



Sensex (38970) / Nifty (11709)

Monday's colossal rally was followed by a gap up opening at new record highs. During the first half, index consolidated in a range; but second half turned out to be a disappointing one as we saw broad based sell off till the closing trade of the session. In this process, index shaved off precisely a percent from Monday's massive upsurge.

Yesterday, it was a typical day which occurs mainly after a strong upward rally as most of the traders who were in a denial mode during the steep relentless intraday up move, eventually lose their patience and that left out feeling compels them to initiate a trade when market makes new high. And as we all know, trading market is not as easy as it appears. Eventually, it turns out to be a flatter to deceive kind of scenario. In simple words, it's an attempt to threaten weak traders and since, the actual election verdict is around the corner, we are likely to see such volatile swings in next couple of days.

As far as levels are concerned, **11650 – 11600** would now be seen as a key support zone and despite yesterday's correction, we expect this decline to get bought into. On the higher side, **11800 – 11883** would now act as intraday hurdles for the Nifty. The coming session is likely to remain in this broad range and traders are advised to lighten up positions a bit and should ideally prepare themselves up for roller coaster moves. It's advisable to keep focusing on individual stocks and aggressive bets ahead of the event are not recommended.

Key Levels

Support 1 – 11650	Resistance 1 – 11800
Support 2 – 11600	Resistance 2 – 11883

Nifty Bank Outlook - (30308)

In line with the previous day's momentum, the Nifty Bank index opened marginally higher in yesterday's session. However, the index witnessed some sell-off at the start of the session and it crept lower as the day progressed to end with a loss of about 450 points. If we look at last two day's candlestick on the daily chart, it resembles a 'Dark Cloud Cover' pattern which in technical analysis indicates a shift in momentum to the downside post a price rise. However, Monday's gap area would be seen as a support as traders may revamp the demand in this range. Also, we have the major event outcome lined up on Thursday which would provide the direction going ahead. Hence, this higher volatility will set the base for the next trended move which we expect to be on the upside. Hence, day traders should look to keep the positions light whereas positional traders/investors should look to buy stocks in this dip. The support for the index are placed around **30000** and **29700** whereas resistances are seen around **30630** and **30930**.

Key Levels

Support 1 – 30000	Resistance 1 – 30630
Support 2 – 29700	Resistance 2 – 30930

Exhibit 1: Nifty Daily Chart



Exhibit 2: Nifty Bank Daily Chart

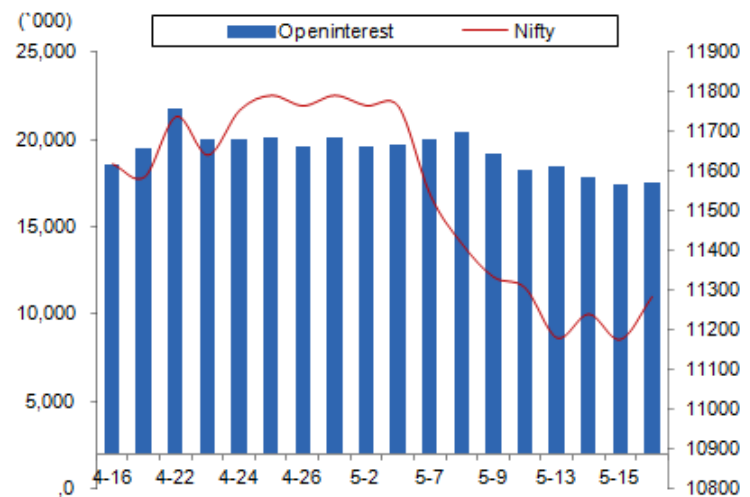




Comments

- The Nifty futures open interest has decreased by 0.33%. Bank Nifty futures open interest has decreased by 4.50% as market closed at 11709.10 levels.
- The Nifty May future closed with a premium of 6.05 points against a premium of 31.20 points in last trading session. The June series closed at a premium of 47.40 points.
- The INDIA VIX has increased from 23.67 to 25.65. At the same time, the PCR-OI of Nifty has decreased from 1.29 to 1.20.
- Few of the liquid counters where we have seen high cost of carry are INFIBEAM, RPOWER, VGUARD, ADANIENIT and CONCOR.

Nifty Vs OI



Views

- The benchmark index started-off the session on a positive note but the follow-up buying was missing. During the day, index remained under pressure and gradually corrected below 11700 mark.
- FI's were net buyers in the equity segment to the tune of Rs.1185 crores. In index futures front, they were marginal sellers with rise in open interest, indicating mixed activity in yesterday's session.
- In index options front, they were buyers of Rs. 573 crores with rise in OI. In call options, good amount of build-up was seen in 12000, 12200 and 12500 strikes. On the flip side, except for some open interest addition in 11500 put we could hardly see any relevant activity.
- In the recent correction, good amount of long unwinding took place and we hardly saw any relevant shorting. Prior and on the exit poll day, huge longs were formed in the index futures and they are still intact. Yesterday, we hardly saw any major open interest change. Stronger hands too have turned net buyers in equities and now they are adding longs in index futures segment. Considering the above data point, we expect continuation of today's rally beyond the psychological mark of 12000. Thus, intraday dips in market shall be an opportunity to buy ATM calls.

