

Sensex (48601) / Nifty (14281)

Post the last week's collapse, our markets started the day on a positive note with optimistic expectations from the Union Budget. The indices traded with a positive bias as the Finance Minister announced the budget and then, we had a one way upmove post the budget speech to conclude the day tad below **14300**, with whopping gains of almost 5 percent.

We had a decent correction in the week before the Budget and the market participants had high expectations as the Finance Minister had indicated a 'budget like never before'. There was no unfavourable announcement and the market participants gave a big 'Thumbs Up' to the budget. The Banking sector witnessed a 'Once in a blue Moon' kind of move and the heavyweights from this sector witnessed soaring moves to take the Bank Nifty higher which posted its new all-time high and ended with gains of over 8 percent. All the sectors (except Pharma) participated in the rally with many stocks posting phenomenal intraday gains. With leadership back from the Banking heavyweights, the markets seem to have resumed its uptrend and thus, another 'Higher Bottom' is in place at last week's low. Thus, one should prefer to trade with the trend now until any negative signs seen and look for opportunities which could continue to outperform. The near term trading range could be wide given the recent volatility wherein the supports are now placed around **14140** and **14000**, wheres resistance could be seen around **14500**.

Key Levels

| | |
|-------------------|----------------------|
| Support 1 – 14140 | Resistance 1 – 14450 |
| Support 2 – 14000 | Resistance2 – 14500 |

Nifty Bank Outlook - (33089)

On Budget Day, the Bank Nifty witnessed a gap up opening courtesy to strong opening by Indusind Bank and ICICI Bank. As the day progressed the positive momentum augmented to witnessed an astonishing rally probably ever seen on a budget day. The Bank Index eventually ended with whooping gains of 8.26% at **33089**. During the previous two days, we witnessed outperformance by the bank index as it ended in marginal green when the broader markets were witnessing a strong selloff but what we saw yesterday was sheer dominance to say that it single-handed pulled the broader markets higher. Yesterday's mammoth rally has erased all the last week's weakness and in fact, it has broken above previous high comfortably to enter uncharted territory. Now the way the charts of Banking space are placed we sense the positive momentum is likely to continue and traders can continue with the stock-specific approach. As far as levels are concerned, **33690 - 34000** is the immediate resistance whereas **32840 - 32500** is the immediate support.

Key Levels

| | |
|-------------------|----------------------|
| Support 1 – 32840 | Resistance 1 – 33690 |
| Support 2 – 32500 | Resistance 2 – 34000 |

Exhibit 1: Nifty Daily Chart



Exhibit 2: Nifty Bank Daily Chart



Comments

- The Nifty futures open interest has increased by 9.40% Bank Nifty futures open interest has increased by 12.01% as market closed at 14281.20 levels.
- The Nifty February future closed with a premium of 70.05 point against a premium of 74.50 point in last trading session. The March series closed at a premium of 102.40 point.
- The INDIA VIX decreased from 25.34 to 23.32. At the same time, the PCR-OI of Nifty increased from 0.98 to 1.41.
- Few of the liquid counters where we have seen high cost of carry are IDEA, GAIL, TORNTPOWER, SBIN AND AARTIND.

