



### Market Snapshot

| KEY INDICES          | This Week | Previous Week | Change  |
|----------------------|-----------|---------------|---------|
| S&P CNX Nifty        | 10760.60  | 11069.65      | -2.79%  |
| Sensex               | 35066.75  | 36050.44      | -2.73%  |
| BSE Midcap           | 16574.70  | 17841.19      | -7.10%  |
| BSE Smallcap         | 17847.53  | 19342.18      | -7.73%  |
| Nifty Mid 100 free   | 19760.35  | 21455.75      | -7.90%  |
| Nifty Small 100 free | 8251.00   | 9232.15       | -10.63% |

### Sectoral Snapshot

| KEY INDICES    | This Week | Previous Week | Change |
|----------------|-----------|---------------|--------|
| Bse Auto       | 25213.33  | 25670.02      | -1.78% |
| BSE Cap Goods  | 19939.32  | 20634.75      | -3.37% |
| BSE Cons Durab | 21332.03  | 22962.98      | -7.10% |
| BSE FMCG       | 10684.86  | 10936.49      | -2.30% |
| BSE IT         | 12494.67  | 12688.49      | -1.53% |
| BSE Metal      | 15011.79  | 15682.99      | -4.28% |
| BSE Oil        | 15667.65  | 16241.08      | -3.53% |
| BSE Power      | 2229.25   | 2347.54       | -5.04% |
| BSE PSU        | 8723.33   | 9206.56       | -5.25% |
| BSE Realty     | 2423.58   | 2649.58       | -8.53% |
| BSE Bankex     | 29910.23  | 31082.14      | -3.77% |
| BSE Healthcare | 14067.60  | 15028.82      | -6.40% |

### Sensex Gainers - Weekly

| Scripts           | This Week | Previous Week | Change |
|-------------------|-----------|---------------|--------|
| M&M               | 768.50    | 755.45        | 1.73%  |
| IndusInd Bank Ltd | 1755.60   | 1729.00       | 1.54%  |
| Hero MotoCorp Ltd | 3623.65   | 3569.60       | 1.51%  |
| TCS               | 3149.15   | 3117.85       | 1.00%  |
| HINDUNILVR        | 1372.70   | 1371.20       | 0.11%  |

### Sensex Losers - Weekly

| Scripts           | This Week | Previous Week | Change  |
|-------------------|-----------|---------------|---------|
| DRREDDY           | 2122.10   | 2504.00       | -15.25% |
| Tata Steel Ltd    | 669.70    | 732.68        | -8.60%  |
| Axis Bank Ltd     | 564.95    | 613.75        | -7.95%  |
| ONGC              | 192.45    | 208.25        | -7.59%  |
| Bharti Airtel Ltd | 421.80    | 452.60        | -6.81%  |

### Nifty Gainers - Weekly

| Scripts           | This Week | Previous Week | Change |
|-------------------|-----------|---------------|--------|
| Eicher Motors Ltd | 27811.75  | 26519.40      | 4.87%  |
| IOC               | 408.65    | 392.30        | 4.17%  |
| Tech Mahindra Ltd | 619.45    | 598.45        | 3.51%  |
| IndusInd Bank Ltd | 1761.30   | 1730.20       | 1.80%  |
| M&M               | 770.25    | 757.80        | 1.64%  |

### Nifty Losers - Weekly

| Scripts        | This Week | Previous Week | Change  |
|----------------|-----------|---------------|---------|
| DRREDDY        | 2123.55   | 2507.75       | -15.32% |
| Lupin Ltd      | 847.00    | 949.65        | -10.81% |
| Tata Steel Ltd | 670.45    | 732.80        | -8.51%  |
| Axis Bank Ltd  | 564.90    | 616.10        | -8.31%  |
| ONGC           | 192.70    | 208.50        | -7.58%  |

### FII & DII Activities (Rs Crore) for the period of 25/01/2018 to 02/02/2018

| Activities | FIIs     | DIIs     |
|------------|----------|----------|
| Buy        | 39018.10 | 25026.00 |
| Sell       | 36094.92 | 24790.19 |
| Net        | 2923.18  | 235.81   |

## Market drops after FM announces LTCG tax

Domestic stocks dropped sharply during the week as investors were disappointed after the government proposed long-term capital gains (LTCG) tax on equity gains in Union Budget presented on 1 February 2018. The Sensex settled below the psychological 36,000 mark. The Nifty also settled below the psychological 11,000 mark. Market logged declines in four out of five trading sessions of the week.

In the week ended Friday, 2 February 2018, the Sensex lost 983.69 points or 2.73% to settle at 35,066.75, its lowest closing level since 16 January 2018. The Nifty 50 index lost 309.05 points or 2.79% to settle at 10,760.60, its lowest closing level since 16 January 2018. The S&P BSE Mid-Cap index dropped 1266.49 points or 7.1% to settle at 16,574.70. The S&P BSE Small-Cap index dropped 1494.65 points or 7.73% to settle at 17,847.53. Both these indices underperformed the Sensex.

