

# Weekly Derivatives Synopsis

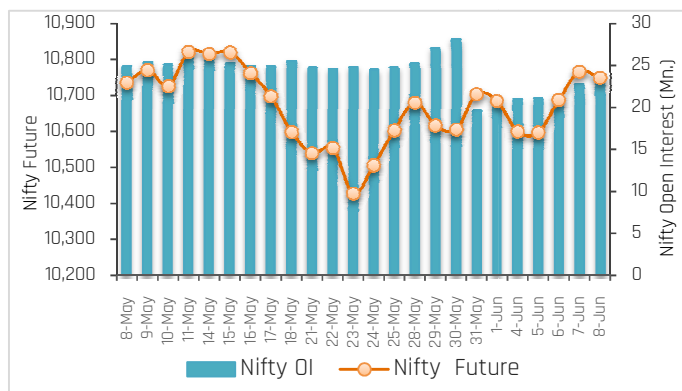
11-06-2018

PARTICULARS	Last Closing	Previous Week	% Change
<b>NIFTY SPOT</b>	10768	10696	0.7
<b>NIFTY FUTURES</b>	10748	10684	0.6
<b>BANKNIFTY SPOT</b>	26451	26693	-0.9
<b>BANKNIFTY FUTURES</b>	26438	26669	-0.9
<b>NIFTY PCR</b>	1.49	1.48	0.7
<b>NIFTY PCR-VOL</b>	1	0.94	6.4
<b>NIFTY OI(In Mn)</b>	23.2	20.1	15.4
<b>BANKNIFTY OI(In Mn)</b>	2.61	2.75	-5.1
<b>INDIA VIX</b>	12.69	13.57	-6.5
<b>NIFTY HV</b>	12.8	13.2	-3.0
<b>Nifty Basis Points</b>	-19.5	-12.3	58.5

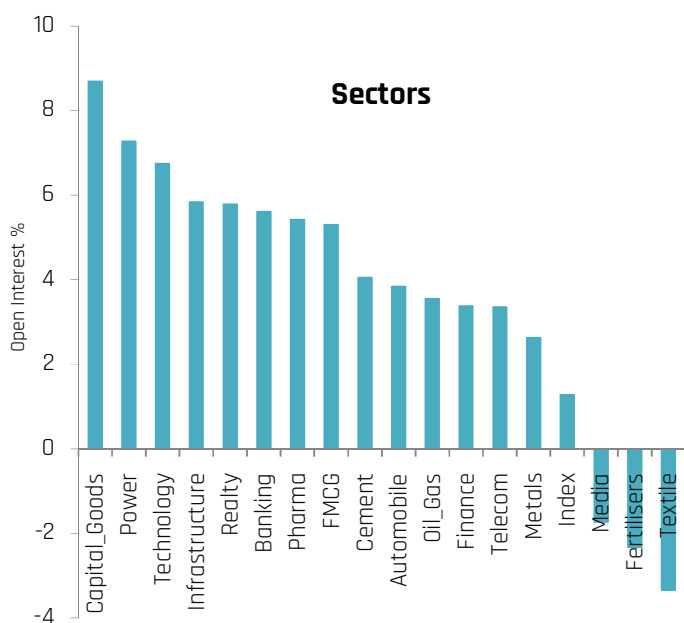
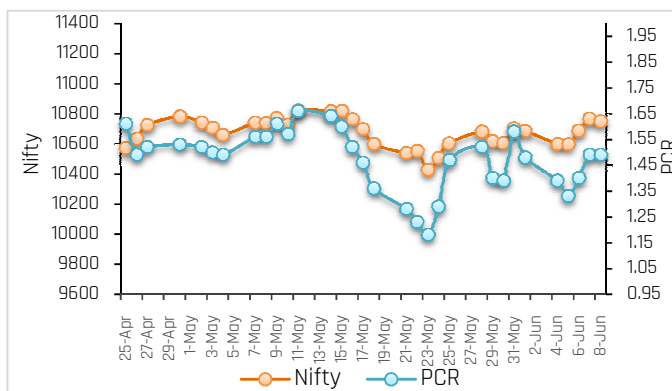
## Index Outlook

**Derivatives:** The domestic stock market saw volatile trading during the week gone by and closed with modest gains. Last week, RBI raised the repo rate by 25 bps for the first time under the Modi regime in a pre-emptive move amid signs of a possible spike in inflation and improving growth numbers. Finally, Nifty Futures closed at 10768 up by 0.7% (WoW) with addition in OI of 15.4% (WoW) indicating uncertainty. Nifty VIX for the week closed on a weaker note at 12.69, down 6.5% (WoW) indicating lower volatility. On the options front, Nifty Put call ratio currently stands at 1.49, up 0.7% (WoW). On the technical front, the index on weekly scale has formed a **doji candlestick pattern** close to the trendline hurdle, which indicates uncertainty in the near term. On the lower side, 10550 and 10400 will act as support points. On the higher side, 10820 and 11000 will act as hurdle. Going forward, global cues, historic summit meeting between the US and North Korea, Domestic macro numbers, US Fed meet, rate decisions of ECB and BoJ, Dollar movement, and crude oil price movement will be the key market triggers.

