



MORNING MANTRA



Daily Derivatives & Market Report

JULY 25, 2022



Monday turned out to be a weak day for Indian equity benchmarks, with both Sensex and Nifty ending on a lower note. After a negative start, markets remained in red for the entire trading session, as cautiousness came in with a private report that Indian rupee may further depreciate to 82 to a dollar in the near term due to widening of trade deficit and expected aggressive rate hike by the US Fed later this week to tame record high inflation. Traders remained cautious with India Ratings' report stated that the banks are unlikely to take a big hit on profitability this quarter due to rising bond yields, which may eat up 5.3 per cent (Rs 11,790 crore) of their net income in the worst-case scenario. It also said that in the worst-case scenario, banks may see a profit erosion of 2.6 per cent of their pre-provisioning operating profit and 5.3 per cent of their post-tax profit from treasury losses in Q1.

In the last hours of the trade, markets staged some recovery but failed to sustain it and ended in red. Domestic sentiments remained negative, as the government is not considering extending the last date for filing income tax returns as it expects most returns to come in by the due date of July 31. Revenue Secretary Tarun Bajaj said over 2.3 crore income returns were filed by July 20 for fiscal 2021-22 and the numbers are picking up. Adding more concerns, a private report stated that the consumer IT spending in the Asia-Pacific region, already taking the brunt in the ongoing tight market conditions, is set to further slide in 2023, depending on the severity of the economic slowdown. The risk of recession worldwide has continued to rise amid increasing inflation and the expectation of a tightening monetary policy.

On the global front, European markets were trading lower as investors weigh a clouded outlook for the economy and brace for a busy earnings week. Asian markets settled mostly lower on Monday, even after Taiwan's unemployment rate held steady in June after rising in the previous month. The Directorate General of Budget Accounting & Statistics showed that the seasonally adjusted jobless rate came in at 3.73 percent in June, the same rate as in May. In the corresponding month last year, the unemployment rate was 4.76 percent. On an unadjusted basis, the jobless rate increased to 3.74 percent in June from 3.68 percent a month ago.

Back home, sugar industry stocks remained in focus, as India's sugar production may fall slightly to 355 lakh tonnes in the 2022-23 marketing year starting October, due to diversion of sugarcane towards ethanol manufacturing. Besides, white goods companies stocks were also in focus, as terming the performance linked incentive (PLI) in White Goods as a win-win for India, Industry and the people, Minister for Commerce and Industry, Consumer Affairs, Public Distribution and Textiles, Piyush Goyal has said that the PLI scheme is being used to only encourage the industry to take the first few steps to compete in the global market and give it the initial push to bring scale to business.

MARKET SELFIE



MARKET SUMMARY

Domestic Indices	Close	Points	% Change
SENSEX	55766.22	-306.01	-0.55
NIFTY	16631.00	-88.45	-0.53
MIDCAP	23666.44	6.07	0.03
SMLCAP	26739.14	-34.27	-0.13
BSEFMC	15387.36	-57.58	-0.37
AUTO	28472.21	-490.90	-1.69
POWER	4457.40	-2.39	-0.05
REALTY	3486.33	-14.85	-0.42
BSE IT	28726.36	-3.13	-0.01
BANKEX	42337.54	-67.76	-0.16
OIL GAS	18346.60	-158.60	-0.86
METAL	17071.68	252.37	1.50
INDIA VIX	17.68	1.03	6.19

ADVANCE - DECLINE

Index	Advance	Decline	Unchanged
NSE	1054	1207	44
BSE	1513	1908	177

MARKET TURNOVER (₹ in Crs)

Segment	Current	Previous	Net %
BSE CASH	3039	2986	2
NSE CASH	55622	47835	16
NSE F&O	214033	157472	36

KEY INDICES RATIOS

INDEX	P/E	P/B	Dividend Yield
NIFTY	20.44	4.01	1.38
SENSEX	22.11	3.21	1.28

KEY NUMBERS TRACKER



FII – DII ACTIVITY IN CASH SEGMENT (₹ in Crs)

FII-DII*	Buy	Sell	Net
DII	5271	5343	(72)
FII	13602	14447	(845)

Note: FPI & DII Figures are provisional

FII ACTIVITY IN DERIVATIVES SEGMENT (₹ in Crs)

