

Sensex (52792) / Nifty (15809)

Yesterday's opening was painful as Nifty opened lower with nearly 300 points due to massive overnight sell off in US bourses. This has certainly caught lot of momentum traders on the wrong foot who had carried over their longs after Tuesday's sharp rebound. Barring negligible bounce in the initial trades, the index kept decelerating downwards to test the **15800** mark. But fortunately, there was no major damage seen during the day as compared to the global screen. Eventually, the tragic weekly expiry day ended with over two and half a percent cut to the previous close.

Honestly speaking, yesterday's gap down opening was completely out of syllabus thing for most of the market participants, including us. In fact, all the pre-market strategies went for a toss as Nifty opened convincingly below the strong psychological support of **16000**. Now we are once again very much closer to the crucial support zone of **15740 – 15650**. Whether we are going to break this and fall below it or not, the time will tell and importantly, it depends on how things pan out globally over the next couple of sessions. Similar to last Friday, we are still hopeful on holding on to this support. But if this has to happen, we need to have some solid trigger on the global front, which will help our market defend this zone.

Nifty Bank Outlook - (33316)

Bank Nifty as well started with a massive gap down opening and with no significant intraday bounce continued to creep lower throughout the session to eventually end with a loss of around 2.50% at **33316**.

Looking at the decent bounce of the initial part of the week and placement of RSI smoothed on the daily chart we were of a view that the current bounce may extend in the near term however the mayhem seen across the global financial markets spilled water on this expectation. With yesterday's sell-off prices are back to key support levels around the **33000** levels and the oscillators are still in the oversold zone. It would be crucial to see how markets react around this make or break level; if they slip below it then further weakness can be seen towards the March swing low of **32000 – 32200** levels. On the flip side, it would be a daunting task for the bulls to reclaim yesterday's lost ground and the bearish gap zone between **33600 – 34200** is likely to act as resistance. Volatility is likely to remain high and traders are advised to avoid undue risk.

Exhibit 1: Nifty Daily Chart



At this juncture, it's better to take one step at a time. As far as levels are concerned, **16000 – 16100** once again becomes a sturdy wall and till the time, it does not get surpassed, we are likely to see selling pressure at higher levels.

Key Levels

Support 1 – 15740	Resistance 1 – 16000
Support 2 – 15650	Resistance 2 – 16100

Exhibit 2: Nifty Bank Daily Chart



Key Levels

Support 1 – 33000	Resistance 1 – 33600
Support 2 – 32200	Resistance 2 – 34000

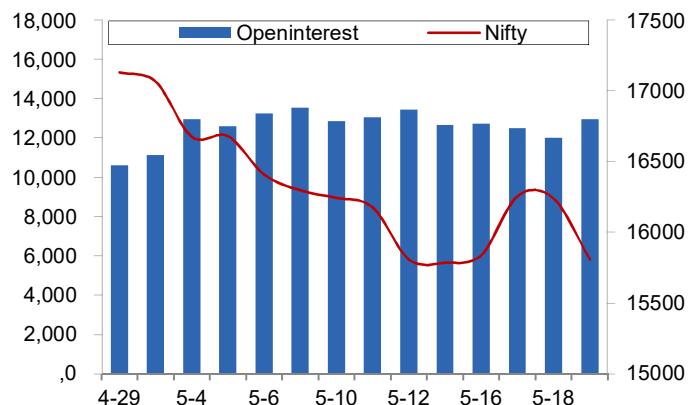
Comments

- The Nifty futures open interest has increased by 7.99% and BANK Nifty futures open interest has increased by 0.02% as the market closed at 15809.40.
- The Nifty May future closed with a discount of 39.95 point against a discount of 14.25 point in the last trading session. The June series closed at a discount of 32.55 point.
- The INDIA VIX increased from 22.29 to 24.55. At the same time, the PCR-OI of Nifty decreased from 0.87 to 0.71.
- Few of the liquid counters where we have seen high cost of carry are MANAPPURAM, TCS, LUPIN, WIPRO and HCLTECH.

View

- Our market plummeted, tracking the massive overnight sell-off in the US bourses. The benchmark index NIFTY shed over 2.65 percent on the expiry day to close a tad above the 15800 level.
- FII's were net sellers in the cash market segment to the tune of Rs. 4900 crores. Simultaneously, in Index futures, they sold worth Rs. 921 crores with an increase in open interest, indicating short formation.
- Looking at the F&O data, fresh shorts have been added to both indices. On the options front, the 15800 put strike has seen some addition in the OI, followed by the 15600-15500 PE, where significant OI concentration has piled up. On the contrary, a considerable OI concentration is built on the 16000-16100 call strikes, suggesting it to be the sturdy hurdle for Nifty. Considering the recent developments, some tentativeness could be sensed among market participants amid the uncertainties in the global market. Hence, traders are advised to keep a close tab on global developments and avoid any aggressive bets for the time being.

