

26-02-2021

MARCH SERIES VIEW

In February expiry, Nifty has witnessed a strong rally and registered an all-time high of 15432, supported by consistent inflows of foreign institutional investors (FIIs), positive global cues, better than expected budget reforms, strong corporate earnings, and covid-19 vaccination. Finally, Nifty settled above the psychological support of 15000 level at 15097, up by 9% (EoE) indicating neutral to positive bias for the short term. Thus, investors should remain cautious on higher side, as the market continues to stay volatile in the near term due to the new strain of covid-19, lockdown fears, rising crude oil prices and bond yield. On the expiry day, the Nifty futures rollover stood at 78%, which is higher as compare with the last three series average rollover of 77%. Nifty will start the March series with an open interest of 1.04 Cr shares compared with an OI of 1.02 Cr shares at the beginning of the February series. Market-wide rollovers stood in line at 91% compared with the average rollovers of 91% in the last three series. Going into March month, Corona virus cases and Vaccination, Monthly Auto sales data, and Rupee movement against the Dollar, Bond yield movement, Fiis flow, global cues, and crude oil price movement will dictate the trend on the bourses next month.

DERIVATIVES INDICATORS

During the month, India VIX cool off by 8.06% (EoE) and closed lower at 22.89% vs. 24.29% of the previous month indicating low volatility going ahead. Another leading derivatives indicator, Nifty PCR, opened on flat note this month at 1.35 against last month's 1.34.

BANKNIFTY

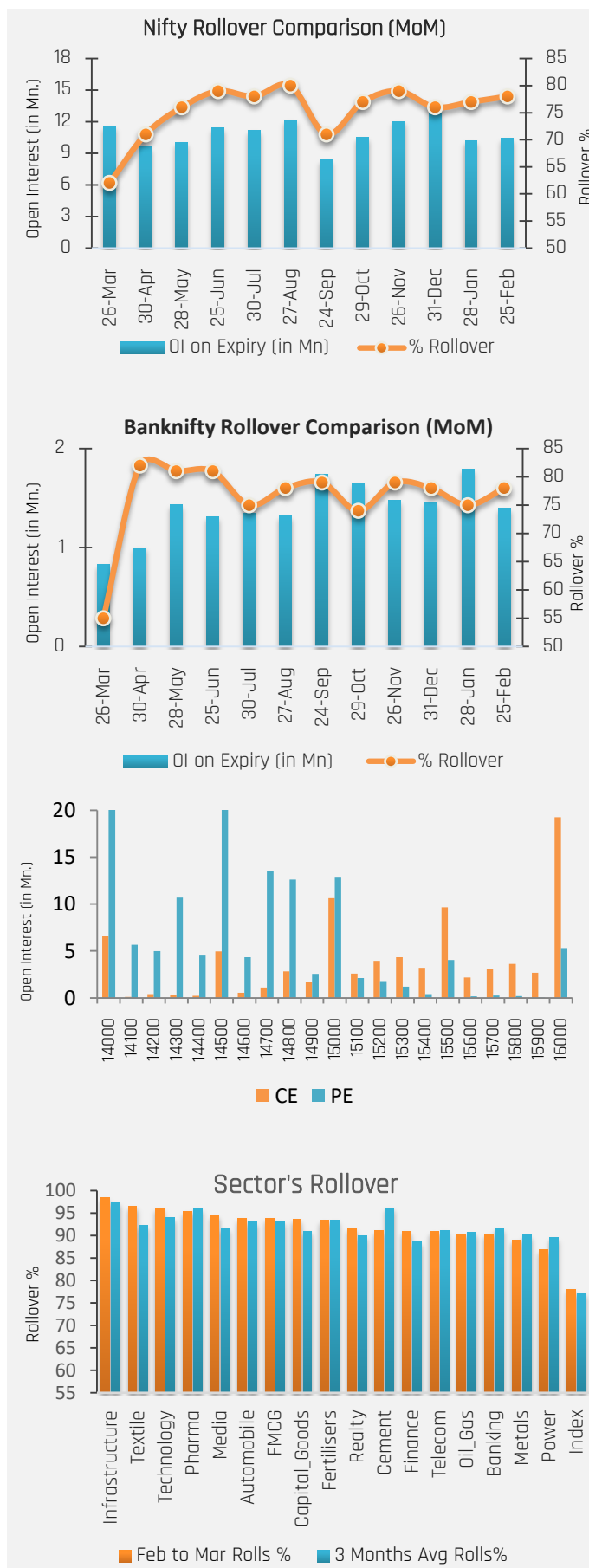
The index saw higher rolls of 78% compared with the 3M average of 77%. BankNifty will start the March series with an OI of 1.40 Mn shares compared with OI of 1.79 Mn shares at the beginning of the February series. As per options data, support for the index is around 35000 and 33000 whereas resistance stands at 37000 and 38000 for the short term.

