

Morning Call

14 March 2022

Markets Extend Gains For Fourth Day

- Indian shares rose for the fourth straight session on Friday, though the upside remained capped by Ukraine and inflation concerns.

Global & Asian market overview

- **European stocks** closed higher amid hopes of some positive outcome from the talks between Russia and Ukraine, and data showing stronger than expected UK GDP growth.
- **US stocks** stocks pared gains and slipped deeper into the red to eventually close on a very weak note with technology stocks suffering sharp losses.
- **Asian stocks** tumbled, as surging U.S. inflation drove bond yields higher and raised expectations that interest rate hikes will be steeper. Chinese and Hong Kong markets were in focus after Chinese stocks in the U.S. plummeted to around 14-year lows amid renewed regulatory concerns.

Industry Buzz

- **Sobha:** Vice Chairman and Managing Director Jagdish Chandra Sharma has tendered his resignation with effect from April 1, 2022.
- **Jubilant FoodWorks:** Chief Executive Officer Pratik Rashmikant Pota resigned from the role and will continue till June 15, 2022.
- **GAIL India :** The company approved second interim dividend of Rs 5 per equity share, 50% of the paid up share capital.
- **Lupin:** The company received U.S. FDA approval for its Abbreviated New Drug Application (ANDA), Vigabatrin for Oral Solution USP, 500 mg to market a generic equivalent of Sabril for Oral Solution, 500 mg of Lundbeck Pharmaceuticals.
- **HDFC Bank:** The Reserve Bank of India has allowed HDFC Bank to resume new digital initiatives, removing all previous curbs.
- **One 97 Communications:** The Reserve Bank of India has barred Paytm Payments Bank from adding new customers.
- **Tech Mahindra:** Acquires Thirdware Solutions for \$42 million.
- **IDBI Bank:** The lender has executed an investment agreement in National Asset Reconstruction Company for 5% stake.

Indices	Close	Previous	Chg.%
Sensex Index	54,647	53,424	2.29%
Nifty Index	16,345	16,013	2.07%
NSEBANK INDEX	33,815	33,158	1.98%
NSEAUTO INDEX	9,832	9,560	2.85%
NSEIT INDEX	35,441	35,056	1.10%

Market depth	Advance	Decline	T/O(bn)
NSE	1,760	383	692
BSE	2,625	722	48

Indices	Close	Previous	Chg.%
DJIA	32,944	33,174	-0.69%
NASDAQ	12,844	13,130	-2.18%
S&P 500	4,204	4,260	-1.30%
DAX	13,628	13,442	1.38%
CAC 40	6,260	6,207	0.85%
FTSE 100	7,156	7,099	0.80%
HANG SENG	20,554	20,890	-1.61%
SSE INDEX	3,310	3,296	0.41%
NIKKIE 225	25,163	25,690	-2.05%

Nifty Gainers	Chg.%	Nifty Losers	Chg.%
ASIANPAINT	6.1	SHREECEM	-2.6
RELIANCE	5.5	ONGC	-2.5
BAJFINANCE	5.2	POWERGRID	-2.1
INDUSINDBK	4.6	NTPC	-1.4
M&M	4.3	COALINDIA	-1.2

FII Derivatives	Buy (bn)	Sell (bn)	Net (bn)
INDEX FUT	40.1	35.9	4.3
STOCK FUT	120.3	111.8	8.5

- **Punjab & Sind Bank:** The bank executed an investment agreement in National Asset Reconstruction Company for 2% stake for Rs 55 crore.
- **Torrent Power:** The company has completed acquisition of Surya Vidyut that operates 156 MW Wind power plants spread across the states of Gujarat, Rajasthan, and Madhya Pradesh.
- **Prime Focus:** Received NCLT approval for scheme of amalgamation of PF Digital Media Services with Prime Focus.
- **Dhanvarsha Finvest:** The company will raise funds amounting to Rs 886,571,400 through issue of 2,301,641 equity shares at an issue price of Rs 132 per share (inclusive of premium of Rs 130 per share) and 4,414,809 convertible warrants at Rs 132 per warrant.

