

3<sup>rd</sup> December 2022

### Subject: Indian market: Technical + Fundamental – Overview

Indian Market	02-Dec-22	Weekly Change		25-Nov-22
Indices	Close	Change	% Change	Close
Nifty 50	18696.10	183.35	0.99%	18512.75
BSE Sensex	62868.50	574.86	0.92%	62293.64
Banknifty	43103.75	119.80	0.28%	42983.95
Nifty Mid-Cap 100	32566.85	979.20	3.10%	31587.65
Nifty Small-Cap 100	10079.95	230.25	2.34%	9849.70
India VIX	13.45	0.12	0.90%	13.33
US Market	02-Dec-22	Weekly Change		25-Nov-22
Indices	Close	Change	% Change	Close
Dow 30	34429.88	82.85	0.24%	34347.03
S&P 500	4071.7	45.58	1.13%	4026.12
Nasdaq	11461.5	235.14	2.09%	11226.36

### Last week - review

Indian market was flat to around 1% up and also traded in narrow range. Banknifty underperformed as IT & Metal stocks outperformed as we expected, easy monetary policy to help these sectors.

Wall Street ended the week with flat to positive quarter as NASDAQ was up 2.09% on weekly basis as IT stocks did well after US Fed chair Jerome Powell speech. In his speech Jerome Powell guided for slowdown in rate hike and would prefer to see impact of recent rate

hikes, as interest impact with lag effect and commented that its impact on economy will be seen in coming months.

### Nifty 2-Dec-22 – Daily chart



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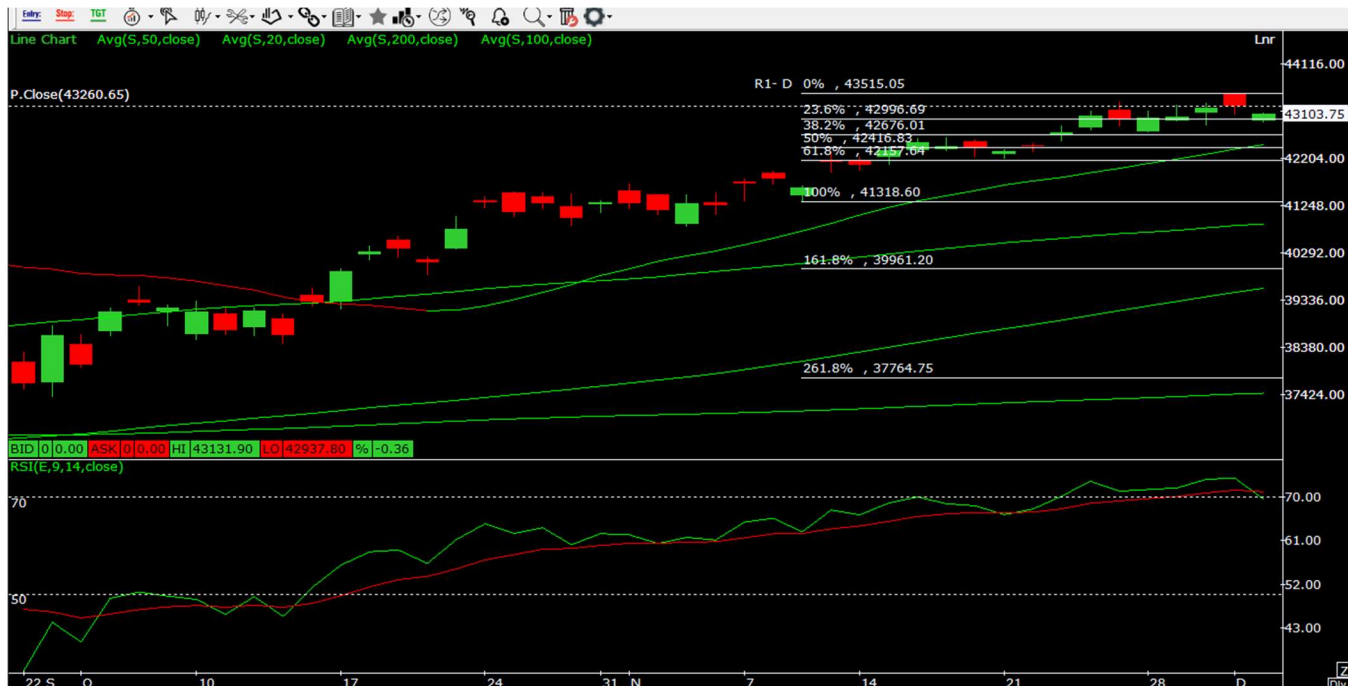
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### Banknifty 2-Dec-22 Daily chart



