

Morning Call

08 March 2022

Markets Extend Losses For Fourth Day

- Indian shares fell heavily amid a global sell-off as inflation worries mounted amid an escalating conflict between Russia and Ukraine.
- Crude surged to almost \$140 a barrel overnight and other key Russian exports like nickel and palladium also jumped against a backdrop of continued escalation between Russia and Ukraine.

Global & Asian market overview

- **European stocks** tumbled to fresh multi-month lows, extending recent losses, due to rising worries about inflation as oil prices zoomed to a 14-year high amid reports the U.S. and its Western allies might impose a ban on Russian oil following continued escalation of military conflict in Ukraine.
- **US stocks** moved sharply lower over the course of the trading day, extending the downward move seen over the two previous sessions. The major averages all showed substantial moves to the downside on the day.
- **Asian stocks** plunged as Brent crude hit an intraday high of \$139 a barrel, the highest since 2008, amid fears of a U.S. and European ban on Russian oil. Chinese shares fell after data showed the country's export growth slowed in the January-February period due to the weeklong Lunar New Year.

Industry Buzz

- **Dish TV:** SEBI passed an interim order against the company, promoter, and MD Jawahar Goel, and the board of directors for alleged violation of listing regulations. The capital markets regulator also directed the compliance officer to disclose the voting results of the AGM and told depositories to freeze the demat accounts of Dish TV's directors and compliance officer until they are out.
- **Natco Pharma:** The company first generic version of Revlimid (Lenalidomide capsules) in the U.S. market for treatment of multiple myeloma in combination with the medicine dexamethasone, certain myelodysplastic syndromes, and mantle cell lymphoma following specific prior treatment. The capsules are available in 5 mg, 10 mg, 15 mg, and 25 mg strengths.

| Indices | Close | Previous | Chg. % |
|---------------|--------|----------|--------|
| Sensex Index | 54,334 | 55,103 | -1.40% |
| Nifty Index | 16,245 | 16,498 | -1.53% |
| NSEBANK INDEX | 34,408 | 34,944 | -1.54% |
| NSEAUTO INDEX | 9,897 | 10,261 | -3.55% |
| NSEIT INDEX | 34,178 | 34,130 | 0.14% |

| Market depth | Advance | Decline | T/O (bn) |
|--------------|---------|---------|----------|
| NSE | 564 | 1,567 | 692 |
| BSE | 1,160 | 2,201 | 45 |

| Indices | Close | Previous | Chg. % |
|------------|--------|----------|--------|
| DJIA | 33,615 | 33,795 | -0.53% |
| NASDAQ | 13,313 | 13,538 | -1.66% |
| S&P 500 | 4,329 | 4,363 | -0.79% |
| DAX | 13,095 | 13,698 | -4.41% |
| CAC 40 | 6,062 | 6,378 | -4.97% |
| FTSE 100 | 6,987 | 7,239 | -3.48% |
| HANG SENG | 21,905 | 22,467 | -2.50% |
| SSE INDEX | 3,448 | 3,481 | -0.96% |
| NIKKIE 225 | 25,985 | 26,577 | -2.23% |

| Nifty Gainers | Chg. % | Nifty Losers | Chg. % |
|---------------|--------|--------------|--------|
| DRREDDY | 2.9 | TITAN | -5.2 |
| ITC | 2.6 | MARUTI | -4.8 |
| TECHM | 2.0 | ASIANPAINT | -4.5 |
| BPCL | 1.1 | HEROMOTOCO | -4.3 |
| ULTRACEMCO | 1.0 | TATAMOTORS | -4.3 |

| FII Derivatives | Buy (bn) | Sell (bn) | Net (bn) |
|-----------------|----------|-----------|----------|
| INDEX FUT | 60.2 | 65.7 | -5.5 |
| STOCK FUT | 174.5 | 175.6 | -1.1 |

- **NLC India:** The company declared interim dividend of Rs 1.5/share.
- **Metro Brands:** The company declared interim dividend of Rs 1.5 per share. Chief Operating Officer Sahel Kamdar resigned.
- **Sun TV Network:** The company declared interim dividend of Rs 5 per share.
- **Axis Bank:** Report on Citi India retail deal speculative. Lender denies taking any such decision.
- **Future Retail:** Shareholders, creditors to meet on April 20-21 to discuss the Reliance deal.

