

Morning Call

2 May 2022

Indices	Close	Previous	Chg. %
Sensex Index	57,061	57,521	-0.80%
Nifty Index	17,103	17,245	-0.83%
NSEBANK INDEX	36,088	36,422	-0.92%
NSEAUTO INDEX	11,078	11,192	-1.02%
NSEIT INDEX	31,622	31,914	-0.91%

Market depth	Advance	Decline	T/O(bn)
NSE	705	1,423	693
BSE	1,185	2,195	45

Indices	Close	Previous	Chg. %
DJIA	32,977	33,916	-2.77%
NASDAQ	12,335	12,872	-4.17%
S&P 500	4,132	4,288	-3.63%
DAX	14,098	13,980	0.84%
CAC 40	6,534	6,508	0.39%
FTSE 100	7,545	7,509	0.47%
HANG SENG	21,089	20,276	4.01%
SSE INDEX	3,047	2,975	2.41%
NIKKIE 225	26,848	26,387	1.75%

Nifty Gainers	Chg. %	Nifty Losers	Chg. %
HDFCLIFE	1.8	AXISBANK	-6.4
TATACONSUM	1.6	COALINDIA	-3.9
KOTAKBANK	1.4	ADANI PORTS	-3.4
SUNPHARMA	1.0	WIPRO	-2.8
HDFCBANK	0.8	ONGC	-2.7

FII Derivatives	Buy (bn)	Sell (bn)	Net (bn)
INDEX FUT	56.2	51.7	4.4
STOCK FUT	143.0	146.6	-3.6

Markets Slide Down, Wiping Gains in the Final Hour

- Despite some upbeat earnings updates, and positive lead from Asian and European markets, key Indian stock indices ended on a weak note on Friday as a sell-off in the final hour wiped off their gains and pushed the market down into the red.
- Selling was so broadbased that all the sectoral indices dropped into negative territory towards close.

Global & Asian market overview

- **European stocks** closed higher, extending gains to yet another session with investors continuing to react positively to quarterly earnings announcements, and shrugging off concerns about soaring inflation, slowing growth and geopolitical tensions.
- **US stocks** The major averages more than offset yesterday's gains, with the Nasdaq plunging to its lowest closing level since late November 2020. The sell-off on Wall Street may also have reflected traders moving money out of stocks ahead next week's Federal Reserve meeting, with the central bank widely expected to raise interest rates by 50 basis points.
- **Asian stocks** saw further upside, tracking Wall Street's tech-led gains that came as traders shrugged off the surprise contraction in the U.S. economy in the first quarter of 2022. The good showing was also attributed to optimism over likely policy support from Beijing amidst the severe Covid curbs.

Industry Buzz

- **GE Power:** The company has been awarded a contract worth Rs 863.4 crore (\$113 Million) by GREENKO to Design, Engineering, Model Testing, Manufacture, Shop Testing, Packing, Supply, Insurance, Transportation and Deliver at project site of complete electro-mechanical package from Main Inlet Valve to LV Terminal connection of Generator Transformer including critical and mandatory Spares" for 3 x 320 MW + 2 x 160 MW Vertical Francis Pump Turbine Fixed Speed Machines at Saundatti, Belagavi, Karnataka.

- **Suzlon Energy:** The company has signed a Rupee Term loan agreement for availing financial assistance for refinancing the existing debt facilities with the consortium of lenders led by the REC.
- **Eicher Motors:** April vehicle sales rise 158% YoY to 5,525 units.
- **HDFC:** Raised retail prime lending rate on housing loans by 5bps, from May 1.
- **Maruti Suzuki:** April Total sales down 6 % YoY to 1,50,661 units.
- **NTPC:** Invited EoI to produce torrefied biomass pellets from Indian startups.
- **Sun Pharmaceutical:** Firm's \$485 million antitrust deal gets court nod.
- **Tata Motors:** April vehicle sales up 74% YoY to 72,468 units.

