

New Trend, New Sectors, New Stocks

- The Market Has A Fresh Pair Of Legs**

The Nifty has seen a strong move up in the last couple of weeks and in this period some important resistance levels were cleared with ease. We are also coming out of a period of extreme ambiguity which helped build a strong foundation for the current uptrend. The index is likely to test lifetime highs and move well beyond. Once this happens, it will be an event in itself and will lead to newer sectors and stocks doing well. Given what Banking has done in the recent past it is quite clear that the market now has a fresh pair of legs that can take it higher. As the Nifty moves towards our medium-term target of 27500 one should focus on sectors and themes that could outperform. In this report we have shared some of these themes.

- The PSU Banking Index – This Time Is Special**

The index has completed a U shape recovery by coming back to levels close to 8000. This is the number from where the correction started last year. Given the fundamental tailwinds and excellent chart setup, it seems that this number will get cleared leading to a move towards a level of 9000 and even beyond.

- The Real Estate Index – Worst Could Be Behind**

The sector has seen a smart move in the last 10 days. There have been a few attempts to bottom out and turnaround in the recent past but they all failed. This attempt looks genuine as it has the support of many technical studies. A test of the level of 1000 is likely which ones cleared could open up another 10% upside.

- The Infrastructure Index – The Uptrend Has Resumed**

The infrastructure index has seen a breakout from a pattern within which it has been trading for the last six months. In that period there was a battle between the bulls and the bears but all along support levels remained respected. We see renewed strength and momentum on the charts that should take the index back to 10000 and beyond.

- The Consumption Index – Eyeing Life Highs**

All the news flow around GST seems to have had an impact on this sector in the last few weeks. A lot of stocks that were languishing at the lows have seen a smart rebound in the last couple of weeks which could be the start of a new uptrend. Some of the stocks are coming out of one year of consolidation and therefore the upside potential is large.

Gautam Shah (CMT, CFTe, MSTa)
gautam@goldilocksresearch.com
+971 98178 6966

For Subscribers Only

Market Indices

Sensex	84778
Nifty	25966
52-Week Range	21743 - 26277
India VIX	11.86



Outperforming Sectors

The PSU Banking Index

The Real Estate Index

The Infrastructure Index

The Consumption Index



Underperforming Sectors

IT

The PSU Banking Index

Exhibit 1



Source: Goldilocks Global Research

This Time Is Special

Overview

The PSU banking index has seen a U-shaped recovery in the last one year. It topped out in June last year around the levels of 8000 and thereafter saw a large correction. In the last many months, we have seen a gradual recovery that took the index back close to 8000. The technical charts remain in great shape and we also noticed immense relative strength versus the Nifty and the Bank Nifty. The momentum is likely to get better and more stocks are likely to participate. We remain positioned for 9000.

Conclusion

SBI is the index heavyweight and remains the best pick. We expect the stock to do something special in the coming weeks and months. Four figures and well beyond seems likely. This is followed by PNB and thereafter Canara Bank and Bank of Baroda.

