

Trading Calls

Market	Value	% Change
SGX Nifty (at 8.00 am IST) prev closing	8194.00	-0.14%

Nifty Key Levels For The Week

Support	S1: 8000	S2 : 7800
Resistance	R1 : 9300	R2 : 9550

Market Outlook

Index had a gap down opening taking cues from the global markets. It saw a strong recovery intraday but failed to close above 8300. Weekly option expiry also weighed on the market. Broader indices also witnessed a sharp fall of 4-5%. As Nifty made a new low, market status remains unchanged at a Downtrend. Any attempt of upmove towards 8500-8550 could be a sell on rise opportunity. Supports for the index stand in the 8000-7800 zone.

FII DERIVATIVES POSITION FOR 19-March-2020

	Net (Amt. in crs)
INDEX FUTURES	45
INDEX OPTIONS	(562)
STOCK FUTURES	1,096
STOCK OPTIONS	18

Institutional Turnover

FII	Buy(cr.)	Sell(cr.)	Net(cr.)
19-Mar-20	6,766	11,389	(4,623)
Mar-20	93,489	141,386	(47,897)
DII	Buy(cr.)	Sell(cr.)	Net(cr.)
19-Mar-20	8,693	4,325	4,367
Mar-20	107,741	66,012	41,730

Sectoral Performance (%)

	1 Day	1 Week	1 Month	1 Year
Auto Components	(4.09)	(15.06)	(34.04)	(39.48)
Automobiles	(6.76)	(14.35)	(31.63)	(36.68)
Chemicals	(3.45)	(14.14)	(23.63)	(10.47)
Construction & Engineering	(4.89)	(14.45)	(33.85)	(40.14)
Construction Materials	(4.66)	(12.72)	(28.68)	(22.54)
Diversified Financial Services	(5.37)	(19.79)	(38.68)	(27.41)
Electrical Equipment	(4.12)	(11.43)	(26.71)	(33.20)
Energy	(5.10)	(11.01)	(36.98)	(39.43)
Financials	(3.09)	(16.78)	(35.50)	(30.00)
Health Care	(1.83)	(6.26)	(19.98)	(16.32)
Household Durables	(5.68)	(15.72)	(27.31)	(17.80)
Household & Personal Products	(3.74)	(9.81)	(19.72)	(6.08)
Information Technology	(1.90)	(12.09)	(29.51)	(24.20)
Metals/Mining/Minerals	(7.73)	(14.36)	(37.53)	(48.71)
Telecom	1.83	(10.77)	(22.52)	(8.50)
Utilities	(0.99)	(10.71)	(28.22)	(30.69)

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

	Long Position			
	DII	FII	Pro	Other
Future Index	64694	92277	20529	153182
Future Stock	76023	1025164	153327	434214
Option Index Call	19064	178172	119150	450272
Option Index Put	66246	345156	127084	259669
Option Stock Call	0	26123	78728	248525
Option Stock Put	0	16108	85391	72191

	Short Position			
	DII	FII	Pro	Other
Future Index	5820	181366	34645	108851
Future Stock	958633	461879	87590	180626
Option Index Call	0	170826	190705	405127
Option Index Put	0	179027	160964	458164
Option Stock Call	2462	19005	138705	193204
Option Stock Put	0	15539	67188	90963

High ES & High PS Stock Maintaining Strength

BSE Code	NSE CODE	1 Month Return %
500680	PFIZER	(4.3)
500210	INGERRAND	(5.5)
532504	NAVINFLUOR	(8.0)
500331	PIDILITIND	(8.6)
532321	CADILAHC	(8.9)
500660	GLAXO	(10.9)
505790	FAGBEARING	(11.3)
500257	LUPIN	(11.7)
524494	IPCALAB	(12.3)
502986	VTL	(12.6)

High ES & Low PS Stock Showing Strength

BSE Code	NSE CODE	1 Month Return %
532648	YESBANK	38.6
511072	DHFL	11.0
500315	ORIENTBANK	(8.2)
517354	HAVELLS	(12.4)
500407	SWARAJENG	(14.3)
531642	MARICO	(17.8)
500086	EXIDEIND	(21.6)
500480	CUMMINSIND	(21.7)
500875	ITC	(22.0)
517506	TTKPRESTIG	(22.1)

Low ES & Low PS Stock Maintaining Weakness

BSE Code	NSE CODE	1 Month Return %
535789	IBULHSGFIN	(71.9)
524000	MAGMA	(63.1)
532839	DISHTV	(54.7)
507880	VIPIND	(51.4)
500840	EIHOTEL	(51.3)
538562	SKIPPER	(50.3)
509496	ITDCEM	(50.2)
532480	ALBK	(49.8)
502865	FORBESGOK	(49.5)
500219	JISLJAEQS	(47.8)

Low ES & High PS Stock Showing Weakness

BSE Code	NSE CODE	1 Month Return %
532144	WELCORP	(63.6)
500570	TATAMOTORS	(56.9)
532179	CORPBANK	(56.4)
500330	RAYMOND	(55.6)
512573	AVANTI	(54.3)
533519	L&TFH	(53.9)
505714	GABRIEL	(53.9)
511676	GICHSGFIN	(52.9)
511218	SRTRANSFIN	(51.5)
530019	JUBILANT	(51.4)

* 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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Correspondence Office Address: Arch Waterfront, 5th Floor, Block GP, Saltlake, Sector 5, Kolkata 700 091; Tel No.: 033-40541700; www.narnolia.com.

Registered Office Address: Marble Arch, Office 201, 2nd Floor, 236B, AJC Bose Road, Kolkata 700 020; Tel No.: 033-4050 1500; www.narnolia.com

Compliance Officer: Manish Kr Agarwal, Email Id: mkagarwal@narnolia.com, Contact No.:033-40541700.

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