

Morning Call

19 April 2022

Indices	Close	Previous	Chg. %
Sensex Index	57,167	58,339	-2.01%
Nifty Index	17,174	17,476	-1.73%
NSEBANK INDEX	36,729	37,463	-1.96%
NSEAUTO INDEX	10,746	10,698	0.44%
NSEIT INDEX	32,780	34,355	-4.58%

Market depth	Advance	Decline	T/O(bn)
NSE	848	1,290	565
BSE	1,470	2,057	51

Indices	Close	Previous	Chg. %
DJIA	34,412	34,451	-0.11%
NASDAQ	13,332	13,351	-0.14%
S&P 500	4,392	4,393	-0.02%
DAX	14,164	14,076	0.62%
CAC 40	6,589	6,542	0.72%
FTSE 100	7,616	7,616	0.00%
HANG SENG	21,518	21,374	0.67%
SSE INDEX	3,196	3,211	-0.49%
NIKKEI 225	26,800	27,093	-1.08%

Nifty Gainers	Chg. %	Nifty Losers	Chg. %
NTPC	6.4	INFY	-7.2
SBILIFE	2.0	HDFC	-4.8
HDFCLIFE	1.7	HDFCBANK	-4.6
TATASTEEL	1.6	TECHM	-4.4
MARUTI	1.5	APOLLOHOSP	-3.8

FII Derivatives	Buy (bn)	Sell (bn)	Net (bn)
INDEX FUT	36.7	40.7	-4.0
STOCK FUT	137.9	147.1	-9.1

Markets nosedived to end lower

- Investor sentiment was dented by the continuing Russia-Ukraine war, inflation worries, rising Covid-19 cases as well as fresh signs of slowing growth in China.
- Shares ended lower as traders returned to their desks after a four-day holiday weekend

Global & Asian market overview

- **European stocks** inched higher as U.S. Treasury yields steadied amid bets that U.S. inflation may have peaked. Investors await the outcome of an ECB policy meeting and President Christine Lagarde's press conference later in the day for cues on the path of monetary policy.
- **US stocks** fluctuated over the course of the trading session. The major averages bounced back and forth across the unchanged line following the sharp pullback seen last Thursday.
- **Asian stocks** were mixed after the World Bank cut its forecast for global expansion this year by nearly a full percentage point.

Industry Buzz

- **Wipro:** Appointed Satya Easwaran as country head for India.
- **SJVN:** The company has achieved financial closure by signing of loan agreement amounting to Rs 494 crore with Himachal Pradesh State Co-Operative Bank for development of 66 MW Dhaulasidh REP in Himachal Pradesh. The total project cost is Rs 688 crore.
- **Rail Vikas Nigam/Coal India:** Rail Vikas Nigam signed memorandum of understanding with Mahanadi Coalfields, a subsidiary of Coal India, to consult on rail infrastructure works of the miner.
- **Indraprastha Gas Ltd:** The company has received a letter from the Petroleum and Natural Gas Regulatory Board for development of a city gas distribution network in Banda, Chitrakoot and Mahoba districts of Uttar Pradesh.

- **Sanofi:** The company appointed Rodolfo Hrosz as the Managing Director for three years with effect from June 1.
- **Mindtree/L&T Infotech:** Reports about their merger are speculative, the companies said in an exchange filing.
- **Mishtann Foods:** Approves issue of bonus shares in 1:1 ratio.
- **Ujjivan Financial Services:** The bank appointed Radhakrishnan Ravi as the chief executive officer and chief financial officer, effective from April 19.
- **Kirloskar Electric:** Says its Tumkur, Karnataka unit extended layoff period of 14 staff out of 77 till June 10.
- **TVS Motor:** Jwalamukhi Investment has sold 3.3 million shares of the Chennai-based automaker.

Earnings Update

- **Mindtree Q4 FY22 (Consolidated, QoQ)** Revenue up 5.4% at Rs 2,897.4 crore Vs Rs 2,750 crore Net profit up 8% at Rs 473.1 crore Vs Rs 437.5 crore EBIT up 3.8% at Rs 548.7 crore Vs Rs 529 crore EBIT Margin 18.94% Vs 19.23% Declared a final dividend of Rs 27 per share of face value of Rs.10.

Results Today

- ACC, Larsen & Toubro Infotech, Mastek, Tata Steel Long Products, PCBL, Benares Hotels, Godavari Drugs, and Longview Tea Company

Indian Macro

- India's inflation based on the Wholesale Price Index (WPI) rose to a four-month high of 14.55 percent in March from 13.11 percent in February, according to data released by the commerce ministry on April 18. The WPI inflation was 7.89 percent in March 2021. Another 10 percent-plus print means WPI inflation has now been in double-digit territory for 12 consecutive months. The rise in wholesale inflation in March comes after data released on April 12 showed the more closely-tracked headline retail inflation rate based on the Consumer Price Index (CPI) jumped to a 17-month high of 6.95 percent last month. While the Reserve Bank of India's (RBI) policy target is spelt out in terms of CPI inflation, high WPI inflation is seen as a precursor to higher consumer prices as producers pass on rising costs to customers. The rise in WPI inflation in March was driven by an increase in prices across the board, although non-food items led the charge.
- Prices of petrol and diesel remained steady for the twelfth day in a row on April 18. Since the end of a four-and-a-half-month hiatus in rate revision on March 22, the rates of petrol and diesel have increased by Rs 10 per litre each though 14 rounds of revisions. The fuel prices were last hiked on April 6 by 80 paise a litre each. According to a price notification from fuel retailers, petrol in Delhi costs Rs 105.41 per litre and diesel Rs 96.67 per litre. In Mumbai, petrol and diesel prices per litre are at Rs 120.51 and Rs 104.77, while in Chennai the rates are Rs 110.85 and Rs 100.94 per litre, and Rs 115.12 and Rs 99.83 per litre in Kolkata.
- The Reserve Bank of India (RBI) is in the process of designing a framework for the launch of a central bank digital currency (CBDC) in 2023. A CBDC is essentially legal tender issued in a digital form distinct from a private cryptocurrency, which does not have a sovereign legal backing. Many jurisdictions are driven by the goals of financial inclusion and push towards digital payments when considering whether to launch a CBDC. While these are certainly important goals for the RBI, the United Payments Interface (UPI) has already done a lot for digital payments in India. In fact, India's digital payments architecture is viewed as one of the global best.

