

THE DAILY

Date: 26 March 2021



DOMESTIC INDICES

	Close	Points	% Change
SENSEX	48440	-740	-1.51
NIFTY	14325	-225	-1.54
MIDCAP	19644	-447	-2.22
SMALL CAP	20062	-379	-1.85

SECTORAL INDICES

	Close	Points	% Change
METAL	13468	-7	-0.05
BANKEKX	37201	-289	-0.77
Finance	7244	-71	-0.97
CG	20649	-219	-1.05
Healthcare	20608	-239	-1.15
IT	25742	-467	-1.78
TECK	11598	-234	-1.98
CD	31056	-723	-2.28
OIL & GAS	14556	-379	-2.54
REALTY	2576	-67	-2.55
AUTO	21791	-628	-2.80
POWER	2471	-72	-2.83

BSE 200 GAINERS/LOSERS

GAINERS	%	LOSERS	%
TATASTEEL	2.77	IDEA	-8.70
SAIL	2.70	AUBANK	-6.47
ALKEM	2.54	NAUKRI	-5.81
NATCOPHARM	2.41	BAJAJHLDNG	-5.00
ABCAPITAL	1.90	ADANIGREEN	-5.00

ADVANCE/DECLINES

	BSE	%
ADVANCES	760	24
DECLINES	2189	70
UNCHANGED	172	6

INSTITUTIONAL ACTIVITY

Rs Cr	25/03/21	24/03/21	March Total
FII	-3384	-1952	-6053(prov.)
DII	2268	613	741 (prov.)

Some respite for the bulls in the offing

Major US equity indexes managed to post a gain on Thursday in volatile trading session as weekly first-time jobless claims hit the lowest level in over a year.

Economic data showed that the number of people seeking unemployment benefits for the period ended March 20 totaled 684,000, marking the first time the number has been below 700,000 since March.

Financials lead the way amid a modest increase in Treasury yields following a disappointing 7-year Treasury auction. Investors rotated out of growth-oriented stocks, particularly the Information Technology sector, and into value and cyclically-natured issues, notably the Financials and Energy sectors. Weighing on sentiment was a sell-off in Chinese technology shares amid concerns that they will be delisted from U.S. exchanges on worries about a semiconductor shortage.

The dollar index hit its highest level since November overnight, at 92.7, breaking past its 200-day moving average. Oil futures retreated 4.3%, Gold futures ended lower to end at \$1,725 an ounce. In Europe, the Stoxx 600 index was flat while London's FTSE 100 closed 0.6% lower.

Indian markets

After opening on a mildly positive note, Nifty witnessed a sharp selloff in the second half. Nifty closed near the lows and lost 224 points to close at 14324. Broad market indices like the Mid Cap and Small Cap indices were also struggling & lost 2.14% and 2.04% respectively.

Some of the recent selling can be attributed to year-end adjustments on the capital gains tax front. We could see some more of those moves today as well as Indian markets are closed on Monday to celebrate the festival of Holi. If Nifty closes below the level of 14529 today, that will confirm a lower bottom on weekly charts and portend further weakness in times to come.

Markets will bounce at the opening today, in-light of favorable global cues, providing some respite to bulls. Nifty faces stiff resistance at 14470 on the rise, while 14280 will act as a support.

RIL to sell Hathway and Den Networks partial stake worth Rs 1122cr through OFS to comply with SEBI norms:

Reliance Industries promoted Hathway Cable & Datacom and Den Networks to sell stakes via OFS on March 26 and March 30 for Rs 853 crore and Rs 269 crore respectively. In Jun-2020, Reliance Industries merged Den Networks and Hathway with Network18 and TV18 to consolidate Reliance Industries' media and distribution businesses. Jio Content Distribution Holdings Pvt., Jio Internet Distribution Holdings Pvt. and Jio Cable and Broadband Holdings Pvt., promoter of Hathway Cable & Datacom Ltd will sell 338 million shares, or 19.1% stake with a floor price of Rs 25.25 per share aggregating to Rs 853.45 crore. While, Jio Futuristic Digital Holdings Pvt., Jio Digital Distribution Holdings Pvt. and Jio Television Distribution Holdings Pvt Ltd will sell 55.5 million shares, or 11.63% stake, in Den Networks Ltd with a floor price of Rs 48.5 per share totalling to Rs 269.18 crore. Bids will open for non-retail investors on 26 March and for retail investors on 30 March.

