



Market View

NIFTY (10,491.05): Benchmark indices begun the week on negative note, NIFTY future opened at 10470, it breached its previous major support level of 10375 and registered a four week's low of 10290.10. It tested its previous psychological support level of 10300 and 100 days moving average, however it couldn't sustain below the same, it hovered in tight range of hundred points in later part of the week. On the last day of week, bulls took charge over the bears mainly due to recovery in PSU banks and gains in IT sector. Nifty MAR ended on subdued note at 10505.90.

Market-wide rollovers stood at 81.33 percent compared to an average of 81.83 percent seen in the last three derivatives series, and 80.52 percent seen in the previous expiry. The Nifty futures witnessed rollovers of 60.65 percent compared to an average of 67.3 percent seen in the last three expiries. The Roll cost for February series was 0.06 percent compared to January roll cost which was (0.06) percent. Positive rollover cost indicates room for upside in the short term. All gains earned in the January segment were wiped out. The open interest (OI) dropped in the start of March series to Rs 1.37 lakh crore as against Rs 1.65 lakh crore seen at the beginning of February expiry. Rollover in Nifty 60.65% is below its quarterly average of 67.54%. Rollover in Bank Nifty 64.35 % too remained on the lower side, both in terms of percentage as well as open interest.



Trend of the global market, rupee movement and crude oil prices will dictate the market trend in near term. Auto stocks will remain in focus as they will release their monthly sales volume data for the FEB 2018.

For the upcoming week Nifty future may trade in broad range of 10300 and 10650, crossing of the levels either side will decide the market trend for the near term, presently it has given closing above its 100 and 200 days moving averages and also formed a reversal candlestick pattern named hammer on weekly charts which indicates Nifty may test the level of 10650 in upcoming week, if it crosses the immediate resistance of 10520.



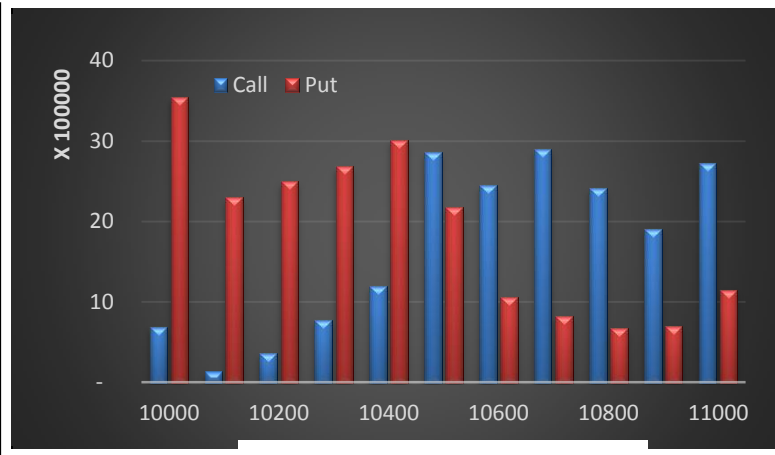
On the options data front, the highest Open Interest build-up is seen in Nifty Mar 10,000 strike PE to the tune of around 35.45 lakhs outstanding shares in Open Interest, while on the flip side the maximum Open Interest build-up is seen in Nifty Mar 10,500 strike CE to the tune of around 28.58 lakhs followed by Nifty Mar 10,700 strike CE to the tune of around 29 lakhs outstanding shares in open interest.

Among Nifty most active Nifty Feb 10,700 strikes CE witnessed addition of around 20,2 lakhs outstanding shares in Open Interest, while on the flip side same Nifty Feb 10,400 PE witnessed addition of around 18.61 lakhs outstanding shares in Open Interest on the last week.

