

Morning Call

31 March 2022

Indices	Close	Previous	Chg. %
Sensex Index	58,684	57,944	1.28%
Nifty Index	17,498	17,325	1.00%
NSEBANK INDEX	36,334	35,847	1.36%
NSEAUTO INDEX	10,542	10,416	1.21%
NSEIT INDEX	36,464	36,147	0.88%

Market depth	Advance	Decline	T/O(bn)
NSE	1,381	755	747
BSE	2,083	1,322	46

Indices	Close	Previous	Chg. %
DJIA	35,229	35,294	-0.19%
NASDAQ	14,442	14,620	-1.21%
S&P 500	4,602	4,632	-0.63%
DAX	14,606	14,820	-1.45%
CAC 40	6,742	6,792	-0.74%
FTSE 100	7,579	7,537	0.55%
HANG SENG	22,232	21,928	1.39%
SSE INDEX	3,267	3,204	1.96%
NIKKIE 225	28,027	28,252	-0.80%

Nifty Gainers	Chg. %	Nifty Losers	Chg. %
HDFCLIFE	3.5	ONGC	-5.4
BAJAJFINSV	3.3	HINDALCO	-4.9
TATACONSUM	3.0	JSWSTEEL	-4.6
BAJFINANCE	2.8	ITC	-2.2
POWERGRID	2.7	TATASTEEL	-2.1

FII Derivatives	Buy (bn)	Sell (bn)	Net (bn)
INDEX FUT	94.6	83.8	10.8
STOCK FUT	421.4	404.8	16.6

Markets rose for a third straight session

- Russia on Tuesday promised to scale down military operations around Ukraine's capital Kyiv, while Ukraine proposed adopting a neutral status in face-to-face negotiations.
- The rupee declined by 21 paise to 75.94 against the greenback as oil prices rebounded after suffering losses in the previous two sessions.

Global & Asian market overview

- **European stocks** were moving lower after seeing sharp gains the previous day on hopes for a breakthrough in Russia-Ukraine peace talks.
- **US stocks** The major U.S. averages ended lower on Wednesday amid fading hopes about peace talks between Russia and Ukraine after the former continued to shell certain areas of Ukraine despite having promised to scale down military operations on Tuesday.
- **Asian stocks** rose broadly amid optimism around a peaceful resolution of the Ukraine war. Russia on Tuesday promised to scale down military operations around Ukraine's capital Kyiv, while Ukraine proposed adopting a neutral status in face-to-face negotiations.

Industry Buzz

- **Ruchi Soya:** In total, 14,583 applications amounting to 97.4 lakh shares were withdrawn as on March 30, according to the data on the BSE. Overall subscription fell to 3.39 times compared with 3.6 times on March 28 when the issue closed.
- **Tata Steel:** transferred its special economic zone unit to a fully owned subsidiary as it reorganises business to simplify structure and drive synergies. The steelmaker's 100% equity—or 89.33 lakh equity shares—in Tata Steel Special Economic Zone Ltd. has been transferred to Tata Steel Utilities and Infrastructure Services Ltd. in a share-swap deal, according to its filing.

- **Reliance Jio:** Reliance Jio Infocomm Ltd. added the highest number of active subscribers for the second straight month in January despite losing the maximum number of gross subscribers.
- **Tata Motors:** Tata Motors said it has received the first tranche of Rs 7,500 crore investment for its new passenger electric vehicle subsidiary from TPG Rise Capital.
- **Axis Bank:** Axis Bank Ltd., India's third largest private sector lender, has purchased Citi India's consumer business for Rs 12,325 crore or roughly \$1.6 billion, the lender said in a notification to exchanges. Axis Bank will also purchase the consumer business of Citicorp Finance (India) Ltd., a non-bank financial company under Citi.

