

THE DAILY

Date: 07 April 2021



DOMESTIC INDICES

	Close	Points	% Change
SENSEX	49201	42	0.09
NIFTY	14684	46	0.31
MIDCAP	20486	202	1.00
SMALL CAP	21020	175	0.84

SECTORAL INDICES

	Close	Points	% Change
Healthcare	21927	355	1.65
REALTY	2606	25	0.97
METAL	15410	137	0.90
IT	27363	69	0.25
TECK	12258	27	0.22
CG	21070	41	0.20
POWER	2546	3	0.13
AUTO	22018	20	0.09
Finance	7217	4	0.06
OIL & GAS	14797	-7	-0.05
CD	32027	-70	-0.22
BANKEK	36726	-187	-0.51

BSE 200 GAINERS/LOSERS

GAINERS	%	LOSERS	%
ADANI PORTS	12.84	ASTRAL	-4.91
SRF	8.26	UBL	-3.54
ADANI ENT	7.67	TRENT	-3.45
GLENMARK	6.03	JUBLPHARMA	-2.39
LALPATHLAB	5.99	POWERGRID	-2.29

ADVANCE/DECLINES

	BSE	%
ADVANCES	1664	54
DECLINES	1217	40
UNCHANGED	190	6

INSTITUTIONAL ACTIVITY

Rs Cr	06/04/21	05/04/21	Apr Total
FII	-1093	-932	-2843 (prov.)
DII	417	75	6161 (prov.)

Indian markets could open flat to mildly higher, following flat Asian markets today and mildly negative US markets on Tuesday.....

Major U.S. stock benchmarks closed with modest losses Tuesday, after the S&P 500 hit a record intraday high as investors weighed prospects for President Joe Biden's \$2.3 trillion infrastructure plan and a brightening outlook for the U.S. and global economy. Equities teetered between small gains and losses throughout Tuesday, a day after the S&P 500 and Dow closed at records, as investors focused on the prospect of further fiscal support and increased corporate taxes. Volumes on U.S. exchanges slipped below 10 billion shares for the first time this year.

On the data front, job openings in the U.S. jumped to 7.37 million in February from 7.1 million a month earlier, the Labor Department said. That's the highest level in more than two years. The IMF raised its U.S. outlook sharply in 2021 to 6.4% this year from 5.1%. The U.S. should see solid 4.4% growth in 2022. The IMF raised its estimate for global growth to 6% this year and 4.4% next year. This represents an upgrade of 0.5% for 2021 and 0.2% for 2022 from what it forecast in January.

The U.S. Federal Reserve is expected to release the minutes from its last monetary policy meeting on Wednesday and market participants will parse it for any changes to the central bank's economic outlook. India's Monetary Policy Committee is likely to maintain a status quo at its meet today.

Asia equities are trading flat on Wednesday after Wall Street pulled back from record highs reached in previous sessions, as investors eye the upcoming earnings season for more signs of a recovery following a series of strong U.S. economic data.

After a sharp sell-off in the previous session, Indian benchmark equity indices ended marginally higher on April 6 amid some volatile moves. At close, the Nifty was up 45.70 points or 0.31% at 14,683.50.

Nifty has formed an inside day compared to the previous session's high-low, suggesting no fresh directional clues. The intraday volatility has however become smaller which is a good sign. Greater participation of small and midcaps has resulted in a healthy advance decline ratio. 14574-14876 could be the band for the Nifty for the near term.

IMF ups India's FY22 GDP growth forecast to 12.5%:

The International Monetary Fund (IMF) raised its FY22 growth forecast for India to 12.5% from 11.5% estimated earlier in January, even as a resurgent Covid spread threatens to undermine the country's economic recovery. The IMF forecast pitches India as the fastest-growing major economy and the only one expected to record a double-digit recovery from pandemic-hit 2020. China's economy is seen growing 8.4% in 2021 and 5.6% in 2022.

