

Weekly Derivatives Synopsis

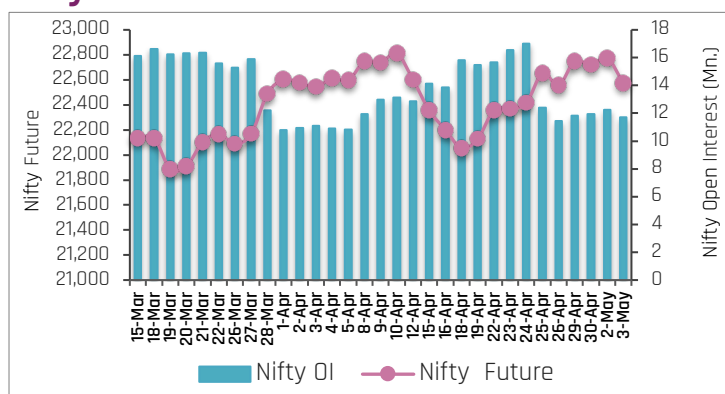
06-May-24

PARTICULARS	Last Closing	Previous Week	% Change
NIFTY SPOT	22476	22420	0.25
NIFTY FUTURES	22575	22556	0.09
BANKNIFTY SPOT	48924	48201	1.50
BANKNIFTY FUTURES	49095	48380	1.48
NIFTY PCR	0.89	0.96	-7.29
NIFTY PCR-VOL	0.99	0.93	6.45
NIFTY OI(In Mn)	11.72	11.43	2.54
BANKNIFTY OI(In Mn)	2.32	1.97	17.77
INDIA VIX	14.62	10.93	33.80
NIFTY BASIS POINTS	99.35	136.05	-26.98

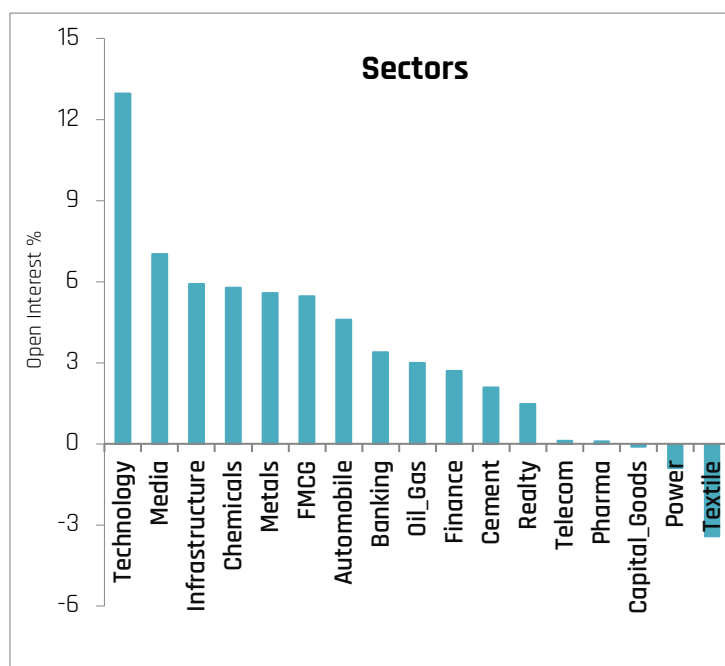
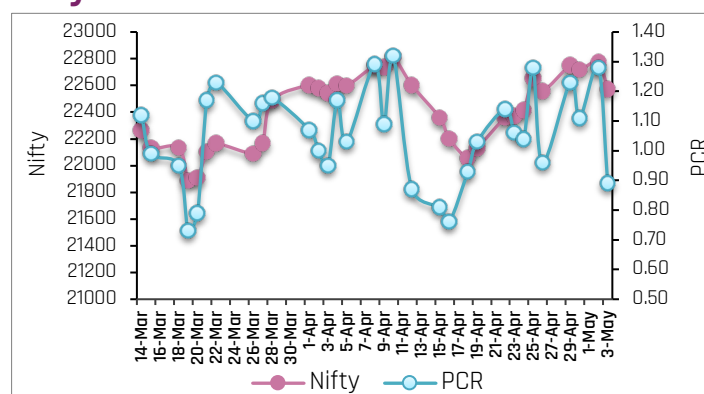
Index Outlook

