

# Weekly Derivatives Synopsis

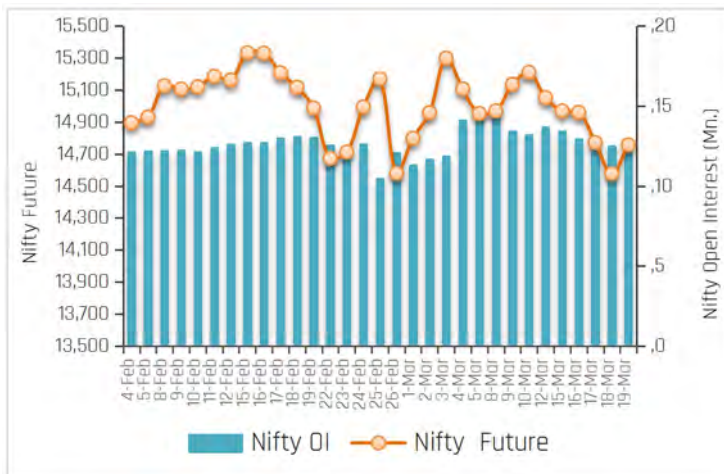
22 March 2021

PARTICULARS	Last Closing	Previous Week	% Change
NIFTY SPOT	14744	15031	-1.91
NIFTY FUTURES	14756	15051	-1.96
BANKNIFTY SPOT	34162	35497	-3.76
BANKNIFTY FUTURES	34206	35522	-3.71
NIFTY PCR	1.20	1.02	17.65
NIFTY PCR-VOL	0.92	1.00	-8.00
NIFTY OI(In Mn)	12.24	13.65	-10.33
BANKNIFTY OI(In Mn)	3.33	3.19	4.39
INDIA VIX	19.99	21.71	-7.92
NIFTY BASIS POINTS	12.45	20.45	-39.12

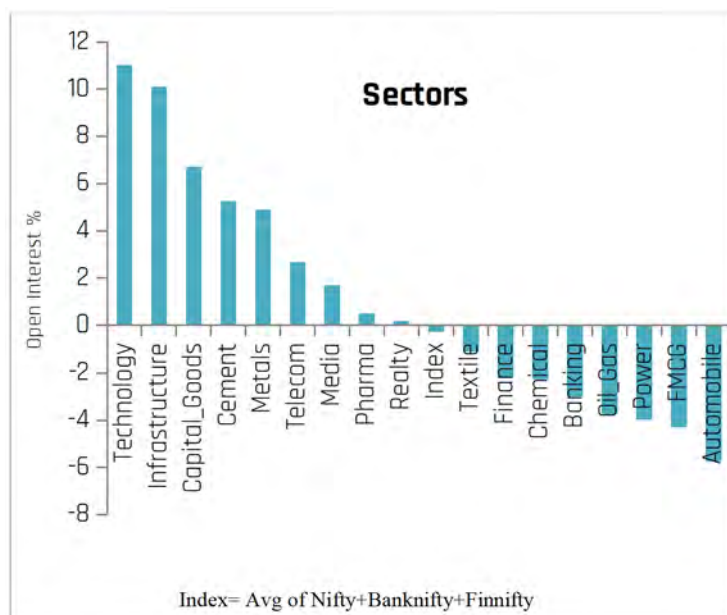
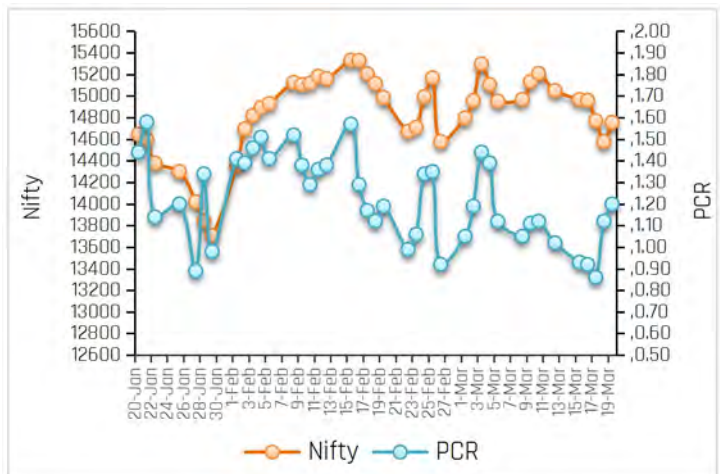
## Index Outlook

Last week, Domestic benchmark index has witnessed heavy selling pressure and the index has registered a low of 14350 levels, due to rising bond yields and the rising fear of the second wave of COVID-19 cases in India. Finally, the Nifty Future settled below the psychological support of 15000 at 14756 down by 1.96% (WoW) with an unwinding in open interest of 10.33% (WoW) indicating neutral bias for the short term. The India VIX cool off by 7.92% and closed at 19.99% during the week. Technically, the index has broken the trend line support which was placed around 14800 levels. However, on Friday the index has tested bullish gap support in the first half and witnessed a sharp recovery in the second half. On the back of that, the index formed a Piercing line candlestick pattern on the daily scale which needs confirmation. Thus, if the index closes above 14800 levels then the relief rally could extend til 15000 levels. As long as the index remains below 15000, the sell-on-bounce strategy needs to be adopted. For the short term, 14500 and 14300 will act as support whereas 14800 and 15000 will act as resistance points. Going forward, Covid-19 cases and Vaccination, Rupee movement against the Dollar, bond yields movement, Fii's flow, F&O expiry, global cues, and crude oil price movement will dictate the trend on the bourses next week.

