

MARKET pulse.se



Dear Investors,

MARKET PULSE, the monthly report from ACMIL, aims to provide insightful perspectives on all aspects of the market, the Fundamental, Technical, and Derivatives. The report contents

Market Update

- Domestic & Global Update

Investment Idea

- Huhtamaki India Ltd.
- Rites Ltd.

Technical Report

- Nifty View
- Bank Nifty View
- Indraprastha Gas Limited
- Axis Bank Limited

Derivatives Report

- Rollover Report

Retail Research Call Performance

Event Calendar

MARKET PULSE aims to capture the market in all its hues and colors and provides a range of information that helps in making wise investment decisions.

Regards,
Research Team
ACMIL

Contents

Overall Outlook	4
Investment Idea	5
Technical View	14
Derivatives Report	18
Retail Research Call Performance Report	20
Event Calendar	23

Domestic Market Update

The Indian stock market remained stable in June, despite stock-specific volatility. During the month World equity markets were jolted, amid weak global indications, as US Federal Reserve policymakers predicted interest rate rises by 2023, a year earlier than planned, citing a better health condition as a result of the vaccination deployment. Rate hikes and taper on monthly asset purchases would eventually raise dollar and flow of foreign funds from emerging countries back towards developed economies. Domestic market was barely impacted and ended the month with Sensex gaining 1% and Nifty by 0.9%. Market breadth remained strongly in favour of the advancing counters as Small-cap and Mid-cap stocks witnessed tremendous strength last month. Small-cap and Mid-cap indices jumped by 6.9% and 3.6% respectively during the month. On sector specific, IT, Realty, FMCG, Energy were major gainers while Bank Nifty ended on a marginal negative note. On institutional front, FIIs continues to be a net seller for the third consecutive months, as FIIs net sold stocks worth Rs.25 Crore, While DIIs net bought stock worth Rs.7,043 Crore. On Macro front, Finance Minister Nirmala Sitharaman announced some fresh relief measures for the economy, the first such package after the second COVID-19 wave, focusing largely on extending loan guarantees and concessional credit for pandemic-hit sectors and investments to ramp up healthcare capacities. Separately, large electronics manufacturers under the Production-Linked Incentive scheme have been granted an additional year to meet their production targets as many of them struggled to sustain or scale up operations due to restrictions and lockdowns to curb the second COVID-19 wave. Further, Majority of the consumer facing industries like Auto, FMCG, Consumer Durables would be boosted by a normal monsoon as the prediction by IMD and Skymet suggests. So far, the monsoon has been 20% above normal. Going ahead, the domestic market will eye following events very closely.

1. Q1FY22 earnings
2. Update on Vaccine Rollout and Coronavirus spread
3. USD/INR foreign exchange movement and Crude Oil Price Movement.

Global Market Update

Over the second quarter, equities rose as vaccination campaigns continued to accelerate in most developed economies, especially in Europe, which is now catching up with the UK and the US. Emerging economies continued to lag on the vaccination front but cases remain very low in China and seem to have peaked in India. 10-year Treasury yields dropped by 30 bps, falling to 1.45%. The S&P 500 delivered the best return (+8.5%) last quarter, thanks to the rebound of growth stocks, strong first-quarter earnings growth (47% yoy), and the prospect of more fiscal stimulus as Joe Biden reached a bipartisan deal to boost infrastructure spending by USD 600 billion. European stocks followed closely (+7.1%), supported by the reopening of regional economies and strong global goods demand. While the Federal Reserve continues to see this inflation increase as transitory, it has become slightly more hawkish, acknowledging that tapering is being discussed.

Global Indices Performance

Index	31-May-21	30-Jun-21	Change MoM
Dow Jones	34529	34645	0.3%
S&P 500	4204	4298	2.2%
Nasdaq	13748	14504	5.5%
CAC 40	6447	6508	0.9%
DAX	15421	15531	0.7%
FTSE 100	7023	7038	0.2%
Nikkei 225	28860	28792	-0.2%
Hang Seng	29152	28823	-1.1%
Shanghai	3615	3591	-0.7%
Nifty 50	15582	15721	0.9%
BSE Sensex	51937	52482	1.0%
Brent Crude (\$)	69.32	75.13	8.4%
WTI Crude (\$)	66.96	73.47	9.7%

Sources : Yahoo Finance /BSE

Accumulate

Huhtamaki India Ltd.

Key Data

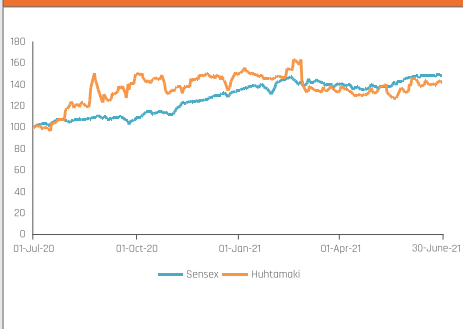
Reco Price	285 - 290
Target	344
Sector	Packaging
BSE Code	509820
NSE Code	HUHTAMAKI
EPS (CY20)	12.6/-
Face Value (Rs.)	2
Market Cap (Cr)	2,255
52-week High/Low (Rs)	352/199

Source : BSE/NSE

Shareholding pattern
(Mar - 2021)

	%
Promoters	67.73
DII's	1.59
FII's	4.20
Public	26.48
Total	100.00

Stock Performance

Source : ACE equity
Rebase to 100

Company Background

Huhtamaki India Limited ("HIL") began its journey as the Paper Products Limited in 1935 before being acquired by Huhtamäki Oyj in 1999, which currently owns ~67.73% in the company. Huhtamäki Oyj has a formidable presence with 81 manufacturing units and 24 sales offices across 35 countries. HIL is a leading provider of innovative and sustainable flexible packaging and labelling solutions, catering to food and beverages, home and personal care, healthcare and other speciality segments. HIL employs 3675 people and has a pan-India presence with 18 manufacturing sites, 2 R&D centres and 5 sales offices.

Outlook and valuation

HIL's is a proxy play on India's growing consumption story. HIL's volume is highly co-related with FMCG and Pharma sector. As the Indian FMCG sector is expected to grow at a CAGR of ~15% to reach USD 220 billion by 2025E, HIL is expected to benefit. The Covid-19 pandemic has led to increase in demand for FMCG and Pharma products. With the growth in FMCG and Pharma industry, the demand for flexible packaging is expected to rise, thereby benefitting company like HIL. Further, HIL is increasing its revenue from innovative products and exports. This will help increase realizations and margins going forward. **At the recommended price of Rs.287/-, the company's stock trades at 13x times its CY22E EPS of Rs.21.88/-.** The stock is trading below its average historical multiple at P/E multiple of 21x. Hence, we recommend ACCUMULATE rating on the stock. Based on 15.7x times CY22E EPS, we arrive at a target price of Rs.348/-.

