

DERIVATIVES ROLLOVER ANALYSIS

01-04-2022

APRIL SERIES VIEW

In March expiry, the domestic benchmark indices ended with strong gain, as the market cheered after the BJP's stunning victory in states election, and anticipation of easing tensions between Russia and Ukraine. Finally, Nifty settled the expiry on a positive note at 17465 with a gain of 1217 points (EoE), indicating positive bias for the short term. However, the markets will be concerned about the sanctions placed on Russia by several countries, as well as any uncertain move on the Russia-Ukraine front. Higher inflation, crude oil, and bond rates will also be a worry. Thus, investors should remain cautious on the higher side. On the expiry day, the Nifty futures rollover stood at 82%, which is higher as compared with the last three series average rollover of 77%. Nifty will start the April series with an open interest of 1.52 Cr shares compared with an OI of 1.17 Cr shares at the beginning of the March series. Market-wide rollovers stood in line at 92% as compared with the average rollovers of 92% in the last three series. Going into April month, Covid-19 cases, monthly auto sales data, developments around Russia-Ukraine conflict, Rupee movement against the Dollar, RBI policy, Q4FY22 earnings, FIIs flow, and crude oil price movement will dictate the trend on the bourses next month.

DERIVATIVES INDICATORS

During the month, India VIX cool off by 35.71% (EoE) and closed at 20.56% vs. 31.98% of the previous month. We expecting volatility will remain high due to geopolitical tensions. Another leading derivatives indicator, Nifty PCR, opened on a higher note this month at 1.07 against last month's 0.98.

BANKNIFTY

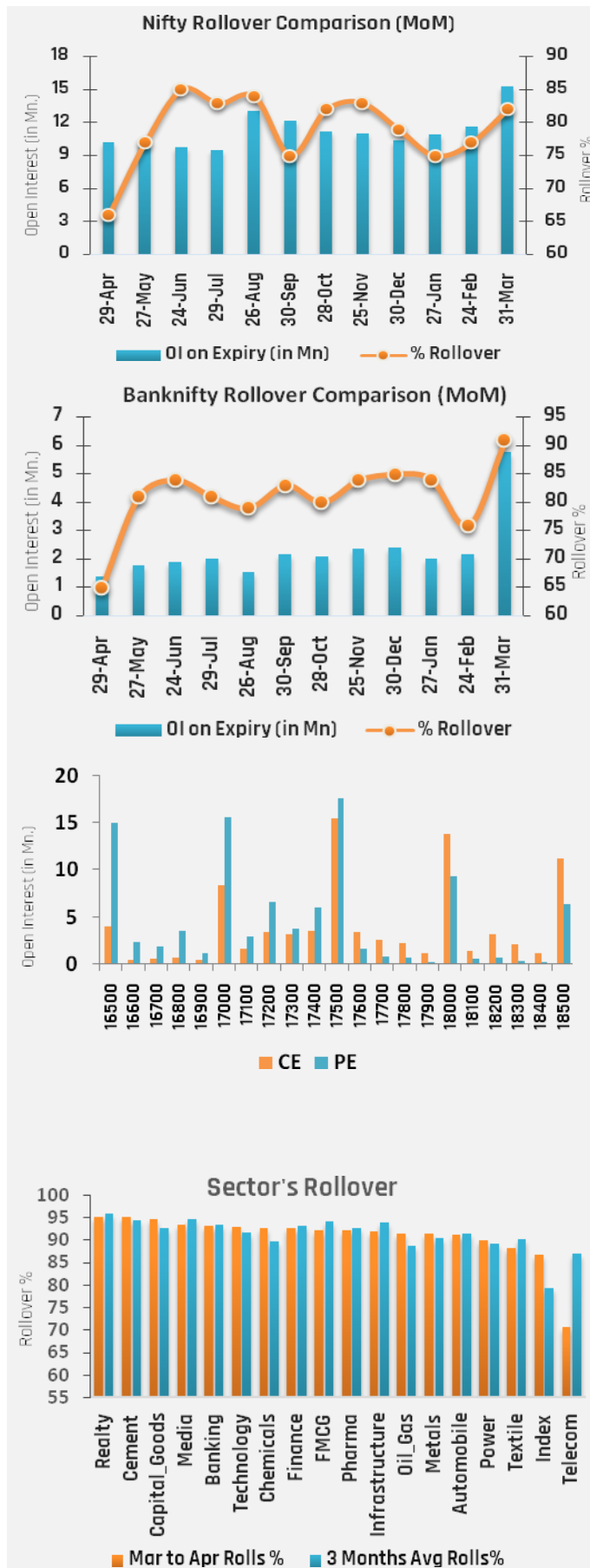
The index saw strong rolls of 91% as compared with the 3M average of 82%. BankNifty will start the April series with higher OI of 5.75 Mn shares as compared with OI of 2.17 Mn shares at the beginning of the March series. As per options data, support for the index stands around 35000 and 34000 whereas resistance stands at 37000 and 38000 for the short term.

