



DERIVATIVES

Market Statistics

Product	No. of Contracts	Turnover (Rs.cr)
Index Futures	5,67,094	16,082.47
Vol Futures	0	0
Stock Futures	8,69,427	24,616.92
Index Options	74,37,719	1,70,984.28
Stock Options	4,24,803	12,274.14
F&O Total	92,99,043	2,23,957.81

FII Derivatives Statistics

	OI at end of the day		Inflow /		Outflow
	Buy	Sell	Contract	Amount	
Index futures	3046.93	1535.69	900896	20831.40	1511.24
Index options	12378.64	11623.05	3410248	85847.09	755.59
Stock futures	2861.55	2317.85	1776847	49596.05	543.70
Stock options	1444.25	1506.72	100175	2753.97	-62.47
Net Inflow/Outflow (Cr)				2748.06	

Securities in Ban Period

AMTEKAUTO & INDIACEM

Nifty Future/Option Trading Guide

NIFTY	Short term	Medium term
Support	8330	8180
Resistance	8635	8800

Nifty View for the Day

Now, it has to hold above 8580 zones to witness a buying interest towards 8650 and 8680 levels. However, if it fails to hold 8560 zones then weakness may be seen towards next major support of 8500 and 8480 levels.

1st Quarterly result

ACC & KTKBANK

Activity Tracking

Stocks (Long Position)	Remarks
Pidilite, Bajfinance, Wockpharma Icicibank, Hindpetro, Ceattd Divislab, Axisbank, Castrolind	Suggesting strength in these counter
Stocks (Short Covering)	Remarks
Zeel, Arvind, Apollotyre Ibulhsgfin, Yesbank, BEL Relcapital, Bharatforg, Hindalco	Suggesting strength in these counter
Stocks (Short Position)	Remarks
Justdial, Jswenergy, Biocon Tatamtrdrv, NMDC, Federalbnk SRF, Jindalstel,, Ibrealst	Suggesting weakness in these counter
Stocks (Long Liquidation)	Remarks
Indiacem, Southbank, Ultracemco Rcom, Vedl Jppower	Suggesting weakness in these counter

Activity in F&O

Nifty Future closed positive at 8626.65 levels. Nifty Future OI increased by 4.02% with a rise in price by 0.99%. It closed at a premium of 19 points as compared to premium of 20 points of previous trading session. Market witnessed buying interest across the board especially in Banking and Oil & gas sector stocks. The market turnover increased by 14.12% in terms of number of contracts traded vis-à-vis previous trading day and in terms of rupees it also increased by 17.59%.

Indication & Outlook

Put Call Ratio based on Open Interest of Nifty moved up from 1.14 to 1.19 levels as compared to previous trading session. Historical Volatility of Nifty moved up from 16.50 to 16.65 levels but Implied Volatility fell down from 14.61 to 14.31 levels.

Conclusion

Nifty future opened positive and witnessed buying interest towards 8630 levels. It headed towards highest daily close of last three months and ended the session with the gains of around 90 points. The bulls have managed to hold firm for consecutive four trading sessions. Looking at the option data, maximum Put OI is at 8400 followed by 7900 strike while maximum Call OI is at 8600 followed by 8700 strike. Now, it has to hold above 8580 zones to witness a buying interest towards 8650 and 8680 levels. However, if it fails to hold 8560 zones then weakness may be seen towards next support of 8500 and 8480 levels. Bank nifty futures opened positive and outperformed the broader market. It traded in northward direction throughout the session and managed to end the day with the exorbitant gains of around 350 points. It has to hold above 19200 zones then the up move may be seen towards 19350 then 19500 zones, while on the downside immediate support is seen at 19000 zones.

Future STT Call



CENTURYTEX: Rs. 733

Execution Price Range	Stop Loss	Target
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Buy Between Rs. 721 to Rs. 728	710	753
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CENTURYTEX registered smart recovery after the recent correction and is making higher highs – higher lows on weekly basis with built up of long position. It is holding the gains firmly and also gave the highest daily close of last three months. It is showing the potential to move towards 753 and higher levels. Thus traders can buy the stock with stop loss of 710 for the upside immediate target of 753 levels.

Future STT Call



VEDL: Rs. 144.30

Execution Price Range	Stop Loss	Target
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Sell Between Rs. 146 to Rs. 147.50	150	140
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VEDANTA is trading at one year low levels and has formed a weak structure as it is continuously making lower top – lower bottom price formation. It witnesses selling pressure at every bounce back move. Shorts are intact in the stocks as they are rolling from series to series. One can sell the stock with stop loss of 150 for the downside target of 140 levels.

