

23-02-2018

## ROLLOVER ANALYSIS

### MARCH SERIES VIEW

Indian benchmark indices faced heavy volatility during February and posted their biggest fall since November 2016 due to announcement of long-term capital gains (LTCG) tax for investing in equities, rising bond yield, and PNB Bank scam, as negative cues from global markets also spoiled sentiment. The Nifty Futures closed below the 10700 mark, which indicates weakness. On the expiry day, market-wide rollovers stood lower at 82.44% compared with the average rollovers of 83.39% in the last three series. Nifty Futures rollover stood at 62%, which is lower than the average rollover of 68% of the last three series. Nifty will start the March series with an OI of 1.91 Cr shares compared with OI of 2.59 Cr shares at the beginning of the Feb series. Going into March, key events that would act as market triggers would include crude price movement, developments around PNB fraud, trends in global markets, and FII flows. On the downside, support for the Nifty is around 10200 and 10000 whereas resistance stands at 10650 and 10800.

### DERIVATIVES INDICATORS

India VIX closed lower at 14.83 vs. 17.50 of the previous month indicating lower volatility. Another leading derivative indicator, Nifty PCR, opened on a lower note this month at 1.41 against last month's 1.42.

### BANKNIFTY

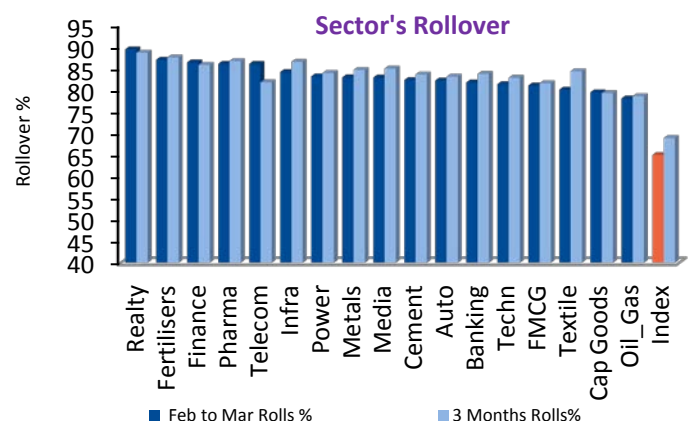
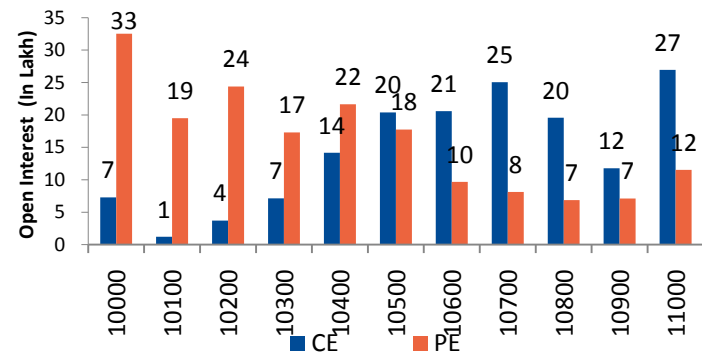
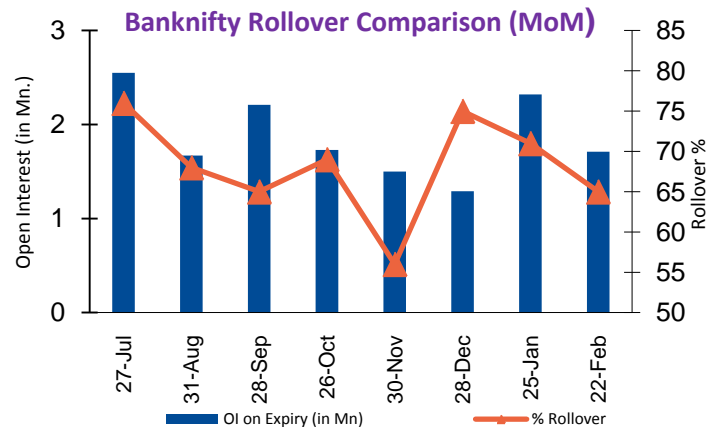
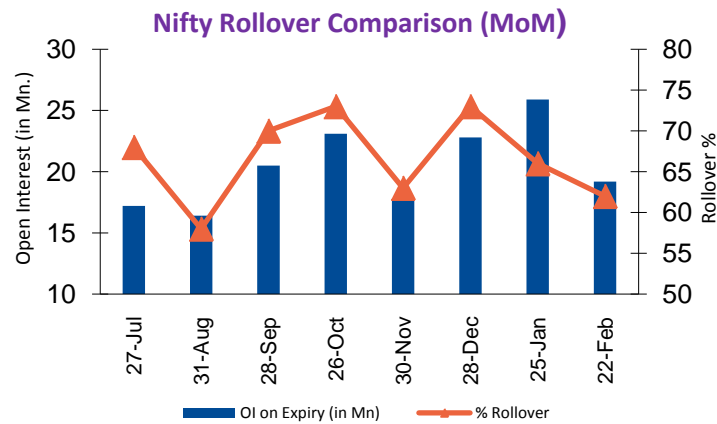
The index saw lower rolls of 65% compared with the 3M average of 67%. BankNifty will start the March series with an OI of 1.71 Mn shares compared with OI of 2.32 Mn shares at the beginning of the February series. As per options data, support for the index is around 24700 and 24000 whereas resistance stands at 25500 and 26000 for the short term.

