



### DERIVATIVES

#### Market Statistics

Product	No. of Contracts	Turnover (Rs.cr)
Index Futures	3,12,881	8,808.05
Vol Futures	0	0
Stock Futures	8,49,314	25,084.11
Index Options	37,07,439	86,112.05
Stock Options	4,51,575	13,054.46
<b>F&amp;O Total</b>	<b>53,21,209</b>	<b>1,33,058.66</b>

#### FII Derivatives Statistics

	OI at end of the day				Inflow / Outflow
	Buy	Sell	Contract	Amount	
Index futures	489.07	404.21	658456	15692.28	84.86
Index options	6012.95	5770.31	2632223	70398.27	242.64
Stock futures	2095.54	2597.71	1818342	50999.52	-502.18
Stock options	1649.32	1633.04	108611	3038.31	16.28
<b>Net Inflow/Outflow (Cr)</b>					<b>-158.39</b>

#### Securities in Ban Period

AMTEKAUTO & IBREALST

#### Nifty Future/Option Trading Guide

NIFTY	Short term	Medium term
Support	8440	8330
Resistance	8650	8800

#### Nifty View for the Day

It has to hold above 8600 levels to head towards 8650-8660 levels.

#### 1<sup>st</sup> Quarterly result

ADANIPOWER, ADANIPOWER, ENGINEERS INDIA, HDIL, POWERGRID, JAIN IRRIGATION AND WOCKPHARMA

#### Activity Tracking

Stocks (Long Position)	Remarks
IOC, Amarajabat, KSCL	
BPCL, Hindpetro, DLF	Suggesting strength in these counter
Tatacomm, Crompgreav, CeatLtd	
Stocks (Short Covering)	Remarks
ONGC, Tatamtrdvr, Exideind	
Britannia, Hexaware, Titan	Suggesting strength in these counter
CESC, Sunpharma, Infy	
Stocks (Short Position)	Remarks
BHEL, CoalIndia, IRB	
Adanient, Justdial, Suntv	Suggesting weakness in these counter
Mcleodruss, JSWenergy, M&M	
Stocks (Long Liquidation)	Remarks
UnionBank, Ibrealst, Bankbaroda	
Zeel, Canbk, IOB	Suggesting weakness in these counter
Lichsgfin, PNB, DishTv	

#### Activity in F&O

Nifty August Future closed negative at 8594.1 levels. Nifty Future OI decreased by 0.12% with a fall in price by 0.24%. It closed at a premium of 30 points as compared to premium of 26 points of previous trading session. Market witnessed buying interest in Oil & Gas and Consumer Durables sector stocks while selling pressure was seen in Power, Banking, Capital Goods, Realty and Health Care sector stocks. The market turnover decreased by 15.69% in terms of number of contracts traded vis-à-vis previous trading day and in terms of rupees it also decreased by 15%.

#### Indication & Outlook

Put Call Ratio based on Open Interest of Nifty remained unchanged at 0.99 levels as compared to previous trading session. Historical Volatility of Nifty fell down from 16.19 to 15.74 levels and Implied Volatility also fell down from 13.76 to 13.61 levels.

#### Conclusion

Nifty Future witnessed a range bound session as it closed flattish near to 8600 after moving 20-25 points high and low from opening levels. It traded inside the trading range of last session and finally closed the day with the loss of around 16 points. On the Option front, maximum Put OI is at 8200 followed by 8300 strike whereas maximum Call OI is at 8800 followed by 9000 strike. Now it has to continue to hold above 8600 zones to witness an up move towards 8650-8660 zones. On the downside if it fails to hold 8560-8550 zones then momentum may fizzle out and index may go down towards 8500-8480 zones. Traders needs to be cautious as it is turning from the upper band of the trading range with the hurdle of 8650 zones. Bank Nifty underperformed the Nifty index as closed below 19000 zones after the up move of last couple of sessions. It has to hold above 19000 zone to witness an up move towards 19150-19250 zones while on the downside support exists at around 18800 then 18650 levels.

Future STT Call



**BPLCL : Rs. 963**

Execution Price Range	Stop Loss	Target
Buy Between Rs. 944 to Rs. 954	930	987

BPLCL has again started to move after the recent price and time consolidation of last two weeks. Overall trend of the stock is positive and fresh buying interest seen in all the oil marketing companies with higher trading volumes. We have seen better rollover and now fresh longs are also suggesting that stock has potential to test its life time high territory. Traders can buy the stock with stop loss of 930 for the upside target of 987 levels.

