

Sensex (61799) / Nifty (18415)

US markets wobbled a bit after the Fed policy on Wednesday. The kind of reaction we witnessed overnight, it appeared as if global markets have digested this development and no major damage was done. However, yesterday morning, markets across the globe started feeling some pressure, which augmented as the day progressed. Hence, the initial gradual decline in our bourses became the considerable correction at the close. Nifty shed more than 1.30% to close convincingly below the **18450** mark.

With yesterday's sharp decline, not only sentiments but recent chart structure has also been dented now. Since last few months, we did not have any discomfort in all in-between corrections; but the kind of price action we witnessed yesterday, does not augur well for the bulls. The coming session would be quite crucial for our market in order to maintain the recent optimism intact. We are not far away from the key swing low of **18350**. If we extend the correction and sustains below it, we may see at least 300 – 400 points in the following sessions. The next levels to watch out for would be **18230 – 18100** levels. Hopefully, this doesn't happen because it will apply immediate brakes on recent positive trend.

Nifty Bank Outlook (43498)

On the weekly expiry, Bank Nifty started on a weak note, and post a modest recovery in the first hour there was sustained selling pressure throughout the day. Bank Nifty eventually ended with a loss of 1.25% tad below **43500**.

Even though, the bank index was making fresh new highs; the momentum was missing for the last few days as we were witnessing small body candles indicating fatigue in the bulls' camp. Yesterday, eventually a price-wise correction was triggered that should be considered a breather for the bulls after the recent relentless run. Technically, if we see we are witnessing a small trend line breakdown on the daily chart and if the selling persists in the coming session, then we can expect this correction to get extended in the near term. The next key support in such a scenario would be the 20ema placed around the **43100** levels. On the flip side, **44000 - 44200** may act as sturdy resistance in case of an immediate bounce back. Traders should understand that the undertone remains bullish and in case of any price-wise correction it should be considered as a buying opportunity to buy quality propositions in a staggered manner.

Exhibit 1: Nifty Daily Chart



On the flipside, it would be crucial to reclaim **18500 – 18600** in coming couple of sessions. Once we surpass this crucial zone, yesterday's down move then can be construed as a running correction and market then resumes its upwards trajectory. Let's see how things pan out. It would also be important to keep a close eye on global developments, which are likely to dictate the near term direction.

Key Levels

Support 1 – 18350

Resistance 1 – 18500

Support 2 – 18230

Resistance 2 – 18600

Exhibit 2: Nifty Bank Daily Chart



Key Levels

Support 1 – 43100

Resistance 1 – 44000

Support 2 – 43000

Resistance 2 – 44200

Comments

- The Nifty futures open interest has increased by 4.20% and Bank Nifty futures open interest has decreased by 6.64% as the market closed at 18414.90.
- The Nifty December future closed with a premium of 52.10 point against a premium of 88.60 point in the last trading session. The January series closed at a premium of 167 point.
- The INDIA VIX increased from 12.88 to 13.73. At the same time, the PCR-OI of Nifty has decreased from 1.02 to 0.76.
- Few of the liquid counters where we have seen high cost of carry are IRCTC, TECHM, AMBUJACEM, PAGEIND and BATAINDIA.

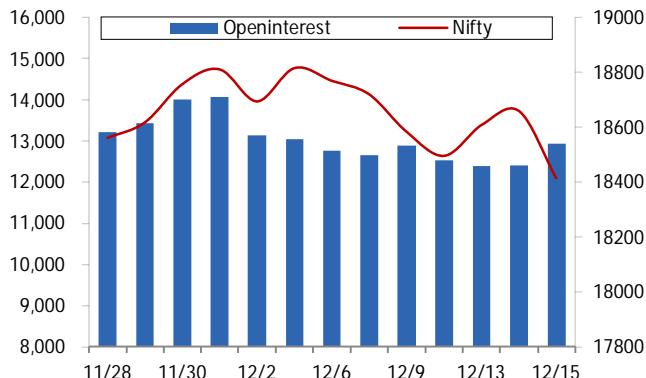
View

- Our market tumbled over the weak global cues, wherein the benchmark index Nifty50 witnessed a one-sided sell-off and shed over 1.30 percent on the weekly expiry session, settling a tad above 18400 level.
- FIIs were net sellers in the cash market segment to the tune of Rs. 711 crores. Simultaneously, in Index futures, they sold worth Rs. 1935 crores with a minor rise in open interest, indicating a short buildup.
- Looking at the F&O data, we witnessed short addition in Nifty and long unwinding in Bank Nifty. On the options front, the piling up of OI is seen at 18400 put strike, followed by 18200 PE. On the flip side, the maximum OI concentration is seen at the 18600-call strike, signifying a stiff resistance for the Nifty. Meanwhile, the stronger hands have covered their longs and added a few in the short side, contracting the 'Long Short Ratio' to 54% from 59%. Considering the recent price action, we would advocate to avoid undue risk and also to stay abreast with global developments in the near period.

