

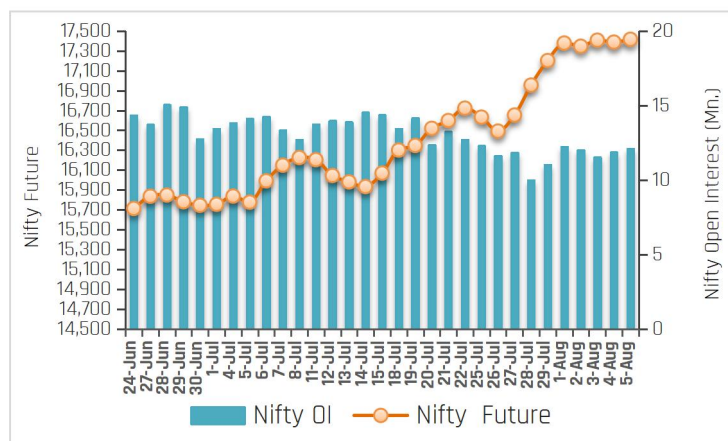
08-Aug-22

PARTICULARS	Last Closing	Previous Week	% Change
NIFTY SPOT	17,398	17,158	1.39
NIFTY FUTURES	17,416	17,202	1.25
BANKNIFTY SPOT	37,921	37,491	1.14
BANKNIFTY FUTURES	37,959	37,567	1.04
NIFTY PCR	1.05	1.36	-22.79
NIFTY PCR-VOL	0.92	0.90	2.22
NIFTY OI(In Mn)	12.11	11.02	9.89
BANKNIFTY OI(In Mn)	2.72	2.27	19.82
INDIA VIX	18.92	16.55	14.32
NIFTY BASIS POINTS	18.65	43.60	-57.22

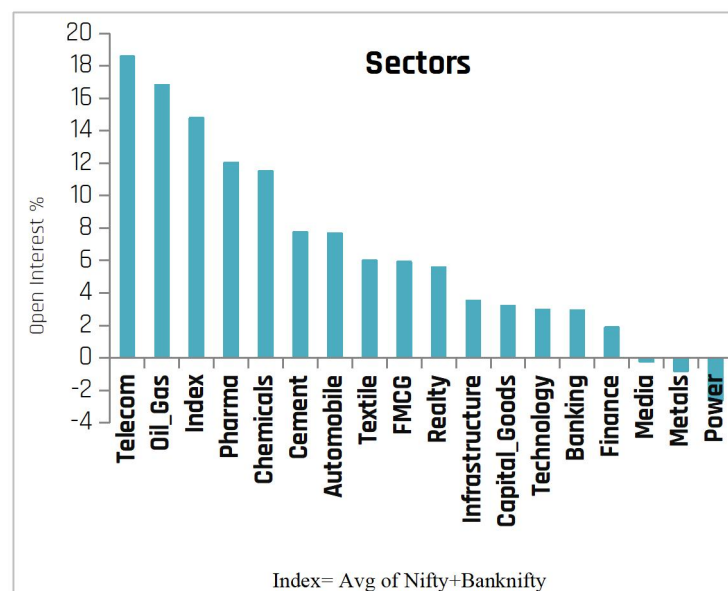
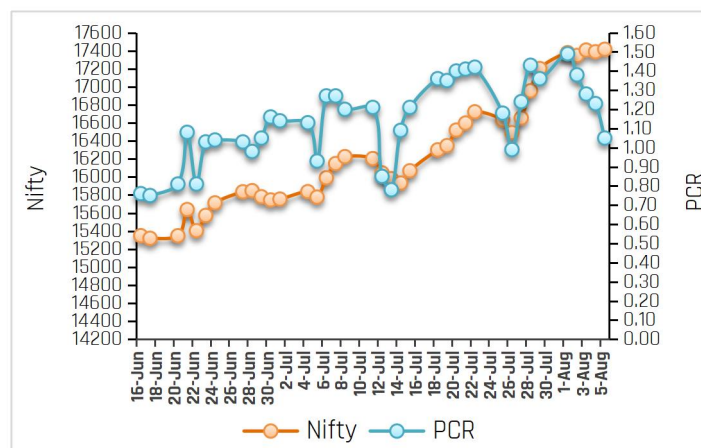
## Index Outlook

