

## Sensex (37607) / Nifty (11073)

During the last week, the market started the proceedings on a sluggish note in the absence of any trigger on the domestic as well as global front. On the following day, we witnessed a good broad-based rally to mark fresh 4-months high beyond the **11300** mark. However, the way things looked at the end of Tuesday's session, it just turned out to be an illusion in the remaining part of the week. Although there were a couple of attempts made around **11300**, the market was unable to display the strength in a similar fashion. As a result, we witnessed some profit taking in the latter part of the week to conclude around the lower end of the weekly range.

Market finally snapped its six-week winning streak due to some weakness around **11300**. However, the damage is not big and hence, as of now should only be interpreted as a profit booking after a relentless rally. Towards the end of the week, we were seeing **11050** as a key support; but the way markets behaved on Friday around it, this does not appear to be an important support. Hence, we would rather extend the range slightly on downside and would observe key supports around **10950-10870** for the forthcoming week. In case if profit booking extends towards these mentioned levels, it should still be considered as a corrective move and not the actual trend reversal. In our sense, the actual weakness would start only if Nifty sustains below **10870** and hence, till then one should continue with a stock specific positive bias. However, on the flipside, **11300-11350** has also become a strong ceiling and the fresh leg of the rally would only unfold above this. Till then traders are advised to remain light within a slightly bigger range of **10870 – 11350**.

## Nifty Bank Outlook - (21640)

On Friday, the Banknifty index started on a flat note however the rub-off effect from the previous session immediately pulled the index lower. Fortunately, the damage was not much and after a choppy session, the bank index eventually ended near the opening levels tad below **21650** levels. During the last week, we have been mentioning the bank nifty trading in a rising channel pattern and for the last few sessions, the prices has been gyrating around the lower range of the pattern. Now prices are also trading around the 50SMA which previously acted as support and hence next few sessions of this week will be very crucial for the near term direction. If weakness continues then bank index may head towards **21150** and **21000** levels however on the flip side, the index needs to break above **22350** for a probability of any pullback move. Traders are advised to keep positions light and have a stock-specific approach within the sector.

### Key Levels

Support 1 – 21150	Resistance 1 – 22000
Support 2 – 21000	Resistance 2 – 22350

## Exhibit 1: Nifty Daily Chart



For the early part of the week, **11200-11250** should be considered as an immediate resistance zone. The banking space has been the weakest link and the way it's placed, the directional move in benchmark would mainly be triggered by the banking stocks only. Hence, all eyes would be on it. Apart from this, the entire Pharma space has been once again on a roll after a brief pause and there were some other sectoral movers also, that kept buzzing and bucking the trend. So, the pragmatic approach would be to focus on individual stocks till the time market remains in the above-mentioned range.

### Key Levels

Support 1 – 11000	Resistance 1 – 11200
Support 2 – 10950	Resistance 2 – 11250

## Exhibit 2: Nifty Bank Daily Chart



## Comments

- The Nifty futures open interest has decreased by 1.01% Bank Nifty futures open interest has increased by 3.84% as market closed at **11073.45** levels.
- The Nifty August future closed with a premium of 22.4 point against a discount of 8.75 point in last trading session. The September series closed at a premium of 26.4 point.
- The INDIA VIX has decreased from 24.72 to 24.19 At the same time, the PCR-OI of Nifty decreased from 1.49 to 1.31.
- Few of the liquid counters where we have seen high cost of carry are IDEA, NATIONALUM, GODREJPROP, PNB AND CADILAHC.

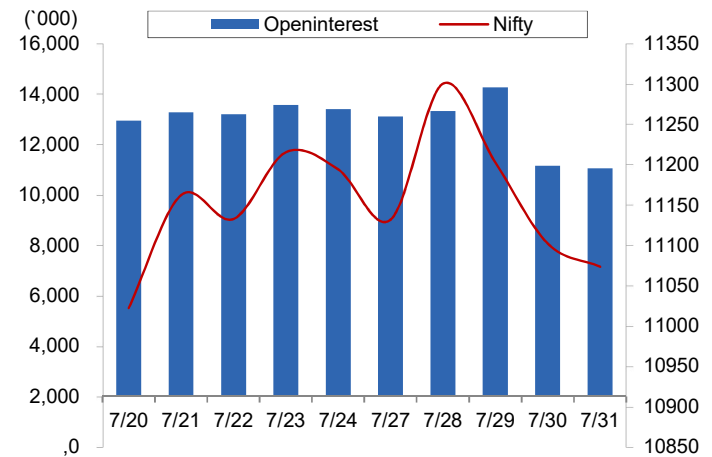
## Views

- During the week, Nifty surpassed the 11300 mark, however it failed to sustain above that and witnessed some correction around expiry to end the week with a loss of over a percent.
- FII's were net sellers in the cash market segment to the tune of Rs. **959** crores. In index futures, the activity was muted as they bought worth **30** crores with increase in open interest.
- The rollover in Nifty is at 77.59 percent, which is in line with its 3-month average of 77.40 percent, whereas rollover in Bank Nifty is at 75.30 percent v/s its average of 79 percent. FII's have carried more of their long positions to the new series and their 'Long Short' Ratio in index futures segment is tad over 66 percent. The weekly options data indicates support around **11000** mark and resistance at **11200-11300**. If we look at the sector specific build up, it is seen that the stocks from the Cement and the Pharma sector have added good amount of long positions which have been rolled too. So, traders should look for stocks from these sectors for short term trading opportunities.