Indian Macro

- The Reserve Bank of India (RBI) has detailed the meeting schedule of its Monetary Policy Committee (MPC) for FY23, with the rate-setting panel set to meet next week. As per the RBI Act, the MPC must meet a minimum of four times in a year, with the meeting schedule for a year to be published by the central bank at least one week before the first meeting for that year. The six-member MPC is widely expected to make no change to the policy repo rate in its first meeting of FY23, to be held between April 6-8. After next week, the MPC will meet on June 6-8, August 2-4, September 28-30, and December 5-7, before closing out FY23 with its final meeting in February 6-8, 2023, the RBI said in a statement on March 30. The RBI will release its six-monthly Monetary Policy Report next week along with the MPC's resolution. The Monetary Policy Report will be keenly eyed for the central bank's inflation forecasts and the assumptions underpinning them. With global crude oil prices skyrocketing in the wake of Russia's invasion of Ukraine, all eyes will be on the price of India's crude oil basket the RBI assumes in its models while arriving at its inflation forecast.
- The Union Cabinet has approved a World Bank-assisted programme worth \$808 million to improve the performance of micro, small, and medium enterprises (MSME). The programme, called 'Raising and Accelerating MSME Performance' - or RAMP - will commence in FY23, the government said in a statement on March 30. Of the \$808 million, \$500 million will be a loan from the World Bank, while the remaining \$308 million will come from the Centre. The \$500 million loan from the World Bank's International Bank for Reconstruction and Development is for 18.5 years, which includes a grace period of 5.5 years.
- India does not differentiate between foreign and domestic companies but going forward, it will "possibly" not import any defence item, a top Defence Ministry official said on Wednesday. India was the world's largest importer of major arms in 2017-21 and accounted for 11 per cent of total global arms imports in the period, Stockholm-based defence think-tank SIPRI had stated earlier this month. As long as foreign OEMs (original equipment manufacturers) are in India, and as long as they are designing and manufacturing within India, the Indian government is completely equitable, said Sanjay Jaju, Additional Secretary (Defence Production), Ministry of Defence, in his speech at an event of industry body PHDCCI.
- India's export of agricultural products have touched \$40.87 billion in the first 10 months of the current fiscal and it is 25.14 percent more than the financial year, Union Minister of State for Commerce Anupriya Singh Patel said in Lok Sabha on Wednesday. Patel said exports of some other major agricultural products like wheat, sugar and cotton have registered a substantial increase during the current year. "During the period between April 2021 to January 2022 of the current financial year, exports of agricultural products have amounted to \$40.87 billion compared to \$32.66 billion over the corresponding period of previous year, registering an increase of 25.14," she said during Question Hour. Patel said of the products for which targets were fixed, export of some of the major items like rice, other cereals, coffee cereal preparations, meat, dairy and poultry products and marine products would achieve or come very close to achieving the targets for 2021-22.

Global Macro

- The official NBS Non-Manufacturing PMI for China declined to 48.4 in March 2022 from January's reading of 51.6. This was the first decline in the service sector since last August, amid downward pressure from tough COVID-19 measures following outbreaks in many cities, including Shanghai and Shenzhen. Both new orders (45.7 vs 47.6) and new export orders (45.8 vs 48.1) shrank the most since last August, while employment contracted at a steeper rate (47.1 vs 48.0). On prices, input cost rose the most in five months (55.9 vs 53.9); while output prices increased after falling in February (51.1 vs 49.8). Finally, confidence was at a three-month low (54.6 vs 60.5).

