

29-09-2017

ROLLOVER ANALYSIS

OCTOBER SERIES VIEW

As expected, in our last month rollover report, the index faced strong resistance around 10100 and could not sustain above it in the Sep Series. The index saw strong selling pressure in the last ten days on the back of domestic and global cues, but managed to close above 9700, which acted as strong support in previous months. Any close below 9700 with aggressive volume will lead to further sell-off in the markets. On the expiry day, market wide rollovers stand higher at 83% compared with the average rollovers of 82% in the last three series. Nifty Futures rollover stands at 70%, which is higher than the average rollover of 67% of the last three series. Nifty started the Oct series with an OI of 2.1 Cr shares compared with OI of 1.6 Cr shares at the beginning of the Sep series. Going into Oct, key events to watch out would include Q2FY18 earnings releases and RBI credit policy. The rollovers in Nifty Futures clearly indicate short rollovers in the Oct series, but strong put writing in 9700 and 9600, which suggests no major fall in the Oct series. Any major fall will the best level to accumulate the stocks from medium-to-long term. Broad range for the index in the Oct series would be between 9500-10100.

DERIVATIVES INDICATORS

India VIX closed higher at 13.17 vs. 11.95 of the previous month. Another leading derivative indicator, the Nifty PCR, opened on a lower note this month at 1.24 against last month's 1.33.

BANKNIFTY

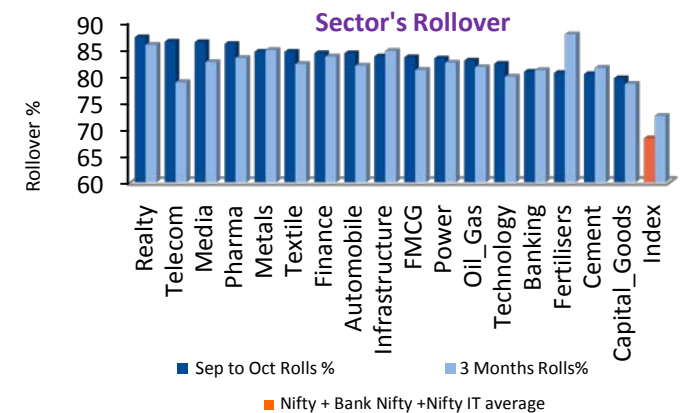
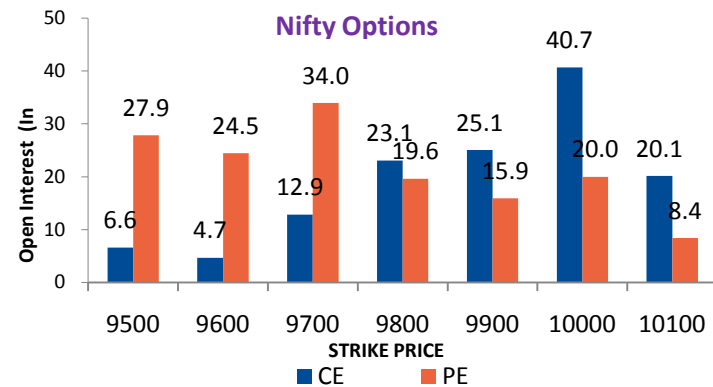
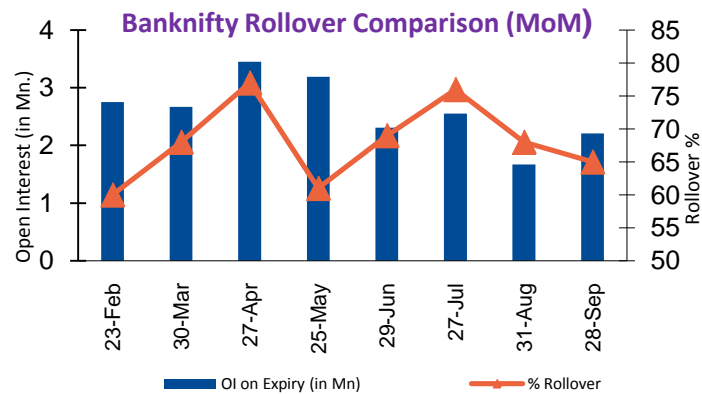
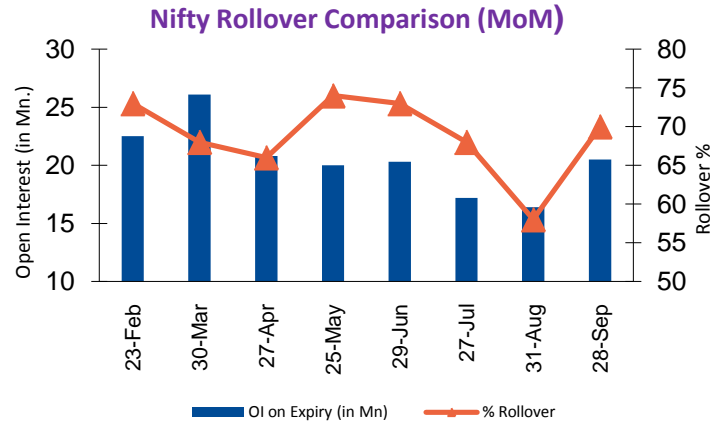
The index saw lower rolls of 65% compared with the 3M average of 71%. Banknifty will start the October series with an OI of 2.21 Mn shares compared with OI of 1.67 Mn shares at the beginning of the September series. As per options data support for the index is around 23800 and 23500 whereas resistance stands at 24500 and 25000 for the short term.

