

# Weekly Derivatives Synopsis

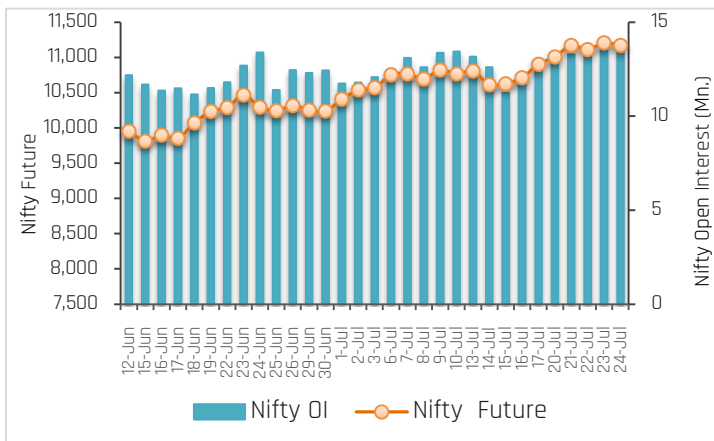
27-07-2020

PARTICULARS	Last Closing	Previous Week	% Change
NIFTY SPOT	11194	10902	2.68
NIFTY FUTURES	11170	10905	2.43
BANKNIFTY SPOT	22662	21967	3.17
BANKNIFTY FUTURES	22611	21971	2.91
NIFTY PCR	1.74	1.75	-0.57
NIFTY PCR-VOL	1.00	0.89	12.36
NIFTY OI(In Mn)	13.41	12.48	7.45
BANKNIFTY OI(In Mn)	1.80	1.64	9.76
INDIA VIX	24.54	24.16	1.57
NIFTY BASIS POINTS	-23.90	3.35	-27.25 Points

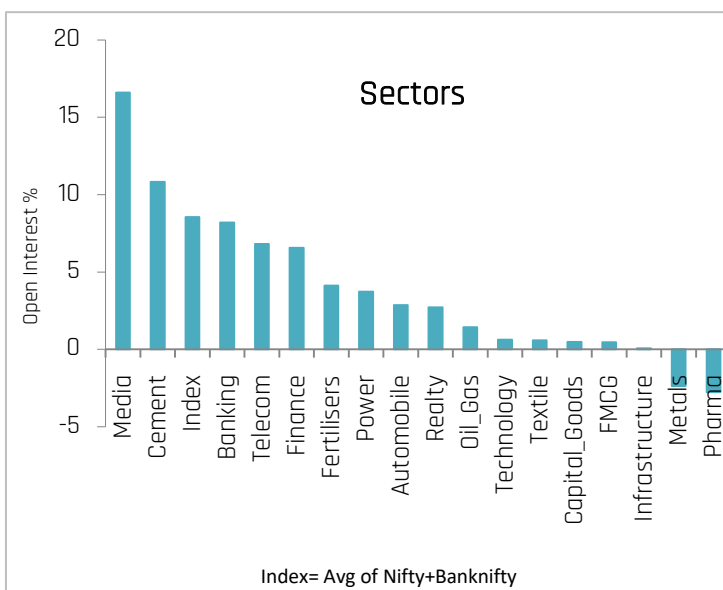
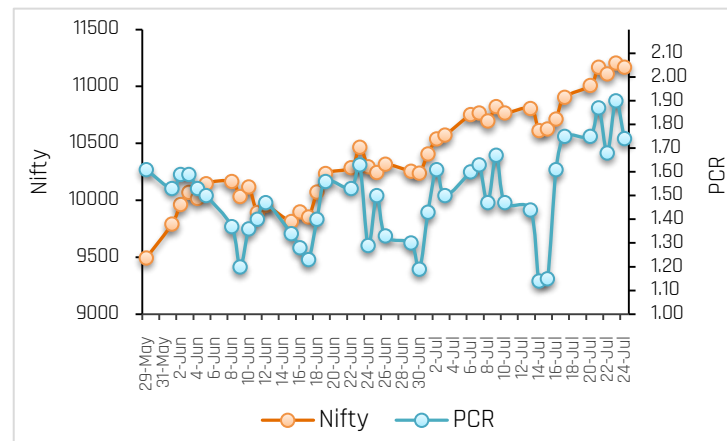
## Index Outlook

Last week, Bulls continue to dominate the Dalal street for the sixth straight week, supported by positive global cues, better-than-expected corporate earnings, progress in Covid-19 vaccine, and expectation of recovery in economic activity. Finally, the Nifty futures settled above the psychological level of 11000 at 11170, up 2.43% (WoW) with addition in open interest of 7.45% (WoW) indicating neutral to positive bias for short term. The India VIX slightly up by 1.57% and closed at 24.54 during the week, which indicating rise in volatility going ahead. Nifty Put call ratio currently stands at 1.74, down 0.57% (WoW). Technically, the index has taken resistance close to the previous breakdown point of the channel pattern. However, on a weekly scale index has formed a bullish candle that will keep the bulls alive. Last week, the index crossed the hurdle of 100 WEMA, which is placed close to 11030 levels. Thus, 11000 will act as support for the coming week followed by 10800. On the other hand, 11300 will act as an initial hurdle followed by 11500 which will act as a strong hurdle for bulls in the short term. Going forward, rise in corona-virus infections and development in vaccine, progress of monsoon, US-China tension, Rupee movement against the Dollar, Fiis flow, quarterly results, global cues, monthly derivative expiry, and crude oil price movement will dictate the trend on the bourses next week.