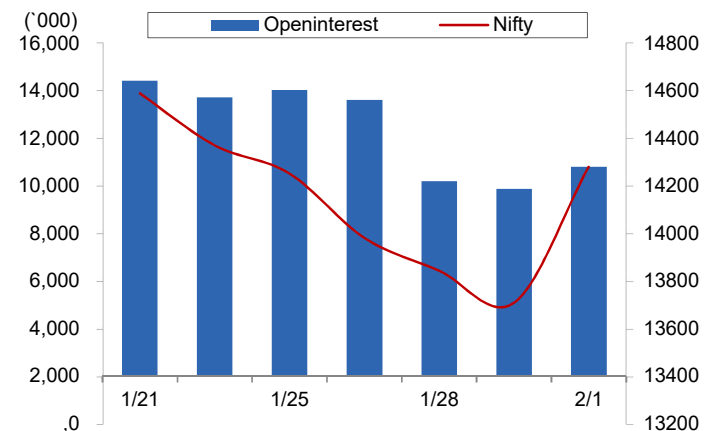
View

- Our indices started the day on a positive note and rallied sharply post the Budget speech. Nifty posted gains of about 5 percent while the Bank Nifty outperformed and posted gains of over 8 percent.
- FII's were net buyers in the cash segment to the tune of Rs. 1494 crore. In index future segment, they bought worth Rs. 2135 crore with decrease in open interest indicating short unwinding and long formation in yesterday's session.
- Both Nifty as well as Bank Nifty moved higher due to a combination of short covering as well as long formation. FII's bought equities in the cash segment while they covered their shorts and formed fresh long positions in the index futures segment. Their 'Long Short Ratio' is back around 75 percent which indicates their positive outlook. In options segment, call writers ran to cover their positions while put writing was seen as the index moved higher. Looking at the above data, we should see a continuation of the upmove and hence, traders should look to adopt a buy on dip strategy.

Historical Volatility

| SCRIP | HV |
|------------|-------|
| CUMMINSIND | 44.02 |
| ICICIBANK | 56.56 |
| LT | 42.21 |
| SBIN | 52.23 |
| BAJAJFINSV | 59.23 |

Nifty Vs OI



OI Gainers

| SCRIP | OI | OI CHG. (%) | PRICE | PRICE CHG. (%) |
|------------|-----------|-------------|----------|----------------|
| INDUSINDBK | 24099300 | 40.61 | 970.65 | 14.96 |
| SAIL | 134995000 | 38.96 | 63.60 | 9.55 |
| ICICIPRULI | 5926500 | 20.75 | 489.45 | 1.65 |
| PAGEIND | 73020 | 17.13 | 27815.25 | 2.58 |
| CHOLAFIN | 5185000 | 16.26 | 443.00 | 12.01 |
| SIEMENS | 848100 | 16.11 | 1686.45 | 6.30 |
| IDFCFIRSTB | 171608000 | 13.84 | 46.60 | -1.71 |
| GODREJPROP | 1628900 | 12.13 | 1321.90 | 5.50 |

OI Losers

| SCRIP | OI | OI CHG. (%) | PRICE | PRICE CHG. (%) |
|------------|----------|-------------|----------|----------------|
| CIPLA | 13770900 | -22.64 | 806.40 | -2.84 |
| RBLBANK | 21552800 | -18.79 | 236.85 | 12.47 |
| SHREECEM | 136400 | -12.59 | 24540.85 | 7.36 |
| RAMCOCEM | 1227400 | -10.37 | 836.45 | 7.36 |
| EXIDEIND | 11689200 | -10.23 | 194.65 | 1.09 |
| MGL | 1487400 | -8.69 | 1069.40 | 2.93 |
| CUMMINSIND | 1629600 | -6.34 | 730.05 | 10.83 |
| INDUSTOWER | 9371600 | -5.43 | 240.20 | 3.92 |

Put-Call Ratio

| SCRIP | PCR-OI | PCR-VOL |
|-----------|--------|---------|
| NIFTY | 1.41 | 0.90 |
| BANKNIFTY | 1.61 | 0.92 |
| RELIANCE | 0.46 | 0.46 |
| ICICIBANK | 1.14 | 0.51 |
| INFY | 0.47 | 0.52 |

FII Statistics for February 01, 2020

| Detail | Buy | Sell | Net | Contracts | Open Interest | |
|---------------|-----------|-----------|-----------|-----------|----------------|--------|
| | | | | | Value (in Cr.) | Change |
| INDEX FUTURES | 12258.58 | 10123.86 | 2134.72 | 113969 | 11574.32 | (2.85) |
| INDEX OPTIONS | 516140.91 | 518660.65 | (2519.74) | 951510 | 95166.24 | 33.40 |
| STOCK FUTURES | 23282.22 | 21932.35 | 1349.87 | 1177123 | 96218.53 | 3.03 |
| STOCK OPTIONS | 13705.10 | 13683.63 | 21.47 | 102751 | 8434.11 | 14.67 |
| Total | 565386.81 | 564400.49 | 986.32 | 2345353 | 211393.20 | 13.71 |

