

Sensex (58841) / Nifty (17531)

Friday's session turned out to be a nightmare as after a gap down opening, we witnessed a sustained selling throughout the session to conclude the week with 1.70% cut, marginally above **17500**.

Generally, we say 'All's well that ends well' but this time it's the exact opposite. We had a perfect start of the week, but the end was certainly not everyone would have wished for. The broader structure remains bullish but with Nifty closing convincingly below **17600** has dented the intermediate structure for sure. Pricewise, it resembles a 'Head and Shoulder' pattern on daily time frame chart, which does not augur well for the bulls. If this pattern proves its significance, we may see further correction towards **17200 – 17000** in this week. But as of now, we do not want to fall into this camp. We would rather reassess the situation in the first half of this week. As far as support is concerned, **17400** we are seeing as a key support. The moment we see Nifty sliding below it, we may see correction getting extended in the market. On the flipside, if Nifty has to find its mojo back, it needs to go beyond Friday's high of **17820** on a closing basis. So meanwhile, any minor bounce back towards **17650 – 17750** should ideally be used to exit longs.

Exhibit 1: Nifty Daily Chart



After Friday's close, we would like to adopt a wait and watch approach and let's see how global market perform from hereon. Traders are advised not to get intimidated by Friday's correction, rather keep a close tab on above mentioned scenarios. Also, one should avoid trading aggressively till the time market stabilizes from this turbulence. Sectorally, the recent leader, BANKNIFTY is placed at an interesting juncture. Hopefully, it manages to lift the overall sentiments in this week.

Key Levels

Support 1 – 17400

Resistance 1 – 17650

Support 2 – 17200

Resistance 2 – 17750

Nifty Bank Outlook (40777)

The banking space has witnessed an action-packed move during the last week, wherein the spectacular start of the week pared down in the last two trading sessions. However, on the weekly basis, the Bank Nifty index managed to continue its positive stature and even outperformed the benchmark index. The index concluded the week with a gain of 0.89 percent and settled at **40777** levels.

On the technical aspect, though, the banking index has maintained its uptrend for the fourth consecutive week, with last two days' of a profit booking, the weekly chart now depicts a 'Shooting Star' Japanese candlestick pattern. Since it has formed exactly at record highs, it would be unfair to overlook it. At this juncture, we are hoping for this pattern to not get activated, so that we can certainly be spared from the real repercussions of it. As far as levels are concerned, **40200 – 40000** are to be considered as key levels. A weekly close below this would certainly damage the recent bullish structure. On the flip side, until we witness a decisive breach above the **41800** zone, a range-bound move could be seen in the comparable period.

Exhibit 2: Nifty Bank Weekly Chart



Key Levels

Support 1 – 40200

Resistance 1 – 41000

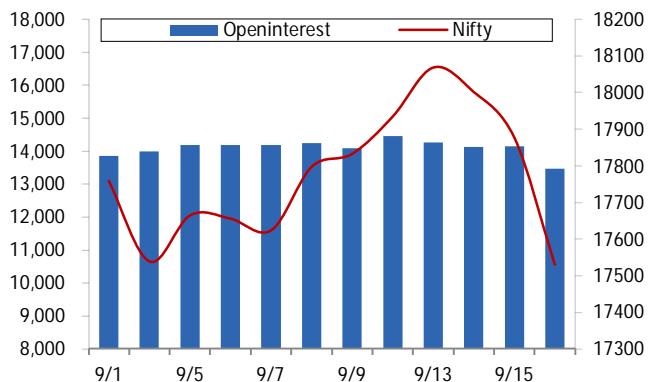
Support 2 – 40000

Resistance 2 – 41800

Comments

- The Nifty futures open interest has decreased by 4.74%. and Bank Nifty futures open interest has decreased by 8.21% as the market closed at 17530.85.
- The Nifty Sep future closed with a premium of 35.30 point against a premium of 14.40 point in the last trading session. The Oct series closed at a premium of 92.45 point.
- The INDIA VIX increased from 18.39 to 19.82. At the same time, the PCR-OI of Nifty has decreased from 0.95 to 0.76.
- Few of the liquid counters where we have seen high cost of carry are MRF, COLPAL, BALKRISIND, AMARAJABAT and TATACONSUM.

Nifty Vs OI



View

- The Indian equity market has seen a roller coaster week, wherein the pleasant start pared down in the latter half. Eventually, the selloff aggravated in the last trading session, and the benchmark index slipped into red to settle near the 17500 zone.
- FII's were net sellers in the cash market segment to the tune of Rs. 3260 crores. Simultaneously, in Index futures, they bought worth Rs. 837 crores with a mere increase in open interest, indicating long formation.
- There have been mixed positions in the F&O space throughout the week, as we witnessed strong long formation followed by unwinding by the weekend. On the options front, piling up of positions is visible in the 17500-17400 put strikes, indicating nearby support formation, while any further breach could disrupt the sentiments. While on the higher end, 17800 call strike have seen piling up of positions, followed by maximum OI concentration at 18000 call strike. Meanwhile, the stronger hands expanded their 'Long Short Ratio', which surged to 28% from 22% WoW. Considering the recent price action, it is advisable to keep a close tab on the mentioned levels and stay abreast with global developments.

