

Trading Calls

Market	Value	% Change
SGX Nifty (at 8.00 am IST) prev closing	8488.80	4.68%

Nifty Key Levels For The Week

Support	S1: 8050	S2 : 8000
Resistance	R1 : 8400	R2 : 8500

Market Outlook

Recently index touched the lower Bollinger Band placed around 7520 and sustaining above it indicates retracement of prices towards middle band or 20 DMA which is standing around 8900 marks which is still falling day by day. As long as index is trading below 20 DMA, one should opt for sell on rise strategy.

Furthermore, prices are trading below 5 day DMA placed around 8400, down move towards earlier crucial support 7800/7700 can continue which can extend to swing low 7500. On a contrary side, a decisive close above line of parity & psychological levels placed around 8500 Nifty can trade higher towards 20 DMA (8900).

FII DERIVATIVES POSITION FOR 03-April-2020

Net (Amt. in crs)

INDEX FUTURES	279
INDEX OPTIONS	452
STOCK FUTURES	(310)
STOCK OPTIONS	24

Institutional Turnover

FII	Buy(cr.)	Sell(cr.)	Net(cr.)
03-Apr-20	7,597	9,558	(1,961)
Apr-20	13,179	16,256	(3,078)
DII	Buy(cr.)	Sell(cr.)	Net(cr.)
03-Apr-20	3,568	3,342	227
Apr-20	6,340	6,564	(224)

Sectoral Performance (%)

	1 Day	1 Week	1 Month	1 Year
Auto Components	(2.62)	(5.93)	(33.91)	(43.61)
Automobiles	(3.30)	(12.30)	(35.24)	(45.15)
Chemicals	(3.45)	(2.56)	(22.57)	(15.05)
Construction & Engineering	(0.47)	(5.21)	(34.01)	(45.92)
Construction Materials	(2.98)	(4.63)	(31.67)	(29.06)
Diversified Financial Services	(2.99)	(11.98)	(40.98)	(37.60)
Electrical Equipment	(1.12)	(0.83)	(27.81)	(38.54)
Energy	0.83	2.37	(21.25)	(30.80)
Financials	(3.94)	(12.25)	(39.41)	(39.86)
Health Care	3.45	6.86	(9.81)	(8.91)
Household Durables	(1.00)	(2.80)	(30.02)	(24.85)
Household & Personal Products	(1.14)	(0.74)	(5.90)	7.53
Information Technology	(2.95)	(7.37)	(22.39)	(24.71)
Metals/Mining/Minerals	(1.13)	3.19	(29.66)	(47.71)
Telecom	0.72	(9.68)	(20.39)	(8.47)
Utilities	0.32	(0.15)	(22.90)	(27.84)

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

Long Position				
	DII	FII	Pro	Other
Future Index	51868	38518	20912	87037
Future Stock	49357	976016	78449	328992
Option Index Call	4530	128626	95686	395898
Option Index Put	62007	160559	99480	334016
Option Stock Call	0	4186	33000	97941
Option Stock Put	0	4988	30444	53519

Short Position				
	DII	FII	Pro	Other
Future Index	3854	97001	21474	76006
Future Stock	820900	420187	56599	135128
Option Index Call	0	91618	132622	400500
Option Index Put	0	94030	132404	429628
Option Stock Call	1293	2877	49545	81412
Option Stock Put	0	4512	34462	49977

High ES & High PS Stock Maintaining Strength

BSE Code	NSE CODE	1 Month Return %
500087	CIPLA	11.2
532321	CADILAH	10.2
500124	DRREDDY	8.6
500257	LUPIN	4.1
532523	BIOCON	3.1
506197	BLISSGVS	2.1
500696	HINDUNILVR	(0.2)
500676	GSKCONS	(0.3)
500420	TORNTPHARM	(2.3)
500210	INGERRAND	(3.1)

High ES & Low PS Stock Showing Strength

BSE Code	NSE CODE	1 Month Return %
500188	HINDZINC	(3.0)
500875	ITC	(9.1)
500288	MOREPENLAB	(9.7)
531642	MARICO	(10.3)
524742	CAPPL	(12.8)
532178	ENGINERSIN	(17.6)
532155	GAIL	(18.8)
500086	EXIDEIND	(19.5)
507488	GMBREW	(19.5)
500182	HEROMOTOCO	(19.8)

