

Trading Calls

Market	Value	% Change
SGX Nifty (at 8.00 am IST) prev closing	7712.50	-1.75%

Nifty Key Levels For The Week

Support	S1: 7500	S2 : 7300
Resistance	R1 : 8000	R2 : 8200

Market Outlook

Formation of Doji candle on daily chart indicate indecision in the market. RSI is showing positive divergence but there is no sign of trend reversal at price front. Now, resistance levels are going to shift lower to 8000 and 8200 levels while major supports are now placed at 7500 and then the 7300 level.

FII DERIVATIVES POSITION FOR 24-March-2020

Net (Amt. in crs)

INDEX FUTURES	3,197
INDEX OPTIONS	176
STOCK FUTURES	(1,156)
STOCK OPTIONS	(119)

Institutional Turnover

FII	Buy(cr.)	Sell(cr.)	Net(cr.)
24-Mar-20	7,408	9,561	(2,153)
Mar-20	116,149	172,535	(56,386)
DII	Buy(cr.)	Sell(cr.)	Net(cr.)
24-Mar-20	5,860	4,307	1,554
Mar-20	128,728	81,932	46,797

Sectoral Performance (%)

	1 Day	1 Week	1 Month	1 Year
Auto Components	1.83	(18.38)	(39.23)	(44.13)
Automobiles	2.11	(19.14)	(35.11)	(40.50)
Chemicals	1.07	(14.99)	(28.13)	(17.06)
Construction & Engineering	1.43	(21.22)	(41.88)	(48.36)
Construction Materials	(1.35)	(16.16)	(33.17)	(27.90)
Diversified Financial Services	0.78	(23.63)	(45.29)	(35.76)
Electrical Equipment	(0.88)	(15.39)	(32.30)	(38.87)
Energy	3.85	(8.11)	(34.71)	(37.65)
Financials	1.02	(21.89)	(43.04)	(38.59)
Health Care	2.39	(7.27)	(19.42)	(16.82)
Household Durables	(1.68)	(21.72)	(35.12)	(26.44)
Household & Personal Products	5.77	(2.58)	(14.00)	(0.84)
Information Technology	4.94	0.27	(24.60)	(20.86)
Metals/Mining/Minerals	0.55	(13.51)	(37.83)	(49.95)
Telecom	(0.19)	(13.86)	(25.46)	(12.94)
Utilities	1.18	(8.66)	(28.44)	(31.39)

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

	Long Position			
	DII	FII	Pro	Other
Future Index	65781	118361	18758	82506
Future Stock	77694	971597	112874	360415
Option Index Call	19064	215099	133026	560261
Option Index Put	63354	358726	118157	317476
Option Stock Call	0	24592	79538	199066
Option Stock Put	0	15392	76363	63004

	Short Position			
	DII	FII	Pro	Other
Future Index	1921	104871	56075	122539
Future Stock	908264	460390	61468	92458
Option Index Call	0	188173	220098	519179
Option Index Put	0	190485	185984	481244
Option Stock Call	3097	19405	117213	163481
Option Stock Put	0	15051	65010	74698

High ES & High PS Stock Maintaining Strength

BSE Code	NSE CODE	1 Month Return %
532321	CADILAH	0.9
524494	IPCALAB	(3.5)
500210	INGERRAND	(5.7)
532443	CERA	(7.7)
500676	GSKCONS	(9.9)
532523	BIOCON	(11.5)
500696	HINDUNILVR	(11.5)
532488	DIVISLAB	(12.1)
500124	DRREDDY	(12.8)
500680	PFIZER	(13.2)

High ES & Low PS Stock Showing Strength

BSE Code	NSE CODE	1 Month Return %
532648	YESBANK	(0.7)
511072	DHFL	(11.9)
531642	MARICO	(17.4)
517354	HAVELLS	(21.0)
500086	EXIDEIND	(23.6)
500407	SWARAJENG	(25.3)
534690	LAKSHVILAS	(25.5)
500480	CUMMINSIND	(27.0)
500875	ITC	(27.7)
500182	HEROMOTOCO	(27.8)

Low ES & Low PS Stock Maintaining Weakness

BSE Code	NSE CODE	1 Month Return %
535789	IBULHSGFIN	(70.5)
524000	MAGMA	(63.3)
500390	RELINFRA	(58.8)
519552	HERITGFOOD	(58.0)
532300	WOCKPHARMA	(57.3)
532839	DISHTV	(56.1)
500840	EIHOTEL	(55.9)
514162	WELSPUNIND	(55.6)
507880	VIPIND	(55.5)
530073	SANGHVIMOV	(54.8)

