



### DERIVATIVES

#### Market Statistics

Product	No. of Contracts	Turnover (Rs.cr)
Index Futures	5,78,348	16,062.57
Vol Futures	2	0.19
Stock Futures	9,61,415	28,353.66
Index Options	69,21,481	1,60,028.13
Stock Options	6,43,010	18,879.62
<b>F&amp;O Total</b>	<b>91,04,256</b>	<b>2,23,324.18</b>

#### FII Derivatives Statistics

	OI at end of the day				Inflow / Outflow
	Buy	Sell	Contract	Amount	
Index futures	858.28	1716.02	678143	15983.30	-857.74
Index options	12898.13	11640.71	2733594	71969.50	1257.43
Stock futures	2503.34	2594.58	1845063	50937.50	-91.24
Stock options	2838.83	2869.74	119419	3245.42	-30.91
	<b>Net Inflow/Outflow (Cr)</b>				<b>277.54</b>

#### Securities in Ban Period

AMTEKAUTO & IBREALEST

#### Nifty Future/Option Trading Guide

NIFTY	Short term	Medium term
Support	8330	8181
Resistance	8550	8650

#### Nifty View for the Day

Till it holds below 8550 zones weakness may continue in the market towards 8400-8380 and even lower levels.

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

ABIRLANUVO, ASHOKLEY, AUROPHARMA, COALINDIA, IDBI, JINDALSTEL, OIL, RELINFRA & VOLTAS

#### Activity Tracking

Stocks (Long Position)	Remarks
Mothersumi, Ajantpharm, Cipla	
Zeel, TCS, Boschltd	Suggesting strength in these counter
Techm, Rpower, Cankbk	
Stocks (Short Covering)	Remarks
Mindtree, Glenmark, Divislab	
Ibrealst, M&Mfin, Infy	Suggesting strength in these counter
Gail, IFCI, Hcltech	
Stocks (Short Position)	Remarks
Tvsmotor, Apollotyre, SBIN	
Sksmicro, IOB, Coalindia	Suggesting weakness in these counter
Tatasteel, KSCL, BPCL	
Stocks (Long Liquidation)	Remarks
Ceatltd, MRF, DLF	
Pidilite, Hindzinc, Oil	Suggesting weakness in these counter
Castrolind, Colpal, Asianpaint	

#### Activity in F&O

Nifty August Future closed negative at 8490.80 levels. Nifty Future OI decreased marginally by 0.01% with a fall in price by 0.63%. It closed at a premium of 28 points as compared to premium of 19 points of previous trading session. Market witnessed selling pressure across the board except in IT sector stocks. The market turnover increased by 22.55% in terms of number of contracts traded vis-à-vis previous trading day and in terms of rupees it also increased by 24.93%.

#### Indication & Outlook

Put Call Ratio based on Open Interest of Nifty fell down from 0.98 to 0.92 levels as compared to the previous trading session. Historical Volatility of Nifty fell down from 15.50 to 15.31 levels but Implied Volatility moved up from 13.97 to 14.73 levels.

#### Conclusion

Nifty future opened flattish and continued trading in the bears grip for third consecutive session. It fell down towards 8460 levels and settled the day with the loss of around 50 points. Now it has to cross and hold above 8500 zones for the bulls to regain their strength and pull the market towards 8550 then 8580 levels, while if it fails to hold 8460 levels then profit booking may drag the index towards 8400-8380 levels. Traders need to be cautious as the index failed to cross the hurdle of 8650 levels and has been drifting towards the lower band of the trading range. On the Option front, maximum Put OI is at 8200 followed by 8300 strike whereas maximum Call OI is at 8800 followed by 8700 strike. Bank Nifty traded in line with the broader market as it failed to hold the support of 18800 levels and plunged towards 18600 levels. Now, it has to hold above 18650 zones to move towards 18800 zones while on the downside support exists at around 18400 levels.

Future STT Call



**TATA MOTORS : Rs. 370**

Execution Price Range	Stop Loss	Target
Sell Between Rs. 376 to Rs. 380	386	362

TATAMOTORS has corrected sharply in last six series and is making lower top - lower bottom formation. It has formed a weak structure and witnesses selling pressure at every bounce back with built up of short position. It has been witnessing fresh call writing at 390 and 400 strikes which also support our negative view in the counter. One can sell the stock with stop loss of 386 for the downside target of 362 levels.

Future STT Call



**BANKINDIA : Rs. 164**

Execution Price Range	Stop Loss	Target
Sell Between Rs. 165 to Rs. 167	170	158

BANKINDIA has marked multiple hurdles at 178-185 zones and has been making lower highs - lower lows from last seven series. It has added huge short positions with shorts rollover and again finding pressure after the recent bounce back move. Thus one can sell the stock with a stop loss of 170 levels for the downside target of 158 levels.

