

22-05-2017

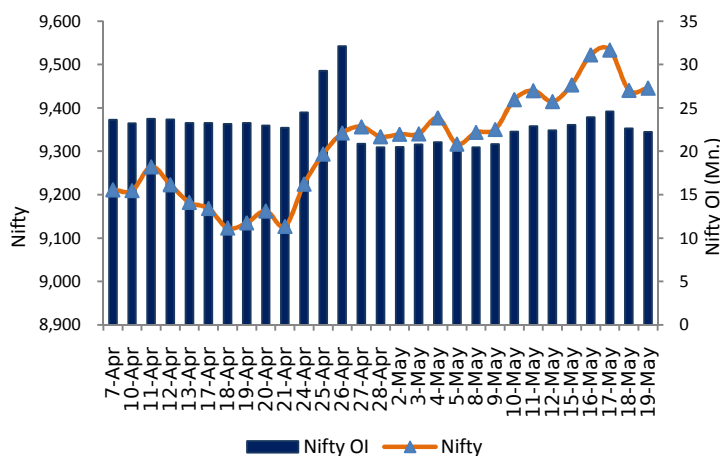
Weekly Derivatives Synopsis

PARTICULARS	Last Closing	Previous Week	% Change
NIFTY SPOT	9428	9401	0.3
NIFTY FUTURES	9446	9415	0.3
BANKNIFTY SPOT	22770	22672	0.4
BANKNIFTY FUTURES	22798	22669	0.6
NIFTY PCR	1.21	1.24	-2.4
NIFTY PCR-VOL	1.22	1.3	-6.2
NIFTY OI (In Mn)	22.2	22.4	-0.9
BANKNIFTY OI (In Mn)	3.57	3.76	-5.1
INDIA VIX	11.3	10.62	6.4
NIFTY HV	10.29	9.86	4.4
Nifty Basis Points	18	14	28.6

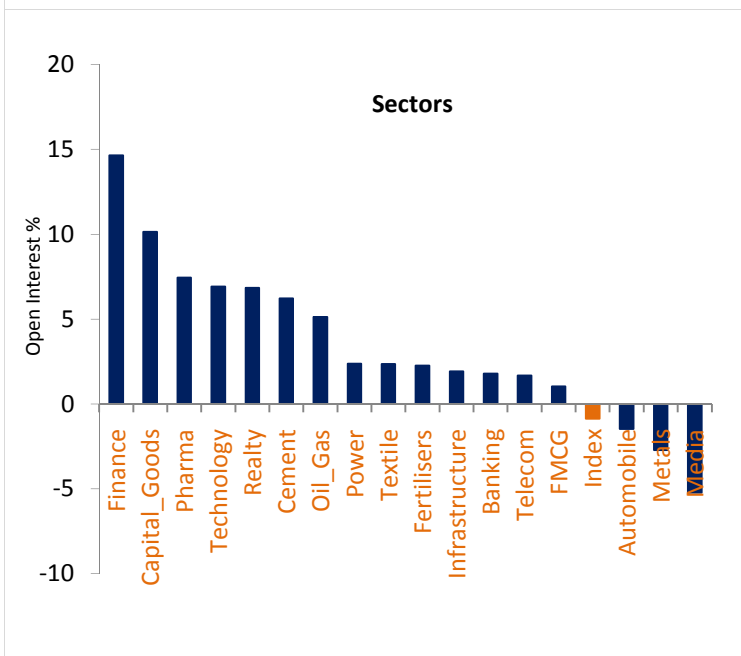
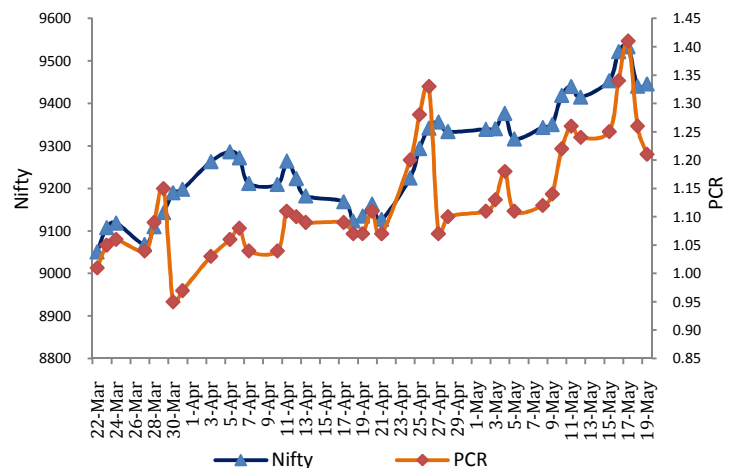
Index Outlook

Derivatives: Last week, Nifty Futures saw profit booking after registering a new record high of 9538. However, it managed to close above 9400 with 1% unwinding in open interest. Nifty Put Call ratio currently stands at 1.21, which is close to the overbought zone. Technically, last week, Nifty spot took trend line resistance and formed a **Doji candlestick pattern**, which indicates uncertainty in the near term. RSI and Stochastic oscillators are placed close to the overbought zone. Thus, one should stay cautious and keep the position light for the short term. For the next week, 9270 will act as key support and on the higher side, 9500-9530 levels will act as hurdle for the short term.

