

CCIC 4.0 : Group J

Date: 30 December 2022



Market Commentary - Intended for Institutional Clients

The markets ended in the red today. However the change was almost flat, mostly because of mixed global cues. The day started with the markets erasing Tuesday's gains. The US and Asian markets along with SGX Nifty ended lower. The reopening of the Chinese economy has raised concerns about the spread of the virus. But it may also revive demand for goods - reasons that led to mixed global cues. Energy, realty, auto, and consumption stocks ended in the green today.

Global Markets

The SGX Nifty was trading lower (-0.4%) than its previous close, suggesting a negative start for the Nifty50 today. Major Asian markets are also trading in the red. Nikkei 225 in Japan fell 1.3%, while Hong Kong's Hang Seng index lost 1.2%. U.S. stocks finished sharply lower on Wednesday as a sell-off in Oil & Gas stocks and tech heavyweight Apple (-3%) pushed all the three major indices lower. The Dow Jones after cutting its early gains fell 1.1% to finish at 32,875, while S&P 500 fell 1.2% and ended the day at 3,783. The tech-focused Nasdaq Composite dropped 1.3% and ended the day at 10,213.

Index Action

Nifty50 January Futures: 18,228  23 (-0.1%) OI contracts: 1,55,022 (+35%) Amid muted global cues, the Nifty50 index traded in a narrow range and closed Wednesday's session flat. The index took a breather and once again faced a hurdle around the 18,200 mark, where the highest open interest is placed on the call side for this month's expiry. Sectorally, gains in Oil & Gas (+1.2%) and Auto (+0.6%) stocks were offset by losses in Pharma (-0.5%), Metal (-0.2%) and IT (-0.1%) pack. Nifty50's options contracts expiring on 29 December have sizable positions at 18,200 and 18,300 call options and 18,000 and 18,100 put options. As per options data and OI analysis, the broad range for the Nifty50 is between 17,400 and 18,500 levels. On the other hand, 17,900 and 18,300 are the critical levels to watch for the current week. Bank Nifty January Futures: 42,990  84 (-0.2%) OI contracts: 67,074 (+26%) After a negative start, the Bank Nifty index rebounded from the day's low but witnessed selling pressure around the 43,000-mark. The index traded in a range of 300 points and closed Wednesday's choppy session flat. Among banking stocks, Bank of Baroda (+2.3%) and Punjab National Bank (+1.2%) were the top gainers, while Bandhan Bank (-1.6%) and Axis Bank (-0.8%) dragged during yesterday's session. Bank Nifty's options contracts expiring on 29 December have sizable positions at 43,000 and 43,500 call options and 42,000 and 42,500 put options. As per options data and OI analysis, the broad range for the Bank Nifty is between 42,000 and 43,600 levels. On the other hand, 42,400 and 43,200 are the critical levels to watch for the next week.

Sector Update

- ★ India-Australia Free Trade Agreement (FTA) is now in force. 96.4% of India's exports to Australia will not attract any customs duty.
- ★ India's current account deficit widened to 4.4% of GDP at \$36.4 billion in the September quarter. It stood at 2.2% in the April-June quarter.
- ★ Negative reports will now be mandatory at Indian airports for flyers from China and 5 other countries.
- ★ Mamaearth is aiming to raise Rs 400 cr via an IPO, as per media reports.
- ★ The Production-Linked Incentive (PLI) scheme for automobile and auto components has attracted a proposed investment of Rs 67,690 cr in the past 5 years. The target was Rs 42,500 cr.
- ★ JSW Energy acquires Ind-Barath Energy (Utkal) : JSW Energy has completed the acquisition of 700 MW Ind-Barath Energy (Utkal) through insolvency proceedings. As per the resolution, JSW Energy will pay ₹1,047 crore for 95% equity stake, while the balance 5% will be collectively held by the secured financial creditors.

★ KFin Technologies debuts today : Shares of KFin Technologies, which runs a financial service platform, is expected to list on the bourses on 29th December. The company's IPO was subscribed 2.5 times. It raised ₹1,500 crore through the IPO which was priced in the range of ₹347-366 apiece.