### Technical Insight

- Nifty RSI @ 67.55 & RSI Average @ 68.52. Nifty recent rally from 18137 to 18887, retracement at 38.2% comes @ 18601 & retracement at 61.8% comes @ 18424.
- Nifty is in strong uptrend, and likely to trade around supply zone and could test lower level @ 18601 & 18424. Nifty move to fresh high above 18887 could move towards 19049.
- Banknifty RSI @ 69.44 RSI average @ 70.96. Banknifty recent rally from 41318 to 43515, retracement at 38.2% comes @ 42676 & retracement at 61.8% comes @ 42157.



**Approach on Technical:** Currently indices are technical uptrend above 18442 & Banknifty above 42730 – which has potential upside of 6% to 9% over a period of 3 – 5 weeks.

This week is expected to be volatile where Indices could take cues from event outcome of RBI MPC decision on 7-Dec-22 & Gujarat election on 8-Dec-22. Nifty range 18421 – 18887 & Banknifty range 42517 –

42996. Any correction on indices at lower end of the range could be utilize for fresh entry opportunity.

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## Fundamental Insight

### India's FY23 Q2 GDP Grows 6.3%; GVA Expands 5.6%

The Indian economy grew at a slower pace in the July-September quarter as the base normalised. GDP grew 6.3% year-on-year in the second quarter of FY23, compared with 13.5% for Q1, according to data released by the Ministry of Statistics and Programme Implementation on Wednesday.

Gross value added, which strips out the impact of subsidies and indirect taxes, grew 5.6% year-on-year in Q2, compared with 12.7% for Q1.

### India's Fiscal Deficit Till October At 45% Of Full-Year Target

The fiscal deficit for April-October period stood at Rs 7.58 lakh crore, or 45.6% of the budget estimate of Rs 16.6 lakh crore, or 6.4% of GDP for FY23, according to data from the Controller General of Accounts published on Wednesday. It compares with 36.3% over the same period last year.

Revenue buoyancy on the back of strong direct tax and GST collections may have helped the government stay on path despite the burgeoning additional subsidy burden.

### Deregulate Natural Gas Pricing By 2027, Bring It Under GST: Kirit Parikh Committee Report

The panel suggested capping the natural gas price with a floor of \$4 per million metric British thermal unit and a ceiling of \$6.5 per mmBtu for the next three years, according to a report released on Nov. 30. It also suggested removal of a cap on the price of gas produced from challenging fields.

The recommendations, if implemented, will provide a stable and transparent pricing outlook for the upstream entities like Oil and Natural Corp. Ltd., and Oil India Ltd., and draw rapid investments to the sector.

### GST Collections Stay Above Rs 1.4 Lakh Crore For Ninth Straight Month

GST collections for November, reflecting transactions in October, stood at Rs 1,45,867 crore, after a festive season high of Rs 1,51,718 crore in October, according to a statement released by the Ministry of Finance. It is 11% higher than the corresponding period last year.

## Market View & Strategy

This week will be eventful as market will be reacting to exit poll of Gujarat & Himachal Pradesh election, RBI MPC meeting on 7-Dec-22 and election result on 8-Dec-22.

Technically, in overbought zone but trend remains positive with focus on RBI MPC meeting outcome this week, and US Fed policy next week. Market is going into this event with positive setup after US Fed chair Jerome Powell press conference clearly indicative slowdown in pace of rate hike.



We remain bullish with a view on US Fed meeting outcome and any correction this week could be utilize for adding for fresh long position. Unless there is change in global narrative and hawkish policy continue, market are in for another round of stable week and rally to continue.

**Disclosure & Note:** Investor need to understand risk associated with F&O strategy, technical & other trading strategy before implementation and due risk assessment is required from client's end and prefer professional advice before executing.

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