

## Morning Call

06 April 2022

Indices	Close	Previous	Chg. %
Sensex Index	60,177	60,612	-0.72%
Nifty Index	17,957	18,053	-0.53%
NSEBANK INDEX	38,068	38,635	-1.47%
NSEAUTO INDEX	10,937	10,804	1.23%
NSEIT INDEX	36,467	36,443	0.06%

Market depth	Advance	Decline	T/O(bn)
NSE	1,488	659	758
BSE	2,306	1,102	57

Indices	Close	Previous	Chg. %
DJIA	34,641	34,922	-0.80%
NASDAQ	14,204	14,533	-2.26%
S&P 500	4,525	4,583	-1.26%
DAX	14,424	14,518	-0.65%
CAC 40	6,646	6,731	-1.28%
FTSE 100	7,614	7,559	0.72%
HANG SENG	22,502	22,040	2.10%
SSE INDEX	3,283	3,252	0.94%
NIKKIE 225	27,788	27,736	0.19%

Nifty Gainers	Chg. %	Nifty Losers	Chg. %
ADANI PORTS	3.1	HDFCBANK	-3.1
NTPC	2.8	BAJAJFINSV	-2.4
TATAMOTORS	2.4	HDFC	-2.2
POWERGRID	2.2	KOTAKBANK	-2.1
TATACONSUM	2.0	INDUSINDBK	-1.8

FII Derivatives	Buy (bn)	Sell (bn)	Net (bn)
INDEX FUT	40.9	44.5	-3.6
STOCK FUT	143.7	161.3	-17.7

### Markets fell notably to end lower

- Shares fell as oil prices climbed amid uncertainty around supply and yields surged on expectations of aggressive interest rate hikes by the Federal Reserve.
- Investors also waited for word on potential new sanctions against Russia.

### Global & Asian market overview

- **European stocks** turned in a mixed performance with investors closely tracking the updates on the geopolitical front, and reacting to the latest batch of economic data from the region besides looking ahead to the release of the minutes of the Federal Reserve's most recent policy meeting.
- **US stocks** moved significantly lower over the course of the trading day, offsetting the upward move seen over the two previous sessions. The major averages all moved to the downside, with the tech-heavy Nasdaq posting a particularly steep loss.
- **Asian stocks** rose broadly, though regional gains remained capped by talk of more sanctions against Russia and rising prices of important commodities, including crude oil. Trading volumes were thin due to public holidays in China, Hong Kong and Taiwan.

### Industry Buzz

- **Tata Steel:** The company reported annual crude steel production of 1.9 crore tonnes--a growth of 13% year-on-year. During Q4 FY22, crude steel production rose 2% QoQ to 49 lakh tonnes. Deliveries grew 16% sequentially to 51.2 lakh tonnes-- the highest ever for a quarter.
- **Marico:** The maker of Parachute coconut oil expects "marginal growth" in profit in the quarter ended March as consumption trends remained subdued amid weak rural sentiment, and aggravating inflation in global commodities due to geopolitical tensions.

- **TVS Motor:** The Chennai-based automaker will collaborate with Jio-BP to explore creating public electric-vehicle solutions.
- **Adani Green/Adani Enterprises:** To consider raising funds on April 8 by way of a rights issue, preferential allotment, including a qualified institutional placement or through any other mode.
- **Ruchi Soya:** The company has allotted 6.61 crore shares offered via its follow-on public offering. It raised a total of Rs 4,300 crore so far.
- **Gufic:** Receives DCGI approval for Thymosin Alpha-1 as an add-on therapy for the treatment of moderate-to-severe Covid-19 patients requiring ventilator support.
- **Tata Consultancy Services:** The Indian IT bellwether will build Kansas Department of Labor's unemployment insurance system transforming a legacy mainframe platform from the 1970s into a cloud-based system.

