

12-02-2018

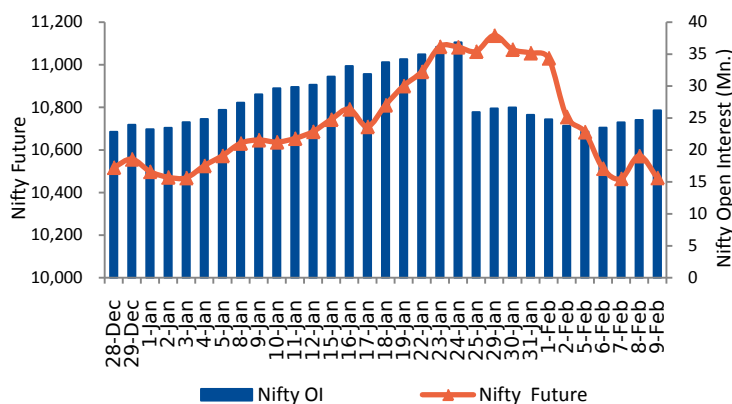
Weekly Derivatives Synopsis

PARTICULARS	Last Closing	Previous Week	% Change
NIFTY SPOT	10455	10761	-2.8
NIFTY FUTURES	10470	10756	-2.7
BANKNIFTY SPOT	25464	26451	-3.7
BANKNIFTY FUTURES	25513	26505	-3.7
NIFTY PCR	1.09	1.09	0.0
NIFTY PCR-VOL	0.93	0.84	10.7
NIFTY OI(In Mn)	26.2	23.79	10.1
BANKNIFTY OI(In Mn)	2.08	1.99	4.5
INDIA VIX	19.23	15.25	26.1
NIFTY HV	16.42	15.16	8.3
Nifty Basis Points	14.75	-4.75	-410.5

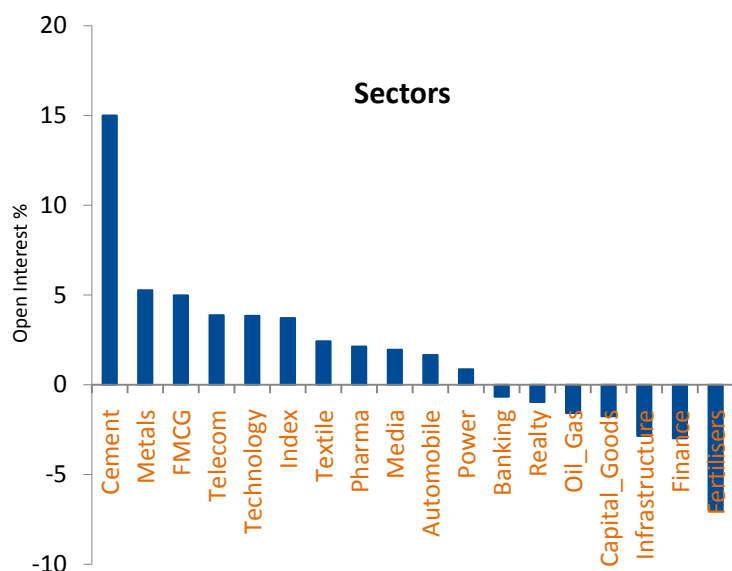
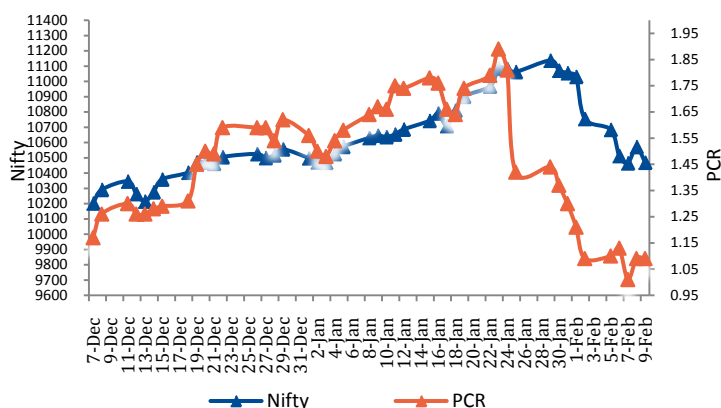
Index Outlook

Derivatives Last week, the index witnessed high volatility and saw selling pressure due to weak global cues, increase in bond yield, and fears of rising inflation in the US market. Meanwhile, the RBI kept the repo rate unchanged in its sixth bimonthly money policy review while maintaining a neutral stance. However, it did flag concerns on inflation. Nifty Futures closed at 10470 losing 2.66% (WoW) with addition of OI of 10% (WoW) indicating short build up. Nifty VIX for the week closed on a stronger note at 19.23 gaining 26% (WoW) indicating rise in volatility. On the options front, Nifty Put call ratio currently stands at 1.09. On the technical front, Nifty has taken support of 100 DSMA and saw good recovery despite of selling pressure. Nifty on the weekly chart managed to hold above the trendline support of 10400. Thus, 10400 will act as first support for Nifty followed by 10275, which will act as crucial support. On the upside, 10650 will act as first hurdle followed by 10800. Going forward, Q3FY18 earnings, trend in global markets, FII flows, Dollar movement, Domestic macro data, and crude oil prices movement will be the key market trigger.

