

## Sensex (54253) / Nifty (16170)

An action-packed session was seen in our domestic market with a V-shaped recovery amid the expiry day. The benchmark index nifty50 started the day with a gap up that soon got sold into, and it breached the psychological mark to test intraday lows of **15904** odd levels. However, the short covering in the midsession triggered a brisk rally that pared down all the initial loss, followed by the broad-based optimism that boosted the market sentiments and snapped the week's selling spree. The Nifty concluded the expiry session at the day's high with a gain of 0.90 percent.

Technically speaking, bulls retaliated to safeguard the psychological mark of **16000** quite well and have made a remarkable comeback. Though it would be early to advocate any reversal in the trend until the significant hurdle of the unfilled gap placed at **16480-16650** is not taken out. The index is expected to consolidate in the slender range for the time being. On the downside, the **16000** mark has once again proved its mettle and is likely to play the sheet anchor role in the near future. While on the contrary, the immediate resistance is placed around **16400**, followed by the mentioned gap.

## Exhibit 1: Nifty Daily Chart



Looking at the recent price action, we would like to reiterate not being complacent and staying abreast with daily developments across the globe. A strong leadership from major sectors could help gain momentum in the domestic market. Hence, traders should focus on thematic moves in the market from the next derivatives series.

### Key Levels

Support 1 - 16000

Resistance 1 - 16250

Support 2 - 15900

Resistance 2 - 16400

## Nifty Bank Outlook - (35095)

Similar to previous session, the banking index opened higher in tandem with the benchmark and then erased early gains as the day progressed. At one point, it was about to enter the negative territory but fortunately some buying at lower levels did not let this happen. In fact, post the mid session, the buying emerged at some pace across the broader market and banking being the outperforming one, just took off to test recent hurdle of **34700 - 34800**. This time, the up move was here not get perished as we saw acceleration of buying to surpass the **35000** mark with some authority.

Yesterday, the banking space led from the front and was a charioteer of pulling the benchmark from the challenging position to a safer terrain. With this, BANKNIFTY has confirmed a breakout from the sturdy wall of **34700 - 34800** which coincides with the '20-day EMA'. Hence, we expect the banking index to continue its northward trajectory now and move towards **35500 - 35800** in next couple of sessions. This will certainly bolster the overall sentiments among the market participants. Traders are advised to trade with a positive bias and use any decline towards **34800 - 34700** to add fresh long positions.

## Exhibit 2: Nifty Bank Daily Chart



### Key Levels

Support 1 - 34800

Resistance 1 - 35500

Support 2 - 34700

Resistance 2 - 35800

## Comments

- The Nifty futures open interest has decreased by 8.07% and BANK Nifty futures open interest has decreased by 13.79% as the market closed at 16170.15.
- The Nifty June future closed with a discount of 2.05 point against a discount of 13.70 point in the last trading session. The July series closed at a premium of 13.60 point.
- The INDIA VIX decreased from 25.28 to 22.71. At the same time, the PCR-OI of Nifty increased from 0.73 to 1.13.
- Few of the liquid counters where we have seen high cost of carry are IDEA, MCDOWELL-N, IDFCFIRSTB, CHAMBLFERT and ALKEM.

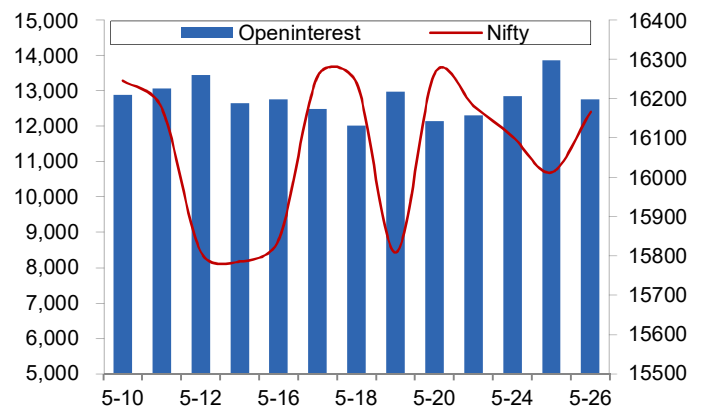
## View

- We had an optimistic start on the monthly expiry session but witnessed profit booking right from the word go to drag index towards 15900. Luckily, sharp recovery was observed in the broad based market to touch 16200. Eventually, we concluded the volatile session tad above 16150 with the gains of almost a percent.
- FII's were net sellers in the cash market segment to the tune of Rs. 1598 crores. Simultaneously, in Index futures, they sold worth Rs.626 crores with a meaningful decline in open interest, due to expiry.
- Yesterday, we witnessed open interest reduction in both the indices which is the normal phenomena during the expiry day. Rollover in Nifty and BankNifty stood at 79% and 85% respectively. We believe decent amount of shorts have been rolled over in Nifty; as far as banking index is concerned, we have noticed open interest reduction MoM. Stronger hands index futures 'Long Short Ratio' has improvised from 35% to 45% series on series, which is a positive development. Considering the strong comeback yesterday, we expect further upside towards 16400-16450 and any sustainable move beyond same shall boost the overall sentiments to extend the upmove towards 16800-17000 zone.

