

29-12-2017

ROLLOVER ANALYSIS

JANUARY SERIES VIEW

As mentioned in our last month Rollover Analysis Index took strong support around 10000 & closed at 10478 in Dec series. On the expiry day, market wide rollovers stand at 86% compared with the average rollovers of 85% in the last three series. Nifty futures rollover stands at 73%, which is higher than the average rollover of 69% of the last three series. Nifty will start the Jan series with an OI of 2.28 Cr shares compared with OI of 1.78 Cr shares at the beginning of the Dec series. Going into Jan, key event to watch out would include Q3FY18 earnings releases. On the downside support for the index is around 10000 whereas resistance stands at 10500-10600. Next month we expect the volatility to increase on back of Union Budget which is likely on 01-Feb hence recommended to hedge to your short term positions by using Futures & Options.

DERIVATIVES INDICATORS

India VIX closed lower at 12.29 vs. 13.55 of the previous month indicating low volatility. Another leading derivative indicator, the Nifty PCR, opened on a higher note this month at 1.54 against last month's 1.32.

BANKNIFTY

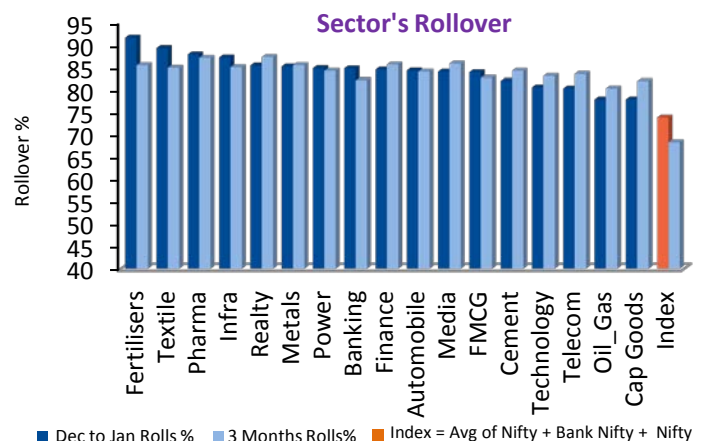
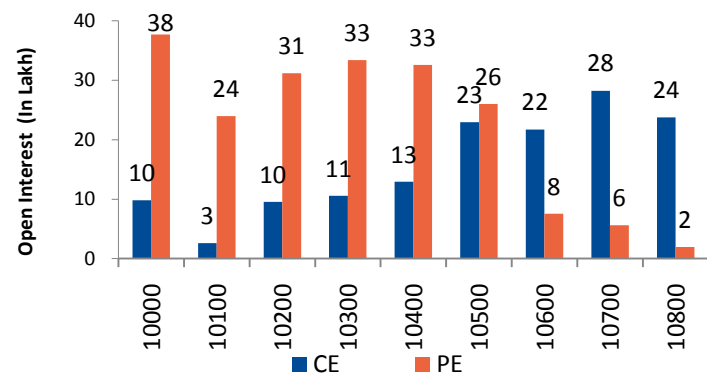
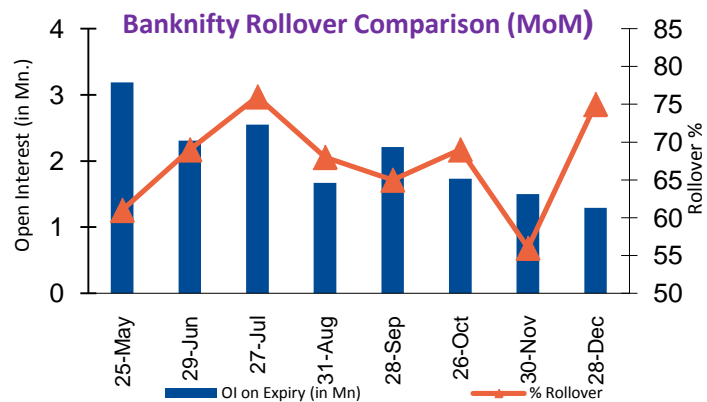
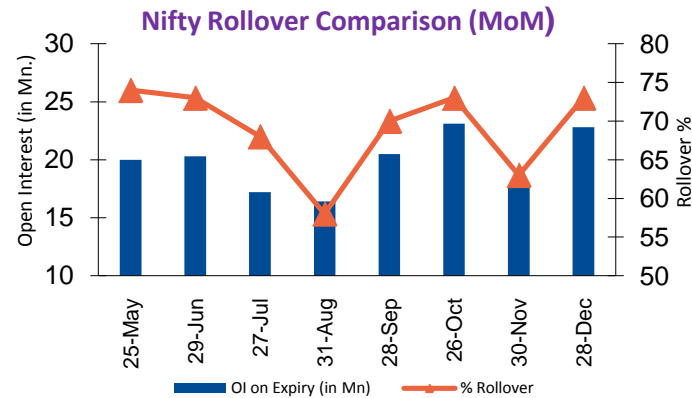
The index saw higher rolls of 75% compared with the 3M average of 63%. Banknifty will start the January series with an OI of 1.29 Mn shares compared with OI of 1.50 Mn shares at the beginning of the December series. As per options data support for the index is around 24800 and 25000 whereas resistance stands at 25800 and 26000 for the short term.