OPTION ANALYSIS

From the OI Concentration (October Series), maximum addition of open interest on the call options front exists at strike prices of 9900 and 10000 (with nearly 25.1 lacs and 40.7 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 9700 and 9500 (with nearly 34.0 lacs and 27.9 lacs shares outstanding) indicating stronger support zone on the downside.

SECTOR/STOCK ROLLOVER ACTIVITY:

- From the sectoral action, rollovers accelerated for **Media, Realty, Telecom, Pharma and Auto** stocks on expiry. However, low rollovers were seen in **Infrastructure, Fertilisers and Cement** stocks.
- Within the Nifty50 space, index heavyweights such as **LT, INFRA TEL, NTPC, BHARTIARTL, SBIN, SUNPHARMA, ITC and TECHM** saw aggressive rollover in the October series while low rolls were seen in **TATAPOWER, HDFCBANK, TATASTEEL, HINDALCO, ICICIBANK, BANKBARODA, AMBUJACEM and COALINDIA** compare with 3M average.
- From the midcap space, **INFIBEAM, DISHTV, TVSMOTOR, PETRONET, ARVIND, GODREJCP, MARICO BIOCON, and CEATLTD** saw high rollovers whereas **OIL, IRB, NIITTECH, TATACHEM, INDIGO, CESC, SRTRANSFIN, RAMCOCEM, UBL and EQUITAS** saw lower rollover compare with 3M average.



TECHNICAL VIEW ON NIFTY

In the Sept Series, Nifty registered an all-time high of 10179, but due to trendline resistance and overbought condition, it failed to sustain above 10200 levels. Geopolitical concerns led to further panic in the market and the index formed a bearish engulfing candlestick pattern, indicating weakness. Due to heavy sell-off, the index has almost tested its previous swing low of 9685, but 21 WEMA comes to the rescue of the index. If 9680 holds, the index will continue its upward journey. Once 9680 is taken out with volumes, correction can resume.

RSI has come down from the overbought zone, but is still showing strength. Thus, on the higher side, 10000 will act as strong hurdle for the short term, followed by 10200. On the downside, recent swing low of 9680 will act as strong support followed by 9500.

TECHNICAL VIEW ON BANKNIFTY

In the Sept Series, BankNifty has slowly gathered momentum and made a high of 25105, but failed to cross the previous high of 25199, resulting in sell-off. Owing to this, the index has formed a bearish engulfing candlestick pattern close to its previous high, indicating weakness. The index has taken support close to its 21 WEMA and closed above the psychological level of 24000. If it holds above 23500, it can test levels of 24500-24700. Once BankNifty sustains below 23500, weakness until 23000-22800 levels can be seen.

RSI on weekly scale has come out from the overbought zone, but is still placed above the center point of 50. Thus, on the higher side, 25000-25200 will act as strong hurdle for the short term. On the downside, 23000-22800 will act as strong support zone.

NIFTY



BANK NIFTY



Stocks to watch out based on Rollover Analysis:

POSITIVE

TECHM	Strong rollover of 86% vs 76% (3M avg) indicates long position carried forward
IRB	Low rollover of 69% vs 88% (3M avg) indicates cut down in short position
IDFCBANK	Strong rollover of 91% vs 88% (3M avg) indicates long position carried forward
INFRATEL	Strong rollover of 85% vs 65% (3M avg) indicates long position carried forward

NEGATIVE

DHFL	Rollover of 92% vs 90% (3M avg) indicates short position carried forward
ASIANPAINT	Rollover of 77% vs 80%(3M avg) indicates cut down in long position
TATASTEEL	Low rollover of 78% vs 85% (3M avg) indicates cut down in long position
BHARTIARTL	Rollover of 91% vs 81%(3M avg) indicates short position carried forward