OPTION ANALYSIS

From the OI Concentration (28-Apr Series), Maximum open Interest on the call options front exists at strike prices of 17500, 18000 and 18500 (with nearly 15.54 lacs, 13.81 lacs and 11.19 lacs shares outstanding respectively). This indicates 18000 and 18500 levels will act as the resistance zone on the upside for the short term. On the put options front, Maximum open Interest is at strike prices of 17500, 17000 and 16500 (with nearly, 17.66 lacs, 15.57 lacs and 14.99 lacs shares outstanding respectively) indicating 17000 and 16500 levels will be stronger support zone.

SECTOR/STOCK ROLLOVER ACTIVITY:

- From the sectoral action, rollovers accelerated for **CEMENT, CAPITAL GOODS, MEDIA, TECHNOLOGY** and **CHEMICALS**, stocks on April expiry. However, low rollovers were seen in **TELECOM, FMCG, REALTY, TEXTILE** and **INFRASTRUCTURE** 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 **IOC, ONGC, TECHM, COALINDIA, and TCS** saw aggressive rollover in the April series while low rolls were seen in **SUNPHARMA, M&M, ITC, BAJAJ-AUTO, and HDFCBANK** compared with the 3M average.
- From the midcap space, **ESCORTS, HAL, RECLTD, ATUL, and NAVINFLUOR** saw high rollovers whereas **INDUSTOWER, MFSL, IDEA, ICICIPRULI, and INDIGO** saw lower rollover compared with the 3M average.



TECHNICAL VIEW ON NIFTY



Nifty-Weekly chart

- The index began the month on a weaker note, but as the month progressed, the index gained momentum and ended the month on a bullish note at 17465.
- Technically, the index on a daily scale has witnessed breakout of short term channel consolidation around 16800 level. According to this breakout, the index could test the 17800 to 18000 levels.
- The index has formed a bullish gap in the 16988-17176 range. In addition, the 200 DSMA is close to 17036 and the 34 WEMA is placed close to 16962. As a result, 17000-16950 will serve as a critical support zone for the index in the short term.
- The trend line resistance for the index is placed near 18000 level. Thus, 18000 will act as strong hurdle for the index in the short to medium term.
- The RSI on the weekly scale has witnessed a trend line breakout and it is placed above the center point, indicating strength. Moreover, the stochastic oscillator has witnessed a bullish crossover, but it is approaching towards the overbought zone. Thus, a buy on dips strategy needs to be adopted in NIFTY as long as the index holds above 16900.
- For the April series, 17200 and 16900 will act as support points, whereas 17800 and 18000 will act as resistance points.

TECHNICAL VIEW ON BANKNIFTY



BankNifty- Weekly Chart

- The index started the month on a weaker note and remained under pressure in the first half. However, in the second half, the index gathered strong bullish momentum and finally concluded the month on a marginal positive note at 36373.
- Technically, the index on the monthly chart has formed a hammer candlestick pattern. However, the index is facing resistance around 36600 where 21 WEMA and trend line resistance are placed. Thus, as long as the index remains below 36600, we could witness range bound consolidation. Once the index sustains above 36600 on a weekly basis, then it could test the levels of 37500 to 38000.
- On the downside, 50WEMA is placed close to 35625, which will act as short term support.
- The RSI on the weekly scale is placed just below the center point, indicating weakness. However, the stochastic oscillator has witnessed a bullish crossover. Thus, a buy on dips strategy needs to be adopted in BANKNIFTY as long as index holds above 35000 level.
- For the April series, 35600 and 35000 will act as support points, whereas 36600 and 38000 will act as resistance points.

