

# Weekly Derivatives Synopsis

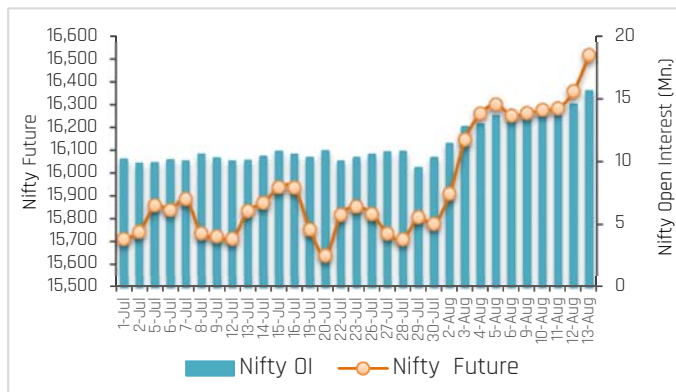
16 August 2021

| PARTICULARS         | Last Closing | Previous Week | % Change |
|---------------------|--------------|---------------|----------|
| NIFTY SPOT          | 16529        | 16238         | 1.79     |
| NIFTY FUTURES       | 16517        | 16252         | 1.63     |
| BANKNIFTY SPOT      | 36169        | 35809         | 1.01     |
| BANKNIFTY FUTURES   | 36212        | 35941         | 0.75     |
| NIFTY PCR           | 1.73         | 1.40          | 23.57    |
| NIFTY PCR-VOL       | 1.00         | 1.01          | -0.99    |
| NIFTY OI(In Mn)     | 15.64        | 13.69         | 14.24    |
| BANKNIFTY OI(In Mn) | 2.09         | 2.07          | 0.97     |
| INDIA VIX           | 12.99        | 12.61         | 3.01     |
| NIFTY BASIS POINTS  | -11.75       | 13.50         | -187.04  |

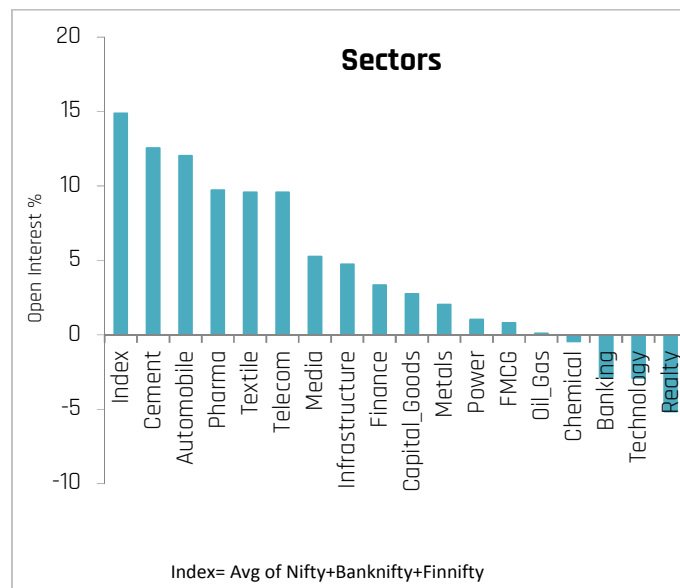
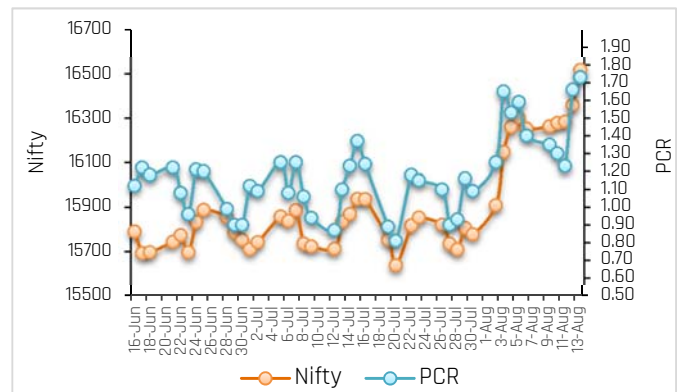
## Index Outlook

