

## Morning Call

15 March 2022

### Markets Extend Gains For Fifth Day

- Indian shares continued their bull momentum for the fifth straight session with financials and IT companies leading the surge.
- Underlying sentiment was supported by falling oil prices amid hopes for progress in Russian-Ukraine peace talks.

### Global & Asian market overview

- **European stocks** closed on a strong note amid hopes the fresh round of peace talks between Russia and Ukraine might help bring about a solution to the conflict between the two countries. A sharp drop in crude oil prices helped as well in lifting sentiment.
- **US stocks** stocks moved mostly lower over the course of the trading session adding to the losses posted last week. The tech-heavy Nasdaq showed a particularly steep drop on the day, ending the session at its lowest closing level in over a year.
- **Asian stocks** ended mixed as the Russia-Ukraine war dragged on and investors awaited the outcome of the Federal Reserve's policy meeting this week for clues about further interest rate hikes and policy tightening for the rest of the year.

### Industry Buzz

- **Reliance Industries:** Reliance New Energy acquired assets of Lithium Werks for \$61 million. Assets include entire patent portfolio of Lithium Werks, manufacturing facility in China, key business contracts and hiring of existing employees.
- **Embassy Office Parks REIT:** To consider raising funds on March 17.
- **Wipro:** The company has partnered with Speira to strengthen the technology infrastructure and cybersecurity requirements of Speira.
- **Jai Corp:** Approved redemption of 84,000, 1% non-cumulative, non-participating redeemable preference shares on March 15.
- **Bharat Rasayan:** The promoters will sell 2500 shares (0.06% of paid up capital) with face value of Rs 10, in the open market.
- **Persistent:** The company through its wholly owned subsidiaries has agreed to acquire MediaAgility Inc. and its subsidiaries in India, the United Kingdom, Mexico and Singapore for a total of \$71.71 million.
- **BITES:** The company declared third interim dividend of Rs 7.5 per

- **Bank of Baroda:** Baroda Asset Management is merging with BNP Paribas Asset Management India to form Baroda BNP Paribas Asset Management. The lender holds 50.1% stake in the new firm while BNP Paribas owns the rest.
- **Black Box:** The company has approved a share split that breaks up shares of face value Rs 10 each into shares of face value Rs 2 each.
- **Anupam Rasayan:** The company has appointed Amit Khurana as chief financial officer in place of Afzal Malkani, who has now been appointed as non-executive director on Tanfac's board as a nominee of the firm.
- **Kabra Extrusion Technik:** The company has agreed to acquire 100% share capital of Varos Technology for Rs 80 lakh.
- **Coal India:** The world's largest coal producer offered 160.5 million tonnes of coal until February under e-auctioning.

Indices	Close	Previous	Chg. %
Sensex Index	56,486	55,550	1.68%
Nifty Index	16,871	16,630	1.45%
NSEBANK INDEX	35,312	34,546	2.22%
NSEAUTO INDEX	10,074	9,980	0.95%
NSEIT INDEX	36,028	35,349	1.92%

Market depth	Advance	Decline	T/O(bn)
NSE	979	1,163	606
BSE	1,078	382	43

Indices	Close	Previous	Chg. %
DJIA	32,945	32,944	0.00%
NASDAQ	12,581	12,844	-2.04%
S&P 500	4,173	4,204	-0.74%
DAX	13,929	13,628	2.21%
CAC 40	6,370	6,260	1.75%
FTSE 100	7,193	7,156	0.53%
HANG SENG	19,532	20,554	-4.97%
SSE INDEX	3,224	3,310	-2.61%
NIKKIE 225	25,308	25,163	0.58%

Nifty Gainers	Chg. %	Nifty Losers	Chg. %
INFY	3.8	IOC	-2.6
HDFCBANK	3.3	ONGC	-2.3
SBIN	3.2	HINDUNILVR	-1.7
AXISBANK	3.0	TATAMOTORS	-1.4
ICICIBANK	2.9	HDFCLIFE	-1.2

FII Derivatives	Buy (bn)	Sell (bn)	Net (bn)
INDEX FUT	46.4	40.7	5.7
STOCK FUT	134.0	142.4	-8.4

