

# Weekly Derivatives Synopsis

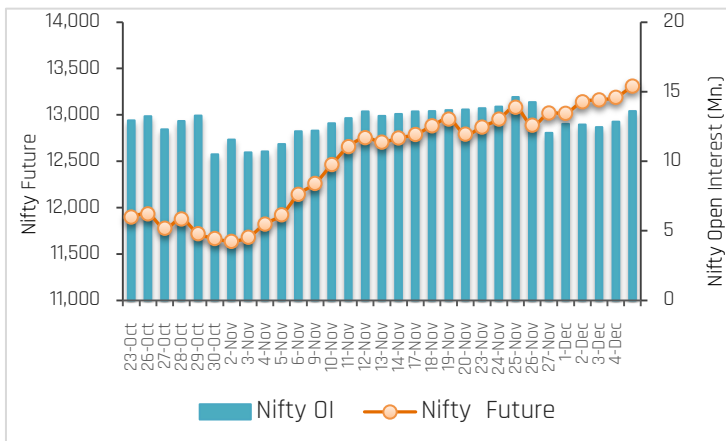
07-12-2020

PARTICULARS	Last Closing	Previous Week	% Change
NIFTY SPOT	13259	12969	2.23
NIFTY FUTURES	13312	13017	2.26
BANKNIFTY SPOT	30052	29609	1.50
BANKNIFTY FUTURES	30191	29667	1.77
NIFTY PCR	1.57	1.28	22.66
NIFTY PCR-VOL	1.02	0.98	4.08
NIFTY OI(In Mn)	13.60	12.69	7.17
BANKNIFTY OI(In Mn)	1.87	1.51	23.84
INDIA VIX	18.03	19.82	-9.03
NIFTY BASIS POINTS	53.05	48.45	9.49

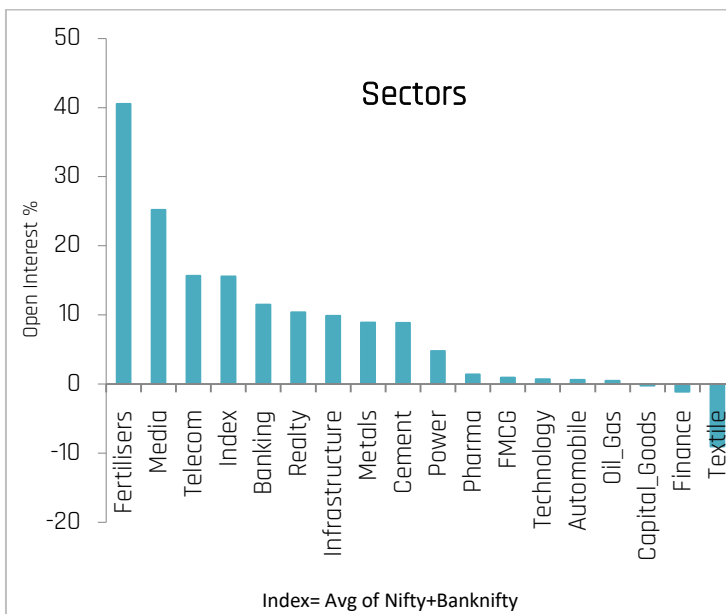
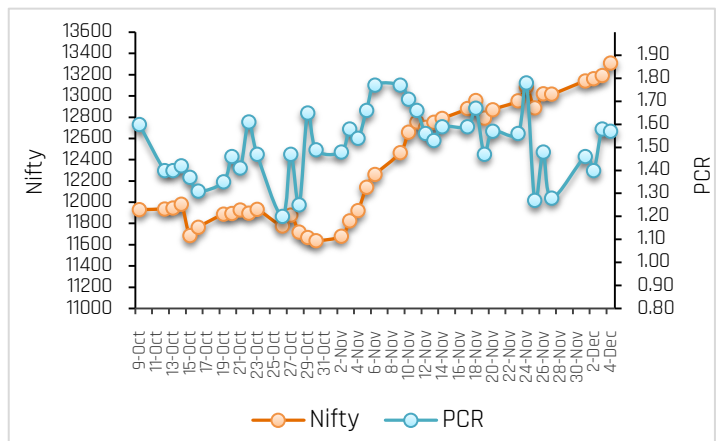
## Index Outlook

