

April 8, 2021

Quant Pick – State Bank of India

Quant Pick					
Stock	Action	Initiation Range	Target	Stop loss	Time Frame
State Bank of India	Buy	353-359	410	324	3 Months

Derivatives Strategy

Underlying	Action
NMDC	Buy

Duration : 1-2 months

Click here to see [open calls](#)

Quant (Derivatives) Pick

Underlying	Action
Sun Pharma	Buy
ACC	Buy
UPL	Buy

Duration : 1-3 months

Click here to see [open calls](#)

Research Analysts

Raj Deepak Singh

rajdeepak.singh@icicisecurities.com

Dipesh Dedhia

dipesh.dedhia@icicisecurities.com

Nandish Patel

nandish.patel@icicisecurities.com

Siddhesh Jain

siddhesh.jain@icicisecurities.com

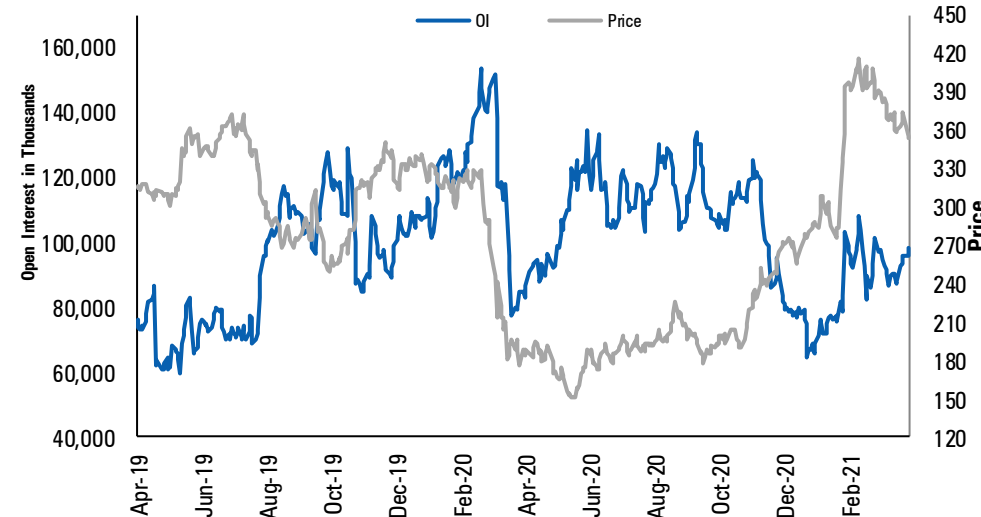
Buy State Bank of India in range of ₹ 353-359; Target: ₹ 410;
Stop Loss: ₹ 324; Time frame: Three months

Snapshot

Spot Price	360.00
Beta	1.40
12M Avg Price (₹)	289.0
3M Avg Roll (%)	94.0%
HV 30 Day (% Annualised)	57.00

Price vs. open interest pattern

Long positions remain intact despite intermediate consolidation



Source: NSE, Seediff, ICICI Direct Research

April 8, 2021

- The banking space has remained largely range bound in the last couple of weeks with stocks like State Bank of India underperforming the benchmark indices in the ongoing volatility. We believe the stock has substantial room for upsides. After remaining range bound for some time, the up move is likely to continue towards ₹ 400 and higher
- Open interest in the stock has increased significantly since January along with price movement as long positions were formed in it. Despite the recent profit booking in the stock, the open interest has marginally declined while price has taken support of ₹ 350. We believe long positions are still intact in the stock suggesting prevailing long bias still exists
- On the options front, the stock has significant Put option base placed at the 350 strike and has been trading above these levels for the last two months. Even in the March series, the highest Put base remains at 350 strike while Call strike of 360 and 370 strike has noteworthy open interest. Continued writing is visible at ATM Put strikes of 350 strike. With initial sign of closure among Call writers, we expect some positive momentum in coming days
- The stock has seen the highest ever volume activity since 2017 in the first half of the January 2021 around ₹ 350-370. In the last couple of months, there was noteworthy delivery volumes in the stock. We expect levels around ₹ 330 to act as crucial supports for the stock in the short-term
- The stock has been testing ₹ 330-350 levels for the last 10 years. Post the breakout in January 2021 it has been just consolidating in the last two months above ₹ 330. We believe it can start building up long positions from these levels as there is ample room left in the stock
- **Note:** Call has been initiated on iClick2Gain on April 7, 2021

Date	Scrip	Action	Recommendation
5-Apr-21	NMDC	Buy	Positional Option: Buy NMDC Mar 145 Call at 5.3-5.7, target: 14, stoploss: 2.5. Time Frame: till April expiry
5-Apr-21	Britannia	Buy	Positional Futures: Buy Britannia Ltd April future in the range of 3635-3675, Target: 3950; Stop Loss: 3490, Time frame: till April expiry

[Back](#)

Source: Bloomberg, ICICI Direct Research

April 8, 2021

ICICI Securities Ltd. | Retail Equity Research

Quant Picks: Open recommendations...

