

Trading Calls

Market	Value	% Change
SGX Nifty (at 8.00 am IST) prev closing	8712.75	-1.84%

Nifty Key Levels For The Week

Support	S1: 8520	S2 : 8400
Resistance	R1 : 8850	R2 : 9040

Market Outlook

After two days of brutal selling, indices made a gap up opening while tracking recovery in global market. Nifty saw break out above its inverted Head & Shoulder pattern and surged more than 8.5% in a single day. For further rise, it has to cross and sustain above 9040 levels from there it can extend some more gain on upside. Contrary, the immediate support is now inching higher to 8520 level and then the 8400-8350 zone.

FII DERIVATIVES POSITION FOR 07-April-2020

	Net (Amt. in crs)
INDEX FUTURES	2,368
INDEX OPTIONS	(842)
STOCK FUTURES	649
STOCK OPTIONS	(96)

Institutional Turnover

FII	Buy(cr.)	Sell(cr.)	Net(cr.)
07-Apr-20	10,341	9,600	742
Apr-20	23,520	25,856	(2,336)
DII	Buy(cr.)	Sell(cr.)	Net(cr.)
07-Apr-20	5,156	4,734	423
Apr-20	11,497	11,298	199

Sectoral Performance (%)

	1 Day	1 Week	1 Month	1 Year
Auto Components	3.97	(2.42)	(29.85)	(41.69)
Automobiles	10.73	0.50	(27.60)	(39.81)
Chemicals	5.99	3.36	(18.48)	(10.58)
Construction & Engineering	2.52	(3.04)	(30.70)	(44.46)
Construction Materials	5.42	1.79	(25.58)	(26.87)
Diversified Financial Services	3.66	(6.73)	(35.66)	(36.24)
Electrical Equipment	3.50	3.25	(23.87)	(36.19)
Energy	9.90	13.65	(8.98)	(23.46)
Financials	7.28	(5.45)	(31.92)	(35.74)
Health Care	8.75	16.08	(2.49)	(1.53)
Household Durables	2.66	(1.69)	(26.24)	(22.34)
Household & Personal Products	11.01	12.96	4.36	19.75
Information Technology	7.45	(0.55)	(17.61)	(18.50)
Metals/Mining/Minerals	5.41	7.12	(21.73)	(45.58)
Telecom	9.27	4.15	(11.48)	(1.32)
Utilities	3.46	2.97	(17.00)	(25.23)

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

	Long Position			
	DII	FII	Pro	Other
Future Index	48307	57972	13505	80175
Future Stock	51505	994550	80525	326251
Option Index Call	4530	133862	100557	352536
Option Index Put	62007	161883	121265	506090
Option Stock Call	0	4753	43739	97778
Option Stock Put	0	5015	28305	69556

	Short Position			
	DII	FII	Pro	Other
Future Index	4594	77870	25242	92253
Future Stock	814459	421867	65887	150618
Option Index Call	0	91162	144883	355440
Option Index Put	0	114333	190767	546145
Option Stock Call	1893	5184	51449	87744
Option Stock Put	0	4994	43417	54465

High ES & High PS Stock Maintaining Strength

BSE Code	NSE CODE	1 Month Return %
532321	CADILAHC	20.1
500124	DRREDDY	17.7
500087	CIPLA	15.6
500696	HINDUNILVR	12.8
500676	GSKCONS	12.1
500420	TORNTPHARM	10.0
500126	MERCK	8.1
500257	LUPIN	7.8
524404	MARKSANS	4.8
532523	BIOCON	4.6

High ES & Low PS Stock Showing Strength

BSE Code	NSE CODE	1 Month Return %
500288	MOREPENLAB	10.0
531642	MARICO	(4.2)
500188	HINDZINC	(4.7)
524742	CAPPL	(5.2)
500875	ITC	(6.4)
530001	GUJALKALI	(6.6)
507488	GMBREW	(10.1)
500086	EXIDEIND	(13.6)
500182	HEROMOTOCO	(13.8)
532654	MCLEODRUSS	(14.6)

Low ES & Low PS Stock Maintaining Weakness

BSE Code	NSE CODE	1 Month Return %
535789	IBULHSGFIN	(66.5)
524000	MAGMA	(59.9)
530073	SANGHVIMOV	(55.0)
522074	ELGIEQUIP	(48.7)
523756	SREINFRA	(45.8)
532839	DISHTV	(45.0)
500840	EIHOTEL	(44.7)
514162	WELSPUNIND	(44.2)
522275	ALSTOMT&D	(44.2)
535754	ORIENTCEM	(43.3)