Bulls retain their hold on Dalal Street during the second straight week and Nifty registered an all-time high of 16543. Strong fund inflows from domestic and foreign institutional investors, favourable global signals, and supportive macroeconomic data helped the benchmark claim new highs. Finally, the Nifty Future settled, at 16517 up by 1.63% (WoW) with an addition in open interest of 14.24% (WoW) indicating neutral to positive bias for the short term. During the week, India VIX rose by 3.01% and closed at 12.99%. The lower volatility suggests a positive market bias. Another derivatives indicator, Nifty Put-Call ratio currently stands at 1.73, up 23.57% (WoW) indicating an overbought situation. Technically, the index has nearly completed the target of short-term channel pattern and is now heading toward 16710 levels, where the target of the rounding bottom pattern is located. On the downside, 20 DSMA is close to 16016 levels, so 16000 will act as the index's first key support, followed by 15865, where 50 DSMA is placed. On the upside, 16700 and 17000 will serve as resistance levels. Going forward, a new variant of Covid-19 cases, progress of the vaccine drive, progress of monsoon, macroeconomic data, Rupee movement against the Dollar, bond yields movement, Fii's flow, 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, **Cement, Automobile, Pharma, Textile** and **Telecom** sectors saw Open Interest addition. Top names included **RAMCOCEM, SHREECEM, EICHERMOT, BHARATFORG, LUPIN, STAR, PAGEIND, SRF, IDEA** and **BHARTIARTL**.
- Technology** sector saw Open Interest unwinding on the back of short covering in the stocks.
- In the **Banking** space, **IDFCFIRSTB, BANDHANBNK, SBIN,** and **PNB** saw short build up, while short covering seen in **RBLBANK, BANKBARODA, CUB, FEDERALBNK** and **CANBK**.
- This week, some buying can be seen in **INDIGO, BHARTIARTL, ASIANPAINT, HDFCAMC, MCDOWELL-N, BHARATFORG,** and **ICICIBANK** while selling pressure can be seen in **NAM-INDIA, MARICO,** and **PFC**.
- From sector space, **Cement, Metals, Banking, Technology, Automobile and Pharma** 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 |
| BHARATFORG    | 822.00   | 31%       | 5%           |
| POWERGRID     | 183.95   | 24%       | 5%           |
| SIEMENS       | 2,243.70 | 24%       | 7%           |
| ESCORTS       | 1,275.45 | 13%       | 6%           |

| Long Unwinding |          |           |              |
|----------------|----------|-----------|--------------|
| Symbol         | Price    | OI Change | Price Change |
| IBULHSGFIN     | 249.40   | -11%      | -8%          |
| GODREJPROP     | 1,549.40 | -11%      | -2%          |
| LALPATHLAB     | 3,822.35 | -10%      | -3%          |
| BANKBARODA     | 81.20    | -10%      | -3%          |

| Short Build-up |          |           |              |
|----------------|----------|-----------|--------------|
| Symbol         | Price    | OI Change | Price Change |
| LUPIN          | 976.40   | 100%      | -15%         |
| EICHERMOT      | 2,548.30 | 87%       | -7%          |
| MANAPPURAM     | 165.25   | 70%       | -20%         |
| STAR           | 663.90   | 48%       | -10%         |

| Short covering |          |           |              |
|----------------|----------|-----------|--------------|
| Symbol         | Price    | OI Change | Price Change |
| TECHM          | 1,383.85 | -14%      | 9%           |
| AUBANK         | 1,325.35 | -13%      | 7%           |
| ALKEM          | 3,665.10 | -11%      | 6%           |
| CUMMINSIND     | 974.60   | -11%      | 8%           |

## Weekly Recommendation

**BHARATFORG (822.00)** - The stock has seen open Interest addition of 31.15% along with positive price action indicating long build-up. The stock can be bought in the range of 805-810 with a stop loss of 790 on closing basis for a target of 850.