OPTION ANALYSIS

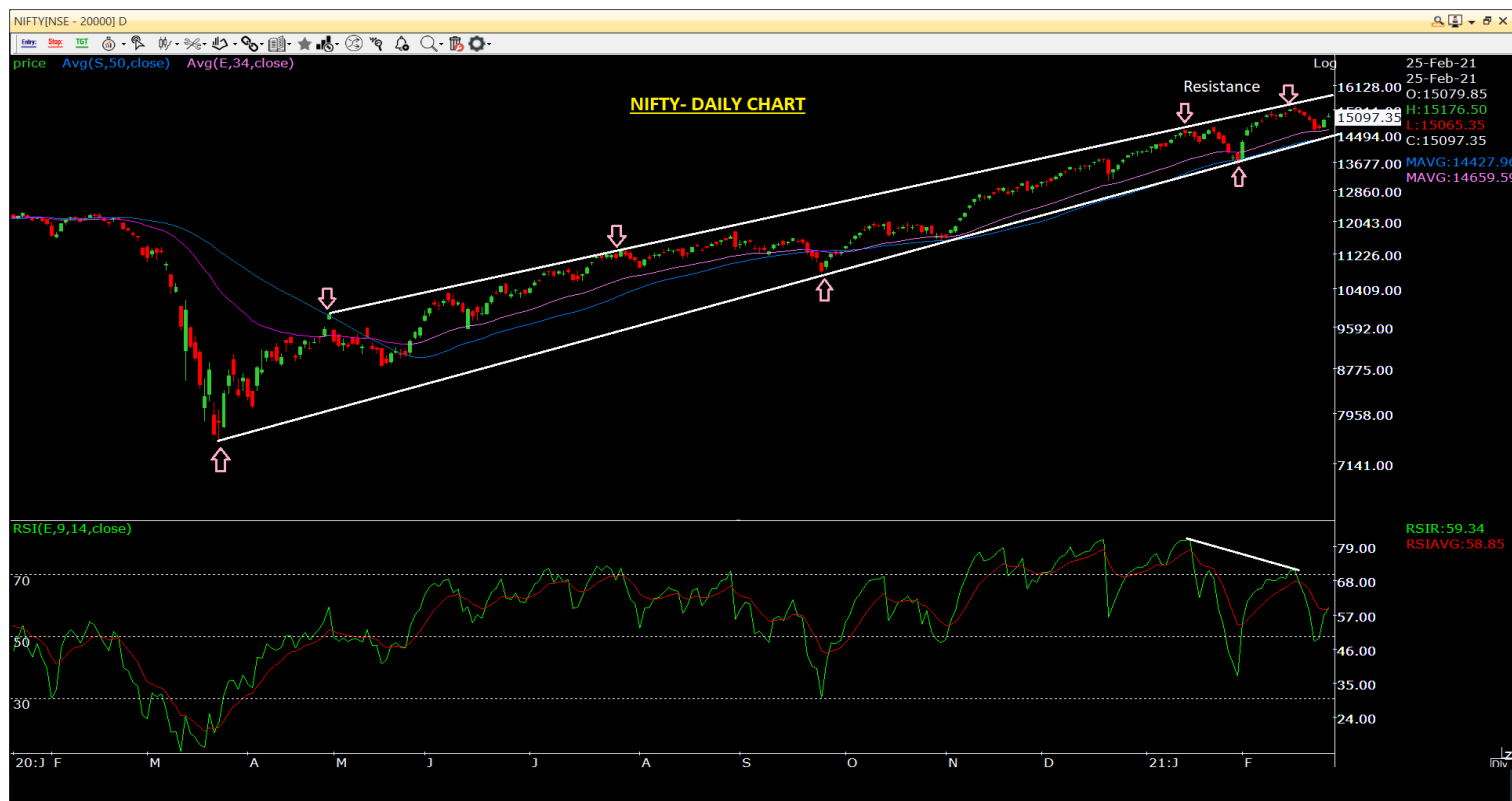
From the OI Concentration (25-March Series), Maximum open Interest on the call options front exists at strike prices of 15000, 15500 and 16000 (with nearly 10.61 lacs, 9.65 lacs and 19.6 lacs shares outstanding respectively). This indicates 15500 and 16000 levels will act as the resistance zone on the upside for the short term. On the put options front, Maximum open Interest is at strike prices of 14700, 14500 and 14000 (with nearly 13.50 lacs, 21.51 lacs and 30.32 lacs shares outstanding respectively) indicating these levels will be stronger support zone on the downside.

