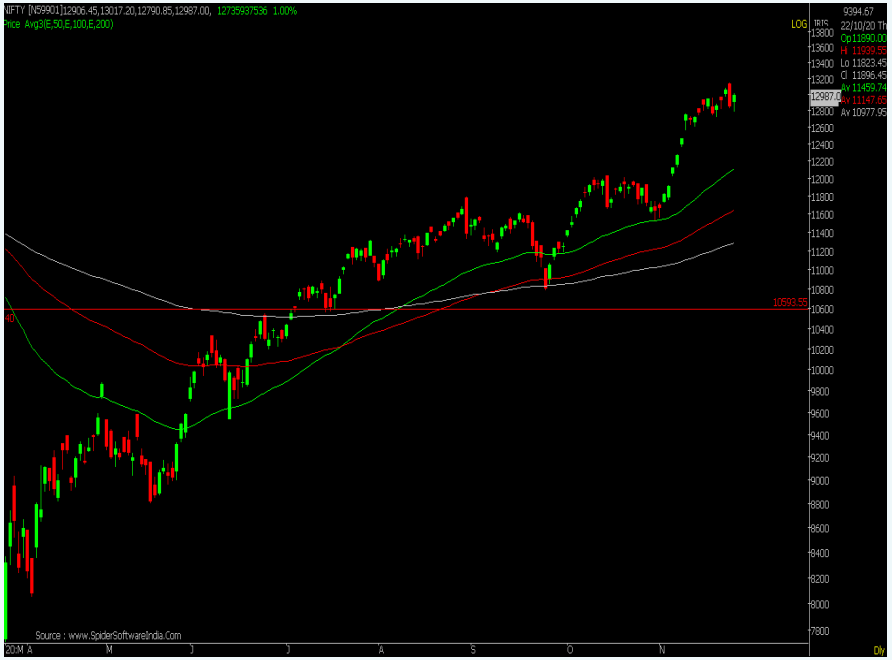
## Nifty Outlook

Markets made a smart comeback and posted gains of over a percent. Initially, the bias was on the negative side, in line with the previous session's fall but the trend reversed in the latter half, thanks to healthy buying in metals, banking and financial pack. Consequently, the Nifty settled near 12,987 levels. The broader markets too ended in a positive range of 0.7-0.9%. Barring oil & gas, all the sectoral indices ended in the green.

This rebound indicates that bulls are in control however the possibility of consolidation is still high and it would be healthy for the markets. In the near term, markets would continue to take cues from their global peers. On the domestic front, India's GDP data outcome schedule on 27th November will be on the radar. We reiterate our view to focus more on the selection of stocks during this consolidation phase and continue with the "buy on dips" approach.



| | VWAP (Expiry till date) | Max OI (Call) | Max OI (Put) |
|---|---|---|---|
| NIFTY | 12600 | 13000 | 12000 |

## News

- **DHFL** announced its Q2FY21 results wherein its revenue was up 4.7% YoY at Rs 2,204.8 cr. The company's net loss narrowed down to Rs 2,122.7 cr as against loss of Rs 6,640.2 cr YoY
- **Meghmani Organics** announced it has commenced two new agrochemicals plants and is planning to set up the multipurpose plant at Dahej at the cost of Rs 310 cr.
- **Ajanta Pharma** announced the buyback of shares upto 7.35 lakh equity shares at a price of Rs 1850/share. The offer will open on 3rd December and close on 16th December, 2020.

## Religare Super Idea**

| Scrip | Buy/Sell | CMP | Initiation Range | SL* | Target |
|---|---|---|---|---|---|
| BAJAJ-AUTO | BUY | 3129.20 | 3120-3130 | 3040 | 3280 |

**Please note that the given technical and derivative recommendations are "valid for taking position" only on recommended date and in the given range.

*Please note - Stoploss is on closing basis for delivery recommendation and intraday basis for F/O recommendation.

