

26<sup>th</sup> October 2023

Daily Market Update | Private Client Group

**Equity Corner:**

- ❖ **Nifty 50 index:** The index opened on a flattish note amid positive global cues. As the session opened; the market breadth turned negative; indicating weakness across the broad market. The selling pressure led the index move further down and breach the multi-month lows of 19,200. Selling was witnessed in counters like APOLLOHOSP (-2.41%), EICHERMOT (-1.74%) & BAJFINANCE (-1.46%). Nifty has been forming lower highs for five consecutive trading sessions. The index closed on negative note with a loss of 160 (-0.83%) points.
- ❖ **Bank Nifty:** The banking index has witnessed a structural breakdown as the index is sustaining below the 200DEMA (43,267). ICICIBANK (-1.35%), INDUSINDBK (-1.32%) & HDFCBANK (-0.79%) were among the weak banking counters. The index close on a negative note with a loss of 319 (-0.74%) points.
- ❖ **Market breadth:** The market breadth was negative; indicating overall weakness in stock price during the session.
- ❖ **Sectorial performance:** Weak sectorial performance as majority of the sectors have closed on a negative note. MEDIA (-1.66%), IT (-1.03%) & PHARMA (-0.75%) witnessed pressure exception being; PSUBANK (+0.17%) & METAL (+0.15%).
- ❖ **Nifty Midcaps:** The midcap index has witnessed a structural breakdown as the index is sustaining below multi-weeks low. MAZDOCK (-4.28%), BDL (-3.81%) and RVNL (-3.80%) were among the weak midcap counters which led the index close on a negative note with a loss of 253 (-0.65%) points.
- ❖ **Advance/Decline Ratio:** Advance/Decline ratio at close for NSE stood at 596/1504 indicating a lower number of advancing stocks compared to declining ones.
- ❖ **FII and DII Activity:** FII's were net sellers in cash segment of around Rs. 4237 crores while DIIs bought around Rs. 3569 crores.

**Derivative Corner:**

- ❖ Nifty OI Put/Call ratio has further come down from 0.72 to 0.68 levels.
- ❖ **Options data:** The maximum Call OI is seen at 19,200 and 19,300. Meanwhile maximum Put OI is seen at 19,100 & 19,000. This indicates that the market is expecting a trading range of 19,000 to 19,200 zone.
- ❖ **FII Activity in Derivatives:** Marginal addition of shorts contracts is seen in index futures. Total number of short contracts have gone up from 90,512 vs prev 89,518. On options buying front; there have been significant addition of call buyers and on option writing front; net call-put writing is indicating further dominance of call writers. FII Long/Short ratio has remained unchanged at 26%.

**Take on Market: Buy Corrections, stay put on Longs**

- ❖ **Market Outlook:** The current strategy is to buy on corrections and hold onto long positions. However, present volatility may extend to couple of weeks. Ongoing geo-political tension (Israel and Palestine) is a cause of concern. Any further escalation will lead to serious sell-off in equity basket. Recent updates and opinions from US suggest peaking of interest rate cycle. Though the economy has been decelerating but the pace is slow and this deceleration in most probable scenario will bottom out by Q1CY24. Recessionary situation is most unlikely. Given, aforesaid scenario global equities will remain tentative (read from fresh deployment of funds perspective) for balance of current year (CY'23).
- ❖ **Relative Outperformance:** The medium-term relative outperformance of Indian markets compared to global peers is likely to continue. India is still behind US, Japan, South Korea, Germany and France when compared to YTD equity returns for respective economies (CY'23, so far). Catching up likely to continue.

Indices	Close	Previous	Chg.%
Sensex	64,049.1	64,571.9	-0.81%
Nifty	19,122.2	19,281.8	-0.83%
Bank Nifty	42,832.0	43,151.2	-0.74%
DJIA (Dow)	33,035.9	33,141.4	-0.32%
NASDAQ	12,821.2	13,139.9	-2.43%
S&P 500	4,186.8	4,247.7	-1.43%
DAX	14,892.2	14,879.9	0.08%
CAC 40	6,915.1	6,893.7	0.31%

Sector Index	Close	Previous	Chg.%
PSU Bank	4,772.1	4,763.8	0.17%
Nifty IT	30,530.5	30,848.4	-1.03%
Nifty FMCG	51,216.9	51,421.7	-0.40%
Nifty Pharma	14,800.2	14,911.7	-0.75%
Nifty Energy	26,328.5	26,449.7	-0.46%
Nifty Metal	6,503.7	6,494.0	0.15%
Nifty Commodity	6,206.7	6,230.3	-0.38%
Nifty PSE	5,800.7	5,848.6	-0.82%