Last week, Bulls hold their grip on Dalal street and Nifty ended higher for the third consecutive week. Cooling commodity prices and some decent buying from foreign institutional investors (FIIs) in the past few sessions boosted the sentiment. Finally, Nifty Future settled on positive note at 17416 up by 1.25% (WoW) with an addition in open interest of 9.89% (WoW) indicating positive bias in the market. During the week, India VIX shoots up by 14.32% and closed at 18.92%. We expect volatility will remain high due to geopolitical tension between China and the US over Taiwan and corporate earnings. Another derivatives indicator, Nifty Put-Call ratio currently stands on lower side at 1.05, down by 22.79% (WoW). Technically, the index on a daily scale has formed a hanging man candlestick pattern. As per this pattern, if the index remains below 17491 on closing basis, then profit booking could be possible. On the flip side, if the index closes above 17500, then it may test the levels of 17700-17800. On the downside, the index will find short-term support near 17002, where the 200-day simple moving average followed by 16774 (21EMA). Going forward, geopolitical tensions, Rupee movement against the Dollar, bond yields movement, economic data, Q1FY23 earnings, progress of monsoon, Fii's flow, 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, **Telecom, Oil&Gas, Pharma, Chemicals, and Cement** sectors saw open interest addition. Top names included **INDUSTOWER, IDEA, GAIL, GUJGASLTD, ALKEM, SYNGENE, CHAMBLFERT, GNFC, DALBHARAT and AMBUJACEM.**
- Power** sector saw open interest unwinding on the back of short covering in the stocks.
- In the **Banking** space, **RBLBANK, KOTAKBANK, AXISBANK** and **FEDERALBNK** saw long build up, while short covering seen in **BANKBARODA, PNB, and IDFCFIRSTB.**
- This week, some buying can be seen in **COLPAL, AMBUJACEM, COROMANDEL, GRASIM, LUPIN, GNFC** and **CIPLA** while selling pressure can be seen in **INTELLECT, and ALKEM.**
- From sector space, **Technology, Power, Telecom, Chemicals, Banking, Finance, FMCG and Cement** stocks are likely to remain in focus in the forthcoming week.

08-Aug-22

## Stocks to Watch Out (Weekly)

Long Build-up			
Symbol	Price	OI Change	Price Change
ABFRL	278.95	28%	3%
LUPIN	671.20	26%	4%
ICICIPRULI	577.95	24%	4%
IBULHSGFIN	124.45	19%	12%

Long Unwinding			
Symbol	Price	OI Change	Price Change
OBEROIRLTY	898.70	-11%	-2%
EXIDEIND	156.90	-7%	-1%
INDIACEM	191.05	-7%	-3%
SBILIFE	1,271.30	-6%	-2%

Short Build-up			
Symbol	Price	OI Change	Price Change
ALKEM	3,125.70	86%	-3%
INDUSTOWER	200.25	72%	-10%
GAIL	132.80	68%	-9%
BALRAMCHIN	351.55	56%	-12%

Short Covering			
Symbol	Price	OI Change	Price Change
PERSISTENT	3,810.75	-22%	5%
POWERGRID	221.70	-18%	4%
MRF	88,871.95	-14%	6%
CHOLAFIN	774.00	-13%	10%

