

18-09-2017

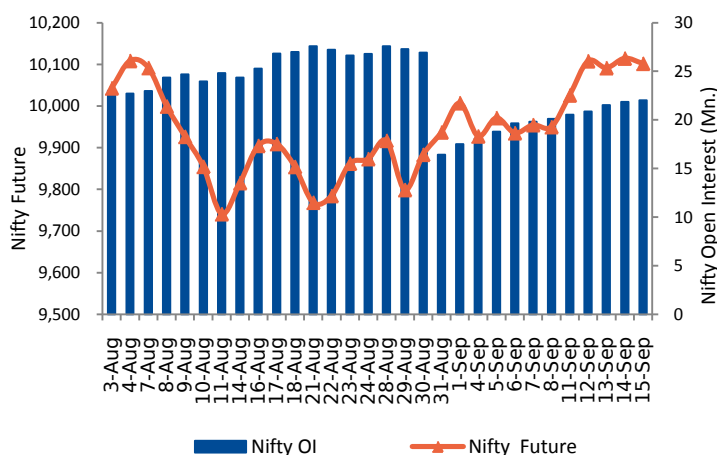
Weekly Derivatives Synopsis

| PARTICULARS | Last Closing | Previous Week | % Change |
|---------------------|--------------|---------------|----------|
| NIFTY SPOT | 10085 | 9935 | 1.5 |
| NIFTY FUTURES | 10102 | 9950 | 1.5 |
| BANKNIFTY SPOT | 24844 | 24371 | 1.9 |
| BANKNIFTY FUTURES | 24853 | 24375 | 2.0 |
| NIFTY PCR | 1.53 | 1.38 | 10.9 |
| NIFTY PCR-VOL | 1.18 | 1.15 | 2.6 |
| NIFTY OI(In Mn) | 22.03 | 20.11 | 9.5 |
| BANKNIFTY OI(In Mn) | 2.52 | 1.95 | 29.2 |
| INDIA VIX | 11.67 | 12.96 | -10.0 |
| NIFTY HV | 11.11 | 11.65 | -4.6 |
| Nifty Basis Points | 17 | 15 | 13.3 |

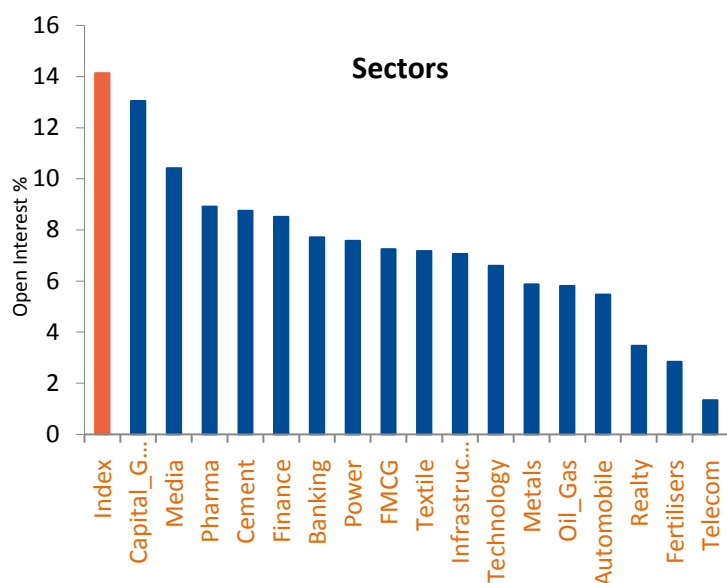
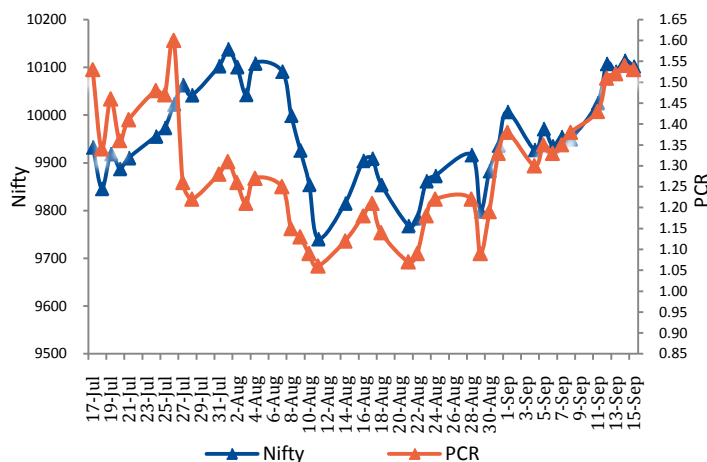
Index Outlook

Derivatives: Last week, the index put up a strong show, with the benchmark indices coming at an osculating distance to their lifetime highs on the back of strong domestic institutional buying, laying aside geopolitical tensions. Nifty Futures settled at 10102 gaining by +1.50% (WoW) with addition in OI of 9.50% (WoW) indicating positive bias. Nifty VIX for the week closed on a weaker note at 11.67, down 10% (WoW). On the options front, Nifty Put call ratio currently stands at 1.53, higher by 10.9% (WoW). On the technical front, Nifty 20 DSMA is placed at 9927, and a bullish gap exists in the range of 9963-9968. Thus, for the short term, 9900-9920 will act as support whereas 10140-10210 will act as a hurdle. Going forward, crude prices, Dollar movement, geopolitical tensions, and Fed interest rate decision will be the key market triggers.

