

## MARKET OVERVIEW

### Pre Open Thoughts: Leap of Faith

Being without an opinion is so painful that most people will leap to a hasty opinion rather than undergo it. Some may call it the B' Day while some may call it D' Day of market sentiment. However, 29 February 2016, remains another Leap day at the end even though it is the most important day of the year in the country's financial calendar. Enough is discussed, written and talked about the announcements, acts of commissions and acts of omissions related to the Union Budget 2016-17.

Coming to the markets Asian stocks were a mixed bag after Group of 20 finance chiefs made only vague commitments to spur growth after talks in Shanghai. The yen rebounded from a three-day drop and New Zealand's dollar weakened.

For India we are looking at a flat to positive start again but early gains may not sustain through the session, As markets might get corrected and nervousness prevailed on the bourses ahead of the Union Budget on account of sustained selling pressure which was witnessed on Friday.

All eyes will be on the Parliament session as with retrospective taxation continuing to rile foreign investors, the Budget today may look to address their concerns with a view to resolving the legacy issues. Chief Economic Advisor Arvind Subramanian has said that the present government is taking "consistent steps" to deal with the legacy tax issues to regain investor confidence.

Also the extras by way of gossip and the grapevine on the proposed announcements may surely put the FM and his budgetary team to a real test, Hopefully, the Centre will also be more active on the policy front and announce a good balanced budget this time to raise growth .Let's hope there may be some surprises in the Union Budget

INDIAN INDICES	CLOSE	PTS	% CHG
SENSEX	23002.00	-152.3	-0.66
NIFTY 50	6987.05	-42.7	-0.61
BANKNIFTY	13946.40	154.95	1.12
SMALL CAP	9548.33	-6.9	-0.07
MIDCAP	9575.10	2.42	0.03
BANSEX	15814.82	167.21	1.07
IT	10229.49	-220.07	-2.11
AUTO	15851.55	-172.89	-1.08
FMCG	7114.45	7.25	0.10
POWER	1582.48	-16.99	-1.06
REALTY	1051.08	2.82	0.27
OIL & GAS	8214.24	-125.14	-1.50
METAL	6759.24	10.22	0.15
CAPITAL GOODS	11239.38	-228.53	-1.99
INDVIX	20.16	-1.71	-7.81
COMMODITY PRICE	CLOSE	PTS	% CHG
GOLD	29513.00	0	0.00
SILVER	36081.00	0	0.00
CRUDEOIL	2321.00	0	0.00
COPPER	322.00	0	0.00
ZINC	122.45	0	0.00
LEAD	121.95	0	0.00
GLOBAL INDICES*	CLOSE	PTS	% CHG
DOW JONES	16517.00	-123.00	-0.74
NASDAQ	4558.00	-32.00	-0.71
FTSE 100	6097.00	1.00	0.02
ASIAN INDICES*	CLOSE	PTS	% CHG
HANG SANG	19185.00	76.00	0.41
NIKKEI	15980.00	-68.00	-0.29
SHANGHAI	2693.00	5.00	0.19
CURRENCY FUTURE	26-Feb	29-Feb	NET%
USDINR	69.0625	68.7675	-0.42
EURINT	76.0775	74.9200	-1.52
GBPINR	96.5100	95.2625	-1.29
JPYINR	61.1275	60.8775	-0.40
FII/DII CAPITAL MKT*	BUY	SELL	NET
FII	8321.34	10339.36	-2018.02
DII	1900.64	1940.09	1445.25
FII/DII DERIVATIVES	BUY	SELL	NET
INDEX FUTURES	3425.72	2757.72	668.00
INDEX OPTIONS	63088.86	63055.00	33.86
STOCK FUTURES	6142.40	5513.35	629.05
STOCK OPTIONS	3063.24	3097.48	-34.23

## IMPORTANT MARKET HIGHLIGHTS

### Benchmark indices edge lower in a highly volatile session after Budget

Indian stocks edged lower in choppy trading session as increase in Securities Transaction Tax (STT) on equity options and levy of tax on dividend for high networth individuals offset the government sticking to the 3.5% fiscal deficit target for 2016-17 in the Union Budget 2016-17. The barometer index, the S&P BSE Sensex, fell 127.29 points or 0.55% at 23,027.01, as per the provisional closing data. The 50-unit Nifty 50 index lost 42.70 points or 0.61% at 6,987.05, as per the provisional closing data. The Sensex provisionally settled above the psychologically important 23,000 level. The Nifty provisionally settled

The Finance Minister announced raising the rate of Securities Transaction Tax (STT) in case of equity options to 0.05% from 0.017%. The Finance Minister slapped tax at the rate of 10% on gross amount of dividend received by individuals, HUFs and firms receiving dividend in excess of Rs 10 lakh per annum. Companies will continue to pay the Dividend Distribution Tax (DDT) on dividend payment, as per the exiting tax law. The finance minister announced a plan of phasing out corporate tax exemptions. The benefit of accelerated depreciation will be limited to maximum 40% from 1 April 2017. The benefit of deductions for Research would be limited to 150% from 1 April 2017 and 100% from 1 April 2020. The benefit of section 10AA to new SEZ units will be available to those units, which commence activity before 31 March 2020. The weighted deduction under section 35CCD for skill development will continue up to 1 April 2020.

