

## JULY SERIES VIEW

Bulls continue to shine on Dalal Street during the June month and strong rally has been seen across all the sectors supported by positive cues from global markets, Fii's buying, normal monsoon expectations, and easing in lockdown by government. Nifty gained more than 8% during the June series due to rally in index heavyweight stock, easing tension between India-China and expectation of faster economy recovery. Finally index ended the series at 10289 with a gain of 799 points (EoE) indicating positive bias. However, investors should remain cautious as the market continues to stay volatile in the near term due to increasing number of COVID-19 cases. On the expiry day, Nifty Futures rollover stood at 79%, which is higher than the last three series average rollover of 70%, indicating long position carry forward. Nifty will start the July series with open interest of 1.14 Cr shares compared with OI of 1.00 Cr shares at the beginning of the June series. Market-wide rollovers stood higher at 91% compared with the average rollovers of 89% in the last three series. Going into July month key events that would be global markets trends, spread of corona-virus and its impact on the local and global economy, FII flows, progress of monsoon, India-China border tension, last leg of Q4FY20 earnings, the movement of Rupee against the Dollar, and crude oil price movement will dictate the trend on the bourses in the near term.

## DERIVATIVES INDICATORS

India VIX cool off sharply by 1.56% (EoE) and closed lower at 29.73% vs. 30.20% of the previous month indicating low volatility in market. Another leading derivative indicator, Nifty PCR, opened on lower note this month at 1.50 against last month's 1.56.

## BANKNIFTY

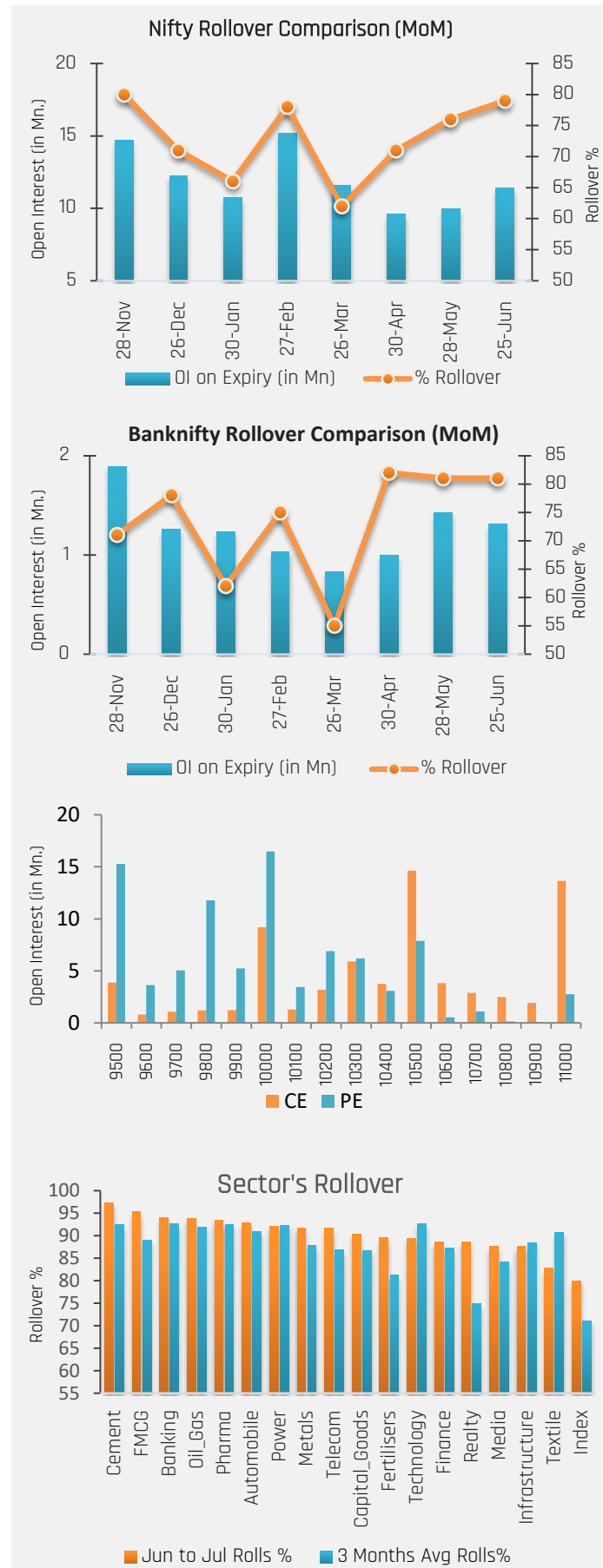
The index saw higher rolls of 81% compared with the 3M average of 73%. BankNifty will start the July series with an OI of 1.30 Mn shares compared with OI of 1.43 Mn shares at the beginning of the June series. As per options data, support for the index is around 19000 and 18000 whereas resistance stands at 23000 and 25000 for the short term.

