

Nifty Outlook

Markets remained firm and gained over half a percent, in continuation of the prevailing recovery phase. The beginning was downbeat, tracking weak global cues but buying interest in the select index majors helped the benchmark to inch higher as the day progressed. Mostly sectoral indices participated in the move wherein metal and PSU banks also witnessed decent rebound.

We may see some consolidation in Nifty after the recent surge while movement on the stock-specific would continue. In the absence of any major event, global cues and earnings will continue to dictate the market trend. The underperformance of the banking index is still a concern and will be closely tracked. We suggest preferring index majors and select midcap for short term trading.

	VWAP (Expiry till date)	Max OI (Call)	Max OI (Put)
NIFTY	11420	11700	11500

News

- Cyient** reported its Q2FY20 numbers wherein net sales de-grew by 2% YoY to Rs. 1,159 cr. The operating margin improved marginally to 13.8% as against 13.6% in the same quarter previous year. However, net profit de-grew by 23% YoY to Rs. 98.5 cr.
- Lupin** announced the receipt of the establishment inspection report (EIR) from the USFDA for its Nagpur facility. The facility was inspected by the USFDA between 5 and 8 August 2019. The inspection for the oral solid facility at Nagpur closed without any Form 483 observation.
- Sundaram Clayton** reported its Q2FY20 numbers wherein net sales de-grew by 10.4% to Rs. 5,221 cr however its consolidated net profit grew by 9.2% to Rs. 150 cr.



Religare Super Ideas**

Scrip	Buy/Sell	CMP	Initiation Range	SL*	Target
MUTHOOTFIN	BUY	675.80	668-672	654	700
TATACHEM	BUY	613.50	605-610	598	630

**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 futures recommendation.

Derivative Ideas **

Instrument	B/S	Lot	INITIATION RANGE	SL	TARGET
POWERGRID	BUY	CASH	200-201	196	208

Sectors to watch

Sector Name	Outlook
IT	STABLE
BANKS	STABLE
FMCG	STABLE

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

Category	Amt.	MTD	FYTD
FII**	1159	-22426	-30529
DII**	-512	38900	65257

**Provisional data as on 17th Oct., 2019

Trade Stats

	NO OF CONTRACTS	TURNOVER IN CR
IDXFUTS	325472	22665
IDXOPT	8685352	607769
STKFUTS	1019357	53116

Religare Super Ideas

Muthoot Finance Limited (MUTHOOTFIN)



After making a record high, MUTHOOTFIN has retraced marginally of late and tested support zone around 650 levels which also coincides with the support zone of 50 EMA on daily chart. Today, i.e. on Oct 18, it has surged strongly and ended near day's high indicating positive momentum to continue. We thus suggest initiating fresh longs as per the mentioned levels.

Tata Chemicals Limited (TATACHEM)



We're reiterating our long recommendation in TATACHEM with the updated levels as it was not initiated earlier.

Derivative Ideas

POWERGRID 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 POWERGRID in cash market as per below levels.

Strategy:- BUY POWERGRID BETWEEN 200-201, STOPLOSS AT 196, TARGET 208.

Investment Pick - Mahindra & Mahindra Ltd.

Scrip	CMP	Recommendation Price	Target	Duration
Mahindra & Mahindra Ltd.	593.3	560	695	9-12 Months

- Established in 1945, Mahindra and Mahindra (M&M) is the flagship company of the Mahindra Group. It is one of the leading conglomerates and operates in various segments such as Automotive, Farm Equipment, Hospitality, Information Technology, Financial Services, Real Estate and Logistics.
- Going forward, we expect the tractor industry to recover as normal monsoon, easing liquidity conditions and lower interest would aid domestic sentiments. M&M's automotive segment is likely to witness challenges due to increase in competitive intensity and BS-VI implementation. Nonetheless, we believe that these concerns are largely factored in and the core business is available at attractive valuations. Therefore, we recommend a Buy on the stock, valuing the core business at 12x and arrive at a SOTP based target price of Rs. 695.