## Indian Macro

- India's retail inflation in February rate rose marginally to 6.07 percent from 6.01 percent in the previous month, data released on March 14 by the Ministry of Statistics and Programme Implementation showed. Inflation based on the Consumer Price Index (CPI) was 5.03 percent in February 2021. The CPI inflation print for February is above the consensus estimate. As per a Reuters poll, economists had expected retail inflation to slip to 5.93 percent. The Reserve Bank of India (RBI) said in February that CPI inflation would average 5.7 percent in the first quarter of 2022. In February, inflation rose to an eight-month high despite the unfavourable base effect wearing off, suggesting the presence of sequential price momentum. The general index of the CPI was 0.2 percent higher in February compared to January, confirming that price pressures rose last month. In January, CPI inflation had risen to 6.01 percent on the back of an unfavourable base effect. Sequential price pressures were largely visible in non-food items, with CPI down 0.2 percent compared to January. The indices for clothing and footwear, housing, fuel and light, and the miscellaneous groups were, however, 0.4-0.9 percent higher in February compared to the previous month.
- India's inflation based on the Wholesale Price Index (WPI) rose to 13.11 percent year on year in February from 12.96 percent in January, according to data released by the commerce ministry on March 14. WPI inflation was 4.83 percent in February 2021. While the Reserve Bank of India's (RBI) policy target is spelt out in terms of the Consumer Price Index-based inflation, high WPI inflation is seen as a precursor to higher consumer prices as producers pass on rising costs to their customers. This is the 11th consecutive month in which WPI has been in double digits. Wholesale inflation was driven higher last month by a greater rise in prices of manufactured products compared to January, while the other two major groups of the WPI saw marginal declines in their inflation

## Global Macro

- US consumer inflation expectations for the year ahead increased again to 6% in February of 2022, the same as a record 6% in both December and November, and reversing some of January's sharp declines. All the commodity price change expectations increased, namely for food (9.2%), gas (8.8%), medical care (9.6%), college education (9%) and rents (10.1%). Median home price expectations, on the other hand, declined (5.7%). Meanwhile, earnings growth expectations remained unchanged, while expectations about unemployment, perceived job loss, and job finding all improved and those for spending growth reached a new series high. Median three-year ahead inflation expectations also ticked up by 0.3 percentage point to 3.8%.
- Brent crude futures dropped 4% to around \$102 per barrel on Tuesday, threatening to break below the \$100 level for the first time since March 1 amid ongoing ceasefire talks between Russia and Ukraine and fears of a demand slowdown from China following the reimposition of fresh lockdowns. Ukrainian President Volodymyr Zelenskiy said negotiations with Russia will continue on Tuesday and that he spoke with Israeli Prime Minister Naftali Bennett towards ending the war with Russia "with a fair peace." Meanwhile, China is facing its worst Covid crisis since early 2020, raising demand concerns from the world's largest crude importer. Elsewhere, IEA chief Fatih Birol urged oil-producing countries on Monday to pump more to stabilize markets. The international oil benchmark touched a 14-year high of \$139.13 last week before reversing dramatically as traders assessed potential improvements to the supply outlook disrupted by the Russia-Ukraine war and related sanctions.

	S1	S2	PIVOT	R1	R2
ADANIPTS	727	721	730	736	740
ASIANPAINT	2932	2897	2952	2988	3007
AXISBANK	698	678	705	725	732
BAJAJ-AUTO	3406	3339	3435	3503	3532
BAJAJFINSV	15558	15323	15647	15882	15970
BAJFINANCE	6563	6437	6626	6752	6815
BHARTIARTL	691	681	698	708	715
BPCL	356	350	358	364	367
BRITANNIA	3160	3118	3188	3230	3257
CIPLA	1037	1026	1047	1058	1069
COALINDIA	178	176	180	182	184
DIVISLAB	4346	4296	4375	4425	4455
DRREDDY	3920	3888	3957	3990	4027
EICHERMOT	2271	2211	2296	2356	2381
GRASIM	1560	1534	1572	1598	1610
HCLTECH	1189	1165	1202	1226	1239
HDFC	2252	2201	2269	2319	2336
HDFCBANK	1425	1402	1437	1460	1472
HDFCLIFE	507	503	514	518	525
HEROMOTOCO	2304	2259	2327	2372	2396
HINDALCO	583	573	588	598	604
HINDUNILVR	2035	2016	2065	2084	2114
ICICIBANK	687	671	693	708	714
INDUSINDBK	897	884	905	918	927
INFY	1859	1814	1877	1923	1941
IOC	118	117	121	123	126
ITC	237	234	238	241	242
JSWSTEEL	657	651	665	671	679
KOTAKBANK	1763	1725	1780	1818	1836
LT	1734	1706	1744	1773	1783
M&M	735	720	740	755	761
MARUTI	7137	6913	7236	7460	7559
NESTLEIND	17260	17049	17369	17580	17688
NTPC	131	130	132	133	134
ONGC	169	167	172	174	177
POWERGRID	211	208	212	215	217
RELIANCE	2397	2360	2411	2447	2461
SBILIFE	1053	1030	1063	1085	1095
SBIN	478	466	482	493	497
SHREECEM	22156	21826	22291	22621	22756
SUNPHARMA	881	874	896	902	918
TATACONSUM	713	704	719	728	733
TATAMOTORS	405	397	412	420	427
TATASTEEL	1282	1263	1297	1316	1331
TCS	3611	3561	3630	3679	3698
TECHM	1492	1479	1500	1514	1522
TITAN	2510	2457	2527	2580	2597
ULTRACEMCO	5996	5920	6032	6108	6144
UPL	723	715	728	737	742
WIPRO	590	581	596	605	610

## 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
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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