



DERIVATIVES

Market Statistics

Product	No. of Contracts	Turnover (Rs.cr)
Index Futures	7,02,328	18,959.82
Vol Futures	0	0
Stock Futures	9,98,942	28,519.41
Index Options	1,04,87,284	2,44,174.52
Stock Options	6,12,582	17,678.00
F&O Total	1,28,01,136	3,09,331.74

FII Derivatives Statistics

	OI at end of the day				Inflow / Outflow
	Buy	Sell	Contract	Amount	
Index futures	1808.54	2103.50	915785	21330.78	-294.96
Index options	15737.40	15021.40	3588073	90347.45	716.00
Stock futures	2869.52	3132.84	1838066	51199.86	-263.32
Stock options	2528.08	2511.07	127598	3497.01	17.02
Net Inflow/Outflow (Cr)					174.74

Securities in Ban Period

AMTEKAUTO & INDIACEM

Nifty Future/Option Trading Guide

NIFTY	Short term	Medium term
Support	8480	8330
Resistance	8720	8800

Nifty View for the Day

Holding above 8650 may give an up move of 40 to 70 points towards 8680 to 8720 levels.

1st Quarterly result

BAJAJ-AUTO, BIOCON, DHFL, GAIL, LUPIN & WIPRO

Activity Tracking

Stocks (Long Position)	Remarks
Castrolind, Arvind, Tatachem	
DHFL, Bajaj-auto, Indusindbk	Suggesting strength in these counter
IRB, Ashokley, Maruti	
Stocks (Short Covering)	Remarks
Sunpharma, OFSS, Tatasteel	
Jswenergy, Yesbank, Asianpaint	Suggesting strength in these counter
IDFC, Tatamdvr, Ibulhsgfn	
Stocks (Short Position)	Remarks
Mothersumi, Lupin, Biocon	
Suntv, TCS, Idea	Suggesting weakness in these counter
Bataindia, INFY	
Stocks (Long Liquidation)	Remarks
Hindzinc, Bhartiartl	
Dabur, Jubfood	Suggesting weakness in these counter
Eichermt	

Activity in F&O

Nifty Future closed positive at 8648 levels. Nifty Future OI increased by 5.60% with a rise in price by 1.21%. It closed at a premium of 15 points as compared to premium of 16 points of previous trading session. Market witnessed buying interest across the board except in IT sector stocks. The market turnover increased by 21% in terms of number of contracts traded vis-à-vis previous trading day and in terms of rupees it also increased by 21.43%.

Indication & Outlook

Put Call Ratio based on Open Interest of Nifty moved up from 1.16 to 1.22 levels as compared to previous trading session. Historical Volatility of Nifty moved up from 15.84 to 16.36 levels and Implied Volatility also moved up from 13.54 to 14.20 levels.

Conclusion

Nifty Future opened negative but witnessed sustained buying interest throughout the session as bulls are back after a correction of last couple of days. Nifty open interest is near to 3 series high with positive price action which indicates that participants are taking fresh long position in expectation of next leg of rally in the market. Looking at the option data, maximum Put OI is at 8500 followed by 8000 strike while maximum Call OI is at 8800 followed by 8700 strike. Now it has to cross and hold above immediate hurdle of 8650 zones to continue the up move towards 8700-8720 zones while if slips below 8560 zones then momentum may fizzle out and bears may drag the index towards immediate support of 8520 then 8480 zones. Bank Nifty also traded in bulls grip in line with the broader after its initial losses made in the opening trade and headed towards 19114 levels. Now it has to continue to hold above 19000 zone to witness an up move towards 19250 then 19350 levels while on the downside major supports seen at 18800 then 18500 zones.

Future STT Call



LICHSGFIN: Rs. 486

Execution Price Range	Stop Loss	Target
Buy Between Rs. 473 to Rs. 478	466	495

LICHSGFIN is continuously trading in momentum and gave the highest daily close of last ninety three trading sessions. It witnessed built up of long position with an open interest addition of about 25% in this entire series. It is making an attractive price pattern and holding above 473 may take it to 495 and higher levels. One can buy the stock with stop loss of 466 for the upside target of 495 levels.

Future STT Call



JINDALSTEL: Rs. 77.50

Execution Price Range	Stop Loss	Target
Sell Between Rs. 79.50 to Rs. 80.50	82	76

JINDALSTEL is trading at seven years lowest levels and continuously making lower top – lower bottom formation. It is in bear market and has formed a weak structure as witnessing sustained selling pressure at every small bounce back move. It failed to recover even after recovery in the broader market thus indicating further weakness in the counter. Shorts are intact in the stocks as they are rolling from series to series. One can sell the stock with stop loss of 82 for the downside target of 76 levels.