### OPTION ANALYSIS

From the OI Concentration (March Series), maximum addition of Open Interest on the call options front exists at strike prices of 10700 and 11000 (with nearly 25.04 lacs and 26.94 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 10200 and 10000 (with nearly 24.37 lacs and 32.51 lacs shares outstanding) indicating stronger support zone on the downside.

### SECTOR/STOCK ROLLOVER ACTIVITY:

- From the sectoral action, rollovers accelerated for **Realty, Finance, and Telecom** stocks on expiry. However, low rollovers were seen in **Infra, Textiles, Auto, Metals, and Banking** stocks.
- Within the Nifty50 space, index heavyweights such as **IDEA, GAIL, TATASTEEL, BPCL, NTPC, BHEL, and MARUTI** saw aggressive rollover in the March series while low rolls were seen in **ACC, BAJAJ-AUTO, COALINDIA, HDFCBANK, HDFC, ICICIBANK, ASIANPAINT, CIPLA, and KOTAKBANK** compared with the 3M average.
- From the midcap space, **ICICIPRULI, APOLLOTYRE, SRTRANSFIN, APOLLOHOSP, DIVISLAB, GODREJCP, and PETRONET** saw high rollovers whereas **VEDL, CONCOR, SRF, CHOLAFIN, PCJEWELLER, and HINDZINC** saw lower rollover compared with the 3M average.



**TECHNICAL VIEW ON NIFTY**

Last month index has registered new lifetime high of 11110 and halted the upward journey as bears have taken charge & retrace the market. Index on weekly charts made bearish engulfing candlestick pattern at the top and has retraced nearly 700 points, indicating short term weakness. Currently, nifty is trading in range of 10250-10650 levels and placed close to trendline as well as 21WEMA support.

Upper resistance is placed around 10650-10800 levels. RSI is placed on downside but still in positive territory. Thus, for short term, 10650 will act as resistance followed by 10800. On lower side, 10250 will act as strong support followed by 10000.

**TECHNICAL VIEW ON BANKNIFTY**

Last month index has registered new lifetime high of 27523 and retraced by nearly 1600 points. Index on weekly chart is taking support of trendline at 24800 odd levels and major support for Nifty is placed at 24000.

Thus, as long as index holds above 24800, it could test the levels of 25500-26000. RSI is placed in positive territory. For short term, 24800 and 24000 will act as support points where as 25500 and 26000 will act as resistance point.

**NIFTY-Weekly Chart**



**NIFTY BANK-Weekly Chart**



**Stocks to watch out based on Rollover Analysis:**

**POSITIVE**

<b>TITAN</b>	Strong rollover of 89% vs. 85% indicates long position carried forward.
<b>APOLLOTYRE</b>	Strong rollover of 87% vs. 75% indicates long position carried forward
<b>BRITANNIA</b>	Strong rollover of 85% vs. 78% indicates long position carried forward
<b>COALINDIA</b>	Weak rollover of 63% vs. 75% indicates short covering.