Financial Snapshot

Particular (Rs. Mn)	CY18	CY19	CY20	CY21E	CY22E
Net Sales	23,691	25,824	24,627	26,597	29,257
EBITDA	2,214	2,930	2,336	2,474	3,277
EBITDA Margin	9.3%	11.3%	9.5%	9.3%	11.2%
PAT	348	1,392	954	1,105	1,652
PAT Margin	1.5%	5.4%	3.9%	4.2%	5.6%
EPS (Rs)	4.6	18.4	12.6	14.6	21.9
D:E	0.72	0.39	0.32	0.23	0.20
EV/EBITDA	8.2	7.2	10.9	8.5	6.5
ROE	6%	22%	13%	14%	18%
ROCE	16%	25%	16%	18%	23%

Source : Company, ACMIIL Research

Investment Rationale

Proxy play on FMCG and Pharma consumption

HIL mainly caters to FMCG and pharma industry, which requires flexible packaging for most of their products. The volume of HIL is closely linked to the FMCG and pharmaceutical industries. The demand for flexible packaging is mainly driven by FMCG sector, which is the fourth-largest sector in the Indian economy. By 2025E, the Indian FMCG sector is predicted to increase at a CAGR of 15%, reaching USD220 billion. Going forward, the FMCG market will be boosted by growth in the organised sector, increased brand awareness, growth in modern retail, low penetration of branded food products, easy availability of grocery and food products due to increased online grocery and online retail stores, and an increase in rural consumption with rising income levels. The pandemic of Covid-19 has increased demand for FMCG and pharmaceutical items. We

anticipate sustained growth in FMCG and pharmaceutical consumption, resulting in increased demand for flexible packaging.

The Company also has labels business, which contributes ~17-19% of total revenues. The labels business also serves both pharma and FMCG sectors. HIL's clientele includes top FMCG brands like Nestle, HUL, P&G, Cadbury, Britannia, Coca-Cola, Pepsi, ITC, Dabur, Emami, Marico, Tata Tea, Perfetti, Kellogs, Mars, Hershey etc. In the pharma space, it serves MNC players such as Cipla, GSK, Reckitt Benckiser etc.

Food Packaging



Biscuits & snacks



Cereals



Confectionery



Soups & sauces

Beverages



Coffee



Juices & non alcoholic drinks



Liquor & Cocktails

Pet Food



Dry petfood



Wet petfood

Tube Laminates



Beauty care



Oral care



Others

Packaging for personal care & household products



Personal care

Healthcare & pharma packaging



Liquids, balms, cremes, gels or dermatology



Medical devices



Solids and powdery products

Shrink sleeves & Labels



Heat transfer



Heat transfer



Pressure sensitive

Other specialties



Digital printing solutions



Engraved cylinders



Promotions & security

Recyclable packaging solutions



Pillow snack packs



Plastic barrier tube laminates



Single serves

Global franchise with pan-India presence

HIL has a pan-India presence with 18 state of the art manufacturing plants (installed capacity of ~1,58,000 MT) across the country. Many of them are strategically located near client's manufacturing site, which facilitates quick turnaround, irrespective of logistical issues. HIL is a part of a global Finland-based packaging company "Huhtamäki Oyj" that has a presence across 36 countries with 50+ years of association with leading FMCG MNCs. This has helped HIL in product launches, R&D, and customer acquisitions. HIL has increased its presence in India by organic or inorganic expansions. this has enabled it to have continuous new launches, which has led to rising wallet share with existing customers, adding new brands and increasing market share in flexible packaging and labelling. It has seen 13% revenue CAGR over the last 10 years.

HIL's evolution in India as a leading flexible packaging company

Year	Event
1935	Established as The Paper Products Limited (PPL)
1950	PPL goes public and is listed on the Bombay Stock Exchange
1960	Flexible Plant - I commissioned in Thane
1996	Flexible Plant - II commissioned in Silvassa
1998	Flexible laminates and carton manufacturing Plant - III with takeover and extensive refurbishing of A&R Packaging at Hyderabad
1999	PPL becomes a member of Huhtamaki Packaging Worldwide with the later buying 51% stake in it
2006	Flexible laminate Plant - IV commissioned at Rudrapur
2007	High end pouching solutions at Silvassa
2010	New Thane plant - transformation into a world class facility
2012	Consolidation of its position in labelling in India through acquisition 51% stake in Webtech Labels Private Ltd
2014	Major capability and capacity expansion at Silvassa plant. The
2014	Paper Products Ltd was renamed as Huhtamaki PPL Ltd.
2015	Acquired 100% stake in Positive Packaging Industries Ltd.
2016	Continued expansion into new technologies and geographies
2016	Acquired 51% stake in Val Pack Solutions Private Ltd.
2017	Legal merger of 'Positive Packaging Industries Ltd.' and 'Webtech Labels Private Ltd.' with Huhtamaki-PPL
2017	Commissioned two new plants at Sikkim and Guwahati
2018	Acquired 100% stake in Ajanta Packaging (India)
2020	Acquired flexible packaging business of Mohan Mutha Polytech Private Ltd (MMPPL)
2020	Huhtamaki PPL Ltd. was renamed as Huhtamaki India Limited

Greenfield

Acquisition

Source: HIL Annual Report

The packaging Industry in a sweet spot, HIL is well placed to capture demand

The packaging sector is consolidating, which will help leading companies grow more quickly. COVID has boosted demand for packaged foods and products, particularly in the FMCG and pharmaceutical industries. Further, India is increasingly becoming aware of the hazards of plastic, with 20 states launching a blanket ban on the manufacture, use, sale, distribution, storage and use of plastic items such as one-time-use bags, spoons, PET and PETE bottles. Flexible packaging, on the other hand, uses recyclable plastic, and other environment-friendly materials, thus creating a niche for itself in the country. Given HIL's robust R&D expertise, pan-India footprint, good relationships with brands, we believe HIL is well placed to capitalize on these opportunities.

Focus on Innovation and Exports to improve margins

HIL offers range of innovative products with unique and customized offerings as per client needs. HIL has extended its role from just being a supplier to a major contributor in the growth of consumer products. The innovative products contributes ~27% to total sale. In 2019, HIL commercialized recyclable solutions for shampoo, confectionery, industrial bulk packaging and snacking applications and plans to add more products, which will help to increase realizations and margins.

HIL derives ~20% of its revenues from exports to countries like, Africa, Middle East, SEA, North and South America, LATAM. Over CY11-19, exports have grown at a CAGR of ~21.3%, against the revenue CAGR of ~16% during the same period. The export business compensate for the revenue shortfall, in case any unfavorable business circumstances arises in India business. Going ahead, HIL to focus on increasing export share, which is more lucrative , provides geographical diversification and natural forex hedge.