Nifty OI Trend



Nifty Fut Vs Pcr



Sectoral Activity

- Last week, **Cement, Metal, FMCG, Telecom, and Technology** stocks saw open interest addition. Top names included **RAMCOCEM, ACC, HINDZINC, JINDALSTEL, NESTLEIND, GODREJIND, BHARTIARTL, IDEA, MINDTREE, and NIITTECH.**
- Fertilisers, Finance and Infra** stocks saw open interest unwinding on the back of short covering, especially in **TATACHEM, CHOLAFIN, MUTHOOTFIN, and ENGINEERSIN.**
- In the **Banking** space, **DCBBANK, CANBK, FEDERALBNK,** and **IDFCBANK** saw short covering whereas long unwinding was seen in **SYNDIBANK, ORIENTBANK, ICICIBANK, and ALBK.**
- This week, some buying can be seen in **POWERGRID, NTPC, BHARTIARTL, BPCL,** and **ENGINEERSIN** while selling pressure can be seen in **CENTURYTEX** and **NESTLEIND.**
- From sector space, **Banking, Cement, Infra, Realty, and Textile** stocks are likely to remain in focus in the forthcoming week.

Stocks to Watch Out (Weekly)

Long Build-up				Long Unwinding			
Symbol	Price	OI Change	Price Change	Symbol	Price	OI Change	Price Change
BATAINDIA	717.9	26%	4%	BHARATFIN	998.9	-13%	-4%
HINDZINC	304.8	24%	3%	BAJAJ-AUTO	3103.3	-9%	-4%
JETAIRWAYS	793.5	22%	15%	SYNDIBANK	65.4	-7%	-3%
CIPLA	624.2	19%	8%	BEML	1260.3	-7%	-2%
Short Build-up				Short covering			
Symbol	Price	OI Change	Price Change	Symbol	Price	OI Change	Price Change
RAMCOCEM	710.0	110%	-3%	BEL	156.8	-23%	4%
NESTLEIND	7006.7	44%	-2%	CHOLAFIN	1320.1	-18%	4%
GODREJIND	552.4	38%	-5%	FORTIS	148.7	-13%	18%
GLENMARK	537.1	19%	-9%	AMARAJABAT	800.0	-12%	4%

Weekly Recommendation

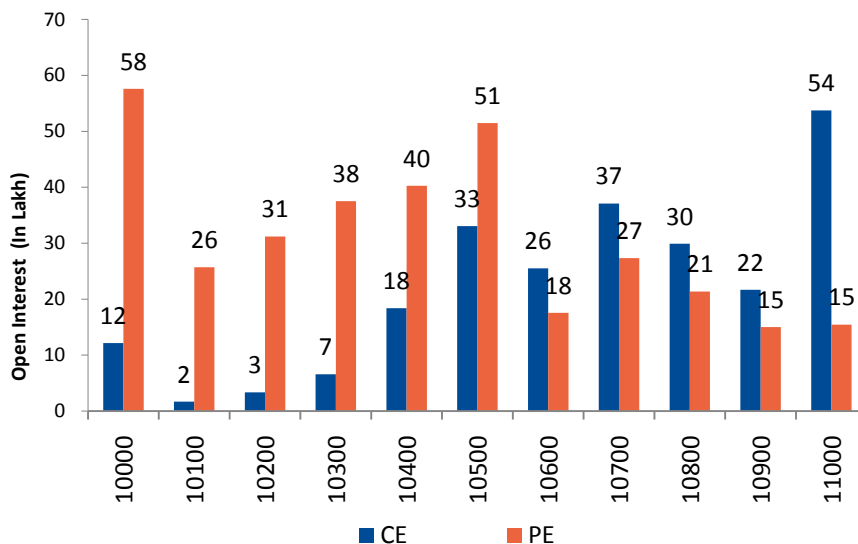
POWERGRID (193.55) - The stock has seen Open Interest addition of 17.9% along with positive price action indicating long build up. Technically, the stock is place close to lower trendline support of falling wedge pattern. The stock can be bought in the range of 192-193 with a stop loss of 189 on closing basis for a target of 200.

Target: 200 Stop Loss: 189

ENGINEERSIN (167.2) - The stock has seen Open Interest unwinding of 8.31% along with positive price action indicating short covering. Technically, the stock is place close to trendline support. The stock can be bought in the range of 163-165 with a stop loss of 158 on closing basis for target of 176-180.

