

## Sensex (59307) / Nifty (17576)

Last week, our markets started on a sluggish note as global markets once again looked a bit tentative over the previous weekend. However, market participants at our end pounced on to this opportunity as we witnessed a V-shaped recovery to reclaim the **17300** mark. Adding to this, the sentiments on global front improved drastically as the week progressed which provided the much-needed impetus for our domestic markets. As a result, we kept marching higher in latter half to eventually conclude the pre-Diwali week convincingly above **17500** by adding over a couple of percent gains to the bulls' kitty.

Most of our recent hope or anticipation has turned into a reality and in the process, rock solid support zone around **17000 – 16800** has certainly proved its significance. The bulls were determined to defend this last week and with slight improvement in global peers, fueled the rally in our market to regain some strength. From a technical standpoint, Nifty is now placed in a safer territory and from hereon, the immediate support is visible in the vicinity of **17400 – 17350**. Since the undertone is strongly bullish, one should continue with an optimistic bias and should continue using intermediate declines to add bullish bets. On the higher side, Nifty has reached to our immediate targets of **17500 – 17600**; but now, we can safely extend these projections towards **17800** and even retesting of **18000** cannot be ruled out. For this to happen, we do not require flamboyant moves from global bourses, rather their stability is the need of the hour and hence, no negative news would be considered as good news only.

## Nifty Bank Outlook (40784)

The banking space has seen strong traction throughout the week, especially on Friday; courtesy to gigantic leap in Axis bank post its stellar quarterly numbers. In this course of action, BANKNIFTY has outperformed the benchmark index and procured 3.76 percent of gains on a weekly basis. The weekly closure above **40600** construes a positive development ahead of the truncated Diwali week.

On the technical aspect, the index is firmly placed above all the major exponential moving averages on the daily chart, signifying inherent bullishness. Also, on the weekly time frame, the index has closed at the highest level ever, adding to a buoyant sentiment. As far as levels are concerned, **40000 – 39800** is expected to act as the sacrosanct support zone for the index. On the flip side, the index is all set to re-claim the lifetime high zone in the comparable period. We remain to have a sanguine view in the banking space, where any dip towards the mentioned support could be utilized to add long bets.

### Key Levels

Support 1 – 40600	Resistance 1 – 41500
Support 2 – 40350	Resistance 2 – 41670

## Exhibit 1: Nifty Daily Chart



Sectorally, the banking outshined by a fair margin last week, especially on Friday after the stellar Quarterly numbers from private banking giant, Axis Bank. This heavyweight space is likely to be the major charioteer and once other heavyweight too starts chipping in, markets are good to go towards the **18000** mark. As far as the broader market is concerned, it remained quite last week; but if we see global uncertainty completely disappearing, the midcaps will have a strong comeback soon.

### Key Levels

Support 1 – 17540	Resistance 1 – 17810
Support 2 – 17500	Resistance 2 – 17880

## Exhibit 2: Nifty Bank Daily Chart



## Comments

- The Nifty futures open interest has increased by 1.52%. and Bank Nifty futures open interest has increased by 5.75% as the market closed at 17576.30.
- The Nifty October future closed with a discount of 11.85 point against a discount of 23.25 point in the last trading session. The November series closed at a premium of 17.50 point.
- The INDIA VIX increased from 17.23 to 17.42. At the same time, the PCR-OI of Nifty has decreased from 1.22 to 1.03.
- Few of the liquid counters where we have seen high cost of carry are IDEA, BALRAMCHIN, ASTRAL, BPCL and MFSL.

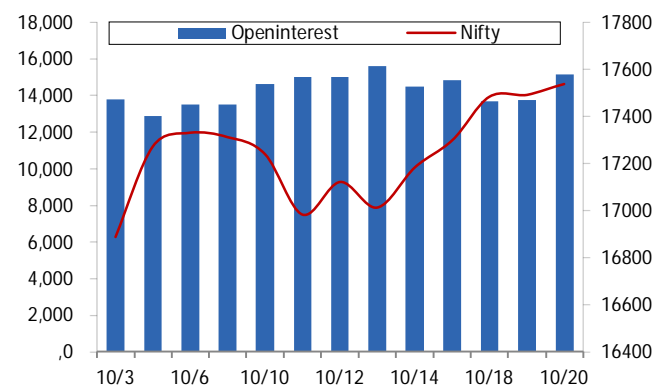
## View

- Finally, after last three weeks we managed to breach the resistance zone around 17500 on the closing basis. We had a sluggish start for the week, but strong buying emerged on Monday to almost recoup all the losses seen on last Friday. Next day, we had a bumped up start and we managed to reclaim 17500 and this was followed by rough move towards 17650.
- FIIs were net buyers in the cash market segment to the tune of Rs. 439 crores. Simultaneously, in Index futures, they bought worth Rs. 494 crores with a rise in open interest; indicating formation of long positions on Friday's session.
- In F&O space, fresh long formations are seen in Nifty and Bank Nifty. Post some selling in initial three days, stronger hands turned net buyers in the cash segment. In the Index futures, they added bullish bets in index as well as stock futures segment. Hence the FIIs 'Long Short Ratio' has improved from 23% to 30%. We observed fresh writing in 17500 and 17600 put strikes. On the other side, 17600-18200 call options added huge positions which could be on short side. At current juncture, 17300-17400 is a strong demand zone for the benchmark index and until we manage to sustain above same the biasness remains positive.