Indian stock markets experienced significant volatility during the week, but still managed to close slightly higher, supported by decent macro-economic data. The Nifty index ended above 22,450 after reaching a record high of 22,794.70, with an addition in open interest of 2.54% (WoW) indicating neutral bias for short term. The volatility index, India VIX shoot up from 10.93% to 14.62% indicates an increase in volatility in the Indian stock market. We expect volatility will continue due to geopolitical issue, general elections and Q4FY24 earnings. Another derivatives indicator, Nifty Put-Call ratio currently stands at 0.89 (WoW), which is neutral in nature. Technically, the index is consolidating within a rising channel pattern. On a daily scale, the index has formed a bearish engulfing candlestick pattern, and on a weekly scale, the index has formed a doji candle at the top, indicating weakness. The 34-Day Exponential Moving Average (DEMA) is currently positioned near 22,344, serving as a crucial support level for Nifty in the short term, followed by 22,000 and 21,775, whereas on higher side 22,800 and 23,000 will act as resistance points. Going forward, the Rupee movement against the Dollar, general election, bond yield movement, Fii's flow, Q4FY24 earnings, global cues, macroeconomic data, and crude oil price movement will dictate the trend on the bourses next week.

Nifty OI Trend



Nifty Fut Vs Pcr



Sectoral Activity

- Last week, **Technology, Media, Infrastructure, Chemicals, and Metals** sectors saw open interest addition. Top names included **COFORGE, HCLTECH, PVRINOX, ZEEL, GMRINFRA, IRCTC, NAVINFLUOR, PIIND, HINDCOPPER and HINDALCO.**
- Textile** sectors witnessed open interest unwinding due to profit booking in stocks.
- In the **Banking** space, **KOTAKBANK, PNB and IDFCFIRSTB** witnessed short build up, whereas long build up seen in **BANKBARODA, ICICIBANK, AUBANK, CANBK and BANDHANBNK.**
- This week, some buying can be seen in **JUBLFOOD, COALINDIA, DRREDDY, HAVELLS, NMDC, POWERGRID, and PETRONET** while selling pressure can be seen **BATAINDIA, and TATACOMM.**
- From sector space, **Metals, Technology, Media, Chemicals, Banking, Realty, Textile, Power, and FMCG** stocks are likely to remain in focus in the forthcoming week.

06-May-24

Stocks to Watch Out (Weekly)

Long Build-up

Symbol	Price	OI Change	Price Change
NAVINFLUOR	3,472.95	50%	4%
INDIAMART	2,776.15	27%	8%
SHREECEM	25,971.80	26%	7%
RECLTD	562.25	24%	22%

Long Unwinding

Symbol	Price	OI Change	Price Change
DIXON	8,498.75	-15%	-2%
LALPATHLAB	2,339.30	-12%	-3%
DEEPAKNTN	2,466.15	-12%	-2%
MGL	1,441.20	-7%	-2%

Short Build-up

Symbol	Price	OI Change	Price Change
COFORGE	4,503.95	104%	-15%
GMRINFRA	86.15	39%	-6%
HCLTECH	1,341.95	33%	-8%
BSOFT	640.35	32%	-6%

Short Covering

Symbol	Price	OI Change	Price Change
SHRIRAMFIN	2,603.75	-22%	4%
CANFINHOME	773.10	-18%	3%
OFSS	7,825.55	-18%	4%
ESCORTS	3,504.60	-12%	6%

Weekly Recommendation

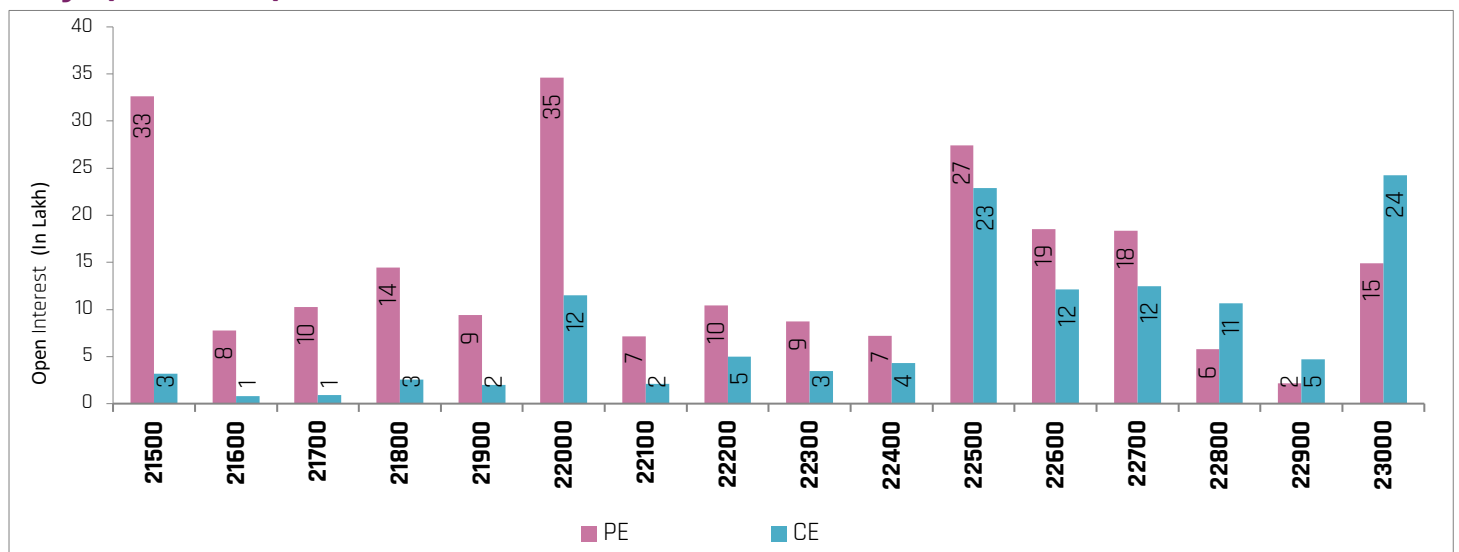
JUBLFOOD (463.55) - The stock has seen open interest unwinding of 7.73% along with positive price action indicating short covering. The stock can be bought in the range of 455-457 with a stop loss of 445 on closing basis for a target of 470-480.

