



## Sensex (27238) / Nifty (8400)

Last week, we saw Nifty struggling around the **8300** mark, in fact, the same thing was witnessed in the early part of the week gone by. However, similar to **8200**, the index chose to surpass this hurdle with a strong gap up opening, which was a sign of strength. As a result, we saw strong follow up buying to test the expected target of **8450** on Friday.

Now, due to last week's up move, the Nifty has managed to close decisively above the '20 EMA' as well as 'Parabolic SAR', which has confirmed a bullish signal on weekly chart. In addition, the 'RSI - smoothed' oscillator has given a positive crossover with its average in the same time frame chart. On Friday, we saw some profit booking after reaching the downside gap area (**8460 – 8510**) formed on November 11, 2016. Going ahead, considering recent sharp rally, we may see Nifty consolidating around **8460** and then at **8598**, which can be termed as immediate hurdles. However, there would just be a pause in the momentum as the undertone still remains bullish and we expect buying emerging at lower levels. On the other hand, in case of a dip, **8320 – 8250** would be seen as strong support levels for the index. Since, the index has already given a decent run of late, we would now advise traders to focus on individual stocks which may fetch higher returns as compared to the index.

### Key Levels

Support 1 – 8350	Resistance 1 – 8460
Support 2 – 8320	Resistance 2 – 8510

## Nifty Bank Outlook - (18912)

Again, the Bank nifty index opened with upside gap on Friday and started correcting from initial trades. The banking index breached its previous session's low within first hour of trade. However, we witnessed decent recovery in the later half and as a result, the Nifty Bank index has managed to close with gains of 0.20 percent over its previous close.

After the formation of 'Doji' candle on Thursday, the Nifty Bank index has formed a 'Hanging Man' candle on Friday's session. A close below Friday's low of **18781.25** may result into pause in the upward momentum and we may see some time as well as price correction. Since, there is no sign of reversals seen on chart, traders should not pre-empt 'Top' and thus trade with positive bias. At current juncture, the Nifty Bank index has resistance at **19275** level, which is 61.80% retracement level of previous down move from **20309.65** to **17606.90**. On the flipside, immediate support for the index is placed at **18781** and **18600** levels.

