

Cautious optimism is likely to be the preferred theme.

The biggest positive catalyst: WTI crude oil prices at \$66 per barrel.

Commanding attention would be the FOMC meeting outcome on Wednesday with the street expecting 25 basis points hike.

Nifty's hurdles at 17221 and then at its 200 DMA at 17455 mark.



Daily Research Reports

Good Morning & Welcome to Tuesday's trading session at Dalal Street, dated March 21st 2023.

The Good News: The US banking concerns seen subsiding.

Well, if overnight positive action at Wall Street is any indication then the takeover of Credit Suisse by its rival UBS is seen soothing investor concerns over the health of the global banking sector.

UBS stock was up 1.26% in Monday's trade, which is at least a positive sign of the market's acceptance.

Now with Credit Suisse buyout behind it, market focuses on Wednesday's FOMC decision where 25 basis points hike is quite likely.

Technically, Nifty's biggest hurdles is at 17221 mark. That said, confirmation of strength only above Nifty 200- DMA at 17455 mark.

Outlook for Tuesday: Positive session likely.

The biggest headwind for our stock markets is the relentless selling by the FIIS camp as sentiments seen cracking under the strain of unexpectedly fast, large rate hikes. The street is also seen waiting to see when the dust settles on the banking saga.

But the positive aspect is that the Nifty Bulls are seen regrouping at lower levels amidst the three-big positive catalysts:

1. Fed dovish Fed expectations.
2. WTI Oil sluggish at \$68 a barrel.
3. Oversold technical conditions.

SECTORS:

Bullish Sectors: BANKS, FMCG.

Bearish Sectors: PHARMA.

STOCKS IN FOCUS:

BULLISH VIEW: BPCL, GODREJ CONSUMER PRODUCTS, PAGE INDUSTRIES, SIEMENS, NAVIN FLUORINE INTERNATIONAL, DIXON TECHNOLOGIES, MUTHOOT FINANCE, HINDUSTAN UNILEVER, AND ABBOTT INDIA. GLENMARK PHARMA,

INDICES

Nifty	16988	-0.65%
Bank Nifty	39362	-0.60%
Nifty Auto Index	12132	-0.93%
Nifty FMCG Index	45213	0.79%
Nifty Infra Index	5057	-0.65%
Nifty IT Index	28443	-1.43%
Nifty Media Index	1723	0.12%
Nifty Midcap Index	8392	-1.13%
Nifty Metal Index	5471	-2.35%
Nifty Pharma Index	11663	-0.11%
Nifty Reality Index	395	-1.00%
Nifty Smallcap Index	9006	-0.98%
Sensex	57629	-0.62%
SGX Nifty	17102	0.46%

Outlook for the Day

Buy on dips

Nifty Outlook

Intraday	Positive (16900-17250)
Medium Term	Neutral (15100-18000)
Long Term	Positive (14251-19501)

Key Levels to Watch

Nifty Support	16801/16601
Nifty Resistance	17455/17633

Pivot Level

Nifty	17959
-------	-------

BEARISH VIEW: M&M FINANCIAL SERVICES, BOSCH, AUROBINDO PHARMA, ZYDUS LIFE SCIENCES, GAIL INDIA, INDIA CEMENTS, RAMCO CEMENTS, HDFC ONGC,

Our **chart of the day** is bullish on IEX, SRF and NAVIN FLOURINE on any early dips with an interweek perspective.

The 1 stock to buy right now: Buy IEX (CMP 150): Buy between 145-147.50 zone. Stop 141. Targets 155/161. Aggressive targets at 173. (Interweek Strategy). Rationale: Breakout Play.

WHAT TECHNICALS TELLS US

Daily chart of Nifty:



Nifty: In yesterday's trade, the benchmark Nifty after a lower open traded volatile and choppy and the negative takeaway was that it ended below the psychological 17000 mark. Nifty's technical landscape is still suggesting a rebound play amidst oversold conditions with interweek support at 16827 mark. Immediate hurdles at 17221 mark and then at 17455 mark.

Nifty's 200 DMA at 17452 mark.

Daily chart of Bank Nifty:



Bank Nifty: In yesterday's trade, Bank Nifty was seen drifting down consolidating with positive bias and most importantly, was seen mirroring Nifty's losses.

On the daily charts, Bank Nifty formed a 'bearish candle' indicating some serious consolidation.

Bank Nifty ended yesterday's trade with 0.60% losses as against Nifty's losses of 0.65%.

Nifty PSU Bank index was seen receiving fresh drubbing and ended with negative bias, down 1.74% while Nifty Private Bank index ended with 0.53% losses.

Intraday support for Bank Nifty seen at 38927 mark on closing basis. A close below intraday support at 38927, there is valid confirmation of more bearishness which could lead Bank Nifty down towards its biggest support at 38413 and then at intermonth support at 36570-36750 zone.

Bank Nifty's all-time-high is at 44151.80 mark. Bank Nifty's 200-DMA is placed at 39651 mark.

