

29-01-2018

ROLLOVER ANALYSIS

FEBRUARY SERIES VIEW

Nifty Futures consolidated at the start of the Jan series in the 10400-10700 band. However, it managed to breach the consolidation band in Jan series, registering a new lifetime high of 11110 spot. On the expiry day, market wide rollovers stand lower at 85% compared with the average rollovers of 86% in the last three series. Nifty futures rollover stands at 66%, which is lower than the average rollover of 70% of the last three series. Nifty will start the Feb series with an OI of 2.59 Cr shares compared with OI of 2.28 Cr shares at the beginning of the Jan series. Going into Feb, key events to watch out would include UNION BUDGET 2018-19, Q3FY18 earnings releases, RBI Monetary Policy, and Crude Oil movement. On the downside, short term support for the index is around 10800 whereas resistance stands at 11200.

DERIVATIVES INDICATORS

India VIX closed higher at 17.50 vs. 12.29 of the previous month indicating rising in volatility. Another leading derivative indicator, the Nifty PCR, opened on a lower note this month at 1.42 against last month's 1.54.

BANKNIFTY

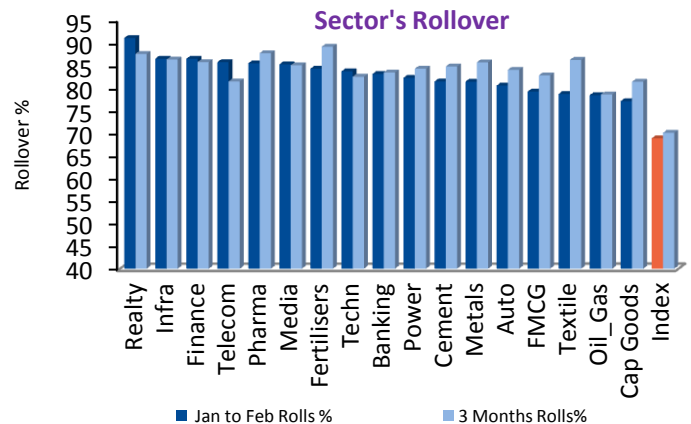
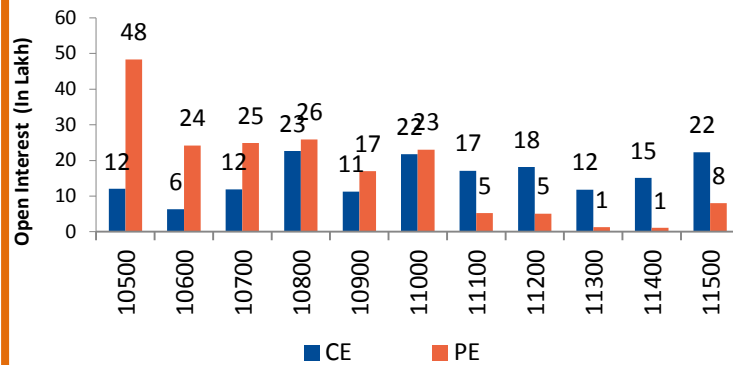
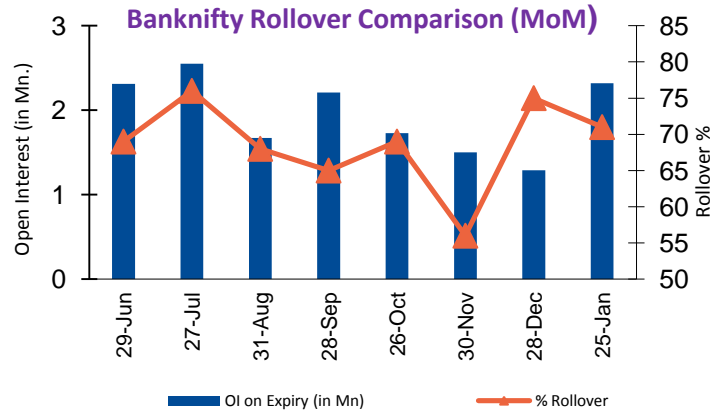
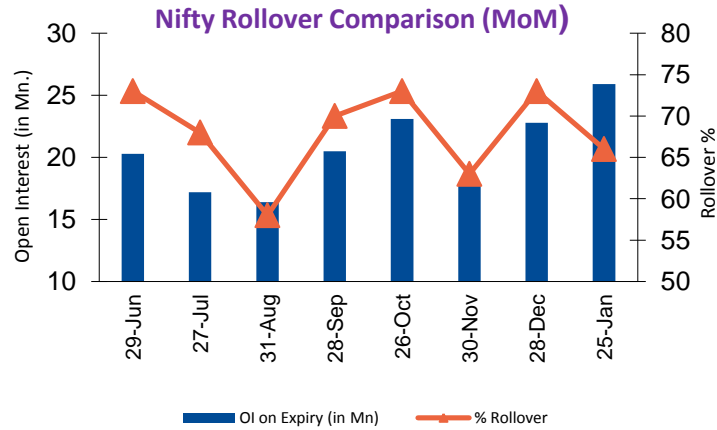
The index saw higher rolls of 71% compared with the 3M average of 66%. Banknifty will start the February series with an OI of 2.32 Mn shares compared with OI of 1.29 Mn shares at the beginning of the January series. As per options data support for the index is around 27500 and 28000 whereas resistance stands at 27000 and 26500 for the short term.