**NEGATIVE**

<b>CUMMINSIND</b>	Weak rollover of 70% vs. 73% indicates long unwinding.
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**Rollover Update (Sector Wise)**

Company	Sector	Jan to Feb roll%	Feb to Mar roll%	3 MONTHS AVG ROLL	Divergence	Roll cost %
ACC	Cement	82	71	86	-15	-0.23
ADANIENT	Others	81	82	86	-5	0.44
ADANIPOWER	Power	89	87	92	-4	0.97
AJANTPHARM	Pharma	73	83	79	4	0.55
ALBK	Banking	86	81	84	-3	0.58
AMARAJABAT	Automobile	87	77	85	-8	0.43
AMBUJACEM	Cement	74	76	81	-5	0.49
ANDHRABANK	Banking	86	84	83	0	0.88
APOLLOHOSP	Others	79	77	68	10	-1.73
APOLLOTYRE	Automobile	72	87	75	12	0.15
ARVIND	Textile	83	83	85	-2	0.68
ASHOKLEY	Automobile	87	88	90	-1	0.68
ASIANPAINT	FMCG	75	73	78	-6	0.49
AUROPHARMA	Pharma	90	91	89	1	0.66
AXISBANK	Banking	85	86	86	1	0.47
BAJAJ-AUTO	Automobile	85	75	87	-12	0.57
BAJAJFINSV	Finance	88	90	85	6	0.64
BAJFINANCE	Finance	83	86	83	3	0.61
BALKRISIND	Automobile	81	81	80	1	0.89
BALRAMCHIN	Others	86	82	87	-5	0.57
BANKBARODA	Banking	90	88	89	-2	0.52
BANKINDIA	Banking	85	84	85	-1	0.35
BANKNIFTY	Index	71	65	67	-2	0.12
BATAINDIA	FMCG	78	82	79	3	0.55
BEL	Capital_Goods	75	83	81	2	0.48
BEML	Infrastructure	87	82	87	-5	0.66
BERGEPAIN	FMCG	72	65	78	-12	0.75
BHARATFIN	Finance	91	78	91	-13	0.57
BHARATFORG	Automobile	79	85	85	-1	0.14
BHARTIARTL	Telecom	87	90	84	6	0.46
BHEL	Capital_Goods	73	86	83	3	0.44
BIOCON	Pharma	89	85	88	-3	-1.34
BOSCHLTD	Automobile	71	81	81	1	0.05
BPCL	Oil_Gas	67	75	69	6	0.41
BRITANNIA	FMCG	73	85	78	7	0.63
CADILAHC	Pharma	87	70	87	-16	0.47

Company	Sector	Jan to Feb roll%	Feb to Mar roll%	3 MONTHS AVG ROLL	Divergence	Roll cost%
CANBK	Banking	87	83	83	0	0.61
CANFINHOME	Finance	87	88	87	1	0.70
CAPF	Finance	90	91	88	3	0.73
CASTROLIND	Oil_Gas	83	84	86	-2	0.50
CEATLTD	Automobile	76	77	81	-4	0.50
CENTURYTEX	Textile	90	92	92	0	0.67
CESC	Power	89	85	86	-2	0.55
CGPOWER	Power	89	83	88	-5	0.56
CHENNPETRO	Oil_Gas	81	83	82	1	0.74
CHOLAFIN	Finance	87	68	85	-16	0.19
CIPLA	Pharma	82	79	85	-6	0.60
COALINDIA	Others	62	63	75	-12	-7.61
COLPAL	FMCG	75	75	75	0	0.05
CONCOR	Others	83	71	88	-17	0.75
CUMMINSIND	Capital_Goods	79	70	73	-3	0.47
DABUR	FMCG	88	94	91	4	0.67
DALMIABHA	Cement	77	92	85	7	0.71
DCBBANK	Banking	79	81	84	-3	0.65
DHFL	Finance	94	88	94	-5	0.61
DISHTV	Media	90	87	89	-2	0.81
DIVISLAB	Pharma	62	87	77	10	0.57
DLF	Realty	88	88	88	0	0.66
DRREDDY	Pharma	88	83	86	-3	0.40
EICHERMOT	Automobile	86	83	84	-1	0.37
ENGINEERSIN	Infrastructure	87	71	83	-12	-0.37
EQUITAS	Finance	92	92	92	0	0.43
ESCORTS	Automobile	72	86	84	2	0.69
EXIDEIND	Automobile	92	85	88	-3	0.68
FEDERALBNK	Banking	87	87	86	1	0.45
FORTIS	Pharma	96	94	95	-1	0.96
GAIL	Oil_Gas	62	75	66	8	-2.01
GLENMARK	Pharma	85	90	88	2	0.52
GMRINFRA	Infrastructure	91	90	90	-1	1.14
GODFRYPHLP	FMCG	83	75	81	-6	0.74
GODREJCP	FMCG	73	91	82	9	0.50
GODREJIND	FMCG	76	82	82	-1	0.65
GRANULES	Pharma	84	85	85	-1	0.85

