

Sensex (60841) / Nifty (18105)

Our markets witnessed a pleasant move through the week and has firmly recovered from the lows of **17800** to showcase the resilience of the bulls and made a merry Santa rally to close the year on a cheerful note. The benchmark index Nifty50 snapped three consecutive weeks of sell-off and concluded the week with gains of over 1.60 percent. Nifty had a subtle closure to the calendar year 2022, procuring over 4 percent to settle a tad above the **18100** level.

Technically speaking, post the recent price-wise correction in the market, the chart structure construes optimism, and it is highly anticipated to continue the cheerful run in the new calendar year. The broad-based buying in the last week has levitated market sentiments and can be seen as a sign of progression as we outclass our major global peers. As far as levels are concerned, **18000** is expected to cushion any short-term blip, with the sacrosanct support placed around **17800** for the time being. While on the higher end, a decisive move above **18400-18450** would affirm the continuation of the uptrend in the market.

Key Levels

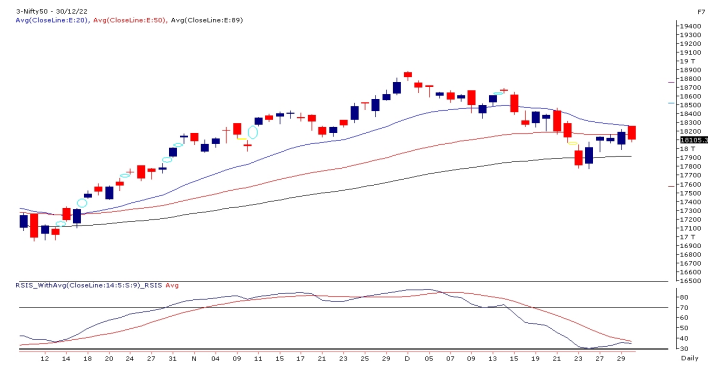
Support 1 – 18080	Resistance 1 – 18280
Support 2 – 18000	Resistance 2 – 18340

Nifty Bank Outlook (42986)

After a couple of weeks of correction, the high beta index has made a strong comeback as it was up more than 3% WoW to end a tad below **43000** levels. Bank Nifty was an outperformer throughout the calendar year as it gained more than 21% in 2022.

The index has witnessed a modest recovery from the key support zone of the previous breakout placed around **41600**, which even coincides with the ascending trend line formed by joining major swing lows. The positive momentum from key support levels has helped prices to regain more than 50% of the recent fall (**44151 - 41569**) and is now hovering around the key 61.8% retracement levels. Going ahead, **43200 – 43500** seems to be an immediate resistance above which we can technically say that the uptrend has resumed that can trigger prices back towards all-time high levels. If we consider the oscillators, the momentum indicator RSI smoothened on the daily chart has given fresh buy with its average line indicating any dip should be considered as a buying opportunity. In such a scenario, immediate support is seen in the zone of **42500 – 42400** levels.

Exhibit 1: Nifty Daily Chart



Going forward, we remain sanguine with the current momentum and would advocate the traders to utilize the dips to add long positions in the index in the comparable period. Simultaneously, one should stay abreast with global and domestic developments regularly and continue with a buy on decline strategy for the time being. Also, we expect strong moves in the broader market, so one needs to have a stock-centric approach for better trading opportunities.

Exhibit 2: Nifty Bank Weekly Chart



During the week, we witnessed momentum back within the PSU banking space and during the fag end mid-sized private banks as well chipped in; we hence reiterate to focus on individual stocks that are likely to give outperforming moves.

Key Levels

Support 1 – 42500	Resistance 1 – 43200
Support 2 – 42400	Resistance 2 – 43500

Comments

- The Nifty futures open interest has increased by 1.55% and Bank Nifty futures open interest has decreased by 0.74% as the market closed at 18105.30.
- The Nifty Jan future closed with a premium of 101.55 point against a premium of 101.25 point in the last trading session. The February series closed at a premium of 185.45 point.
- The INDIA VIX increased from 14.81 to 14.86. At the same time, the PCR-OI of Nifty has decreased from 1.41 to 0.88.
- Few of the liquid counters where we have seen high cost of carry are SHRIRAMFIN, MANAPPURAM, IDFCFRSTB, CANBK and IOC.

