

Morning Call

09 March 2022

Markets Snaps Four Day Losing Run

- Indian shares reversed early losses to end sharply higher on Tuesday on the back of positive cues from European markets.
- Domestic stocks succumbed to heavy selling pressure earlier in the day before reversing course after reports suggested that the European Union is mulling a joint-bond sale to fund energy and defense spending.

Global & Asian market overview

- **European stocks** rebounded bond yields turned positive and the euro rose after reports that the European Union is mulling a joint-bond sale to fund energy and defense spending.
- **US stocks** following the sell-off seen in the previous session, stocks went on a rollercoaster ride. The major averages showed wild swings over the course of the session before closing in negative territory.
- **Asian stocks** fell broadly amid worries about inflation and a mounting risk of a global economic slowdown - often called stagflation. There was no major progress in the peace talks between Ukraine and Russia and oil prices rose about 2 percent in Asian trading, weighing on sentiment.

Industry Buzz

- **Adani Ports:** Indian Oil Corp. Ltd. will add new oil tanks at Adani's Mundra port for expansion.
- **Infosys:** To collaborate on Dow Jones' digital transformation
- **Petronet LNG:** Sets up unit in Singapore for LNG trading
- **Wabco India:** Renamed ZF Commercial Vehicle Control Systems India
- **Jindal Stainless:** The company said it sources majority of its nickel from scrap, and dependence on Russia for raw material is minimal.
- **TVS Motor:** To consider declaration of interim dividend on March 18.
- **Greaves Cotton:** The company has appointed Arup Basu as deputy managing director (designate).
- **HIL:** Chief Financial Officer KR Veerappan tendered his resignation.

Indices	Close	Previous	Chg. %
Sensex Index	53,424	52,843	1.10%
Nifty Index	16,013	15,863	0.95%
NSEBANK INDEX	33,158	32,871	0.87%
NSEAUTO INDEX	9,560	9,480	0.84%
NSEIT INDEX	35,056	34,136	2.69%

Market depth	Advance	Decline	T/O(bn)
NSE	1,503	619	726
BSE	2,178	1,159	52

Indices	Close	Previous	Chg. %
DJIA	32,633	32,817	-0.56%
NASDAQ	12,796	12,831	-0.28%
S&P 500	4,171	4,201	-0.72%
DAX	12,832	12,835	-0.02%
CAC 40	5,963	5,982	-0.32%
FTSE 100	6,964	6,959	0.07%
HANG SENG	20,766	21,058	-1.39%
SSE INDEX	3,294	3,373	-2.35%
NIKKIE 225	24,791	25,221	-1.71%

Nifty Gainers	Chg. %	Nifty Losers	Chg. %
IOC	4.2	HINDALCO	-4.6
SUNPHARMA	4.0	ONGC	-4.4
TATACONSUM	3.8	TATASTEEL	-2.0
CIPLA	3.5	JSWSTEEL	-1.4
TCS	3.1	BRITANNIA	-1.2

FII Derivatives	Buy (bn)	Sell (bn)	Net (bn)
INDEX FUT	67.1	77.2	-10.1
STOCK FUT	180.8	190.7	-9.9

- **Brookfield India:** The company has approved allotment of 52,800,000 units at an Issue price of Rs 110.46 per unit to Westwood Business Consultancy. The transaction is part of its Space Teleinfra deal.
- **ISGEC:** The company received order from Shree Cement for cement waste heat recovery boilers for their 3.8 MTPA clinker capacity, integrated cement plant in Nawalgarh, Rajasthan. The scope of work includes designing, manufacturing, and supplying of PH Boiler in the pre-heater exhaust and AQC boiler in the cooler exhaust.
- **Atul:** The company has completed expansion of its Sulphur Black manufacturing facility, thus increasing the production capacity from 9,800 tonnes per annum to 26,000 tonnes per annum.

- **Eveready Industries:** The company has appointed Suvamoy Saha as managing director for a period of three years, effective March 8, 2022, after Amritanshu Khaitan's resignation.
- **Indian Overseas Bank:** The bank has reduced the base rate to 8.10% from the existing of 9.10% effective from March 10, 2022.
- **Bharat Forge:** Subsidiary Kalyani Strategic Systems has incorporated Sagar-Manas Technologies, a joint venture with Open Joint Stock Company Dastan Transnational for upgradation and manufacturing/ providing solutions for marine and defense products.
- **Zydus Lifesciences:** Subsidiaries entynl Therapeutics and BridgeBio Pharma executed an asset purchase agreement for sale of BridgeBio's Nulibry (Fosdenopterin) for injection. Nulibry is approved by the U.S. Food and Drug Administration to reduce the risk of mortality in patients with molybdenum cofactor deficiency (MoCD) Type A, an ultra-rare, life-threatening paediatric genetic disorder.
- **Dish TV:** The company has disclosed the results of its annual general meeting held on Dec. 30, after SEBI's order directing it to do so. All three resolutions put to shareholder vote by the company have been defeated, according to its exchange filing.

