

## Trading Calls

Market	Value	% Change
SGX Nifty (at 8.00 am IST) prev closing	8521.75	-1.15%

### Nifty Key Levels For The Week

Support	S1: 8355	S2 : 8240
Resistance	R1 : 8660	R2 : 8800

### Market Outlook

Mirroring the positive global cues, domestic market traded with bullish tone. Declining VIX also gave some relief to Bulls. Price pattern is going to form right shoulder of the emerging inverted H&S. As long as nifty sustains above 8240 followed by 8100, probability of this formation is higher. Although breakout is expected above 8660, from where it can rise up to 8800 level on upside. While intraday support lies at 8355 followed by 8240 levels.

### FII DERIVATIVES POSITION FOR 31-March-2020

Net (Amt. in crs)

INDEX FUTURES	1,506
INDEX OPTIONS	311
STOCK FUTURES	1,256
STOCK OPTIONS	10

### Institutional Turnover

FII	Buy(cr.)	Sell(cr.)	Net(cr.)
31-Mar-20	6,295	9,340	(3,045)
Mar-20	154,905	220,721	(65,817)
DII	Buy(cr.)	Sell(cr.)	Net(cr.)
31-Mar-20	6,955	3,379	3,576
Mar-20	157,857	102,262	55,595

### Sectoral Performance (%)

	1 Day	1 Week	1 Month	1 Year
Auto Components	2.17	7.11	(29.92)	(41.07)
Automobiles	0.84	(1.07)	(31.56)	(41.07)
Chemicals	4.34	11.36	(17.74)	(9.73)
Construction & Engineering	1.14	9.90	(31.14)	(43.97)
Construction Materials	4.25	6.38	(25.90)	(25.27)
Diversified Financial Services	2.05	6.55	(37.68)	(33.59)
Electrical Equipment	3.62	5.27	(24.98)	(37.08)
Energy	8.10	14.73	(18.84)	(30.21)
Financials	2.23	9.35	(34.27)	(34.91)
Health Care	3.29	7.65	(9.05)	(12.02)
Household Durables	2.43	7.75	(27.45)	(23.58)
Household & Personal Products	4.83	13.09	(0.26)	11.44
Information Technology	3.13	6.86	(13.49)	(15.65)
Metals/Mining/Minerals	5.36	9.30	(26.42)	(46.17)
Telecom	2.46	8.46	(18.04)	(5.16)
Utilities	2.82	7.37	(18.85)	(26.68)

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

	Long Position			
	DII	FII	Pro	Other
Future Index	60061	40754	15252	91697
Future Stock	47863	955025	71209	319583
Option Index Call	4317	130108	78424	456723
Option Index Put	62561	154160	76199	422824
Option Stock Call	0	3261	30557	68915
Option Stock Put	0	4278	25048	44139

	Short Position			
	DII	FII	Pro	Other
Future Index	4781	82993	18620	101370
Future Stock	831673	388505	48620	124882
Option Index Call	0	90169	165408	413995
Option Index Put	0	99086	132068	484590
Option Stock Call	661	2173	34577	65322
Option Stock Put	0	4092	29256	40117

## High ES & High PS Stock Maintaining Strength

BSE Code	NSE CODE	1 Month Return %
524494	IPCALAB	2.7
532321	CADILAHC	2.1
500696	HINDUNILVR	2.0
500676	GSKCONS	1.9
500124	DRREDDY	1.6
500087	CIPLA	0.4
500790	NESTLEIND	0.3
500680	PFIZER	(3.2)
500049	BEL	(4.1)
500210	INGERRAND	(4.2)

## High ES & Low PS Stock Showing Strength

BSE Code	NSE CODE	1 Month Return %
531642	MARICO	(10.4)
524742	CAPPL	(12.1)
500875	ITC	(12.9)
500188	HINDZINC	(15.0)
517506	TTKPRESTIG	(16.9)
532178	ENGINERSIN	(18.0)
500086	EXIDEIND	(23.3)
519600	CCL	(23.8)
507488	GMBREW	(23.9)
500182	HEROMOTOCO	(24.5)