GLOBAL INDICES

	Close	Points	% Chg
DOW JONES	33430	-96.95	-0.29
S & P 500	4074	-3.97	-0.10
NASDAQ	13698	-7.21	-0.05
FTSE	6824	86.25	1.28
CAC	6131	28.38	0.47
DAX	15213	105.51	0.70
NIKKEI	29757	59.87	0.20
SHNAGAI	3472	-11.29	-0.32
HANG SENG	28975	36.26	0.13
BOVESPA	117499	-19.57	-0.02

EXCHANGE RATES

	Value	% Change
USD/INR	73.5	0.20
EURO/USD	1.188	0.00
USD/GBP	1.383	0.08
USD/JPY	109.7	-0.09

COMMODITIES

	Value	%
Gold (\$ / Oz)	1740.3	-0.16
Silver (\$ / Oz)	25.1	-0.34
Crude Oil Futures	59.6	0.37
Brent Oil (\$ / Barrel)	63.0	0.51

BOND YIELD

	Value %	Chg bps
IND10 Yr Bond Yield	6.122	-0.001

ADR

	Value \$	%
Dr Reddys Labs	62.9	1.32
HDFC Bank	75.4	-0.54
ICICI Bank	15.5	-2.21
Tata Motors	20.8	-0.43
Wipro	6.53	-0.15
Vedanta Ltd	12.84	0.31
INFOSYS	19.34	-0.15

Tata Steel India reports highest ever annual deliveries:

Tata Steel India achieved highest ever quarterly crude steel production of 4.75 mn tons with a 3%QoQ growth in 4QFY21. Full year FY21 production was lower by 7%YoY primarily due to the disruption caused by COVID-19 pandemic in 1HFY21. Tata Steel India delivery volume increased by 16%YoY to 4.67 mn tons in 4QFY21; domestic deliveries increased 22%YoY to 4.17 mn tons on the back of company's robust marketing network and improved market conditions. Exports were at 11% of overall deliveries. Tata Steel India achieved highest ever annual delivery volume of 17.30 mn tons in FY21.

Tata Steel BSL reports highest ever annual sales volumes:

Tata Steel BSL achieved highest ever quarterly crude steel production of 1.18 mn tons in registering a growth of 6% QoQ and 5%YoY; FY21 production was lower by 9% YoY. 4QFY21 sales volumes increased by 4%QoQ and 22%YoY to 1.19 mn tons, driven by higher production and improved market conditions. Tata Steel BSL achieved highest ever annual sales volumes at 4.31 mn tons with 4%YoY growth despite COVID-19 pandemic induced disruption. The Company increased its domestic deliveries by 6% QoQ to 1,006 thousand tons and reduced exports from 18% in 3QFY21 to 16% in 4QFY21.

Inox Leisure board approves fund raising up to Rs 300 cr via equity route:

The Board of Inox Leisure at its meeting held on 06 April 2021 has approved to raise funds up to Rs 300 crore through issue of securities either by way of a public issue or by way of rights issue or by way of a private placement.

Reliance Jio to use Bharti Airtel's spectrum in the 800Mhz band, signs trading deal

Reliance Jio on April 6 announced signing of definitive agreement for trading of right to use spectrum in the 800Mhz band with Bharti Airtel limited in Andhra Pradesh, Delhi and Mumbai circles. The aggregate value for the right to use this spectrum is Rs 1,497 crores, inclusive of present value of associated deferred payment liability of Rs 459 crores, subject to any transaction related adjustments.

Axis Bank becomes co-promoter of Max Life Insurance, to own 12.9% stake

Axis Bank Ltd said that it has become co-promoters of Max Life Insurance Company Limited, after completion of the acquisition of 12.99% stake collectively by the Axis Entities in the company. The Board of Max Life recorded the closure of the deal today. The transaction was completed after the Insurance Regulatory and Development Authority of India (IRDAI) gave its formal approval in February this year. Axis Bank and its two subsidiaries—Axis Capital Limited and Axis Securities Limited – will collectively own 12.99% stake in Max Life after the consummation of the deal. The Axis Entities have a right to acquire an additional stake of up to 7% in Max Life, in one or more tranches, subject to regulatory approvals. With the conclusion of this transaction, Max Life's Board will be strengthened further, with co-option of three nominee directors of Axis Entities on its Board.