Earnings Update

- **Wipro Q4 FY22 (Consolidated, QoQ):** Revenue up 2.69% at Rs 20,860 crore Vs Rs 20,313.6 crore. EBIT fell 4.82% at Rs 3,402.9 crore Vs Rs 3,575.2 crore. EBIT margin 16.3% Vs 17.6%. Net profit up 3.03% at Rs 3,087.3 crore Vs Rs 2,969 crore. Attrition rose to 23.8% on trailing 12 month basis.
- **IndusInd Bank Q4 FY22:** Net Interest Income Rs 3,985 crore vs Rs 3535 crore (YoY). Net Profit Rs 1400.6 crore vs Rs 926 crore (YoY). GNPA 2.27% vs 2.48% (QoQ). NNPA 0.64% vs 0.71% (QoQ).
- **SBI Cards and Payment Services Q4 FY22 (Consolidated, QoQ):** Revenue fell 1.3% at Rs 2,850.31 crore Vs Rs 2,889.46 crore. EBIT up 61.57% at Rs 880.74 crore Vs Rs 545.13 crore. EBIT margin 30.9% Vs 18.87%. Net profit up 50.57% at Rs.580.86 crore vs Rs. 385.78 crore.
- **Tata Chemicals Q4 FY22 (Consolidated, YoY):** Revenue up 32% at Rs 3,480.67 crore Vs Rs 2,636.21 crore. EBITDA up 132.5% at Rs 657.37 crore Vs Rs 282.72 crore. EBITDA margin 18.89% Vs 10.72%. Net profit up 3,833.56% at Rs 462.98 crore Vs Rs 11.77 crore.
- **L&T Finance Holdings:** Revenue fell 0.8% at Rs 2946.78 crore Vs Rs 2970.75 crore. EBIT up 2.65% at Rs 1,691 crore Vs Rs 1647.32 crore. EBIT margin 57.38% Vs 55.45%. Net profit up 5% at Rs 342.24 crore Vs Rs 326 crore. Recommended a dividend of Rs 0.5 per share. Approved raising funds by issuance of non-convertible securities upto Rs. 2,000 crore.
- **Star Health and Allied Insurance Q4 FY22 (Consolidated):** Net premium earned up 295% at Rs 2621.17 crore. Net loss shrank to Rs 82.04 crore Vs Rs 956.92 crore.
- **Tanla Platforms Q4 FY22 (Consolidated, QoQ):** Revenue fell 3.6% at Rs 853.05 crore Vs Rs 884.92 crore. EBIT fell 9.29% at Rs 173.92 crore Vs Rs 191.74 crore. EBIT margin 20.39% Vs 21.67%. Net profit fell 11% at Rs 140.62 crore Vs Rs 158 crore. Recommended a final dividend of Rs. 2 per share.
- **HFCL Q4 FY22 (Consolidated, QoQ):** Revenue fell 2.6% at Rs 1182.98 crore Vs Rs 1215.21 crore. EBIT fell 32.76% at Rs 101.42 crore Vs Rs 150.83 crore. EBIT margin 8.57% Vs 12.41%. Net profit fell 16.67% at Rs 65.32 crore Vs Rs 78.38 crore. Recommended dividend of Rs 0.18 per share of face value of Rs 1 each.