Bond Yields	Percentage
US 10 year	4.96%
US 2 year	5.12%
India 10 year	7.34%

FII Flows (Cash market In Crores)		
Current	MTD	YTD
-4,236.60	-3966.26	141886.63

Top 8 Nifty Gainers	Chg.%	Top 8 Nifty Losers	Chg.%
TATASTEEL	1.08	APOLLOHOSP	-2.41
COALINDIA	0.98	ADANIEMT	-2.06
HINDALCO	0.83	SBILIFE	-2.05
TATACONSUM	0.67	CIPLA	-1.90
SBIN	0.66	EICHERMOT	-1.74
MARUTI	0.63	NTPC	-1.73
M&M	0.37	BHARTIARTL	-1.58
LTIM	0.31	DIVISLAB	-1.58

Currencies	D/D	MTD	YTD
DXY	0.27%	0.37%	1.95%
INR	0.19%	0.01%	0.51%

Participant wise Open Interest	25/10/2023	23/10/2023	25/10/2023	23/10/2023
Client Type	Net Position Index Futures	Net Position Index Futures	Net Position Stock Futures	Net Position Stock Futures
FII	-92,320	-90,512	-59,993	-87,619
Pro	12,150	27,100	2,79,961	2,80,164

Participant wise Open Interest	25/10/2023	23/10/2023	25/10/2023	23/10/2023
Client Type	Net Position Long Call – Put	Net Position Long Call – Put	Net Position Short Call - Put	Net Position Short Call -Put
FII	3,47,329	1,11,395	6,52,899	3,90,677
Pro	6,38,718	2,91,066	12,88,227	8,40,964


Commodity Corner	Currency/Per Unit	Price	Week on Week	MTD	YTD
Copper	USD/Lbs	3.5836	0.43%	-1.33%	-4.94%
Aluminium	USD/T	2217	1.60%	-4.89%	-4.07%
Zinc	USD/T	2480	1.79%	-4.73%	-17.42%
Tin	USD/T	25091	-1.10%	4.79%	0.26%
Rubber	USD Cents/Kg	147.4	0.20%	5.29%	11.25%
Coal	USD/T	133.5	-4.30%	-13.87%	-65.97%
Steel	CNY/T	3663	1.08%	-0.19%	-8.71%
Gold	USD/t.Oz	1984.53	0.56%	8.60%	8.68%
Crude Oil	USD/Bbl	85.531	-3.21%	-3.70%	10.60%
<b>Agriculture</b>					
Cotton	USD/Lbs	83.77	-0.61%	-3.56%	0.83%
Wheat	USD/Bu	563.92	-5.06%	-0.15%	-27.42%
Rice	USD/cwt	16.025	1.58%	0.72%	-12.92%
Sugar	USD/Lbs	27.63	0.55%	5.18%	40.23%