DERIVATIVE & INSTITUTIONAL CUES:

The **Nifty options data** suggests Nifty is likely to be in a trading range of 17000-17800 zone. Maximum Call OI is at 17200 followed by 17800 strike price. So, the 17800 mark will be Nifty's crucial resistance zone. Maximum Put open interest stands at 16900 levels followed by 17000 levels. Call writing was seen at 17200 and then at 16900 strike price, while there was meaningful Put writing at 16900 and then at 16800 strike prices.

The Volatility index is hovering at 16 level.

As per Friday's provisional data available on the NSE, FIIs sold shares to the tune of Rs 1766.53 crore while DIIs bought shares worth Rupees 1817.14 crores.

As per Monday's provisional data available on the NSE, FIIs sold shares to the tune of Rs 2545.87 crore while DIIs bought shares worth Rupees 2876.64 crores.

Nifty's Put-Call Open Interest Ratio is at 0.98.

Stocks in Ban for today's trade: INDIABULLS HOUSING FINANCE, BIOCON.

ECONOMIC CUES:

- 1) The European Central Bank hiked interest rates by 50 bps to combat inflation, but said the future rate path would depend on incoming data due to the European and US banking system turmoil.
- 2) The US consumer price index rose 6% on an annual basis in February, down from 6.4% in the month prior and dead-on the CPI reading of 6% expected among economists surveyed by FactSet.

The CPI rose 0.4% in February from January, in line with economists' forecasts and down from a month-over-month gain of 0.5% in January

- 3) India's CPI in February remained above the RBI's upper tolerance limit of 6% for the second straight month.

Amidst this backdrop, expect another rate hike by 25 basis points by the Monetary Policy Committee (MPC) in its April meeting.

GLOBAL STOCK MARKETS:

Overnight at Wall Street, US stocks rose to start the week, though the Federal Reserve's next move on interest rates loomed large. Bank stocks were gaining, though sentiment over the health of banks remained in focus after Credit Suisse was taken over in a rescue deal by rival UBS on Sunday.

Meanwhile, in the week gone by, the Dow ended the week, down 0.2% while the S&P rose 1.4% and the Nasdaq gained 4.4%.

RECAP OF PREVIOUS DAY'S TRADING SESSION:

Nifty drops below 17000 mark amidst fears persisting around global banking contagion. Fed meeting eyed.

NIFTY (-112, 16988)

Sensex (-361, 57629)

Amidst persistent fears over the global banking crisis, the benchmark Nifty tumbled in today's trade, and the negative takeaway was that the benchmark ended below the psychological important 17000 mark. Bank Nifty too ended lower, down 0.60%

Bulls however were seen regrouping at lower levels amidst the two-big positive catalysts:

1. Fed dovish Fed expectations.
2. WTI Oil sluggish at \$68 a barrel.

Except FMCG, all sectoral indices end in red as the street waits to see when the dust settles on the banking saga. Nifty Metal index tanked 2%.

BUZZING STOCKS:

Top Index Gainers: HUL (+2.51%) BPCL (+2.22%) ITC (+0.85%).

Top Index Losers: BAJAJ FINSRV (-4.21%) ADANI ENTERPRISES (-3.44%) BAJAJ FINABNCE (-2.97%).

Adv-Dec 10 — 40

INDIA VIX 16 (+8.40%)

Nifty PCR 0.98

BANK NIFTY PCR 0.90

Nifty MidCap (-1.11%, 8394)

NiftySmallC (-0.94%, 9008)

BANK Nifty (-0.60%, 39362)

Nifty IT (-1.29%, 28483)

USD/INR (+0.09%, 82.59)

Market Summary:

- Nifty March Futures ended Monday's session at a premium of +49 vs premium of +89.
- The 29th March expiry Put-Call Open Interest Ratio was at 0.96 for Nifty whereas it was 0.88 for Bank Nifty.
- The 29th March expiry Put-Call Volume Ratio was at 0.89 for the Nifty and 0.81 for Bank Nifty
- For Nifty, Maximum Call Open Interest (OI) stands at 18000 Strike Price, followed by 17500 Strike Price for 29th March Series. Short Buildup was seen at strike prices 16900-17200.
- Maximum Put Open Interest (OI) was seen at strike price 16500 followed by 1600 strike prices for 29th March series. Long Buildup was seen at strike prices 16000-17000.
- For Bank Nifty, Maximum Call Open Interest (OI) stands at 41000 Strike Price and Maximum Put Open Interest stands at 39000 Strike Price.
- As per Monday's provisional data available on the NSE, FIIs sold shares worth Rs. 2,545.87 crores in the Indian Equity Market. DIIs on the other hand bought shares worth Rs. 2876.64 crores.
- Long Buildup: BPCL, ITC, NAVINFLUOR.
- Short Buildup: SBIN, JINDALSTEL, INDIACEM, SBIN.
- Short Covering: ABFRL, HUL, PIDILITEIND, LTIM.
- Long Unwinding: TATASTEEL, M&MFIN, SAIL, TATAPOWER.
- Stocks banned in F&O segment:** BIOCON, IBULHSGFIN.
- New in Ban: BIOCON.
- Out of Ban: GNFC.