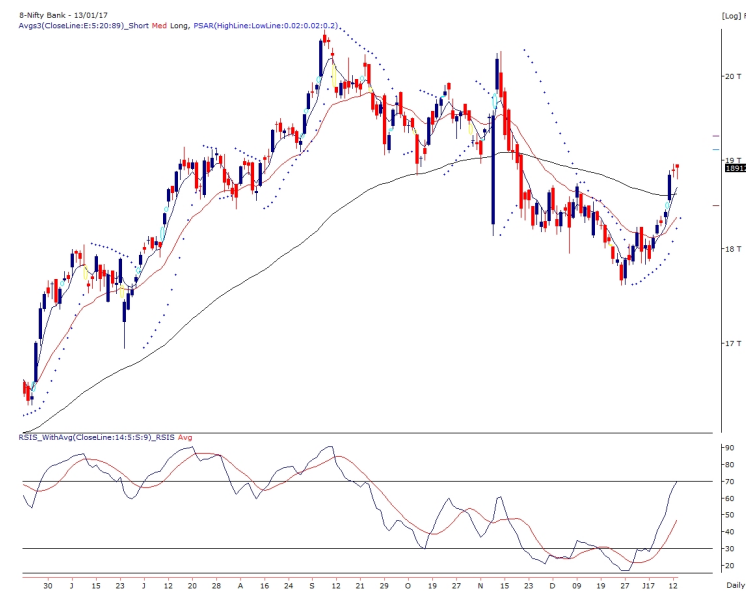
### Key Levels

Support 1 – 18781	Resistance 1 – 19040
Support 2 – 18600	Resistance 2 – 19275

## Exhibit 1: Nifty Daily Chart



## Exhibit 2: Nifty Bank Daily Chart





## Comments

- The Nifty futures open interest has decreased by 0.23% BankNifty futures open interest has increased by 10.92% as market closed at 8400.35 levels.
- The Nifty January future closed with a premium of 17.35 points against the premium of 10.80 points in last trading session. The February series closed at a premium of 42.70 points.
- The Implied Volatility of at the money options has decreased from 11.53% to 10.84%. At the same time, the PCR-OI of Nifty has increased from 1.22 to 1.23 levels.
- The total OI of the market is Rs. 2,73,791/- cr. and the stock futures OI is Rs. 77,529/- cr.
- Few of the liquid counters where we have seen high cost of carry are IFCI, JPASSOCIAT, JSWSTEEL, RCOM and BHEL.

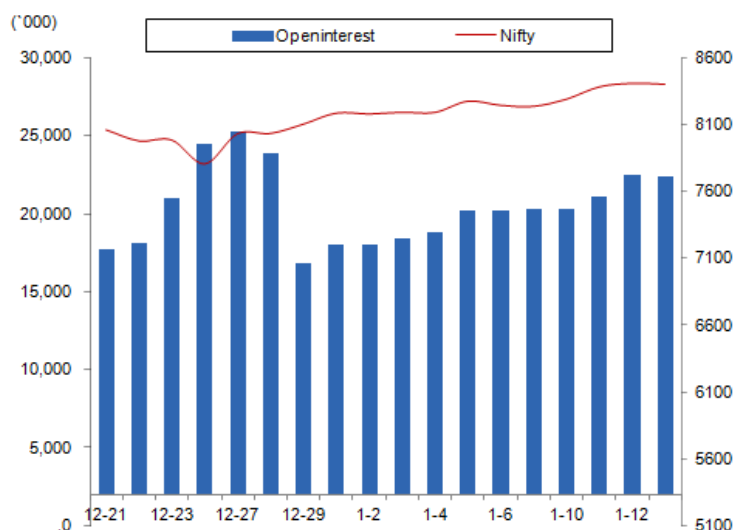
## Views

- On Friday, FIIs were net seller in equity cash segment worth Rs. 118 crores. While, in index futures, their activity remained subdued.
- In index option segment, FIIs sold worth Rs. 229 crores with rise in open interest. In call options, 8600, 8550 and 8400 strikes added some positions. While we witnessed decent open interest reduction in 'in the money strikes' viz 8300, and 8200. On the other hand, in put options, 8400 and 8100 strikes were quite active and added fresh positions; followed by unwinding in 8300 strike. At current juncture, highest open interest in call option has again shifted from 8500 to 8400 strike, while it remains intact 8000 put option.
- Last week, Nifty managed to surpass the resistance of 8300 on the back of good amount of long addition in Index as well as Stock Futures. While on options front, we witnessed FIIs writing 8200-8300 puts, suggesting 8250-8300 to now act as a good support for market. Thus looking at the overall F&O data, we expect continuation of recent optimism in the market. Thus, any dip near 8300-8350 levels should be used as a buying opportunity.

## Historical Volatility

SCRIP	HV
TCS	30.43
KSCL	44.93
AXISBANK	31.56
IDEA	43.33
MCLEODRUSS	31.00

## Nifty Vs OI



## OI Gainers

SCRIP	OI	OI CHG. (%)	PRICE	PRICE CHG. (%)
DCBBANK	4756500	32.13	124.40	3.80
TCS	6033250	29.53	2250.00	-3.75
JUSTDIAL	5193600	23.48	369.45	-0.94
APOLLOTYRE	10314000	17.02	188.50	-3.38
IDEA	102312000	13.96	68.80	-4.64
COALINDIA	12542600	11.45	311.65	0.91
RCOM	128016000	10.09	31.50	-3.37
INFY	19562500	10.07	979.00	-2.49