Outperforming Stocks - Top Picks

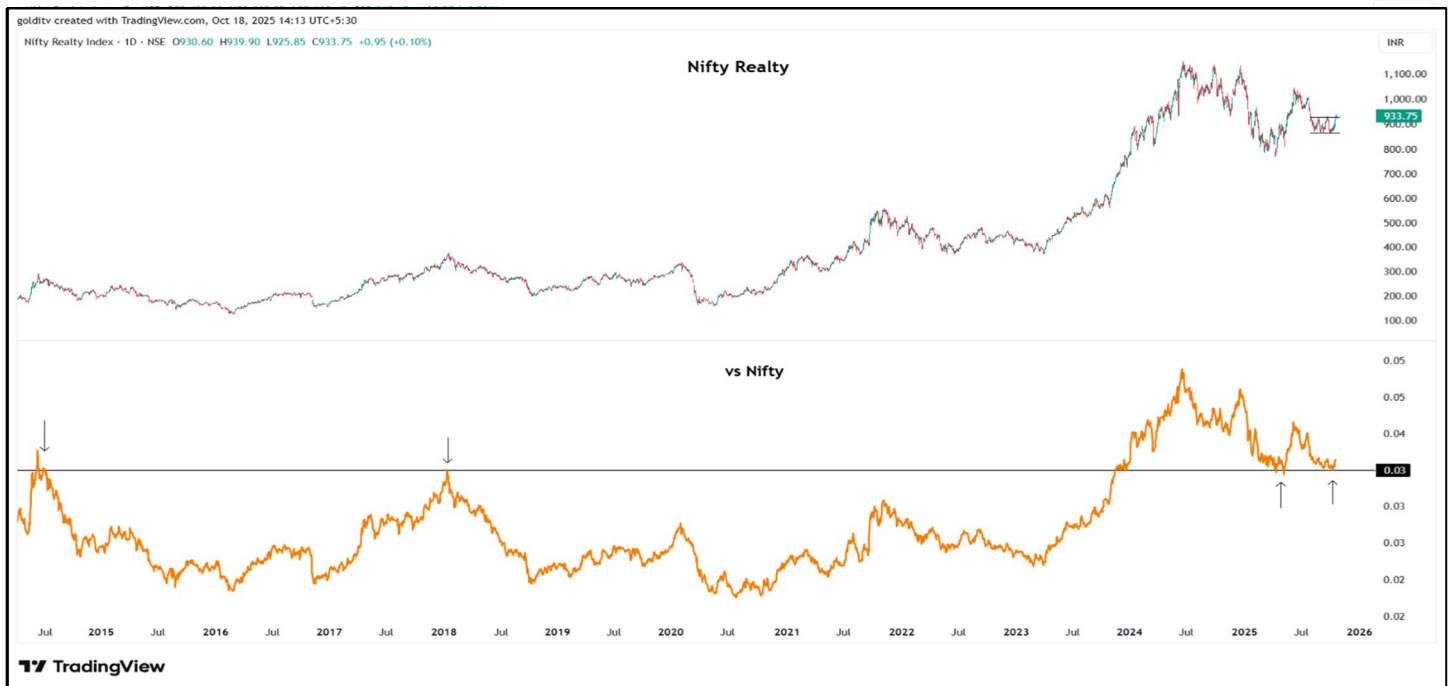
SBI (Res : 960, 1000, 1200)

PNB (Res : 128, 136, 142)

BOB (Res : 280, 294, 300)

The Real Estate Index

Exhibit 2



Source: Goldilocks Global Research

Worst Could Be Behind

Overview

This is another sector that could be coming out of 15 months of consolidation/correction. We have seen a sequence of lower tops and lower bottoms but it could now be changing. There have been a few attempts to bottom out in the recent past but the current one looks the most genuine. The technical indicators are well placed calling for a bigger recovery in the weeks and months ahead. We expect the index to move back to the 1000-1030 area. Once that is cleared a rally towards 1200 looks likely.

Conclusion

A lot of stocks are setting up well on the charts. However, some have moved early and some are yet to rally. Godrej properties is one name that has seen a smart move from the lows and it setting up for much bigger upside. This is followed by DLF and Shobha Developers. We also like the setup of Phoenix mills, Brigade and Prestige.

Outperforming Stocks - Top Picks

Godrej Prop (Res : 2400, 2520, 2700)

Sobha Dev (Res : 1650, 1720, 1900)

Phoenix Mills (Res : 1780, 1880, 2000)

The Infrastructure Index

Exhibit 3



Source: Goldilocks Global Research

The Uptrend Has Resumed

Overview

The NSE Infrastructure index has also been in a corrective phase for almost a year now. It witnessed an excellent rally in the period of 2021 to 2023. A period of price and time correction was needed and seems to have played out in the recent months. Now with the happenings of the last few weeks it seems that the uptrend has resumed and it should take the index back to lifetime highs and beyond. The first working target is 9700 and we thereafter plan for 10500.