GLOBAL INDICES

	Close	Points	% Chg
DOW JONES	32619	199.42	0.62
S & P 500	3910	20.38	0.52
NASDAQ	12978	15.79	0.12
FTSE	6675	-38.06	-0.57
CAC	5952	5.12	0.09
DAX	14621	10.97	0.08
NIKKEI	29200	469.62	1.63
SHNAGAI	3399	35.11	1.04
HANG SENG	28110	210.39	0.75
BOVESPA	113750	1685.71	1.50

EXCHANGE RATES

	Value	% Change
USD/INR	72.6	0.20
EURO/USD	1.178	0.14
USD/GBP	1.376	0.20
USD/JPY	109.2	0.06

COMMODITIES

	Value	%
Gold (\$ / Oz)	1722.7	-0.14
Silver (\$ / Oz)	25.1	0.33
Crude Oil Futures	59.0	0.79
Brent Oil (\$ / Barrel)	62.3	0.48

BOND YIELD

	Value %	Chg bps
IND10 Yr Bond Yield	6.131	-0.021

ADR

	Value \$	%
Dr Reddys Labs	60.2	1.01
HDFC Bank	78.2	0.18
ICICI Bank	15.9	1.92
Tata Motors	19.8	-0.40
Wipro	6.26	-1.26
Vedanta Ltd	12.23	-0.57
INFOSYS	18.46	-1.07

BPCL disinvestment process moving on well, to conclude sale by Sept-end: DIPAM Secy

BPCL divestment process is moving on well and expected to conclude by September-end, the Department of Investment and Public Asset Management (DIPAM) Secretary said. The government is selling its entire 52.98 per cent stake in BPCL in the nation's biggest privatisation till date. Vedanta Group and private equity firms Apollo Global and I Squared Capital's Indian unit Think Gas have put in an expression of interest for buying the government's stake.

DLF raises Rs 500 crore via NCD issue:

DLF said it has raised Rs 500 crore through the issue of non-convertible debentures (NCD) to investors. Company informed that the allotment committee has allotted 5000 senior, secured rated listed redeemable non-convertible debentures (NCDs) with a face value of Rs 10 lakh each. The tenure of the NCDs is three years and the coupon rate is 8.25 percent.

Groupe Atlantic, France to invest Rs 68cr in SHIL's subsidiary for 50% stake in its water heater business:

Group Atlantic, France will invest Rs 68.3 crore for a 50% stake in the water heater business subsidiary of Somany Home Innovation Limited (SHIL), one of India's leading premium consumer appliances and building products company. Board approved the execution of the share subscription and shareholder's agreement ("SSHA") (along with the ancillary agreements) with M/s Atlantic Societe Francaise De Development Thermique, France ("Groupe Atlantic") and Hintastica Private Limited ("HPL"), which at present is a wholly owned subsidiary Somany Home Innovation Limited (SHIL). Hintastica Private Limited is setting up a manufacturing plant in Telangana. The project is in line with the Government of India's 'Make in India' initiative and all components will be made/sourced from within India. The plant will be built on a plot of 5.7 acres and will be completed by March 2022, with trial runs expected to commence from May 2022.

Mahindra Lifespaces acquires new land parcel in Kalyan:

Mahindra Lifespace Developers announced the addition of a new residential project in Kalyan. Company has entered into an agreement for sale for 10.3 acres. This new project will offer approximately 7 lakh sq. ft. of carpet area and is expected to be launched in FY22. This is Mahindra Lifespaces' second residential development in Kalyan after 'Happinest Kalyan', one of the fastest-selling value housing projects in the micromarket in 2019-20.

Tech Mahindra bolsters cyber security portfolio with cloud-based solution

Tech Mahindra has launched 'CLOUDEFENDER', a new cloud-based attack mitigation service, to strengthen its cyber security portfolio. The solution, built on Radware, a provider of cyber security and application delivery solutions, is an expansion of Tech Mahindra's global partnership with the company to provide a full suite of cloud-based services.

NCLT nod to Airtel, Hughes VSAT satellite operations merger

The National Company Law Tribunal (NCLT) has sanctioned a 'scheme of arrangement' between Bharti Airtel, Bharti Airtel Services, Hughes Communications India and HCIL Comtel. In May 2019, telecom operator Bharti Airtel and Hughes Communications India Ltd (HCIL) had said they will combine their VSAT satellite operations in the country, with Hughes holding a majority stake in the merged entity.

Important news/developments to influence markets

- Weekly net purchases of Japanese equities by foreign investors were the highest in six weeks, as risk sentiment got a boost after the U.S. Federal Reserve projected a rapid jump in economic growth and pledged for low policy rates. Overseas investors purchased a net 564.99 billion yen (\$5.19 billion) worth of stocks in the week ended March 19.
- German consumer morale improved for the second month in a row heading into April, boosted by an easing of lockdown measures at the beginning of March. Consumer sentiment index, rose to -6.2 points from a revised -12.7 in March.
- The US economy grew at an annual rate of 4.3% in the final three months of 2020, slightly faster than previously estimated, as recovery expectations for 2021 rise along with vaccinations as the US unleashes nearly USD 2 trillion in government support.
- U.S. states saw a bigger than expected drop in initial unemployment claims filings last week as claims fell to a fresh pandemic-era low. Initial jobless claims, week ended March 20 came in at 684,000.

