



## D E R I V A T I V E S

## Market Statistics

Product	No. of Contracts	Turnover (Rs.cr)
Index Futures	2,82,860	16,419.33
Vol Futures	0	0
Stock Futures	5,25,775	26,533.63
Index Options	33,17,721	1,93,345.01
Stock Options	3,31,606	16,695.34
<b>F&amp;O Total</b>	<b>44,57,962</b>	<b>2,52,993.31</b>

## FII Derivatives Statistics

			OI at end of the day		Inflow / Outflow
	Buy	Sell	Contract	Amount	
Index futures	1260.67	1899.40	240308	14562.88	-638.74
Index options	21642.03	20838.03	1108601	67547.69	804.00
Stock futures	4186.60	4413.75	1076903	53569.97	-227.15
Stock options	2838.25	2786.18	104330	5427.67	52.06
<b>Net Inflow/Outflow (Cr)</b>					<b>-9.82</b>

## Securities in Ban Period

RCOM, CANBK, JETAIRWAYS &amp; JPASSOCIAT

## Nifty Future/Option Trading Guide

NIFTY	Short term	Medium term
Support	8080	8000
Resistance	8300	8400

## Nifty View for the Day

Now index has to hold the recent gains to head towards 8242 then 8300 zones while on the downside supports are shifting at 8120 then 8080-8065 zones.

## News for the day

Futures and options contracts for SINTEX & NIIT TECH would be available for trading w.e.f. July 01, 2016.

## Activity Tracking

Stocks (Long Position)	Remarks
Suntv, IDBI, Heromotoco, Jswenergy, PNB, Dabur, Sbin, Unionbank, CESC	Suggesting strength in these counter
Stocks (Short Covering)	Remarks
Amarajabat, Indiacem, Lupin, Arvind, Gail, Adanient, Hindpetro, Kotakbank, Glenmark	Suggesting strength in these counter
Stocks (Short Position)	Remarks
Infratel, Ajantpharm, Ceatltd, Ashokley, MRF, Sail, Hindzinc, Ibrealet, IOB	Suggesting weakness in these counter
Stocks (Long Liquidation)	Remarks
Godrejcp, Relinfra, Hexaware, IFCI, Mindtree	Suggesting weakness in these counter

## Activity in F&amp;O

Nifty future closed positive at 8221.35 levels. Nifty future OI decreased by 2.26% with a rise in price by 1.24%. It closed at the premium of 15 points as compared to the premium of 12 points in previous trading session. Market witnessed buying interest across the board especially in IT, Bank and FMCG sector stocks. The market turnover increased by 26.37% in terms of number of contracts traded vis-à-vis previous trading day and also in terms of rupees it increased by 25.16%.

## Indication

Put Call Ratio based on Open Interest of Nifty moved up from 1.09 to 1.14 levels as compared to previous trading session. Historical Volatility of Nifty moved up from 15.26 to 15.88 levels and Implied Volatility also moved up from 16.78 to 16.99 levels.

## Conclusion

Nifty future opened negative but buying at the lower levels pulled the index higher and it reclaimed its 8200 territory. Looking at the option data, maximum Put OI is at 8000 followed by 8100 strike while maximum Call OI is at 8300 followed by 8400 strikes. We have seen significant Put writing at 8000 strike where net outstanding position has moved to more than 80 Lakh shares and also fresh Put writing was seen at 8200 strike which may provide an immediate support near to 8150 zones. We have seen a strong recovery in the broader market with Put writing activities but no Call unwinding was being observed at 8200 and 8300 strike which may again keep the market in a broader trading range. Now index has to hold the recent gains to head towards 8242 then 8300 zones while on the downside supports are shifting at 8120 then 8080-8065 zones. Bank Nifty opened positive and headed towards 17900 zones. It has now support at 17750 then 17500 while resistance is at 18000-18100 zones.