- US crude oil inventories fell by 3.449 million barrels in the week ended March 25th, the most in seven weeks and above market expectations of a 1.022-million-barrel decrease, data from the EIA Petroleum Status Report showed. Also, crude stocks at the Cushing, Oklahoma, delivery hub decreased by 1.009 million. Meanwhile, gasoline inventories rose 0.785 million barrels, the first increase since the end of January and compared to market expectations of a 1.744 million fall; and distillate stockpiles which include diesel and heating oil went up 1.394 million barrels, against forecasts of a 1.55-million-barrel decline.
- Corporate profits in the United States rose 0.2 percent to a fresh record high of USD 2.53 trillion in the last quarter of 2021, following a 3.4 percent jump in the previous period. Net cash flow with inventory valuation adjustment, the internal funds available to corporations for investment, rose 3.0 percent to \$3.23 trillion, while net dividends rose 1.8 percent to \$1.47 trillion. Meanwhile, undistributed profits tumbled 2.0 percent to \$1.06 trillion.
- The American economy expanded an annualized 6.9% on quarter in the last three months of 2021, 0.1 percentage point lower than in the second estimate. Still, it remains the strongest expansion since a record growth of 33.8% in Q3 2020, with private inventories making the biggest upward contribution (5.32 percentage points vs 4.9 percentage points in the second estimate), led by motor vehicle dealers and wholesale trade industries. Downward revisions to PCE (2.5% vs 3.1% in the second estimate); exports (22.4% vs 23.6%); nonresidential fixed investment (2.9% vs 3.1%), and state and local government spending (-1.6% vs -1.4%) were partly offset by upward revisions to private inventory investment; residential fixed investment (2.2% vs 1%); and federal government spending (-4.3% vs -4.5%). Imports were also revised up (17.9% vs 17.6%). Considering full 2021, the US economy expanded 5.7%, matching earlier estimates.

	S1	S2	PIVOT	R1	R2
ADANIPOINTS	759	753	767	772	781
ASIANPAINT	3065	3041	3080	3104	3118
AXISBANK	742	729	754	767	779
BAJAJ-AUTO	3658	3629	3694	3722	3758
BAJAJFINSV	16686	16249	16968	17404	17687
BAJFINANCE	7147	7035	7211	7323	7386
BHARTIARTL	736	728	753	761	778
BPCL	359	357	360	362	364
BRITANNIA	3124	3097	3142	3170	3188
CIPLA	1013	1004	1034	1043	1064
COALINDIA	179	178	184	185	190
DIVISLAB	4461	4424	4543	4580	4662
DRREDDY	4312	4257	4339	4394	4422
EICHERMOT	2448	2409	2483	2522	2557
GRASIM	1643	1615	1661	1689	1706
HCLTECH	1154	1148	1168	1174	1188
HDFC	2365	2336	2376	2405	2417
HDFCBANK	1462	1444	1472	1490	1501
HDFCLIFE	533	521	538	550	555
HEROMOTOCO	2242	2207	2262	2297	2316
HINDALCO	589	582	605	612	629
HINDUNILVR	2003	1987	2011	2027	2035
ICICIBANK	723	715	727	736	740
INDUSINDBK	915	908	930	937	952
INFY	1888	1879	1903	1912	1927
IOC	116	114	118	120	122
ITC	245	243	251	253	259
JSWSTEEL	701	690	726	737	762
KOTAKBANK	1742	1722	1755	1775	1788
LT	1763	1747	1770	1786	1793
M&M	784	771	790	804	809
MARUTI	7518	7434	7574	7658	7714
NESTLEIND	17088	16893	17218	17412	17542
NTPC	133	132	135	136	137
ONGC	160	159	162	164	166
POWERGRID	214	209	216	220	223
RELIANCE	2623	2585	2656	2694	2727
SBILIFE	1109	1094	1118	1133	1142
SBIN	489	487	495	497	503
SHREECEM	23845	23557	23997	24285	24438
SUNPHARMA	913	904	918	927	931
TATACONSUM	749	732	766	782	799
TATAMOTORS	431	428	437	439	445
TATASTEEL	1288	1276	1312	1324	1348
TCS	3714	3694	3726	3746	3758
TECHM	1470	1453	1502	1520	1552
TITAN	2493	2474	2529	2549	2585
ULTRACEMCO	6577	6497	6623	6703	6749
UPL	770	766	778	782	789
WIPRO	595	592	602	605	612

