

Nifty hastens beyond 18000 with some authority

Sensex (61112) / Nifty (18065)



Source: Tradingview.com

Future outlook

The penultimate week of April month was very lethargic for our markets. It was more of a breather after the relentless run up from **17000** to **17900** in the first half of the month. This week, we started the proceedings on an exciting note; courtesy to stellar Q4 numbers from banking giant, ICICI Bank. As the week progressed, the sentiments kept on improving and in the process, the Nifty managed to surpass the recent swing high of **17863** on the expiry day.

With Friday's tail end surge, the Nifty finally knocked the door at the psychological mark of **18000**. In fact, it managed to reclaim this key level with some authority. We concluded the April month with whopping 4% gains and on week-on-week basis, the bulls added more than a couple of percent to their kitty. On the domestic front, we had lot of tailwinds, but global markets remained a bit spoilsport until last week. Things seem to be improving there as well, which certainly bodes well for the bulls. As far as Nifty is concerned, it has certainly cemented its position at '200-SMA' placed around **17600 - 17550**. Before this, **17900 - 17700** should now be treated as immediate supports. On the flipside, we expect the Nifty to continue this northward trajectory to enter the next important cluster of **18200 - 18500** very soon.

Traders are advised to remain upbeat and should use declines (if any) to add bullish bets in the coming week. Sectorally, banking and auto counters were the initial contributors; but now other heavyweight pockets like Capital Goods and IT (to some extent) have started participating in this journey. It's also important to highlight how the broader end of the spectrum (cash segment midcaps) has found its mojo back. It's advisable to keep focusing on such potential movers.

May series starts with low OI base

Nifty spot closed at **18065** this week, against a close of **17624.05** last week. The Put-Call Ratio has increased from **0.93** to **1.33** on Weekly basis. The annualized Cost of Carry is positive at **3.45%**. The Open Interest of Nifty Futures decreased by **14.29%**.

Derivatives View

Nifty current month's future closed with a premium of 46.15 against a premium of 90.60 points to its spot in the previous week. Next month's future is trading at a premium of 102.25 points.

Post seeing a breather in the previous week, the much-awaited momentum picked up to initial surpass the previous swing high and reclaim 18000 with an authority. Rollover in Nifty and BankNifty stood at 64% and 82% respectively, which is certainly low to the three months average. We believe we are inauguration May series with lower open interest base; however good amount of longs were seen on Friday's session. The 'Long Short Ratio' surged from 39% to 43% WoW, which is an encouraging sign. In options front, meaningful piling of OI is visible at 17900-18000 put strikes, indicating nearby support. On the flip side, OI concentration is now seen at the 18200 followed by 18300 call strike. Considering the above data points, we remain upbeat and expect continuation of ongoing rally.

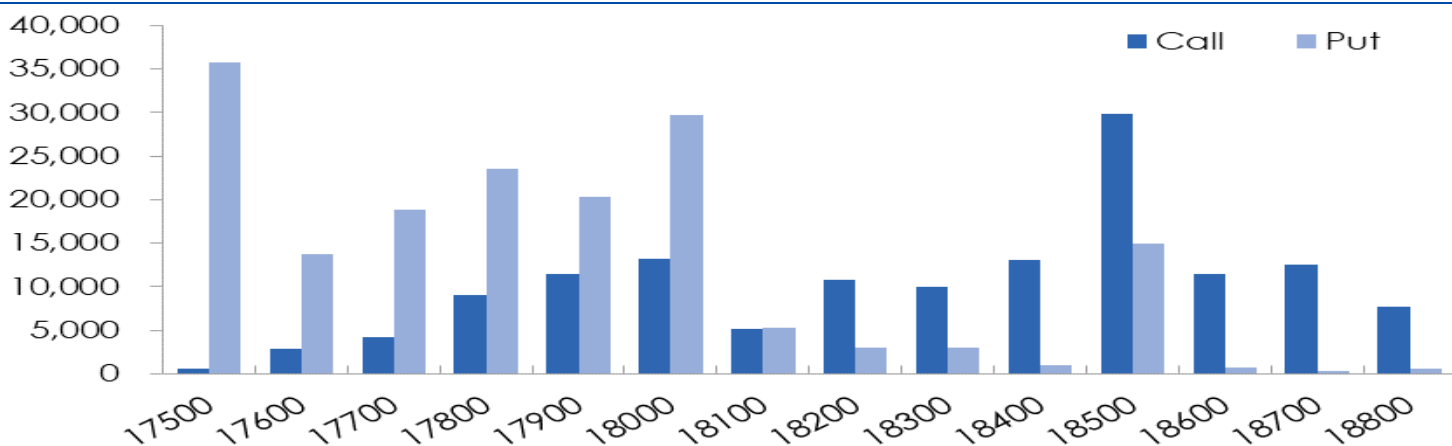
Long Formation

Scrip	OI Futures	OI Chg (%)	Price	Price Chg(%)
SYNGENE	2715000	13.50	681.35	10.43
SIEMENS	1811425	9.09	3475.40	6.64
AMBUJACEM	63864000	8.64	399.30	6.52
SBILIFE	7398000	7.82	1146.25	3.37
RECLTD	58040000	4.01	132.70	8.86

Short Formation

Scrip	OI Futures	OI Chg (%)	Price	Price Chg(%)
CROMPTON	13941300	115.64	256.65	(13.26)
IPCALAB	3807700	89.33	714.85	(15.23)
VOLTAS	8614200	54.26	801.45	(6.74)
GODREJCP	9495000	25.28	912.55	(7.85)
MCX	1188400	12.33	1409.05	(3.65)

Weekly change in OI



Sameet Chavan	Head Research – 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.