Historical Volatility

SCRIP	HV
IDEA	72.97
IBULHSGFIN	69.25
RBLBANK	67.73
GNFC	58.45
HINDCOPPER	58.18

Nifty Vs OI



OI Gainers

SCRIP	OI	OI CHG. (%)	PRICE	PRICE CHG. (%)
IRCTC	21677250	25.09	689.05	-6.25
METROPOLIS	1723200	24.40	1322.05	-3.78
SRF	4648125	13.75	2400.65	-0.17
TECHM	13842000	13.48	1022.75	-3.88
AARTIIND	3806300	10.24	640.00	-3.23
INDIAMART	310350	8.38	4351.25	-1.79
CANBK	47744100	8.36	320.50	-2.46
TITAN	6816750	6.13	2522.70	-2.81

OI Losers

SCRIP	OI	OI CHG. (%)	PRICE	PRICE CHG. (%)
CHAMBLFERT	8997000	-7.71	314.05	0.08
POLYCARB	1034700	-7.04	2981.45	-0.67
IBULHSGFIN	49204000	-6.71	149.80	2.88
ONGC	33895400	-6.69	147.45	-0.27
BHARATFORG	6388000	-6.49	899.25	-1.34
RAMCOCEM	3536850	-6.39	721.75	-0.65
VOLTAS	6234500	-5.71	850.40	-0.43
ABBOTINDIA	44160	-5.64	20571.60	-0.10

Put-Call Ratio

SCRIP	PCR (OI)	PCR (VOL)
NIFTY	0.76	0.99
BANKNIFTY	0.75	1.01
RELIANCE	0.42	0.43
ICICIBANK	0.46	0.67
INFY	0.40	0.52

FII Statistics for December 15, 2022

Detail	Buy	Sell	Net	Contracts	Open Interest Value (in Cr.)	CHANGE
INDEX FUTURES	2644.80	4579.43	(1934.63)	174403	17017.51	0.27
INDEX OPTIONS	2242286.89	2235169.17	7117.72	1431237	137386.17	(32.28)
STOCK FUTURES	8165.27	10135.53	(1970.26)	1960584	135526.04	0.28
STOCK OPTIONS	10336.19	10355.78	(19.59)	166286	11769.97	5.24
Total	2263433.15	2260239.91	3193.24	3732510	301699.69	(15.18)

Turnover on December 15, 2022

Instrument	No. of Contracts	Turnover (in Cr.)	Change (%)
Index Futures	308677	3085072.74	37.29
Index Options	314059646	4531168.56	49.64
Stock Futures	677913	4886740.24	-0.80
Stock Options	3102676	316664.93	-12.65
Total	31,02,676	316664.93	21.35

