



Date: 27<sup>th</sup> May 2022

Indian Market	26-May-22	Daily Change	
Indices	Close	Change	% Change
Nifty 50	16166	140.20	0.87%
BSE Sensex	54214.33	465.07	0.87%
Banknifty	35076.05	736.55	2.14%
Nifty Mid-Cap 100	27260.5	341.80	1.27%
Nifty Small-Cap 100	8698.65	59.70	0.69%
India VIX	22.83	-2.45	-9.69%

US Market	26-May-22	Daily Change	
Indices	Close	Change	% Change
Dow 30	32637.19	516.91	1.61%
S&P 500	4057.84	79.11	1.99%
Nasdaq	11740.65	305.91	2.68%

Currency / Commodity	26-May-22
Indices	Current rate
USD/INR	77.5700
EUR/INR	83.0800
Dollar Index	101.495
US 10-year bond yield	2.758%
WTI Crude Oil	\$114.34
Brent Crude Oil	\$114.50
Gold (\$/Oz)	\$1,853.84
Bitcoin	\$28,884

FII / DII Activity	26-May-22	Rs. In Crores
Provisional	Buy	Sell
FII		1597.84
DII	2906.46	
PCR	Current	Previous
Nifty	1.13	0.73
Banknifty	0.98	0.79

### Trade Setup & Morning cues

Indian market rallied sharply on last day of F&O expiry for may series. In a highly volatile session, at one point Nifty was at 15900 level but recovered sharply to close above 16100 level.

US GDP prelim q/q data: Actual -1.5% Vs Estimated -1.3%. Now market is reacting positively on weak US data – as market see it will result in US Fed going slow on tight monetary policy.

Wall Street rallied 1.61% to 2.68% as result and weak economic data kept market upbeat. Dollar Index currently @ 101.495, significantly below 105 level seen recently. Dollar index decline – indicates risk-on sentiment.

Crude Oil rallied over 3%, WTI Crude & Brent Crude oil near \$115.

**SGX Nifty @ 16267.50 up 91.50 points at 8:15 AM**

### Technical View

**Nifty:** RSI @ 43.83 & RSI average @ 40.26. Nifty holding on to 15780 level for now over 2 weeks, recently tested on 12- 13 & on 19 of this month. Nifty above 16362 will test 16750 & support remains at 16003.

**Banknifty:** was strong and even led the rally yesterday, RSI @ 51.77 & RSI average @ 43.38. Banknifty closed above 20-DMA @ 34574. Above 35298 – Banknifty heading towards 36718.

**VIX @ 22.84:** decline 9.67% - significant cool-off from 25 level. VIX could hold above 20 level as we are heading for RBI MPC meeting on 8-Jun & US FOMC meeting outcome on 15-Jun-22. We will turn cautious only if VIX goes above 25 again.

**Approach on Indices:** With 16003 as first support on Nifty and 15780 as major support – time to play for opportunity on long side.

### Market View & Stock in focus

**Market View:** High volatility may be over along with May F&O series. Q4FY22 result season will end by 31-May-22 & our GDP data will be released on 31-May. Focus will shift to central bankers & other monthly data.

**Stocks in focus:** ONGC & RELIANCE on higher crude oil prices.

HINDALCO, ZEEL, PEL, MOTHERSONSUMI & BDL will react to its result.

**Finally, the shake-off is over with F&O expiry series for May 2022? We believe highly volatile & wild swings may be behind us. Time to play for decent bounce back rally before some reality check again in next quarterly result season with begins on 1<sup>st</sup> week of July.**

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