## Nifty OI Trend



## Nifty Fut Vs Pcr



## Sectoral Activity

- Last week, **Technology, Infrastructure, Capital Goods, and Cement** sectors saw Open Interest addition. Top names included **MPHASIS, COFORGE, GMRINFRA, VOLTAS, CUMMINSIND, RAMCOCEM, and GRASIM.**
- Automobile, Power, and Oil&Gas** sectors saw Open Interest unwinding on the back of profit booking in the stocks.
- In the **Banking** space, **AUBANK, FEDERALBNK, CUB, SBIN, KOTAKBANK, and HDFCBANK** saw long unwinding, while short covering seen in **IDFCFIRSTB, RBLBANK, BANKBARODA, and CANBK.**
- This week, some buying can be seen in **CUMMINSIND, PIIND, HINDUNILVR, BRITANNIA, and ASIANPAINT** while selling pressure can be seen in **ZEEL, and PETRONET.**
- From sector space, **Technology, Banking, Automobile, FMCG, Power and Finance** stocks are likely to remain in focus in the forthcoming week.

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## Stocks to Watch Out (Weekly)

Long Build-up			
Symbol	Price	OI Change	Price Change
MPHASIS	1,677.40	57%	3%
COFORGE	2,975.65	48%	9%
LALPATHLAB	2,521.90	41%	8%
CHOLAFIN	552.45	24%	4%

Long Unwinding			
Symbol	Price	OI Change	Price Change
AUBANK	1,196.65	-20%	-5%
NAM-INDIA	327.70	-20%	-5%
LICHSGFIN	416.45	-19%	-3%
PFC	124.00	-17%	-10%

Short Build-up			
Symbol	Price	OI Change	Price Change
RAMCOCEM	953.05	40%	-5%
TRENT	801.30	37%	-9%
ICICIPRULI	431.25	27%	-7%
VOLTAS	983.55	27%	-7%

Short covering			
Symbol	Price	OI Change	Price Change
ITC	223.40	-27%	9%
HINDUNILVR	2,313.05	-18%	5%
POWERGRID	230.20	-16%	4%
SRTRANSFIN	1,377.25	-10%	4%

## Weekly Recommendation

**BRITANNIA (3473.20)** -The stock has seen Open Interest unwinding of 4.60% along with positive price action indicating short covering. The stock can be bought in the range of 3455-3460 with a stop loss of 3390 on closing basis for a target of 3550.

**Target:3550 Stop Loss: 3390**

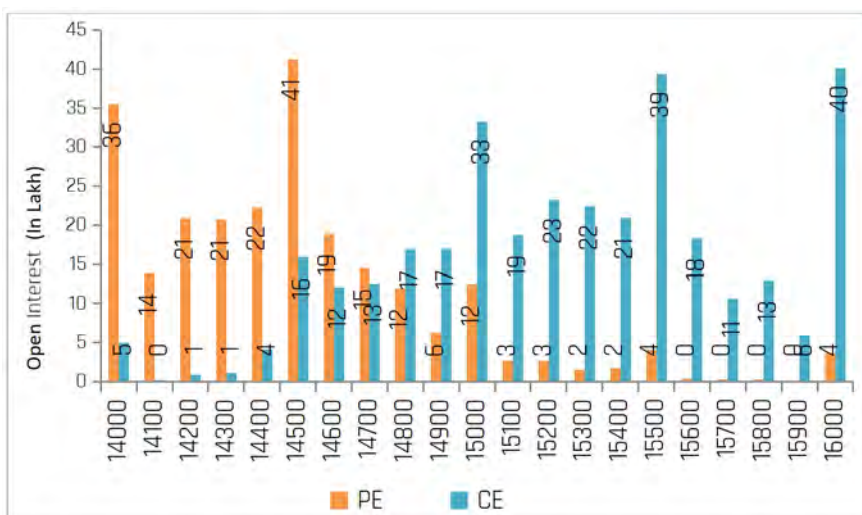
**CUMMINSIND (890.20)** - The stock has seen Open Interest addition of 20.93% along with positive price action indicating long build up. The stock can be bought in the range of 880-882 with a stop loss of 868 on closing basis for a target of 925.

**Target: 925 Stop Loss: 868**

**PETRONET (225.15)** - The stock has seen Open Interest addition of 11.89% along with negative price action indicating short build up. The stock can be sold in the range of 228-230 with a stop loss of 236 on closing basis for a target of 216.