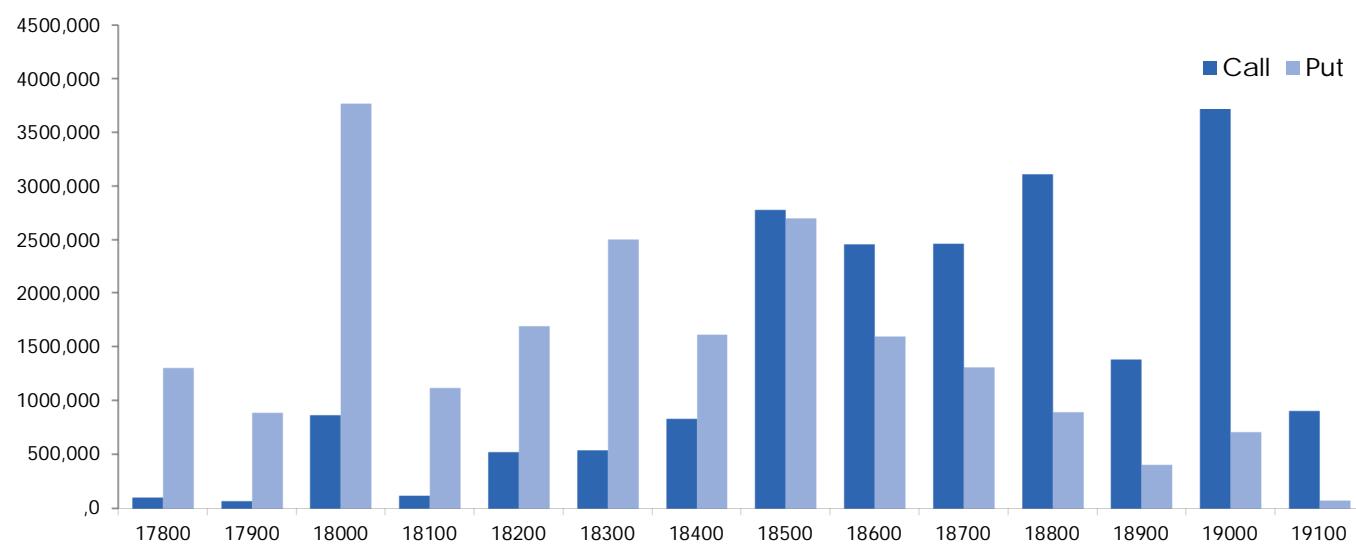
Nifty Spot = 18414.90
Bull-Call Spreads

Action	Strike	Price	Risk	Reward	BEP
Buy	18400	209.25	55.70	44.30	18455.70
Sell	18500	153.55			
Buy	18400	209.25	103.25	96.75	18503.25
Sell	18600	106.00			
Buy	18500	153.55	47.55	52.45	18547.55
Sell	18600	106.00			

Bear-Put Spreads

Action	Strike	Price	Risk	Reward	BEP
Buy	18400	142.55	35.25	64.75	18364.75
Sell	18300	107.30			
Buy	18400	142.55	60.30	139.70	18339.70
Sell	18200	82.25			
Buy	18300	107.30	25.05	74.95	18274.95
Sell	18200	82.25			

Note: Above mentioned Bullish or Bearish Spreads in Nifty (Dec 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
ADANIENT	3,999	4,021	4,047	4,070	4,095
ADANIPORTS	864	874	890	900	917
APOLLOHOSP	4,593	4,618	4,652	4,677	4,711
ASIANPAINT	3,092	3,111	3,136	3,156	3,181
AXISBANK	926	932	939	945	951
BAJAJ-AUTO	3,582	3,601	3,628	3,647	3,674
BAJFINANCE	6,538	6,582	6,648	6,692	6,758
BAJAJFINSV	1,581	1,593	1,612	1,624	1,644
BPCL	343	346	349	352	354
BHARTIARTL	821	823	827	830	834
BRITANNIA	4,381	4,423	4,454	4,496	4,527
CIPLA	1,088	1,095	1,106	1,113	1,125
COALINDIA	225	226	230	231	234
DIVISLAB	3,314	3,340	3,377	3,402	3,439
DRREDDY	4,419	4,444	4,486	4,511	4,552
EICHERMOT	3,242	3,273	3,327	3,358	3,413
GRASIM	1,749	1,768	1,797	1,815	1,844
HCLTECH	1,029	1,036	1,044	1,050	1,058
HDFCBANK	1,600	1,616	1,643	1,658	1,685
HDFCLIFE	570	575	581	586	592
HDFC	2,625	2,649	2,691	2,714	2,756
HEROMOTOCO	2,714	2,742	2,763	2,792	2,812
HINDALCO	452	456	464	468	475
HINDUNILVR	2,630	2,647	2,665	2,682	2,700
ICICIBANK	896	903	911	917	926
INDUSINDBK	1,211	1,225	1,249	1,264	1,288
INFY	1,514	1,527	1,549	1,562	1,583
ITC	333	336	341	344	349
JSW STEEL	727	735	749	757	771
KOTAKBANK	1,840	1,851	1,867	1,878	1,894
LT	2,151	2,164	2,187	2,200	2,222
M&M	1,276	1,281	1,287	1,293	1,299
MARUTI	8,512	8,548	8,611	8,647	8,710
NESTLEIND	19,325	19,532	19,841	20,047	20,356
NTPC	170	171	173	174	175
ONGC	145	146	148	149	150
POWERGRID	213	215	218	219	222
RELIANCE	2,544	2,561	2,588	2,605	2,632
SBILIFE	1,253	1,263	1,279	1,289	1,305
SBIN	605	610	620	626	635
SUNPHARMA	994	998	1,002	1,007	1,011
TCS	3,257	3,281	3,323	3,347	3,389
TATACONSUM	794	799	807	813	821
TATAMOTORS	411	414	418	421	426
TATASTEEL	109	110	112	113	114
TECHM	995	1,009	1,034	1,048	1,074
TITAN	2,468	2,495	2,542	2,569	2,616
ULTRACEMCO	7,010	7,062	7,140	7,192	7,269
UPL	752	761	775	784	798
WIPRO	391	393	396	399	402

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