

Morning Call

Markets Snap Losing Streak End Sharply Higher 28 February 2022

Higher

- After suffering a severe setback that extended its losing streak to a seventh straight day, the Indian stock market came back strongly and ended on a buoyant note on Friday.
- Hectic bargain hunting at several counters from across various sectors, slightly easing concerns about the impact of the Russia-Ukraine conflict on the Indian economy, and an upward revision in India's growth forecast by Moody's contributed to the rally in the market.

Global & Asian market overview

- **European stocks** closed on a buoyant note on Friday, rebounding strongly after the terrible setback it suffered in the previous session.
- **US stocks** extending the stunning recovery seen over the course of the previous session, stocks moved sharply higher. The major averages all showed significant moves to the upside on the day.
- **Asian stocks** rallied powered by the substantial rebound on Wall Street on Thursday as the West imposed retaliatory sanctions on Russia.

Industry Buzz

- **Bharti Airtel:** The company has entered into an agreement with Vodafone Group Plc to buy 4.7% stake in Indus Towers on the principal condition that the amount paid shall be inducted by Vodafone as fresh equity in Vodafone Idea and simultaneously remitted to Indus Towers to clear VIL's outstanding dues.
- **Vodafone Idea:** To consider raising funds by different modes or a combination of modes on March 3.
- **SJVN:** The public sector undertaking has received in-principal approval for development of 400 MW solar park at District Kinnaur under Mode-8 of the Solar Park Scheme from the Ministry of New and Renewable Energy.
- **Sandhar:** The company has infused additional funds of Rs 2,88,64,510 in Sandhar Amkin Industries, a joint venture between the company and Amkin Group, in return for 28,86,451 equity shares of Rs 10 each. Its shareholding in the JV now stands at 74.9%.

- **Bharat Petroleum:** The company has appointed Sanjay Khanna as additional director and director (Refineries) for a term of five years.
- **Hindalco:** The company has signed a share purchase agreement with Terrabel Empreedimentos Ltda, a Brazilian firm to divest entire equity shareholding in Hindalco Do Brasil Industria Comercio de Alumina, a wholly owned step-down subsidiary for a consideration of R\$ 1 (one Brazilian real).
- **Metro:** To consider declaration of interim dividend on March 7.
- **BEML:** Shareholders approved demerger of identified surplus/non-core assets between the company and BEML Land Assets (Resultant company).
- **Shriram City Union Finance:** To consider declaration of second interim dividend on March 8.

Indices	Close	Previous	Chg.%
Sensex Index	55,859	54,530	2.44%
Nifty Index	16,658	16,248	2.53%
NSEBANK INDEX	36,431	35,228	3.41%
NSEAUTO INDEX	10,895	10,610	2.69%
NSEIT INDEX	33,477	32,548	2.85%

Market depth	Advance	Decline	T/O(bn)
NSE	1,790	340	624
BSE	2,595	781	48

Indices	Close	Previous	Chg.%
DJIA	34,059	33,224	2.51%
NASDAQ	13,695	13,474	1.64%
S&P 500	4,385	4,289	2.24%
DAX	14,567	14,052	3.67%
CAC 40	6,752	6,521	3.55%
FTSE 100	7,489	7,207	3.91%
HANG SENG	22,767	22,902	-0.59%
SSE INDEX	3,451	3,430	0.63%
NIKKIE 225	26,477	25,971	1.95%

Nifty Gainers	Chg.%	Nifty Losers	Chg.%
COALINDIA	8.9	BRITANNIA	-0.6
TATAMOTORS	7.7	NESTLEIND	-0.2
TATASTEEL	6.6	HINDUNILVR	0.0
ADANIPTS	6.5	-	-
INDUSINDBK	5.9	-	-

FII Derivatives	Buy (bn)	Sell (bn)	Net (bn)
INDEX FUT	95.3	59.7	35.5
STOCK FUT	192.1	161.1	31.0

- **Patel Engineering:** The company's subsidiary Patel Energy Resources has sold its entire stake in Naulo Nepal Hydroelectric for Rs 11.53 crore.
- **Clariant Chemicals:** Ashish Agarwal, interim chief financial officer of the company, tendered his resignation effective from April 20.
- **Sun TV:** To consider declaration of interim dividend on March 7.
- **Duocon:** The company has increased authorised share capital from Rs 25 crore to Rs 30 crore and recommended a bonus issue in proportion of 1:10. It also received fine notice from stock exchanges Rs 3 lakh for regulatory violation. The company has filed a waiver application in the case.