MARKET TURNOVER	26-Feb	29-Feb	NET%
NSE CASH	14088.48	24880.62	43.38
BSE CASH	1923.55	4656.09	58.69
NSE FUTURES	33803.20	66221.34	48.95
NSE OPTIONS	114670.02	319495.49	64.11
ADVANCE / DECLINE	ADV	DEC	UNCH
NSE	640	872	74
BSE	1058	1430	152
NIFTY GAINER	26-Feb	29-Feb	% CHG
ICICIBANK	184.80	190.05	2.84
KOTAKBANK	615.75	630.40	2.38
SBIN	155.90	158.75	1.83
RELIANCE	950.35	966.65	1.72
INDUSINDBK	816.35	830.00	1.67
NIFTY LOSER	26-Feb	29-Feb	% CHG
ONGC	194.10	216.05	-10.16
MARUTI	3236.50	3409.20	-5.07
CAIRN	117.95	123.80	-4.73
BHEL	90.85	95.10	-4.47
INFY	1084.05	1121.15	-3.31
CASH SEGMENT VOLUME TOPPERS	25-Feb	26-Feb	VALUE (In crore)
AXISBANK	386.35	375.75	3121.04
ITC	290.95	295.65	1462.48
SBIN	155.90	158.75	1067.99
ICICIBANK	184.80	190.05	749.12
BPCL	764.70	769.25	748.68
TOP TRADED STOCK FUTURE	EXP. DATE	TRADE VALUE (Rs.)	NO. OF CONTRACTS
SBIN	31/03/2016	18831498400	59504
AXISBANK	31/03/2016	17788293250	46289
ITC	31/03/2016	16053719440	34805
ICICIBANK	31/03/2016	11150833035	34634
RELIANCE	31/03/2016	12198441175	25216
TOP TRADED STOCK OPTION	STRIKE PRICE	OPTION TYPE	NO. OF CONTRACTS
SBIN	160	CE	8563
SBIN	170	CE	6399
SBIN	165	CE	5126
ITC	300	CE	4651
SBIN	180	CE	4522

## CORPORATE NEWS

- Insurance stocks gain as budget offers sops for sector
- Zuari Agro Chemicals slips after board approves right issue
- NBFCs gain on budget proposal for 5% deduction on income for bad loan
- MCX jumps after encouraging proposals in Union Budget
- Power stocks gain as budget proposes 100% village electrification by May 2018
- Aviation stocks slide after hike in excise duty on ATF
- Realty stocks gain after budget proposes many measures to promote the sector
- Maruti Suzuki slips after levy of cess on small cars
- Coal India flat after hike in clean energy cess
- PSU bank stocks decline after lower than expected allotment for recapitalisation in budget
- Cigarette stocks witness selling pressure
- Education stocks gain after govt's focus on skill development & quality education
- IDBI Bank spurts as Govt allowed to pare stake to 50%
- Fertiliser stocks gain after impetus on agriculture in budget
- Construction stocks gain on generous outlay for road highways
- Dairy stocks gain after FM announces four new schemes to enhance dairy farming
- PSU OMCs decline after FM announces mission for LPG gas connection to women
- Agri stocks gains after good allocation to sector
- Jain Irrigation gains after many pro-farmer announcements in budget