## Historical Volatility

SCRIP	HV
AXISBANK	40.17
LAURUSLABS	44.41
BERGEPAIN	32.56
MPHASIS	43.54
HAVELLS	37.02

## Nifty Vs OI



## OI Gainers

SCRIP	OI	OI CHG. (%)	PRICE	PRICE CHG. (%)
BERGEPAIN	9005700	22.41	585.35	-5.34
AXISBANK	59740800	16.77	900.40	8.25
LAURUSLABS	7235100	16.68	486.30	-7.15
BAJFINANCE	5434500	13.48	7192.70	-3.22
METROPOLIS	732900	11.55	1588.75	2.08
SRTRANSFIN	4600800	11.00	1197.70	-2.10
SBICARD	5846400	10.18	865.45	-2.45
MFSL	2763150	9.87	698.50	-1.87

## OI Losers

SCRIP	OI	OI CHG. (%)	PRICE	PRICE CHG. (%)
GUJGASLTD	6141250	-25.95	501.80	3.99
NMDC	40431150	-20.92	130.35	-1.54
COFORGE	851700	-20.84	3862.15	2.68
HDFCAMC	2064000	-15.82	2069.55	2.12
LALPATHLAB	1100250	-13.87	2561.90	2.81
POLYCAB	975900	-13.39	2698.10	1.83
CROMPTON	5619000	-13.39	373.55	-2.16
ICICIPRULI	7428000	-12.00	510.00	-1.80

## Put-Call Ratio

SCRIP	PCR (OI)	PCR (VOL)
NIFTY	1.03	0.95
BANKNIFTY	1.15	0.86
RELIANCE	0.52	0.47
ICICIBANK	0.52	0.29
INFY	0.49	0.42

## FII Statistics for October 21, 2022

Detail	Buy	Sell	Net	Contracts	Open Interest Value (in Cr.)	CHANGE
INDEX FUTURES	6928.58	6434.82	493.76	196110	17962.83	9.14
INDEX OPTIONS	712737.93	702844.66	9893.27	1865339	169867.75	31.59
STOCK FUTURES	60316.62	59798.19	518.43	2183291	150484.95	0.58
STOCK OPTIONS	16728.03	16444.79	283.24	166332	12294.16	3.19
Total	796711.16	785522.46	11188.70	4411072	350609.69	12.27

## Turnover on October 21, 2022

Instrument	No. of Contracts	Turnover (in Cr.)	Change (%)
Index Futures	473238	44840.91	17.29
Index Options	91686896	42497.38	-15.89
Stock Futures	2362396	169777.90	36.46
Stock Options	4691086	3999.76	37.45
Total	4,691,086	3999.76	20.84

