

THE DAILY

Date: 23 March 2021



DOMESTIC INDICES

	Close	Points	% Change
SENSEX	49771	-87	-0.17
NIFTY	14736	-8	-0.05
MIDCAP	20243	199	0.99
SMALL CAP	20619	149	0.73

SECTORAL INDICES

	Close	Points	% Change
REALTY	2695	75	2.86
IT	26446	451	1.73
TECK	11956	168	1.43
Healthcare	20751	206	1.00
POWER	2546	15	0.61
METAL	13959	80	0.58
CG	21144	56	0.26
OIL & GAS	15266	20	0.13
AUTO	22913	-88	-0.38
CD	32212	-220	-0.68
Finance	7410	-76	-1.01
BANKEK	37890	-579	-1.51

BSE 200 GAINERS/LOSERS

GAINERS	%	LOSERS	%
ADANIENT	11.41	INDUSINDBK	-4.33
ATGL	11.39	EDELWEISS	-3.51
GODREJPROP	7.77	POWERGRID	-2.95
ACC	6.16	DMART	-2.77
ENDURANCE	5.23	JUBLPHARMA	-2.66

ADVANCE/DECLINES

	BSE	%
ADVANCES	1599	49
DECLINES	1444	44
UNCHANGED	221	7

INSTITUTIONAL ACTIVITY

Rs Cr	22/03/21	19/03/21	March Total
FII	-787	1418	-609 (prov.)
DII	543	560	-1610 (prov.)

Indian markets could open flat to mildly higher, following largely positive Asian markets today and higher US markets on Monday.....

U.S. stock benchmarks closed higher Monday, following losses for all three major indexes last week, as investors weighed brightening economic prospects against worries that interest rates will climb faster than anticipated. Technology-related stocks helped lift equities higher on Monday, after a modest pullback of the 10-year Treasury yield gave the start of March's last full week of trading a boost. The 10-year Treasury yield stood around 1.682% Monday, down from 1.729% Friday.

The Turkish lira fell as much as 15% and the BIST 100 stock market index dropped 9% after President Recep Tayyip Erdoğan's decision to replace its central bank chief—the third change at the Central Bank of the Republic of Turkey in two years. Turkey's central bank last week hiked interest rates by 2 percentage points to 19%, a full percentage point more than expected. Turkish sovereign bond yields soared above 18%, hitting a 22-month high. The moves in Turkey sent traders into safe-haven currencies such as the dollar and the yen, and away from currencies including the Mexican peso, the South African rand and the Russian ruble.

Federal Reserve Chair Jerome Powell said in remarks prepared for a congressional hearing on Tuesday that the U.S. recovery had progressed "more quickly than generally expected and looks to be strengthening".

The SEBI on March 22, 2021, issued a circular giving time to mutual funds (MFs) before they will be required to treat perpetual bonds as 100-year papers for valuation. However, fund managers say they are not sure how the bond markets will see these new rules, and if there may be still some impact on prices of bonds held by debt MF schemes.

Aluminum prices hit their highest since June 2018 as investors worried Chinese efforts to reduce smelter pollution would curb output.

Asian stocks were largely up on Tuesday as bond yields pulled back, easing concerns about inflation although investors are keeping a close eye on rising COVID-19 cases in Europe.

Indian benchmark equity indices were volatile on March 22 ending little changed. Nifty recovered from early morning weakness after making an intraday low at 1320 Hrs. At close the Nifty 50 index ended 8 points lower at 14,736.

Nifty has closed almost at the intraday high. A sustained breach of 14764 on the upside could result in some more upside momentum of about 100 Nifty points. Positive advance decline ratio is also encouraging.