Date	Scrip	Action	Buy Price	Target	SL	CMP	%Ret	Time Frame
26-Feb-21	NTPC	Buy	105.5-107.5	122	98.5	106	-0.9%	1 months
4-Mar-21	Sun Pharma	Buy	625-635	738	570	624	-1.3%	3 months
22-Mar-21	ACC	Buy	1840-1870	2190	1680	1924	2.9%	3 months
31-Mar-21	UPL	Buy	625-635	735	570	659	3.8%	3 months
6-Apr-21	Torrent Pharma	Buy	2500-2550	2950	2300	2586	1.4%	3 months
6-Apr-21	Godrej Consumer Products	Buy	715-730	855	655	741	1.5%	3 months
7-Apr-21	SBI	Buy	353-359	410	324	359	0.0%	3 months

[Back](#)

Source: NSE, Seediff, ICICI Direct Research

April 8, 2021

ICICI Securities Ltd. | Retail Equity Research

Pankaj Pandey

Head – Research

pankaj.pandey@icicisecurities.com

ICICI Direct Research Desk,
ICICI Securities Limited,
1st Floor, Akruti Trade Centre,
Road no.7, MIDC
Andheri (East)
Mumbai – 400 093
research@icicidirect.com



Source: Bloomberg, ICICI Direct Research

We /I, Raj Deepak Singh BE, MBA (Finance), Nandish Patel BCOM, Dipesh Dedhia BCOM, MBA, Siddhesh Jain BFM, MBA Research Analysts, authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our view 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. It is also confirmed that above mentioned Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months and do not serve as an officer, director or employee of the companies mentioned in the report.

Terms & conditions and other disclosures:

ICICI Securities Limited (ICICI Securities) is a full-service, integrated investment banking and is, inter alia, engaged in the business of stock brokering and distribution of financial products.

ICICI Securities is SEBI registered stock broker, merchant banker, investment adviser, portfolio manager and Research Analyst. ICICI Securities is registered with Insurance Regulatory Development Authority of India Limited (IRDAI) as a composite corporate agent and with PFRDA as a Point of Presence. ICICI Securities Limited Research Analyst SEBI Registration Number – INH000000990. ICICI Securities Limited SEBI Registration is INZ000183631 for stock broker. ICICI Securities is a subsidiary of ICICI Bank which is India's largest private sector bank and has its various subsidiaries engaged in businesses of housing finance, asset management, life insurance, general insurance, venture capital fund management, etc. ("associates"), the details in respect of which are available on www.icicibank.com.

ICICI Securities is one of the leading merchant bankers/ underwriters of securities and participate in virtually all securities trading markets in India. We and our associates might have investment banking and other business relationship with a significant percentage of companies covered by our Investment Research Department. ICICI Securities and its analysts, persons reporting to analysts and their relatives are generally prohibited from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover.

Recommendation in reports based on technical and derivative analysis centre on studying charts of a stock's price movement, outstanding positions, trading volume etc as opposed to focusing on a company's fundamentals and, as such, may not match with the recommendation in fundamental reports. Investors may visit icicidirect.com to view the Fundamental and Technical Research Reports.

Our proprietary trading and investment businesses may make investment decisions that are inconsistent with the recommendations expressed herein.

The information and opinions in this report have been prepared by ICICI Securities and are subject to change without any notice. The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of ICICI Securities. While we would endeavour to update the information herein on a reasonable basis, ICICI Securities is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent ICICI Securities from doing so. Non-rated securities indicate that rating on a particular security has been suspended temporarily and such suspension is in compliance with applicable regulations and/or ICICI Securities policies, in circumstances where ICICI Securities might be acting in an advisory capacity to this company, or in certain other circumstances.

This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. ICICI Securities will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. ICICI Securities accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice.

ICICI Securities or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months.

ICICI Securities or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction.

ICICI Securities encourages independence in research report preparation and strives to minimize conflict in preparation of research report. ICICI Securities or its associates or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither ICICI Securities nor Research Analysts and their relatives have any material conflict of interest at the time of publication of this report.

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

ICICI Securities or its subsidiaries collectively or Research Analysts or their relatives do not own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report.

Since associates of ICICI Securities and ICICI Securities as a entity are engaged in various financial service businesses, they might have financial interests or beneficial ownership in various companies including the subject company/companies mentioned in this report.

ICICI Securities may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

Neither the Research Analysts nor ICICI Securities have been engaged in market making activity for the companies mentioned in the report.

We submit that no material disciplinary action has been taken on ICICI Securities by any Regulatory Authority impacting Equity Research Analysis activities.

This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject ICICI Securities and affiliates to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction.