

Sensex (54836) / Nifty (16411)

With a huge gap down on Friday, our markets started around the **16400** mark. Fortunately, due to lack of follow through selling, we did not extend the damage and closed around the opening point.

It was one of the worst weeks in last three months as Nifty shed more than 4% this week. Mostly, global factors tend to trigger such substantial sell offs but, on this occasion, it was initiated due to domestic developments and then to rub salt in the wound, global cues fuelled the corrective move. Honestly speaking, we did not expect the fall to extend below **16500** but when global uncertainty comes, no level is respected. Globally, things have become extremely bleak, and it would be very difficult to assess the situation there. Despite this, we do not want to get carried away and hence, would avoid going short aggressively. If we take a glance at the daily time frame chart, we can see 'Pennant' pattern target in the vicinity of **16200 – 16000**, which is not far away from current level. Hence, we would rather wait for some reversal in this week. On the higher side, **16500** followed by **16700** are the immediate levels to watch out for. Let's see how things pan out globally and be hopeful for some sustainable relief on that front.

Key Levels

Support 1 – 16200	Resistance 1 – 16500
Support 2 – 16000	Resistance 2 – 16700

Nifty Bank Outlook - (34591)

Bank Nifty as well started with a huge gap down on Friday, this was then followed by consolidation within a range. Eventually, the bank index ended with a loss of 1.82% and for the week it wiped off more than 4% to end a tad below **34600**. During the week gone by, the bank index broke below some of the crucial support levels one by one with ease, and definitely, the bears seem to be in a strong momentum. Now if we see the bank index has already sharply corrected and hence going aggressive shorts at current levels doesn't seem wise. In addition, prices have approached 89EMA on the weekly chart which has historically acted as strong support; having said that doesn't suggest immediately going long in fact one should wait for the volatility to settle to understand the next leg of the move. As far as levels are concerned, **34100** followed by **33570** is the next support zone whereas **35000 – 35200** is the immediate resistance zone. We reiterate to avoid undue risk and be very fussy in-stock selection.

Key Levels

Support 1 – 34100	Resistance 1 – 35000
Support 2 – 34000	Resistance 2 – 35200

Exhibit 1: Nifty Daily Chart

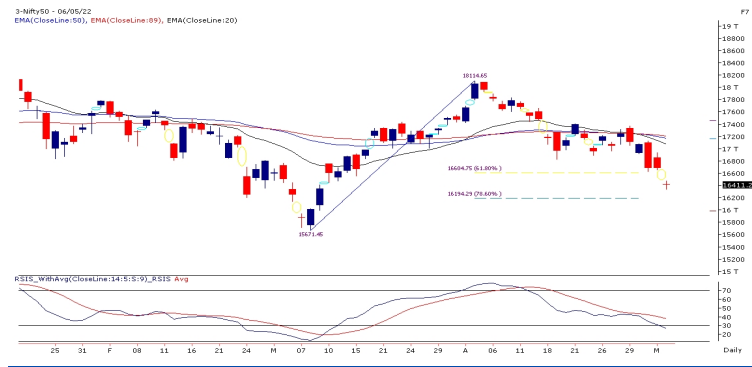


Exhibit 2: Nifty Bank Daily Chart



Comments

- The Nifty futures open interest has increased by 5.09% and BANK Nifty futures open interest has increased by 7.87% as the market closed at 16411.25.
- The Nifty May future closed with a premium of 8.15 point against a premium of 11.65 point in the last trading session. The June series closed at a premium of 20.80 point.
- The INDIA VIX increased from 20.29 to 21.25. At the same time, the PCR-OI of Nifty has increased from 0.73 to 0.74.
- Few of the liquid counters where we have seen high cost of carry are VOLTAS, CHOLAFIN, TORNTPOWER, NESTLEIND and DIVISLAB.