GLOBAL INDICES

	Close	Points	% Chg
DOW JONES	32731	103.23	0.32
S & P 500	3941	27.49	0.70
NASDAQ	13378	162.31	1.23
FTSE	6726	17.39	0.26
CAC	5968	-29.48	-0.49
DAX	14657	36.21	0.25
NIKKEI	29193	18.35	0.06
SHNAGAI	3417	-26.44	-0.77
HANG SENG	28525	-360.34	-1.25
BOVESPA	114979	-1242.72	-1.07

EXCHANGE RATES

	Value	% Change
USD/INR	72.4	0.20
EURO/USD	1.192	-0.06
USD/GBP	1.384	-0.21
USD/JPY	108.8	-0.05

COMMODITIES

	Value	%
Gold (\$ / Oz)	1731.3	-0.39
Silver (\$ / Oz)	25.6	-0.54
Crude Oil Futures	60.8	-1.19
Brent Oil (\$ / Barrel)	63.9	-1.18

BOND YIELD

	Value %	Chg bps
IND10 Yr Bond Yield	6.180	-0.013

ADR

	Value \$	%
Dr Reddys Labs	60.1	1.83
HDFC Bank	78.3	0.64
ICICI Bank	15.9	-1.55
Tata Motors	20.9	-1.37
Wipro	6.46	1.25
Vedanta Ltd	12.35	1.73
INFOSYS	19.07	1.71

Delhi Cabinet has approved a new liquor policy.

The legal age of drinking has been lowered from 25 to 21 years. The Delhi Cabinet has approved a new excise policy as well and the government will not run any liquor shop in the national capital. The government will bid out the liquor license of government shops to private players.

Mindtree inks deal with Knauf to step up IT transformation

Mindtree announced a multi-year agreement with Knauf, a global manufacturer of building materials and construction systems, to help accelerate the company's IT transformation. Mindtree will provide application development services, help digitising their infrastructure, transforming their supply chain systems, and further develop digital platforms. The engagement will leverage industry-leading IT platforms and will also help Knauf complete post-merger technology integrations.

Bharti Airtel directors' panel approves preferential allotment of 36.4 million shares to LMIL

Bharti Airtel's special panel of directors has approved allotment of 36.4 million equity shares on a preferential basis to Warburg Pincus affiliate at Rs 600 issue price, as partial consideration towards Bharti Telemedia deal. As per the contours of the recently-announced deal, Bharti Airtel will acquire a 20 percent stake in its DTH arm Bharti Telemedia from Warburg Pincus affiliate Lion Meadow Investment Ltd for about Rs 3,126 crore.

Government garners Rs 8,846 crore via Tata Communications exit

Government has raised Rs 8,846 crore through sale of its entire stake of 26.12% in Tata Communications Ltd (TCL) thus inching closer to the revised disinvestment target for FY21. With its exit from TCL, the government has mopped up Rs 31,006 crore under disinvestment.

BPCL to merge gas subsidiary with self

Three years after it hived off the gas business into a separate wholly owned subsidiary called Bharat Gas Resources Ltd, state-run Bharat Petroleum Corporation Ltd (BPCL) will merge the former with itself ahead of its divestment process. The merger will help in streamlining of the corporate structure and consolidation of assets and liabilities, availing of easier financial support, among others.

Delhi HC stays single judge order restraining Future Retail-RIL deal

The Delhi High Court has 'stayed' the single judge bench order restraining Future Retail Ltd from going ahead with its Rs 24,713 crore deal with Reliance Retail to sell its business, which was objected to by US-based e-commerce giant Amazon. The bench listed the matter for further hearing on April 30.

Government receives multiple EoI for the privatization of BEML

The government has received multiple Expressions of Interest (EoI) for Bharat Earth Movers Limited (BEML). Mar 22 was the last day for the submission of EoIs for BEML.

Earlier, the government invited EoIs from domestic and foreign players for the strategic sale of 26 per cent of the equity stake in BEML, out of the 54 per cent holding it has in the company. BEML is a 'Miniratna' Category-1 Central Public Sector Enterprise under the control of the Defense Ministry.

Edelweiss Group announces strategic investment by PAG in Edelweiss Wealth Management (EWM)

Edelweiss Group (Edelweiss) announces completion of a strategic investment by PAG in Edelweiss Wealth Management consequent to receipt of all regulatory approvals and closure of all formalities.

PAG has made an investment of ~Rs 2366 crore in EWM, including primary and secondary investment. After transactions, PAG Group and EFSL will be the shareholders in EWM, of which PAG will hold a controlling stake.

EWM reported revenue of Rs 880cr and net profit of Rs 180cr for the nine-month period ended December 31, 2020.

The primary capital infusion in the EWM business from PAG will further strengthen the equity base of EWM and ensure availability of growth capital. Edelweiss and PAG will continue to work together towards value unlocking through demerger and listing of EWM business.