## What's in the news !

▲ Positive   
 ■ Neutral   
 ▼ Negative


### Q2FY24 Earnings Update:

- ❖ **Tech Mahindra:** Revenue from Operations was Rs. 12,864 Crores, -2% YoY and -2.2% QoQ. The decline in revenues was more significant in the Communications, Media, and Entertainment (CME) vertical, while the Enterprise decline was marginal. EBIT was Rs. 457 Crores, -68.8% YoY and -48.7% QoQ. EBIT margin for the quarter was 3.55%, a decline of 764 bps YoY and 322 bps sequentially. PAT was Rs. 505 Crores, a significant decline of -61% YoY and -28.2% QoQ. Revenue in USD terms was \$1,555 Mn; down -2.8% QoQ, down 5.1% YoY. Revenue declined by -2.4% QoQ and -5.9% YoY in constant currency terms. The company announced \$640 Mn net new deal wins for the quarter, a decline of -10.6% YoY but an improvement of 78.3% QoQ. All key geographical markets showed a YoY decline in revenues. Europe showed an 8.6% YoY decline, Americas showed a 0.5% YoY decline and the revenue from 'Rest of the World' fell 11% YoY. Tech Mahindra now wants to diversify its revenue dependency from CME to other segments such as BFSI and healthcare. Attrition rate dropped to 11% on a trailing 12-month basis. Total headcount rose by 2,307 to 150,604 employees. The Board also approved interim dividend of Rs. 12 per share.
- ❖ **Axis Bank Ltd:** It reported interest income of Rs 27,418 Crores, +31.93% Y/Y & +4.47% Q/Q, Net interest Margins came at +4.11%, 15 bps higher Y/Y & flattish sequentially, Net Interest Income stood at Rs 12,669 Crores, +19.15% Y/Y & +3.22% Q/Q and PAT of Rs 6,218 Crores, +10.54% Y/Y & +1.95% Q/Q. The assets quality for the quarter improved as the GNPA stood at 1.73%, 77 bps lower Y/Y & 23 bps lower Q/Q and NNPA stood at 0.36%, 15 bps lower Y/Y & 5 bps lower Q/Q. It recorded gross advance of Rs 925,457 Crores, +23.05% Y/Y & +4.81% Q/Q and Deposits of Rs 954,707 Crores, +17.83% Y/Y & +1.56% Q/Q. ROA & ROE of the Bank for the quarter stood at 1.83% and 18.67% respectively. The credit cost for the quarter came at 0.42%, 4 bpd higher Y/Y & 8 bps lower Q/Q. Rural loans grew 24% Y/Y & 4% Q/Q, Small Business Banking loans grew 42% Y/Y & 9% Q/Q. The share of CASA deposits in total deposits stood at 44% with deposits of Rs 423,866 crores.
- ❖ **Jubilant Food works Ltd:** The company reported revenue from operations of Rs 1,369 crores, +5.23% Y/Y & +2.55% Q/Q. The EBITDA for the quarter stood at Rs 277 crores, -11.2% Y/Y & +0.36% Q/Q, the EBITDA margins came at 20.23%, 375 bps lower Y/Y & 44 bps lower Q/Q. The PAT stood at Rs 97 crores, -26.5% Y/Y & +234.5% Q/Q.
  - They opened 60 new stores in India, total store count reached 1,949 across all brands. With 50 new Domino's stores and entry in 3 new cities, Domino's network expands to 1,888 stores across 397 cities. The Company also opened five new restaurants for Popeyes and entered two new cities – Hyderabad and Madurai - taking the network tally to 22 restaurants across six cities. In Hong's Kitchen, four new stores enhanced the network to 18 stores across three cities. In Dunkin', one new store was opened with entry in one new city.
  - Cheesy Rewards Enrollment grew 16.1% Q/Q to 19.5 million and its Order Contribution crosses 50% in September '23
  - In Bangladesh, system sales grew by 85.6% and the network expanded to 23 stores. In Sri Lanka, the system sales growth was 2.0%. Dominos in Sri Lanka became the fastest QSR within the country to scale to 50 stores.
- ❖ **20 Microns:** Revenue from Operations was Rs. 200 Crores, +6.3% YoY and +4.8% QoQ; on account of surge in demand for their products in the underlying industries like paints, rubber, plastics, and others led by extended festive season and increase in propensity to consume. EBITDA was Rs. 30 Crores, +28.3% YoY and +13.5% sequentially. EBITDA margin came to 14.99%, an improvement of 256 bps YoY and 114 bps QoQ. PAT stood at Rs. 16 Crores, +32.2% YoY and +7.5% QoQ. The performance can be attributed to cost efficiency, resulting in reduced power and fuel expenses and improved negotiations for freight charges during this period. Management guidance for revenue grow has remained the same, they expect revenue to grow by 15.0%-18.0% for the year FY24 over FY23, mainly on account of evolving product mix. EBITDA margin for FY24 to remain in similar range as existing with likely improvement of 50-100 bps.
- ❖ **Chalet Hotels:** Revenue from operations for Q2 stood at Rs. 314.5 Crores, +27% YoY and +1.2% QoQ EBITDA was Rs. 126 Crores. +48% YoY and +14.7% sequentially. EBITDA margin came to 40.04%, an improvement of 571 bps YoY and 472 bps QoQ. PAT was Rs. 36.4 Crores, +131.4% YoY but a decline of -59% sequentially. The company commenced operations for additional 88 keys at the Novotel Pune on 4th October 2023, increasing inventory by 39% to 311 keys. RevPAR (Revenue per available room) was Rs.7,034, up by 25% YoY but a decline of -2% QoQ. ADR (Average daily rate) was Rs. 9,610, up by 21% YoY but a decline of -7% QoQ. Occupancy for Q2 was 73% compared to 70% in Q1FY24 and 71% Q2FY23.
- ❖ **Dream Folks Services Ltd:** The company reported revenue from operations of Rs 282 crores, +64.9% Y/Y & +6.02% Q/Q. The EBITDA for the quarter stood at Rs 24 crores, +20% Y/Y & +33.3% Q/Q, the EBITDA margins came at 8.51%, 319 bps lower Y/Y & 174 bps higher Q/Q. The PAT stood at Rs 18 crores, +20% Y/Y & +38.46% Q/Q. Domestic passenger traffic came at 3.68 crores, witnessing an increase of 21.8% Y/Y from 3.02 crores but a decline of 4.66% Q/Q from 3.86 crores.


