

Sensex (54365) / Nifty (16240)

The Indian equities started on a subdued note, led by the mixed global cues, wherein the benchmark index Nifty50 witnessed a slender range-bound movement throughout. There was no significant action seen in the primary index until a sell-off triggered by the fag end, which certainly showcased the tentativeness among the market participants. Post the lackluster session, Nifty concluded the day in red with a mere loss of 0.38 percent at **16240** levels.

At present, the index placement on the daily chart depicts the lost traction due to across-board weakness in domestic and global markets. As far as levels are concerned, the Nifty is currently placed near the 78.60% of Fibonacci retracement, while any further sell-off could drag it towards the psychological mark of **16000** in the near future. As we allude to our previous commentary, the unfilled gap of **16480-16650** is the sturdy wall for the bulls. Hence, looking at the technical setup, the market is likely to trade in the mentioned range until a breakout on either side is seen in a decisive manner.

Key Levels

Support 1 - 16100	Resistance 1 - 16400
Support 2 - 16000	Resistance 2 - 16480

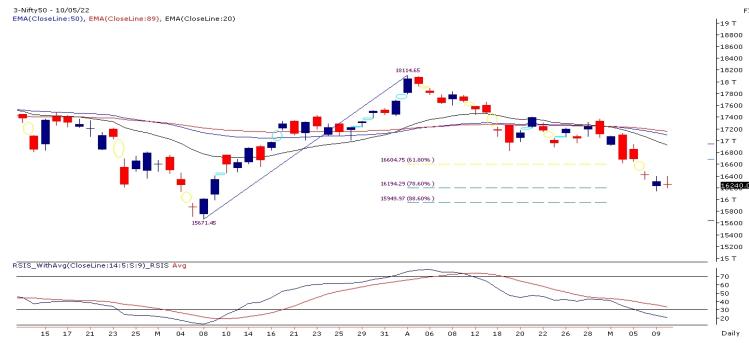
Nifty Bank Outlook - (34483)

The US markets had yet another terrible session overnight; but despite this our markets did not open much lower. In fact, the banking index started off marginally in the red and immediately entered the positive terrain in the initial trades. As the day progressed, the BANKNIFTY showed its dominance by leading from the front. As we stepped into the last hour, BANKNIFTY was knocking the door at **34800**; but it immediately reversed from thereon and within a blink of an eye, major chunk of gains just got disappeared. Eventually, the index ended around **34500** by adding more than half a percent gains. The BANKNIFTY showed some strength yesterday but with the tail end correction, the closing was not that sturdy as it should have been. It seems that traders are a bit sceptical of carrying long positions overnight due to recent streak of gap downs in our market. As far as levels are concerned, **34150** followed by **33900** has now become a sacrosanct support; whereas on the higher side, we may not see a convincing rebound till the time **34800 - 35000** are not surpassed on a sustainable basis. Yesterday's move was promising and if there is no aberration globally, the banking stocks can make a comeback strongly in coming days.

Key Levels

Support 1 - 34150	Resistance 1 - 34800
Support 2 - 33900	Resistance 2 - 35000

Exhibit 1: Nifty Daily Chart



Some traction was seen in the midcaps and selective banking counters that kept the traders active throughout the day. Going forward, apart from the slender range-bound movement in the indices, many stock-specific adjustments are likely to continue. Hence, traders are advised to have a stock-centric approach in such a market scenario, and any aggressive bets should be avoided.

Exhibit 2: Nifty Bank Daily Chart



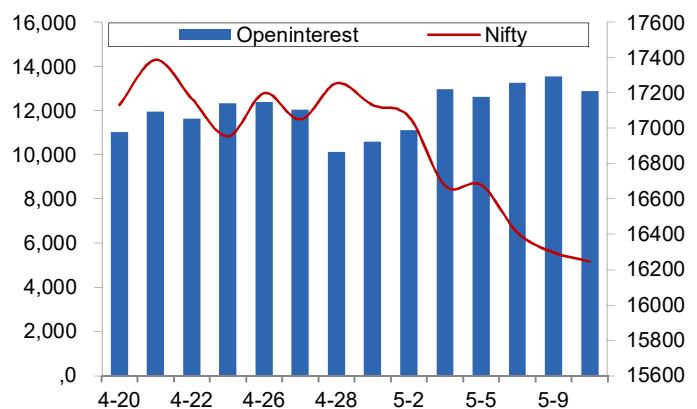
Comments

- The Nifty futures open interest has decreased by 4.96% and BANK Nifty futures open interest has increased by 5.62% as the market closed at 16240.05.
- The Nifty May future closed with a premium of 7.05 point against a discount of 3.00 point in the last trading session. The June series closed at a premium of 11.55 point.
- The INDIA VIX increased from 22.00 to 22.30. At the same time, the PCR-OI of Nifty has decreased from 0.80 to 0.76.
- Few of the liquid counters where we have seen high cost of carry are IDEA, M&M, NATIONALUM, BATAINDIA and ICICIPRULI.

