



DERIVATIVES

Market Statistics

Product	No. of Contracts	Turnover (Rs.cr)
Index Futures	3,83,810	10,810.31
Vol Futures	0	0
Stock Futures	8,26,571	23,035.76
Index Options	62,14,077	1,41,737.89
Stock Options	4,46,936	12,539.47
F&O Total	78,71,394	1,88,123.42

FII Derivatives Statistics

	OI at end of the day			Inflow / Outflow
	Buy	Sell	Contract Amount	
Index futures	1219.44	955.55	896389 20822.87	263.89
Index options	11242.93	11131.25	3556903 89046.72	111.68
Stock futures	2127.84	2350.99	1787563 49977.41	-223.15
Stock options	1617.29	1642.85	107347 2974.27	-25.56
Net Inflow/Outflow (Cr)				126.85

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

HINDZINC, LICHSGFIN & ULTRACEMCO

Activity Tracking

Stocks (Long Position)	Remarks
Mindtree, Ajantapharma, Bataindia	
Britannia, Tatamtrdvr, Divislab	Suggesting strength in these counter
Mothersumi, Lichsgfin, IGL	
Stocks (Short Covering)	Remarks
Techm, Mleodruss, Titan	
Havells, Adaniports, Ucobank	Suggesting strength in these counter
M&Mfin, Star, Cipla	
Stocks (Short Position)	Remarks
Bajfinance, Tvsmotor, Justdial	
Biocon, Amarajabat, Orientbank	Suggesting weakness in these counter
Wipro, ACC, Ibrealst	
Stocks (Long Liquidation)	Remarks
Axisbank, Castrolind, Yesbank	
HDFC, Wockpharma, UBL	Suggesting weakness in these counter
Zeel, SBIN, Jubifood	

Activity in F&O

Nifty Future closed negative at 8625.05 levels. Nifty Future OI decreased by 0.18% with a marginal fall in price by 0.02%. It closed at a premium of 14 points as compared to premium of 19 points of previous trading session. Market witnessed buying interest Consumer durables, Power and IT sector stocks while selling pressure was seen in Banking, Metal and Realty sector stocks. The market turnover decreased by 15.35% in terms of number of contracts traded vis-à-vis previous trading day and in terms of rupees it also decreased by 16%.

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 firm and witnessed a dizzy session throughout the day. However, it managed to continue the formation of higher highs – higher lows of last five trading session and ended the day with the marginal loss of around 2 points. Looking at the option data, maximum Put OI is at 8500 followed by 7900 strike while maximum Call OI is at 8700 followed by 8600 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 major support of 8500 and 8480 levels. Bank nifty futures opened negative and failed to continue the positive move of last couple of trading sessions. It underperformed the broader market but managed to hold its 19000 levels. It ended the day with the loss of around 70 points. It has to move and 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



LICHSGFIN: Rs. 477

Execution Price Range	Stop Loss	Target
Buy Between Rs. 467 to Rs. 472	460	489

LICHSGFIN is continuously trading in momentum and gave the highest daily close of last ninety one trading sessions. It witnessed built up of long position with an open interest addition of about 30% in this entire series. It is making an attractive price pattern and holding above 467 may take it to 489 and higher levels. One can buy the stock with stop loss of 460 for the upside target of 489 levels.

Future STT Call



WIPRO: Rs. 564

Execution Price Range	Stop Loss	Target
Sell Between Rs. 570 to Rs. 576	584	551

WIPRO has been consolidating in a range of 530 to 580 levels from last three series. Recently, it has turned from the upper band of the trading range and as per the previous price behavior it may go down towards lower band of the trading range. It failed to recover even when the broader market is trading in momentum and witnessing built up of short position. One can sell the stock with stop loss of 584 for the downside target of 551 levels.