Historical Volatility

SCRIP	HV
IDEA	81.66
RBLBANK	72.83
IBULHSGFIN	73.12
ZEEL	64.13
HINDCOPPER	62.91

OI Gainers

SCRIP	OI	OI CHG. (%)	PRICE	PRICE CHG. (%)
INDIACEM	19676500	30.51	266.10	-1.43
DELTACORP	19814500	12.51	225.55	1.82
MUTHOOTFIN	6947250	9.27	1033.40	-3.01
ULTRACEMCO	2384500	7.79	6481.40	-4.61
CHOLAFIN	7428750	6.70	768.60	-3.07
HONAUT	14865	5.99	40415.80	-3.51
GODREJCP	6031000	5.18	890.15	-4.00
IOC	108020250	4.96	69.95	-2.44

OI Losers

SCRIP	OI	OI CHG. (%)	PRICE	PRICE CHG. (%)
VEDL	29990950	-16.15	290.75	-7.51
ACC	4706000	-10.97	2611.60	-4.91
COROMANDEL	1397900	-9.68	1013.75	-1.54
ONGC	47231800	-8.36	131.25	-1.09
EICHERMOT	3414250	-7.27	3549.05	-1.78
POWERGRID	42446700	-7.10	235.65	-0.76
NTPC	74898000	-6.83	172.80	-1.34
IBULHSGFIN	39440000	-6.69	127.25	-7.12

Put-Call Ratio

SCRIP	PCR (OI)	PCR (VOL)
NIFTY	0.76	0.83
BANKNIFTY	0.79	1.07
RELIANCE	0.46	0.41
ICICIBANK	0.68	0.85
INFY	0.34	0.47

FII Statistics for September 16, 2022
Turnover on September 16, 2022

Detail	Buy	Sell	Net	Contracts	Open Interest Value (in Cr.)	CHANGE	Instrument	No. of Contracts	Turnover (in Cr.)	Change (%)
INDEX FUTURES	6199.45	5361.80	837.65	133422	12308.49	4.09	Index Futures	524718	49303.69	10.71
INDEX OPTIONS	739031.71	732168.28	6863.43	1487004	135083.93	44.62	Index Options	92541081	8884099.42	-73.70
STOCK FUTURES	16933.64	20400.43	(3466.79)	2183607	152289.28	1.05	Stock Futures	1320798	96451.16	31.18
STOCK OPTIONS	13769.97	13659.03	110.94	206977	14823.60	3.06	Stock Options	4816673	374350.14	17.81
Total	775934.77	771589.54	4345.23	4011010	314505.30	14.01	Total	48,16,673	374350.14	-72.52

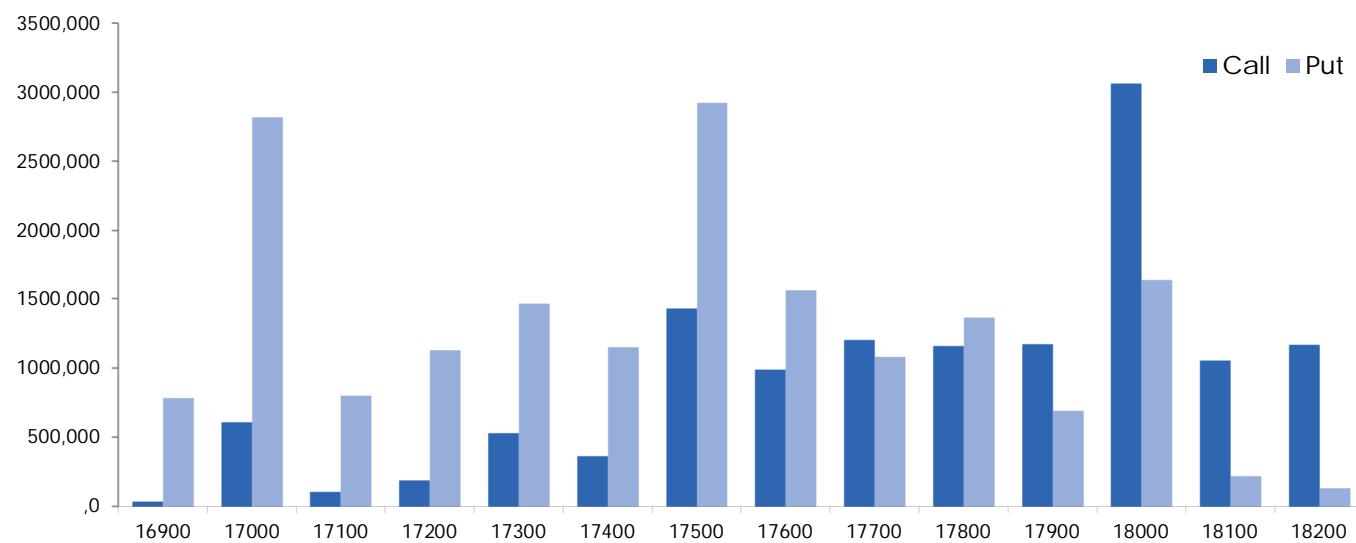
Nifty Spot = 17,530.85
Bull-Call Spreads

