

MARCH SERIES VIEW

In February expiry, the benchmark indices faced heavy volatility due to Indo-Pak tension after the terrorist attack in Pulwama and concerns over US-China trade talks. Finally, Nifty Spot settled with small losses at 10792 after a volatile session. On the expiry day, Nifty Futures rollover stood at 60%, which is lower than the average rollover of 69% of the last three series. Nifty will start the March series with an OI of 1.49 Cr shares compared with OI of 1.86 Cr shares at the beginning of the Feb series. This is the lowest Open Interest in the last 4 years, indicating investors are very cautious for their position. Market-wide rollovers stood in line at 87% compared with the average rollovers of 87% in the last three series. Going into March, key events that would act as market triggers would include, Indo-Pak tension, global markets trends, trade war tensions, the movement of Rupee against the Dollar, and crude oil price movement. These will dictate the trend on the bourses in the near term. On the downside, support for Nifty is around 10700 and 10600 whereas resistance stands at 11000 and 11200. We expect Nifty to remain volatile during the March series.

DERIVATIVES INDICATORS

India VIX closed higher at 18.27 vs. 17.12 of the previous month indicating more volatility in market. Another leading derivative indicator, Nifty PCR, opened on a higher note this month at 1.71 against last month's 1.65.

BANKNIFTY

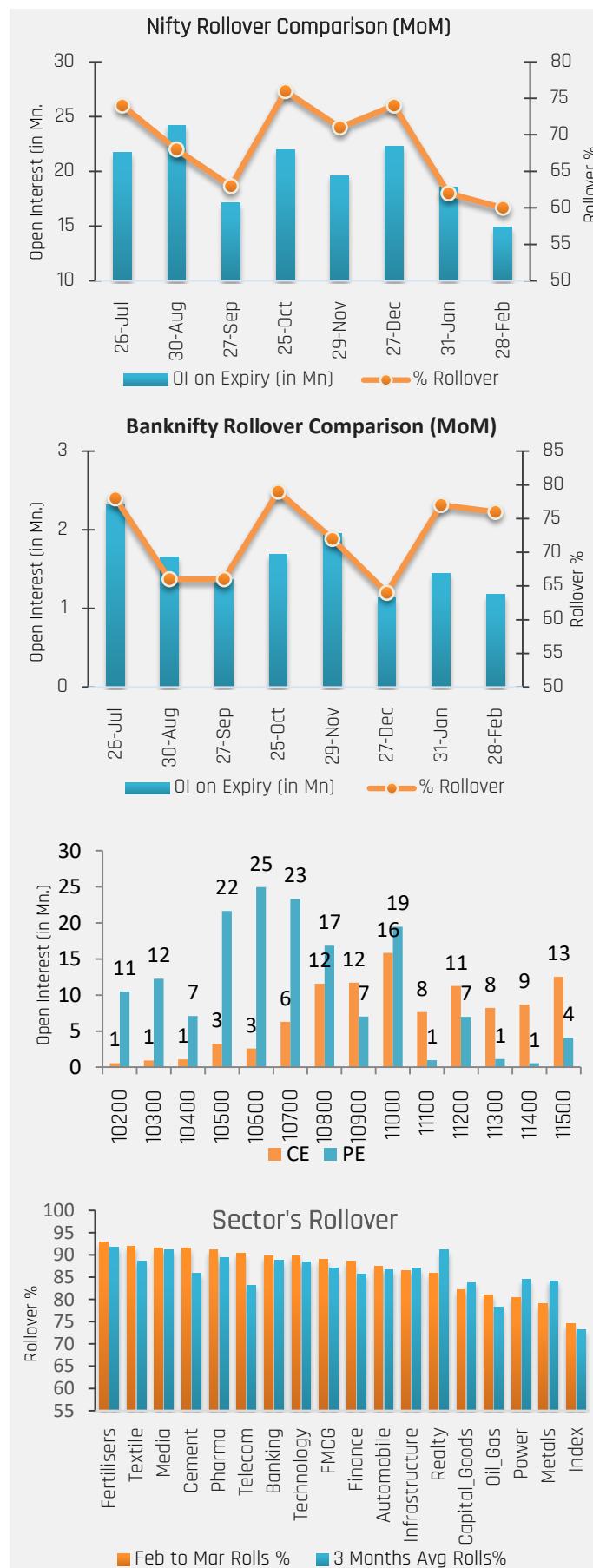
The index saw higher rolls of 76% compared with the 3M average of 71%. BankNifty will start the March series with an OI of 1.18 Mn shares compared with OI of 1.44 Mn shares at the beginning of the February series. As per options data, support for the index is around 25500 and 26000 whereas resistance stands at 27500 and 28000 for the short term.