SECTOR/STOCK ROLLOVER ACTIVITY:

- From the sectoral action, rollovers accelerated for **INFRASTRUCTURE, TEXTILE, MEDIA, REALTY, FINANCE and TECHNOLOGY**, stocks on expiry. However, low rollovers were seen in **CEMENT, PHARMA, POWER, METALS and BANKING** sector stocks on expiry day as compared to three month's average as highlighted in the chart.
- Within the Nifty50 space, index heavyweights such as **ASIANPAINT, ADANI PORTS, NESTLEIND, TATAMOTORS, and BAJFINANCE** saw aggressive rollover in the March series while low rolls were seen in **HINDALCO, SHREECEM, AXISBANK, M&M and HDFC** compared with the 3M average.
- From the midcap space, **SAIL, SIEMENS, UBL, BALKRISIND, and BERGEPAIN**T saw high rollovers whereas **RBLBANK, MARICO, MUTHOOTFIN, AMBUJACEM and MFSL** saw lower rollover compared with the 3M average.



TECHNICAL VIEW ON NIFTY



NIFTY 50 - 25-FEB 2021 DAILY CHART

Nifty-Daily chart

- Technically, the index on the daily scale is placed in strong uptrend and consolidating in the rising wedge pattern as highlighted in the above chart. Moreover, the index has formed a bearish engulfing candlestick pattern on the weekly scale. As per this pattern, 15432 will act as strong resistance for the index.
- On the downside, 34 DEMA is placed close to 14660 levels, which will act as a first support point followed by 50 DSMA which is placed close to 14428.
- Lower trend line support is placed close to 14400 levels and a bullish gap is placed at 14336 to 14469. Thus, 14300 will act as strong support for the index. Upper trend line resistance is currently placed close to 15800 level, which will act as a major resistance.
- RSI on the daily scale is on the verge of forming negative divergence.
- For the March series, 14650 and 14300 will act as support points whereas 15450 and 15800 will act as resistance points.

TECHNICAL VIEW ON BANKNIFTY



BankNifty - Daily chart

- Last month, the index witnessed a strong rally and registered a high of 37709. Technically, the index on daily scale has taken trend line resistance and witnessed profit booking. Trend line resistance is currently placed close to 38000 levels.
- On the downside, 21 DEMA is placed close to 35245 levels, which will act as a first support point followed by 50 DSMA which is placed close to 33010. Recent breakout point of rounding bottom pattern is also placed close to 33000 levels. Thus, 33000 will act as strong support for the index in medium term.
- RSI on the daily scale is positively poised.
- For the March series, 35200 and 33000 will act as support points whereas 37000 and 38000 will act as resistance points.

Stocks to watch out based on Rollover Analysis:

POSITIVE	
IOC	Strong Rollover of 93% compared with 3 months average of 89%.
CANBK	Strong Rollover of 97% compared with 3 months average of 90%.
SIEMENS	Strong Rollover of 94% compared with 3 months average of 78%.
NEGATIVE	
ZEEL	Weak rollover of 96% compared with 3 month average of 97%.
TVSMOTOR	Weak rollover of 91% compared with 3 month average of 96%.

