

Date: 23 MAY, 2016

Scrip Name: NIFTY  
 Strategy – LONG STRADDLE

**BUY 1 LOT MAY NIFTY MAY 7750 CE AT 47**  
**BUY 1 LOT MAY NIFTY MAY 7750 PE AT 41**

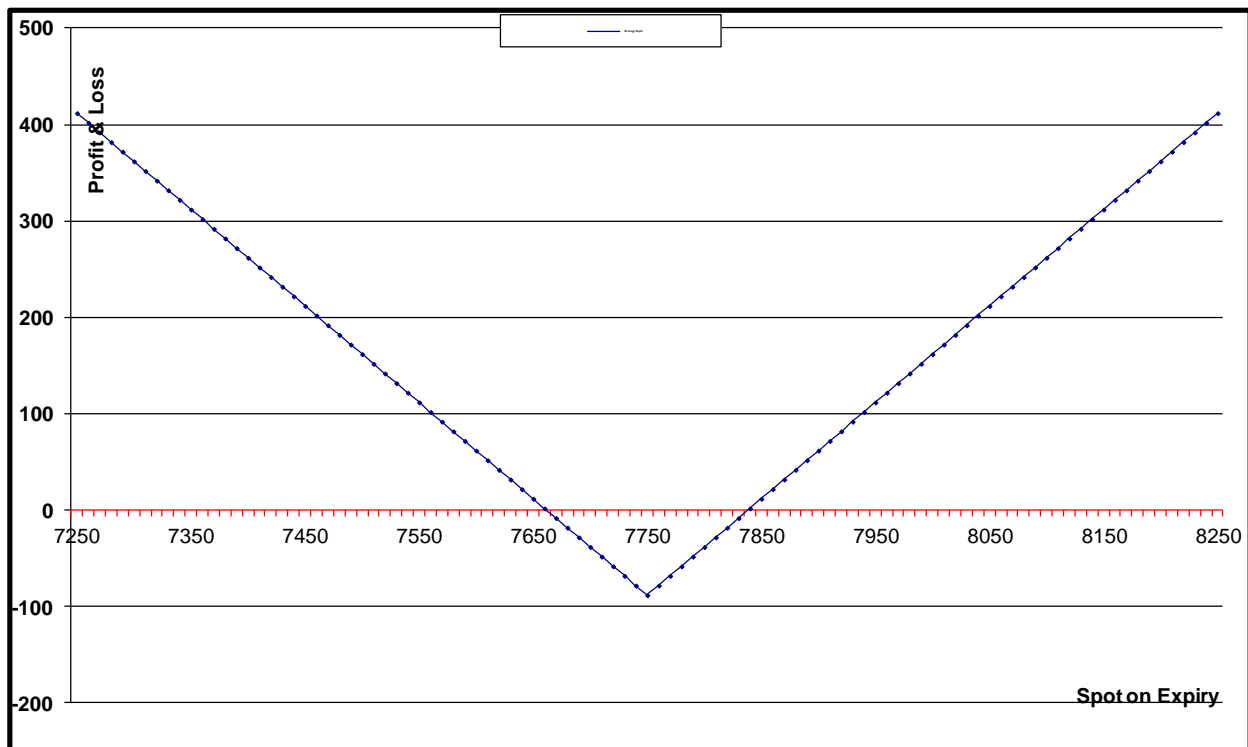
**Margin Requirement – Rs 6600 (approximately)**

Max Profit: Unlimited above 7838 or below 7662 in May expiry  
 Keep a Stop loss of 50 point (when total premium comes to 38 points) or Rs 3750 loss  
 Maximum Loss: Rs 6600 (88\*75) in case one doesn't keep a stop loss

**Upper Breakeven: 7838**

**Lower Breakeven: 7662**

Pay off:



Reason – NIFTY is at inflexion point and is likely to witness a strong move on breakout or breakdown. We expect Nifty to move minimum 150 points in either direction which will help the strategy gain profit. The Iv's are at comfortable levels and are expected to remain in range.

**Derivatives & Technical Analyst**

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<b>Profit/Loss at different prices</b>	
<b>NIFTY</b>	<b>Profit/Loss</b>
7300	27150
7400	19650
7500	12150
7600	4650
7700	-2850
7800	-2850
7900	4650
8000	12150
8100	19650
8200	27150

**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.

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