

Sensex (59745) / Nifty (17554)

The US bourses were under tremendous pressure overnight and taking cues from there our markets started with a big gap down opening. As the day progressed, we witnessed broad-based weakness, and the sell-off extended without any meaningful intraday bounce. Nifty eventually ended with a cut of 1.53% tad above **17550**.

Amidst weak global cues, Nifty broke below the key support of **17700** and triggered a sell-off to register the weakest close in the last four months below **17600**. The charts have now been distorted and the momentum is gripped by the bears. Now all eyes would be on how markets react on the F&O expiry day, whether we see a follow-up sell-off or there's some respite at lower levels. In our sense, the hourly charts are a bit oversold, and creating short positions from current levels may turn out to be risky. Also at the lower end, we see a strong zone of support around **17350 - 17400** which coincides with the budget session low and 200SMA; as of now, we sense prices to defend this zone.

Key Levels

Support 1 – 17400	Resistance 1 – 17700
Support 2 – 17350	Resistance 2 – 17750

Nifty Bank Outlook (39996)

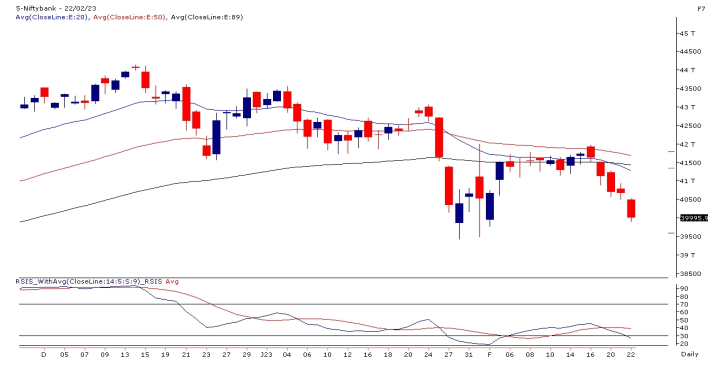
The pain finally aggravated yesterday as we witnessed a gap down followed by continuous sell off across the broader market. With no major recovery, the BANKNIFTY ended the session below the 40000 mark with a cut of 1.67%.

The banking has been the real culprit in last few sessions. The weakness in the sector has brought entire market under the hammer. Technically, prices have now reached the crucial trend line support of **40000-39800**. On the flipside, **40200-40500** are to be seen immediate hurdles. In our sense, market is extremely oversold and hence we may see one attempt to give a sharp recovery.

Key Levels

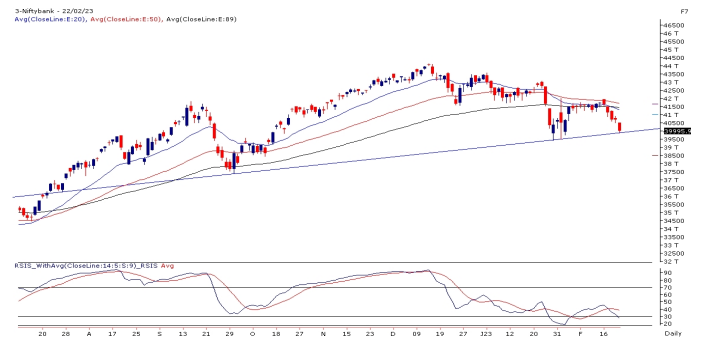
Support 1 – 40000	Resistance 1 – 40200
Support 2 – 39800	Resistance 2 – 40500

Exhibit 1: Nifty Daily Chart



Aggressive traders can opt for buying in this zone if there's further weakness in the morning session. On the flip side, previous support around **17700 - 17750** is likely to act as immediate resistance. With global uncertainty, volatility is likely to remain on the higher side and hence traders are advised to keep a tab on the mentioned levels and trade accordingly on the expiry day.

Exhibit 2: Nifty Bank Daily Chart



Comments

- The Nifty futures open interest has increased by 10.84% and Bank Nifty futures open interest has decreased by 0.44% as the market closed at 17554.30.
- The Nifty FEB future closed with a premium of 12.60 point against a premium of 13.40 point in the last trading session. The MARCH series closed at a premium of 107.75 point.
- The INDIA VIX increased from 14.00 to 15.58. At the same time, the PCR-OI of Nifty has decreased from 0.83 to 0.69.
- Few of the liquid counters where we have seen high cost of carry are COALINDIA, AARTIIND, CUB, RAMCOCEM and CANBK.