Target: 180 Stop Loss: 158

Nifty Options Snapshot



From the OI Concentration (February Series), maximum addition of Open Interest on the call options front exists at the strike prices of 10700 and 11000 (with nearly 37.09 lacs and 53.75 lacs shares outstanding respectively). This indicates these levels would act as the resistance zone on the upside. On the Put options front, maximum addition of Open Interest is at the strike prices of 10500 and 10000 (with nearly 51.48 lacs and 57.60 lacs shares outstanding respectively), indicating a stronger support zone on the downside.

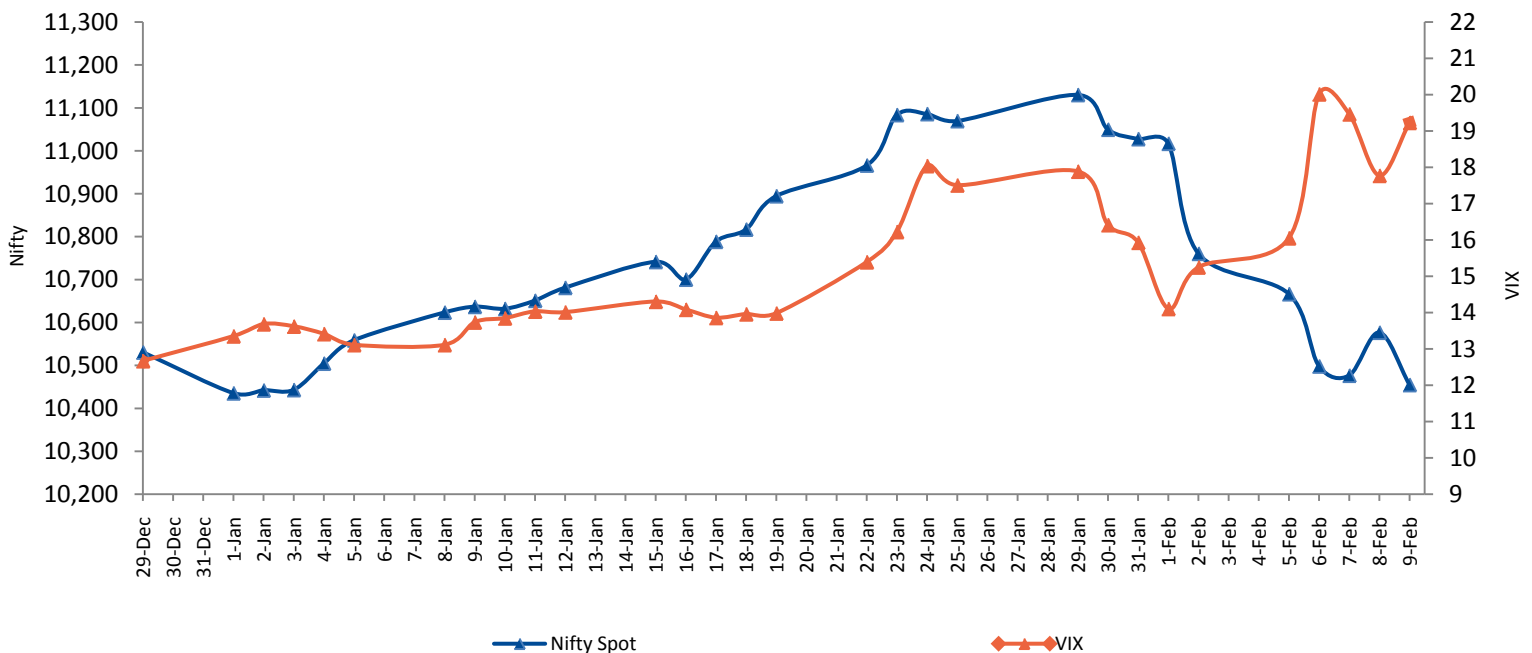
FII Stats (5 Days Trend)

(Rs. Cr.)	9-Feb	8-Feb	7-Feb	6-Feb	5-Feb
INDEX FUTURES	-2558	244	-1751	-1638	-555
INDEX OPTIONS	2211	2022	586	2836	175
STOCK FUTURES	-648	1302	1242	1437	597
STOCK OPTIONS	192	105	-117	-41	-28

FII Open Interest Activity (Long & Short Ratio)

Date	Index Fut: Long/Short	Index Option: Long /Short	Index put: long /Short	Stock Fut Long/Short
2-Feb	1.90	1.46	1.92	0.95
5-Feb	1.73	1.34	2.00	0.97
6-Feb	1.37	1.31	2.22	1.01
7-Feb	1.12	1.17	2.39	1.04
8-Feb	1.15	1.21	2.35	1.08
9-Feb	0.87	1.17	2.57	1.06

NIFTY VS INDIA VIX (Last 30 Days Trend)



Observation: Any rise in India Vix this week would lead to either side movement in the index. As per the above chart, India Vix has strong support at around 17.00 and resistance stands at 20.20.

Weekly Advance Decline Ratio (Nifty Stocks)

Advances	11
Declines	32
Unchanged	07

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