## Historical Volatility

SCRIP	HV
TORNTPHARM	39.82
INDIGO	51.75
LALPATHLAB	50.16
HAVELLS	39.06
MFSL	44.26

## Nifty Vs OI



## OI Gainers

SCRIP	OI	OI CHG. (%)	PRICE	PRICE CHG. (%)
DIVISLAB	3341400	9.96	3448.70	-2.08
APOLLOTYRE	12869500	6.91	213.50	0.61
TORNTPHARM	856500	6.76	2900.95	9.76
INDIGO	2970850	4.93	1816.20	10.38
HAVELLS	4817000	3.87	1172.75	-4.77
INFY	50501700	2.49	1423.95	0.86
LT	15568325	2.10	1564.55	-0.44
NESTLEIND	402290	2.05	17652.75	1.86

## OI Losers

SCRIP	OI	OI CHG. (%)	PRICE	PRICE CHG. (%)
ZYDUSLIFE	12589700	-38.02	373.40	1.75
ABBOTINDIA	24360	-33.10	17710.10	-2.08
GNFC	2685800	-32.94	598.80	1.06
PFC	34720000	-32.54	108.15	0.56
TATACOMM	3738200	-30.28	943.55	0.77
IOC	35886500	-28.96	114.20	-0.39
ICICIGI	2283100	-26.81	1267.80	1.17
VOLTAS	2644000	-26.81	995.85	0.76

## Put-Call Ratio

SCRIP	PCR (OI)	PCR (VOL)
NIFTY	1.13	0.81
BANKNIFTY	0.99	0.82
RELIANCE	0.50	0.48
ICICIBANK	0.70	0.47
INFY	0.57	0.34

## FII Statistics for May 26, 2022

Detail	Buy	Sell	Net	Contracts	Open Interest Value (in Cr.)	CHANGE
INDEX FUTURES	9210.93	9837.38	(626.45)	148200	12394.88	(27.10)
INDEX OPTIONS	1632405.55	1627403.32	5002.23	714725	58977.66	(64.29)
STOCK FUTURES	29365.95	27346.38	2019.57	2428629	145610.13	(2.08)
STOCK OPTIONS	5236.17	4995.14	241.03	39397	2521.83	(71.64)
<b>Total</b>	<b>1676218.60</b>	<b>1669582.22</b>	<b>6636.38</b>	<b>3330951</b>	<b>219504.50</b>	<b>(30.95)</b>

## Turnover on May 26, 2022

Instrument	No. of Contracts	Turnover (in Cr.)	Change (%)
Index Futures	833804	68957.74	42.82
Index Options	263495992	22132500.36	144.17
Stock Futures	2616714	154255.11	4.65
Stock Options	2871123	183224.21	-13.93
<b>Total</b>	<b>28,71,123</b>	<b>183224.21</b>	<b>137.93</b>