**Target:850 Stop Loss: 790**

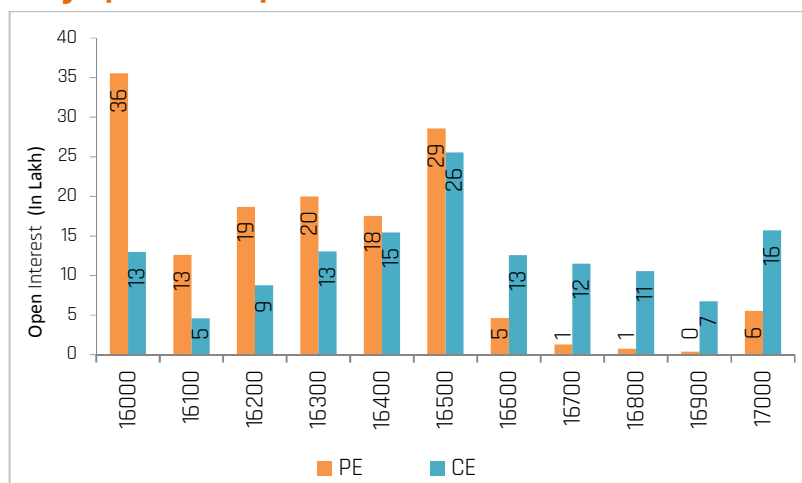
**HDFCAMC (2946.55)** - The stock has seen open Interest unwinding of 8.73% along with positive price action indicating short covering. The stock can be bought in the range of 2920-2930 with a stop loss of 2885 on closing basis for a target of 3000-3030.

**Target: 3030 Stop Loss: 2885**

**PFC (128.40)** - The stock has seen open Interest additions of 13.75% along with negative price action indicating short build up. The stock can be sold in the range of 130-132 with a stop loss of 136 on closing basis for a target of 120.

**Target: 120 Stop Loss: 136**

## Nifty Options Snapshot



From the OI Concentration (26-Aug Series), Maximum addition of open interest on the call options front exists at the strike prices of 16500 and 17000 (with nearly 25.58 lacs and 15.70 lacs shares outstanding respectively). This indicates that 17000 level 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 16500, 16300 and 16000 (with nearly 28.57 lacs, 20.00 lacs and 35.58 lacs shares outstanding respectively), indicating that these levels would act as the stronger support zone on the downside.

