

Morning Call

20 April 2022

Indices	Close	Previous	Chg. %
Sensex Index	56,188	57,167	-1.71%
Nifty Index	16,959	17,174	-1.25%
NSEBANK INDEX	36,342	36,729	-1.05%
NSEAUTO INDEX	10,615	10,746	-1.22%
NSEIT INDEX	31,804	32,780	-2.98%

Market depth	Advance	Decline	T/O(bn)
NSE	670	1,475	796
BSE	1,294	2,120	54

Indices	Close	Previous	Chg. %
DJIA	34,911	34,412	1.45%
NASDAQ	13,620	13,332	2.15%
S&P 500	4,462	4,392	1.61%
DAX	14,153	14,164	-0.07%
CAC 40	6,535	6,589	-0.83%
FTSE 100	7,601	7,616	-0.20%
HANG SENG	21,028	21,518	-2.28%
SSE INDEX	3,194	3,196	-0.05%
NIKKIE 225	26,985	26,800	0.69%

Nifty Gainers	Chg. %	Nifty Losers	Chg. %
APOLLOHOSP	5.3	HDFC	-6.3
COALINDIA	3.3	HDFCLIFE	-5.5
RELIANCE	3.2	SBILIFE	-4.5
BPCL	0.6	HDFCBANK	-4.3
ICICIBANK	0.3	TATACONSUM	-4.2

FII Derivatives	Buy (bn)	Sell (bn)	Net (bn)
INDEX FUT	53.1	39.2	13.9
STOCK FUT	173.7	172.5	1.2

Markets fell sharply to end lower

- Shares fell amid a weak trend in global markets and concerns that rising inflationary pressures in the country could force RBI to initiate rate hikes at the next policy meet.
- India's 10-year bond yield spiked once again, adding to pressure on the RBI to raise interest rates to tame inflation.

Global & Asian market overview

- **European stocks** closed lower as escalating tensions in Russia-Ukraine conflict, worries about growth and looming monetary tightening by central banks including the Federal Reserve, rendered the mood bearish.
- **US stocks** moved sharply higher over the course of the trading session, regaining ground following recent weakness. The major averages initially showed a lack of direction but climbed firmly into positive territory as the day progressed.
- **Asian stocks** ended mixed as all markets reopened following a long holiday weekend. Underlying sentiment remained cautious amid concerns surrounding inflation and China's economic slowdown due to Covid-19 lockdowns.

Industry Buzz

- **Reliance Industries:** Jio Fiber postpaid users to get OTT subscriptions for Rs 100-200 per month; users can get access to up to 14 OTT apps. Reliance Brands Ltd. has also signed a deal to take a majority stake in 'Abu Jani Sandeep Khosla' to accelerate the couture house's growth plans.
- **Punjab and Sind Bank:** The lender has classified SREI Infrastructure Finance and SREI Equipment Finance as fraud accounts with loan exposure worth Rs 510.16 crore and Rs 724.18 crore, respectively. The accounts have been declared as fraud to the Reserve Bank of India and have been fully provided for.

- **Escorts:** The company's agri-machinery division will increase prices of its tractors due to a steady rise in commodity prices. The rise is effective April 20 and will vary across models and variants.
- **Insecticides (India):** The company has received a patent for invention of 'novel granules and its pesticidal compositions', from the patent office of the Government of India. The patent is valid for 20 years.
- **VRL Logistics:** The company has signed an MoU with Ratna Cements for transfer of the wind power undertaking along with all underlying assets and liabilities as a going concern on a slump sale basis for Rs 48 crore.
- **IRCON:** The company has appointed Ragini Advani as director (finance) for a period of five years, effective April 19.
- **Mahindra Lifespace Developers:** Mahindra World City Developers has received an income tax notice demanding Rs 102 crore. The company said that it will contest the demand at judicial forums.

- **VA Tech Wabag:** International Water Treatment LLC, Oman--a special purpose vehicle for implementing EPC contracts for water desalination in Muscat--has been liquidated.

