

Nifty Bulls must be simply blushing as Nifty climbs past 26,000. Sensex too is now above the psychological 85000 mark.

The 6-positive catalyst driving sentiments:

- 1) Liquidity, liquidity and liquidity.
- 2) Corporate India is in pretty good shape.
- 3) Indian economy's resilience.
- 4) China's widest stimulus in nearly a decade.
- 5) A cooldown in inflation will allow the Fed to cut interest rates several times this year.
- 6) The Fed's 50 basis point jumbo rate cut is likely to trigger expectations of global interest rate cuts.



Daily Research Reports

Good Morning & Welcome to Thursday's trading session at Dalal Street, dated September 26th 2024.

The year 2024 is panning out to be too good for Dalal Street as YTD, Nifty is already up 19.66%.

No wonder, Nifty Bulls must be simply blushing...

In yesterday's trade, Nifty climbed and ended past 26,000 for the first time. Sensex too closed above the psychological 85000 mark.

This Nifty 26000 achievement is a big psychological boost for the bulls and a proof for many 'Indian Investors', that...

- 1) Corporate India is in pretty good shape.
- 2) Indian economy's resilience.
- 3) China's widest stimulus in nearly a decade.
- 4) A cooldown in inflation will allow Federal Reserve to cut interest rates several times this year.
- 5) The Fed's 50 basis point jumbo rate cut is likely to trigger expectations of global interest rate cuts.

Long story short: There is a bright chance that RBI follows US Fed rate cut in October MPC meeting.

We say so because the domestic retail inflation rate at 3.65% in August, and most importantly, remains within the central bank's tolerance band of 2-6%.

Bottom-line: After inaugural Fed rate cut, focus turns to US PCE inflation to trickle on Friday, September 27th

Outlook on Thursday: Nifty is likely to aim into yet another record high.

The big question as we come to end of September 2024 F&O expiry: Can We Trust Nifty Bulls' Latest Stamped?

Well, our call of the day suggests that Nifty is unlikely to look back as investors shall continue to cheer the Federal Reserve's jumbo-sized rate cut.

The positive catalyst driving sentiments: Liquidity, liquidity and liquidity.

Buzzing stocks:

- 1) M&M stock price hit new high at Rs 3149 as its market-cap nears Rs 4 trillion; zooms 100% in 10 months.
- 2) NTPC's stock price is in limelight on reports that NTPC Green Energy IPO will raise Rs 10,000 crore and is likely to be opened in the first week of November.

INDICES

Nifty	26004	0.25%
Bank Nifty	54102	0.25%
Nifty Auto Index	26888	-0.12%
Nifty FMCG Index	65522	-0.42%
Nifty Infra Index	9624	0.44%
Nifty IT Index	41961	-0.67%
Nifty Media Index	2139	2.94%
Nifty Midcap Index	16913	-0.46%
Nifty Metal Index	9777	0.43%
Nifty Pharma Index	23249	0.26%
Nifty Reality Index	1130	0.66%
Nifty Smallcap Index	19358	-0.42%
Sensex	85170	0.30%
SGX Nifty	26061	0.27%

Outlook for the Day

Positive bias to continue

Nifty Outlook

Intraday	Positive (25900-26250)
Medium Term	Positive (25500-26500)
Long Term	Positive (23900-27500)

Key Levels to Watch

Nifty Support	25839/25571
Nifty Resistance	26100/26700

Pivot Level

Nifty	24601
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STOCKS TO WATCH:**# SECTORS:**

Bullish Sectors: FMCG, METALS, INFRA, AUTO.

Bearish Sectors:

BULLISH STOCKS (Long Build-up+ Short Covering): UBL, TATA POWER, BHEL, SIEMENS, NAUKRI, ITC, OBEROI REALITY, NTPC, POWERGRID, TATA COMMUNICATION, BERGER PAINT, COLPAL, TVS MOTORS.

BEARISH STOCKS (Long Unwinding + Short build-up): IEX, INDIGO, GRASIM, INDIA MART, ZYDUS LIFE, INDUS TOWER, TECH MAHINDRA.

Our **chart of the day** is bullish on TATA POWER, POWERGRID, ITC and UBL on any intraday weakness with an interweek perspective.

The 1 Stock to Buy Right Now:

Buy POWERGRID (CMP 364): Buy at CMP. Stop at 331. Targets 373/389. Aggressive targets at 419. (Interweek Strategy). Rationale: Momentum oscillators in bullish mode. Higher high/low.

FII/DII & OPTIONS DATA:

The Put-Call Open Interest Ratio was at 1.31 for Nifty.

In yesterday's trade, FIIs turned out to be net sellers to the tune of Rupees 974 crores while DIIs bought shares to the tune of Rupees 1779 crores.

The Nifty options data suggests Nifty is likely to be in a trading range of 25000-26500 zone. Maximum Call OI is at 27000 followed by 26000 strike prices. So, the 27000 mark is now Nifty's major resistance zone.

