

Sensex (46007) / Nifty (13466)

After Monday's brutal knock, our markets opened higher on the back of smart overnight recovery in US bourses. Within a few minutes of trade, index lost its lead and slipped inside the negative territory to test the sub-**13200** levels. However, the second half turned out to be excellent for our markets as we witnessed v-shaped recovery to eventually close with more than a percent gains tad below the **13500** mark. IT stocks were the real charioteer in yesterday's late surge as they once again came for a rescue.

Since Monday's correction was a part of strong Bull Run, we didn't have any major follow through selling yesterday. In fact, the initial selling easily got absorbed and as a result, we witnessed a broad based recovery in the latter half. In our sense, for the next couple of days at least, the index is likely to remain in a slightly wider range before deciding its next path. The ideal range would be **13600** to **13100**, where the lower range should be seen as a sacrosanct support, which is the '89-EMA' level on '180-minutes' chart. On the higher side, if Nifty has to regain strength, it needs to surpass **13550 – 13600** with participation of few marquee heavyweights, especially from the banking space.

Key Levels

Support 1 – 13396	Resistance 1 – 13550
Support 2 – 13342	Resistance 2 – 13600

Nifty Bank Outlook - (29626)

Bank Nifty started the session half a percent higher but it corrected right from opening and traded with a negative bias till noon to breach the **29000** mark. However, it too recovered along with the broader markets and ended the day around the opening level, above **29600**.

On Monday's session, the banking index took a sharp knock and closed below its '20 DEMA' after about two and a half months. We did see a pullback move from the low's in yesterday's session but the follow up move would be important to determine the near term trend. As now now, we advise traders to avoid aggressive participation and focus on stock specific moves. The intraday supports for the index are placed around **29430** and **29165** whereas resistances are seen around **29900** and **30175**.

Key Levels

Support 1 – 29430	Resistance 1 – 29900
Support 2 – 29165	Resistance 2 – 30175

Exhibit 1: Nifty Daily Chart



For the coming session, the intermediate supports are placed at **13396 – 13342 – 13266**. Since the last few days we have been a bit cautious and we continue to remain so; but traders can now opt to stay stock specific, where we are likely to see trading opportunities on both sides. As far as sectors are concerned, IT stocks continue to attract buying interest and they are expected to do well in the coming session as well. Apart from this, few stocks from the 'Oil And Gas' universe have reached their support and are likely to see some bounce back moves.

Exhibit 2: Nifty Bank Daily Chart



Comments

- The Nifty futures open interest has decreased by 1.26% Bank Nifty futures open interest has decreased by 13.48% as market closed at **13466.30** levels.
- The Nifty December future closed with a premium 21.20 point against a premium of 1.38 point in last trading session. The January series closed at a premium of 61.10 point.
- The INDIA VIX decreased from 23.19 to 21.98. At the same time, the PCR-OI of Nifty increased from 1.12 to 1.26.
- Few of the liquid counters where we have seen high cost of carry are DLF, IDEA, SHREECEM, ONGC and RAMCOCEM.

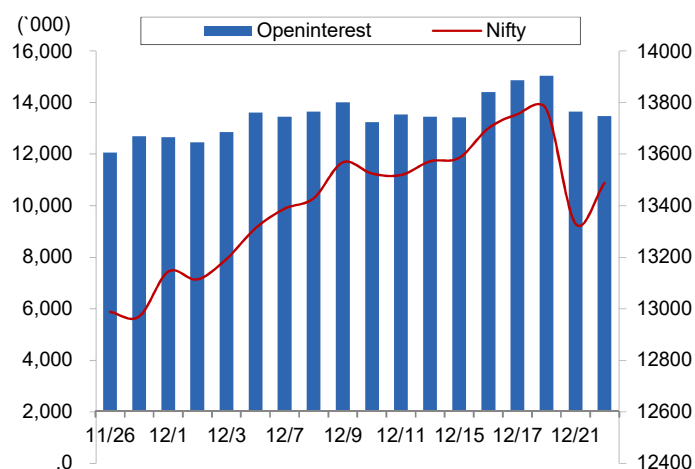
View

- Post Monday's sharp sell-off, we saw some follow-up selling in the first half of the yesterday's session. However, as the day progressed we witnessed smart recover to recoup entire losses and rally towards 13500 mark.
- FII's were net buyers in the cash segment to the tune of Rs. 1153 crore. In index future segment, they bought worth Rs. 589 cr with good amount of rise in open interest indicating they added fresh long positions in yesterday's session.
- In F&O space, we saw open interest reduction in both the indices. On the options side, fresh build-up was seen in 13500 and 13600 call options followed by unwinding in deep OTM strikes. Whereas, in case of puts, 13000-13400 strikes added meaningful positions and some unwinding was visible in 13500-13700 strikes. Stronger hands added fresh longs in equities and index futures. Their index futures 'Long Short Ratio' has jumped up to 69% from 67%. As far as levels are concerned, 13500-13600 shall act as immediate hurdle; whereas, 13100-13200 is a strong demand zone now.

