

Market awaits solid trigger to end the slumber phase

Sensex (60683) / Nifty (17856)



Source: Tradingview.com

Future outlook

After couple of weeks of dramatic moves with respect to ADANI saga, things seemed to have come to an equilibrium towards the end of previous week. We started the proceedings on Monday on a soft note and remained sluggish for the first couple of sessions. This was followed by some promising action on the subsequent sessions. Nifty approached the higher end of recent trading range; but once again with lack of conviction, our markets looked a bit tentative on Friday to conclude the session almost at previous week's close.

We have certainly weathered the storm and market has digested most of the pain from recent fiasco. Now since we are trading around the crucial juncture, market is awaiting some solid trigger to come of the recent slumber phase. The breakout could happen either side but if we have to predict one, we would certainly like to stay positive. Hopefully, the contraction of range breaks out higher and the trend deciding level to watch out for would be **18000**. This will confirm the completion of long corrective phase. We can then see some exuberant moves in market as the sentiments are likely to improve drastically post the breakout. On the flipside, the support range is visible around **17800 - 17700**.

We reiterate that if benchmark has to surpass the **18000** mark, the heavyweight banking space needs to participate heavily. This week, banking stocks kept on sulking and hence, we failed to make a move beyond these hurdles. Hopefully it finds its mojo soon and propels market higher. Apart from this, the broader market did well towards the latter half of the week. The way NIFTY MIDCAP50 index is shaped up, we remain hopeful to see some encouraging moves in the coming week.

Market remains indecisive, amidst mixed F&O data

Nifty spot closed at **17856.50** this week, against a close of **17854.05** last week. The Put-Call Ratio has decreased from **1.17** to **1.05** on Weekly basis. The annualized Cost of Carry is positive at **3.24%**. The Open Interest of Nifty Futures increased by **5%**.

Derivatives View

Nifty current month's future closed with a premium of 20.60 against a premium of 48.10 points to its spot in the previous week. Next month's future is trading at a premium of 121.05 points.

The Indian equity market has witnessed a lackluster week of trade, wherein the key indices remained in a slender range with no clarity in the trend. In the F&O segment, we saw a mixed bag move throughout the week, and the stronger hands covered some of their shorts in the system. On the options front, maximum OI concentration is seen at 17800 put strike, indicating nearby support for Nifty. On the flip side, the 18000-call strike has the highest OI concentration, indicating stiff resistance in a comparable period. The 'Long Short ratio' has marginally declined to 18% from 19% on a weekly basis. The positioning looks a bit oversold, and any short covering should be an encouraging sign for our markets. We need to keep a close tab on the mentioned levels, as any breakthrough could dictate the near-term trend in the market.

