

# Daily Market Update

May 18<sup>th</sup>, 2018



## Nifty Technical Outlook: -

On Thursday, Nifty has opened on flat note and witnessed for volatile session loose the momentum on downside. It closed at 10683 with 58 points down. Technically the trend is likely to be down once it slips below 10660. In this case it may find the support at 10440-10330. It has a good support at 10330 and is likely to hold on downside. Till it holds the 10330, the bounce back is expected on chart. The bull's trend is likely to resume only if it trades above 10880 then it has potential to move towards 11200.

For the day, the trend is positive only if it trades above 10722 then it may move towards 10777-10820-10880. If it slides below 10660 then it slips further on downside and it may find the next support at 10620-10580.10550. Overall the biasness is on downside till it trades below 10770.

Index	Current	% Change
Sensex	35149.12	-0.67
NIFTY 50	10682.70	-0.54
INDIA VIX	13.3350	-0.74
NIFTY MIDCAP 50	5103.10	0.18
NIFTY BANK	26073.80	-0.41
NIFTY AUTO	11154.80	-0.09
NIFTY FMCG	28496.00	-1.28
NIFTY IT	13504.75	-0.15
NIFTY MEDIA	3261.20	-0.66
NIFTY METAL	3679.35	-0.45
NIFTY PHARMA	8403.00	0.05
NIFTY PSU BANK	2706.90	-0.11
NIFTY REALTY	307.35	0.10
NIFTY CONSUMPTION	4978.40	-0.64
NIFTY CPSE	2399.10	0.92
NIFTY ENERGY	13682.70	-0.75
NIFTY INFRA	3337.80	-0.48
NIFTY MNC	14354.20	-0.16

## Nifty F&O Highlights:-

Nifty May 10700 and 10900 Call strikes have seen the maximum addition of 9.7 and 8.4 lacs shares in Open Interest.

Nifty 10300 and 10400 Put strikes have seen the maximum addition of 3.8 and 1.9 lacs shares in open Interest.

Nifty 11000 Call strike has the maximum Open interest more than 58.8 lacs shares in open Interest followed by 10800 strike stood at more than 49.7 lacs shares among all Call strikes.

Nifty 10500 Put strike has the maximum Open Interest more than 57.2 lacs shares followed by 10700 strike stood at more than 43.6 lacs shares.

## Reference level for Nifty (Spot)

Index	Support1	Support2	Reference Point	Resistance1	Resistance2
Nifty(Spot)	10750	10700	10800	10870	10950

			Participant wise Open Interest Outstanding							
Date	Category	Future Index Long	Future Index Short	Option Index Call Long	Option Index Call Short	Option Index Put Long	Option Index Put Short	Future Stock Long	Future Stock Short	Nifty Spot close
16-May-18	Client	238627	199759	571297	660210	664601	908232	1090325	436888	
16-May-18	DII	26060	74716	58861	0	93430	0	37788	923561	10741.1
16-May-18	FII	128983	91743	239841	90422	402990	176202	698289	534191	
16-May-18	Pro	21235	48687	146766	266132	144601	221188	173774	105536	
24-Jan-18			Change in Open Interest- Participant wise							
Date	Category	Change in Future Index Long	Change in Future Index Short	Change in Option Index Call Long	Change in Option Index Call Short	Change in Option Index Put Long	Change in Option Index Put Short	Change in Future Stock Long	Change in Future Stock Short	Nifty Future close
16-May-18	Client	-3787	-11917	95182	50464	-38204	1286	9311	-1972	
16-May-18	DII	-3	-772	0	0	0	0	139	3189	10764
16-May-18	FII	-4953	3509	685	-2418	20293	-1212	1611	7733	
16-May-18	Pro	-1200	-763	-2631	45190	-10773	-28758	3390	5501	