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
Gujarat Fluorochemicals Ltd	31-Mar-22	Interim Dividend - Rs. - 2.0000	44655	-	-	28-Mar-22	1-Apr-22
ACC LTD.	4-Apr-22	Final Dividend - Rs. - 58.0000	5-Apr-22	-	-	28-Mar-22	4-Apr-22
Kama Holdings Limited-\$	4-Apr-22	Interim Dividend - Rs. - 111.0000	5-Apr-22	-	-	28-Mar-22	4-Apr-22
Nirmitee Robotics India Ltd	4-Apr-22	E.G.M.	-	6-Apr-22	9-Apr-22	29-Mar-22	5-Apr-22
WIPRO LTD.	5-Apr-22	Interim Dividend - Rs. - 5.0000	6-Apr-22	-	-	29-Mar-22	5-Apr-22
DISA INDIA LTD.	7-Apr-22	Interim Dividend - Rs. - 150.0000	8-Apr-22	-	-	31-Mar-22	7-Apr-22
DWARIKESH SUGAR INDUSTRIES LTD.	7-Apr-22	Interim Dividend - Rs. - 2.0000	8-Apr-22	-	-	31-Mar-22	7-Apr-22
Edelweiss Financial Services Ltd.	7-Apr-22	Interim Dividend - Rs. - 0.2500	9-Apr-22	-	-	-	-
EKI Energy Services Ltd	7-Apr-22	Interim Dividend - Rs. - 20.0000	8-Apr-22	-	-	31-Mar-22	7-Apr-22
FILATEX INDIA LTD.-\$	7-Apr-22	Buy Back of Shares	8-Apr-22	-	-	31-Mar-22	7-Apr-22
Johnson Pharmicare Ltd	7-Apr-22	Bonus issue 1:10	8-Apr-22	-	-	31-Mar-22	7-Apr-22
Narayani Steels Ltd	7-Apr-22	Resolution Plan -Suspension	8-Apr-22	-	-	31-Mar-22	7-Apr-22
Vipul Organics Ltd	7-Apr-22	Bonus issue 1:4	9-Apr-22	-	-	-	-
Angel One Ltd	8-Apr-22	Interim Dividend	11-Apr-22	-	-	-	-
DATASOFT APPLICATION SOFTWARE (INDIA) LTD.	8-Apr-22	E.G.M.	-	9-Apr-22	15-Apr-22	-	-
PCBL Ltd	11-Apr-22	Stock Split From Rs.2/- to Rs.1/-	12-Apr-22	-	-	-	-
ARIHANT CAPITAL MARKETS LTD.	12-Apr-22	Stock Split From Rs.5/- to Rs.1/-	15-Apr-22	-	-	-	-
BAID LEASING AND FINANCE CO.LTD.	12-Apr-22	Stock Split From Rs.10/- to Rs.2/-	15-Apr-22	-	-	-	-
Sanofi India Ltd	12-Apr-22	Final Dividend - Rs. - 181.0000	-	16-Apr-22	26-Apr-22	-	-
Sanofi India Ltd	12-Apr-22	Special Dividend - Rs. - 309.0000	-	16-Apr-22	26-Apr-22	-	-

Mahindra CIE Automotive Limited	13-Apr-22	Final Dividend - Rs. - 2.5000	-	19-Apr-22	25-Apr-22	-	-
Schaeffler India Ltd	19-Apr-22	Dividend - Rs. - 16.0000	-	21-Apr-22	27-Apr-22	-	-
Huhtamaki India Ltd	20-Apr-22	Dividend - Rs. - 1.0000	-	22-Apr-22	5-May-22	-	-
Sandhar Technologies Ltd	20-Apr-22	E.G.M.	-	22-Apr-22	28-Apr-22	-	-
NESTLE INDIA LTD.	21-Apr-22	Final Dividend - Rs. - 65.0000	22-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	-	-	-	-
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	-	-	-	-

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Our Institutional Equities services are carried out in partnership with RCCR, a boutique Investment research and Corporate Advisory firm founded by a team with extensive experience in the Asset management industry.

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