

Global stock markets are into a risk-off mode amidst COVID unrest in China.

Technically speaking, the line in the sand is at Nifty's support at 18257.

The 3-stocks signaling massive momentum buying:

1. MCX (CMP 1573): Targets 1589/1621. Stop 1533.
2. UBL (CMP 1678): Targets 1705/1755. Stop 1637.
3. EICHER MOTORS (CMP 3441): Targets 3557/3689. Stop 3287.



Daily Research Reports



Good Morning & Welcome to Tuesday's trading session at Dalal Street, dated 29th November 2022.

This morning, China's protests is seen rattling stock markets across globe. There are rare protests in major Chinese cities against the country's strict zero-COVID curbs

Well, this is fueling concerns about global economic growth.

Digging deeper, the worries about China's COVID policies are overshadowing any support from the Chinese central bank's 25 basis point cut to the reserve requirement ratio (RRR) announced on Friday, which would free about \$70 billion to prop up a faltering economy.

Well, our **call of the day** suggests the Chinese unrest, however, may just be an excuse for investors to book profits following Nifty's impressive rally to its new-all-time high at 18614 mark.

Technically, Nifty's make-or-break support seen only at 18257 mark.

Profit booking or desired consolidation could also be the preferred theme as on the backdrop are concerns and debate - if the inflation has peaked.

Outlook for Tuesday: Nifty likely to consolidate.

Global stock markets are into a risk-off mode.

We believe, buying on any sharp dips should be the preferred strategy as Nifty and Indian stock markets will continue to shrug-off concerns about rising inflation, interest rates and global geopolitical uncertainty.

We say so on backdrop of the 2-big positive catalysts:

- 1) WTI oil tumbles to \$74 a barrel.
- 2) The king US Dollar index dethroned and hovers at 3-month low at 106 levels.

Meanwhile, 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.

INDICES

Nifty	18563	0.27%
Bank Nifty	43020	0.08%
Nifty Auto Index	13036	0.61%
Nifty FMCG Index	44251	0.34%
Nifty Infra Index	5397	0.82%
Nifty IT Index	30310	-0.08%
Nifty Media Index	2098	-0.05%
Nifty Midcap Index	8808	0.57%
Nifty Metal Index	6381	-1.14%
Nifty Pharma Index	12994	0.20%
Nifty Reality Index	445	0.07%
Nifty Smallcap Index	9971	1.23%
Sensex	62505	0.34%
SGX Nifty	18697	-0.22%

Outlook for the Day

Buy on dips

Nifty Outlook

Intraday	Positive (18400 -18700)
Medium Term	Positive (17100-19000)
Long Term	Positive (15000-19501)

Key Levels to Watch

Nifty Support	18407/18257
Nifty Resistance	18727/19251

Pivot Level

Nifty	17967
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TOP SECTORS:

Bullish Sectors: NIFTY INFRA.

Bearish Sectors: NIFTY METAL, REALTY

STOCKS IN FOCUS:

BULLISH VIEW: APOLLO TYRES, DELTA CORP, INDIABULLS HOUSING FINANCE, ICICI PRUDENTIAL LIFE INSURANCE, BAJAJ FINSERV, BIRLASOFT, ATUL, HERO MOTOCORP, AND L&T TECHNOLOGY

BEARISH VIEW: CIPLA, IPCA LABS, SUN TV, LAURUS LAB, JUBILANT FOODS, PEL NMDC, AND COROMANDEL INTERNATIONAL.

Our **chart of the day** is bullish on MCX, UBL, COFORGE and EICHER MOTORS with an inter-month perspective.

The 1 stock to buy right now: Buy MCX (CMP 1573): Buy at CMP. Stop 1533. Targets 1589/1611. Aggressive targets at 1647. (Interweek Strategy). Rationale: Breakout Play.

WHAT TECHNICALS TELLS US

Daily chart of Nifty:



Nifty: Nifty scaled higher in Monday'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 18615.

Nifty's 200 DMA at 17045 mark.

Daily chart of Bank Nifty:



Bank Nifty: In Monday's trade, Bank Nifty was seen consolidating and the positive takeaway was that buyers emerged at lower levels all thru the day. Bank Nifty ended 0.08% higher – flirting with its fresh all-time-high at 43339.40 mark. PSU Bank index ended 0.20% higher while Nifty Private Bank index inched up 0.27%.

The positive takeaway is that the recent sequence of higher high/low remains intact for Bank Nifty on all-time-frames. That said, overbought technical conditions prevail on the daily charts.

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 37353 mark.

DERIVATIVE & INSTITUTIONAL CUES:

The **Nifty options data** for December series suggests Nifty is likely to be in a trading range of 18000-19000 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 17000 levels. Call writing was seen at 18600 and then at 19000 strike price, while there was meaningful Put writing at 18600 and then at 18500 strike prices.

The Volatility index inched was hovering well below the 20 levels - now at 13.53 levels as on November 28th.

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.

As per Monday's provisional data available on the NSE, both FIIs and DIIs bought shares worth Rs. 935.88 crores and 87.93 crores respectively in the Indian Equity Market.

The Put-Call Open Interest Ratio is at 1.381 for Nifty.

Stocks in Ban for today's trade: BHEL, DELTA CORP, AND INDIABULLS HOUSING FINANCE

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:

Overnight, US stock market slipped as protests in China over that country's zero-Covid policy dimmed the outlook for global economic growth.

In the week gone by, the S&P 500 rose 1.5% and has risen four of the past six weeks. The Dow gained 1.8%, 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 surges to new all-time high. Reliance leads from front.

