

Sensex (46890) / Nifty (13741)

We had a positive start on the indices above the **13700** mark for the first time and it continued its positive bias to end the weekly expiry with gains of about half a percent.

After some consolidation at the start of the week, Nifty resumed its momentum and has continued to register new records. As mentioned in our last couple of reports, this rally was expected to test the **13770** level as it is an important level as per the Fibonacci ratio. This level marks the 127% retracement of the previous correction that we had seen in the first quarter of this calendar year and hence gains some importance. As the index approached this resistance, the broader markets witnessed some profit booking in the last hour of the trade yesterday. Also, the banking index is struggling to cross the **31000** mark since last couple of sessions. There are no signs of reversal yet on charts, but sometimes it is better to avoid aggressive bets in such hunky dory situation and take some money off the table at such juncture. Hence, we advise traders to book profits on long positions and wait for further signal from the market for the near term. The immediate supports for the Nifty are placed around **13660** and **13600** whereas resistance is seen in range of **13770-13800**.

Key Levels

Support 1 – 13660	Resistance 1 – 13770
Support 2 – 13600	Resistance 2 – 13800

Nifty Bank Outlook - (30847)

Bank Nifty started on a marginal positive note and then it consolidated within a range throughout the session to eventually end with gains of around half a percent tad around **30850**.

If we observe the daily chart, not much seems to have changed but as far as stock specific moves were concerned, it was a mixed bag of pictures as some stock underperformed while some stocks continued to tick high throughout the session. Clearly, the bank index since the last few sessions is struggling around the 31000 mark however the real action seems to be outside the index in the stock specific moves. Going ahead one should continue with the stock-specific approach however should avoid aggressive overnight positions. As far as levels are concerned, **30980 - 31150** is immediate resistance whereas **30650 - 30400** is the immediate support zone.

Key Levels

Support 1 – 30650	Resistance 1 – 30980
Support 2 – 30400	Resistance 2 – 31150

Exhibit 1: Nifty Daily Chart



Exhibit 2: Nifty Bank Daily Chart



Comments

- The Nifty futures open interest has increased by 3.22% Bank Nifty futures open interest has increased by 8.80% as market closed at **13740.70** levels.
- The Nifty December future closed with a premium 13.70 point against a premium of 16.75 point in last trading session. The January series closed at a premium of 55.55 point.
- The INDIA VIX decreased from 19.20 to 19.16. At the same time, the PCR-OI of Nifty increased from 1.74 to 1.77.
- Few of the liquid counters where we have seen high cost of carry are CANBK, BATAINDIA, MGL, RAMCOCEM and ADANI PORTS.

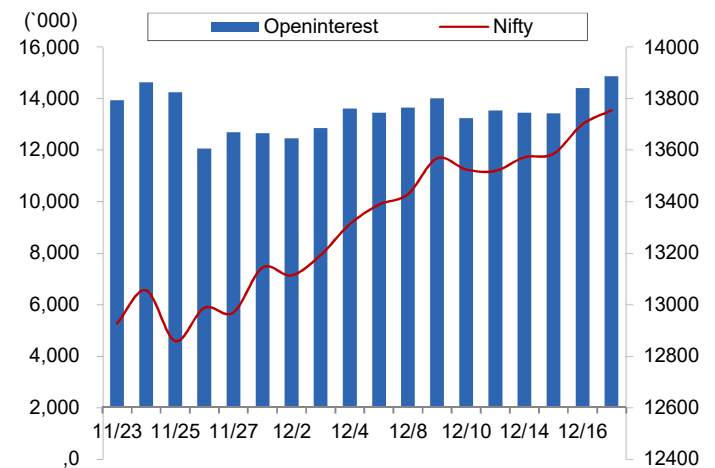
View

- On Wednesday, we witnessed a strong upmove beyond the resistance of 13600. The benchmark index opened with an upside gap yesterday and rallied beyond 13750 mark. Post some consolidation index concluded the session with the gains of 58 points.
- FII's were net buyers in the cash segment to the tune of Rs. 2355 crore. In index future segment, they sold worth Rs. 375 cr with good amount of rise in open interest indicating they added fresh short positions in yesterday's session.
- It is the second consecutive session, wherein the upmove was supported by decent long formation in both the indices. Stronger hand continued with their buying streak in cash segment; but, they added shorts in index futures. Once again, the PCR-OI has surged towards higher side of the range which is a sign of caution. In options front, buildup was scattered between 13700-14300 strikes. On the other side, 13500-13700 puts added decent positions. The highest open interest concentration for the coming weekly series has shifted higher to 14000 call and in case of put is now visible at 13500 strike. Considering the above data points, we believe our market is now overbought and hence, would suggest traders exiting from their longs if any.

