

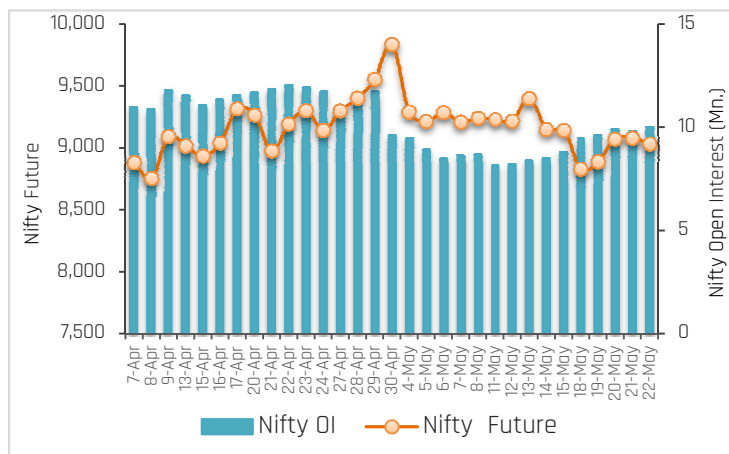
26-05-2020

PARTICULARS	Last Closing	Previous Week	% Change
NIFTY SPOT	9039	9137	-1.07
NIFTY FUTURES	9028	9137	-1.20
BANKNIFTY SPOT	17279	18834	-8.26
BANKNIFTY FUTURES	17216	18808	-8.46
NIFTY PCR	1.28	1.11	15.32
NIFTY PCR-VOL	0.97	0.82	18.29
NIFTY OI(In Mn)	9.97	8.78	13.55
BANKNIFTY OI(In Mn)	2.06	1.38	49.28
INDIA VIX	32.38	38.10	-15.01
NIFTY BASIS POINTS	-11.45	0.25	-11.70 Points

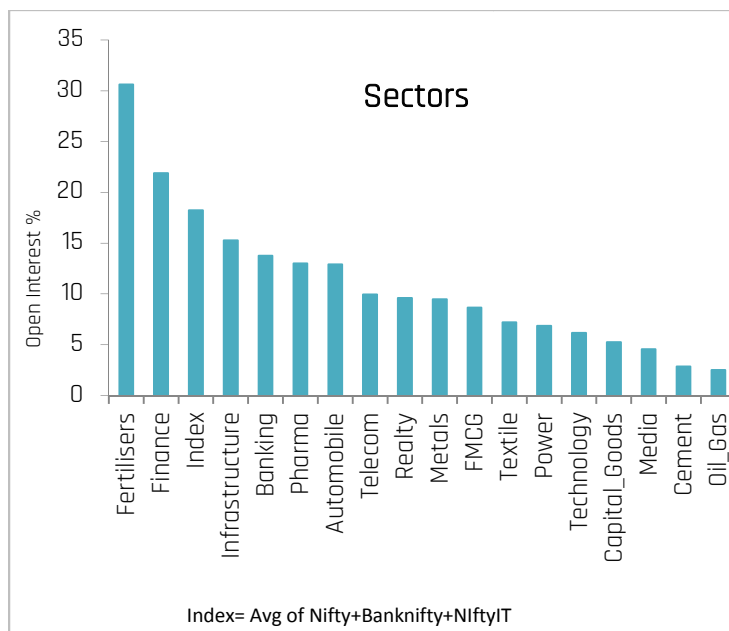
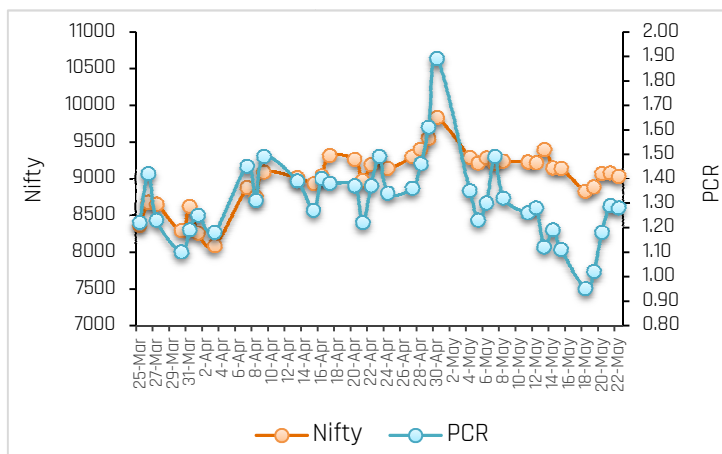
## Index Outlook