Company	Sector	Jan to Feb roll%	Feb to Mar roll%	3 MONTHS AVG ROLL	Divergence	Roll cost%
GRASIM	Cement	84	87	87	0	0.64
GSFC	Fertilisers	85	85	88	-3	0.40
HAVELLS	Others	85	85	83	2	0.53
HCC	Infrastructure	86	84	89	-5	0.61
HCLTECH	Technology	79	78	82	-4	0.68
HDFC	Finance	75	71	81	-10	0.40
HDFCBANK	Banking	76	66	79	-13	0.04
HDIL	Realty	90	90	88	2	0.81
HEROMOTOCO	Automobile	75	77	77	0	0.15
HEXAWARE	Technology	78	73	75	-2	-2.07
HINDALCO	Metals	82	85	81	4	0.50
HINDPETRO	Oil_Gas	83	84	86	-2	-3.68
HINDUNILVR	FMCG	77	76	82	-5	0.60
HINDZINC	Metals	76	70	83	-13	-1.02
IBULHSGFIN	Finance	90	91	86	5	0.40
ICICIBANK	Banking	75	67	74	-8	0.38
ICICIPRULI	Finance	56	88	74	14	0.70
IDBI	Banking	75	84	85	-1	0.67
IDEA	Telecom	87	89	79	11	0.49
IDFC	Finance	90	95	92	2	0.87
IDFCBANK	Banking	90	92	91	1	0.78
IFCI	Finance	87	86	87	-1	0.88
IGL	Oil_Gas	81	82	84	-2	0.39
INDIACEM	Cement	92	85	90	-5	0.58
INDIANB	Banking	82	84	83	1	0.74
INDIGO	Others	80	75	87	-12	0.01
INDUSINDBK	Banking	80	70	80	-10	-0.55
INFIBEAM	Technology	93	93	86	6	0.48
INFRATEL	Telecom	82	78	76	2	-3.25
INFY	Technology	86	85	84	1	0.13
IOC	Oil_Gas	74	56	67	-11	0.36
IRB	Infrastructure	89	87	88	-1	0.78
ITC	FMCG	75	75	79	-3	0.52
JETAIRWAYS	Others	85	87	84	3	0.67
JINDALSTEL	Metals	81	90	83	7	0.66
JISLJALEQS	Others	92	88	93	-5	0.67
JPASSOCIAT	Realty	94	91	90	0	1.22

Company	Sector	Jan to Feb roll%	Feb to Mar roll%	3 MONTHS AVG ROLL	Divergence	Roll cost%
JSWSTEEL	Metals	89	89	93	-4	0.64
JUBLFOOD	Others	82	82	86	-4	0.53
JUSTDIAL	Others	80	84	77	6	0.44
KAJARIACER	Others	84	85	81	5	0.40
KOTAKBANK	Banking	71	67	72	-5	0.01
KPIT	Technology	90	88	88	0	0.72
KSCL	Others	83	88	84	3	0.79
KTKBANK	Banking	86	86	87	0	0.78
L&TFH	Finance	89	83	86	-3	0.44
LICHSGFIN	Finance	88	89	87	2	0.66
LT	Capital_Goods	77	74	79	-6	0.14
LUPIN	Pharma	87	88	86	2	0.64
M&M	Automobile	76	77	77	0	0.48
M&MFIN	Finance	86	86	80	6	0.61
MANAPPURAM	Finance	87	87	90	-3	0.57
MARICO	FMCG	77	87	80	7	0.53
MARUTI	Automobile	77	82	78	4	0.59
MCDOWELL-N	FMCG	91	91	86	4	0.45
MCX	Others	89	89	91	-2	0.81
MFSL	Finance	90	92	84	9	0.51
MGL	Oil_Gas	89	83	85	-1	0.57
MINDTREE	Technology	78	77	79	-1	0.65
MOTHERSUMI	Automobile	81	87	83	4	0.71
MRF	Automobile	87	87	92	-4	0.42
MRPL	Oil_Gas	78	78	79	-1	0.69
MUTHOOTFIN	Finance	88	84	84	0	0.66
NATIONALUM	Metals	86	88	85	3	0.85
NBCC	Infrastructure	88	81	87	-5	0.34
NCC	Infrastructure	79	87	82	6	0.77
NESTLEIND	FMCG	80	83	83	0	0.43
NHPC	Power	66	70	74	-4	0.75
NIFTY	Index	66	62	68	-5	0.06
NIFTYIT	Index	69	67	72	-4	0.42
NIITTECH	Technology	80	75	83	-7	-0.18
NMDC	Metals	75	81	84	-3	-1.22
NTPC	Power	69	76	71	5	0.22
OFSS	Technology	85	80	78	2	0.70