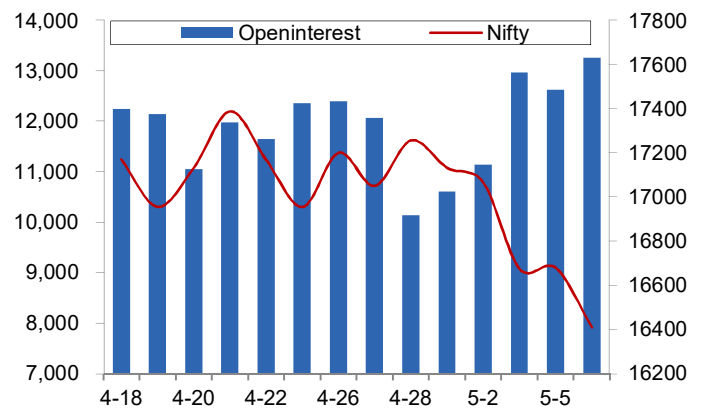
View

- The benchmark index Nifty50 plummeted over 4 percent and has been the worst week in the last three months. The technical support was treated just as a number as the stronger hands continued their relentless selling spree.
- FII's were net sellers in the cash market segment to the tune of Rs. 5517 crores. Simultaneously, in Index futures, they sold worth Rs. 2490 crores with an increase in open interest, indicating short formation.
- Looking at the F&O data, we observed mixed activity, wherein the stronger hands started with adding short positions, followed by an overdue long unwinding, and ended the week with a huge short built-up. The pile-up is visible in the 16000-16200 Put strikes in the options segment, which is expected to act as a key support zone. While on the contrary, a considerable OI concentration is built on the 16500-16700 call strikes, breaching which some assurance could be seen in the market. Considering recent developments both on the domestic and the global front, indecisiveness could be sensed among the market participants, and thus traders are advised to stay cautious and avoid aggressive bets till the volatility looms over.

Historical Volatility

SCRIP	HV
IDEA	94.85
ZEEL	72.71
IBULHSGFIN	72.58
HINDCOPPER	66.21
RBLBANK	65.56

Nifty Vs OI



OI Gainers

SCRIP	OI	OI CHG. (%)	PRICE	PRICE CHG. (%)
TORNTPOWER	3859500	23.88	493.45	-5.98
FEDERALBNK	80390000	19.57	91.10	-3.44
ASTRAL	517275	16.83	1925.70	-5.48
CANBK	46731600	12.16	219.35	-2.42
ABB	444000	10.38	2254.20	1.49
TVSMOTOR	7770000	10.34	629.05	-0.38
COROMANDEL	1480750	8.43	911.45	-0.04
AARTIIND	2958850	7.67	793.50	-4.28

OI Losers

SCRIP	OI	OI CHG. (%)	PRICE	PRICE CHG. (%)
COFORGE	757700	-8.45	3905.50	-6.51
CANFINHOME	3503175	-5.12	547.30	-4.54
OFSS	325325	-5.07	3517.15	0.86
HDFCAMC	3719200	-4.92	1958.05	1.17
JKCEMENT	279475	-4.77	2427.95	-2.81
UBL	1221200	-4.56	1481.65	-0.04
TECHM	16556400	-4.25	1290.75	2.07
ABCAPITAL	20311000	-4.17	106.70	-4.04

Put-Call Ratio

SCRIP	PCR (OI)	PCR (VOL)
NIFTY	0.74	0.73
BANKNIFTY	0.64	0.90
RELIANCE	0.38	0.37
ICICIBANK	0.41	0.63
INFY	0.40	0.53

FII Statistics for May 06, 2021

Detail	Buy	Sell	Net	Contracts	Open Interest Value (in Cr.)	CHANGE
INDEX FUTURES	3898.30	6388.56	(2490.26)	165128	13779.98	18.38
INDEX OPTIONS	496841.29	491799.68	5041.61	1374255	113832.00	36.97
STOCK FUTURES	16486.00	16754.19	(268.19)	2142747	134937.16	1.86
STOCK OPTIONS	9666.20	9717.81	(51.61)	108143	7203.45	11.50
Total	526891.79	524660.24	2231.55	3790273	269752.59	13.37

