

Sensex (49751) / Nifty (14708)

The global picture changed a bit between Monday's close and yesterday's open. The Dow future was trading deeply in red on Monday while we closed; but after this there was a v-shaped recovery seen in their market and the optimism continued yesterday early morning as well. Taking such strong cues into the consideration, our markets had a surprising bump up at the opening convincingly beyond **14700**. After the initial hiccup, the Nifty started rebounding sharply to test the **14850** mark. However, since the market is in a profit booking mode, it failed to sustain at higher levels. As a result, the Nifty gave up major chunk of its gains to conclude with nominal gains above **14700**.

After Monday's hammering, our market rebounded sharply in the first half yesterday; because the prices were a bit oversold which was then supported by the global recovery. However, it failed to sustain at higher levels as we saw individual pockets once again started feeling the heat. If we meticulously observe yesterday's high, it precisely coincided with the '20-day EMA' and hence, acted as a sturdy wall. Going ahead, till the time Nifty doesn't go beyond **14900 – 15000**, the short term momentum is likely to be on the downside. Hence, traders are continuously advised to use intraday recoveries to lighten up longs. The immediate resistance zone remains at **14775 – 14850**; whereas **14665** followed by **14635** are to be seen as key supports. The way Nifty is shaped up, we will not be surprised to see Nifty sliding below these supports soon to test **14570 – 14470** levels.

Nifty Bank Outlook - (35117)

Bank Nifty as well started on a positive note and after an initial extension of bounce, the bank index slipped lower. Subsequently, the bank index remained in a range for the second half and eventually ended with a loss of 0.40% at **35117**.

While on Monday, the bank index showed some relative outperformance it yesterday underperformed. On the daily chart, the bank nifty is currently hovering around the support of 20SMA at **35000** levels and for the last two sessions have managed to hold it on a closing basis. Going ahead, a sustained break below this support can trigger the next leg of downside towards **34350 – 34000** levels. On the flip side, **35500 – 35680** can be seen as immediate resistance, and only above the same we can expect a decent bounce back; till then traders are advised to use every intermediate bounce to exit long positions.

Exhibit 1: Nifty Daily Chart



As far as sectoral activity is concerned, Metal stocks continue to enjoy their dream run for the second consecutive session. However, financial space kept sulking throughout the day with few other heavyweight pockets.

Key Levels

Support 1 – 14635	Resistance 1 – 14775
Support 2 – 14570	Resistance 2 – 14850

Exhibit 2: Nifty Bank Daily Chart



Key Levels

Support 1 – 34350	Resistance 1 – 35500
Support 2 – 34000	Resistance 2 – 35680

Comments

- The Nifty futures open interest has decreased by 0.34% Bank Nifty futures open interest has increased by 3.15% as market closed at 14707.80 levels.
- The Nifty February future closed with a premium of 3.75 point against a discount of 3.05 point in last trading session. The March series closed at a premium of 55.05 point.
- The INDIA VIX decreased from 25.47 to 25.22. At the same time, the PCR-OI of Nifty increased from 0.99 to 1.06.
- Few of the liquid counters where we have seen high cost of carry are BHEL, IDEA, JSWSTEEL, ADANI PORTS, AND ACC.

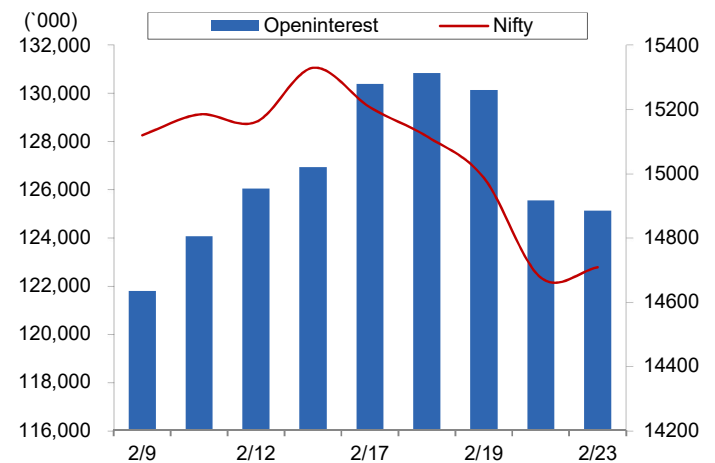
View

- Nifty started the day on a positive note and rallied higher to surpass the 14800 mark. However, the indices did not sustain at higher levels and witnessed some volatility on both sides to end tad above 14700 with marginal gains.
- FII's were net sellers in the cash segment to the tune of 1569 crores. In Index Future segment they sold worth 160 crores with rise in open interest indicating short formaitons in yesterday's session.
- We did not see any significant positions getting built in Nifty but some open interest addition was seen in Bank Nifty. FII's were net sellers in the cash segment while they added marginal shorts in the index futures. We had seen good amount of call writing from 14800-15000 strikes on Monday and hence, the index witnessed some pressure as the index approached this range. From expiry perspective, there are no signs of any major upmove and thus, pullback moves should be used to lighten up longs. On the flip side, 14500 is the immediate support for Nifty. We could continue to see some higher volatility in a broad range in last couple of sessions and hence, traders should prefer to avoid aggressive positions.

