

THURSDAY, 19-03-2020

BENCHMARK INDICES

NIFTY FUTURE INDEX

Nifty today closed at 8441.95 Down -473.65 points or -5.31 percent. Threat of economic fallout emanating from pandemic Corona virus (Covid-19) continued to weigh on investor sentiment. Moreover, statements by global brokerages Morgan Stanley and Goldman Sachs that the corona virus has triggered a global recession spooked investors further. Extending sharp losses to the third day in a row, the benchmark indices crashed nearly 6 per cent on Wednesday to shed around 15 per cent so far this week. The S&P BSE Sensex swung 2,488.72 points. Whenever this kind of correction happens, it takes 10-13 months for a meaningful bottom to be made. We did not see a reasonable correction since 2008 and one should not expect a recovery any time soon. Nifty can go down to 7,000-odd levels, as well. Banking and financial services shares were among the worst hit in Wednesday's session. Nifty Private Bank index slumped 7 per cent. Nifty Bank, Financial Services, Auto, Metal and Realty sector gauges also tumbled between 4-6 per cent each. US stock futures and several Asian shares fell in choppy trade on Wednesday, as worries about the corona virus pandemic eclipsed hopes broad policy support would combat the economic fallout of the outbreak. In Asia, MSCI's broadest index of Asia-Pacific shares outside Japan dipped 0.3 per cent, led by a 4.9 per cent fall in Australia while Japan's Nikkei gained 1.6 per cent. US stock futures fell 3 per cent in Asia. European stock index futures fell more than 5 per cent as fears over the relentless global spread of the corona virus.



BANKNIFTY FUTURE INDEX

Bank nifty today closed at 20511.15 Down -1525.90 or -6.92 per cent . The PSU Bank index dropped 4% led by SBI, Canara Bank and Bank of Baroda. All 13 constituents of the Nifty PSU Bank index at a 52-week low . Besides the outbreak in China, the Covid-19 infection cases have risen drastically outside China. There are currently 197,496 confirmed cases and 7,940 deaths from the corona virus outbreak as of March 18, 2020. Of these, 81,911 have recovered globally. The number of infected cases in India has increased to 142. The death toll from corona virus in India has risen to 4 by Wednesday. continued its bearish momentum for yet another day and fell by around 2,300 points from its opening high. The banking index underperformed Nifty for second consecutive session, and formed a negative candle on the daily chart. The index also formed a Three Black Crows pattern on the daily scale, indicating complete dominance of the bears. Currently, Bank Nifty is hovering around the 'make or break' levels in the 20,500 – 20,600 zone on the monthly chart, which is the confluence zone of the previous swing high and the 61.80% retracement level of its previous rally from 13,407 to 32,613 levels. The RSI oscillator has seen a breakdown on the monthly scale (confirmation will come on a monthly closing basis). On the upside, resistance is continuously shifting lower and now the immediate hurdles are at 22,500 and 23,500 levels for the banking index. . In Asia, MSCI's broadest index of Asia-Pacific shares outside Japan dipped 0.3 per cent, led by a 4.9 per cent fall in Australia while Japan's Nikkei gained 1.6 per cent. US stock futures fell 3 per cent in Asia . European stock index futures fell more than 5 per cent as fears over the relentless global spread of the corona virus.



INTRADAY DERIVATIVES STOCK RECOMMENDATION



STRATEGY

PIDILITIND- UPSIDE TARGET

BUY PIDILITIND AT 1535 TARGET 1541 , STOPLOSS 1529

TRAND IS UP AND MARKET ENDS WITH BULISH Enthusiasm.

Intraday levels

We expect prices to trade at 1535 and price is expected to Rise up to 1541



STRATEGY

MOTHERSUMI - DOWNSIDE TARGET

SELL MOTHERSUMI AT 58.70 TARGET 58 STOPLOSS – 59.40

TRAND IS DOWNTREND AND MARKT ENDS WITH OVER BEARISHNESS .

Intraday levels

We expect prices to trade AT 58.70 and price is expected to fall up to 58

For any Query please feel free to contact Capital Ways Support Team

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