

## Sensex (29816) / Nifty (8660)

Last Friday's decent recovery was followed by a huge gap down on Monday as there was sudden spike seen across the globe as well as in India in corona virus infected numbers. The sell off along with global peers augmented to hit a fresh 3-year low at **7511.10**. Things looked extremely scary at one point as so many stocks were falling as if there is no tomorrow. Few all time favorites like HDFC Bank, Bajaj Finance etc. considered as a safe haven stocks also had to succumb to this melt down. Fortunately, the global markets saw sharp recovery thereafter which resulted into a respectable rebound in our market as well. Eventually, the Nifty ended the action packed week by paring down almost all losses.

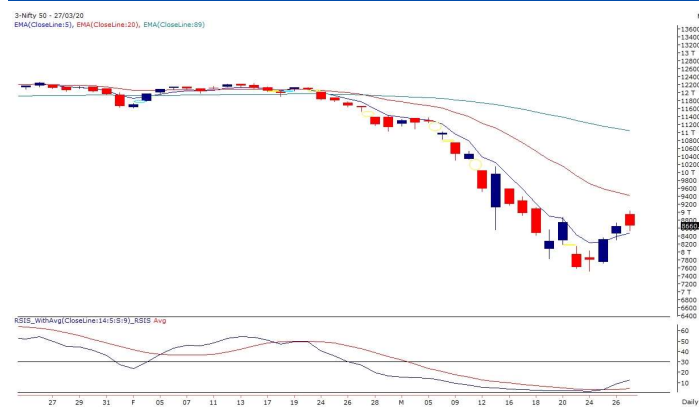
Barring Monday's mayhem, our markets managed to clock gains for four consecutive sessions, which was rare to see in last couple of months. But practically speaking, all markets across the globe were extremely oversold and hence they needed some reason to rebound. Globally the relief move started after the announcement of hefty stimulus packages from US Federal Reserve. Looking at the governments and central banks' efforts worldwide, hopes were built for similar sort of measures from our Finance ministry and RBI as well to support the economy. Finally, the sell off arrested and we are now considerably off Monday's low. Technically speaking, the Nifty has managed to close above '5-day EMA' after so many days. In addition, the RSI-Smoothed on daily chart has confirmed a classical positive crossover from deeply oversold position. Purely looking at these observations, a possibility of extending this relief move towards **9150 – 9350** cannot be ruled out.

## Nifty Bank Outlook - (19969)

During the week gone by, the bank index marked a recent low of **16116** on Tuesday and then along with the broader markets triggered a strong bounce back to end the week tad below the **20000** mark.

The said bounce back was on cards as the momentum oscillators were in deep red and now with the RSIS smoothed confirming a positive crossover in deep oversold territory; we sense the bounce may continue in the near term towards **20850** and **22000** mark. On the flip side, immediate support is placed around **18780-18000** levels. The volatility is likely to remain high and hence one should have a stock specific approach with proper exit setup.

## Exhibit 1: Nifty Daily Chart



But as we all know, we are currently in a very abnormal phase and hence, all conventional theories of market research can go for a toss. So rather than blindly depending on these pointers, the real path of action would be decided on how things pan out with respect to the corona virus pandemic. As far as supports are concerned, **8500** followed by **8000** would be seen as key supports. Traders are advised not to take aggressive / leveraged bets and should ideally keep booking profits on a regular basis. For a time being, the strategy would be to take one step at a time and keep focusing on quality names. The entire world is fighting against this health crisis and we hope it disappears soon.

### Key Levels

Support 1 – 8500	Resistance 1 – 9000
Support 2 – 8000	Resistance 2 – 9150

## Exhibit 2: Nifty Bank Daily Chart



### Key Levels

Support 1 – 18780	Resistance 1 – 20850
Support 2 – 18000	Resistance 2 – 22000

## Comments

- The Nifty futures open interest has decreased by 2.65%. Bank Nifty futures open interest has increased by 18.24% as market closed at 8660.25 levels.
- The Nifty April future closed with a discount of 8.85 points against a premium of 35.8 points in last trading session. The May series closed at a premium of 17.1 points.
- The INDIA VIX has decreased from 71.53 to 70.38. At the same time, the PCR-OI of Nifty has decreased from 1.42 to 1.23.
- Few of the liquid counters where we have seen high cost of carry are IDEA, BERGERPAINT, CUMMINSIND, ADANIENT and BHARATFORG.