## OPTION ANALYSIS

From the OI Concentration (30-July Series), Open Interest on the call options front exists at strike prices of 10500 and 11000 (with nearly 14.64 lacs and 13.64 lacs shares outstanding). This indicates that these levels will act as the resistance zone on the upside for the short term. On the put options front, addition of Open Interest is at strike prices of 10000 and 9500 (with nearly 16.47 lacs and 15.26 lacs shares outstanding) indicating stronger support zone on the downside.

## SECTOR/STOCK ROLLOVER ACTIVITY:

- From the sectoral action, rollovers accelerated for CEMENT, FMCG, BANKING, PHARMA, FERTILISERES, TELECOM and REALTY stocks on expiry. However, low rollovers were seen in TEXTILE, TECHNOLOGY and INFRA sector stocks on expiry day as compared to three month's average as highlighted in the chart.
- Within the Nifty50 space, index heavyweights such as ITC, CIPLA, TITAN, NESTLEIND, SHREECEM, and EICHERMOT saw aggressive rollover in the July series while low rolls were seen in TCS, LT, TATASTEEL, KOTAKBANK and BAJFINANCE compared with the 3M average.
- From the midcap space, PVR, CUMMINSIND, UBL, TATACHEM, and COLPAL saw high rollovers whereas HDFCLIFE, CADILAH, L&TFH, CENTURYTEX and EXIDEIND saw lower rollover compared with the 3M average.