Havells launches ceiling fan with air purifier

Havells has launched a ceiling fan that is equipped with a three-stage air purifier. This is the first such product in the Indian market and will be priced at Rs 15,000. The company said that the air purifier filters PM 2.5 and PM 10 pollutant along with VOC filtration and delivers an approximate clean air delivery rate (CADR) of 130 cu. m/hr. The ceiling fan also has features such as remote-control operation, under light and LED air purity indicator. Apart from this product, Havells has also introduced a personal lifestyle fan, Fanmate. The fan is also useful to remove bad odour and purify air with its carbon filters. It comes with air vent that allows to change the air direction as required.

Adani Green Energy arm get letter of award for 300 MW wind project

Adani Green Energy (AGEL) on Monday said that its arm has received a letter of award for 300 MW wind power project under a tender of Solar Energy Corporation of India (SECI). AREHFL, a subsidiary of the AGEL, had participated in the tender issued by SECI for setting up 1,200 MW ISTS-connected wind power project (Tranche-X) and received the letter of award (LOA) to set up 300 MW wind power project under this tender. According to statement the fixed tariff for this project capacity is Rs 2.77/kWh for a period of 25 years.

KEC International received work orders worth Rs 1429cr

KEC International has secured new orders of Rs 1429cr across its various businesses:

Transmission & Distribution (T&D): The business has secured orders of Rs. 701 crores for T&D projects from Power Grid Corporation of India Ltd. (PGCIL) and other customers in India, East Asia Pacific and the Americas.

Railways: The business has secured orders of Rs. 366 crores in the emerging segments in India: Semi High-Speed Rail – Order for 2 x 25 kV Overhead Electrification (OHE) & associated works for speed upgradation

Civil: The business has secured orders of Rs. 318 crores from reputed private players for infra works in the cement, residential and metals & mining segments in India.

Railtel Corporation Q3 FY21 result update

Revenue for the quarter increased 52% yoy at Rs 411cr. Operating margin improved 270bps yoy at 30.3%. Company reported 61% yoy growth in net profit at Rs 69.6cr. Board declared Rs 1 per share as interim dividend.

Important news/developments to influence markets

- The revised down the composite index of coincident economic indicators for January. The revised coincident CI, which reflects current economic conditions, stood at 90.3 against 100 for the base year of 2015, down from 91.7.
- Sales of previously occupied US homes slowed last month as rising prices and a dearth of homes for sale kept some would-be buyers on the sidelines. Existing homes sales in February fell 6.6 per cent from January.

Daily Technical View on Nifty

Nifty Trading in Choppy Trend

Nifty has been consolidating for last 6 Weeks in the Weekly closing range of 14550-15200. On 19th March, Nifty found support in Gap zone of 14336-14469 and registered sharp recovery. On 19th March, Nifty formed Bullish Piercing Line Candlestick pattern on daily chart, indicating short term bullish reversal. This week has started with the narrow move, where Nifty has formed small inside bar on the daily chart.

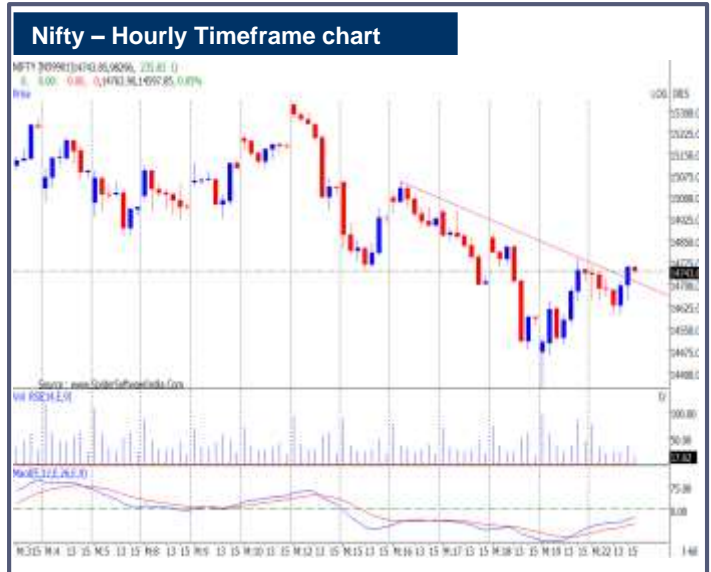
Nifty is yet to form lower bottom on the weekly line charts to confirm the Downtrend. Lower top is already in place but Lower Bottom is yet to be confirmed as Nifty still maintaining its level above the previous bottom of 14529 on weekly closing basis.