Graphic Snapshot

Futures				
%Price Gainers	%Price Losers	Active Futures	%Volume Gainers	% Rollovers
AJANTPHARM 3.55	UNITECH -2.53	NIFTY 287,792	AJANTPHARM 381.03	ADANIENT 23.51
MINDTREE 3.36	HDFC -2.40	BANKNIFTY 94,789	DIVISLAB 251.05	SAIL 16.49
CESC 3.25	ASIANPAINT -2.36	YESBANK 43,719	BRITANNIA 220.24	L&TFH 13.43
RELCAPITAL 3.23	IFCI -1.87	AXISBANK 30,615	TATACOMM 190.49	IDBI 13.36
DIVISLAB 3.15	JUSTDIAL -1.81	TATAMOTORS 29,676	LICHSGFIN 183.43	BATAINDIA 13.04
%OI Gainers	%OI Losers	%Premiums	%Discounts	OI % of Mkt. Limit
MINDTREE 14.79	DJIA -33.81	JPOWER 0.70	TATASTEEL -2.45	INDIACEM 99.89
BAJFINANCE 12.05	S&P500 -16.57	ADANIPOWER 0.67	BATAINDIA -1.98	AMTEKAUTO 93.42
AJANTPHARM 10.32	TECHM -5.58	NHPC 0.52	GODREJIND -1.83	JINDALSTEL 87.84
JUSTDIAL 9.66	MCLEODRUSS -5.04	INDIACEM 0.46	JSWENERGY -1.55	CENTURYTEX 87.54
OFSS 8.16	AXISBANK -4.54	IBREALEST 0.46	CESC -1.33	KTKBANK 86.28
Options				
Most Active (Calls)	%Volume gainers (Calls)	Most Active (Puts)	%Volume gainers (Puts)	
NIFTY,30-JUL-15,C,8700 675531	TATACOMM,30-JUL-15,C,500 11,267	NIFTY,30-JUL-15,P,8500 624,256	RELINFRA,30-JUL-15,P,430 36,900	
NIFTY,30-JUL-15,C,8600 548983	NIFTY,24-SEP-15,C,9400 6,236	NIFTY,30-JUL-15,P,8600 602,854	BHEL,30-JUL-15,P,290 11,400	
NIFTY,30-JUL-15,C,8800 473136	INFY,30-JUL-15,C,1060 4,793	NIFTY,30-JUL-15,P,8400 505,033	ACC,30-JUL-15,P,1420 6,733	
NIFTY,30-JUL-15,C,8900 266495	INFY,30-JUL-15,C,1075 3,281	NIFTY,30-JUL-15,P,8300 294,192	NIFTY,24-SEP-15,P,8700 2,831	
NIFTY,30-JUL-15,C,8500 153789	DIVISLAB,30-JUL-15,C,1900 2,875	NIFTY,30-JUL-15,P,8200 277,848	ACC,30-JUL-15,P,1400 2,162	
%OI Gainers (Calls)	%OI Losers (Calls)	%OI Gainers (Puts)	%OI Losers (Puts)	
NIFTY,24-SEP-15,C,9400 6,970	MINDTREE,30-JUL-15,C,1250 -44	NIFTY,24-SEP-15,P,8700 2,926	INFY,30-JUL-15,P,1020 -65	
INFY,30-JUL-15,C,1060 958	RELINFRA,30-JUL-15,C,410 -42	RELINFRA,30-JUL-15,P,440 594	HDFC,30-JUL-15,P,1350 -54	
NIFTY,24-SEP-15,C,9300 354	TCS,30-JUL-15,C,2450 -37	ACC,30-JUL-15,P,1450 547	COALINDIA,30-JUL-15,P,440 -41	
BEL,30-JUL-15,C,3700 279	LICHSGFIN,30-JUL-15,C,460 -35	ACC,30-JUL-15,P,1460 485	MINDTREE,30-JUL-15,P,1100 -41	
ACC,30-JUL-15,C,1540 260	INFY,30-JUL-15,C,1020 -33	MINDTREE,30-JUL-15,P,1250 382	STAR,30-JUL-15,P,1200 -36	

Derivatives Lesson: LONG BUTTERFLY STRATEGY

- The butterfly spread is a neutral strategy that is a combination of a bull spread and a bear spread. It is a limited profit, limited risk options strategy. There are 3 striking prices involved in a butterfly spread and it can be constructed using calls or puts.
- Long butterfly spreads are entered when the investor thinks that the underlying stock will not rise or fall much by expiration. Using calls, the long butterfly can be constructed by buying one lower striking in-the-money call, writing two at-the-money calls and buying another higher striking out-of-the-money call. A resulting net debit is taken to enter the trade.
- Max Profit = Strike Price of Short Call - Strike Price of Lower Strike Long Call - Net Premium Paid - Commissions Paid
- Max Loss = Net Premium Paid + Commissions Paid
- Upper Breakeven Point = Strike Price of Higher Strike Long Call - Net Premium Paid
- Lower Breakeven Point = Strike Price of Lower Strike Long Call + 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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