## Historical Volatility

SCRIP	HV
SRTRANSFIN	82.68
ZEEL	87.99
NIITTECH	71.54
NMDC	59.16
MFSL	81.25

## Nifty Vs OI



## OI Gainers

SCRIP	OI	OI CHG. (%)	PRICE	PRICE CHG. (%)
IDEA	210840000	69.98	8.40	4.94
CHOLAFIN	7567500	61.35	202.50	-5.38
GODREJPROP	453050	49.25	926.60	6.77
CADILAHC	9875800	18.41	388.40	6.38
TORNTPHARM	2010500	16.21	2663.55	9.40
IBULHSGFIN	12316300	14.63	190.00	-4.84
GLENMARK	6207700	14.17	452.35	2.53
SAIL	39596000	14.13	34.00	-0.73

## OI Losers

SCRIP	OI	OI CHG. (%)	PRICE	PRICE CHG. (%)
UJJIVAN	2743400	-12.68	235.85	2.46
SRF	638750	-7.29	3793.05	1.05
TATAPOWER	52096500	-6.70	48.70	1.14
NIITTECH	454875	-6.69	1926.25	-0.46
VOLTAS	2440000	-5.06	598.35	0.82
BAJFINANCE	5684000	-4.91	3251.30	1.60
EICHERMOT	256760	-4.49	20638.70	-1.82
MARUTI	2498500	-4.05	6262.65	-0.32

## Put-Call Ratio

SCRIP	PCR-OI	PCR-VOL
NIFTY	1.31	0.93
BANKNIFTY	0.73	0.85
RELIANCE	0.71	0.60
ICICIBANK	0.53	0.55
INFY	0.98	0.68

**FII Statistics for July 31, 2020**

Detail	Buy	Sell	Net	Open Interest		
				Contracts	Value (in Cr.)	Change (%)
INDEX FUTURES	4273.18	4242.84	30.34	118835	9014.61	2.75
INDEX OPTIONS	155206.51	154960.27	246.24	588825	45627.15	18.24
STOCK FUTURES	16790.73	17419.83	(629.10)	1227764	85126.39	1.55
STOCK OPTIONS	5953.75	5698.06	255.69	47585	3210.13	115.20
Total	182224.17	182321.00	(96.83)	1983009	142978.28	7.49

**Turnover on July 31, 2020**

Instrument	No. of Contracts	Turnover (in Cr.)	Change (%)
Index Futures	5,03,725	32717.54	-29.19
Index Options	1,40,18,250	9,59,974.31	-75.61
Stock Futures	9,17,761	66746.11	3548.28
Stock Options	10,02,127	77694.49	-20.26
Total	1,64,41,863	11,37,132.45	-72.85

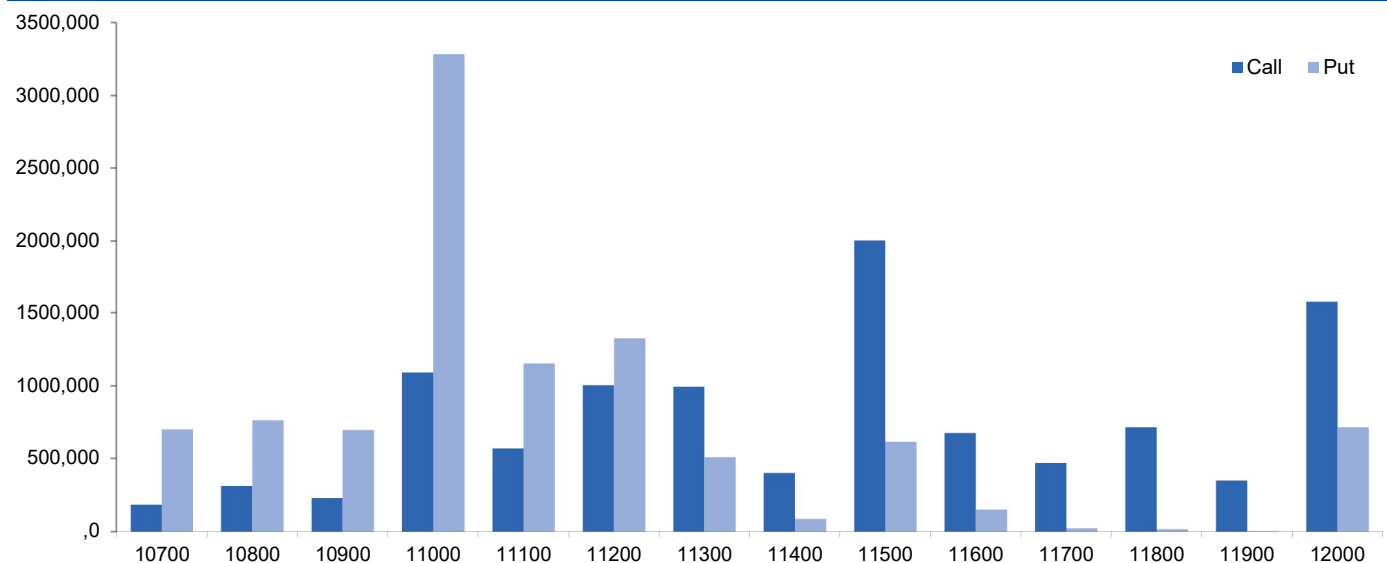
**Nifty Spot = 11073.45**
**Bull-Call Spreads**