Company	Sector	Jan to Feb roll%	Feb to Mar roll%	3 MONTHS AVG ROLL	Divergence	Roll cost%
OIL	Oil_Gas	74	68	73	-6	-2.25
ONGC	Oil_Gas	79	75	79	-4	-1.37
ORIENTBANK	Banking	79	77	82	-5	0.71
PAGEIND	Textile	65	72	75	-3	0.42
PCJEWELLER	Others	79	71	85	-14	0.60
PEL	Pharma	88	92	90	2	0.59
PETRONET	Oil_Gas	87	90	81	9	0.54
PFC	Finance	88	87	86	1	-1.24
PIDILITIND	FMCG	88	78	83	-5	0.70
PNB	Banking	81	82	82	1	0.65
POWERGRID	Power	78	77	79	-2	0.66
PTC	Power	88	89	86	3	0.76
PVR	Media	75	80	77	3	0.61
RAMCOCEM	Cement	74	79	71	8	-1.36
RAYMOND	Textile	88	91	91	0	0.79
RBLBANK	Banking	90	91	89	2	0.51
RCOM	Telecom	83	85	80	5	0.18
RECLTD	Power	77	85	84	1	0.66
RELCAPITAL	Finance	90	89	89	1	0.66
RELIANCE	Oil_Gas	79	80	83	-3	0.35
RELINFRA	Power	86	86	85	0	0.68
REPCOHOME	Finance	83	87	82	5	0.38
RNAVAL	Capital_Goods	84	87	83	4	0.49
RPOWER	Power	84	89	89	1	0.80
SAIL	Metals	85	88	87	1	0.72
SBIN	Banking	77	76	79	-3	0.37
SHREECEM	Cement	87	84	84	0	0.41
SIEMENS	Capital_Goods	78	74	81	-6	0.68
SOUTHBANK	Banking	88	87	89	-2	0.76
SREINFRA	Infrastructure	85	90	86	4	0.84
SRF	Textile	67	63	79	-16	-0.05
SRTRANSFIN	Finance	88	91	81	10	0.39
STAR	Pharma	90	84	90	-6	0.87
SUNPHARMA	Pharma	93	91	92	-1	0.82
SUNTV	Media	87	89	87	1	0.66
SUZLON	Power	87	86	88	-2	1.20
SYNDIBANK	Banking	90	90	88	2	0.67

Company	Sector	Jan to Feb roll%	Feb to Mar roll%	3 MONTHS AVG ROLL	Divergence	Roll cost%
TATACHEM	Fertilisers	83	90	89	1	0.56
TATACOMM	Telecom	89	87	89	-3	0.85
TATAELXSI	Technology	88	79	86	-6	0.65
TATAGLOBAL	FMCG	87	86	88	-2	0.67
TATAMOTORS	Automobile	80	85	83	1	0.47
TATAMTRDVR	Automobile	88	91	89	2	0.67
TATAPOWER	Power	85	86	86	1	0.12
TATASTEEL	Metals	72	86	78	8	0.07
TCS	Technology	82	81	83	-2	0.16
TECHM	Technology	78	83	84	-2	0.39
TITAN	FMCG	88	89	85	5	0.66
TORNTPHARM	Pharma	81	84	82	2	-0.33
TORNTPOWER	Power	82	81	83	-2	0.75
TV18BRDCST	Media	93	81	92	-11	0.89
TVSMOTOR	Automobile	77	69	78	-8	0.02
UBL	FMCG	68	70	79	-8	-0.25
UJJIVAN	Finance	89	85	87	-2	0.82
ULTRACEMCO	Cement	82	84	85	-1	0.44
UNIONBANK	Banking	83	85	82	3	0.65
UPL	Fertilisers	85	86	86	0	0.67
VEDL	Metals	86	70	87	-17	-1.81
VGUARD	Capital_Goods	79	85	78	7	-1.46
VOLTAS	Capital_Goods	71	76	76	0	0.43
WIPRO	Technology	87	83	86	-2	0.56
WOCKPHARMA	Pharma	91	89	87	2	0.64
YESBANK	Banking	86	83	85	-2	0.30
ZEEL	Media	81	77	79	-2	0.50



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