Last week, strong uptrend continues in the Indian market for the fifth consecutive week and Nifty registered a record high of 13280, supported by positive global cues, consistent inflows by foreign institutional investors (FII) and positive development news on the COVID-19 vaccine boosted the investor sentiment. Meanwhile, The Reserve Bank of India's Monetary Policy Committee (MPC)'s decision to keep the policy rate unchanged, while upgrading India's GDP target for the current fiscal year, further boosted investor confidence. Finally, the Nifty futures settled above the psychological level of 13000 marks at 13312, up 2.26% (WoW) with an addition in open interest of 7.17% (WoW) indicating neutral to positive bias for the short term. The India VIX cool off by 9.03% and closed at 18.03% during the week, indicating low volatility going ahead. The nifty put-call ratio currently stands at 1.57, higher 22.66% (WoW). Technically index has crossed the major hurdle of 13000 on a weekly basis which was acting as a hurdle. As long as the index holds above 13000 up move until 13500 could be possible. For the next week, 13000 and 12900 will act as support points whereas 13500 and 13600 will act as resistance points. Going forward, rise in corona-virus infections globally and development on its vaccine, updates on US stimulus package, Rupee movement against the Dollar, 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, **Fertilisers, Media, Telecom, Realty, and Infrastructure** stocks saw Open Interest addition. Top names included **TATACHEM, UPL, SUNTV, PVR, INFRATEL, IDEA, GODREJPROP, DLF, and GMRINFRA**.
- Finance and Textile** sector saw Open Interest unwinding on the back of short covering and profit booking in the stocks.
- In the **Banking** space, **CANBK, IDFCFIRSTB, PNB, INDUSINDBK, SBIN** and **BANKBARODA** saw long build-up while short covering seen in **RBLBANK, BANDHANBNK, FEDERALBNK, and AXISBANK**.
- This week, some buying can be seen in **SUNTV, TORNTPOWER, CONCOR, UPL and GRASIM**, while selling pressure can be seen in **GMRINFRA, and ACC**.
- From sector space, **Banking, Telecom, Finance, Cement, Technology, 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
CANBK	110.95	137%	6%
TATACHEM	488.15	74%	25%
SAIL	55.15	35%	13%
CONCOR	415.20	33%	2%

Long Unwinding			
Symbol	Price	OI Change	Price Change
CHOLAFIN	371.60	-13%	-3%
MGL	1,043.95	-10%	-2%
KOTAKBANK	1,850.50	-1%	-2%
HDFCBANK	1,394.40	-1%	-4%

Short Build-up			
Symbol	Price	OI Change	Price Change
AMARAJABAT	906.20	36%	-3%
ACC	1,675.40	35%	-2%
AMBUJACEM	253.70	22%	-3%
M&MFIN	168.40	12%	-2%

Short covering			
Symbol	Price	OI Change	Price Change
LICHSGFIN	350.10	-36%	6%
PFC	115.85	-16%	6%
RECLTD	127.60	-14%	5%
GAIL	119.65	-14%	16%

## Weekly Recommendation

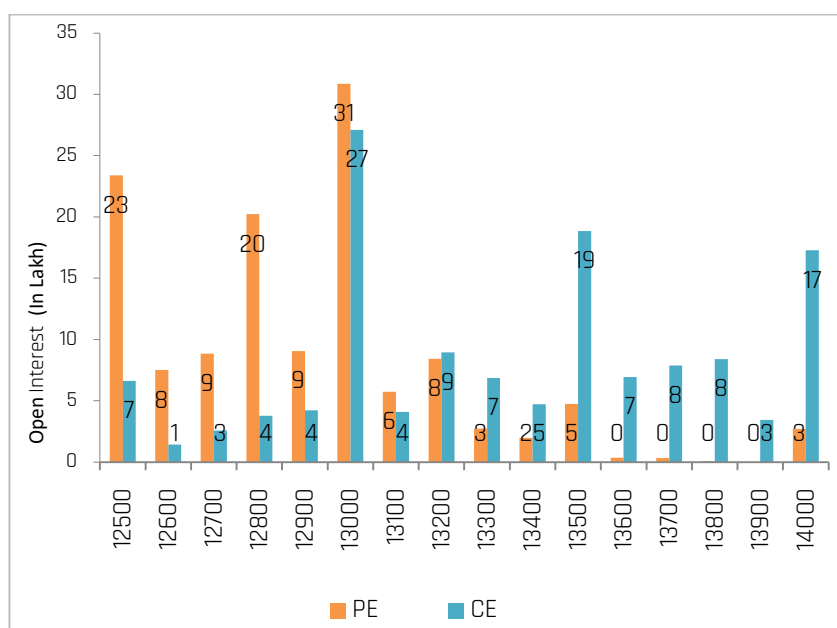
**UPL (456.75)** -The stock has seen Open Interest addition of 7.55% along with positive price action indicating long build up. The stock can be bought in the range of 451-453 with a stop loss of 440 on closing basis for a target of 475.

**Target: 475 Stop Loss: 440**

**GRASIM (935.40)** - The stock has seen Open Interest unwinding of 7.04% along with positive price action indicating short covering. The stock can be bought in the range of 925-927 with a stop loss of 912 on closing basis for a target of 950.

**Target: 950 Stop Loss: 912**

## Nifty Options Snapshot



From the OI Concentration (31-Dec Series), Maximum addition of open interest on the call options front exists at the strike prices of 13000 and 13500 (with nearly 27.11 lacs and 18.85 lacs shares outstanding). This indicates that 13500 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 13000 and 12500 (with nearly 30.86 lacs and 23.38 lacs shares outstanding respectively), indicating that these levels would act as the stronger support zone on the downside.

