

Sensex (49581) / Nifty (14923)

Markets continues with its recent trend where the opening on Monday happens with either upside or a downside gap. For the second straight week markets started the week on a pleasant note owing to some of the cooling off across the globe. Subsequently there was a brief period of consolidation being witnessed in our market as we immediately saw the momentum picking up in the upward direction. Throughout the remaining part of the session, the Nifty went on to post handsome gains over one and half a percent to reclaim the **14900** mark with some authority.

After nearly 2- 3 weeks, the bulls looked dominant right from the word go and they kept thrashing all intermediate hurdles with an ease. Throughout the day, Nifty maintained its sturdy posture by making higher highs and higher lows. Now, Nifty is again above **14900** and we hope it doesn't deceive us the way it did in the previous week. But looking at the overall development, it looks like we are going to head higher from here; because the authenticity of any move is measured by the quality of participation in it and yesterday the banking space led from the front by giving a humongous intraday rally. When this pocket contributes heavily, the up move can be considered a genuine one. Thus, we will not be surprised to see Nifty crossing **14967** at the opening today to march towards **15044** and beyond levels. On the flipside, **14850 – 14790** are to be seen as intraday supports.

Exhibit 1: Nifty Daily Chart



Since last few days, the global markets are having a complete influence on our markets but the way things seem to have settled down globally, we hope to see a continuation of yesterday's up move. Apart from the financial space, the broader market too did well throughout the day and hence, it would be interesting to see how things pan out in today's session.

Key Levels

Support 1 – 14850	Resistance 1 – 14967
Support 2 – 14790	Resistance 2 – 15044

Nifty Bank Outlook - (33459)

Similar to previous week, we started-off the proceeding with an upside gap and witnessed a positive traction from the word go. The banking index outperformed the benchmark and managed to surpass recent intraday hurdles by an ease. Eventually, the BankNifty concluded the day almost at the highest point with a fabulous gains of over four percent.

Last two consecutive weeks, BankNifty traded in the narrow range (**32000-33300**) giving no clues of either direction. Finally, yesterday we saw a sharp upmove to surpass the higher side of the range with a strong posture as if there is no tomorrow. If market has to gain real strength, such participation from the BankNifty is very important to have a sustainable upmove in future. On the daily chart, the BankNifty has managed to surpass the falling trendline which has acted as a study hurdle in last three attempt. Considering yesterday's development, we are likely to open on a strong note and head towards the next resistance zone of **34000-34200**. On the downside, **33000-33200** should now act as support.

Exhibit 2: Nifty Bank Daily Chart



Key Levels

Support 1 – 31900	Resistance 1 – 32600
Support 2 – 31500	Resistance 2 – 32800

Comments

- The Nifty futures open interest has increased by 2.04%. Bank Nifty futures open interest has increased by 13.90% as market closed at 14923.15 levels.
- The Nifty May future closed with a premium of 28.95 point against a premium of 37.15 point in last trading session. The June series closed at a premium of 46.15 point.
- The INDIA VIX decreased from 20.26 to 19.61. At the same time, the PCR-OI of Nifty has increased from 1.11 to 1.40.
- Few of the liquid counters where we have seen high cost of carry are CADILAH, BANKBARODA, BHEL, IDFCFIRSTB AND IDEA.

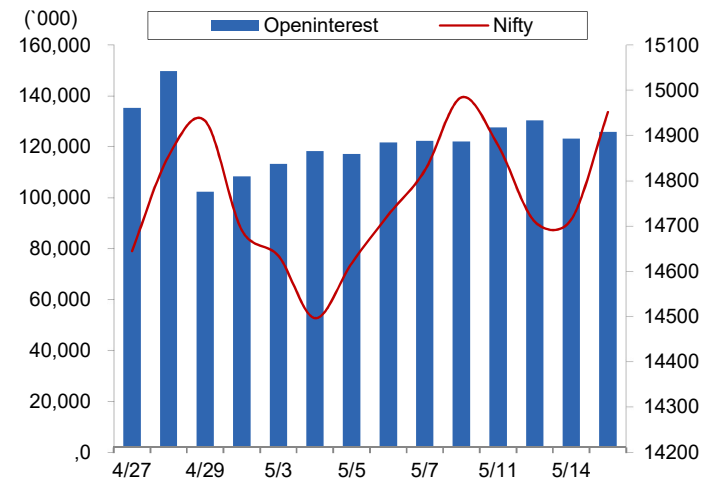
View

- Nifty started the week on a positive note and crept higher gradually throughout the day. The upmove was supported by the banking space and the midcap stocks, due to which Nifty ended the day above 14900.
- FII's were net sellers in the cash segment to the tune of Rs. 2256 crores. In index futures front, they bought worth Rs. 886 crores with increase in open interest indicating long formations and short covering in yesterday's session.
- Both Nifty as well as Bank Nifty witnessed addition of open interest where aggressive longs were seen in the Bank Nifty which led to its outperformance yesterday. FII's sold equities in the cash segment but they formed longs in index & stock futures and sold index put options. In options segment, put writing was seen in 14800 and 14700 strikes while call writers ran for cover as the index rally sustained throughout the day. The support for Nifty has now shifted to 14800 while 15000 is seen as immediate resistance. However, looking at the long formation in the index and options positions, we could see an attempt to surpass the 15000 mark. A move above this resistance could then compel further short covering and hence, traders are advised to trade with a positive bias.