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Rollover Update (Sector Wise)

Sector	Company	Jan to Feb roll%	Feb to March roll%	3 Avg Months Roll	Divergence	Roll cost	Price % (E to E)
Index	BANKNIFTY	75	78	77	0	0.45	20%
	NIFTY	77	78	77	1	0.46	9%
Automobile	AMARAJABAT	91	96	92	4	-0.16	-7%
	APOLLOTYRE	92	93	92	1	0.54	19%
	ASHOKLEY	92	89	92	-3	0.46	16%
	BAJAJ-AUTO	92	87	95	-8	0.48	-5%
	BALKRISIND	72	96	87	9	0.55	-5%
	BHARATFORG	93	96	95	1	0.32	7%
	BOSCHLTD	94	98	95	2	0.54	-4%
	EICHERMOT	91	94	95	-1	0.40	-9%
	ESCORTS	97	96	93	3	0.50	7%
	EXIDEIND	89	96	94	2	0.36	5%
	HEROMOTOCO	93	98	96	2	-0.78	1%
	M&M	95	84	92	-8	0.48	12%
	MARUTI	95	95	96	-1	0.41	-9%
	MOTHERSUMI	95	94	92	2	0.34	47%
	MRF	93	98	93	6	0.47	0%
	TATAMOTORS	90	94	87	6	0.75	25%
TVSMOTOR	95	91	96	-5	0.23	13%	
Banking	AXISBANK	92	85	93	-8	0.34	15%
	BANDHANBNK	93	96	92	5	0.48	10%
	BANKBARODA	89	89	91	-3	-3.72	35%
	CANBK	99	97	90	7	0.46	28%
	FEDERALBNK	94	97	96	1	0.64	20%
	HDFCBANK	96	96	94	1	0.22	17%
	ICICIBANK	97	97	95	1	0.61	19%
	IDFCFIRSTB	93	92	95	-3	-1.08	35%
	INDUSINDBK	93	94	94	0	0.68	38%
	KOTAKBANK	84	94	91	3	0.33	10%
	PNB	92	82	77	5	0.60	29%
	RBLBANK	93	65	94	-30	0.66	16%
SBIN	95	93	90	4	0.48	44%	
Capital_Goods	BEL	90	94	93	1	0.39	8%
	BHEL	96	95	96	-1	0.74	29%
	CUMMINSIND	91	91	93	-2	0.36	26%
	LT	94	95	95	0	0.37	12%
	SIEMENS	81	94	78	16	0.77	17%
Cement	VOLTAS	88	93	91	2	0.53	12%
	ACC	96	92	96	-4	0.25	10%
	AMBUJACEM	97	80	97	-17	0.16	13%
	GRASIM	98	98	99	-1	0.67	19%
	RAMCOCEM	96	94	96	-3	0.91	25%
	SHREECEM	85	86	94	-8	0.49	19%
Fertilisers	ULTRACEMCO	95	98	95	2	0.55	17%
	TATACHEM	94	89	91	-2	0.65	50%
Finance	UPL	94	98	96	2	0.68	5%
	BAJAJFINSV	95	94	89	5	0.51	15%

DERIVATIVES ROLLOVER ANALYSIS

26-02-2021

Sector	Company	Jan to Feb roll%	Feb to March roll%	3 Avg Months Roll	Divergence	Roll cost	Price % (E to E)
Finance	BAJFINANCE	79	93	87	5	0.50	15%
	CHOLAFIN	92	89	89	0	-0.25	30%
	HDFC	95	87	94	-7	0.38	11%
	HDFCAMC	94	99	31	67	0.55	1%
	HDFCLIFE	95	96	93	3	0.23	9%
	IBULHSGFIN	95	97	93	3	0.66	16%
	ICICIGI	94	98	95	3	0.52	8%
	ICICIPRULI	97	97	94	3	0.54	-3%
	L&TFH	90	79	85	-7	0.56	24%
	LICHSGFIN	92	94	94	1	0.66	14%
	M&MFIN	96	91	95	-4	-1.41	33%
	MANAPPURAM	90	97	94	2	0.50	17%
	MFSL	97	89	96	-8	0.42	32%
	MUTHOOTFIN	95	77	96	-19	-0.14	19%
	PFC	90	82	81	1	0.23	18%
	SBILIFE	96	95	95	0	0.75	0%
SRTRANSFIN	93	86	92	-6	0.41	24%	
FMCG	ASIANPAINT	72	97	88	9	0.52	-3%
	BATAINDIA	92	94	91	3	0.54	-3%
	BERGEPAIN	96	97	89	8	0.59	-1%
	BRITANNIA	98	94	98	-4	0.23	-6%
	COLPAL	98	99	93	5	0.45	0%
	DABUR	98	93	97	-4	0.72	-4%
	GODREJCP	82	97	92	5	0.49	-10%
	HINDUNILVR	97	95	97	-2	0.40	-6%
	ITC	93	94	94	-1	0.57	1%
	MARICO	98	71	96	-25	-0.13	0%
	MCDOWELL-N	96	96	97	-1	0.52	-8%
	NESTLEIND	98	96	88	8	0.50	-7%
	PIDILITIND	96	98	94	4	0.53	0%
	TATACONSUM	98	96	96	-1	0.68	11%
	TITAN	97	91	96	-4	0.46	-1%
UBL	73	94	85	9	0.18	-7%	
Infrastructure	GMRINFRA	98	98	97	1	0.37	8%
Media	PVR	91	94	86	7	0.58	-2%
	SUNTV	86	94	92	2	0.28	4%
	ZEEL	98	96	97	-1	0.55	-5%
Metals	HINDALCO	95	77	92	-16	0.42	53%
	JINDALSTEL	95	96	96	0	0.40	27%
	JSWSTEEL	98	93	97	-4	0.80	12%
	NATIONALUM	79	87	81	6	0.00	22%
	NMDC	91	83	90	-7	0.27	20%
	SAIL	47	92	74	18	0.89	29%
	TATASTEEL	94	90	96	-5	0.42	19%
VEDL	97	96	96	0	0.79	28%	
Oil_Gas	BPCL	88	87	90	-3	0.47	20%
	GAIL	87	87	85	2	0.43	17%
	HINDPETRO	91	90	93	-4	0.44	14%