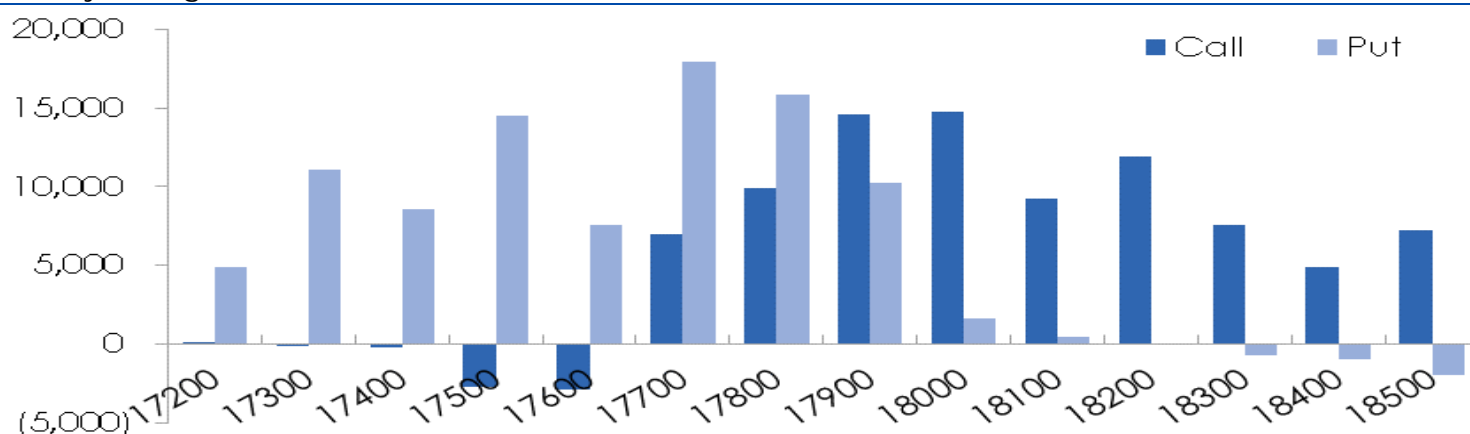
Long Formation

Scrip	OI Futures	OI Chg (%)	Price	Price Chg(%)
ALKEM	828800	224.00	3268.25	7.60
CUMMINSIND	2539800	87.38	1594.10	10.28
ABB	1953250	36.47	3176.10	12.82
NAUKRI	1871125	29.92	3830.25	4.26
DELTACORP	18180400	16.09	205.05	7.58

Short Formation

Scrip	OI Futures	OI Chg (%)	Price	Price Chg(%)
UBL	1760800	42.41	1472.90	(6.69)
INDIGO	3365100	42.33	2036.05	(3.50)
TATASTEEL	202070000	29.00	109.20	(9.34)
LICHSGFIN	11668000	19.72	379.30	(5.29)
PAGEIND	130500	19.42	38769.25	(3.03)

Weekly change in OI



Sameet Chavan	Chief Analyst – Technical & Derivatives	sameet.chavan@angelone.in
Sneha Seth	Senior Analyst – Technical & Derivatives	sneha.seth@angelone.in
Rajesh Bhosale	Technical Analyst	rajesh.bhosle@angelone.in
Osho Krishan	Senior Analyst – Technical & Derivatives	osho.krishan@angelone.in

Research Team Tel: 022 - 39357600

Website: www.angelone.inFor Technical QueriesE-mail: technicalresearch-cso@angelone.inFor Derivative QueriesE-mail: derivatives.desk@angelone.in**DISCLAIMER**

Angel One Limited (hereinafter referred to as "Angel") is a registered Member of National Stock Exchange of India Limited, Bombay Stock Exchange Limited and Metropolitan Stock Exchange Limited. It is also registered as a Depository Participant with CDSL and Portfolio Manager and investment advisor with SEBI. It also has registration with AMFI as a Mutual Fund Distributor. Angel One Limited is a registered entity with SEBI for Research Analyst in terms of SEBI (Research Analyst) Regulations, 2014 vide registration number INH000000164. Angel or its associates has not been debarred/ suspended by SEBI or any other regulatory authority for accessing /dealing in securities Market.

This document is solely for the personal information of the recipient, and must not be singularly used as the basis of any investment decision. Nothing in this document should be construed as investment or financial advice. Each recipient of this document should make such investigations as they deem necessary to arrive at an independent evaluation of an investment in the securities of the companies referred to in this document (including the merits and risks involved), and should consult their own advisors to determine the merits and risks of such an investment.

Angel or its associates or research analyst or his relative may have actual/beneficial ownership of 1% or more in the securities of the subject company at the end of the month immediately preceding the date of publication of the research report. Neither Angel or its associates nor Research Analysts or his relative has any material conflict of interest at the time of publication of research report.

Angel or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction in the normal course of business. Angel or its associates did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with the research report. Neither Angel nor its research analyst entity has been engaged in market making activity for the subject company.

Reports based on technical and derivative analysis center on studying charts of a stock's price movement, outstanding positions and trading volume, as opposed to focusing on a company's fundamentals and, as such, may not match with a report on a company's

fundamentals. Investors are advised to refer the Fundamental and Technical Research Reports available on our website to evaluate the contrary view, if any.

The information in this document has been printed on the basis of publicly available information, internal data and other reliable sources believed to be true, but we do not represent that it is accurate or complete and it should not be relied on as such, as this document is for general guidance only. Angel One Limited or any of its affiliates/ group companies shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in this report. Angel One Limited has not independently verified all the information contained within this document. Accordingly, we cannot testify, nor make any representation or warranty, express or implied, to the accuracy, contents or data contained within this document. While Angel One Limited endeavors to update on a reasonable basis the information discussed in this material, there may be regulatory, compliance, or other reasons that prevent us from doing so.

This document is being supplied to you solely for your information, and its contents, information or data may not be reproduced, redistributed or passed on, directly or indirectly.

Neither Angel One Limited, nor its directors, employees or affiliates shall be liable for any loss or damage that may arise from or in connection with the use of this information. Angel or its associates or Research Analyst or his relative might have financial interest in the subject company. Research analyst has not served as an officer, director or employee of the subject company.