Historical Volatility

SCRIP	HV
CUMMINSIND	43.98
TATASTEEL	53.84
PAGEIND	46.70
ONGC	54.77
LALPATHLAB	48.83

Nifty Vs OI



OI Gainers

SCRIP	OI	OI CHG. (%)	PRICE	PRICE CHG. (%)
HINDALCO	37195000	18.04	333.05	5.61
FEDERALBNK	96260000	14.36	81.25	2.00
LALPATHLAB	163500	13.74	2285.60	-4.71
BANKBARODA	97589700	12.73	86.85	-3.86
BANDHANBNK	26188200	11.04	325.30	-0.09
IGL	6965750	9.65	509.25	-2.80
TVSMOTOR	5447400	9.45	597.05	1.75
GODREJCP	4544000	9.26	680.10	-2.61

OI Losers

SCRIP	OI	OI CHG. (%)	PRICE	PRICE CHG. (%)
AMARAJABAT	3347000	-19.79	890.55	-1.08
PAGEIND	92610	-12.13	29040.85	5.54
PVR	1912086	-11.61	1374.45	-0.20
BAJFINANCE	4476250	-9.78	5383.70	0.07
IDFCFIRSTB	152323000	-9.74	61.40	-0.33
BEL	29814800	-9.57	134.20	3.07
CHOLAFIN	8555000	-9.45	517.80	0.34
BERGEPAINT	3536500	-9.26	721.70	-1.16

Put-Call Ratio

SCRIP	PCR-OI	PCR-VOL
NIFTY	1.06	0.93
BANKNIFTY	0.70	0.99
RELIANCE	0.45	0.57
ICICIBANK	0.73	0.63
INFY	0.50	0.52

FII Statistics for February 23, 2020

Detail	Buy	Sell	Net	Contracts	Open Interest	
					Value (in Cr.)	Change
INDEX FUTURES	7676.04	7835.75	(159.71)	132890	13920.48	1.46
INDEX OPTIONS	457424.96	454818.37	2606.59	1125855	118152.19	8.29
STOCK FUTURES	47530.64	47272.02	258.62	1260179	107343.33	0.60
STOCK OPTIONS	20131.97	19556.76	575.21	191635	16627.72	(3.85)
Total	532763.61	529482.90	3280.71	2710559	256043.72	3.35

Turnover on February 23, 2020

Instrument	No. of Contracts	Turnover (in Cr.)	Change (%)
Index Futures	5,18,062	51124.24	6.41
Index Options	3,69,11,502	36,05,764.38	21.18
Stock Futures	17,09,508	1,55,108.95	7.24
Stock Options	22,99,612	2,20,056.65	0.56
Total	4,14,38,684	40,32,054.22	19.04