OPTION ANALYSIS

From the OI Concentration (February Series), maximum addition of open interest on the call options front exists at strike prices of 11200 and 11500 (with nearly 18.14 lacs and 22.31 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, maximum addition of open interest is at strike prices of 10800 and 10500 (with nearly 25.85 lacs and 48.28 lacs shares outstanding) indicating stronger support zone on the downside.

SECTOR/STOCK ROLLOVER ACTIVITY:

- From the sectoral action, rollovers accelerated for **Realty, Finance, Telecom, and Technology** stocks on expiry. However, low rollovers were seen in **Capital Goods, Textiles, Auto, Metals, and FMCG** stocks.
- Within the Nifty50 space, index heavyweights such as **IDEA, INFY, ONGC, INFRATEL, POWERGRID, BHARTIARTL, and LUPIN** saw aggressive rollover in the January series while low rolls were seen in **BOSCHLTD, BHEL, COALINDIA, TATASTEEL, AMBUJACEM, TECHM, HINDUNILVR and TATAMOTORS** compare with 3M average.
- From the midcap space, **INFIBEAM, MUTHOOTFIN, OFSS, APOLLOHOSP, MGL, EXIDEIND, CANBK, IOC, and MFSL** saw high rollovers whereas **ICICIPRULI, DIVISLAB, SRF, ESCORTS, UBL, NHPC and GODREJCP** saw lower rollover compare with 3M average.



TECHNICAL VIEW ON NIFTY

Last month index has registered new lifetime high of 11110 and continues its upward journey. Index on monthly chart has crossed and sustained above trend line resistance, indicating strength.

Thus, momentum is likely to continue as long as index holds above 10550 levels. Upper trend line resistance is placed around 11500-10600 levels. RSI is placed in overbought zone close to trend line resistance.

Thus, for short term, 11200 will act as resistance followed by 11600. On lower side, 10800 will act as strong support followed by 10500.



TECHNICAL VIEW ON BANKNIFTY

Last month index has registered new lifetime high of 27523 and continues its upward journey. Index on monthly chart has crossed and sustained above previous resistance, indicating strength.

Thus, as long as index holds above gap support of 26300, it could test the levels of 28500-29000. RSI is placed in overbought zone. Thus, profit booking due to overbought condition can be possible which can be used for creating long positions.

For short term, 27000 and 26300 will act as support points where as 28000 and 28500 will act as resistance point.