## TECHNICAL VIEW ON NIFTY

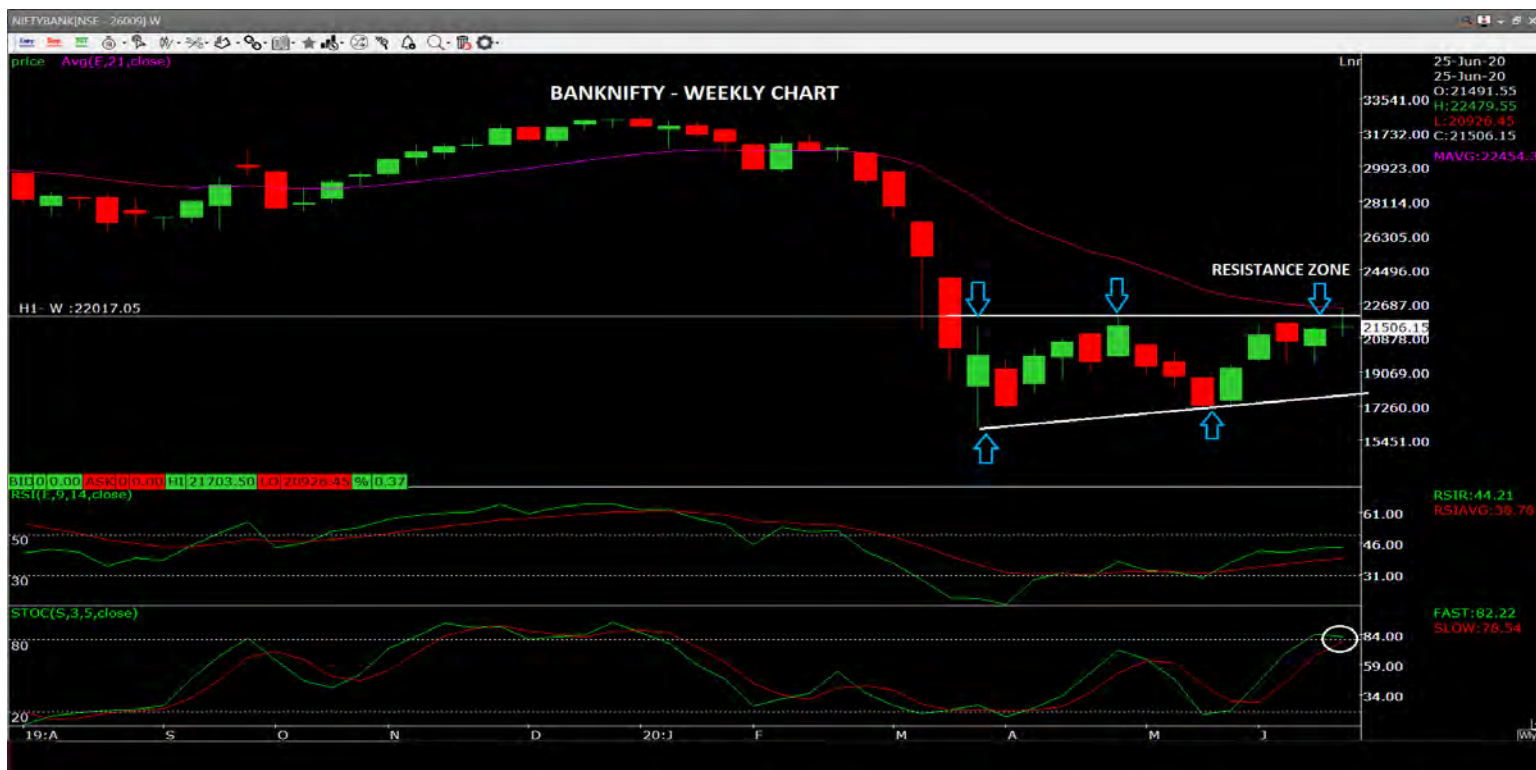


NIFTY 50 - 25 JUN 2020 MONTHLY CHART

## Nifty-Daily chart

- Technically, the index has registered a breakout of the ascending triangle pattern at the start of June series and witnessed strong rally. On the back of that, the index has formed a **rising wedge pattern** as highlighted in the above chart.
- Moreover, the index has formed **bearish engulfing** candlestick pattern close to upper trend line resistance of rising wedge pattern suggesting weakness. As per this pattern as long as the index remains below 10550, weakness can be possible till 10000-9900.
- 100 DSMA is currently placed close to 10021 and 50DEMA is placed close to 9800 levels which will act as strong support points in the short term.
- RSI on the daily scale is placed close to previous resistance and Stochastics oscillator has witnessed bearish crossover from an overbought zone.
- For the July series, 9900 and 9500 will act as support point whereas 10550 and 11000 will act as resistance points.

## TECHNICAL VIEW ON BANKNIFTY



BankNifty - Weekly chart

- Technically, the index on the weekly scale has entered in resistance zone and taken resistance around its 21 WEMA as highlighted in the above chart. Moreover, on the daily scale the index has formed **bearish engulfing candlestick pattern** near supply zone suggesting weakness in the short term.
- 21WEMA is currently placed close to 22454, which will act as a strong resistance point for Banknifty in the short term.
- On the downside, 21 DEMA is placed close to 20700 levels which will act as the short-term support followed by recent swing low 19500.
- RSI on the weekly scale is placed below the center point of 50 and Stochastics oscillator on the weekly scale is on the verge of forming bearish crossover from an overbought zone suggesting weakness.
- For the July series, 20700 and 19500 will act as support point whereas 22500 and 23000 will act as resistance points.

### Stocks to watch out based on Rollover Analysis:

#### POSITIVE

ITC	Strong Rollover of 86% compared with 3 months average of 75%.
ADANI PORTS	Strong Rollover of 99% compared with 3 months average of 95%.
DIVISLAB	Strong Rollover of 99% compared with 3 months average of 95%.

#### NEGATIVE

ACC	Strong rollover of 99% compared with 3 month avg of 92% indicating short position carry forward.
ZEEL	Weak rollover of 76% compared with 3 month average of 95%.