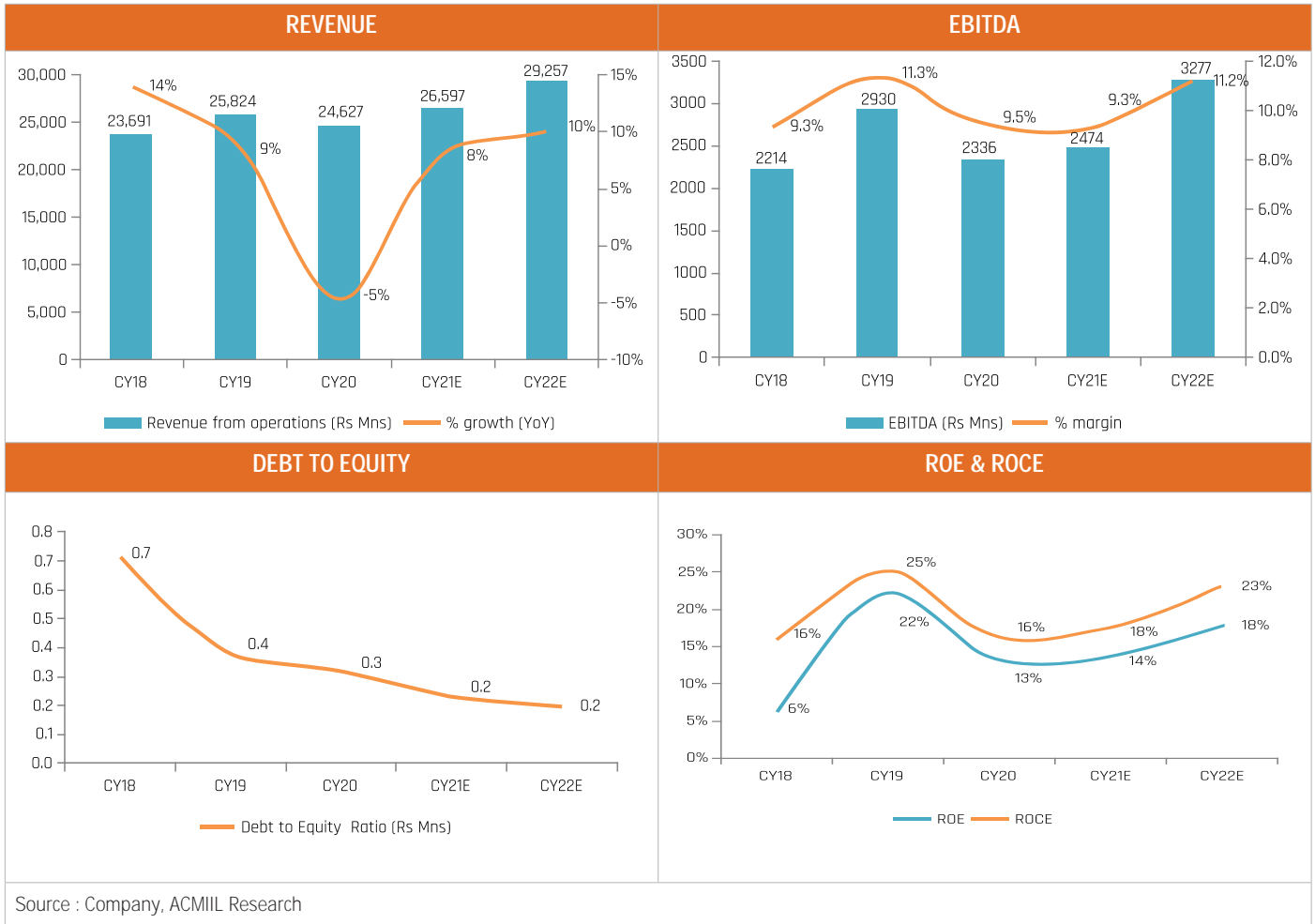
Risks and concerns

1. Volatility in polymer prices: Major raw materials for the company include polymers, which are highly correlated to the movement in crude prices.
2. The Competition: May impact margins.

Financial Statement

Particular (Rs. Mn)	CY18	CY19	CY20	CY21E	CY22E
Net Sales	23691	25824	24627	26597	29257
YoY Growth	11%	9%	-5%	8%	10%
EBITDA	2214	2930	2336	2474	3277
EBITDA Margin	9.3%	11.3%	9.5%	9.3%	11.2%
Depreciation	854	869	979	971	1083
Add: other income	167	167	80	160	160
EBIT	1527	2228	1437	1663	2354
Interest	392	211	261	186	146
PBT	1135	1707	1176	1477	2208
Tax	787	315	222	372	556
Tax Rate	69.3%	18.5%	18.9%	25.2%	25.2%
PAT	348	1392*	954	1105	1652
PAT Margin	1%	5%	4%	4%	6%
EPS (Rs)	4.61	18.44*	12.64	14.63	21.88
Share Capital	151	151	151	151	151
Reserves & Surplus	5414	6822	7498	8376	9802
Networth	5565	6973	7649	8527	9953
Book Value Per Share (Rs)	74	92	101	113	132
Total Debt	3996	2689	2460	1979	1966
Debt to Equity Ratio	0.7	0.4	0.3	0.2	0.2
ROE	6%	22%	13%	14%	18%
ROCE	16%	25%	16%	18%	23%

* Adjusted for exceptional item of Rs.3,100Mn., Source : Company, ACMIIL Research



Accumulate

Rites Ltd.

Key Data

Reco Price	260-265
Target	320
Sector	INFRASTRUC-TURE
BSE Code	541556
NSE Code	RITES
EPS (FY21)	17.99 /-
Face Value (Rs.)	10
Market Cap (Cr)	6,646
52-week High/Low (Rs)	290/232

Source : BSE/NSE

Shareholding pattern (Mar - 2021)

%

Promoters	72.20
DII's	15.80
FII's	1.00
Public	11
Total	100.00

Stock Performance



Source : ACE equity
Rebase to 100

Company Background

Established in 1974, RITES Limited, a Miniratna (Category-I), Schedule 'A' Central Public Sector Enterprise is a key player providing Consultancy and Engineering services to the transport infrastructure sector in India and abroad. From only an infrastructure consultant for the Indian Railways, RITES has evolved into a well-diversified infrastructure company, offering consultancy services for railways, highways & urban infrastructure and also participating in Indian railways turnkey projects. It has also started locomotive leasing services and forayed strongly in the export market for Indian railways. RITES also engaged in the business of renewable power and allied activities. RITES has undertaken projects in over 55 countries including Asia, Latin America, Africa, South America, and Middle East regions. Additionally, the company is the only export arm of Indian Railway for providing rolling stock overseas.