Low ES & High PS Stock Showing Weakness

BSE Code	NSE CODE	1 Month Return %
532144	WELCORP	(62.1)
532811	AHLUCONT	(57.5)
511218	SRTRANSFIN	(57.3)
511243	CHOLAFIN	(57.3)
500330	RAYMOND	(53.4)
511431	VAKRANSOFT	(50.1)
517380	IGARASHI	(50.0)
533519	L&TFH	(49.7)
500570	TATAMOTORS	(48.4)
501455	GREAVESCOT	(48.2)

* 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

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-

- a) 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.
- b) Although bullish crossover in MACD and sustainability of RSI above 30 mark can provide some sort of relief to bulls
- c) However, broader trend remain 'Sell on Rally' until nifty give confirmation above **9130-9200 zone** decisively.
- d) A decline below 8000 would pave the way for further correction towards 7800 and 7500 levels.
- e) 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

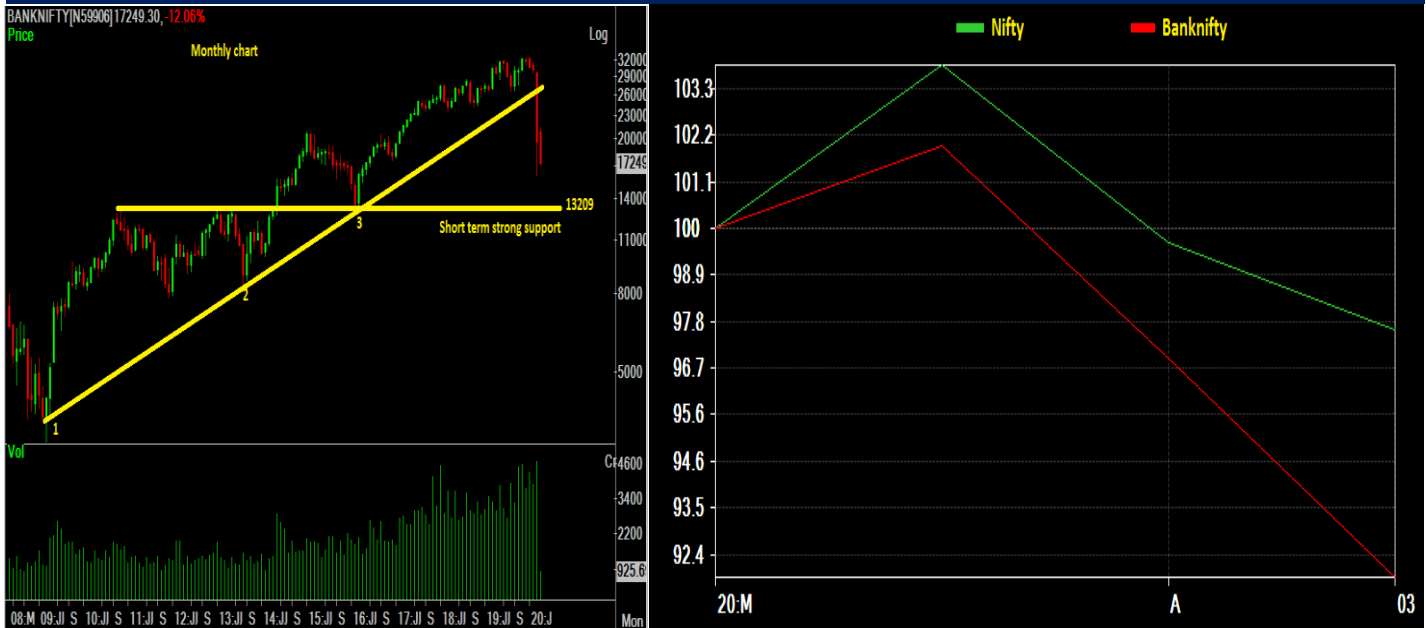
After opening with a negative session, Banknifty traded in the negative territory throughout last week and closed the week with a net loss of 13.6% over its previous week's close. The selling was witnessed across the board . However ICICI Bank, Indusind Bank, HDFC Bank and State Bank lead to a decline.

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-

- a) Pair has surpassed the upper band of bollinger in the weekly chart showing expansion on upside.
- b) Formation of bullish belt hold on weekly chart suggest more anxiety for rupee in the coming days
- c) Although RSI is still showing negative divergence but failed to halt this momentum
- d) A decisive move above 76.40 mark may lead to this expansion towards 77 and 78 levels
- e) 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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