

## Nifty ends higher despite some intra-week reality checks

### Sensex (38101) / Nifty (11194)

NSE:NIFTY, 1D 11194.15 ▼ -21.30 (-0.19%) O:11149.95 H:11225.40 L:11090.30 C:11194.15



TradingView

Source: Trading View

### Future outlook

The stage was set previous Friday when our markets had a late surge to surpass the recent hurdle of **10850** on a closing basis. Hence, with global markets showing some favorable cues, we had a cheerful start for the week gone by on Monday at **11000**, marking the highest level since March 06, 2020. This momentum extended on the following day as we witnessed yet another gap up opening to extend this lead. However, post this, markets had some reality checks in between to remain in a slender range throughout the remaining part to conclude the week tad below **11200** mark. The banking index was one of the major charioteers in this extended move, barring Friday, when banking space has undergone some selling pressure to pare down a decent portion of their weekly gains.

In continuation of our previous weekly commentary, our desired levels of **11200** has now been met. But since, there are multiple technical observations that coincide around it, markets will have a daunting task in front of them now. Since, we are extremely overbought, we are in two minds whether to go with the theoretical characteristic of this term 'overbought' or the practical one. Because, theoretically, the current placement (78% retracement of the post COVID fall which coincides with 100% 'price extension' of recent swings from March bottom) of market is just ideal to see some genuine correction; but practically as we all know, market has the tendency to surprise us all the time. Hence, rather anticipating things from here on, we would rather let the market give us further indication. As we step into the monthly expiry week, our eyes would be on a few crucial levels. On the upside, **11250** is the level to watch out for; whereas, **11050** has now become a key support. As an optimist, one should remain hopeful as long as we are trading above this swing low (B) and expect the market to give breakout in upward direction to extend the move towards **11350 – 11400**. However, a breach of lower end should be treated as a short-term pause to see some decent profit booking.

We continue to advise traders to remain light and keep booking profits wherever it's necessary. Also, if our markets have to see any upward move, the banking space plays a vital role in this. Hence, one needs to see whether BANKNIFTY manages to convincingly go beyond **23000-23200** or not in the forthcoming week.

## FII's started buying in equities

Nifty spot closed at **11194.15** this week, against a close of **10901.70** last week. The Put-Call Ratio has decreased marginally from **1.75** to **1.74**. The annualized Cost of Carry is negative at **12.99%**. The Open Interest of Nifty Futures has increased by **7.46%**.

### Derivatives View

Nifty current month future closed with a discount of **23.90** points against a premium of **3.35** points to its spot. Next month future is trading at a discount of **15.95** points.

As far as Nifty options activities for the week are concerned, we witnessed open interest addition in 11200-11600 call options whereas good amount of additions was also seen in 11100-10700 put options. Maximum open interest for the monthly series is at 11500 call option and 11000 put option.

Nifty started the week on a positive note to surpass the 11000 mark with formation of long positions. However, the index witnessed some consolidation in last couple of sessions to end tad below 11200. During the week, the Nifty PCR went upto 1.87 which is considered as overbought zone. The PCR has ended at 1.74 which is still overbought, hence traders are advised to be vigilant on this data. FII's were net buyers in cash segment throughout the week, but they formed mixed positions in index futures. The options data hints support at 11000 mark as the put option of this strike has good amount of open interest outstanding. For the coming week, 11000-11200 seems to be the immediate trading range. Considering the above data, traders are advised to trade with a stock specific approach at the start of the week and watch for further developments as we approach the monthly expiry.

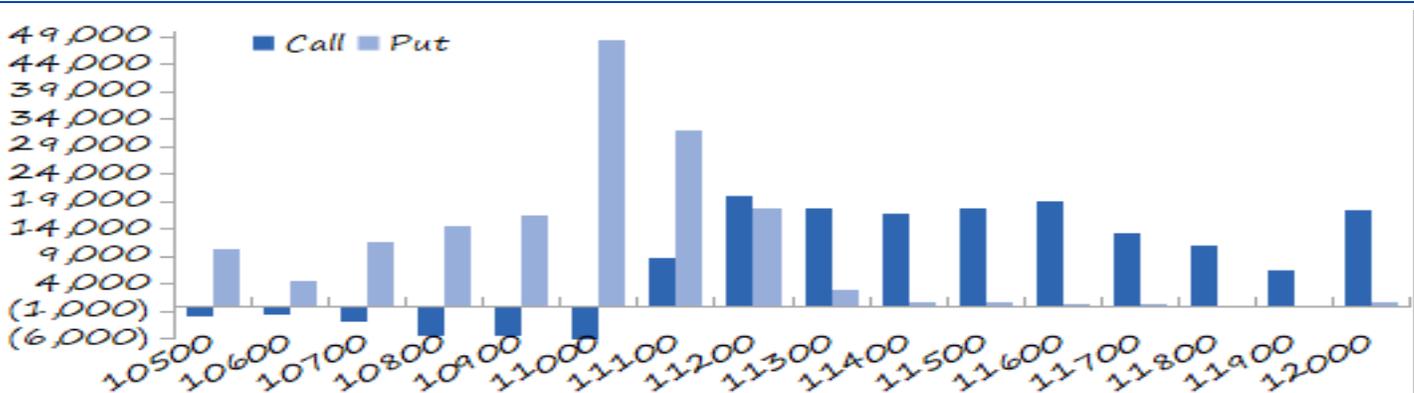
### Long Formation

Scrip	OI Futures	OI Chg (%)	Price	Price Chg(%)
RAMCOCEM	1569100	22.74	685.45	3.60
BEL	30377200	18.46	102.45	4.17
UPL	16233100	17.54	454.60	3.71
HAVELLS	6431000	15.11	606.90	2.39
RBLBANK	25919400	12.45	183.50	8.10

### Short Formation

Scrip	OI Futures	OI Chg (%)	Price	Price Chg(%)
ZEEL	34185000	46.31	151.90	(3.86)
SHREECEM	174650	21.07	21403.15	(4.12)
IDEA	363860000	14.95	8.50	(3.95)
PETRONET	15528000	14.87	241.70	(8.48)
ASHOKLEY	46296000	13.81	50.60	(2.69)

### Weekly change in OI



**Technical and Derivatives Team:**

---

Sameet Chavan	Chief Analyst – Technical & Derivatives	sameet.chavan@angelbroking.com
Ruchit Jain	Senior Analyst - Technical & Derivatives	ruchit.jain@angelbroking.com
Rajesh Bhosale	Technical Analyst	rajesh.bhosle@angelbroking.com
Sneha Seth	Derivatives Analyst	sneha.seth@angelbroking.com

---

Research Team Tel: 022 - 39357600 (Extn – 6844)

Website: [www.angelbroking.com](http://www.angelbroking.com)For Technical & Derivative QueriesE-mail: [technicalresearch-cso@angelbroking.com](mailto:technicalresearch-cso@angelbroking.com)**DISCLAIMER**

Angel Broking 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 Adviser with SEBI. It also has registration with AMFI as a Mutual Fund Distributor. Angel Broking 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. Angel or its associates/analyst has not received any compensation / managed or co-managed public offering of securities of the company covered by Analyst during the past twelve months.

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.

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 Broking 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 Broking 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 Broking 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 Broking 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.