

## Trading Calls

Market	Value	% Change
SGX Nifty (at 8.00 am IST) prev closing	8723.00	0.94%

### Nifty Key Levels For The Week

Support	S1: 8400	S2 : 8300
Resistance	R1 : 8850	R2 : 8900

### Market Outlook

In line with expectation Nifty continued its upward rally throughout yesterday and closed the day with a net gain of 4% over its previous day's close. Near term resistance of Nifty is at 8940 and a successful closing beyond this level is likely to take the index higher to 9130 in the extreme short term. On the lower side 8440 would act as near-term support of Nifty.

### FII DERIVATIVES POSITION FOR 26-March-2020

Net (Amt. in crs)

INDEX FUTURES	(360)
INDEX OPTIONS	(1,119)
STOCK FUTURES	(256)
STOCK OPTIONS	(26)

### Institutional Turnover

FII	Buy(cr.)	Sell(cr.)	Net(cr.)
26-Mar-20	9,423	9,908	(485)
Mar-20	134,883	193,647	(58,764)
DII	Buy(cr.)	Sell(cr.)	Net(cr.)
26-Mar-20	4,961	5,731	(770)
Mar-20	138,993	92,228	46,765

### Sectoral Performance (%)

	1 Day	1 Week	1 Month	1 Year
Auto Components	3.21	(2.31)	(32.17)	(39.04)
Automobiles	2.05	(1.36)	(27.99)	(35.62)
Chemicals	3.74	(0.27)	(22.28)	(10.92)
Construction & Engineering	4.54	(3.17)	(33.07)	(42.30)
Construction Materials	1.90	(2.82)	(29.41)	(23.97)
Diversified Financial Services	6.18	1.04	(36.39)	(25.90)
Electrical Equipment	3.23	(5.53)	(28.88)	(36.33)
Energy	0.40	9.64	(25.72)	(33.05)
Financials	6.06	0.23	(33.98)	(29.71)
Health Care	1.43	1.68	(15.64)	(14.67)
Household Durables	4.55	(4.70)	(29.77)	(21.27)
Household & Personal Products	6.22	13.50	(7.16)	7.58
Information Technology	3.22	10.58	(19.72)	(15.21)
Metals/Mining/Minerals	1.17	(0.45)	(34.12)	(47.79)
Telecom	10.02	8.67	(14.43)	2.52
Utilities	3.16	3.50	(22.96)	(28.59)

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

	Long Position			
	DII	FII	Pro	Other
Future Index	63411	36000	10320	86213
Future Stock	32167	893030	67610	310809
Option Index Call	4317	103796	43892	206448
Option Index Put	60671	139616	51949	236818
Option Stock Call	0	788	14929	34263
Option Stock Put	0	3197	15439	18418

	Short Position			
	DII	FII	Pro	Other
Future Index	2049	85492	15330	93073
Future Stock	751500	400142	41294	110680
Option Index Call	0	77666	60398	220389
Option Index Put	0	85338	73655	330061
Option Stock Call	0	709	17733	31538
Option Stock Put	0	2883	11460	22711

## High ES & High PS Stock Maintaining Strength

BSE Code	NSE CODE	1 Month Return %
532504	NAVINFLUOR	6.6
500676	GSKCONS	0.4
500696	HINDUNILVR	0.1
500210	INGERRAND	(3.7)
532443	CERA	(6.2)
532321	CADILAHC	(6.4)
500680	PFIZER	(6.4)
500124	DRREDDY	(7.3)
500790	NESTLEIND	(8.0)
532454	BHARTIARTL	(9.8)

## High ES & Low PS Stock Showing Strength

BSE Code	NSE CODE	1 Month Return %
531642	MARICO	(12.3)
500182	HEROMOTOCO	(17.3)
517354	HAVELLS	(21.6)
524742	CAPPL	(21.9)
532926	JYOTHYLAB	(22.1)
500188	HINDZINC	(22.4)
500875	ITC	(22.6)
532648	YESBANK	(23.7)
511072	DHFL	(24.8)
517506	TTKPRESTIG	(25.7)

## Low ES & Low PS Stock Maintaining Weakness

BSE Code	NSE CODE	1 Month Return %
535789	IBULHSGFIN	(71.1)
524000	MAGMA	(62.9)
500413	THOMASCOOK	(59.1)
500390	RELINFRA	(59.0)
532839	DISHTV	(57.2)
530073	SANGHVIMOV	(53.5)
514162	WELSPUNIND	(53.0)
500840	EIHOTEL	(52.4)
523756	SREINFRA	(50.4)
522249	MAYURUNIQ	(50.3)

## Low ES & High PS Stock Showing Weakness

BSE Code	NSE CODE	1 Month Return %
532144	WELCORP	(67.3)
500330	RAYMOND	(61.3)
532915	RELIGARE	(58.5)
531548	SOMANYCERA	(54.9)
533519	L&TFH	(54.6)
500570	TATAMOTORS	(53.0)
532215	AXISBANK	(52.8)
532313	MAHLIFE	(51.3)
511218	SRTRANSFIN	(51.1)
530019	JUBILANT	(50.1)

\* 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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