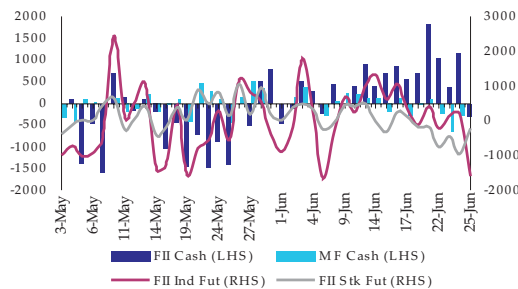


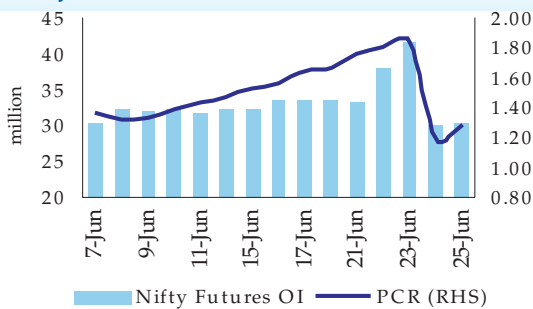
**Nifty Heavy Weights**

Stock	Bias	CMP	Sup	Res
Reliance Inds	Bullish	1,063	1,040	1095
ITC	Bullish	301	286	305
ICICI Bank	Bearish	857	813	870
ONGC	Sideways	1,263	1,220	1300
Tata Steel	Bearish	490	470	524

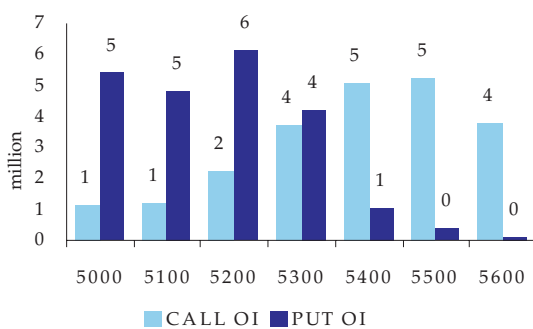
**Institutional Flows**



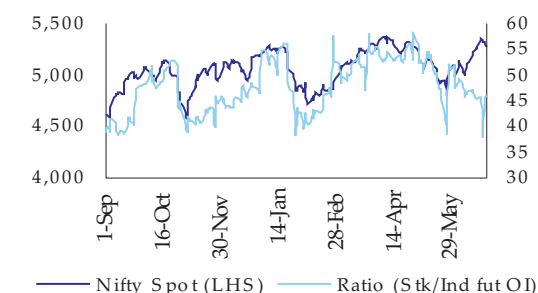
**Nifty Futures OI vs PCR**



**Option Distribution**



**Market Leverage Ratio**



**NIFTY SPOT - Weekly**



**Charts Recap**

- Nifty has formed a "Shooting star" pattern on weekly charts. However this pattern would be completed only if it has a follow in the next week and give a close below the low of 5259 levels
- In the near term 5400 would act as the stiff resistance on the upper side. However, on the lower side 5205, 5180 would act as strong support. A decisive breach above 5400 Nifty is poised for big bull move
- In spite of sideways global move Nifty has given a positive weekly close and outperformed the global indices. However **bearish view on global cues may hold Nifty upside breakout for a while**

**Derivatives Recap**

- Nifty June-July rollover was at 70%, in line with 3M and 6M average rolls. The roll cost being positive at 6-7 bps for 3 days prior to expiry has turned negative 4 bps on the D day. Nearly 3.3 lac lots got added in July series with a positive roll cost whereas 1.5 lac lots got added on the expiry day with a negative roll cost, **hence indicating more participation on the long side**
- The largest OI base is at 5200 (put) and 5500 (call). **Significant accretion in 5400, 5500 calls along with 5200 put suggests a range of 5200-5400 for the coming week.** The ATM IV is at 18.3 and since it is a longer expiry we suggest not to write options
- The 2nd week of June saw **FII's covering their short positions in index** when Nifty bounced from 4970 to 5100 levels and thereafter formed long positions above 5100 mark. This was coupled with a cash buy of Rs 6000 crores during the same period indicating **accumulation at lower levels**

