

Sensex (59809) / Nifty (17594)

Our market started the week on a bleak note taking cues from the weak global bourses, wherein the benchmark index tested the Budget day's swing low and dented market sentiments. Nifty struggled near the 200 SMA throughout the week until the last session, when a robust recovery was seen in the broader market space. Eventually, the week closed on a positive note, procuring 0.74 percent from its previous week's closure and Nifty settled a tad below the **17600** level.

The upsurge in the Adani group companies post the block deal has its rub of effect on the PSU Banks, eventually spreading the cheer in the broader market. From a technical perspective, the recent price action could be seen as constructive development for our markets as the index witnessed a modest recovery from the 200 SMA and made a strong closure on the daily time frame. As far as levels are concerned, **17500** is now likely to be seen as the immediate support zone, while the sacrosanct support lies around the **17350-17400** zone, coinciding with the 200 SMA. On the flip side, the bearish gap of **17770-17800** is expected to act as the sturdy hurdle for Nifty in a comparable period.

Exhibit 1: Nifty Daily Chart



Going forward, we remain sanguine and would advise the traders to utilize the dips to add long position in the index. The participation from the high-beta Banking space has provided the much needed impetus and is likely to continue in the near term. Simultaneously, one should also keep a close tab on the Mid-cap space, which is expected to provide immense trading opportunities in the near period.

Key Levels

Support 1 – 17500	Resistance 1 – 17700
Support 2 – 17400	Resistance 2 – 17800

Nifty Bank Outlook (41251)

Bank Nifty had a spectacular week as we saw good recovery initially after a gap down opening on Monday. It ensured there is no follow through selling which could have otherwise dampened the overall sentiments in the broader markets. All intra-week dips were successfully absorbed by the bulls which eventually turned into a strong breakthrough move on Friday, courtesy to positive developments with respect to banking counters. Eventually, the banking index ended the week on a pleasant note by adding 3% from previous week's close.

During the previous week, we highlighted a 'Dragon Fly Doji' pattern around the key support of Budget Day low and reiterated against going short in the markets. Prices did respect this crucial support and with a strong bounce from there we are now witnessing a good large bullish candle on the weekly chart. Also, the prices have closed around a crucial juncture of the Descending Trendline resistance formed by joining major swing highs coinciding with 89EMA.

Exhibit 2: Nifty Bank Daily Chart



Considering the strong positive momentum on Friday and the fresh buy signal in the RSI Smoothened indicator, we expect the outperformance to continue. Traders are hence advised to remain upbeat and use dips as a buying opportunity. In such a scenario, immediate support is seen around **41000** followed by **40800** level whereas **41680 – 42000** is seen as next resistance levels.

Key Levels

Support 1 – 41000	Resistance 1 – 41680
Support 2 – 40800	Resistance 2 – 42000

Comments

- The Nifty futures open interest has decreased by 5.53% and Bank Nifty futures open interest has increased by 5.34% as the market closed at 17594.35.
- The Nifty March future closed with a premium of 77.2 point against a premium of 77.5 point in the last trading session. The April series closed at a premium of 175.95 point.
- The INDIA VIX decreased from 12.97 to 12.18. At the same time, the PCR-OI of Nifty has increased from 0.76 to 1.17.
- Few of the liquid counters where we have seen high cost of carry are ADANIEN, RAIN, CHOLAFIN, HINDPETRO, AND ZYDUSLIFE.

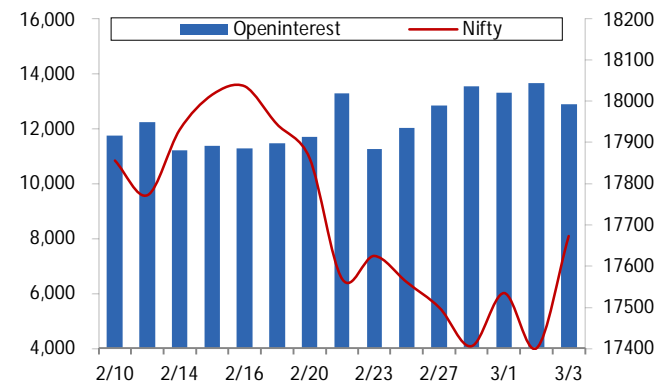
View

- After recent sell-off finally we saw a sharp rally on Friday to conclude the week around 17600 mark.
- FII were net buyers in the cash market segment to the tune of Rs. 246 crores. Simultaneously, in Index futures, they bought worth Rs. 3938 crores with decrease in open interest, indicating short covering on Friday's session.
- During the selling, we witnessed decent amount of shorts in key indices but on the final day of the week short covering was seen in Nifty and banking index added fresh longs. In options front, put writers added huge positions in 17400-17600 strikes, suggesting strong base formation around 17400-17500 now. On the other side, 17700-17900 call strikes added some fresh bets. Stronger hands have covered shorts, led 'Long Short Ratio' to surge to 23% from 18% WoW. The above data points hints, market has certainly bottom out and we may see extension of upmove in the festive week.