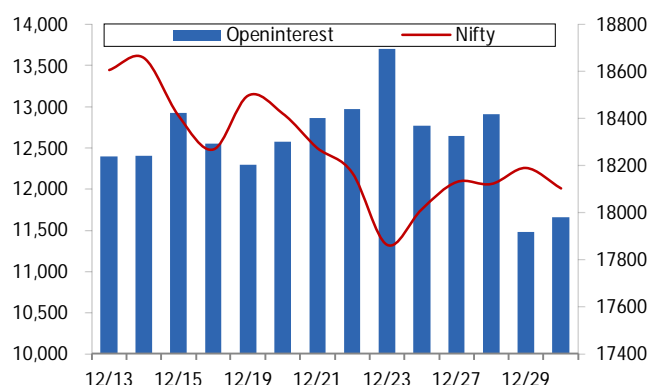
View

- Our market witnessed the year-end Santa rally to snap its losing streak, wherein the benchmark index Nifty50 surged nearly 1.70 percent on the last trading week of the calendar year 2022 to conclude on an optimistic note and settle well above the 18100 level.
- FIIs were net sellers in the cash market segment to the tune of Rs. 2951 crores. Simultaneously, in Index futures, they sold worth Rs. 1310 crores with an increase in open interest, indicating short addition.
- In the F&O segment, we witnessed a short covering rally in both indices for the major part of the week. The stronger hands also preferred to unwind shorts in the system, resulting in the expansion of the 'Long Short Ratio', which surged to 50% from 44% on a weekly basis. On the options front, the 18000 put strike holds the maximum OI concentration, indicating nearby support for Nifty. On the flip side, 18200-18300 has seen a decent piling up of OI, signifying a stiff resistance in the comparable period. Considering the recent price action, the undertone is likely to remain upbeat, wherein any intra-week blip could be seen as an opportunity to add long positions in the index.

Historical Volatility

SCRIP	HV
IDEA	71.48
IBULHSGFIN	70.70
RBLBANK	67.74
HINDCOPPER	58.32
GNFC	58.19

Nifty Vs OI



OI Gainers

SCRIP	OI	OI CHG. (%)	PRICE	PRICE CHG. (%)
COFORGE	623100	32.63	3884.15	-0.51
IBULHSGFIN	43452000	14.66	154.70	-0.89
BALRAMCHIN	7204800	11.21	396.75	0.16
HDFC	18846000	10.32	2637.60	-1.43
NATIONALUM	68505000	10.23	80.40	1.63
PERSISTENT	487025	10.22	3870.90	0.48
ALKEM	306600	7.81	3004.80	0.40
BSOFT	8328000	7.71	298.75	1.47

OI Losers

SCRIP	OI	OI CHG. (%)	PRICE	PRICE CHG. (%)
CHAMBLFERT	6637500	-6.15	310.20	2.01
SHRIRAMFIN	4762200	-5.68	1376.95	4.43
IDFCFIRSTB	154995000	-4.86	58.80	4.04
MPHASIS	1846625	-4.51	1972.90	1.82
DALBHARAT	1136500	-3.56	1862.75	0.11
GUJGASLTD	3838750	-2.97	486.15	2.11
NESTLEIND	249000	-2.73	19605.80	-1.00
BAJAJFINSV	8453000	-2.69	1547.90	2.19

Put-Call Ratio

SCRIP	PCR (OI)	PCR (VOL)
NIFTY	0.88	0.96
BANKNIFTY	0.80	1.00
RELIANCE	0.57	0.39
ICICIBANK	0.64	0.61
INFY	0.68	0.34

FII Statistics for December 30, 2022

Detail	Buy	Sell	Net	Contracts	Open Interest Value (in Cr.)	CHANGE
INDEX FUTURES	3294.97	4604.68	(1309.71)	118765	11451.34	9.52
INDEX OPTIONS	843790.88	838457.74	5333.14	1526040	147077.58	72.03
STOCK FUTURES	9208.89	8815.33	393.56	1925041	133559.20	1.33
STOCK OPTIONS	6669.01	6766.40	(97.39)	55805	4033.99	139.40
Total	862963.75	858644.15	4319.60	3625651	296122.11	24.23

Turnover on December 30, 2022

Instrument	No. of Contracts	Turnover (in Cr.)	Change (%)
Index Futures	312800	30922.16	-35.04
Index Options	102373595	44293.25	-13.85
Stock Futures	665792	47897.87	-63.64
Stock Options	2218862	3262.68	28.40
Total	22,18,862	3262.68	-45.83