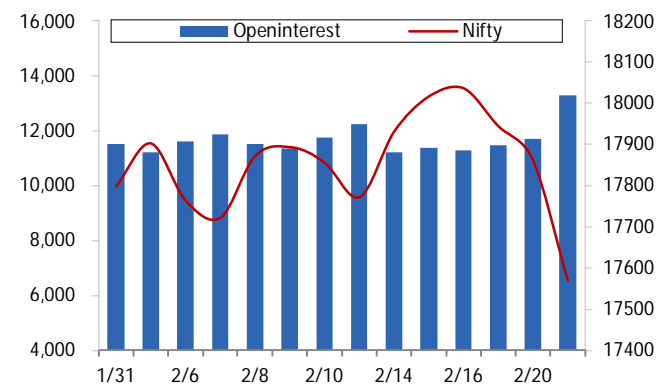
View

- We had a gap down opening one day prior to the monthly expiry, follow-up selling drag index towards 17500 with no respite to end the day with weakest close in last four months.
- FII were net sellers in the cash market segment to the tune of Rs. 580 crores. Simultaneously, in Index futures, they sold worth Rs. 2732 crores with massive jump in open interest, indicating short formation.
- In the F&O space, we saw mixed bets in banking index, whereas good amount of shorts were added in Nifty. On the options front, massive writing seen in 17600-17800 call strikes, suggesting series of hurdle for monthly expiry. On the flip side, 17500 put strikes hold highest open interest concentration now. The stronger hands turned net sellers not only in equities but also in index futures segment. PCR-OI plunged to 0.69 from 0.83, hinting market is a oversold. The fear index surged 11% in single day, which is a sign of caution. Considering the recent developments, we believe markets are extremely oversold and traders should strictly avoid fresh shorts in system for now.

Historical Volatility

SCRIP	HV
ADANIENT	89.02
ABFRL	41.48
GRASIM	31.53
ACC	41.19
ASTRAL	42.34

Nifty Vs OI



OI Gainers

SCRIP	OI	OI CHG. (%)	PRICE	PRICE CHG. (%)
SUNTV	10326000	13.79	438.25	-1.44
JUBLFOOD	14805000	13.13	453.30	-1.23
BEL	113566800	8.76	95.00	-0.58
CONCOR	11360000	7.08	586.90	-1.44
SYNGENE	3224000	6.65	579.30	0.73
NAVINFLUOR	580650	6.52	4233.85	-0.43
ONGC	46646600	5.86	153.60	-0.29
HDFCLIFE	23823800	5.63	494.50	-1.38

OI Losers

SCRIP	OI	OI CHG. (%)	PRICE	PRICE CHG. (%)
TORNTPOWER	3529500	-16.02	495.90	0.02
JKCEMENT	513250	-14.64	2802.95	-2.74
VOLTAS	5526000	-14.02	914.20	1.86
ALKEM	643600	-12.91	3276.40	0.56
MCX	1273600	-12.77	1380.45	-0.14
RAMCOCEM	3014100	-12.68	723.50	-1.62
BAJAJ-AUTO	1415000	-10.54	3840.70	0.02
POLYCAB	870000	-9.63	3013.25	-0.95

Put-Call Ratio

SCRIP	PCR (OI)	PCR (VOL)
NIFTY	0.69	0.94
BANKNIFTY	0.50	1.01
RELIANCE	0.62	0.57
ICICIBANK	0.61	0.77
INFY	0.51	0.85

FII Statistics for February 22, 2023

Detail	Buy	Sell	Net	Contracts	Open Interest Value (in Cr.)	CHANGE
INDEX FUTURES	7466.33	10198.66	(2732.33)	198020	18022.76	34.85
INDEX OPTIONS	1204947.82	1196116.70	8831.12	2969830	272740.82	19.89
STOCK FUTURES	36545.17	37697.67	(1152.50)	2251018	147191.36	1.48
STOCK OPTIONS	9496.86	9199.39	297.47	180545	11433.40	(15.54)
Total	1258456.18	1253212.42	5243.76	5599413	449388.34	10.75

Turnover on February 22, 2023

Instrument	No. of Contracts	Turnover (in Cr.)	Change (%)
Index Futures	525491	49360.70	18.07
Index Options	193396481	52758.68	-0.52
Stock Futures	2079730	134686.29	-8.02
Stock Options	3789336	2804.45	12.80
Total	3,789,336	2804.45	-1.70

