

If the Nifty moves above the 19889 mark then it's safe to assume that Christmas has come early to Dalal Street and stock markets across the globe.

Positive Wall Street cues should lift Nifty's sentiments as last week, the Dow gained 1.94%, the Nasdaq and the S&P 500 advanced 2.24% and 2% respectively.



Daily Research Reports

Good Morning & Welcome to Monday's trading session at Dalal Street, dated November 20th 2023.

In last week's trade, the festival of lights was seen illuminating Dalal Street with its brilliance and brightness as Nifty posted a strong performance in special Muhurat trading session.

Interestingly, Nifty continued to 'bask in the glow' for the 3rd straight week.

The 8-key big positive catalysts:

- 1) Bulls were thrilled after inflation dropped considerably. The US annual PPI inflation softened to 1.3% in October vs. 1.9% expected. Also, the October CPI was flat on a month-over-month basis and up 3.2% year-over-year.
- 2) Bulls rejoiced primarily on hopes of no more Fed rate hikes.
- 3) WTI crude oil futures tumbled to its fourth consecutive weekly loss to \$73.50 a barrel.
- 4) US-China tensions thaw.
- 5) The US Dollar tumbled to 103.90 levels.
- 6) The 10-year US Treasury yield dropped to 4.43%.
- 7) India VIX at 11.11 levels.
- 8) Middle-East hostilities waning amidst diplomatic efforts to keep the Israel-Hamas war from exploding.
- 9) Positive global cues. The Dow gained 1.94%, the Nasdaq and the S&P 500 advanced 2.24% and 2% respectively. The S&P 500 jumps 9.6% in three weeks, its biggest 3-week percentage gain since June 2020.

Bottom-line: Bulls optimism indicates that the Federal Reserve will be successful in engineering a "soft landing" for the U.S. economy.

Outlook for Monday: Bullish consolidation shall be the preferred theme.

The biggest positive takeaway from last week's trading session was that Nifty bulls ringed gains despite:

- 1) FIIs selling was at Rs. 404.80 crores in the week gone by.

Meanwhile, all eyes will be on the FOMC minutes of the monetary policy meeting which concluded on November 1.

The street will look for more signals for possible end to the rate hike cycle given the falling inflation.

INDICES

| | | |
|-----------------------------|-------|--------|
| Nifty | 19732 | -0.17% |
| Bank Nifty | 43584 | -1.31% |
| Nifty Auto Index | 16906 | 0.69% |
| Nifty FMCG Index | 52756 | 0.86% |
| Nifty Infra Index | 6429 | 0.29% |
| Nifty IT Index | 32191 | -0.25% |
| Nifty Media Index | 2276 | 0.12% |
| Nifty Midcap Index | 11905 | 0.25% |
| Nifty Metal Index | 6804 | 0.17% |
| Nifty Pharma Index | 15805 | 0.98% |
| Nifty Reality Index | 693 | 0.49% |
| Nifty Smallcap Index | 13882 | 0.09% |
| Sensex | 65795 | -0.28% |
| SGX Nifty | 19815 | 0.07% |

Outlook for the Day

Consolidation day likely.

Nifty Outlook

| | |
|--------------------|------------------------|
| Intraday | Positive (19650-19900) |
| Medium Term | Positive (18900-20250) |
| Long Term | Positive (17500-21000) |

Key Levels to Watch

| | |
|-------------------------|-------------|
| Nifty Support | 19677/19539 |
| Nifty Resistance | 19889/20251 |

Pivot Level

| | |
|--------------|-------|
| Nifty | 20147 |
|--------------|-------|

The Fed, which held rates steady at 5.25-5.50% in November policy meeting, is focussing on a few important things like bringing inflation at 2% target, report maximum employment and avoid recession or, looking for soft landing for the US economy, as well as avoid excessive policy tightening which can hit the banking sector.

The talk in the street is that the Fed may start rate cuts in the first half of 2024, instead of the second half

Bottom-line: If Nifty moves above 19889 mark then it's safe to assume that Christmas has come early to Wall Street and stock markets across globe...