The Union Minister for Finance and Corporate Affairs Arun Jaitley while presenting the Union Budget 2018-19 in Parliament on 1 February 2018, reintroduced LTCG tax. Investors will have to pay 10% tax on profits exceeding Rs 1 lakh made from sale of shares or equity mutual fund units held for over one year. However, all gains up to 31 January 2018 will be grandfathered. Finance minister also proposed to introduce tax on distributed income by equity oriented mutual funds at the rate of 10%.

The major takeaways from the Budget were infrastructure boost, benefits to marginal farmers, extending corporate tax rate cut to Micro, Small & Medium Enterprises (MSME), and encouraging rural spending. Jaitley set disinvestment target of Rs 80,000 crore for 2018-19. The government revised the deficit target for the year ending in March 2018 to 3.5% of gross domestic product (GDP). The fiscal deficit target for 2018-19 was pegged at 3.3% of the GDP to accommodate higher demand for expenditure.

The government is firmly on course to achieve high growth of 8% plus as manufacturing, services and exports are back on good growth path. While GDP growth at 6.3% in the second quarter of 2017-18 signalled turnaround of the economy, growth in the second half is likely to remain in between 7.2% to 7.5%.

On the global front, US Federal Reserve on Wednesday, 31 January 2018 announced it was holding rates steady, a move that was widely expected. The Federal Open Market Committee (FOMC) also said it expected inflation pressure to pick up as the year progressed. US gross domestic product (GDP) for the fourth quarter rose 2.6% as consumption and business activity picked up.

Eicher motor was top gainer on NSE following robust sales numbers for Jan'18. Auto major Mahindra & Mahindra (M&M) was top gainer on BSE for the week. The company said its total auto sales rose 32% to 52,048 units in January 2018 over January 2017. Domestic sales rose 33% to 49,432 units while exports rose 15% to 2,616 units in January 2018 over January 2017.

Meanwhile DR Reddy was top loser on both NSE and BSE after announcement of poor quarterly numbers.

BSE midcap gainer was MPhasis after impressive quarterly numbers while loser was Wockhardt after the company announced Rs 41 crore loss in Q3 hit by remedial costs.

Amongst BSE sectoral indices BSE Realty was the worst performer led by India bulls real estate followed BSE consumer durable led by PC Jeweller.

## Outlook and Technical View

The outcome of the Reserve Bank of India's (RBI) monetary policy meeting, Q3 December 2017 corporate earnings, macroeconomic data, trend in global markets, investment by foreign portfolio investors (FPIs) and domestic institutional investors (DIIs), the movement of rupee against the dollar and crude oil price movement will dictate trend on the bourses next week.

From the technical standpoint, Nifty may find support at 10679, 10598, 10460 while levels of 10898, 11036, 11117 may act as resistance, with 10817 being the pivot point.

### BSE Mid-Cap Gainers - Weekly

| Scripts         | This Week | Previous Week | Change |
|-----------------|-----------|---------------|--------|
| Mphasis         | 850.50    | 822.10        | 3.45%  |
| JSW Steel       | 298.65    | 290.75        | 2.72%  |
| Kansai Nerolac  | 498.95    | 487.70        | 2.31%  |
| Britannia Inds. | 4731.55   | 4626.35       | 2.27%  |
| MRF             | 69259.00  | 67847.20      | 2.08%  |

### BSE Mid-Cap Losers - Weekly

| Scripts         | This Week | Previous Week | Change  |
|-----------------|-----------|---------------|---------|
| Wockhardt       | 736.65    | 910.85        | -19.12% |
| JP Associates   | 17.95     | 22.00         | -18.41% |
| GMR Infra.      | 19.25     | 22.80         | -15.57% |
| Adani Power     | 32.70     | 38.20         | -14.40% |
| Bharat Electron | 152.05    | 177.15        | -14.17% |

## World Markets

| KEY INDICES        | This Week | Previous Week | Change |
|--------------------|-----------|---------------|--------|
| DJIA               | 25520.96  | 26616.71      | -4.12% |
| Nasdaq             | 7240.95   | 7505.77       | -3.53% |
| Nikkei 225         | 23274.53  | 23631.88      | -1.51% |
| Straits Times      | 3529.82   | 3567.14       | -1.05% |
| Hang Seng          | 32601.78  | 33154.12      | -1.67% |
| FTSE 100           | 7443.43   | 7665.54       | -2.90% |
| DAX                | 12785.16  | 13340.17      | -4.16% |
| Shanghai Composite | 3462.08   | 3558.13       | -2.70% |
| JAKARTA            | 6628.82   | 6660.62       | -0.48% |
| Bovespa (Brazil)   | 84041.34  | 85530.84      | -1.74% |
| MICEX (Russia)     | 2281.84   | 2295.26       | -0.58% |
| CAC 40             | 5364.98   | 5529.15       | -2.97% |