Indian Macro

- According to a report from the rating agency ICRA, the international crude oil price in Indian basket terms surpassed the \$130 a barrel mark on March 7. Price of the Indian crude oil basket has averaged \$114.6 a barrel so far in the week of March 1-7. This is a 23 percent surge from \$93.3 a barrel in February. "We expect the price of the Indian basket of crude oil to remain volatile in the near term until geopolitical tensions ease or OPEC decides to materially raise the magnitude of production," the report from ICRA said. The report adds that every \$10 per barrel rise in crude prices results in a \$14-15 billion increase in current account deficit (CAD) which is equivalent to almost 0.4 percent of GDP. "If the ongoing crisis continues to rage and keeps the crude prices for India at an elevated level of \$130 per barrel, CAD will widen to 3.2 percent of GDP," said the report from ICRA. If this happens, it will be the first time in a decade that the CAD will breach the 3 percent mark.
- The second phase of the much-awaited National Hydrogen Mission policy is under consideration by the central government's expenditure finance committee, Minister of Power and New & Renewable Energy RK Singh said on March 8. The Ministry of Power notified the first part of the National Hydrogen Mission policy on green hydrogen and green ammonia on February 17, and had said that a second part will follow soon. The second part of the National Hydrogen Policy is likely to focus on issues related to viability gap funding (VGF) for green hydrogen and green ammonia projects and possible incentives to boost manufacturing. The expenditure finance committee will study the viability of the plan and makes suitable recommendations to the approval authority.

Global Macro

- Gold surged to as high as \$2,066 an ounce on Tuesday, just 9 dollars shy of its record peak hit in August 2020 as geopolitical and economic uncertainties stemming from the Russia-Ukraine war lifted demand for the safe-haven metal. In the latest developments, the US announced a ban on imports of Russian oil, a move that threatened supply chains and heaped further inflationary pressure on economies worldwide. Soaring commodities prices fuelled fears of stagflation for the global economy, bolstering the metal's appeal as an inflation hedge. On the flip side, the prospect of sharply higher

interest rates should keep a lid on prices, with Chair Jerome Powell strongly backing the case for a 25bp rate rise on March 16.

- Imports to the United States increased 1.2 percent, or USD 3.8 billion, to a new record high of USD 314.1 billion in January of 2022. Purchases of goods were up USD 4.8 billion to USD 264.8 billion, due to imports of automotive vehicles, parts, and engines (USD 1.6 billion), industrial supplies and materials (USD 1.5 billion), particularly crude oil (USD 0.9 billion), natural gas (USD 0.6 billion) and copper (USD 0.6 billion). Also, imports grew for foods, feeds, and beverages (USD 1.4 billion) and capital goods (USD 1.1 billion). On the other hand, imports of services decreased USD 1.0 billion to USD 49.3 billion, led by transport (USD 0.8 billion) and travel (USD 0.5 billion).
- Exports from the United States decreased by 1.7 percent, or USD 3.9 billion, to USD 224.4 billion in January from the previous month's record high. Exports of goods decreased \$2.3 billion to \$155.9 billion, particularly pharmaceutical preparations (down \$3.2 billion) and exports of services decreased \$1.6 billion to \$68.5 billion, mainly travel (\$1.8 billion) and transport (\$0.5 billion). On the other hand, sales of capital goods increased by \$1.1 billion, due to civilian aircraft (\$0.4 billion) and telecommunications equipment (\$0.2 billion).