Religare Investment Calls

Name of the Company	Reco Date	Reco Price	Target Price	Upside %	Previous day Closing Price
CRISIL	01-Aug-17	1,858	2,419	30.2%	1,372.8
LIC Housing Finance	09-Aug-17	681	748	9.8%	385.0
Force Motors	25-Jan-18	3,250	4,197	29.1%	1,075.5
Avanti Feeds	12-Feb-18	835	967	15.8%	407.3
Sutlej Textiles	20-Aug-18	53	62	17.8%	26.7
Wim Plast Ltd.	21-Nov-18	740	922	24.6%	363.1
Fiem Industries	22-Nov-18	588	807	37.2%	360.2
Mold-Tek Packaging	29-Nov-18	275	311	13.1%	315.8
Time Technoplast	12-Dec-18	102	128	25.6%	60.1
Minda Corporation	14-Feb-19	128	158	23.4%	84.2
Century Plyboards	28-Feb-19	163	224	36.8%	162.7
Swaraj Engines Ltd	03-May-19	1,379	1,675	21.5%	1,116.8
Castrol India Ltd	03-May-19	150	184	22.4%	133.8
Ambuja Cement Ltd.	07-May-19	220	251	13.9%	207.7
Godrej Consumer Products Ltd.	09-May-19	636	829	30.3%	716.9
VIP Ind. Ltd.	10-May-19	436	534	22.4%	465.2
Apollo Tyres Ltd.	14-May-19	186	253	36.0%	186.1
Rajesh Exports	21-May-19	669	852	27.4%	673.4
Jamna Auto Industries	24-May-19	58	62	6.9%	40.9
ITC Ltd.	27-May-19	292	337	15.3%	246.5

Religare Investment Calls

Name of the Company	Reco Date	Reco Price	Target Price	Upside %	Previous day Closing Price
Cummins India Ltd.	27-May-19	785	842	7.3%	583.3
Ashok Leyland Ltd.	29-May-19	90	105	16.7%	77.5
Nilkamal Ltd.	30-May-19	1,227	1,614	31.6%	1,233.6
Garware Technical Fibres Ltd.	04-Jun-19	1,220	1,376	12.8%	1,146.8
Rallis India	23-Jul-19	154	199	29.4%	165.1
Dabur India Ltd.	24-Jul-19	416	492	18.3%	466.5
Zee Entertainment Enterprises Ltd.	25-Jul-19	391	467	19.4%	250.2
IFB Industries Ltd.	08-Aug-19	638	928	45.4%	675.3
ELGI Equipments Ltd.	09-Aug-19	245	313	27.6%	271.3
Navneet Education	09-Aug-19	105	138	31.4%	100.0
Emami Ltd.	09-Aug-19	312	455	45.8%	351.1
Capacit'e Infraprojects	19-Aug-19	221	292	32.1%	197.9
APL Apollo Tubes	20-Aug-19	1,297	1,793	38.2%	1,392.3
Wonderla Holidays	20-Aug-19	252	345	36.8%	291.5
Godrej Agrovet	21-Aug-19	450	601	33.5%	517.8
INOX Leisure	19-Sep-19	301	382	26.9%	351.9
Supreme Industries	20-Sep-19	1,116	1,271	13.9%	1,224.2
Subros	04-Oct-19	244	321	31.6%	241.5
Gujarat Gas	10-Oct-19	175	214	22.3%	177.9
Mahindra & Mahindra	14-Oct-19	560	695	24.1%	593.3

Result Calendar — October 2019

Sun	Mon	Tue	Wed	Thu	Fri	Sat
20	21	22	23	24	25	26
	<ul style="list-style-type: none"> 5Paisa Capital Ltd Automobile Corporation Of Goa Ltd. 	<ul style="list-style-type: none"> Ahmedabad Steelcraft Ltd. Anshuni Commercials Ltd. Asian Paints Ltd. 	<ul style="list-style-type: none"> Aarti Drugs Ltd. Accelya Solutions India Ltd Allsec Technologies Ltd. 	<ul style="list-style-type: none"> Abhishek Finlease Ltd Abm Knowledgeware Ltd. Amradeep Industries Ltd. Amraworld Agrico Ltd. 	<ul style="list-style-type: none"> Aavas Financiers Ltd Anjani Synthetics Ltd. Arvind Ltd. Atul Ltd. 	<ul style="list-style-type: none"> Icici Bank Ltd. Malabar Trading Co.Ltd. Pfizer Ltd. Simplex Trading &

For complete schedule of more Company results [click here](#).

2019CACT Calendar — October 2019 (Cash Dividend)

Sun	Mon	Tue	Wed	Thu	Fri	Sat
20	21	22	23	24	25	26
			<ul style="list-style-type: none"> Hindustan Unilever Ltd. Infosys Ltd. 	<ul style="list-style-type: none"> Larsen & Toubro Infotech Ltd Mastek Ltd. Mindtree Ltd. 		