Last week Indian domestic market ended on subdued note with high volatility due to increasing number of Corona-virus cases worldwide, weak global cues and US-China tensions. Meanwhile, Reserve Bank of India surprise rate cut by 40 basis points and other steps also not helped the market much. Finally, the Nifty futures settled on negative note at 9028, down 1.20% (WoW) with addition in open interest of 13.55% (WoW) indicating weakness for short term. The India VIX cool off by 15.01% and closed at 32.38% during the week, which indicating low volatility going ahead. Nifty Put call ratio currently stands at 1.28, up 15.32% (WoW). Technically, the index on a weekly scale has formed a small black body candle with a long lower shadow and no upper shadow. Thus, weekly candlestick suggests minor bullish bias. If the index sustains above 9180, then move till 9300-9450 could be possible. Whereas a close below 8800, will lead the Nifty down to test the supports of 8700-8400. On the higher side, 50 DEMA is placed close to 9470 levels. Thus, 9470-9500 will act as a resistance zone whereas 8800 will act as a support zone for short term. Going forward, count of coronavirus cases, F&O expiry, Rupee movement against the dollar, Fii flow, Q4FY20 earnings, global cues, and crude oil price movement will dictate the trend on the bourses next week.

## Nifty OI Trend



## Nifty FutVsPcr



## Sectoral Activity

- Last week, **Fertilisers, Finance, Infrastructure, Pharma, Automobile, and Telecom**, stocks saw Open Interest addition. Top names included **TATACHEM, UPL, EQUITAS, UJJIVAN, NCC, GMRINFRA, DRREDDY, PEL, BALKRISIND, ASHOKLEY, IDEA** and **INFRADEL**.
- In the **Banking** space, **IDFCFIRSTB, KOTAKBANK, BANDHANBNK, INDUSINDBK, ICICIBANK, BANKBARODA** and **SBIN** saw short build-up while long unwinding seen in **YESBANK** and **RBLBANK**.
- This week, some buying can be seen in **TATACONSUM, GRASIM, PIDILITIND, DRREDDY, and SUNPHARMA**, while selling pressure can be seen in **BAJAJ-AUTO** and **TATACHEM**.
- From sector space, **Banking, Fertilisers, Technology, Finance, Infrastructure, and Cement**, stocks are likely to remain in focus in the forthcoming week.

26-05-2020

## Stocks to Watch Out (Weekly)

Long Build-up			
Symbol	Price	OI Change	Price Change
BALKRISIND	989.10	44%	5%
AMARAJABAT	592.10	26%	3%
ITC	186.80	25%	13%
DRREDDY	3,874.15	24%	4%

Long Unwinding			
Symbol	Price	OI Change	Price Change
YESBANK	26.70	-25%	-8%
IGL	449.40	-11%	-2%
HEROMOTOCO	2,141.55	-7%	-3%
MOTHERSUMI	79.20	-6%	-4%

Short Build-up			
Symbol	Price	OI Change	Price Change
EQUITAS	40.75	81%	-18%
UJJIVAN	147.70	55%	-11%
ASHOKLEY	42.95	42%	-9%
IDFCFIRSTB	18.65	40%	-11%

Short covering			
Symbol	Price	OI Change	Price Change
ACC	1,226.70	-10%	4%
SUNTV	393.40	-9%	2%
NIITTECH	1,506.25	-6%	11%
MCDOWELL-N	587.65	-6%	8%

## Weekly Recommendation

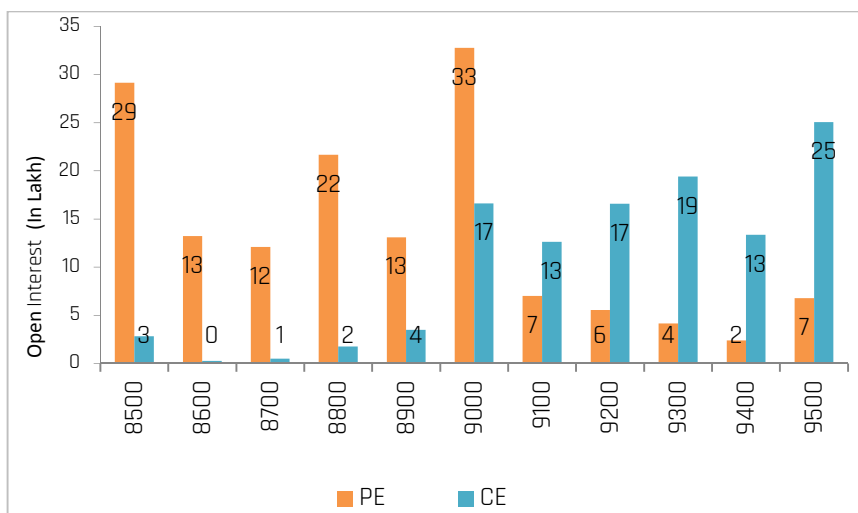
**DRREDDY (3874.15)** -The stock has seen Open Interest addition of 24.41% along with positive price action indicating long build-up. The stock can be bought in the range of 3810-3850 with a stop loss of 3740 on closing basis for a target of 4000-4050.

**Target: 4050 Stop Loss: 3700**

**BAJAJ-AUTO (2557.00)**- The stock has seen Open Interest addition of 26.23% along with negative price action indicating short build-up. The stock can be sold in the range of 2580-2610 with a stop loss of 2680 on closing basis for a target of 2450.