Historical Volatility

SCRIP	HV
ADANIEN	94.72
ADANIPOINTS	60.30
SBIN	34.38
ACC	41.37
BHARTIARTL	29.43

Nifty Vs OI



OI Gainers

SCRIP	OI	OI CHG. (%)	PRICE	PRICE CHG. (%)
TATASTEEL	235460500	10.49	107.00	2.33
PFC	52359000	8.56	155.15	3.48
BHARATFORG	7738000	8.04	825.05	-1.05
M&MFIN	24152000	7.82	253.95	0.67
CIPLA	13433550	7.32	878.65	-0.90
VOLTAS	5623200	7.07	912.85	-0.33
APOLLOTYRE	12631500	6.52	315.85	0.63
NAVINFLUOR	427650	6.14	4220.50	0.94

OI Losers

SCRIP	OI	OI CHG. (%)	PRICE	PRICE CHG. (%)
ADANIPOINTS	43603750	-8.08	684.60	9.72
MANAPPURAM	37968000	-7.12	106.10	1.77
MCX	922800	-6.18	1446.40	3.09
ATUL	158400	-5.50	7051.70	0.65
MARUTI	2173200	-5.15	8601.20	0.67
SRF	3657750	-4.39	2271.95	0.99
BANKBARODA	96273450	-4.25	172.90	4.77
LT	7800600	-4.09	2152.00	1.34

Put-Call Ratio

SCRIP	PCR (OI)	PCR (VOL)
NIFTY	1.17	0.84
BANKNIFTY	1.28	0.83
RELIANCE	0.64	0.43
ICICIBANK	0.74	0.54
INFY	0.53	0.43

FII Statistics for March 03, 2023

Detail	Buy	Sell	Net	Contracts	Open Interest Value (in Cr.)	CHANGE
INDEX FUTURES	8639.34	4701.03	3938.31	166437	15349.76	(10.73)
INDEX OPTIONS	1085324.47	1090825.67	(5501.20)	2462326	225909.51	29.60
STOCK FUTURES	11410.39	8935.03	2475.36	2137977	142266.40	(0.23)
STOCK OPTIONS	9353.74	9523.24	(169.50)	122346	8242.07	3.36
Total	1114727.94	1113984.97	742.97	4889086	391767.74	12.45

Turnover on March 03, 2023

Instrument	No. of Contracts	Turnover (in Cr.)	Change (%)
Index Futures	450463	42866.07	40.62
Index Options	154386839	49213.22	-4.66
Stock Futures	885967	56466.01	20.07
Stock Options	3424912	5000.56	38.91
Total	3,424,912	5000.56	15.69

Nifty Spot = 17594.35

Bull-Call Spreads

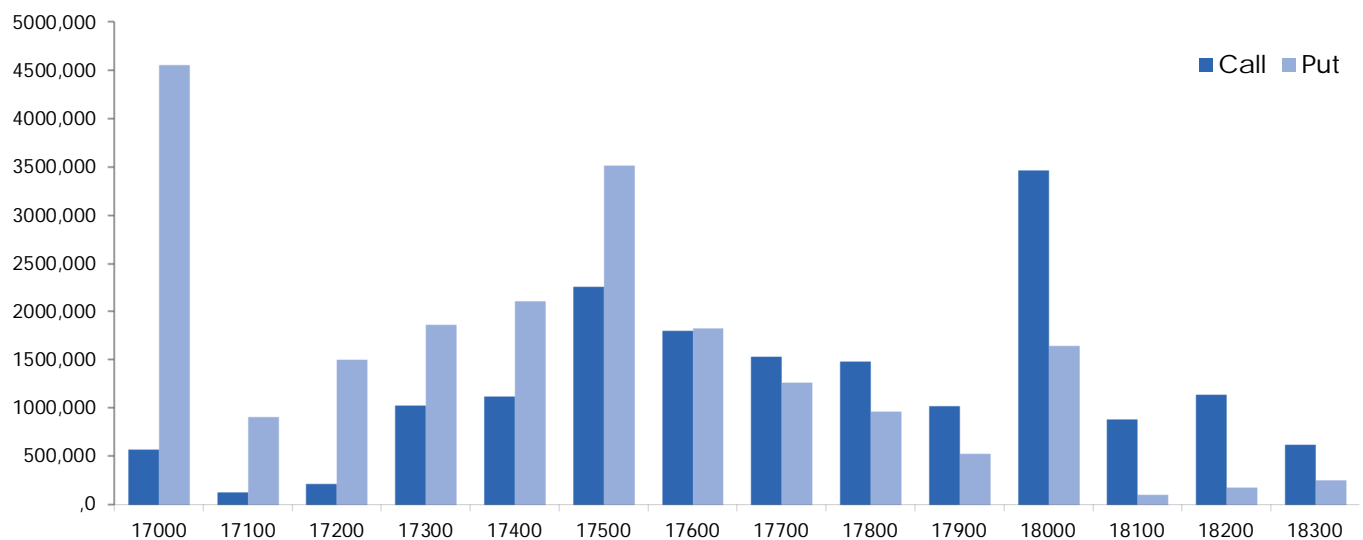
Action	Strike	Price	Risk	Reward	BEP
Buy	17600	231.95	55.50	44.50	17655.50
Sell	17700	176.45			
Buy	17600	231.95	104.20	95.80	17704.20
Sell	17800	127.75			
Buy	17700	176.45	48.70	51.30	17748.70
Sell	17800	127.75			

