

Trading Calls

Market	Value	% Change
SGX Nifty (at 8.00 am IST) prev closing	9015.00	1.29%

Nifty Key Levels For The Week

Support	S1: 8700	S2 : 8555
Resistance	R1 : 9165	R2 : 9300

Market Outlook

Domestic market squandered all its morning gain in the last hours of trade despite opening higher. Indices continued to follow global cues, therefore further sell off cannot be ruled out. As long as Nifty doesn't close above its previous day's high, the bears will have an upper hand on the market. It may test 8700 and its recent swing low of 8555 levels where as resistance is shifted lower at 9165 followed by 9300 mark.

Sectoral Performance (%)

	1 Day	1 Week	1 Month	1 Year
Auto Components	(2.94)	(15.65)	(28.16)	(34.26)
Automobiles	0.33	(11.15)	(23.33)	(29.94)
Chemicals	0.69	(12.14)	(16.47)	(2.29)
Construction & Engineering	(0.63)	(14.49)	(26.95)	(34.89)
Construction Materials	(1.85)	(12.91)	(20.50)	(13.10)
Diversified Financial Services	(5.26)	(15.52)	(28.41)	(15.99)
Electrical Equipment	(0.78)	(11.87)	(20.05)	(27.76)
Energy	(0.74)	(11.34)	(30.31)	(32.09)
Financials	(4.48)	(15.47)	(27.40)	(21.01)
Health Care	0.11	(8.98)	(12.72)	(10.54)
Household Durables	(1.73)	(11.47)	(17.38)	(8.51)
Household & Personal Products	2.16	(7.44)	(12.79)	1.06
Information Technology	(2.54)	(17.30)	(26.39)	(21.36)
Metals/Mining/Minerals	(1.29)	(14.58)	(30.78)	(42.89)
Telecom	(3.63)	(7.82)	(18.39)	(0.02)
Utilities	(1.07)	(12.40)	(22.33)	(24.39)

FII DERIVATIVES POSITION FOR 17-March-2020

Net (Amt. in crs)

INDEX FUTURES	859
INDEX OPTIONS	(282)
STOCK FUTURES	1,354
STOCK OPTIONS	(100)

Institutional Turnover

	FII	Buy(cr.)	Sell(cr.)	Net(cr.)
17-Mar-20		6,655	10,700	(4,045)
Mar-20		79,869	118,058	(38,189)
	DII	Buy(cr.)	Sell(cr.)	Net(cr.)
17-Mar-20		7,632	4,210	3,422
Mar-20		87,804	54,078	33,726

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

	Long Position			
	DII	FII	Pro	Other
Future Index	61713	80634	21158	168276
Future Stock	67433	995126	160123	471838
Option Index Call	19064	231895	179639	694228
Option Index Put	66102	370549	174562	327962
Option Stock Call	0	22891	73021	253004
Option Stock Put	0	15993	85575	74257

	Short Position			
	DII	FII	Pro	Other
Future Index	4760	175092	44287	107642
Future Stock	938969	484823	78378	192350
Option Index Call	0	182554	319228	623044
Option Index Put	0	190975	225071	523129
Option Stock Call	2023	17755	138123	191015
Option Stock Put	0	13910	62280	99635

High ES & High PS Stock Maintaining Strength

BSE Code	NSE CODE	1 Month Return %
532504	NAVINFLUOR	14.7
524494	IPCALAB	1.3
500420	TORNTPHARM	(1.2)
500331	PIDILITIND	(1.9)
532321	CADILAHC	(3.6)
500674	SANOFI	(3.9)
500660	GLAXO	(4.3)
500210	INGERRAND	(4.5)
532482	GRANULES	(6.0)
500680	PFIZER	(6.4)

High ES & Low PS Stock Showing Strength

BSE Code	NSE CODE	1 Month Return %
532648	YESBANK	66.6
511072	DHFL	22.5
500407	SWARAJENG	(5.8)
517354	HAVELLS	(7.8)
526947	LAOPALA	(10.5)
500315	ORIENTBANK	(13.7)
517506	TTKPRESTIG	(18.3)
531642	MARICO	(18.5)
500480	CUMMINSIND	(18.6)
532809	FSL	(18.8)

Low ES & Low PS Stock Maintaining Weakness

BSE Code	NSE CODE	1 Month Return %
524000	MAGMA	(57.8)
535789	IBULHSGFIN	(52.8)
532839	DISHTV	(50.8)
532480	ALBK	(46.8)
532300	WOCKPHARMA	(44.2)
523756	SREINFRA	(44.1)
538562	SKIPPER	(43.7)
500840	EIHOTEL	(43.5)
500219	JISLJALEQS	(42.9)
532814	INDIANB	(42.5)

Low ES & High PS Stock Showing Weakness

BSE Code	NSE CODE	1 Month Return %
532144	WELCORP	(60.5)
532179	CORPBANK	(55.9)
500570	TATAMOTORS	(54.4)
517334	MOTHERSUMI	(52.3)
500330	RAYMOND	(51.9)
511676	GICHSGFIN	(49.6)
533519	L&TFH	(47.7)
512573	AVANTI	(46.1)
530019	JUBILANT	(44.2)
533171	UNITEDBNK	(43.6)

* 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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Analyst's ownership of the stocks mentioned in the Report	NIL
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