

Sensex (48174) / Nifty (14146)

Nifty started the session marginally positive but it then consolidated within a narrow range for most part of the day. However, in the later half we witnessed a sharp decline and suddenly the index sneaked below **14050**. But the index managed to recover some of the losses in the last hour and end the session tad below **14150**.

For most part of the session, we witnessed a consolidation in Nifty whereas the Bank Nifty showed a relative outperformance and buying interest was seen in stocks within the sector. However, the volatility increased in the later half but still, the index managed to recover from the lows led by the banking index. Apart from banks, stock specific action was seen throughout the day with certain stocks from the broader market showing good momentum and the metal names also continued their uptrend. The broader trend continues to remain positive and there's no change in that. But from a near term perspective, our market could trade within a range of **14000-14300** with some higher volatility. In such a scenario, traders should prefer to look out for stock specific opportunities which could provide better trade set ups. Apart from the above mentioned sectors, the cement space witnessed some momentum in the last half an hour and one can look for opportunities in stocks from this sector too from a near term perspective.

Key Levels

Support 1 – 14080	Resistance 1 – 14260
Support 2 – 14000	Resistance2 – 14300

Nifty Bank Outlook - (31798)

Despite SGX Nifty indicating a nervous start, our markets opened higher at fresh record highs. The banking index showed some strength in the first half to almost test the **32000** mark. However from no where, the entire market just nosedived post the mid session. Things looked slightly bleak at one point; but fortunately once again banking index stabilised at lower levels which was then followed by a modest recovery in the last hour to close marginally in the green. Surprisingly in last couple of sessions, BANKNIFTY is outperforming the benchmark index, which is rare to see. Yesterday, although we witnessed some cushion at lower levels, the volatility seems to have risen significantly. Hence, for the coming session, one should avoid creating longs until BANKNIFTY sustains above **32000**. Till then we are likely to see some pressure. On the flipside, **31650-31500** should be seen as key support. The weakness would trigger only after breaching the lower range of **31500**.

Key Levels

Support 1 – 31650	Resistance 1 – 32000
Support 2 – 31500	Resistance 2 – 32300

Exhibit 1: Nifty Daily Chart

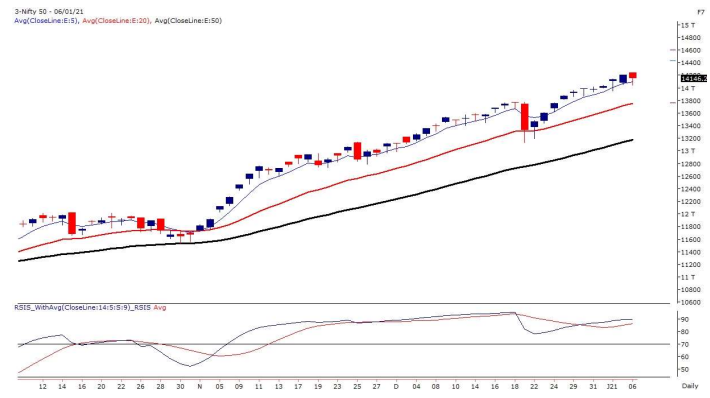


Exhibit 2: Nifty Bank Daily Chart



Comments

- The Nifty futures open interest has decreased by 5.77% Bank Nifty futures open interest has decreased by 3.13% as market closed at **14146.25** levels.
- The Nifty January future closed with a premium of 43.20 point against a premium of 18.45 point in last trading session. The February series closed at a premium of 77.10 point.
- The INDIA VIX increased from 20.46 to 20.99. At the same time, the PCR-OI of Nifty decreased from 1.62 to 1.25.
- Few of the liquid counters where we have seen high cost of carry are IDEA, PNB, BHARTIARTL, NATIONALUM, AND TATACHEM.

