

|| श्री || **LAKSHMISHREE**

Gateway to your Financial Goals

Weekly Outlook: 28th April — 4th May 2024



CALM BEFORE THE STORM?

NIFTY OUTLOOK



On April 26, Indian equity indices concluded lower after a volatile session, ending a five-day winning streak as the Nifty dipped below the crucial 22,400 mark. The Sensex retreated by 609.28 points or 0.82 percent to 73,730.16, while the Nifty declined by 150.30 points or 0.67 percent to 22,420.

From a technical standpoint, profit booking is discernible in the Nifty from the 22,600 level, accompanied by significant volume, signaling a potential downtrend. A breach of the 22,500 level could propel the index towards 22,700 and 22,800 in the near term, while the 22,200 level acts as a key support level. The RSI's upward trajectory from oversold levels reinforces the bullish sentiment.

In case of a pullback towards the 22,300-22,200 range, it presents a buying opportunity, supported by the presence of key daily moving averages within this zone. Analysis of Nifty Put options indicates substantial Open Interest at the 22,200 level, suggesting underlying support. Conversely, notable Call OI concentrations are observed at the 23,000 level.

Traders and investors are advised to capitalize on buying opportunities during Nifty dips, with a prudent stop-loss strategy below the identified support levels.



Anshul Jain

Sr. Research Analyst

BANK NIFTY OUTLOOK



The BANKNIFTY index concluded the trading session at 47574.15, marking a 2.04 percent decrease from the previous week's close, with a peak of 48255.50. On the weekly chart, Bank Nifty exhibits robust support near the 46500-46200 levels.

Additionally, Bank Nifty closed convincingly above its short-term (20-day), medium-term (50-day), and long-term (200-day) Exponential Moving Average (EMA) levels on the weekly timeframe, indicating positive momentum as the Relative Strength Index (RSI) stands at 56.02.

Looking forward, the index faces strong resistance near the 48600-48900 levels, nearing its all-time highs. HDFCBANK and KOTAKBANK are poised to drive upward movement in the private banking sector, with CANBK and SBIN showing potential outperformance in the coming week.

Bank Nifty's put options are concentrated at 47000 and 47500, acting as support levels, while call strikes at 48000 and 48500 exhibit significant Open Interest concentrations, indicating resistance for the current expiry.

On the daily charts, subtle resistance is observed around 48200 levels. A sustained breach above this level could propel Bank Nifty to new all-time highs, with a primary target set at 49500. Traders and investors should closely monitor price movements around this resistance for breakout opportunities and assess upward momentum strength.



WEALTH BAGGER STOCK PICKS FOR THE WEEK



ASHOKLEY



Ashok Leyland (Ashokley) has exhibited a notable technical pattern on the monthly charts, characterized by a 61-month Volatility Contraction Pattern (VCP) formation, culminating at the 145 level in June 2023. Subsequently, the stock underwent a consolidation phase, forming a 9-month base, effectively transitioning into a Base on Base pattern. In March, Ashokley experienced a significant price action event, as it cleared out weak long positions, resulting in the formation of a bullish hammer candlestick pattern. This pattern typically signifies a potential reversal of the prevailing downtrend and suggests bullish sentiment among market participants.

Building upon this bullish momentum, the stock witnessed a follow-through move to achieve new all-time highs in April, indicating a robust upward trajectory. The prevailing momentum suggests the potential for Ashokley to advance further towards the 240 level in the near term.

A compelling trading opportunity is presented, with a recommended entry at the current market price (CMP), accompanied by a stop-loss order set below 165 on a closing basis. This stop-loss placement is essential for risk management purposes, safeguarding against adverse price movements and preserving capital in the event of unexpected market fluctuations. Traders and investors are advised to monitor price action dynamics closely and adjust their positions accordingly to capitalize on the anticipated upward momentum in Ashok Leyland. Additionally, adherence to sound risk management principles is imperative to optimize returns and mitigate potential losses associated with trading activities.



NMDC experienced a significant technical development on the monthly charts, with a breakout from a 192-month box pattern occurring in February at the 195 level. Subsequently, in March, the stock retraced to retest the breakout level, followed by a fresh follow-through move in April, indicating renewed bullish momentum.

