

Wednesday 16-09-2020

BENCHMARK INDICES

NIFTY FUTURE INDEX

Nifty today closed at 11534.00 Up 82.05 points or 0.72 percent. Market breadth improved for the second consecutive day as several midcap stocks across diverse sectors posted handsome gains. The Small cap index rose about 1.5 percent today on the back of a stellar 4 percent gain yesterday sending out a clear message that investors are looking at a more broad market rally after having witnessed a polarized market for a considerable length of time. Domestically, favorable inflation data and expectation of it going down further aided the positivity while the broader markets continued its outperformance today. The markets are almost at the upper end of the trading range and a push above 11,600 could bring in more trading optimism. Mid- and small-cap shares outperformed their larger peers for second day in a row after market regulator SEBI said on Friday that multi-cap funds should invest a minimum 75 per cent of their assets in stocks and mandated equal allocation of 25 per cent between large-, mid- and small-cap shares. Nifty Midcap 100 and Nifty Smallcap 100 indexes rose over a per cent each. After market hours on Monday, data from the statistics ministry showed consumer inflation came in at 6.69 per cent in August, lower than economists' estimate, though remaining above the RBI's medium-term target range for a fifth straight month. The latest data supported views the RBI does not have enough room to ease its monetary policy further at its next scheduled meeting, in October. The US Jones 30 Futures were up 162.5 points, indicating a positive start to equities on Wall Street today. Shares in Europe and Asia advanced on Tuesday as investors focused on upcoming central bank meetings by the U. S. Federal Reserve, Bank of Japan and Bank of England. China's industrial production grew 5.6% in August from a year ago while fixed-asset investment declined 0.3% for the first eight months of the year.



BANKNIFTY FUTURE INDEX

Bank nifty today closed at 22597.00 Up 406.85 points or 1.83 per cent . The Scheduled commercial banks (SCBs) credit growth was steady on sequential basis to 5.5% YoY to Rs 1,02,11,730 crore as on 28 August 2020, compared with 5.5% growth a fortnight ago. The credit growth has decelerated from 10.2% at end July 2019. Aggregate deposits growth of the scheduled banks increased 10.9% YoY at Rs 1,41,76,765 crore as on 28 August 2020, compared with 11.0% growth a fortnight ago and 9.7% rise a year ago. Banking stocks also witnessed some fresh buying throughout the intraday trade. BSE Banking logged 1.73 per cent rise after the closing bell today. Banking major IndusInd Bank share price skyrocketed 4.89 per cent, Axis Bank went northward 2.45 per cent, ICICI Bank share went northward 2.30 per cent while shares of HDFC Bank, Kotak Mahindra Bank and Federal Bank rose to the tune of near 1.5 per cent. The Reserve Bank of India (RBI) on Monday mandated the automation of bad-loan recognition by banks by 30 June 2021. The processes of provisioning calculation and income recognition will also have to be automated and banks will be required to upgrade their systems accordingly. In its circular, the central bank said banks had earlier been advised to have appropriate information technology (IT) systems in place for identification of non-performing assets (NPA) and generation of related data/returns, both for regulatory reporting and banks' own management information system (MIS) requirements. The system-based asset classification shall be an ongoing exercise for both down gradation and up gradation of accounts. The rupee pared early gains to settle 16 paise lower at 73.64 (provisional) against the US dollar on Tuesday even as domestic equity market traded in the positive territory. During the session, the local currency witnessed an intra-day high of 73.33 and a low of 73.72 against the greenback.



INTRADAY DERIVATIVES STOCK RECOMMENDATION



STRATEGY

MGL - UPSIDE TARGET

**BUY MGL -FUT ABOVE 923.50
TARGET 935 , STOPLOSS 915**

MINOR TRAND IS UPSIDE AND SCRIPT HAS BULLISH CHANNAL, CALL GIVEN ABOVE THE LEVEL , RSI IS ALSO SUPPORTIVE FOR LONG.

Intraday levels

We expect prices to trade above 923.50 and price is expected to Rise up to 935



STRATEGY

MRF -DOWNSIDE TARGET

**SELL MRF -FUT BELOW 58500 TARGET
58300 STOPLOSS – 58605.10**

TRAND IS DOWN AND SCRPT MOVING BELOW MA CROSOVEER CALL GIVEN AT PULLBACK MA BAND LEVEL , RSI IS ALSO SUPPORTIVE FOR SHORT.

Intraday levels

We expect prices to trade AT 58500 and price is expected to fall up to 58300

For any Query please feel free to contact Capital Ways Support Team

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