Conclusion

There are some popular names that are part of this index. L&T seems to be on top of the list followed by Adani Ports and Reliance Industries. We expect all of them to do well in the coming weeks. There are many midcap names that are likely to register pickup site as well. Cummins India has been a favourite all along.

Outperforming Stocks - Top Picks

L&T (Res : 4090, 4200)

Adani Port (Res : 1600, 1950)

Cummins India (Res : 4350, 4500, 4780)

The Consumption Index

Exhibit 4



Source: Goldilocks Global Research

Eyeing Life Highs

Overview

The NSE Consumption Index has developed a very strong setup on the charts. We have seen a sequence of higher tops and higher bottoms in the last six months. This is despite the market volatility. Around the level of 12000 a breakout had taken place from a very good-looking pattern on the charts. This breakout has a target of around 13000 which coincides with the previous high. We expect a bigger target around 13700 as well. It seems all the news flow around GST seems to be triggering the rally in this particular sector.

Conclusion

A lot of names are setting up well. Tata Consumer and Nestle seem to have broken out of important patterns and look ripe for bigger upside. Even ITC seems to have bottomed and could start the next leg up.

Outperforming Stocks - Top Picks

Tata Consumer (Res : 1190, 1300)

ITC (Res : 427, 445, 470)

DISCLAIMER

Goldilocks Global Research L.L.C-FZ

Address:

**Meydan Grandstand, 6th Floor, Meydan Road
Nad Al Sheba
Dubai, U.A.E
License No: 2307986.01**

**www.goldilocksresearch.com
Email: support@goldilocksresearch.com
Contact: +971 58178 6966**

**Goldilocks Global Research L.L.C-FZ in arrangement with SEBI Registered Research Analyst www.naresearchservice.com
SEBI Registration No.: INH000017897**

The information and views in this report are believed to be reliable, but we do not accept any responsibility (or liability) for errors of fact or opinion. Users have the right to choose the product/report that suits them the most. Investment in equity shares has its own risks. Sincere efforts have been made to present the right investment perspective. The information contained herein is based on analysis and on sources that we consider reliable. We, however, do not vouch for the consistency or the completeness thereof. This material is for personal information and we are not responsible for any loss incurred due to it & take no responsibility whatsoever for any financial profits or loss which may arise from the recommendations above.

Our subscribers, a third party or anyone else have no rights to forward or share our calls or SMS or Reports or any information provided by us to/with anyone (through any medium) which is received directly or indirectly by them. If found so then legal action can be taken. Please note, any evidence of distribution, copying, forwarding of reports/calls will lead to automatic cancellation of subscription without any refunds.

There are risks associated with utilizing internet and short messaging system (SMS) based information and research dissemination services. Subscribers are advised to understand that the services can fail due to failure of hardware, software, and Internet connection. While we ensure that the messages/emails are delivered in time to the subscribers Mobile Network, the delivery of these messages to the customer's mobile phone/handset/desktop/ipad/tablet/laptop is the responsibility of the customer's Mobile Network/internet connection/wifi. SMS/Emails may be delayed and/or not delivered to the customer's mobile phone/handset on certain days, owing to technical reasons and Goldilocks Global Research L.L.C-FZ and its employees, cannot be held responsible for the same.

Goldilocks Global Research L.L.C-FZ in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

You should strictly abide with the consultation provided at Goldilocks Global Research L.L.C-FZ and trade only as per the levels provided by us. Unlike an actual performance record, simulated results do not represent actual trading. No representation is being made that any account will or is likely to achieve profits or losses similar to those shown.