Gifty Nifty is flirting above the dotted lines this Thursday as bulls aim to take over the positive baton from strong positive global cues.

SECTORS:

Bullish Sectors: AUTO, PSE, METAL, PHARMA, REALITY.

Bearish Sectors: BANKS, MEDIA.

STOCKS IN FOCUS:

BULLISH VIEW: COAL INDIA, NTPC, MCX INDIA, ONGC, EICHER MOTORS, MUTHOOTH FINANCE, MANAPPURAM FINANCE, INDIABULLS HOUSING FINANCE, BOSCH, DALMIA BHARAT, PERSISTENT SYSTEMS, SUN PHARMA, PI INDUSTRIES, TATA MOTORS.

BEARISH VIEW: POWER GRID CORPORATION OF INDIA, SBI, BANK OF BARODA, AXIS BANK.

Our **chart of the day** is bullish on PI INDUSTRIES, SIEMENS, ASHOK LEYLAND, MUTHOOTH FINANCE, TATA CONSUMER and ASIAN PAINTS on any intraday weakness with an inter-week perspective.

The 1 stock to buy right now:

Buy PI INDUSTRIES

Entry Price: 3727

Target: 4500

Stop Loss: 3301

Holding Period: 0-365 Days

Rationale: Momentum Play.

WHAT TECHNICALS TELLS US

Daily chart of Nifty:



Nifty: In Friday's trade, the benchmark Nifty witnessed massive consolidation and the positive takeaway was that Nifty ended just a tad below the dotted lines.

Nifty new all-time-high is now placed at 20222.45 mark.

Technically speaking, Nifty's technical picture continues to be positive with biggest intraday hurdles now at 19889 mark. Biggest interweek support now seen at 19451 mark and then next supports are placed at the 19289 mark.

Nifty's 200 DMA at 18718 mark.

Daily chart of Bank Nifty:



Bank Nifty: In Friday's trade, Bank Nifty witnessed massive profit booking as bears took over the negative baton from weak Thursday's closing. The negative takeaway was that the Bank Nifty mostly underperformed Nifty's bullish action.

Bank Nifty ended 1.31% lower as against Nifty's loss of 0.17%.

Nifty PSU Bank index ended 2.39% lower while Nifty Private Bank index ended 1.30% lower.

Bank Nifty's fresh new all-time-high continues to be at 46369.50 mark.

Intraday support for Bank Nifty now seen at 43000 and then at 42589 mark on closing basis. Major inter-month supports are placed at 41500 mark

In today's trade, Bank Nifty is likely face resistance at 44000 mark and then hurdles are placed at 44801. Bank Nifty's all-time-high is at 46370 mark. Bank Nifty's 200-DMA is placed at 43277 mark.

DERIVATIVE & INSTITUTIONAL CUES:

The **Nifty options data** suggests Nifty is likely to be in a trading range of 19300-19800 zone. Maximum Call OI is at 20000 followed by 19800 strike prices. So, the 19800 mark is now Nifty's crucial resistance zone. Maximum Put open interest stands at 19000 levels followed by 19500 levels. Call writing was seen at 19900 and then at 19800 strike price, while there was meaningful Put writing at 19200 and then at 19300 strike prices.

The Volatility index is hovering at 11.82 level.

Nifty's Put-Call Open Interest Ratio is at 1.13.

Stocks in Ban for today's trade: CHAMBALFERT, DELTACORP, HINDCOPPER, INDIACEM, MANAPPURAM, MCX, RBLBANK, ZEEL.

ECONOMIC CUES:

U.S. inflation pressures slowed again last month, Commerce Department data indicated Tuesday, with core consumer prices falling to a fresh two-year low and challenging the Federal Reserve's near-term rate hike forecasts.

The headline consumer price index for October was pegged by the Commerce Department at 3.2%, well south of the prior month's tally of 3.7% and inside Wall Street's 3.3% forecast, powered in part by falling oil and energy prices. On a monthly basis, the index showed inflation was unchanged from September, down from the 0.4% pace recorded last month and the 0.6% gain tallied in August.