Graphic Snapshot

Futures				
%Price Gainers	%Price Losers	Active Futures	%Volume Gainers	% Rollovers
IBREALEST 8.44	LUPIN -3.18	NIFTY 553,014	BAJFINANCE 488.70	ADANIEN 31.8
IBULHSGFIN 7.63	IDEA -1.72	BANKNIFTY 147,979	DJIA 436.25	TATACHEM 24.81
ARVIND 6.66	SUNTV -1.46	RELIANCE 66,154	JSWENERGY 211.75	SAIL 22.98
ZEEL 5.14	BHARTIARTL -1.34	INFY 38,879	RELIANCE 205.79	APOLLOTYRE 21.22
TATACHEM 5.02	TCS -1.26	SUNPHARMA 35,332	SUNTV 145.78	IDBI 18.79
%OI Gainers	%OI Losers	%Premiums	%Discounts	OI % of Mkt. Limit
MOTHERSUMI 24.70	S&P500 -15.64	JPOWER 0.73	TATASTEEL -2.62	JINDALSTEL 92.93
CASTROLIND 19.95	SUNPHARMA -6.95	IFCI 0.59	IDFC -1.82	CEATLTD 92.47
ARVIND 16.26	OFSS -6.01	ADANIPOWER 0.52	TATAGLOBAL -1.25	INDIACEM 90.96
TATACHEM 13.45	CNXIT -5.89	NHPC 0.52	MCLEODRUSS -1.16	CENTURYTEX 90.75
DHFL 12.97	TATASTEEL -5.38	DABUR 0.49	GODREJIND -1.15	KTKBANK 88.23
Options				
Most Active (Calls)	%Volume gainers (Calls)	Most Active (Puts)	%Volume gainers (Puts)	
NIFTY,30-JUL-15,C,8700 1154697	VEDL,30-JUL-15,C,130 65,600	NIFTY,30-JUL-15,P,8500 1,269,148	HINDPETRO,30-JUL-15,P,900 38,400	
NIFTY,30-JUL-15,C,8600 1145380	NIFTY,24-SEP-15,C,9400 16,970	NIFTY,30-JUL-15,P,8600 1,020,596	RELIANCE,30-JUL-15,P,1060 13,700	
NIFTY,30-JUL-15,C,8800 679168	LT,27-AUG-15,C,1850 14,000	NIFTY,30-JUL-15,P,8400 857,779	INDUSINDBK,30-JUL-15,P,960 6,450	
NIFTY,30-JUL-15,C,8500 470837	RELIANCE,30-JUL-15,C,1160 13,700	NIFTY,30-JUL-15,P,8300 578,971	LUPIN,30-JUL-15,P,1600 4,175	
NIFTY,30-JUL-15,C,8900 231346	NIFTY,27-AUG-15,C,7700 12,733	NIFTY,30-JUL-15,P,8200 323,718	SUNPHARMA,27-AUG-15,P,820 3,206	
%OI Gainers (Calls)	%OI Losers (Calls)	%OI Gainers (Puts)	%OI Losers (Puts)	
VEDL,30-JUL-15,C,130 9,850	RPOWER,30-JUL-15,C,42.5 -63	ZEEL,30-JUL-15,P,400 27,500	BANKNIFTY,30-JUL-15,P,18100 -59	
BAJAJ-AUTO,30-JUL-15,C,2800 2,713	IBULHSGFIN,30-JUL-15,C,680 -60	BANKNIFTY,27-AUG-15,P,18600 3,367	TATACHEM,30-JUL-15,P,480 -46	
BANKNIFTY,27-AUG-15,C,20800 2,200	SUNPHARMA,30-JUL-15,C,800 -55	SUNPHARMA,27-AUG-15,P,820 3,186	SUNPHARMA,30-JUL-15,P,700 -45	
SKSMICRO,30-JUL-15,C,600 1,200	ZEEL,30-JUL-15,C,390 -48	INDUSINDBK,30-JUL-15,P,960 2,157	IOC,27-AUG-15,P,430 -44	
SUNPHARMA,27-AUG-15,C,820 1,039	SUNPHARMA,30-JUL-15,C,820 -44	HINDPETRO,30-JUL-15,P,900 1,475	LUPIN,30-JUL-15,P,1900 -42	

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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