

## Sensex (54318) / Nifty (16259)

The global trading screen early in the morning was pleasant and as a result, our markets started with a modest upside gap slightly above **15900**. However, the momentum accelerated as the day progressed across the heavyweight spaces to send Nifty comfortably beyond **16250** on a closing basis. Unlike recent sessions, the upward rally was here to stay and did not give up in the latter half. The robust recovery session concluded with whopping 2.63% gains to bring back a wider smile in traders' fraternity.

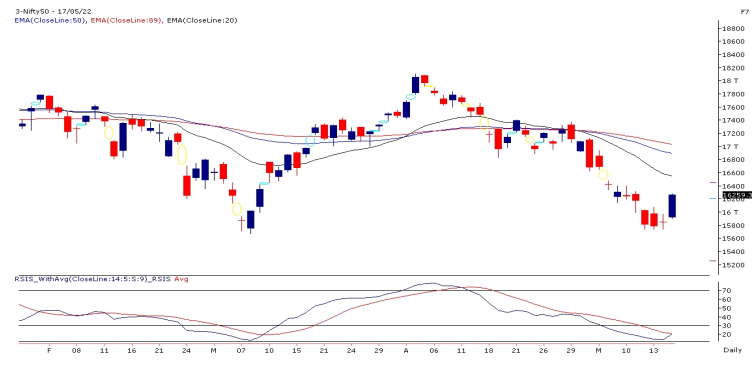
With reference to previous commentary, we had clearly mentioned how markets are deeply oversold and requires a small relief on the global front to rebound sharply from their key supports. The moment we surpassed **16100**, the short sellers were forced to go on the back foot, which provided some impetus to the convincing move beyond **16250**. As of now, yesterday's rally should only be construed as a pull back; because markets were deeply oversold and needed some breather. So rather than getting complacent, it's advisable to adopt 'One step at a time' strategy. Yes, the kind of recovery we witnessed yesterday, it is a bit encouraging one and indicates a possible extension towards **16350 - 16500**. Hopefully the global screen remains intact like this, which could provide a much needed push to extend the move. On the flipside, **16100 - 16000** has now become a sacrosanct support and till the time, we do not slide below it, traders can use declines to buy into.

## Nifty Bank Outlook - (34302)

Bank Nifty as well started on a positive note and the momentum continued throughout the session to eventually end with strong gains of over two percent tad above **34300**.

Following the bullish reversal candlestick pattern on Monday known as 'Inside Bar' the bank index finally witnessed a much-awaited bounce back yesterday. The way some of the counters moved within this space and the way the bank nifty has closed certainly bodes well for the bulls. However, as mentioned above this upmove should only be considered as a pullback as of now, and a one step at a time approach should be taken. As far as levels are concerned, **34800 - 35000** are the next levels to check on the pull-back moves whereas, on the flip side, **34000 - 33800** is the immediate support zone. As long as the mentioned support levels hold, intraday dips can be taken to add the long positions.

## Exhibit 1: Nifty Daily Chart



It was a day of broad based participation as lot of beaten down spaces came back strongly especially, the Metal basket; courtesy to fresh updates with respect to China reopening. Hence, traders are advised to keep focusing on individual counters who are poised for some recovery from their important supports.

### Key Levels

Support 1 - 16100	Resistance 1 - 16350
Support 2 - 16000	Resistance 2 - 16500

## Exhibit 2: Nifty Bank Daily Chart



### Key Levels

Support 1 - 34000	Resistance 1 - 34800
Support 2 - 33800	Resistance 2 - 35000

## Comments

- The Nifty futures open interest has decreased by 2.02% and BANK Nifty futures open interest has decreased by 1.86% as the market closed at 16259.30.
- The Nifty May future closed with a discount of 4.35 point against a premium of 0.30 point in the last trading session. The June series closed at a discount of 5.05 point.
- The INDIA VIX decreased from 24.52 to 22.74. At the same time, the PCR-OI of Nifty increased from 0.73 to 1.12.
- Few of the liquid counters where we have seen high cost of carry are ABBOTINDIA, VEDL, HINDALCO, COROMANDEL and INTELLECT.