Target: 480 Stop Loss: 445

HAVELLS (1678.20) - The stock has seen open interest unwinding of 15.78% along with positive price action indicating short covering. The stock can be bought in the range of 1665-1667 with a stop loss of 1635 on closing basis for a target of 1700-1730.

Target: 1730 Stop Loss: 1635

Nifty Options Snapshot



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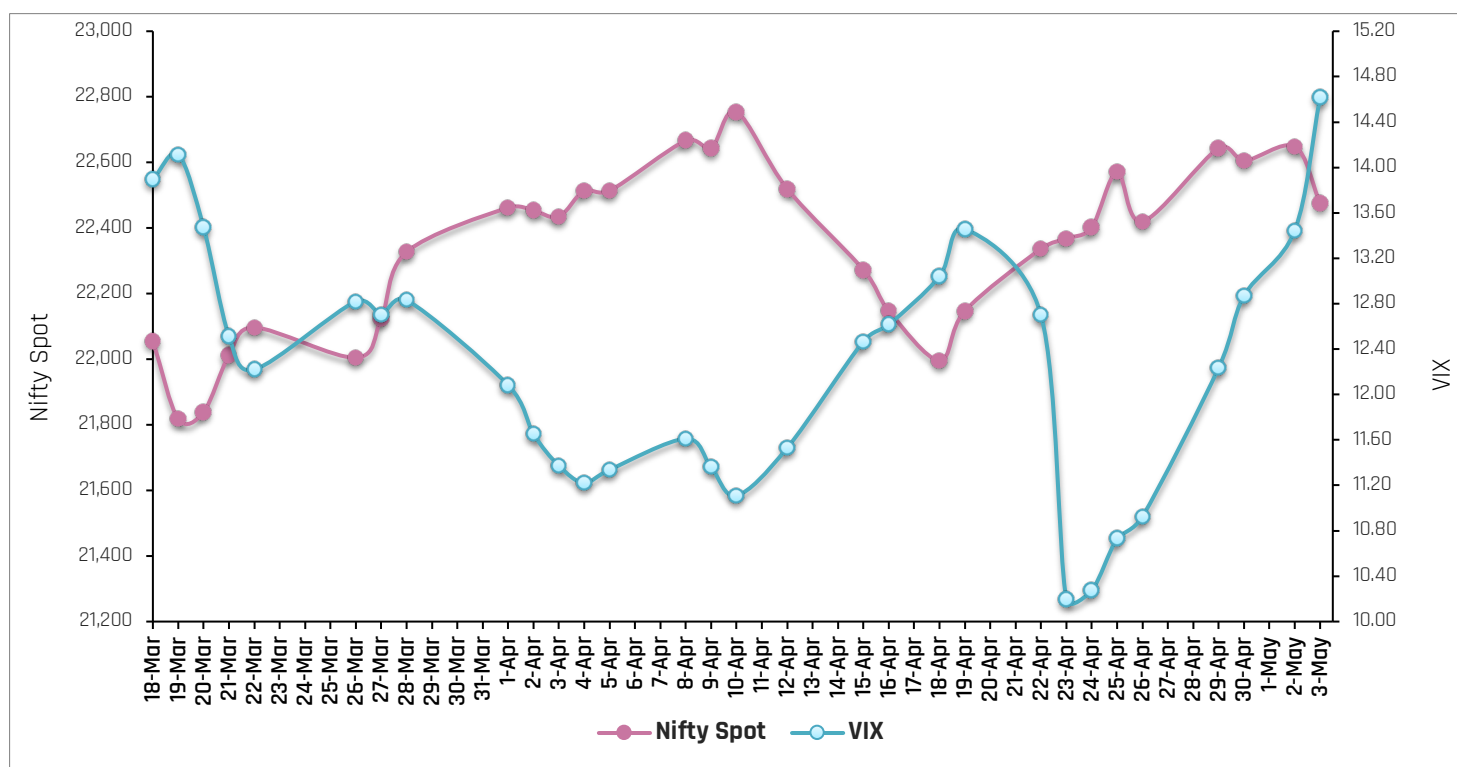
FII Stats (5 Days Trend)