Rollover Update (Sector Wise)

Company	Sector	Aug to Sep Roll%	Sep to Oct Roll%	3 MONTHS AVG ROLL	Divergence	Roll cost %
ACC	Cement	81	72	77	-4	0.64
ADANIENIT	Others	84	85	86	0	0.43
ADANI PORTS	Others	77	83	76	6	0.30
ADANI POWER	Power	89	93	88	5	0.68
AJANT PHARM	Pharma	83	83	79	5	0.60
ALBK	Banking	78	84	79	5	0.60
AMARA JABAT	Automobile	82	83	85	-1	0.50
AMBUJACEM	Cement	80	73	79	-6	0.54
ANDHRA BANK	Banking	77	83	81	2	0.79
APOLLO HOSP	Others	86	84	76	8	0.48
APOLLO TYRE	Automobile	87	80	85	-5	0.14
ARVIND	Textile	62	83	72	11	0.73
ASHOKLEY	Automobile	87	87	84	3	0.90
ASIAN PAINT	FMCG	79	77	80	-2	0.33
AURO PHARMA	Pharma	89	91	85	7	0.38
AXIS BANK	Banking	83	78	81	-3	0.19
BAJAJ-AUTO	Automobile	82	86	80	6	0.54
BAJAJ FINSV	Finance	90	90	83	7	0.64
BAJ FINANCE	Finance	86	78	86	-8	0.41
BALKRISIND	Automobile	90	82	82	0	0.42
BALRAMCHIN	Others	82	81	79	2	0.86
BANKBARODA	Banking	90	80	86	-6	0.76
BANKINDIA	Banking	78	79	79	1	0.58
BANKNIFTY	Index	68	65	71	-6	0.27
BATAINDIA	FMCG	79	82	81	1	0.51
BEL	Capital_Goods	86	83	84	-1	0.43
BEML	Infrastructure	77	88	83	4	0.70
BERGEPAIN	FMCG	89	76	81	-5	0.69
BHARATFIN	Finance	86	91	84	8	0.31
BHARATFORG	Automobile	87	84	82	2	0.14
BHARTIARTL	Telecom	86	91	81	10	0.47
BHEL	Capital_Goods	86	83	86	-3	0.42
BIOCON	Pharma	84	88	78	10	0.44
BOSCHLTD	Automobile	86	85	85	0	0.24
BPCL	Oil_Gas	87	84	82	2	0.49
BRITANNIA	FMCG	77	86	80	6	0.64
CADILAH	Pharma	84	87	82	5	0.33

Company	Sector	Aug to Sep Roll%	Sep to Oct Roll%	3 MONTHS AVG ROLL	Divergence	Roll cost%
CANFINHOME	Finance	89	85	87	-2	0.61
CAPF	Finance	85	84	84	0	0.61
CASTROLIND	Oil_Gas	91	87	85	2	0.78
CEATLTD	Automobile	79	86	77	10	0.73
CENTURYTEX	Textile	93	91	94	-3	0.72
CESC	Power	89	79	90	-12	0.63
CGPOWER	Power	76	85	81	4	0.92
CHOLAFIN	Finance	79	83	79	3	0.69
CIPLA	Pharma	77	80	79	1	0.30
COALINDIA	Others	87	79	85	-6	-0.15
COLPAL	FMCG	77	83	78	5	-0.04
CONCOR	Others	85	75	79	-4	-1.40
CUMMINSIND	Capital_Goods	83	70	79	-9	0.37
DABUR	FMCG	90	90	87	4	0.48
DALMIABHA	Cement	83	92	84	8	0.59
DCBBANK	Banking	82	86	77	9	0.53
DHFL	Finance	91	92	90	3	0.91
DISHTV	Media	71	87	72	15	0.33
DIVISLAB	Pharma	91	81	86	-5	0.47
DLF	Realty	86	81	81	-1	0.99
DRREDDY	Pharma	82	83	86	-2	0.24
EICHERMOT	Automobile	80	82	74	8	0.50
ENGINEERSIN	Infrastructure	87	85	83	2	0.67
EQUITAS	Finance	84	74	84	-10	0.72
ESCORTS	Automobile	90	82	84	-2	0.62
EXIDEIND	Automobile	88	89	88	1	0.81
FEDERALBNK	Banking	82	87	85	2	0.76
FORTIS	Pharma	92	92	91	1	0.86
GAIL	Oil_Gas	86	87	85	1	0.40
GLENMARK	Pharma	91	89	88	1	0.60
GMRINFRA	Infrastructure	88	90	88	2	0.63
GODFRYPHLP	FMCG	74	78	78	0	0.61
GODREJCP	FMCG	78	89	76	13	0.42
GODREJIND	FMCG	87	88	86	3	0.62
GRANULES	Pharma	77	84	84	0	0.44
GRASIM	Cement	83	86	82	4	0.62
GSFC	Fertilisers	90	89	89	-1	0.60