Turnover on May 06, 2021

Instrument	No. of Contracts	Turnover (in Cr.)	Change (%)
Index Futures	511130	42914.37	-3.45
Index Options	68193154	5832986.12	-74.38
Stock Futures	985280	62799.70	14.06
Stock Options	3044316	213473.79	26.94
Total	30,44,316	213473.79	-73.29

Nifty Spot = 16,411.25

Bull-Call Spreads

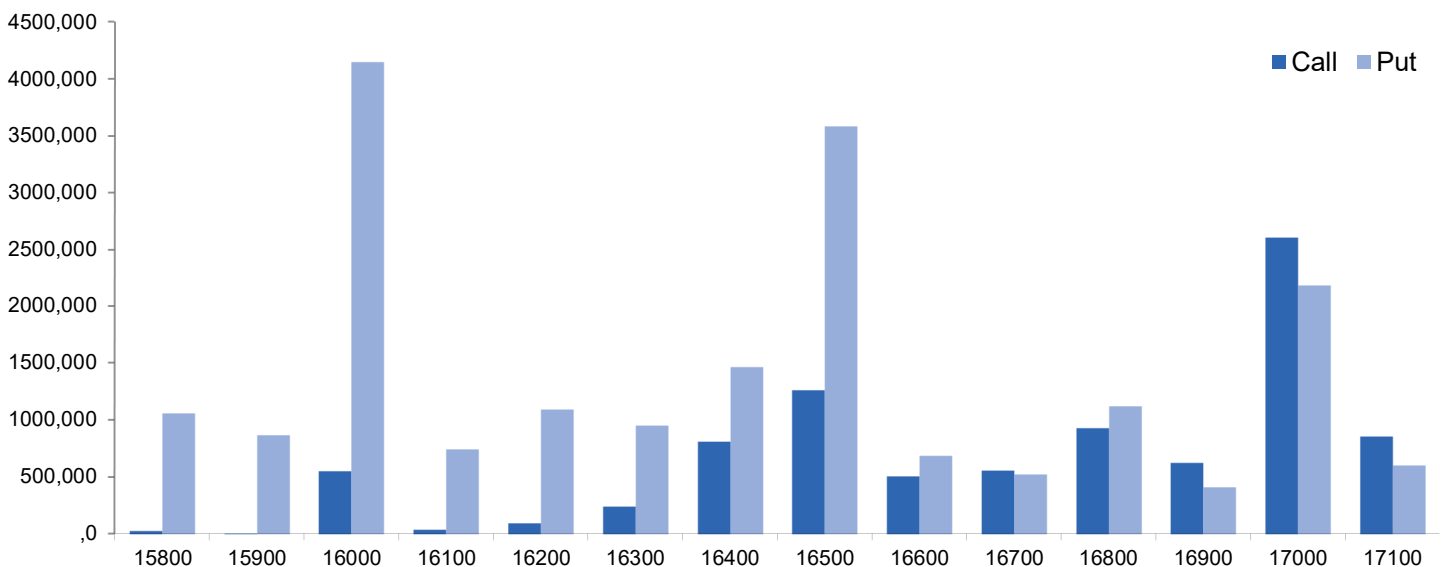
Action	Strike	Price	Risk	Reward	BEP
Buy	16400	324.95			
Sell	16500	269.50	55.45	44.55	16455.45
Buy	16400	324.95			
Sell	16600	223.95	101.00	99.00	16501.00
Buy	16500	269.50			
Sell	16600	223.95	45.55	54.45	16545.55

Bear-Put Spreads

Action	Strike	Price	Risk	Reward	BEP
Buy	16400	304.30			
Sell	16300	260.25	44.05	55.95	16355.95
Buy	16400	304.30			
Sell	16200	222.40	81.90	118.10	16318.10
Buy	16300	260.25			
Sell	16200	222.40	37.85	62.15	16262.15