So-called core inflation, which strips out volatile components like food and energy, slowed to 4.0%, the lowest in two years, while the monthly reading of 0.2% matched also came inside Street forecasts.

GLOBAL STOCK MARKETS:

At Wall Street, US stocks closed out a stellar week on a quiet note as the momentum that sent the main indexes jolting higher Tuesday faded into Friday's close. Still, all three benchmarks ended with impressive weekly gains.

On Friday, the Dow Jones Industrial Average closed with a fractional gain at 34,947, while the S&P 500 (+0.1% at 4,514) and the Nasdaq Composite (+0.1% at 14,125) muscled higher. For the week, the Dow jumped 1.8%, the S&P 500 surged 2.1% and the Nasdaq gained 2.2% – their third straight weekly win.

Investors were still enthused by lower-than-expected CPI inflation readings and the likelihood they mark the end of the Federal Reserve's interest-rate increases.

The headline inflation slowed to 3.2%, inside the Street's 3.3% forecast, while core pressures eased to a fresh two year low of 4%.

The producer price index for final demand fell 0.5% in October from September. Retail sales slipped 0.1% in October, the first decline from March, but came in better than expectations for a decline of 0.3%.

The 10-year yield was at 4.45%.

RECAP OF PREVIOUS DAY'S TRADING SESSION:

Nifty takes a breather after an impressive rally.

***NIFTY (-33, 19732)**

Sensex (-188, 65795)

Consolidation was the order of the day as investors chose to book profits at higher levels as weekend kicks in.

Amongst sectoral indices, Pharma & FMCG Indices were total outperformers, gaining by over a percent.

The positive takeaway was that the Nifty Mid-Cap & Small-Cap indices ended in green, unlike the benchmarks which ended in red.

Long story short: A healthy consolidation.

BUZZING STOCKS:

Top Index Gainers: SBILIFE (+3.95%) APOLLOHOSP (+2.74%) HDFCLIFE (+2.73%)

Top Index Losers: SBIN (-3.72%) AXISBANK (-3.28%) ONGC (-2.48%)

Adv-Dec 28—22

INDIA VIX 11.82 (+1.46%)

Nifty PCR (23rd NOV) 0.88

Nifty PCR (30th NOV) 1.13

BANKNIFTY PCR (30th NOV) 0.91

Nifty MidCap 50 (+0.25%, 11905)

NiftySmallC (+0.09%, 13882)

BANK Nifty (-1.31%, 43584)

Nifty IT (-0.25%, 32191)

USD/INR (+0.04%, 83.28)

Market Summary:

- Nifty November Futures ended Friday's session at a premium of +71 vs premium of +66.
- The 30th November expiry Put-Call Open Interest Ratio was at 1.11 for Nifty whereas it was 0.92 for Bank Nifty.
- The 30th November expiry Put-Call Volume Ratio was at 0.97 for the Nifty and 0.80 for Bank Nifty
- For Nifty, Maximum Call Open Interest (OI) stands at 20000 Strike Price, followed by 19800 Strike Price for 30th November Series. Short Buildup was seen at strike prices 19700-20400.
- Maximum Put Open Interest (OI) was seen at strike price 19000 followed by 19500 strike prices for 30th November series. Long Unwinding was seen at strike prices 18900-19300
- For Bank Nifty, Maximum Call Open Interest (OI) stands at 44000 Strike Price and Maximum Put Open Interest stands at 43000 Strike Price.
- As per Friday's provisional data available on the NSE, FIIs sold shares worth Rs. 477.8 crores in the Indian Equity Market. DIIs too, sold shares worth Rs. 565.48 crores.
- Long Buildup: PFC, GMRINFRA, GRANULES, AUROPHARMA, TATACONSUM.
- Short Buildup: AXISBANK, SBICARD, CHOLAFIN.
- Short Covering: SAIL, IRCTC, TATACHEM, JINDALSTEL.
- Long Unwinding: MANAPPURAM, BANKBARODA, SBIN, CANBK.
- Stocks banned in F&O segment:** CHAMBALFERT, DELTACORP, HINDCOPPER, INDIACEM, MANAPPURAM, MCX, RBLBANK, ZEEL.
- New in Ban: MCX.
- Out of Ban: SAIL.