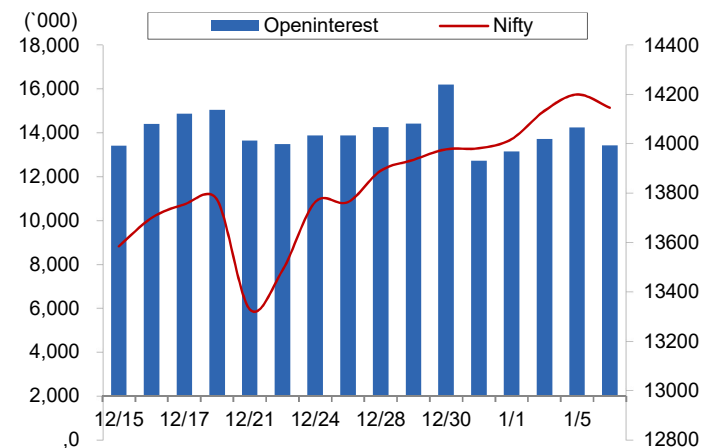
View

- We began the session on a positive note almost around 14250 mark; but these gains were short lived as sharp profit booking at higher levels dragged index below 14050. Fortunately, once again 14000-14050 acted as a savior for bulls and smart recovery led closing around 14150.
- FIIs were net sellers in the cash segment to the tune of Rs. 484 crore. In index future segment, they sold worth 295 crores with decrease in open interest indicating long unwinding in yesterday's session.
- In F&O space, we witnessed some unwinding of longs in Nifty as open interest declined by 5.77 percent, however longs in Bank Nifty are intact. FII's preferred some profit booking but the quantum of sell was not high. Yesterday's intraday fall certainly created panic kind of situation for put writers, as we saw decent open interest reduction in 14000-14100 put strikes. On the other side, good amount of writing was seen in 14200-14300 call options; which suggests it won't be easy for Nifty to surpass this range. However, the overall F&O data doesn't hint any sign of concern yet. Thus, it's advisable to trade with a positive bias till the support of 13900-14000 is intact.

Historical Volatility

SCRIP	HV
POWERGRID	35.77
VEDL	66.59
SRTRANSFIN	74.19
IGL	45.97
SHREECEM	41.36

Nifty Vs OI



OI Gainers

SCRIP	OI	OI CHG. (%)	PRICE	PRICE CHG. (%)
HDFCAML	230200	28.75	3099.70	0.20
AARTIIND	317475	22.26	1290.60	-3.58
BATAINDIA	1260050	20.90	1658.35	3.35
POWERGRID	22860000	16.37	196.15	4.45
GODREJPROP	1325350	15.98	1460.60	3.83
NAUKRI	906750	15.88	5259.75	-3.88
TATACHEM	7088000	12.51	491.05	0.99
RAMCOCEM	2136900	11.29	802.45	1.18

OI Losers

SCRIP	OI	OI CHG. (%)	PRICE	PRICE CHG. (%)
INDUSTOWER	8957200	-15.46	261.35	1.93
SAIL	101840000	-12.65	76.20	-2.12
APOLLOHOSP	1818000	-11.81	2502.05	-0.66
SIEMENS	809600	-9.53	1618.60	0.06
CANBK	43043400	-7.76	132.10	-2.35
BEL	27588000	-7.73	133.15	1.02
IGL	6909375	-7.65	542.40	4.08
HAVELLS	3076000	-7.04	945.90	1.13

Put-Call Ratio

SCRIP	PCR-OI	PCR-VOL
NIFTY	1.25	1.05
BANKNIFTY	1.05	0.95
RELIANCE	0.54	0.50
ICICIBANK	0.67	0.40
INFY	0.55	0.43

FII Statistics for January 06, 2020

Detail	Buy	Sell	Net	Contracts	Open Interest	
					Value (in Cr.)	Change
INDEX FUTURES	3510.20	3805.41	(295.21)	133430	13384.04	(2.39)
INDEX OPTIONS	468040.80	459963.04	8077.76	799243	77866.77	15.35
STOCK FUTURES	14750.62	14653.16	97.46	1187092	97235.72	(0.55)
STOCK OPTIONS	8079.67	8174.09	(94.42)	108496	8694.33	13.83
Total	494381.29	486595.70	7785.59	2228261	197180.86	5.18

Turnover on January 06, 2020

Instrument	No. of Contracts	Turnover (in Cr.)	Change (%)
Index Futures	3,69,246	33771.93	5.97
Index Options	4,10,99,400	36,88,608.28	43.54
Stock Futures	9,40,337	78241.05	21.41
Stock Options	15,20,324	1,30,265.70	22.95
Total	4,39,29,307	39,30,886.96	41.81