Stocks to watch out based on Rollover Analysis:

POSITIVE	
SIEMENS	Strong Rollover of 99% compared with 3 months average of 94%.
PIDILITIND	Strong Rollover of 97% compared with 3 months average of 94%.
LT	Strong Rollover of 91% compared with 3 months average of 89%.
NEGATIVE	
GUJGASLTD	Rollover of 95% compared with 3 month average of 94%.
HEROMOTOCO	Rollover of 91% compared with 3 month average of 93%.

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Rollover Update (Sector Wise)

Sector	Company	Feb to Mar roll%	Mar to Apr roll%	3 Months Avg Roll%	Divergence%	Roll cost	Price % (E to E)
Index	NIFTY	77	82	77	5	0.44	7.5%
Index	BANKNIFTY	76	91	82	10	0.48	3.3%
Automobile	AMARAJABAT	90	96	93	4	0.4	2.4%
Automobile	APOLLOTYRE	92	89	94	-4	0.26	7.0%
Automobile	ASHOKLEY	91	93	92	1	0.51	3.2%
Automobile	BAJAJ-AUTO	96	82	94	-12	0.47	5.0%
Automobile	BALKRISIND	96	94	95	-1	0.29	21.5%
Automobile	BHARATFORG	96	91	97	-6	0.24	4.9%
Automobile	BOSCHLTD	96	95	97	-2	0.34	-3.9%
Automobile	EICHERMOT	96	95	96	-1	0.71	-6.1%
Automobile	ESCORTS	52	96	71	26	-10.7	-5.8%
Automobile	EXIDEIND	93	97	94	3	0.43	6.9%
Automobile	HEROMOTOCO	95	91	93	-1	0.35	-7.9%
Automobile	M&M	96	73	87	-14	0.6	1.4%
Automobile	MARUTI	91	90	91	-1	0.41	-7.9%
Automobile	MOTHERSUMI	93	87	80	7	0.43	-3.5%
Automobile	MRF	98	99	98	1	-0.63	1.7%
Automobile	TATAMOTORS	93	92	94	-1	0.54	1.4%
Automobile	TVSMOTOR	88	89	89	1	0.42	1.1%
Banking	AUBANK	94	94	94	0	0.67	5.7%
Banking	AXISBANK	93	93	91	2	0.55	4.2%
Banking	BANDHANBNK	93	94	92	2	0.45	5.6%
Banking	BANKBARODA	94	94	94	1	0.63	11.0%
Banking	CANBK	93	93	95	-3	0.7	9.3%
Banking	CUB	95	96	96	-1	0.43	5.0%
Banking	FEDERALBNK	93	94	95	-1	0.62	3.8%
Banking	HDFCBANK	95	84	96	-12	0.51	3.6%
Banking	ICICIBANK	96	90	95	-5	0.21	3.2%
Banking	IDFCFIRSTB	93	93	95	-2	0.63	2.1%
Banking	INDUSINDBK	97	95	97	-2	0.46	6.8%
Banking	KOTAKBANK	95	95	95	1	0.63	-2.3%
Banking	PNB	60	95	84	11	0.43	9.5%
Banking	RBLBANK	90	95	89	7	0.54	6.5%
Banking	SBIN	90	91	92	-2	0.44	4.4%
Capital Goods	ABB	95	95	NA	NA	-0.32	5.5%
Capital Goods	ASTRAL	97	97	96	1	0.73	13.4%
Capital Goods	BEL	86	95	90	5	0.62	12.2%
Capital Goods	BHEL	95	97	96	0	0.61	11.3%
Capital Goods	CROMPTON	98	98	97	1	0.29	-7.8%
Capital Goods	CUMMINSIND	90	85	92	-7	-0.75	20.9%
Capital Goods	DIXON	92	94	93	1	0.1	6.4%
Capital Goods	HAL	86	97	82	15	0.69	16.3%
Capital Goods	HAVELLS	98	90	94	-4	0.35	0.4%
Capital Goods	HONAUT	92	98	NA	NA	-0.73	-0.2%
Capital Goods	LT	93	91	89	2	0.43	0.6%
Capital Goods	POLYCAB	96	93	92	1	0.41	3.6%
Capital Goods	SIEMENS	97	99	94	5	0.37	3.6%
Capital Goods	VOLTAS	94	95	94	1	0.21	4.1%

