

Our **call of the day** which suggests optimism around Donald Trump's election win, the Fed rate cut and consumer sentiment should also keep downside limited for the benchmark Nifty but that said the only wall of worry is persistent FII selling.

Please note, FII exodus has crossed Rs 22,000 crore this November.



Daily Research Reports

Good Morning & Welcome to Tuesday's trading session at Dalal Street, dated November 12th 2024.

The Breaking News: Monthly mutual fund SIP inflow has hit an all-time high, crossing Rs 25,000 crore mark for first-time. (Please note, last year in October 2023, the SIP inflow was at mere Rs 16,928 crore).

The positive takeaway is that new SIP registrations have also seen a sharp increase, with 63.7 lakh new SIPs registered in October, up from the previous month's 58.7 lakh.

And most importantly, the total number of active SIP accounts in October have also hit a record, now at 10.12 crore.

Bottom-line: The rise in SIP (Systematic Investment Plan) investments shows investors' confidence in the Indian markets and a vibrant investment destination.

The Big Question: Why SIP Investments in India are on the Rise?

Well, India has ambitious goal to become a US \$35 trillion economy in next 25 years, from the current US \$3.5 trillion economy.

This 10-fold potential India's growth is likely to be on the backdrop of:

1. India's strong economic fundamentals.
2. Environment conducive to investments.
3. Low inflation.
4. Friendly environment for the FDI in India.
5. Strong foreign exchange reserves.
6. Ease of doing business, reducing compliances.
7. India remains the reliable partner in a global supply chain.

Outlook for Tuesday: Volatility is likely to be the hallmark.

Donald Trump's victory party rolls-on at Wall Street as the Dow, Nasdaq, and S&P 500, all scaled new record highs.

The S&P 500 scales above 6000 milestone and Dow Jones zooms higher above 44000.

That brings us to our call of the day which suggests optimism around Donald Trump's election win, the Fed rate cut and consumer sentiment should also keep downside limited for the benchmark Nifty but that said the only wall of worry is persistent FIIs selling.

Please note, FII exodus has crossed Rs 22,000 crore this November.

Also, blame the pessimism on:

- 1) Increased skepticism about Corporate India's Q2 earnings disappointment.
- 2) Traders also brace for Maharashtra Assembly polls which will be held in a single phase on November 20. Jharkhand polls will be held in two phases on November 13 and 20th.

Counting of votes for the two states will take place on November 23.

INDICES

Nifty	24141	-0.03%
Bank Nifty	51877	0.61%
Nifty Auto Index	23729	-0.32%
Nifty FMCG Index	57484	-0.88%
Nifty Infra Index	8658	-0.59%
Nifty IT Index	42590	1.28%
Nifty Media Index	1935	-1.30%
Nifty Midcap Index	15529	-0.82%
Nifty Metal Index	9216	-1.00%
Nifty Pharma Index	22344	-0.88%
Nifty Reality Index	966	-0.15%
Nifty Smallcap Index	18225	-1.20%
Sensex	79496	0.01%
SGX Nifty	24241	0.08%

Outlook for the Day

Choppy & Volatile session likely

Nifty Outlook

Intraday	Neutral (24050-24350)
Medium Term	Neutral 23000-25300)
Long Term	Positive (22200-26500)

Key Levels to Watch

Nifty Support	24011/23771
Nifty Resistance	24551/24961

Pivot Level

Nifty	23601
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Buzzing stocks:

- 1) Asian Paints tumbled around 8% amidst disappointment over the company's underwhelming Q2FY25 performance amid a challenging demand environment and increased competition. The company's profit-before-depreciation, interest, and tax (PBDIT) margin dropped to 15.5 percent in Q2FY25 from 20.3 percent the previous year.
- 2) BIOCON gained 8% after it announced that United States Food and Drug Administration (USFDA) has classified Biocon Biologics' Biocon Park Site in Bengaluru as Voluntary Action Indicated (VAI). This is related to the combined current good manufacturing practices (cGMP) inspection and Pre-Licensing Inspection (PLI) conducted by the USFDA between July 15 – 26, 2024.
- 3) The Q2 results to trickle in today, Tuesday, November 12th: ALL CARGO, AMRUTANJAN, BOMBAY DYEING, BOSCH, EVEREADY, HIKAL, HYUNDAI, JYOTHY LAB, MOTHERSON, NYKAA, POLYPLEX, RELIGARE, ZYDUSLIFE.