## Derivative Ideas **

| Instrument | B/S | Lot | INITIATION RANGE | SL | TARGET |
|---|---|---|---|---|---|
| L&TFH | BUY | CASH | 76.50-77.50 | 73 | 84 |

## Sectors to watch

| Sector Name | Outlook |
|---|---|
| IT | STABLE |
| BANKS | BULLISH |
| FMCG | BULLISH |

## FII & DII Cash Segment (Rs. in Cr.)

| Category | Amt. | MTD | FYTD |
|---|---|---|---|
| FII** | 24 | 55577 | 91140 |
| DII** | -1840 | -39950 | -63601 |

**Provisional data as on 25th Nov., 2020

## Trade Stats

| | NO OF CONTRACTS | TURNOVER IN CR |
|---|---|---|
| IDXFUTS | 731063 | 60642 |
| IDXOPT | 86772813 | 14632 |
| STKFUTS | 1383758 | 105329 |

## Derivative Ideas

**L&TFH DEC FUT** added around 15% in open interest addition as LONG buildup was seen in it in till closing time. Current chart pattern also indicates further up move in its price. We suggest buying L&TFH as per below levels.

**Strategy:-** BUY L&TFH BETWEEN 76.50-77.50, STOPLOSS AT 73, TARGET 84.

## Investment Pick - Bata India Ltd.

| Scrip | CMP | Recommendation Price | Target | Duration |
|---|---|---|---|---|
| Bata India Ltd. | 1,525.4 | 1,504 | 1,669 | 9-12 Months |

- Bata India reported better number sequentially but remain muted as compared to Q2FY20 due to pandemic. Its revenue stood at Rs 368 cr which grew by 172% QoQ. Its EBITDA reported profit of Rs 18 cr as compared to EBITDA loss of Rs 86 cr QoQ. On bottom-line its loss narrowed down to Rs 44 cr as compared to loss of Rs 101 cr in Q1FY21. Going forward, management expects improvement but at a very gradual pace which means FY22E onwards we would see decent growth. Maintain Buy.
- Over the years Bata has been a consistent performer, however, Q1FY21 was severely impacted due to lockdown led by Covid-19. Further in Q2FY21 with opening of economy sales is picking up at gradual pace but as the situation is still uncertain we expect FY21 growth to remain muted. Nonetheless, we expect the company to regain in FY22E as the situation stabilises and demand would pick-up on the back of better product mix, increasing presence in e-commerce space and growing distribution network by expanding in semi-rural market and aggressively promoting brands through advertisements. Besides, it has healthy balance sheet and strong cash flows which is an added advantage and this would aid to sustain in tough times. Hence, we have maintained a Buy on the stock with target price of Rs. 1,669.

## CACT Calendar - November 2020 (Cash Dividend )

| Sun | Mon | Tue | Wed | Thu | Fri | Sat |
|---|---|---|---|---|---|---|
| 22 | 23<br>• Aurobindo Pharma Ltd.<br>• Petronet Lng Ltd.<br>• Precision Wires India Ltd.<br>• Tide Water Oil (India) Ltd. | 24<br>• Gujarat Pipavav Port Ltd.<br>• Indag Rubber Ltd.<br>• Natco Pharma Ltd.<br>• Sahyadri Industries Ltd.<br>• Techno Electric & Engineering Company Ltd<br>• Tower Infrastructure Trust<br>• Valiant Organics Ltd | 25<br>• Gocl Corporation Ltd<br>• Orient Abrasives Ltd. | 26<br>• Nbcc (India) Ltd<br>• Tata Consultancy Services Ltd. | 27 | 28 |

## CACT Calendar - November 2020 (Buy Back of Shares)

| Sun | Mon | Tue | Wed | Thu | Fri | Sat |
|---|---|---|---|---|---|---|
| 22 | 23 | 24<br>• Mayur Uniquoters Ltd. | 25 | 26<br>• Tata Consultancy Services Ltd. | 27 | 28 |

## CACT Calendar - November 2020 (Right Issue of Equity Shares)

| Sun | Mon | Tue | Wed | Thu | Fri | Sat |
|---|---|---|---|---|---|---|
| 22 | 23 | 24<br>• Pricol Ltd | 25 | 26 | 27 | 28 |

