

Sensex (59544) / Nifty (17656)

The Samvat 2079 started on a promising note on the day of Muhurat trading with a bullish gap, which was followed by a minor correction on the consecutive day. The benchmark index witnessed some tentativeness around the **17800** zone ahead of the mid-week holiday; however, the bullish stature remains unchanged with the higher highs formation on the daily chart. The Nifty50 index settled a tad above **17650** levels, with a mere gain of 0.46 percent in the current truncated week.

On a technical aspect, the index is firmly placed above all the major exponential moving averages on the daily chart and has maintained its cycle of higher highs – higher lows, construing to have a bullish setup. However, ahead of the monthly expiry, Nifty has seen some tentativeness at higher levels; but we do not construe this as any sign of worry. Traders are just opting to take some money off the table after seeing a decent up move in the last two weeks. As far as levels are concerned, **17600-17560** is likely to cushion any fall on an immediate basis; whereas on the flipside, a decisive breach over the immediate resistance of **17800** (which we expect soon) could trigger a strong rally towards **18000** and beyond.

Nifty Bank Outlook (41123)

The BANKNIFTY opened higher in tandem with benchmark index on Tuesday. However, the profit booking took place almost from the initial trades. Due to some extended decline in the latter half, the banking index not only pared down losses but also went on to close in the negative terrain by shedding near half a percent from previous close.

Honestly speaking, it was surprising to see banking space failing to capitalise on the initial lead. Although, purely from technical observations, we can see Tuesday's candle overshadowing previous candle, which in general is a sign of caution. But there are times, practically we shouldn't be going with such theories. Considering the inherent strength of our markets and the improved sentiments globally, we expect market to resume upward momentum. We reiterate that it's a matter of time BANKNIFTY will surpass its previous highs to enter the uncharted territory. Before this, **41500 - 41650** are the immediate levels to watch out for. As far as support - is concerned, **41000** followed by **40600** are to be treated as key levels.

Exhibit 1: Nifty Daily Chart



There have been contributions across the board, wherein the significant benefactors that boosted the bullish sentiments were from the PSU Banking space and the Auto sector. Looking at the recent developments, the undertone is likely to remain in favor of the bulls, and any intraday blip is expected to augur well for the bulls. Also, it is advisable to avoid aggressive bets as the market might act volatile on the expiry day. Meanwhile, we advocate to keep Identifying apt themes and potential movers within the same that are likely to provide better trading opportunities and stay abreast with global developments.

Key Levels

| | |
|-------------------|----------------------|
| Support 1 – 17600 | Resistance 1 – 17840 |
| Support 2 – 17560 | Resistance 2 – 17940 |

Exhibit 2: Nifty Bank Daily Chart



Key Levels

| | |
|-------------------|----------------------|
| Support 1 – 41000 | Resistance 1 – 41500 |
| Support 2 – 40600 | Resistance 2 – 41650 |

Comments

- The Nifty futures open interest has decreased by 4.46%. and Bank Nifty futures open interest has increased by 4.44% as the market closed at 17656.35.
- The Nifty October future closed with a discount of 1.40 point against a discount of 11.85 point in the last trading session. The November series closed at a premium of 32.30 point.
- The INDIA VIX decreased from 17.23 to 16.88. At the same time, the PCR-OI of Nifty has decreased from 1.03 to 0.96.
- Few of the liquid counters where we have seen high cost of carry are IDEA, PETRONET, INDUSTOWER, FSL and IOC.