OPTION ANALYSIS

From the OI Concentration (January Series), maximum addition of open interest on the call options front exists at strike prices of 10700 and 10800 (with nearly 28.25 lacs and 23.76 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 10300 and 10000 (with nearly 33.42 lacs and 37.73 lacs shares outstanding) indicating stronger support zone on the downside.

SECTOR/STOCK ROLLOVER ACTIVITY:

- From the sectoral action, rollovers accelerated for **Fertilisers, Textile, Infra, Banking, and FMCG** stocks on expiry. However, low rollovers were seen in **Realty, Telecom, Media, Oil&Gas and Capital Goods** stocks.
- Within the Nifty50 space, index heavyweights such as **POWERGRID, TATAPOWER, BANKBARODA, AXISBANK, HDFC, COALINDIA, and ACC** saw aggressive rollover in the January series while low rolls were seen in **GAIL, ICICIBANK, BPCL, ONGC, HINDUNILVR, ZEEL, MARUTI and BOSCHLTD** compare with 3M average.
- From the midcap space, **UBL, BATAINDIA, MRPL, JUBLFOOD, IRB, EQUITAS, INDIGO, TATACHEM, and UNIONBANK** saw high rollovers whereas **RAMCOCEM, RCOM, M&MFIN, MCDOWELL-N, BAJAJFINSV, CUMMINSIND, ICICIPRULI, REPCOHOME, SRTRANSFIN and WOCKPHARMA** saw lower rollover compare with 3M average.



TECHNICAL VIEW ON NIFTY

In Dec series index has registered new lifetime high of 10550 and continues its upward journey. Index on weekly chart has bounce from its 21 WEMA which is acting as strong support.

Moreover, the index holds lower trend line support of rising wedge pattern. As per this pattern as long as index holds 10100 upwards momentum is likely to continue. Upper trend line resistance of rising wedge pattern is placed around 10650-10700 levels.

RSI is on verge of forming negative divergence. Thus, index will find strong resistance in the band of 10650-10700. On lower side, 10300 will act as strong support followed by 10100.



TECHNICAL VIEW ON BANKNIFTY

In Dec series index has seen consolidation in the band of 24700 to 26000 band. Index on weekly chart has bounce from its 21 WEMA which is acting as strong support.

On higher side, previous high of 25954 will act as first hurdle followed by trend line resistance which is placed close to 26500. RSI is on verge of forming negative divergence.

Thus, index will find strong resistance in the band of 26000-26500. On lower side, 24700 will act as strong support followed by 23800.



Stocks to watch out based on Rollover Analysis:

POSITIVE

MRP	Strong rollover of 89% vs 79% (3m Avg) indicates long positions carried forward
EQUITAS	Strong rollover of 92% vs 83% (3m Avg) indicates long positions carried forward
IDFC	Strong rollover of 94% vs 86% (3m Avg) indicates long positions carried forward.
RAMCOCEM	Low Rollover of 53% vs 78% (3m Avg) indicates cut down in short positions.

NEGATIVE

GAIL	Weak rollover of 57% vs 78% (3m Avg) indicates long unwinding.
ICICIBANK	Weak rollover of 64% vs 80% (3m Avg) indicates long unwinding
BPCL	Weak rollover of 62% vs 76 % (3m Avg) indicates long unwinding.
ZEEL	Weak rollover of 75% vs 85 % (3m Avg) indicates long unwinding

Rollover Update (Sector Wise)