\*Report as per Friday 21<sup>st</sup> October closing

**Nifty Spot = 17576.30**

### Bull-Call Spreads

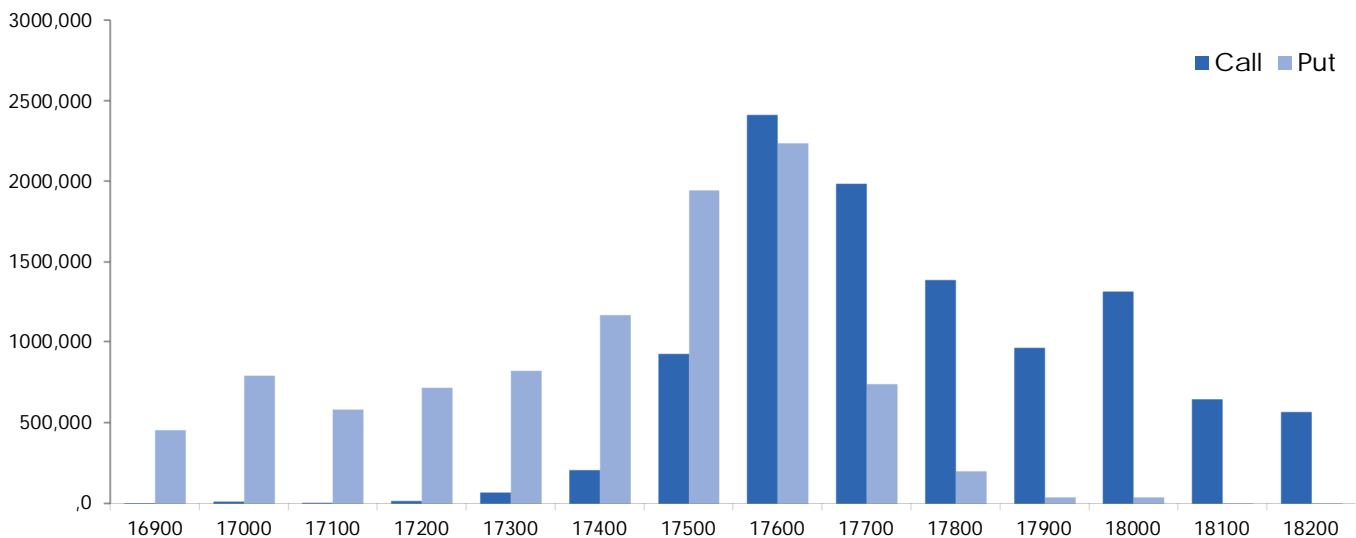
Action	Strike	Price	Risk	Reward	BEP
Buy	17700	52.15	25.75	74.25	17725.75
Sell	17800	26.40			
Buy	17700	52.15	40.00	160.00	17740.00
Sell	17900	12.15			
Buy	17800	26.40	14.25	85.75	17814.25
Sell	17900	12.15			

### Bear-Put Spreads

Action	Strike	Price	Risk	Reward	BEP
Buy	17700	188.25	58.50	41.50	17641.50
Sell	17600	129.75			
Buy	17700	188.25	102.15	97.85	17597.85
Sell	17500	86.10			
Buy	17600	129.75	43.65	56.35	17556.35
Sell	17500	86.10			

Note: Above mentioned Bullish or Bearish Spreads in Nifty (Oct 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
ADANIENT	3,232	3,272	3,327	3,367	3,422
ADANIPOINTS	784	793	808	817	833
APOLLOHOSP	4,273	4,331	4,381	4,438	4,488
ASIANPAINT	3,018	3,055	3,110	3,147	3,202
AXISBANK	837	869	887	919	938
BAJAJ-AUTO	3,598	3,633	3,677	3,712	3,756
BAJFINANCE	6,942	7,067	7,279	7,404	7,616
BAJAJFINSV	1,635	1,660	1,700	1,725	1,765
BPCL	295	297	299	300	302
BHARTIARTL	784	791	797	804	810
BRITANNIA	3,737	3,765	3,790	3,818	3,843
CIPLA	1,123	1,129	1,138	1,144	1,154
COALINDIA	236	237	239	241	243
DIVISLAB	3,495	3,533	3,601	3,639	3,707
DRREDDY	4,262	4,297	4,343	4,377	4,423
EICHERMOT	3,511	3,570	3,627	3,687	3,744
GRASIM	1,641	1,659	1,687	1,705	1,733
HCLTECH	1,005	1,016	1,023	1,034	1,041
HDFCBANK	1,420	1,429	1,443	1,453	1,467
HDFCLIFE	531	536	542	548	554
HDFC	2,320	2,335	2,357	2,372	2,394
HEROMOTOCO	2,536	2,553	2,565	2,582	2,594
HINDALCO	381	387	393	399	404
HINDUNILVR	2,581	2,618	2,642	2,678	2,703
ICICIBANK	877	892	901	916	925
INDUSINDBK	1,120	1,131	1,150	1,161	1,180
INFY	1,485	1,493	1,499	1,507	1,514
ITC	339	342	348	351	356
JSW STEEL	609	616	623	630	637
KOTAKBANK	1,839	1,871	1,898	1,930	1,957
LT	1,832	1,854	1,890	1,912	1,948
M&M	1,232	1,244	1,257	1,269	1,281
MARUTI	8,560	8,632	8,713	8,785	8,866
NESTLEIND	19,842	20,068	20,209	20,436	20,577
NTPC	162	164	166	168	170
ONGC	127	129	131	134	136
POWERGRID	212	215	217	219	222
RELIANCE	2,435	2,453	2,485	2,503	2,535
SBILIFE	1,218	1,232	1,241	1,255	1,264
SBIN	553	557	561	565	570
SUNPHARMA	966	972	982	988	998
TCS	3,108	3,123	3,142	3,156	3,175
TATACONSUM	740	751	766	777	792
TATAMOTORS	391	394	398	402	406
TATASTEEL	98	99	100	101	102
TECHM	1,026	1,033	1,039	1,047	1,052
TITAN	2,622	2,644	2,662	2,684	2,701
ULTRACEMCO	6,261	6,312	6,367	6,417	6,472
UPL	680	690	707	717	734
WIPRO	379	381	382	384	385

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