Action	Strike	Price	Risk	Reward	BEP
Buy	11100	265.25	50.05	49.95	11150.05
Sell	11200	215.20			
Buy	11100	265.25	93.65	106.35	11193.65
Sell	11300	171.60			
Buy	11200	215.20	43.60	56.40	11243.60
Sell	11300	171.60			

**Bear-Put Spreads**

Action	Strike	Price	Risk	Reward	BEP
Buy	11100	270.10	41.95	58.05	11058.05
Sell	11000	228.15			
Buy	11100	270.10	81.40	118.60	11018.60
Sell	10900	188.70			
Buy	11000	228.15	39.45	60.55	10960.55
Sell	10900	188.70			

Note: Above mentioned Bullish or Bearish Spreads in Nifty (August Series) are given as an information and not as a recommendation.

**Nifty Put-Call Analysis**


**Daily Pivot Levels for Nifty Constituents**

Scrips	S2	S1	PIVOT	R1	R2
ADANI PORTS	310	313	315	318	321
ASIAN PAINT	1,672	1,694	1,732	1,754	1,793
AXIS BANK	416	424	429	437	442
BAJAJ-AUTO	2,939	2,972	3,025	3,058	3,111
BAJFINANCE	3,143	3,197	3,235	3,289	3,327
BAJAJFINSV	6,025	6,116	6,210	6,301	6,395
BPCL	400	407	418	424	435
BHARTIARTL	540	548	553	561	566
INFRA TEL	185	188	192	196	200
BRITANNIA	3,769	3,796	3,828	3,855	3,887
CIPLA	673	697	710	734	747
COALINDIA	126	128	129	130	131
DRREDDY	4,414	4,467	4,509	4,563	4,605
EICHER MOT	19,978	20,308	20,897	21,228	21,817
GAIL	95	96	97	98	99
GRASIM	589	611	624	646	659
HCLTECH	685	695	706	716	727
HDFC BANK	999	1,016	1,037	1,054	1,075
HDFC	609	618	628	637	647
HEROMOTOCO	1,732	1,757	1,784	1,809	1,836
HINDALCO	2,614	2,645	2,678	2,709	2,741
HINDUNILVR	158	160	162	165	167
ICICI BANK	2,159	2,185	2,203	2,229	2,247
IOC	336	342	347	353	358
INDUSINDBK	86	87	89	90	91
INFY	510	517	523	530	535
ITC	935	951	969	984	1,002
JSW STEEL	191	193	195	196	198
KOTAK BANK	210	215	218	223	226
LT	1,329	1,347	1,369	1,387	1,408
M&M	899	906	914	922	930
MARUTI	584	595	603	614	622
NESTLE IND	6,113	6,188	6,284	6,359	6,455
NTPC	16,301	16,412	16,543	16,654	16,785
ONGC	86	86	87	88	88
POWERGRID	76	77	78	79	80
RELIANCE	175	177	178	180	181
SHREECEM	2,007	2,037	2,083	2,113	2,159
SBIN	21,110	21,411	21,650	21,951	22,190
SUNPHARMA	183	187	191	195	199
TCS	493	512	527	546	560
TATAMOTORS	2,214	2,248	2,291	2,325	2,369
TATASTEEL	101	103	104	106	107
TECHM	356	361	366	371	376
TITAN	668	675	680	687	692
ULTRACEMCO	1,020	1,030	1,038	1,048	1,057
UPL	4,023	4,070	4,140	4,187	4,256
VEDANTA	449	464	475	489	501
WIPRO	271	276	283	288	296
ZEEL	136	138	139	141	142

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