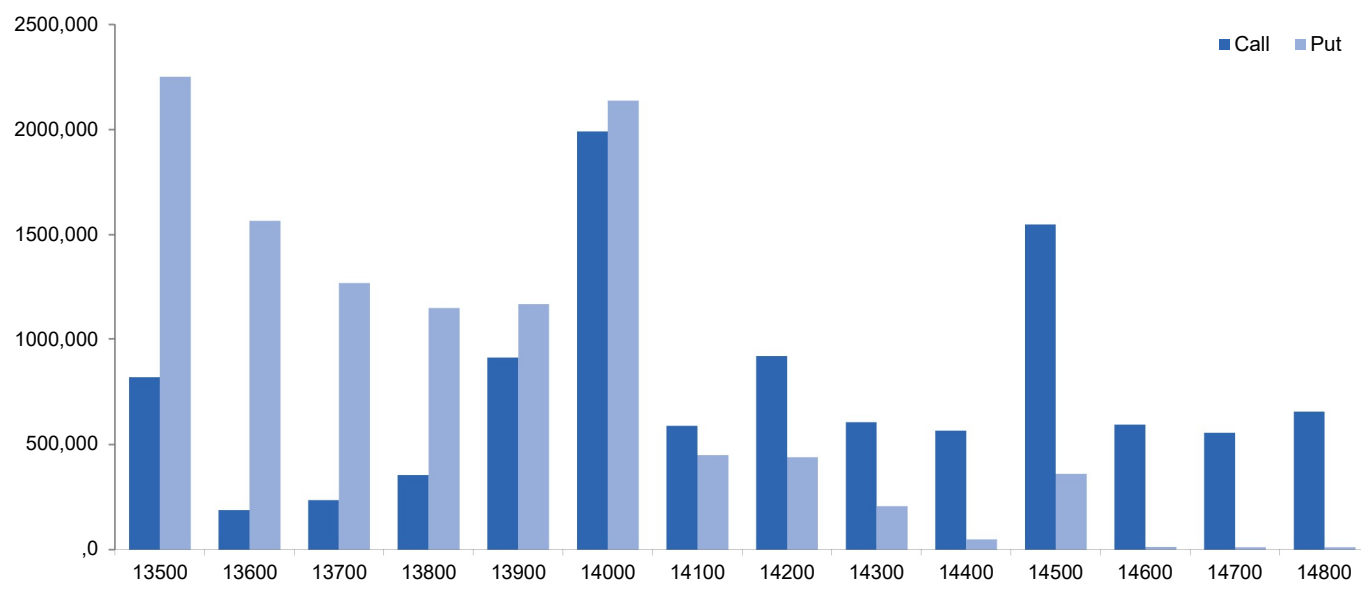
Nifty Spot = 14146.25
Bull-Call Spreads

Action	Strike	Price	Risk	Reward	BEP
Buy	14200	256.45	52.50	47.50	14252.50
Sell	14300	203.95			
Buy	14200	256.45	98.00	102.00	14298.00
Sell	14400	158.45			
Buy	14300	203.95	45.50	54.50	14345.50
Sell	14400	158.45			

Bear-Put Spreads

Action	Strike	Price	Risk	Reward	BEP
Buy	14100	227.90	35.95	64.05	14064.05
Sell	14000	191.95			
Buy	14100	227.90	64.65	135.35	14035.35
Sell	13900	163.25			
Buy	14000	191.95	28.70	71.30	13971.30
Sell	13900	163.25			

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

Nifty Put-Call Analysis


Daily Pivot Levels for Nifty Constituents

Scrips	S2	S1	PIVOT	R1	R2
ADANI PORTS	482	489	497	505	513
ASIAN PAINT	2,760	2,783	2,803	2,825	2,845
AXIS BANK	639	647	657	665	675
BAJAJ-AUTO	3,384	3,423	3,475	3,515	3,566
BAJFINANCE	4,885	4,958	5,063	5,136	5,241
BAJAJFINSV	8,510	8,648	8,774	8,912	9,038
BPCL	375	381	389	395	403
BHARTIARTL	505	515	523	534	542
BRITANNIA	3,459	3,499	3,551	3,591	3,643
CIPLA	806	815	825	834	844
COALINDIA	132	134	135	137	139
DIVISLAB	3,788	3,834	3,862	3,908	3,935
DRREDDY	5,187	5,238	5,276	5,327	5,365
EICHERMOT	2,580	2,613	2,642	2,675	2,704
GAIL	128	131	134	137	139
GRASIM	942	963	976	998	1,011
HCLTECH	949	964	981	995	1,013
HDFCBANK	1,398	1,409	1,425	1,436	1,451
HDFCLIFE	700	709	715	725	730
HDFC	2,595	2,617	2,641	2,663	2,687
HEROMOTOCO	3,007	3,045	3,084	3,123	3,162
HINDALCO	243	251	256	263	268
HINDUNILVR	2,375	2,396	2,423	2,444	2,471
ICICIBANK	530	538	544	553	559
IOC	92	93	94	95	97
INDUSINDBK	895	909	923	936	950
INFY	1,250	1,266	1,284	1,300	1,318
ITC	200	203	207	210	214
JSW STEEL	390	396	402	407	413
KOTAKBANK	1,935	1,953	1,966	1,983	1,997
LT	1,285	1,299	1,315	1,329	1,345
M&M	722	729	738	745	754
MARUTI	7,451	7,540	7,644	7,733	7,838
NESTLEIND	18,345	18,430	18,515	18,600	18,685
NTPC	96	97	98	99	100
ONGC	94	96	98	99	101
POWERGRID	183	190	194	200	204
RELIANCE	1,868	1,891	1,928	1,952	1,989
SBILIFE	895	903	909	917	923
SHREECEM	23,443	24,134	24,541	25,231	25,638
SBIN	277	281	285	289	293
SUNPHARMA	589	597	604	612	619
TCS	2,991	3,021	3,067	3,098	3,144
TATAMOTORS	188	192	195	198	202
TATASTEEL	664	674	685	695	707
TECHM	960	978	1,002	1,021	1,045
TITAN	1,526	1,549	1,585	1,609	1,645
ULTRACEMCO	5,237	5,343	5,406	5,511	5,574
UPL	459	466	474	480	489
WIPRO	395	401	409	415	423

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