	S1	S2	PIVOT	R1	R2
ADANIPTS	679	664	685	700	707
ASIANPAINT	2678	2608	2707	2776	2806
AXISBANK	653	626	663	689	700
BAJAJ-AUTO	3211	3104	3283	3390	3461
BAJAJFINSV	14149	13763	14337	14722	14911
BAJFINANCE	6028	5818	6123	6332	6427
BHARTIARTL	672	660	679	691	699
BPCL	338	330	340	348	351
BRITANNIA	3050	2985	3115	3180	3245
CIPLA	953	924	965	995	1007
COALINDIA	186	184	189	191	194
DIVISLAB	4116	4036	4145	4225	4254
DRREDDY	3801	3695	3844	3950	3993
EICHERMOT	2204	2129	2234	2308	2339
GRASIM	1423	1386	1444	1482	1503
HCLTECH	1161	1146	1170	1185	1195
HDFC	2099	2014	2130	2215	2246
HDFCBANK	1312	1281	1323	1354	1365
HDFCLIFE	503	491	509	521	527
HEROMOTOCO	2193	2114	2226	2305	2338
HINDALCO	576	566	597	607	628
HINDUNILVR	1927	1886	1942	1983	1999
ICICIBANK	651	634	660	677	687
INDUSINDBK	829	807	838	861	870
INFY	1734	1686	1767	1816	1849
IOC	114	110	116	120	122
ITC	224	222	226	229	231
JSWSTEEL	615	601	628	642	654
KOTAKBANK	1696	1656	1713	1753	1770
LT	1622	1573	1644	1693	1715
M&M	685	662	694	717	726
MARUTI	6644	6431	6749	6962	7068
NESTLEIND	16908	16654	17219	17473	17784
NTPC	131	128	133	136	139
ONGC	170	165	183	187	200
POWERGRID	206	201	215	219	228
RELIANCE	2202	2158	2224	2268	2290
SBILIFE	1018	992	1029	1054	1065
SBIN	431	420	437	449	454
SHREECEM	21718	21219	22211	22710	23203
SUNPHARMA	838	814	850	874	885
TATACONSUM	670	649	679	700	709
TATAMOTORS	382	370	389	401	408
TATASTEEL	1241	1217	1267	1291	1317
TCS	3520	3415	3564	3669	3713
TECHM	1442	1407	1454	1488	1501
TITAN	2346	2289	2383	2440	2477
ULTRACEMCO	5716	5550	5796	5962	6041
UPL	708	691	725	742	758
WIPRO	578	566	584	597	603

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
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
Advik Capital Ltd	10/03/22	Right Issue of Equity Shares	11/03/22	-	-	07/03/22	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
BCL Enterprises Ltd	10/03/22	Bonus issue 1:1	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
RAINBOW FOUNDATIONS LTD.	10/03/22	Right Issue of Equity Shares	11/03/22	-	-	08/03/22	10/03/22
Ultracab (India) Ltd	10/03/22	Stock Split From Rs.10/- to Rs.2/-	12/03/22	-	-	07/03/22	10/03/22
Ultracab (India) Ltd	10/03/22	Bonus issue 1:2	12/03/22	-	-	07/03/22	10/03/22
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 - Rs. - 12.0000	14/03/22	-	-	07/03/22	11/03/22
ARIHANT CAPITAL MARKETS LTD.	14/03/22	Interim Dividend - Rs. - 0.7500	15/03/22	-	-	08/03/22	14/03/22
DIC INDIA LTD.	14/03/22	Final Dividend - Rs. - 3.0000	15/03/22	-	-	08/03/22	14/03/22
DIC INDIA LTD.	14/03/22	Special Dividend - Rs. - 2.0000	15/03/22	-	-	08/03/22	14/03/22
Infibeam Avenues Ltd	14/03/22	Bonus issue 1:1	15/03/22	-	-	08/03/22	14/03/22
NLC India Ltd	14/03/22	Interim Dividend - Rs. - 1.5000	15/03/22	-	-	08/03/22	14/03/22
RAMKRISHNA FORGINGS LTD.	14/03/22	Stock Split From Rs.10/- to Rs.2/-	15/03/22	-	-	08/03/22	14/03/22
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	-	-	-	-
JINDAL STEEL & POWER LTD.	16/03/22	Interim Dividend	19/03/22	-	-	-	-
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 - Rs. - 1.5000	19/03/22	-	-	-	-
Ravindra Energy Ltd	16/03/22	E.G.M.	-	21/03/22	23/03/22	-	-
SHIVA MEDICARE LTD.	16/03/22	Resolution Plan -Suspension	18/03/22	-	-	-	-
SHRIRAM CITY UNION FINANCE LTD.	16/03/22	Interim Dividend - Rs. - 27.0000	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	-	-
Innovative Ideals and Services (India) Ltd	17/03/22	E.G.M.	-	22/03/22	28/03/22	-	-
SUN TV NETWORK LTD.	17/03/22	Interim Dividend - Rs. - 5.0000	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	-	-	-	-
AGI Infra Ltd	22/03/22	Interim Dividend	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	-	-	-	-
BHARAT ELECTRONICS LTD.	24/03/22	Interim Dividend	26/03/22	-	-	-	-
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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