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Sector	Company	Feb to Mar roll%	Mar to Apr roll%	3 Months Avg Roll%	Divergence%	Roll cost	Price % (E to E)
Capital Goods	WHIRLPOOL	95	98	95	3	0.43	-3.2%
Cement	ACC	97	91	95	-3	-2.35	6.8%
Cement	AMBUJACEM	96	95	95	0	0.4	-2.5%
Cement	DALBHARAT	78	98	90	8	0.52	-2.7%
Cement	GRASIM	97	97	98	0	0.38	7.7%
Cement	INDIACEM	94	97	94	3	0.57	11.9%
Cement	JKCEMENT	90	87	91	-4	0.47	-12.8%
Cement	RAMCOCEM	94	98	97	2	0.25	-0.2%
Cement	SHREECEM	98	96	94	2	0.33	3.8%
Cement	ULTRACEMCO	94	95	96	-1	0.41	2.9%
Chemicals	AARTIIND	92	82	89	-7	0.2	10.5%
Chemicals	ATUL	87	96	82	14	-0.89	18.2%
Chemicals	CHAMBLFERT	89	92	85	8	0.64	19.4%
Chemicals	COROMANDEL	92	95	93	1	0.53	9.0%
Chemicals	DEEPAKNTR	92	94	94	0	0.59	20.9%
Chemicals	GNFC	91	74	NA	NA	-0.48	66.2%
Chemicals	NAVINFLUOR	92	88	76	12	0.54	11.0%
Chemicals	PIIND	97	97	97	0	0.22	17.9%
Chemicals	RAIN	93	93	NA	NA	0.41	6.3%
Chemicals	TATACHEM	92	92	95	-2	0.53	24.0%
Chemicals	UPL	95	96	96	1	0.43	21.7%
Finance	ABCAPITAL	94	96	NA	NA	0.42	8.4%
Finance	BAJAJFINSV	93	90	94	-4	0.38	11.9%
Finance	BAJFINANCE	95	94	92	2	0.37	9.5%
Finance	CANFINHOME	94	98	96	2	0.4	15.4%
Finance	CHOLAFIN	96	90	92	-2	0.28	10.9%
Finance	HDFC	96	88	97	-9	0.44	2.0%
Finance	HDFCAMC	98	97	97	-1	0.32	6.2%
Finance	HDFCLIFE	94	97	95	2	0.4	1.0%
Finance	IBULHSGFIN	85	93	82	11	0.73	6.2%
Finance	ICICIGI	96	95	97	-2	0.34	7.0%
Finance	ICICIPRULI	96	84	95	-12	0.46	7.2%
Finance	IDFC	89	94	NA	NA	0.57	18.6%
Finance	L&TFH	93	91	95	-4	-0.62	29.4%
Finance	LICHSGFIN	93	96	94	3	0.53	8.7%
Finance	M&MFIN	95	95	95	1	0.57	13.1%
Finance	MANAPPURAM	91	95	93	2	0.71	3.1%
Finance	MFSL	98	86	97	-11	0.32	-6.9%
Finance	MUTHOOTFIN	74	82	89	-8	-0.31	1.2%
Finance	NAM-INDIA	97	93	94	-1	0.43	12.0%
Finance	PFC	85	95	89	6	0.58	0.9%
Finance	RECLTD	82	95	82	13	0.61	5.2%
Finance	SBICARD	95	95	94	0	0.32	13.0%
Finance	SBILIFE	96	91	93	-1	0.6	6.4%
Finance	SRTRANSFIN	96	96	95	1	0.56	6.2%
FMCG	ASIANPAINT	96	97	95	2	0.49	0.4%
FMCG	BALRAMCHIN	93	87	NA	NA	0.63	29.8%
FMCG	BATAINDIA	84	92	88	4	0.47	10.4%
FMCG	BERGEPAIN	97	96	97	-1	0.35	3.0%