Indian Macro

- The Employees' Provident Fund Organisation (EPFO) on Saturday decided to pay 8.1 percent rate of interest on provident fund deposits for the current financial year, down from 8.5 percent in Fy21. This was the lowest rate in 43 years, and would disappoint over 60 million of its salaried-class subscribers. The last time EPFO paid lower than this rate was in 1977-78 when the interest rate was 8%. The last time when the EPF rate was closer to the Fy22 rate was in 2011-12 when the retirement fund body paid 8.25 percent rate to its subscribers. The EPFO has liquidated Rs 12,785 crore worth equity investments in exchange-traded funds (ETFs) and will use capital gains of around 5,529 crore from it for FY22 EPF interest payout. "The interest rate was fixed based on the earnings. It's a difficult year. Other than earnings from debt, we managed to get some corpus from ETF sale before the Ukraine war, which gave us some cushion. The corpus has gone up 13 percent but the interest income is up only 8 percent," said KE Raghunathan, a CBT member.
- India and Sri Lanka have signed an agreement for developing a 100 megawatt solar power plant in the island nation's eastern port district of Trincomalee, as part of the efforts to strengthen bilateral economic partnership, including through cooperation in the renewable energy sector. The signing ceremony took place on Friday at the Ministry of Finance of Sri Lanka for the plant in the country's Eastern province. The Joint Venture and Shareholders' Agreement (JVSHA) for the Trincomalee Power Company Limited (TPCL) — a joint venture between National Thermal Power Corporation (NTPC) Limited from India and the Ceylon Electricity Board (CEB) for developing the 100 megawatt solar power plant at Sampur — has been signed, the Indian mission said in a statement. Signing of this JVSHA demonstrates yet again India's ability to respond to Sri Lanka's priorities in a comprehensive and mutually beneficial manner, it said. Our cooperation with Sri Lanka in this domain will only become stronger with the implementation of the USD 100 million Line of Credit offered by India to Sri Lanka for development of solar power projects. Similarly, there is significant interest among the private sector on both sides for cooperation in renewable energy which is likely to increase in the coming years, the statement added.

Global Macro

- U.S. consumer sentiment tumbled in early March to the lowest since 2011 and year-ahead inflation expectations rose to a four-decade high in the aftermath of Russia's invasion of Ukraine. The University of Michigan's sentiment index dropped to 59.7, from 62.8 in February. The median estimate of economists in a Bloomberg survey called for a reading of 61. Consumers expect prices to rise 5.4% over the next year, the highest reading since 1981, according to the data. A gauge of current conditions decreased to 67.8 in early March, the lowest since 2009. The survey's measure of future expectations declined to 54.4, the weakest since 2011. Inflation expectations over the next five to 10 years held at 3%.
- Annual inflation rate in the US accelerated to 7.9% in February of 2022, the highest since January of 1982, matching market expectations. Energy remained the biggest contributor (25.6% vs 27% in January), with gasoline prices surging 38% (40% in January). Inflation accelerated for shelter (4.7% vs 4.4%); food (7.9% vs 7%, the largest since July of 1981), namely food at home (8.6% vs 7.4%); new vehicles (12.4% vs 12.2%); and used cars and trucks (41.2% vs 40.5%). Excluding volatile energy and food categories, the CPI rose 6.4%, the most in 40 years. Still, the biggest effects of the war in Ukraine and the consequent surge in energy costs are still to come and will worsen with the US ban on oil imports from Russia. The inflation was seen peaking in March but the recent developments in Europe coupled with the ongoing supply constraints, strong demand and labour shortages will likely maintain inflation elevated for longer.

	S1	S2	PIVOT	R1	R2
ADANIPTS	721	717	727	731	736
ASIANPAINT	2906	2865	2923	2964	2981
AXISBANK	682	675	694	701	713
BAJAJ-AUTO	3395	3361	3420	3455	3480
BAJAJFINSV	15315	15063	15533	15785	16003
BAJFINANCE	6518	6406	6601	6712	6796
BHARTIARTL	689	685	696	700	707
BPCL	356	347	360	370	374
BRITANNIA	3168	3149	3212	3232	3276
CIPLA	1009	959	1031	1081	1104
COALINDIA	180	178	181	184	185
DIVISLAB	4293	4220	4323	4396	4426
DRREDDY	3913	3832	3955	4036	4078
EICHERMOT	2265	2230	2290	2325	2350
GRASIM	1550	1528	1563	1585	1598
HCLTECH	1179	1162	1193	1209	1224
HDFC	2197	2158	2228	2267	2298
HDFCBANK	1378	1357	1393	1414	1430
HDFCLIFE	514	510	519	523	528
HEROMOTOCO	2301	2265	2323	2359	2381
HINDALCO	580	574	591	597	609
HINDUNILVR	2076	2053	2093	2116	2133
ICICIBANK	671	664	678	685	692
INDUSINDBK	889	880	902	911	925
INFY	1813	1802	1822	1834	1843
IOC	122	119	123	126	127
ITC	231	227	234	238	241
JSWSTEEL	655	638	664	681	690
KOTAKBANK	1739	1716	1760	1783	1803
LT	1712	1694	1724	1742	1753
M&M	728	722	735	741	748
MARUTI	7039	7000	7120	7159	7240
NESTLEIND	17151	16996	17385	17539	17773
NTPC	131	130	132	133	134
ONGC	173	170	175	178	179
POWERGRID	210	206	211	215	217
RELIANCE	2376	2358	2393	2411	2428
SBILIFE	1042	1030	1054	1066	1078
SBIN	464	457	470	477	482
SHREECEM	22142	21773	22288	22658	22804
SUNPHARMA	882	857	895	920	933
TATACONSUM	707	698	716	725	735
TATAMOTORS	411	402	416	425	430
TATASTEEL	1277	1265	1308	1320	1352
TCS	3580	3563	3610	3627	3657
TECHM	1478	1466	1485	1498	1504
TITAN	2468	2434	2483	2518	2533
ULTRACEMCO	5950	5895	6035	6090	6175
UPL	718	711	724	731	736
WIPRO	582	579	586	590	594