Historical Volatility

SCRIP	HV
IGL	46.20
MINDTREE	57.28
ADANI PORTS	47.37
HCLTECH	44.19
ADANI ENT	63.71

Nifty Vs OI



OI Gainers

SCRIP	OI	OI CHG. (%)	PRICE	PRICE CHG. (%)
PFC	33659800	27.56	111.10	0.95
PVR	1945867	21.78	1256.20	-4.71
MINDTREE	1467200	19.32	1525.05	7.47
HAVELLS	4092000	17.59	880.55	0.00
APOLLOTYRE	12595000	17.11	174.95	-0.62
NMDC	39201700	13.19	111.20	2.01
ESCORTS	3660800	12.51	1228.65	-1.09
SRTRANSFIN	5073028	11.79	937.95	-2.72

OI Losers

SCRIP	OI	OI CHG. (%)	PRICE	PRICE CHG. (%)
POWERGRID	21136000	-9.10	190.30	2.56
CADILAHC	7048800	-7.88	469.05	3.65
BHARATFORG	4971000	-7.09	517.70	-0.91
ICICIBANK	87676875	-6.69	500.30	1.13
GAIL	22435800	-6.32	118.50	3.31
IOC	56431300	-5.49	87.95	1.15
FEDERALBNK	93258000	-5.44	61.80	2.32
EICHERMOT	2357950	-5.39	2446.70	2.26

Put-Call Ratio

SCRIP	PCR-OI	PCR-VOL
NIFTY	1.26	0.85
BANKNIFTY	0.81	0.95
RELIANCE	0.45	0.46
ICICIBANK	0.57	0.68
INFY	0.76	0.33

FII Statistics for December 22, 2020

Detail	Buy	Sell	Net	Contracts	Open Interest	
					Value (in Cr.)	Change
INDEX FUTURES	6669.62	6080.14	589.48	161535	15588.67	4.29
INDEX OPTIONS	450423.56	449206.89	1216.67	984997	94023.93	(2.41)
STOCK FUTURES	17224.92	16035.03	1189.89	1275630	100075.00	(1.35)
STOCK OPTIONS	12309.58	12355.31	(45.73)	104472	8206.69	(2.07)
Total	486627.68	483677.37	2950.31	2526634	217894.29	(1.46)

Turnover on December 22, 2020

Instrument	No. of Contracts	Turnover (in Cr.)	Change (%)
Index Futures	5,61,495	47996.10	-12.48
Index Options	3,71,13,182	31,77,759.94	7.24
Stock Futures	9,95,863	77560.49	-15.15
Stock Options	20,45,398	1,68,215.15	-16.83
Total	4,07,15,938	34,71,531.68	4.82