**Target: 2450 Stop Loss: 2680**

## Nifty Options Snapshot



From the OI Concentration (28-May Series), addition of open interest on the call options front exists at the strike prices of 9300 and 9500 (with nearly 19.40 lacs and 25.08 lacs shares outstanding). This indicates that this level would act as the resistance zone on the upside. On the Put options front, addition of open interest is at the strike prices of 9000 and 8500 (with nearly 32.76 lacs and 29.16 lacs shares outstanding respectively), indicating 9000 stronger support zone on the downside.

# Weekly Derivatives Synopsis

**26-05-2020**

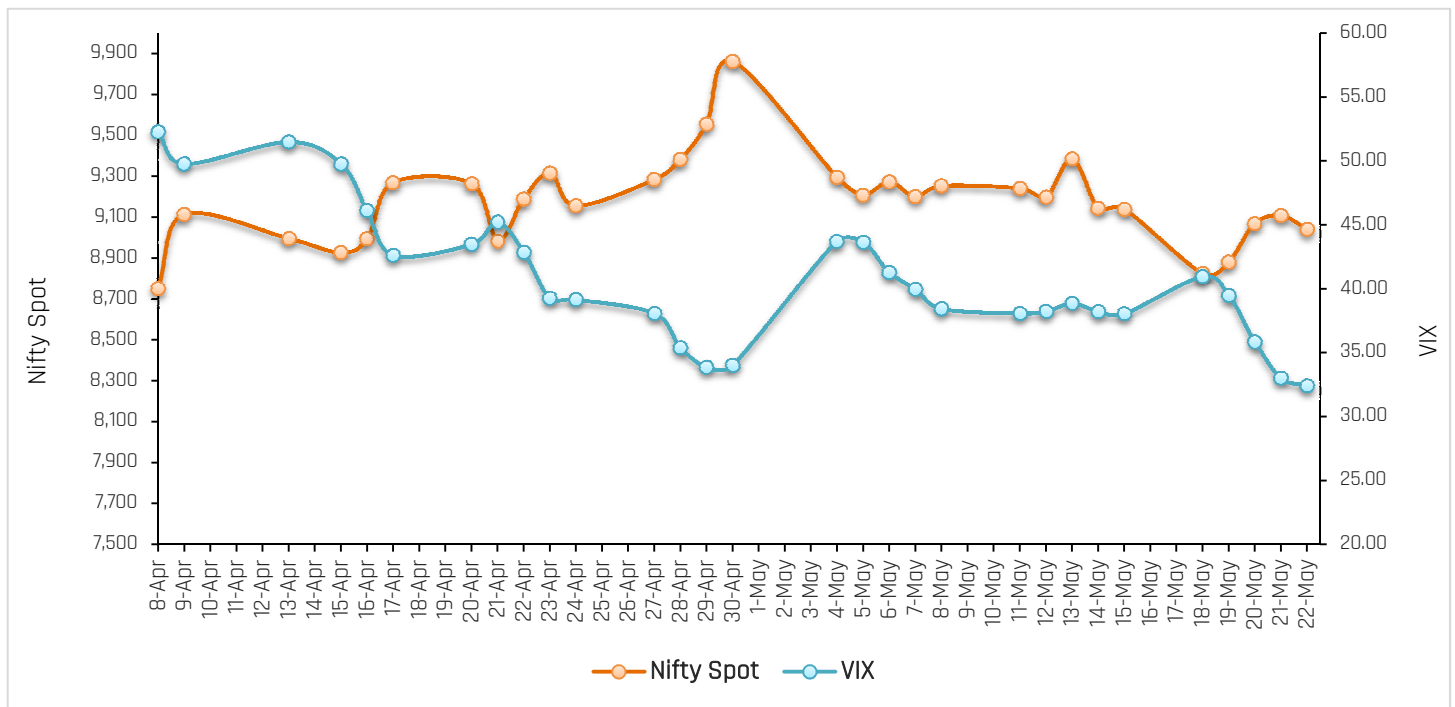
## FII Stats (5 Days Trend)

(Rs. Cr.)	22-May	21-May	20-May	19-May	18-May
INDEX FUTURES	-671	-471	216	2332	-803
INDEX OPTIONS	1839	1799	-396	720	-430
STOCK FUTURES	-345	490	156	1792	-522
STOCK OPTIONS	59	-32	65	47	-184

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

Date	Index Fut: Long/Short	Index Option: Long /Short	Index put: long /Short	Stock Fut Long/Short
15-May	0.51	1.11	1.86	1.82
18-May	0.39	1.00	1.77	1.75
19-May	0.90	1.20	1.65	1.84
20-May	0.96	1.22	1.58	1.84
21-May	0.82	1.17	1.61	1.85
22-May	0.65	1.17	1.73	1.81

## 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 30.00 and resistance stands at 45.00.

## Weekly Advance Decline Ratio (Nifty Stocks)

Advances	19
Declines	24
Unchanged	07

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