Company	Sector	Nov to Dec Roll%	Dec to Jan Roll%	3 MONTHS AVG ROLL	Divergence	Roll cost %
ACC	Cement	90	86	81	5	0.43
ADANIENT	Others	90	88	88	0	0.42
ADANIPOWER	Power	92	94	93	1	0.98
ADANIPOWER	Power	92	94	93	1	0.98
AJANTPHARM	Pharma	78	86	84	2	0.80
ALBK	Banking	80	86	81	5	0.54
AMARAJABAT	Automobile	83	85	84	2	0.61
AMBUJACEM	Cement	89	80	80	0	0.31
ANDHRABANK	Banking	80	84	82	2	0.59
APOLLOHOSP	Others	48	75	73	2	0.26
APOLLOTYRE	Automobile	77	76	78	-1	0.02
ARVIND	Textile	84	87	84	3	1.05
ASHOKLEY	Automobile	91	91	88	2	0.51
ASIANPAINT	FMCG	82	78	78	0	0.22
AUROPHARMA	Pharma	88	89	91	-1	0.67
AXISBANK	Banking	84	88	82	6	0.52
BAJAJ-AUTO	Automobile	90	85	87	-2	0.35
BAJAJFINSV	Finance	88	77	90	-13	0.18
BAJFINANCE	Finance	80	86	82	4	0.44
BALKRISIND	Automobile	75	85	76	9	0.67
BALRAMCHIN	Others	91	83	85	-2	0.46
BANKBARODA	Banking	89	89	83	6	0.68
BANKINDIA	Banking	85	85	79	5	0.94
BANKNIFTY	Index	56	75	63	12	0.20
BATAINDIA	FMCG	74	84	74	10	0.72
BEL	Capital_Goods	88	79	85	-6	0.77
BEML	Infrastructure	85	90	87	3	1.03
BERGEPAIN	FMCG	76	85	77	8	0.94
BHARATFIN	Finance	91	91	90	1	0.74
BHARATFORG	Automobile	90	88	86	1	0.36
BHARTIARTL	Telecom	80	85	86	-1	0.69
BHEL	Capital_Goods	90	86	86	0	0.54
BIOCON	Pharma	90	85	86	-2	0.07
BOSCHLTD	Automobile	91	80	87	-7	0.38
BPCL	Oil_Gas	78	62	76	-14	-1.21
BRITANNIA	FMCG	72	89	83	5	0.77
CADILAHC	Pharma	83	89	83	6	0.66

Company	Sector	Nov to Dec Roll%	Dec to Jan Roll%	3 MONTHS AVG ROLL	Divergence	Roll cost %
CANBK	Banking	81	81	79	2	0.48
CANFINHOME	Finance	85	88	86	1	0.67
CAPF	Finance	85	90	86	4	0.65
CASTROLIND	Oil_Gas	82	92	88	4	0.83
CEATLTD	Automobile	81	87	83	4	0.92
CENTURYTEX	Textile	91	95	91	4	0.68
CESC	Power	86	85	84	0	0.65
CGPOWER	Power	87	88	87	1	0.49
CHENNPETRO	Oil_Gas	81	84	82	2	0.64
CHOLAFIN	Finance	84	83	84	0	0.40
CIPLA	Pharma	89	84	85	-1	0.30
COALINDIA	Others	81	81	76	5	0.13
COLPAL	FMCG	79	69	82	-13	-0.11
CONCOR	Others	89	91	82	9	0.28
CUMMINSIND	Capital_Goods	79	61	78	-16	0.81
DABUR	FMCG	89	95	90	5	0.78
DALMIABHA	Cement	91	87	89	-3	0.87
DCBBANK	Banking	86	86	84	2	0.64
DHFL	Finance	95	93	92	1	0.79
DISHTV	Media	87	90	87	3	0.80
DIVISLAB	Pharma	85	85	83	1	0.76
DLF	Realty	90	85	86	-1	1.03
DRREDDY	Pharma	82	88	85	2	0.79
EICHERMOT	Automobile	86	82	84	-2	0.42
ENGINEERSIN	Infrastructure	80	82	82	0	0.63
EQUITAS	Finance	91	92	83	10	0.98
ESCORTS	Automobile	89	92	84	8	0.85
EXIDEIND	Automobile	84	88	84	4	0.62
FEDERALBNK	Banking	82	88	84	4	0.50
FORTIS	Pharma	96	94	94	0	0.74
GAIL	Oil_Gas	79	57	78	-21	-0.90
GLENMARK	Pharma	89	89	88	1	0.49
GMRINFRA	Infrastructure	91	90	91	0	1.49
GODFRYPHLP	FMCG	81	79	80	0	0.76
GODREJCP	FMCG	80	92	86	6	0.86
GODREJIND	FMCG	84	88	84	4	0.51
GRANULES	Pharma	84	88	86	2	0.62