You, and not Goldilocks Global Research L.L.C-FZ, assume the entire cost and risk of any trading you choose to undertake. You are solely responsible for making your own investment decisions. If you choose to engage in transactions with or without seeking advice from a licensed and qualified financial advisor or entity, then such decision and any consequences flowing there from are your sole responsibility. Goldilocks Global Research L.L.C-FZ, its management or any employees are in no way liable for the use of the information by others in investing or trading in investment vehicles.

Goldilocks Global Research L.L.C-FZ, its management, and/or their employees take no responsibility for the veracity, validity and the correctness of the expert recommendations or other information or research. Although we attempt to research thoroughly on information provided herein, there are no guarantees in consistency. The information presented in this report has been gathered from various sources believed to be providing correct information. Goldilocks Global Research L.L.C-FZ, and/or employees are not responsible for errors, inaccuracies if any in the content provided in this report.

DISCLAIMER

Your use of this and all information contained on www.goldilocksresearch.com is governed by these Terms and Conditions of Use. This material is based upon information that we consider reliable, but we do not represent that it is consistent or complete, and that it should be relied upon, as such. You should not rely solely on the Information in making any investment. Rather, you should use the Information only as a starting point for doing additional independent research in order to allow you to form your own opinion regarding investments. By using www.goldilocksresearch.com including any software and content contained therein, you agree that use of the Service is entirely at your own risk. You understand and acknowledge that there is a very high degree of risk involved in trading securities. Goldilocks Global Research L.L.C-FZ makes no warranties and gives no assurances regarding the truth, timeliness, reliability, or good faith of any material posted on www.goldilocksresearch.com.

Goldilocks Global Research L.L.C-FZ strictly follows Trading Principle and Stop Loss Policy wherein Customer by default agree to not do/ enter any trade without Pre Informed/ Defined Stop Loss. If you trade against the stop loss policy, you alone shall be responsible for the same & Goldilocks Global Research L.L.C-FZ shall have zero liability towards it.

Neither Goldilocks Global Research L.L.C-FZ or their relatives individually owns one per cent or more securities of the company(ies) covered under this report, at the relevant date as specified in the SEBI (Research Analysts) Regulations, 2014.

Goldilocks Global Research L.L.C-FZ (a) do not have any financial interest in the company(ies) covered under this report or (b) did not receive any compensation from the company(ies) covered under this report, or from any third party, in connection with this report or (c) do not have any other material conflict of interest at the time of publication of this report. Goldilocks Global Research L.L.C-FZ is not serving as an officer, director or employee of the company(ies) covered under this report.

Trading recommendations based on quantitative analysis are based on index/stock's momentum, price movement, trading volume and other volatility parameters, as opposed to study of macro economic scenario and a company's fundamentals. The trading calls and/or contents of this document are not made with regard to the specific investment objectives, financial situation or the particular needs of any particular person. Any action taken by you based on the aforesaid report and suffer adverse consequences or loss, you shall be solely responsible for the same. We expressly disclaim any liability and responsibility for any losses arising from any uses to which this communications is out.

Securities Investments are subject to market risk, economic risk, interest rate risks, credit risks, political and geopolitical risks, currency risks, country risks and risks arising from changing business dynamics. The performance of company(ies) covered herein may be adversely affected by numerous factors including, for example, (i) business, economic, and political conditions; (ii) the supply of and demand for the goods and services produced, provided, or sold by such companies; (iii) changes and advances in technology that may, among other things, render goods and services sold by the such companies obsolete; and (iv) actual and potential competition from other companies, whether in India or abroad. (v) Certain companies may need substantial additional capital to support growth or to achieve or maintain a competitive position. Such capital may not be available on attractive terms or at all. (vi) adverse news about the company/sector, (vii) poor results of the company (ix) unforeseen force major events like war, hostilities, revolution, riots, civil commotion, strikes, lockouts, epidemic, fire, explosion, flood, earthquake, act of God, any act of Government or any such other cause. Hence, there is no assurance, insurance or guarantee that the forecast, recommendation, opinion, etc. given about the securities/companies in the report will be achieved.