Indian Macro

- The rupee hit an all-time low of nearly 77 a dollar after crude oil made fresh surges on news reports that the US and its European allies were weighing a ban on Russian oil. This was the fourth consecutive session when the currency weakened. The home currency was trading at 76.96 a dollar, down 1.03 percent from its previous close. It opened at 76.96 a dollar and touched a record low of 76.97 during the day. Analysts say that the higher crude is likely to widen India's current account deficit. A higher current account deficit is likely to put further pressure on the domestic currency. The Russian invasion of Ukraine and likely lower exports of Russian crude oil will keep oil prices elevated for a protracted period. "We note increasing risks of global crude prices staying elevated in the next 6–9 months due to large imbalances in the global crude oil markets," an analyst said. Brent soared to a near-14-year high of \$140. Oil reached its highest since 2008 in US trading, and there is no sign of a cooling-off.
- Minister of State for Finance Pankaj Chaudhary said Public-Private Partnership (PPP) would be the key driver of the Rs 100 lakh crore ambitious PM Gati Shakti initiative. This national master plan for multi-modal connectivity aims to develop infrastructure to reduce logistic costs and boost the economy. The PM Gati Shakti - National Master Plan was announced last year with an aim to break departmental silos and bring in more holistic and integrated planning and execution of projects with a view to address the issues of multi-modal and last-mile connectivities. Observing that PPP has given a push to growth, Chaudhary said various infrastructure projects have been completed through public-private partnership. PM Gati Shakti is focussed on road, railway, civil aviation among others, he said, adding, this ambitious project would be achieved through public-private partnership. On the importance of public procurement, he said, it plays an active role as this helps in running various physical infrastructures like schools and hospitals. Public procurement has a share of about 30 per cent of the Indian economy as a result improving efficiency is of immense importance, he said at 7th Global Procurement Summit organised by AIMA. The government has taken several steps including the Government e-Marketplace (GeM) to improve efficiency, he said. He also said that the government is also promoting Make in India by giving preference to domestic players so that there is job creation in the country. Stressing that the global procurement has been hit due to the outbreak of COVID-19 pandemic, he said, the government has taken steps to deal with it.

Global Macro

- Consumer credit in the United States increased by USD 6.84 billion in January of 2022, the least since January of 2021, easing from an upwardly revised USD 23.38 billion gain in the previous month, and well below market expectations of a USD 23.8 billion rise. Revolving credit, which includes credit card debt, decreased by USD 0.22 billion while non-revolving credit, which includes auto and student loans went up by USD 7.06 billion. On an annual basis, consumer credit grew 1.9 percent, following an upwardly revised 6.1 percent increase in December 2021.