Turnover on February 01, 2020

| Instrument | No. of Contracts | Turnover (in Cr.) | Change (%) |
|---------------|------------------|-------------------|------------|
| Index Futures | 7,83,911 | 71605.10 | 50.06 |
| Index Options | 3,92,39,209 | 35,11,956.38 | 127.08 |
| Stock Futures | 11,91,172 | 1,00,479.73 | 19.98 |
| Stock Options | 19,64,528 | 1,69,655.89 | 46.69 |
| Total | 4,31,78,820 | 38,53,697.10 | 114.84 |

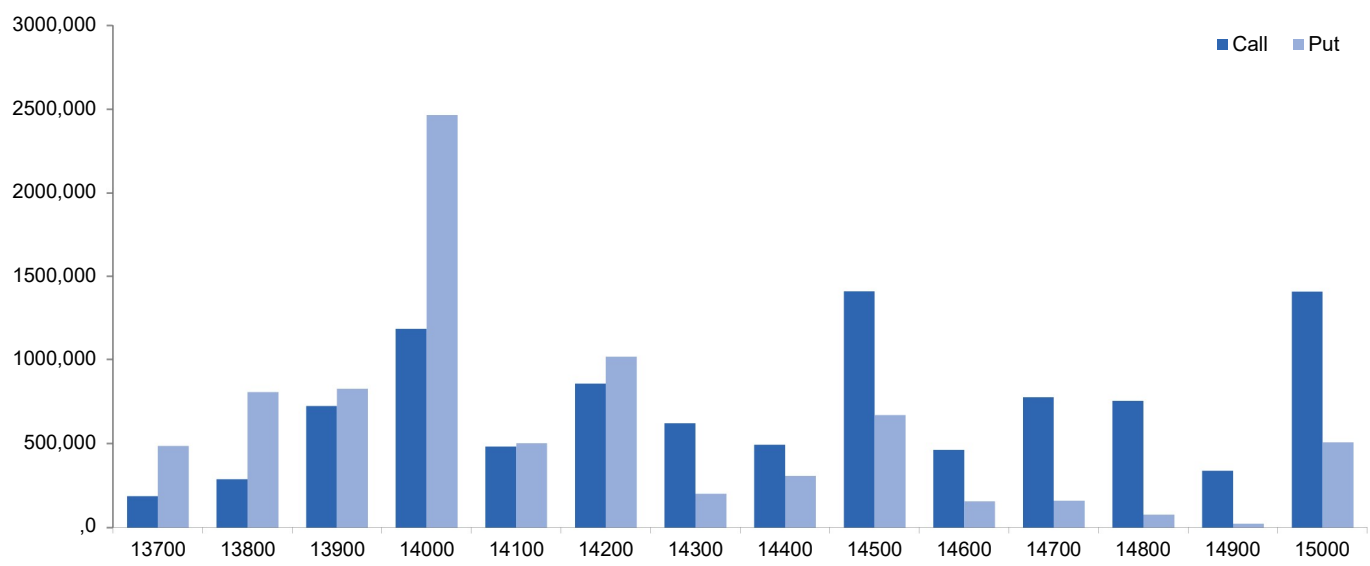
Nifty Spot = 14281.20
Bull-Call Spreads

| Action | Strike | Price | Risk | Reward | BEP |
|--------|--------|--------|--------|--------|----------|
| Buy | 14300 | 349.05 | 51.85 | 48.15 | 14351.85 |
| Sell | 14400 | 297.20 | | | |
| Buy | 14300 | 349.05 | 104.60 | 95.40 | 14404.60 |
| Sell | 14500 | 244.45 | | | |
| Buy | 14400 | 297.20 | 52.75 | 47.25 | 14452.75 |
| Sell | 14500 | 244.45 | | | |