Outlook and valuation

RITES is a leading player in providing comprehensive range of consultancy services across various segments that include Railways, Roads, Ports and Airports. We believe RITES is a key player providing design, engineering and consultancy services in transportation infrastructure and is well-positioned to gain traction in the infrastructure sector on the back of an impressive execution track record, a strong balance sheet with healthy return ratios. **As a result, we expect strong revenue and PAT growth of 33% and 24% CAGR over FY21-23E.** Hence, we recommend to ACCUMULATE stock. Based on 11.45x times FY23E EPS of Rs.27.95, we arrive at a target price of Rs.320/-, which implies 21.6% upside from the current level.

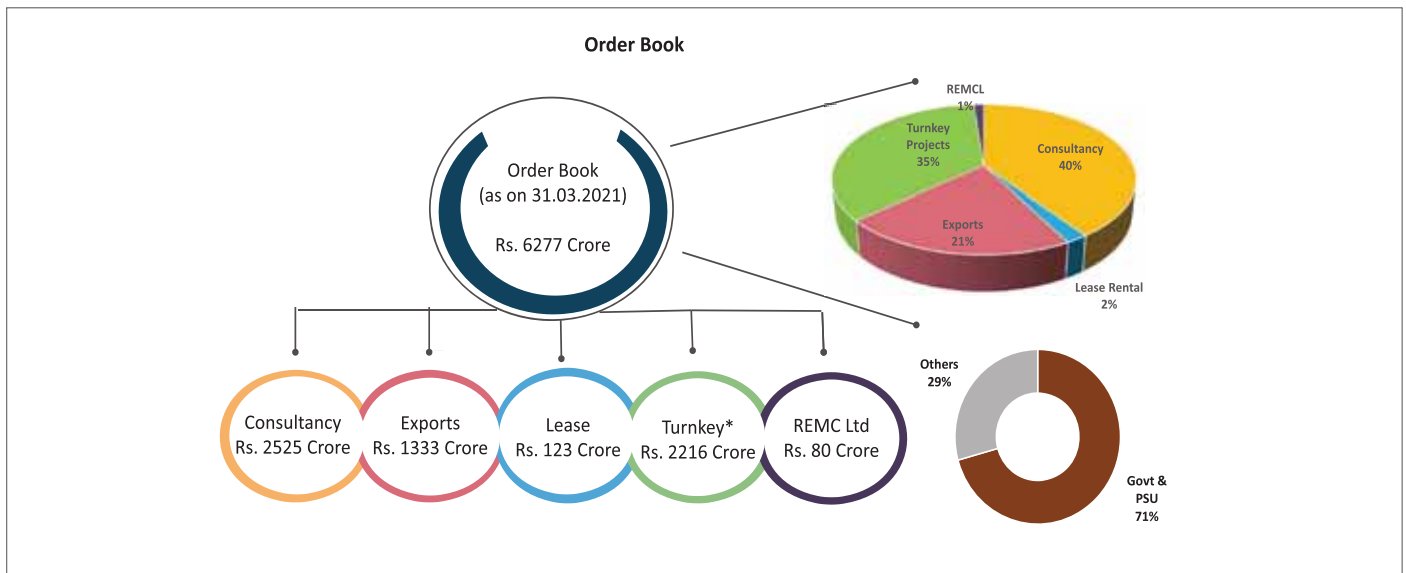
Service Offerings



Investment Rationale

Strong order pipeline providing healthy revenue visibility

RITES standalone order book stand at Rs 6277Cr which is at 3.4 times of its F21 revenue, which provides strong revenue visibility for next 2-3 years. The Order book is well diversified with high margin consultancy contributing 40 percent and low margin turnkey business contributing 35 percent, 21% pertains to exports order whereas as leasing business contributes least at 4%. RITES has a competitive edge in winning orders owing to it's over four decades of experience in transport infrastructure consultancy and its association with Ministry of Railways. Moreover, Company is nominated by Ministry of Railways to undertake various EPC orders.



Marquee Clientele list

RITES have a vast clientele in domestic market including various central and state government ministries, departments, instrumentalities as well as local government bodies and public sector undertakings. Clientele includes Indian Railways, NTPC, Dedicated Freight Corridor Corporation of India Limited, High Speed Rail Corporation of India Limited, Public Works Department, DMRC, Steel Authority of India Limited, Rashtriya Ispat Nigam Limited, Hindustan Petroleum Corporation Limited, Bharat Coking Coal Limited, Metro Link Express for Gandhinagar and Ahmedabad (MEGA) Company Limited, Indian Port Rail Corporation Limited, and Airports Authority of India.

In private sector, L&T Metro Rail (Hyderabad) Limited, Kanti Bijlee Utpadan Nigam Limited (KBUNL), Cimmco Limited, Titagrah Wagons Limited, Snowmex Engineers Limited, Unity Infraprojects Limited, Rajdeep Buildcon Private Limited, Mahalsa Constructions Private Limited, Marymatha Constructions Limited, AFCON Infrastructure Limited, INCAP, ARK Services, MNEC Consultants Private Limited, Indian Geotechnical Services Limited, Geokno India Private Limited and NATRIP Implementation Society are the clients.

Government's push on Infrastructure development

RITES is likely to be one of the key beneficiaries, as most sectors wherein it is present, are witnessing higher investment, as the government continues to focus on railways, roads and urban infrastructure including metro network. Apart from the Railways, the company also focuses on other transportation sectors, which are likely to drive the growth in next few years. With a mammoth Rs100trillion investment for infrastructure creation over the next five years and the governments' thrust on domestic manufacturing through 'Make in India' initiative, the companies with focus on domestic market are in a sweet spot. We believe Rites is well-positioned to benefit substantially owing to its over four decades of experience in transport infrastructure consultancy and its association with Ministry of Railways.

Strong financial track record & healthy balance sheet

Over the years, Rites has a successful track record of delivering consistent growth in sales and profits. In the last five years FY16-FY20, RITES's operating revenues and profitability have grown by a CAGR of 22% and 21% respectively. Further, during the same period, company's operating profit grew by a CAGR of 15%. Further company has managed to maintain its operating margin in the range of 24-26% during the same period. Company is virtually debt free. RITES being a consulting firm works on an asset light model with Employees as its key asset. During FY16 -FY20, Revenue per employee has grown by a CAGR of 18.9%. Company is virtually debt free. Rites has successful track record of dividend payout. Moreover, The Company has increased its Dividend payout consistently over the last 5 years, up to 67% in FY20 from 48% in FY16. Though the current economic conditions had an adverse impact on Rites's FY21 earnings, we believe the company would be able to sustain the earnings growth in the long run backed by strong order book, and Healthy Balancesheet.

