

## Nifty Outlook

Markets opened on a weak note and ended with a cut of nearly half a percent, mainly in reaction to feeble global cues. The news of fresh tension between the US-Iran triggered a gap-down start and the benchmark gradually drifted lower as the day progressed. Mostly sectoral indices traded in tandem with the benchmark index and ended lower however the resilience on the broader front helped the market breadth to settle on a flat note.

We've been maintaining our consolidation bias in the Nifty and do not see that changing any time soon. In fact, the benchmark index may see some price-wise correction also in the coming days. Among the sectoral pack, we feel banking holds the key and that looks overbought too. We suggest keeping a balanced approach in trading – by maintaining long and short on the stock-specific front. Also, advise keeping a close watch on global developments for cues.

	VWAP (Expiry till date)	Max OI (Call)	Max OI (Put)
<b>NIFTY</b>	12200	12500	12000

## News

- **SML Isuzu** announced that it is now ready to manufacture BS-VI compliant diesel trucks and buses suitable for all types of Indian road terrains and all kind of end users with multiple applications.
- **TVS Motors** announced that it has launched the TVS NTOBQ 125 Race Edition. The Race Edition comes with Signature LED DRLs and LED Headlamp. Additionally, it is equipped with the Hazard lamp which can be enabled by a red-coloured hazard switch.
- **Info Edge** announced that it has entered into an agreement for divestment of its total shareholding, in Applect Learning Systems Private Ltd. The sale value of the investment is determined as about Rs. 50 cr.

Derivative Ideas **					
Instrument	B/S	Lot	INITIATION RANGE	SL	TARGET
<b>SBIN</b>	BUY 325 PE	3000	4-5	2	10

Sectors to watch	
Sector Name	Outlook
<b>IT</b>	STABLE
<b>BANKS</b>	STABLE
<b>FMCG</b>	STABLE



## Religare Super Ideas\*\*

Scrip	Buy/Sell	CMP	Initiation Range	SL*	Target
<b>TORNTPHARM</b>	BUY	1900.10	1875-1885	1840	1980
<b>BANKBARODA</b>	SELL FUTS	101.65	103-104	106	98

\*\*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.

FII & DII Cash Segment (Rs. in Cr.)			
Category	Amt.	MTD	FYTD
<b>FII**</b>	689	630	-18241
<b>DII**</b>	64	272	58089

\*\*Provisional data as on 2<sup>nd</sup> January, 2020

Trade Stats		
	NO OF CONTRACTS	TURNOVER IN CR
<b>IDXFUTS</b>	296317	22761
<b>IDXOPT</b>	11513022	846621
<b>STKFUTS</b>	676314	45496

## Religare Super Ideas

### Torrent Pharmaceuticals Limited (TORNTPHARM)



We're seeing a mixed trend on the pharma front and TORNTPHARMA is among the top performers. It has been witnessing a steady rise for the last six months, after retesting the support zone around 1450 levels. It has seen a fresh breakout from a consolidation range today i.e. on January 3 and likely to retest its record high soon. We thus advise initiating fresh longs in the given range.

### Bank of Baroda (BANKBARODA)



BANKBARODA has been trading in a downtrend and still there's no sign of reversal. After struggling around the critical resistance hurdle of 200 EMA on the daily chart, today i.e. on Jan 3, it has witnessed a sharp fall, indicating possibility of gradual decline from hereon. We advise creating fresh shorts as per the mentioned zone.

## Derivative Ideas

**SBIN** added around 2% in open interest as short buildup was seen in it in previous session. Current chart pattern also indicates further down move in its price. We suggest buying SBIN 325 PE as per below levels.