Stocks to watch out based on Rollover Analysis:

POSITIVE

BHEL	Low rollover of 73% vs 87% (3 M AVG) indicates cut down in short position.
COALINDIA	Low rollover of 62% vs 76% (3 M AVG) indicates cut down in short position.
ITC	Low rollover of 75% vs 81% (3 M AVG) indicates cut down in short position.

NEGATIVE

TATASTEEL	Weak rollover of 72% vs 82% indicates long unwinding.

Rollover Update (Sector Wise)

Company	Sector	Dec to Jan Roll%	Jan to Feb Roll%	3 MONTHS AVG ROLL	Divergence	Roll cost %
ACC	Cement	86	82	85	-4	0.64
ADANIENT	Others	88	81	89	-8	0.44
ADANIPOWER	Power	94	89	93	-4	0.26
ADANIPOWER	Power	94	89	93	-4	0.26
AJANTPHARM	Pharma	86	73	85	-12	0.58
ALBK	Banking	86	86	82	4	0.64
AMARAJABAT	Automobile	85	87	84	3	0.53
AMBUJACEM	Cement	80	74	83	-9	0.02
ANDHRABANK	Banking	84	86	82	4	0.63
APOLLOHOSP	Others	75	79	70	9	0.07
APOLLOTYRE	Automobile	76	72	76	-4	0.38
ARVIND	Textile	87	83	85	-2	0.63
ASHOKLEY	Automobile	91	87	89	-2	0.45
ASIANPAINT	FMCG	78	75	78	-3	0.58
AUROPHARMA	Pharma	89	90	90	0	0.54
AXISBANK	Banking	88	85	86	0	0.30
BAJAJ-AUTO	Automobile	85	85	87	-1	0.19
BAJAJFINSV	Finance	77	88	86	3	0.28
BAJFINANCE	Finance	86	83	84	-1	0.57
BALKRISIND	Automobile	85	81	77	4	0.55
BALRAMCHIN	Others	83	86	86	0	0.49
BANKBARODA	Banking	89	90	86	4	0.54
BANKINDIA	Banking	85	85	81	4	0.27
BANKNIFTY	Index	75	71	66	5	-0.24
BATAINDIA	FMCG	84	78	74	3	0.69
BEL	Capital_Goods	79	75	84	-9	0.51
BEML	Infrastructure	90	87	88	-1	0.55
BERGEPAIN	FMCG	85	72	80	-7	0.30
BHARATFIN	Finance	91	91	90	1	0.50
BHARATFORG	Automobile	88	79	87	-8	0.41
BHARTIARTL	Telecom	85	87	84	3	0.41
BHEL	Capital_Goods	86	73	87	-14	0.05
BIOCON	Pharma	85	89	85	4	0.46
BOSCHLTD	Automobile	80	71	86	-15	-0.39
BPCL	Oil_Gas	62	67	69	-1	-1.55
BRITANNIA	FMCG	89	73	84	-11	0.31
CADILAH	Pharma	89	87	84	3	0.59