## Result Calendar - November 2020

| Sun | Mon | Tue | Wed | Thu | Fri | Sat |
|---|---|---|---|---|---|---|
| 22 | 23<br>• Rollatainers Ltd.<br>• Super Fine Knitters Ltd<br>• Wisec Global Ltd. | 24<br>• Coral Newsprints Ltd. | 25<br>• Coffee Day Enterprises Ltd<br>• Dewan Housing Finance Corporation Ltd.<br>• Mahip Industries Ltd<br>• MT Educare Ltd.<br>• Siemens Ltd.<br>• Vikas Proppant & Granite Ltd | 26<br>• Globus Corporation Ltd.<br>• Jmt Auto Ltd. | 27<br>• Birla Capital & Financial Services Ltd.<br>• Ht Media Ltd.<br>• Next Mediaworks Ltd.<br>• Santosh Fine-Fab Ltd.<br>• Transformers And Rectifiers (India) Ltd. | 28 |

## Religare Investment Calls

| Name of the Company | Reco Date | Current Rating* | Reco Price | Target Price | Upside % | CMP | Expected returns from CMP % |
|---|---|---|---|---|---|---|---|
| ELGI Equipments** | 09-Aug-19 | Buy | 123 | 157 | 27.6% | 132 | 19.0% |
| Cummins India | 31-Jan-2020 | Buy | 585 | 705 | 20.5% | 534 | 32.1% |
| Godrej Agrovet | 13-Feb-2020 | Buy | 559 | 618 | 10.5% | 511 | 20.9% |
| INOX Leisure | 20-Aug-2020 | Buy | 282 | 376 | 33.3% | 266 | 41.3% |
| Godrej Consumer Products | 16-Sept-2020 | Buy | 706 | 845 | 19.7% | 701 | 20.5% |
| Mahindra and Mahindra | 06-Oct-2020 | Hold | 607 | 775 | 27.7% | 729 | 6.4% |
| Britannia Industries | 22-Oct-2020 | Buy | 3,397 | 4,265 | 25.5% | 3,549 | 20.2% |
| HDFC AMC | 29-Oct-2020 | Buy | 2,282 | 2,993 | 31.2% | 2,549 | 17.4% |
| Colgate Palmolive | 30-Oct-2020 | Hold | 1,525 | 1,646 | 7.9% | 1,520 | 8.3% |
| Castrol India | 02-Nov-2020 | Buy | 114 | 151 | 32.5% | 125 | 20.4% |
| Ashok Leyland | 9-Nov-2020 | Buy | 85 | 105 | 23.5% | 89 | 18.2% |

***Current rating is based on returns potential** ****Stock price adjusted as per Bonus declared (1:1)**

**Buy** - Potential Returns **>10%** over 12 months

**Hold** - Potential Returns **<10%** over 12 months

For Religare Investment calls performance click here

## Religare Investment Calls

| Name of the Company | Reco Date | Current Rating* | Reco Price | Target Price | Upside % | CMP | Expected returns from CMP % |
|---|---|---|---|---|---|---|---|
| Bharti Airtel | 9-Nov-2020 | Buy | 450 | 709 | 57.6% | 468 | 51.4% |
| Crompton Greaves Consumer Electrical | 9-Nov-2020 | Buy | 309 | 370 | 19.7% | 306 | 21.0% |
| ICICI Bank | 9-Nov-2020 | Buy | 443 | 552 | 24.6% | 475 | 16.1% |
| Kansai Nerolac Paints | 9-Nov-2020 | Buy | 512 | 615 | 20.1% | 521 | 18.1% |
| Larsen Toubro | 9-Nov-2020 | Hold | 961 | 1181 | 22.9% | 1,119 | 5.6% |
| Nippon Life India Asset Management | 9-Nov-2020 | Buy | 285 | 348 | 22.1% | 290 | 19.8% |
| Sudarshan Chemical Industries | 9-Nov-2020 | Buy | 442 | 583 | 31.9% | 477 | 22.2% |
| Exide Industries | 18-Nov-2020 | Buy | 170 | 205 | 20.6% | 173 | 18.7% |
| ITC | 19-Nov-2020 | Buy | 190 | 238 | 25.3% | 195 | 22.2% |
| Marico | 23-Nov-2020 | Hold | 374 | 405 | 8.2% | 374 | 8.3% |
| Dabur India | 24-Nov-2020 | Buy | 509 | 616 | 21.0% | 504 | 22.2% |
| Bata India | 25-Nov-2020 | Hold | 1,504 | 1,669 | 11.0% | 1,525 | 9.4% |

