

Sensex (72664) / Nifty (22055)

The prominent highlight of the week was the increasing volatility (INDIA VIX), which saw our markets experiencing significant price corrections despite favorable global cues. Throughout most of the week, prices faced downward pressure, with attempts to rebound on Wednesday and Friday proving insignificant. Consequently, by the week's end, prices witnessed a deep cut of 1.87%, ending a tad above **22050** mark.

Examining the weekly chart, it's evident that prices have been confined within a range for several weeks. This week, prices moved from the upper boundary to the lower one, signaling a notable shift in trader sentiment. The daily chart depicts a similar pattern, resembling a 'Rising Channel,' affirming a defined range for our markets. On Friday, prices managed to defend the lower boundary of this pattern, coinciding with the 89EMA, preventing a breakdown. A comparable scenario occurred on April 19th Friday, where prices rebounded from this crucial support, eventually reaching a new high. While the previous move was supported by a strong 'Piercing Line' bullish candlestick pattern, this time it's an 'Inside Bar' pattern, still bullish but less significant. Additionally, the RSI Smoothened has fallen below its previous swing low, indicating overall bleak conditions.

Nifty Bank Outlook (47421)

It was overall an extremely challenging week for the heavy weight index, witnessing a loss of nearly 1500 points. Except for the first day, during which the index encountered relatively minimal selling pressure, the rest of the week was characterized by consecutive days of the index marking lower lows. Although some cooling-off was observed on the final day, it failed to alter sentiment significantly, as BANKNIFTY continued to remain under pressure. The week concluded on a notably negative note, closing below the **47500** level.

On a weekly basis, the chart set up for the BANKNIFTY has been completely compromised, marked by the formation of a bearish candlestick pattern known as 'Bearish Engulfing' on its weekly charts. However, in its monthly set up, the weakness is less pronounced, as the index remains within the confines of the previous month. This suggests a need for caution moving forward and advises against outright bearishness. On its weekly charts, the index has consistently defended its 20-EMA since the beginning of this year. Despite these contrasting data points, we continue to reaffirm our outlook mentioned in prior commentaries, and the outlook still leans to the downside.

Exhibit 1: Nifty Daily Chart



Traders are advised not to be swayed by temporary rebounds and to maintain light positions until concrete signs of a bullish reversal emerge, especially with the impending Lok Sabha election results. Regarding levels, Thursday's low coinciding with the 89EMA at **21900** serves as immediate support, followed by previous swing lows in the **21800 - 21700** range. On the upside, the zone between the 20 and 50EMA, around **22200 - 22300**, presents a formidable obstacle. Traders are urged to monitor these levels closely and adjust their trading strategies accordingly.

Key Levels

Support 1 – 21900

Resistance 1 – 22150

Support 2 – 21800

Resistance 2 – 22200

Exhibit 2: Nifty Bank Daily Chart



We only seek to caution participants to avoid chasing price to the downside and instead use any rallies to resistance levels to consider bearish positions. As far as levels are concerned, support for BANKNIFTY is now placed around the **47000-46700** zone. For resistance, the zone of **48200-48300**, which coincides with 20-DEMA and the last two days high is likely to act as a hurdle in the near term.

Key Levels

Support 1 – 47200

Resistance 1 – 48000

Support 2 – 47000

Resistance 2 – 48200

Comments

- The Nifty futures open interest has decreased by 1.15% and Bank Nifty futures open interest has increased by 0.28% as the market closed at 22055.20.
- The Nifty May future closed with a premium of 85.40 points against a premium of 118.30 points in the last trading session. The June series closed at a premium of 197.65 points.
- The INDIA VIX has increased from 18.20 to 18.47. At the same time, the PCR-OI of Nifty has increased from 0.90 to 0.91.
- A few of the liquid counters where we have seen high cost of carry are UPL, MUTHOOTFIN, LALPATHLAB, POLYCAB and ASTRAL.