Risks and concerns

1. Slower than expected ramp-up in railway infrastructure.
2. Order award deferrals.
3. Exports accounts for 10-15% of the RITES total revenue. Any major currency fluctuation could impact the financial performance of the company

Financial Statement

Particular (Rs Mn)	FY19	FY20	FY21	FY22E	FY23E
Net Sales	20,480	24,740	18,580	28,532	32,800
YoY Growth	43%	21%	-25%	54%	15%
EBITDA	5,780	6,630	5,044	7,418	8,200
EBITDA Margin	28.2%	26.8%	27.1%	26.0%	25.0%
Depreciation	380	530	578	610	642
Add: other income	2,000	2,650	1,500	1,427	1,640
EBIT	7,400	8,750	5,966	8,235	9,198
Interest	100	80	60	70	70
PBT	7,300	8,740	5,926	8,165	9,128
Tax	2,400	2,410	1,490	2,055	2,300
Tax Rate	32.9%	27.6%	25.1%	25.2%	25.2%
PAT *	4,900	6,330	4,436	6,110	6,828
PAT Margin	24%	26%	24%	21%	21%
EPS (Rs)	18.80	24.64	17.99	24.96	27.95
Share Capital	200	250	240	240	240
Reserves & Surplus	22,220	23,830	21,520	23,310	26,298
Networth	24,220	26,330	23,923	25,710	28,698
Total Debt	400	330	250	250	250
Debt to Equity Ratio	0.20	0.13	0.10	0.10	0.10
ROE	21%	25%	18%	25%	25%
ROCE	29%	31%	21%	30%	33%

Note: PAT Adjusted for Non Controlling interest, Source : Company, ACMIIL Research



Source : Company, ACMIIL Research

NIFTY



Chart as on 02nd July 2021

NIFTY - DAILY CHART

- Technically, the index on the daily scale has witnessed the breakout of the rounding bottom pattern at the end of May month. Recently, the index has retested its previous breakout point of the rounding bottom pattern and formed a strong bullish candle as highlighted in the above chart. As per this pattern, the index can test the levels of 16200 in the short term and 16600 in the medium term.
- On the downside, the index is respecting its 21 DEMA which is placed close to 15673 levels. The breakout point of the rounding bottom pattern is placed close to 15435 levels, thus 15400 will act as strong support for the index in the short term followed by 100 DSMA which is placed close to 15069 levels.
- On the higher side, the index is facing resistance around 15900-16000 levels. Once the index manages to cross and sustain above 16000 levels then it could test the levels of 16200 and 16500.
- RSI on the daily scale is positively placed and the stochastic oscillator is on the verge of forming a bullish crossover from an oversold zone. Thus, the buy on dips strategy needs to be adopted in the index.
- For the July series, 15400 and 15000 will act as support points whereas 16200 and 16500 will act as resistance points.

BANK NIFTY



Chart as on 02nd July 2021

BANK NIFTY - DAILY CHART

- Technically, the index on the daily scale has witnessed the breakout of an ascending triangle pattern at the end of May month. Recently, the index has retested its previous breakout point of ascending triangle pattern and formed a bullish engulfing candlestick pattern as highlighted in the above chart. As per this pattern, the index can test the levels of 36500 in the short term and 38000 in the medium term.
- On the downside, 100 DSMA is currently placed close to 34332 levels and the previous breakout point is placed close to 34300 levels. Thus, 34300 will act as strong support for the index.
- On the higher side, trend line resistance is placed close to 36500 levels. Thus, 36500 will act as a strong hurdle for the index in the short term.
- RSI on a daily scale is positively poised. Moreover, the stochastic oscillator is placed close to the oversold zone. Thus, bounce from the oversold zone could be possible.
- For the July series, 34300 and 32500 will act as support points whereas 36500 and 38000 will act as resistance points.

INDRAPRASTHA GAS LIMITED



Chart as on 02nd July 2021

IGL-WEEKLY CHART

- Technically, the stock on the weekly scale has witnessed breakout of ascending triangle pattern with volume as highlighted in the above chart. As per this pattern the stock can test the levels of 590-600 in the medium term. Thus, any dips around 535-545 should be used for accumulating the stock.
- On the lower side, 34 WSMA is placed close to 513, which will act as strong support for the stock.
- RSI on the weekly scale has witnessed breakout of short term consolidation suggesting strength.
- Based on the above technical set up, we recommend buying IGL in the range of 540-545 with a stop loss of 513 for the target price of 590-600.

AXIS BANK LIMITED



Chart as on 02nd July 2021

AXISBANK-DAILY CHART

- Technically, the stock on daily scale has witnessed the breakout of cup and handle pattern as highlighted in the above chart. Post breakout the stock has gone into consolidation mode. However, the stock had managed to hold its previous breakout point as highlighted in the above chart.
- Recently, the stock on daily scale has witnessed trend line breakout suggesting strength.
- On the downside, 34 DEMA is placed close to 738, which will act as first key support followed by 724 where 100 DSMA is placed.
- RSI on a daily scale has witnessed a short term trend line breakout suggesting strength.
- Based on the above technical set up, we recommend buying AXISBANK in the range of 740-750 with a stop loss of 718 for the target price of 790-800.

JULY SERIES VIEW

Domestic equity markets continued their bull run during the June expiry, led by the ease in lockdown restrictions, gathering pace of covid-19 vaccination, declining COVID-19 cases, and positive global cues. On the back of that, the index has registered a new lifetime high of 15901.60. Finally, Nifty added 3% during the June series and closed at 15790.45 with a gain of 453 points (EoE) indicating neutral to positive bias for the short term. Higher crude oil prices and weakness in rupees against the US dollar will remain concerns for the market. Thus, investors should remain cautious on the higher side. On the expiry day, the Nifty futures rollover stood at 85%, which is higher as compared with the last three series average rollover of 75%. Nifty will start the July series with an open interest of 0.97 Cr shares compared with an OI of 1.04 Cr shares at the beginning of the June series. Market-wide rollovers stood higher at 89% compared with the average rollovers of 90% in the last three series. Going into July month, Covid-19 cases and updates on lockdown in several states, the progress of the vaccine drive, monthly auto sales data, Bond yield movement, Fiis flow, Q1FY22 Results, global cues, and crude oil price movement will dictate the trend on the bourses next month.

DERIVATIVES INDICATORS

During the month, India VIX cool off by 24.17% (EoE) and closed at 15.10% vs. 19.91% of the previous month, lower volatility indicates an overall bullish market bias, but a small bounce in VIX can offer some volatile cues to the market. Another leading derivatives indicator, Nifty PCR, will open on a lower note this month at 1.20 against last month's 1.38.