**Strategy:-** BUY SBIN 325 PE BETWEEN 4-5, STOPLOSS AT 2, TARGET 10.

## Investment Pick - Britannia Industries Ltd.

Scrip	CMP	Recommendation Price	Target	Duration
Britannia Industries Ltd.	3,038.8	3,070	3,632	9-12 Months

- Britannia industries Ltd is one of the largest biscuit makers in the country and the Indian biscuit industry is estimated to grow at a healthy pace. Currently, the FMCG sector is witnessing slowdown, however going forward demand revival is expected on the back of recent government measures and new launches in premium segments. We believe BRIT would be able to gain market share as well as sustain its leadership position on the back of investments behind brands, innovating new products, entering different categories and geographies.
- Further, we estimate revenue and PAT to grow by 10% & 17% CAGR respectively over FY19-22E, driven by improved product mix (more products in premium category), capacity addition, continued efforts towards renovating & innovative products and cost saving initiatives. We recommend a Buy on the stock with a target price of Rs. 3,632.

## 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%	1,891.5
LIC Housing Finance	09-Aug-17	681	748	9.8%	439.4
Force Motors	25-Jan-18	3,250	4,197	29.1%	1,095.4
Avanti Feeds	12-Feb-18	835	967	15.8%	603.7
Sutlej Textiles	20-Aug-18	53	62	17.8%	32.0
Wim Plast	21-Nov-18	740	922	24.6%	387.9
Fiem Industries	22-Nov-18	588	807	37.2%	445.6
Time Technoplast	12-Dec-18	102	128	25.6%	57.4
Century Plyboards	28-Feb-19	163	224	36.8%	167.4
Swaraj Engines	03-May-19	1,379	1,675	21.5%	1,220.9
Castrol India	03-May-19	150	184	22.4%	129.0
Ambuja Cement	07-May-19	220	251	13.9%	203.4
Godrej Consumer Products	09-May-19	636	829	30.3%	689.0
VIP Ind.	10-May-19	436	534	22.4%	440.2
Rajesh Exports	21-May-19	669	852	27.4%	693.2
Jamna Auto Industries	24-May-19	58	62	6.9%	46.6
ITC	27-May-19	292	337	15.3%	238.5
Nilkamal	30-May-19	1,227	1,614	31.6%	1,306.5
Garware Technical Fibres	04-Jun-19	1,220	1,376	12.8%	1,226.8
Zee Entertainment Enterprises	25-Jul-19	391	467	19.4%	273.7
IFB Industries	08-Aug-19	638	928	45.4%	696.9
ELGI Equipments	09-Aug-19	245	313	27.6%	274.1
Capacit'e Infraprojects	19-Aug-19	221	292	32.1%	200.1
Supreme Industries	20-Sep-19	1,116	1,271	13.9%	1,151.4
Havells India	17-Oct-19	672	795	18.3%	660.5
Maruti Suzuki India	17-Oct-19	6,975	7,936	13.8%	7,254.3

For Religare Investment calls performance click [here](#)

## Religare Investment Calls

Name of the Company	Reco Date	Reco Price	Target Price	Upside %	Previous day Closing Price
<b>Voltas</b>	17-Oct-19	672	780	16.1%	663.7
<b>Rallis India</b>	24-Oct-19	163	199	21.9%	180.5
<b>Subros</b>	24-Oct-19	235	321	36.6%	281.9
<b>Cummins India</b>	30-Oct-19	549	661	20.5%	573.0
<b>Marico</b>	31-Oct-19	371	451	21.5%	334.6
<b>Wonderla Holidays</b>	04-Nov-19	279	345	23.7%	248.3
<b>Apollo Tyres</b>	07-Nov-19	169	199	17.8%	165.2
<b>Godrej Agrovet</b>	08-Nov-19	492	601	22.1%	520.9
<b>Emami</b>	08-Nov-19	326	455	39.6%	315.5
<b>Ashok Leyland</b>	14-Nov-19	81	90	11.1%	83.7
<b>Minda Corporation</b>	14-Nov-19	92	127	38.0%	100.1
<b>Navneet Education</b>	19-Nov-19	100	138	38.0%	92.5
<b>Dabur India</b>	19-Nov-19	455	492	8.1%	455.6
<b>Mahindra &amp; Mahindra</b>	20-Nov-19	561	695	23.9%	532.8
<b>Teamlease Services</b>	21-Nov-19	2,467	3,096	25.5%	2,487.1
<b>Britannia Industries</b>	03-Dec-19	3,070	3,632	18.3%	3,038.8
<b>Bajaj Auto</b>	26-Dec-19	3,227	3,723	15.4%	3,072.1
<b>Coromandel Intl.</b>	26-Dec-19	517	624	20.7%	539.0
<b>Crompton Greaves</b>	26-Dec-19	246	299	21.5%	240.7
<b>Gujarat Gas</b>	26-Dec-19	224	273	21.9%	250.7
<b>INOX Leisure</b>	26-Dec-19	377	464	23.1%	375.1
<b>Larsen Toubro</b>	26-Dec-19	1,301	1,618	24.4%	1,335.1
<b>Reliance Nippon</b>	26-Dec-19	342	419	22.5%	354.4
<b>Tech Mahindra</b>	26-Dec-19	772	939	21.6%	775.1
<b>The Ramco Cement</b>	26-Dec-19	751	902	20.1%	761.2

