

Our **call of the day** suggests that the running of bulls shall continue.

Nifty is likely to witness an 'Unstoppable Rally' with immediate targets at 18605 mark and then aggressive inter-month targets at 19000 mark.

Our **chart of the day** is bullish on MCX, TECH MAHINDRA, COFORGE, MC DOWELL and HINDALCO with an inter-month perspective.



**Daily Research Reports**

## Good Morning & Welcome to Monday's trading session at Dalal Street, dated 28th November 2022.

As we start a brand new week, Nifty bulls' are likely to maintain firm footing as they will aim to take over the positive baton from Friday's strong closing and look to surpass its all-time high at 18605 mark.

### The positive catalysts working in favor of the bulls' camp are:

- 1) The worst may be over for the stock markets across globe. European stocks have claimed for 6th straight week. In the week gone by, the Dow gained 1.8%, the S&P 500 1.5% and the Nasdaq 0.7%.
- 2) Sentiments boosted by Fed minutes that clearly suggests that the Fed would ease its aggressive stance in tightening its monetary policy. The November Fed meeting minutes' which pointed to a slowdown in tightening.
- 3) WTI tumbles to \$76 a barrel and ends lower for 3rd straight week.
- 4) The king US Dollar index dethroned to 107 levels. The Indian Rupee is now at 81.68 against the US Dollar.
- 5) China's central bank slashing the reserve requirement ratio for banks by 25 basis points to shore up growth in an economy battered by persistent coronavirus-induced restrictions.
- 6) Better than expected earnings season

That brings us to our call of the day which suggests bulls aim to re-capture Nifty's all-time-high at 18605 mark. Well, it's time for Nifty/Sensex bulls to declare victory.

**Long story short: Keep your Nifty 19,000 cap ready!**

**Outlook for Monday: Buy something! We like: MCX, LTIMINDTREE, TECH MAHINDRA, HINDALCO and COFORGE.**

# SGX Nifty is indicating a solid higher open for our stock markets.

Stock markets across globe and U.S. stock-index futures have moved higher with investor sentiment remaining upbeat after Federal Reserve meeting minutes indicated the central bank is likely to deliver smaller interest-rate hikes moving forward.

The only negative catalyst on the front pages are pressures from a continued rise in Covid-19 cases in China — and the lockdowns that may bring — But the positive takeaway is that the COVID concerns are offset by optimism of more support from the Chinese central bank.

## INDICES

<b>Nifty</b>	18513	0.16%
<b>Bank Nifty</b>	42984	-0.21%
<b>Nifty Auto Index</b>	12958	0.88%
<b>Nifty FMCG Index</b>	44103	-0.31%
<b>Nifty Infra Index</b>	5353	0.70%
<b>Nifty IT Index</b>	30335	0.52%
<b>Nifty Media Index</b>	2099	2.52%
<b>Nifty Midcap Index</b>	8759	0.98%
<b>Nifty Metal Index</b>	6455	0.22%
<b>Nifty Pharma Index</b>	12968	0.62%
<b>Nifty Reality Index</b>	445	1.17%
<b>Nifty Smallcap Index</b>	9850	1.12%
<b>Sensex</b>	62294	0.03%
<b>SGX Nifty</b>	18695	0.14%

## Outlook for the Day

Positive session likely

## Nifty Outlook

<b>Intraday</b>	Positive (18450 -18750)
<b>Medium Term</b>	Positive (17100-19000)
<b>Long Term</b>	Positive (15000-19501)

## Key Levels to Watch

<b>Nifty Support</b>	18407/18257
<b>Nifty Resistance</b>	18757/19251

## Pivot Level

<b>Nifty</b>	17677
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On the economic front, the quarterly economic growth rate will trickle in on Wednesday, 30th November 2022. The street expects the economy to grow above the 6% in the September FY23 ended quarter (Q2CY22).

Also all eyes will be on the fiscal deficit and infrastructure output for October to be released on Wednesday, while S&P Global manufacturing PMI data for November will be announced on Thursday.

Meanwhile, commanding attention will also be November Monthly auto sales numbers to trickle in from December 1st 2022.

In the international front, investors will closely watch the second estimates for third quarter (CY22) US GDP and the US unemployment rate for November.

## TOP SECTORS:

# **Bullish Sectors:** NIFTY IT, NIFTY METAL, BANK NIFTY, INFRA.

# **Bearish Sectors:** PHARMA, REALTY

## STOCKS IN FOCUS:

# **BULLISH VIEW:** MCX, TECH MAHINDRA, BPCL, IOC, COFORGE, HINDALCO, PERSISTENT SYSTEMS, IEX, APOLLO HOSPITALS, PUNJAB NATIONAL BANK, GMR INFRASTRUCTURE, RBL BANK, SBI, HINDALCO, ASIAN PAINTS, LTIMINDTREE, LTTS, INFOSYS, TCS.