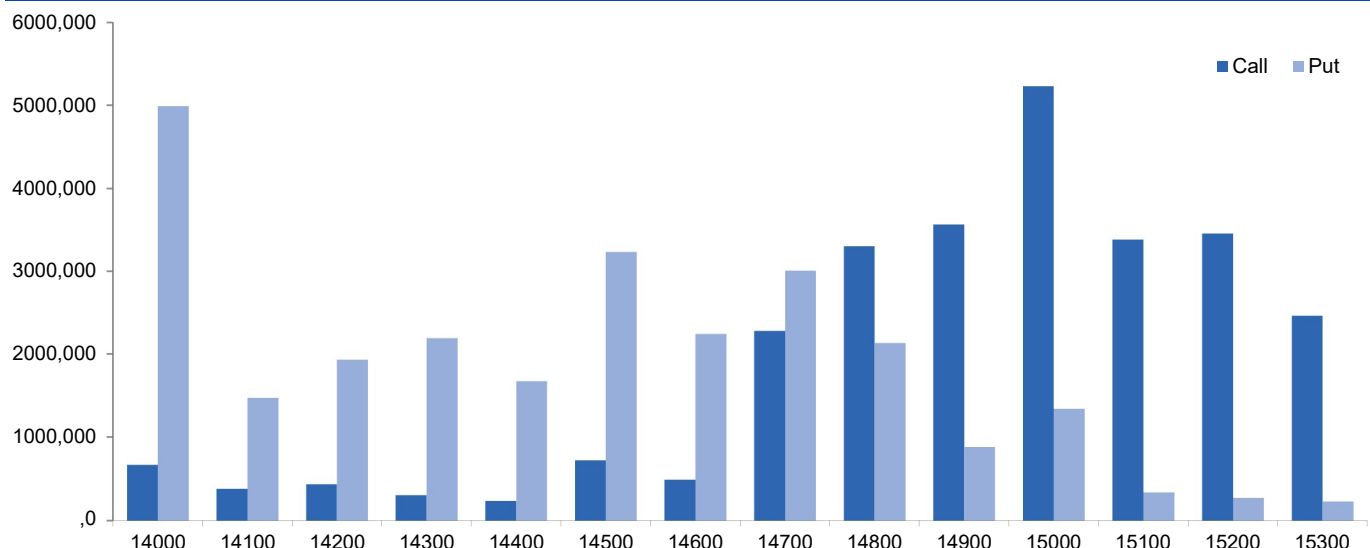
Nifty Spot = 14707.80
Bull-Call Spreads

Action	Strike	Price	Risk	Reward	BEP
Buy	14700	100.60			
Sell	14800	53.95	46.65	53.35	14746.65
Buy	14700	100.60			
Sell	14900	25.80	74.80	125.20	14774.80
Buy	14800	53.95			
Sell	14900	25.80	28.15	71.85	14828.15

Bear-Put Spreads

Action	Strike	Price	Risk	Reward	BEP
Buy	14700	89.95			
Sell	14600	53.00	36.95	63.05	14663.05
Buy	14700	89.95			
Sell	14500	30.10	59.85	140.15	14640.15
Buy	14600	53.00			
Sell	14500	30.10	22.90	77.10	14577.10

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	645	653	668	677	691
ASIAN PAINT	2,277	2,325	2,362	2,410	2,447
AXIS BANK	699	707	721	730	744
BAJAJ-AUTO	3,825	3,869	3,934	3,977	4,042
BAJFINANCE	5,258	5,321	5,413	5,476	5,567
BAJAJFINSV	9,778	9,894	10,044	10,159	10,310
BPCL	418	426	435	443	451
BHARTIARTL	556	561	569	574	582
BRITANNIA	3,300	3,318	3,343	3,361	3,386
CIPLA	779	785	794	800	809
COALINDIA	135	136	137	138	140
DIVISLAB	3,391	3,420	3,469	3,498	3,548
DRREDDY	4,370	4,432	4,483	4,546	4,597
EICHERMOT	2,414	2,464	2,507	2,557	2,600
GAIL	141	144	146	150	152
GRASIM	1,206	1,219	1,234	1,247	1,263
HCLTECH	892	901	916	924	939
HDFCBANK	1,501	1,515	1,537	1,550	1,572
HDFCLIFE	680	693	703	716	726
HDFC	2,586	2,607	2,643	2,664	2,699
HEROMOTOCO	3,318	3,362	3,421	3,464	3,523
HINDALCO	308	320	329	342	351
HINDUNILVR	2,158	2,169	2,181	2,191	2,203
ICICIBANK	602	609	616	623	630
IOC	94	96	98	99	101
INDUSINDBK	1,004	1,026	1,040	1,062	1,076
INFY	1,238	1,252	1,272	1,286	1,305
ITC	205	207	209	210	212
JSW STEEL	402	407	412	417	422
KOTAKBANK	1,802	1,838	1,901	1,937	2,000
LT	1,443	1,465	1,481	1,503	1,519
M&M	801	821	839	859	877
MARUTI	6,826	6,898	7,010	7,083	7,195
NESTLEIND	15,889	16,030	16,142	16,283	16,395
NTPC	99	101	103	105	106
ONGC	107	110	112	115	117
POWERGRID	222	224	227	229	231
RELIANCE	1,991	2,007	2,030	2,046	2,069
SBILIFE	839	854	864	880	890
SHREECEM	26,425	26,843	27,187	27,605	27,950
SBIN	384	390	395	401	405
SUNPHARMA	585	595	601	611	618
TCS	2,932	2,956	2,992	3,016	3,052
TATAMOTORS	300	312	320	332	341
TATASTEEL	662	696	716	749	770
TECHM	915	930	947	962	978
TITAN	1,384	1,404	1,420	1,441	1,457
ULTRACEMCO	6,032	6,150	6,249	6,367	6,466
UPL	494	530	550	586	606
WIPRO	407	411	419	423	430

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