Company	Sector	Aug to Sep Roll%	Sep to Oct Roll%	3 MONTHS AVG ROLL	Divergence	Roll cost%
HAVELLS	Others	83	81	80	1	0.56
HCC	Infrastructure	82	84	84	0	0.92
HCLTECH	Technology	85	78	81	-4	-0.15
HDFC	Finance	78	75	77	-1	0.39
HDFCBANK	Banking	83	73	81	-8	-0.15
HDIL	Realty	85	86	83	3	0.99
HEROMOTOCO	Automobile	81	83	79	4	0.16
HEXAWARE	Technology	74	73	75	-1	0.58
HINDALCO	Metals	75	73	81	-8	0.36
HINDPETRO	Oil_Gas	82	83	87	-4	0.16
HINDUNILVR	FMCG	89	83	84	-1	-0.28
HINDZINC	Metals	68	89	81	7	0.53
IBREALEST	Realty	93	95	90	6	0.89
IBULHSGFIN	Finance	79	80	79	2	0.62
ICICIBANK	Banking	83	74	80	-6	0.71
ICIL	Textile	87	85	85	-1	0.63
IDBI	Banking	88	86	89	-3	0.86
IDEA	Telecom	72	82	76	6	0.60
IDFC	Finance	83	85	84	0	0.67
IDFCBANK	Banking	87	91	88	3	0.62
IFCI	Finance	88	91	87	5	0.66
IGL	Oil_Gas	85	79	80	-2	0.64
INDIACEM	Cement	90	86	88	-2	0.62
INDIANB	Banking	85	81	82	-2	0.54
INDIGO	Others	86	68	81	-12	0.89
INDUSINDBK	Banking	71	71	77	-6	0.58
INFIBEAM	Technology	78	91	72	19	1.09
INFRATEL	Telecom	56	85	65	19	0.24
INFY	Technology	84	84	84	1	0.30
IOC	Oil_Gas	80	88	85	2	0.06
IRB	Infrastructure	87	69	88	-19	-0.98
ITC	FMCG	72	85	76	9	0.38
JETAIRWAYS	Others	81	82	78	4	0.66
JINDALSTEL	Metals	86	89	89	0	0.41
JISLJLEQS	Others	90	91	89	3	0.64
JPASSOCIAT	Realty	90	86	89	-3	0.90
JSWENERGY	Power	93	92	93	-1	1.58

Company	Sector	Aug to Sep Roll%	Sep to Oct Roll%	3 MONTHS AVG ROLL	Divergence	Roll cost%
JSWSTEEL	Metals	89	95	84	11	1.03
JUBLFOOD	Others	75	82	77	5	0.67
JUSTDIAL	Others	59	81	75	6	0.57
KAJARIACER	Others	75	76	80	-3	0.43
KOTAKBANK	Banking	68	70	75	-5	0.73
KPIT	Technology	80	91	84	6	0.95
KSCL	Others	90	85	86	0	0.49
KTKBANK	Banking	89	83	86	-4	0.68
L&TFH	Finance	81	87	81	6	0.74
LICHSGFIN	Finance	84	87	79	8	0.32
LT	Capital_Goods	83	86	74	12	0.45
LUPIN	Pharma	82	83	77	6	0.40
M&M	Automobile	78	84	79	5	0.45
M&MFIN	Finance	76	80	79	1	0.59
MARICO	FMCG	83	84	75	10	0.68
MARUTI	Automobile	84	85	83	2	0.50
MCDOWELL-N	FMCG	83	92	85	7	0.76
MCX	Others	79	86	81	5	1.29
MFSL	Finance	91	86	89	-3	0.50
MGL	Oil_Gas	85	85	82	3	0.46
MINDTREE	Technology	86	81	82	0	0.57
MOTHERSUMI	Automobile	91	79	77	2	0.52
MRF	Automobile	86	88	87	2	0.66
MRPL	Oil_Gas	82	81	73	8	0.66
MUTHOOTFIN	Finance	84	87	86	1	0.55
NATIONALUM	Metals	90	82	84	-2	0.59
NBCC	Infrastructure	82	81	85	-3	0.47
NCC	Infrastructure	84	87	81	6	0.61
NESTLEIND	FMCG	83	81	85	-4	0.32
NHPC	Power	85	81	82	-1	0.56
NIFTY	Index	58	70	66	3	0.21
NIFTYIT	Index	74	70	80	-10	0.27
NIITTECH	Technology	89	61	76	-15	0.15
NMDC	Metals	89	85	88	-3	0.64
NTPC	Power	60	80	68	12	0.39
OFSS	Technology	74	84	75	8	0.44
OIL	Oil_Gas	88	66	85	-19	-1.60

