

Date: 06 APRIL, 2016

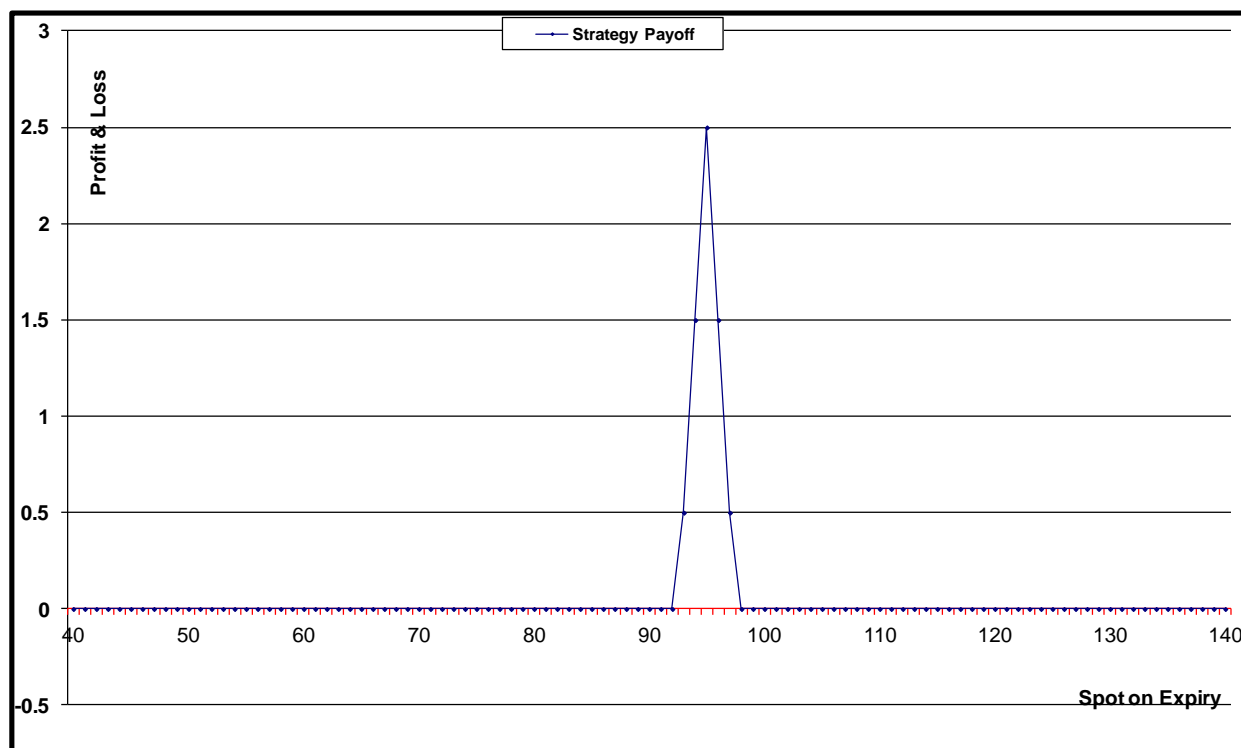
Scrip Name: HINDALCO
 Strategy – BUTTERFLY SPREAD

BUY 1 LOT HINDALCO APRIL 92.50 CE AT 2.6
SELL 2 LOTS HINDALCO APRIL 95 CE AT 1.95
BUY 1 LOT HINDALCO APRIL 97.50 CE AT 1.3

Margin Requirement – Rs 100,000 (approximately)

Max Profit: Rs 12500 (2.5*5000) if HINDALCO closes at 95 in April Expiry
 Maximum Loss: Limited to brokerage amount

Pay off:



Reason – HINDALCO has a strong chart formation on the longer term charts. It is forming a bullish pattern which can lead the stock towards 95-100 levels. We expect the stock to witness resistance towards 95-100 as the CE OI at 95 has seen considerable jump. Falling Iv's will benefit the strategy in case the stock moves up.

Derivatives & Technical Analyst

Nirav H Chheda
 Contact:- 022-39268199
 nirav.chheda@nirmalbang.com

Profit/Loss at different prices	
HINDALCO	Profit/Loss
89	0
90	0
91	0
92	0
93	2500
94	7500
95	12500
96	7500
97	2500
98	0

NOTE: -

1. The above table payoff is on expiry basis. If the stock moves to expected levels before expiry the profit would then be determined by the time value and volatility and hence in most cases will be lower
2. If the expected move is achieved before the expiry the strategy will most certainly be closed before expiry.
3. The strategy has to be executed in totality and closed in totality as advised by the analyst. There can be market risks associated with not doing the same.

Disclaimer

Nirmal Bang Securities Private Limited (hereinafter referred to as "NBSPL") is a registered Member of National Stock Exchange of India Limited, Bombay Stock Exchange Limited and MCX stock Exchange Limited. NBSPL is in the process of making an application with SEBI for registering as a Research Entity in terms of SEBI (Research Analyst) Regulations, 2014.

NBSPL or its associates including its relatives/analyst do not hold any financial interest/beneficial ownership of more than 1% in the company covered by Analyst (in case any financial interest is held kindly disclose)

NBSPL or its associates/analyst has not received any compensation from the company covered by Analyst during the past twelve months. NBSPL /analyst has not served as an officer, director or employee of company covered by Analyst and has not been engaged in market making activity of the company covered by Analyst.

The views expressed are based solely on information available publicly and believed to be true. Investors are advised to independently evaluate the market conditions/risks involved before making any investment decision.

Derivatives & Technical Analyst

Nirav H Chheda

Contact:- 022-39268199

nirav.chheda@nirmalbang.com