

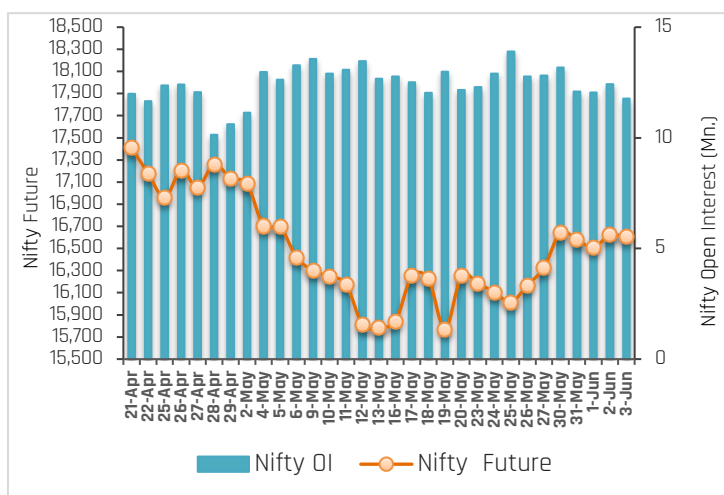
06-Jun-22

PARTICULARS	Last Closing	Previous Week	% Change
NIFTY SPOT	16,584	16352.45	1.42
NIFTY FUTURES	16,605	16,327	1.70
BANKNIFTY SPOT	35,275	35,613	-0.95
BANKNIFTY FUTURES	35,369	35,632	-0.74
NIFTY PCR	0.97	1.14	-14.91
NIFTY PCR-VOL	0.90	0.88	2.27
NIFTY OI(In Mn)	11.77	12.81	-8.12
BANKNIFTY OI(In Mn)	2.69	2.48	8.47
INDIA VIX	19.98	21.48	-6.98
NIFTY BASIS POINTS	20.35	25.55	-20.35

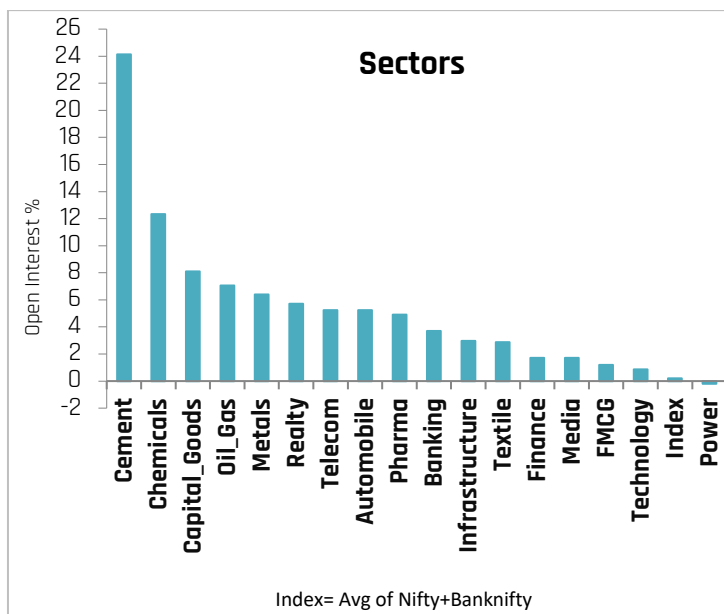
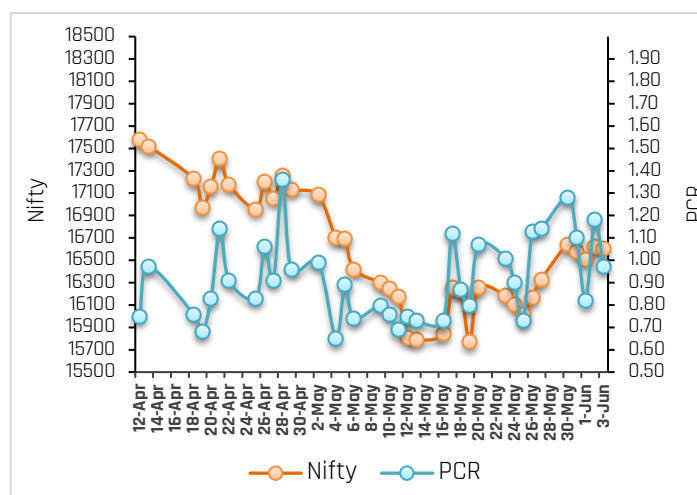
Index Outlook