Results Today

- HDFC, Britannia Industries, Alembic Pharmaceuticals, Astec Lifesciences, Adani Wilmar, Castrol India, CG Power and Industrial Solutions, Devyani International, Dwarikesh Sugar Industries, EIH Associated Hotels, IDBI Bank, Inox Leisure, JBM Auto, Jindal Stainless, Mahindra & Mahindra Financial Services, Mahindra Holidays & Resorts India, Meghmani Organics, NGL Fine-Chem, Olectra Greentech, Saregama India, Shakti Pumps (India), and Surana Solar

Indian Macro

- India's eight core sectors grew by 4.3 percent in March, down from 6 percent in February, the commerce ministry said on April 29. As per the latest data, only three of the eight core sectors exhibited faster rates of output growth in March as opposed to six in February. These three sectors were fertiliser, cement, and electricity. While fertiliser output jumped by a huge 15.3 percent on a year-on-year basis in March, that of cement and electricity rose 8.8 percent and 4.9 percent, respectively. In February, fertiliser output had contracted by 1.4 percent. Production of cement and electricity was up 5 percent and 4.5 percent, respectively. Among the laggards were coal and crude oil. Production of coal in March was down a marginal 0.1 percent compared to the corresponding period last year. However, crude oil output fell by a larger 3.4 percent on a year-on-year basis.
- The monthly collection under the Goods and Services Tax (GST) has peaked to an all-time high of Rs 1.68 lakh crore in April 2022, according to a statement by the Finance Ministry on May 1. The gross GST collection has crossed the Rs 1.5 lakh crore-mark for the first time in April 2022 and Rs 1 lakh crore-mark for the tenth month in a row. The gross GST revenue collected April 2022 is Rs 1,67,540 crore, out of which CGST is Rs 33,159 crore, SGST is Rs 41,793 crore, IGST is

Rs 81,939 crore (including Rs 36,705 crore collected on import of goods), and cess is Rs 10,649 crore (including Rs 857 crore collected on import of goods).

Global Macro

- The NBS Composite PMI Output Index in China dropped to 42.7 in April of 2022 from 48.8 in the previous month. The latest figure was the lowest since February 2020, with activity in both manufacturing and services contracted for the second month in a row while falling at the steepest pace in over two years, respectively. However, China's National Bureau of Statistics said in a statement that the country's fundamental long-term growth have not changed, adding that the government has stepped up various policies to support the economy and stabilize market confidence.
- S&P Global Ratings has upgraded on April 29th Taiwan's sovereign credit rating to 'AA+' from 'AA' and changed its outlook to 'stable' from 'positive', citing its strong external position and robust economic support. The agency noted that the COVID-19 pandemic has accelerated digitization globally and increased demand for Taiwan's semiconductor exports. While rising geopolitical tensions pose headwinds to Taiwan's export-reliant economy, this is unlikely to derail growth in its competitive manufacturing sector. It was Taiwan's second S&P upgrade in a year and the first time since 2001 that it was given an AA+ rating, according to a statement issued by the agency. Moody's credit rating for Taiwan was last set at Aa3 with positive outlook. Fitch's credit rating for Taiwan was last reported at AA with stable outlook.