## Nifty OI Trend



## Nifty Fut. Vs. Pcr



## Sectoral Activity

- Last week, **Capital Goods, Power, Technology, Infrastructure, Realty, and Pharma** stocks saw Open Interest addition. Top names included **VOLTAS, CUMMINSIND, CGPOWER, POWERGRID, NIITTECH, MINDTREE, BEML, NCC, JPASSOCIAT, DLF, STAR, and BIOCON.**
- Textile, Media, and Fertilisers** stocks saw Open Interest unwinding on the back of short covering, especially in **ARVIND, SUNTV, PVR, and TATACHEM.**
- In the **Banking** space, **INDIANB, UNIONBANK, CANBK, PNB, SBIN, and BANKINDIA** saw long build up while **RBLBANK, ALBK, SOUTHBANK, ORIENTBANK, and FEDERALBNK** saw short covering.
- This week, some buying can be seen in **MUTHOOTFIN, INDIGO, BALKRISIND, MINDTREE, and HINDZINC** while selling pressure can be seen in **NCC and NIITTECH.**
- From sector space, **Banking, Capital Goods, Media, Pharma, and Power** stocks are likely to remain in focus in the forthcoming week.

### Stocks to Watch Out (Weekly)

Long Build-up			
Symbol	Price	OI Change	Price Change
INDIANB	359.65	56%	10%
AJANTPHARM	977.90	15%	4%
BAJFINANCE	2,203.10	13%	6%
UBL	1,232.30	12%	6%

Long Unwinding			
Symbol	Price	OI Change	Price Change
KPIT	272.55	-15%	-4%
TORNTPHARM	1,413.30	-11%	-3%
EQUITAS	154.65	-11%	-7%
ACC	1,315.85	-6%	-1%

Short Build-up			
Symbol	Price	OI Change	Price Change
STAR	359.10	72%	-7%
PCJEWELLER	137.45	50%	-12%
REPCOHOME	560.80	38%	-5%
PIDILITIND	1,072.75	27%	-4%

Short covering			
Symbol	Price	OI Change	Price Change
ARVIND	409.80	-28%	7%
APOLLOHOSP	1,017.40	-23%	9%
BEL	119.00	-15%	6%
SUNTV	925.00	-14%	4%

### Weekly Recommendation

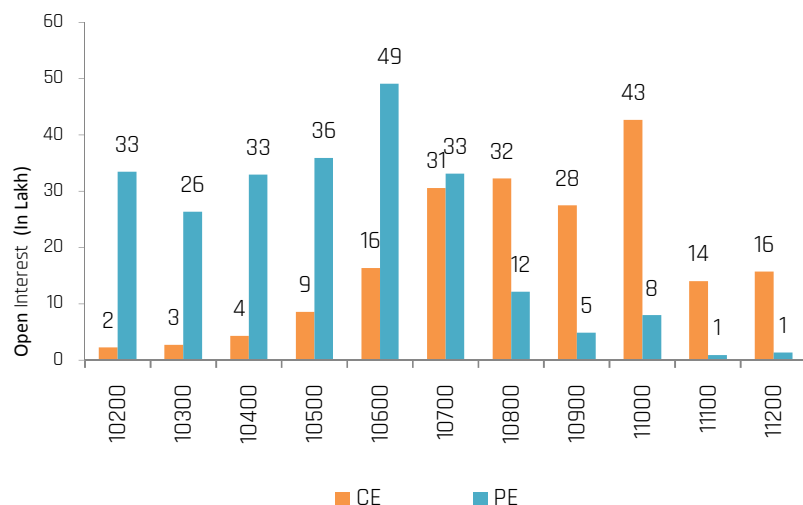
**IGL(279.25)** - The stock has seen Open Interest unwinding of 9.56% along with positive price action indicating short covering. The stock can be bought in the range of 273-275 with a stop loss of 269 on closing basis for a target of 283-285.

**Target: 285 Stop Loss: 269**

**DRREDDY (2063.6)**- The stock has seen Open Interest unwinding of 6.31% along with Positive price action indicating short covering. The stock can be bought in the range of 2030-2040 with a stop loss of 1995 on closing basis for a target of 2100-2120.