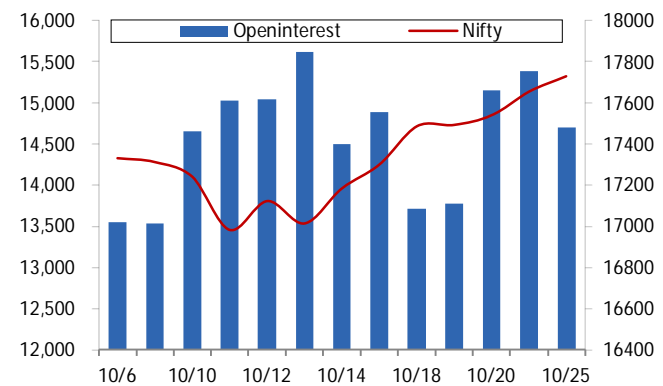
View

- On Tuesday, we saw index reclaiming 17800 but unfortunately due to profit taking at higher levels concluded the day on a negative note with a cut of 0.42%.
- FII's were net sellers in the cash market segment to the tune of Rs. 247 crores. Simultaneously, in Index futures, they bought marginally with a good amount of decline in open interest, indicating trimming of shorts on Tuesday's session.
- In F&O space, the banking index added fresh shorts and long unwinding seen in Nifty futures. Stronger hands were net sellers in equities, but they preferred covering shorts in index and stock futures, long short ratio increased to 34% from 30%. PCR-OI plunged below 1 due to massive writing in call strikes. Call writers added decent positions in 17650-18000 call options, suggesting 17700-17800 to act as hurdle for monthly expiry session. Maximum open interest concentration remains in 17500 puts, which may act as support zone. Considering the above data point, we still maintain our optimistic stance on market and would advocate considering intraday dips as a buying opportunity.

Historical Volatility

| SCRIP | HV |
|------------|-------|
| MCX | 46.09 |
| MGL | 41.05 |
| NESTLEIND | 25.92 |
| HINDUNILVR | 29.34 |
| IGL | 43.02 |

Nifty Vs OI



OI Gainers

| SCRIP | OI | OI CHG. (%) | PRICE | PRICE CHG. (%) |
|-----------|-----------|-------------|---------|----------------|
| BHEL | 148228500 | 17.19 | 71.10 | 7.24 |
| SBIN | 63072000 | 13.07 | 578.55 | 1.44 |
| MCX | 2706800 | 12.28 | 1495.20 | 8.74 |
| CANBK | 50274000 | 10.54 | 284.20 | 4.97 |
| SBICARD | 6451200 | 10.34 | 844.85 | -1.12 |
| MOTHERSON | 106359750 | 9.51 | 62.10 | -0.72 |
| PNB | 318016000 | 7.04 | 43.30 | 5.48 |
| INDIGO | 4018200 | 6.17 | 1768.10 | -1.07 |

OI Losers

| SCRIP | OI | OI CHG. (%) | PRICE | PRICE CHG. (%) |
|------------|----------|-------------|----------|----------------|
| NMDC | 23426550 | -42.06 | 130.75 | 0.62 |
| UBL | 1144400 | -16.17 | 1615.85 | -0.37 |
| SHREECEM | 355475 | -15.18 | 21299.55 | 1.51 |
| POLYCAB | 834000 | -14.54 | 2765.30 | 2.31 |
| INDIAMART | 277650 | -14.07 | 4393.65 | 0.72 |
| JUBLFOOD | 11506250 | -13.36 | 591.35 | -0.24 |
| MRF | 52720 | -13.15 | 87342.75 | 1.17 |
| METROPOLIS | 636900 | -13.10 | 1629.95 | 2.77 |

Put-Call Ratio

| SCRIP | PCR (OI) | PCR (VOL) |
|-----------|----------|-----------|
| NIFTY | 0.96 | 1.03 |
| BANKNIFTY | 1.02 | 0.96 |
| RELIANCE | 0.57 | 0.55 |
| ICICIBANK | 0.71 | 0.49 |
| INFY | 0.64 | 0.49 |

FII Statistics for October 25, 2022

| Detail | Buy | Sell | Net | Contracts | Open Interest Value (in Cr.) | CHANGE |
|---------------|-----------|-----------|-----------|-----------|------------------------------|---------|
| INDEX FUTURES | 6279.81 | 6227.08 | 52.73 | 179638 | 16594.05 | (8.40) |
| INDEX OPTIONS | 898589.06 | 903744.00 | (5154.94) | 1698468 | 156104.27 | (8.95) |
| STOCK FUTURES | 47910.60 | 44919.16 | 2991.44 | 2152718 | 150103.31 | (1.40) |
| STOCK OPTIONS | 8787.74 | 8816.39 | (28.65) | 134934 | 9953.14 | (18.88) |
| Total | 961567.21 | 963706.63 | (2139.42) | 4165758 | 332754.77 | (5.56) |