Historical Volatility

SCRIP	HV
BALKRISIND	48.39
SBIN	51.59
NATIONALUM	58.49
HDFCBANK	38.67
INDUSINDBK	76.58

Nifty Vs OI



OI Gainers

SCRIP	OI	OI CHG. (%)	PRICE	PRICE CHG. (%)
TRENT	1138975	19.02	795.10	3.03
BALKRISIND	1778800	14.41	2083.95	10.45
LALPATHLAB	615250	13.78	2752.00	1.31
COLPAL	3628100	10.32	1596.60	2.16
M&MFIN	37012000	9.79	155.50	3.03
CUMMINSIND	1384800	9.59	806.00	-0.82
NMDC	62477500	9.49	186.60	0.43
ESCORTS	3644300	9.30	1142.00	-1.86

OI Losers

SCRIP	OI	OI CHG. (%)	PRICE	PRICE CHG. (%)
MPHASIS	318175	-10.43	1762.40	-1.52
GUJGASLTD	1022500	-8.91	528.40	2.88
GMRINFRA	129487500	-6.41	26.20	4.17
MRF	48800	-5.85	78210.95	3.03
JINDALSTEL	34015000	-5.73	435.85	3.91
CIPLA	15470000	-5.61	881.20	-2.32
POWERGRID	21568000	-5.49	228.40	-0.11
BHEL	99193500	-5.40	71.25	4.90

Put-Call Ratio

SCRIP	PCR-OI	PCR-VOL
NIFTY	1.40	0.90
BANKNIFTY	1.45	0.81
RELIANCE	0.38	0.30
ICICIBANK	0.66	0.47
INFY	0.49	0.42

FII Statistics for May 17, 2021

Detail	Buy	Sell	Net	Contracts	Open Interest	
					Value (in Cr.)	Change
INDEX FUTURES	5102.09	4215.66	886.43	118549	12079.41	4.51
INDEX OPTIONS	313681.08	318177.46	(4496.38)	1101955	114336.35	4.98
STOCK FUTURES	14874.29	13816.51	1057.78	1411226	105904.10	0.77
STOCK OPTIONS	19452.95	19333.54	119.41	243856	18476.23	4.98
Total	353110.41	355543.17	(2432.76)	2875586	250796.09	2.85

Turnover on May 17, 2021

Instrument	No. of Contracts	Turnover (in Cr.)	Change (%)
Index Futures	3,51,107	32653.01	15.26
Index Options	3,19,72,997	29,85,044.25	35.67
Stock Futures	9,57,325	72789.73	-11.01
Stock Options	27,48,315	2,16,096.11	-5.97
Total	3,60,29,744	33,06,583.10	30.17

