

Investors will now brace for August US jobs report which will be released on Friday, September 6.

Until Friday's US NFP is wired, the benchmark Nifty is likely to trade in the green on investors' hope that the Federal Reserve will be successful in piloting the economy to a soft landing.



Daily Research Reports

Good Morning & Welcome to Thursday's trading session at Dalal Street, dated September 5th 2024.

Heading into the opening bell, Gift Nifty is seen trading with positive bias indicating Nifty bulls may aim for a solid rebound.

The biggest positive catalyst: In yesterday's trading session, the FIIs turned out to be net buyers to the tune of Rupees 975.46 crores.

Investors will now brace for August US jobs report which will be released on Friday, September 6.

This NFP will provide the next major test for the stock market.

Bottom-line: Until Friday, when the US NFP will be wired, investors' hope that the Fed will be successful in piloting the economy to a soft landing shall keep our benchmark Nifty in the green

Long story short: Bulls may aim to regroup.

Outlook on Thursday: Nifty may aim for a major rebound.

In yesterday's trade, Nifty stumbled and most importantly, snapped its 14-day winning streak.

Blame it on the worries about global growth.

The latest update on US manufacturing has brought fear about a recession back to the surface while China's services gauge also missed expectations.

Now, the good news:

1) WTI oil prices tumble to an eight-month low.

That brings us to our call of the day which suggests confirmation of strength only above Nifty and Sensex new historic all-time-highs which are placed at 25333.65 and 82725.28 respectively.

STOCKS TO WATCH:

SECTORS:

Bullish Sectors: IT, PHARMA.

Bearish Sectors: MEDIA, METAL, PSU BANKS

INDICES

Nifty	25199	-0.32%
Bank Nifty	51400	-0.56%
Nifty Auto Index	25934	-0.39%
Nifty FMCG Index	63743	0.41%
Nifty Infra Index	9371	-0.01%
Nifty IT Index	42451	-0.94%
Nifty Media Index	2066	-0.08%
Nifty Midcap Index	16628	-0.14%
Nifty Metal Index	9186	-0.75%
Nifty Pharma Index	23184	0.74%
Nifty Reality Index	1052	0.65%
Nifty Smallcap Index	19322	-0.02%
Sensex	82353	-0.25%
SGX Nifty	25355	0.35%

Outlook for the Day

Bullish day out

Nifty Outlook

Intraday	Positive (25100-25400)
Medium Term	Positive (24300-25500)
Long Term	Positive (23700-26300)

Key Levels to Watch

Nifty Support	25161/25001
Nifty Resistance	25551/26000

Pivot Level

Nifty	24551
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BULLISH STOCKS (Long Build-up+ Short Covering): BIOCON, SYNGENE, COFORGE, SBI LIFE, TVS MOTORS, SUN PHARMA, PFC, PERSISTENT SYSTEM.

BEARISH STOCKS (Long Unwinding + Short build-up): SAIL, ZYDUS LIFE, DRREDDYS LAB, BHEL, JINDAL STEEL & POWER.

Our **chart of the day** is bullish on BIOCON, HPCL and GRASIM on any intraday weakness with an interweek perspective.

The 1 Stock to Buy Right Now:

Buy BIOCON (CMP 379): Buy at CMP. Stop at 359. Targets 395/413. Aggressive targets at 421. (Interweek Strategy). Rationale: Signalling a massive upside consolidation breakout. Momentum oscillators bullish.

FII/DII & OPTIONS DATA:

The Put-Call Open Interest Ratio was at 1.51 for Nifty.

In yesterday's trade, FIIs turned out to be net buyers to the tune of Rupees 975 crores while DIIs too bought to the tune of Rupees 97 crores.

The Nifty options data suggests Nifty is likely to be in a trading range of 24700-26000 zone. Maximum Call OI is at 26000 followed by 25300 strike prices. So, the 25500 mark is now Nifty's major resistance zone on closing basis.

Maximum Put open interest stands at 25000 levels followed by 24000 levels.

Call writing was seen at 25300 and then at 25500 strike price, while there was meaningful Put writing at 24500 and then at 24300 strike prices.

Stocks banned in F&O segment: ABFRL, Balrampur Chini, Hindustan Copper, RBL BANK

WHAT TECHNICALS TELLS US

Daily chart of Nifty:



Nifty: In yesterday's trade, Nifty snapped its winning streak of 14-sessions in a row and in the process formed a bearish candle on the daily charts indicating a pause to its recent upswing.

Nifty's all-time-high now is at 25333.65 mark.

The technical landscape suggests Nifty's major support at 25071/24963 mark. Interweek support seen at 24527 mark.

Nifty's hurdles seen at 25551/25750 mark and then at 26000 mark.

Nifty's 200 DMA at 22594 mark.

Daily chart of Bank Nifty:



Bank Nifty: In yesterday's trading session, Bank Nifty was seen consolidating with slight negative bias and most importantly, Bank Nifty ended below the dotted line.