# DERIVATIVES ROLLOVER ANALYSIS

26-06-2020

## Rollover Update (Sector Wise)

Company	May to Jun roll%	Jun to July roll%	3 AVG MONTHS ROLL	Divergence	Roll cost
<b>Automobile</b>					
AMARAJABAT	97	97	95	2	0.53
APOLLLOTYRE	93	95	91	4	0.58
ASHOKLEY	98	84	93	-9	0.19
BAJAJ-AUTO	98	97	94	3	-0.10
BALKRISIND	91	74	84	-10	-0.23
BHARATFORG	94	97	94	3	0.24
BOSCHLTD	100	99	86	13	-0.05
EICHERMOT	96	95	90	6	-0.24
ESCORTS	94	90	91	-1	0.39
EXIDEIND	99	80	90	-10	0.60
HEROMOTOCO	91	96	91	5	-1.49
M&M	96	96	96	1	-0.46
MARUTI	96	97	94	2	0.00
MOTHERSUMI	95	98	90	8	-0.05
MRF	81	99	90	10	0.09
TATAMOTORS	98	89	92	-3	0.00
TVSMOTOR	96	94	85	9	-1.18
<b>Banking</b>					
AXISBANK	98	96	98	-1	0.09
BANDHANBNK	98	96	96	-1	0.03
BANKBARODA	96	91	93	-2	0.68
CANBK	92	93	91	2	0.48
FEDERALBNK	96	92	93	-1	0.67
HDFCBANK	96	96	92	4	-0.44
ICICIBANK	97	97	96	1	0.11
IDFCFIRSTB	96	93	94	-1	0.56
INDUSINDBK	97	96	94	1	0.30
KOTAKBANK	97	90	94	-4	-0.68
PNB	96	94	93	1	0.81
RBLBANK	80	90	77	13	-1.71
SBIN	96	97	92	4	-0.03
<b>Capital_Goods</b>					
BEL	76	94	82	12	0.54
BHEL	88	91	92	0	0.53
CUMMINSIND	80	97	77	20	0.43
LT	97	72	95	-23	0.03
SIEMENS	87	98	92	7	0.38
VOLTAS	86	90	84	6	0.00

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Company	May to Jun roll%	Jun to July roll%	3 AVG MONTHS ROLL	Divergence	Roll cost
<b>Cement</b>					
ACC	92	99	92	7	0.06
AMBUJACEM	98	99	96	3	0.48
GRASIM	99	98	95	3	-0.17
RAMCOCEM	96	97	85	12	-0.27
SHREECEM	98	98	92	6	-0.12
ULTRACEMCO	97	94	96	-2	-0.13
<b>Fertilisers</b>					
TATACHEM	92	92	79	13	-0.08
UPL	65	87	84	3	-0.97
<b>Finance</b>					
BAJAJFINSV	98	93	88	5	0.22
BAJFINANCE	92	91	95	-4	-0.43
CHOLAFIN	82	88	87	1	-1.77
EQUITAS	94	81	88	-8	0.37
HDFC	97	99	95	4	-1.09
HDFCLIFE	96	71	93	-22	0.47
IBULHSGFIN	94	83	91	-8	-0.55
ICICIPRULI	97	94	93	1	0.25
L&TFH	95	79	93	-14	0.35
LICHSGFIN	89	85	90	-5	0.15
M&MFIN	88	90	94	-3	0.06
MANAPPURAM	95	92	89	3	0.03
MFSL	97	90	81	9	-1.14
MUTHOOTFIN	95	86	85	1	0.21
PFC	97	98	95	3	0.39
SBILIFE	98	97	33	64	0.39
SRTRANSFIN	89	88	91	-3	0.22
UJJIVAN	94	90	91	0	0.05
<b>FMCG</b>					
ASIANPAINT	96	97	94	3	-0.04
BATAINDIA	96	96	93	3	0.12
BERGEPAIN	85	98	93	6	0.38
BRITANNIA	88	87	88	-2	-0.05
COLPAL	98	97	81	17	0.41
DABUR	97	88	94	-6	0.07
GODREJCP	95	99	85	14	0.50
HINDUNILVR	85	92	92	0	-0.10
ITC	85	86	75	11	-0.94
MARICO	98	99	95	4	0.41
MCDOWELL-N	98	98	95	3	0.32
NESTLEIND	98	99	85	14	-0.02
PIDILITIND	98	99	96	3	0.24
TATACONSUM	90	97	87	10	0.25
TITAN	95	97	90	7	-0.05
UBL	95	95	81	13	0.13

