



NSE INDEX WEEKLY REPORT

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NIFTY WEEKLY TREND:-



NIFTY OUTLOOK

Nifty Index closed at around 9504 after mixed vwap based buying activity was witnessed through out the day and even in last 30 min of trade. The Nifty futures long roll cost (difference between current and next month futures) was at around 15.7 bps vs 15 bps. Nifty futures July contract started with around 1.94 Cr vs 1.91 Cr open interest. Bank Nifty futures have seen an open interest at just 22.7 lakh vs 31.64 lakh, last series.

WEEKLY NEWS UPDATE:

Share price of CARE Ratings ended sharply higher by 11.8% after its rival CRISIL picked up 8.9% stake in the company held by Canara Bank. As per Canara Bank, the entire stake sale in CARE was a part of monetisation of non-core assets. CRISIL stated that it continuously evaluates investment options as a part of its corporate strategy and this stake purchase is an investment in the good long term prospects of the India's credit rating sector. Crisil & Canara Bank also closed higher by 1.5% & 2% respectively.

Axis Bank closed higher by 3.5% after the bank said that about 80% of its bad loans in 12 companies identified for Insolvency and Bankruptcy Code (IBC) were secured. The bank stated that it has exposure to 8 out of the 12 accounts under IBC and its fund-based outstanding on the 8 accounts stood at Rs 5,071cr.

Nesher Pharmaceuticals, a subsidiary of Zydus Pharmaceuticals USA has received final approval from the USFDA to market Dextroamphetamine Sulfate extended-release capsules, 5 mg. Zydus Pharmaceuticals is US division of Cadila Healthcare. The drug will be produced at the Nesher Pharmaceuticals' manufacturing facility located at St Louis, USA.

INVESTMENT PICK:

VEDL added around 30% of open interest as long positions along with some delivery based buying on previous trading session. It has rolled around 69% into next contract. On charts, it has also witnessed congestion zone breakout on daily charts with strong volumes. Considering the derivatives data and current chart patterns, we recommend doing a bull call spread in VEDL as per levels given below.

POSITIONAL CALL:

BUY MASTEK @250-255 TGT 280-300 SL 240

BUY VEDL FUTURE @250-252 TGT 270-280 SL 240

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