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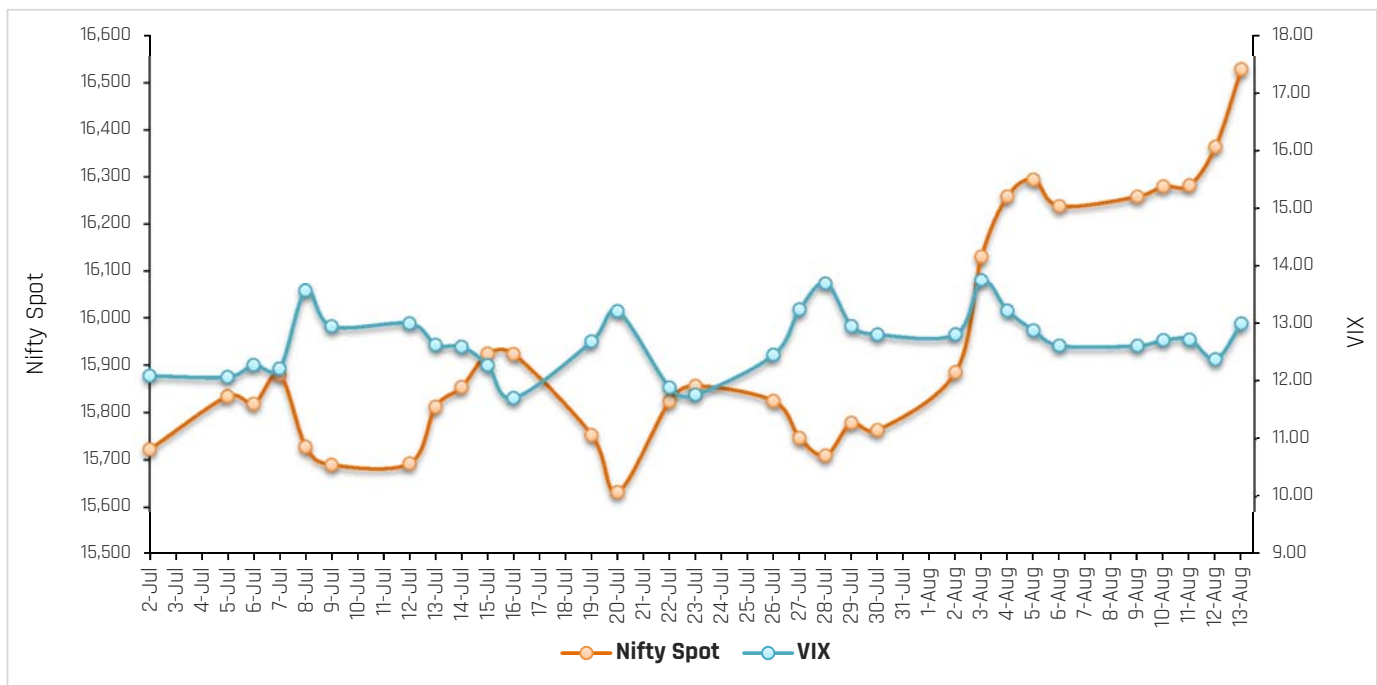
## FII Stats (5 Days Trend)

| (Rs. Cr.)            | 13-Aug  | 12-Aug  | 11-Aug  | 10-Aug  | 09-Aug   |
|----------------------|---------|---------|---------|---------|----------|
| <b>INDEX FUTURES</b> | 630.60  | 888.59  | -905.22 | -287.81 | 257.37   |
| <b>INDEX OPTIONS</b> | 7157.02 | 4272.59 | 1511.03 | -783.96 | -4589.90 |
| <b>STOCK FUTURES</b> | 1437.31 | 574.85  | 899.17  | 469.89  | -434.59  |
| <b>STOCK OPTIONS</b> | -276.01 | -16.40  | -128.16 | -60.05  | -185.53  |

## 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>6-Aug</b>  | 1.97                  | 1.77                      | 1.68                   | 1.12                 |
| <b>9-Aug</b>  | 2.07                  | 1.62                      | 1.56                   | 1.11                 |
| <b>10-Aug</b> | 1.92                  | 1.46                      | 1.45                   | 1.13                 |
| <b>11-Aug</b> | 1.71                  | 1.43                      | 1.49                   | 1.15                 |
| <b>12-Aug</b> | 1.98                  | 2.13                      | 1.60                   | 1.15                 |
| <b>13-Aug</b> | 2.06                  | 2.03                      | 1.49                   | 1.19                 |

## 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 11.50 and resistance stands at 15.00.

## Weekly Advance Decline Ratio (Nifty Stocks)

|           |    |
|-----------|----|
| Advances  | 22 |
| Declines  | 21 |
| Unchanged | 07 |

# Weekly Derivatives Synopsis

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| Informational Products      | Recommendation Products          |
|-----------------------------|----------------------------------|
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| Market Watch                | Smart Delivery trades            |
| Investor First              | Positional technical calls       |
| Preview                     | Investment ideas                 |
| Market Pulse                | Master trades High & Medium Risk |
| RBI Monetary Policy         | Techno Funda                     |
| Budget Report               | Stock Basket                     |
| Weekly Derivatives Synopsis | Mutual fund model portfolios     |
| Rollover Snapshot           | Portfolio Doctor                 |
| Rollover Analysis (Monthly) |                                  |

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