BANKNIFTY

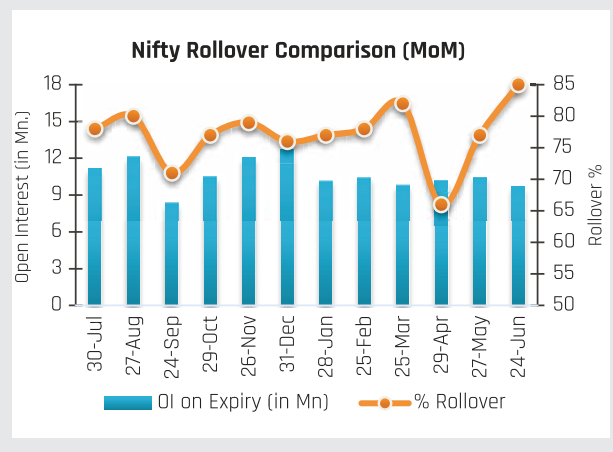
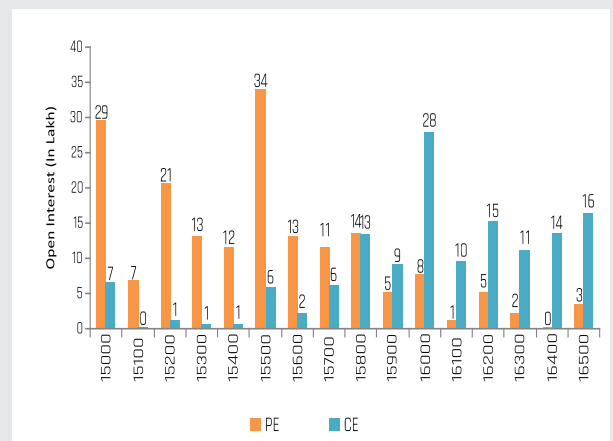
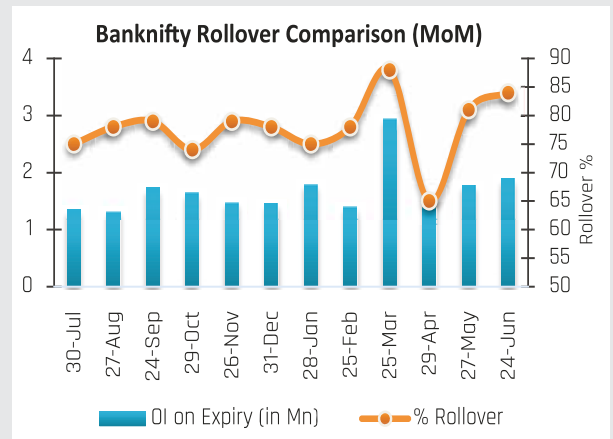
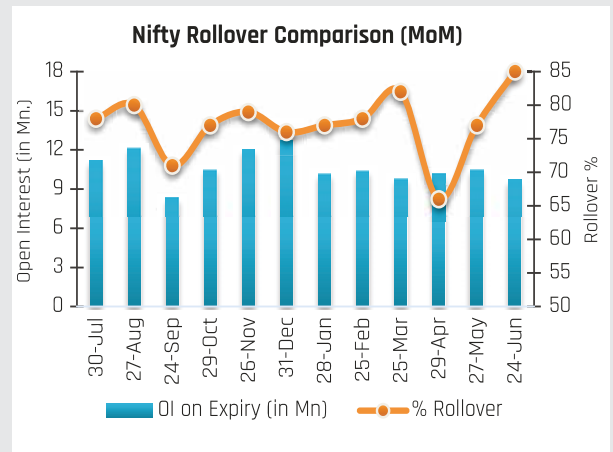
The index saw high rolls of 84% compared with the 3M average of 78%. BankNifty will start the July series with an OI of 1.90 Mn shares compared with OI of 1.77 Mn shares at the beginning of the June series. As per options data, support for the index is around 34000 and 32000 whereas resistance stands at 37000 and 38000 for the short term.

OPTION ANALYSIS

From the OI Concentration (29-July Series), Maximum addition of open interest on the call options front exists at the strike prices of 16000, and 16500 (with nearly 18.01 lacs, and 16.43 lacs, shares outstanding respectively). This indicates that these levels would act as the resistance zone on the upside. On the Put options front, maximum addition of open interest is at the strike prices of 15500 and 15000 (with nearly 34.06 lacs, and 29.40 lacs shares outstanding respectively), indicating that these levels would act as the stronger support zone on the downside.

SECTOR/STOCK ROLLOVER ACTIVITY:

- From the sectoral action, rollovers accelerated for **REALTY, TEXTILE, REALTY, METALS, BANKING** and **CHEMICAL**, stocks on expiry. However, low rollovers were seen in **MEDIA**, and **POWER** sector stocks on expiry day as compared to three month's average as highlighted in the chart.
- Within the Nifty50 space, index heavyweights such as **GAIL, GRASIM, INDUSTOWER, NESTLEIND** and **INDUSINDBK** saw aggressive rollover in the July series while low rolls were seen in **NTPC, ONGC, LT, BAJAJFINSV**, and **BAJAJ-AUTO** compared with the 3M average.
- From the midcap space, **VEDL, NAVINFLUOR, AUBANK, UBL**, and **PNB** saw high rollovers whereas **APLLTD, SUNTV, GUJGASLTD, PIDILITIND** and **SRTRANSFIN** saw lower rollover compared with the 3M average.



Stocks to watch out based on Rollover Analysis

POSITIVE	
LTI	Strong Rollover of 94% compared with 3 months average of 90%.
NAVINFLUOR	Strong Rollover of 96% compared with 3 months average of 77%.
BRITANNIA	Strong Rollover of 97% compared with 3 months average of 89%.
NEGATIVE	
RBLBANK	Rollover of 95% compared with 3 month average of 90%.
ZEEL	Rollover of 87% compared with 3 month average of 97%.

MT Medium Risk Calls												
Calls Performance	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21
Calls Activated	11	12	37	12	47	27	35	16	53	57	41	38
Successful	5	8	28	4	34	15	25	9	39	38	34	28
Unsuccessful	6	4	9	8	13	12	10	7	14	19	7	10
Success Rate	45%	67%	76%	33%	72%	56%	71%	56%	74%	67%	83%	74%

MT High Risk Calls												
Calls Performance	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21
Calls Activated	8	6	29	45	36	57	45	20	41	15	10	27
Successful	5	3	20	37	26	43	29	16	21	10	9	22
Unsuccessful	3	3	9	8	9	14	16	4	20	5	1	5
Success Rate	63%	50%	69%	82%	72%	75%	64%	80%	51%	67%	90%	81%

Positional Calls												
Calls Performance	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21
Calls Activated	26	20	27	11	13	9	5	6	11	12	9	6
Successful	22	16	16	8	12	8	3	5	9	9	8	5
Unsuccessful	4	4	11	3	1	1	2	1	2	3	1	1
Success Rate	85%	80%	59%	73%	92%	89%	60%	83%	82%	75%	89%	83%

Momentum Call												
Calls Performance	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21
Calls Activated	40	42	41	44	40	39	29	24	36	35	27	20
Successful	30	30	27	30	25	29	21	15	22	23	21	13
Unsuccessful	10	12	14	14	15	10	8	9	14	12	6	7
Success Rate	75%	71%	66%	68%	63%	74%	72%	63%	61%	66%	78%	65%