Changes in Open Interest (OI) in yesterday's trade.

Nifty Spot	16988.40 (-0.65%)
Bank Nifty Spot	39361.95 (-0.60%)
VIX	16.00 (+8.33%)
Premium	+49 vs +89
Nifty Future OI	1.23 crores (+2.44%)
Bank Nifty Future OI	26.08 lakhs (+2.99%)

Cash Volumes (INR in Cr.)	Yesterday	Day Before Yesterday
BSE Cash Vol. (Rs. in Cr)	3300.02	2854.9
NSE Cash Vol. (Rs. in Cr)	47,074.51	65,179.16
NSE Derivative Vol. (Rs. in Cr)	1,73,77,134	1,40,11,950

Derivatives Vol. (INR in Cr.)	No of contracts	Turnover (Rs. In cr.)
Index Future Volumes	5,27,910	48,044
Stock Future Volumes	8,32,124	53,139
Index Option Volumes	19,72,00,300	1,70,33,415
Stock Option Volumes	36,92,190	2,42,536
Total	20,22,52,524	1,73,77,134

Major Changes in Nifty Options (OI)

Calls	in lakhs (% Change)
16800	0.07 (+75%)
16900	0.19 (+375%)
17000	0.62 (+38%)

Puts	
16000	0.65 (+14%)
16100	0.12 (+33%)
16200	0.17 (+31%)

Stock	CMP	Support	Resistance	21 DMA	200 DMA	Intraday	Short Term	Long Term
ALUMINIUM 1	204	198	210	208	207	DOWN	DOWN	DOWN
COPPER 1	758	743	773	762	690	DOWN	DOWN	DOWN
COTTON 1	28620	28048	29192	30245	39532	DOWN	DOWN	DOWN
CRUDEOIL 1	5526	5415	5637	6222	7065	DOWN	DOWN	DOWN
GOLD 1	59471	58282	60660	56298	52552	UP	UP	UP
LEAD 1	183	178	189	183	182	UP	DOWN	DOWN
MENTHAOIL 1	993	973	1013	1023	1005	DOWN	DOWN	UP
NATURALGAS 1	186	180	191	208	479	DOWN	DOWN	UP
SILVER 1	68804	67428	70180	64645	61546	UP	UP	UP
		0	0					
GUARGUM5 1	11329	11102	11556	12016	10687	DOWN	DOWN	DOWN
GUARSEED10 1	5446	5337	5555	5684	5349	DOWN	DOWN	DOWN
JEERAUNJHA 1	33080	32418	33742	31027	26345	UP	UP	UP
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	-

Contact:

Khandwala Securities Limited

Vikas Building,
Ground Floor,
Green Street, Fort,
Mumbai - 400 023, India.
022-40767373

C-8/9, Dr. Herekar Park,
Near Kamla Nehru Park,
Off Bhandarkar Road,
Pune - 411 004.
020-66220300

DISCLAIMER: This is solely for information of clients of Khandwala Securities Limited and does not construe to be an investment advice. It is also not intended as an offer or solicitation for the purchase and sale of any financial instruments. Any action taken by you on the basis of the information contained herein is your responsibility alone and Khandwala Securities Limited, its subsidiaries or its employees or associates will not be liable in any manner for the consequences of such action taken by you. We have exercised due diligence in checking the correctness and authenticity of the information contained in this recommendation, but Khandwala Securities Limited or any of its subsidiaries or associates or employees shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this recommendation or any action taken on basis of this information.

Technical analysis studies market psychology, price patterns and volume levels. It is used to forecast future price and market movements. Technical analysis is complementary to fundamental analysis and news sources. The recommendations issued herewith might be contrary to recommendations issued by Khandwala Securities Limited in the company research undertaken as the recommendations stated in this report is derived purely from technical analysis. Khandwala Securities Limited has based this document on information obtained from sources it believes to be reliable but which it has not independently verified; Khandwala Securities Limited makes no guarantee, representation or warranty and accepts no responsibility or liability as to its accuracy or completeness. The opinions contained within the report are based upon publicly available information at the time of publication and are subject to change without notice. The information and any disclosures provided herein are in summary form and have been prepared for informational purposes. The recommendations and suggested price levels are intended purely for trading purposes. The recommendations are valid for the day of the report however trading trends and volumes might vary substantially on an intraday basis and the recommendations may be subject to change. The information and any disclosures provided herein may be considered confidential. Any use, distribution, modification, copying, forwarding or disclosure by any person is strictly prohibited. The information and any disclosures provided herein do not constitute a solicitation or offer to purchase or sell any security or other financial product or instrument. The current performance may be unaudited. Past performance does not guarantee future returns. There can be no assurance that investments will achieve any targeted rates of return, and there is no guarantee against the loss of your entire investment.

POTENTIAL CONFLICT OF INTEREST DISCLOSURE (as on date of report)

Disclosure of interest statement – • Analyst interest of the stock / Instrument(s) : - No. • Firm interest of the stock / Instrument (s) : - No.