## Future STT Call



L&amp;T : Rs. 1517

Execution Price Range	Stop Loss	Target
Buy Between Rs. 1481 to Rs. 1495	1458	1550

LT has been holding onto the multiple supports near 1440-1450 zones from last 14 trading sessions and bulls are not ready to surrender its gain even after the recent strong rally in last couple of days. The stock snapped the losses of previous four trading sessions recaptured its 1500 territory. It witnessed built up of long position even at the current levels indicating that the rally may continue towards 1550 and higher levels. One can buy the stock with the stop loss of 1458 for the upside immediate target of 1550 levels.

## Future STT Call



AJANTA PHARMA: Rs. 1536

Execution Price Range	Stop Loss	Target
Sell Between Rs.1550 to Rs. 1565	1590	1490

AJANTPHARMA failed to cross the multiple hurdles of 1600-1610 zones and started to decline. It broke its support of 1540 levels and witnessed built up of short position with open interest addition of around 10% in previous series. Even after strong upside rally witnessed in the broader market the stock drifted in the negative territory indicating weakness in the counter. So, recommending selling the stock with the stop loss of 1590 for the downside target of 1490 levels.

## Graphic Snapshot

%Price Gainers		%Price Losers		Active Futures		%Volume Gainers		%Rollovers	
CESC	4.50	UNITECH	-3.88	NIFTY	164,135	JETAIRWAYS	361.30	SOUTHBANK	28.67
INDIACEM	4.39	JPASSOCIAT	-3.77	BANKNIFTY	118,083	UBL	353.83	HEROMOTOCO	21.36
VEDL	4.21	INFRATEL	-3.54	SBIN	65,360	JSWENERGY	281.70	JPASSOCIAT	15.79
NTPC	3.96	AJANTPHARM	-1.82	ICICIBANK	20,070	OFSS	255.17	BPCL	13.2
SBIN	3.89	ASHOKLEY	-1.61	JETAIRWAYS	15,601	PCJEWELLER	226.39	SAIL	13.06
%OI Gainers		%OI Losers		%Premiums		%Discounts		OI % of Mkt. Limit	
INFRATEL	12.73	AMARAJABAT	-12.70	UNITECH	1.02	CANBK	-4.34	JETAIRWAYS	102.06
JETAIRWAYS	11.52	INDIACEM	-11.38	GMRINFRA	0.80	SOUTHBANK	-1.71	JPASSOCIAT	98.53
AJANTPHARM	11.21	LUPIN	-5.93	PTC	0.67	ICICIBANK	-1.55	CEATLTD	93.21
SUNTV	9.39	ARVIND	-5.73	JPASSOCIAT	0.66	JUSTDIAL	-1.31	IBREALEST	88
IDBI	8.86	DJIA	-4.62	IBREALEST	0.63	PCJEWELLER	-1.23	CANBK	83.93
Options									
Most Active (Calls)		%Volume gainers (Calls)		Most Active (Puts)		%Volume gainers (Puts)			
NIFTY,30-JUN-16,C,8200	232797	NIFTY,29-SEP-16,C,9000	19,587	NIFTY,30-JUN-16,P,8000	218,693	BANKNIFTY,23-JUN-16,P,17600	11,250		
NIFTY,30-JUN-16,C,8300	218682	NIFTY,25-AUG-16,C,8900	10,671	NIFTY,30-JUN-16,P,8100	199,885	BANKNIFTY,23-JUN-16,P,16500	10,633		
NIFTY,30-JUN-16,C,8400	139029	SBIN,30-JUN-16,C,250	5,090	BANKNIFTY,16-JUN-16,P,17500	123,123	IGL,30-JUN-16,P,620	10,000		
BANKNIFTY,16-JUN-16,C,18000	119389	BANKNIFTY,23-JUN-16,C,17900	3,900	NIFTY,30-JUN-16,P,7900	111,224	MARUTI,30-JUN-16,P,4250	5,150		
BANKNIFTY,16-JUN-16,C,17800	106667	BANKNIFTY,23-JUN-16,C,18500	3,050	NIFTY,30-JUN-16,P,8200	108,217	SBIN,30-JUN-16,P,215	4,866		
%OI Gainers (Calls)		%OI Losers (Calls)		%OI Gainers (Puts)		%OI Losers (Puts)			
BANKNIFTY,23-JUN-16,C,17900	1,100	APOLLOTYRE,30-JUN-16,C,170	-52	BANKNIFTY,23-JUN-16,P,16500	8,029	BANKNIFTY,30-JUN-16,P,17400	-19		
BANKNIFTY,23-JUN-16,C,18500	906	BANKNIFTY,16-JUN-16,C,17600	-51	IGL,30-JUN-16,P,620	1,600	BANKNIFTY,30-JUN-16,P,16800	-17		
NIFTY,25-AUG-16,C,8900	724	CIPLA,30-JUN-16,C,490	-48	MARUTI,30-JUN-16,P,4250	592	ASHOKLEY,30-JUN-16,P,105	-16		
BANKNIFTY,23-JUN-16,C,17500	313	BANKNIFTY,16-JUN-16,C,17800	-44	BANKNIFTY,16-JUN-16,P,17700	553	NIFTY,30-JUN-16,P,8600	-16		
PNB,30-JUN-16,C,105	285	CROMPGREAV,30-JUN-16,C,70	-44	BANKNIFTY,23-JUN-16,P,17400	431	ASHOKLEY,30-JUN-16,P,100	-14		