Nifty Spot = 18105.30

Bull-Call Spreads

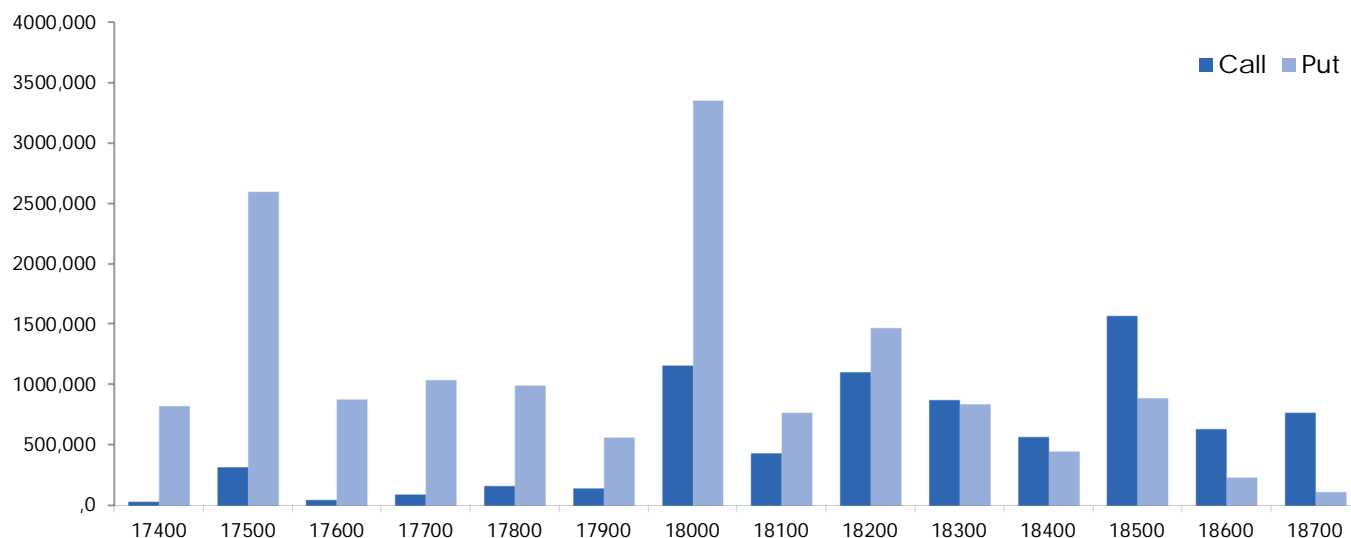
Action	Strike	Price	Risk	Reward	BEP
Buy	18100	384.30	55.95	44.05	18155.95
Sell	18200	320.90			
Buy	18100	384.30	107.85	92.15	18207.85
Sell	18300	263.50			
Buy	18200	320.90	51.90	48.10	18251.90
Sell	18300	263.50			

Bear-Put Spreads

Action	Strike	Price	Risk	Reward	BEP
Buy	18100	194.60	36.50	63.50	18063.50
Sell	18000	164.30			
Buy	18100	194.60	69.95	130.05	18030.05
Sell	17900	136.45			
Buy	18000	164.30	33.45	66.55	17966.55
Sell	17900	136.45			

Note: Above mentioned Bullish or Bearish Spreads in Nifty (Jan 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	3,784	3,821	3,859	3,897	3,935
ADANIPTS	809	814	820	825	831
APOLLOHOSP	4,395	4,436	4,509	4,551	4,624
ASIANPAINT	3,037	3,063	3,097	3,122	3,156
AXISBANK	923	928	936	941	949
BAJAJ-AUTO	3,533	3,575	3,609	3,650	3,684
BAJFINANCE	6,398	6,487	6,603	6,692	6,808
BAJAJFINSV	1,502	1,525	1,549	1,572	1,596
BPCL	325	328	330	333	336
BHARTIARTL	792	799	812	819	832
BRITANNIA	4,251	4,279	4,327	4,355	4,403
CIPLA	1,060	1,068	1,081	1,089	1,103
COALINDIA	220	223	225	227	229
DIVISLAB	3,352	3,383	3,416	3,446	3,479
DRREDDY	4,189	4,213	4,249	4,273	4,309
EICHERMOT	3,167	3,197	3,248	3,278	3,328
GRASIM	1,684	1,704	1,738	1,757	1,791
HCLTECH	1,022	1,031	1,043	1,052	1,064
HDFCBANK	1,606	1,617	1,631	1,642	1,656
HDFCLIFE	560	563	568	571	576
HDFC	2,590	2,614	2,651	2,675	2,713
HEROMOTOCO	2,700	2,720	2,742	2,762	2,784
HINDALCO	465	469	476	480	486
HINDUNILVR	2,536	2,549	2,568	2,580	2,599
ICICIBANK	876	883	896	903	916
INDUSINDBK	1,197	1,208	1,223	1,235	1,250
INFY	1,488	1,498	1,514	1,524	1,541
ITC	327	329	333	335	339
JSW STEEL	758	763	770	775	783
KOTAKBANK	1,813	1,820	1,829	1,836	1,845
LT	2,048	2,067	2,100	2,119	2,152
M&M	1,233	1,241	1,253	1,261	1,274
MARUTI	8,288	8,341	8,416	8,469	8,543
NESTLEIND	19,358	19,482	19,686	19,810	20,014
NTPC	165	166	167	168	169
ONGC	142	145	147	149	151
POWERGRID	211	212	215	216	218
RELIANCE	2,519	2,533	2,555	2,569	2,591
SBILIFE	1,206	1,219	1,241	1,254	1,276
SBIN	606	610	615	619	624
SUNPHARMA	988	995	1,001	1,008	1,014
TCS	3,215	3,236	3,267	3,288	3,320
TATACONSUM	754	761	771	778	789
TATAMOTORS	384	386	389	391	394
TATASTEEL	111	112	113	114	116
TECHM	1,007	1,012	1,020	1,024	1,032
TITAN	2,530	2,564	2,587	2,621	2,644
ULTRACEMCO	6,885	6,922	6,987	7,025	7,090
UPL	702	709	721	728	739
WIPRO	389	391	394	396	398

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