**Next Week Outlook**

- For the coming week **Nifty is expected to trade in a range of 5180-5400** since maximum accretion of OI was seen in these strike price options. We would look forward to considering longs around 5200
- The market leverage ratio (stock futures OI/index futures OI) is at 46 mark. It has generally peaked near 57-58 levels, thus suggesting that there is still room on the upside

SECTOR OUTLOOK

Oil & Gas



- Oil & gas index has consolidated for the past 12 months and is very near its strong resistance. A forcefull break-out upwards is likely to unfold into a sharp rally
- RSI at 62 exhibits a further potential for an up move in the upcoming trading session
- **Accumulate with a target return of 10-15 % in this index**
- BPCL ,IOC & ONGC can be considered for accumulation on any corrective dip

Bank Nifty



- Bank nifty trades above the support level of 9220. It is **expected to trade in the range of 10000 to 9200 for the upcoming trading sessions**. Direction is likely to be determined only by the range breach on either side. **There is a higher probability for this index to touch its support area**

Metals



- The sector has seen a rollover of 84% with the highest rolls seen in Tata Steel (89%) and Sterlite (87%). The rolls in Tisco were at a negative roll cost and hence we believe these are strong hands rolling over in July series. Moreover, accretion of fresh shorts in metal stocks on Friday suggests a **short-term downside**. **However, technically metals seem to be consolidating and we would look forward to accumulating any falls**

BANK OF BARODA

Accumulate(695 - 670)

CMP: 693

Target: 763 (10%)

Horizon: 1 Month



- Bank of Baroda has corrected from 750 to 680. It is expected to take support around 670 levels
- Technical indicator enters the oversold zone. Cluster around 670 levels looks attractive for a accumulation for a possible upside of 10 %
- Although short rolls to the tune of 83% were witnessed in the counter during the expiry week, short covering was seen in Friday's trade. Cash volumes on Friday were higher than 30 days average volume. Also delivery marking was amongst the highest in last one month. The stock is likely to see fresh long build up from current levels

Key Highlights

Bloomberg code	BOB IS
52Wk High	754.5
52Wk Low	360
M Cap	INR 252564 Mn
30 Days Avg Vol	572304
Beta	0.923
VWAP	686.58

GLOBAL EQUITIES

DOW JONES



FTSE



Dow has taken support around 9800. Until 9800 holds, it is expected to remain bullish. However on the upside 10400 would act as the stiff resistance. Breaking the support level of 9800 would aggravate the movement on the downside.

FTSE has failed to hold its weekly breakout and is again got in the trading range of 5000 – 5350. RSI at 41 exhibits further weakness. Selling pressure is expected below the support area.

HANG SENG



NIKKEI



Hang Seng looks bullish on the weekly chart. Indicators are in their oversold zone and a possible bounce towards 22000 is expected in the upcoming week.

Nikkei is trading in a range after breaking down its intermediate trend line. Technical indicators suggest weakness which may lead it to 9000 levels in the near term.

GLOBAL COMMODITIES

LME Copper



WTI Crude Future Aug 10



Copper witnessed a significant correction from 8000 and has taken support around 6300. It is expected to consolidate around the current level for a while before taking a further direction. The established range of 6300 – 6850 expected to trade for the week.

WTI has given a weekly breakout at around 75 levels and had a follow up week. This rally could have a stop for a while around 75 levels before surpassing 80. RSI at 49 which indicate that there is potential for this index to move higher.

GLOBAL CURRENCIES

USDINR



Dollar Index



USDINR rallied from 44 to 48 levels after breaking-out of the falling trendline. In line with appreciation in other global currencies, we expect INR also to appreciate and test the trendline in this pullback.

DXY Index has cooled down after testing its strong resistance around 89. Its weekly rsi has made double top around 79 levels and indicates that DXY can slide till 83 levels on the weekly basis to test its intermediate support.

Notes

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