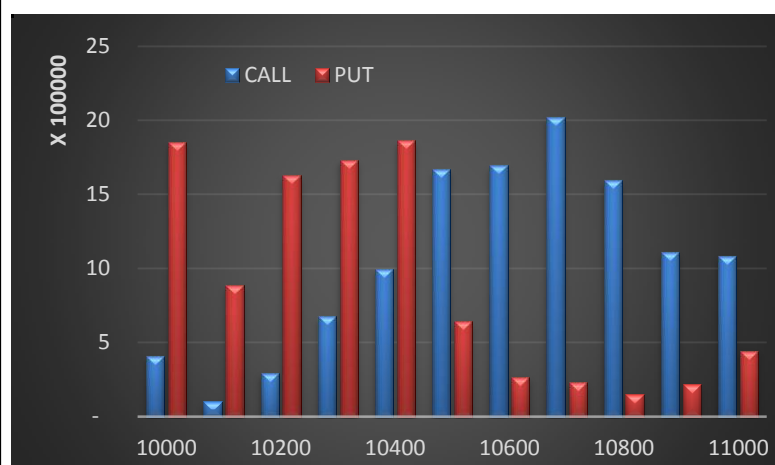
During the week, the PCR is placed above 1 at 1.06 since the start of the January 2018 expiry series it has registered readings above 1, indicating further room for current trend.

Max option pain model pointing max pain in Nifty near month contract at 10,550 strikes with total value of around 410 crore, which indicate mar contract likely to expire near 10,550 marks.

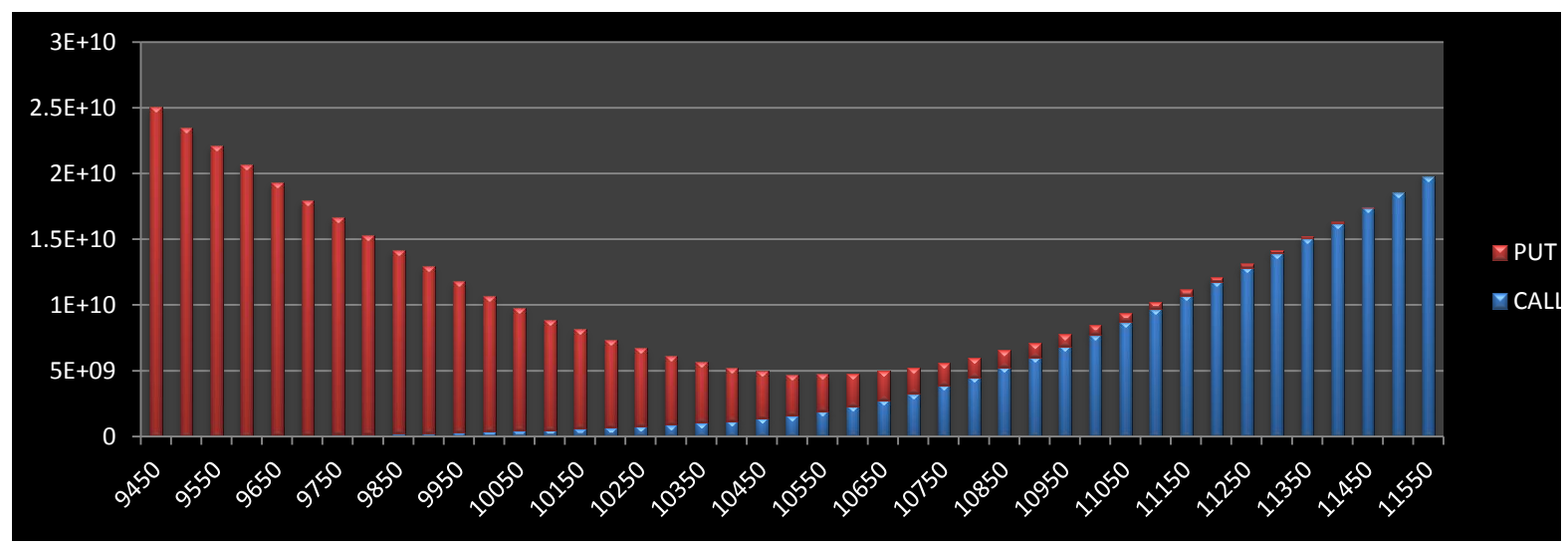
Options data indicates support building in the 10,400 followed by 10,000 put based on accumulation in open interest while on flip side resistance is seen around 10,500 followed by 10,700 on call based on accumulation in open interest.