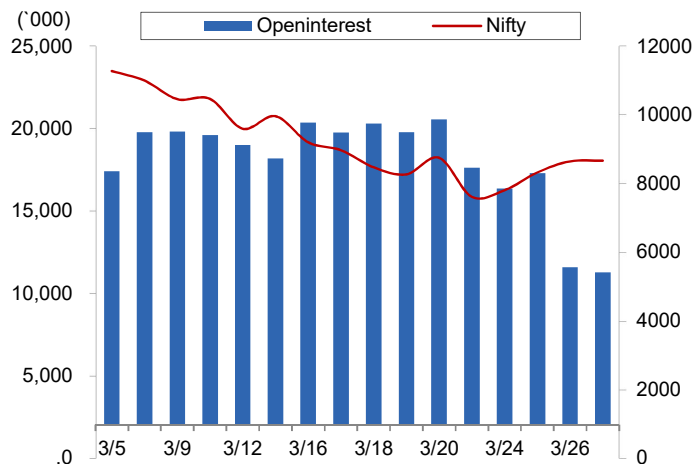
## Views

- During the week, the indices continued the sell-off on Monday and registered a low around the **7500** mark. However, we witnessed short covering move in last couple of sessions before expiry due to which Nifty rebounded sharply and ended the week at **8660**.
- FIIs were net buyers in the cash market segment to the tune of Rs. **356** crores. In index futures, the activities were muted as they sold **29** crores with fall in open interest.
- The rollover in Nifty is at 62.12% v/s 3-month average of 68.69%, whereas in BankNifty it is at 55.19 percent v/s 3-month average of 64.10%. This indicates that much of the short positions formed have been covered and has not been rolled to the April series. FIIs 'Long Short Ratio' in the index futures segment is now at 29.63 percent and they are light on positions. India VIX has cooled off a bit from the highs of 86 but it's still trading around 70 which indicates that volatility is likely to continue. Until we see a significant cool-off in the IV's, the range for the index will continue to be high and hence, traders are advised to properly manage the risk and book profits on a regular basis.

## Historical Volatility

SCRIP	HV
MANAPPURAM	175.23
YESBANK	428.50
SRTRANSFIN	186.08
ONGC	137.96
RBLBANK	191.71

## Nifty Vs OI



## OI Gainers

SCRIP	OI	OI CHG. (%)	PRICE	PRICE CHG. (%)
JINDALSTEL	5015000	113.40	89.70	0.56
KOTAKBANK	8122000	24.53	1366.55	-0.92
GAIL	23688294	21.54	70.10	-4.50
JUSTDIAL	1206800	18.24	279.70	-4.75
MFSL	1131000	17.73	407.90	-4.02
ASIANPAINT	5814000	14.73	1621.35	-0.17
CUMMINSIND	443700	13.33	362.50	-4.82
TVMOTOR	2165400	12.01	299.45	-7.49

## OI Losers

SCRIP	OI	OI CHG. (%)	PRICE	PRICE CHG. (%)
UJJIVAN	1557200	-32.99	167.20	1.12
BALKRISIND	604800	-9.24	848.95	3.23
MUTHOOTFIN	1927500	-8.80	623.85	2.46
MINDTREE	688800	-7.72	794.05	-5.61
EQUITAS	6458200	-7.70	43.35	3.96
DLF	27066600	-6.96	138.80	0.07
FEDERALBNK	35399000	-6.51	44.55	6.20
AMARAJABAT	841600	-6.16	452.10	2.48

## Put-Call Ratio

SCRIP	PCR-OI	PCR-VOL
NIFTY	1.23	0.75
BANKNIFTY	0.74	0.65
RELIANCE	0.82	0.73
ICICIBANK	0.61	0.69
INFY	0.86	0.99

**FII Statistics for March 27, 2020**

Detail	Buy	Sell	Net	Open Interest		
				Contracts	Value (in Cr.)	Change (%)
INDEX FUTURES	6388.06	6417.25	(29.19)	115099	6937.31	(5.26)
INDEX OPTIONS	57022.16	56685.71	336.45	449598	28355.41	10.63
STOCK FUTURES	13601.94	13119.62	482.32	1303887	60608.72	0.83
STOCK OPTIONS	596.24	584.27	11.97	11883	553.47	56.83
Total	77608.40	76806.85	801.55	1880467	96454.91	2.83

**Turnover on March 27, 2020**

Instrument	No. of Contracts	Turnover (in Cr. )	Change (%)
Index Futures	7,09,902	37691.09	-32.73
Index Options	59,05,766	3,39,300.58	-39.14
Stock Futures	8,54,402	38140.22	-37.27
Stock Options	2,75,795	13908.79	-22.07
Total	77,45,865	4,29,040.68	-70.34