| | S1 | S2 | PIVOT | R1 | R2 |
|------------|-------|-------|-------|-------|-------|
| ADANIPTS | 666 | 651 | 679 | 694 | 707 |
| ASIANPAINT | 2643 | 2557 | 2685 | 2771 | 2814 |
| AXISBANK | 644 | 625 | 675 | 694 | 724 |
| BAJAJ-AUTO | 3153 | 3062 | 3216 | 3307 | 3370 |
| BAJAJFINSV | 13793 | 13199 | 14393 | 14987 | 15588 |
| BAJFINANCE | 6009 | 5920 | 6190 | 6279 | 6460 |
| BHARTIARTL | 657 | 628 | 668 | 697 | 709 |
| BPCL | 331 | 324 | 339 | 346 | 354 |
| BRITANNIA | 3078 | 3027 | 3189 | 3240 | 3351 |
| CIPLA | 926 | 907 | 936 | 955 | 965 |
| COALINDIA | 183 | 177 | 188 | 194 | 198 |
| DIVISLAB | 4028 | 3940 | 4061 | 4148 | 4182 |
| DRREDDY | 3705 | 3624 | 3748 | 3829 | 3872 |
| EICHERMOT | 2208 | 2146 | 2253 | 2314 | 2359 |
| GRASIM | 1417 | 1380 | 1446 | 1483 | 1512 |
| HCLTECH | 1128 | 1094 | 1145 | 1179 | 1196 |
| HDFC | 2100 | 2071 | 2127 | 2156 | 2184 |
| HDFCBANK | 1308 | 1285 | 1320 | 1344 | 1356 |
| HDFCLIFE | 493 | 484 | 506 | 515 | 528 |
| HEROMOTOCO | 2138 | 2094 | 2214 | 2257 | 2333 |
| HINDALCO | 603 | 577 | 613 | 639 | 649 |
| HINDUNILVR | 1917 | 1896 | 1949 | 1971 | 2002 |
| ICICIBANK | 642 | 630 | 655 | 667 | 679 |
| INDUSINDBK | 793 | 773 | 845 | 864 | 916 |
| INFY | 1713 | 1677 | 1732 | 1768 | 1787 |
| IOC | 111 | 110 | 113 | 114 | 115 |
| ITC | 223 | 218 | 225 | 229 | 232 |
| JSWSTEEL | 624 | 613 | 633 | 644 | 654 |
| KOTAKBANK | 1692 | 1661 | 1712 | 1743 | 1762 |
| LT | 1609 | 1577 | 1638 | 1671 | 1699 |
| M&M | 675 | 659 | 697 | 713 | 735 |
| MARUTI | 6626 | 6528 | 6828 | 6926 | 7128 |
| NESTLEIND | 17088 | 16880 | 17248 | 17456 | 17616 |
| NTPC | 129 | 126 | 130 | 132 | 133 |
| ONGC | 176 | 160 | 183 | 198 | 205 |
| POWERGRID | 210 | 206 | 213 | 217 | 219 |
| RELIANCE | 2195 | 2163 | 2254 | 2285 | 2344 |
| SBILIFE | 1015 | 1006 | 1032 | 1041 | 1058 |
| SBIN | 431 | 422 | 442 | 451 | 463 |
| SHREECEM | 21690 | 21310 | 22030 | 22410 | 22750 |
| SUNPHARMA | 813 | 801 | 821 | 833 | 841 |
| TATACONSUM | 650 | 639 | 662 | 674 | 685 |
| TATAMOTORS | 389 | 381 | 395 | 403 | 409 |
| TATASTEEL | 1274 | 1250 | 1288 | 1312 | 1326 |
| TCS | 3423 | 3369 | 3485 | 3539 | 3602 |
| TECHM | 1400 | 1379 | 1432 | 1452 | 1485 |
| TITAN | 2345 | 2293 | 2382 | 2435 | 2472 |
| ULTRACEMCO | 5568 | 5504 | 5748 | 5812 | 5993 |
| UPL | 706 | 671 | 720 | 755 | 770 |
| WIPRO | 563 | 554 | 571 | 581 | 589 |

Trading guidelines

- 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 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 in the first 30 minutes of trading.
- Opening Price is considered around close of previous day. 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.