Company	Sector	Aug to Sep Roll%	Sep to Oct Roll%	3 MONTHS AVG ROLL	Divergence	Roll cost%
ONGC	Oil_Gas	82	88	82	6	0.35
ORIENTBANK	Banking	77	76	82	-6	0.50
PAGEIND	Textile	66	73	69	4	0.79
PCJEWELLER	Others	85	86	80	7	0.66
PEL	Pharma	88	84	85	-1	0.86
PETRONET	Oil_Gas	74	84	71	14	0.47
PFC	Finance	76	85	82	3	0.74
PIDILITIND	FMCG	71	85	79	5	0.55
PNB	Banking	73	79	76	3	0.61
POWERGRID	Power	66	70	64	6	0.38
PTC	Power	85	80	83	-3	0.74
PVR	Media	79	80	81	-1	0.39
RAMCOCEM	Cement	80	68	78	-10	0.41
RAYMOND	Textile	91	87	89	-2	0.98
RBLBANK	Banking	64	72	77	-5	0.25
RCOM	Telecom	91	87	83	4	2.54
RECLTD	Power	89	89	84	5	0.73
RELCAPITAL	Finance	78	84	79	5	0.89
RELIANCE	Oil_Gas	80	79	79	1	0.31
RELINFRA	Power	92	85	88	-2	0.69
RNAVAL	Capital_Goods	82	83	79	4	0.57
RPOWER	Power	87	88	89	-1	0.61
SAIL	Metals	89	86	87	-1	0.85
SBIN	Banking	79	86	74	11	0.57
SHREECEM	Cement	81	75	80	-4	0.26
SIEMENS	Capital_Goods	79	82	78	4	0.41
SOUTHBANK	Banking	86	86	83	2	1.26
SRF	Textile	82	88	83	5	0.79
SRTRANSFIN	Finance	89	77	87	-10	0.07
STAR	Pharma	91	90	89	1	0.65
SUNPHARMA	Pharma	87	91	82	9	0.28
SUNTV	Media	86	81	88	-6	0.70
SUZLON	Power	82	84	75	9	0.65
SYNDIBANK	Banking	81	78	81	-4	0.64
TATACHEM	Fertilisers	85	75	87	-13	0.66
TATACOMM	Telecom	90	87	88	-1	0.71
TATAELXSI	Technology	80	82	86	-4	0.77

Company	Sector	Aug to Sep Roll%	Sep to Oct Roll%	3 MONTHS AVG ROLL	Divergence	Roll cost%
TATAGLOBAL	FMCG	90	89	91	-2	0.84
TATAMOTORS	Automobile	85	80	83	-3	0.34
TATAMTRDVR	Automobile	85	82	85	-3	0.72
TATAPOWER	Power	86	70	87	-17	0.84
TATASTEEL	Metals	82	78	85	-7	0.62
TCS	Technology	87	85	81	4	-0.38
TECHM	Technology	80	86	76	10	-0.02
TITAN	FMCG	75	81	75	6	0.56
TORNTPHARM	Pharma	73	77	71	6	0.70
TORNTPOWER	Power	85	87	81	6	0.65
TV18BRDCST	Media	87	93	89	3	0.78
TVSMOTOR	Automobile	80	90	76	14	0.05
UBL	FMCG	82	70	80	-9	0.49
UJJIVAN	Finance	92	84	88	-4	0.70
ULTRACEMCO	Cement	88	88	83	5	0.49
UNIONBANK	Banking	82	87	82	4	0.86
UPL	Fertilisers	88	78	87	-9	0.24
VEDL	Metals	83	83	83	0	0.61
VGUARD	Capital_Goods	71	72	81	-10	0.39
VOLTAS	Capital_Goods	66	76	66	10	0.86
WIPRO	Technology	83	89	84	5	-0.19
WOCKPHARMA	Pharma	90	89	89	-1	0.67
YESBANK	Banking	83	85	81	4	0.66
ZEEL	Media	81	89	81	8	0.36

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