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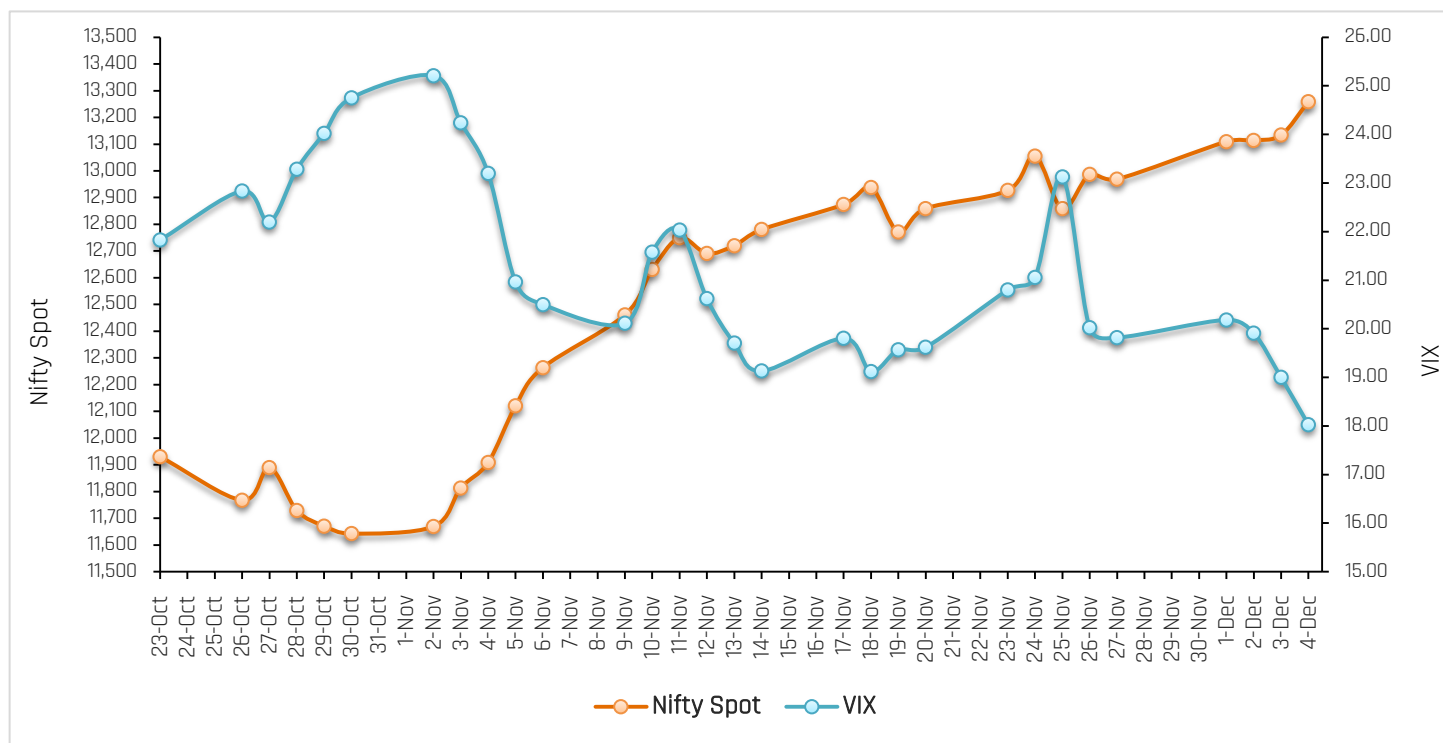
## FII Stats (5 Days Trend)

(Rs. Cr.)	04-Dec	03-Dec	02-Dec	01-Dec	27-Nov
INDEX FUTURES	897	176	-1082	-482	1770
INDEX OPTIONS	1357	352	1579	16	853
STOCK FUTURES	-288	534	462	192	-3735
STOCK OPTIONS	-76	-50	4	18	-72

## FII Open Interest Activity (Long & Short Ratio)

Date	Index Fut: Long/Short	Index Option: Long /Short	Index put: long /Short	Stock Fut Long/Short
26-Nov	3.28	1.67	1.36	1.44
27-Nov	4.58	1.47	1.40	1.31
1-Dec	4.05	1.50	1.34	1.32
2-Dec	3.41	1.43	1.46	1.33
3-Dec	2.97	1.71	1.37	1.35
4-Dec	3.39	1.53	1.37	1.34

## 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 17.00 and resistance stands at 22.00.

## Weekly Advance Decline Ratio (Nifty Stocks)

Advances	45
Declines	02
Unchanged	03

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## Asit C. Mehta

INVESTMENT INTERMEDIATES LTD.

### Retail Research Desk:

Email: [retailresearch@acm.co.in](mailto:retailresearch@acm.co.in)

Research Analyst Registration Number:

**INH000002483**

**CIN: U65990MH1993PLC075388**

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