

SEPTEMBER SERIES VIEW

In August expiry, the benchmark index, Nifty began with heavy volatility on the back of news on government rolling back tax surcharge on foreign portfolio investors (FPIs) and weak global cues. Finally, on last Friday, the government withdrew tax surcharge on key investor categories such as FPIs, which boost sentiment after Nifty had hit a five-month low of 10,637. Meanwhile, continuous heavy foreign fund outflow, US-China trade war, concerns over an economic slowdown, and weak monsoon would continue to cap the upside. Finally, the index failed to keep its head above the 11,000 mark on F&O expiry day and ended down 2.70% (EoE) indicating uncertainty for the short term. On the expiry day, Nifty Futures rollover stood at 69%, which is lower than the average rollover of 75% of the last three series. Nifty will start the September series with an OI of 1.80 Cr shares compared with OI of 1.79 Cr shares at the beginning of the August series. Market-wide rollovers stood in line at 92% compared with the average rollovers of 92% in the last three series. Going into September key events that would act as market triggers would include global markets trends, FII inflows, progress of monsoon, US-China trade war the movement of Rupee against the Dollar, and crude oil price movement will dictate the trend on the bourses in the near term.

DERIVATIVES INDICATORS

India VIX closed higher at 16.43 vs. 12.63 of the previous month indicating high volatility in market. Another leading derivative indicator, Nifty PCR, opened on a lower note this month at 1.31 against last month's 1.37

BANKNIFTY

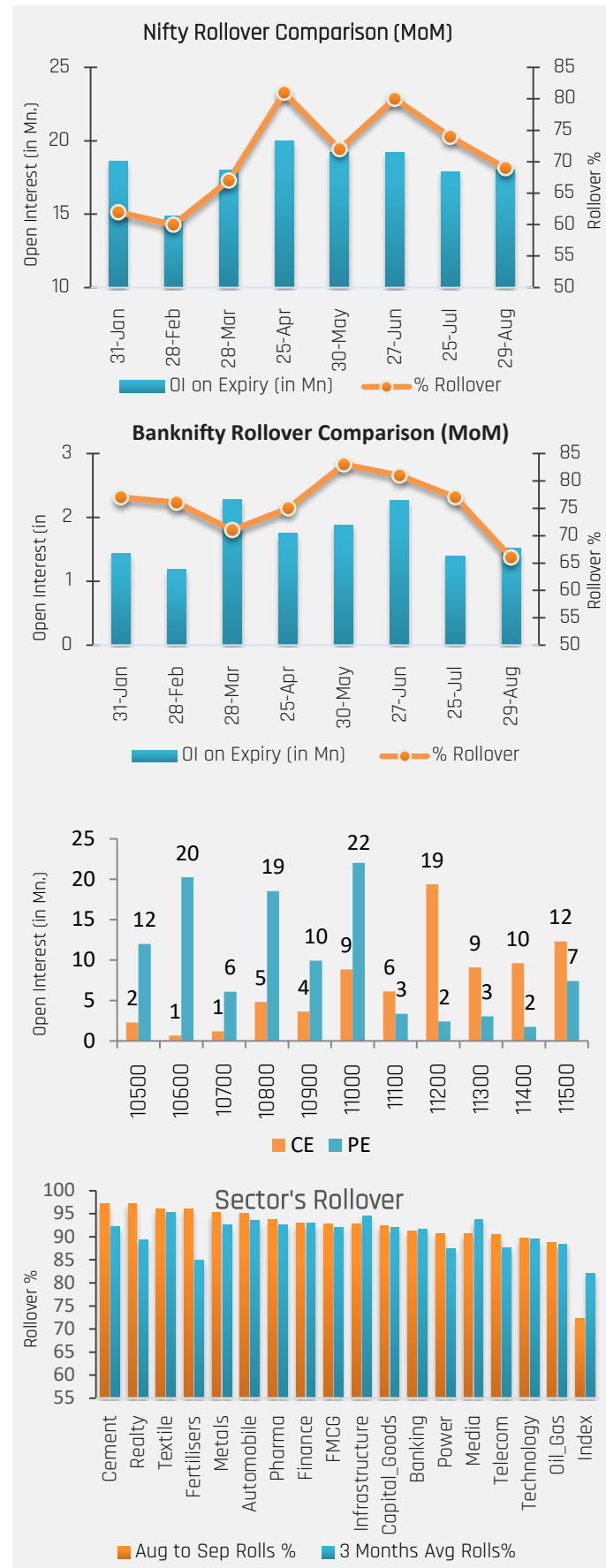
The index saw lower rolls of 66% compared with the 3M average of 80%. BankNifty will start the September series with an OI of 1.52 Mn shares compared with OI of 1.40 Mn shares at the beginning of the August series. As per options data, support for the index is around 27000 and 28000 whereas resistance stands at 29000 and 30000 for the short term.