FII	Buy	Sell	Net
Index Futures	2876.23	3862.75	(987)
Index Options	720047.85	718940.44	1107
Stock Futures	49539.90	50168.86	(629)
Stock Options	12589.19	12385.45	204

PUT-CALL RATIO

Index	Current	Previous
NIFTY	1.18	1.42
BANK NIFTY	1.07	1.17

DOLLAR INDEX

Dollar Index	Current	Previous	% Change
DXY	106.46	106.56	-0.10

10-YEARS G-SEC YIELD

Country	Current	Previous	% Change
INDIA	7.393	7.414	-0.28
USA	2.798	2.781	0.60

KEY COMMODITIES TRACKER (in \$)

Commodity	Current	Change Points	% Change
Gold	1730.85	5.03	0.29
Silver	18.69	0.14	0.77
Crude-Oil	95.72	1.02	1.08
Brent-Crude	104.33	1.13	1.09

CURRENCY FUTURES & INDEX TRENDS TRACKER



CURRENCY FUTURES

Expiry	Close	Change Points	% Change
27 JULY -22 USD-INR	79.81	-0.13	-0.16
27 JULY -22 EUR-INR	81.75	0.48	0.59
27 JULY -22 GBP-INR	96.34	0.80	0.84
27 JULY -22 JPY- INR	58.47	0.19	0.33

INDICES – SUPPORT-RESISTANCE-PIVOT LEVELS

Index	Close	S2	S1	Pivot	R1	R2
NIFTY	16631	16492	16561	16634	16703	16776
SENSEX	55766	55293	55530	55774	56011	5255
NIFTY FUTURES	16620	16485	16553	16629	16696	16772
BANK NIFTY	36726	36188	36457	36734	37004	37281
CNX IT	28216	27712	27964	28143	28394	28573
CNX MIDCAP	29021	28774	28897	28994	29118	29215
CNX SMALLCAP	9076	8977	9027	9084	9134	9191
INDIA VIX	17.68	15.53	16.60	17.26	18.33	18.99

INDEX TREND ANALYSIS

Index	Daily	Weekly	Monthly
NIFTY	Buy	Neutral	Neutral
SENSEX	Buy	Neutral	Neutral
NIFTY FUTURES	Buy	Neutral	Neutral
BANK NIFTY	Buy	Neutral	Neutral
CNX IT	Neutral	Neutral	Neutral
CNX MIDCAP	Buy	Neutral	Neutral
CNX SMALLCAP	Buy	Neutral	Neutral
INDIA VIX	Neutral	Sell	Neutral