Graphic Snapshot

<p>%Price Gainers</p> <p>TATACHEM 5.78</p> <p>RECLTD 5.51</p> <p>JSWSTEEL 5.28</p> <p>ADANIPOWER 4.80</p> <p>WOCKPHARMA 4.29</p>	<p>%Price Losers</p> <p>SOUTHBANK -5.79</p> <p>JSWENERGY -2.29</p> <p>IBREALST -2.22</p> <p>TATAMTRDVR -1.54</p> <p>RCOM -1.30</p>	<p>Active Futures</p> <p>NIFTY 418,829</p> <p>BANKNIFTY 196,579</p> <p>AXISBANK 58,417</p> <p>YESBANK 51,868</p> <p>RELIANCE 35,200</p>	<p>%Volume Gainers</p> <p>AXISBANK 292.06</p> <p>PIDILITIND 261.36</p> <p>MINDTREE 251.59</p> <p>ADANIPOWER 249.22</p> <p>DJIA 242.72</p>	<p>% Rollovers</p> <p>ADANIENT 22.74</p> <p>SAIL 15.93</p> <p>L&TFH 12.67</p> <p>IDBI 11.84</p> <p>NTPC 11.55</p>
<p>%OI Gainers</p> <p>MINDTREE 31.97</p> <p>PIDILITIND 21.56</p> <p>BA3FINANCE 12.24</p> <p>WOCKPHARMA 9.45</p> <p>ICICIBANK 9.15</p>	<p>%OI Losers</p> <p>DJIA -22.92</p> <p>KSCL -7.23</p> <p>OIL -6.40</p> <p>ARVIND -6.19</p> <p>APOLLOTYRE -5.65</p>	<p>%Premiums</p> <p>JPASSOCIAT 0.84</p> <p>NHPC 0.79</p> <p>3PPPOWER 0.71</p> <p>GMRINFRA 0.66</p> <p>UNITECH 0.64</p>	<p>%Discounts</p> <p>BATAINDIA -2.73</p> <p>GOOREJIND -2.50</p> <p>TATASTEEL -2.48</p> <p>JSWENERGY -1.77</p> <p>IDFC -1.56</p>	<p>OI % of Mkt. Limit</p> <p>INDIACEM 102.11</p> <p>AMTEKAUTO 94.26</p> <p>CENTURYTEX 86.87</p> <p>JINDALSTEL 66.55</p> <p>CEATLTD 61.38</p>
<p>Options</p> <p>Most Active (Calls)</p> <p>NIFTY,30-JUL-15,C,8600 718537</p> <p>NIFTY,30-JUL-15,C,8700 636691</p> <p>NIFTY,30-JUL-15,C,8800 426003</p> <p>NIFTY,30-JUL-15,C,8500 346782</p> <p>NIFTY,30-JUL-15,C,8900 236355</p>	<p>%Volume gainers (Calls)</p> <p>BANKNIFTY,27-AUG-15,C,20500 18,400</p> <p>AXISBANK,30-JUL-15,C,660 12,614</p> <p>TATACHEM,30-JUL-15,C,490 10,800</p> <p>NIFTY,24-SEP-15,C,9300 4,506</p> <p>KOTAKBANK,30-JUL-15,C,760 3,575</p>	<p>Most Active (Puts)</p> <p>NIFTY,30-JUL-15,P,8500 830,961</p> <p>NIFTY,30-JUL-15,P,8400 808,673</p> <p>NIFTY,30-JUL-15,P,8300 809,680</p> <p>NIFTY,30-JUL-15,P,8600 498,466</p> <p>NIFTY,30-JUL-15,P,8200 323,660</p>	<p>%Volume gainers (Puts)</p> <p>KOTAKBANK,30-JUL-15,P,740 20,100</p> <p>KOTAKBANK,30-JUL-15,P,730 15,400</p> <p>AXISBANK,30-JUL-15,P,620 13,700</p> <p>BANKNIFTY,30-JUL-15,P,19400 12,900</p> <p>BANKNIFTY,30-JUL-15,P,19300 11,633</p>	
<p>%OI Gainers (Calls)</p> <p>BANKNIFTY,27-AUG-15,C,20500 15,700</p> <p>TATACHEM,30-JUL-15,C,500 15,300</p> <p>TATACHEM,30-JUL-15,C,490 2,900</p> <p>TATACHEM,30-JUL-15,C,510 2,300</p> <p>AXISBANK,27-AUG-15,C,6201,060</p>	<p>%OI Losers (Calls)</p> <p>JSWSTEEL,30-JUL-15,C,840 -65</p> <p>HDFC,30-JUL-15,C,1340 -64</p> <p>IFCI,30-JUL-15,C,25 -59</p> <p>IDC,30-JUL-15,C,430 -55</p> <p>TATAMOTORS,27-AUG-15,C,420 -54</p>	<p>%OI Gainers (Puts)</p> <p>TATACHEM,30-JUL-15,P,480 8,400</p> <p>TATACHEM,30-JUL-15,P,490 5,100</p> <p>NIFTY,30-JUL-15,P,8650 3,910</p> <p>AXISBANK,30-JUL-15,P,600 1,948</p> <p>KOTAKBANK,30-JUL-15,P,740 1,680</p>	<p>%OI Losers (Puts)</p> <p>YESBANK,30-JUL-15,P,720 -39</p> <p>YESBANK,30-JUL-15,P,740 -33</p> <p>IDC,30-JUL-15,P,430 -28</p> <p>ASIANPAINT,30-JUL-15,P,760 -25</p> <p>NIFTY,30-JUL-15,P,7600 -24</p>	

Derivatives Lesson: BULL CALL SPREAD

- A bull call spread is constructed by buying a call option, and selling another out-of-the-money (OTM) call option. Often the call with the lower strike price will be in-the-money while the Call with the higher strike price is out-of-the-money. Both calls must have the same underlying security and expiration month.
- The net effect of the strategy is to bring down the cost and breakeven on a Buy Call (Long Call) Strategy. This strategy is exercised when investor is moderately bullish to bullish, because the investor will make a profit only when the stock price / index rise.
- If the stock price falls to the lower (bought) strike, the investor makes the maximum loss (cost of the trade) and if the stock price rises to the higher (sold) strike, the investor makes the maximum profit.
- $\text{Max Profit} = \text{Strike Price of short call} - \text{Strike Price of Long Call} - \text{Net Premium Paid}$
- $\text{Max Loss} = \text{Net Premium Paid} + \text{Commissions Paid}$
- $\text{Breakeven Point} = \text{Strike Price of Purchased Call} + \text{Net Debit Paid}$

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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