

Weekly Derivatives Synopsis

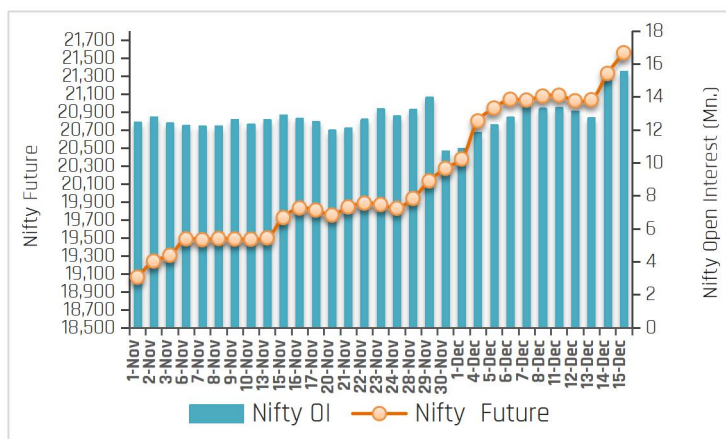
16-Dec-23

| PARTICULARS | Last Closing | Previous Week | % Change |
|---------------------|--------------|---------------|----------|
| NIFTY SPOT | 21457 | 20969 | 2.32 |
| NIFTY FUTURES | 21557 | 21075 | 2.29 |
| BANKNIFTY SPOT | 48144 | 47262 | 1.87 |
| BANKNIFTY FUTURES | 48271 | 47500 | 1.62 |
| NIFTY PCR | 1.47 | 1.20 | 22.50 |
| NIFTY PCR-VOL | 0.87 | 0.90 | -3.33 |
| NIFTY OI(In Mn) | 15.55 | 13.30 | 16.92 |
| BANKNIFTY OI(In Mn) | 2.53 | 2.38 | 6.30 |
| INDIA VIX | 13.13 | 11.33 | 15.89 |
| NIFTY BASIS POINTS | 100.45 | 105.60 | -4.88 |

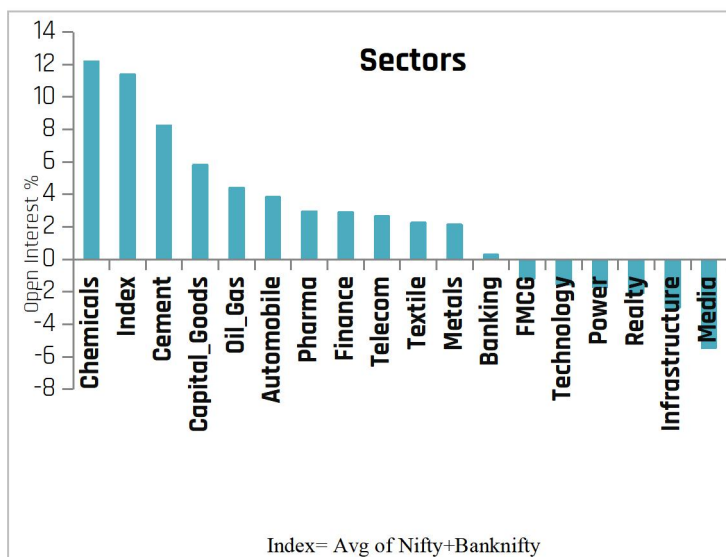
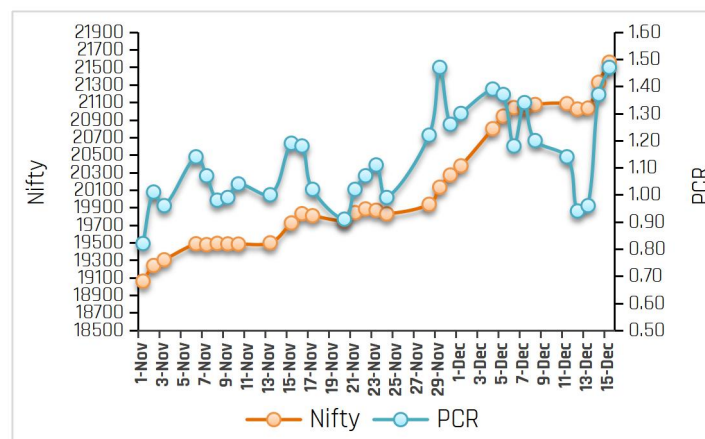
Index Outlook