Company	Sector	Dec to Jan Roll%	Jan to Feb Roll%	3 MONTHS AVG ROLL	Divergence	Roll cost %
CANBK	Banking	81	87	79	8	0.54
CANFINHOME	Finance	88	87	87	0	0.72
CAPF	Finance	90	90	88	1	0.78
CASTROLIND	Oil_Gas	92	83	90	-7	0.66
CEATLTD	Automobile	87	76	83	-7	0.50
CENTURYTEX	Textile	95	90	92	-2	0.55
CESC	Power	85	89	86	3	0.66
CGPOWER	Power	88	89	88	0	0.49
CHENNPETRO	Oil_Gas	84	81	81	0	0.43
CHOLAFIN	Finance	83	87	84	3	0.70
CIPLA	Pharma	84	82	86	-5	0.49
COALINDIA	Others	81	62	76	-14	-2.83
COLPAL	FMCG	69	75	77	-2	-0.48
CONCOR	Others	91	83	88	-4	-0.47
CUMMINSIND	Capital_Goods	61	79	75	4	0.54
DABUR	FMCG	95	88	91	-3	0.49
DALMIABHA	Cement	87	77	87	-10	0.69
DCBBANK	Banking	86	79	85	-5	0.82
DHFL	Finance	93	94	92	2	0.28
DISHTV	Media	90	90	88	2	0.61
DIVISLAB	Pharma	85	62	84	-22	0.41
DLF	Realty	85	88	88	1	0.53
DRREDDY	Pharma	88	88	87	1	0.12
EICHERMOT	Automobile	82	86	84	1	0.76
ENGINEERSIN	Infrastructure	82	87	81	6	0.46
EQUITAS	Finance	92	92	89	3	0.75
ESCORTS	Automobile	92	72	87	-15	0.39
EXIDEIND	Automobile	88	92	84	9	0.64
FEDERALBNK	Banking	88	87	85	2	0.59
FORTIS	Pharma	94	96	95	1	0.86
GAIL	Oil_Gas	57	62	68	-6	-0.70
GLENMARK	Pharma	89	85	88	-3	0.36
GMRINFRA	Infrastructure	90	91	91	0	0.00
GODFRYPHLP	FMCG	79	83	80	3	0.92
GODREJCP	FMCG	92	73	87	-14	-0.22
GODREJIND	FMCG	88	76	84	-8	0.45
GRANULES	Pharma	88	84	87	-3	0.44

Company	Sector	Dec to Jan Roll%	Jan to Feb Roll%	3 MONTHS AVG ROLL	Divergence	Roll cost %
GRASIM	Cement	88	84	89	-5	0.41
GSFC	Fertilisers	93	85	90	-5	0.37
HAVELLS	Others	86	85	83	2	0.58
HCC	Infrastructure	91	86	89	-3	0.38
HCLTECH	Technology	82	79	85	-6	-0.41
HDFC	Finance	84	75	81	-6	0.42
HDFCBANK	Banking	80	76	82	-6	-0.21
HDIL	Realty	85	90	86	4	0.76
HEROMOTOCO	Automobile	80	75	78	-2	0.47
HEXAWARE	Technology	74	78	74	3	-0.88
HINDALCO	Metals	77	82	82	0	0.77
HINDPETRO	Oil_Gas	87	83	86	-3	0.13
HINDUNILVR	FMCG	80	77	86	-9	0.56
HINDZINC	Metals	91	76	86	-9	0.59
IBULHSGFIN	Finance	84	90	84	6	-0.23
ICICIBANK	Banking	64	75	77	-3	-0.83
ICICIPRULI	Finance	80	56	86	-29	0.72
IDBI	Banking	92	75	87	-12	0.15
IDEA	Telecom	79	87	75	12	0.37
IDFC	Finance	94	90	89	1	0.71
IDFCBANK	Banking	91	90	92	-2	0.43
IFCI	Finance	86	87	87	-1	0.65
IGL	Oil_Gas	82	81	84	-2	0.63
INDIACEM	Cement	91	92	91	1	0.77
INDIANB	Banking	84	82	84	-2	0.26
INDIGO	Others	92	80	91	-11	0.30
INDUSINDBK	Banking	82	80	82	-2	-1.13
INFIBEAM	Technology	80	93	83	10	-0.16
INFRATEL	Telecom	77	82	76	6	0.35
INFY	Technology	81	86	80	7	0.16
IOC	Oil_Gas	66	74	66	8	-2.45
IRB	Infrastructure	88	89	85	4	0.76
ITC	FMCG	77	75	81	-6	0.07
JETAIRWAYS	Others	83	85	86	-1	0.75
JINDALSTEL	Metals	85	81	83	-3	0.91
JISLJAEQS	Others	94	92	92	0	0.62
JPASSOCIAT	Realty	87	94	89	6	0.91