		Change in Open Interest					Total Open Interest						
Date	Change in Future Index Long	Change in Future Index Short	Change in Option Index Call Long	Change in Option Index Call Short	Change in Option Index Put Long	Change in Option Index Put Short	Total Longs	Total Shorts	Net position	Change in Longs	Change in Shorts	Net Long / Short	Nifty close
18-Apr-18	18689	-9150	-2454	2375	2934	4049	20283.33	640491.	-134676	20283.	-3840	24124	10526.2
19-Apr-18	8349	-1901	-711.	-1083	751	7094	14731.67	638258	-117711	14731	-2233	16965	10560.4
20-Apr-18	6821	3689	1492	-2033	-1873	1998	10311	638041	-107183	10311	-217	10528	10560.4
23-Apr-18	3382	1475	-5605	5948	13889	2094	-129	659353	-128624	-129	21312	-21441	10560.4
24-Apr-18	-6294	-10458	-5045	-10603	6391	-17348	-28687	644683	-142641	-28687	-14670	-14017	10614.4
25-Apr-18	9537	7720	-4516	7514	7812	-5432	-411	667729	-166098	-411	23046	-23457	10570.6
26-Apr-18	-32541	-89705	-52659	-17952	-150750	-76599	-161799	409322	-69490	-161799	-258407	96608	10617.8
27-Apr-18	12114	3281	17709	5036	6595	19896	49719	424234	-34683	49719	14912	34807	10692.3
30-Apr-18	5833	2390	8257	2388	23653	2904	16994	452665	-46120	16994	28431	-11437	10692.3
2-May-18	-3183	1187	-1345	694	15931	17000	12472	470477	-51460	12472	17812	-5340	10718.1
3-May-18	5374	-1338	-5902	-2009	2253	-5308	-5836	469383	-56202	-5836	-1094	-4742	10679.7
4-May-18	286	6511	1337	2680	17972	2039	3662	496546	-79703	3662	27163	-23501	10618.3
7-May-18	1042	-425	1906	2780	11045	2464	5412	509946	-87691	5412	13400	-7988	10715.5
8-May-18	2607	4331	3363	-1470	5915	810	6780	518722	-89687	6780	8776	-1996	10717.8
9-May-18	5760	3434	10397	2835	5799	7281	23438	530790	-78317	23438	12068	11370	10741.7
10-May-18	241	-391	-1241	382	-2160	2204	1204	528621	-74944	1204	-2169	3373	10716.6
11-May-18	16957	5626	13040	1016	-6905	12941	42938	528358	-31743	42938	-263	43201	10806.5
14-May-18	3524	883	3027	10827	6576	16613	23164	546644	-26865	23164	18286	4878	10806.6
15-May-18	10627	1651	13703	-4902	20378	6397	30727	563771	-13265	30727	17127	13600	10801.9
16-May-18	-4953	3509	685	-2418	20293	-1212	-5480	585155	-40129	-5480	21384	-26864	10741.1
16-May-18	-4953	3509	685	-2418	20293	-1212	-5480	585155	-40129	-5480	21384	-26864	10741.1

FII's have reduced the long position in Index Future on Wednesday. They have reduced 4953 in Index Future long while they have added the positions in Index Future short by 3509. On option side, they have reduced the 1212 Open Interests in Index PUT short where they have added 20293 in Index PUT long. On Call side, they have reduced 2418 in Index CALL short and added 685 in Index CALL long. Overall, they have reduced the 5480 positions in long against short added by 21384.

**Today News / Corporate Action**

**Tata Steel:** Bannipal Steel, a Tata Steel unit at the vanguard of the parent company's current acquisition drive for insolvent mills, has raised about Rs 5,000 crore by selling commercial paper (CP), seeking to use the proceeds for immediate debt repayment. The special-purpose vehicle will be the financing conduit for Tata Steel's Rs 35,200-crore acquisition of the debt-laden alloy maker from lenders. CPs are short-term debt instruments issued by companies.

**Reliance Power:** Anil Ambani-led Reliance Power has exited the ultra-mega power project (UMPP) that it had bagged in Talaiya by selling it to the state-run Jharkhand Urja Vikas Nigam for Rs 113 crore, after the project didn't take off and the company terminated power purchase agreements with different states.

**DHFL:** Mortgage lender Dewan Housing Finance is planning to raise Rs 50,000 crore through the debt market and bank borrowings in the current financial year to support business growth, a top official said today. Of this, the company is looking to raise up to Rs 12,000 crore through issuance of non-convertible debentures (NCDs) next week.

**Banking stocks:** The Reserve Bank of India on Thursday announced final guidelines on net stable funding ratio (NSFR) according to the Basel III framework. Basel III has two liquidity frameworks one called liquidity coverage ratio (LCR) dealing with short-term liquid investments by banks and another called NSFR which promotes resilience over a longer-term time horizon by requiring banks to fund their activities with more stable sources of funding on an ongoing basis.

**ITC:** CLSA has maintained 'buy' rating on ITC and raised target price to Rs 340 from Rs 330. The firm said ITC's cigarette and FMCG business performance for the fourth quarter of FY18 was in-line/ahead of expectation although other businesses were much weaker.