Nifty Spot = 17554.30

Bull-Call Spreads

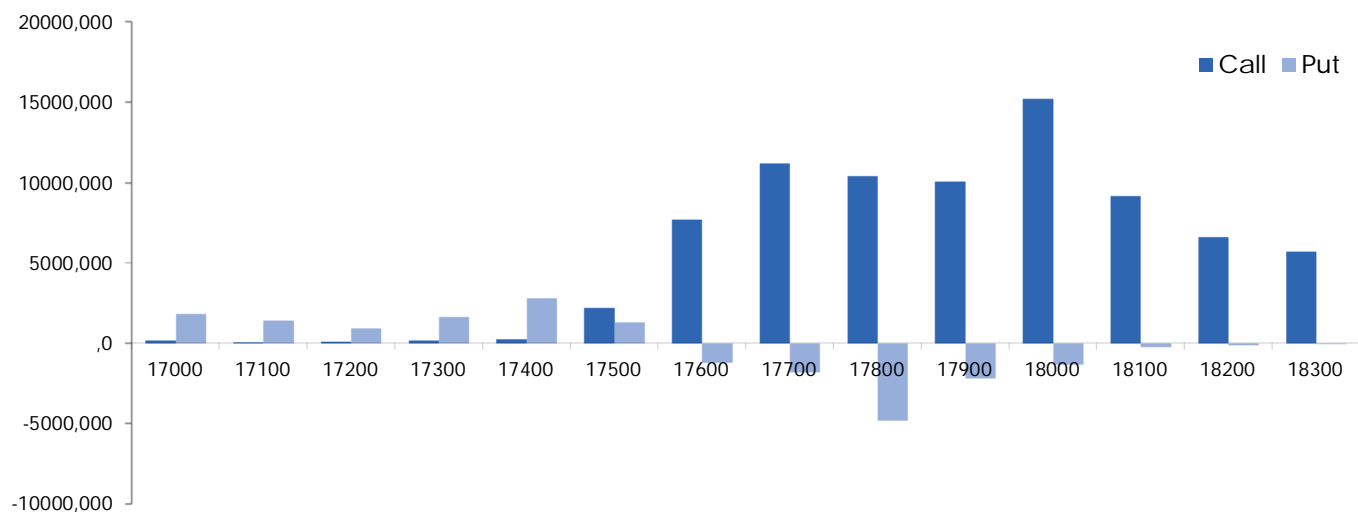
Action	Strike	Price	Risk	Reward	BEP
Buy	17600	39.50	25.15	74.85	17625.15
Sell	17700	14.35			
Buy	17600	39.50	33.35	166.65	17633.35
Sell	17800	6.15			
Buy	17700	14.35	8.20	91.80	17708.20
Sell	17800	6.15			

Bear-Put Spreads

Action	Strike	Price	Risk	Reward	BEP
Buy	17600	73.60	43.80	56.20	17556.20
Sell	17500	29.80			
Buy	17600	73.60	63.05	136.95	17536.95
Sell	17400	10.55			
Buy	17500	29.80	19.25	80.75	17480.75
Sell	17400	10.55			

Note: Above mentioned Bullish or Bearish Spreads in Nifty (**Feb Series**) are given as an information and not as a recommendation.

Nifty Put-Call Analysis



Daily Pivot Levels for Nifty Constituents

Scripts	S2	S1	PIVOT	R1	R2
ADANIEMT	1,270	1,337	1,449	1,516	1,627
ADANIPTS	513	530	557	574	600
APOLLOHOSP	4,379	4,414	4,475	4,510	4,571
ASIANPAINT	2,763	2,779	2,797	2,813	2,831
AXISBANK	822	828	835	841	849
BAJAJ-AUTO	3,773	3,807	3,849	3,882	3,924
BAJFINANCE	6,073	6,136	6,248	6,311	6,423
BAJAJFINSV	1,334	1,347	1,370	1,383	1,406
BPCL	313	317	320	324	327
BHARTIARTL	758	765	773	780	789
BRITANNIA	4,438	4,461	4,501	4,524	4,564
CIPLA	951	957	965	971	979
COALINDIA	209	210	213	215	217
DIVISLAB	2,888	2,904	2,921	2,937	2,953
DRREDDY	4,438	4,457	4,489	4,508	4,540
EICHERMOT	3,190	3,220	3,245	3,275	3,300
GRASIM	1,529	1,552	1,593	1,615	1,657
HCLTECH	1,081	1,087	1,096	1,102	1,112
HDFCBANK	1,589	1,602	1,622	1,634	1,655
HDFCLIFE	487	491	496	500	505
HDFC	2,574	2,596	2,630	2,652	2,686
HEROMOTOCO	2,470	2,485	2,510	2,524	2,549
HINDALCO	423	426	430	434	438
HINDUNILVR	2,459	2,477	2,500	2,517	2,541
ICICIBANK	823	831	843	851	862
INDUSINDBK	1,072	1,082	1,090	1,100	1,107
INFY	1,544	1,553	1,564	1,573	1,584
ITC	378	381	383	386	388
JSW STEEL	678	689	706	717	734
KOTAKBANK	1,680	1,690	1,708	1,718	1,736
LT	2,147	2,171	2,206	2,230	2,265
M&M	1,286	1,303	1,328	1,345	1,370
MARUTI	8,520	8,590	8,654	8,724	8,788
NESTLEIND	18,478	18,576	18,729	18,828	18,981
NTPC	166	168	171	173	175
ONGC	150	152	153	155	156
POWERGRID	211	213	215	217	219
RELIANCE	2,340	2,359	2,395	2,414	2,450
SBILIFE	1,111	1,121	1,135	1,145	1,159
SBIN	508	512	517	521	526
SUNPHARMA	959	964	971	976	983
TCS	3,363	3,382	3,415	3,434	3,467
TATACONSUM	711	716	725	730	739
TATAMOTORS	424	427	431	434	439
TATASTEEL	109	110	112	113	115
TECHM	1,110	1,118	1,126	1,134	1,142
TITAN	2,388	2,410	2,436	2,458	2,485
ULTRACEMCO	7,103	7,155	7,243	7,294	7,383
UPL	729	734	742	747	754
WIPRO	391	393	397	399	403

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