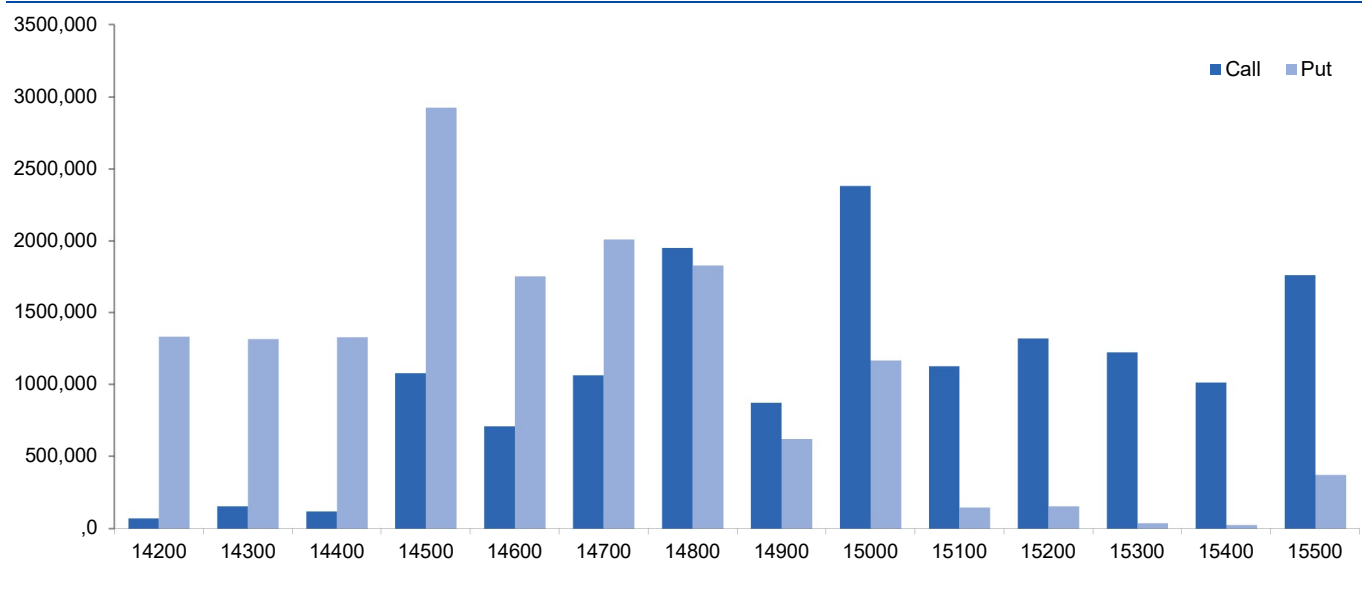
Nifty Spot = 14923.15
Bull-Call Spreads

Action	Strike	Price	Risk	Reward	BEP
Buy	14900	208.30			
Sell	15000	151.95	56.35	43.65	14956.35
Buy	14900	208.30			
Sell	15100	103.65	104.65	95.35	15004.65
Buy	15000	151.95			
Sell	15100	103.65	48.30	51.70	15048.30

Bear-Put Spreads

Action	Strike	Price	Risk	Reward	BEP
Buy	14900	157.30			
Sell	14800	122.25	35.05	64.95	14864.95
Buy	14900	157.30			
Sell	14700	94.75	62.55	137.45	14837.45
Buy	14800	122.25			
Sell	14700	94.75	27.50	72.50	14772.50

Note: Above mentioned Bullish or Bearish Spreads in Nifty (May 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
ADANI PORTS	727	741	750	764	773
ASIAN PAINT	2,708	2,745	2,785	2,822	2,861
AXIS BANK	675	692	701	718	727
BAJAJ-AUTO	3,783	3,824	3,874	3,915	3,965
BAJFINANCE	5,237	5,333	5,412	5,508	5,587
BAJAJFINSV	10,757	11,003	11,189	11,435	11,621
BPCL	434	439	443	447	451
BHARTIARTL	535	542	553	560	571
BRITANNIA	3,475	3,491	3,512	3,529	3,550
CIPLA	850	866	885	901	920
COALINDIA	142	145	147	150	152
DIVISLAB	3,996	4,020	4,043	4,067	4,090
DRREDDY	5,103	5,177	5,218	5,292	5,333
EICHERMOT	2,382	2,433	2,461	2,513	2,541
GRASIM	1,348	1,371	1,386	1,409	1,424
HCLTECH	903	912	920	930	937
HDFCBANK	1,360	1,400	1,421	1,461	1,483
HDFCLIFE	656	661	668	673	681
HDFC	2,413	2,450	2,472	2,509	2,532
HEROMOTOCO	2,779	2,817	2,851	2,888	2,922
HINDALCO	370	382	389	400	407
HINDUNILVR	2,351	2,364	2,379	2,392	2,408
ICICIBANK	593	608	616	632	640
IOC	99	101	101	103	104
INDUSINDBK	875	916	938	979	1,001
INFY	1,314	1,321	1,328	1,336	1,343
ITC	208	211	214	216	219
JSW STEEL	682	698	710	727	739
KOTAKBANK	1,691	1,718	1,736	1,763	1,781
LT	1,326	1,356	1,399	1,429	1,471
M&M	728	741	748	761	769
MARUTI	6,610	6,664	6,751	6,805	6,892
NESTLEIND	16,813	16,926	17,113	17,225	17,412
NTPC	109	110	111	113	114
ONGC	111	113	114	116	117
POWERGRID	225	227	229	231	233
RELIANCE	1,918	1,939	1,951	1,972	1,984
SBILIFE	944	954	971	981	999
SHREECEM	26,310	26,819	27,110	27,619	27,909
SBIN	356	369	377	391	399
SUNPHARMA	670	679	689	697	707
TCS	3,021	3,045	3,060	3,085	3,100
TATA CONSUM	633	643	650	660	668
TATAMOTORS	306	314	319	326	331
TATA STEEL	1,083	1,117	1,138	1,172	1,192
TECHM	936	945	951	960	966
TITAN	1,426	1,447	1,459	1,480	1,492
ULTRACEMCO	6,249	6,391	6,473	6,614	6,696
UPL	736	754	769	786	802
WIPRO	491	495	500	504	508

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