Company	Sector	Nov to Dec Roll%	Dec to Jan Roll%	3 MONTHS AVG ROLL	Divergence	Roll cost %
GRASIM	Cement	87	88	88	0	0.55
GSFC	Fertilisers	86	93	89	4	0.79
HAVELLS	Others	79	86	81	5	0.71
HCC	Infrastructure	89	91	86	4	0.99
HCLTECH	Technology	85	82	84	-2	0.44
HDFC	Finance	85	84	79	5	0.39
HDFCBANK	Banking	81	80	79	1	-0.26
HDIL	Realty	88	85	87	-2	0.59
HEROMOTOCO	Automobile	75	80	79	1	0.47
HEXAWARE	Technology	75	74	74	0	-0.84
HINDALCO	Metals	85	77	81	-4	0.64
HINDPETRO	Oil_Gas	87	87	85	2	0.06
HINDUNILVR	FMCG	88	80	87	-7	0.53
HINDZINC	Metals	83	91	85	6	0.87
IBULHSGFIN	Finance	83	84	83	0	0.90
ICICIBANK	Banking	84	64	80	-16	0.19
ICICIPRULI	Finance	86	80	87	-7	0.50
ICIL	Textile	85	91	85	5	0.64
IDBI	Banking	89	92	85	7	0.91
IDEA	Telecom	70	79	76	3	0.49
IDFC	Finance	93	94	86	8	0.64
IDFCBANK	Banking	91	91	92	-1	0.74
IFCI	Finance	87	86	89	-3	0.87
IGL	Oil_Gas	88	82	82	0	0.55
INDIACEM	Cement	89	91	89	1	0.64
INDIANB	Banking	83	84	83	1	0.59
INDIGO	Others	89	92	83	9	0.43
INDUSINDBK	Banking	79	82	78	4	0.07
INFIBEAM	Technology	86	80	87	-7	0.06
INFRATEL	Telecom	68	77	79	-1	0.43
INFY	Technology	83	81	81	1	0.35
IOC	Oil_Gas	62	66	74	-8	0.24
IRB	Infrastructure	87	88	79	10	0.79
ITC	FMCG	83	77	83	-6	0.40
JETAIRWAYS	Others	85	83	85	-2	1.00
JINDALSTEL	Metals	84	85	85	0	0.99
JISLJALEQS	Others	93	94	91	3	1.05

Company	Sector	Nov to Dec Roll%	Dec to Jan Roll%	3 MONTHS AVG ROLL	Divergence	Roll cost %
JPASSOCIAT	Realty	91	87	89	-2	0.21
JSWENERGY	Power	87	88	92	-3	0.67
JSWSTEEL	Metals	94	96	95	1	0.79
JUBLFOOD	Others	83	92	82	10	0.79
JUSTDIAL	Others	69	83	77	6	1.21
KAJARIACER	Others	81	78	79	-1	0.57
KOTAKBANK	Banking	73	74	74	0	0.61
KPIT	Technology	87	86	90	-4	0.84
KSCL	Others	87	84	87	-3	0.59
KTKBANK	Banking	86	89	86	3	0.60
L&TFH	Finance	85	85	88	-2	0.43
LICHSGFIN	Finance	86	87	88	-1	0.51
LT	Capital_Goods	83	78	83	-5	0.63
LUPIN	Pharma	83	89	84	5	0.69
M&M	Automobile	81	72	83	-10	0.39
M&MFIN	Finance	86	68	85	-17	0.82
MANAPPURAM	Finance	92	92	87	4	1.12
MARICO	FMCG	78	86	79	8	0.55
MARUTI	Automobile	81	77	84	-6	0.70
MCDOWELL-N	FMCG	92	75	92	-17	0.82
MCX	Others	92	93	88	5	0.62
MFSL	Finance	82	79	85	-6	0.58
MGL	Oil_Gas	82	82	82	0	0.71
MINDTREE	Technology	81	77	83	-6	0.47
MOTHERSUMI	Automobile	85	83	84	-1	0.81
MRF	Automobile	95	93	91	2	0.32
MRPL	Oil_Gas	71	89	79	10	0.39
MUTHOOTFIN	Finance	85	80	80	0	0.62
NATIONALUM	Metals	86	83	86	-3	0.75
NBCC	Infrastructure	86	86	85	2	0.65
NCC	Infrastructure	84	83	84	-1	0.71
NESTLEIND	FMCG	87	82	83	-1	0.16
NHPC	Power	81	75	82	-7	0.79
NIFTY	Index	63	73	69	5	0.27
NIFTYIT	Index	72	73	73	0	0.09
NIITTECH	Technology	87	81	74	8	0.75
NMDC	Metals	87	89	85	3	0.76