**Target: 216 Stop Loss: 236**

## Nifty Options Snapshot



From the OI Concentration (25-March Series), Maximum addition of open interest on the call options front exists at the strike prices of 15000, 15500, and 16000 (with nearly 33.33 lacs, 39.38 lacs and 40.11 lacs, shares outstanding respectively). This indicates that 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 14500 and 14000 (with nearly 41.28 lacs, and 35.51 lacs shares outstanding respectively), indicating that these levels would act as the stronger support zone on the downside.

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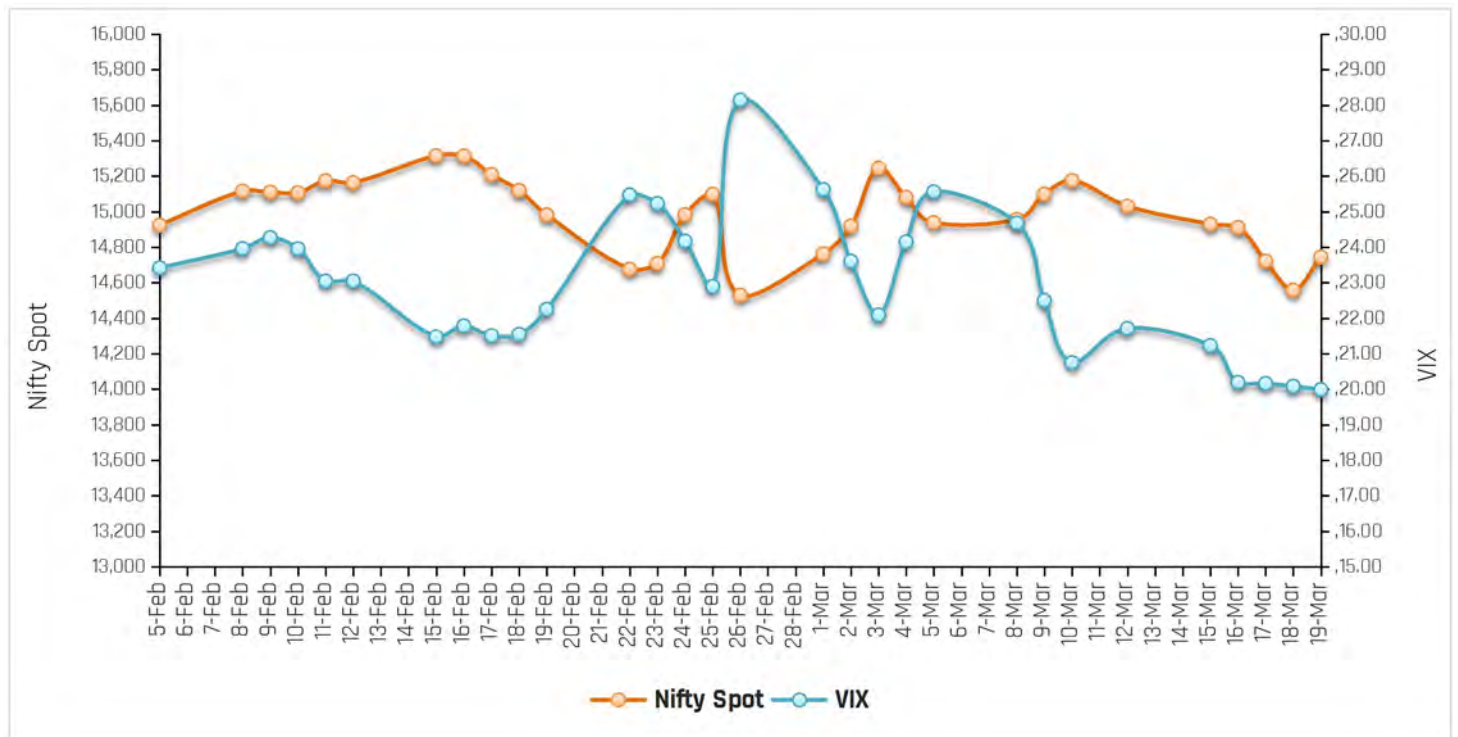
## FII Stats (5 Days Trend)

(Rs. Cr.)	19-Mar	18-Mar	17-Mar	16-Mar	15-Mar
<b>INDEX FUTURES</b>	1507.03	361.33	-6.06	275.16	-497.13
<b>INDEX OPTIONS</b>	1036.68	7157.53	652.25	-705.54	2886.01
<b>STOCK FUTURES</b>	1496.17	859.25	-53.34	292.96	-800.97
<b>STOCK OPTIONS</b>	102.33	176.43	-364.83	-236.70	-138.00

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

Date	Index Fut: Long/Short	Index Option: Long /Short	Index put: long /Short	Stock Fut Long/Short
<b>12-Mar</b>	1.42	1.30	1.93	1.15
<b>15-Mar</b>	1.30	1.28	2.06	1.14
<b>16-Mar</b>	1.35	1.29	1.97	1.15
<b>17-Mar</b>	1.33	1.25	2.07	1.15
<b>18-Mar</b>	1.38	1.44	2.22	1.16
<b>19-Mar</b>	1.74	1.42	1.91	1.21

## 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 19.00 and resistance stands at 25.00.

## Weekly Advance Decline Ratio (Nifty Stocks)

Advances	12
Declines	35
Unchanged	03

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