Nifty Vs OI



OI Gainers

SCRIP	OI	OI CHG. (%)	PRICE	PRICE CHG. (%)
ADANIPORTS	94705000	17.45	732.80	-3.49
CUB	12660200	11.60	124.90	0.16
ASTRAL	732600	9.99	1665.65	-4.97
HDFCAML	4926200	9.32	1706.75	-3.86
HINDPETRO	15930000	8.34	239.00	-1.82
BRITANNIA	1691800	7.39	3332.10	-1.95
JUBLFOOD	11907500	7.30	481.70	-1.75
TCS	12321900	7.22	3264.05	-5.56

OI Losers

SCRIP	OI	OI CHG. (%)	PRICE	PRICE CHG. (%)
ITC	107872000	-15.73	275.65	3.04
COROMANDEL	1508500	-8.05	908.60	-2.54
DELTACORP	17820400	-6.94	228.40	-0.11
PERSISTENT	434550	-6.06	3616.40	-6.44
BALRAMCHIN	7443200	-4.98	407.05	-5.02
INTELLECT	1179000	-4.50	625.80	-3.30
LICHSGFIN	23712000	-4.22	354.45	-1.21
DEEPAKNTR	1256250	-3.66	1981.85	-2.86

Historical Volatility

SCRIP	HV
IDEA	94.76
IBULHSGFIN	78.66
ZEEL	72.08
HINDCOPPER	67.81
RBLBANK	66.83

Put-Call Ratio

SCRIP	PCR (OI)	PCR (VOL)
NIFTY	0.71	0.87
BANKNIFTY	0.82	0.99
RELIANCE	0.30	0.52
ICICIBANK	0.47	0.75
INFY	0.37	0.65

FII Statistics for May 19, 2022

Detail	Buy	Sell	Net	Contracts	Open Interest Value (in Cr.)	CHANGE
INDEX FUTURES	4838.54	5759.31	(920.77)	183823	14723.13	11.05
INDEX OPTIONS	1056857.01	1039952.96	16904.05	1528187	121736.38	(21.31)
STOCK FUTURES	19544.89	19501.12	43.77	2417214	145668.64	3.37
STOCK OPTIONS	9274.52	9296.75	(22.23)	160967	10064.66	1.80
Total	1090514.96	1074510.14	16004.82	4290191	292192.81	(6.82)

Turnover on May 19, 2022

Instrument	No. of Contracts	Turnover (in Cr.)	Change (%)
Index Futures	485014	39173.37	1.65
Index Options	208656124	17132694.46	56.34
Stock Futures	1137875	69058.73	8.94
Stock Options	3745452	239986.56	-4.42
Total	37,45,452	239986.56	54.54

Nifty Spot = 15809.40

Bull-Call Spreads

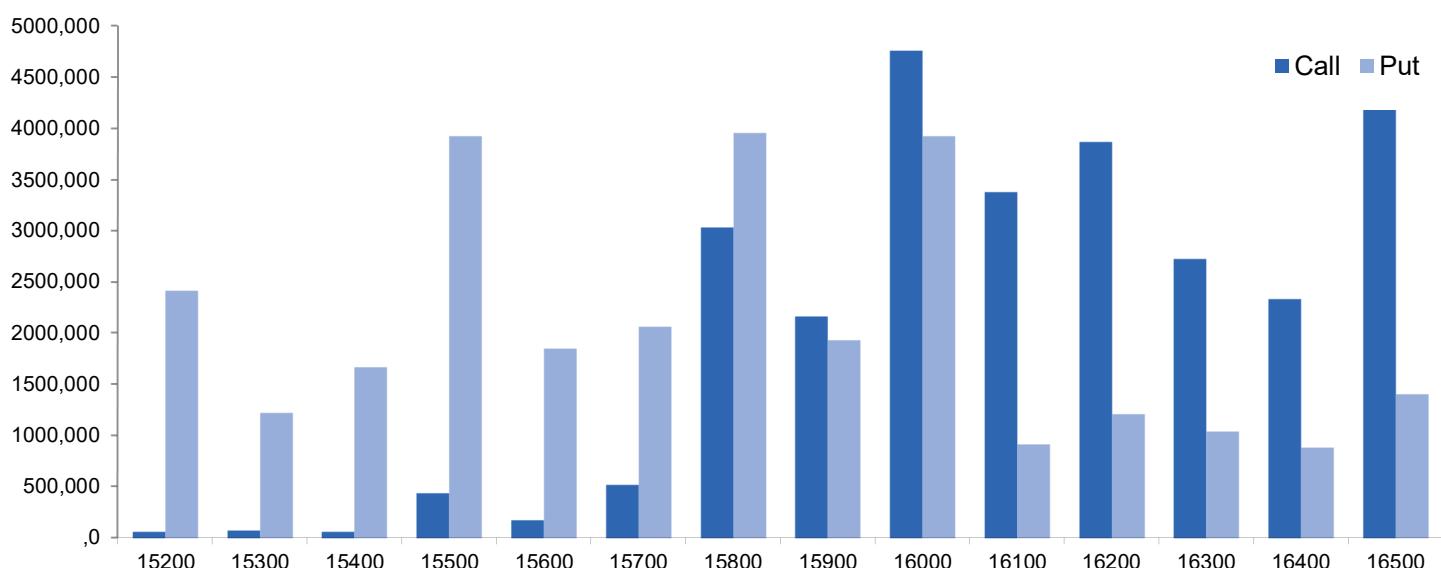
Action	Strike	Price	Risk	Reward	BEP
Buy	15800	192.00	48.25	51.75	15848.25
Sell	15900	143.75			
Buy	15800	192.00	88.30	111.70	15888.30
Sell	16000	103.70			
Buy	15900	143.75	40.05	59.95	15940.05
Sell	16000	103.70			