**Rallis India:** Revenue from Operations was Rs. 832 Crores, a decline of -12.5% YoY and +6.4% QoQ. EBITDA was Rs. 133 Crores, +13.7% YoY and +21% sequentially. EBITDA margin came to 15.99%. an improvement of 368 bps YoY and 192 bps QoQ. PAT for Q2 was Rs. 82 Crores, +13.9% YoY and +30.2% QoQ. Revenue has been affected by weak exports demand, falling prices and erratic rainfall in domestic market but margins have improved through better product mix and cost optimization activities across businesses. Crop care revenue was Rs. 737 Crores, -20% YoY mainly due to lower exports. The seeds business did well through improved sales and strong performance for Cotton hybrids in particular. The multi-Purpose Plant at Dahej has been put to use. Amidst El Nino conditions, the management remain cautious about the domestic and international markets. Global Agchem demand continues to remain soft on the back of inventory overhang and lower prices and revival is expected only after Q3 FY24. The company's long-term strategy remains unchanged, focused on expansion of product portfolio, widening of market reach, increasing manufacturing capacities and digitalisation in operations.

Key developments:

- Rallis India continues its focus on refreshing its Domestic crop care portfolio and launched 8 new products in Q2
- Multi-purpose plant has commenced production of technical “Difencanozole” and is now being prepared for another new CSM product in Q3FY24
- Cotton hybrids, Diggaz and Aatish, have registered significant growth in North India and Maharashtra & South cotton belt respectively
- Digital initiatives are progressing well. Rallis launched “Seedsure” a mobile enabled tool to digitize its hybrid seed production process



**Sonata Software:** Revenue from operations for Q2 clocked in at Rs. 1913 Crores, +28% YoY but -5.1% QoQ. EBIT was Rs. 164 Crores, +16.3% YoY and +11.5% QoQ. EBIT margin came to 8.57%, a decline of 85 bps YoY but an improvement of 128 bps sequentially. PAT for the quarter stood at Rs. 124 Crores. +10.2% YoY and +3.4% QoQ. Revenue in USD at \$80.9 Mn, QoQ revenue growth of 4.6% & YoY 40.0% in USD terms. In constant currency terms revenue was up 38.5% YoY and 5.2% QoQ. The company added four new customers this quarter. Strong growth was witnessed from digital based competencies like Managed cloud services and Digital Platformation™ Services (Microsoft & Open source) and focused verticals like TMT, Healthcare & Life Sciences, Manufacturing, Retail / CPG/ TTH, BFSI and Emerging. The company's goal is to reach a topline of \$1.5 Bn by FY26 end with the international business contributing in the low-20s%.


Key large deal wins:


- Premier 3rd party logistics with deal value of \$12.6M over 3 Years (Logistics application hosted on Azure)
- Communication & Managed Network with deal win of \$6.5M over 7 years (Business Services: F&O, Implementation of D365)
- Outsourced industrial Steel service with a deal value of \$5.7M over 6 years (Build Next Gen Trading platform)

The company declared an interim dividend of ₹7 per share (700% on par value of ₹1) for the financial year 2023-24. The record date for the purpose of payment of the interim dividend will be on November 7, 2023.

Sonata Software also approved and recommended a bonus issue of 1 equity share for every 1 equity share held by the shareholders of the company as of the record date. The bonus issue of equity shares will be subject to approval by the shareholders.


