



DERIVATIVES

Market Statistics

Product	No. of Contracts	Turnover (Rs.cr)
Index Futures	6,81,155	17,901.11
Vol Futures	0	0
Stock Futures	8,49,270	23,599.04
Index Options	69,46,511	1,55,990.24
Stock Options	4,08,013	11,465.42
F&O Total	88,84,949	2,08,955.81

FII Derivatives Statistics

	OI at end of the day				Inflow / Outflow
	Buy	Sell	Contract	Amount	
Index futures	1447.55	1432.18	783146	17859.39	15.37
Index options	12625.39	13081.57	3277006	81372.63	-456.18
Stock futures	1933.64	2605.60	1730405	47673.63	-671.97
Stock options	1205.72	1271.54	92720	2517.10	-65.82
Net Inflow/Outflow (Cr)					-1178.60

Securities in Ban Period

AMTEKAUTO

Nifty Future/Option Trading Guide

NIFTY	Short term	Medium term
Support	8330	8180
Resistance	8550	8635

Nifty View for the Day

Now, it has to hold above 8480 zones to continue the up move towards 8520 and 8550 zones, while if it fails to hold its 8480 levels then the index may witness selling pressure towards 8440 then 8400 levels.

Quote of the day

IF IT DOESN'T CHALLENGE YOU, IT DOESN'T CHANGE YOU.

Activity Tracking

Stocks (Long Position)	Remarks
Mindtree, Indusinbk, Apollohosp	
Castrolind, Boschld, Pidilitind	Suggesting strength in these counter
Ambujacem, Bajajfinance, Mothersumi	
Stocks (Short Covering)	Remarks
Crompgreav, Cairn, Unionbank	
Relinfra, Fedralbnk, TCS	Suggesting strength in these counter
VEDL, Orientbank, OFSS	
Stocks (Short Position)	Remarks
Arvind, ONGC, Voltas	
Srtransfin, Indiacem, LT	Suggesting weakness in these counter
SAIL, Jublfood	
Stocks (Long Liquidation)	Remarks
Justdial, Jindalstel	Suggesting weakness in these counter

Activity in F&O

Nifty Future closed positive at 8481.95 levels. Nifty Future OI increased by 7.17% with a rise in price by 1.15%. It closed at a premium of 23 points as compared to premium of 25 points of last trading session. Market witnessed buying interest across the board except in capital goods sector stocks. The market turnover increased by 12.99% in terms of number of contracts traded vis-à-vis previous trading day and in terms of rupees it also increased by 12.90%.

Indication & Outlook

Put Call Ratio based on Open Interest of Nifty increased from 1.05 levels to 1.06 levels. Historical Volatility of Nifty moved up from 16.59 to 16.95 levels but Implied Volatility fell down from 16.39 to 15.80 levels.

Conclusion

Nifty future opened positive and was hovering near the 8360-8370 levels in the first half of the session. However, it regained its momentum in the second half of the session and headed towards 8500 levels. It ended the session in the green zone after two trading session with the gains of around 100 points. Looking at the option data, maximum Put OI is at 8300 followed by 7900 strike while maximum Call OI is at 8500 followed by 8400 strike. Now, it has to hold above 8480 zones to continue the up move towards 8520 and 8550 zones, while if it fails to hold its 8465 levels then the index may witness selling pressure towards 8420 then 8380 levels. Bank nifty futures opened positive and traded in line with the broader market. It continued the positive momentum of last couple of trading sessions and settled the day with the gain of around 175 points. It has to hold above 18800 zones then the up move may be seen towards 19150 then 19300 zones, while on the downside immediate support is seen at 18700 then 18400 zones.

Future STT Call



AUROPHARMA: Rs. 1497

Execution Price Range	Stop Loss	Target
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Buy Between Rs. 1470 to Rs. 1484	1450	1531
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AUROPHARMA is simply holding the gains and registered lifetime high. It has managed to hold its support base even after volatility in broader market and gave the highest daily close. It is trading above its VWAP and is now showing the potential to witness a fresh leg of rally towards 1531 and even much higher levels. So we are recommending buying with stop loss of 1450 for upside target of 1531 levels.

Future STT Call



ONGC: Rs. 292

Execution Price Range	Stop Loss	Target
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Sell Between Rs. 295 to Rs. 298	302	286
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ONGC has been witnessing weakness from last couple of series and making a lower top - lower bottom price formation. It has broken all the support levels and has been adding fresh built up of short position and those shorts are rolling from one series to the next series. Now till it doesn't cross and hold above 302 levels, weakness may continue in the stock. One can sell the stock with stop loss of 302 for the downside target of 286 levels.