Bear-Put Spreads

| Action | Strike | Price | Risk | Reward | BEP |
|--------|--------|--------|-------|--------|----------|
| Buy | 14300 | 296.70 | 39.85 | 60.15 | 14260.15 |
| Sell | 14200 | 256.85 | | | |
| Buy | 14300 | 296.70 | 78.55 | 121.45 | 14221.45 |
| Sell | 14100 | 218.15 | | | |
| Buy | 14200 | 256.85 | 38.70 | 61.30 | 14161.30 |
| Sell | 14100 | 218.15 | | | |

Note: Above mentioned Bullish or Bearish Spreads in Nifty (February 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 |
|-------------|--------|--------|--------|--------|--------|
| ADANI PORTS | 484 | 513 | 529 | 559 | 575 |
| ASIAN PAINT | 2,340 | 2,394 | 2,431 | 2,485 | 2,522 |
| AXIS BANK | 631 | 670 | 694 | 733 | 756 |
| BAJAJ-AUTO | 3,911 | 4,013 | 4,077 | 4,179 | 4,243 |
| BAJFINANCE | 4,522 | 4,790 | 4,935 | 5,204 | 5,349 |
| BAJAJFINSV | 8,199 | 8,960 | 9,400 | 10,161 | 10,600 |
| BPCL | 373 | 383 | 391 | 400 | 408 |
| BHARTIARTL | 538 | 559 | 570 | 590 | 602 |
| BRITANNIA | 3,446 | 3,483 | 3,521 | 3,558 | 3,595 |
| CIPLA | 755 | 781 | 806 | 832 | 857 |
| COALINDIA | 124 | 127 | 128 | 131 | 132 |
| DIVISLAB | 3,223 | 3,343 | 3,432 | 3,552 | 3,640 |
| DRREDDY | 4,282 | 4,355 | 4,466 | 4,540 | 4,651 |
| EICHERMOT | 2,634 | 2,738 | 2,803 | 2,908 | 2,973 |
| GAIL | 122 | 125 | 127 | 130 | 132 |
| GRASIM | 1,018 | 1,072 | 1,101 | 1,155 | 1,185 |
| HCLTECH | 882 | 905 | 919 | 943 | 957 |
| HDFCBANK | 1,372 | 1,424 | 1,453 | 1,506 | 1,535 |
| HDFCLIFE | 649 | 674 | 694 | 719 | 738 |
| HDFC | 2,314 | 2,447 | 2,524 | 2,657 | 2,735 |
| HEROMOTOCO | 3,163 | 3,252 | 3,306 | 3,395 | 3,450 |
| HINDALCO | 220 | 230 | 237 | 248 | 255 |
| HINDUNILVR | 2,194 | 2,222 | 2,253 | 2,280 | 2,312 |
| ICICIBANK | 530 | 567 | 588 | 625 | 647 |
| IOC | 92 | 94 | 95 | 97 | 98 |
| INDUSINDBK | 811 | 891 | 936 | 1,016 | 1,061 |
| INFY | 1,223 | 1,242 | 1,260 | 1,279 | 1,297 |
| ITC | 196 | 206 | 212 | 222 | 228 |
| JSW STEEL | 356 | 368 | 376 | 389 | 397 |
| KOTAKBANK | 1,655 | 1,728 | 1,769 | 1,842 | 1,883 |
| LT | 1,291 | 1,370 | 1,416 | 1,495 | 1,541 |
| M&M | 715 | 755 | 782 | 822 | 849 |
| MARUTI | 7,019 | 7,210 | 7,342 | 7,533 | 7,665 |
| NESTLEIND | 16,845 | 16,967 | 17,121 | 17,242 | 17,397 |
| NTPC | 87 | 89 | 91 | 93 | 95 |
| ONGC | 87 | 89 | 90 | 92 | 93 |
| POWERGRID | 180 | 184 | 187 | 191 | 194 |
| RELIANCE | 1,826 | 1,861 | 1,883 | 1,918 | 1,940 |
| SBILIFE | 830 | 852 | 875 | 897 | 919 |
| SHREECEM | 22,004 | 23,274 | 23,982 | 25,252 | 25,961 |
| SBIN | 271 | 291 | 302 | 322 | 334 |
| SUNPHARMA | 570 | 580 | 590 | 600 | 610 |
| TCS | 2,995 | 3,067 | 3,116 | 3,188 | 3,237 |
| TATAMOTORS | 246 | 263 | 272 | 289 | 299 |
| TATASTEEL | 582 | 609 | 625 | 652 | 667 |
| TECHM | 901 | 921 | 942 | 962 | 982 |
| TITAN | 1,393 | 1,447 | 1,478 | 1,532 | 1,563 |
| ULTRACEMCO | 5,066 | 5,405 | 5,599 | 5,938 | 6,132 |
| UPL | 492 | 513 | 531 | 552 | 570 |
| WIPRO | 402 | 412 | 418 | 427 | 433 |