Turnover on October 25, 2022

| Instrument | No. of Contracts | Turnover (in Cr.) | Change (%) |
|---------------|------------------|-------------------|------------|
| Index Futures | 441889 | 41707.47 | -6.99 |
| Index Options | 147583187 | 39508.46 | -7.03 |
| Stock Futures | 2539219 | 178868.47 | 5.35 |
| Stock Options | 3365730 | 2930.84 | -26.72 |
| Total | 3,365,730 | 2930.84 | 0.73 |

Nifty Spot = 17656.35

Bull-Call Spreads

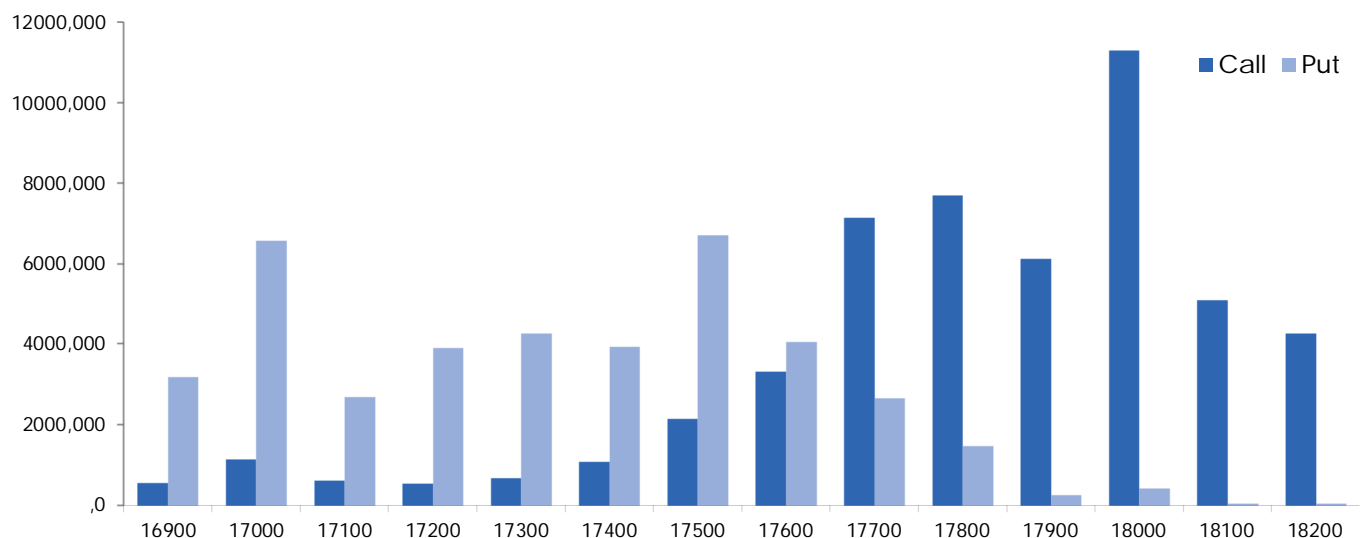
| Action | Strike | Price | Risk | Reward | BEP |
|--------|--------|-------|-------|--------|----------|
| Buy | 17700 | 48.90 | 29.95 | 70.05 | 17729.95 |
| Sell | 17800 | 18.95 | | | |
| Buy | 17700 | 48.90 | 42.95 | 157.05 | 17742.95 |
| Sell | 17900 | 5.95 | | | |
| Buy | 17800 | 18.95 | 13.00 | 87.00 | 17813.00 |
| Sell | 17900 | 5.95 | | | |

Bear-Put Spreads

| Action | Strike | Price | Risk | Reward | BEP |
|--------|--------|-------|-------|--------|----------|
| Buy | 17700 | 90.60 | 46.00 | 54.00 | 17654.00 |
| Sell | 17600 | 44.60 | | | |
| Buy | 17700 | 90.60 | 70.95 | 129.05 | 17629.05 |
| Sell | 17500 | 19.65 | | | |
| Buy | 17600 | 44.60 | 24.95 | 75.05 | 17575.05 |
| Sell | 17500 | 19.65 | | | |