Options Activity (Near Month)



OI Change (For the Week)



Max Pain



Event Tracker

Domestic

Event	Date	Prior	Survey
Govt. BUDGET VALUE	28-Feb-18	INR 6209.49B	INR -5734.8B
GDP GROWTH RATE YoY Q4	28-Feb-18	6.3%	6.5%
FISCAL YEAR GDP GROWTHFINAL 2016-17	28-Feb-18	8.2%	7.1%
BANK LOAN GROWTH YoY 16/FEB	2-Mar-18	11%	-

International

Event	Date	Time	Prior	Survey
US New Home Sales JAN	26-Feb-18	08:30 PM	0.6254M	0.62M
US Durable Goods Orders MoM JAN	27-Feb-18	07:00 PM	2.9%	-1.9%
US GDP Growth Rate QoQ 2nd Est Q4	28-Feb-18	07:00 PM	3.2%	2.5%

Corporate Actions

Company	Ex-Date	Record Date	Purpose
FDC	26-Feb-18	27-Feb-18	BUYBACK
INFIBEAM	26-Feb-18	27-Feb-18	INTERIM DIVIDEND 0.10/SHARE
IDFC BANK	28-Feb-18	1-Mar-18	HB INTREST PAYMENT
HINDPETRO	28-Feb-18	1-Mar-18	INTERIM DIVIDEND 14.50/SHARE

ROLLOVER

HIGHEST ROLLOVER			LOWES ROLLOVER		
STOCK	ROLLOVER	OI	STOCK	ROLLOVER	OI
DABUR	94%	647,500	COALINDIA	63%	8,382,000
FORTIS	94%	3,062,500	SRTRANSFIN	63%	285,000
MFSL	92%	308,000	BERGEPAIN	65%	569,800
DALMIABHA	92%	67,200	HDFCBANK	65%	8,310,000
IDFC	92%	9,992,400	ICICIBANK	66%	34,243,000



LONG INDIGO MAR FUT

ACTION	ENTRY	SL	TGT1	TGT2
LONG	ABV 1300	1260	1340	1380

INDIGO is in uptrend placed above its major moving averages in daily and weekly charts indicating strength in the counter for short term view. On weekly chart stocks on the verge of breakout from ascending triangle chart pattern around 1300 mark sustain above which may edge higher towards its all-time high in coming session. On daily chart the stock is also consolidating in a range of 1248 to 1300 levels from last few sessions breaching said range may take stock on same direction in coming session. On Momentum oscillator setup, the 14 period RSI is pointing northward momentum and placed at 60 marks indicating there is further room for current trend and also placed above signal line given confirming positive trend in counter. One may initiate long position in INDIGO MAR Future above 1300 for the targets of 1340 followed by 1380 with the stop loss of immediate support level of 1260 levels.



OPEN INTEREST (Near month fut.)	ROLLOVER	21-DEMA	50-DEMA
18,98,400	75%	1249	1224



LONG ASHOKLEY MAR 140 CE

ACTION	ENTRY	SL	TGT1	TGT2
LONG	Abv 3.2	2.5	3.9	5

Long term trend of the ASHOKLEY is bullish; recently it gave breakout of the continuation pattern ascending triangle on daily charts and registered a life time high of 139.30, however it showed correction from highs and took support at the previous major resistance level of 131 and accumulating above the mean line of Bollinger band. With the crossing of the immediate resistance mark of 135.50, stock is likely to continue the northward journey and may test the upper level of Bollinger band which is currently falling at the level of 140. Stock is also moving above its all-important moving averages which support the bullish view in stock. ASHOKLEY MAR 140 CE has seen addition of 9,31,000 shares in Open Interest, an OI increase of 68% making total open interest stands at 22,96,000 shares with an Implied Volatility of 29 % which is near at historical volatility of 37% indicating better buying opportunity for option. Hence we recommended short term traders to long ASHOKLEY MAR 140 CE above 3.2 levels by keeping stop loss below 2.5 levels for the higher side targets of 3.9 followed by 5 levels.



OPEN INTEREST (Near month fut.)	OPEN INTEREST 380 Strike	IV	Delta	Gamma	Theta	Vega	Rho
22,96,000	9,31,000	29.11%	0.36	0.026	-0.09	0.15	0.04



Previous Week's Evaluation

STOCK	ACTION	INITIATED	SL	TGT1	TGT2	CLOSED	RETURN
JSWSTEEL MAR FUT	LONG	NI	307	326	331	NI	-
IOC FEB 380 PE	LONG	8.1	5	11.5	20	11.5/17	13,350

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