Low ES & Low PS Stock Maintaining Weakness

BSE Code	NSE CODE	1 Month Return %
535789	IBULHSGFIN	(66.0)
524000	MAGMA	(59.9)
530073	SANGHVIMOV	(54.3)
514162	WELSPUNIND	(49.2)
532839	DISHTV	(48.5)
500840	EIHOTEL	(48.2)
522275	ALSTOMT&D	(48.2)
523756	SREINFRA	(47.9)
500101	ARVIND	(47.3)
522074	ELGIEQUIP	(46.9)

Low ES & High PS Stock Showing Weakness

BSE Code	NSE CODE	1 Month Return %
532144	WELCORP	(62.1)
511218	SRTRANSFIN	(59.5)
511243	CHOLAFIN	(58.7)
532811	AHLUCONT	(55.6)
500330	RAYMOND	(55.2)
511431	VAKRANSOFT	(52.9)
533519	L&TFH	(52.4)
532215	AXISBANK	(52.3)
517380	IGARASHI	(51.9)
501455	GREAVESCOT	(48.1)

* 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

Domestic market continued its southward journey echoing weak sentiments as market participants has set aside stimulus measures announced by RBI & the government. They focussed on the mounting Covid-19 virus cases and its impact on indian economy. With a global recession already announced by the IMF, the recessionary forces and uncertainty are forcing investors, especially FIIs to withdraw their investments from D-street. Bears are having tailwinds as far as global cues are concerned. Market breadth was totally negative. Near term, the market has strong momentum on the downside and recoveries are unlikely to sustain. Traders should look to have a "SELL on RISE" approach till indices sustains below their current swing high.

Technical Outlook-

- Rally attempt seems to be failed as nifty formed bearish belt hold pattern on the last two consecutive days of this week which suggest that selling pressure would continue.
- Although bullish crossover in MACD and sustainability of RSI above 30 mark can provide some sort of relief to bulls
- However, broader trend remain 'Sell on Rally' until nifty give confirmation above **9130-9200 zone** decisively.
- A decline below 8000 would pave the way for further correction towards 7800 and 7500 levels.
- In case of surge, 8675 and 9040 levels would act as a hurdle in the coming days.

CHART ANALYSIS



SUPPORT & RESISTANCE LEVELS

	NIFTY LEVEL	JUSTIFICATION
Resistance 2	9040	Previous swing high
Resistance 1	8675	Current Swing High
Close	8083	
Support 1	7800	100 monthly SMA
Support 2	7500	Previous low

VIEW

After opening with a negative session, Banknifty traded in the negative territory throughout last week and closed the week with a net loss of 13.6% over its previous week's close. The selling was witnessed across the board. However ICICI Bank, Indusind Bank, HDFC Bank and State Bank lead to a decline.

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) Banknifty has under performed Nifty last week. Nifty has corrected 6.6% where as Banknifty fell 13.62% throughout last week.

In reference to the above observations it can be concluded that currently Banknifty is in corrective phase. The performance comparative chart of Nifty and Banknifty is indicating that Banknifty is looking weaker than the Nifty at this juncture. The long term support of the Banknifty is at 13209 and the index is likely to get a strong support near this area. It would be the prudent decision to initiate positional long in the banking sector near this area.

CHART ANALYSIS



SUPPORT & RESISTANCE LEVELS

RESISTANCE/SUPPORT	BANKNIFTY LEVEL
Resistance 2	22850
Resistance 1	21470
Close	17249
Support 1	18670
Support 2	17330

VIEW

Renewed buying interest was seen towards the end of the session in the pair and rupee extended weakness against dollar beyond Rs 76. Exponential growth of coronavirus pandemic has created havoc. This uncertainty and hysteria have grappled the forex market, depreciating all emerging market currencies and taking rupee to lower side. According to the latest news, RBI has reduced trading hours for currency, debt and money markets from 10 am to 2 pm till 17th of April due to the lockdown situation created by the covid-19. Until the virus peaks, we anticipate the weakness will continue and pair can take further upsurge on upside.

TECHNICAL FACTORS-

- Pair has surpassed the upper band of bollinger in the weekly chart showing expansion on upside.
- Formation of bullish belt hold on weekly chart suggest more anxiety for rupee in the coming days
- Although RSI is still showing negative divergence but failed to halt this momentum
- A decisive move above 76.40 mark may lead to this expansion towards 77 and 78 levels
- Near term support lies at 75.30 followed by 74.35 mark. A strong close below the same could lead to strength in Rupee

CHART ANALYSIS



SUPPORT & RESISTANCE LEVELS

USDINR LEVEL

Resistance 2	77.00
Resistance 1	76.4
Close	76.24
Support 1	75.3
Support 2	74.35

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