For Religare Investment calls performance click [here](#)

## Result Calendar - January 2020

Su	Mon	Tue	Wed	Thu	Fri	Sat
05	06 • ITI Ltd.	07 • Betala Global Securities Ltd. • G. M. Breweries Ltd. • Modern Threads (India) Ltd.	08 • Alpha HI-Tech Fuel Ltd. • Network Ltd.	09 • Brijlaxmi Leasing & Finance Ltd. • Emami Paper Mills Ltd. • GTPL Hathway Ltd	10 • Alexander Stamps And Coin Ltd • Integrated Capital Services Ltd • Infosys Ltd. • Kore Foods Ltd. • Uttam Galva Steels Ltd.	11 • Avenue Supermarts Ltd

## CACT Calendar - January 2020 (Cash Dividend)

Sun	Mon	Tue	Wed	Thu	Fri	Sat
05	06	07	08	09 RITES Ltd	10	11

## CACT Calendar- January 2020 (Stock Split)

Mon	Tue	Wed	Thu	Fri	Sat
05	06	07	08	09 Swadeshi Polytex Ltd.	10

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

Sun	Mon	Tue	Wed	Thu	Fri	Sat
05	06	07	08	09 • ICICI PRUDENTIAL VALUE FUND - SERIES 10- CUMULATIVE OPTION • ICICI PRUDENTIAL VALUE FUND - SERIES 10- DIVIDEND PAYOUT OPTION • ICICI PRUDENTIAL VALUE FUND - SERIES 10- DIRECT PLAN CUMULATIVE OPTION • ICICI PRUDENTIAL VALUE FUND - SERIES 10- DIRECT PLAN DIVIDEND PAYOUT OPTION	10	11

## Economic Calendar - January 2020

Sun	Mon	Tue	Wed	Thu	Fri	Sat
05	06	07	08	09 • Nikkei Services PMI (Dec)	10 • Cumulative Industrial Production (Nov) • Industrial Production (YoY) (Nov) • Manufacturing Output (MoM) (Nov)	11

**Current Portfolio and Performance Summary as on 03<sup>rd</sup> January' 2020**


Stock	Sector	Entry Date	Weight	Reco price (₹)	CMP (₹)
HDFC	Financial Services	August 14, 2018	10.7%	1,949	2,454
Maruti Suzuki India	Auto	August 28, 2018	6.5%	9,393	7,254
HDFC Bank	Financial Services	August 30, 2018	10.9%	1,037	1,268
Reliance Industries	Energy	December 20, 2018	11.6%	1,123	1,537
Godrej Consumer Products	Consumer Goods	May 27, 2019	7.2%	672	689
Axis Bank	Financial Services	Nov 6, 2019	10.2%	740	743
Aurobindo Pharma	Pharma	Nov 14, 2019	9.7%	396*	460
Hindalco Industries	Metals	Dec 05, 2019	10.5%	201	216
	Cash		22.8%		
<b>Total</b>			<b>100%</b>		