**Target:2120 Stop Loss: 1995**

### Nifty Options Snapshot



From the OI Concentration (June Series), maximum addition of Open Interest on the call options front exists at the strike prices of 10800 and 11000 (with nearly 32.25 lacs and 42.68 lacs shares outstanding respectively). 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 10600 and 10500 (with nearly 49.11 lacs and 35.91 lacs shares outstanding respectively), indicating a stronger support zone on the downside.

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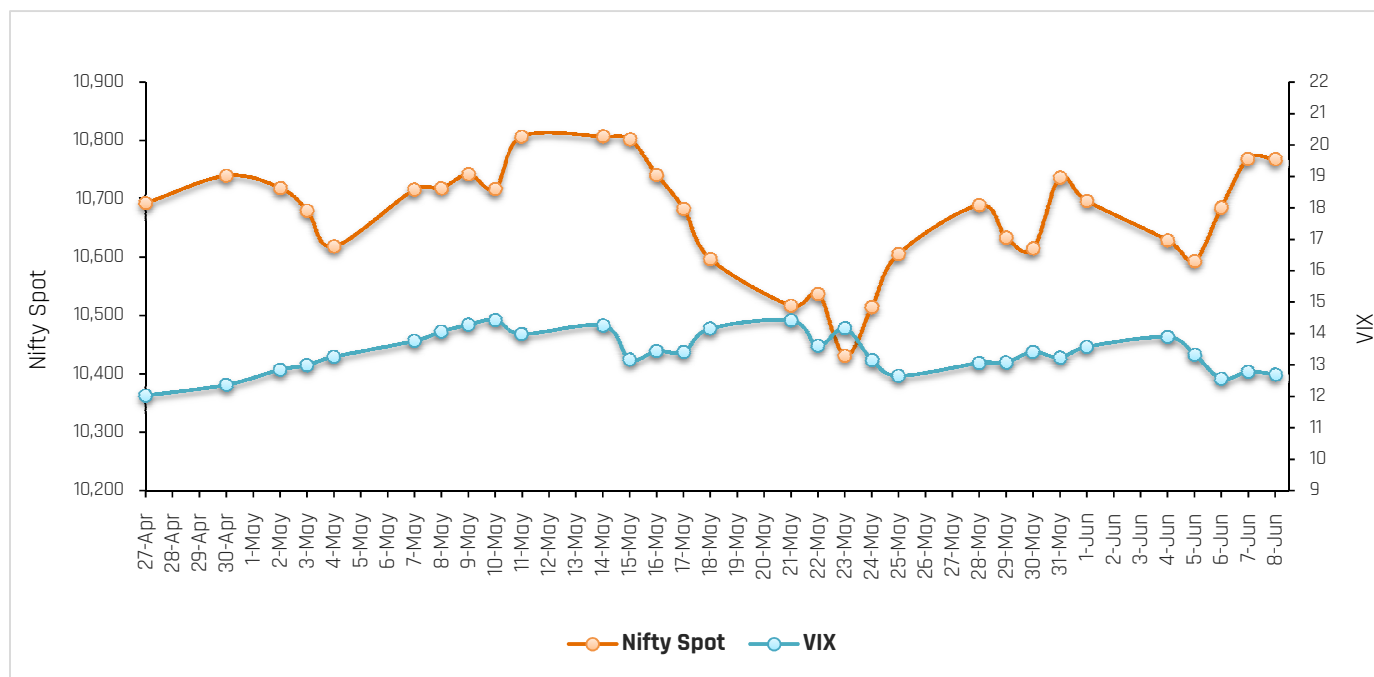
## FII Stats (5 Days Trend)

(Rs. Cr.)	08-Jun	07-Jun	06-Jun	05-Jun	04-Jun
<b>INDEX FUTURES</b>	-853	101	-491	-499	553
<b>INDEX OPTIONS</b>	2814	7330	-1629	-766	-444
<b>STOCK FUTURES</b>	127	694	314	-828	-1587
<b>STOCK OPTIONS</b>	53	-73	-121	19	15

## 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>1-Jun</b>	0.76	1.69	2.68	1.45
<b>4-Jun</b>	0.82	1.49	2.63	1.41
<b>5-Jun</b>	0.79	1.35	2.61	1.37
<b>6-Jun</b>	0.75	1.24	2.43	1.38
<b>7-Jun</b>	0.78	1.70	2.52	1.41
<b>8-Jun</b>	0.70	1.66	2.67	1.42

## 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 12.00 and resistance stands at 15.00.

## Weekly Advance Decline Ratio (Nifty Stocks)

Advances	24
Declines	14
Unchanged	12

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