- **Tata Steel Long Products:** Crude steel production in Q4 FY22 stood at 1.66 lakh tonnes, while volumes increased 6% year-on-year in the fiscal ended March 31, 2022.
- **Bandhan Bank:** The lender's reported loans and advances grew 16% year-on-year to over Rs 1 lakh crore as on March 31, 2022. Total deposits grew 24% year-on-year to Rs 77.98 crore. The CASA ratio stood at 41.6% in Q4. Collection efficiency for March was 96%.
- **UGRO Capital:** The company has filed a draft prospectus for public issue of non-convertible debentures up to Rs 100 crore.
- **Oriental Hotels:** To consider declaration of dividend on April 15.
- **Dish TV:** Received RBI nod to divest its stake in Sri Lankan arm.

## Indian Macro

- Petrol and diesel prices have been hiked by 80 paise a litre each this morning, CNBC-TV18 reported, taking the total increase in the last two weeks to Rs 9.20 per litre. This is the 13th increase in prices in the last 15 days since the end of a four-and-half-month long hiatus in rate revision. Rates have increased across the country and vary from state to state due to local taxation. After 137 days of remaining unchanged, fuel prices were increased on March 22 and have been going up ever since. The oil marketing companies (OMCs) started to increase retail fuel prices after four months as international crude oil prices have soared. The first increase in petrol and diesel prices this year, announced on March 22 was the first hike in 137 days. From November 3, 2021 until March 22, there had been a freeze on fuel prices due to the central government's excise duty cut of Rs 5 a litre on petrol and Rs 10 a litre on diesel and many states also lowering state tax.

## Global Macro

- The Caixin China General Services PMI plunged to 42.0 in March 2022 from 50.4 in January, marking the lowest reading since February 2020, and the first time contraction in the sector in this year, amid a rise in Covid-19 cases and renewed restrictions. New orders declined sharply, with new export orders falling for the third month running and the steepest drop since October 2020. Employment declined, though the rate of reduction was only fractional. On the price side, input cost inflation accelerated due to rises in raw materials, energy, food, and transport prices. Meanwhile, output cost inflation eased to a seven-month low, as the pricing power was limited due to subdued demand conditions amid efforts to attract new business. Looking ahead, business confidence weakened to a 19-month low, amid concerns over the pandemic and the economic fallout from the Ukraine war.
- Stocks of crude oil in the United States rose by 1.08 million barrels in the week ended April 1st of 2022, following a 3.01 million barrels fall in the previous week and compared with market expectations of a 2.056 million decline. It was the first increase in US crude inventories in three weeks, data from the American Petroleum Institute showed.
- Federal Reserve Governor Lael Brainard said the Fed will continue tightening monetary policy through a series of interest rate increases and will start reducing the balance sheet at a rapid pace as soon as next month. Brainard expects the combined effect of rate increases and balance sheet reduction to bring the stance of policy to a more neutral position later this year, prepared remarks for her speech to the Minneapolis Fed showed. Brainard also added that it is of paramount importance to get inflation down, since it is much too high and is subject to upside risks. The Fed raised the target for the fed funds rate by a quarter-point to 0.25%-0.5% during its March 2022 meeting for the first time in three years and signaled ongoing rate hikes ahead.

- The global bond market rout resumed Tuesday, with the US yield on the 10-year note, which sets the tone for corporate and household borrowing costs worldwide, surging above 2.56%, its highest level since May 2019. Investors anticipated an aggressive looming policy tightening cycle as major central banks sought to tame inflation, currently running at records levels in Europe and 40-year highs in the US. Market moves were exacerbated by surprisingly hawkish comments from Federal Reserve Governor Lael Brainard, which said the central bank would rapidly reduce its balance sheet as soon as next month and is prepared for a more aggressive move when it comes to raising interest rates to bring down inflation. Meantime, Germany's 10-year Bund yield, the benchmark for Europe, rose to as high as 0.61%, closing in on its highest level since May 2018.