Nifty (+50, 18563).

Sensex (+211, 62505)

Before we start, first the breaking headlines:

- # The Nifty hit an all-time high today at 18614.25.
- # The Sensex too hit an all-time high at 62701.40.

Well, the rally at Dalal Street was an extension of last week's spectacular strength - as the sentiment reflected a risk-on attitude.

Well, the positive takeaway was that despite rising coronavirus cases in China, and most importantly, Nifty shrugged off the Covid unrest in China which rattled stock markets across globe in today's trade.

Cheering Nifty bulls were catalysts like:

1. WTI crude oil prices tumbling to \$75 per barrel.
2. The US dollar dropping to 105.50 levels.

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

Top Index Gainers: BPCL (+5.04%) RELIANCE (+3.38%) HEROMOTO CORP (+2.40%)

Top Index Losers: HINDALCO (-2.14%) APOLLO HOSPITAL (-1.45%) JSW STEEL (-1.39%)

Adv-Dec 25 — 25

Nifty PCR 1.38

BANK NIFTY PCR 1.14

INDIA VIX 13.56 (+1.74%)

Nifty MidCap (+0.48%, 8800)

NiftySmallCap (+1.20%, 9968)

BANK Nifty (+0.08%, 43020)

Nifty IT (-0.21%, 30270)

USD/INR (-0.08%, 81.53)

Market Summary:

- Nifty December Futures ended Monday's session at a premium of +127 vs premium of +136.
- The 01st December expiry Put-Call Open Interest Ratio was at 1.21 for Nifty whereas it was 0.84 for Bank Nifty.
- The 01st December expiry Put-Call Volume Ratio was at 0.90 for the Nifty and 0.88 for Bank Nifty
- For Nifty, Maximum Call Open Interest (OI) stands at 19000 Strike Price, followed by 18800 Strike Price for 01st December Series. Long Unwinding was seen at strike prices 19200-19500.
- Maximum Put Open Interest (OI) was seen at strike price 18500 followed by 18300 strike prices for 01st December series. Short Buildup was seen at strike prices 17900-18600.
- For Bank Nifty, Maximum Call Open Interest (OI) stands at 44500 Strike Price and Maximum Put Open Interest stands at 43000 Strike Price.
- As per Monday's provisional data available on the NSE, FIIs bought shares worth Rs. 935.88 crores in the Indian Equity Market. DIIs too bought shares worth Rs. 87.93 crores.
- Long Buildup: APOLLOTYRE, MCDOWELL-N, FEDERALBNK
- Short Buildup: VEDL, M&M, HINDALCO.
- Short Covering: BANDHANBNK, M&MFIN, LUPIN, HAL.
- Long Unwinding: TATASTEEL, HCLTECH, PFC, HUL.
- Stocks banned in F&O segment:** BHEL, DELTACORP, IBULHSGFIN
- New in Ban: BHEL, DELTACORP, IBULHSGFIN.
- Out of Ban: NIL.

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

Nifty Spot	18562.75 (+0.27%)
Bank Nifty Spot	43020.45 (+0.08%)
VIX	13.56 (+1.73%)
Premium	+127 vs +136
Nifty Future OI	1.19 crores (+5.38%)
Bank Nifty Future OI	28.17 lakhs (+0.97%)

Cash Volumes (INR in Cr.)	Yesterday	Day Before Yesterday
BSE Cash Vol. (Rs. in Cr)	3636.79	3649.81
NSE Cash Vol. (Rs. in Cr)	56,235.98	53,132.23
NSE Derivative Vol. (Rs. in Cr)	1,02,26,821	95,55,217

Derivatives Vol. (INR in Cr.)	No of contracts	Turnover (Rs. In cr.)
Index Future Volumes	2,20,676	21,880
Stock Future Volumes	6,93,551	48,666
Index Option Volumes	10,09,69,557	99,64,021
Stock Option Volumes	26,49,448	1,92,255
Total	10,45,33,232	1,02,26,821

Major Changes in Nifty Options (OI)

Calls	in lakhs (% Change)
18300	21.33 (-32%)
18400	20.03 (-28%)
18500	47.88 (-30%)

Puts	in lakhs (% Change)
18500	105.82 (+71%)
18600	33.98 (+139%)
18700	10.2 (+133%)

Stock	CMP	Support	Resistance	21 DMA	200 DMA	Intraday	Short Term	Long Term
ALUMINIUM 1	206	200	212	205	225	UP	UP	UP
COPPER 1	672	658	685	674	709	UP	DOWN	UP
COTTON 1	32660	32007	33313	32125	40596	UP	UP	DOWN
CRUDEOIL 1	6311	6185	6437	6988	7678	DOWN	DOWN	DOWN
GOLD 1	52544	51493	53595	51782	50873	UP	UP	UP
LEAD 1	186	180	192	182	182	UP	UP	UP
MENTHAOIL 1	955	936	974	972	1018	DOWN	DOWN	DOWN
NATURALGAS 1	573	561	584	518	549	UP	UP	UP
NICKEL 1	2186	2142	2230	1994	1859	UP	UP	UP
SILVER 1	61676	60442	62910	60715	60895	UP	UP	UP
GUARGUM5 1	12123	11881	12365	10370	10428	UP	DOWN	UP
GUARSEED10 1	5827	5710	5944	5226	5438	UP	DOWN	UP
JEERAUNJHA 1	23570	23099	24041	24393	22774	DOWN	DOWN	DOWN
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