Wednesday, November 13th: APOLLOTYRE, EICHERMOT, GNFC, NBCC, PEL, SUNTV, TORNTPOWER

Thursday, November 14th: COFFEEDAY, DBREALTY, HAL, HEROMOTOCORP, IPCALABS, KIRLOSIND, LEMONTREE, MTNL, MUTHOOTFIN.

STOCKS TO WATCH:

SECTORS:

Bullish Sectors: IT

Bearish Sectors: MEDIA, REALITY, FMCG,

BULLISH STOCKS (Value Buying+ Long Build-up+ Short Covering): HCL TECH, OFSS, NAUKRI, POWERGRID, TRENT, TEJAS NETWORK, SIEMENS, INDIAN HOTEL, ASHOK LEYLAND, M&M

BEARISH STOCKS (Long Unwinding + Short build-up): ASIAN PAINTS, BRITANNIA, UPL, PVR INOX, RBL BANK, INDUS TOWER, SAIL.

Our **chart of the day** is bullish on HCL TECH, OFSS and NAUKRI on any intraday weakness with an interweek perspective.

The 1 Stock to Buy Right Now: Buy HCL TECH (CMP 1865): Buy at CMP. Stop at 1791. Targets 1889/1945. Aggressive targets at 2000. (Interweek Strategy). Rationale: Massive breakout is quite likely on the upside. Momentum oscillators turning in bullish mode. Key hurdles 1889.

FII/DII & OPTIONS DATA:

The Put-Call Open Interest Ratio was at 1.19 for Nifty.

The fear index, India VIX, which gauges the volatility in the Indian stock markets, ended lower by 1.38% at 14.27 points.

In yesterday's session, FIIs turned out to be net sellers to the tune of Rupees 2307 crores while DIIs bought shares to the tune of Rupees 2027 crores.

The Nifty options data suggests Nifty is likely to be in a trading range of 23800-24800 zone. Maximum Call OI is at 26000 followed by 25000 strike prices. So, the 25000 mark is now Nifty's major resistance zone on closing basis.

Maximum Put open interest stands at 23000 levels followed by 24000 levels.

Call writing was seen at 24400 and then at 24500 strike price, while there was meaningful Put writing at 23800 and then at 23700 strike prices.

Stocks banned in F&O segment: AARTI INDUSTRIES, ABFRL, GRANULES, HIND COPPER, MANAPPURAM.

WHAT TECHNICALS TELLS US

Daily chart of Nifty:



Nifty: In yesterday's trade, Nifty plunged in morning trade but later on bulls regrouped and lifted Nifty higher towards 24337 mark but profit booking continued to be the preferred theme and the negative takeaway was that Nifty ended below the dotted lines.

The benchmark ended a tad below the dotted lines and in the process, Nifty formed a bearish candle on the daily charts.

Nifty ended 0.03% below the dotted lines. Nifty's all-time-high continues to be at 26277.35 mark.

The technical landscape suggests Nifty's major support at 24000/23811/23537 mark. Intermonth support seen at 23167 mark.

Nifty's hurdles seen at 24351/24537/24951 mark and then at 25211 mark.

Nifty's 200 DMA at 23521 mark.

Daily chart of Bank Nifty:



Bank Nifty: In yesterday's trade, Bank Nifty was seen consolidating with positive bias and in the process, witnessed a small bullish candle on the daily charts.

Bank Nifty new all-time-high continues to be at 54467.35 mark.

Bank Nifty ended 0.61% higher as against Nifty's 0.03% loss.