RBL Bank targets more SME borrowers after tie-up with UK-based biz solutions provider Tide

Private sector RBL Bank NSE 2.84 % is targeting to on-board more small businesses after a recent tie-up with the UK-based financial services platform Tide, a bank official said on Tuesday. Tide provides a host of business solutions such as accounting, taxation and debt management. Surinder Chawla, Head - Branch Banking, RBL Bank said in an interaction Tide has around 5 per cent of the market share in SME business banking space in the UK and the interesting part is that it is a pure digital player.

Important news/developments to influence markets

- Household spending in Japan plunged 6.6 percent in real terms in February of 2021 from a year earlier, following a 6.1 percent drop in the previous month. On a monthly basis, household spending went up 2.4 percent, after falling 7.3 percent in the previous period.
- Euro area investor confidence Index rose to 13.1 in April, the highest its been since August 2018. The current situation index climbed to -6.5, the best its been in 14 months, Sentix GmbH reported on Tuesday.
- The unemployment rate in the eurozone was 8.3% in February, stable compared with January and up from 7.3% in February 2020, Eurostat reported.
- Britain's new car market recorded its first growth since August 2020, with 29,280 more units registered during March compared to the same month last year, the British Society of Motor Manufacturers and Traders (SMMT) said. In March, 283,964 new cars were registered, rising by 11.5 percent from the same month one year ago.
- Redbook Index in the United States increased by 10.60 percent in the week ending April 3 of 2021 over the same week in the previous year.
- U.S. job openings rose to a two-year high in February. Job openings, increased 268,000 to 7.4 million as of the last day of February. That was the highest level since January 2019 and pushed job openings 5.1% above their pre-pandemic level.

Daily Technical View on Nifty

One more attempt towards 14900...

Observation: After witnessing a sharp weakness on Monday, Nifty shifted into a consolidation with volatility on Tuesday and closed the day higher by 45 points. After opening on an upside gap of 100 points (body gap, not a western gap), Nifty started with intraday weakness from the highs in the early part of the session. Upside recovery has witnessed from the lows and Nifty closed the day on an upside recovery note.

A small negative candle was formed with long lower shadow, which indicate a consolidation movement in the market with lower levels buying. The formation of lower shadow in the last two daily candles signal an emergence of buying interest from the lows.

The crucial upper resistance of 14880 (resistance as per change in polarity) remains intact and the weakness which started from near the hurdle seems to be halting now. Hence, one may expect Nifty to move up and retest the crucial upper resistance again in the coming sessions.

Nifty on the weekly chart is placed at the weekly 10 period EMA at 14640 and is showing upside recovery from the said support. We observe a broader high low range movement in the Nifty over the last 5-6 weeks around 15300-14300 levels. Hence, the market is within a range and immediate resistance is placed at 14900.

Conclusion: The short term trend of Nifty remains range bound. The market is witnessing an alternative movement of up and down over the last four sessions.

As per the present set up, one may expect Nifty to retest the crucial overhead resistance around 14880 levels in the short term, before showing another round of weakness from the highs. A sustainable move above 14900 could open a sharp upside for the market. Immediate support is placed at 14600.

Nifty	View for 1-2 days	Reversal	7-Day View	Reversal
14683	Bullish	14450	Bullish	14260
	Target 14800		Target 15050	



SHORT TERM TRADING CALLS

NO.	RECO DT.	RECO	COMPANY NAME	ENTRY	CMP	SL	TARGET	UPSIDE %	VALID TILL
1	6-APR-21	BUY	BANK NIFTY APR FUT	32743-32540	32717.0	32400.0	32950.0	1	15-APR-21
2	6-APR-21	BUY	BIOCON 415 APR CALL OPTION	14.6	14.8	11.1	18.3	24	9-APR-21
3	1-APR-21	BUY	LUPIN APR FUT	1028.75-1010	1049.8	1028.8	1061.0	1	8-APR-21
4	5-APR-21	SELL	M&M APR FUT	782.25-802	787.0	811.0	754.0	4	14-APR-21
5	5-APR-21	BUY	WIPRO APR FUT	424.75-415	429.3	412.5	437.7	2	8-APR-21
6	6-APR-21	BUY	SBI LIFE APR FUT	888-896.40	904.7	870.0	923.0	2	13-APR-21
7	1-APR-21	BUY	ELECON ENGINEERING	65-67.50	65.5	63.0	74.0	13	15-APR-21
8	6-APR-21	BUY	SUNTECK	283.95-273	283.1	270.0	305.0	8	15-APR-21
9	6-APR-21	BUY	KRBL	195	194.6	189.5	208.0	7	7-APR-21
10	6-APR-21	BUY	ASIAN PAINTS	2583-2503	2611.6	2466.0	2735.0	5	15-APR-21
11	6-APR-21	BUY	GLOBUS SPIRIT	325-334.95	334.2	318.0	360.0	8	20-APR-21
12	6-APR-21	BUY	TATA CHEMICALS	798.50-774	809.1	762.0	846.0	5	15-APR-21
13	6-APR-21	BUY	Bharti Airtel	534.80-514	532.2	509.0	568.0	7	15-APR-21