**Welspun Living Ltd:** The company reported revenue from operations of Rs 2,509 crores, +18.7% Y/Y & +14.8% Q/Q. The EBITDA for the quarter stood at Rs 359 crores, +180.47% Y/Y & +15.8% Q/Q, the EBITDA margins came at 14.31%, 825 bps higher Y/Y & 11 bps higher Q/Q. The PAT stood at Rs 200 crores, +2400% Y/Y & +22.7% Q/Q. Home Textile segment reported revenue of Rs 2,352 crores, +16.9% Y/Y & +15.4% Q/Q and the Flooring business reported revenue of Rs 242 crores, +52% Y/Y & +7.8% Q/Q. Overall Branded Business grew by 15% Y/Y and stood at ₹ 381 crores in Q2FY24, Innovation business grew by 67% Y/Y and stood at ₹ 531 crores and Emerging Business grew by 28% Y/Y in Q2FY24.


**Swaraj Engines Ltd:** The company reported revenue from operations of Rs 389 crores, +1.04% Y/Y & -2.75% Q/Q. The EBITDA for the quarter stood at Rs 52 crores, +1.96% Y/Y & -7.2% Q/Q, the EBITDA margins came at 13.37%, 12 bps higher Y/Y & 63 bps lower Q/Q. The PAT stood at Rs 38 crores, +5.56% Y/Y & -7.32% Q/Q. Driven by the continued engine demand, the company maintained its growth momentum and posted sale of 37,876 engines for Q2FY24 as compared to 36,792 engines sold in Q2FY23.


**Share India Securities:** The company reported revenue from operations of Rs 366 crores, +52.5% Y/Y & +32.13% Q/Q. The interest income for the quarter stood at Rs 38 crores, +72.73% Y/Y & +18.75% Q/Q, the Net interest income recorded was Rs 21 crores, +162.5% Y/Y & +23.53% Q/Q. The EBITDA for the quarter stood at Rs 176 crores, +61.5% Y/Y & +40.8% Q/Q, the EBITDA margins came at 48.09%, 267 bps higher Y/Y & 296 bps higher Q/Q. The PAT stood at Rs 113 crores, +56.94% Y/Y & +37.8% Q/Q. The Board of Directors of the Company, at its meeting held today, i.e. on October 25, 2023, has inter alia, approved the proposal for amalgamation of Silverleaf Capital Services Private Limited as a going concern with Share India Securities Limited

## From Technical Analyst's Desk

<b>NIFTY (19,122)</b> Support - 19,000 Resistance - 19,600	• Nifty closed negative and is expected to consolidate between 19,000 - 19,600 levels	⇒		<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Recommendation</th> <th style="text-align: left;">Trigger level</th> <th style="text-align: left;">Target</th> <th style="text-align: left;">Stoploss</th> </tr> </thead> <tbody> <tr> <td>Nifty Futures</td> <td>Buy above 19,200</td> <td>19,500</td> <td>19,050</td> </tr> </tbody> </table>	Recommendation	Trigger level	Target	Stoploss	Nifty Futures	Buy above 19,200	19,500	19,050	
Recommendation	Trigger level	Target	Stoploss										
Nifty Futures	Buy above 19,200	19,500	19,050										
<b>BANK NIFTY (42,832)</b> Support - 42,500 Resistance - 43,500	• Bank Nifty closed negative for the day and is expected to consolidate between 42,500 - 43,500 levels.	⇒		<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Recommendation</th> <th style="text-align: left;">Trigger level</th> <th style="text-align: left;">Target</th> <th style="text-align: left;">Stoploss</th> </tr> </thead> <tbody> <tr> <td>Bank Nifty Futures</td> <td>Buy above 43,000</td> <td>43,600</td> <td>42,700</td> </tr> </tbody> </table>	Recommendation	Trigger level	Target	Stoploss	Bank Nifty Futures	Buy above 43,000	43,600	42,700	
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Bank Nifty Futures	Buy above 43,000	43,600	42,700										

### Pick of the week

Company Name	Entry Price*	Target	Stop Loss	M to M	Potential Return
Poonawalla Fincorp	355	390	340	0%	10%

### Top Pick for the Day

Company Name	Entry Price*	Target	Stop Loss	M to M	Potential Return
Mahindra & Mahindra	1570	1650	1530	0%	5%

### Options Recommendation

Stock/Index	Recommendation	Type	Strike	Expiry	Premium	Target	Stop loss
JSWSTEEL	Buy	Call	740	26 Oct, 2023	9.00	17.00	5.00
SBIN	Buy	Call	550	26 Oct, 2023	8.00	15.00	5.00