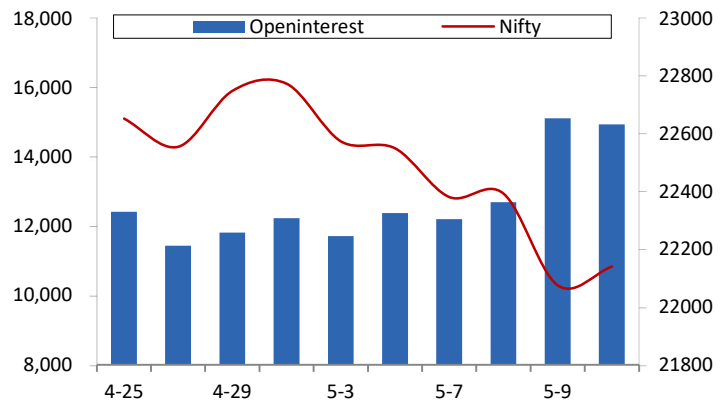
View

- The Indian equity markets had witnessed an intense bout of profit booking, eventually leading to a sell-off in the last week. The benchmark index Nifty50 slipped almost 2 percent on a weekly basis and settled a tad above the 22000 mark.
- FIIs were net sellers in the cash market segment to the tune of Rs. 2118 crore. Simultaneously, they sold worth Rs. 213 crore in Index futures with an increase in open interest, indicating short addition.
- On the derivatives front, fresh short additions were observed in both key indices on a weekly basis. The options market painted a cautionary picture for the Bulls, with significant writing seen in the 22000-22200 call strikes. Put writers also seemed cautious, with the highest OI concentration at 22000 strikes, followed by noticeable open interest concentration shifting lower at 21800-21700 strikes. FIIs continued their selling spree in the index futures, resulting in a plunge in the Long Short Ratio to 34% from 44% on WoW basis. Additionally, India VIX kept soaring for the consecutive week by over 26%, suggesting uncertainty persists in markets. Given the potential for continued volatility, traders are advised to maintain a light position and utilize bounce to exit longs.

Historical Volatility

SCRIP	HV
ZEEL	72.99
IDEA	70.28
ADANIANT	61.63
HINDCOPPER	61.51
BHEL	53.96

Nifty Vs OI



OI Gainers

SCRIP	OI	OI CHG. (%)	PRICE	PRICE CHG. (%)
CIPLA	10191350	12.60	1339.55	-1.46
JKCEMENT	834500	12.54	3840.85	0.05
ABB	1363875	11.71	7178.50	2.64
LALPATHLAB	1627500	11.58	2347.90	5.51
HINDCOPPER	37847300	11.46	372.95	4.01
APOLLOTYRE	13069600	11.29	480.75	0.51
POLYCAB	2259700	8.83	6155.55	5.94
ASTRAL	2575239	8.42	2158.70	4.36

OI Losers

SCRIP	OI	OI CHG. (%)	PRICE	PRICE CHG. (%)
GODREJPROP	17600	-10.53	2690.95	-2.18
MGL	2253200	-7.81	1300.40	-2.32
COFORGE	4066350	-6.82	4465.30	3.57
BPCL	24779700	-6.17	618.65	4.19
LTF	42866434	-4.90	155.20	-1.27
LUPIN	6752400	-4.77	1608.55	2.10
CANFINHOME	4804800	-4.70	735.00	1.96
PIDILITIND	2154500	-4.15	2919.95	2.93

Put-Call Ratio

SCRIP	PCR (OI)	PCR (VOL)
NIFTY	0.91	0.91
BANKNIFTY	0.69	0.95
RELIANCE	0.49	0.46
ICICIBANK	0.50	0.52
INFY	0.51	0.54

FII Statistics for May 10, 2024

Detail	Buy		Net	Contracts	OI Value (in Cr.)	CHANGI
	Buy	Sell				
INDEX FUTURES	4808.81	5021.60	(212.79)	501146	30798.00	9.24
INDEX OPTIONS	1080153.93	1085214.11	(5060.18)	5137953	323525.98	26.35
STOCK FUTURES	26233.24	24290.96	1942.28	3809039	271092.30	(0.46)
STOCK OPTIONS	35526.78	35792.03	(265.25)	486499	35330.92	2.02
Total	1146722.76	1150318.70	(3595.94)	9934637	660747.20	26.50

Turnover on May 10, 2024

Instrument	No. of Contracts	Turnover (in Cr.)	Change (%)
Index Futures	489426	29863.23	-32.69
Index Options	184139351	48417.49	-32.11
Stock Futures	1421053	104254.23	-25.40
Stock Options	5125959	7254.94	-21.90
Total	51,25,959	7254.94	-28.31