Action	Strike	Price	Risk	Reward	BEP
Buy	17500	293.70	51.35	48.65	17551.35
Sell	17600	242.35			
Buy	17500	293.70	98.90	101.10	17598.90
Sell	17700	194.80			
Buy	17600	242.35	47.55	52.45	17647.55
Sell	17700	194.80			

Bear-Put Spreads

Action	Strike	Price	Risk	Reward	BEP
Buy	17500	229.00	41.90	58.10	17458.10
Sell	17400	187.10			
Buy	17500	229.00	75.60	124.40	17424.40
Sell	17300	153.40			
Buy	17400	187.10	33.70	66.30	17366.30
Sell	17300	153.40			

Note: Above mentioned Bullish or Bearish Spreads in Nifty (Sep 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	897	917	947	968	997
APOLLOHOSP	4,194	4,237	4,300	4,343	4,406
ASIANPAINT	3,240	3,281	3,351	3,392	3,461
AXISBANK	770	779	786	796	803
BAJAJ-AUTO	3,598	3,644	3,722	3,768	3,846
BAJFINANCE	7,030	7,152	7,316	7,438	7,602
BAJAJFINSV	1,671	1,703	1,744	1,776	1,818
BPCL	313	317	324	329	336
BHARTIARTL	770	775	781	786	793
BRITANNIA	3,547	3,593	3,667	3,714	3,788
CIPLA	1,020	1,032	1,046	1,058	1,072
COALINDIA	227	229	232	234	236
DIVISLAB	3,525	3,549	3,585	3,609	3,644
DRREDDY	3,984	4,030	4,108	4,155	4,232
EICHERMOT	3,463	3,506	3,573	3,616	3,683
GRASIM	1,679	1,712	1,759	1,792	1,839
HCLTECH	878	888	903	912	927
HDFCBANK	1,465	1,479	1,497	1,511	1,529
HDFCLIFE	530	538	554	562	577
HDFC	2,363	2,383	2,414	2,435	2,465
HEROMOTOCO	2,586	2,635	2,720	2,770	2,854
HINDALCO	396	404	414	423	433
HINDUNILVR	2,492	2,510	2,537	2,555	2,582
ICICIBANK	898	904	911	916	923
INDUSINDBK	1,155	1,191	1,221	1,257	1,287
INFY	1,333	1,355	1,390	1,412	1,447
ITC	327	329	332	334	337
JSW STEEL	671	678	686	694	702
KOTAKBANK	1,870	1,900	1,940	1,970	2,010
LT	1,889	1,904	1,931	1,946	1,973
M&M	1,198	1,224	1,261	1,287	1,323
MARUTI	8,879	9,035	9,175	9,330	9,471
NESTLEIND	17,916	18,160	18,585	18,829	19,253
NTPC	170	171	173	175	176
ONGC	129	130	131	132	133
POWERGRID	231	233	236	238	241
RELIANCE	2,452	2,476	2,514	2,538	2,576
SBILIFE	1,243	1,258	1,280	1,295	1,317
SHREECEM	22,676	22,997	23,532	23,853	24,388
SBIN	552	557	565	570	579
SUNPHARMA	850	859	875	884	899
TCS	2,940	2,974	3,034	3,069	3,129
TATACONSUM	760	778	809	826	857
TATAMOTORS	419	426	436	443	453
TATASTEEL	104	105	106	107	109
TECHM	999	1,016	1,045	1,062	1,091
TITAN	2,558	2,585	2,631	2,658	2,705
ULTRACEMCO	6,216	6,349	6,584	6,716	6,951
UPL	664	684	719	738	773
WIPRO	392	397	405	410	417

Technical and Derivatives Team:

Sameet Chavan	Chief Analyst – Technical & Derivatives	sameet.chavan@angelone.in
Sneha Seth	Senior Analyst – Technical & Derivatives	sneha.seth@angelone.in
Rajesh Bhosale	Technical Analyst	rajesh.bhosle@angelone.in
Osho Krishan	Senior Analyst – Technical & Derivatives	osho.krishan@angelone.in

Research Team Tel: 022 – 39357600

Website: www.angelone.inFor Technical Queries E-mail: technicalresearch-cso@angelone.inFor Derivatives Queries E-mail: derivatives.desk@angelone.in**DISCLAIMER**

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