	S1	S2	PIVOT	R1	R2
ADANIAPORTS	833	819	866	880	913
APOLLOHOSP	4358	4312	4477	4523	4642
ASIANPAINT	3211	3188	3244	3268	3301
AXISBANK	709	696	738	751	780
BAJAJ-AUTO	3671	3627	3755	3799	3884
BAJAJFINSV	14685	14553	14983	15115	15413
BAJFINANCE	6579	6529	6701	6751	6874
BHARTIARTL	727	718	744	752	769
BPCL	357	353	365	369	376
BRITANNIA	3236	3199	3303	3340	3408
CIPLA	971	964	983	989	1001
COALINDIA	177	174	185	188	196
DIVISLAB	4422	4389	4521	4554	4653
DRREDDY	4063	4013	4164	4214	4315
EICHERMOT	2588	2560	2648	2676	2736
GRASIM	1659	1645	1699	1712	1752
HCLTECH	1073	1060	1087	1099	1113
HDFC	2193	2170	2238	2261	2307
HDFCBANK	1365	1352	1385	1399	1418
HDFCLIFE	571	562	583	592	603
HEROMOTOCO	2469	2450	2510	2529	2571
HINDALCO	474	467	486	493	505
HINDUNILVR	2211	2183	2251	2279	2318
ICICIBANK	733	727	747	753	766
INDUSINDBK	960	951	985	995	1019
INFY	1550	1537	1574	1586	1610
ITC	257	256	260	262	265
JSWSTEEL	718	712	729	735	746
KOTAKBANK	1768	1746	1789	1811	1833
LT	1673	1654	1706	1725	1758
M&M	913	905	926	935	948
MARUTI	7521	7413	7734	7841	8054
NESTLEIND	18101	17984	18383	18501	18783
NTPC	154	152	157	159	163
ONGC	156	154	162	164	170
POWERGRID	225	221	231	234	240
RELIANCE	2760	2729	2808	2839	2887
SBILIFE	1071	1036	1102	1138	1168
SBIN	487	481	500	505	518
SHREECEM	25549	25382	25945	26112	26507
SUNPHARMA	906	889	937	954	984
TATACONSUM	813	802	824	835	846
TATAMOTORS	431	428	439	443	451
TATASTEEL	1257	1248	1274	1283	1300
TCS	3505	3478	3564	3591	3650
TECHM	1236	1224	1261	1273	1297
TITAN	2425	2397	2479	2507	2561
ULTRACEMCO	6477	6360	6637	6753	6914
UPL	819	809	827	837	844
WIPRO	497	491	513	519	534

