

Bulls continue to dominate; Nifty clocked new highs

Sensex (66061) / Nifty (19565)



Source: Tradingview.com

Future outlook

The Indian equity markets had a splendid move in the eventful week, wherein the benchmark index Nifty50 witnessed continuation in the uptrend consecutively for the third week. The broad-based participation amidst the commencement of earning season showcased the eagerness of the bulls to levitate the market. The Nifty50 index maintained its positive stature and clocked new highs to settle the week at uncharted territory, procuring 1.20 percent of weekly gains.

The supportive moves among the global peers and the sectoral rotation were evident throughout the week, which certainly got reflected in the price action of the benchmark index. From a technical aspect, the bulls are being resilient to let loose their grip even in the overbought parameters which showcase their dominance. But at the same time, one should not become complacent and overrule the possibility of a breather post the steep rally. As far as levels are concerned, **19400-19300** is likely to cushion any short-term blip, while the sacrosanct support lies around the bullish gap of **19200** in the comparable period. On the flip side, as the index entered uncharted territory there is no relevant hurdle; however, the next pitstop could be seen around **19650-19700** on an immediate basis.

Going ahead, we remain sanguine with the current momentum and would advocate the traders to utilize the dips to add long positions in the index. Also, we expect strong moves in the broader market amidst the quarterly earnings, so one needs to have a stock-centric approach for better trading opportunities and also stay abreast with global and domestic developments.

Nifty settles at the highest point ever

Nifty spot closed at **19564.50** this week, against a close of **19331.80** last week. The Put-Call Ratio has increased from **0.89** to **1.34** on Weekly basis. The annualized Cost of Carry is positive at **4.93%**. The Open Interest of Nifty Futures increased by **3.84%**.

Derivatives View

Nifty current month's future closed with a premium of 34.35 against a premium of 66.70 points to its spot in the previous week. Next month's future is trading at a premium of 131 points.

It's the third consecutive week of positive close for the Indian equity market wherein the Nifty conclude at the highest point ever at 19564.50. On the derivatives front, addition of fresh longs was seen in Nifty, whereas short covering was observed in banking index. Stronger hands continue to pump in liquidity and covered shorts in index futures segment. For the coming weekly series, we observed noteworthy writing in 10400-19500 puts which may act as support now. On the flip side, some fresh build-up was seen in 19650 and 19750 call strikes. Considering the above development, we maintain our optimistic stance on market and would advocate using intraday declines to add fresh longs.

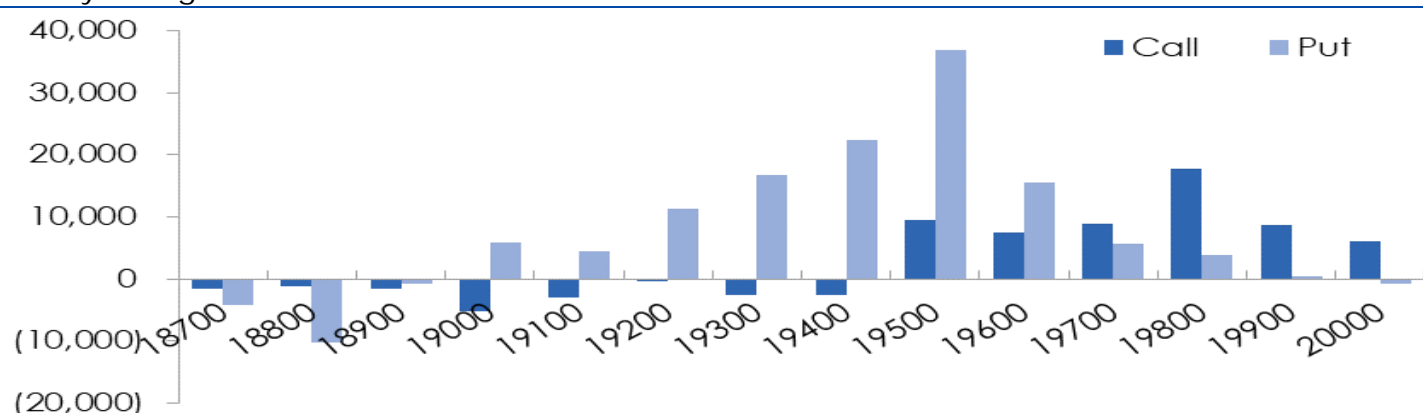
Long Formation

Scrip	OI Futures	OI Chg (%)	Price	Price Chg(%)
INDIAMART	779400	48.88	2862.70	4.18
ESCORTS	1935450	27.75	2380.25	6.98
LTTS	1384200	25.31	4110.10	4.97
COLPAL	4145050	22.65	1842.70	3.91
COFORGE	651150	21.63	4945.50	4.98

Short Formation

Scrip	OI Futures	OI Chg (%)	Price	Price Chg(%)
POWERGRID	42036300	36.33	241.20	(6.11)
FEDERALBNK	162755000	35.61	129.40	(4.54)
ATUL	594150	34.36	6501.40	(2.96)
PIIND	2221750	31.02	3645.75	(3.48)
DEEPAKNTR	3185700	24.49	1941.00	(5.69)

Weekly change in OI



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