**Derivatives Lesson: COVERED CALL**

- A covered call is constructed by buying the shares of a company in which you feel may rise but not much in the near term so you also sell a call option. The Call Option which is sold is usually an OTM Call.
- This strategy is usually adopted by a stock owner who is Neutral to moderately bullish about the stock
- Upside capped at the Strike price plus the Premium received. So if the Stock rises beyond the Strike price the investor (Call seller) gives up all the gains on the stock.
- When to Use: This is often employed when an investor has a short-term neutral to moderately bullish view on the stock he holds. He takes a short position on the Call option to generate income from the option premium. Since the stock is purchased simultaneously with writing (selling) the Call, the strategy is commonly referred to as "buy-write".
- Max loss: If the Stock Price falls to zero, the investor loses the entire value of the Stock but retains the premium, since the Call will not be exercised against him. **So maximum risk = Stock Price Paid – Call Premium**
- Reward: **Limited to (Call Strike Price – Stock Price paid) + Premium received**
- Breakeven: **Stock Price - Premium Received**

**Trading Laws:**

- A Trader not observing STOP LOSS cannot survive for long.
- Never re-schedule your stop loss, square up first and then take a fresh view.
- Book small losses by buying / selling near support / resistance, and look for big gains, this will maximize the gains.
- Don't try to anticipate the change in main trend, so don't go against trend

**DISCLAIMER:** This report has been issued by Anand Rath Securities Limited (ARSL), which is regulated by SEBI. The information herein was obtained from various sources; we do not guarantee its accuracy or completeness. Neither the information nor any opinion expressed constitutes an offer, or an invitation to make an offer, to buy or sell any securities, options, future or other derivatives related to such securities ("related investment"). ARS and its affiliates may trade for their own accounts as market maker/ jobber and /or arbitrageur in any securities of this issuer(s) or in related investments, and may be on the opposite side of public orders. ARS, its affiliates, directors, officers, and employees may have a long or short position in any securities of this issuer(s) or in related investment banking or other business from, any entity mentioned in this report. This research report is prepared for private circulation. It does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may receive this report. Investors should seek financial situation and the particular needs of any specific investing in any securities or investment strategies discussed or recommended in this report and should understand that statements regarding future prospects may not be realized. Investors should note that income from such securities, if any, may fluctuate and that each security's price or value may rise or fall. Past performance is not necessarily a guide to future performance. Foreign currency rates of exchange may adversely affect the value, price or income of any security or related investment mentioned in this report.