## Nifty OI Trend



## Nifty FutVsPcr



## Sectoral Activity

- Last week, **Media, Cement, Telecom, Finance, and Fertilisers**, stocks saw Open Interest addition. Top names included **ZEEL, PVR, RAMCOCEM, SHREECEM, IDEA, BHARTIARTL, IBULHSGFIN, BAJFINANCE**, and **UPL**.
- Pharma and Metals**, sector saw Open Interest unwinding on the back of profit booking in the stocks.
- In the **Banking** space, **KOTAKBANK, RBLBANK, AXISBANK, ICICIBANK, SBIN** and **HDFCBANK** saw long build-up while short build up seen in **BANKBARODA, BANDHANBNK, and CANBK**.
- This week, some buying can be seen in **BALKRISIND, UPL, APOLLOHOSP, AXISBANK, and CUMMINSIND**, while selling pressure can be seen in **ZEEL, DLF, and ADANIPTS**.
- From sector space, **Banking, Cement, Capital Goods, Fertilisers, Telecom, and Automobile**, stocks are likely to remain in focus in the forthcoming week.

## Stocks to Watch Out (Weekly)

27-07-2020

Long Build-up			
Symbol	Price	OI Change	Price Change
RAMCOCEM	685.45	23%	4%
BEL	102.45	18%	4%
UPL	454.60	18%	4%
HAVELLS	606.90	15%	2%

Long Unwinding			
Symbol	Price	OI Change	Price Change
BHEL	36.90	-16%	-4%
JINDALSTEL	168.65	-15%	-5%
NATIONALUM	33.45	-14%	-3%
NCC	31.50	-12%	-2%

Short Build-up			
Symbol	Price	OI Change	Price Change
ZEEL	151.90	46%	-4%
IBULHSGFIN	216.50	28%	-3%
BAJFINANCE	3,239.30	23%	-2%
SHREECEM	21,403.15	21%	-4%

Short covering			
Symbol	Price	OI Change	Price Change
ITC	198.90	-19%	2%
VOLTAS	594.95	-18%	3%
POWERGRID	182.00	-17%	11%
DIVISLAB	2,350.85	-14%	4%

## Weekly Recommendation

**APOLLOHOSP (1510.35)** -The stock has seen Open Interest addition of 15.00% along with positive price action indicating long buildup. The stock can be bought in the range of 1485-1495 with a stop loss of 1450 on closing basis for a target of 1550-1570

**Target: 1570 Stop Loss: 1450**

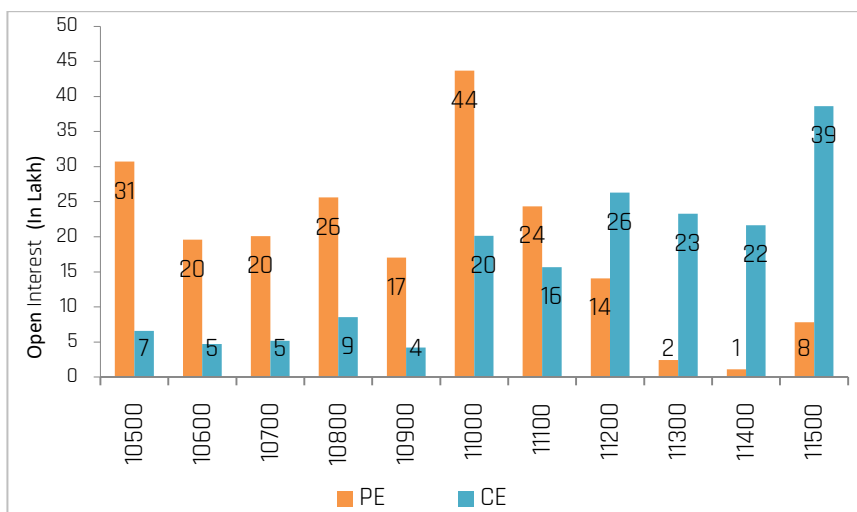
**UPL (454.60)** -The stock has seen Open Interest addition of 17.54% along with positive price action indicating long buildup. The stock can be bought in the range of 448-450 with a stop loss of 430 on closing basis for a target of 490.

**Target: 490 Stop Loss:430**

**ADANI PORTS (310.05)** - The stock has seen Open Interest addition of 7.08% along with negative price action indicating short build-up. The stock can be sold in the range of 315-317 with a stop loss of 330 on closing basis for a target of 290-285.