Techno Funda												
Calls Performance	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21
Calls Activated	-	-	1	-	-	2	1	1	2	-	1	1
Successful	-	-	0	-	-	2	1	1	2	-	1	1
Unsuccessful	-	-	1	-	-	0	0	0	0	-	0	0
Success Rate	-	-	0%	-	-	100%	100%	100%	100%	-	100%	100%

Retail Research Call Performance

Investment Idea

Date	Company	Rec	Rec Price	Close Rate	Target	Remarks	Profit / Loss per Share	Gain / Loss %	Status	Close Date
7 Jun 18	KEC	Accu	337.4	412.5	439.00	Profit of Rs.75.10	75.10	22.26%	Successful	3 Feb 21
4 Jul 18	ASHOKLEY	Accu	121.97		170.00	Open			Open	
13 Jul 18	FCONSUMER	Accu	46.50	17	59.00	Loss of Rs.29.50/-	-29.50	-63.44%	Unsuccessful	26 Feb 20
25 Jul 18	ZEEMEDIA	Accu	27.5	13.10	60.00	Loss of Rs.14.40/-	-14.40	-52.36%	Unsuccessful	7 Feb 18
6 Aug 18	GABRIEL	Accu	148.5	102	182.00	Loss of Rs.46.50/-	-46.50	-31.31%	Unsuccessful	15 Jul 19
23 Aug 18	INDIANHUME	Accu	285	355	364.00	Profit of Rs.70/-	70.00	24.56%	Successful	21 Dec 18
29 Aug 18	GRINDWELL	Accu	525	585	635.00	Profit of Rs.60-	60.00	11.43%	Successful	16 Jul 19
22 Oct 18	FINPIPE	Accu	475	574	570.00	Target Achieved	99.00	20.84%	Successful	30 Oct 18
23 Oct 18	JKPAPER	Accu	156.5	207.5	191.00	Target Achieved	51.00	32.59%	Successful	22 Jun 21
24 Oct 18	GULFOILLUB	Accu	707.5	872	872.00	Target Achieved	164.50	23.25%	Successful	17 Jan 19
25 Oct 18	DBCORP	Accu	162	204	209.00	Profit of Rs.42/-	42.00	25.93%	Successful	15 Mar 19
25 Oct 18	GODREJCP	Accu	698.5	890	890.00	Part Profit of	191.50	27.42%	Successful	12 May 21
26 Oct 18	RITES	Accu	240	297	297.00	Target Achieved	57.00	23.75%	Successful	13 Nov 18
5 Dec 18	BRIGADE	Accu	202.5	255	252.00	Target Achieved	52.50	25.93%	Successful	18 Mar 19
5 Dec 18	CCL	Accu	259.5	320	320.00	Target Achieved	60.50	23.31%	Successful	7 May 21
5 Dec 18	VARROC	Accu	715	445	840.00	Loss of Rs.270/-	-270.00	-37.76%	Unsuccessful	1 Dec 19
31 Dec 18	JKCEMENT	Accu	710	866	866.00	Target Achieved	156.00	21.97%	Successful	29 Mar 19
4 Jan 19	MGL	Accu	875	1165	1185.00	Profit of Rs.290/-	290.00	33.14%	Successful	17 Jan 20
26 Feb 19	MARICO	Accu	337.25	398.5	411.00	Profit of Rs.61.25/-	61.25	18.16%	Successful	22 Oct 19
4 Apr 19	ITDCEM	Accu	130	65	158.00	Loss of Rs.65 /-	-65.00	-50.00%	Unsuccessful	18 Sep 19
4 Apr 19	COCHINSHIP	Accu	372.37	490	490.00	Target Achieved	117.63	31.59%	Successful	20 Jan 20
23 Apr 19	MAHINDCIE	Buy	220	127.5	284.00	Loss of Rs.92.50/-	-92.50	-42.05%	Unsuccessful	6 Mar 20
6 Jun 19	RADICO	Buy	332.8	405	419.00	Profit of Rs.72.20/-	72.20	21.69%	Successful	30 Jan 20
25 Jun 19	M&MFIN	Accu	386	395.00	452.00	Profit of Rs.9/-	9.00	2%	Neutral	7 Feb 20
30 Aug 19	INDHOTEL	Accu	135-140		190.00	Open			Open	
23 Sep 19	KNRCON	Accu	235	295	296.00	Profit of Rs.60/-	60.00	25.53%	Successful	14 Jan 20
14 Oct 19	KEC	Accu	277.5	333	333.00	Profit of Rs.55.50/-	55.50	20.00%	Successful	16 Jan 20
14 Oct 19	MGL	Accu	930	1165	1200.00	Profit of Rs.235/-	235.00	25.27%	Successful	17 Jan 20
15 Oct 19	JKPAPER	Accu	111.00	141	141.00	Profit of Rs.30/-	30.00	27.03%	Successful	12 May 21
15 Oct 19	RADICO	Accu	296.00	370	370.00	Target Achieved	74.00	25.00%	Successful	23 Jan 20
16 Oct 19	MOLDTKPAC	Accu	300.00	382.5	344.00	Profit of Rs.82.5	82.50	27.50%	Successful	11 Feb 21
2 Jan 20	PSPPROJECT	Accu	490-500		590.00	Open			Open	
15 May	BEL	Accu	67.50	86	86.00	Profit of Rs.18.50/-	18.50	27.41%	Successful	26 Jun 20
23 Jul 20	RITES	Accu	231.00	281	281.00	Target Achieved	50.00	21.65%	Successful	11 Jun 21
18 Sep 20	IEX	Accu	206	248	248.00	Target Achieved	42.00	20.39%	Successful	18 Jan 21
5 Nov 20	IEX	Accu	182.5	248	248.00	Target Achieved	65.50	35.89%	Successful	18 Jan 21
5 Nov 20	CCL	Accu	247.5	320	320.00	Target Achieved	72.50	29.29%	Successful	7 May 21
5 Nov 20	POLYCAB	Accu	925.00	1095	1093.00	Profit of Rs.170/-	170.00	18.38%	Successful	5 Jan 21
5 Nov 20	COCHINSHIP	Accu	332.50	393	406.00	Profit of Rs.60.50/-	60.50	18.20%	Successful	1 Mar 21
6 Nov 20	RITES	Accu	231.00	281	281.00	Target Achieved	50.00	21.65%	Successful	11 Jun 21
22 Dec 20	MIDHANI	Accu	187-193		239.00	Open				
3 Mar 21	PSPPROJECT	Accu	490-500		590.00	Open				
19 Mar 21	COCHINSHIP	Accu	355.00	422.5	420.00	Profit of Rs.67.5/-	67.50	19.01%	Successful	14 Jun 21
9 Apr 21	ANURAS	Accu	555.00	663	663.00	Profit of Rs.108/-	108.00	19.46%	Successful	5 May 21
22 Apr 21	GREAVESCOT	Accu	126.50	155	155.00	Target Achieved	28.50	22.53%	Successful	15 Jun 21
21 Jun 21	HUHTAMAKI	Accu	285-290		344.00	Open				
21 Jun 21	RITES	Accu	260-265		320.00	Open				