OPEN CASH POSITIONAL CALLS

NO.	RECO DT.	RECO	COMPANY NAME	ENTRY	CMP	SL	TARGET 1	TARGET 2	UPSIDE %	VALID TILL
1	28-JAN-21	BUY	BIOCON*	384.3	414.3	352.0	415.0	450.0	9	28-APR-21
2	11-FEB-21	BUY	SUN TV	522.0	477.8	390.0	640.0	735.0	54	10-AUG-21
3	16-FEB-21	BUY	PNB HOUSING FINANCE*	402.1	383.6	325.0	475.0	523.0	36	15-AUG-21
4	3-MAR-21	BUY	TRIVENI ENGINEERING	90.4	83.6	79.0	104.0	104.0	24	1-JUN-21
5	3-MAR-21	BUY	FLURO CHEMICALS	607.7	621.3	530.0	682.0	682.0	10	1-JUN-21
6	1-APR-21	BUY	GSFC	85.1	88.7	78.0	93.0	104.0	17	30-JUN-21
7	5-APR-21	BUY	LAURAS LAB	374.9	396.6	340.0	422.0	480.0	21	4-JUL-21

*= 1st Target Achieved

OPEN DERI POSITIONAL CALLS

NO.	RECO DT.	RECO	COMPANY NAME	ENTRY	CMP	SL	TARGET 1	TARGET 2	UPSIDE %	VALID TILL
1	19-MAR-21	BUY	BANK OF BARODA APR FUT	73.6	73.7	66.0	79.0	88.0	19	TILL 29TH APR 21
2	1-APR-21	BUY	RBL BANK APR FUT	215.0	213.6	203.0	232.0	250.0	17	TILL 29TH APR 21
3	1-APR-21	BUY	CUB APR FUT	161.5	156.8	149.0	170.0	190.0	21	TILL 29TH APR 21
4	5-APR-21	SELL	BAJAJ FINANCE APR FUT	5055.6	5016.1	5350.0	4761.0	4466.0	11	TILL 29TH APR 21
5	5-APR-21	SELL	ICICI BANK APR FUT	566.4	571.0	600.0	532.0	499.0	13	TILL 29TH APR 21
6	5-APR-21	BUY	LTI APR FUT	4264.5	4307.0	4025.0	4550.0	4810.0	12	TILL 29TH APR 21

OPEN E-MARGIN POSITIONAL CALLS

NO.	RECO DT.	RECO	COMPANY NAME	ENTRY	CMP	SL	TARGET 1	TARGET 2	UPSIDE %	VALID TILL
1	23-NOV-20	BUY	BATA INDIA*	1464.0	1390.0	1330.0	1630.0	1850.0	33	23-MAY-21
2	1-APR-21	BUY	NALCO	57.6	59.3	53.0	62.2	72.0	22	1-OCT-21
3	5-APR-21	BUY	TATA ELXSI	2804.4	2876.8	2580.0	3050.0	3250.0	13	5-JUL-21
4	6-APR-21	BUY	SUN PHARMA	616.7	620.5	570.0	663.0	3250.0	424	6-OCT-21
5	6-APR-21	BUY	PFC	114.9	114.4	105.5	127.0	3250.0	2742	6-JUL-21

*= 1st Target Achieved

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