## Weekly Recommendation

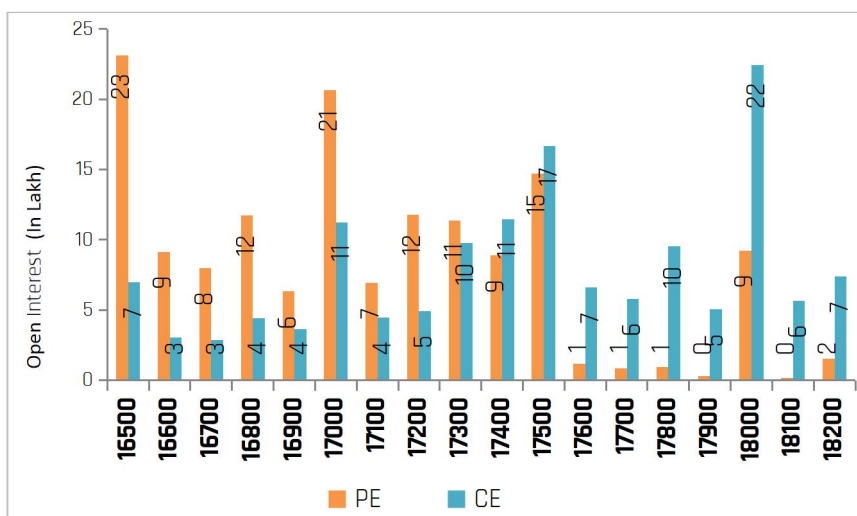
**COLPAL (1618.05)** - The stock has seen open interest addition of 11.32% along with positive price action indicating long buildup. The stock can be bought in the range of 1600-1610 with a stop loss of 1565 on closing basis for a target of 1660-1680.

**Target: 1680 Stop Loss: 1565**

**LUPIN (671.20)** - The stock has seen open interest addition of 26.13% along with positive price action indicating long buildup. The stock can be bought in the range of 660-665 with a stop loss of 648 on closing basis for a target of 680-690.

**Target: 690 Stop Loss: 648**

## Nifty Options Snapshot



From the OI Concentration (25-Aug Series), Maximum addition of open interest on the call options front exists at the strike prices of 17500 and 18000 (with nearly 16.66 lacs, and 22.43 lacs shares outstanding respectively). This indicates that 17500 and 18000 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 17000 and 16500 (with nearly 20.66 lacs, and 23.11 lacs shares outstanding respectively), indicating that 17000 and 16500 levels would act as the stronger support zone on the downside.

# Weekly Derivatives Synopsis

08-Aug-22

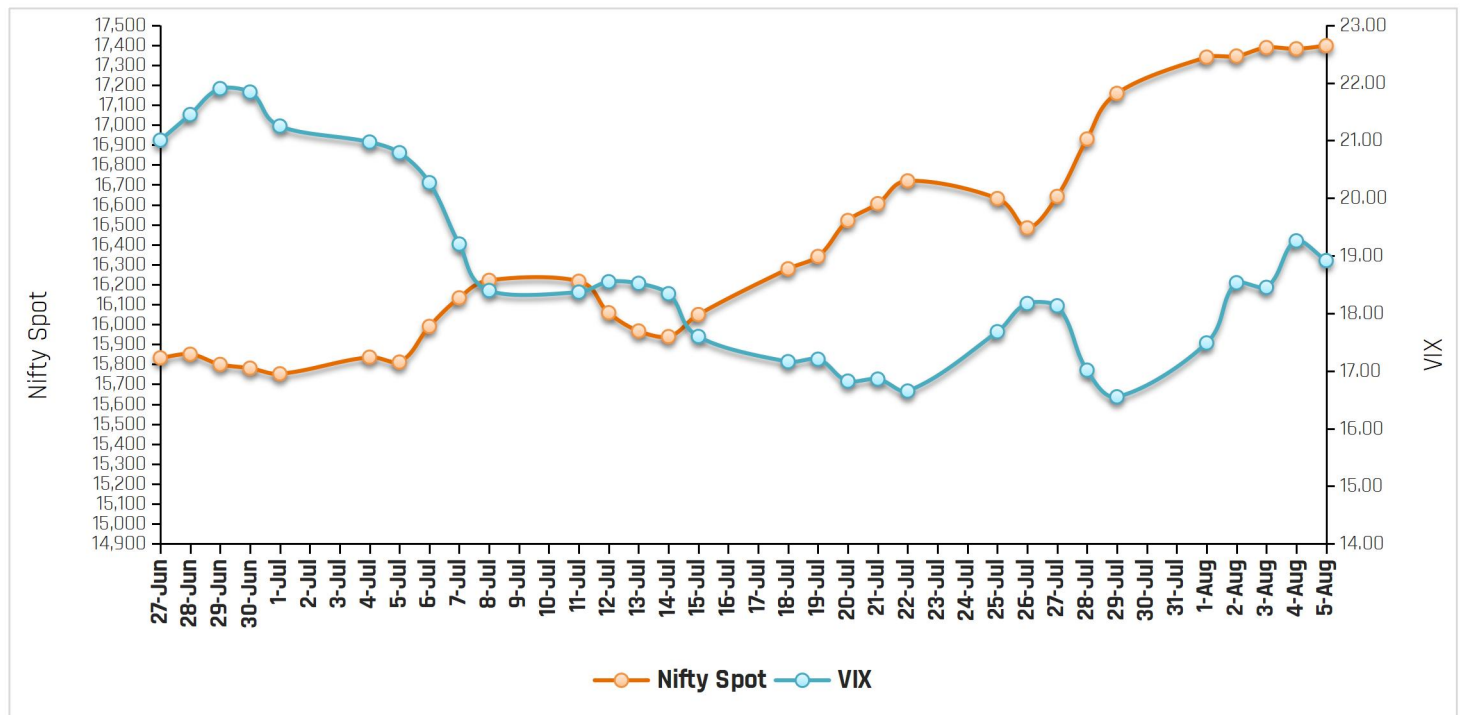
## FII Stats (5 Days Trend)

