

Nifty consolidates around 13000, but broader market outshines

Sensex (44150) / Nifty (12969)

NSE:NIFTY, 1D 12968.95 ▼ -18.05 (-0.14%) O:13012.05 H:13035.30 L:12914.30 C:12968.95



TradingView

Source: Trading View

Future outlook

It was yet another week of consolidation for our market after a relentless rally in the first half of the November month. This week, Nifty registered a fresh record high of **13145.85**, but saw some profit booking at higher levels. However, it didn't correct much; because the undertone still remains strongly bullish. In fact, we saw modest recovery towards the fag end to conclude the week with nearly a percent gain around the **13000** mark.

The November month has been the historical one for our markets as we saw two key indices, Nifty and Bank Nifty clocking sizable gains over 11% and 24%, respectively. In the midst of all this, Nifty surpassed its previous record high and reached the milestone of **13000**. Clearly, FIIs have been the charioteer of this mesmerizing rally as they relentlessly pumped money into our market to mark the biggest single month inflows over Rupees 50000 crores. Now, coming back to the levels, **13040 - 13146** remains to be an immediate resistance zone; whereas on the lower side, **12900 - 12868 - 12790** can be seen as a cluster of supports. With this week's minor decline, **12790 - 12730** has become a sacrosanct support and till the time it is not breached convincingly, one should trade with a positive bias.

Although the overall trend has been strongly up, we still believe that one should avoid aggressive bets, rather focus on individual stocks with proper risk management. The ideal range for coming sessions would be **13150 - 12730** and till the time we do not breakout outside this range, we are likely to see trades on both sides, especially in indices. Above **13150**, next levels to watch out for would be **13250 - 13400** but the move will not be as swift as it has been in the recent past. The real action continues in the broader markets as we can see stellar moves in a lot of mid and small counters.

Stronger hands start the new series with bullish bets

Nifty spot closed at **12968.95** this week, against a close of **12859.05** last week. The Put-Call Ratio has decreased from **1.57** to **1.28**. The annualized Cost of Carry is positive at **4.01%**. The Open Interest of Nifty Futures has decreased by **8.22%**.

Derivatives View

Nifty current month future closed with a premium of **48.45** points against a premium of **36.05** points to its spot. Next month future is trading at a premium of **69.55** points.

As far as Nifty options activities are concerned, 13000 and 13500 call options have been attracting traders attention while 12800 put option have witnessed open interest addition. Maximum open interest for the weekly series is placed at 13000 call and 12800 put options.

We started the week on a positive note and registered another record high of 13145, however, the index witnessed some consolidation ahead of the monthly expiry and ended the week tad below the 13000 mark. The rollovers in Nifty are above its average and FIIs too have rolled their long positions in the index futures segment. Also, they continued to be aggressive buyers in the cash segment throughout the week. Presently there are no negative signs as per the data and hence, we could continue to see some buying interest on declines in the index. As far as levels are concerned, 13100-13200 range is the immediate resistance whereas near term support is placed around the 12800 mark. Stock specific movement could provide some better trading opportunities in the coming week and hence, traders are advised to capitalize on the same.

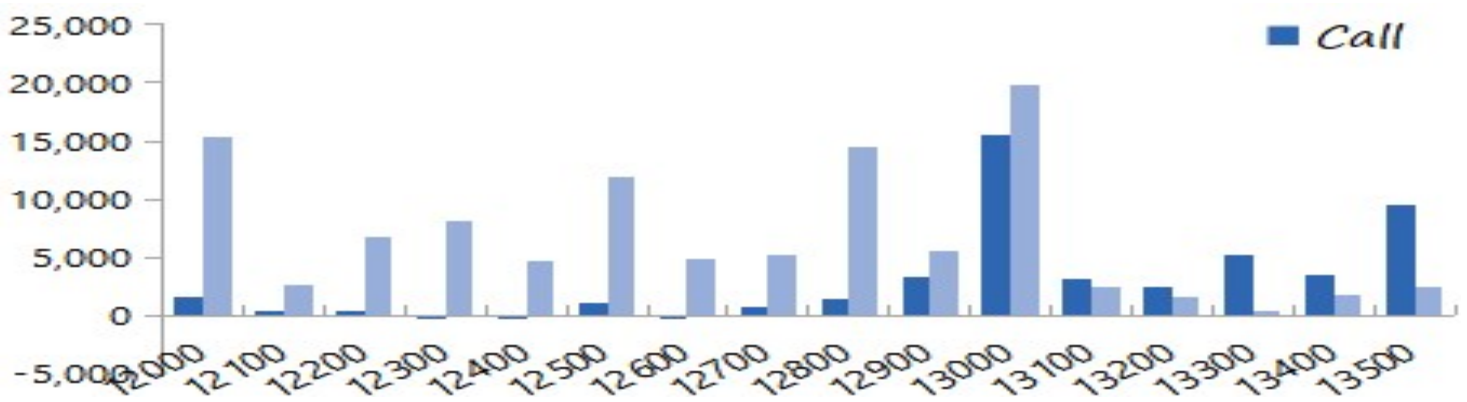
Long Formation

Scrip	OI Futures	OI Chg (%)	Price	Price Chg(%)
IGL	5601750	29.87	495.65	11.42
VEDL	117173800	28.58	121.60	9.16
BHEL	82278000	27.58	33.10	13.16
SRTRANSFIN	4627364	23.96	1052.95	12.84
SAIL	56620000	11.99	48.75	18.33

Short Formation

Scrip	OI Futures	OI Chg (%)	Price	Price Chg(%)
MUTHOOTFIN	5787750	37.26	1150.65	(2.95)
MRF	61910	75.93	76527.65	(2.82)
IDEA	503440000	10.60	9.90	(1.00)
-	-	-	-	-
-	-	-	-	-

Weekly change in OI



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