List of upcoming corporate actions

| Company Name | Ex Date | Purpose | Record Date | BC Start Date | BC End Date | ND Start Date | ND End Date |
|--|----------|------------------------------------|-------------|---------------|-------------|---------------|-------------|
| Deep Polymers Ltd | 08/03/22 | Bonus issue 3:4 | 09/03/22 | - | - | 02/03/22 | 08/03/22 |
| V.I.P.INDUSTRIES LTD.-\$ | 08/03/22 | Interim Dividend - Rs. - 2.5000 | 09/03/22 | - | - | 02/03/22 | 08/03/22 |
| WOCKHARDT LTD. | 08/03/22 | Right Issue of Equity Shares | 09/03/22 | - | - | 04/03/22 | 08/03/22 |
| Vedanta Limited | 09/03/22 | Interim Dividend - Rs. - 13.0000 | 10/03/22 | - | - | 03/03/22 | 09/03/22 |
| SAVEN TECHNOLOGIES LTD. | 10/03/22 | Interim Dividend - Rs. - 1.0000 | 11/03/22 | - | - | 04/03/22 | 10/03/22 |
| Advik Capital Ltd | 10/03/22 | Right Issue of Equity Shares | 11/03/22 | - | - | 07/03/22 | 10/03/22 |
| BCL Enterprises Ltd | 10/03/22 | Stock Split From Rs.10/- to Rs.1/- | 11/03/22 | - | - | 04/03/22 | 10/03/22 |
| BCL Enterprises Ltd | 10/03/22 | Bonus issue 1:1 | 11/03/22 | - | - | 04/03/22 | 10/03/22 |
| E.I.D.-PARRY (INDIA) LTD. | 10/03/22 | Interim Dividend - Rs. - 5.5000 | 11/03/22 | - | - | 04/03/22 | 10/03/22 |
| Mauria Udyog Ltd | 10/03/22 | Stock Split From Rs.10/- to Rs.1/- | 11/03/22 | - | - | 04/03/22 | 10/03/22 |
| RAINBOW FOUNDATIONS LTD. | 10/03/22 | Right Issue of Equity Shares | 11/03/22 | - | - | 08/03/22 | 10/03/22 |
| Ultracab (India) Ltd | 10/03/22 | Bonus issue 1:2 | 12/03/22 | - | - | 07/03/22 | 10/03/22 |
| Ultracab (India) Ltd | 10/03/22 | Stock Split From Rs.10/- to Rs.2/- | 12/03/22 | - | - | 07/03/22 | 10/03/22 |
| Vishal Fabrics Ltd | 10/03/22 | Bonus issue 2:1 | 11/03/22 | - | - | 04/03/22 | 10/03/22 |
| SHRIRAM TRANSPORT FINANCE CO.LTD. | 11/03/22 | Interim Dividend - Rs. - 12.0000 | 14/03/22 | - | - | 07/03/22 | 11/03/22 |
| ARIHANT CAPITAL MARKETS LTD. | 14/03/22 | Interim Dividend - Rs. - 0.7500 | 15/03/22 | - | - | 08/03/22 | 14/03/22 |
| DIC INDIA LTD. | 14/03/22 | Final Dividend - Rs. - 3.0000 | 15/03/22 | - | - | 08/03/22 | 14/03/22 |
| DIC INDIA LTD. | 14/03/22 | Special Dividend - Rs. - 2.0000 | 15/03/22 | - | - | 08/03/22 | 14/03/22 |
| Infibeam Avenues Ltd | 14/03/22 | Bonus issue 1:1 | 15/03/22 | - | - | 08/03/22 | 14/03/22 |
| NLC India Ltd | 14/03/22 | Interim Dividend - Rs. - 1.5000 | 15/03/22 | - | - | 08/03/22 | 14/03/22 |
| RAMKRISHNA FORGINGS LTD. | 14/03/22 | Stock Split From Rs.10/- to Rs.2/- | 15/03/22 | - | - | 08/03/22 | 14/03/22 |
| ALLIANCE INTEGRATED METALIKS LTD. | 15/03/22 | Stock Split From Rs.10/- to Rs.1/- | 16/03/22 | - | - | - | - |
| Brightcom Group Ltd | 15/03/22 | Bonus issue 2:3 | 16/03/22 | - | - | - | - |
| RAJRATAN GLOBAL WIRE LTD. | 15/03/22 | Stock Split From Rs.10/- to Rs.2/- | 16/03/22 | - | - | - | - |
| TVS ELECTRONICS LTD. | 15/03/22 | Interim Dividend - Rs. - 2.0000 | 16/03/22 | - | - | - | - |
| DRC Systems India Ltd | 16/03/22 | Stock Split From Rs.10/- to Rs.1/- | 17/03/22 | - | - | - | - |
| JINDAL STEEL & POWER LTD. | 16/03/22 | Interim Dividend | 19/03/22 | - | - | - | - |
| K.M.SUGAR MILLS LTD. | 16/03/22 | E.G.M. | - | 18/03/22 | 24/03/22 | - | - |
| Metro Brands Ltd | 16/03/22 | Interim Dividend - Rs. - 1.5000 | 19/03/22 | - | - | - | - |
| Ravindra Energy Ltd | 16/03/22 | E.G.M. | - | 21/03/22 | 23/03/22 | - | - |
| SHRIRAM CITY UNION FINANCE LTD. | 16/03/22 | Interim Dividend | 17/03/22 | - | - | - | - |
| ASM TECHNOLOGIES LTD. | 17/03/22 | Right Issue of Equity Shares | 21/03/22 | - | - | - | - |
| AYOKI MERCANTILE LTD. | 17/03/22 | E.G.M. | - | 22/03/22 | 28/03/22 | - | - |
| Innovative Ideals and Services (India) Ltd | 17/03/22 | E.G.M. | - | 22/03/22 | 28/03/22 | - | - |