Daily Technical View on Nifty

Nifty Confirmed Lower Top Lower Bottom

Nifty plunged 1.54% to close at 14325

This is lowest close for Nifty since 22nd Jan 2021

Nifty has confirmed the lower top lower bottom formation on the daily chart

Weekly close below 14529 would also confirm lower bottom on weekly line chart basis

Nifty has also violated the crucial upward sloping trend-line support on the weekly charts. This trend line adjoins the weekly bottoms since March 2020

Nifty has sustained below its 50 days EMA

Next Support for the Nifty is seen at 14000 odd levels, where 100 days EMA placed

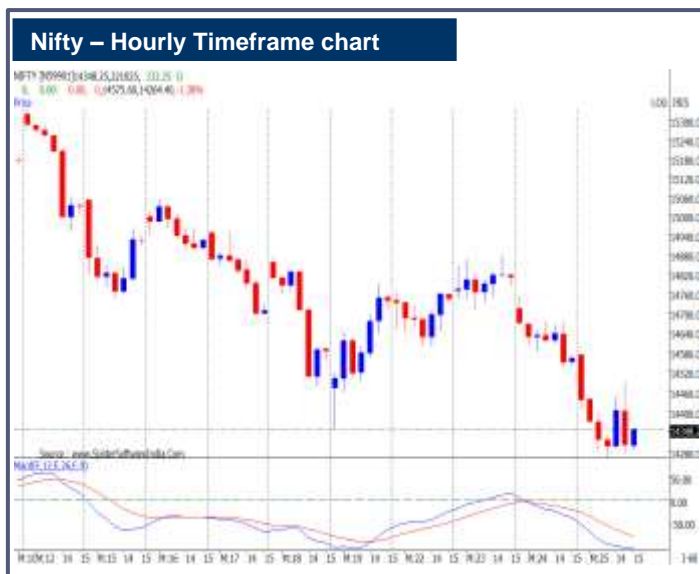
Weekly RSI has exited the overbought zone with lower tops and lower bottoms

Weekly MACD has reached below signal line for the first time since week ended 5th June 2020.

ADX on the daily chart has cut +DI on the upside and marching towards equilibrium line, which indicates rising bearish momentum

Traders should utilize any intraday bounce to exit long positions. Trend of the Nifty has turned bearish.

Nifty	View for 1-2 days	Reversal	7-Day View	Reversal
14325	Bearish	14500	Bearish	14700
	14000		13600	





SHORT TERM TRADING CALLS

NO.	RECO DT.	RECO	COMPANY NAME	ENTRY	CMP	SL	TARGET	UPSIDE %	VALID TILL
1	25-MAR-21	BUY	BANK NIFTY 33500 APR CALL OPTION (1ST APRIL EXPIRY)	567.4	461.5	400.0	900.0	95	30-MAR-21
2	25-MAR-21	BUY	BAJAJ FIN 5100 APR PUT OPTION	216	219.0	170.0	270.0	23	1-APR-21
3	23-MAR-21	BUY	BRITANNIA APR FUT	3550.80-3480	3460.7	3450.0	3660.0	6	26-MAR-21

OPEN CASH POSITIONAL CALLS

NO.	RECO DT.	RECO	COMPANY NAME	ENTRY	CMP	SL	TARGET 1	TARGET 2	UPSIDE %	VALID TILL
1	7-JAN-21	BUY	NESCO*	563.0	523.3	516.0	610.0	675.0	29	7-APR-21
2	28-JAN-21	BUY	BIOCON*	384.3	398.5	352.0	415.0	450.0	13	28-APR-21
3	11-FEB-21	BUY	SUN TV	522.0	451.6	390.0	640.0	735.0	63	10-AUG-21
4	16-FEB-21	BUY	PNB HOUSING FINANCE*	402.1	370.2	325.0	475.0	523.0	41	15-AUG-21
5	3-MAR-21	BUY	TRIVENI ENGINEERING	90.4	84.9	79.0	104.0	104.0	23	1-JUN-21
6	3-MAR-21	BUY	FLURO CHEMICALS	607.7	573.2	530.0	682.0	682.0	19	1-JUN-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	9-MAR-21	SELL	AMARA RAJA BATTERIES APR FUT*	896.0	860.3	930.0	862.0	828.0	4	TILL 29TH APR 21
2	19-MAR-21	SELL	LIC HOUSINNG APR FUT	412.1	412.2	436.0	386.0	370.0	10	TILL 29TH APR 21
3	19-MAR-21	SELL	SRF APR FUT	5325.0	5339.5	5646.0	5000.0	4810.0	10	TILL 29TH APR 21
4	19-MAR-21	BUY	BANK OF BARODA APR FUT	73.6	72.5	66.0	79.0	88.0	21	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	1429.7	1330.0	1630.0	1850.0	29	23-MAY-21
2	5-JAN-21	BUY	FINOLEX CABLE*	358.8	371.5	320.0	402.0	450.0	21	5-APR-21

*= 1st Target Achieved

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