Future STT Call



**GLENMARK : Rs. 1017**

Execution Price Range	Stop Loss	Target
Sell Between Rs. 1032 to Rs. 1042	1055	1001

GLENMARK is witnessing selling pressure after the recent bounce back move from 930 to 1050 levels. It has failed to hold 1050 and broken the immediate support of 1025 levels. We have seen fresh built up of short position and weakness may drag stock to 1001 and 980 levels. Traders can sell the stock with stop loss of 1055 for the downside target of 1001 levels.

Graphic Snapshot

Futures

%Price Gainers		%Price Losers		Active Futures		%Volume Gainers		% Rollovers	
HINDPETRO	6.80	BHEL	-7.02	NIFTY	232,634	BHEL	773.83	S&P500	100
CEATLTD	4.55	MOTHERSUMI	-5.83	BANKNIFTY	79,654	M&M	308.32	DJIA	84.66
ONGC	4.35	ADANIANT	-4.98	BHEL	49,424	GRASIM	269.62	GRASIM	17.8
CROMPGREAV	3.53	COALINDIA	-3.72	TATAMOTORS	46,149	HINDPETRO	263.40	NHPCI	1.85
KTKBANK	3.47	GLENMARK	-3.44	M&M	28,946	ONGC	234.49	TECHM	11.1
%OI Gainers		%OI Losers		%Premiums		%Discounts		OI % of Mkt. Limit	
MOTHERSUMI	32.51	STAR	-10.60	JPOWER	1.25	DLF	-1.15	IBREALEST	100.01
BHEL	16.40	ONGC	-9.72	JPASSOCIAT	0.84	BHEL	-1.03	AMTEKAUTO	98.32
DJIA	14.85	S&P500	-7.76	RCOM	0.68	TITAN	-0.84	HEXAWARE	80.88
COALINDIA	13.67	BANKNIFTY	-6.23	UNITECH	0.64	BATAINDIA	-0.80	JPASSOCIAT	77.87
IOC	11.54	CNXIT	-6.23	SUNTV	0.61	GAIL	-0.67	INDIACEM	77.8

Options

Most Active (Calls)		%Volume gainers (Calls)		Most Active (Puts)		%Volume gainers (Puts)	
NIFTY,27-AUG-15,C,8600	396202	BHEL,27-AUG-15,C,260	91,550	NIFTY,27-AUG-15,P,8500	399,636	BHEL,27-AUG-15,P,240	38,322
NIFTY,27-AUG-15,C,8700	388004	M&M,27-AUG-15,C,1480	36,700	NIFTY,27-AUG-15,P,8400	296,437	BHEL,27-AUG-15,P,250	8,665
NIFTY,27-AUG-15,C,8800	285648	BHEL,27-AUG-15,C,270	31,194	NIFTY,27-AUG-15,P,8600	273,046	MOTHERSUMI,27-AUG-15,P,320	7,475
NIFTY,27-AUG-15,C,8900	210206	GRASIM,27-AUG-15,C,3900	12,900	NIFTY,27-AUG-15,P,8300	185,890	M&M,27-AUG-15,P,1400	6,000
NIFTY,27-AUG-15,C,9000	114988	COALINDIA,27-AUG-15,C,4201	1,550	NIFTY,27-AUG-15,P,8200	162,861	HINDPETRO,27-AUG-15,P,940	5,713
%OI Gainers (Calls)		%OI Losers (Calls)		%OI Gainers (Puts)		%OI Losers (Puts)	
BHEL,27-AUG-15,C,260	2,652	ADANIANT,27-AUG-15,C,125	-50	HINDPETRO,27-AUG-15,P,960	23,400	ARVIND,27-AUG-15,P,310	-42
MOTHERSUMI,27-AUG-15,C,350	1,465	ARVIND,27-AUG-15,C,360	-39	BHEL,27-AUG-15,P,210	5,300	UNIONBANK,27-AUG-15,P,210	-39
MOTHERSUMI,27-AUG-15,C,360	415	BRITANNIA,27-AUG-15,C,3400	-39	BHEL,27-AUG-15,P,240	2,055	MOTHERSUMI,27-AUG-15,P,370	-38
M&M,27-AUG-15,C,1520	389	HINDUNILVR,27-AUG-15,C,920	-36	M&M,27-AUG-15,P,1420	1,750	UNIONBANK,27-AUG-15,P,195	-33
SKSMICRO,27-AUG-15,C,560	284	COLPAL,27-AUG-15,C,2100	-32	HINDPETRO,27-AUG-15,P,980	1,400	ARVIND,27-AUG-15,P,300	-30

**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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