View

- We had a muted start on Tuesday and than index traded in a slender range for the major part of the day. As we entered the final hour all of a sudden market corrected to conclude tad below 16250.
- FII's were net sellers in the cash market segment to the tune of Rs. 3961 crores. Simultaneously, in Index futures, they bought worth Rs. 345 crores with fall in open interest, indicating short covering after quite some time.
- Although, we saw some selling in the fag end but we observed decent short covering in the Nifty and fresh long addition in banking index. FII's continue with their selling streak in equities but preferred covering their bearish bets in index futures. The futures which traded in discount of Monday have been trading at premium again. In index options front, fresh build-up was seen in 16300-16700 call strikes. On the other side, some positions got piled up in 17200. Considering the above development, we dont see major downside from heron and hence, we would advise trader using intraday declines to add quality stocks.

Nifty Vs OI



OI Gainers

SCRIP	OI	OI CHG. (%)	PRICE	PRICE CHG. (%)
ALKEM	296400	11.60	2971.60	-3.63
VOLTAS	4270500	11.33	988.75	-5.88
SRF	4030500	10.83	2113.10	-5.22
DIXON	931875	10.02	3680.10	-3.65
TATASTEEL	32209475	8.57	1164.90	-6.83
INDUSTOWER	14277200	7.69	208.00	0.92
LALPATHLAB	836875	7.10	2316.45	-2.42
PVR	2757832	6.96	1772.25	4.13

OI Losers

SCRIP	OI	OI CHG. (%)	PRICE	PRICE CHG. (%)
ABB	415500	-9.72	2230.55	-3.21
ONGC	45661000	-7.09	154.45	-6.24
OFSS	298575	-7.01	3571.10	0.08
GUJGASLTD	3367500	-5.61	507.05	-2.35
HINDPETRO	11542500	-5.04	270.50	0.74
VEDL	44632250	-4.36	330.35	-5.51
UBL	1167350	-3.92	1457.95	-0.61
HAL	2511325	-3.59	1550.60	-1.31

Historical Volatility

SCRIP	HV
COALINDIA	45.32
VOLTAS	40.44
TATASTEEL	49.70
ONGC	47.00
GNFC	60.70

Put-Call Ratio

SCRIP	PCR (OI)	PCR (VOL)
NIFTY	0.76	0.79
BANKNIFTY	0.71	0.85
RELIANCE	0.29	0.36
ICICIBANK	0.44	0.36
INFY	0.40	0.38

FII Statistics for May 10, 2021

Detail	Buy	Sell	Net	Contracts	Open Interest Value (in Cr.)	CHANGE
INDEX FUTURES	5390.10	5045.30	344.80	173334	14360.67	(5.54)
INDEX OPTIONS	629668.51	627496.59	2171.92	1636728	134483.06	7.82
STOCK FUTURES	15212.53	15592.90	(380.37)	2218462	137286.09	1.81
STOCK OPTIONS	7212.45	7234.71	(22.26)	124610	8099.90	7.35
Total	657483.59	655369.50	2114.09	4153134	294229.72	3.91

Turnover on May 10, 29021

Instrument	No. of Contracts	Turnover (in Cr.)	Change (%)
Index Futures	479401	40040.93	-3.95
Index Options	91487930	7718427.11	4.88
Stock Futures	911688	57695.65	-0.88
Stock Options	2790072	192053.38	-6.36
Total	27,90,072	192053.38	4.48