Earnings Update

- **Tata Steel Long Products Q4 FY22 (Consolidated, YoY)** Revenue up 16.3% to Rs 1,799.4 crore vs Rs 1,546.7 crore EBITDA falls 67% at Rs 164.34 crore vs Rs 497.82 crore EBITDA margin 9.13% vs 32.19% Net Profit fell 88.5% to Rs 59.62 crore vs Rs 339.85 crore Approved dividend of Rs 12.50 per share.
- **ACC Q4 FY22 (Consolidated, YoY)** Revenue up 2.5% to Rs 4,321.86 crore vs Rs 4,213.28 crore EBITDA falls 32.1% to Rs 529.98 crore vs Rs 781.55 crore EBITDA margin 12.26% vs 18.55% Net profit falls 9.4% to Rs 396.33 crore vs Rs 437.5 crore
- **L&T Infotech Q4 FY22 (Consolidated, QoQ)** Revenue up 3.7% at Rs 4,301.6 crore vs Rs 4,137.6 crore EBIT up 0.26% at Rs 744.5 crore Vs Rs 742.6 crore EBIT Margin 17.31% Vs 17.95% Net Profit falls 5.84% at Rs 637 crore Vs Rs 676.5 crore Approved dividend of Rs 30 per share of Rs 1.
- **Mastek Q4FY22 (Consolidated, QoQ)** Revenue up 5.37% at Rs 581.53 crore vs Rs 551.91 crore EBIT margins at 18.66% vs 19.14% PAT up 5.73% at Rs 88.23 crore vs Rs 83.45 crore

Results Today

- Angel One, Glenmark Life Sciences, Tata Elxsi, ICICI Securities, JTL Infra, Reliance Industrial Infrastructure, Ellora Trading, HCKK Ventures, Indbank Merchant Banking Services, and Ind Bank Housing

Indian Macro

- Higher foreign exchange reserves have lowered the cost of foreign borrowings and also the hedging cost for companies, according to a paper published in RBI's monthly bulletin. Since 2019, the RBI has been accumulating forex reserves that peaked at \$642.453 billion in the week ended September 3, 2021, which was more than double the reserves at the end of December 2018. At the peak, the reserves were good enough to cover 18 months of imports. Forex reserves were measured in terms of import cover, which no longer is the criteria. However, the reserves plunged by \$14.272 billion in March 2022 alone as the rupee came under pressure due to capital outflow following a rise in interest rates in advanced economies and the Russia-Ukraine conflict.
- The Minister of State for Electronics and IT Rajeve Chandrasekhar said India will consume semiconductors of about \$70-80 billion to manufacture electronics products worth \$300 billion by 2026 in line with the government's vision. Chandrasekhar says the government will achieve the target of establishing a semiconductor ecosystem in India depending upon the interest it is getting from around the globe. He was speaking on the eve of announcing the first conference on setting up the semiconductor ecosystem in the country -- Semicon India 2022 - that is expected to attract Semiconductor leaders from across the world.

Global Macro

- The People's Bank of China kept its benchmark interest rates unchanged for corporate and household loans at its April fixing. The one-year loan prime rate (LPR) was left unchanged at 3.7% following cuts of 5 and 10 bps in December and January, respectively; while the five-year rate was kept at 4.6% after a 5-basis-point cut in January. The PBoC last week cut its benchmark reserve requirement ratio for all banks by 25 bps, the first time this year and effective from April 25th, in an efforts to boost the long-term funds for banks; and kept borrowing costs of its medium-term lending facility (MLF) steady for the third straight month. Chinese Premier Li Keqiang recently urged all localities and government departments

to remain confident while being highly vigilant about unprecedented challenges and rising downward pressure. Meanwhile, the PBOC urged financial institutions to step up support for the contact-intensive service sector and small firms impacted by COVID-19.

