

## June inflation, corporate results to keep trade choppy

Stocks are likely to see choppy trading this week as investors on Dalal Street will be influenced by June inflation data, corporate results and the progress of monsoon, say analysts.

Market experts said the focus has turned to inflation data which is scheduled for Monday release as it may decide Reserve Bank's next move when it meets for the first quarter monetary policy review on July 31.

"Inflation data will be the key trigger for the market this week. If inflation comes down then rate cut hopes will revive. Also there are big hopes on reforms post presidential elections. This augurs well for a good opening on Monday," CNI Research CMD Kishore Ostwal said.

Among major results announcement this week will be Axis Bank (July 17), Bajaj Auto (July 18), Kotak Mahindra Bank, Hero MotoCorp and Dr Reddy's Lab (July 19) and RIL (July 20).

"Markets should be range-bound with a positive bias and resistance for Nifty would be 5,180 on the downside and 5,400 on the upside. Investors will increasingly take stock-specific direction from outcome of June quarter results," SMC Global strategist & head of research Jagannadham Thunuguntula said.

Analysts said that apart from inflation, Presidential elections and first quarter earnings from RIL on Friday will be the key events to watch out for in the near-term.

"The Presidential elections will be over soon and expectations are that the government will move ahead with reforms. The actions of the government will likely have a bearing on the RBI rate decision," said Dipen Shah, Head of Fundamental Research, Kotak Securities.

For the coming week, Nifty is likely to consolidate in range 5,040-5,270 levels, said experts.

"On the upside strong resistance is around 5,350-5,380 level and if Nifty has to cross this level decisively for further rally to continue. Till then profit-booking is likely to continue," Rakesh Goel, Vice President, Bonanza Portfolio said.

Traders said FIIs are in a wait-and-watch mode after the government on Friday set up a committee to prepare fresh norms on the controversial GAAR tax provision to bring greater clarity and prepare a roadmap by September 30 for its implementation.

*(Economic Times)*