Bank Nifty's new all-time-high now at 53357.70 mark.

Bank Nifty was seen mildly underperforming benchmark Nifty. Bank Nifty ended with 0.56% loss as against Nifty's 0.32% losses.

Interestingly, in Wednesday's trade, Nifty PSU Bank index ended 1.69% lower while Nifty Private Bank index ended 0.65% lower.

Intraday support for Bank Nifty now seen at 50713/50100 mark and then at 48900 mark on closing basis.

In today's trade, Bank Nifty is likely to face resistance only at 51751/52000 mark. Bank Nifty's 200-DMA is placed at 48392 mark.

ECONOMIC CUES:

All eyes will be on the US economic data that will have major implications for how the Federal Reserve moves forward with interest-rate cuts—and whether the economy is still heading for a soft landing.

Investors will now brace for August US jobs report which will be released on Friday, September 6.

This NFP will provide the next major test for the stock market.

India's GDP growth slowed to 5-quarter low of 6.7% in Q1FY25. "Slight slowdown in GDP was anticipated due to elections," said V Anantha Nageswaran, chief economic advisor.

GLOBAL STOCK MARKETS:

Wall Street mostly wavered in Wednesday's trading session as it panned out to be an uncertain day for investors, with stocks wavering between red and green.

There were worries about growth. The latest update on US manufacturing has brought fear about a recession back to the surface.

The Institute for Supply Management's Purchasing Managers Index, or PMI, came in at a reading of 47.2, up from July's 46.8, but economists surveyed by FactSet expected a reading of 47.5.

A number above 50 indicates growth. The August reading is the fifth consecutive month of contraction. The March PMI came in at 50.3. That March growth blip is the only reason the U.S. manufacturing economy hasn't contracted for 22 consecutive months.

RECAP OF PREVIOUS DAY'S TRADING SESSION:

NIFTY (-81, 25199)

Sensex (-203, 82353)

Bank Nifty (-289, 51400)

Nifty stumbles, snaps its 14-day winning streak, hits pause on the rally to fresh records.

Blame it on the worries about growth. The latest update on US manufacturing has brought fear about a recession back to the surface while China's services gauge also missed expectations.

Buzzing stocks:

- 1) Bharti Airtel ended in green, up 0.19% after it announced that it has completed the deployment of the additional spectrum it acquired in July 2024.
- 2) Natco Pharma surged 1.79% at Rs 1,558 per share after the company on Wednesday announced that its wholly owned Canadian subsidiary, NATCO Pharma Inc, has made an investment of \$8 million in eGenesis, Inc, a biotechnology company.
- 3) AU Small Finance Bank shares rose 1.86% as the bank submitted an application to the RBI to seek approval for the voluntary transition from a Small Finance Bank to a Universal Bank.

Sentimental Overview:

Nifty received its first drubbing of the month after weak overnight Wall Street cues on backdrop of downbeat readings on the US manufacturing activity that spooked the bulls.

Expect volatility to be the hallmark at Dalal Street and that's in line with our call of the day which says volatility is the price longtime Nifty bulls have to pay for the benchmarks' outsized rewards.

Technical Overview:

Nifty's slips after its 14-days rally in a row indicating the bulls have hit a pause button.

Technically, a bearish candle is being witnessed after a 'doji candle' indicating bullish consolidation shall be the preferred theme at Dalal Street in the near term.

We suspect, Nifty to flip between gains and losses with immediate hurdles seen at 25300-25500 zone.

Only above Nifty 25500, there is a bright chance of more short covering.

The line in the sand is at Nifty's psychological support at 24900 mark.

Outperforming Nifty Sectors:

NIFTY REALITY (+0.86%)

NIFTY PHARMA (+0.79%)

NIFTY FMCG (+0.50%)

Underperforming Nifty Sectors:

NIFTY PSU BANKS (-1.71%)

NIFTY IT (-0.90%)

NIFTY METAL (-0.82%)

NIFTY PRIVATE BANK (-0.68%)

(Source NSSEINDIA.com)

Bulls of the day:

ASIANPAINTS (+2.50%)

GRASIM (+1.91%)

HINDUNILVR (+1.71%)

ULTRACEMCO (+1.23%)

SUNPHARMA (+1.19%)

Bears of the day:

WIPRO (-3.06%)

COALINDIA (-2.81%)

ONGC (-2.27%)

HINDALCO (-1.90%)

LTIM (-1.15%)

(Source NSSEINDIA.com)

Market Summary:

- Nifty September Futures ended Wednesday's session at a premium of +52 vs premium of +65.
- The 26th September expiry Put-Call Open Interest Ratio was at 1.62 for Nifty.
- The 26th September expiry Put-Call Volume Ratio was at 1.46 for the Nifty.
- For Nifty, Maximum Call Open Interest (OI) stands at 25000 Strike Price, followed by 26000 Strike Price for 26th September Series. Short Buildup was seen at strike prices 25000-26000.
- Maximum Put Open Interest (OI) was seen at strike price 25000 followed by 24000 strike prices for 26th September series. Long Buildup was seen at strike prices 24000-25200.
- For Bank Nifty, Maximum Call Open Interest (OI) stands at 52000 Strike Price and Maximum Put Open Interest stands at 52000 Strike Price.
- As per Wednesday's provisional data available on the NSE, FIIs bought shares worth Rs. 975.46 crores in the Indian Equity Market. DIIs too, bought shares worth Rs. 97.35 crores.
- Long Buildup: BIOCON, BERGEPAIN, IEX, BHARATFORGE
- Short Buildup: TATACHEM, M&M, INFY
- Short Covering: M&MFIN, HAL, ZYDUSLIFE, SRF
- Long Unwinding: LTF, RECLTD, IRCTC, LTIM
- Stocks banned in F&O Segment:** ABFRL, BALRAMCHIN, HINDCOPPER, RBLBANK
- New in Ban: RBLBANK
- Out of Ban: NIL.

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

Nifty Spot	25198.70 (-0.32%)
Bank Nifty Spot	51400.25 (-0.56%)
VIX	14.37 (-3.83%)
Premium	+52 vs +65
Nifty Future OI	1.08 crores (-3.09%)
Bank Nifty Future OI	24.28 lakhs (-4.20%)

Cash Volumes (INR in Cr.)	Yesterday	Day Before Yesterday
BSE Cash Vol. (Rs. in Cr)	8121.09	8314.33
NSE Cash Vol. (Rs. in Cr)	1,14,786.42	1,11,673.69
NSE Derivative Vol. (Rs. in Cr)	61,95,467	59,91,498

Derivatives Vol. (INR in Cr.)	No of contracts	Turnover (Rs. In cr.)
Index Future Volumes	95,942	6,450
Stock Future Volumes	7,25,902	58,419
Index Option Volumes	8,29,09,376	60,62,647
Stock Option Volumes	8,04,671	67,952
Total	8,45,35,891	61,95,467

Major Changes in Nifty Options (OI)

Calls	in lakhs (% Change)
25100	0.39 (+11%)
25200	0.7 (+23%)
25300	0.44 (+10%)

Puts	
25200	0.9 (+17%)
25300	0.69 (+5%)
25400	0.38 (-14%)

Table with columns: Stock, CMP, Support, Resistance, 21 DMA, 200 DMA, Intraday, Short Term, Long Term. Lists various stocks and their corresponding values and trends.

All level indicated above are based on cash market prices.

Pivot Point
PP : Pivot Point : This is trigger point for weekly buy/sell based on the price range of the previous week.
R1 : Resistance one : 1st Resistance over PP. R2 : Resistance two : 2nd Resistance over R1.
S1 : Support one : 1st support after PP. S2 : Support Two : 2nd support after S1.

As per the tool, the trader should take BUY position just above PP and keep the stop loss of PP and the first target would be R1. If R1 is crossed then R2 becomes the next target with the stop loss at R1.

Similarly if price goes below PP the trader should SELL and keep the PP as Stop loss and the first target would be S1.

If S1 is crossed then S2 becomes the next target with the stop loss at S1. This is a trading tool. The key to use of this tool is the use of STOP LOSS.

Stock	CMP	Support	Resistance	21 DMA	200 DMA	Intraday	Short Term	Long Term
ALUMINIUM 1	221	215	228	220	217	UP	DOWN	UP
COPPER 1	784	768	799	792	787	DOWN	DOWN	DOWN
CRUDEOIL 1	5849	5732	5966	6342	6498	DOWN	DOWN	DOWN
GOLD 1	71470	70041	72899	70756	67586	UP	UP	DOWN
LEAD 1	184	178	189	187	186	DOWN	DOWN	DOWN
NATURALGAS 1	181	175	186	175	190	DOWN	UP	DOWN
NICKEL	1366	1339	1394	1634	1950	DOWN	DOWN	DOWN
SILVER 1	81373	79746	83000	82712	80039	DOWN	DOWN	DOWN
STEEL 1	569	558	580	42125	44492	DOWN	DOWN	DOWN
ZINC 1	261	254	269	259	241	UP	DOWN	DOWN
CASTOR 1	6120	5998	6242	6166	5868	UP	DOWN	UP
DHANIYA 1	6800	6664	6936	6913	7442	DOWN	DOWN	DOWN
GUARGUM5 1	10485	10275	10695	10349	10652	DOWN	UP	UP
GUARSEED10 1	5330	5223	5437	5291	5403	DOWN	UP	UP
JEERAUNJHA 1	25500	24990	26010	26191	29479	DOWN	DOWN	DOWN
MENTHAOIL 1	973	953	992	974	928	UP	UP	UP
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