Bear-Put Spreads

Action	Strike	Price	Risk	Reward	BEP
Buy	15800	224.65	43.00	57.00	15757.00
Sell	15700	181.65			
Buy	15800	224.65	80.55	119.45	15719.45
Sell	15600	144.10			
Buy	15700	181.65	37.55	62.45	15662.45
Sell	15600	144.10			

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	719	726	737	743	754
APOLLOHOSP	3,545	3,588	3,653	3,697	3,761
ASIANPAINT	2,968	3,008	3,040	3,079	3,111
AXISBANK	633	642	650	658	666
BAJAJ-AUTO	3,621	3,660	3,719	3,758	3,817
BAJFINANCE	5,554	5,630	5,688	5,764	5,822
BAJAJFINSV	12,002	12,208	12,380	12,586	12,758
BPCL	321	324	327	330	333
BHARTIARTL	653	664	678	689	704
BRITANNIA	3,262	3,297	3,343	3,378	3,423
CIPLA	923	930	942	950	962
COALINDIA	179	180	182	183	185
DIVISLAB	4,095	4,147	4,242	4,294	4,389
DRREDDY	3,739	3,834	3,924	4,020	4,110
EICHERMOT	2,554	2,602	2,670	2,718	2,786
GRASIM	1,434	1,446	1,458	1,470	1,483
HCLTECH	970	990	1,024	1,044	1,078
HDFCBANK	1,269	1,278	1,287	1,296	1,305
HDFCLIFE	512	520	534	542	556
HDFC	2,103	2,120	2,139	2,156	2,176
HEROMOTOCO	2,473	2,494	2,522	2,543	2,570
HINDALCO	407	412	419	424	431
HINDUNILVR	2,226	2,245	2,265	2,284	2,303
ICICIBANK	678	684	692	697	705
INDUSINDBK	842	854	872	885	903
INFY	1,376	1,402	1,443	1,469	1,510
ITC	256	266	273	282	289
JSW STEEL	573	587	606	619	639
KOTAKBANK	1,747	1,765	1,796	1,814	1,845
LT	1,528	1,538	1,550	1,560	1,573
M&M	859	871	892	904	925
MARUTI	7,298	7,351	7,438	7,491	7,578
NESTLEIND	15,868	15,981	16,113	16,226	16,358
NTPC	145	146	147	149	150
ONGC	156	158	160	162	164
POWERGRID	219	223	227	231	235
RELIANCE	2,440	2,460	2,486	2,506	2,533
SBILIFE	1,032	1,044	1,059	1,071	1,086
SHREECEM	21,479	21,848	22,074	22,443	22,669
SBIN	442	445	447	450	453
SUNPHARMA	866	875	888	897	909
TCS	3,124	3,193	3,299	3,368	3,474
TATACONSUM	701	711	729	739	757
TATAMOTORS	390	394	401	405	411
TATASTEEL	1,091	1,107	1,131	1,146	1,170
TECHM	1,067	1,088	1,121	1,142	1,175
TITAN	2,007	2,059	2,108	2,160	2,209
ULTRACEMCO	5,973	6,023	6,100	6,149	6,226
UPL	798	806	811	819	824
WIPRO	435	443	458	467	482

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