Domestic market benchmarks rose for the third week in a row as investors assessed new data on inflation, economic activity and the Federal Reserve might reduce its aggressive stance. Finally, Nifty Future settled on positive note at 16605 up by 1.70% (WoW) with an unwinding in open interest of 8.12% (WoW) indicating short covering in market. During the week, India VIX down by 6.98% and closed at 19.98%, expecting volatility will remain high due to the geopolitical tension. Another derivatives indicator, Nifty Put-Call ratio currently stands at 0.97, down by 14.91% (WoW). Technically, 21 weekly exponential moving average is placed at 16885 and 34 weekly exponential moving average is placed at 16861. Thus, 16800-16900 will act as key resistance zone for the index in the short term. If the index manages to cross and sustains above that then 17100 will act as next resistance. On the downside, 16400 and 16000 will act as key support points for the bulls. Going forward, globally Covid-19 cases, geopolitical tensions between Russia, US and Ukraine, Rupee movement against the Dollar, bond yields movement, FII's flow, global cues, and crude oil price movement will dictate the trend on the bourses next week.

Nifty OI Trend



Nifty FutVsPcr



Sectoral Activity

- Last week, **Cement, Chemicals, Capital Goods, Oil&Gas and Metals** sectors saw open interest addition. Top names included **JKCEMENT, ACC, AARTIIND, COROMANDEL, ABB, ASTRAL, GSPL, GUJGASLTD, JINDALSTEL and JSWSTEEL.**
- Power** sector saw open interest unwinding on the back of short covering in the stocks.
- In the **Banking** space, **FEDERALBNK, BANKBARODA, CUB** and **PNB** saw long build up, while short buildup seen in **AUBANK, RBLBANK, SBIN, and AXISBANK.**
- This week, some buying can be seen in **BEL, JSWSTEEL, M&M, TATACHEM, BATAINDIA** and **LTTS** while selling pressure can be seen in **RBLBANK, and IPCALAB.**
- From sector space, **Pharma, Power, Metals, Cement, Banking, FMCG, Finance and Chemicals** stocks are likely to remain in focus in the forthcoming week.

06-Jun-22

Stocks to Watch Out (Weekly)

Long Build-up			
Symbol	Price	OI Change	Price Change
LTTS	3,583.10	36%	4%
DEEPAKNT	1,964.60	30%	3%
JSWSTEEL	564.70	27%	3%
ASTRAL	1,750.30	26%	3%

Long Unwinding			
Symbol	Price	OI Change	Price Change
ATUL	8,025.80	-12%	-2%
DRREDDY	4,346.30	-10%	-1%
ESCORTS	1,604.80	-9%	-2%
KOTAKBANK	1,861.55	-7%	-4%

Short Build-up			
Symbol	Price	OI Change	Price Change
JKCEMENT	2,143.50	72%	-8%
AARTIIND	723.65	64%	-6%
JINDALSTEL	365.15	30%	-8%
IPCALAB	862.25	29%	-5%

Short covering			
Symbol	Price	OI Change	Price Change
LTI	4,331.15	-19%	8%
TATASTEEL	1,018.75	-19%	2%
HAL	1,897.35	-18%	6%
NTPC	155.70	-17%	5%