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FMCG	BRITANNIA	97	91	96	-5	-0.15	-7.0%
FMCG	COLPAL	83	92	92	0	0.03	10.4%
FMCG	DABUR	98	92	97	-5	0.4	0.5%
FMCG	GODREJCP	96	97	95	2	0.45	-3.1%
FMCG	HINDUNILVR	96	96	96	0	0.42	-5.7%
FMCG	INDIAMART	91	92	93	-1	0.14	-9.8%
FMCG	ITC	93	82	94	-13	0.54	20.2%
FMCG	JUBLFOOD	91	92	94	-3	0.41	-8.6%
FMCG	MARICO	98	86	94	-8	0.38	4.2%
FMCG	MCDOWELL-N	98	92	98	-6	0.39	5.2%
FMCG	NESTLEIND	96	86	96	-11	0.01	-2.1%
FMCG	PIDILITIND	99	97	94	3	0.42	6.2%
FMCG	TATACONSUM	96	97	97	1	0.49	14.7%
FMCG	TITAN	93	96	93	3	0.46	5.4%
FMCG	UBL	83	87	82	4	0.42	1.7%
Infrastructure	ADANIENT	98	91	82	-2	0.55	30.5%
Infrastructure	ADANIPOINTS	98	82	77	0	0.46	18.2%
Infrastructure	CONCOR	98	96	98	-2	0.39	20.4%
Infrastructure	GMRINFRA	91	98	99	9	0.54	7.1%
Infrastructure	INDHOTEL	91	93	96	-11	0.52	22.7%
Infrastructure	INDIGO	94	94	84	-11	0.43	10.0%
Infrastructure	IRCTC	95	82	93	3	-0.02	5.0%
Infrastructure	NBCC	92	84	95	NA	0.41	5.4%
Media	PVR	93	96	92	0	0.5	26.9%
Media	SUNTV	95	96	NA	-2	0.74	14.7%
Media	ZEEL	94	91	92	-1	0.52	30.4%
Metals	COALINDIA	79	94	96	3	0.57	22.0%
Metals	HINDALCO	82	95	96	-2	0.61	10.0%
Metals	HINDCOPPER	93	88	85	NA	0.62	7.7%
Metals	JINDALSTEL	96	79	81	-1	0.38	44.1%
Metals	JSWSTEEL	98	94	NA	-6	0.55	28.7%
Metals	NATIONALUM	95	97	98	3	0.53	8.7%
Metals	NMDC	81	92	98	5	0.68	20.9%
Metals	SAIL	92	96	93	2	0.66	15.9%
Metals	TATASTEEL	98	92	88	-4	0.43	21.7%
Metals	VEDL	66	95	93	8	0.63	19.3%
Oil Gas	BPCL	83	94	97	-6	0.56	7.9%
Oil Gas	GAIL	79	89	81	5	0.26	20.0%
Oil Gas	GSPL	90	83	89	8	-0.12	-3.9%
Oil Gas	GUJGASLTD	93	90	85	1	0.61	-12.1%
Oil Gas	HINDPETRO	68	97	89	6	0.58	-1.0%
Oil Gas	IGL	93	95	94	3	0.34	11.5%
Oil Gas	IOC	71	90	84	12	0.55	8.1%
Oil Gas	MGL	94	96	94	1	0.65	14.3%
Oil Gas	ONGC	84	92	80	9	0.55	4.6%
Oil Gas	PETRONET	97	96	95	-6	0.52	1.5%