Nifty OI Trend



Nifty Fut Vs Pcr



Sectoral Activity

- Last week, **Finance, Capital Goods, Pharma, Technology, and Realty** stocks saw open interest addition. Top names included **CAPF, PFC, VGUARD, BHEL, GLENMARK, FORTIS, TECHM, WIPRO, JPASSOCIAT, and IBREALEST.**
- Metal, Automobile, and Media** stocks saw open interest unwinding on the back of short covering, especially in **TATASTEEL, APOLLOTYRE, MARUTI, and DISHTV.**
- From the **Finance** and **Capital Goods** space, **CAPF, PFC, HDFC, BHEL, and BEL** have seen short build up.
- From the **Banking** space, **SBIN** and **BANKBARODA** saw long build up whereas **PNB, IDBI, IDFCBANK, and YESBANK** saw short build up.
- This week, stocks to watch out would be **TATAMTRDVR, CANBK, MARUTI, RECLTD, and APOLLOTYRE** on the long side while **OIL, HINDALCO, VGUARD, and HDFC** can be on the short side.

Stocks to Watch Out (Weekly)

Long Build-up				Long Unwinding			
Symbol	Price	OI Change	Price Change	Symbol	Price	OI Change	Price Change
MRPL	133.6	43%	3%	ORIENTBANK	157.6	-22%	-2%
PEL	2843.1	23%	9%	ICIL	194.7	-19%	-2%
WIPRO	520.6	15%	2%	AMARAJABAT	897.1	-14%	-3%
TCS	2509.1	10%	6%	JISLJALEQS	92.8	-13%	-8%
Short Build-up				Short covering			
Symbol	Price	OI Change	Price Change	Symbol	Price	OI Change	Price Change
GLENMARK	660.6	78%	-13%	APOLLOTYRE	234.7	-16%	3%
MCX	995.5	49%	-10%	GODREJIND	579.4	-14%	3%
PNB	155.8	29%	-8%	DRREDDY	2664.2	-14%	3%
RAYMOND	724.6	28%	-5%	AJANTPHARM	1671.3	-13%	3%

Weekly Recommendation

HDFC (1525.85): The stock future saw open interest addition last week to the tune of 8.75% along with negative price action, indicating short build up. Technically, the stock on the weekly scale has formed a **bearish engulfing candlestick pattern** near its trendline resistance, indicating weakness. The stock can be sold around 1530-1550 with a stop loss of 1570 on closing basis for a target of 1500-1470 in the short term.

Target: 1470 Stop Loss: 1570

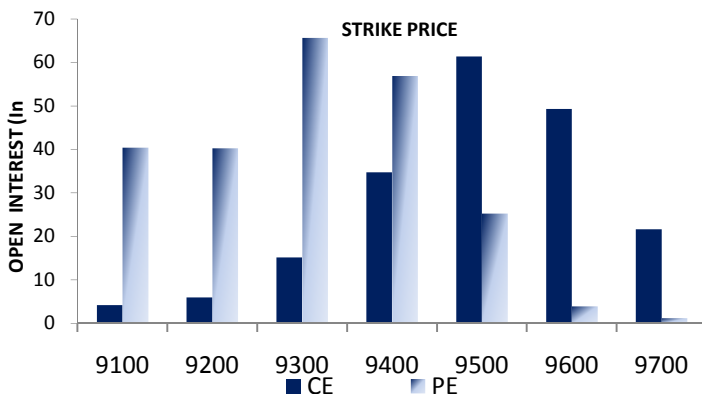
HAVELLS (487): The stock future saw open interest addition last week to the tune of 10.13% along with negative price action, indicating short build up. Technically, the stock on the weekly scale has formed **bearish engulfing candlestick pattern** and on the daily scale, the stock has seen a trendline breakdown, indicating weakness. The stock can be sold around 490-500 with a stop loss of 510 on closing basis for a target of 470-480 in the short term.

Target: 470 Stop Loss: 510

WIPRO (520.55): The stock future saw open interest addition last week to the tune of 15.19% along with positive price action, indicating long build up. Technically, the stock on the daily scale has seen **rounding bottom pattern** breakout, indicating strength. The stock can be bought around 510-515 with a stop loss of 500 on closing basis for a target of 540-550 in the short term.