Nifty Spot = 22055.20

Bull-Call Spreads

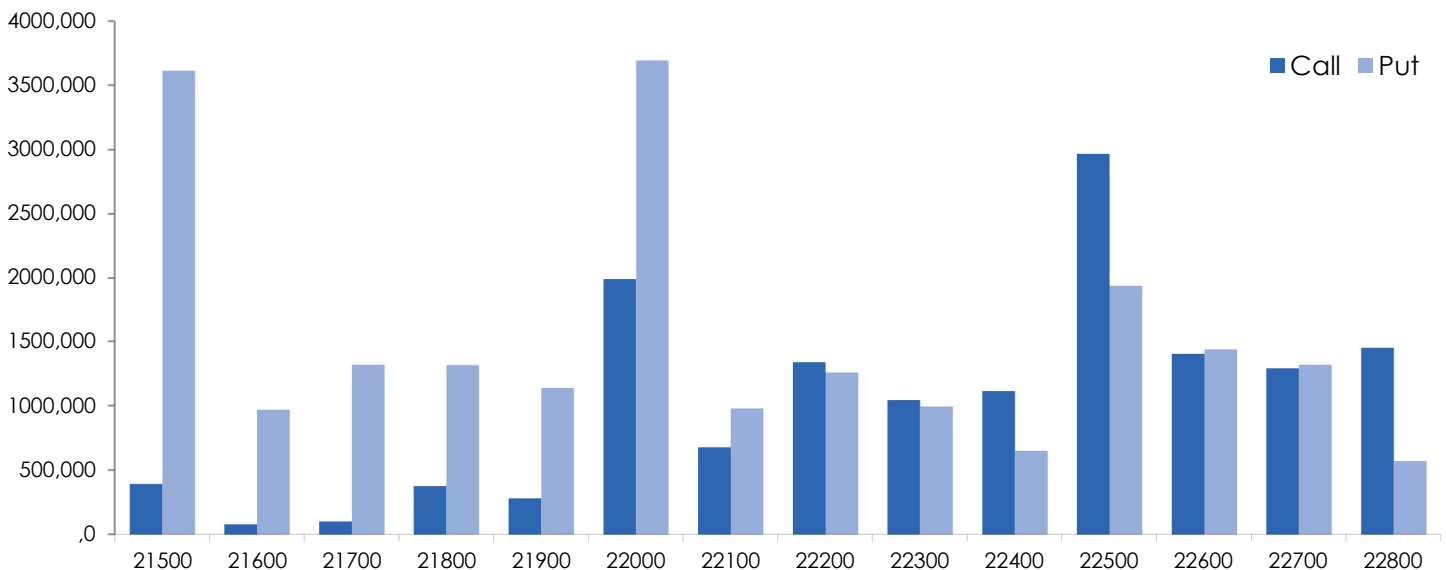
Action	Strike	Price	Risk	Reward	BEP
Buy	22000	353.20	58.95	41.05	22058.95
Sell	22100	294.25			
Buy	22000	353.20	112.15	87.85	22112.15
Sell	22200	241.05			
Buy	22100	294.25	53.20	46.80	22153.20
Sell	22200	241.05			

Bear-Put Spreads

Action	Strike	Price	Risk	Reward	BEP
Buy	22200	302.40	48.30	51.70	22151.70
Sell	22100	254.10			
Buy	22200	302.40	88.45	111.55	22111.55
Sell	22000	213.95			
Buy	22100	254.10	40.15	59.85	22059.85
Sell	22000	213.95			

Note: Above mentioned Bullish or Bearish Spreads in Nifty (May Series) are given as an information and not as a recommendation.