Domestic equity markets concluded the week on a high note, extending their winning streak to a remarkable seventh consecutive week. Equity benchmarks closed near record highs, fuelled by a combination of factors including strong Foreign Institutional Investors (FIIs) inflows, and positive global cues. Finally, Nifty future settled the week on stronger note at 21557 up by 2.29% (WoW) with an addition in open interest of 16.92% (WoW) indicating positive bias for short term. The volatility index, India VIX shoot up by 15.89% and closed at 13.13 levels. We expect volatility will remain to continue due to geopolitical issue. Another derivatives indicator, Nifty Put-Call ratio currently stands at 1.47 (WoW). Generally, the index tends to encounter resistance around 1.50-1.60 levels and may witness profit booking. Technically, on a daily scale, index has recently witnessed a breakout of a rounding bottom pattern around 20222 levels, setting a target of approximately 21,600 levels. If the index manages to sustain above 21,600, the rally could potentially extend towards 22000. Going forward, the Rupee movement against the Dollar, bond yield movement, macroeconomic data, Fii's flow, geopolitical worries, and crude oil price movement will dictate the trend on the bourses next week.

Nifty OI Trend



Nifty FutVsPcr



Sectoral Activity

- Last week, **Chemicals, Cement, Capital Goods, Automobile, and Oil&Gas** sectors saw open interest addition. Top names included **PIIND, NAVINFLUOR, ULTRACEMCO, JKCEMENT, CROMPTON, DIXON, MARUTI, APOLLOTYRE, HINDPETRO and MGL**.
- Media and Infrastructure** sector witnessed open interest unwinding due to short covering in stocks.
- In the **Banking** space, **BANDHANBNK, FEDERALBNK, CUB, INDUSINDBK, and RBLBANK** witnessed long buildup, whereas short covering seen in **ICICIBANK, PNB, BANKBARODA, KOTAKBANK, and IDFCFIRSTB**.
- This week, some buying can be seen in **HINDPETRO, RELIANCE, LT, M&M, ASIANPAINT, LAURUSLABS** and **OFSS** while selling pressure can be seen in **ICICIPRULI, CROMPTON, LALPATHLAB and CANFINHOME**.
- From sector space, **Capital Goods, Infrastructure, Media, Banking, Technology, Cement, Power, and Realty** stocks are likely to remain in focus in the forthcoming week.

16-Dec-23

Stocks to Watch Out (Weekly)

| Long Build-up | | | |
|---------------|-----------|-----------|--------------|
| Symbol | Price | OI Change | Price Change |
| ULTRACEMCO | 10,009.85 | 54% | 6% |
| BANDHANBNK | 255.20 | 25% | 7% |
| OFSS | 4,379.65 | 24% | 5% |
| DIXON | 6353.2 | 17% | 6% |

| Long Unwinding | | | |
|----------------|----------|-----------|--------------|
| Symbol | Price | OI Change | Price Change |
| DRREDDY | 5,605.85 | -21% | -3% |
| MFSL | 978.05 | -13% | -6% |
| BALRAMCHIN | 385.10 | -9% | -2% |
| IPCALAB | 1,112.95 | -4% | -1% |

| Short Build-up | | | |
|----------------|-----------|-----------|--------------|
| Symbol | Price | OI Change | Price Change |
| PIIND | 3,412.40 | 118% | -11% |
| ICICIPRULI | 522.05 | 42% | -4% |
| MARUTI | 10,330.40 | 27% | -3% |
| LALPATHLAB | 2,540.50 | 22% | -4% |

| Short Covering | | | |
|----------------|----------|-----------|--------------|
| Symbol | Price | OI Change | Price Change |
| GMRINFRA | 77.70 | -22% | 12% |
| IBULHSGFIN | 223.25 | -15% | 10% |
| BSOFT | 723.05 | -14% | 9% |
| PERSISTENT | 7,240.60 | -11% | 12% |