- Stocks of crude oil in the United States declined 4.496 million barrels in the week ended April 15th, 2022, after a 7.757 million barrels rise in the previous week and compared to market expectations of a 2.533 million increase, data from the American Petroleum Institute showed. It was the first drop in US crude stocks in a month.
- The yield on the 10-year US Treasury note, which sets the tone for corporate and household borrowing costs worldwide, broke above 2.94% for the first time since December 2018, with investors pricing chances of an increasingly hawkish Federal Reserve stance. Cementing such a view were increased inflationary pressures as annual inflation hit 8.5% in March, a new 40-year high. Earlier this week, Louis Fed President James Bullard echoed the Fed's intention to tighter monetary policy, saying that hikes of 75bps could be necessary to tame inflation. Along with runaway inflation, the job market has been showing signs of being extremely tight, which, in turn, brought forward the expectations of sharper interest-rate hikes to cool an overheating economy.

	S1	S2	PIVOT	R1	R2
ADANIAPORTS	789	777	820	833	863
APOLLOHOSP	4653	4475	4762	4940	5048
ASIANPAINT	2937	2909	2998	3026	3087
AXISBANK	774	765	795	805	826
BAJAJ-AUTO	3557	3510	3666	3714	3822
BAJAJFINSV	15386	15244	15733	15874	16221
BAJFINANCE	7055	6957	7249	7347	7541
BHARTIARTL	708	702	724	731	746
BPCL	369	365	376	379	387
BRITANNIA	3182	3142	3285	3325	3428
CIPLA	959	941	999	1018	1058
COALINDIA	189	184	196	202	209
DIVISLAB	4280	4199	4429	4510	4660
DRREDDY	4136	4100	4226	4262	4352
EICHERMOT	2358	2313	2466	2512	2620
GRASIM	1668	1645	1722	1744	1799
HCLTECH	1038	1020	1077	1096	1134
HDFC	2042	1997	2156	2202	2316
HDFCBANK	1304	1284	1347	1366	1409
HDFCLIFE	524	514	552	562	590
HEROMOTOCO	2201	2179	2264	2287	2350
HINDALCO	530	524	543	548	562
HINDUNILVR	2057	2026	2132	2163	2238
ICICIBANK	749	743	764	770	785
INDUSINDBK	939	926	964	977	1002
INFY	1522	1493	1579	1608	1666
ITC	252	249	262	266	276
JSWSTEEL	713	698	752	767	806
KOTAKBANK	1663	1635	1715	1742	1794
LT	1663	1638	1712	1737	1786
M&M	856	849	872	879	895
MARUTI	7210	7116	7444	7538	7772
NESTLEIND	17704	17322	18214	18596	19107
NTPC	157	155	161	163	168
ONGC	174	173	177	178	181
POWERGRID	224	222	229	231	236
RELIANCE	2568	2501	2618	2684	2735
SBILIFE	1085	1062	1135	1157	1208
SBIN	499	494	510	515	526
SHREECEM	24149	23836	24962	25275	26088
SUNPHARMA	905	899	921	927	944
TATACONSUM	762	747	799	814	851
TATAMOTORS	409	402	425	433	448
TATASTEEL	1286	1269	1326	1344	1384
TCS	3400	3357	3482	3524	3606
TECHM	1257	1233	1309	1333	1386
TITAN	2401	2381	2461	2481	2541
ULTRACEMCO	6398	6323	6581	6656	6839
UPL	791	784	807	815	831
WIPRO	519	513	532	538	552