Bear-Put Spreads

Action	Strike	Price	Risk	Reward	BEP
Buy	17600	166.35	35.60	64.40	17564.40
Sell	17500	130.75			
Buy	17600	166.35	62.60	137.40	17537.40
Sell	17400	103.75			
Buy	17500	130.75	27.00	73.00	17473.00
Sell	17400	103.75			

Note: Above mentioned Bullish or Bearish Spreads in Nifty (**March 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
ADANIEMT	1,603	1,741	1,824	1,962	2,044
ADANIPTS	626	655	680	709	733
APOLLOHOSP	4,365	4,386	4,416	4,438	4,467
ASIANPAINT	2,789	2,809	2,831	2,850	2,872
AXISBANK	839	846	852	859	865
BAJAJ-AUTO	3,675	3,704	3,726	3,754	3,776
BAJFINANCE	6,037	6,068	6,105	6,136	6,173
BAJAJFINSV	1,337	1,346	1,355	1,365	1,374
BPCL	318	320	322	323	326
BHARTIARTL	736	750	758	772	780
BRITANNIA	4,348	4,380	4,412	4,444	4,477
CIPLA	868	873	883	888	898
COALINDIA	220	221	224	225	228
DIVISLAB	2,812	2,831	2,860	2,879	2,908
DRREDDY	4,329	4,383	4,415	4,470	4,502
EICHERMOT	3,094	3,110	3,131	3,148	3,168
GRASIM	1,578	1,587	1,600	1,609	1,621
HCLTECH	1,101	1,110	1,120	1,129	1,139
HDFCBANK	1,576	1,596	1,608	1,628	1,640
HDFCLIFE	477	484	488	494	499
HDFC	2,584	2,615	2,638	2,669	2,691
HEROMOTOCO	2,444	2,453	2,466	2,475	2,488
HINDALCO	409	413	416	420	423
HINDUNILVR	2,438	2,454	2,472	2,489	2,506
ICICIBANK	841	855	864	878	887
INDUSINDBK	1,093	1,110	1,121	1,138	1,150
INFY	1,464	1,472	1,481	1,488	1,498
ITC	373	379	382	388	391
JSW STEEL	672	677	681	687	691
KOTAKBANK	1,700	1,726	1,745	1,771	1,790
LT	2,120	2,136	2,148	2,164	2,176
M&M	1,243	1,256	1,266	1,279	1,290
MARUTI	8,514	8,558	8,593	8,637	8,672
NESTLEIND	18,281	18,365	18,490	18,575	18,699
NTPC	170	171	173	175	177
ONGC	152	153	154	155	157
POWERGRID	218	220	223	225	228
RELIANCE	2,322	2,353	2,373	2,405	2,425
SBILIFE	1,088	1,109	1,121	1,141	1,153
SBIN	533	547	556	570	578
SUNPHARMA	953	960	965	972	977
TCS	3,317	3,330	3,344	3,356	3,371
TATACONSUM	703	706	710	713	717
TATAMOTORS	418	423	427	432	435
TATASTEEL	104	106	106	108	109
TECHM	1,059	1,072	1,096	1,109	1,133
TITAN	2,342	2,369	2,385	2,413	2,429
ULTRACEMCO	7,090	7,153	7,251	7,315	7,413
UPL	700	705	710	715	720
WIPRO	388	389	390	392	393

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