**Target: 285 Stop Loss: 330**

## Nifty Options Snapshot



From the OI Concentration (30-July Series), addition of open interest on the call options front exists at the strike prices of 11200 and 11500 (with nearly 26.31 lacs and 38.62 lacs shares outstanding). This indicates that 11500 level would act as the resistance zone on the upside. On the Put options front, addition of open interest is at the strike prices of 11000 and 10500 (with nearly 43.68 lacs and 30.74 lacs shares outstanding respectively), indicating 11000 stronger support zone on the downside.

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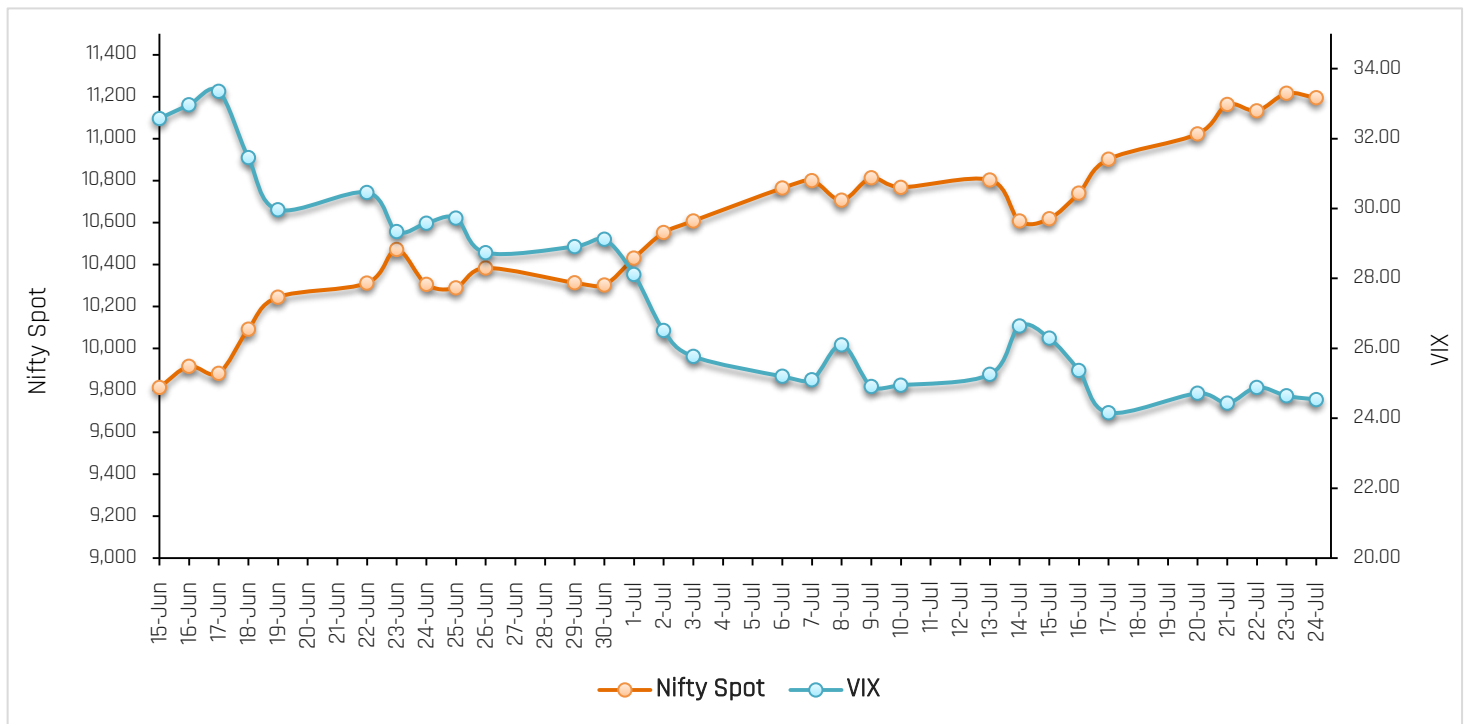
## FII Stats (5 Days Trend)

(Rs. Cr.)	24-Jul	23-Jul	22-Jul	21-Jul	20-Jul
INDEX FUTURES	-1196	220	337	857	-68
INDEX OPTIONS	-691	1738	703	783	-299
STOCK FUTURES	-1210	-1281	-362	-643	-275
STOCK OPTIONS	146	186	225	17	-22

## FII Open Interest Activity (Long & Short Ratio)

Date	Index Fut: Long/Short	Index Option: Long /Short	Index put: long /Short	Stock Fut Long/Short
17-Jul	1.13	1.48	1.49	2.09
20-Jul	1.10	1.38	1.49	2.06
21-Jul	1.27	1.51	1.39	2.03
22-Jul	1.34	1.47	1.43	2.02
23-Jul	1.35	1.54	1.52	1.97
24-Jul	1.04	1.39	1.47	1.89

## 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 23.00 and resistance stands at 30.00.

## Weekly Advance Decline Ratio (Nifty Stocks)

Advances	25
Declines	22
Unchanged	03

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