

May 24, 2021

Quant Pick – Lupin

Quant Pick					
Stock	Action	Initiation Range	Target	Stop loss	Time Frame
Lupin	Buy	1200-1225	1430	1098	3 Months

Derivatives Strategy

Underlying	Action
UPL	Buy
Biocon	Sell

Duration : 1-2 months

Click here to see [open calls](#)

Quant (Derivatives) Pick

Underlying	Action
ACC	Buy
Axis Bank	Buy
HDFC	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

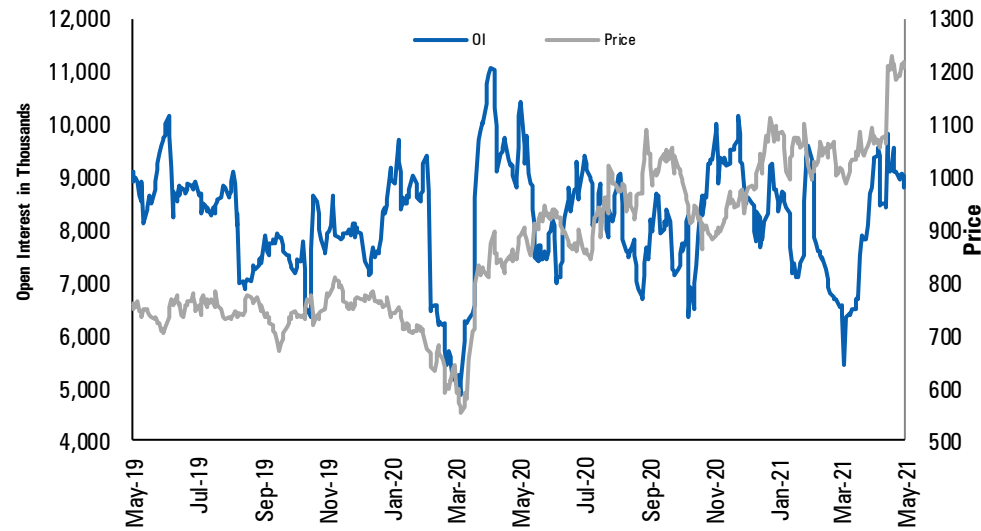
Buy Lupin in range of ₹ 1200-1225; Target: ₹ 1430;
 Stop Loss: ₹ 1098; Time frame: Three months

Snapshot

Spot Price	1205.00
Beta	0.40
12M Avg Price (₹)	1008.0
3M Avg Roll (%)	91.0%
HV 30 Day (% Annualised)	45.00

**Price vs.
 open interest
 pattern**

Fresh accumulation seen at lower levels



Source: NSE, Seediff, ICICI Direct Research

May 24, 2021

- The pharma space has come in the limelight in the last couple of weeks once again. The pharma index is consolidating near its lifetime highs and is likely to continue its uptrend. We believe the outperformance in this space will continue and any declines in stocks like Lupin provide another opportunity to create long positions
- The open interest in the stock has increased sharply in the last two months while current OI in the stock is at a six-month high. As the stock has also participated with a market move, we expect long positions to have been formed in it. Currently, despite closure, the stock has been able to surpass its trading range indicating prevailing positive bias in the stock. We believe fresh addition in the stock will trigger another round of up move in it
- On the options front, significant writing was seen in 1250 and 1300 Call, which is the significant Call OI base for May as well as June series. Closure is visible in ATM Call strikes of 1200 and 1220. With sign of closure among Call writers, we expect the stock to be well placed to move towards its Call base of 1300. On the other hand, writing was seen in 1200, 1150 Put strikes that should act as support on downsides
- From a delivery perspective, it has seen a significant increase in delivery based activity around ₹ 1100-1200 in the May series. After a sharp move, the stock seems to be consolidating at higher levels and witnessing buying support near ₹ 1160 on every decline. The Delivery Z score reading in the cash segment also indicates there is still room for further delivery pick-up in coming days. In due course, an up move should pan out in the stock
- In the current move, the stock is able to sustain above its long term mean+2*sigma levels after 2013. We believe stock is looking for fresh uptrend and mean+1*sigma levels placed near 1080 should be a very strong support for the stock in the coming months
- Note: Call has been initiated on iClick2Gain on May 24, 2021

Derivatives Strategies: Open recommendations



Date	Scrp	Action	Recommendation
17-May-21	UPL	Sell	Positional Option: Sell UPL May 700 Put at 6.3- 6.8, target: 0.10 , stoploss: 11.1. Time Frame: till May expiry
17-May-21	Biocon	Sell	Positional Option: Sell BIOCON May 420 Call at 3.4- 3.9, target: 0.10 , stoploss: 7.1. Time Frame: till May expiry

[Back](#)

Source: Bloomberg, ICICI Direct Research

May 24, 2021

ICICI Securities Ltd. | Retail Equity Research

Date	Scrip	Action	Buy Price	Target	SL	CMP	%Ret	Time Frame
6-May-21	Axis Bank	Buy	700-717	840	635	734	2.7%	3 months
10-May-21	HDFC	Buy	2525-2565	2950	2348	2540	0.0%	3 months
17-May-21	ACC	Buy	1860-1890	2190	1690	1965	4.0%	3 months
18-May-21	BEL	Buy	151-154	180	137.5	159	3.2%	3 months
21-May-21	L&T	Buy	1400-1422	1610	1310	1445	1.8%	3 months
24-May-21	Lupin	Buy	1200-1225	1430	1098	1202	-1.9%	3 months

[Back](#)

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

May 24, 2021

ICICI Securities Ltd. | Retail Equity Research

6

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 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. 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.