Historical Volatility

SCRIP	HV
PNB	58.21
PAGEIND	46.38
JUBLFOOD	50.16
SAIL	64.24
BERGEPAIN	39.60

Nifty Vs OI



OI Gainers

SCRIP	OI	OI CHG. (%)	PRICE	PRICE CHG. (%)
INDUSINDBK	18810300	10.40	935.80	1.58
MFSL	8080800	9.55	658.60	2.52
JUBLFOOD	1873500	8.01	2804.95	4.56
UBL	1410500	7.24	1144.20	-1.10
TORNTPOWER	4494000	7.08	326.35	-1.43
RAMCOCEM	1524900	6.03	840.25	-1.52
BATAINDIA	1278750	6.02	1587.90	-1.44
VOLTAS	2713000	5.44	823.25	-1.54

OI Losers

SCRIP	OI	OI CHG. (%)	PRICE	PRICE CHG. (%)
HAVELLS	3490000	-13.78	911.05	1.22
PAGEIND	66780	-13.72	27244.10	5.28
M&MFIN	14224884	-9.21	177.05	-2.56
NMDC	36769600	-6.92	115.60	0.69
CONCOR	12297684	-6.84	408.75	-0.28
LUPIN	9267550	-5.44	970.50	0.88
CUMMINSIND	1908000	-5.41	589.25	-1.05
JINDALSTEL	23420000	-5.39	278.10	-2.54

Put-Call Ratio

SCRIP	PCR-OI	PCR-VOL
NIFTY	1.77	1.19
BANKNIFTY	1.10	0.87
RELIANCE	0.49	0.34
ICICIBANK	0.61	0.54
INFY	0.55	0.46

FII Statistics for December 17, 2020

Detail	Buy	Sell	Net	Contracts	Open Interest	
					Value (in Cr.)	Change
INDEX FUTURES	2526.76	2901.30	(374.54)	152693	15022.76	14.90
INDEX OPTIONS	397405.26	395849.01	1556.25	765952	76026.65	(20.90)
STOCK FUTURES	12033.34	12394.64	(361.30)	1298408	104494.56	(0.30)
STOCK OPTIONS	5588.78	5575.50	13.28	102508	8241.47	4.12
Total	417554.14	416720.45	833.69	2319561	203785.44	(7.29)

Turnover on December 17, 2020

Instrument	No. of Contracts	Turnover (in Cr.)	Change (%)
Index Futures	2,53,490	22154.71	-10.64
Index Options	5,53,77,371	46,91,642.05	96.85
Stock Futures	6,84,818	56110.55	-6.85
Stock Options	13,83,802	1,17,909.47	-1.20
Total	5,76,99,481	48,87,816.78	88.88