Indian Macro

- Petrol and diesel prices remained unchanged on February 27 for 115 days now, a notification issued by state-owned fuel retailers showed. Prices have been frozen in the past but the current pause is the longest since daily fuel price revision was adopted in June 2017. Domestically, the last rate cut was by Delhi when it reduced the local sales tax, or the value-added tax (VAT), on petrol from 30 to 19.4 percent from December 1 midnight, bringing down the price by around Rs 8 to Rs 95.41 a litre. Diesel price remains unchanged in the national capital at Rs 86.67 a litre. On November 3, the Centre had gone for the deepest excise duty cut ever to cool retail prices from record highs, reducing the duty on petrol by Rs 5 and on diesel by Rs 10. Many states and Union Territories followed the Centre's lead to give further relief to consumers.
- India's economy is growing slower than previously forecast after the latest wave of coronavirus cases earlier this year hampered activity and as risks mount from higher prices of commodities amid Russia's invasion of Ukraine. Gross domestic product probably expanded 9.1% in the year to March 31, the quickest pace among major economies, according to the median estimate in a Bloomberg survey ahead of official data to be published Monday. That's slower than the 9.2% expansion seen in both the previous survey and official statistics ministry estimates last month. The loss of momentum comes amid disruptions from waves of virus outbreaks and lingering external risks, most notably from high commodity prices that are being exacerbated by the Russia-Ukraine crisis. A slower pace of expansion could hurt investment and job creation, testing fiscal and monetary policies that have remained loose despite rising inflation pressures.

Global Macro

- The Federal Open Market Committee expects it will soon be appropriate to raise the target range for the federal funds rate as inflation is well above the FOMC's 2 percent longer-run objective and a strong labor market, according to the Fed's latest monetary policy report to Congress. Upward pressure on inflation from prices of goods experiencing both supply chain bottlenecks and strong demand, such as motor vehicles and furniture, has persisted, and elevated inflation has broadened out to a wider range of items. The Committee began phasing out net asset purchases in November and accelerated the pace of the phaseout in December; net asset purchases will end in early March.
- The 10-year US treasury yield dropped as much as 8 basis points to below 1.9% in early Asian trading hours as demand for safe-haven assets surged after the invasion of Ukraine by Russian forces continued and Western nations ramped up new sanctions on Russia in response. Meanwhile, 2-year yields fell eight basis points to 1.48%, while 30-year yields slipped six basis points to 2.21%.

	S1	S2	PIVOT	R1	R2
ADANIPTS	681	659	692	714	725
ASIANPAINT	3093	3059	3117	3151	3176
AXISBANK	746	728	756	774	783
BAJAJ-AUTO	3477	3449	3519	3547	3588
BAJAJFINSV	15513	15294	15789	16008	16284
BAJFINANCE	6853	6691	6922	7084	7153
BHARTIARTL	680	670	688	698	705
BPCL	332	327	337	341	346
BRITANNIA	3380	3319	3412	3474	3506
CIPLA	908	882	917	944	953
COALINDIA	157	148	161	170	174
DIVISLAB	4042	3924	4100	4218	4276
DRREDDY	4131	4067	4166	4229	4265
EICHERMOT	2593	2571	2634	2655	2696
GRASIM	1557	1539	1578	1596	1617
HCLTECH	1118	1104	1130	1144	1156
HDFC	2376	2350	2397	2424	2444
HDFCBANK	1440	1420	1453	1473	1486
HDFCLIFE	533	528	539	545	551
HEROMOTOCO	2521	2469	2557	2608	2644
HINDALCO	522	511	535	546	558
HINDUNILVR	2154	2141	2175	2188	2209
ICICIBANK	722	712	731	741	750
INDUSINDBK	910	885	920	944	955
INFY	1670	1648	1699	1722	1750
IOC	109	106	114	116	121
ITC	211	208	214	217	220
JSWSTEEL	584	565	595	613	625
KOTAKBANK	1829	1783	1848	1895	1913
LT	1763	1747	1781	1797	1815
M&M	797	788	811	820	834
MARUTI	8227	8090	8347	8484	8603
NESTLEIND	17563	17434	17729	17857	18024
NTPC	127	123	129	133	135
ONGC	158	156	159	161	163
POWERGRID	195	191	196	201	202
RELIANCE	2267	2256	2288	2299	2319
SBILIFE	1040	1030	1059	1069	1088
SBIN	477	472	485	490	497
SHREECEM	23695	23303	23893	24285	24483
SUNPHARMA	821	810	828	839	846
TATACONSUM	695	676	704	723	732
TATAMOTORS	449	433	457	473	481
TATASTEEL	1117	1079	1134	1173	1189
TCS	3491	3443	3511	3559	3579
TECHM	1367	1334	1384	1417	1433
TITAN	2441	2407	2457	2491	2508
ULTRACEMCO	6492	6438	6574	6628	6711
UPL	644	635	654	664	673
WIPRO	550	543	555	562	566