### Positional Calls (15 days)

Company Name	Entry Price*	Target	Stop Loss	M to M	Potential Return
Oil & Natural Gas Corporation	185.75	193	182.5	-1%	5%

\*Price at which call was generated

### Pivot Table - NIFTY 50

	S1	S2	PIVOT	R1	R2
ADANIEN	2252	2187	2300	2365	2413
ADANIPTS	760	750	772	783	794
APOLLOHOSP	4900	4796	4935	5039	5075
ASIANPAINT	3044	3020	3076	3100	3132
AXISBANK	953	941	964	976	986
BAJAJ-AUTO	5360	5300	5392	5451	5483
BAJAJFINSV	1598	1583	1614	1629	1645
BAJFINANCE	7708	7602	7783	7889	7964
BHARTIARTL	929	914	934	950	955
BPCL	339	335	343	347	351
BRITANNIA	4473	4414	4529	4588	4645
CIPLA	1166	1143	1178	1201	1212
COALINDIA	302	300	307	310	315
DIVISLAB	3452	3387	3486	3550	3584
DRREDDY	5496	5442	5554	5608	5666
EICHERMOT	3408	3349	3427	3485	3504
GRASIM	1877	1848	1899	1928	1950
HCLTECH	1223	1210	1238	1250	1265
HDFCBANK	1490	1475	1507	1522	1538
HDFCLIFE	615	601	622	635	642
HERMOTOCO	3109	3059	3140	3190	3221
HINDALCO	450	448	461	464	475
HINDUNILVR	2471	2456	2481	2496	2506
ICICIBANK	919	904	926	941	949
INDUSINDBK	1417	1395	1432	1453	1469
INFY	1388	1354	1395	1429	1437
ITC	430	423	434	441	445
JSWSTEEL	739	730	750	759	771
KOTAKBANK	1721	1702	1741	1761	1781
LT	2931	2893	2948	2986	3003
LTIM	5145	5106	5220	5259	5334
M&M	1550	1534	1563	1580	1593
MARUTI	10481	10418	10564	10627	10710
NESTLEIND	24009	23893	24270	24386	24646
NTPC	233	226	234	241	242
ONGC	183	182	185	186	187
POWERGRID	198	197	199	201	202
RELIANCE	2244	2224	2263	2282	2301
SBILIFE	1320	1295	1333	1357	1370
SBIN	549	548	555	557	562
SUNPHARMA	1114	1105	1122	1131	1139
TATACONSUM	877	874	886	889	898
TATAMOTORS	639	630	646	655	662
TATASTEEL	119	119	121	121	123
TCS	3386	3358	3406	3434	3453
TECHM	1141	1124	1154	1171	1183
TITAN	3191	3156	3214	3248	3271
ULTRACEMCO	8219	8097	8309	8431	8521
UPL	579	571	586	594	601
WIPRO	380	377	384	386	390

#### Trading Guideline

- ❖ This model is based on the premise that the PIVOT is the most important price level that decides the intraday trend. Much like how the door or a window hangs by a hinge and sways in the wind, the intraday This trend also hangs by this PIVOT LEVEL and swings because of the Demand & supply, volatility and market sentiments prevailing in the market. Hence its importance in intraday trading
- ❖ Wait for the market price to stabilize after opening the first 30 minutes of trading
- ❖ Opening Price is considered around the close of the Previousday. Avoid BUYING if prices open abnormally high and avoid selling if prices open too low
- ❖ If the market price is stable above the pivot level after 20-30 minutes of opening, then GO LONG and book profit near the resistant level (R1 & R2)
- ❖ If the market price is stable below the pivot level after 20-30 minutes of opening, then GO SHORT and book profit near the support level (S1 & S2)

#### Stop Loss

Since you are aware of the 'potential returns at the time of initiating an intraday trade (difference between the entry price and profit targets), you should set up an appropriate STOP LOSS around 1% above / below of the trade price or a level comfortable to you, to protect yourself if the market turns and goes against you.

#### Alternate Strategy

If you have already initiated a trade with clear-cut profit targets and a stop loss level, and find during the course of the trading day that the market turns and goes the other way and crosses the TREND LEVEL, then trade again: For instance, if your first trade was a LONG trade and the market price drops through the TREND LEVEL to lower price levels, then GO SHORT and if your first trade was a SHORT trade and the market price rises through the TREND LEVEL to higher price levels, then GO LONG.

**S1, S2 are the immediate support levels.**

**R1, R2 are the immediate resistance levels.**

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