Maximum Put open interest stands at 25000 levels followed by 25500 levels.

Call writing was seen at 26000 and then at 27000 strike price, while there was meaningful Put writing at 25900 and then at 26000 strike prices.

Stocks banned in F&O segment: ADITYA BIRLA FASHION & RETAIL, GRANULES INDIA, HINDUSTAN COPPER, VODAFONE IDEA, IEX

WHAT TECHNICALS TELLS US

Daily chart of Nifty:



Nifty: In yesterday's trade, Nifty was seen wavering for most part of the trading session but the positive takeaway was that the benchmark marched above 26000 mark on closing basis and most importantly, scaled new-hall-time high at 26032.80 mark.

Nifty ended 0.25% above the dotted lines.

The daily charts indicate higher high/low play.

Nifty's all-time-high now is at 26032.80 mark.

The technical landscape suggests Nifty's major support at 25900/25700 mark. Intermonth support seen at 25300 mark.

Nifty's hurdles seen at 26300/26700 mark and then at 27300 mark.

Nifty's 200 DMA at 22994 mark.

Daily chart of Bank Nifty:



Bank Nifty: In yesterday's trading session, Bank Nifty was seen consolidating as bullish consolidation was the preferred theme. Bank Nifty ended a tad below the dotted lines.

Bank Nifty scaled new all-time-high now at 54247.70 mark.

Bank Nifty was seen clearly mirroring benchmark Nifty's bullish consolidation. Bank Nifty ended 0.25% higher as against Nifty's 0.25% gains.

Interestingly, in Wednesday's trade, Nifty PSU Bank index ended 0.87% lower while Nifty Private Bank index ended 0.31% higher.

Intraday support for Bank Nifty now seen at 53550/53000 mark and then at 51911 mark on closing basis.

In today's trade, Bank Nifty is likely to face resistance only at 54700/55500 mark. Bank Nifty's 200-DMA is placed at 48978 mark.

ECONOMIC CUES:

Investors delighted after S&P Global says India to be the 3rd -largest economy by 2030-31, with an expected annual growth rate of 6.7%.

The Federal Reserve lowered its benchmark interest rate by 50bps to 4.75%-5% in light of the progress on inflation and the balance of risks. It is the first rate cut in 4-years.

Additionally, projections by FOMC members pointed to a median of 100bps in total rate cuts for the year, translating to 25bps in each of the central bank's meetings this year. Importantly, policymakers also expect GDP growth to remain at the 2% level for the upcoming years, loosely in line with the previous estimates, despite a sharp upward revision to unemployment.

GLOBAL STOCK MARKETS:

Wall Street's key indices traded mixed, while the dollar slipped against its global peers, as investors adjusted to a new reality of lower interest rates in key markets around the world that could test risk sentiment over the coming months.

The CME Group's FedWatch tool, in fact, pegs the odds of a 50-basis-point cut in November at around 58.1%, up from just 37% a week ago, while rate-sensitive 2-year-note yields continue to slide and were last marked at 3.533% in overnight trading.

RECAP OF PREVIOUS DAY'S TRADING SESSION:

NIFTY (+64, 26004)

Sensex (+256, 85170)

Bank Nifty (+133, 54102)

Nifty climbs and closes past 26,000 for the first time. Sensex too closes above 85000 mark.

This achievement is a big psychological boost for the bulls and a testament for many 'Indian Investors', as suggests

- 6) Corporate India is in pretty good shape
- 7) Indian economy's resilience.

Buzzing stocks:

- 1) Piramal Pharma was in limelight, up 4.75% after the pharma company revealed its ambitious revenue goal by the financial year 2030 (FY30). The firm informed investors that it aims to achieve over \$2 billion in revenue by FY30, which implies 2 times growth in revenue. Further, it aims to achieve 25 per cent earnings before interest, tax, depreciation, and amortisation (Ebitda) margin, which translates to 3 times growth.
- 2) Imagicaaworld Entertainment was on the spotlight after the company announced its entry into new geographies, with a new water park located between Indore and Ujjain.

Sentimental Overview:

Bulls must be simply blushing...

As the rush of 'Emotional Buying' has transformed into 'Momentum Buying' which moved further towards 'Buying Stampede' and then 'Raging Bull' market rockets Nifty to fresh all-time-high at 26032.80 mark.

Technical Overview:

Nifty's ongoing bull market seems in full stampede mode and the short-term technical outlook continues to remain in favor of bulls on backdrop higher/high low pattern on all time frames.

Nifty's immediate goalpost now at 26250 milestone.

The line in the sand is at Nifty's psychological support at 25750 mark.