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

| | |
|-----------------------------|----------------------|
| Nifty Spot | 19731.80 (-0.17%) |
| Bank Nifty Spot | 43583.95 (-1.31%) |
| VIX | 11.82 (+1.46%) |
| Premium | +71 vs +66 |
| Nifty Future OI | 1.07 crores (-2.70%) |
| Bank Nifty Future OI | 22.87 lakhs (+7.41%) |

| Cash Volumes (INR in Cr.) | Yesterday | Day Before Yesterday |
|--|-----------|----------------------|
| BSE Cash Vol. (Rs. in Cr) | 6359.29 | 5727.95 |
| NSE Cash Vol. (Rs. in Cr) | 81,496.58 | 75,341.81 |
| NSE Derivative Vol. (Rs. in Cr) | 2,253,934 | 4,174,642 |

| Derivatives Vol. (INR in Cr.) | No of contracts | Turnover (Rs. In cr.) |
|-------------------------------|-----------------|-----------------------|
| Index Future Volumes | 80,122 | 6,118 |
| Stock Future Volumes | 428,265 | 31,066 |
| Index Option Volumes | 28,390,465 | 2,170,284 |
| Stock Option Volumes | 637,009 | 46,467 |
| Total | 29,535,861 | 2,253,934 |

Major Changes in Nifty Options (OI)

| Calls | in lakhs (% Change) |
|-------|---------------------|
| 19800 | 0.67 (+24%) |
| 19900 | 0.46 (+18%) |
| 20000 | 0.68 (+1%) |

| Puts | |
|-------|-------------|
| 19700 | 0.41 (+11%) |
| 19800 | 0.48 (+9%) |
| 20000 | 0.22 (-21%) |

| Stock | CMP | Support | Resistance | 21 DMA | 200 DMA | Intraday | Short Term | Long Term |
|--------------|-------|---------|------------|--------|---------|----------|------------|-----------|
| ALUMINIUM 1 | 203 | 206 | 207 | 205 | 205 | UP | DOWN | UP |
| COPPER 1 | 712 | 702 | 707 | 702 | 736 | DOWN | UP | DOWN |
| CRUDEOIL 1 | 6333 | 6293 | 6441 | 6932 | 6460 | DOWN | DOWN | DOWN |
| DHANIYA 1 | 7750 | 7224 | 7324 | 7096 | 6965 | UP | UP | UP |
| GOLD 1 | 60745 | 59911 | 60502 | 60428 | 58939 | DOWN | UP | UP |
| LEAD 1 | 191 | 187 | 187 | 186 | 184 | UP | UP | DOWN |
| NATURALGAS 1 | 245 | 252 | 263 | 266 | 214 | DOWN | DOWN | UP |
| NICKEL | 1490 | 1587 | 1587 | 1634 | 1950 | DOWN | DOWN | DOWN |
| SILVER 1 | 73161 | 70368 | 71896 | 71604 | 71173 | UP | UP | DOWN |
| ZINC 1 | 227 | 227 | 230 | 222 | 233 | UP | UP | UP |
| | | 0 | 0 | | | | | |
| CASTOR 1 | 6131 | 5909 | 6008 | 5948 | 6243 | UP | UP | DOWN |
| DHANIYA 1 | 7750 | 7595 | 7905 | 6960 | 6982 | UP | UP | UP |
| GUARGUM5 1 | 11570 | 10995 | 11204 | 11535 | 11801 | DOWN | UP | DOWN |
| GUARSEED10 1 | 5700 | 5527 | 5604 | 5712 | 5749 | DOWN | DOWN | DOWN |
| JEERAUNJHA 1 | 42400 | 42557 | 43477 | 48341 | 46888 | DOWN | UP | DOWN |
| MENTHAOIL 1 | 912 | 934 | 947 | 916 | 957 | UP | DOWN | UP |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | - |

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