Company	Sector	Dec to Jan Roll%	Jan to Feb Roll%	3 MONTHS AVG ROLL	Divergence	Roll cost %
JSWSTEEL	Metals	96	89	95	-6	0.33
JUBLFOOD	Others	92	82	86	-4	0.61
JUSTDIAL	Others	83	80	78	2	0.49
KAJARIACER	Others	78	84	79	4	0.52
KOTAKBANK	Banking	74	71	75	-4	0.02
KPIT	Technology	86	90	89	2	0.85
KSCL	Others	84	83	87	-4	0.59
KTKBANK	Banking	89	86	88	-2	0.62
L&TFH	Finance	85	89	87	2	0.82
LICHSGFIN	Finance	87	88	88	0	0.54
LT	Capital_Goods	78	77	81	-4	-0.11
LUPIN	Pharma	89	87	85	2	0.55
M&M	Automobile	72	76	79	-3	0.52
M&MFIN	Finance	68	86	81	5	0.69
MANAPPURAM	Finance	92	87	89	-2	0.38
MARICO	FMCG	86	77	79	-3	0.23
MARUTI	Automobile	77	77	81	-5	0.67
MCDOWELL-N	FMCG	75	91	86	5	0.75
MCX	Others	93	89	90	-1	0.53
MFSL	Finance	79	90	83	7	0.50
MGL	Oil_Gas	82	89	81	9	-0.11
MINDTREE	Technology	77	78	82	-4	0.48
MOTHERSUMI	Automobile	83	81	85	-5	0.49
MRF	Automobile	93	87	92	-5	0.46
MRPL	Oil_Gas	89	78	81	-3	0.47
MUTHOOTFIN	Finance	80	88	78	10	0.79
NATIONALUM	Metals	83	86	87	0	0.65
NBCC	Infrastructure	86	88	86	1	0.75
NCC	Infrastructure	83	79	83	-5	0.47
NESTLEIND	FMCG	82	80	83	-3	0.43
NHPC	Power	75	66	80	-14	-3.03
NIFTY	Index	73	66	70	-4	-0.02
NIFTYIT	Index	73	69	74	-5	0.23
NIITTECH	Technology	81	80	81	0	-0.43
NMDC	Metals	89	75	87	-12	0.31
NTPC	Power	66	69	71	-3	-1.45
OFSS	Technology	70	85	75	9	0.62

Company	Sector	Dec to Jan Roll%	Jan to Feb Roll%	3 MONTHS AVG ROLL	Divergence	Roll cost %
OIL	Oil_Gas	70	74	72	2	-2.70
ONGC	Oil_Gas	71	79	78	2	0.17
ORIENTBANK	Banking	87	79	83	-5	0.04
PAGEIND	Textile	79	65	78	-13	0.21
PCJEWELLER	Others	87	79	85	-6	0.53
PEL	Pharma	90	88	90	-2	0.37
PETRONET	Oil_Gas	87	87	80	6	0.20
PFC	Finance	86	88	84	4	0.46
PIDILITIND	FMCG	82	88	81	7	0.44
PNB	Banking	83	81	78	2	0.50
POWERGRID	Power	81	78	74	4	-0.03
PTC	Power	85	88	86	2	0.54
PVR	Media	78	75	77	-2	0.39
RAMCOCEM	Cement	53	74	73	0	-0.70
RAYMOND	Textile	95	88	92	-3	0.51
RBLBANK	Banking	89	90	89	1	0.58
RCOM	Telecom	71	83	82	1	1.06
RECLTD	Power	87	77	83	-6	-3.10
RELCAPITAL	Finance	89	90	89	0	0.62
RELIANCE	Oil_Gas	82	79	85	-6	0.34
RELINFRA	Power	85	86	88	-2	0.80
REPCOHOME	Finance	74	83	83	1	0.29
RNAVAL	Capital_Goods	80	84	84	0	1.12
RPOWER	Power	91	84	91	-7	0.96
SAIL	Metals	87	85	88	-2	0.64
SBIN	Banking	83	77	78	0	0.35
SHREECEM	Cement	85	87	84	3	0.72
SIEMENS	Capital_Goods	79	78	84	-6	0.50
SOUTHBANK	Banking	87	88	90	-2	0.48
SREINFRA	Infrastructure	86	85	87	-2	0.31
SRF	Textile	88	67	83	-16	0.50
SRTRANSFIN	Finance	70	88	80	7	0.64
STAR	Pharma	92	90	90	0	0.59
SUNPHARMA	Pharma	90	93	93	1	0.65
SUNTV	Media	84	87	87	0	0.60
SUZLON	Power	88	87	88	-1	0.34
SYNDIBANK	Banking	86	90	86	4	0.20