SECURITIES BAN IN F&O TRADES FOR 26-07-2022

IBULHSGFIN

TECHNICAL VIEWS



NIFTY

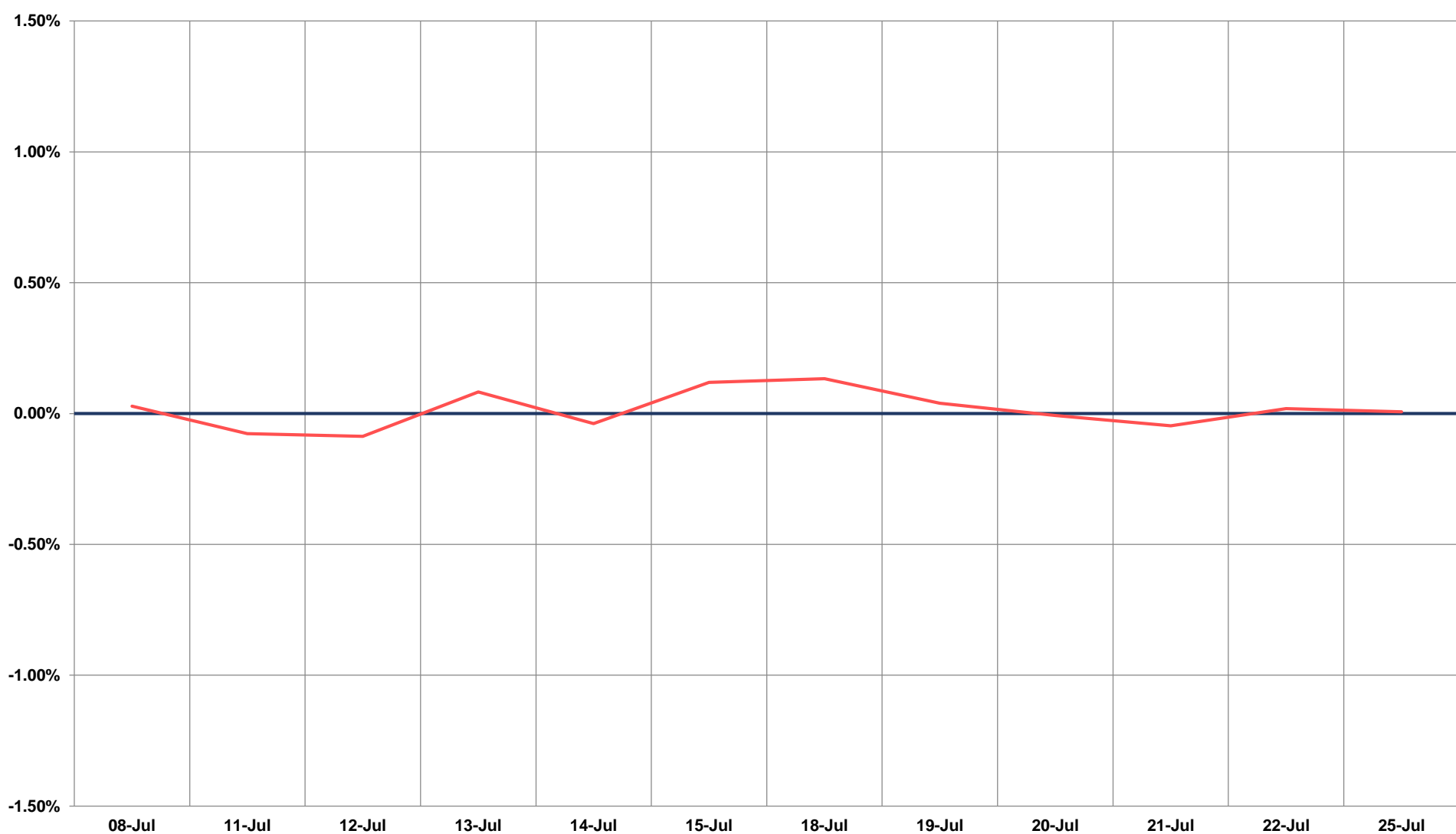
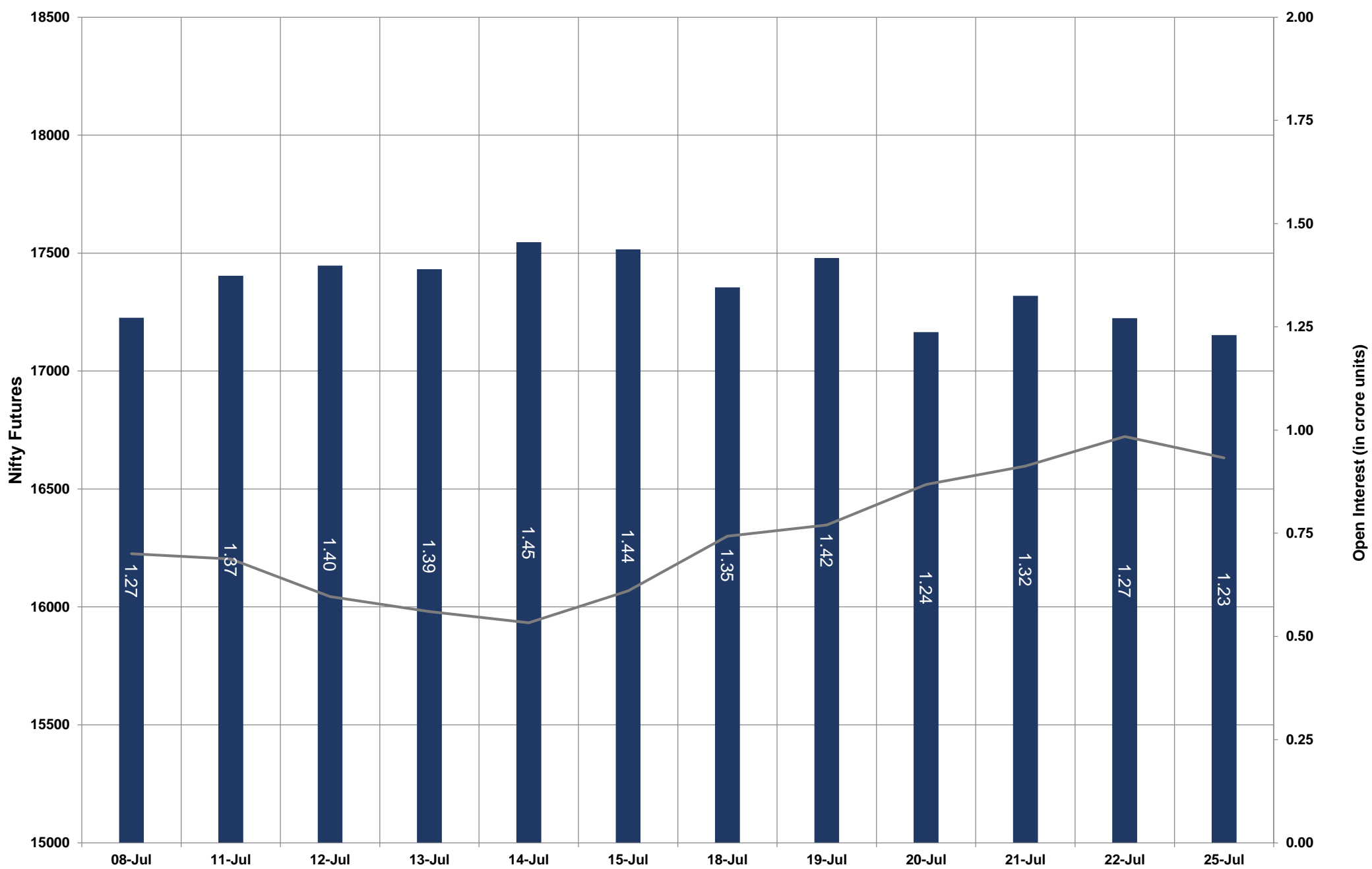