| | | | | | | | |
|---------------------------------|----------|-----------------------------------|----------|----------|----------|---|---|
| SUN TV NETWORK LTD. | 17/03/22 | Interim Dividend - Rs. - 5.0000 | 21/03/22 | - | - | - | - |
| ADVIK LABORATORIES LTD. | 21/03/22 | E.G.M. | - | 23/03/22 | 29/03/22 | - | - |
| B. P. Capital Ltd | 21/03/22 | E.G.M. | 22/03/22 | - | - | - | - |
| Virinchi Ltd | 21/03/22 | Bonus issue 1:1 | 22/03/22 | - | - | - | - |
| AGI Infra Ltd | 22/03/22 | Interim Dividend | 23/03/22 | - | - | - | - |
| Mishra Dhatu Nigam Ltd | 22/03/22 | Interim Dividend | 23/03/22 | - | - | - | - |
| BHARAT ELECTRONICS LTD. | 24/03/22 | Interim Dividend | 26/03/22 | - | - | - | - |
| AMBUJA CEMENTS LTD. | 30/03/22 | Final Dividend - Rs. - 6.3000 | 01/04/22 | - | - | - | - |
| CRISIL LTD. | 30/03/22 | Final Dividend - Rs. - 15.0000 | - | 01/04/22 | 02/04/22 | - | - |
| CRISIL LTD. | 30/03/22 | Special Dividend - Rs. - 7.0000 | - | 01/04/22 | 02/04/22 | - | - |
| ACC LTD. | 04/04/22 | Final Dividend - Rs. - 58.0000 | 05/04/22 | - | - | - | - |
| Vipul Organics Ltd | 07/04/22 | Bonus issue 1:4 | 09/04/22 | - | - | - | - |
| Sanofi India Ltd | 12/04/22 | Final Dividend - Rs. - 181.0000 | - | 16/04/22 | 26/04/22 | - | - |
| Sanofi India Ltd | 12/04/22 | Special Dividend - Rs. - 309.0000 | - | 16/04/22 | 26/04/22 | - | - |
| Mahindra CIE Automotive Limited | 13/04/22 | Final Dividend - Rs. - 2.5000 | - | 19/04/22 | 25/04/22 | - | - |
| Schaeffler India Ltd | 19/04/22 | Dividend - Rs. - 16.0000 | - | 21/04/22 | 27/04/22 | - | - |
| Huhtamaki India Ltd | 20/04/22 | Dividend - Rs. - 1.0000 | - | 22/04/22 | 05/05/22 | - | - |
| Sandhar Technologies Ltd | 20/04/22 | E.G.M. | - | 22/04/22 | 28/04/22 | - | - |
| NESTLE INDIA LTD. | 21/04/22 | Final Dividend - Rs. - 65.0000 | 22/04/22 | - | - | - | - |
| ABB India Limited | 27/04/22 | Final Dividend - Rs. - 5.2000 | - | 29/04/22 | 05/05/22 | - | - |
| VESUVIUS INDIA LTD. | 28/04/22 | Dividend - Rs. - 8.0000 | 29/04/22 | - | - | - | - |

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