# **BEARISH VIEW:** CIPLA, IPCA LABS, SUN TV, LAURUS LAB, JUBILANT FOODS, PEL

# Our **chart of the day** is bullish on MCX, LTI MINDTREE, TECH MAHINDRA, COFORGE and HINDALCO with an inter-month perspective.

# **The 1 stock to buy right now: Buy MCX (CMP 1561):** Buy at CMP. Stop 1533. Targets 1579/1611. Aggressive targets at 1647. (Interweek Strategy). Rationale: Breakout Play.

## WHAT TECHNICALS TELLS US

### Daily chart of Nifty:



# **Nifty:** Nifty scaled higher in Friday's trade – forming continuation of a bullish candle on the daily charts.

Technically, Nifty's biggest make-or-break intraday support now placed at 18407 mark. Only below 18257 mark, Nifty likely to slip quickly to 17950-18000 zone.

For the day, buying on dips shall be the preferred strategy. Expect momentum buying to lift Nifty above its upside targets at 18605.

Nifty's 200 DMA at 17041 mark.

### Daily chart of Bank Nifty:



# **Bank Nifty:** In Friday's trade, Bank Nifty was seen consolidating and the positive takeaway was that buyers emerged all thru the day. Bank Nifty ended 0.21% lower as the benchmark scaled fresh all-time-high at 43339.40 mark. PSU Bank index ended 0.05% higher while Nifty Private Bank index inched up 0.04%.

The positive takeaway is that the recent sequence of higher high/low remains intact for Bank Nifty on all-time-frames.

Intraday support for Bank Nifty seen at 42851 mark. The biggest interweek support for Bank Nifty seen at 42200 mark.

For the day, buying on any sharp declines shall be the preferred strategy.

Bank Nifty's 200 DMA at 38149 mark.

## DERIVATIVE & INSTITUTIONAL CUES:

# The **Nifty options data** for December series suggests Nifty is likely to be in a trading range of 18000-19500 zone. Maximum Call OI is at 19000 followed by 20000 strike price. So, the 19000 mark will be Nifty's crucial resistance zone. Maximum Put open interest stands at 18000 levels followed by 17500 levels. Call writing was seen at 20000 and then at 19000 strike price, while there was meaningful Put writing at 18500 and then at 18200 strike prices.

# The Volatility index inched was hovering well below the 20 levels - now at 13.33 levels as on November 25th.

# As per Friday's provisional data available on the NSE, FIIs bought shares worth Rs. 369.10 crores in the Indian Equity Market. DIIs on the other hand, sold shares worth Rs. 295.90 crores.

# The Put-Call Open Interest Ratio is at 1.41 for Nifty.

# **Stocks in Ban for today's trade:** Nil.

## ECONOMIC CUES:

# The FOMC Meeting Minutes showed that most participants agreed for slower rate hikes as recession threat grows.

# Fed officials say that slower rate hikes would give them more space to evaluate the "lagging" effects on the economy amid the rising threat of a recession.

# In December, the Fed is likely to raise rates again, but markets are betting on a smaller 1/2-point increase. The minutes also suggest a smaller rate hike is likely.

# The Fed is aiming to bring down inflation to pre-pandemic levels of 2% or so, but they acknowledge it could take a while.

## GLOBAL STOCK MARKETS:

In the US, stocks ended mixed in a shortened trading session Friday, with markets subdued following Thursday's Thanksgiving holiday. The S&P 500 fell 1.14 points, or less than 0.1%, to 4026.12. The tech-heavy Nasdaq Composite Index dropped 58.96 points, or 0.5%, to 11226.36. The Dow Jones Industrial Average rose 152.97 points, or 0.4%, to 34347.03.

Despite the interruption of the holiday, equities continued their recent winning streak. The S&P 500 rose 1.5% for the week, and has risen four of the past six weeks. The Dow gained 1.8% this week, and has risen in six of the past eight weeks. However, Nasdaq was an under performer as it gained only 0.29%.

## RECAP OF PREVIOUS DAY'S TRADING SESSION:

**Nifty struggles make impressive gains. Bank Nifty too wavers.**

# Nifty (+29, 18513).

# Sensex (+21, 62294)

Despite rising coronavirus cases in China, Nifty bulls' maintained firm footing on the last day of week and the positive takeaway was that the benchmark Sensex scaled a fresh all-time-high at 62447.73 mark.



**Cheering Nifty bulls were:**

- 1) The November Fed meeting minutes' which pointed to a slowdown in tightening.
- 2) WTI crude oil prices sluggish at \$78 per barrel.
- 3) The US dollar slumps to 105.75 levels.

**Bottom-line:** All is well that ends well!

All bullish eyes now on Nifty's all-time high at 18605 mark and then aggressive targets at 19100 mark.