OPTION ANALYSIS

From the OI Concentration (26-Sep Series), maximum addition of Open Interest on the call options front exists at strike prices of 11200 and 11500 (with nearly 19.37 lacs and 12.32 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, addition of Open Interest is at strike prices of 10800 and 106000 (with nearly 18.54 lacs and 20.25 lacs shares outstanding) indicating stronger support zone on the downside.

SECTOR/STOCK ROLLOVER ACTIVITY:

- From the sectoral action, rollovers accelerated for Cement, Realty, Fertilisers, Textile, Metals, Automobile and Power stocks on expiry. However, low rollovers were seen in Media, Infrastructure, and Banking stocks.
- Within the Nifty50 space, index heavyweights such as UPL, GAIL, POWERGRID, ADANI PORTS, BAJAJFINSV, INFRA TEL and HINDALCO saw aggressive rollover in the September series while low rolls were seen in YESBANK, IOC, ICICIBANK, ZEEL, and VEDL compared with the 3M average.
- From the midcap space, CONCOR, TATAGLOBAL, TORNTPOWER, PEL, SHREECEM, and TVSMOTOR saw high rollovers whereas MGL, TORNTPHARM, MFSL, COLPAL, and UBL saw lower rollover compared with the 3M average.



TECHNICAL VIEW ON NIFTY

In the Aug series, Nifty has seen selling pressure breaching previous low, made a new low of 10637, and closed at 10948 on weekly basis. Nifty has taken support of 100WEMA, which acts as strong support. At higher levels, Nifty is facing resistance at 11200. We may witness fresh rally only if Nifty closes above 11200. That is when the bulls can stretch the rally until 11500-11600 levels. At higher levels, the bears will be attacking the bulls. At 11600, which is the supply zone, we may witness selling pressure. On the downside, 10800 and 10600 will act as support for Nifty and On the upside, 11200 and 11600 will act as resistance for Nifty

TECHNICAL VIEW ON BANKNIFTY

In the Aug series, Bank Nifty closed on a negative note at 27305. Given the weekly trendline breakdown, the index has taken support of 100WEMA, which is at 26850. As Bank Nifty trades above these levels, there are chances that it will rebound until 28500-29000 levels in the short term. Bulls will try to retest the breakdown point from where again selling pressure can be witnessed. RSI is trading near the oversold region, which indicates some bounce back.

Overall support for Bank Nifty in the September series will be at 26500 and 26000 and resistance will be at 28500-29000 as volatility will remain high in the coming days.

NIFTY-Weekly Chart



BANKNIFTY-Weekly Chart



Stocks to watch out based on Rollover Analysis:

POSITIVE

CONCOR	Strong rollover of 99% compared with 3 month avg of 79% indicating long position carried forward
POWERGRID	Strong rollover of 93% compared with 3 month avg of 81% indicating long position carried forward
HCLTECH	Strong rollover of 94% compared with 3 month avg of 88% indicating long position carried forward

NEGATIVE

TORNTPOWER	Strong rollover of 97% compared with 3 month avg of 83% indicating short position carried forward.
BHARTIARTL	Strong rollover of 95% compared with 3 month avg of 90% indicating short position carried forward.

DERIVATIVES ROLLOVER ANALYSIS

30-08-2019

Rollover Update (Sector Wise)