## Nifty Vs. INDIA VIX



# Derivative Weekly Wrap

## Open Interest Details

| Symbol    | Expiry Date | LTP      | Previous LTP | Change | Premium/dis. Over Spot | Open Interest | Prev. Open Interest | Change in OI |
|-----------|-------------|----------|--------------|--------|------------------------|---------------|---------------------|--------------|
| NIFTY     | 22-Feb-2018 | 10740.65 | 11060.30     | -2.89% | -19.95                 | 304647        | 334019              | -8.79%       |
| BANKNIFTY | 22-Feb-2018 | 26436.00 | 27331.00     | -3.27% | -15.15                 | 48490         | 57095               | -15.07%      |

## Cost of Carry

### POSITIVE

| Symbol     | Spot Price | Future Price | Expiry Date | Cost of Carry |
|------------|------------|--------------|-------------|---------------|
| RCOM       | 26.10      | 26.25        | 22-Feb-18   | 11.04%        |
| PVR        | 1302.15    | 1308.75      | 22-Feb-18   | 9.74%         |
| DALMIABHA  | 2829.35    | 2843.50      | 22-Feb-18   | 9.61%         |
| KAJARIACER | 612.75     | 615.80       | 22-Feb-18   | 9.56%         |
| BHARATFORG | 690.80     | 693.90       | 22-Feb-18   | 8.62%         |
| NESTLEIND  | 7135.45    | 7166.05      | 22-Feb-18   | 8.24%         |
| RAYMOND    | 933.30     | 937.15       | 22-Feb-18   | 7.92%         |
| CANFINHOME | 426.90     | 428.60       | 22-Feb-18   | 7.65%         |
| DHFL       | 519.45     | 521.45       | 22-Feb-18   | 7.40%         |
| JISLJALEQS | 116.90     | 117.35       | 22-Feb-18   | 7.39%         |
| SYNDIBANK  | 67.15      | 67.40        | 22-Feb-18   | 7.15%         |
| AXISBANK   | 564.90     | 567.00       | 22-Feb-18   | 7.14%         |
| HDFC       | 1903.85    | 1910.70      | 22-Feb-18   | 6.91%         |
| KPIT       | 197.35     | 198.05       | 22-Feb-18   | 6.81%         |
| NIITTECH   | 790.00     | 792.80       | 22-Feb-18   | 6.81%         |
| CANBK      | 311.30     | 312.40       | 22-Feb-18   | 6.79%         |

### NEGATIVE

| Symbol     | Spot Price | Future Price | Expiry Date | Cost of Carry |
|------------|------------|--------------|-------------|---------------|
| RECLTD     | 145.40     | 139.25       | 22-Feb-18   | -81.25%       |
| BPCL       | 477.15     | 460.65       | 22-Feb-18   | -66.43%       |
| OIL        | 345.65     | 334.55       | 22-Feb-18   | -61.69%       |
| COALINDIA  | 290.35     | 283.05       | 22-Feb-18   | -48.30%       |
| HEROMOTOCO | 3623.45    | 3565.05      | 22-Feb-18   | -30.96%       |
| BERGEPAIN  | 246.85     | 243.00       | 22-Feb-18   | -29.96%       |
| NMDC       | 132.80     | 131.15       | 22-Feb-18   | -23.87%       |
| INDUSINDBK | 1761.30    | 1741.30      | 22-Feb-18   | -21.81%       |
| APOLLOHOSP | 1156.95    | 1143.90      | 22-Feb-18   | -21.67%       |
| HINDPETRO  | 374.50     | 370.60       | 22-Feb-18   | -20.01%       |

## WEEKLY VOLUME ALERTS

The Following Stocks displayed surge in Volume during the week and can be one of the trigger for deciding trading/investment stocks.

- |                    |                    |                    |                  |
|--------------------|--------------------|--------------------|------------------|
| 1. GMR Infra       | 5. Jain Irrigation | 9. IFCI            | 13. Hind Constr  |
| 2. Jaiprakash Asso | 6. Idea Cellular   | 10. Reliance Power | 14. Hindalco     |
| 3. Suzlon Energy   | 7. Adani Power     | 11. Ashok Leyland  | 15. Federal Bank |
| 4. ITC             | 8. Bank of Baroda  | 12. HDIL           | 16. Bharat Elec  |

## PUT-CALL RATIO

| Symbol | PUT      | CALL     | RATIO |
|--------|----------|----------|-------|
| NIFTY  | 76563100 | 70379375 | 1.09  |

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