DERIVATIVES ROLLOVER ANALYSIS

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	Company	Jan to Feb roll%	Feb to March roll%	3 Avg Months Roll	Divergence	Roll cost	Price % (E to E)
Oil_Gas	IGL	91	87	94	-7	0.42	-4%
	IOC	89	93	89	4	0.49	9%
	MGL	80	96	88	7	0.59	13%
	ONGC	77	85	84	1	-0.21	31%
	PETRONET	97	93	96	-3	0.54	7%
	RELIANCE	94	96	95	0	0.65	14%
Others	AARTIIND	94	94	31	63	0.55	8%
	ADANIENT	98	94	98	-4	0.50	65%
	ADANIPTS	78	93	85	8	0.48	36%
	APOLLOHOSP	89	92	90	2	0.41	18%
	COALINDIA	88	83	85	-2	-2.24	22%
	CONCOR	90	90	95	-5	0.44	32%
	HAVELLS	91	95	87	7	0.44	-1%
	INDIGO	97	96	92	4	0.38	4%
	JUBLFOOD	94	91	94	-3	0.28	13%
LALPATHLAB	90	91	30	61	0.65	3%	
Pharma	AUROPHARMA	88	94	95	0	0.61	-9%
	BIOCON	94	96	96	0	0.49	5%
	CADILAHC	97	95	96	-1	0.57	-5%
	CIPLA	97	96	96	0	0.61	-4%
	DIVISLAB	97	95	95	1	0.49	0%
	DRREDDY	97	96	97	-1	0.47	-8%
	GLENMARK	92	96	95	1	0.59	-2%
	LUPIN	98	95	96	-1	0.55	-2%
	PEL	96	90	96	-6	0.73	42%
	SUNPHARMA	92	98	96	2	0.47	8%
TORNTPHARM	97	97	98	-1	0.45	-7%	
Power	NTPC	77	90	86	4	0.46	18%
	POWERGRID	64	74	81	-7	-1.51	21%
	RECLTD	82	82	90	-8	-0.24	4%
	TATAPOWER	96	95	95	0	0.57	25%
	TORNTPOWER	94	93	96	-3	0.52	29%
Realty	DLF	86	95	90	5	0.49	21%
	GODREJPROP	94	88	90	-2	-0.11	25%
Technology	COFORGE	93	96	91	5	0.14	4%
	HCLTECH	96	97	97	0	0.54	-1%
	INFY	97	97	97	0	0.43	0%
	MINDTREE	95	96	92	4	0.53	-4%
	NAUKRI	94	98	93	4	0.45	9%
	TCS	91	95	95	1	0.40	-6%
	TECHM	97	93	95	-2	0.42	-2%
	WIPRO	95	96	93	4	0.29	-2%
Telecom	BHARTIARTL	94	92	97	-5	0.35	1%
	IDEA	93	93	94	-1	0.43	-1%
	INDUSTOWER	82	88	83	5	-1.11	13%
Textile	PAGEIND	89	96	91	5	0.36	0%
	SRF	95	97	94	3	0.48	3%

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