Company	Sector	Nov to Dec Roll%	Dec to Jan Roll%	3 MONTHS AVG ROLL	Divergence	Roll cost %
NTPC	Power	78	66	76	-10	0.06
OFSS	Technology	78	70	80	-9	0.91
OIL	Oil_Gas	75	70	71	0	-0.57
ONGC	Oil_Gas	88	71	84	-13	0.62
ORIENTBANK	Banking	82	87	80	7	0.45
PAGEIND	Textile	80	79	76	3	0.37
PCJEWELLER	Others	89	87	85	2	0.57
PEL	Pharma	91	90	88	2	0.63
PETRONET	Oil_Gas	70	87	79	8	0.58
PFC	Finance	84	86	84	2	0.46
PIDILITIND	FMCG	80	82	82	0	0.70
PNB	Banking	81	83	77	6	0.53
POWERGRID	Power	79	81	70	11	0.65
PTC	Power	84	85	84	1	0.69
PVR	Media	78	78	78	0	0.45
RAMCOCEM	Cement	86	53	78	-25	0.68
RAYMOND	Textile	89	95	89	6	0.93
RBLBANK	Banking	87	89	83	6	0.49
RCOM	Telecom	87	71	88	-17	-0.65
RECLTD	Power	89	87	84	3	0.61
RELCAPITAL	Finance	88	89	87	1	0.56
RELIANCE	Oil_Gas	88	82	85	-3	0.42
RELINFRA	Power	86	85	88	-3	0.76
REPCOHOME	Finance	88	74	84	-10	0.53
RNAVAL	Capital_Goods	83	80	85	-5	1.45
RPOWER	Power	91	91	90	1	0.78
SAIL	Metals	89	87	87	0	0.86
SBIN	Banking	75	83	79	4	0.73
SHREECEM	Cement	79	85	81	4	0.42
SIEMENS	Capital_Goods	84	79	85	-5	0.40
SOUTHBANK	Banking	92	87	90	-3	0.49
SREINFRA	Infrastructure	86	86	86	0	0.61
SRF	Textile	82	88	83	6	0.59
SRTRANSFIN	Finance	85	70	82	-13	0.53
STAR	Pharma	88	92	90	2	0.63
SUNPHARMA	Pharma	94	90	93	-3	0.51
SUNTV	Media	91	84	86	-2	0.65

Company	Sector	Nov to Dec Roll%	Dec to Jan Roll%	3 MONTHS AVG ROLL	Divergence	Roll cost %
SUZLON	Power	88	88	87	0	0.66
SYNDIBANK	Banking	90	86	83	3	0.70
TATACHEM	Fertilisers	91	93	84	9	0.88
TATACOMM	Telecom	90	89	89	0	0.71
TATAELXSI	Technology	85	84	84	0	0.63
TATAGLOBAL	FMCG	87	90	89	1	0.82
TATAMOTORS	Automobile	83	88	83	4	0.31
TATAMTRDVR	Automobile	89	91	88	3	0.57
TATAPOWER	Power	83	89	79	9	0.54
TATASTEEL	Metals	90	72	84	-12	0.54
TCS	Technology	86	82	85	-3	0.10
TECHM	Technology	91	84	87	-3	0.11
TITAN	FMCG	78	89	82	8	0.69
TORNTPHARM	Pharma	82	83	84	0	0.86
TORNTPOWER	Power	82	85	81	5	0.88
TV18BRDCST	Media	91	93	93	0	1.08
TVSMOTOR	Automobile	78	78	82	-5	0.31
UBL	FMCG	79	88	77	11	0.52
UJJIVAN	Finance	82	90	86	4	1.01
ULTRACEMCO	Cement	87	86	86	-1	0.49
UNIONBANK	Banking	75	87	79	8	0.72
UPL	Fertilisers	83	89	83	6	0.64
VEDL	Metals	88	87	81	6	0.66
VGUARD	Capital_Goods	75	80	74	6	0.49
VOLTAS	Capital_Goods	79	78	79	0	-0.30
WIPRO	Technology	86	83	88	-4	-2.87
WOCKPHARMA	Pharma	88	83	88	-5	1.34
YESBANK	Banking	83	87	86	1	0.49
ZEEL	Media	81	75	85	-10	0.50

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