**Long story short:** Keep your Nifty 19,000 cap ready

**# Top Index Gainers:** HDFCLIFE (+2.68%) TATAMOTORS (+2.61%) HEROMOTOCORP (+1.43%) COALINDIA (+1.36%) RELIANCE (+1.30%)

**# Top Index Losers:** ICICIBANK (-0.94%) NESTLEIND (-0.91%) KOTAKBANK (-0.83%)

# Adv-Dec 28 — 21

# Nifty PCR 1.41

# BANK NIFTY PCR 1.15

# INDIA VIX 13.33 (-1.11%)

# Nifty MidCap (+0.98%, 8759)

# NiftySmallC (+1.12%, 9850)

# BANK Nifty (-0.21%, 42984)

# Nifty IT (+0.52%, 30335)

# USD/INR (+0.061%, 81.69)

## Market Summary:

- Nifty December Futures ended Friday's session at a premium of +136.
- The 01st December expiry Put-Call Open Interest Ratio was at 1.03 for Nifty whereas it was 0.80 for Bank Nifty.
- The 1st December expiry Put-Call Volume Ratio was at 0.89 for the Nifty and 0.94 for Bank Nifty
- For Nifty, Maximum Call Open Interest (OI) stands at 19000 Strike Price, followed by 18500 Strike Price for 01st December Series. Short Covering was seen at strike prices 17900-18400.
- Maximum Put Open Interest (OI) was seen at strike price 18300 followed by 18500 strike prices for 01st December series. Short Buildup was seen at strike prices 17800-18500.
- For Bank Nifty, Maximum Call Open Interest (OI) stands at 43000 Strike Price and Maximum Put Open Interest stands at 43000 Strike Price.
- As per Friday's provisional data available on the NSE, FIIs bought shares worth Rs. 369.08 crores in the Indian Equity Market. DIIs on the other hand, sold shares worth Rs. 295.92 crores.
- Long Buildup: BHEL, PNB, PFC, DLF, IBULHSGFIN
- Short Buildup: ICICIPRULI, SRTRANSFIN, BAJFINANCE, ADANIENIT.
- Short Covering: AXISBANK, BIOCON, TATAMOTORS, IGL.
- Long Unwinding: APOLLOHOSP, HDFC, CANBK.
- Stocks banned in F&O segment:** NIL.
- New in Ban: NIL
- Out of Ban: NIL.

## Changes in Open Interest (OI) in yesterday's trade.

<b>Nifty Spot</b>	18512.75 (+0.15%)
<b>Bank Nifty Spot</b>	42983.95 (-0.21%)
<b>VIX</b>	13.33 (-1.11%)
<b>Premium</b>	+136
<b>Nifty Future OI</b>	1.13 crores (+1.26%)
<b>Bank Nifty Future OI</b>	27.9 lakhs (-8.15%)

<b>Cash Volumes (INR in Cr.)</b>	<b>Yesterday</b>	<b>Day Before Yesterday</b>
<b>BSE Cash Vol. (Rs. in Cr)</b>	3649.81	3703.88
<b>NSE Cash Vol. (Rs. in Cr)</b>	53,132.23	51,277.94
<b>NSE Derivative Vol. (Rs. in Cr)</b>	95,55,217	2,63,35,697

<b>Derivatives Vol. (INR in Cr.)</b>	<b>No of contracts</b>	<b>Turnover (Rs. In cr.)</b>
<b>Index Future Volumes</b>	2,60,918	26,164
<b>Stock Future Volumes</b>	7,70,726	54,726
<b>Index Option Volumes</b>	9,20,18,057	92,77,226
<b>Stock Option Volumes</b>	27,14,055	1,97,102
<b>Total</b>	9,57,63,756	95,55,217

## Major Changes in Nifty Options (OI)

<b>Calls</b>	<b>in lakhs (% Change)</b>
18500	67.92 (+67%)
18600	48.26 (+82%)
18700	35.28 (+67%)

<b>Puts</b>	<b>in lakhs (% Change)</b>
18600	3.02 (+124%)
18700	4.39 (+124%)
18800	0.86 (+87%)





Stock	CMP	Support	Resistance	21 DMA	200 DMA	Intraday	Short Term	Long Term
ALUMINIUM 1	206	199	212	205	225	UP	UP	UP
COPPER 1	671	658	685	674	709	UP	DOWN	UP
COTTON 1	32900	32242	33558	32125	40596	UP	UP	DOWN
CRUDEOIL 1	6304	6178	6430	6988	7678	DOWN	DOWN	DOWN
GOLD 1	52540	51489	53591	51782	50873	UP	UP	UP
LEAD 1	187	182	193	182	182	UP	UP	UP
MENTHAOIL 1	950	931	969	972	1018	DOWN	DOWN	DOWN
NATURALGAS 1	601	589	613	518	549	UP	UP	UP
NICKEL 1	2496	2446	2546	1994	1859	UP	UP	UP
SILVER 1	61745	60510	62980	60715	60895	UP	UP	UP
GUARGUM5 1	12169	11926	12412	10370	10428	UP	DOWN	UP
GUARSEED10 1	5844	5727	5961	5226	5438	UP	DOWN	UP
JEERAUNJHA 1	23600	23128	24072	24393	22774	DOWN	DOWN	DOWN
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