Graphic Snapshot

Futures				
%Price Gainers	%Price Losers	Active Futures	%Volume Gainers	% Rollovers
DISHTV 5.37	ARVIND -1.57	NIFTY 545,294	S&P500 316.08	DJIA 93.7
MOTHERSUMI 4.65	SRTRANSFIN -1.51	BANKNIFTY 134,034	MOTHERSUMI 266.57	S&P500 79.49
BHARATFORG 4.64	SAIL -1.44	INDUSINDBK 42,159	INDUSINDBK 262.75	ADANIEN 23.13
GMRINFRA 4.58	JINDALSTEL -1.35	YESBANK 41,035	DISHTV 219.27	SAIL 4.64
APOLLOTYRE 4.17	ONGC -1.12	LT 27,116	HEXAWARE 189.33	L&TFH 1.48
%OI Gainers	%OI Losers	%Premiums	%Discounts	OI % of Mkt. Limit
DJIA 35.02	CNXIT -9.79	UNITECH 1.28	TATASTEEL -2.36	AMTEKAUTO 98.77
S&P500 28.98	OIL -6.14	JPASSOCIAT 0.87	TVSMOTOR -1.61	INDIACEM 89.45
MINDTREE 12.63	CROMPGREAV -5.08	JISLJALEQS 0.82	IDFC -1.31	CENTURYTEX 85.17
ACC 11.83	KSCL -4.44	AMTEKAUTO 0.73	TATAPOWER -1.31	JINDALSTEL 83.33
INDUSINDBK 11.22	CAIRN -4.23	BAJFINANCE 0.72	CESC -1.19	UNITECH 76.75
Options				
Most Active (Calls)	%Volume gainers (Calls)	Most Active (Puts)	%Volume gainers (Puts)	
NIFTY,30-JUL-15,C,8500 748757	NIFTY,27-AUG-15,C,7400 30,500	NIFTY,30-JUL-15,P,8300 608,382	INDUSINDBK,30-JUL-15,P,920 83,200	
NIFTY,30-JUL-15,C,8600 580851	ORIENTBANK,30-JUL-15,C,175 10,950	NIFTY,30-JUL-15,P,8400 524,771	SYNDIBANK,30-JUL-15,P,105 5,317	
NIFTY,30-JUL-15,C,8400 565244	INDUSINDBK,30-JUL-15,C,1000 9,942	NIFTY,30-JUL-15,P,8200 515,639	CROMPGREAV,30-JUL-15,P,190 2,720	
NIFTY,30-JUL-15,C,8700 379924	KTKBANK,30-JUL-15,C,175 7,575	NIFTY,30-JUL-15,P,8000 321,663	HEXAWARE,30-JUL-15,P,260 2,683	
NIFTY,30-JUL-15,C,8800 273648	VOLTAS,30-JUL-15,C,3103 2,217	NIFTY,30-JUL-15,P,8100 304,437	APOLLOTYRE,30-JUL-15,P,1802 3,378	
%OI Gainers (Calls)	%OI Losers (Calls)	%OI Gainers (Puts)	%OI Losers (Puts)	
NIFTY,27-AUG-15,C,7400 10,000	KSCL,30-JUL-15,C,740 -93	INDUSINDBK,30-JUL-15,P,920 3,111	IOC,30-JUL-15,P,420 -62	
INDUSINDBK,30-JUL-15,C,1000 8,033	ORIENTBANK,30-JUL-15,C,175 -54	BANKNIFTY,27-AUG-15,P,19000 480	KOTAKBANK,30-JUL-15,P,720 -60	
KTKBANK,30-JUL-15,C,175 2,218	NIFTY,27-AUG-15,C,9200 -43	SUNPHARMA,30-JUL-15,P,920 405	ADANIIMPORTS,30-JUL-15,P,330 -44	
INDUSINDBK,30-JUL-15,C,980 299	AUROPHARMA,30-JUL-15,C,1700 -43	INDUSINDBK,30-JUL-15,P,900 364	IFCI,30-JUL-15,P,25 -37	
ONGC,30-JUL-15,C,290 219	APOLLOTYRE,30-JUL-15,C,175 -36	APOLLOTYRE,30-JUL-15,P,175 339	TCS,30-JUL-15,P,2350 -35	

Derivatives Lesson: LONG COLLAR STRATEGY

- A collar is an options trading strategy that is constructed by holding shares of the underlying stock while simultaneously buying protective puts and selling call options against that holding. The puts and the calls are both out-of-the-money options having the same expiration month and must be equal in number of contracts.
- Technically, the collar strategy is the equivalent of an out-of-the-money covered call strategy with the purchase of an additional protective put.
- The collar is a good strategy to use if the options trader is writing covered calls to earn premiums but wish to protect him from an unexpected sharp drop in the price of the underlying security.
- $\text{Max Profit} = \text{Strike Price of Short Call} - \text{Purchase Price of Underlying} + \text{Net Premium Received} - \text{Commissions Paid}$
- $\text{Max Loss} = \text{Purchase Price of Underlying} - \text{Strike Price of Long Put} - \text{Net Premium Received} + \text{Commissions Paid}$
- $\text{Breakeven Point} = \text{Purchase Price of Underlying} + \text{Net Premium Paid}$

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

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