Nifty OI Trend



Nifty Fut Vs Pcr



Sectoral Activity

- Last week, **Capital Goods, Media, Pharma, Cement, and Finance** stocks saw highest open interest addition. Top names included **BHEL, SIEMENS, PVR, ZEEL, TORNTPHARM, CADILAH, GRASIM, SHRECEM, RELCAPITAL,** and **LICHSGFIN.**
- Power, FMCG, and Metals** stocks saw open interest addition on the back of long build up, especially in **TATAPOWER, JSWENERGY, BERGEPAIN, ASIANPAINT,** and **TATASTEEL.**
- In the **Banking** space, **ANDHRABANK, BANKINDIA, UNIONBANK,** and **SYNDIBANK** saw long build up whereas short covering was seen in **FEDERALBNK, PNB,** and **YESBANK.**
- This week, some buying can be seen in **GRASIM, TORNTPHARM, BHEL, HAVELLS, HEXAWARE,** and **INDUSINDBK** while selling pressure can be seen in **RBLBANK** and **RELCAPITAL.**
- From the sector space, **Banking, Auto, Pharma, Power, Cement, Textile,** and **Capital Goods** stocks are likely to remain in focus in the forthcoming week.

Stocks to Watch Out (Weekly)

| Long Build-up | | | | Long Unwinding | | | |
|---------------|-------|-----------|--------------|----------------|-------|-----------|--------------|
| Symbol | Price | OI Change | Price Change | Symbol | Price | OI Change | Price Change |
| DIVISLAB | 871.1 | 25% | 25% | M&MFIN | 434.4 | -8% | -3% |
| ANDHRABANK | 58.8 | 22% | 15% | JPASSOCIAT | 20.3 | -5% | -13% |
| TATAPOWER | 84.6 | 20% | 10% | GSFC | 139.6 | -2% | -5% |
| BANKINDIA | 155.4 | 20% | 9% | CASTROLIND | 388.3 | -2% | -2% |

| Short Build-up | | | | Short covering | | | |
|----------------|--------|-----------|--------------|----------------|--------|-----------|--------------|
| Symbol | Price | OI Change | Price Change | Symbol | Price | OI Change | Price Change |
| INDIGO | 1180.7 | 67% | -3% | RAMCOCEM | 752.1 | -21% | 3% |
| CADILAHC | 482.9 | 37% | -4% | TATAELXSI | 1819.8 | -20% | 2% |
| BPCL | 498.4 | 31% | -3% | BHARATFORG | 1243.6 | -17% | 7% |
| APOLLOHOSP | 1063.3 | 29% | -3% | STAR | 990.2 | -16% | 7% |

Weekly Recommendation

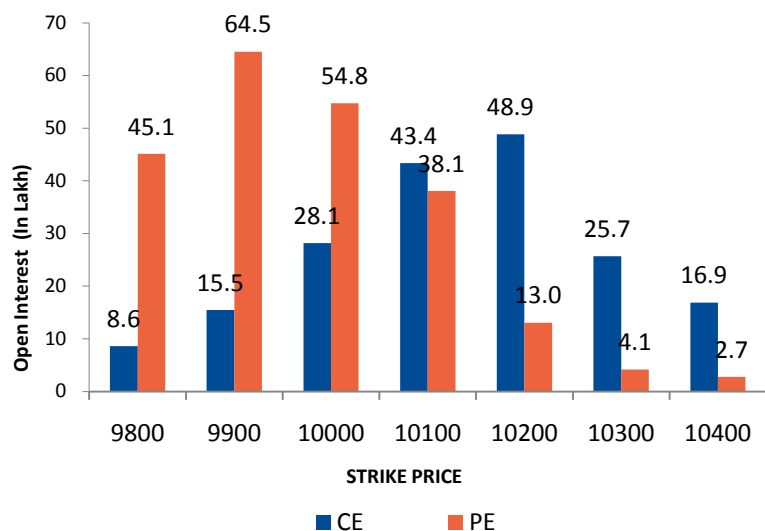
ASIANPAINTS (1247.7) - The stock saw open interest addition to the tune of 14.62% along with positive price action, indicating long build up. Technically, the stock on weekly scale has sustained above its previous high of 1215, indicating strength. The stock can be bought in the range of 1210-1220 with a stop loss of 1178 on closing basis for a target of 1270-1300.

Target: 1300 Stop Loss: 1178

VEDL (319.2) - The stock saw open interest addition to the tune of 10.55% along with negative price action, indicating short build up. Technically, the stock on weekly scale has formed a **bearish Harami candlestick pattern**, indicating weakness. The stock can be sold in the range of 323-326 with a stop loss of 336 on closing basis for a target of 310-300.