Nifty Spot = 16170.15

### Bull-Call Spreads

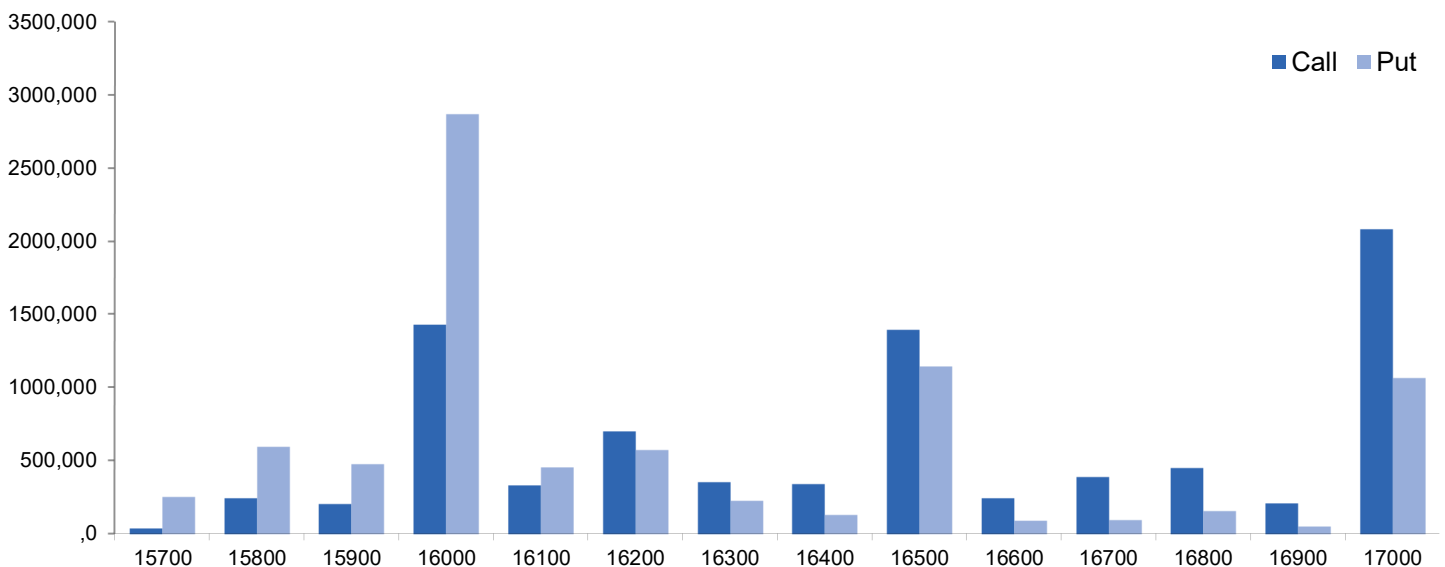
Action	Strike	Price	Risk	Reward	BEP
Buy	16200	398.50	52.20	47.80	16252.20
Sell	16300	346.30			
Buy	16200	398.50	101.10	98.90	16301.10
Sell	16400	297.40			
Buy	16300	346.30	48.90	51.10	16348.90
Sell	16400	297.40			

### Bear-Put Spreads

Action	Strike	Price	Risk	Reward	BEP
Buy	16200	419.30	41.50	58.50	16158.50
Sell	16100	377.80			
Buy	16200	419.30	82.40	117.60	16117.60
Sell	16000	336.90			
Buy	16100	377.80	40.90	59.10	16059.10
Sell	16000	336.90			

Note: Above mentioned Bullish or Bearish Spreads in Nifty (June 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	645	673	696	724	747
APOLLOHOSP	3,230	3,447	3,578	3,794	3,925
ASIANPAINT	2,665	2,752	2,806	2,894	2,948
AXISBANK	662	672	679	690	696
BAJAJ-AUTO	3,711	3,784	3,827	3,900	3,943
BAJFINANCE	5,560	5,689	5,782	5,911	6,004
BAJAJFINSV	11,852	12,165	12,375	12,688	12,898
BPCL	307	316	321	329	334
BHARTIARTL	669	681	688	701	708
BRITANNIA	3,486	3,524	3,551	3,588	3,615
CIPLA	950	957	967	975	984
COALINDIA	174	179	182	187	191
DIVISLAB	3,258	3,354	3,461	3,556	3,663
DRREDDY	4,255	4,280	4,314	4,339	4,374
EICHERMOT	2,634	2,680	2,709	2,755	2,784
GRASIM	1,317	1,355	1,378	1,416	1,438
HCLTECH	962	971	979	988	996
HDFCBANK	1,328	1,347	1,359	1,378	1,390
HDFCLIFE	556	567	574	585	592
HDFC	2,217	2,253	2,277	2,312	2,337
HEROMOTOCO	2,547	2,592	2,620	2,664	2,692
HINDALCO	386	397	404	415	422
HINDUNILVR	2,240	2,260	2,278	2,298	2,316
ICICIBANK	708	718	726	736	743
INDUSINDBK	865	881	894	910	923
INFY	1,397	1,411	1,420	1,434	1,443
ITC	262	264	266	269	271
JSW STEEL	507	529	542	565	578
KOTAKBANK	1,867	1,888	1,905	1,926	1,943
LT	1,511	1,538	1,563	1,590	1,616
M&M	907	919	926	937	945
MARUTI	7,535	7,670	7,755	7,890	7,975
NESTLEIND	17,159	17,406	17,568	17,815	17,977
NTPC	149	151	153	156	158
ONGC	146	149	151	154	156
POWERGRID	222	224	227	230	232
RELIANCE	2,503	2,545	2,590	2,632	2,677
SBILIFE	1,060	1,083	1,096	1,119	1,133
SHREECEM	20,221	20,956	21,411	22,146	22,601
SBIN	446	458	464	475	481
SUNPHARMA	876	888	905	917	934
TCS	3,155	3,191	3,216	3,252	3,277
TATACONSUM	688	705	715	732	742
TATAMOTORS	398	410	416	427	434
TATASTEEL	966	1,009	1,038	1,081	1,111
TECHM	1,041	1,060	1,075	1,093	1,108
TITAN	2,047	2,095	2,123	2,170	2,198
ULTRACEMCO	5,622	5,748	5,833	5,959	6,043
UPL	716	732	749	765	782
WIPRO	440	447	451	457	461

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