Considering the technical setup, a buy opportunity is presented at the current market price (CMP) of 255, with a recommended stop-loss order set on a closing basis below 210. This stop-loss placement is crucial for managing risk and preserving capital in the event of adverse price movements. The short-term target for this trade is set at 350, reflecting the potential upside momentum anticipated in NMDC.

Traders and investors should closely monitor price action and volume dynamics to validate the bullish thesis and adjust their positions accordingly. Additionally, adherence to risk management principles is essential to mitigate potential losses and optimize returns in line with the identified trade setup.

MOREPAN LABORATORIES



Morepen Laboratories Ltd. (Morepenlab) is currently in the process of forming a significant technical pattern known as a 24-month Cup and Handle pattern. This pattern is characterized by a gradual accumulation phase followed by a consolidation period, forming the distinctive shape of a cup with a subsequent handle formation. The neckline of this pattern is identified at the 55 level.

A breach and sustained trade above the neckline at 55 would signify a bullish breakout, triggering a sense of urgency among market participants, particularly bulls. Such a breakout typically indicates a shift in market sentiment, with buyers gaining dominance and driving prices higher. In the immediate term, this breakout is expected to propel Morepenlab towards its initial target of 75.

Additionally, with a medium-term perspective, the pattern suggests a further upside potential, with a target projection set at 105. Given the significance of the breakout above 55, traders may consider preemptive buying at levels around 51, anticipating the bullish momentum to accelerate. Furthermore, adding to positions on a close above the neckline at 55 is recommended, aligning with the aforementioned price targets.

Traders and investors are advised to closely monitor price action around the neckline level and subsequent volume dynamics to validate the strength of the breakout. Adherence to proper risk management techniques, such as setting stop-loss orders, is essential to mitigate potential downside risks and optimize returns in line with the anticipated bullish

HINDUSTAN OIL EXP



Hindustan Oil Exploration Company Ltd. (HINDOILEXP) is currently exhibiting a bullish flat base pattern on its weekly charts, characterized by a well-defined trading range between 140 on the downside and 240 on the upside. The immediate structure on the right side of the pattern appears extremely tight, indicating a potential buildup of bullish momentum and serving as a precursor to an anticipated breakout.

Traders are encouraged to consider preemptive buying opportunities at the current market price (CMP) of 205, with the expectation of a breakout above the upper boundary of the range at 240. To manage risk effectively, a stop-loss order may be placed on an immediate basis, triggered by a close below 185. The initial target for this trade is set at the anticipated breakout level of 240.

Upon the successful breakout above 240, signifying a structural breakout of the pattern, the price targets are revised upward, with potential levels extending towards 400. Traders should closely monitor price action and volume dynamics, particularly around the breakout level, to validate the strength of the bullish momentum and adjust their trading strategies accordingly. Proper risk management techniques, including the use of stop-loss orders, are essential to optimize returns and mitigate potential downside risks associated with trading HINDOILEXP.

THANK

YOU





Gateway to your Financial Goals

Corporate Member of NSE, BSE, MCX, and Depository Participant with CDSL

CIN No U74110MH2005PLC157942 | BSE-3281 | NSE-12817 | MCX-55910 | DP:IN-DP-CDSL-490-2008 |
DPID:12059100 | SEBI Regn. No.: INZ000170330 | Mutual Fund: ARN-77739 |

Research Analyst: INH000014395

Registered Office:

Unit No 407, IV Floor, Marathon Icon , Ganpat Rao Kadam Marg, Mumbai-400013, Lower Parel

Contact No: (022) 43431818

Corporate Office:

Shree House C-29/61-5 Teliyabag Varanasi, UP 221002

Contact No: (0542) 6600000

Regional Offices:

Kolkata, Ahmedabad, Jaipur, Kanpur, Delhi, Ujjain.

Disclaimer: ANALYST CERTIFICATION I, Mr. Anshul Jain B.com, Research Analyst, author and the name subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report. 'Subscriber' is the one who has subscribed to the Research Reports in various forms including Research Recommendations, Research SMS Alerts/Calls, Fundamental and Technical Research calls, Investment Strategist Magazine, Research/market news etc through Lakshmishree Investment & Securities Private Limited. Subscriber may or may not be client of Lakshmishree Investment & Securities Pvt. Ltd.