Target: 300 Stop Loss: 336

Nifty Options Snapshot



From the OI Concentration (September Series), maximum addition of open interest on the call options front exists at the strike prices of 10100 and 10200 (with nearly 43.4 lacs and 48.9 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 10000 and 9900 (with nearly 54.8 lacs and 54.5 lacs shares outstanding respectively), indicating a stronger support zone on the downside.

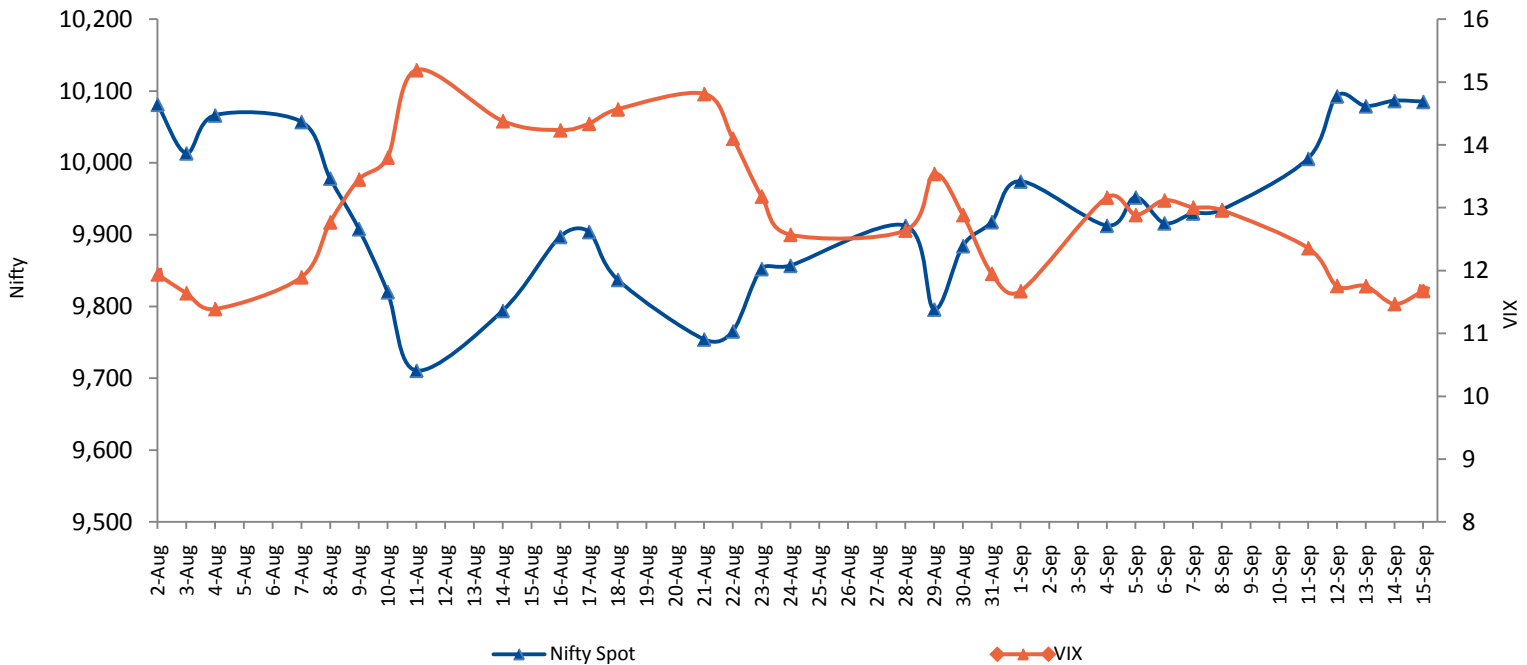
FII Stats (5 Days Trend)

| (Rs. Cr.) | 15-Sep | 14-Sep | 13-Sep | 12-Sep | 11-Sep |
|---------------|--------|--------|--------|--------|--------|
| INDEX FUTURES | 134 | -484 | -532 | -299 | -247 |
| INDEX OPTIONS | -1032 | 1041 | -93 | -18 | 308 |
| STOCK FUTURES | -1123 | 58 | 63 | 211 | 165 |
| STOCK OPTIONS | -25 | 117 | 116 | -68 | 94 |

FII Open Interest Activity (Long & Short Ratio)

| Date | Index Fut: Long/Short | Index Option: Long /Short | Index put: long /Short | Stock Fut Long/Short |
|--------|-----------------------|---------------------------|------------------------|----------------------|
| 8-Sep | 1.72 | 1.60 | 2.84 | 0.76 |
| 11-Sep | 1.64 | 1.72 | 2.58 | 0.76 |
| 12-Sep | 1.58 | 1.74 | 2.44 | 0.77 |
| 13-Sep | 1.47 | 1.71 | 2.41 | 0.77 |
| 14-Sep | 1.38 | 1.67 | 2.32 | 0.77 |
| 15-Sep | 1.39 | 1.65 | 2.13 | 0.75 |

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 11.00 and resistance stands at 15.50.

Weekly Advance Decline Ratio (Nifty Stocks)

| | |
|-----------|----|
| Advances | 35 |
| Declines | 9 |
| Unchanged | 7 |

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