Nifty Spot = 16,240.05

Bull-Call Spreads

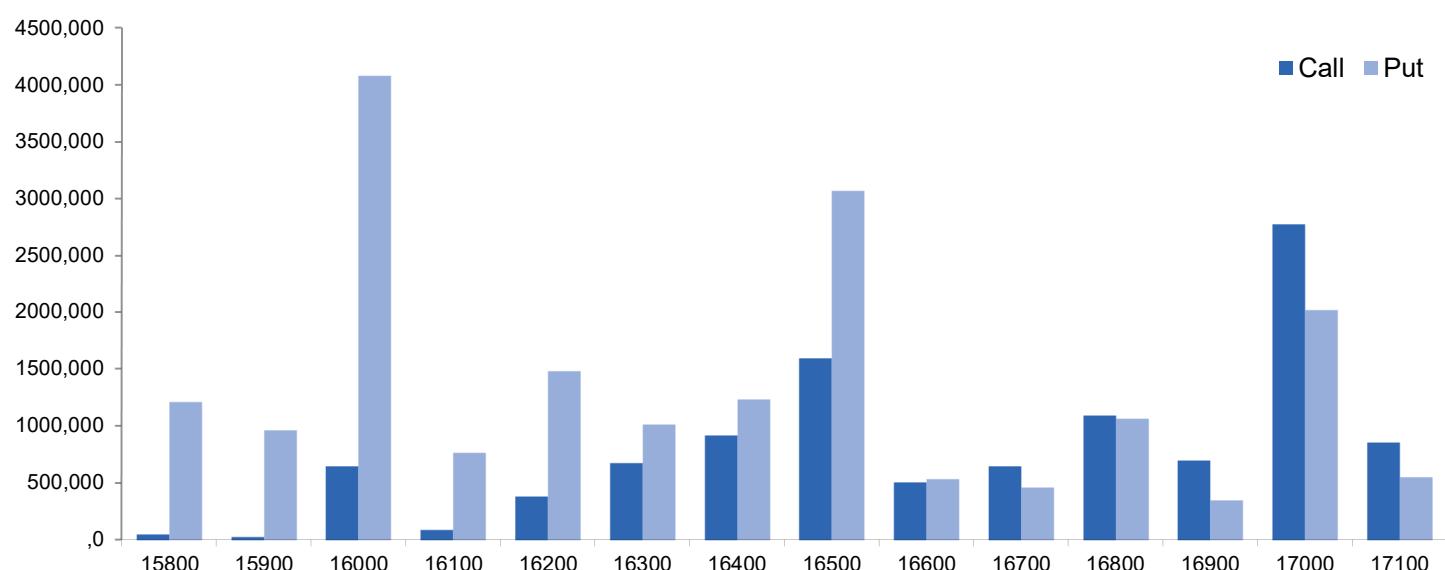
Action	Strike	Price	Risk	Reward	BEP
Buy	16400	324.95			
Sell	16500	269.50	55.45	44.55	16455.45
Buy	16400	324.95			
Sell	16600	223.95	101.00	99.00	16501.00
Buy	16500	269.50			
Sell	16600	223.95	45.55	54.45	16545.55

Bear-Put Spreads

Action	Strike	Price	Risk	Reward	BEP
Buy	16400	304.30			
Sell	16300	260.25	44.05	55.95	16355.95
Buy	16400	304.30			
Sell	16200	222.40	81.90	118.10	16318.10
Buy	16300	260.25			
Sell	16200	222.40	37.85	62.15	16262.15

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

Scrips	S2	S1	PIVOT	R1	R2
ADANIPORTS	740	755	779	794	818
APOLLOHOSP	3,590	3,638	3,710	3,759	3,831
ASIANPAINT	2,984	3,035	3,087	3,138	3,190
AXISBANK	649	654	663	669	678
BAJAJ-AUTO	3,487	3,540	3,593	3,647	3,700
BAJFINANCE	5,767	5,848	5,981	6,061	6,194
BAJAJFINSV	13,307	13,468	13,724	13,886	14,141
BPCL	348	351	354	357	361
BHARTIARTL	701	710	719	729	738
BRITANNIA	3,182	3,214	3,267	3,300	3,353
CIPLA	907	917	928	938	949
COALINDIA	159	165	174	180	189
DIVISLAB	4,170	4,233	4,273	4,336	4,376
DRREDDY	3,869	3,891	3,913	3,935	3,957
EICHERMOT	2,291	2,353	2,397	2,460	2,504
GRASIM	1,509	1,526	1,551	1,567	1,592
HCLTECH	1,056	1,064	1,075	1,083	1,093
HDFCBANK	1,298	1,320	1,336	1,358	1,374
HDFCLIFE	548	554	563	569	578
HDFC	2,133	2,167	2,194	2,229	2,256
HEROMOTOCO	2,422	2,446	2,483	2,507	2,543
HINDALCO	407	415	429	437	451
HINDUNILVR	2,087	2,134	2,166	2,213	2,245
ICICIBANK	697	704	712	719	727
INDUSINDBK	874	893	906	925	938
INFY	1,533	1,543	1,556	1,566	1,579
ITC	254	257	262	265	270
JSW STEEL	621	633	655	667	689
KOTAKBANK	1,750	1,774	1,791	1,815	1,832
LT	1,584	1,596	1,613	1,625	1,641
M&M	868	878	894	905	921
MARUTI	7,256	7,386	7,480	7,611	7,705
NESTLEIND	16,255	16,388	16,534	16,667	16,813
NTPC	150	153	157	160	164
ONGC	148	151	156	160	165
POWERGRID	239	241	245	247	251
RELIANCE	2,418	2,446	2,486	2,515	2,555
SBILIFE	1,045	1,063	1,080	1,098	1,115
SHREECEM	23,621	23,961	24,239	24,579	24,857
SBIN	468	472	477	481	486
SUNPHARMA	822	842	866	886	911
TCS	3,399	3,419	3,442	3,462	3,485
TATACONSUM	724	735	754	764	783
TATAMOTORS	378	385	397	404	416
TATASTEEL	1,097	1,131	1,193	1,227	1,289
TECHM	1,213	1,228	1,250	1,264	1,286
TITAN	2,088	2,113	2,149	2,174	2,210
ULTRACEMCO	6,107	6,237	6,330	6,460	6,553
UPL	768	779	790	801	812
WIPRO	472	475	479	482	487

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