- Nifty Cash = **16631.00 (-0.53%)**
- Resistance levels = **16750** and **16820**
- Support levels = **16480** and **16360**

TECHNICAL VIEWS



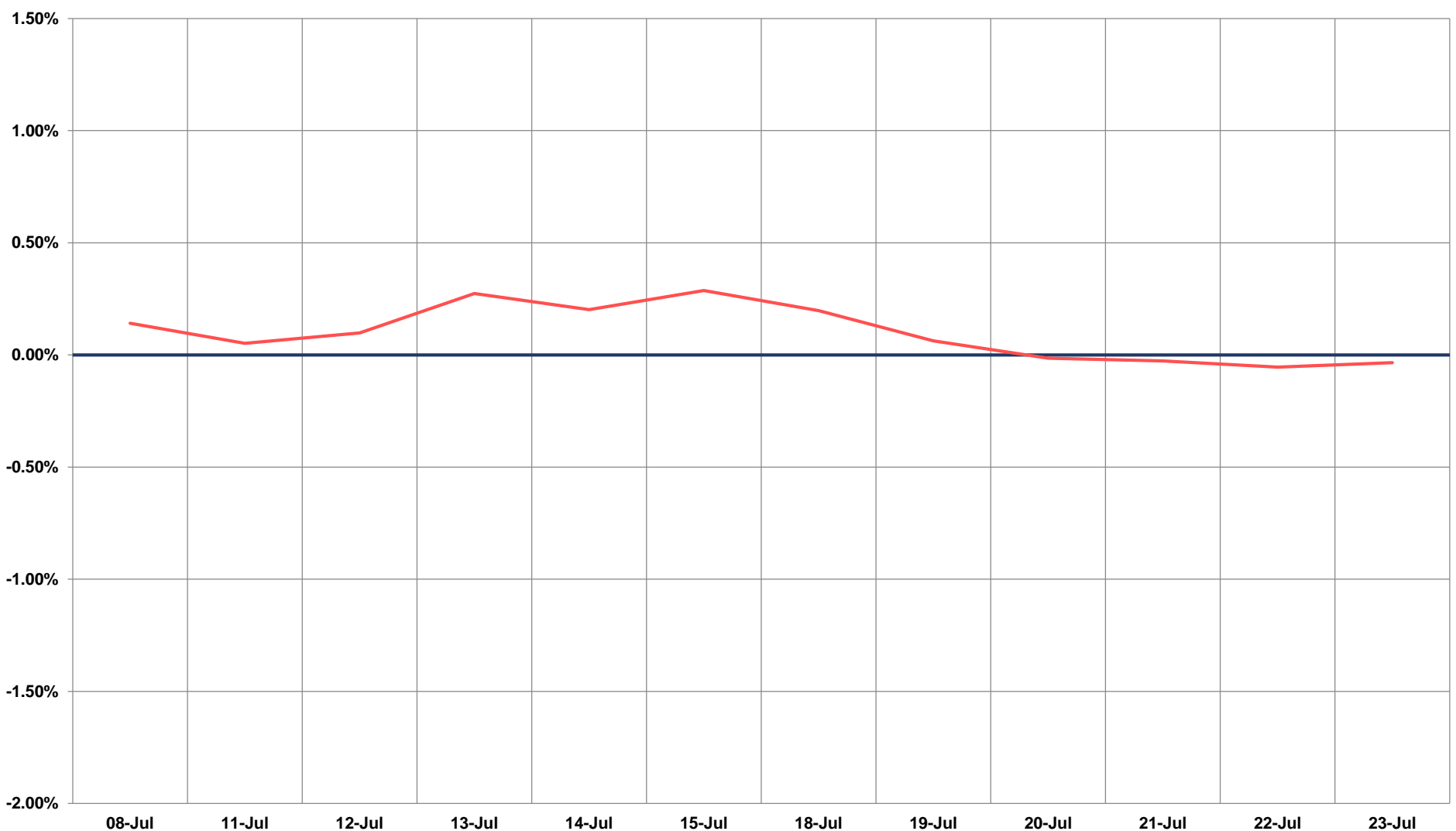
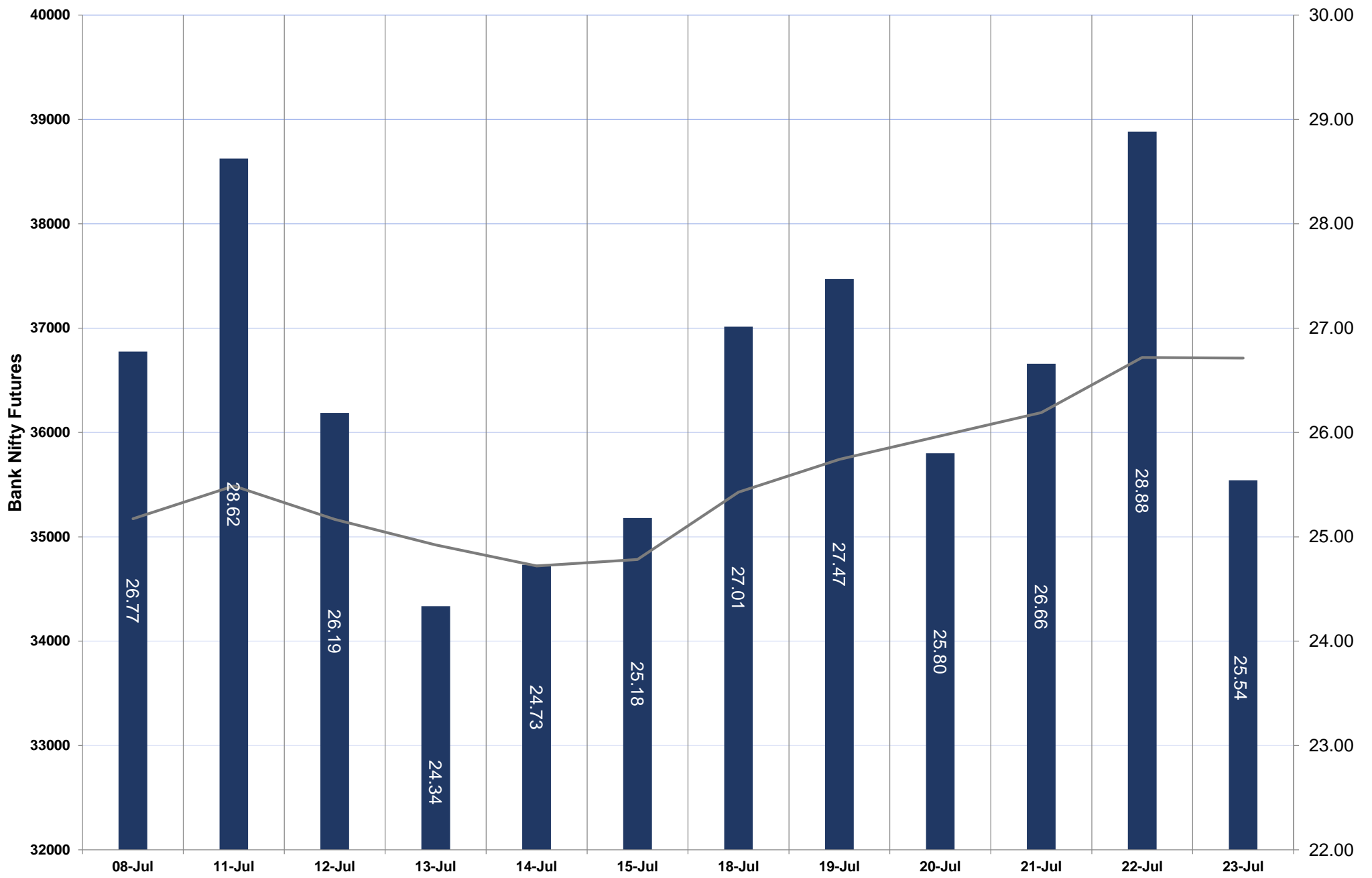
NIFTY FUTURES