Low ES & High PS Stock Showing Weakness

BSE Code	NSE CODE	1 Month Return %
532144	WELCORP	(68.9)
511218	SRTRANSFIN	(62.4)
500330	RAYMOND	(61.7)
533519	L&TFH	(61.0)
532215	AXISBANK	(59.1)
531548	SOMANYCERA	(58.5)
505714	GABRIEL	(56.7)
500570	TATAMOTORS	(56.6)
511243	CHOLAFIN	(56.4)
512070	UPL	(55.2)

* 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

Market continued to plunge following jittery global cues amid fear of deepening adverse economic impact of coronavirus. Demand for safe haven asset spiked as fear of virus is more dangerous than its impact. India was also caught in the virus trap with indices extending their losing streak further. Market sensitivity toward virus is not going to ease anytime soon and if the situation escalates then there can be further decline which can only be witnessed only as time goes by. But, till then it seems that market have factored all the worst. Bounce is unlikely unless we reclaim the entry above recent swing high and sustain above the same on weekly basis.

Technical Outlook-

- a) After four consecutive days of fall, nifty showed good recovery and formed the first higher high and higher low candle in the last one month of trade
- b) Formation of **Morning Star pattern** on daily chart suggest halt on downside
- c) Currently nifty is lying at key support as it holds above **100 monthly SMA's** which is seen at 8433 levels.
- d) Positive divergence in RSI suggest the possibility of short term pullback
- e) As of now, crucial support lies at **8430 level** and if this level is not respected then index can slip down till 7800 levels
- f) However, broader trend remain **'Sell on Rally'** until nifty give confirmation above **9130-9200 zone** decisively. From there, index can extend up to 9550-9600 zone on upside.
- g) While a break below 7800 can extend this downswing towards 7600-7500 levels

CHART ANALYSIS



SUPPORT & RESISTANCE LEVELS

	NIFTY LEVEL	JUSTIFICATION
Resistance 2	9550	Confirmation levels
Resistance 1	9130	Top of Morning star
Close	8745	
Support 1	8430	100 monthly SMA
Support 2	7800	Recent swing low

VIEW

The selling pressure was continued in Banknifty last week and the index ended the week with a net loss of 19.3% over its previous week's close. Selling was witnessed across the board. However private banking stocks lead to a decline (The private banking index fell over 20% last week). On the other hand PSU banking index out performed the benchmark index and it fell only 7% during the last week.

OBSERVATIONS:

- 1) Banknifty has breached its long term rising trend line (the starting point of the trend line is taken year 2009).
- 2) Banknifty has already retraced 71.8% of its last rally (Last leg of rally in the said trend line is taken from previous bottom of 13209 to 32613).

In reference to the above observations it can be concluded that currently Banknifty is in corrective phase. Next important support of the index is at 17330 (78.6% retracement level). If the index is able to sustain below this level it may find next support at 14360 and then 13210.

CHART ANALYSIS



SUPPORT & RESISTANCE LEVELS

RESISTANCE/SUPPORT	BANKNIFTY LEVEL
Resistance 2	22850
Resistance 1	21000
Close	20317
Support 1	18670
Support 2	17330

VIEW

USD is in high demand at present and has surprisingly strengthened against the currencies of emerging market which have suffered brutal outflows in the past one months. Blood bath in equity market combined with weak global cues are currently weighing on the sentiment. Deadly virus has been already responsible for the death of many people across the nation and has infected number people across the globe, so this fear will continue to rack investors and they will struggle for assessing the economic impact. Going forward market participants will track intervention of RBI or government which may give caution in near term.

TECHNICAL FACTORS-

- a) Formation of long green candle on weekly chart suggest further weakness in rupee
- b) Currently, pair has given breakout from its long term consolidation indicating more heat for an indian currency
- c) The momentum indicator RSI also gave breakout form its falling resistance line which is supporting upsurge in the pair
- d) Next resistance stands at 75.40 followed by 76. Above which it can extend up to 77 mark
- e) Currently, support is shifted higher towards 73.85 and and 72.90 mark

CHART ANALYSIS



SUPPORT & RESISTANCE LEVELS

USDINR LEVEL

Resistance 2	76.00
Resistance 1	75.4
Close	75.39
Support 1	73.85
Support 2	72.90

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