OPTION ANALYSIS

From the OI Concentration (28-March Series), maximum addition of Open Interest on the call options front exists at strike prices of 11000 and 11500 (with nearly 15.83 lacs and 12.53 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 10700 and 10600 (with nearly 23.31 lacs and 24.95 lacs shares outstanding) indicating stronger support zone on the downside.

SECTOR/STOCK ROLLOVER ACTIVITY:

- From the sectoral action, rollovers accelerated for Fertilizers, Cement, Pharma, Telecom, FMCG, Finance, and Textile stocks on expiry. However, low rollovers were seen in Metals, Power, Realty, and Capital Goods stocks.
- Within the Nifty50 space, index heavyweights such as ASIANPAINT, INFRA TEL, BHARTIARTL, POWERGRID, IBULHSGFIN, and HDFCBANK saw aggressive rollover in the March series while low rolls were seen in VEDL, NTPC, LT, TECHM, ITC, ONGC, and COALINDIA compared with the 3M average.
- From the midcap space, SHREECEM, OFSS, HAVELLS, INDIGO, MUTHOOTFIN, and MRPL saw high rollovers whereas CONCOR, NATIONALUM, JUBLFOOD, HINDZINC, and KSCL saw lower rollover compared with the 3M average.



TECHNICAL VIEW ON NIFTY

In February series, Nifty has seen consolidation in the band of 10500 to 11000 and ended the month on flat to negative note. Technically, the index has been consolidating in channel pattern and struggling to give breakout on either side. Once Nifty manages to breach this channel, only then the next leg of the decisive move can be possible. On the weekly scale, the index is holding its 50 WEMA, which is placed at 10704. The 100 WSMA is placed at 10414 where the index had taken support last time. RSI is placed near the center point, but it is facing resistance around the 55-mark. Once it sustains below 50, then the index can lose its momentum.

For the March series, 10700 and 10400 will act as support point whereas 11000 and 11200 will act as resistance points.

TECHNICAL VIEW ON BANKNIFTY

In February series, Bank Nifty has taken support around its previous intermediate low and witnessed good recovery but index is finding difficult to cross the trendline hurdle as highlighted in above chart. On monthly scale Index has formed bearish engulfing candle. If index sustains below 26250, then 25800-25500 could be possible. The trendline resistance is currently placed at 27500. If it sustains above 27500 on weekly basis, then it can test 28000-28200 levels. On the weekly scale, the index is holding its 50 WEMA, which is placed at 26268. Bank Nifty 100 WSMA is placed at 25405 where it had taken support last time. RSI is placed above the center point, but it is facing resistance around the 60-mark.

For the March series, 26250 and 25400 will act as support point whereas 27500 and 28200 will act as resistance points.



Stocks to watch out based on Rollover Analysis:

POSITIVE	
ASIANPAINT	Strong rollover of 91% compared with 3 month avg of 79% indicating long position carried forward
TORNTPHARM	Strong rollover of 83% compared with 3 month avg of 73% indicating long position carried forward
MINDTREE	Strong rollover of 90% compared with 3 month avg of 80% indicating long position carried forward
NEGATIVE	
BHARTIARTL	Strong rollover of 93% compared with 3 month avg of 85% indicating short position carried forward.
MCX	Strong rollover of 93% compared with 3 month avg of 87% indicating short position carried forward.

DERIVATIVES ROLLOVER ANALYSIS

01-03-2019

Rollover Update (Sector Wise)

Company	Jan to Feb roll%	Feb to Mar roll%	3 AVG MONTHS ROLL	Divergence	Roll cost
Automobile					
AMARAJABAT	85	80	86	-6	0.51
APOLLOTYRE	91	86	86	0	0.46
ASHOKLEY	86	89	88	1	0.46
BAJAJ-AUTO	78	84	85	-1	0.22
BALKRISIND	87	81	88	-7	0.57
BHARATFORG	94	96	93	3	0.30
BOSCHLTD	95	92	87	5	0.54
CEATLTD	88	88	86	1	-1.97
EICHERMOT	91	88	90	-2	0.59
ESCORTS	88	89	89	0	0.58
EXIDEIND	88	88	86	2	0.52
HEROMOTOCO	72	84	79	4	0.66
M&M	90	90	88	2	0.56
MARUTI	88	92	89	3	0.71
MOTHERSUMI	94	92	88	4	-0.18
MRF	89	92	86	5	0.58
TATAMOTORS	88	91	89	3	0.59
TATAMTRDVR	95	85	87	-2	0.46
TVSMOTOR	82	75	76	-1	0.07
Banking					
ALBK	97	94	93	1	-6.87
AXISBANK	86	75	86	-11	0.67
BANKBARODA	92	88	87	1	0.84
BANKINDIA	87	92	88	3	0.66
CANBK	91	91	90	1	0.65
DCBBANK	92	88	94	-6	0.74
FEDERALBNK	81	91	83	7	0.66
HDFCBANK	82	84	76	8	0.66
ICICIBANK	85	86	83	3	0.44
IDBI	98	97	91	6	0.58
IDFCFIRSTB	87	92	89	2	0.67
INDIANB	98	98	95	3	-2.89
INDUSINDBK	82	88	81	7	0.41
KOTAKBANK	82	71	79	-7	0.73
KTKBANK	98	98	96	2	0.76
ORIENTBANK	98	96	97	-1	0.78
PNB	93	94	92	2	0.76
RBLBANK	87	85	84	1	-0.11
SBIN	91	79	87	-7	0.72
SOUTHBANK	94	95	95	1	0.38
SYNDIBANK	98	95	95	1	0.75
UNIONBANK	92	95	92	3	0.70
YESBANK	90	93	90	3	0.74