***Current rating is based on returns potential**

**Buy** - Potential Returns **>10%** over 12 months

**Hold** - Potential Returns **<10%** over 12 months

For Religare Investment calls performance click here

## Research Product Basket

- For every client, the advisor must allocate a specific proportion of funds for trading and investing depending on the risk taking ability and willingness of the client and their investment goals.
- The below mentioned product basket tries to address the way to deal with the trading portfolio (cash/derivative) for optimum effectiveness of research calls.
- It is recommended to divide your trading funds for various types of calls and not invest the entire amount for 1 or 2 calls only.

| For cash market trading | | | | | For 1L margin* | |
|---|---|---|---|---|---|---|
| Call / Product | Call Frequency | No. of calls | Avg open call duration | % funds allocated | Total | Per Call |
| Intraday Calls | Intraday | 2 - 3 | < 1 day | 25% | 25,000 | 8,000 |
| Live / RMD Calls | Daily | 3 - 4 | 3 - 4 days | 30% | 30,000 | 4,000 |
| Master Pick | Weekly | 1 | 1 month | 15% | 15,000 | 5,000 |
| Religare Alpha | Opportunity | NA | 2 - 3 months | 20% | 20,000 | As per weightage |
| Cash | | NA | | 10% | 10,000 | |

| | |
|---|---|
| Intraday Calls | These calls are flashed live on Ms Lync and ODIN with the purpose of squaring off positions on the same day. As a policy, we restrict our intraday cash market calls to less than 4 calls a day. Hence, funds should be allocated accordingly to have provision to trade in all calls. |
| Live / RMD Calls | 2 super ideas are flashed in RMD daily with a view of 3-4 days. Additionally as per market opportunity, we flash live calls during the day (including BTST calls). 3-4 such calls are made on a daily basis which might be open for 3-4 days. Funds should be allocated keeping in mind that there will be 7-8 such open calls daily. |
| Master Pick | This is our weekly recommendation shortlisted on the basis of techno-funda analysis. 15% of funds is recommended to be allocated for Master Pick considering that there will be 3 open calls. The average open duration for this call will be 1 month. |
| Religare Alpha | This is a portfolio of 8-10 stocks which are held with a view of 2-3 months. It is recommended to allocate 20% of funds for building this portfolio which will provide stability to the overall trading portfolio. |
| Cash | 10% surplus cash in the portfolio should be kept for the purposes of allocating it to opportunities as and when they arrive. |

| For derivative market trading | | | | | For 1L margin* | |
|---|---|---|---|---|---|---|
| Call / Product | Call Frequency | No. of calls | Avg open call duration | % funds allocated | Total | Per Call |
| Derivative Ideas | Daily | 1 - 2 | 1 - 3 days | 40% | 40,000 | 40,000 |
| Live calls | Intraday / Daily | 1 - 2 | 3 - 4 days | 50% | 50,000 | 50,000 |
| Cash | | NA | | 10% | 10,000 | |

| | |
|---|---|
| Derivative Ideas | 1 derivative idea is shared in RMD daily. It can be a plain vanilla F&O buy/sell call or an option strategy. Funds should be allocated assuming 2 such calls will be open at any time. These calls are open for 3-4 days on an average. |
| Live Calls | These calls are flashed on MS Lync and ODIN during live market hours. These calls can be intraday or with a view of 2-3 days. Funds should be allocated considering 2 such calls will be open at any time. 3/4 times, these calls will be on Nifty / Bank Nifty only. |
| Cash | It is recommended to hold 10% cash to capitalize on any opportunity that may arise in markets. |

## Research Analysts

| | |
|---|---|
| **Ajit Mishra** | ajit.mishra@religare.com |
| **Himanshu Sharma** | himanshu.sharma1@religare.com |
| **Manoj M Vayalar** | manoj.vayalar@religare.com |
| **Nirvi Ashar** | nirvi.ashar@religare.com |
| **Rohit Khatri** | rohit.khatri@religare.com |
| **Suhanee Shome** | suhanee.shome@religare.com |

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**Statements on ownership and material conflicts of interest , compensation– Research Analyst (RA)**

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

| S. No. | Statement | Answer | |
|---|---|---|---|
| | | Yes | 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 |

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

**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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