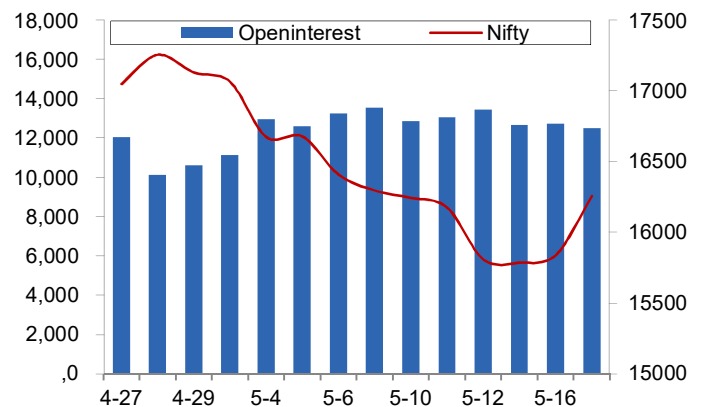
## View

- The market witnessed strong follow-up momentum tracking the positive global cues. Broad-based participation from the heavyweights has made Nifty bounce beyond the 16250 level.
- Fills were net sellers in the cash market segment to the tune of Rs. 2192 crores. Simultaneously, in Index futures, they bought worth Rs. 1064 crores with a decrease in open interest, indicating some short covering.
- Looking at the F&O data, the stronger hands have covered their short positions in both indices. On the options front, a pile-up is visible in the 16000-16100 Put strikes in the options segment, which is expected to act as a strong support zone. While on the contrary, a considerable OI concentration is built on the 16400-16500 call strikes, indicating a tentative range in the market for the near term. Considering the momentum in the recent price action, the sentiments are likely to remain upbeat, and any minor correction could be seen as an opportunity to go long. Also, we advocate traders to trade with a positive bias and should look for stock-specific trades that are likely to give trending moves.

## Historical Volatility

SCRIP	HV
IDEA	95.07
IBULHSGFIN	78.79
ZEEL	72.07
HINDCOPPER	67.92
RBLBANK	66.82

## Nifty Vs OI



## OI Gainers

SCRIP	OI	OI CHG. (%)	PRICE	PRICE CHG. (%)
COROMANDEL	1630050	40.60	942.75	6.47
CHAMBLFERT	2367000	11.76	405.90	5.55
BAJAJFINSV	945950	10.92	12972.15	2.51
METROPOLIS	505400	10.88	1932.70	-0.45
ABB	363000	9.83	2294.35	1.96
HINDPETRO	12984300	9.82	255.85	0.61
MCX	2933800	9.77	1211.85	3.35
LALPATHLAB	1162500	9.44	2184.65	-1.10

## OI Losers

SCRIP	OI	OI CHG. (%)	PRICE	PRICE CHG. (%)
GUJGASLTD	2480000	-11.90	555.95	-0.47
APOLLOHOSP	2294250	-8.26	3813.15	3.45
INTELLECT	1299750	-6.98	641.20	10.71
COALINDIA	41055000	-6.59	184.55	7.33
GSPL	2094800	-6.37	263.30	2.48
DIXON	845500	-6.11	3489.15	4.31
TATACHEM	5741000	-5.90	971.80	5.28
HINDALCO	43866450	-5.69	428.40	9.19

## Put-Call Ratio

SCRIP	PCR (OI)	PCR (VOL)
NIFTY	1.12	0.81
BANKNIFTY	1.08	0.89
RELIANCE	0.33	0.40
ICICIBANK	0.51	0.52
INFY	0.41	0.48

## FII Statistics for May 17, 2022

Detail	Buy	Sell	Net	Contracts	Open Interest Value (in Cr.)	CHANGE
INDEX FUTURES	4641.35	3577.60	1063.75	164430	13604.10	(8.47)
INDEX OPTIONS	651522.19	650293.66	1228.53	1770738	145596.99	9.11
STOCK FUTURES	16242.00	14250.86	1991.14	2339886	145599.45	0.16
STOCK OPTIONS	8689.93	8786.77	(96.84)	154819	9970.01	(1.12)
<b>Total</b>	<b>681095.47</b>	<b>676908.89</b>	<b>4186.58</b>	<b>4429873</b>	<b>314770.55</b>	<b>3.13</b>

## Turnover on May 17, 2022

Instrument	No. of Contracts	Turnover (in Cr.)	Change (%)
Index Futures	481910	39730.76	3.63
Index Options	97869928	8104852.52	24.65
Stock Futures	976791	59481.59	11.16
Stock Options	3820853	247445.93	26.22
<b>Total</b>	<b>38,20,853</b>	<b>247445.93</b>	<b>24.47</b>

