

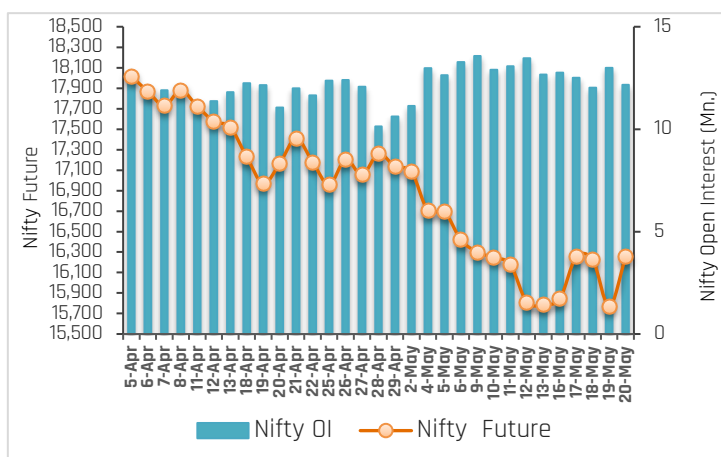
## 23-May-22

PARTICULARS	Last Closing	Previous Week	% Change
<b>NIFTY SPOT</b>	16,266	15,782	3.07
<b>NIFTY FUTURES</b>	16,253	15,787	2.96
<b>BANKNIFTY SPOT</b>	34,276	33,121	3.49
<b>BANKNIFTY FUTURES</b>	34,243	33,136	3.34
<b>NIFTY PCR</b>	1.07	0.73	46.58
<b>NIFTY PCR-VOL</b>	0.72	0.79	-8.86
<b>NIFTY OI(In Mn)</b>	12.16	12.67	-4.03
<b>BANKNIFTY OI(In Mn)</b>	2.88	3.61	-20.22
<b>INDIA VIX</b>	23.10	23.49	-1.66
<b>NIFTY BASIS POINTS</b>	-12.90	4.45	-389.89

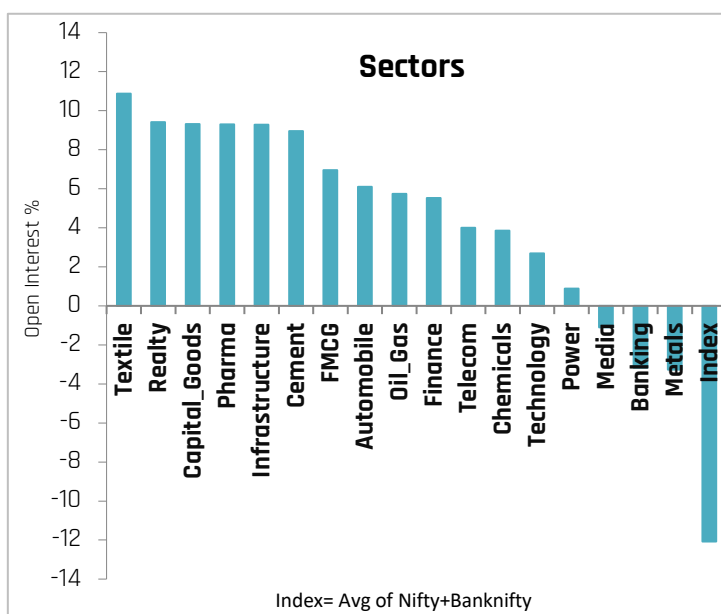
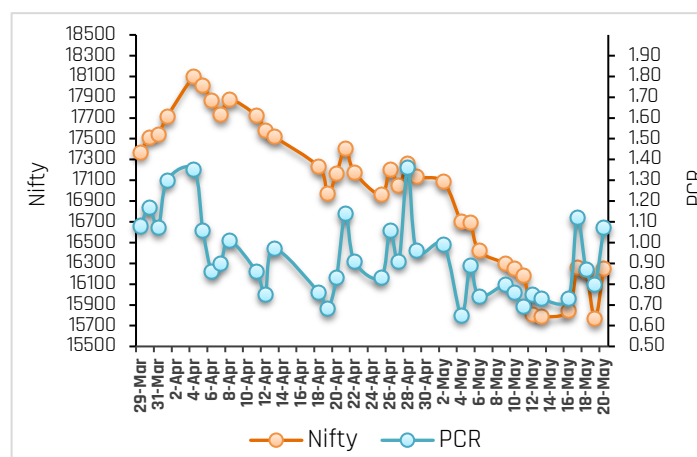
### Index Outlook