Nifty Put-Call Analysis



Daily Pivot Levels for Nifty Constituents

Scripts	S2	S1	PIVOT	R1	R2
ADANIENT	2,740	2,769	2,789	2,817	2,837
ADANIPTS	1,231	1,249	1,264	1,282	1,297
APOLLOHOSP	5,698	5,770	5,826	5,898	5,953
ASIANPAINT	2,622	2,697	2,745	2,819	2,867
AXISBANK	1,098	1,109	1,124	1,136	1,151
BAJAJ-AUTO	8,837	8,910	8,979	9,051	9,120
BAJFINANCE	6,564	6,624	6,661	6,721	6,758
BAJAJFINSV	1,543	1,558	1,571	1,586	1,599
BPCL	594	606	614	627	634
BHARTIARTL	1,257	1,279	1,294	1,316	1,331
BRITANNIA	4,906	4,986	5,052	5,133	5,199
CIPLA	1,272	1,306	1,351	1,385	1,431
COALINDIA	436	443	447	454	458
DIVISLAB	3,734	3,764	3,798	3,827	3,861
DRREDDY	5,774	5,848	5,891	5,965	6,008
EICHERMOT	4,502	4,580	4,634	4,712	4,767
GRASIM	2,300	2,339	2,361	2,399	2,421
HCLTECH	1,295	1,306	1,314	1,325	1,334
HDFCBANK	1,414	1,426	1,439	1,451	1,464
HDFCLIFE	533	541	547	555	562
HEROMOTOCO	4,689	4,783	4,869	4,963	5,048
HINDALCO	613	619	624	631	636
HINDUNILVR	2,302	2,332	2,352	2,382	2,402
ICICIBANK	1,102	1,110	1,119	1,127	1,136
INDUSINDBK	1,381	1,396	1,410	1,425	1,439
INFY	1,402	1,413	1,425	1,436	1,448
ITC	422	428	432	438	442
JSW STEEL	829	841	849	861	869
KOTAKBANK	1,595	1,612	1,632	1,649	1,670
LT	3,199	3,235	3,271	3,307	3,342
LTIMINDTREE	4,523	4,566	4,608	4,650	4,692
M&M	2,154	2,173	2,203	2,222	2,251
MARUTI	12,429	12,552	12,624	12,748	12,820
NESTLEIND	2,483	2,508	2,529	2,554	2,574
NTPC	344	350	353	359	362
ONGC	262	266	269	273	275
POWERGRID	293	299	301	307	310
RELIANCE	2,760	2,787	2,804	2,831	2,848
SBILIFE	1,406	1,419	1,429	1,442	1,451
SHRIRAMFIN	2,285	2,315	2,361	2,390	2,436
SBIN	805	811	822	828	838
SUNPHARMA	1,473	1,490	1,508	1,525	1,543
TCS	3,829	3,861	3,918	3,950	4,006
TATACONSUM	1,058	1,074	1,084	1,101	1,110
TATAMOTORS	1,023	1,035	1,042	1,055	1,062
TATASTEEL	160	161	163	164	165
TECHM	1,237	1,251	1,262	1,276	1,287
TITAN	3,216	3,253	3,280	3,316	3,343
ULTRACEMCO	9,381	9,449	9,484	9,552	9,587
WIPRO	446	449	453	456	460

Technical and Derivatives Team:

Sameet Chavan	Head Research – Technical & Derivatives	sameet.chavan@angelone.in
Sneha Seth	Senior Analyst – Technical & Derivatives	sneha.seth@angelone.in
Rajesh Bhosale	Analyst - Technical	rajesh.bhosle@angelone.in
Osho Krishan	Senior Analyst – Technical & Derivatives	osho.krishan@angelone.in
Hitesh Rathi	Analyst – Technical & Derivatives	hitesh.rathi@angelone.in

Research Team Tel: 022 – 39357600

Website: www.angelone.inFor Technical QueriesE-mail: technicalresearch-cso@angelone.inFor Derivatives QueriesE-mail: derivatives.desk@angelone.in**DISCLAIMER**

We, Angel One Limited (hereinafter referred to as “Angel”) a company duly incorporated under the provisions of the Companies Act, 1956 with its registered office at 601, 6th Floor, Ackruti Star, Central Road, MIDC, Andheri East, Mumbai – 400093, CIN: (L67120MH1996PLC101709) and duly registered as a member of National Stock Exchange of India Limited, Bombay Stock Exchange Limited, Metropolitan Stock Exchange Limited, Multi Commodity Exchange of India Ltd and National Commodity & Derivatives Exchange Ltd. Angel One limited is a company engaged in diversified financial services business including securities broking, DP services, distribution of Mutual Fund products. It is also registered as a Depository Participant with CDSL and Portfolio Manager and Investment Adviser with SEBI. It also has registration with AMFI as a Mutual Fund Distributor. Angel One Limited is a registered entity with SEBI for Research Analyst in terms of SEBI (Research Analyst) Regulations, 2014 vide registration number INH000000164 and also registered with PFRDA as PoP ,Registration No.19092018. Angel Group does not have any joint ventures or associates. Angel One Limited is the ultimate parent company of the Group. Angel or its associates has not been debarred/ suspended by SEBI or any other regulatory authority for accessing /dealing in securities Market.