Interestingly, in Monday's trade, Nifty PSU Bank index ended 0.48% higher while Nifty Private Bank index ended 0.52% higher.

Intraday support for Bank Nifty now seen at 50865/50194 mark and then at 49505 mark on closing basis.

In today's trade and in near term, Bank Nifty is likely to face resistance at 52493/52951/53500 mark. Bank Nifty's 200-DMA is placed at 49668 mark.

ECONOMIC CUES:

Chinese consumer inflation in October and another decline in factory-gate prices, highlighting deflation risks despite Beijing's late-September stimulus efforts.

China's producer prices fell by 2.9% year-on-year in October 2024, following a 2.8% drop in the previous month and going beyond market expectations of a 2.5% decline. This marked the 25th consecutive month of producer deflation and the sharpest contraction since November 2023, reflecting persistently weak domestic demand despite ongoing efforts by Beijing to break the trend.

The Bank of Japan's October policy meeting summary revealed divisions among policymakers on the timing of future interest rate hikes.

Some members expressed concerns over global economic uncertainties and rising market volatility, particularly regarding the yen. Despite these concerns, the central bank maintains its forecast to raise the benchmark interest rate to 1% by the second half of the 2025 fiscal year.

The Federal Reserve (Fed) lowered the policy rate by 25 bps to the range of 4.5%-4.75% after the November meeting. The US Dollar ticked higher after the news

GLOBAL STOCK MARKETS:

The post-election Trump victory rally rolled on even in Monday's trade, with the S&P 500 scaling above 6000 milestone and Dow zooming higher above 44000 for the first time.

Traders remained optimistic about the potential business benefits of Donald Trump's policies, especially tax cuts and deregulation. Traders now await key CPI and PPI data, along with comments from Fed officials, for insights on future Fed action.

RECAP OF PREVIOUS DAY'S TRADING SESSION:

NIFTY (-7, 24141)

Sensex (+10, 79496)

Bank Nifty (+316, 51877)

Nifty moves in a mysterious way — first down, then up and finally ends on sluggish note.

Sentiments continue to waver as Nifty Metals and Pharma indices end lower 1% each while Nifty IT hogs' limelight up 1.23%.

Asian Paints plunges 8% while Britannia tumbles 6%.

Sentimental Overview:

Hurting sentiments were the growing signs of an economic downturn in the Chinese economy after a weak Chinese consumer inflation in October and another decline in factory-gate prices, highlighted deflation risks despite Beijing's late-September stimulus efforts.

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Technical Overview:

Technically speaking, Nifty faltered on any intraday strength. The rebound looks like a 'Dead Cat Bounce'!

Strictly speaking, 'Dead Cat Bounce' is a temporary price recovery following losses, that is followed by more losses.

Immediate downside risk on Nifty is placed at 23816 mark; aggressive downside targets are at Nifty's 200 DMA at 23521 mark.

The fear index, India VIX, which gauges the volatility in the Indian stock markets, is consolidating at 14.22 points.

Underperforming Nifty Sectors:

Nifty Media (-1.30%)

Nifty Metal (-1)

Nifty Pharma (-0.88%)

Nifty FMCG (-0.88%)

Nifty Auto (-1.28%)

Bulls of the day:

POWERGRID (+4.35%)

TRENT (+2.60%)

HCLTECH (+1.77%)

INFY (+1.59%)

TECHM (+1.41%)

Bears of the day:

ASIANPAINTS (-8.00%)

BRITANNIA (-5.95%)

APOLLOHOSP (-3.59%)

CIPLA (-2.69%)

ONGC (-2.02%)

(Source NSSEINDIA.com)

Market Summary:

- Nifty November Futures ended Monday's session at a premium of +86 vs premium of +56.
- The 28th November expiry Put-Call Open Interest Ratio was at 1.19 for Nifty.
- The 28th November expiry Put-Call Volume Ratio was at 0.93 for the Nifty.
- For Nifty, Maximum Call Open Interest (OI) stands at 26000 Strike Price, followed by 25000 Strike Price for 28th November Series. Short Buildup was seen at strike prices 24000-24800.
- Maximum Put Open Interest (OI) was seen at strike price 23000 followed by 24000 strike prices for 28th November series. Short Covering was seen at strike prices 24000-24500.
- For Bank Nifty, Maximum Call Open Interest (OI) stands at 55000 Strike Price and Maximum Put Open Interest stands at 55000 Strike Price.
- As per Monday's provisional data available on the NSE, FIIs sold shares worth Rs. 2306.88 crores in the Indian Equity Market. DIIs on the other hand, bought shares worth Rs. 2026.63 crores.
- Long Buildup: BIOCON, INFY, PFC
- Short Buildup: AARTIIND, ASIANPAINTS, BRITANNIA, GRASIM
- Short Covering: TECHM, POWERGRID, TRENT, HAL
- Long Unwinding: ZYDUSLIFE, DIVISLABS, L&T, HUL
- Stocks banned in F&O Segment:** AARTIIND, ABFRL, GRANULES, HINDCOPPER, MANAPPURAM
- New in Ban: AARTIIND, HINDCOPPER
- Out of Ban: NIL.

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

Nifty Spot	24141.30 (-0.029%)
Bank Nifty Spot	51876.75 (+0.61%)
VIX	14.27 (-1.38%)
Premium	+86 vs +56
Nifty Future OI	1.13 crores (-0.35%)
Bank Nifty Future OI	25.91 lakhs (-2.38%)

Cash Volumes (INR in Cr.)	Yesterday	Day Before Yesterday
BSE Cash Vol. (Rs. in Cr)	6838.62	6069.48
NSE Cash Vol. (Rs. in Cr)	91097.72	100431.68
NSE Derivative Vol. (Rs. in Cr)	39,76,327	23,47,041

Derivatives Vol. (INR in Cr.)	No of contracts	Turnover (Rs. In cr.)
Index Future Volumes	79,408	5,244
Stock Future Volumes	7,42,660	48,363
Index Option Volumes	5,78,31,348	38,05,601
Stock Option Volumes	17,57,189	1,17,119
Total	6,04,10,605	39,76,327

Major Changes in Nifty Options (OI)

Calls	in lakhs (% Change)
24000	0.77 (+5.48%)
24100	0.18 (+20%)
24200	0.49 (+1.45%)

Puts	
24100	0.28 (+17%)
24200	0.72 (-3%)
24300	0.71 (+6%)

Stock	CMP	Support	Resistance	21 DMA	200 DMA	Intraday	Short Term	Long Term
ALUMINIUM 1	239	232	247	242	225	DOWN	DOWN	DOWN
COPPER 1	821	805	837	821	811	UP	DOWN	UP
CRUDEOIL 1	5756	5641	5871	5987	6456	DOWN	DOWN	UP
GOLD 1	75331	73824	76838	76749	70769	UP	UP	UP
LEAD 1	181	176	187	181	185	DOWN	UP	DOWN
NATURALGAS 1	248	241	256	215	186	UP	UP	UP
NICKEL	1389	1361	1416	1634	1950	DOWN	DOWN	DOWN
SILVER 1	89143	87360	90926	90189	83937	UP	UP	UP
STEEL 1	590	578	602	42125	44492	DOWN	DOWN	DOWN
ZINC 1	279	270	287	286	254	UP	DOWN	UP
		0	0					
CASTOR 1	6521	6391	6651	6669	6027	DOWN	DOWN	UP
DHANIYA 1	6962	6823	7101	7235	7359	DOWN	DOWN	UP
GUARGUM5 1	10430	10221	10639	10796	10555	DOWN	DOWN	DOWN
GUARSEED10 1	5140	5037	5243	5339	5372	DOWN	DOWN	DOWN
JEERAUNJHA 1	25305	24799	25811	24968	26422	UP	UP	DOWN
MENTHAOIL 1	928	910	947	919	931	UP	DOWN	DOWN
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