## OI Losers

SCRIP	OI	OI CHG. (%)	PRICE	PRICE CHG. (%)
JPASSOCIAT	145656000	-6.46	9.90	-4.35
CENTURYTEX	7773700	-5.29	803.80	-2.02
IBREALST	32180000	-4.74	79.00	-2.53
ADANIENIT	15904000	-4.47	78.65	-2.30
AUROPHARMA	10111500	-4.23	704.55	1.14
HDFC	11172500	-4.00	1247.95	1.86
NHPC	41931000	-3.48	27.70	-2.29
IBULHSGFIN	12112800	-3.35	748.95	3.01

## Put-Call Ratio

SCRIP	PCR-OI	PCR-VOL
NIFTY	1.23	1.12
BANKNIFTY	1.04	0.90
INFY	0.56	0.73
TCS	0.37	0.60
SBIN	0.51	0.45



## FII Statistics for January 13, 2017

Detail	Buy	Sell	Net	Open Interest		
				Contracts	Value (in Cr.)	Change (%)
INDEX FUTURES	1814.64	1723.96	90.67	239643	15620.53	1.79
INDEX OPTIONS	25854.68	26084.17	(229.49)	1070891	69067.43	3.71
STOCK FUTURES	7405.15	7577.19	(172.03)	897558	56582.13	1.83
STOCK OPTIONS	5185.10	5121.48	63.62	92261	6093.90	6.62
<b>TOTAL</b>	<b>40259.57</b>	<b>40506.80</b>	<b>(247.23)</b>	<b>2300353</b>	<b>147363.99</b>	<b>2.88</b>

## Turnover on January 13, 2017

Instrument	No. of Contracts	Turnover (in Cr.)	Change (%)
INDEX FUTURES	186126	12615.72	-5.15
INDEX OPTIONS	2924228	199472.85	-61.34
STOCK FUTURES	579319	37412.76	2.05
STOCK OPTIONS	503816	31806.28	16.68
<b>TOTAL</b>	<b>4193489</b>	<b>281307.61</b>	<b>-52.58</b>

Nifty Spot = 8400.35

Lot Size = 75

### Bull-Call Spreads

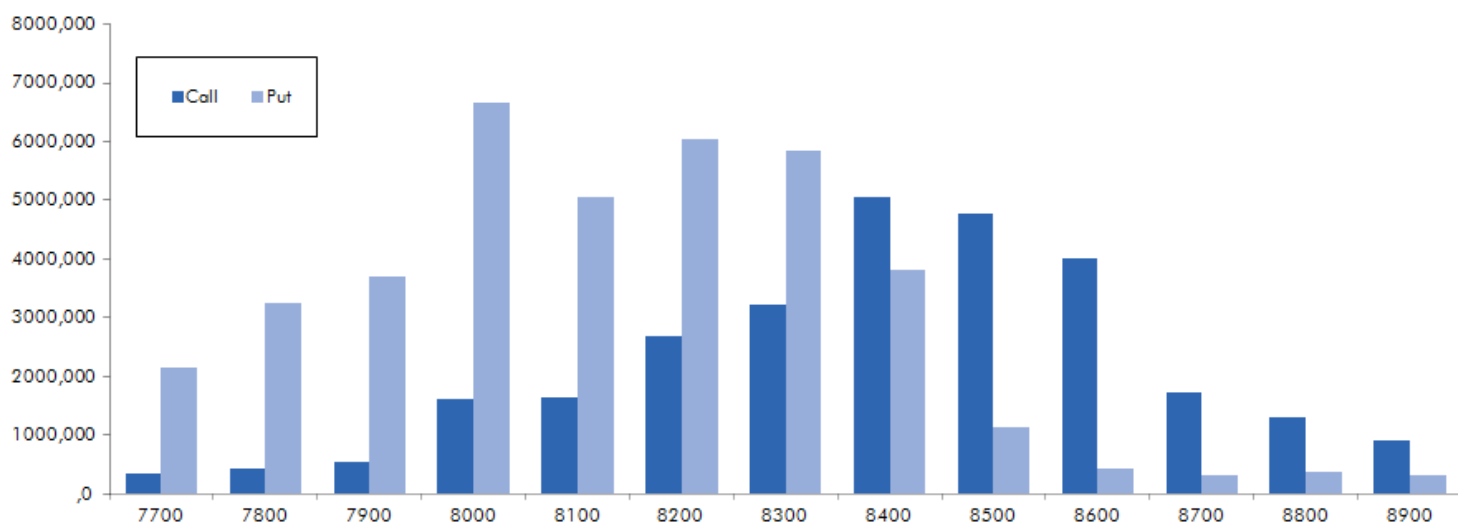
Action	Strike	Price	Risk	Reward	BEP
Buy	8400	75.20	45.25	54.75	8445.25
Sell	8500	29.95			
Buy	8400	75.20	65.95	134.05	8465.95
Sell	8600	9.25			
Buy	8500	29.95	20.70	79.30	8520.70
Sell	8600	9.25			