OI Gainers

SCRIP	OI	OI CHG. (%)	PRICE	PRICE CHG. (%)
JUSTDIAL	2576000	20.66	714.75	6.95
ADANIPOWER	178620000	13.61	46.00	-1.92
ADANIPOWER	178620000	13.61	46.00	-1.92
BALKRISIND	2056000	11.50	767.20	-1.36
ACC	2450400	8.79	1609.85	-3.21
NATIONALUM	39886000	7.79	49.20	-4.64
TORNTPOWER	2403000	7.66	241.55	-2.48
BOSCHLTD	174210	6.63	17410.70	-1.29

OI Losers

SCRIP	OI	OI CHG. (%)	PRICE	PRICE CHG. (%)
UJIVAN	2422400	-24.75	330.70	-2.84
CHENNPETRO	1218600	-11.73	207.00	-3.51
BEL	26220000	-8.60	96.95	-3.00
RELCAPITAL	14230500	-8.52	121.55	-2.57
TORNTPHARM	667500	-8.25	1601.50	-3.42
CEATLTD	852000	-7.43	983.30	-2.27
KSCL	643500	-6.74	466.70	-2.66
CGPOWER	23100000	-6.10	37.90	-2.81

Historical Volatility

SCRIP	HV
UBL	29.94
TORNTPHARM	31.47
NATIONALUM	46.37
JUSTDIAL	65.22
TATAMTRDVR	72.65

Put-Call Ratio

SCRIP	PCR-OI	PCR-VOL
NIFTY	1.20	0.75
BANKNIFTY	0.94	1.27
RELIANCE	0.51	0.42
ICICIBANK	0.57	0.66
INFY	0.75	0.44



FII Statistics for May 21, 2019

Detail	Buy	Sell	Net	Open Interest		
				Contracts	Value (in Cr.)	Change (%)
INDEX FUTURES	4654.81	4741.22	(86.41)	256244	20929.61	1.60
INDEX OPTIONS	71849.38	71276.82	572.56	903038	73373.60	9.22
STOCK FUTURES	14597.50	15481.58	(884.08)	1517665	90623.42	0.11
STOCK OPTIONS	6156.81	6268.28	(111.47)	149730	8726.17	4.74
Total	97258.50	97767.90	(509.40)	2826677	193652.79	3.24

Turnover on May 21, 2019

Instrument	No. of Contracts	Turnover (in Cr.)	Change (%)
INDEX FUTURES	354756	26661.03	-21.98
INDEX OPTIONS	5278945	403845.53	-3.75
STOCK FUTURES	927112	55843.40	-17.94
STOCK OPTIONS	737624	46447.40	-17.25
TOTAL	732838	2568108	-79.25

