

Trading Calls

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Market	Value	% Change
SGX Nifty (at 8.00 am IST) prev closing	9221.25	1.38%

Nifty Key Levels For The Week

Support	S1: 9000	S2 : 8900
Resistance	R1 : 9500	R2 : 9600

Market Outlook

Index continued to bleed entire trading session and gave a lowest daily closing of 9197 levels almost 7 % lower than previous close. Intensified sell off is witnessed across the market and bears had an upper hand throughout the day. Moreover a sustained trade below psychological marks of 9000 will push Nifty lower towards previous swing low 8500 levels whereas any move above 9500 will be a relief for bulls.

Sectoral Performance (%)

	1 Day	1 Week	1 Month	1 Year
Auto Components	(4.88)	(16.83)	(25.97)	(32.27)
Automobiles	(5.58)	(14.64)	(24.15)	(30.17)
Chemicals	(5.82)	(14.48)	(17.35)	(2.96)
Construction & Engineering	(7.96)	(18.41)	(27.47)	(34.48)
Construction Materials	(5.42)	(14.41)	(19.59)	(11.46)
Diversified Financial Services	(7.99)	(15.31)	(25.14)	(11.33)
Electrical Equipment	(5.35)	(14.98)	(20.04)	(27.19)
Energy	(7.14)	(19.25)	(30.70)	(31.58)
Financials	(7.83)	(15.78)	(24.53)	(17.31)
Health Care	(3.70)	(12.08)	(14.08)	(10.64)
Household Durables	(4.52)	(10.99)	(16.10)	(6.90)
Household & Personal Products	(4.55)	(12.29)	(14.95)	(1.07)
Information Technology	(7.22)	(19.93)	(24.21)	(19.31)
Metals/Mining/Minerals	(7.48)	(19.02)	(30.76)	(42.15)
Telecom	(5.62)	(6.95)	(15.38)	3.74
Utilities	(6.07)	(15.77)	(23.22)	(23.57)

FII DERIVATIVES POSITION FOR 16-March-2020

Net (Amt. in crs)

INDEX FUTURES	654
INDEX OPTIONS	(1,302)
STOCK FUTURES	(1,109)
STOCK OPTIONS	99

Institutional Turnover

FII	Buy(cr.)	Sell(cr.)	Net(cr.)
16-Mar-20	6,909	10,719	(3,810)
Mar-20	73,214	107,358	(34,144)
DII	Buy(cr.)	Sell(cr.)	Net(cr.)
16-Mar-20	8,198	5,584	2,615
Mar-20	80,172	49,868	30,304

Participant wise Open Interest In Equities Derivative (no. of contracts)

	Long Position			
	DII	FII	Pro	Other
Future Index	61165	76458	22888	178352
Future Stock	60445	988630	160114	495715
Option Index Call	19064	229450	174691	632118
Option Index Put	66533	360893	145067	296905
Option Stock Call	0	23055	65888	254099
Option Stock Put	0	16081	85763	70488

	Short Position			
	DII	FII	Pro	Other
Future Index	6674	183264	45966	102959
Future Stock	938472	507247	68599	190586
Option Index Call	0	187530	284682	583111
Option Index Put	0	171748	195133	502517
Option Stock Call	2023	18054	135278	187687
Option Stock Put	0	12831	56941	102560

High ES & High PS Stock Maintaining Strength

BSE Code	NSE CODE	1 Month Return %
532504	NAVINFLUOR	14.4
524494	IPCALAB	4.4
500674	SANOFI	(1.0)
500680	PFIZER	(1.9)
500420	TORNTPHARM	(2.6)
532443	CERA	(6.0)
500210	INGERRAND	(6.5)
532482	GRANULES	(6.7)
500660	GLAXO	(6.8)
509820	PAPERPROD	(6.9)

High ES & Low PS Stock Showing Strength

BSE Code	NSE CODE	1 Month Return %
511072	DHFL	22.7
532648	YESBANK	0.7
500407	SWARAJENG	(8.1)
517506	TTKPRESTIG	(8.4)
517354	HAVELLS	(8.6)
526947	LAOPALA	(9.3)
500315	ORIENTBANK	(15.8)
532809	FSL	(16.9)
531642	MARICO	(17.8)
500480	CUMMINSIND	(19.8)

Low ES & Low PS Stock Maintaining Weakness

BSE Code	NSE CODE	1 Month Return %
535789	IBULHSGFIN	(55.5)
524000	MAGMA	(54.1)
532839	DISHTV	(53.0)
532480	ALBK	(48.6)
532300	WOCKPHARMA	(47.1)
532814	INDIANB	(42.9)
500110	CHENNPETRO	(42.1)
500219	JISLJALEQS	(41.4)
523204	ABAN	(41.2)
505163	ZFSTEERING	(41.1)

Low ES & High PS Stock Showing Weakness

BSE Code	NSE CODE	1 Month Return %
532144	WELCORP	(60.1)
532179	CORPBANK	(56.9)
500330	RAYMOND	(51.8)
511676	GICHSGFIN	(51.7)
500570	TATAMOTORS	(51.1)
517334	MOTHERSUMI	(46.6)
533519	L&TFH	(45.7)
533171	UNITEDBNK	(45.2)
532149	BANKINDIA	(44.9)
512573	AVANTI	(44.5)

* ES- Earning Score is average of EM (Earning Momentum defined as relative performance in terms of operating profit growth) and EQ (Earning Quality defined as relative balance sheet strength in terms of debt and working capital)

* PS- Price Score is of a company is relative price performance in multiple time-frame

Analysis shown here is only for companies with market cap more than Rs 1,000 Cr.