Nifty Spot = 16259.30

### Bull-Call Spreads

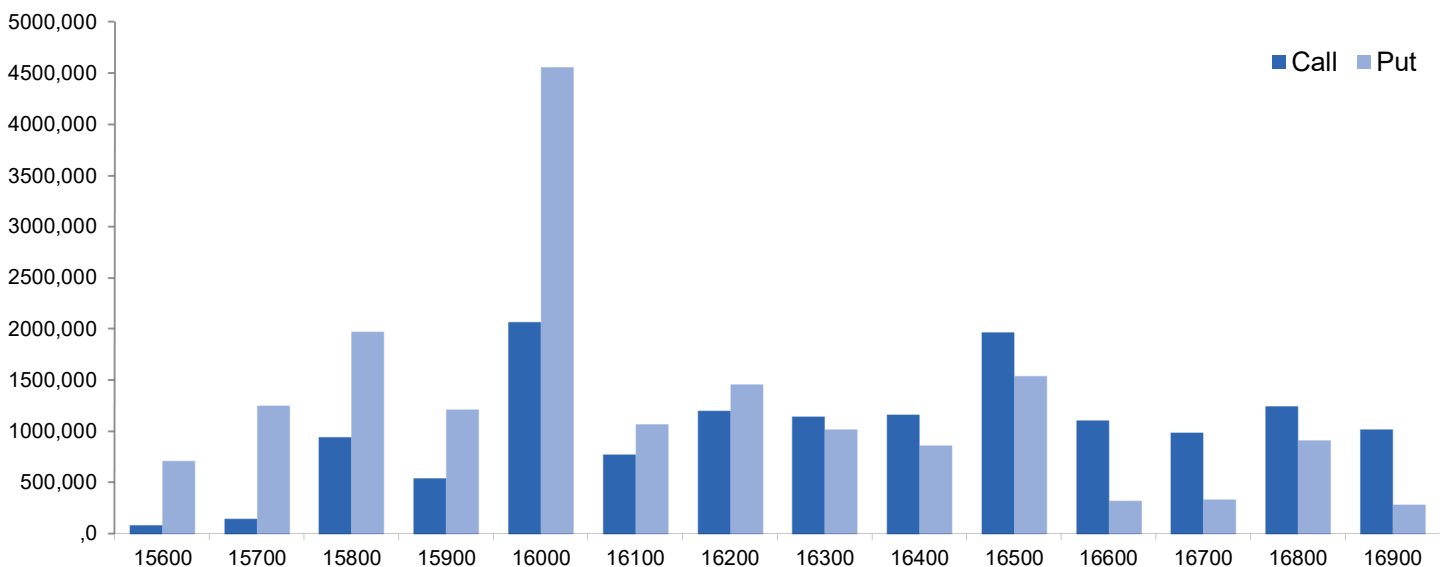
Action	Strike	Price	Risk	Reward	BEP
Buy	16200	244.45			
Sell	16300	188.80	55.65	44.35	16255.65
Buy	16200	244.45			
Sell	16400	142.25	102.20	97.80	16302.20
Buy	16300	188.80			
Sell	16400	142.25	46.55	53.45	16346.55

### Bear-Put Spreads

Action	Strike	Price	Risk	Reward	BEP
Buy	16200	186.85			
Sell	16100	149.40	37.45	62.55	16162.55
Buy	16200	186.85			
Sell	16000	120.05	66.80	133.20	16133.20
Buy	16100	149.40			
Sell	16000	120.05	29.35	70.65	16070.65

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
ADANIPOINTS	704	724	736	756	768
APOLLOHOSP	3,620	3,716	3,775	3,871	3,930
ASIANPAINT	2,914	2,982	3,019	3,087	3,125
AXISBANK	635	645	651	661	668
BAJAJ-AUTO	3,690	3,716	3,752	3,778	3,814
BAJFINANCE	5,582	5,710	5,779	5,907	5,976
BAJAJFINSV	12,484	12,728	12,874	13,119	13,265
BPCL	331	337	340	346	349
BHARTIARTL	683	695	703	714	722
BRITANNIA	3,248	3,309	3,346	3,406	3,443
CIPLA	907	922	932	947	957
COALINDIA	169	177	181	189	193
DIVISLAB	4,162	4,233	4,273	4,344	4,384
DRREDDY	3,833	3,868	3,907	3,942	3,980
EICHERMOT	2,559	2,633	2,674	2,748	2,788
GRASIM	1,431	1,456	1,473	1,498	1,515
HCLTECH	1,031	1,057	1,071	1,097	1,112
HDFCBANK	1,291	1,302	1,310	1,321	1,329
HDFCLIFE	537	546	551	560	566
HDFC	2,147	2,169	2,183	2,205	2,218
HEROMOTOCO	2,485	2,504	2,521	2,541	2,558
HINDALCO	382	405	421	444	461
HINDUNILVR	2,192	2,219	2,248	2,274	2,303
ICICIBANK	676	693	702	720	729
INDUSINDBK	882	893	899	910	916
INFY	1,464	1,491	1,508	1,535	1,552
ITC	251	258	262	269	272
JSW STEEL	596	619	632	655	669
KOTAKBANK	1,807	1,824	1,834	1,851	1,862
LT	1,523	1,563	1,586	1,626	1,649
M&M	890	900	909	919	928
MARUTI	7,128	7,330	7,458	7,660	7,787
NESTLEIND	16,067	16,195	16,293	16,421	16,518
NTPC	145	148	149	152	154
ONGC	153	158	161	166	169
POWERGRID	230	235	237	241	243
RELIANCE	2,392	2,461	2,500	2,569	2,608
SBILIFE	1,022	1,046	1,061	1,085	1,100
SHREECEM	21,583	21,809	22,016	22,243	22,450
SBIN	451	459	464	473	478
SUNPHARMA	872	882	889	899	906
TCS	3,306	3,379	3,423	3,496	3,540
TATACONSUM	711	723	733	744	754
TATAMOTORS	398	411	418	432	439
TATASTEEL	1,085	1,137	1,167	1,219	1,249
TECHM	1,170	1,184	1,197	1,211	1,224
TITAN	2,083	2,130	2,157	2,204	2,231
ULTRACEMCO	5,926	6,017	6,071	6,162	6,217
UPL	791	804	812	825	833
WIPRO	461	474	481	494	502

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