## Low ES & Low PS Stock Maintaining Weakness

BSE Code	NSE CODE	1 Month Return %
535789	IBULHSGFIN	(69.5)
524000	MAGMA	(63.3)
530073	SANGHVIMOV	(57.2)
532839	DISHTV	(56.7)
523756	SREINFRA	(55.5)
500413	THOMASCOOK	(51.1)
514162	WELSPUNIND	(50.5)
500390	RELINFRA	(50.4)
500840	EIHOTEL	(50.3)
522074	ELGIEQUIP	(49.4)

## Low ES & High PS Stock Showing Weakness

BSE Code	NSE CODE	1 Month Return %
532144	WELCORP	(68.9)
500330	RAYMOND	(59.2)
533519	L&TFH	(54.3)
532915	RELIGARE	(54.0)
530019	JUBILANT	(52.4)
511431	VAKRANSOFT	(52.3)
531548	SOMANYCERA	(52.2)
511243	CHOLAFIN	(51.4)
500570	TATAMOTORS	(51.0)
532811	AHLUCONT	(49.7)

\* 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

The month of March in the world of global financial was extremely hectic as the markets grappled with coronavirus news updates, lockdown, fiscal stimulus, and weak economic data. However, domestic stocks gained, rebounding from record slides of Monday, as some investors began picking out stocks that may have fallen too far, too quickly, even as much of the world's second-most populous nation goes into lockdown in an effort to contain the spread of the deadly coronavirus. Our FM and the Governor of RBI also came with the welfare packages which was majorly attributed to the poor and middle-class family which are affected due to lockdown. This boosted the sentiments of the market a little bit. As per the latest news, Govt may take certain relief measures for industries in the upcoming days. Owing to the lockdown period there will be an adverse effect on the earnings in the coming quarters. There are some technical cues that indicate that indices made a probable bottom around 7500. As the market discounted almost the worst case of scenario but volatility will continue in line with the world market where the trend of coronavirus cases globally and locally will dictate the further direction of the market.

#### Technical Outlook-

- a) After seeing largest decline in a day on Monday, indices extended gain for the fourth consecutive session. Thursday's action qualifies as day three of a rally attempt. So, we are changing the market status to a **Rally Attempt from a Downtrend**.
- b) Indices formed a bullish candle with higher highs and higher lows price formation. It reclaimed above 8600 mark.
- c) Indicators and oscillators are still lying in oversold zone which shows that this pullback can get fuel to extend further.
- d) 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.
- e) Now, crucial support lies at **8430 level** (near 100 months MA's) and if this level is not respected then index can slip down till 8175- 8000 zone and then it can slip down till 7800 levels.

#### CHART ANALYSIS



#### SUPPORT & RESISTANCE LEVELS

	NIFTY LEVEL	JUSTIFICATION
Resistance 2	9550	Confirmation levels
Resistance 1	9130	Top of Morning star
Close	8674	
Support 1	8430	100 monthly SMA
Support 2	8175	Previous swing low