★ Ashoka Buildcon secures new order : Infrastructure firm Ashoka Buildcon has bagged a project worth ₹754 crore. The new project comes from Madhya Pradesh PoorvKshetra Vidyut Vitaran Company and involves supply, installation and commissioning of a new 11 KV line.

FII/FPI and DII 💰

The Foreign Institutional Investors (FIIs) sold shares worth ₹872 crore, while Domestic Institutional Investors (DIIs) purchased shares worth ₹372 crore in the cash market. In the derivatives market, FIIs bought index futures worth ₹384 crore and sold index options worth ₹908 crore. Further, they sold stock futures worth ₹258 crore and bought stock options worth ₹79 crore.

Derivatives 📈

Turnover on the National Stock Exchange's futures & options (F&O) segment was Rs 356.72 lakh crore compared with Rs 159.17 lakh crore reported in the previous session. In the cash market, the Nifty 50 index added 68.50 points or 0.38% to settle at 18,191. The NSE's India VIX, a gauge of market's expectation of volatility over the near term, fell 3.78% to 14.81. Reliance Industries (RIL), ICICI Bank and Adani Ports and Special Economic Zone were the top traded individual stock futures contracts in F&O segment of NSE. The January 2023 F&O contracts will expire on 25 January 2023.

Stock Futures 📊

Long Build-up was seen in Mahindra and Mahindra, UPL, Canara Bank, TVS Motor and Power Grid

Short Build-up was seen in HDFC AMC, SBI Cards, ONGC, Biocon and Sun TV

Under F&O Ban: Balrampur Chini Mills and Indiabulls Housing Finance

📌 In Futures and Options or F&O, long build-up means an increase in Open Interest (OI) along with an increase in price, and short build-up means an increase in Open Interest (OI) along with a decrease in price. . . Source: nseindia.com. Cash market figures are provisional.

Nifty200 NEWS 📰

- 👉 Bank of Baroda(BANKBARODA.NS) : Gravity-defying stocks this year: Are the returns for real?
- 👉 Reliance Industries Ltd.(RELIANCE.NS) : Trade Spotlight | What should you do with Reliance, NALCO, Welspun Corp on Wednesday?
- 👉 Godrej Properties: acquired around 9 acres of land in Gurugram to build a residential project.
- 👉 Zomato: CEO Deepinder Goyal announced that Zomato Gold (company's loyalty subscription program) will be back soon.
- 👉 JK Tyre: announced plans to become carbon neutral by 2050.
- 👉 Tata Consumer Products: company's subsidiary has acquired a 23.3% stake in Joekels Tea Packers.
- 👉 HDFC: sold a 2.18% stake in Siti Networks.
- 👉 Purvankara: approved issue of debentures worth Rs 230 cr.
- 👉 NTPC: company's Nokhra project will begin commercial production on Dec 30.
- 👉 ICICI Prudential: Assets Under Management (AUM) of ICICI Prudential Life Insurance Company has crossed Rs 2.5 trillion.

Index level Reporting 🏛️

Market Turnover


	Product	Previous Volume	Δ Volume (%)	Previous OI
0	Equity	2971758181	-8.0553	-
1	Index Futures	490808	26.9497	363635
2	Index Options	323260114	109.7021	10818182
3	Stock Futures	1946961	3.2500	2899118
4	Stock Options	2475440	-23.2996	2483801

FII and DII Activity(₹crores)

	Category	29 December	28 December	30D Average Net Purchase
0	FII Cash	-572.7800	-872.5900	-537.1524
1	DII Cash	515.8300	372.8700	1,042.5205
2	FII Index Futures	384.9300	384.9300	-508.2710
3	FII Index Options	-908.0500	-908.0500	1,848.6455
4	FII Stock Futures	-258.5900	-258.5900	-237.4645
5	FII Stock Options	79.6200	79.6200	-24.1405

Options Snapshot

	Category	29 December	28 December	1D change
0	FII Index Call Options	-76535	1231	-77766
1	DII Index Call Options	-318	0	-318
2	FII Index Put Options	-112907	-6419	-106488
3	DII Index Put Options	-10474	2000	-12474

 Sources: MoneyControl, NSE India, Equis, Groww, Upstox, Capital Market