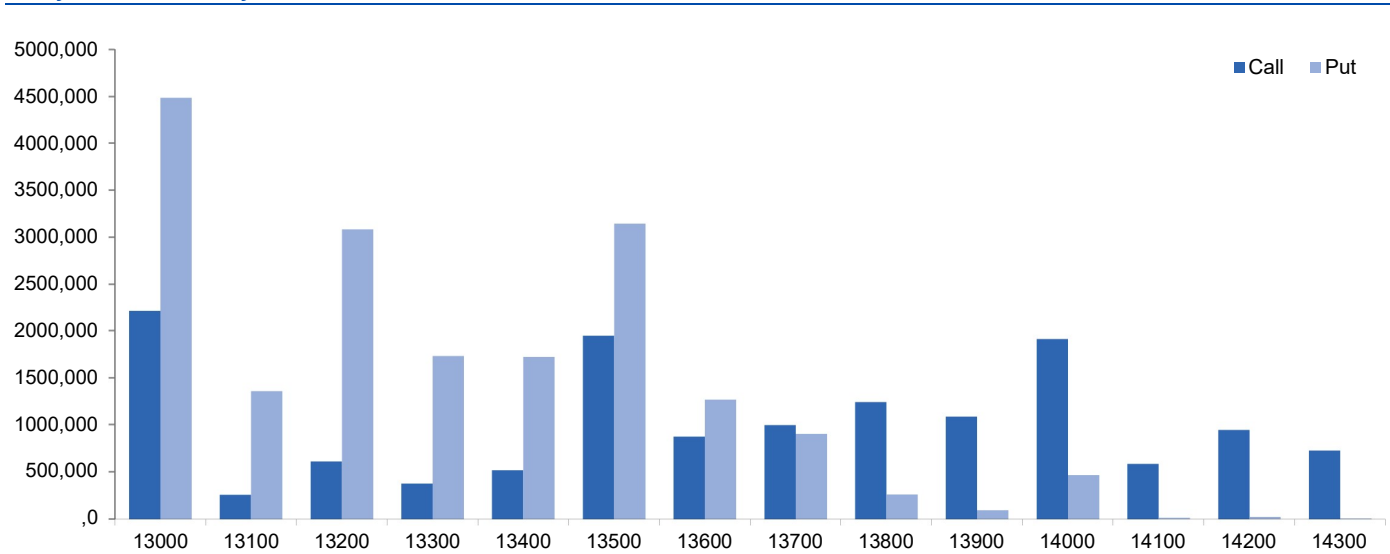
Nifty Spot = 13740.70
Bull-Call Spreads

Action	Strike	Price	Risk	Reward	BEP
Buy	13700	191.45	55.00	45.00	13755.00
Sell	13800	136.45			
Buy	13700	191.45	98.60	101.40	13798.60
Sell	13900	92.85			
Buy	13800	136.45	43.60	56.40	13843.60
Sell	13900	92.85			

Bear-Put Spreads

Action	Strike	Price	Risk	Reward	BEP
Buy	13700	136.95	35.35	64.65	13664.65
Sell	13600	101.60			
Buy	13700	136.95	61.00	139.00	13639.00
Sell	13500	75.95			
Buy	13600	101.60	25.65	74.35	13574.35
Sell	13500	75.95			

Note: Above mentioned Bullish or Bearish Spreads in Nifty (December Series) are given as an information and not as a recommendation.

Nifty Put-Call Analysis


Daily Pivot Levels for Nifty Constituents

Scrips	S2	S1	PIVOT	R1	R2
ADANI PORTS	457	463	471	476	484
ASIAN PAINT	2,532	2,554	2,578	2,600	2,625
AXIS BANK	599	602	607	610	614
BAJAJ-AUTO	3,214	3,242	3,286	3,314	3,358
BAJFINANCE	5,029	5,158	5,230	5,359	5,432
BAJAJFINSV	9,109	9,201	9,301	9,393	9,493
BPCL	389	392	397	401	406
BHARTIARTL	506	511	517	521	527
BRITANNIA	3,693	3,712	3,739	3,758	3,785
CIPLA	773	778	786	792	800
COALINDIA	141	142	144	145	146
DIVISLAB	3,654	3,739	3,797	3,882	3,940
DRREDDY	4,975	5,024	5,079	5,128	5,184
EICHERMOT	2,412	2,439	2,467	2,494	2,522
GAIL	122	123	124	125	127
GRASIM	903	908	917	922	931
HCLTECH	871	875	881	885	891
HDFCBANK	1,390	1,416	1,430	1,456	1,471
HDFCLIFE	644	649	655	660	666
HDFC	2,386	2,440	2,475	2,529	2,563
HEROMOTOCO	3,067	3,090	3,124	3,146	3,180
HINDALCO	238	242	248	252	259
HINDUNILVR	2,290	2,303	2,322	2,335	2,354
ICICIBANK	505	508	512	515	519
IOC	94	95	96	97	98
INDUSINDBK	899	917	933	951	967
INFY	1,149	1,154	1,161	1,167	1,174
ITC	209	211	213	215	217
JSW STEEL	359	362	368	372	377
KOTAKBANK	1,933	1,949	1,959	1,975	1,985
LT	1,242	1,261	1,272	1,291	1,302
M&M	718	725	731	738	745
MARUTI	7,510	7,602	7,717	7,809	7,924
NESTLEIND	18,021	18,163	18,279	18,421	18,537
NTPC	103	104	105	105	106
ONGC	98	100	103	105	108
POWERGRID	190	191	193	195	197
RELIANCE	1,961	1,974	1,989	2,001	2,017
SBILIFE	844	850	858	864	872
SHREECEM	23,991	24,251	24,575	24,835	25,159
SBIN	263	266	269	271	274
SUNPHARMA	559	565	576	582	592
TCS	2,784	2,811	2,832	2,860	2,881
TATAMOTORS	179	180	182	184	185
TATASTEEL	623	629	638	644	652
TECHM	905	917	925	938	945
TITAN	1,477	1,490	1,505	1,517	1,532
ULTRACEMCO	5,080	5,126	5,172	5,218	5,265
UPL	445	450	458	463	472
WIPRO	353	355	357	359	361

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