Technical and Derivatives Team:

| | | |
|----------------|--|--------------------------------|
| Sameet Chavan | Chief Analyst - Technical & Derivatives | sameet.chavan@angelbroking.com |
| Ruchit Jain | Senior Analyst - Technical & Derivatives | ruchit.jain@angelbroking.com |
| Rajesh Bhosale | Technical Analyst | rajesh.bhosle@angelbroking.com |
| Sneha Seth | Derivatives Analyst | sneha.seth@angelbroking.com |

Research Team Tel: 022 – 39357600 (Extn. 6844)

Website: www.angelbroking.comFor Technical Queries E-mail: technicalresearch-cso@angelbroking.comFor Derivatives Queries E-mail: derivatives.desk@angelbroking.com**DISCLAIMER**

Angel Broking Limited (hereinafter referred to as "Angel") is a registered Member of National Stock Exchange of India Limited, Bombay Stock Exchange Limited and Metropolitan Stock Exchange Limited. It is also registered as a Depository Participant with CDSL and Portfolio Manager and Investment Adviser with SEBI. It also has registration with AMFI as a Mutual Fund Distributor. Angel Broking Limited is a registered entity with SEBI for Research Analyst in terms of SEBI (Research Analyst) Regulations, 2014 vide registration number INH000000164. Angel or its associates has not been debarred/ suspended by SEBI or any other regulatory authority for accessing /dealing in securities Market. Angel or its associates/analyst has not received any compensation / managed or co-managed public offering of securities of the company covered by Analyst during the past twelve months.

This document is solely for the personal information of the recipient, and must not be singularly used as the basis of any investment decision. Nothing in this document should be construed as investment or financial advice. Each recipient of this document should make such investigations as they deem necessary to arrive at an independent evaluation of an investment in the securities of the companies referred to in this document (including the merits and risks involved), and should consult their own advisors to determine the merits and risks of such an investment.

Reports based on technical and derivative analysis center on studying charts of a stock's price movement, outstanding positions and trading volume, as opposed to focusing on a company's fundamentals and, as such, may not match with a report on a company's fundamentals. Investors are advised to refer the Fundamental and Technical Research Reports available on our website to evaluate the contrary view, if any.

The information in this document has been printed on the basis of publicly available information, internal data and other reliable sources believed to be true, but we do not represent that it is accurate or complete and it should not be relied on as such, as this document is for general guidance only. Angel Broking Limited or any of its affiliates/ group companies shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. Angel Broking Limited has not independently verified all the information contained within this document. Accordingly, we cannot testify, nor make any representation or warranty, express or implied, to the accuracy, contents or data contained within this document. While Angel Broking Limited endeavors to update on a reasonable basis the information discussed in this material, there may be regulatory, compliance, or other reasons that prevent us from doing so.

This document is being supplied to you solely for your information, and its contents, information or data may not be reproduced, redistributed or passed on, directly or indirectly.