Terms & conditions and other disclosures:

Lakshmishree Investment & Securities Pvt. Ltd. (hereinafter referred to as "LISPL ") is engaged in the business of Stock Broking, Depository Participant and distribution for third party financial products. (LISPL) will, at its discretion, provide its company research reports/news, results, and event updates/sector report/monthly commentary/regular compendium, trading call, technical and derivatives reports (together "the reports") as also market news to subscribers either in the form of a written market commentary or research report sent in e-mail, form, SMS or through postal or courier service. A brief extract of the reports may also be sent, on enrolment, in SMS, e-mail form. This document has been prepared by the Research Division of LISPL and is meant for use by the recipient only as information and is not for circulation. This document is not to be reported or copied or made available to others without the prior permission of LISPL. It should not be considered or taken as an offer to sell or a solicitation to buy or sell any security. The information contained in this report has been obtained from sources that are considered to be reliable. However, LISPL has not independently verified the accuracy or completeness of the same. Neither LISPL nor any of its affiliates, its directors or its employees accepts any responsibility of whatsoever nature for the information, statements and opinion given, made available or expressed herein or for any omission therein. Recipients of this report should be aware that past performance is not necessarily a guide to future performance and value of investments can go down as well. The suitability or otherwise of any investments will depend upon the recipient's particular circumstances and, in case of doubt, advice should be sought from an independent expert/advisor. Either LISPL or its affiliates or its directors or its employees or its representatives or its clients or their relatives may have position(s), make market, act as principal or engage in transactions of securities of companies referred to in this report and they may have used the research material prior to publication. LISPL is registered as Research Analyst under Securities and Exchange Board of India (Research Analysts) Regulations, 2014 LISPL submits that no material disciplinary action has been taken on us by any Regulatory Authority impacting Equity Research Analysis activities. LISPL or its research analysts or its associates or his relatives do not have any financial interest in the subject company. LISPL or its research analysts or its associates or his relatives do not have actual / beneficial ownership of one percent or more securities of the subject company at the end of the month immediately preceding the date of publication of the research report. LISPL or its research analysts or its associates or his relatives do not have any material conflict of interest at the time of publication of the research report. LISPL or its associates might have received compensation from the subject company in the past twelve months. LISPL or its associates might have managed or co-managed public offering of securities for the subject company in the past twelve months or mandated by the subject company for any other assignment in the past twelve months. LISPL or its associates might have received any compensation for investment banking or merchant banking or brokerage services from the subject company in the past twelve months. LISPL or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company in the past twelve months. LISPL or its associates might have received any compensation or other benefits from the subject company or third party in connection with the research report. LISPL encourages independence in research report preparation and strives to minimize conflict in preparation of research report. LISPL or its analysts did not receive any compensation or other benefits from the subject Company or third party in connection with the preparation of the research report. LISPL or its Research Analysts do not have any material conflict of interest at the time of publication of this report. It is confirmed that Mr. Anshul Jain B.com, Research Analyst of this report has not received any compensation from the companies mentioned in the report in the preceding twelve months Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions. The Research analysts for this report certifies that all of the views expressed in this report accurately reflect his or her personal views about the subject company or companies and its or their securities, and no part of his or her compensation was, is or will be, directly or indirectly related to specific recommendations or views expressed in this report. The research analysts for this report has not served as an officer, director or employee of the subject company. LISPL or its research analysts have not engaged in market making activity for the subject company Our sales people, traders, and other professionals or affiliates may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are contrary to the opinions expressed herein, and our proprietary trading and investing businesses may make investment decisions that are inconsistent with the recommendations expressed herein. In reviewing these materials, you should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest. LISPL and its associates, their directors and employees may (a) from time to time, have a long or short position in, and buy or sell the securities of the subject company or (b) be engaged in any other transaction involving such securities and earn brokerage or other compensation or act as a market maker in the financial instruments of the subject company or act as an advisor or lender/borrower to the subject company or may have any other potential conflict of interests with respect to any recommendation and other related information and opinions.