(Rs. Cr.)	05-Aug	04-Aug	03-Aug	02-Aug	01-Aug
<b>INDEX FUTURES</b>	901.94	-829.85	-575	-2727.15	2095
<b>INDEX OPTIONS</b>	-2301.62	1129.32	-3761	5344.14	-668
<b>STOCK FUTURES</b>	850.68	701.70	-967	74.29	597
<b>STOCK OPTIONS</b>	-67.32	163.82	99	-175.89	-71

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

Date	Index Fut: Long/Short	Index Option: Long /Short	Index put: long /Short	Stock Fut Long/Short
29-Jul	1.54	1.51	1.28	1.48
1-Aug	2.00	1.55	1.17	1.48
2-Aug	1.33	1.61	1.38	1.48
3-Aug	1.23	1.40	1.33	1.45
4-Aug	1.07	1.53	1.45	1.46
5-Aug	1.23	1.35	1.26	1.49

## 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 16.00 and resistance stands at 21.00.

## Weekly Advance Decline Ratio (Nifty Stocks)

Advances	31
Declines	11
Unchanged	08

### Technical View

#### Nifty 05-Aug, Daily Chart



- Technically, the index on a daily scale has formed a hanging man candlestick pattern, as highlighted in the chart. As per this pattern, if the index remains below 17491 on closing basis, then profit booking could be possible. On the flip side, if the index closes above 17500, then it may test the levels of 17700-17800.
- The trend line resistance is currently placed close to 17750-17800, which will act as a stiff resistance zone for the index in the medium term.
- On the downside, the index will find short-term support near 17002, where the 200-day simple moving average is situated. The recent breakout and 21 days exponential moving average are placed close to 16774, which will act as a medium term support for the index.
- The RSI on the daily scale is placed close to overbought zone. Moreover, the stochastics oscillator has formed a bearish crossover. As a result, although the trend is still up, short-term profit booking may be conceivable owing to overbought conditions. Therefore, the buy on dips approach must be used in the short term.

#### BankNifty, 05-Aug, Daily Chart



- The index started the week on a positive note and held gains despite some turbulence and settled the week on a positive note at 37,921.
- Technically speaking, as shown in the chart, the index has formed a bearish engulfing candlestick pattern. As per this pattern, profit taking may be probable if the index remains below 38232 on closing basis. On the other hand, if the index closes above 38250, it might attempt to test the levels of 38800-39500.
- On the downside, 21 days exponential moving average is placed close to 36,577 and 200 days simple moving average is placed close to 36370. Moreover, the trend line support is placed close to 36400 level. Thus, 16370 will serve as an important support for the index.
- The RSI on the daily scale is placed close to overbought zone. Moreover, the stochastics oscillator has formed a bearish crossover. As a result, although the trend is still up, short-term profit booking may be conceivable owing to overbought conditions. Therefore, the buy on dips approach must be used in the short term.

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