

Trading Calls

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FII DERIVATIVES POSITION FOR 18-March-2020

Net (Amt. in crs)

INDEX FUTURES	300
INDEX OPTIONS	(377)
STOCK FUTURES	1,247
STOCK OPTIONS	14

Institutional Turnover

FII	Buy(cr.)	Sell(cr.)	Net(cr.)
18-Mar-20	6,853	11,939	(5,085)
Mar-20	86,722	129,997	(43,274)
DII	Buy(cr.)	Sell(cr.)	Net(cr.)
18-Mar-20	11,245	7,609	3,636
Mar-20	99,049	61,687	37,362

Market	Value	% Change
SGX Nifty (at 8.00 am IST) prev closing	8114.75	-3.88%

Nifty Key Levels For The Week

Support	S1: 7900	S2 : 7800
Resistance	R1 : 9200	R2 : 9300

Market Outlook

The Benchmark Index continued to trade with lower high and lower low formations and closed below crucial support of 8500 which is a strong bearish sign. As long as Index is trading below its 5 DMA standing around 9200 levels, one should opt for sell on rise strategy. Moreover, Nifty has closed below previous swing low, which has opened gates for 8000 levels.

Sectoral Performance (%)

	1 Day	1 Week	1 Month	1 Year
Auto Components	(5.18)	(19.36)	(31.23)	(37.10)
Automobiles	(5.34)	(15.29)	(26.66)	(32.64)
Chemicals	(4.79)	(16.57)	(20.12)	(7.07)
Construction & Engineering	(4.50)	(19.06)	(30.33)	(37.50)
Construction Materials	(4.90)	(15.84)	(24.06)	(18.08)
Diversified Financial Services	(8.09)	(22.65)	(33.78)	(23.06)
Electrical Equipment	(2.91)	(13.75)	(21.93)	(29.82)
Energy	(2.99)	(14.72)	(32.13)	(35.23)
Financials	(7.45)	(21.98)	(32.54)	(27.35)
Health Care	(4.49)	(12.25)	(16.75)	(14.42)
Household Durables	(5.99)	(16.35)	(22.90)	(12.86)
Household & Personal Products	(3.26)	(11.09)	(15.09)	(2.45)
Information Technology	(2.20)	(18.12)	(28.28)	(22.21)
Metals/Mining/Minerals	(2.01)	(16.14)	(31.47)	(44.41)
Telecom	(9.60)	(17.19)	(23.11)	(8.54)
Utilities	(5.92)	(17.72)	(26.47)	(29.16)

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

	Long Position			
	DII	FII	Pro	Other
Future Index	63835	93160	27777	160671
Future Stock	72379	1016791	153449	450041
Option Index Call	19064	241751	177819	801842
Option Index Put	66388	370839	175589	337488
Option Stock Call	0	24274	75287	251654
Option Stock Put	0	16193	84069	72738

	Short Position			
	DII	FII	Pro	Other
Future Index	5679	183024	40648	116092
Future Stock	945974	478466	90088	178132
Option Index Call	0	190842	360783	688851
Option Index Put	0	194568	222143	533593
Option Stock Call	2316	18272	137782	192845
Option Stock Put	0	14438	64968	93594

High ES & High PS Stock Maintaining Strength

BSE Code	NSE CODE	1 Month Return %
532504	NAVINFLUOR	2.4
532321	CADILAHC	(3.4)
500331	PIDILITIND	(4.9)
500210	INGERRAND	(5.7)
500660	GLAXO	(8.7)
532443	CERA	(9.0)
524494	IPCALAB	(9.7)
500680	PFIZER	(12.3)
532268	ACCELYA	(12.4)
531335	ZYDUSWELL	(12.5)

High ES & Low PS Stock Showing Strength

BSE Code	NSE CODE	1 Month Return %
532648	YESBANK	63.4
511072	DHFL	22.5
517354	HAVELLS	(8.4)
500407	SWARAJENG	(8.8)
500315	ORIENTBANK	(11.7)
531642	MARICO	(18.2)
500480	CUMMINSIND	(19.3)
517506	TTKPRESTIG	(19.5)
526947	LAOPALA	(20.0)
524742	CAPPL	(24.9)

Low ES & Low PS Stock Maintaining Weakness

BSE Code	NSE CODE	1 Month Return %
524000	MAGMA	(61.9)
535789	IBULHSGFIN	(58.2)
532839	DISHTV	(53.6)
532480	ALBK	(49.9)
538562	SKIPPER	(48.7)
500840	EIHOTEL	(46.6)
509496	ITDCEM	(46.4)
500219	JISLJALEQS	(46.3)
500390	RELINFRA	(45.8)
500106	IFCI	(45.5)

Low ES & High PS Stock Showing Weakness

BSE Code	NSE CODE	1 Month Return %
532144	WELCORP	(61.9)
532179	CORPBANK	(55.8)
500570	TATAMOTORS	(55.4)
500330	RAYMOND	(53.5)
511676	GICHSGFIN	(52.3)
512573	AVANTI	(51.1)
517334	MOTHERSUMI	(50.7)
533519	L&TFH	(50.4)
500253	LICHSGFIN	(46.6)
530019	JUBILANT	(46.5)

* 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 continue 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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