Weekly Recommendation

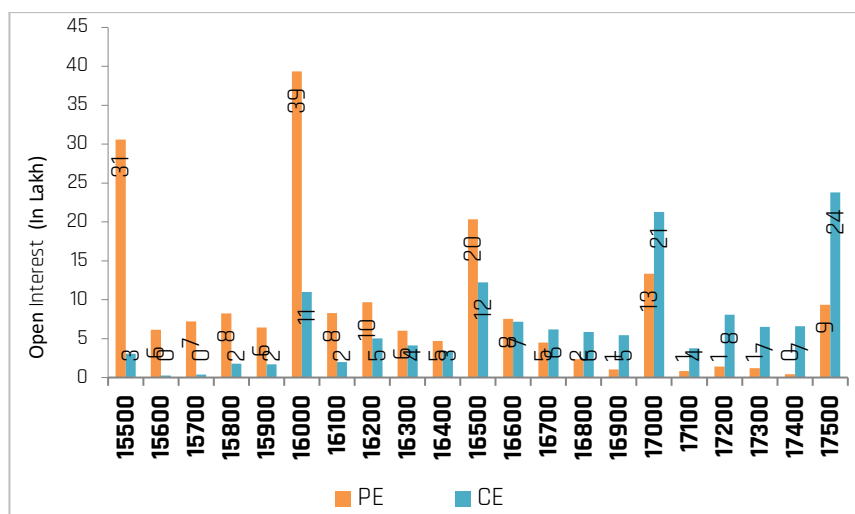
BEL (243.25) - The stock has seen open interest addition of 9.64% along with positive price action indicating long build up. The stock can be bought in the range of 239-240 with a stop loss of 235 on closing basis for a target of 248-250.

Target: 250 Stop Loss: 235

RBLBANK (106.15) - The stock has seen open interest addition of 11.75% along with negative price action indicating short build up. The stock can be sold in the range of 106-107 with a stop loss of 110.5 on closing basis for a target of 100.

Target: 100 Stop Loss: 110.5

Nifty Options Snapshot



From the OI Concentration (30-June Series), Maximum addition of open interest on the call options front exists at the strike prices of 16500, 17000 and 17500 (with nearly 12.2 lacs, 21.3 lacs and 23.8 lacs shares outstanding respectively). This indicates that 17000 and 17500 levels would act as the resistance zone on the upside. On the Put options front, maximum addition of open interest is at the strike prices of 16500, 16000 and 15500 (with nearly 20.3 lacs, 39.4 lacs and 30.6 lacs shares outstanding respectively), indicating that 16000 and 15500 levels would act as the stronger support zone on the downside.