Weekly Recommendation

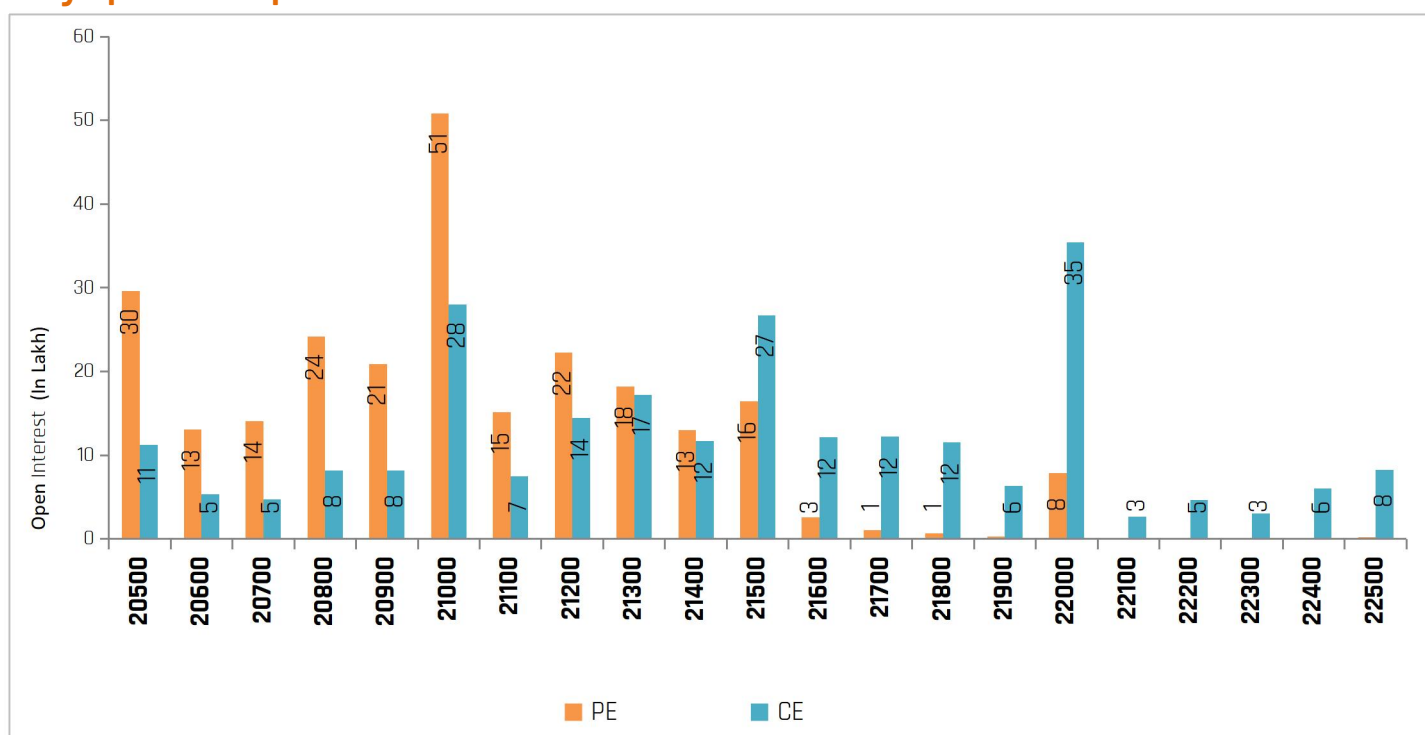
RELIANCE (2504.40) -The stock has seen open interest unwinding of 5.86% along with positive price action indicating short covering. The stock can be bought in the range of 2500-2505 with a stop loss of 2463 on closing basis for a target of 2545-2587.

Target: 2587 Stop Loss: 2463

OFSS (4379.65) - The stock has seen open interest addition of 24.11% along with positive price action indicating long buildup. The stock can be bought in the range of 4360-4365 with a stop loss of 4310 on closing basis for a target of 4410-4450.

Target: 4450 Stop Loss: 4310

Nifty Options Snapshot



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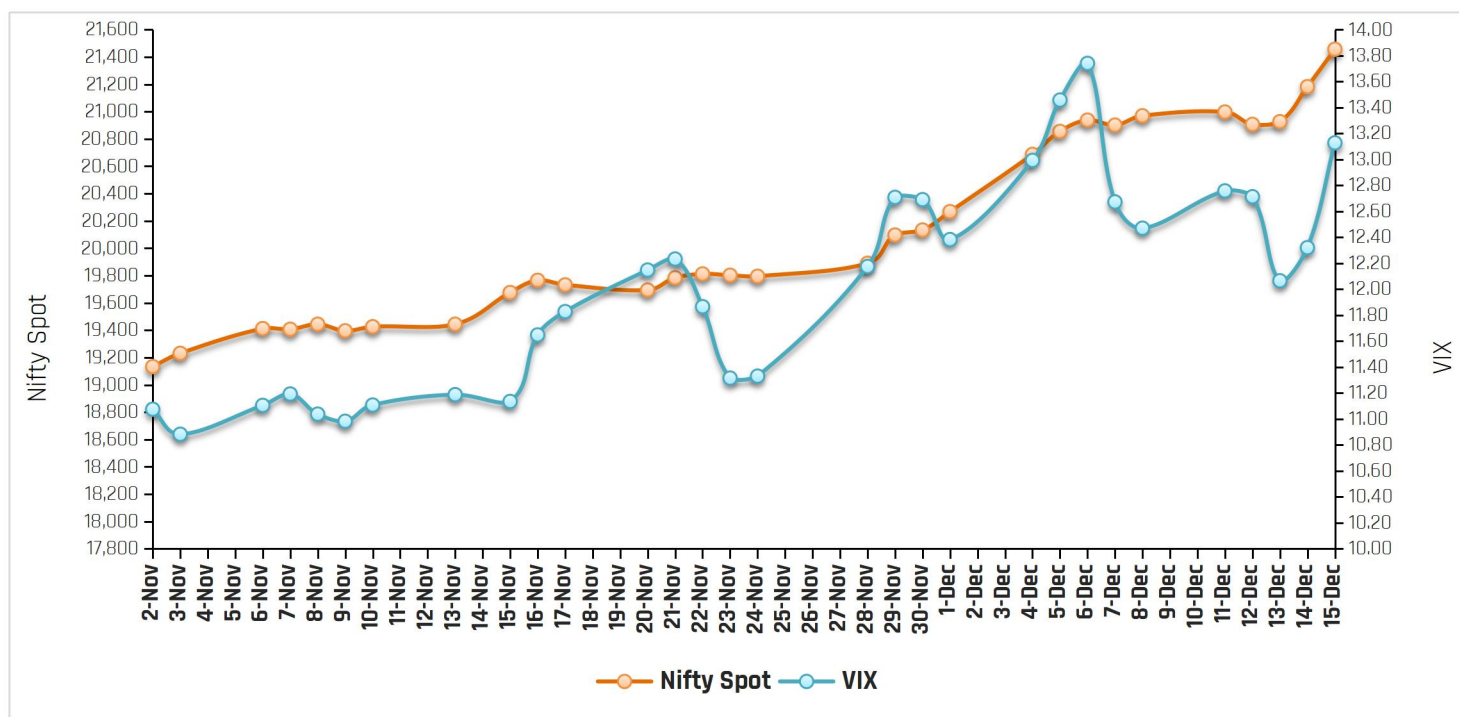
FII Stats (5 Days Trend)