	S1	S2	PIVOT	R1	R2
ADANIAPORTS	827	809	844	862	879
APOLLOHOSP	4514	4496	4559	4576	4622
AXISBANK	771	764	784	791	804
BAJAJFINSV	16519	16368	16910	17061	17451
BAJFINANCE	7303	7242	7391	7453	7541
BHARTIARTL	759	753	766	771	779
BPCL	376	374	379	382	385
CIPLA	1009	1003	1022	1028	1041
COALINDIA	186	186	188	189	190
DIVISLAB	4419	4391	4468	4496	4545
DRREDDY	4265	4231	4336	4370	4442
GRASIM	1681	1654	1697	1724	1739
HDFC	2589	2569	2635	2655	2700
HDFCBANK	1573	1555	1620	1637	1684
HDFCLIFE	564	561	570	573	578
HINDALCO	582	577	586	590	595
ICICIBANK	731	726	743	748	760
INDUSINDBK	956	949	975	982	1001
JSWSTEEL	726	720	736	742	752
KOTAKBANK	1775	1763	1807	1819	1850
LT	1824	1816	1834	1842	1852
NTPC	145	142	148	151	154
ONGC	170	168	171	173	175
POWERGRID	229	224	232	236	239
RELIANCE	2601	2586	2636	2651	2685
SBILIFE	1107	1100	1119	1127	1138
SBIN	504	501	510	512	519
SHREECEM	24806	24451	25038	25394	25626
SUNPHARMA	920	914	930	936	947
TATASTEEL	1330	1315	1344	1358	1373
ULTRACEMCO	6644	6594	6730	6780	6866
UPL	790	785	795	800	806
NESTLEIND	17229	17100	17331	17459	17562
NTPC	134	134	135	136	136
ONGC	162	159	163	166	168
POWERGRID	216	214	216	218	219
RELIANCE	2615	2601	2643	2657	2684
SBILIFE	1112	1107	1120	1126	1134
SBIN	491	489	494	496	499
SHREECEM	23718	23600	24024	24142	24448
SUNPHARMA	906	900	916	922	933
TATACONSUM	770	761	775	784	789
TATAMOTORS	431	429	435	437	440
TATASTEEL	1297	1289	1309	1318	1329
TCS	3726	3706	3740	3760	3775
TECHM	1489	1477	1499	1511	1522
TITAN	2525	2510	2535	2550	2561
ULTRACEMCO	6542	6503	6621	6660	6739
UPL	761	756	770	775	784
WIPRO	587	582	595	600	608