Global Macro

- The US yield on the 10-year note, which sets the tone for corporate and household borrowing costs worldwide, rose past 2.86%, a level not seen since late 2018, on the back of heightened inflation woes and prospects of an aggressive hawkish shift in the Fed's stance. Investors have been increasingly betting on the scenario of two consecutive 50 bps rate hikes in the Federal Reserve funds rate, in May and June. The case for such moves has been strengthened by recent comments from Fed governors and policymakers arguing for a sustained tightening in monetary policy, after data showed consumer prices rising the most in four decades last month and producer prices climbing at the fastest pace since 2010. Along with runaway inflation, the job market has been showing signs of being extremely tight, which also brought forward the expectations of sharper interest-rate hikes to cool an overheating economy.

- The yield on China's 10-year government bond jumped 3.5 basis points to roughly 2.85%, the highest since March 10th, following upbeat economic data, which eased some concerns over the impact of Beijing's crackdown on coronavirus outbreaks and the war in Ukraine. The Chinese economy expanded 1.3% over the previous quarter in the first three months of 2022, more than double of market forecasts of 0.6%, while industrial production rose a more-than-expected 5% year-on-year in March. Still, the People's Bank of China is seen lowering its reserve requirement ratio to allow more liquidity in financial markets, despite an unexpected decision to leave the medium-term lending facility rate unchanged in April.

	S1	S2	PIVOT	R1	R2
ADANIAPORTS	832	814	840	858	865
ASIANPAINT	2997	2982	3027	3042	3072
AXISBANK	786	768	794	811	819
BAJAJ-AUTO	3643	3588	3701	3756	3814
BAJAJFINSV	15646	15458	15843	16032	16229
BAJFINANCE	7206	7147	7291	7350	7434
BHARTIARTL	724	715	732	741	749
BPCL	367	365	373	375	381
BRITANNIA	3312	3278	3340	3374	3402
CIPLA	1017	1001	1026	1042	1051
COALINDIA	185	182	188	192	194
DIVISLAB	4456	4394	4512	4574	4630
DRREDDY	4227	4185	4273	4315	4361
EICHERMOT	2478	2429	2504	2552	2579
GRASIM	1729	1706	1748	1771	1790
HCLTECH	1091	1074	1102	1119	1130
HDFC	2232	2212	2277	2296	2342
HDFCBANK	1377	1363	1404	1418	1446
HDFCLIFE	564	549	570	585	592
HEROMOTOCO	2272	2237	2283	2317	2329
HINDALCO	536	528	546	554	564
HINDUNILVR	2151	2119	2167	2199	2215
ICICIBANK	752	744	758	766	771
INDUSINDBK	967	958	975	984	992
INFY	1592	1561	1621	1652	1681
IOC	127	126	128	129	130
ITC	268	265	270	273	275
JSWSTEEL	759	750	768	777	785
KOTAKBANK	1731	1708	1753	1777	1799
LT	1725	1702	1737	1759	1772
M&M	865	853	871	883	888
MARUTI	7458	7284	7528	7702	7772
NESTLEIND	18324	18119	18505	18710	18891
NTPC	159	152	161	168	171
ONGC	174	173	176	178	180
POWERGRID	229	226	231	234	235
RELIANCE	2521	2503	2541	2559	2579
SBILIFE	1146	1116	1164	1194	1212
SBIN	505	499	510	516	521
SHREECEM	25120	24710	25310	25720	25910
SUNPHARMA	916	907	928	937	950
TATACONSUM	815	804	820	830	836
TATAMOTORS	427	419	432	440	445
TATASTEEL	1326	1313	1342	1355	1371
TCS	3488	3462	3549	3576	3637
TECHM	1318	1294	1354	1378	1414
TITAN	2448	2384	2474	2538	2564
ULTRACEMCO	6575	6512	6632	6694	6752
UPL	795	781	807	821	832
WIPRO	534	528	542	547	556

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
DILIGENT INDUSTRIES LTD.	19-Apr-22	Stock Split From Rs.5/- to Rs.1/-	44671	-	-	11-Apr-22	19-Apr-22
IDFC LIMITED	19-Apr-22	Interim Dividend - Rs. - 1.0000	20-Apr-22	-	-	11-Apr-22	19-Apr-22
Jubilant FoodWorks Ltd	19-Apr-22	Stock Split From Rs.10/- to Rs.2/-	20-Apr-22	-	-	11-Apr-22	19-Apr-22
Schaeffler India Ltd	19-Apr-22	Dividend - Rs. - 16.0000	-	21-Apr-22	27-Apr-22	12-Apr-22	20-Apr-22
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	-	-	-	-
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	-	-	-	-
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	-	-	-	-
MAN INDUSTRIES (INDIA) LTD.-\$	28-Apr-22	Interim Dividend	29-Apr-22	-	-	-	-
Mold-Tek Packaging Limited	28-Apr-22	Interim Dividend	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	-	-	-	-
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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