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Company	Jan to Feb roll%	Feb to Mar roll%	3 AVG MONTHS ROLL	Divergence	Roll cost
Capital_Goods					
BEL	80	82	76	6	0.48
BHEL	86	77	80	-3	0.70
CUMMINSIND	88	84	83	1	0.84
LT	64	62	77	-15	0.69
SIEMENS	95	99	96	3	0.57
VGUARD	87	87	93	-6	-3.44
VOLTAS	82	84	82	3	-0.28
Cement					
ACC	91	92	85	7	-0.39
AMBUJACEM	63	85	80	5	0.71
GRASIM	93	94	91	3	0.67
INDIACEM	97	97	93	4	0.80
RAMCOCEM	95	91	93	-2	0.52
SHREECEM	86	94	75	19	0.74
ULTRACEMCO	82	87	85	3	0.24
Fertilisers					
GSFC	99	99	98	1	0.55
TATACHEM	89	86	88	-2	0.77
UPL	94	94	90	4	0.27
Finance					
BAJAJFINSV	87	91	86	5	0.60
BAJFINANCE	93	92	90	2	0.51
BHARATFIN	93	91	81	10	0.50
CANFINHOME	98	99	96	3	0.53
CHOLAFIN	86	86	82	4	0.25
DHFL	87	86	84	3	0.47
EQUITAS	92	87	83	3	0.35
HDFC	95	91	91	0	0.42
IBULHSGFIN	93	94	84	11	0.57
ICICIPRULI	80	89	84	5	0.44
IDFC	96	97	94	3	0.68
IFCI	93	95	94	1	0.40
L&TFH	88	90	84	6	0.72
LICHSGFIN	90	86	90	-4	0.62
M&MFIN	94	91	85	6	0.66
MANAPPURAM	82	83	79	4	0.80
MFSL	92	88	82	6	0.67
MUTHOOTFIN	71	85	72	13	-0.09
PFC	77	75	76	-1	0.53
RELCAPITAL	83	80	87	-7	0.55
REPCOHOME	98	95	97	-1	0.55
SRTRANSFIN	92	92	93	0	0.72
UJJIVAN	84	74	78	-4	-0.50
FMCG					
ASIANPAINT	88	91	79	13	0.71
BATAINDIA	90	86	85	2	0.23
BERGEPAIN	93	86	92	-6	-0.15
BRITANNIA	97	94	86	8	0.63

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Company	Jan to Feb roll%	Feb to Mar roll%	3 AVG MONTHS ROLL	Divergence	Roll cost
COLPAL	88	85	79	7	0.11
DABUR	91	85	88	-3	0.67
GODFRYPHLP	98	99	94	4	0.38
GODREJCP	95	94	89	5	0.65
GODREJIND	99	98	92	6	0.73
HINDUNILVR	92	91	89	2	0.70
ITC	86	72	87	-15	0.72
MARICO	73	82	84	-2	0.75
MCDOWELL-N	87	95	88	7	0.71
NESTLEIND	94	87	84	3	0.67
PIDILITIND	83	85	86	-1	0.60
TATAGLOBAL	86	86	77	9	0.41
TITAN	91	88	90	-2	0.73
UBL	95	96	97	0	0.67
Index					
BANKNIFTY	77	76	71	5	0.60
NIFTY	62	60	69	-9	0.60
NIFTYIT	88	87	80	8	0.50
Infrastructure					
BEML	95	96	95	1	0.62
ENGINERSIN	88	75	81	-6	0.56
GMRINFRA	84	90	87	2	0.62
IRB	81	87	82	5	0.74
NBCC	86	80	86	-7	0.57
NCC	91	92	90	2	0.41
Media					
DISHTV	88	82	83	-1	0.51
PVR	100	99	99	0	0.05
SUNTV	91	92	91	0	0.35
TV18BRDCST	98	95	96	-1	0.74
ZEEL	85	90	87	3	0.63
Metals					
HINDALCO	86	82	87	-5	0.43
HINDZINC	81	74	84	-11	-0.96
JINDALSTEL	84	89	86	3	0.64
JSWSTEEL	96	94	89	5	0.55
NATIONALUM	76	55	76	-21	0.40
NMDC	87	80	79	1	-0.94
SAIL	88	89	83	6	0.83
TATASTEEL	91	94	89	5	0.44
VEDL	84	56	86	-30	-0.18
Oil_Gas					
BPCL	47	53	64	-11	0.25
CASTROLIND	88	85	83	2	0.55
CHENNPETRO	86	97	90	7	0.39
GAIL	66	67	60	6	0.56
HINDPETRO	79	83	75	8	0.63