Last Week, Nifty found support on upward sloping trend-line on the weekly charts, which indicates that primary uptrend is still up.

Indicators and oscillators like RSI, MACD and DMI have not been showing any sign of strength in the Index. They have been gradually weakening on the daily charts However, unless price breaks the crucial support, downward trend confirmation would not come. So, it would be advisable to turn bearish only if Nifty breaks 14500 levels.

Support for the Nifty is seen at 14500 and with that stoploss Traders should remain bullish. Resistance for the Nifty is seen in the range of 15000-15100 range.

Nifty	View for 1-2 days	Reversal	7-Day View	Reversal
14736	Bullish	14500	Bullish	14500
	14800		15000	



SHORT TERM TRADING CALLS

NO.	RECO DT.	RECO	COMPANY NAME	ENTRY	CMP	SL	TARGET	UPSIDE %	VALID TILL
1	22-MAR-21	BUY	TATA STEEL 760 MAR CALL OPTION	7.65	6.4	4.7	11.6	81	23-MAR-21
2	22-MAR-21	BUY	NIFTY 14750 MAR CALL OPTION	212.8	127.9	155.0	271.0	112	25-MAR-21
3	22-MAR-21	BUY	CUMMINS INDIA MAR FUT	889.40-870	890.8	862.0	916.0	3	25-MAR-21
4	22-MAR-21	BUY	JSW STEEL MAR FUT	445.9	446.5	437.9	458.0	3	23-MAR-21
5	16-MAR-21	BUY	ASIAN PAINTS	2459-2385	2425.7	2340.0	2607.0	7	25-MAR-21
6	19-MAR-21	BUY	NTPC	109.15-105	109.9	103.9	115.0	5	30-MAR-21
7	22-MAR-21	BUY	TATA MOTORS	304.65-293	303.1	290.0	326.0	8	31-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	539.4	516.0	610.0	675.0	25	7-APR-21
2	28-JAN-21	BUY	BIOCON*	384.3	402.3	352.0	415.0	450.0	12	28-APR-21
3	11-FEB-21	BUY	SUN TV	522.0	484.3	390.0	640.0	735.0	52	10-AUG-21
4	11-FEB-21	BUY	SADBHAV ENGINEERING*	70.2	68.5	60.0	80.0	100.0	46	10-AUG-21
5	16-FEB-21	BUY	PNB HOUSING FINANCE*	402.1	392.7	325.0	475.0	523.0	33	15-AUG-21
6	2-MAR-21	BUY	TRENT	875.0	800.0	758.0	1015.0	1095.0	37	29-AUG-21
7	3-MAR-21	BUY	TRIVENI ENGINEERING	90.4	84.3	79.0	104.0	104.0	23	1-JUN-21
8	3-MAR-21	BUY	FLURO CHEMICALS	607.7	590.4	530.0	682.0	682.0	16	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	877.6	930.0	862.0	828.0	6	TILL 29TH APR 21
2	19-MAR-21	SELL	LIC HOUSINNG APR FUT	412.1	416.7	436.0	386.0	370.0	11	TILL 29TH APR 21
3	19-MAR-21	SELL	SRF APR FUT	5325.0	5334.1	5646.0	5000.0	4810.0	10	TILL 29TH APR 21
4	19-MAR-21	BUY	BANK OF BARODA APR FUT	73.6	73.2	66.0	79.0	88.0	20	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	1476.1	1330.0	1630.0	1850.0	25	23-MAY-21
2	5-JAN-21	BUY	FINOLEX CABLE*	358.8	367.4	320.0	402.0	450.0	22	5-APR-21
3	2-MAR-21	BUY	MARUTI	7199.0	7101.3	6820.0	7580.0	7960.0	12	2-JUN-21

*= 1st Target Achieved

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