

Morning Call

03 March 22

Markets End Off Day's Lows

- Indian shares ended sharply lower on Wednesday to snap a two-day winning streak as the Ukraine conflict intensified further on the seventh day of the invasion and domestic GDP growth data missed market estimates.
- Oil prices surged over 7 percent to its highest since 2014 as sanctions on Russian banks following Moscow's invasion of Ukraine hampered trade across the world.

Global & Asian market overview

- **European stocks** closed on a firm note with investors indulging in some bargain hunting after recent losses. Despite lingering geopolitical tensions between Russia and Ukraine, worries about rising inflation and the economic impact of sanctions on Russia.
- **US stocks** moved sharply higher during trading offsetting the steep drop seen in the previous session. The major averages all showed substantial moves back to the upside on the day.
- **Asian stocks** fell broadly as nervous investors shifted money into bonds amid renewed concerns about Russia's escalating war on Ukraine. Traders worry the Ukraine tensions may push up commodity prices and halt the global economic recovery.

Industry Buzz

- **NMDC:** Iron ore sales rose 22% year-on-year to 3.97 million tonnes in February. Output rose 11.7% year-on-year to 4.3 million tonnes.
- **Suzlon Energy:** The wind turbine maker has received a Rs 4,050 - crore loan from REC-led group for debt recast.
- **Wipro:** The Bengaluru-based IT services firm has introduced a cloud car platform for software-defined vehicles.
- **ABB:** Completed the slump sale of Turbocharger Business to a newly incorporated subsidiary Turbocharging Industries and Services for Rs 310 crore.
- **Vedanta:** Declared a third interim dividend of Rs 13 per share.
- **Punjab and Sind Bank:** To consider preferential issue of equity shares to the Government of India worth up to Rs 4,600 crore on March 31.

- **UPL:** The fertiliser maker has approved a buyback proposal for 12,571,428 shares at Rs 875 per share. The aggregate amount of Rs 1,100 crore represents 14.56% and 5.71% of its total paid-up share capital and free reserves, respectively, as on March 31, 2021.
- **Sterilite Technology:** Launched an industry-first end-to-end 5G enterprise solution to address the growing demand for private 5G enterprise connectivity for campus, industrial and venue applications.
- **Tube Investments:** TI Clean Mobility allotted 9.95 crore equity shares worth Rs 10 each to the company.

Indices	Close	Previous	Chg. %
Sensex Index	55,469	56,247	-1.38%
Nifty Index	16,606	16,794	-1.12%
NSEBANK INDEX	35,373	36,205	-2.30%
NSEAUTO INDEX	10,500	10,821	-2.96%
NSEIT INDEX	33,720	33,848	-0.38%

Market depth	Advance	Decline	T/O (bn)
NSE	1,033	1,119	725
BSE	1,606	1,741	47

Indices	Close	Previous	Chg. %
DJIA	33,891	33,295	1.79%
NASDAQ	13,752	13,532	1.62%
S&P 500	4,387	4,306	1.86%
DAX	14,000	13,905	0.69%
CAC 40	6,498	6,396	1.59%
FTSE 100	7,430	7,330	1.36%
HANG SENG	22,344	22,713	-1.63%
SSE INDEX	3,484	3,462	0.63%
NIKKIE 225	26,393	26,527	-0.50%

Nifty Gainers	Chg. %	Nifty Losers	Chg. %
COALINDIA	8.5	MARUTI	-6.0
HDFCLIFE	7.0	DRREDDY	-5.2
SBILIFE	5.7	BAJAJ-AUTO	-4.6
TATASTEEL	5.6	ASIANPAINT	-4.2
HINDALCO	4.3	HEROMOTOCO	-4.1

FII Derivatives	Buy (bn)	Sell (bn)	Net (bn)
INDEX FUT	52.9	85.3	-32.4
STOCK FUT	169.0	181.6	-12.5

Indian Macro

- Petrol and diesel price hikes are likely to resume after state elections get over next week to bridge the Rs 9 a litre gap created by international oil prices soaring past USD 100 a barrel. International crude oil prices shot above USD 110 a barrel for the first time since mid-2014 on fears that oil and gas supplies from energy giant Russia could be disrupted, either by the conflict in Ukraine or retaliatory western sanctions. The basket of crude oil India buys rose above USD 102 per barrel on March 1, the highest since August 2014, according to information from the Petroleum Planning and Analysis Cell (PPAC) of the oil ministry.
- Interest rates on fresh rupee loans were up slightly in January, a reflection of the increase in unsecured loans and better yielding corporate loans for banks. It also indicates that lending rates may have bottomed out. The weighted average lending rate (WALR) on fresh rupee loans inched up 10 basis points month-on-month to 7.82 percent by the end of January, data from the Reserve Bank of India (RBI) shows. The weighted average lending rate on outstanding loans, though, slipped marginally. A basis point is one-hundredth of a percentage point. The rise in lending rates is a combination of an increase in the unsecured retail loan book and also more high-yielding corporate loans for banks, according to analysts. Unsecured retail loans have grown at a faster pace than the overall retail loan book for banks ever since the coronavirus outbreak.
- The Indian manufacturing sector continued to expand in February, with the sector's manufacturing Purchasing Managers' Index (PMI) rising to 54.9 from 54 in January. A reading above 50 indicates expansion in activity, while a sub-50 print is a sign of contraction. According to IHS Markit, which released its PMI report on March 2, February saw "strong increases" in new work orders. Within new work, international demand rose at the quickest pace in three months, though the increase was moderate. "Output and new orders expanded at stronger rates, while buying activity continued. At the same time, sustained increases in backlogs could lead to higher employment levels in the months ahead should capacity pressures continue," said Shreeya Patel, an economist at IHS Markit. Employment, however, fell in February, though at the softest pace in three months.

Global Macro

- Fed Chair Jerome Powell made clear during Congressional testimony that a rapidly healing US economy no longer needs such an accommodative monetary policy and that the central bank would begin raising interest rates in its March 15-16 meeting to restrain surging inflation. Powell said he is inclined to support a 25 basis point increase but noted that the Fed could move more aggressively if inflation does not abate as expected. However, it provided little additional guidance about how fast the Fed would do so. Powell also pointed out that the outbreak of war in Ukraine brought a significant degree of uncertainty for monetary policy.
- US crude oil inventories fell by 2.597 million barrels in the week ended February 25th, following a 4.515 million rise in the previous period and compared with market forecasts of a 2.748-million-barrel gain, data from the EIA Petroleum Status Report showed. Crude stocks at the Cushing, Oklahoma, delivery hub declined by 0.972 million, while gasoline inventories decreased by 0.468 million barrels against market expectations of a 1.375-million-barrel drop.

	S1	S2	PIVOT	R1	R2
ADANIPTS	700	689	709	720	729
ASIANPAINT	2981	2926	3046	3101	3166
AXISBANK	738	716	747	769	778
BAJAJ-AUTO	3285	3226	3391	3450	3557
BAJAJFINSV	15807	15457	15982	16333	16507
BAJFINANCE	6748	6668	6842	6922	7016
BHARTIARTL	666	657	675	684	693
BPCL	335	329	346	352	363
BRITANNIA	3360	3341	3391	3410	3440
CIPLA	913	902	922	933	942
COALINDIA	177	167	181	191	196
DIVISLAB	4072	4016	4192	4248	4367
DRREDDY	3735	3661	3899	3973	4138
EICHERMOT	2476	2445	2527	2558	2610
GRASIM	1536	1515	1559	1580	1603
HCLTECH	1106	1100	1115	1122	1131
HDFC	2255	2226	2288	2317	2350
HDFCBANK	1357	1333	1377	1401	1421
HDFCLIFE	533	494	548	587	602
HEROMOTOCO	2393	2368	2446	2471	2523
HINDALCO	579	558	597	618	636
HINDUNILVR	2134	2113	2144	2166	2176
ICICIBANK	709	700	717	726	734
INDUSINDBK	895	879	904	921	929
INFY	1691	1679	1703	1714	1726
IOC	110	108	113	115	118
ITC	213	211	215	217	219
JSWSTEEL	625	608	640	657	671
KOTAKBANK	1787	1759	1803	1831	1847
LT	1766	1738	1797	1825	1855
M&M	763	745	787	805	829
MARUTI	7598	7463	7898	8033	8333
NESTLEIND	17595	17310	17742	18028	18175
NTPC	129	127	132	133	136
ONGC	160	158	164	166	171
POWERGRID	207	203	210	214	217
RELIANCE	2363	2310	2382	2435	2454
SBILIFE	1086	1036	1105	1155	1174
SBIN	469	461	474	481	487
SHREECEM	23683	23398	23942	24227	24486
SUNPHARMA	805	796	825	835	854
TATACONSUM	701	693	710	719	727
TATAMOTORS	444	439	449	454	459
TATASTEEL	1248	1193	1274	1329	1355
TCS	3516	3478	3544	3582	3610
TECHM	1375	1360	1398	1413	1436
TITAN	2550	2497	2577	2630	2658
ULTRACEMCO	6316	6231	6428	6513	6625
UPL	671	647	684	709	722
WIPRO	553	548	556	561	564

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
Arshiya Limited	03/03/22	Spin Off	04/03/22	-	-	25/02/22	03/03/22
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	-	-	28/02/22	07/03/22
NOUVEAU GLOBAL VENTURES LTD.	07/03/22	Stock Split From Rs.10/- to Rs.1/-	08/03/22	-	-	28/02/22	07/03/22
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
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	-	-	-	-
BCL Enterprises Ltd	10/03/22	Bonus issue 1:1	11/03/22	-	-	-	-
BCL Enterprises Ltd	10/03/22	Stock Split From Rs.10/- to Rs.1/-	11/03/22	-	-	-	-
E.I.D.-PARRY (INDIA) LTD.	10/03/22	Interim Dividend - Rs. - 5.5000	11/03/22	-	-	-	-
Mauria Udyog Ltd	10/03/22	Stock Split From Rs.10/- to Rs.1/-	11/03/22	-	-	-	-
Ultracab (India) Ltd	10/03/22	Stock Split From Rs.10/- to Rs.2/-	12/03/22	-	-	-	-
Ultracab (India) Ltd	10/03/22	Bonus issue 1:2	12/03/22	-	-	-	-
Vishal Fabrics Ltd	10/03/22	Bonus issue 2:1	11/03/22	-	-	-	-
SHRIRAM TRANSPORT FINANCE CO.LTD.	11/03/22	Interim Dividend	14/03/22	-	-	-	-
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	-	-	-	-
Infibeam Avenues Ltd	14/03/22	Bonus issue 1:1	15/03/22	-	-	-	-
NLC India Ltd	14/03/22	Interim Dividend	15/03/22	-	-	-	-
RAMKRISHNA FORGINGS LTD.	14/03/22	Stock Split From Rs.10/- to Rs.2/-	15/03/22	-	-	-	-
Brightcom Group Ltd	15/03/22	Bonus issue 2:3	16/03/22	-	-	-	-
DRC Systems India Ltd	16/03/22	Stock Split From Rs.10/- to Rs.1/-	17/03/22	-	-	-	-
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	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	-	-
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	-	-	-	-
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	-	-	-	-
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	-	-
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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