CACT Calendar — October 2019 (Bonus Issue)

Sun	Mo	Tue	Wed	Thu	Fri	Sat
20	21	22	23	24	25	26
					<ul style="list-style-type: none"> India Motor Parts & Accessories Ltd. 	

CACT Calendar — October 2019 (Stock Split)

Sun	Mon	Tue	Wed	Thu	Fri	Sat
20	21	22	23	24	25	26
				<ul style="list-style-type: none"> Amalgamated Electricity Co.Ltd. 		

CACT Calendar — October 2019 (Amalgamation)

Sun	Mon	Tue	Wed	Thu	Fri	Sat
20	21	22	23	24	25	26
				<ul style="list-style-type: none"> Artemis Global Life Sciences Ltd 		

Economic Calendar — October 2019

Sun	Mon	Tue	Wed	Thu	Fri	Sat
20	21	22	23	24	25	26
			<ul style="list-style-type: none"> M3 Money Supply 			

CACT Calendar — October 2019 (Redemption of Mutual Fund)

Tu	Wed	Thu	Fri	Sat
22	23	24	25	26
	<ul style="list-style-type: none"> ICICI Prudential Capital Protection Oriented Fund Series X 1235 Days Plan A-Cumulative ICICI Prudential Capital Protection Oriented Fund Series X 1235 Days Plan A-Dividend ICICI Prudential Capital Protection Oriented Fund Series X 1235 Days Plan A-Direct Plan Cumulative ICICI Prudential Capital Protection Oriented Fund Series X 1235 Days Plan A-Direct Plan Dividend 	<ul style="list-style-type: none"> ICICI Prudential Capital Protection Oriented Fund Series IX 1378 Days Plan D Regular Pln Cumu Opt ICICI Prudential Capital Protection Oriented Fund Series IX 1378 Days Plan D Regular Plan Dd Opt ICICI Prudential Capital Protection Oriented Fund Series IX 1378 Days plan D Direct Plan Cum Option ICICI Prudential Capital Protection Oriented Fund Series IX 1378 Days Plan D Direct Plan Div Opt 	<ul style="list-style-type: none"> ICICI Prudential Capital Protection Oriented Fund Series IX 1325 Days Plan E - Cumulative Option ICICI Prudential Capital Protection Oriented Fund Series IX 1325 Days Plan E - Dividend Option ICICI Prudential Capital Protection Oriented Fund Series IX 1325 Days Plan E - Direct Plan Cumu Op ICICI Prudential Capital Protection Oriented Fund Series IX 1325 Days Plan E - Direct Plan Div Op 	

Current Portfolio and Performance Summary as on 18th October '19


Stock	Sector	Entry Date	Weight	Reco price (₹)	CMP (₹)
Godfrey Phillips India	Consumer Goods	January 5, 2018	10.9%	1,022	1,089
HDFC	Financial Services	August 14, 2018	10.1%	1,949	2,094
Maruti Suzuki India	Auto	August 28, 2018	7.2%	9,393	7,302
HDFC Bank	Financial Services	August 30, 2018	11.7%	1,037	1,229
Mahanagar Gas	Gas Distribution	August 31, 2018	10.9%	869	966
Reliance Industries	Energy	December 20, 2018	11.8%	1,123	1,416
Century Textiles	Cement	April 25, 2019	9.8%	408	400
Aurobindo Pharma	Pharma	April 26, 2019	4.9%	819	476
Godrej Consumer Products	Consumer Goods	May 27, 2019	8.3%	672	717
	Cash		14.5%		
Total			100%		