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Oil Gas	RELIANCE	95	93	96	-2	0.48	16.8%
Pharma	ABBOTINDIA	92	94	94	1	0.47	5.5%
Pharma	ALKEM	96	89	89	0	-1.15	14.2%
Pharma	APLLTD	92	98	93	6	0.61	5.6%
Pharma	APOLLOHOSP	98	95	95	-1	0.42	3.1%
Pharma	AUROPHARMA	95	96	95	1	0.43	10.4%
Pharma	BIOCON	96	87	95	-8	0.37	-10.3%
Pharma	CIPLA	82	82	90	-7	0.3	13.6%
Pharma	DIVISLAB	97	96	97	0	0.35	11.8%
Pharma	DRREDDY	96	93	91	3	0.41	5.0%
Pharma	GLENMARK	96	92	97	-5	0.38	2.8%
Pharma	GRANULES	93	97	95	3	0.7	14.7%
Pharma	IPCALAB	96	91	86	5	-1.53	13.8%
Pharma	LALPATHLAB	93	95	94	1	-1.66	2.5%
Pharma	LAURUSLABS	88	95	92	4	0.67	17.8%
Pharma	LUPIN	89	94	91	3	0.35	4.7%
Pharma	METROPOLIS	87	80	83	-3	0.14	1.9%
Pharma	PEL	95	94	96	-3	0.38	12.2%
Pharma	PFIZER	95	96	93	3	0.49	2.9%
Pharma	STAR	94	96	95	2	0.55	10.4%
Pharma	SUNPHARMA	96	74	92	-18	0.63	11.8%
Pharma	SYNGENE	96	92	90	1	0.59	12.8%
Pharma	TORNTPHARM	94	93	94	-1	0.34	4.6%
Pharma	ZYDUSLIFE	93	96	94	2	0.42	1.1%
Power	IEX	92	96	92	4	0.58	16.2%
Power	NTPC	70	75	81	-6	0.52	8.5%
Power	POWERGRID	82	87	85	2	0.35	13.4%
Power	TATAPOWER	95	93	96	-3	0.52	16.8%
Power	TORNTPOWER	91	98	92	5	0.31	10.8%
Realty	DELTACORP	97	95	95	-1	0.29	34.9%
Realty	DLF	94	97	95	1	0.53	18.7%
Realty	GODREJPROP	96	92	96	-4	0.33	15.2%
Realty	OBEROIRLTY	96	97	97	0	0.56	9.5%
Technology	BSOFT	92	96	92	3	0.66	19.0%
Technology	COFORGE	74	79	77	1	0.68	5.5%
Technology	FSL	94	95	93	2	0.36	3.3%
Technology	HCLTECH	95	90	91	-1	0.04	5.9%
Technology	INFY	98	90	95	-5	0.41	13.6%
Technology	INTELLECT	90	94	NA	NA	0.38	52.3%
Technology	LTI	90	96	88	8	0.35	9.9%
Technology	LTTS	95	96	93	3	0.44	19.0%
Technology	MCX	95	96	95	1	0.68	20.1%
Technology	MINDTREE	98	94	96	-2	0.43	20.7%
Technology	MPHASIS	99	91	97	-6	0.41	14.4%
Technology	NAUKRI	89	97	94	4	0.51	5.4%
Technology	OFSS	98	98	98	0	0.45	7.8%
Technology	PERSISTENT	95	82	84	-2	0.23	26.2%

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Technology	TCS	91	95	91	4	0.45	9.9%
Technology	TECHM	92	97	91	5	0.33	12.5%
Technology	WIPRO	94	93	92	1	-0.34	10.2%
Telecom	BHARTIARTL	95	89	96	-7	0.48	12.5%
Telecom	IDEA	86	67	82	-15	1.55	0.0%
Telecom	INDUSTOWER	95	56	83	-27	0.61	7.8%
Telecom	TATACOMM	97	99	NA	NA	0.66	8.3%
Textile	ABFRL	94	97	96	1	0.33	20.5%
Textile	PAGEIND	89	86	88	-1	0.27	7.4%
Textile	SRF	97	90	94	-3	0.34	18.0%
Textile	TRENT	97	79	83	-4	0.25	25.0%

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