Retail Research Call Performance

Call Tracker

Positional Call Top 5 Gainer										
Date	Company	REC	Rec Price	Stop Loss	Call Closed at	Target	P/L per Share	All charges	Gain / Loss %	Closed Date
11-May	RITES	Buy	239	218	264.00	280-290	25	-1.91	9.66%	07-Jun
2-Jun	SFL	Buy	2035	1895	2,195.00	2250-2300	160	-16.28	7.06%	04-Jun
31-May	RELIANCE	Buy	2085	1970	2,245.00	2250-2300	160	-16.68	6.87%	03-Jun
3-May	HDFCLIFE	Buy	663	619	703.5	720-740	40.5	-5.30	5.31%	17-Jun
3-Jun	HUHTAMAKI	Buy	292	275	306.5	317-327	14.5	-2.34	4.17%	04-Jun

Master Trade Medium Risk Top Gainer												
Date	Company	Rec	Rec Price	Stop Loss	Call Closed At	Target	P / L per Lot	All charges	Gain / Loss per Lot	Lot	Closed Date	
29-Jun	CONCOR 660 PE JUL	Sell	11	14.5	7.5	5	3.5	100	5370.5	1563	30-Jun	
15-Jun	M&MFIN 190 CE JUNE	Sell	2.1	3.6	0.95	0.1	1.15	100	4500.0	4000	16-Jun	
28-May	M&MFIN 185 CE JUNE	Sell	2.55	3.8	1.4	0.1	1.15	100	4500.0	4000	14-Jun	
18-Jun	M&MFIN 180 CE JUN	Sell	1.2	2.25	0.1	0.1	1.1	100	4300.0	4000	22-Jun	
18-Jun	RELIANCE 2160 PE JUN	Sell	22	37	5.5	0.1	16.5	100	4025.0	250	22-Jun	

Master Trade Medium Risk Top Losers												
Date	Company	Rec	Rec Price	Stop Loss	Call Closed At	Target	P / L per Lot	All charges	Gain / Loss per Lot	Lot	Closed Date	
11-Jun	GRANULES 350 CE JUNE	Buy	8.25	4.5	4.5	14-16	-3.75	100	-5912.5	1550	16-Jun	
16-Jun	HDFCBANK 1500 CE JUNE	Buy	21.5	11	12	40	-9.5	100	-5325.0	550	17-Jun	

Master Trade High Risk Top Gainer												
Date	Company	Rec	Rec Price	Stop Loss	Call Closed At	Target	P / L per Lot	All charges	Gain / Loss per Lot	Lot	Closed Date	
2-Jun	NAUKRI JUNE FUT	Buy	4530	4440	4630	4700-4750	100	405.13	12094.9	125	03-Jun	
25-Jun	GRASIM JUL FUT	Buy	1502	1472	1527.5	1560	25.5	507.89	11604.6	475	28-Jun	
29-Jun	MPHASIS JUL FUT	Buy	2015	1975	2047.5	1990	32.5	465.81	10096.7	325	29-Jun	
27-May	HINDUNILVR JUNE FUT	Buy	2330	2285	2361	2390-2410	31	495.81	8804.2	300	02-Jun	
24-Jun	TECHM JUL FUT	Buy	1034	1014	1049	1065-1075	15	440.58	8559.4	600	24-Jun	

Master Trade High Risk Call Top Losers												
Date	Company	Rec	Rec Price	Stop Loss	Call Closed At	Target	P / L per Lot	All charges	Gain / Loss per Lot	Lot	Closed Date	
28-Jun	ICICIBANK JUL FUT	Buy	651	640	642	665-670	-9	617.93	-12992.9	1375	29-Jun	
7-Jun	ESCORTS JUNE FUT	Buy	1221	1197	1200	1250-1260	-21	462.00	-12012.0	550	09-Jun	

Momentum Call Top Gainer										
Date	Company	Rec	Rec Price	Stop Loss	Call Closed At	Target	P / L per Share	All charges	Net Gain / Loss %	Closed Date
7-Jun	IBULHSGFIN	Buy	253	245	261	265-270	8	-1.77	2.46%	09-Jun
24-Jun	COROMANDEL	Buy	892.5	863	913.5	950	21	-0.62	2.28%	24-Jun
21-May	BEML	Buy	1314	1275	1352	1380-1400	38	-9.20	2.19%	03-Jun
30-Jun	JKPAPER	Buy	197.5	191	201.75	210	4.25	-0.14	2.08%	30-Jun
21-Jun	SIEMENS	Buy	1990	1940	2045	2070-2090	55	-13.93	2.06%	23-Jun

Momentum Call Top Loser										
Date	Company	Rec	Rec Price	Stop Loss	Call Closed At	Target	P / L per Share	All charges	Net Gain / Loss %	Closed Date
28-May	TVSMOTOR	Buy	636.5	615	614	665-675	-22.5	-4.46	-4.23%	01-Jun
9-Jun	IRCTC	Buy	2119	2045	2045	2200-2250	-74	-14.83	-4.19%	14-Jun

July 2021

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1 • Monthly Auto Sales & Markit Manufacturing PMI JUN	2 • US Unemployment Rate JUN	3
4	5 • Markit Services PMI JUN	6	7	8 • TCS	9 • DELTACORP	10 • DMART
11	12 • Industrial Production YoY May, Manufacturing Production YoY May and Inflation Rate YoY Jun • HFCL	13 • MINDTREE • TATAMETALI	14 • WPI Manufacturing YoY Jun and WPI Inflation YoY Jun • INFY • LTTS	15 • LTI • WIPRO • TATAELXSI • CYIENT	16 • L&TFH • HDFCAMC	17
18	19 • HDFCLIFE • NAM-INDIA	20 • BAJFINANCE • ASIANPAINT • ISEC • ICICIPRULI	21 • BAJAJFINSV • GLAND • LAXMIMACH • MAHINDCIE • MAHSCOOTER	22 • ECB Interest Rate Decision • BIOCON • ULTRACEMCO • MPHASIS • BAJAJ-AUTO • BAJAJHLDNG	23 • JSWSTEEL • PERSISTENT • ATUL	24 • ICICI BANK
25	26 • NAVINFLUOR • AXISBANK • M&MFIN • ZENSARTECH • COROMANDEL • GLAXO	27 • Fed Interest Rate Decision • DRREDDY • TTKPRESTIG	28 • Fed Interest Rate Decision • JMFINANCIL • NESTLEIND • MAHLIFE • INTELLECT	29 • FSL • GHCL	30 • Government Budget Value JUN • CHOLAFIN • KANSAINER • EXIDEIND • MARICO	31 • IDFCFIRSTB • RAIN

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