TECHNICAL VIEWS



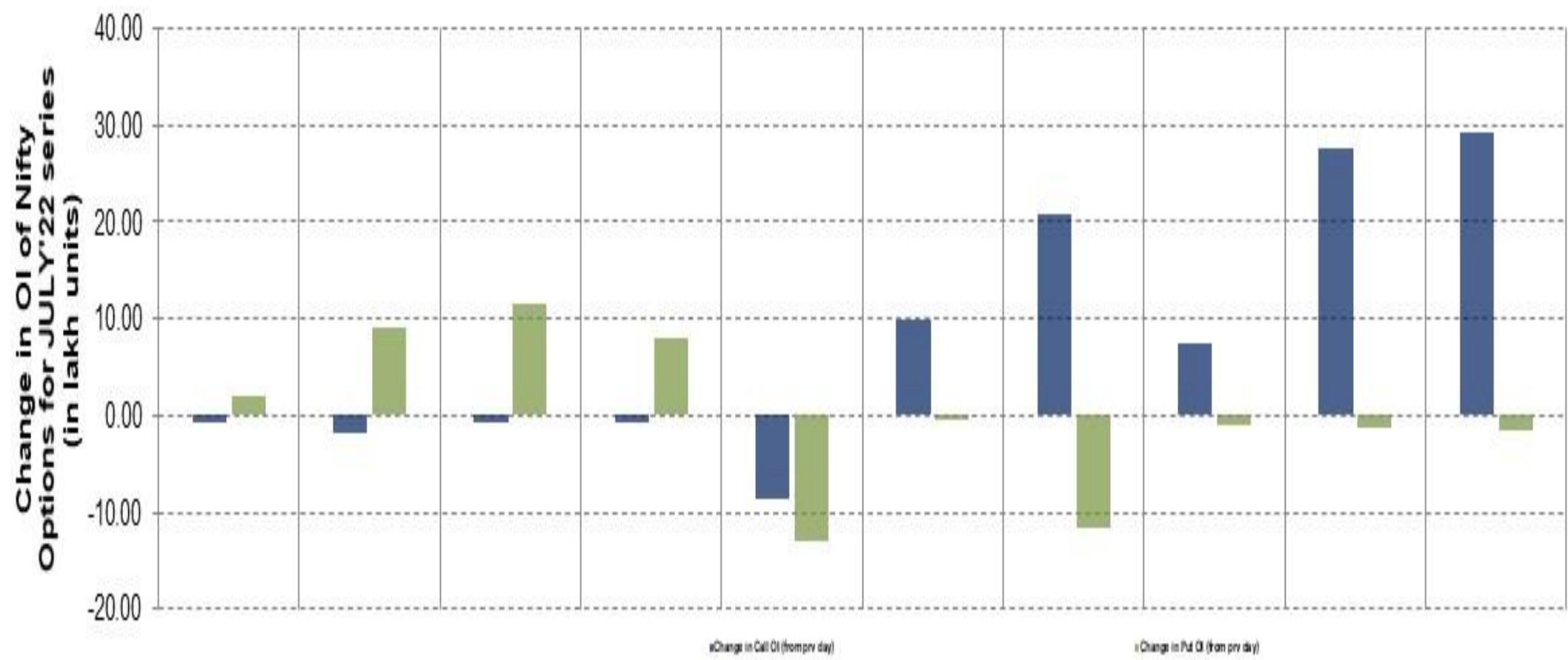
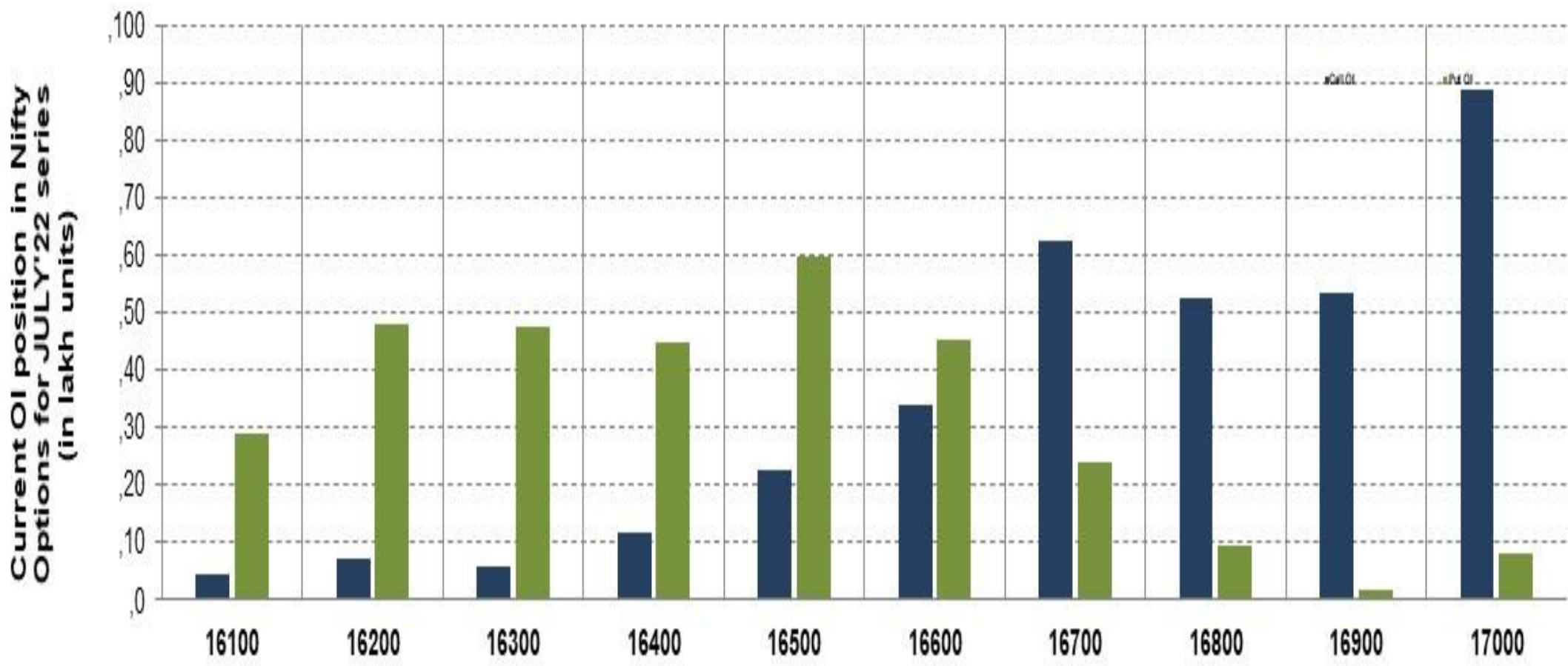
BANK NIFTY FUTURES



TECHNICAL VIEWS



NIFTY OPTIONS



Change in Call OI (from prev day)

Change in Put OI (from prev day)

- **Most Active Nifty Call** with an addition of **2.07 million** in Open Interests is **Strike Price of 16700**
- **Most Active Nifty Put** with a reduction of **1.30 millions** in Open Interests is **Strike Price of 16500**
- **Maximum Open Interest an outstanding** was **8.87 millions** for Calls at **Strike Price of 17000**
- **Maximum Open Interest an outstanding** was **5.98 millions** for puts at **Strike Price of 16500**

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