Last week, Domestic markets remained volatile, snapping a five-week losing streak after a sharp recovery. Recovery in global market, China's central bank cutting the 5-year loan prime rate and easing of Covid-related restrictions all boosted the market sentiment. Finally, Nifty Future settled on positive note at 16253 up by 2.96% (WoW) with an unwinding in open interest of 4.03% (WoW) indicating neutral to positive bias for short term. During the week, India VIX down by 1.66% and closed at 23.10%, expecting volatility will remain high due to the geopolitical tension and corporate earnings. Another derivatives indicator, Nifty Put-Call ratio currently stands at 1.07, up by 46.58% (WoW). Technically, the index on a daily scale has formed bullish kicker candlestick pattern. As per this pattern, the short term upmove will continue as long as the index holds the support level of 15775 on a closing basis. On the upside, 16400 will act as key resistance for the index in the short term. Going forward, globally Covid-19 cases, geopolitical tensions between Russia and Ukraine, Rupee movement against the Dollar, bond yields movement, Q4FY22 earnings, Fii's flow, economic data points, F&O expiry, global cues, updates on inflation, and crude oil price movement will dictate the trend on the bourses next week.

### Nifty OI Trend



### Nifty FutVsPcr



### Sectoral Activity

- Last week, **Textile, Realty, Capital Goods, Pharma and Infrastructures** sectors saw open interest addition. Top names included **ABFRL, TRENT, DELTACORP, OBEROIRLTY, HONAUT, ASTRAL, LALPATHLAB, METROPOLIS, ADANI PORTS and CONCOR.**
- Metals** sector saw open interest unwinding on the back of short covering in the stocks.
- In the **Banking** space, **CUB, RBLBANK CANBK** and **IDFCFIRSTB** saw long build up, while short covering seen in **ICICIBANK, SBIN, PNB, INDUSINDBK, BANKBARODA, AXISBANK, and HDFCBANK.**
- This week, some buying can be seen in **CHAMBLFERT, PIDILITIND, M&M, ICICIBANK, HDFCBANK** and **ZYDUSLIFE** while selling pressure can be seen in **HINDPETRO, and NAM-INDIA.**
- From sector space, **Pharma, Power, Metals, Textile, Banking, Automobile, Cement and Chemicals** stocks are likely to remain in focus in the forthcoming week.

23-May-22

## Stocks to Watch Out (Weekly)

Long Build-up			
Symbol	Price	OI Change	Price Change
ABFRL	271.05	28%	3%
COROMANDEL	931.60	27%	6%
TVSMOTOR	686.70	22%	8%
EICHERMOT	2,704.05	21%	11%

Long Unwinding			
Symbol	Price	OI Change	Price Change
HCLTECH	1,029.20	-3%	-2%
HDFCLIFE	543.90	-2%	-1%

Short Build-up			
Symbol	Price	OI Change	Price Change
HONAUT	31,512.85	62%	-7%
LALPATHLAB	1,956.25	61%	-12%
METROPOLIS	1,748.80	60%	-11%
HINDPETRO	244.55	39%	-5%

Short covering			
Symbol	Price	OI Change	Price Change
GNFC	636.85	-23%	3%
ICICIBANK	711.05	-17%	5%
SBIN	455.00	-14%	4%
INTELLECT	627.95	-14%	10%