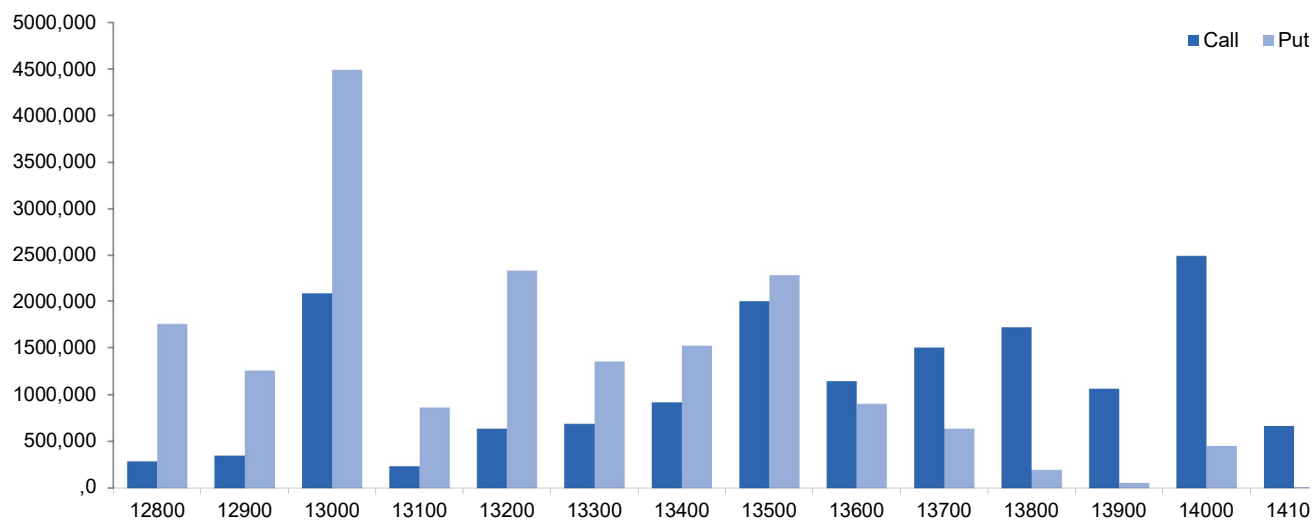
Nifty Spot = 13466.30
Bull-Call Spreads

Action	Strike	Price	Risk	Reward	BEP
Buy	13500	151.70	50.75	49.25	13550.75
Sell	13600	100.95			
Buy	13500	151.70	88.05	111.95	13588.05
Sell	13700	63.65			
Buy	13600	100.95	37.30	62.70	13637.30
Sell	13700	63.65			

Bear-Put Spreads

Action	Strike	Price	Risk	Reward	BEP
Buy	13400	125.60	27.45	72.55	13372.55
Sell	13300	98.15			
Buy	13400	125.60	48.20	151.80	13351.80
Sell	13200	77.40			
Buy	13300	98.15	20.75	79.25	13279.25
Sell	13200	77.40			

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	423	446	458	481	494
ASIAN PAINT	2,453	2,527	2,570	2,644	2,688
AXIS BANK	558	574	584	600	610
BAJAJ-AUTO	3,128	3,197	3,241	3,310	3,354
BAJAJ FINANCE	4,689	4,850	4,988	5,149	5,286
BAJAJ FINSV	8,499	8,719	8,841	9,061	9,184
BPCL	350	361	368	379	386
BHARTIARTL	478	489	497	508	516
BRITANNIA	3,490	3,560	3,611	3,682	3,733
CIPLA	748	771	785	808	822
COALINDIA	128	132	134	138	140
DIVISLAB	3,550	3,636	3,687	3,773	3,825
DRREDDY	4,852	5,007	5,091	5,246	5,330
EICHER MOT	2,350	2,398	2,431	2,480	2,513
GAIL	109	114	117	122	125
GRASIM	853	869	879	895	905
HCLTECH	854	884	902	931	949
HDFC BANK	1,328	1,350	1,368	1,390	1,407
HDFCLIFE	612	627	635	649	658
HDFC	2,322	2,363	2,401	2,442	2,481
HEROMOTOCO	2,844	2,946	3,003	3,106	3,163
HINDALCO	220	226	233	238	245
HINDUNILVR	2,256	2,284	2,308	2,336	2,361
ICICIBANK	484	492	497	505	510
IOC	83	85	87	90	91
INDUSINDBK	793	817	837	861	881
INFY	1,159	1,190	1,207	1,238	1,255
ITC	193	198	202	207	212
JSW STEEL	340	351	357	369	375
KOTAK BANK	1,862	1,883	1,906	1,927	1,951
LT	1,194	1,228	1,248	1,283	1,303
M&M	655	675	687	707	719
MARUTI	7,113	7,254	7,346	7,487	7,579
NESTLEIND	17,741	18,147	18,406	18,812	19,071
NTPC	95	97	98	100	102
ONGC	84	87	90	93	96
POWERGRID	183	187	189	193	195
RELIANCE	1,858	1,897	1,928	1,968	1,998
SBILIFE	815	834	845	865	875
SHREECEM	23,111	23,514	23,792	24,195	24,473
SBIN	244	251	255	261	265
SUNPHARMA	529	549	560	579	591
TCS	2,793	2,833	2,858	2,898	2,923
TATAMOTORS	151	158	164	171	176
TATASTEEL	573	587	599	613	624
TECHM	887	916	932	961	978
TITAN	1,428	1,463	1,487	1,522	1,545
ULTRACEMCO	4,801	4,911	5,001	5,111	5,201
UPL	418	432	439	452	459
WIPRO	344	354	360	370	376

Technical and Derivatives Team:

Sameet Chavan	Chief Analyst - Technical & Derivatives	sameet.chavan@angelbroking.com
Ruchit Jain	Senior Analyst - Technical & Derivatives	ruchit.jain@angelbroking.com
Rajesh Bhosale	Technical Analyst	rajesh.bhosle@angelbroking.com
Sneha Seth	Derivatives Analyst	sneha.seth@angelbroking.com

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

Website: www.angelbroking.comFor Technical Queries E-mail: technicalresearch-cso@angelbroking.comFor Derivatives Queries E-mail: derivatives.desk@angelbroking.com**DISCLAIMER**

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