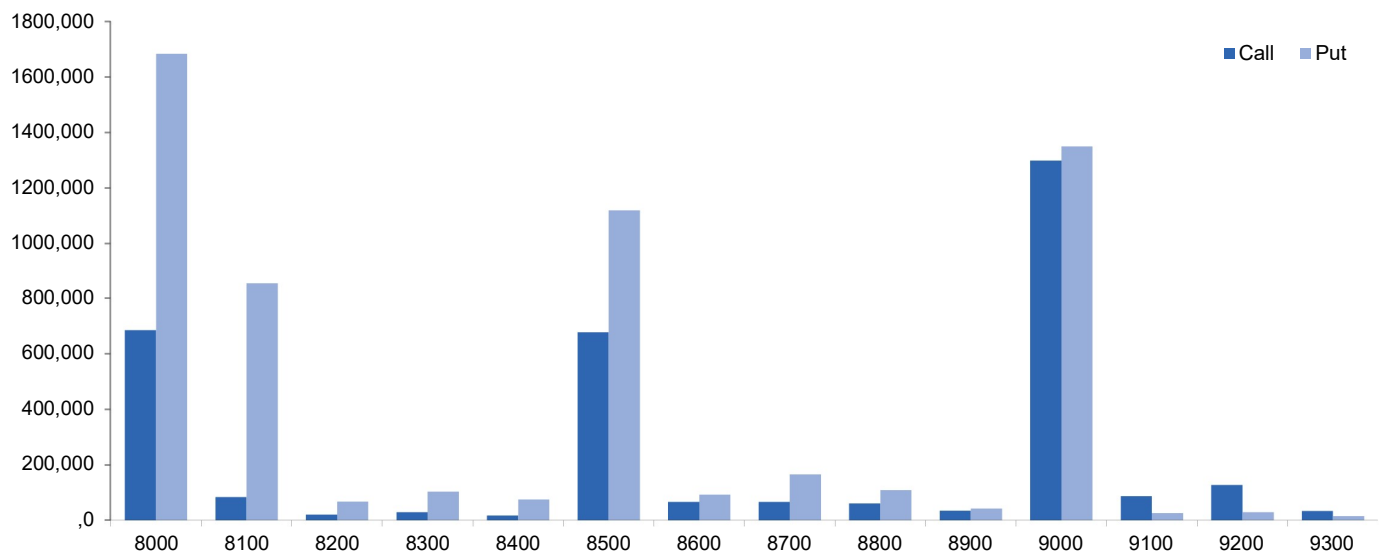
**Nifty Spot = 8660.25**
**Bull-Call Spreads**

Action	Strike	Price	Risk	Reward	BEP
Buy	8600	713.95	52.05	47.95	8652.05
Sell	8700	661.90			
Buy	8600	713.95	113.00	87.00	8713.00
Sell	8800	600.95			
Buy	8700	661.90	60.95	39.05	8760.95
Sell	8800	600.95			

**Bear-Put Spreads**

Action	Strike	Price	Risk	Reward	BEP
Buy	8600	664.05	33.05	66.95	8566.95
Sell	8500	631.00			
Buy	8600	664.05	71.35	128.65	8528.65
Sell	8400	592.70			
Buy	8500	631.00	38.30	61.70	8461.70
Sell	8400	592.70			

Note: Above mentioned Bullish or Bearish Spreads in Nifty (April 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	236	244	252	259	267
ASIAN PAINT	1,491	1,548	1,607	1,663	1,722
AXIS BANK	319	339	374	395	430
BAJAJ-AUTO	1,916	1,985	2,076	2,145	2,236
BAJFINANCE	2,154	2,348	2,694	2,888	3,234
BAJAJFINSV	4,090	4,490	5,075	5,475	6,060
BPCL	256	267	286	297	315
BHARTIARTL	416	433	454	470	491
INFRA TEL	147	152	158	163	170
BRITANNIA	2,377	2,453	2,581	2,657	2,785
CIPLA	384	396	404	415	423
COAL INDIA	122	127	130	135	138
DR REDDY	2,736	2,826	2,937	3,027	3,137
EICHERMOT	13,176	13,748	14,572	15,144	15,968
GAIL	65	67	71	73	77
GRASIM	420	441	467	488	514
HCLTECH	399	415	436	452	473
HDFC BANK	805	855	922	971	1,038
HDFC	1,632	1,693	1,771	1,832	1,911
HEROMOTOCO	1,521	1,591	1,711	1,781	1,900
HINDALCO	85	88	94	97	103
HINDUNILVR	2,029	2,085	2,176	2,232	2,323
ICICI BANK	308	324	342	358	375
IOC	74	75	78	79	82
INDUSINDBK	301	356	447	502	594
INFY	624	638	657	671	689
ITC	150	157	161	168	172
JSW STEEL	141	146	151	157	162
KOTAK BANK	1,332	1,366	1,408	1,441	1,483
LT	768	803	846	881	924
M&M	269	282	293	306	318
MARUTI	4,198	4,422	4,779	5,003	5,361
NESTLE IND	14,414	14,761	15,148	15,495	15,882
NTPC	78	81	83	85	87
ONGC	61	63	64	66	68
POWERGRID	151	156	161	165	171
RELIANCE	1,012	1,039	1,073	1,100	1,134
SHREECEM	15,957	16,812	17,691	18,545	19,424
SBIN	184	190	201	207	218
SUN PHARMA	322	330	341	350	361
TCS	1,709	1,767	1,808	1,866	1,908
TATAMOTORS	65	68	72	75	79
TATA STEEL	261	269	282	290	303
TECHM	473	488	514	529	554
TITAN	864	900	933	969	1,002
ULTRACEMCO	2,924	3,034	3,212	3,322	3,500
UPL	304	313	325	334	345
VEDANTA	59	62	65	67	71
WIPRO	177	180	185	188	193
ZEEL	120	124	131	135	143

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