## Weekly Recommendation

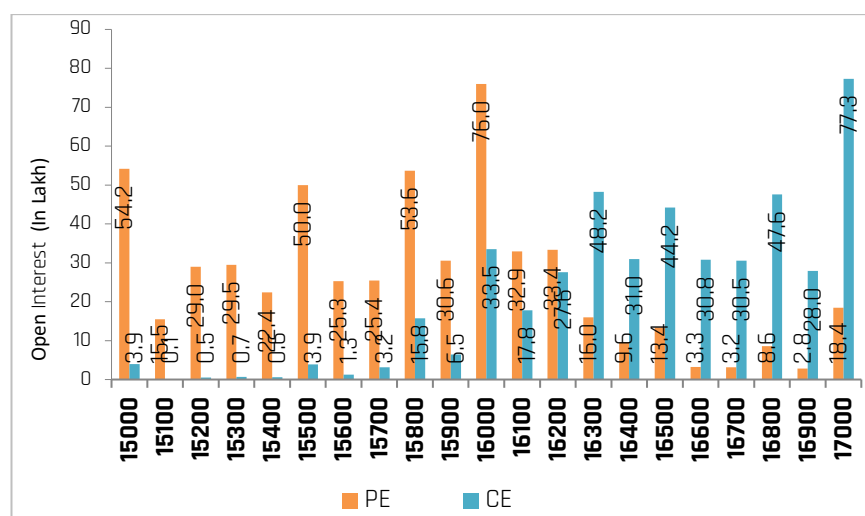
**PIDILITIND (2127.40)** -The stock has seen open interest addition of 21.20% along with positive price action indicating long build up. The stock can be bought in the range of 2110-2115 with a stop loss of 2065 on closing basis for a target of 2180-2200.

**Target: 2200 Stop Loss: 2065**

**HDFCBANK (1323.10)** - The stock has seen open interest unwinding of 10.55% along with positive price action indicating short covering. The stock can be bought in the range of 1320-1323 with a stop loss of 1299 on closing basis for a target of 1350-1360.

**Target: 1360 Stop Loss: 1299**

## Nifty Options Snapshot



From the OI Concentration (26-May Series), Maximum addition of open interest on the call options front exists at the strike prices of 16300, 16800 and 17000 (with nearly 48.2 lacs, 47.6 lacs and 77.3 lacs shares outstanding respectively). This indicates that 16300 and 16800 levels would act as the resistance zone on the upside. On the Put options front, maximum addition of open interest is at the strike prices of 16000, 15800 and 15000 (with nearly 76.0 lacs, 53.6 lacs and 54.2 lacs shares outstanding respectively), indicating that 15500 and 15000 levels would act as the stronger support zone on the downside.

# Weekly Derivatives Synopsis

23-May-22

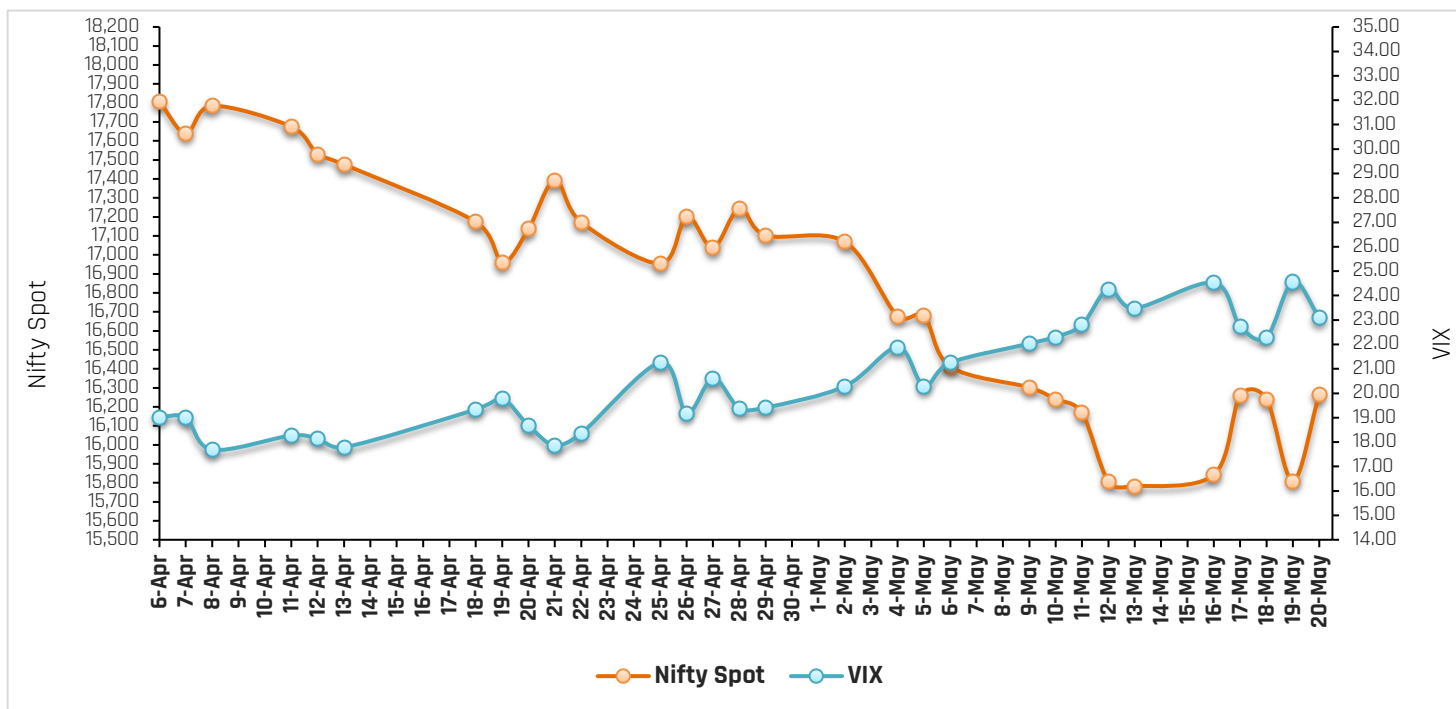
## FII Stats (5 Days Trend)