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
FOSECO INDIA LTD.	02-May-22	Final Dividend - Rs. - 25.0000	-	05-May-22	11-May-22	27-Apr-22	04-May-22
Sri Havisha Hospitality And Infrastructure Ltd	02-May-22	E.G.M.	-	05-May-22	11-May-22	27-Apr-22	04-May-22
Gateway Distriparks Ltd	04-May-22	Interim Dividend - Rs. - 1.2500	05-May-22	-	-	27-Apr-22	04-May-22
Sindhu Trade Links Limited	04-May-22	E.G.M.	-	06-May-22	11-May-22	28-Apr-22	05-May-22
COLGATE-PALMOLIVE (INDIA) LTD.	05-May-22	Interim Dividend - Rs. - 21.0000	07-May-22	-	-	29-Apr-22	05-May-22
SARDA ENERGY & MINERALS LTD.-\$	05-May-22	Interim Dividend - Rs. - 7.5000	06-May-22	-	-	28-Apr-22	05-May-22
SARDA ENERGY & MINERALS LTD.-\$	05-May-22	Buy Back of Shares	06-May-22	-	-	28-Apr-22	05-May-22
CRISIL LTD.	06-May-22	Interim Dividend - Rs. - 7.0000	09-May-22	-	-	29-Apr-22	06-May-22
Embassy Office Parks REIT	06-May-22	Income Distribution RITES	09-May-22	-	-	29-Apr-22	06-May-22
MAHASHREE TRADING LTD.	06-May-22	E.G.M.	-	09-May-22	14-May-22	02-May-22	09-May-22
TREE HOUSE EDUCATION & ACCESSORIES LTD.	06-May-22	E.G.M.	-	10-May-22	10-May-22	02-May-22	09-May-22
Vedanta Limited	06-May-22	Interim Dividend - Rs. - 31.5000	09-May-22	-	-	29-Apr-22	06-May-22
IndiaMART InterMESH Ltd	10-May-22	Buy Back of Shares	11-May-22	-	-	-	-
Laurus Labs Ltd	10-May-22	Interim Dividend - Rs. - 1.2000	11-May-22	-	-	-	-
APTECH LTD.	11-May-22	Dividend	12-May-22	-	-	-	-
HDFC Bank Ltd	12-May-22	Final Dividend - Rs. - 15.5000	13-May-22	-	-	-	-
Procter & Gamble Health Ltd	12-May-22	Interim Dividend	13-May-22	-	-	-	-
SINCLAIRS HOTELS LTD.-\$	12-May-22	Buy Back of Shares	13-May-22	-	-	-	-
VIKRAM THERMO (INDIA) LTD.	12-May-22	Bonus issue 4:1	13-May-22	-	-	-	-
VISAGAR FINANCIAL SERVICES LTD.	12-May-22	E.G.M.	-	16-May-22	22-May-22	-	-
Black Box Ltd	13-May-22	Stock Split From Rs.10/- to Rs.2/-	17-May-22	-	-	-	-
BLS International Services Ltd	13-May-22	Bonus issue 1:1	17-May-22	-	-	-	-
G.M.BREWERIES LTD.	13-May-22	Final Dividend - Rs. - 5.0000	-	18-May-22	24-May-22	-	-
Mindspace Business Parks REIT	17-May-22	Income Distribution RITES	18-May-22	-	-	-	-
TRENT LTD.	20-May-22	Final Dividend - Rs. - 1.1000	23-May-22	-	-	-	-
INFOSYS LTD.	31-May-22	Final Dividend - Rs. - 16.0000	01-Jun-22	-	-	-	-
Linde India Limited	01-Jun-22	Final Dividend - Rs. - 3.5000	-	03-Jun-22	23-Jun-22	-	-
Linde India Limited	01-Jun-22	Special Dividend - Rs. - 10.0000	-	03-Jun-22	23-Jun-22	-	-
CASTROL INDIA LTD.	02-Jun-22	Final Dividend - Rs. - 3.0000	-	04-Jun-22	08-Jun-22	-	-
HINDUSTAN UNILEVER LTD.	15-Jun-22	Final Dividend - Rs. - 19.0000	-	17-Jun-22	23-Jun-22	-	-
TATA CHEMICALS LTD.	15-Jun-22	Final Dividend - Rs. - 12.5000	-	17-Jun-22	22-Jun-22	-	-
VTM LTD.	16-Jun-22	Dividend - Rs. - 0.9000	-	20-Jun-22	30-Jun-22	-	-
MORARKA FINANCE LTD.	20-Jun-22	Dividend - Rs. - 4.0000	-	22-Jun-22	28-Jun-22	-	-
BHANSALI ENGINEERING POLYMERS LTD.-\$	21-Jun-22	Final Dividend - Rs. - 1.0000	-	23-Jun-22	29-Jun-22	-	-
SUPREME INDUSTRIES LTD.	21-Jun-22	Final Dividend - Rs. - 18.0000	-	23-Jun-22	29-Jun-22	-	-
BAJAJ AUTO LTD.	30-Jun-22	Dividend - Rs. - 140.0000	01-Jul-22	-	-	-	-
BAJAJ FINSERV LTD.	30-Jun-22	Dividend - Rs. - 4.0000	01-Jul-22	-	-	-	-
BAJAJ HOLDINGS & INVESTMENT LTD.	30-Jun-22	Final Dividend - Rs. - 25.0000	01-Jul-22	-	-	-	-
Bajaj Finance Limited	30-Jun-22	Dividend - Rs. - 20.0000	01-Jul-22	-	-	-	-
BIOCON LTD.	30-Jun-22	Final Dividend - Rs. - 0.5000	01-Jul-22	-	-	-	-
MAHARASHTRA SCOOTERS LTD.	30-Jun-22	Final Dividend - Rs. - 80.0000	01-Jul-22	-	-	-	-
Nippon Life India Asset Management Ltd	30-Jun-22	Final Dividend - Rs. - 7.5000	01-Jul-22	-	-	-	-
SWARAJ ENGINES LTD.	30-Jun-22	Dividend - Rs. - 80.0000	-	02-Jul-22	08-Jul-22	-	-
Syngene International Ltd	30-Jun-22	Final Dividend - Rs. - 0.5000	01-Jul-22	-	-	-	-
Syngene International Ltd	30-Jun-22	Special Dividend - Rs. - 0.5000	01-Jul-22	-	-	-	-

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