VIEW

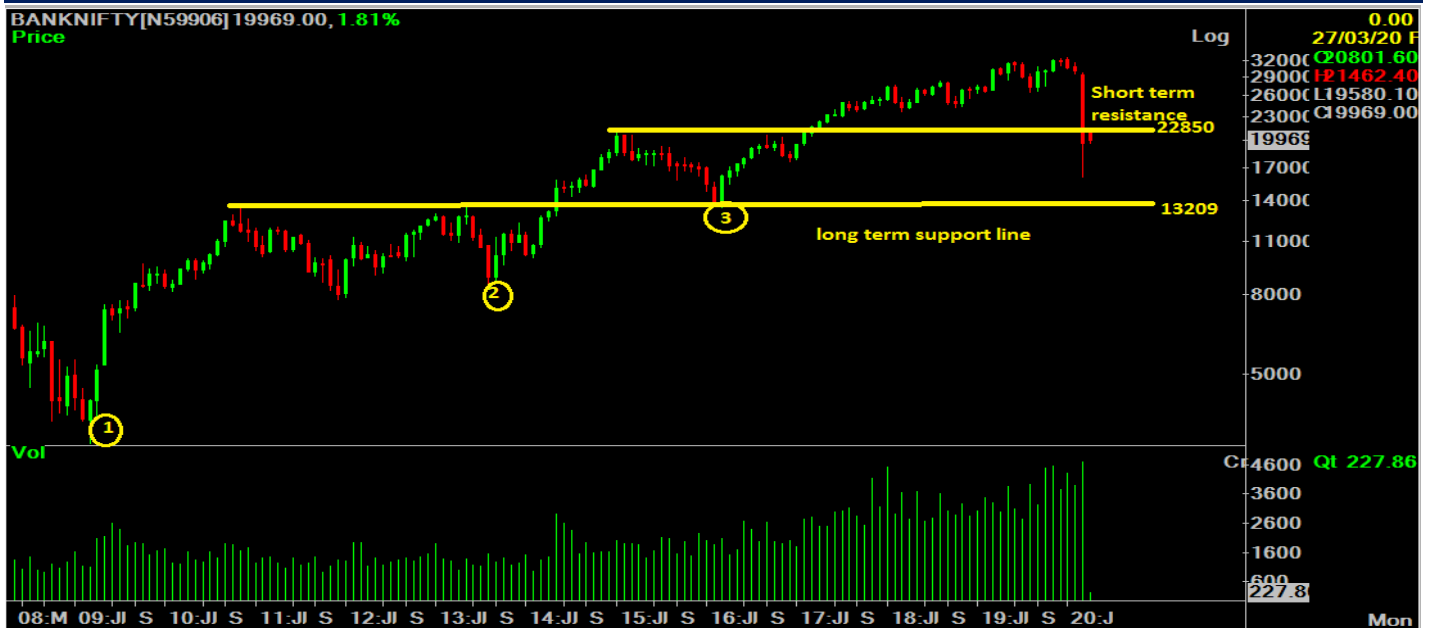
After opening with a negative session, Banknifty fell to make a weekly low of 16116.25 on Tuesday of last week. However it was unable to maintain at the lower level and a smart pullback to 21463 was witnessed in last three successive trading days. At the end of the week Banknifty closed at 19969. It had a net loss of 1.7% over its previous week's close. Axis Bank and State Bank were the main catalysts to close the index lower and they ended the week with a net loss of 16% and 6.5% respectively.

**OBSERVATIONS:**

- 1) Banknifty is still maintaining 'Higher highs and Higher lows' condition in the monthly chart. Previous lower point is at 13209 which was made on March 2016. (Trend was calculated from 2009-till date)
- 2) RSI has reached at oversold zone in the monthly chart.
- 3) Short term resistance line is at 22850.

In reference to the above observations it can be concluded that currently Banknifty is in corrective phase. The long term support of the index is at 13209. (The index is said to be in corrective phase as long as it maintains above 13209, the bear phase will start below 13209). Some pullback up to 22850 might possible in the extreme short term due to the oversold position of the RSI. However fresh positional long should initiate only above 22850.

CHART ANALYSIS



SUPPORT & RESISTANCE LEVELS

RESISTANCE/SUPPORT	BANKNIFTY LEVEL
Resistance 2	22850
Resistance 1	21470
Close	19969
Support 1	18670
Support 2	17330

VIEW

In our previous article, we mentioned about RBI intervention and on Friday RBI provides antidote to the banking system's COVID-19 woes. RBI's ensured that credit flow would continue in the economy to rebuild supply channels as it released hefty amount of stimulus, with a cut of 75 bps in repo rate (now at 4.4%) and also reduced reverse repo rate from 90 bps to 4%. Later this announcement, Rupee took a breather after declining to its all-time low for the first time in history. Oil prices also trading lower below its 17-year low levels for over a week which is the advantage scenario for our government they store it maximum. Till the situation around the coronavirus remains frightful, we expect this volatility will continue.

**TECHNICAL FACTORS-**

- a) Formation of long leg doji on weekly chart suggest indecisiveness among market participants.
- b) No further decline in the strength of Rupee is possible till pair sustains below 76.40 mark
- c) RSI is showing negative divergence which suggests the possibility of further cooling in the coming days
- d) On breaching 74.35 level, pair can extend down 73.50 and 73 mark
- e) Failure to breach and sustain below 74.35 mark, it can see a bounce back towards 76.40 mark again

CHART ANALYSIS



SUPPORT & RESISTANCE LEVELS

USDINR LEVEL

Resistance 2	77.00
Resistance 1	76.4
Close	75.47
Support 1	74.35
Support 2	73.50

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