MOST ACTIVE CALLS	EXP. DATE	STRIKE PRICE	LTP
NIFTY	31-Mar-16	7300	44.55
NIFTY	31-Mar-16	7200	72.10
NIFTY	31-Mar-16	7400	25.60
NIFTY	31-Mar-16	7500	14.60
NIFTY	31-Mar-16	7100	110.00
MOST ACTIVE PUTS	EXP. DATE	STRIKE PRICE	LTP
NIFTY	31-Mar-16	6800	81.10
NIFTY	31-Mar-16	6700	59.00
NIFTY	31-Mar-16	6900	111.55
NIFTY	31-Mar-16	7000	149.00
NIFTY	31-Mar-16	6600	42.50
INDICES LEVEL	NIFTY 50	SENSEX	NIFTY IT
CLOSE	6987.05	23002.00	10278.40
R3	7506.75	24643.83	11143.48
R2	7237.95	23795.22	10714.83
R1	7112.50	23398.61	10496.62
PIVOT	6969.15	22946.61	10286.18
S1	6843.70	22550.00	10067.97
S2	6700.35	22098.00	9857.53
S3	6431.55	21249.39	9428.88
ADR PRICE	LTP	VOLUME	%CHG
Dr. Reddy's Lab	43.98	444067	1.69
H D F C Bank	52.82	924190	0.46
I C I C I Bank	5.67	31086279	6.78
Infosys Technologies	16.82	5476685	-0.41
MakeMy Trip Ltd.	16.90	169561	-1.05
REDIFF.COM	0.50	11356	-0.02
SATYAM INFOWAY	0.99	22796	-1.00
Tata Motors	22.23	2360216	-0.54
Wipro	11.18	538438	-1.06
BULK DEALS	BUY/SELL	QUANTITY	TRADE PRICE
HDIL	BUY	3589030	61.06
JAIHINDPRO	BUY	50000	10.90
JISLDVREQS	BUY	327000	40.21
RMCL	BUY	575000	15.00

## MARKET OUTLOOK

<b>NIFTY 50</b>	<b>-0.61%</b> ▼
NET CHG	-42.70
OPEN	7050.45
HIGH	7094.60
LOW	6825.80
CLOSE	6987.05

<b>SENSEX</b>	<b>-0.66%</b> ▼
NET CHG	-152.30
OPEN	23238.50
HIGH	23343.22
LOW	22494.61
CLOSE	23002.00

<b>NIFTY IT</b>	<b>-1.77%</b> ▼
NET CHG	-184.95
OPEN	10504.40
HIGH	10504.40
LOW	10075.75
CLOSE	10278.40



Index in the past 2 weeks has corrected by over 650 points & is clearly under severe pressure & has closed below its long term support of 7050.

Going Forward,

Index clearly being in a down-trend will face resistance at higher levels around 7120-7135 & Till 7135 is not crossed, expect lower levels of 6810-6820 zone. Only on a cross-over above 7135, short-covering up to 7260-7320 would be witnessed.

However since the intermediate trend is down, expect selling pressure to be witnessed on rises. Meaningful rebound (Positional) in the Index will only be witnessed on a cross-over above 7325 zone.

Position ally, If we don't reverse above 7135 & close below 6820 zone which is the 50% retracement of the medium term rally between 4531 (Dec 2011) & 9119 (March 2015), steeper fall up to 6550-6480 zone could be in place. 6550-6480 is the 38.1% retracement of longer term rally between 2252 (Oct 2008) & 9119 (March 2015) as well as support area formed by joining long term trend-line from 2252 (Oct 2008) & 5118 (Aug 2013).