Weekly Derivatives Synopsis

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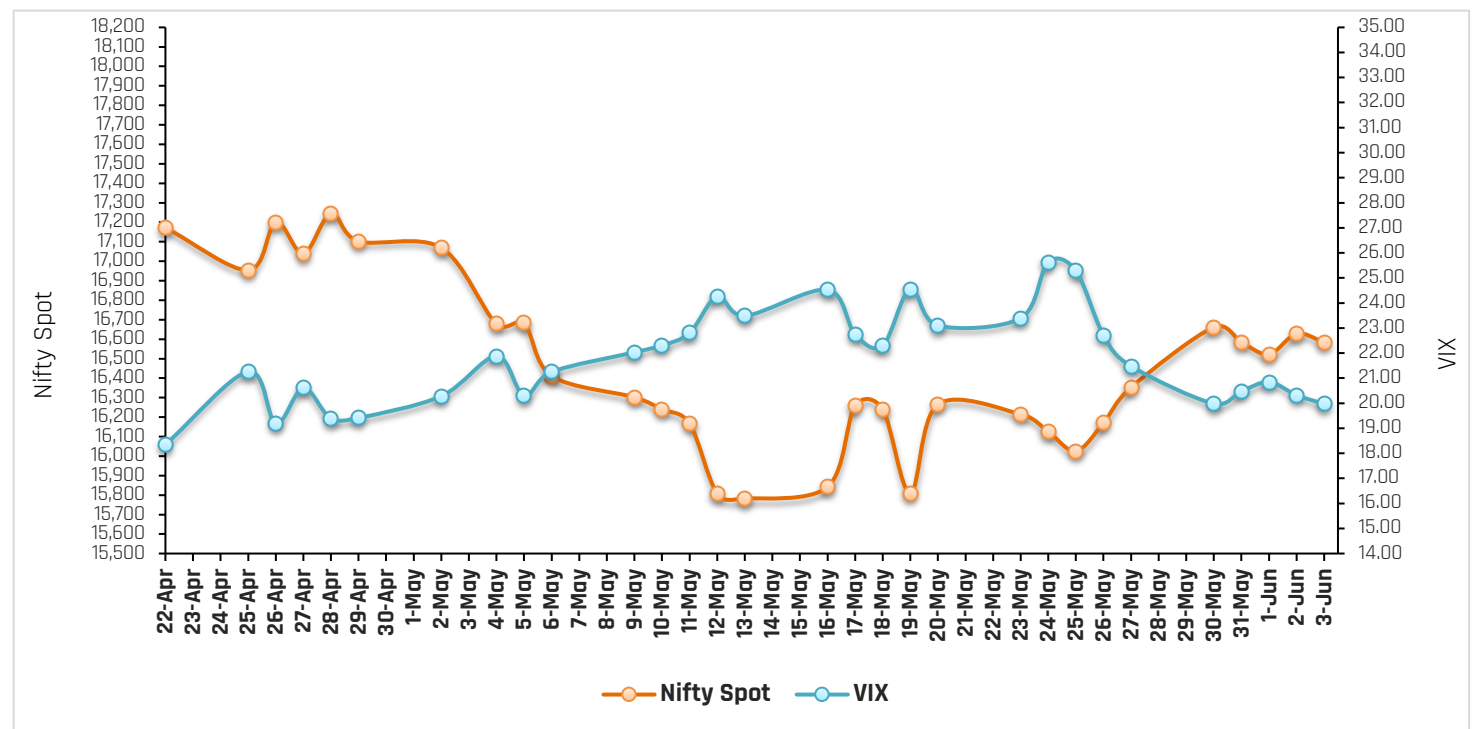
FII Stats (5 Days Trend)

(Rs. Cr.)	30-May	31-May	1-Jun	2-Jun	3-Jun
INDEX FUTURES	1806.21	-1174.33	-1276.11	-1349.87	187
INDEX OPTIONS	515.60	-292.17	-363.54	-1511.02	4253
STOCK FUTURES	1459.56	4469.15	-1237.06	613.35	3087
STOCK OPTIONS	-169.46	-1.74	-42.58	-50.59	-158

FII Open Interest Activity (Long & Short Ratio)

Date	Index Fut: Long/Short	Index Option: Long /Short	Index put: long /Short	Stock Fut Long/Short
27-May	0.93	1.66	1.75	1.28
30-May	1.26	1.57	1.75	1.30
31-May	1.04	1.42	1.77	1.40
1-Jun	0.84	1.24	1.79	1.36
2-Jun	0.65	1.35	2.03	1.38
3-Jun	0.65	1.25	2.14	1.44

NIFTY VS INDIA VIX (Last 30 Days Trend)