Graphic Snapshot

Futures				
<b>%Price Gainers</b>	<b>%Price Losers</b>	<b>Active Futures</b>	<b>%Volume Gainers</b>	<b>% Rollovers</b>
AJANTPHARM 3.99	APOLLOTYRE -12.73	NIFTY 431,892	BOSCHLTD 578.26	DJIA 68.86
DIVISLAB 3.66	JISLJALEQS -8.58	BANKNIFTY 145,258	IFCI 478.99	GRASIM 18.47
BOSCHLTD 2.62	ENGINEERSIN -6.57	SBIN 111,663	APOLLOTYRE 474.27	NHPC 12.54
INFY 2.56	TATAMTRDVR -5.55	TATAMOTORS 33,855	MRF 302.83	TECHM 11.66
RPOWER 2.41	AMTEKAUTO -5.42	APOLLOTYRE 25,756	SBIN 293.21	RELCAPITAL 11.63
<b>%OI Gainers</b>	<b>%OI Losers</b>	<b>%Premiums</b>	<b>%Discounts</b>	<b>OI % of Mkt. Limit</b>
CNXIT 12.65	DJIA -48.06	UNITECH 1.30	BATAINDIA -1.65	AMTEKAUTO 95.87
TVSMOTOR 11.81	MINDTREE -16.55	JPOWER 0.68	DLF -1.25	IBREALST 91.19
APOLLOTYRE 10.64	UPL -9.56	ADANIPTS 0.63	GAIL -0.90	INDIACEM 85.35
SBIN 10.63	CEATLTD -9.39	IFCI 0.61	SAIL -0.86	HEXAWARE 78.91
SKSMICRO 10.16	MRF -9.38	BPCL 0.61	TITAN -0.76	JPASSOCIAT 77.14
Options				
<b>Most Active (Calls)</b>	<b>%Volume gainers (Calls)</b>	<b>Most Active (Puts)</b>	<b>%Volume gainers (Puts)</b>	
NIFTY,27-AUG-15,C,8600 843476	SKSMICRO,27-AUG-15,C,540 25,600	NIFTY,27-AUG-15,P,8500 702,150	APOLLOTYRE,27-AUG-15,P,185 46,300	
NIFTY,27-AUG-15,C,8700 658070	APOLLOTYRE,27-AUG-15,C,190 24,920	NIFTY,27-AUG-15,P,8400 580,327	APOLLOTYRE,27-AUG-15,P,160 20,800	
NIFTY,27-AUG-15,C,8500 460541	APOLLOTYRE,27-AUG-15,C,200 24,880	NIFTY,27-AUG-15,P,8300 466,192	APOLLOTYRE,27-AUG-15,P,170 9,533	
NIFTY,27-AUG-15,C,8800 457884	JISLJALEQS,27-AUG-15,C,72.5 17,700	NIFTY,27-AUG-15,P,8200 359,411	HINDALCO,27-AUG-15,P,102.5 8,150	
NIFTY,27-AUG-15,C,8900 246413	ENGINEERSIN,27-AUG-15,C,230 16,700	NIFTY,27-AUG-15,P,8600 209,791	APOLLOTYRE,27-AUG-15,P,180 7,648	
<b>%OI Gainers (Calls)</b>	<b>%OI Losers (Calls)</b>	<b>%OI Gainers (Puts)</b>	<b>%OI Losers (Puts)</b>	
JISLJALEQS,27-AUG-15,C,72.5 3,133	BANKNIFTY,27-AUG-15,C,20200 -60	APOLLOTYRE,27-AUG-15,P,175 1,500	GLENMARK,27-AUG-15,P,1000 -67	
APOLLOTYRE,27-AUG-15,C,185 3,050	INFY,27-AUG-15,C,1060 -59	APOLLOTYRE,27-AUG-15,P,165 1,300	APOLLOTYRE,27-AUG-15,P,205 -48	
SKSMICRO,27-AUG-15,C,540 1,340	APOLLOTYRE,27-AUG-15,C,245 -38	SYNDIBANK,27-AUG-15,P,102.5 483	APOLLOTYRE,27-AUG-15,P,195 -47	
APOLLOTYRE,27-AUG-15,C,190 1,221	GLENMARK,27-AUG-15,C,1060 -30	NIFTY,27-AUG-15,P,8150 363	BANKBARODA,27-AUG-15,P,180 -44	
APOLLOTYRE,27-AUG-15,C,195 1,027	APOLLOTYRE,27-AUG-15,C,235 -30	JINDALSTEL,27-AUG-15,P,85 346	BANKNIFTY,27-AUG-15,P,18100 -41	

**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.
- $\text{Max Profit} = \text{Strike Price of Short Call} - \text{Strike Price of Lower Strike Long Call} - \text{Net Premium Paid} - \text{Commissions Paid}$
- $\text{Max Loss} = \text{Net Premium Paid} + \text{Commissions Paid}$
- $\text{Upper Breakeven Point} = \text{Strike Price of Higher Strike Long Call} - \text{Net Premium Paid}$
- $\text{Lower Breakeven Point} = \text{Strike Price of Lower Strike Long Call} + \text{Net Premium Paid}$

**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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