ACMIIL Retail Research

Informational Products

Morning Notes
Equi-Tea
Market Watch
Investor First
Preview
Market Pulse
RBI Monetary Policy
Budget Report
Weekly Derivatives Synopsis
Rollover Snapshot
Rollover Analysis (Monthly)

Recommendation Products

Momentum calls
Smart Delivery trades
Positional technical calls
Investment ideas
Master trades High & Medium Risk
Techno Funda
Equity SIP
Mutual fund model portfolios
Portfolio Doctor

For More Information on Retail Research Products please visit
<http://www.investmentz.com/research.aspx>

Retail Research Desk:

Akhil Rathi D: 91 22 2858 3210
Hrshikesh Yedve D: 91 22 2858 3207
Neeraj Sharma D: 91 22 2858 3208
Rohan Gawale D: 91 22 2858 3213
Vrinda Aditya D: 91 22 2858 3209
Dhiral Shah D: 91 22 2858 3211

Email: retailresearch@acm.co.in

**Research Analyst Registration Number:
INH000002483**

CIN: U65990MH1993PLC075388

An ISO 9001:2008
Certified Company



Follow us on:



Information pertaining to Asit C. Mehta Investment Intermediates Limited (ACMIIL):

ACMIIL is a SEBI registered Stock Broker, Merchant Banker and Depository Participant. It is also a AMFI registered Mutual Fund Distributor. It does not have any disciplinary history. Its associate/group companies are Asit C. Mehta Commodity Services Limited, Asit C. Mehta Realty Services Pvt. Ltd, Asit C. Mehta Forex Pvt. Ltd, Nucleus IT Enabled Services , Asit C. Mehta Financial Services Limited (all providing services other than stock broking and merchant banking).

Disclosures

ACMIIL/its associates and its Research analysts have no financial interest in the companies covered on the report. ACMIIL/its associates and Research analysts did not have actual/beneficial ownership of one per cent or more in the companies being covered at the end of month immediately preceding the date of publication of the research report. ACMIIL/its associates or Research analysts have no material conflict of interest, have not received any compensation/ benefits for any reason (including investment banking/merchant banking or brokerage services) from either the companies concerned/third parties with respect to the companies covered in the past 12 months. ACMIIL/its associates and research analysts have neither managed or co-managed any public offering of securities of the companies covered nor engaged in market making activity for the companies being covered. Further, the companies covered neither are/nor were a client during the 12 months preceding the date of the research report. Further, the Research analyst/s covering the companies covered herein have not served as an officer/director or employee of the companies being covered

Disclaimer:

This report is based on information that we consider reliable, but we do not represent that it is accurate or complete and it should not be relied upon such. ACMIIL or any of its affiliates or employees shall not be in any way responsible for any loss or damage that may arise to any person from any inadvertent error in the information contained in the report. To enhance transparency we have incorporated a Disclosure of Interest Statement in this document. This Follow us on: should however not be treated as endorsement of the views expressed in the report