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
ANDHRA PETROCHEMICALS LTD.	25/02/22	Interim Dividend - Rs. - 1.5000	28/02/22	-	-	21/02/22	25/02/22
ASHUTOSH PAPER MILLS LTD.	25/02/22	E.G.M.	-	01/03/22	07/03/22	22/02/22	25/02/22
GORANI INDUSTRIES LTD.	25/02/22	E.G.M.	-	01/03/22	07/03/22	22/02/22	25/02/22
INDO ASIAN FINANCE LTD.	25/02/22	E.G.M.	-	01/03/22	08/03/22	22/02/22	25/02/22
JOLLY PLASTIC INDUSTRIES LTD.	25/02/22	E.G.M.	-	01/03/22	07/03/22	22/02/22	25/02/22
Meera Industries Ltd	25/02/22	Interim Dividend - Rs. - 0.5000	28/02/22	-	-	21/02/22	25/02/22
POWER FINANCE CORPORATION LTD.	25/02/22	Interim Dividend - Rs. - 6.0000	28/02/22	-	-	21/02/22	25/02/22
SVAM SOFTWARE LTD.	25/02/22	E.G.M.	-	01/03/22	07/03/22	22/02/22	25/02/22
Easy Trip Planners Ltd	28/02/22	Bonus issue 1:1	02/03/22	-	-	22/02/22	28/02/22
GLITTEK GRANITES LTD.	28/02/22	E.G.M.	-	03/03/22	10/03/22	23/02/22	02/03/22
Data Infrastructure Trust	02/03/22	Income Distribution (InvIT)	03/03/22	-	-	23/02/22	02/03/22
FACOR ALLOYS LTD.	02/03/22	E.G.M.	-	04/03/22	10/03/22	24/02/22	03/03/22
Prismx Global Ventures Ltd	02/03/22	Right Issue of Equity Shares	03/03/22	-	-	23/02/22	02/03/22
TANEJA AEROSPACE & AVIATION LTD.-\$	02/03/22	Interim Dividend - Rs. - 0.5000	03/03/22	-	-	23/02/22	02/03/22
Containerway International Ltd	03/03/22	Stock Split From Rs.10/- to Rs.5/-	05/03/22	-	-	25/02/22	03/03/22
PG FOILS LTD.	03/03/22	E.G.M.	-	05/03/22	11/03/22	25/02/22	03/03/22
JAY SHREE TEA & INDUSTRIES LTD.	07/03/22	E.G.M.	08/03/22	-	-	-	-
NOUVEAU GLOBAL VENTURES LTD.	07/03/22	Stock Split From Rs.10/- to Rs.1/-	08/03/22	-	-	-	-
Deep Polymers Ltd	08/03/22	Bonus issue 3:4	09/03/22	-	-	-	-
V.I.P.INDUSTRIES LTD.-\$	08/03/22	Interim Dividend	09/03/22	-	-	-	-
Vedanta Limited	09/03/22	Interim Dividend	10/03/22	-	-	-	-
Vishal Fabrics Ltd	10/03/22	Bonus issue 2:1	11/03/22	-	-	-	-
DIC INDIA LTD.	14/03/22	Final Dividend - Rs. - 3.0000	15/03/22	-	-	-	-
DIC INDIA LTD.	14/03/22	Special Dividend - Rs. - 2.0000	15/03/22	-	-	-	-
Brightcom Group Ltd	15/03/22	Bonus issue 2:3	16/03/22	-	-	-	-
K.M.SUGAR MILLS LTD.	16/03/22	E.G.M.	-	18/03/22	24/03/22	-	-
Ravindra Energy Ltd	16/03/22	E.G.M.	-	21/03/22	23/03/22	-	-
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	-	-
ADVIK LABORATORIES LTD.	21/03/22	E.G.M.	-	23/03/22	29/03/22	-	-
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	-	-	-	-

NESTLE INDIA LTD.	07/04/22	Final Dividend - Rs. - 65.0000	08/04/22	-	-	-	-
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	-	-
Sandhar Technologies Ltd	20/04/22	E.G.M.	-	22/04/22	28/04/22	-	-
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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