(Rs. Cr.)	20-May	19-May	18-May	17-May	16-Apr
<b>INDEX FUTURES</b>	3012.17	-920.77	62.03	1063.75	980.46
<b>INDEX OPTIONS</b>	4898.93	16904.05	771.29	1228.53	-1479.92
<b>STOCK FUTURES</b>	2998.17	43.77	924.55	1991.14	2039.34
<b>STOCK OPTIONS</b>	171.59	-22.23	-20.95	-96.84	90.07

## FII Open Interest Activity (Long & Short Ratio)

Date	Index Fut: Long/Short	Index Option: Long /Short	Index put: long /Short	Stock Fut Long/Short
<b>13-May</b>	0.31	1.19	2.06	1.12
<b>16-May</b>	0.40	1.17	2.05	1.15
<b>17-May</b>	0.44	1.33	1.72	1.18
<b>18-May</b>	0.44	1.23	1.77	1.19
<b>19-May</b>	0.42	1.30	2.18	1.18
<b>20-May</b>	0.65	1.55	1.86	1.22

## NIFTY VS INDIA VIX (Last 30 Days Trend)



**Observation:** Any rise in India Vix this week would lead to either side movement in the Index. As per the above chart, India Vix has strong support at around 20.00 and resistance stands at 26.00.

## Weekly Advance Decline Ratio (Nifty Stocks)

Advances	<b>38</b>
Declines	<b>10</b>
Unchanged	<b>02</b>

### Technical View

#### Nifty 20-May, Weekly Chart



- The index began the week on a high note and remained volatile throughout. However, a late recovery helped the index closed the week at 16266.
- Technically, the index on a daily scale has formed bullish kicker candlestick pattern. As per this pattern, the short term upmove will continue as long as the index holds the support level of 15775 on a closing basis. On the upside, 16400 will act as key resistance for the index in the short term. In the medium term, the 34 weekly exponential moving average will act as key resistance, which is placed close to 16909.
- The 100 weekly exponential moving average is currently placed close to 15410, which will provide strong support for the index in the medium term.
- The RSI on the weekly scale is placed below the center point, indicating weakness. However, the stochastic oscillator on a weekly scale is placed close to the oversold zone. Thus, a short term pullback could be possible due to the oversold zone, but the trend remains down.
- For the next week, 15750 and 15400 will act as support points, whereas 16400 and 16910 will act as resistance points.

#### BankNifty, 20-May, Weekly Chart



- The index started the week on a high note and managed to maintain its bullish momentum on a weekly basis. On the back of that, the index has closed the week on a positive note at 34276.
- Technically, the index has found support close to the previous breakout point and 100 WSMA, as highlighted in the above chart. Furthermore, the index has formed a kicker candlestick pattern, implying strength. The 100-week simple moving average is currently placed near 32630.
- On the higher side, the index is facing resistance close to the 34 weekly exponential moving average, which is placed around 36067.
- The RSI on the weekly scale is placed below the center point, indicating weakness. However, the stochastic oscillator on a weekly scale is placed close to the oversold zone. Thus, a short term retracement is probable, but the trend remains down.
- In the short term, 33000 and 32500 will act as support points, whereas 34000 and 34500 will act as resistance points.

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