Company	Jul to Aug roll%	Aug to Sep roll%	3 AVG MONTHS ROLL	Divergence	Roll cost
Automobile					
AMARAJABAT	98	92	97	-5	-2.35
APOLLLOTYRE	87	93	85	8	-2.68
ASHOKLEY	97	99	93	6	0.23
BAJAJ-AUTO	89	91	87	4	0.48
BALKRISIND	97	96	98	-2	0.09
BHARATFORG	98	98	95	3	0.52
BOSCHLTD	99	94	98	-4	0.21
EICHERMOT	91	94	92	1	0.43
ESCORTS	98	97	98	0	0.27
EXIDEIND	97	98	98	-1	0.40
HEROMOTOCO	85	93	89	4	0.46
M&M	93	91	92	-1	0.63
MARUTI	95	89	91	-3	0.38
MOTHERSUMI	94	99	92	7	0.26
MRF	97	97	96	1	0.40
TATAMOTORS	98	97	97	0	0.44
TATAMTRDVR	98	99	98	1	0.47
TVSMOTOR	86	97	86	11	-0.28
Banking					
AXISBANK	89	92	91	1	0.56
BANKBARODA	95	98	88	10	0.49
BANKINDIA	95	96	96	0	0.61
CANBK	93	98	95	2	0.45
FEDERALBNK	94	95	90	4	0.50
HDFCBANK	85	84	87	-3	0.26
ICICIBANK	92	78	91	-13	0.76
IDBI	96	96	96	0	-3.44
IDFCFIRSTB	97	97	97	1	-2.55
INDUSINDBK	85	90	82	8	0.61
KOTAKBANK	86	86	84	2	0.49
PNB	98	98	95	3	0.46
RBLBANK	90	89	90	0	0.54
SBIN	91	87	90	-3	0.51
UNIONBANK	97	98	98	0	0.50
YESBANK	96	77	97	-19	0.61
Capital_Goods					
BEL	94	96	95	0	0.33
BHEL	75	91	84	6	-1.68
CUMMINSIND	96	93	93	-1	-1.96
LT	90	91	89	2	0.48
SIEMENS	96	93	97	-3	0.43
VOLTAS	87	91	93	-3	-0.10

DERIVATIVES ROLLOVER ANALYSIS

30-08-2019

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Company	Jul to Aug roll%	Aug to Sep roll%	3 AVG MONTHS ROLL	Divergence	Roll cost
Cement					
ACC	97	99	92	7	0.27
AMBUJACEM	97	97	93	4	0.30
GRASIM	94	99	94	5	0.46
RAMCOCEM	94	95	97	-2	-0.12
SHREECEM	95	99	87	12	0.54
ULTRACEMCO	94	94	90	4	0.62
Fertilisers					
TATACHEM	91	95	93	2	0.13
UPL	69	97	77	20	0.65
Finance					
BAJAJFINSV	83	93	85	8	0.63
BAJFINANCE	92	96	92	4	0.53
CHOLAFIN	88	84	92	-7	-0.04
DHFL	94	92	92	0	-5.28
EQUITAS	98	97	98	0	0.37
HDFC	96	95	93	2	0.49
IBULHSGFIN	98	96	98	-2	-7.57
ICICIPRULI	94	92	84	8	-1.74
L&TFH	91	95	90	5	0.54
LICHSGFIN	98	86	95	-9	0.42
M&MFIN	98	99	95	4	0.21
MANAPPURAM	87	98	93	5	0.49
MFSL	96	84	98	-14	0.39
MUTHOOTFIN	97	92	96	-5	0.36
PFC	94	91	89	2	0.25
RELCAPITAL	90	93	90	2	-2.04
SRTRANSFIN	99	96	97	-1	0.65
UJJIVAN	97	93	96	-4	-1.54
FMCG					
ASIANPAINT	90	92	91	1	0.55
BATAINDIA	97	96	94	2	0.19
BERGEPAIN	99	90	98	-8	0.27
BRITANNIA	84	93	86	7	0.60
COLPAL	97	82	94	-12	-0.68
DABUR	95	96	95	2	0.37
GODREJCP	95	98	93	5	0.59
HINDUNILVR	95	86	93	-7	0.55
ITC	90	90	89	1	0.54
MARICO	99	98	96	2	0.32
MCDOWELL-N	99	97	93	4	0.10
NESTLEIND	95	97	95	2	0.29
PIDILITIND	99	97	94	2	0.07
TATAGLOBAL	97	92	76	16	0.15
TITAN	89	95	89	6	0.48
UBL	98	87	97	-10	0.27