**Sun Pharma:** The pharma major announced that one of its wholly-owned subsidiaries has launched in US, the Authorized Generic (AG) version for Daiichi Sankyo Inc.'s Welchol (colesevelam hydrochloride) 625mg tablets.

**Increase in Open Interest & Increase in Price**

Symbol	Current Price	% Change in Price	Current OI	% Change In OI
BAJFINANCE	2070.25	7.52	13777	21.17
UJJIVAN	406.85	2.46	4535	14.61
GRANULES	103.5	6.70	3242	10.65
BAJAJFINSV	5593	4.58	5687	8.57

**Increase in Open Interest & Decrease in Price**

Symbol	Current Price	% Change in Price	Current OI	% Change In OI
TVSMOTOR	583.3	-3.89	6265	22.96
MUTHOOTFIN	415.75	-1.39	1507	13.91
CIPLA	551	-0.99	14349	12.59
SRF	2248.9	-0.87	1018	10.53

**Decrease in Open Interest & Increase in Price**

Symbol	Current Price	% Change in Price	Current OI	% Change In OI
RCOM	17.4	64.15	3717	-12.56
JUSTDIAL	455.95	3.12	2927	-4.56
CUMMINSIND	747	1.17	1367	-2.57
SAIL	76.6	3.16	8019	-2.47

**Decrease in Open Interest & Decrease in Price**

Symbol	Current Price	% Change in Price	Current OI	% Change In OI
ICICIPRULI	426.4	-1.94	4321	-3.14
NIFTYIT	13510	-0.43	1154	-2.12
MRF	74800	-0.54	2279	-1.47
PCJEWELLER	168.55	-2.12	5399	-1.35

**Global Equity Indices (Asian Indices at 8:40 am)**

Indices		
Dow 30	24713.98	-0.22
S&P 500	2720.13	-0.09
NASDAQ	7382.47	-0.21
S&P 500 VIX	13.4300	0.07
AEX	568.96	0.68
CAC 40	5621.92	0.98
FTSE 100	7787.97	0.70
DAX	13114.61	0.91
BOVESPA	83621.95	-3.37
HANG SENG	30993.00	0.16
NIKKEI 225	22928.50	0.39
KOSPI	2454.63	0.25
China A50	12516.60	0.27

Date	Event	Country	Actual	Expected
03/05/2018	Nikkei Services PMI FEB	INR	47.8	51.3
	ISM Non-Manufacturing PMI	US		59.5
03/07/2018	ADP Employment Change FEB	US		54.8
	Balance of Trade JAN	US		\$ -52.8B
03/09/2018	Foreign Exchange Reserves	INR		\$420.8B
03/12/2018	Industrial Production YoY	INR		7.4%
	Inflation Rate YoY FEB	INR		8.6%
03/15/2018	Balance of Trade FEB	INR		\$ -15.3B
03/23/2018	Foreign Exchange Reserves	INR		\$420.7B
03/28/2018	Government Budget Value FEB	INR	-6765.59B	-6253.6B
03/30/2018	Government Budget Value FEB	INR		-6253.6B
	Deposit Growth YoY	INR		
	External Debt Q4	INR		\$503.5B
04/02/2018	Nikkei Manufacturing PMI MAR	INR	52.1	51.99
04/05/2018	Cash Reserve Ratio	INR	4%	
	RBI Interest Rate Decision	INR	6%	
04/12/2018	Industrial Production YoY FEB	INR		8.97%
	Inflation Rate YoY MAR	INR	4.44%	5.1%
	Manufacturing Production YoY FEB	INR	8.7%	12.02%
04/13/2018	Balance of Trade MAR	INR	\$ -12B	\$ -14.5B
04/27/2018	Deposit Growth YoY	INR	8%	-
05/02/2018	Nikkei Manufacturing PMI	INR		51.1
05/02/2018	Fed Interest Rate Decision	US		1.75%
05/04/2018	Foreign Exchange Reserves	INR		50.9
	Non-Farm Payroll APR	US		195K
05/11/2018	Bank Loan Growth YoY	INR	-	-
	Inflation Rate YoY	INR	-	4.5%
	Industrial Production YoY	INR		6%
05/15/2018	Balance of Trade Apr	INR		\$ -10.1B
05/31/2018	GDP Growth Rate YoY	INR		7%
	Government Budget Value	INR		-5653.2B
06/06/2018	RBI Interest Rate Decision	INR		6%

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