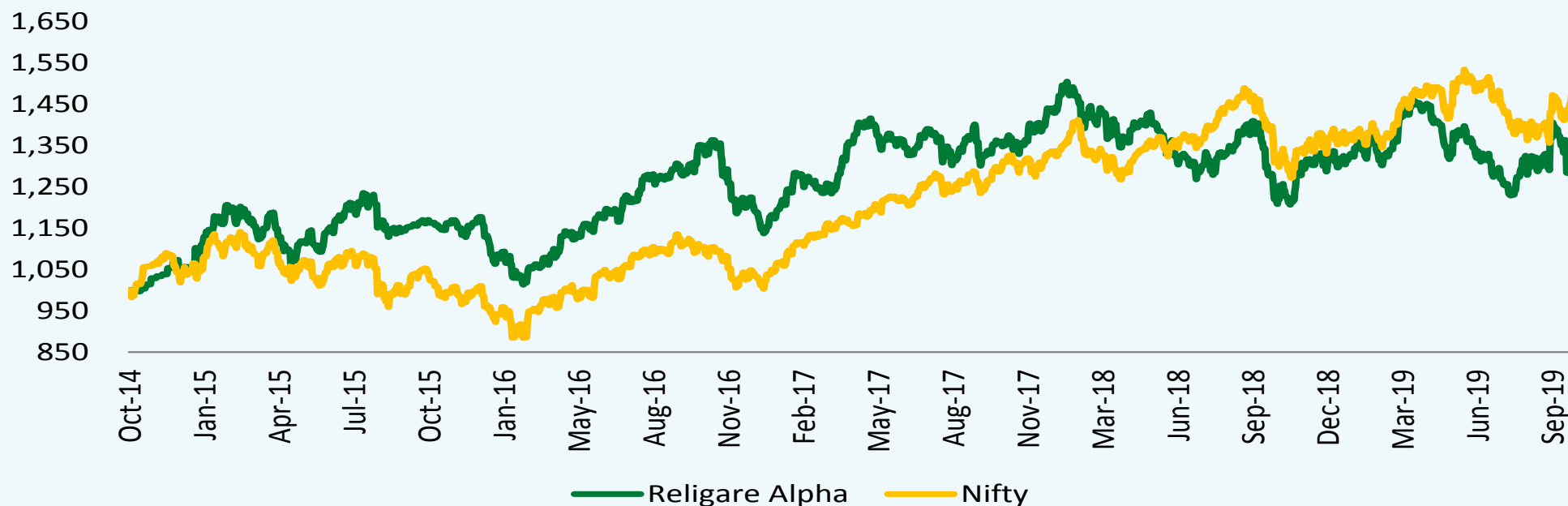
*Price adjusted for demerge of cement business to Ultratech Cement

Historical Performance as on 18th October '19



Performance Matrix	3-Month	6-Month	1-Year	Since Inception
Religare Alpha	10.2%	-1.6%	14.7%	42.3%
Nifty	0.6%	-0.8%	11.6%	47.9%
Outperformance	9.7%	-0.8%	3.1%	-5.6%

Performance Comparison



Religare Must Have Stocks

The Indian markets have plunged ~11% after briefly enjoying their all-time highs around the time of the union budget 2019. Post budget, disappointments due to lack of any big bang announcements to provide stimulus to the economy led to markets' fall. Further, several other factors such as weak corporate earnings for April-June quarter too aggravated the weak sentiments pertaining to economic slowdown. Going forward, expensive valuation of Nifty suggests that further correction cannot be ruled out unless there is a strong earnings recovery in the coming quarters. Moreover, looming threat of global economic recession may also continue to impact the direction of the markets.

At a time when there is no clear direction emerging from the indices, focus on quality investments can still help the investors meet their goals. We believe at this juncture, there are quite a few good stocks available for investors seeking healthy returns over at least 2 years. In this product, we are endorsing a 'buy-and-hold' investment philosophy that shall earn you healthy returns (15-20% CAGR) over the long-term. For this purpose, we have chosen five stocks that could offer healthy upside potential.

Company Name	Sector	Reco. Price	CMP
Axis Bank Ltd.	Banking	664	709.6
Berger Paints (I) Ltd.	Paints	364	499.1
Britannia Industries Ltd.	FMCG	2,467	3,252.4
HDFC Life Insurance Company Ltd.	Insurance	517	608.5
Titan Company Ltd.	Retail	1,074	1,300.6

For detailed report click [here](#)



A Switch-Over-Strategy 2.0

enhance the Quality of your Portfolio

In this product of **Switch Over Strategy**, we are recommending to exit stocks like BHEL, DLF and GMR Infra as these have underperformed grossly due to their dismal/subdued financial performance and corporate governance issues. Hence, it would be prudent at this stage to **Exit** these stocks and invest in established companies like Escorts Ltd, ICICI Prudential Life Insurance, and Marico.

Switch From

BHEL

DLF

GMR Infra

Switch Into

Escorts

ICICI Pru Life Insurance

Marico

For detailed report 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
Khadija Mantri	khadija.mantri@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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