## 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.**

**R1, R2 are the immediate resistance 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
BHAGIRADHA CHEMICALS & INDUSTRIES LTD.	7-Apr-22	Right Issue of Equity Shares	44660	-	-	6-Apr-22	7-Apr-22
DISA INDIA LTD.	7-Apr-22	Interim Dividend - Rs. - 150.0000	8-Apr-22	-	-	31-Mar-22	7-Apr-22
DWARIKESH SUGAR INDUSTRIES LTD.	7-Apr-22	Interim Dividend - Rs. - 2.0000	8-Apr-22	-	-	31-Mar-22	7-Apr-22
Edelweiss Financial Services Ltd.	7-Apr-22	Interim Dividend - Rs. - 0.2500	9-Apr-22	-	-	4-Apr-22	7-Apr-22
EKI Energy Services Ltd	7-Apr-22	Interim Dividend - Rs. - 20.0000	8-Apr-22	-	-	31-Mar-22	7-Apr-22
FILATEX INDIA LTD.-\$	7-Apr-22	Buy Back of Shares	8-Apr-22	-	-	31-Mar-22	7-Apr-22
Johnson Pharmicare Ltd	7-Apr-22	Bonus issue 1:10	8-Apr-22	-	-	31-Mar-22	7-Apr-22
Kkalpana Industries (India) Ltd	7-Apr-22	Spin Off	8-Apr-22	-	-	6-Apr-22	7-Apr-22
Narayani Steels Ltd	7-Apr-22	Resolution Plan -Suspension	8-Apr-22	-	-	31-Mar-22	7-Apr-22
SUPREME PETROCHEM LTD.	7-Apr-22	Reduction of Capital	8-Apr-22	-	-	4-Apr-22	7-Apr-22
Vipul Organics Ltd	7-Apr-22	Bonus issue 1:4	9-Apr-22	-	-	4-Apr-22	7-Apr-22
Angel One Ltd	8-Apr-22	Interim Dividend - Rs. - 7.0000	11-Apr-22	-	-	4-Apr-22	8-Apr-22
DATASOFT APPLICATION SOFTWARE (INDIA) LTD.	8-Apr-22	E.G.M.	-	9-Apr-22	15-Apr-22	5-Apr-22	8-Apr-22
BMW Industries Ltd	11-Apr-22	Interim Dividend - Rs. - 0.0200	12-Apr-22	-	-	5-Apr-22	11-Apr-22
PCBL Ltd	11-Apr-22	Stock Split From Rs.2/- to Rs.1/-	12-Apr-22	-	-	5-Apr-22	11-Apr-22
Adcon Capital Services Ltd	12-Apr-22	Stock Split From Rs.10/- to Rs.1/-	13-Apr-22	-	-	6-Apr-22	12-Apr-22
ARIHANT CAPITAL MARKETS LTD.	12-Apr-22	Stock Split From Rs.5/- to Rs.1/-	15-Apr-22	-	-	-	-
BAID LEASING AND FINANCE CO.LTD.	12-Apr-22	Stock Split From Rs.10/- to Rs.2/-	15-Apr-22	-	-	-	-
JYOTI STRUCTURES LTD.	12-Apr-22	E.G.M.	-	15-Apr-22	22-Apr-22	-	-
Sanofi India Ltd	12-Apr-22	Final Dividend - Rs. - 181.0000	-	16-Apr-22	26-Apr-22	-	-
Sanofi India Ltd	12-Apr-22	Special Dividend - Rs. - 309.0000	-	16-Apr-22	26-Apr-22	-	-
White Organic Retail Ltd	12-Apr-22	Bonus issue 2:1	14-Apr-22	-	-	-	-
Mahindra CIE Automotive Limited	13-Apr-22	Final Dividend - Rs. - 2.5000	-	19-Apr-22	25-Apr-22	-	-
India Infrastructure Trust	18-Apr-22	Income Distribution (InvIT)	19-Apr-22	-	-	-	-
Veeram Securities Ltd	18-Apr-22	Stock Split From Rs.10/- to Rs.2/-	19-Apr-22	-	-	-	-
Jubilant FoodWorks Ltd	19-Apr-22	Stock Split From Rs.10/- to Rs.2/-	20-Apr-22	-	-	-	-
Schaeffler India Ltd	19-Apr-22	Dividend - Rs. - 16.0000	-	21-Apr-22	27-Apr-22	-	-
Huhtamaki India Ltd	20-Apr-22	Dividend - Rs. - 1.0000	-	22-Apr-22	5-May-22	-	-
Sandhar Technologies Ltd	20-Apr-22	E.G.M.	-	22-Apr-22	28-Apr-22	-	-
GAIL (INDIA) LTD.	21-Apr-22	Buy Back of Shares	22-Apr-22	-	-	-	-
NESTLE INDIA LTD.	21-Apr-22	Final Dividend - Rs. - 65.0000	22-Apr-22	-	-	-	-
NESTLE INDIA LTD.	21-Apr-22	Interim Dividend	22-Apr-22	-	-	-	-
MUTHOOT FINANCE LTD.	25-Apr-22	Interim Dividend	26-Apr-22	-	-	-	-
ABB India Limited	27-Apr-22	Final Dividend - Rs. - 5.2000	-	29-Apr-22	5-May-22	-	-
Shree Ganesh Biotech (India) Ltd	27-Apr-22	Bonus issue 1:1	28-Apr-22	-	-	-	-

DCM FINANCIAL SERVICES LTD.	28-Apr-22	E.G.M.	-	30-Apr-22	6-May-22	-	-
HCL TECHNOLOGIES LTD.	28-Apr-22	Interim Dividend	29-Apr-22	-	-	-	-
STOVEC INDUSTRIES LTD.	28-Apr-22	Dividend - Rs. - 57.0000	-	30-Apr-22	6-May-22	-	-
VESUVIUS INDIA LTD.	28-Apr-22	Dividend - Rs. - 8.0000	29-Apr-22	-	-	-	-

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