AOL was merged with Angel Global Capital Private Limited and subsequently name of Angel Global Capital Private Limited was changed to Angel Broking Private Limited (AOL) pursuant to scheme of Amalgamation sanctioned by the Hon'ble High Court of Judicature at Bombay by Orders passed in Company Petition No 710 of 2011 and the approval granted by the Registrar of Companies. Further, name of Angel Broking Private Limited again got changed to Angel Broking Limited (AOL) pursuant to fresh certificate of incorporation issued by Registrar of Companies (ROC) dated June 28, 2018. Further name of Angel Broking name changed to Angel One Ltd pursuant to fresh certificate of incorporation issued by Registrar of Companies (ROC) dated 23-09-21.

In case of any grievances please write to: support@angelone.in, Compliance Officer Details: Name : Hiren Thakkar, Tel No. –08657864228, Email id - compliance@angelone.in

Registration granted by SEBI and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

This document is solely for the personal information of the recipient, and must not be singularly used as the basis of any investment decision. Nothing in this document should be construed as investment or financial advice. Each recipient of this document should make such investigations as they deem necessary to arrive at an independent evaluation of an investment in the securities of the companies referred to in this document (including the merits and risks involved), and should consult their own advisors to determine the merits and risks of such an investment.

Angel or its associates or research analyst or his relative may have actual/beneficial ownership of 1% or more in the securities of the subject company at the end of the month immediately preceding the date of publication of the research report. Neither Angel or its associates nor Research Analysts or his relative has any material conflict of interest at the time of publication of research report.

Angel or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction in the normal course of business. Angel or its associates did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with the research report. Neither research entity nor research analyst has been engaged in market making activity for the subject company.

Reports based on technical and derivative analysis center on studying charts of a stock's price movement, outstanding positions and trading volume, as opposed to focusing on a company's fundamentals and, as such, may not match with a report on a company's fundamentals. Investors are advised to refer the Fundamental and Technical Research Reports available on our website to evaluate the contrary view, if any.

The information in this document has been printed on the basis of publicly available information, internal data and other reliable sources believed to be true, but we do not represent that it is accurate or complete and it should not be relied on as such, as this document is for general guidance only. Angel One Limited or any of its affiliates/ group companies 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 report. Angel One Limited does not warrant the accuracy, adequacy or completeness of the service, information and materials and expressly disclaims liability for errors or omissions in the service, information and materials. While Angel One Limited endeavours to update on a reasonable basis the information discussed in this material, there may be regulatory, compliance, or other reasons that prevent us from doing so.

This document is being supplied to you solely for your information, and its contents, information or data may not be reproduced, redistributed or passed on, directly or indirectly.

Neither Angel One Limited, nor its directors, employees or affiliates shall be liable for any loss or damage that may arise from or in connection with the use of this information. Angel or its associates or Research Analyst or his relative might have financial interest in the subject company. Research analyst has not served as an officer, director or employee of the subject company.

Investment in securities market are subject to market risks. Read all the related documents carefully before investing.

Any communication sent to clients on phone numbers or e-mail ids registered with the Trading Member is meant for client consumption and such material should not be redistributed. Brokerage will not exceed SEBI prescribed limit. Any Information provided by us through any medium based on our research or that of our affiliates or third parties or other external sources is subject to domestic and international market conditions and we do not guarantee the availability or otherwise of any securities or other instruments and such Information is merely an estimation of certain investments, and we have not and shall not be deemed to have assumed any responsibility for any such Information. You should seek independent professional advice and/or tax advice regarding the suitability of any investment decision whether based on any Information provided by us through the Site from inhouse research or third party reports or otherwise.

The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent.