

Morning Call

04 March 2022

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

Markets Ends Lower As Oil Hits

Multi-year Highs

- Indian shares gave up early gains to end notably lower amid worries about commodity-led inflationary pressures, as Russia faced severed global backlash over its full-scale attack on Ukraine.
- The Ukraine war triggered a dash for commodities that could be in short supply. Everything from coal to natural gas and aluminium are surging as Western nations tighten sanctions on Russia following its invasion of Ukraine.

Global & Asian market overview

- **European stocks** ended sharply lower rocked by reports that the Russian forces hit many in the Ukrainian capital Kyiv overnight, resulting in several explosions.
- **US stocks** showed wild swings over the course of the trading day extending the volatility seen in recent sessions. The major averages bounced back and forth across the unchanged line before closing in negative territory.
- **Asian stocks** posted strong gains even as Russian forces bombarded Ukraine's second-largest city and besieged two ports. Investors tried to figure out the future path of U.S. interest rates after Federal Reserve Chair Jerome Powell said in testimony before Congress that he is inclined to support a 25 basis point rate increase at the upcoming Fed meeting, instead of the 50 basis point hike recommended by some board members.

Industry Buzz

- **Vodafone Idea:** The telecom firm will raise up to Rs 4,500 crore by issuing 338.35 crore preferential equity shares to entities controlled by promoters Vodafone Group Plc and Aditya Birla Group. The shares will be issued at Rs 13.3 apiece, including a premium of Rs 3.3 per share.
- **SJVN:** The company will receive a loan of Rs 1,537 crore from State Bank of India and Rs 319.04 crore from Punjab National Bank for a hydel project in Himachal Pradesh and solar power project in Uttar Pradesh, respectively.

- **LT Foods:** The company has acquired 51% stake in Golden Star Trading Inc. through its subsidiary LT Foods America Inc. with a call option to acquire 49% stake after three years. It didn't disclose the consideration for the acquisition.
- **HDFC Bank:** India's largest private lender has partnered with NSE for "unsponsored depository receipts", or NSE IFSC Receipts, which will enable Indians to invest in US Stocks.
- **PTC India:** The markets regulator has barred the power trading firm from holding a board meeting without an independent director.
- **Themis Medicare:** The company has received approval for its antiviral drug Viralex for treatment of Covid-19.
- **IndiaMart Intermesh:** The company has entered into an agreement to invest Rs 17.01 crore in Zimyo for 10% stake.

- **Uttam Sugar Mills:** The company has redeemed 132,300 6.5% non-cumulative redeemable preference shares worth Rs 100 each.
- **Varun Beverages:** The PepsiCo bottler has elevated Varun Jaipuria to the role of executive vice chairman.
- **EIH:** The company approved sale of its press unit located in Manesar, Haryana, for Rs 94.5 crore.
- **Gujarat Alkalies:** The company has received a patent from the US Patent and Trademark Office for process for production of hydrazine hydrate.
- **KEC International:** The company won secured new orders of Rs 1,131 crore across its various businesses.
- **John Cockerill:** The company received an order worth Rs 1,100 crore from ArcelorMittal Nippon Steel India for supply of two new steel processing lines to be installed at the client's Hazira Works.

Indian Macro

- India's trade and current account deficits are likely to widen, putting pressure on the rupee, as global oil prices surge and the domestic economy reopens from a third wave of the pandemic, economists and analysts said. India's trade deficit widened sharply to \$21.19 billion in February compared to \$17.94 billion the previous month, preliminary data showed. The recent increase in crude oil prices beyond \$110/barrel and simultaneous revival of domestic demand pose headwinds to India's current account balance as import bill will likely remain elevated. Exports could dip amid global trade disruptions due to the Ukraine crisis but analysts the impact was likely to be small, with Russia accounting for just 0.8 percent of India's exports.
- The Russia-Ukraine feud has plunged Indian commodity exports to the region into disarray, with port disruptions and payment delays hitting shipments. Russia is a major export destination for various products from India. Indian exports to Russia came to over \$2.5 billion out of a total bilateral trade of \$8.1 billion in 2020-21. Ukraine is also a growing market for Indian exports, albeit on a smaller scale. The movement of food products such as tea, seafood and coffee, which are among the important items exported from India to Russia, has been impacted by the conflict between the two European nations. Exporters are expecting the government to take steps to redeem the situation as there are goods in transit that have been stuck midway. The recent announcement by major shipping lines Maersk and MSC to suspend operations to Russia may force exporters to stop sending consignments to the country till the tussle is resolved. Russia is the largest importer of Indian tea, accounting for 17-18 percent of the total volume of the beverage exported from the country. "The rouble has fallen to 100-110 a dollar from 74-75. Russians may not want to buy at this rate," said Anshuman Kanoria, Chairman of the Indian Tea Exporters Association.

Global Macro

- The ISM Services PMI for the US fell for a third month to 56.5 in February of 2022 from 59.9 in January, below market forecasts of 61. The reading pointed to the slowest growth in the services sector in a year, although a robust and above long-run average. A slowdown was seen in business activity (55.1 vs 59.9), new orders (56.1 vs 61.7) and supplier deliveries (66.2 vs 65.7) while employment contracted (48.5 vs 52.3) and price pressures intensified (83.1 vs 82.3). Service providers "continue to be impacted by supply chain disruptions, capacity constraints, inflation, logistical challenges and labor shortages. These conditions have affected the ability of businesses to meet demand, leading to a cooling in business activity and economic growth", said Anthony Nieves, Chair of the ISM Services Business Survey Committee.

- US 10 Year Note Bond Yield rose above 1.8, according to over-the-counter interbank yield quotes for this government bond maturity. The yield rebounded sharply from a two-month low of 1.68% hit early in the week after Fed Chair Jerome Powell told US lawmakers the US economy no longer needs such an accommodative policy stance, signalling a 25 basis point rate hike in March. Aside from Powell's remarks, investors continued to follow developments around the Russia-Ukraine war.
- New orders for US manufactured goods went up 1.4 percent from a month earlier in January of 2022, quickening from a revised 0.7 percent increase in December and above market expectations of 0.7 percent. Orders rose faster in industries producing both durables (1.6 percent vs 1.2 percent in December) and non-durable goods (1.2 percent vs 0.1 percent). Among durable goods, main upward pressure came from transportation equipment (3.4 percent vs 1.7 percent), mainly driven by orders for nondefense aircraft and parts; followed by machinery (2.6 percent vs 1.3 percent), boosted by material handling equipment and ventilation, heating, air conditioning & refrigeration equipment. Meanwhile, factory orders excluding transportation equipment rose 1.0 percent, faster than an upwardly revised 0.5 percent gain in December.

	S1	S2	PIVOT	R1	R2
ADANIPTS	697	689	711	719	733
ASIANPAINT	2777	2725	2914	2966	3103
AXISBANK	723	714	741	750	768
BAJAJ-AUTO	3239	3196	3322	3365	3448
BAJAJFINSV	15329	15138	15839	16031	16540
BAJFINANCE	6630	6568	6787	6850	7007
BHARTIARTL	667	662	673	678	684
BPCL	341	337	348	352	358
BRITANNIA	3321	3291	3380	3411	3470
CIPLA	922	908	933	947	959
COALINDIA	183	180	191	194	201
DIVISLAB	4117	4088	4172	4201	4255
DRREDDY	3638	3572	3766	3832	3960
EICHERMOT	2351	2307	2445	2488	2582
GRASIM	1463	1439	1520	1545	1602
HCLTECH	1121	1105	1137	1153	1168
HDFC	2254	2236	2280	2298	2325
HDFCBANK	1359	1346	1375	1388	1405
HDFCLIFE	516	506	540	549	573
HEROMOTOCO	2399	2370	2433	2462	2496
HINDALCO	598	589	606	615	623
HINDUNILVR	2049	2027	2109	2131	2190
ICICIBANK	685	675	704	714	732
INDUSINDBK	900	894	913	920	933
INFY	1708	1692	1721	1736	1749
IOC	113	111	115	117	118
ITC	217	215	219	221	223
JSWSTEEL	648	642	655	661	668
KOTAKBANK	1769	1747	1794	1816	1841
LT	1724	1701	1769	1792	1837
M&M	746	736	770	779	803
MARUTI	7417	7297	7679	7799	8060
NESTLEIND	17201	17050	17540	17691	18031
NTPC	131	129	132	135	136
ONGC	166	160	169	175	178
POWERGRID	213	207	216	221	225
RELIANCE	2360	2342	2387	2404	2432
SBILIFE	1058	1041	1092	1110	1144
SBIN	457	452	470	476	489
SHREECEM	22121	21696	23174	23599	24651
SUNPHARMA	812	806	822	827	838
TATACONSUM	672	661	695	706	729
TATAMOTORS	426	419	442	450	466
TATASTEEL	1286	1272	1307	1321	1342
TCS	3520	3501	3549	3568	3598
TECHM	1410	1389	1427	1449	1465
TITAN	2532	2506	2586	2612	2666
ULTRACEMCO	5734	5613	6086	6206	6558
UPL	703	678	714	738	749
WIPRO	563	554	569	578	585

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
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
WOCKHARDT LTD.	08/03/22	Right Issue of Equity Shares	09/03/22	-	-	04/03/22	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	-	-	04/03/22	10/03/22
BCL Enterprises Ltd	10/03/22	Bonus issue 1:1	11/03/22	-	-	04/03/22	10/03/22
BCL Enterprises Ltd	10/03/22	Stock Split From Rs.10/- to Rs.1/-	11/03/22	-	-	04/03/22	10/03/22
E.I.D.-PARRY (INDIA) LTD.	10/03/22	Interim Dividend - Rs. - 5.5000	11/03/22	-	-	04/03/22	10/03/22
Mauria Udyog Ltd	10/03/22	Stock Split From Rs.10/- to Rs.1/-	11/03/22	-	-	04/03/22	10/03/22
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	-	-	04/03/22	10/03/22
SHRIRAM TRANSPORT FINANCE CO.LTD.	11/03/22	Interim Dividend	14/03/22	-	-	-	-
ARIHANT CAPITAL MARKETS LTD.	14/03/22	Interim Dividend - Rs. - 0.7500	15/03/22	-	-	-	-
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	-	-	-	-
ALLIANCE INTEGRATED METALIKS LTD.	15/03/22	Stock Split From Rs.10/- to Rs.1/-	16/03/22	-	-	-	-
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	-	-
SUN TV NETWORK LTD.	17/03/22	Interim Dividend	21/03/22	-	-	-	-
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	-	-	-	-

BHARAT ELECTRONICS LTD.	24/03/22	Interim Dividend	26/03/22	-	-	-	-
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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