(Rs. Cr.)	03-May	02-May	30-Apr	29-Apr	26-Apr
INDEX FUTURES	-4419	354	4121	3631	-1972
INDEX OPTIONS	-4310	-22053	62129	-21821	8141
STOCK FUTURES	-8190	5163	6866	-77	-6377
STOCK OPTIONS	1140	116	-71	625	650

FII Open Interest Activity (Long & Short Ratio)

Date	Index Fut: Long/Short	Index Option: Long /Short	Index put: long /Short	Stock Fut Long/Short
25-Apr	0.64	1.61	1.63	1.23
26-Apr	0.54	1.41	1.62	1.21
29-Apr	0.77	1.40	1.43	1.20
30-Apr	1.09	1.70	1.74	1.25
2-May	1.14	1.62	1.96	1.29
3-May	0.78	1.26	1.68	1.22

NIFTY VS INDIA VIX (Last 30 Days Trend)



Observation: Any rise in India Vix this week would lead to either side movement in the Index. As per the above chart, India Vix has strong support at around 10.00 and resistance stands at 16.50.

Weekly Advance Decline Ratio (Nifty Stocks)

Advances	23
Declines	21
Unchanged	06

Technical View

Nifty 03-May, Daily Chart



- Nifty started the month of April on a positive note and registered a new lifetime high of 22,783.35. However, throughout the month, the index consolidated in a band of 21,780-22,800. At the start of the May series, the index registered a fresh lifetime high of 22,794.7 but witnessed profit booking and settled at 22,475 levels.
- From a technical standpoint, the index is consolidating within a rising channel pattern. On a daily scale, the index has formed a bearish engulfing candlestick pattern, and on a weekly scale, the index has formed a doji candle at the top, indicating weakness. If the Nifty goes below 22,340, the slide may continue to 22,100-22,000 levels in the near future.
- The last month's low of 21,778 will act as a key support for the index in the medium term. As long as the index holds above this level, the ongoing uptrend will continue. If the index sustains below 21,770, then weakness could extend, and in that case, 21,200-21,000 could be tested.
- The 34-Day Exponential Moving Average (DEMA) is currently positioned near 22,344, serving as a crucial support level for Nifty in the short term, followed by 22,000 and 21,775.
- The Relative Strength Index (RSI) on the daily scale is above the midpoint, indicating strength in the market. However, the index is on the verge of forming negative divergence, indicating distribution at higher levels.
- For the short term, 22,000 and 21,775 will act as support points, whereas 22,800 and 23,000 will act as resistance points.

BankNifty, 03-May, Daily Chart



- Bank Nifty commenced the month of April with a bullish sentiment and remain strong throughout the month. However, index has witnessed profit booking in the start of May series settled at 48,924.
- Technically, on the daily scale, the index has formed a shooting star candlestick pattern near multiple trend line resistances as highlighted in the chart above. Moreover, the index has formed a shooting star candle on the weekly scale. Thus, 49,975-50,000 will act as a short-term hurdle for the index. If the index sustains below 48,300 levels, then it could retrace back to 47,500-47,000 levels.
- On the upside, trend line resistance is currently placed near 50,000 levels. Thus, 50,000 will act as strong resistance for the index in the short term.
- The 21-DEMA is placed near 48,270, which will act as first key support for the index followed 46,955 where the 100-DEMA is placed.
- The momentum indicator RSI on the daily scale is positioned above the center point, indicating strength. However, the index is on the verge of forming negative divergence, indicating distribution at higher levels.
- For the short term, 48,270 and 46,950 will act as support points, whereas 49,600 and 50,000 will act as resistance points.

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