## PIVOT TABLE

SCRIP	HIGH	LOW	CLOSE	S3	S2	S1	PIVOT	R1	R2	R3
ACC	1206.90	1174.00	1193.90	1125.80	1158.70	1176.30	1191.60	1209.20	1224.50	1257.40
ADANIPTS	204.00	195.80	196.70	182.43	190.63	193.67	198.83	201.87	207.03	215.23
AMBUJACEM	192.00	185.00	187.95	174.32	181.32	184.63	188.32	191.63	195.32	202.32
ASIANPAINT	868.95	841.60	846.10	797.52	824.87	835.48	852.22	862.83	879.57	906.92
AXISBANK	391.65	374.00	375.75	345.17	362.82	369.28	380.47	386.93	398.12	415.77
BAJAJ-AUTO	2268.00	2171.95	2201.20	2021.62	2117.67	2159.43	2213.72	2255.48	2309.77	2405.82
BANKBARODA	139.20	127.10	131.90	108.53	120.63	126.27	132.73	138.37	144.83	156.93
BHARTIARTL	322.35	313.05	315.50	298.37	307.67	311.58	316.97	320.88	326.27	335.57
BHEL	96.50	90.15	90.85	79.80	86.15	88.50	92.50	94.85	98.85	105.20
BOSCHLTD	17227.20	16376.90	16736.50	15079.60	15929.90	16333.20	16780.20	17183.50	17630.50	18480.80
BPCL	788.00	740.00	769.25	669.75	717.75	743.50	765.75	791.50	813.75	861.75
CAIRN	128.75	113.45	117.95	89.45	104.75	111.35	120.05	126.65	135.35	150.65
CIPLA	528.00	505.00	514.15	469.72	492.72	503.43	515.72	526.43	538.72	561.72
COALINDIA	317.70	306.25	311.00	288.75	300.20	305.60	311.65	317.05	323.10	334.55
DRREDDY	3076.00	2978.05	3036.25	2834.20	2932.15	2984.20	3030.10	3082.15	3128.05	3226.00
GAIL	311.80	290.30	305.15	259.42	280.92	293.03	302.42	314.53	323.92	345.42
GRASIM	3361.00	3253.55	3327.65	3099.17	3206.62	3267.13	3314.07	3374.58	3421.52	3528.97
HCLTECH	831.65	795.00	813.25	740.00	776.65	794.95	813.30	831.60	849.95	886.60
HDFC	1078.50	1022.05	1060.30	940.72	997.17	1028.73	1053.62	1085.18	1110.07	1166.52
HDFCBANK	982.60	928.00	971.85	851.62	906.22	939.03	960.82	993.63	1015.42	1070.02
HEROMOTOCO	2564.90	2471.10	2499.90	2324.37	2418.17	2459.03	2511.97	2552.83	2605.77	2699.57
HINDALCO	70.80	66.70	68.75	60.55	64.65	66.70	68.75	70.80	72.85	76.95
HINDUNILVR	851.70	823.50	830.40	778.80	807.00	818.70	835.20	846.90	863.40	891.60
ICICIBANK	195.90	181.70	190.05	160.82	175.02	182.53	189.22	196.73	203.42	217.62
IDEA	106.25	102.80	104.30	97.55	101.00	102.65	104.45	106.10	107.90	111.35
INDUSINDBK	839.45	802.00	830.00	748.92	786.37	808.18	823.82	845.63	861.27	898.72
INFY	1130.40	1068.30	1084.05	970.05	1032.15	1058.10	1094.25	1120.20	1156.35	1218.45
ITC	301.65	268.00	295.65	221.13	254.78	275.22	288.43	308.87	322.08	355.73
KOTAKBANK	640.35	585.75	630.40	509.63	564.23	597.32	618.83	651.92	673.43	728.03
LT	1123.50	1053.05	1076.00	943.28	1013.73	1044.87	1084.18	1115.32	1154.63	1225.08
LUPIN	1775.00	1695.00	1754.55	1581.52	1661.52	1708.03	1741.52	1788.03	1821.52	1901.52
M&M	1269.00	1215.05	1228.10	1129.48	1183.43	1205.77	1237.38	1259.72	1291.33	1345.28
MARUTI	3434.95	3193.25	3236.50	2804.83	3046.53	3141.52	3288.23	3383.22	3529.93	3771.63
NTPC	121.90	117.75	119.50	111.42	115.57	117.53	119.72	121.68	123.87	128.02
ONGC	221.10	192.50	194.10	145.37	173.97	184.03	202.57	212.63	231.17	259.77
PNB	75.45	70.50	71.00	62.42	67.37	69.18	72.32	74.13	77.27	82.22
POWERGRID	134.35	129.20	130.05	120.90	126.05	128.05	131.20	133.20	136.35	141.50
RELIANCE	994.60	935.00	966.65	846.22	905.82	936.23	965.42	995.83	1025.02	1084.62
SBIN	163.90	153.00	158.75	136.75	147.65	153.20	158.55	164.10	169.45	180.35
SUNPHARMA	880.80	833.70	853.90	761.93	809.03	831.47	856.13	878.57	903.23	950.33
TATAMOTORS	305.75	290.25	299.70	267.57	283.07	291.38	298.57	306.88	314.07	329.57
TATAPOWER	58.35	56.25	57.30	53.10	55.20	56.25	57.30	58.35	59.40	61.50
TATASTEEL	263.65	245.10	249.10	215.52	234.07	241.58	252.62	260.13	271.17	289.72
TCS	2237.00	2115.00	2176.80	1932.27	2054.27	2115.53	2176.27	2237.53	2298.27	2420.27
TECHM	424.00	407.40	415.55	382.45	399.05	407.30	415.65	423.90	432.25	448.85
ULTRACEMCO	2840.00	2690.05	2768.60	2466.32	2616.27	2692.43	2766.22	2842.38	2916.17	3066.12
VEDL	76.75	69.55	70.60	57.90	65.10	67.85	72.30	75.05	79.50	86.70
WIPRO	531.85	507.90	520.25	472.10	496.05	508.15	520.00	532.10	543.95	567.90
YESBANK	704.00	663.35	689.00	604.15	644.80	666.90	685.45	707.55	726.10	766.75
ZEEL	382.65	364.15	372.35	336.05	354.55	363.45	373.05	381.95	391.55	410.05
ZEEL	382.65	364.15	372.35	336.05	354.55	363.45	373.05	381.95	391.55	410.05

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