VIEW

As WHO declares the coronavirus outbreak a pandemic triggered panic selling across the globe impacted Indian markets too. We saw a sharp fall in the last week where Nifty touched 8500 levels on lower side. Markets halted for 45 minutes after hitting lower circuit limits on Friday whereas the downward sloping trend line connecting 9119 and 8968 standing around 8500 levels acted as a support to severe fall.

Monthly Commodity Channel Index (CCI) is standing (-150) which is below oversold levels of (-100) indicates highly oversold markets and daily CCI is placed around (-225) with positive divergence imply short term price reversal in process. Stochastic oscillator is showing a positive divergence on daily time frame which has also added confidence of price reversal and index can trade higher as a retracement of fall towards 10700-10800 levels.

Moreover, 5 week EMA is trading around 11100 and as long as Nifty is trading below these levels, one should trade with sell on rise strategy. However index has given a fall of 3000 points in the last 2 weeks which has put majority of the oscillators in oversold zone and relief rally towards unfilled gap territory (10700) cannot be ruled out. However, a decisive close below strong ascending trend line connecting previous swing lows on weekly time frame is standing around 9300, can drag index towards swing lows (8500) on downside.

Nevertheless, crucial zone of 9000-9300 will continues to remain as an important support and 61.8% retracement of entire fall which is standing around 10800 marks is likely to act as a stiff resistance zone.

CHART ANALYSIS



SUPPORT & RESISTANCE LEVELS

	NIFTY LEVEL	JUSTIFICATION
Resistance 2	10800	
Resistance 1	10200	
Close	9955	
Support 1	9300	
Support 2	8500	

VIEW

After giving a gap-down opening, Banknifty fell to make a weekly low of 21351 on Friday. However it was unable to maintain at the lower level and a smart recovery was witnessed in index. At the end of the week Banknifty closed with a net loss of 8.8% over its previous week's close. The selling was witnessed across the board. However ICICI bank, State Bank, Axis bank and Punjab National bank lead to a decline.

OBSERVATIONS:

- 1) Banknifty has made a 'Piercing Line' pattern on daily chart.
- 2) Single day highest ever volume was witnessed in Banknifty on last Friday.
- 3) RSI reached at the deep oversold zone.
- 4) Stochastic was unable to make lower low with the banknifty. It means formation of positive divergence on Stochastic.

All the above parameters are giving indication of reversal of Banknifty from its recent downtrend. However, we believe **trading is not the prudent decision at this juncture** due to the reason of higher volatility in the market. We advise to **initiate positional long in Banking sector in 2-3 steps**. On the lower side 22925 is likely to act as a strong support of Banknifty.

CHART ANALYSIS



SUPPORT & RESISTANCE LEVELS

RESISTANCE/SUPPORT	BANKNIFTY LEVEL
Resistance 2	27100
Resistance 1	26260
Close	25166
Support 1	24190
Support 2	22925

VIEW

The Indian Rupee slid to a record low this week vis-a vie the greenback closing at 73.73. Global risk-off sentiment amid continued worries over the economic impact from the coronavirus virus led to a rout in emerging market currencies with Indian Markets seeing FPI outflows touching a \$2 Billion for the week. Taking cognisance of the current financial market conditions and tightness in dollar liquidity availability the RBI intervened on Friday announcing that it has decided to undertake 6-month US Dollar sell/buy swaps. USD/INR slipped following the news, giving away 52 Paise from its intraday high on Friday. Going ahead further RBI intervention along with stability in global financial markets would provide strength to the rupee, which already has a support from the big drop in Crude oil this week.

TECHNICAL FACTORS-

- a) Formation of Spinning top Doji near the prior swing high on the weekly charts suggests pause in momentum on the upside for the time being.
- b) Long term charts for the pair remains bullish for medium to long term perspective
- c) RSI on the daily timeframe hit the overbought mark of above 80, which has empirically seen the selling pressure for the currency pair.
- d) Next resistance stands at 74.60 followed by 75.50.
- e) Currently, support is shifted higher towards 73.55 and 72.99 mark

CHART ANALYSIS



SUPPORT & RESISTANCE LEVELS

USDINR LEVEL	
Resistance 2	74.60
Resistance 1	75.5
Close	73.73
Support 1	73.55
Support 2	72.99

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