DERIVATIVES ROLLOVER ANALYSIS

30-08-2019

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Company	Jul to Aug roll%	Aug to Sep roll%	3 AVG MONTHS ROLL	Divergence	Roll cost
Index					
BANKNIFTY	77	66	80	-14	0.49
NIFTY	74	69	75	-7	0.53
NIFTYIT	88	82	91	-9	-0.08
Infrastructure					
ENGINERSIN	84	95	93	2	-0.24
GMRINFRA	93	90	96	-6	0.67
NBCC	93	89	95	-6	-1.23
NCC	94	97	94	3	0.18
Media					
DISHTV	96	98	94	3	0.45
PVR	95	86	94	-8	-2.74
SUNTV	84	93	88	5	0.46
ZEEL	98	86	98	-12	0.46
Metals					
HINDALCO	91	98	90	7	0.42
HINDZINC	86	92	92	0	0.31
JINDALSTEL	98	97	92	5	0.48
JSWSTEEL	97	97	97	1	0.52
NATIONALUM	80	97	89	7	-2.85
NMDC	96	98	94	4	0.53
SAIL	82	94	93	1	0.54
TATASTEEL	97	96	93	3	0.53
VEDL	91	89	93	-4	0.33
Oil_Gas					
BPCL	91	91	84	7	0.30
CASTROLIND	83	98	93	5	0.58
GAIL	91	93	81	12	0.70
HINDPETRO	98	98	91	7	-0.24
IGL	81	89	89	0	-0.55
IOC	90	68	82	-15	0.89
MGL	97	79	99	-19	0.55
OIL	73	91	88	3	0.14
ONGC	83	80	81	-1	0.69
PETRONET	95	99	94	5	-0.21
RELIANCE	92	89	91	-1	0.40
Others					
ADANIANT	99	95	99	-3	0.38
ADANI PORTS	94	94	85	9	0.55
APOLLOHOSP	98	91	97	-6	-0.61
COALINDIA	87	84	79	5	0.74
CONCOR	57	99	79	20	0.35
HAVELLS	98	97	88	9	-0.02
INDIGO	64	87	80	7	0.41
JUBLFOOD	97	93	96	-3	-2.66
JUSTDIAL	88	92	90	2	-3.27
KAJARIACER	75	89	89	1	0.41
MCX	72	94	90	5	-1.53

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Company	Jul to Aug roll%	Aug to Sep roll%	3 AVG MONTHS ROLL	Divergence	Roll cost
Others					
AUROPHARMA	96	99	92	7	0.36
BIOCON	97	96	90	7	0.37
CADILAHC	97	99	94	5	0.43
CIPLA	99	96	94	2	0.54
DIVISLAB	99	95	94	1	-0.14
DRREDDY	99	98	98	-1	0.52
GLENMARK	88	95	94	1	-0.60
LUPIN	98	88	92	-4	0.54
PEL	87	99	85	14	0.40
STAR	95	89	95	-6	0.61
SUNPHARMA	91	96	93	3	0.34
TORNTPHARM	87	75	89	-14	0.50
Pharma					
ADANIPOWER	96	96	95	1	0.44
CESC	98	95	96	-1	0.59
NTPC	85	75	77	-2	0.57
POWERGRID	76	93	81	12	0.56
RECLTD	69	92	83	8	0.50
RELINFRA	91	85	93	-8	-0.69
TATAPOWER	92	94	91	3	0.45
TORNTPOWER	81	97	83	14	0.54
Power					
ADANIPOWER	99	99	98	1	1.27
CESC	86	86	78	8	0.41
CGPOWER	96	96	97	-2	0.80
NHPC	80	80	84	-4	-1.53
NTPC	74	74	74	0	-1.75
POWERGRID	54	54	75	-21	-0.92
RECLTD	78	78	81	-3	-0.77
RELINFRA	90	90	89	1	0.64
RPOWER	98	98	97	2	0.70
Realty					
DLF	90	97	89	8	-0.12
Technology					
HCLTECH	86	94	88	5	0.21
HEXAWARE	82	80	87	-8	0.05
INFY	94	92	91	1	0.49
BSOFT	91	96	89	7	0.00
MINDTREE	95	93	90	3	0.20
NIITTECH	88	63	82	-19	-10.25
OFSS	99	93	99	-6	0.46
TATAELXSI	86	94	94	0	0.66
TCS	93	95	89	6	0.46
TECHM	92	94	90	4	0.05
WIPRO	90	93	85	7	0.30

Rollover Update (Sector Wise)

Company	Jul to Aug roll%	Aug to Sep roll%	3 AVG MONTHS ROLL	Divergence	Roll cost
Telecom					
BHARTIARTL	90	95	90	5	0.64
IDEA	88	79	84	-4	0.00
INFRATEL	97	97	89	8	0.06
Textile					
ARVIND	95	93	89	4	0.62
CENTURYTEX	98	98	99	0	0.64
PAGEIND	96	95	94	1	0.54
RAYMOND	98	96	98	-1	0.55
SRF	98	97	97	0	0.67

Asit C. Mehta

INVESTMENT INTERMEDIATES LTD.

Retail Research Desk:

Akhil Rathi	D: 91 22 2858 3210
Hrishikesh Yedve	D: 91 22 2858 3207
Neeraj Sharma	D: 91 22 2858 3208
Rohan Gawale	D: 91 22 2858 3213
Vrinda Aditya	D: 91 22 2858 3209
Karan Desai	D: 91 22 2858 3221

Email: retailresearch@acm.co.in**Research Analyst Registration Number:**

INH000002483

C IN: U65990MH1993PLC075388

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