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
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	-	-	09/03/22	15/03/22
Brightcom Group Ltd	15/03/22	Bonus issue 2:3	16/03/22	-	-	09/03/22	15/03/22
RAJRATAN GLOBAL WIRE LTD.	15/03/22	Stock Split From Rs.10/- to Rs.2/-	16/03/22	-	-	09/03/22	15/03/22
TVS ELECTRONICS LTD.	15/03/22	Interim Dividend - Rs. - 2.0000	16/03/22	-	-	09/03/22	15/03/22
DRC Systems India Ltd	16/03/22	Stock Split From Rs.10/- to Rs.1/-	17/03/22	-	-	10/03/22	16/03/22
JINDAL STEEL & POWER LTD.	16/03/22	Interim Dividend - Rs. - 1.0000	19/03/22	-	-	11/03/22	16/03/22
K.M.SUGAR MILLS LTD.	16/03/22	E.G.M.	-	18/03/22	24/03/22	11/03/22	16/03/22
Metro Brands Ltd	16/03/22	Interim Dividend - Rs. - 1.5000	19/03/22	-	-	11/03/22	16/03/22
Ravindra Energy Ltd	16/03/22	E.G.M.	-	21/03/22	23/03/22	11/03/22	17/03/22
SHIVA MEDICARE LTD.	16/03/22	Resolution Plan -Suspension	18/03/22	-	-	11/03/22	16/03/22
SHRIRAM CITY UNION FINANCE LTD.	16/03/22	Interim Dividend - Rs. - 27.0000	17/03/22	-	-	10/03/22	16/03/22
ASM TECHNOLOGIES LTD.	17/03/22	Right Issue of Equity Shares	21/03/22	-	-	11/03/22	17/03/22
AYOKI MERCANTILE LTD.	17/03/22	E.G.M.	-	22/03/22	28/03/22	14/03/22	21/03/22
Innovative Ideals and Services (India) Ltd	17/03/22	E.G.M.	-	22/03/22	28/03/22	14/03/22	21/03/22
SUN TV NETWORK LTD.	17/03/22	Interim Dividend - Rs. - 5.0000	21/03/22	-	-	11/03/22	17/03/22
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	-	-	14/03/22	21/03/22
GAIL (INDIA) LTD.	21/03/22	Interim Dividend - Rs. - 5.0000	22/03/22	-	-	14/03/22	21/03/22
Virinchi Ltd	21/03/22	Bonus issue 1:1	22/03/22	-	-	14/03/22	21/03/22
AGI Infra Ltd	22/03/22	Interim Dividend	23/03/22	-	-	-	-
BCL Industries Ltd-\$	22/03/22	Interim Dividend - Rs. - 2.0000	23/03/22	-	-	-	-
DCW LTD.	22/03/22	E.G.M.	-	24/03/22	30/03/22	-	-
Mishra Dhatu Nigam Ltd	22/03/22	Interim Dividend	23/03/22	-	-	-	-
Veeram Securities Ltd	22/03/22	E.G.M.	-	24/03/22	01/04/22	-	-
MOLD-TEK TECHNOLOGIES LTD.	23/03/22	Interim Dividend	24/03/22	-	-	-	-
ALLCARGO LOGISTICS LTD.	24/03/22	Interim Dividend	25/03/22	-	-	-	-
BHARAT ELECTRONICS LTD.	24/03/22	Interim Dividend	26/03/22	-	-	-	-
DJ Mediaprint & Logistics Ltd	24/03/22	Bonus issue 1:1	25/03/22	-	-	-	-

Nandan Denim Limited	24/03/22	Bonus issue 2:1	25/03/22	-	-	-	-
Rail Vikas Nigam Ltd	24/03/22	Interim Dividend	25/03/22	-	-	-	-
Yash Chemex Ltd	24/03/22	Interim Dividend	25/03/22	-	-	-	-
CENTURY EXTRUSIONS LTD.	25/03/22	E.G.M.	-	29/03/22	04/04/22	-	-
DILIGENT INDUSTRIES LTD.	25/03/22	E.G.M.	-	29/03/22	04/04/22	-	-
TIJARIA POLYPIPES LTD.	25/03/22	E.G.M.	-	29/03/22	04/04/22	-	-
TVS MOTOR COMPANY LTD.	25/03/22	Interim Dividend	28/03/22	-	-	-	-
SUNDARAM-CLAYTON LTD.	29/03/22	Interim Dividend	30/03/22	-	-	-	-
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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