Outperforming Nifty Sectors:

Nifty Media (+2.85%)

Nifty Reality (+0.57%)

Nifty PSE (+0.54%)

Underperforming Nifty Sectors:

Nifty PSU BANKS (-0.85%)

Nifty IT (-0.66%)

Nifty FMCG (-0.44%)

(Source NSSEINDIA.com)

Bulls of the day:

POWERGRID (+4.04%)

AXISBANK (+2.39%)

NTPC (+2.02%)

BAJAJFINSV (+1.59%)

GRASIM (+1.55%)

Bears of the day:

LTIM (-3.69%)

TECHM (-2.27%)

TATACONSUM (-1.87%)

TATAMOTORS (-1.36%)

TITAN (-1.13%)

(Source NSSEINDIA.com)

Market Summary:

- Nifty September Futures ended Wednesday's session at a discount of -01 vs premium of +16.
- The 26th September expiry Put-Call Open Interest Ratio was at 1.30 for Nifty.
- The 26th September expiry Put-Call Volume Ratio was at 1.00 for the Nifty.
- For Nifty, Maximum Call Open Interest (OI) stands at 27000 Strike Price, followed by 26000 Strike Price for 26th September Series. Short Buildup was seen at strike prices 26100-26900.
- Maximum Put Open Interest (OI) was seen at strike price 25000 followed by 25500 strike prices for 26th September series. Short Buildup was seen at strike prices 25100-26100.
- For Bank Nifty, Maximum Call Open Interest (OI) stands at 54200 Strike Price and Maximum Put Open Interest stands at 54100 Strike Price.
- As per Wednesday's provisional data available on the NSE, FIIs sold shares worth Rs. 973.94 crores in the Indian Equity Market. DIIs on the other hand, bought shares worth Rs. 1778.99 crores.
- Long Buildup: POWERGRID, DLF, BAJFINANCE
- Short Buildup: CUMMINSIND, LTIM, COFORGE, NAUKRI.
- Short Covering: DLF, M&MFIN, RAMCOCEM
- Long Unwinding: ONGC, HINDALCO, INDHOTEL, GNFC
- Stocks banned in F&O Segment:** ABFRL, GRANULES, HINDCOPPER, IDEA, IEX.
- New in Ban: HINDCOPPER, IEX
- Out of Ban: AARTIIND, BIOCON, CHAMBALFERT, GNFC, LICHSGFIN, NATIONALUM, OFSS, PNB, SAIL

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

Nifty Spot	26004.15 (+0.25%)
Bank Nifty Spot	54101.65 (+0.25%)
VIX	12.74 (-4.85%)
Premium	-01 vs +16
Nifty Future OI	0.7 crores (-24.97%)
Bank Nifty Future OI	9.9 lakhs (-19.78%)

Cash Volumes (INR in Cr.)	Yesterday	Day Before Yesterday
BSE Cash Vol. (Rs. in Cr)	9979.04	7284.92
NSE Cash Vol. (Rs. in Cr)	1,09,967.00	1,25,748.06
NSE Derivative Vol. (Rs. in Cr)	71,15,134	63,99,103

Derivatives Vol. (INR in Cr.)	No of contracts	Turnover (Rs. In cr.)
Index Future Volumes	2,94,829	20,120
Stock Future Volumes	26,26,864	2,13,710
Index Option Volumes	8,90,93,165	68,00,944
Stock Option Volumes	9,32,853	80,361
Total	9,29,47,711	71,15,134

Major Changes in Nifty Options (OI)

Calls	in lakhs (% Change)
26000	0.84 (+35%)
26100	0.27 (+69%)
26200	0.63 (+50%)

Puts	
25800	0.47 (+42%)
25900	0.57 (+84%)
26000	0.9 (+32%)

Stock	CMP	Support	Resistance	21 DMA	200 DMA	Intraday	Short Term	Long Term
ALUMINIUM 1	231	224	238	227	219	DOWN	UP	UP
COPPER 1	832	815	848	799	793	UP	UP	UP
CRUDEOIL 1	5844	5727	5961	5993	6469	DOWN	UP	DOWN
GOLD 1	75265	73760	76770	72295	68422	UP	UP	UP
LEAD 1	181	176	187	184	185	DOWN	DOWN	DOWN
NATURALGAS 1	235	228	242	186	186	UP	UP	UP
NICKEL	1387	1359	1415	1634	1950	DOWN	DOWN	DOWN
SILVER 1	92041	90200	93882	85484	80955	UP	UP	UP
STEEL 1	578	566	590	42125	44492	DOWN	DOWN	DOWN
ZINC 1	274	265	282265	245	UP	UP	UP	
CASTOR 1	6766	6631	6901	6198	5890	UP	UP	UP
DHANIYA 1	7350	7203	7497	6911	7400	UP	UP	UP
GUARGUM5 1	11396	11168	11624	10502	10571	UP	UP	UP
GUARSEED10 1	5736	5621	5851	5325	5380	UP	UP	UP
JEERAUNJHA 1	27075	26534	27617	25847	28180	UP	UP	DOWN
MENTHAOIL 1	923	904	941	957	931	DOWN	DOWN	DOWN
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