| (Rs. Cr.) | 15-Dec | 14-Dec | 13-Dec | 12-Dec | 11-Dec |
|---------------|--------|--------|--------|--------|--------|
| INDEX FUTURES | 1451 | -340 | -861 | 1379 | -234 |
| INDEX OPTIONS | -6575 | -42969 | -44206 | -26368 | -19523 |
| STOCK FUTURES | 3724 | -1816 | -2460 | 1137 | 273 |
| STOCK OPTIONS | 575 | 625 | 404 | -636 | -211 |

FII Open Interest Activity (Long & Short Ratio)

| Date | Index Fut: Long/Short | Index Option: Long /Short | Index put: long /Short | Stock Fut Long/Short |
|--------|-----------------------|---------------------------|------------------------|----------------------|
| 8-Dec | 1.35 | 1.33 | 1.25 | 1.12 |
| 11-Dec | 1.31 | 1.17 | 1.22 | 1.12 |
| 12-Dec | 1.48 | 1.16 | 1.26 | 1.14 |
| 13-Dec | 1.37 | 1.40 | 1.49 | 1.11 |
| 14-Dec | 1.32 | 1.16 | 1.21 | 1.09 |
| 15-Dec | 1.49 | 1.08 | 1.12 | 1.13 |

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 11.00 and resistance stands at 14.00.

Weekly Advance Decline Ratio (Nifty Stocks)

| | |
|-----------|----|
| Advances | 32 |
| Declines | 10 |
| Unchanged | 08 |

Technical View

Nifty 15-Dec, Daily Chart



- The index started the week on a positive note and continued its bullish momentum throughout the week. As a result, index settled the week on a strong note at 21,457 levels.
- The index has recently witnessed a breakout of a rounding bottom pattern around 20,222 levels, setting a target of approximately 21,600 levels. If the index manages to sustain above 21,600, the rally could potentially extend towards 22,000.
- On the downside, the psychological support of 21,000 will serve as the initial key support, followed by 20,770 and 20537.
- The momentum indicator RSI on the daily scale is currently positioned above the center point, indicating strength; however, it is in a highly overbought zone, suggesting the possibility of some consolidation or profit booking.
- For the short term, 21,000 and 20,500 will serve as support levels, whereas 21,600 and 22,000 will act as resistance levels.

BankNifty, 15-Dec, Daily Chart



- The index started the week on a positive note, and managed to hold bullish momentum throughout the week. As a result, the index closed the week on a positive note at 48,144 levels.
- On a daily scale, the index has experience breakout of rounding bottom pattern. As per this breakout, the index can test 50,500 in the medium term.
- The 161.8% retracement from 46,370 to 42105 corresponds to around 49,000 levels. Therefore, 49,000 will serve as a crucial hurdle for the index in the short term.
- On the downside, the first key support is at 46,370, followed by 45,990, where the 21-DEMA is positioned.
- The momentum indicator RSI on the daily scale is currently positioned above the center point, indicating strength; however, it is in a highly overbought zone, suggesting the possibility of some consolidation or profit booking.
- For the short term, 46,370 and 45,990 will serve as support levels, whereas 48,500 and 49,000 will serve as resistance levels.

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