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Company	May to Jun roll%	Jun to July roll%	3 AVG MONTHS ROLL	Divergence	Roll cost
<b>Index</b>					
BANKNIFTY	81	81	73	8	-0.30
NIFTY	76	79	70	9	-0.49
NIFTYIT	76	0	81	-81	#N/A
<b>BANKNIFTY</b>					
GMRINFRA	93	91	89	2	0.24
NCC	95	84	87	-4	0.62
<b>Media</b>					
PVR	80	89	67	22	-4.93
SUNTV	91	98	91	7	0.54
ZEEL	98	76	95	-19	0.17
<b>Metals</b>					
HINDALCO	92	94	90	4	-0.10
JINDALSTEL	92	83	67	17	-0.07
JSWSTEEL	96	99	95	4	-0.80
NATIONALUM	93	95	88	7	0.59
NMDC	99	97	93	4	0.41
SAIL	83	91	84	7	0.65
TATASTEEL	89	82	92	-10	-1.30
VEDL	93	94	94	-1	0.09
<b>Oil_Gas</b>					
BPCL	97	96	94	2	0.00
GAIL	98	94	93	2	0.39
HINDPETRO	58	96	77	18	-4.03
IGL	92	90	92	-2	0.09
IOC	95	97	95	3	0.29
MGL	97	94	98	-4	0.00
ONGC	94	98	94	4	0.18
PETRONET	99	85	96	-11	0.10
RELIANCE	88	94	89	5	-0.15
<b>Others</b>					
ADANIENT	95	97	90	7	0.40
ADANIPTS	99	99	95	4	0.14
APOLLOHOSP	96	95	92	3	0.30
COALINDIA	98	91	93	-2	0.07
CONCOR	98	97	92	5	0.06
HAVELLS	97	97	97	1	-0.17
INDIGO	89	83	89	-6	-0.02
JUBLFOOD	88	87	82	5	-0.52
JUSTDIAL	91	74	77	-3	-4.12

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Company	May to Jun roll%	Jun to July roll%	3 AVG MONTHS ROLL	Divergence	Roll cost
<b>Pharma</b>					
AUROPHARMA	95	99	90	9	0.33
BIOCON	82	96	86	10	0.41
CADILAHC	95	77	95	-17	0.07
CIPLA	75	95	87	8	0.05
DIVISLAB	98	99	95	4	0.16
DRREDDY	97	98	95	3	-0.59
GLENMARK	96	83	95	-12	0.94
LUPIN	96	91	95	-5	-0.22
PEL	99	95	97	-2	-0.94
SUNPHARMA	97	97	94	3	-0.07
TORNTPHARM	95	98	88	10	0.20
<b>Power</b>					
NTPC	99	97	91	7	0.05
POWERGRID	99	95	92	3	-0.08
RECLTD	97	92	95	-3	0.17
TATAPOWER	93	84	91	-7	-0.11
TORNTPOWER	90	93	93	0	0.32
<b>Realty</b>					
DLF	99	94	92	2	0.16
GODREJPROP	91	83	30	53	0.05
<b>Technology</b>					
HCLTECH	93	92	93	-1	-0.05
INFY	98	97	96	2	-0.45
MINDTREE	89	93	82	11	-0.79
NAUKRI	96	91	96	-5	-0.09
NIITTECH	88	93	91	1	0.41
TCS	96	58	96	-39	-0.29
TECHM	98	99	96	3	-1.01
WIPRO	95	93	92	2	0.00
<b>Telecom</b>					
BHARTIARTL	88	97	93	4	-0.17
IDEA	68	83	76	8	2.05
INFRATEL	92	95	92	3	-1.40
<b>Textile</b>					
CENTURYTEX	99	72	94	-22	-0.07
PAGEIND	76	80	84	-4	-0.20
SRF	98	97	95	2	0.08

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