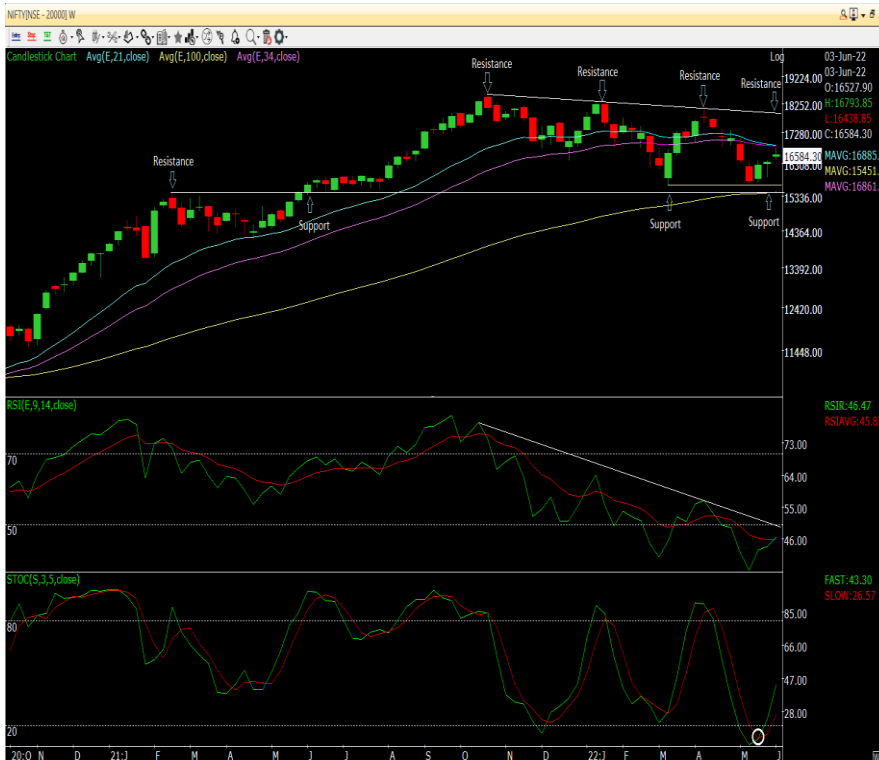
Observation: Any rise in India Vix this week would lead to either side movement in the Index. As per the above chart, India Vix has strong support at around 18.00 and resistance stands at 25.00.

Weekly Advance Decline Ratio (Nifty Stocks)

Advances	26
Declines	20
Unchanged	04

Technical View

Nifty 03-Jun, Weekly Chart



- Technically, the index on a monthly scale has formed a bullish hammer candlestick pattern. According to this pattern, the short term upmove will continue as long as the index holds the support level of 15735 on a closing basis.
- On the upside, the 21 weekly exponential moving average is placed at 16885 and the 34 weekly exponential moving average is placed at 16861. Thus, 16800-16900 will act as a key resistance zone for the index in the short term. If the index manages to cross and sustain above that, then 17100 will act as next resistance.
- The 100 weekly exponential moving average is currently placed close to 15452, which will provide strong support for the index in the medium term.
- The RSI on the weekly scale is placed below the center point, indicating weakness. However, the stochastic oscillator on a weekly scale has witnessed a bullish crossover from an oversold zone. Thus, a short term pullback could be possible due to the oversold zone, but the trend remains down.

BankNifty, 03-Jun, Weekly Chart



- Technically, the index has found support close to the previous breakout point and 100 weekly exponential moving average, as highlighted in the above chart. Thus, the index has witnessed a strong recovery and made a high of 36064 but failed to close above it. The 100 weekly exponential moving average is currently placed close to the 33690 level.
- On the higher side, the index is facing resistance close to the 21 weekly exponential moving average, which is placed around 35916, and the 34 weekly exponential moving average, which is placed around 35997. Thus, 35900-36000 will act as strong resistance zone for the short term.
- The RSI on the weekly scale is placed below the center point, indicating weakness. However, the stochastic oscillator on a weekly scale has witnessed a bullish crossover from an oversold zone. Thus, a short term pullback could be possible due to the oversold zone, but the trend remains down.

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Asit C. Mehta

INVESTMENT INTERMEDIATES LTD.

Retail Research Desk:

Email: retailresearch@acm.co.in

Research Analyst Registration Number:

INH000002483

CIN: U65990MH1993PLC075388

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