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
Huhtamaki India Ltd	20-Apr-22	Dividend - Rs. - 1.0000	-	22-Apr-22	5-May-22	13-Apr-22	21-Apr-22
Sandhar Technologies Ltd	20-Apr-22	E.G.M.	-	22-Apr-22	28-Apr-22	13-Apr-22	21-Apr-22
GAIL (INDIA) LTD.	21-Apr-22	Buy Back of Shares	22-Apr-22	-	-	13-Apr-22	21-Apr-22
NESTLE INDIA LTD.	21-Apr-22	Interim Dividend - Rs. - 25.0000	22-Apr-22	-	-	13-Apr-22	21-Apr-22
NESTLE INDIA LTD.	21-Apr-22	Final Dividend - Rs. - 65.0000	22-Apr-22	-	-	13-Apr-22	21-Apr-22
VIPPY SPINPRO LTD.	22-Apr-22	E.G.M.	-	26-Apr-22	2-May-22	19-Apr-22	25-Apr-22
MUTHOOT FINANCE LTD.	25-Apr-22	Interim Dividend - Rs. - 20.0000	26-Apr-22	-	-	19-Apr-22	25-Apr-22
Nirmitee Robotics India Ltd	25-Apr-22	Bonus issue 5:1	26-Apr-22	-	-	19-Apr-22	25-Apr-22
SAREGAMA INDIA LTD.	26-Apr-22	Stock Split From Rs.10/- to Rs.1/-	27-Apr-22	-	-	20-Apr-22	26-Apr-22
ABB India Limited	27-Apr-22	Final Dividend - Rs. - 5.2000	-	29-Apr-22	5-May-22	-	-
Shree Ganesh Biotech (India) Ltd	27-Apr-22	Bonus issue 1:1	28-Apr-22	-	-	21-Apr-22	27-Apr-22
DCM FINANCIAL SERVICES LTD.	28-Apr-22	E.G.M.	-	30-Apr-22	6-May-22	-	-
HCL TECHNOLOGIES LTD.	28-Apr-22	Interim Dividend	29-Apr-22	-	-	-	-
KSB Ltd	28-Apr-22	Dividend - Rs. - 12.5000	-	30-Apr-22	11-May-22	-	-
MAN INDUSTRIES (INDIA) LTD.-\$	28-Apr-22	Interim Dividend	29-Apr-22	-	-	-	-
Mold-Tek Packaging Limited	28-Apr-22	Interim Dividend	29-Apr-22	-	-	-	-
PRO FIN CAPITAL SERVICES LTD.	28-Apr-22	Stock Split From Rs.10/- to Rs.1/-	29-Apr-22	-	-	-	-
PRO FIN CAPITAL SERVICES LTD.	28-Apr-22	Bonus issue 2:1	29-Apr-22	-	-	-	-
STOVEC INDUSTRIES LTD.	28-Apr-22	Dividend - Rs. - 57.0000	-	30-Apr-22	6-May-22	-	-
VESUVIUS INDIA LTD.	28-Apr-22	Dividend - Rs. - 8.0000	29-Apr-22	-	-	-	-
ELANTAS BECK INDIA LTD.-\$	29-Apr-22	Dividend - Rs. - 5.0000	-	4-May-22	10-May-22	-	-
SHAH ALLOYS LTD.	29-Apr-22	E.G.M.	-	4-May-22	11-May-22	-	-
SHUKRA JEWELLERS LTD.	29-Apr-22	E.G.M.	-	3-May-22	10-May-22	-	-
SHUKRA BULLIONS LTD.	29-Apr-22	E.G.M.	-	3-May-22	10-May-22	-	-
FOSECO INDIA LTD.	2-May-22	Final Dividend - Rs. - 25.0000	-	5-May-22	11-May-22	-	-
Sri Havisha Hospitality And Infrastructure Ltd	2-May-22	E.G.M.	-	5-May-22	11-May-22	-	-
Gateway Distriparks Ltd	4-May-22	Interim Dividend	5-May-22	-	-	-	-
Sindhu Trade Links Limited	4-May-22	E.G.M.	-	6-May-22	11-May-22	-	-
COLGATE-PALMOLIVE (INDIA) LTD.	5-May-22	Interim Dividend	7-May-22	-	-	-	-
CRISIL LTD.	6-May-22	Interim Dividend	9-May-22	-	-	-	-
TREE HOUSE EDUCATION & ACCESSORIES LTD.	6-May-22	E.G.M.	-	10-May-22	10-May-22	-	-
Vedanta Limited	6-May-22	Interim Dividend	9-May-22	-	-	-	-
INFOSYS LTD.	31-May-22	Final Dividend - Rs. - 16.0000	1-Jun-22	-	-	-	-
Linde India Limited	1-Jun-22	Final Dividend - Rs. - 3.5000	-	3-Jun-22	23-Jun-22	-	-
Linde India Limited	1-Jun-22	Special Dividend - Rs. - 10.0000	-	3-Jun-22	23-Jun-22	-	-
CASTROL INDIA LTD.	2-Jun-22	Final Dividend - Rs. - 3.0000	-	4-Jun-22	8-Jun-22	-	-

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