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
ADANIPTS	788	800	818	829	847
APOLLOHOSP	3,854	3,901	3,978	4,026	4,102
ASIANPAINT	3,034	3,055	3,091	3,112	3,148
AXISBANK	685	694	708	716	731
BAJAJ-AUTO	3,459	3,491	3,543	3,576	3,628
BAJFINANCE	6,158	6,234	6,366	6,441	6,573
BAJAJFINSV	13,639	13,889	14,300	14,550	14,961
BPCL	355	358	363	366	372
BHARTIARTL	703	711	722	730	741
BRITANNIA	3,157	3,217	3,320	3,380	3,484
CIPLA	930	939	953	962	976
COALINDIA	180	183	188	190	195
DIVISLAB	4,283	4,324	4,377	4,419	4,472
DRREDDY	3,873	3,918	3,997	4,042	4,120
EICHERMOT	2,352	2,393	2,461	2,502	2,570
GRASIM	1,574	1,591	1,618	1,634	1,661
HCLTECH	1,037	1,054	1,065	1,082	1,093
HDFCBANK	1,330	1,341	1,358	1,370	1,387
HDFCLIFE	556	563	570	577	584
HDFC	2,180	2,198	2,225	2,243	2,270
HEROMOTOCO	2,382	2,442	2,490	2,550	2,598
HINDALCO	450	456	466	472	482
HINDUNILVR	2,126	2,146	2,174	2,195	2,222
ICICIBANK	716	723	733	739	749
INDUSINDBK	892	914	955	977	1,018
INFY	1,545	1,565	1,577	1,597	1,609
ITC	258	260	263	265	267
JSW STEEL	692	700	713	721	734
KOTAKBANK	1,764	1,781	1,801	1,818	1,838
LT	1,609	1,623	1,647	1,662	1,685
M&M	880	889	905	915	931
MARUTI	7,284	7,346	7,442	7,504	7,600
NESTLEIND	16,957	17,280	17,829	18,153	18,702
NTPC	155	157	159	160	162
ONGC	161	163	166	168	171
POWERGRID	228	231	236	239	244
RELIANCE	2,570	2,605	2,668	2,703	2,766
SBILIFE	1,058	1,071	1,093	1,106	1,128
SHREECEM	24,320	24,705	25,402	25,786	26,484
SBIN	469	474	484	490	500
SUNPHARMA	843	861	890	907	937
TCS	3,463	3,488	3,511	3,536	3,558
TATACONSUM	747	762	787	801	826
TATAMOTORS	418	422	428	432	438
TATASTEEL	1,254	1,269	1,293	1,308	1,331
TECHM	1,207	1,235	1,251	1,279	1,294
TITAN	2,218	2,240	2,274	2,297	2,331
ULTRACEMCO	6,175	6,265	6,431	6,521	6,686
UPL	806	814	828	837	850
WIPRO	493	497	500	504	508

Technical and Derivatives Team:

Sameet Chavan	Chief Analyst – Technical & Derivatives	sameet.chavan@angelone.in
Sneha Seth	Senior Analyst – Technical & Derivatives	sneha.seth@angelone.in
Rajesh Bhosale	Technical Analyst	rajesh.bhosle@angelone.in
Osho Krishan	Senior Analyst – Technical & Derivatives	osho.krishan@angelone.in

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

Website: www.angelone.inFor Technical Queries E-mail: technicalresearch-cso@angelone.inFor Derivatives Queries E-mail: derivatives.desk@angelone.in**DISCLAIMER**

Angel One 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 advisor with SEBI. It also has registration with AMFI as a Mutual Fund Distributor. Angel One 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.

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.

Angel or its associates or research analyst or his relative may have actual/beneficial ownership of 1% or more in the securities of the subject company at the end of the month immediately preceding the date of publication of the research report. Neither Angel or its associates nor Research Analysts or his relative has any material conflict of interest at the time of publication of research report.

Angel or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction in the normal course of business. Angel or its associates did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with the research report. Neither Angel nor its research analyst entity has been engaged in market making activity for the subject company.

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 One 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 One 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 One 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.

Neither Angel One Limited, nor its directors, employees or affiliates shall be liable for any loss or damage that may arise from or in connection with the use of this information. Angel or its associates or Research Analyst or his relative might have financial interest in the subject company. Research analyst has not served as an officer, director or employee of the subject company.