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

| Scrips | S2 | S1 | PIVOT | R1 | R2 |
|------------|--------|--------|--------|--------|--------|
| ADANIENT | 3,262 | 3,281 | 3,313 | 3,332 | 3,364 |
| ADANIPTS | 788 | 794 | 803 | 810 | 819 |
| APOLLOHOSP | 4,331 | 4,367 | 4,409 | 4,445 | 4,487 |
| ASIANPAINT | 3,045 | 3,065 | 3,100 | 3,120 | 3,155 |
| AXISBANK | 883 | 893 | 902 | 912 | 921 |
| BAJAJ-AUTO | 3,592 | 3,623 | 3,675 | 3,706 | 3,758 |
| BAJFINANCE | 6,993 | 7,048 | 7,145 | 7,200 | 7,298 |
| BAJAJFINSV | 1,626 | 1,642 | 1,671 | 1,688 | 1,717 |
| BPCL | 294 | 298 | 302 | 306 | 309 |
| BHARTIARTL | 795 | 799 | 802 | 806 | 810 |
| BRITANNIA | 3,621 | 3,667 | 3,736 | 3,782 | 3,851 |
| CIPLA | 1,138 | 1,147 | 1,156 | 1,165 | 1,174 |
| COALINDIA | 237 | 238 | 240 | 241 | 243 |
| DIVISLAB | 3,543 | 3,570 | 3,594 | 3,622 | 3,646 |
| DRREDDY | 4,324 | 4,383 | 4,430 | 4,490 | 4,537 |
| EICHERMOT | 3,621 | 3,666 | 3,695 | 3,740 | 3,769 |
| GRASIM | 1,676 | 1,695 | 1,712 | 1,732 | 1,748 |
| HCLTECH | 1,012 | 1,019 | 1,028 | 1,036 | 1,045 |
| HDFCBANK | 1,432 | 1,441 | 1,455 | 1,464 | 1,477 |
| HDFCLIFE | 523 | 528 | 537 | 542 | 550 |
| HDFC | 2,322 | 2,339 | 2,370 | 2,388 | 2,418 |
| HEROMOTOCO | 2,549 | 2,567 | 2,585 | 2,603 | 2,621 |
| HINDALCO | 386 | 392 | 398 | 404 | 409 |
| HINDUNILVR | 2,444 | 2,475 | 2,530 | 2,561 | 2,616 |
| ICICIBANK | 910 | 918 | 930 | 938 | 951 |
| INDUSINDBK | 1,106 | 1,122 | 1,137 | 1,153 | 1,169 |
| INFY | 1,515 | 1,521 | 1,527 | 1,532 | 1,539 |
| ITC | 341 | 343 | 346 | 349 | 352 |
| JSW STEEL | 613 | 629 | 640 | 655 | 667 |
| KOTAKBANK | 1,797 | 1,822 | 1,867 | 1,891 | 1,936 |
| LT | 1,869 | 1,909 | 1,932 | 1,972 | 1,995 |
| M&M | 1,251 | 1,266 | 1,275 | 1,290 | 1,299 |
| MARUTI | 8,720 | 8,863 | 8,940 | 9,082 | 9,159 |
| NESTLEIND | 19,684 | 19,983 | 20,516 | 20,815 | 21,348 |
| NTPC | 164 | 167 | 168 | 171 | 172 |
| ONGC | 128 | 129 | 131 | 132 | 134 |
| POWERGRID | 212 | 215 | 217 | 221 | 223 |
| RELIANCE | 2,399 | 2,420 | 2,460 | 2,481 | 2,521 |
| SBILIFE | 1,223 | 1,239 | 1,259 | 1,275 | 1,294 |
| SBIN | 559 | 569 | 578 | 587 | 596 |
| SUNPHARMA | 980 | 986 | 991 | 997 | 1,003 |
| TCS | 3,133 | 3,147 | 3,166 | 3,181 | 3,199 |
| TATACONSUM | 757 | 762 | 769 | 774 | 782 |
| TATAMOTORS | 399 | 402 | 406 | 409 | 413 |
| TATASTEEL | 100 | 100 | 101 | 102 | 103 |
| TECHM | 1,038 | 1,060 | 1,073 | 1,095 | 1,108 |
| TITAN | 2,641 | 2,656 | 2,677 | 2,691 | 2,712 |
| ULTRACEMCO | 6,339 | 6,377 | 6,426 | 6,464 | 6,512 |
| UPL | 680 | 687 | 699 | 706 | 717 |
| WIPRO | 382 | 383 | 385 | 386 | 388 |

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