Nifty Spot = 11709.10

Bull-Call Spreads

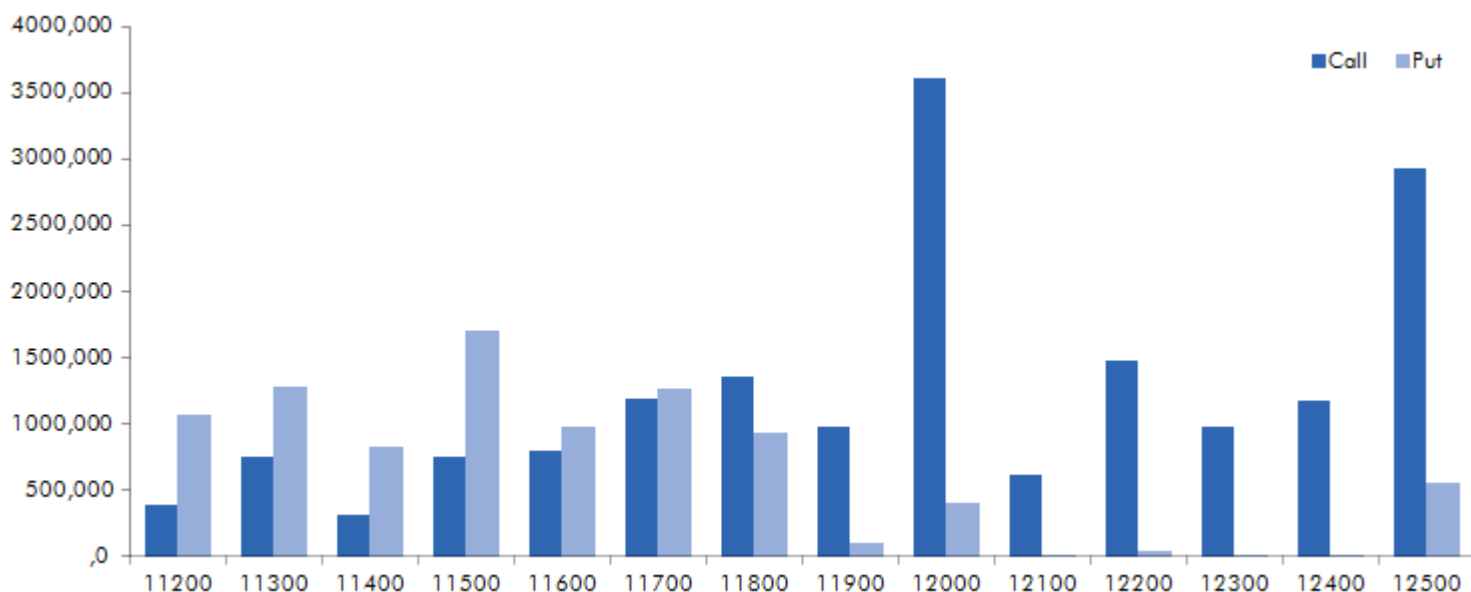
Action	Strike	Price	Risk	Reward	BEP
Buy	11700	275.90	51.25	48.75	11751.25
Sell	11800	224.65			
Buy	11700	275.90	96.90	103.10	11796.90
Sell	11900	179.00			
Buy	11800	224.65	45.65	54.35	11845.65
Sell	11900	179.00			

Bear-Put Spreads

Action	Strike	Price	Risk	Reward	BEP
Buy	11400	264.45	38.80	61.20	11361.20
Sell	11300	225.65			
Buy	11400	264.45	75.35	124.65	11324.65
Sell	11200	189.10			
Buy	11300	225.65	36.55	63.45	11263.45
Sell	11200	189.10			

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
ADANI PORTS	369	378	395	404	421
ASIAN PAINT	1,334	1,346	1,365	1,377	1,396
AXIS BANK	758	765	779	786	799
BAJAJ-AUTO	2,923	2,951	2,997	3,026	3,072
BAJAJ-FINANCE	3,319	3,376	3,432	3,489	3,545
BAJAJ-FIN SV	7,972	8,079	8,207	8,314	8,442
BPCL	351	363	380	392	409
BHARTIARTL	322	326	333	338	345
INFRA TEL	265	270	276	282	287
BRITANNIA	2,763	2,806	2,837	2,879	2,910
CIPLA	537	548	564	575	591
COAL INDIA	231	234	238	241	245
DRREDDY	2,548	2,607	2,654	2,713	2,760
EICHER MOT	20,467	20,684	21,030	21,247	21,593
GAIL	326	332	342	348	357
GRASIM	836	851	877	892	917
HCLTECH	1,040	1,048	1,061	1,069	1,082
HDFC BANK	2,368	2,386	2,418	2,436	2,467
HDFC	2,058	2,086	2,133	2,161	2,207
HEROMOTO CO	2,598	2,628	2,677	2,707	2,756
HINDALCO	190	193	196	200	203
HINDUNILVR	1,761	1,773	1,785	1,798	1,810
IBULHSGFIN	770	789	813	832	855
ICICI BANK	390	395	403	408	416
IOC	148	151	155	158	162
INDUSINDBK	1,397	1,423	1,468	1,494	1,539
INFY	698	704	713	719	728
ITC	302	304	307	309	312
JSW STEEL	272	276	281	285	290
KOTAK BANK	1,465	1,476	1,496	1,507	1,527
LT	1,425	1,437	1,450	1,461	1,474
M&M	617	628	645	656	674
MARUTI	6,624	6,750	6,944	7,069	7,263
NTPC	127	128	129	130	131
ONGC	172	174	175	176	178
POWERGRID	181	182	185	187	190
RELIANCE	1,309	1,324	1,346	1,361	1,383
SBIN	329	333	340	345	352
SUNPHARMA	395	402	413	420	431
TCS	2,074	2,092	2,120	2,138	2,166
TATAMOTORS	166	172	179	184	192
TATASTEEL	459	466	475	482	492
TECHM	759	766	775	783	792
TITAN	1,225	1,235	1,243	1,253	1,261
ULTRACEMCO	4,511	4,576	4,682	4,746	4,853
UPL	967	983	1,013	1,030	1,060
VEDANTA	161	163	166	168	171
WIPRO	283	285	288	290	293
YES BANK	135	138	142	145	148
ZEEL	330	339	353	362	376



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