Target: 550 Stop Loss: 500

Nifty Options Snapshot



From the OI Concentration (May Series), maximum addition of open interest on the call options front exists at the strike prices of 9500 and 9600 (with nearly 61.40 lacs and 49.40 lacs shares outstanding). This indicates 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 9400 and 9300 (with nearly 56.89 lacs and 65.61 lacs shares outstanding respectively), indicating a stronger support zone on the downside.

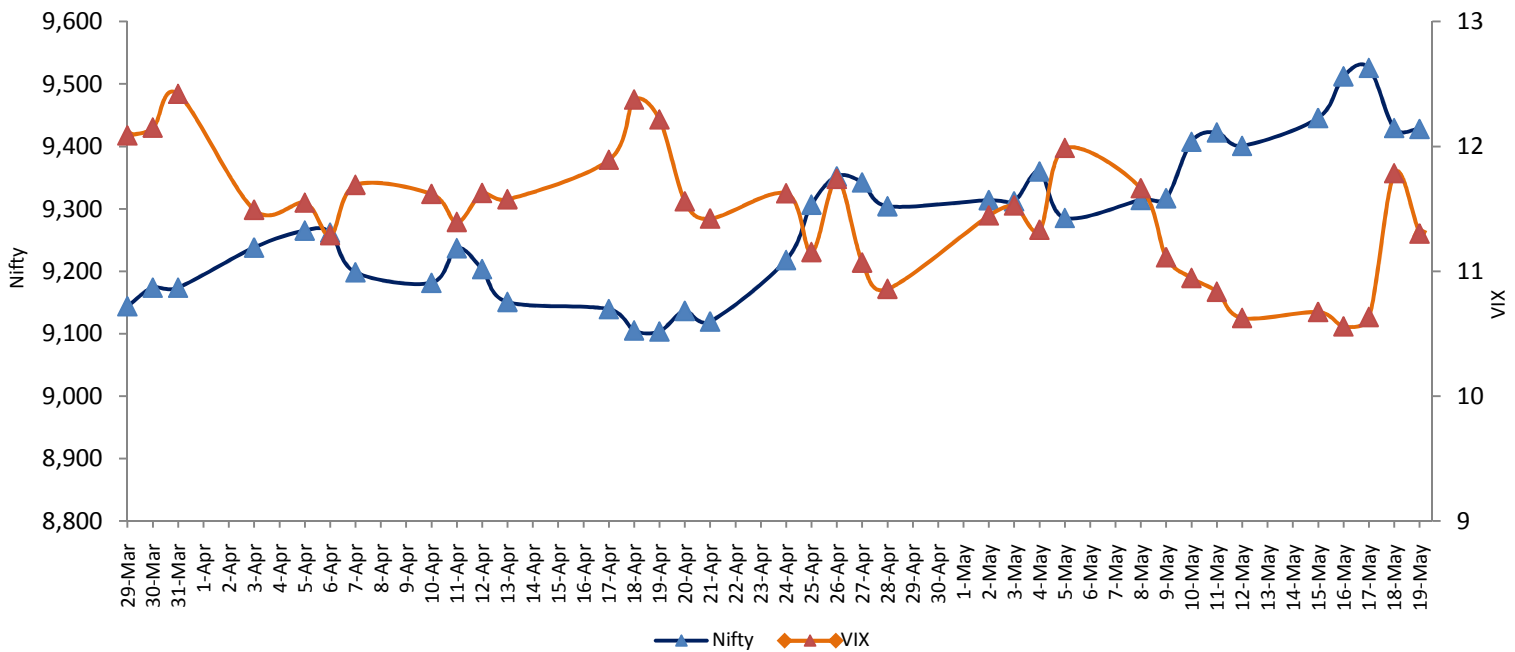
FII Stats (5 Days Trend)

(Rs. Cr.)	19-May	18-May	17-May	16-May	15-May
INDEX FUTURES	333	-141	-8	-22	-117
INDEX OPTIONS	966	2685	24	-437	24
STOCK FUTURES	671	-1124	-21	144	191
STOCK OPTIONS	-12	-170	-111	7	-8

FII Open Interest Activity (Long & Short Ratio)

Date	Index Fut: Long/Short	Index Option: Long /Short	Index put: long /Short	Stock Fut Long/Short
12-May	2.04	1.66	2.85	0.63
15-May	2.02	1.69	2.76	0.63
16-May	1.98	1.77	2.41	0.63
17-May	1.94	1.79	2.19	0.64
18-May	1.91	1.72	2.73	0.62
19-May	2.03	1.59	3.19	0.63

NIFTY VS INDIA VIX (Last 35 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 10.60 and the resistance stands at 12.50.

Weekly Advance Decline Ratio (Nifty Stocks)

Advances	18
Declines	32
Unchanged	01

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