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Company	Jan to Feb roll%	Feb to Mar roll%	3 AVG MONTHS ROLL	Divergence	Roll cost
IGL	72	86	77	9	-1.16
IOC	67	72	75	-3	-0.21
MGL	93	91	87	4	0.69
MRPL	95	97	85	11	0.69
OIL	81	81	82	-1	0.92
ONGC	61	58	69	-11	0.71
PETRONET	93	93	84	9	0.65
RELIANCE	87	93	86	6	0.71
Others					
ADANIENT	96	96	91	5	0.97
ADANIPTS	93	87	90	-3	0.75
APOLLOHOSP	83	86	81	5	0.74
COALINDIA	66	62	74	-12	-0.64
CONCOR	61	45	68	-24	0.16
HAVELLS	84	93	84	9	0.52
INDIGO	83	85	72	13	0.04
JETAIRWAYS	96	97	95	2	-4.52
JISLJALEQS	93	90	87	3	0.88
JUBLFOOD	88	72	88	-15	0.45
JUSTDIAL	88	92	91	1	-1.54
KAJARIACER	90	86	89	-3	0.75
KSCL	91	81	95	-13	-0.15
MCX	86	93	87	6	0.86
PCJEWELLER	95	91	84	7	-0.71
Pharma					
AJANTPHARM	98	95	98	-3	-1.21
AUROPHARMA	95	91	89	2	0.52
BIOCON	87	90	86	4	0.55
CADILAHC	90	84	89	-5	0.61
CIPLA	88	86	86	0	0.40
DIVISLAB	95	92	85	7	0.50
DRREDDY	90	92	91	1	0.64
GLENMARK	92	92	88	5	0.45
LUPIN	89	88	89	-1	0.69
PEL	92	96	91	5	0.05
STAR	98	99	98	1	0.62
SUNPHARMA	85	89	90	-1	0.37
TORNTPHARM	66	83	73	10	0.74
WOCKPHARMA	97	98	98	0	0.67
Power					
ADANIPOWER	100	99	99	1	1.45
CESC	77	87	81	6	0.48
CGPOWER	98	96	98	-2	0.78
NHPC	80	71	79	-8	0.44
NTPC	58	55	71	-16	0.71
POWERGRID	40	71	58	13	-1.39
RECLTD	80	70	78	-8	0.40
RELINFRA	90	82	90	-8	0.81
RPOWER	97	69	98	-29	1.40

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Company	Jan to Feb roll%	Feb to Mar roll%	3 AVG MONTHS ROLL	Divergence	Roll cost
SUZLON	84	85	87	-1	0.87
TATAPOWER	93	87	83	4	0.53
TORNTPOWER	98	94	94	0	0.60
Realty					
DLF	91	88	91	-4	0.52
JPASSOCIAT	91	84	91	-7	0.00
Technology					
HCLTECH	93	85	88	-2	0.75
HEXAWARE	95	98	95	3	0.58
INFIBEAM	89	89	88	0	-0.28
INFY	89	93	86	7	0.68
BSOFT	92	89	95	-7	0.74
MINDTREE	89	90	80	10	0.47
NIIITECH	95	98	96	2	0.42
OFSS	97	98	85	13	0.63
TATAELXSI	83	90	86	4	0.66
TCS	86	93	87	6	0.71
TECHM	92	76	90	-14	0.10
WIPRO	90	80	88	-7	0.20
Telecom					
BHARTIARTL	92	93	85	9	0.69
IDEA	91	93	85	8	-2.01
INFRATEL	78	84	71	13	0.63
TATACOMM	91	91	92	0	-0.04
Textile					
ARVIND	79	85	80	6	0.60
CENTURYTEX	95	93	93	0	0.50
PAGEIND	89	87	85	2	0.51
RAYMOND	94	95	91	5	0.18
SRF	94	98	94	4	0.32

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