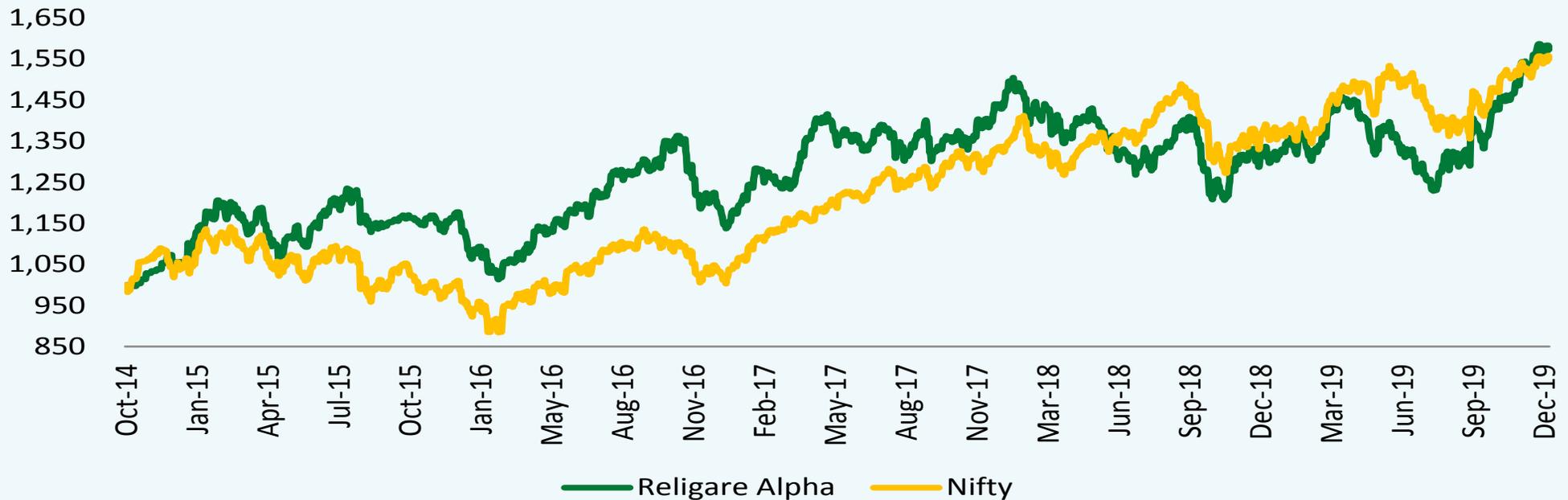
\*8.5% Aurobindo Pharma was bought at 819 and 4.7% was bought at 396

Historical Performance as on 03<sup>rd</sup> January' 2020



Performance Matrix	3-Month	6-Month	1-Year	Since Inception
Religare Alpha	15.5%	20.0%	20.7%	57.3%
Nifty	8.1%	3.5%	14.6%	55.1%
<b>Outperformance</b>	<b>7.4%</b>	<b>16.5%</b>	<b>6.1%</b>	<b>2.3%</b>

**Performance Comparison**



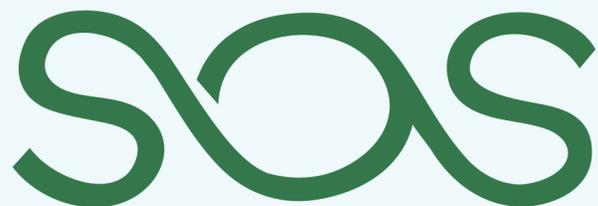
## Religare Must Have Stocks

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	743.0
Berger Paints (I) Ltd.	Paints	364	509.8
Britannia Industries Ltd.	FMCG	2,467	3,038.8
HDFC Life Insurance Company Ltd.	Insurance	517	630.7
Titan Company Ltd.	Retail	1,074	1,139.7

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	
<b>Intraday Calls</b>	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.					
<b>Live / RMD Calls</b>	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.					
<b>Master Pick</b>	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.					
<b>Religare Alpha</b>	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.					
<b>Cash</b>	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	
<b>Derivative Ideas</b>	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.					
<b>Live Calls</b>	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.					
<b>Cash</b>	It is recommended to hold 10% cash to capitalize on any opportunity that may arise in markets.					

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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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