### Bear-Put Spreads

Action	Strike	Price	Risk	Reward	BEP
Buy	8400	60.00	29.00	71.00	8371.00
Sell	8300	31.00			
Buy	8400	60.00	43.55	156.45	8356.45
Sell	8200	16.45			
Buy	8300	31.00	14.55	85.45	8285.45
Sell	8200	16.45			

Note: Above mentioned Bullish or Bearish Spreads in Nifty (January 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
ACC	1,313	1,321	1,336	1,344	1,358
ADANIPTS	289	291	293	296	298
AMBUJACEM	210	212	213	215	217
ASIANPAINT	922	928	933	939	944
AUROPHARMA	684	694	704	714	724
AXISBANK	448	460	468	480	488
BAJAJ-AUTO	2,655	2,682	2,718	2,744	2,780
BANKBARODA	155	156	158	159	161
BHEL	127	128	129	130	131
BPCL	644	651	658	665	672
BHARTIARTL	311	316	320	325	329
INFRADEL	347	351	355	358	362
BOSCH	20,950	21,110	21,305	21,464	21,659
CIPLA	574	579	584	589	594
COALINDIA	310	313	316	318	322
DRREDDY	2,957	2,969	2,986	2,998	3,015
EICHERMOT	22,503	22,649	22,824	22,969	23,145
GAIL	437	445	450	457	463
GRASIM	834	840	849	855	864
HCLTECH	830	840	849	859	868
HDFCBANK	1,223	1,228	1,234	1,239	1,245
HDFC	1,212	1,230	1,240	1,258	1,269
HEROMOTOCO	2,978	3,012	3,056	3,090	3,133
HINDALCO	166	169	174	177	182
HINDUNILVR	819	824	830	834	840
ICICIBANK	262	265	268	270	273
IDEA	63	66	69	72	75
INDUSINDBK	1,185	1,200	1,218	1,234	1,252
INFY	916	946	993	1,023	1,070
ITC	239	244	248	253	256
KOTAKBANK	718	723	729	734	740
LT	1,416	1,427	1,444	1,455	1,471
LUPIN	1,476	1,486	1,497	1,507	1,518
M&M	1,209	1,213	1,220	1,225	1,232
MARUTI	5,615	5,657	5,726	5,768	5,836
NTPC	168	169	172	174	177
ONGC	198	200	202	203	206
POWERGRID	194	196	198	199	202
RELIANCE	1,078	1,084	1,091	1,097	1,104
SBIN	247	249	251	253	254
SUNPHARMA	636	645	651	659	666
TCS	2,162	2,205	2,282	2,326	2,402
TATAMTRDVR	315	319	324	329	334
TATAMOTORS	499	507	515	523	531
TATAPOWER	78	79	79	80	81
TATASTEEL	437	442	446	451	455
TECHM	477	483	488	494	499
ULTRACEMCO	3,274	3,297	3,333	3,355	3,391
WIPRO	478	481	484	487	490
YESBANK	1,293	1,305	1,320	1,332	1,347
ZEEL	461	469	475	483	489



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