



### DERIVATIVES

#### Market Statistics

Product	No. of Contracts	Turnover (Rs.cr)
Index Futures	6,19,546	16,718.29
Vol Futures	0	0
Stock Futures	9,51,765	27,128.52
Index Options	90,64,325	2,06,741.05
Stock Options	5,81,227	17,006.26
<b>F&amp;O Total</b>	<b>1,12,16,863</b>	<b>2,67,594.13</b>

#### FII Derivatives Statistics

	OI at end of the day			Inflow / Outflow
	Buy	Sell	Contract Amount	
Index futures	1405.29	2006.11	600211 14410.72	-600.82
Index options	15837.49	15287.56	2938798 77017.84	549.93
Stock futures	2628.60	2665.93	1913149 52640.91	-37.33
Stock options	2742.19	2745.41	147308 3998.85	-3.22
<b>Net Inflow/Outflow (Cr)</b>				<b>-91.44</b>

#### Securities in Ban Period

AMTEKAUTO

#### Nifty Future/Option Trading Guide

NIFTY	Short term	Medium term
Support	8440	8315
Resistance	8635-8650	8800

#### Nifty View for the Day

Now, if it holds above 8520 zones buying interest may be witnessed towards 8580 then 8635 levels.

#### Quote for the day

EVERY ACCOMPLISHMENT STARTS WITH THE DECISION TO TRY.

#### Activity Tracking

Stocks (Long Position)	Remarks
Pidilite, Jswsteel, Mindtree	
IDBI, Apollohosp, Canbk	Suggesting strength in these counter
Bankbaroda, Oil, Ucobank	
Stocks (Short Covering)	Remarks
Amarajabat, SBIN, Unionbank	
Apollotyre, Gail, Albk	Suggesting strength in these counter
IRB, OFSS, Bankinda	
Stocks (Short Position)	Remarks
KSCL, Cipla, Axisbank	
BPCL, Britannia, Petronet	Suggesting weakness in these counter
Hindalco, Relcapital, Vedl	
Stocks (Long Liquidation)	Remarks
DLF, M&M, drreddy	
Enginersin, Infy, Indusindbk	Suggesting weakness in these counter
Amtekauto, Heromotoco, Wockpharma	

#### Activity in F&O

Nifty August Future closed negative at 8488.05 levels. Nifty Future OI decreased by 2.5% with a rise in price by 0.6%. It closed at a premium of 11 points as compared to premium of 24 points of previous trading session. Market witnessed buying interest in Consumer durables, Metals and Banking sector stocks while selling pressure was seen in Realty, Oil & Gas, Power and FMCG sector stocks. The market turnover decreased by 6.07% in terms of number of contracts traded vis-à-vis previous trading day and in terms of rupees it also decreased by 7.09%.

#### Indication & Outlook

Put Call Ratio based on Open Interest of Nifty fell down from 1 to 0.95 level as compared to the previous trading session. Historical Volatility of Nifty fell down from 17.84 to 17.56 levels but Implied Volatility moved up from 15.28 to 16.15 levels.

#### Conclusion

Nifty future opened negative and failed to hold its 8500 levels. It witnessed a directionless move as bulls and bears both traded actively to drag the index on either side. However, it ended the day with the loss of around 60 points. Now till it sustains above 8480 zones buying interest may continue till 8550-8580 zones. However, if it fails to hold 8480 zones then profit booking may be seen towards next support of 8440 and 8400 levels. On the Option front, maximum Put OI is at 8200 followed by 8300 strike whereas maximum Call OI is at 8700 followed by 8600 strike. Bank Nifty opened positive and continued its positive move of previous session. It outperformed the broader market and ended the day with the gains of around 40 points. Now it has to hold above 18800 levels to move towards 19000 levels while the support exists at around 18650 then 18400 levels.

Future STT Call



**AUROPHARMA : Rs. 783**

Execution Price Range	Stop Loss	Target
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Buy Between Rs. 768 to Rs. 775      755      804

AUROPHARMA is simply holding the support base with fresh built up of long position. It has been making higher highs- higher lows from last two trading sessions and set to start next leg of rally as per its recent price behavior. Thus, it is showing the strength to move towards 804 and higher levels. So we are recommending to trade long with stop loss of 755 for upside target of 804 levels.

Future STT Call



**TATAPOWER : Rs. 68.65**

Execution Price Range	Stop Loss	Target
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Buy Between Rs. 70 to Rs. 71      72      67.50

TATAPOWER is continuously trading in weakness from last one year and witnessing selling pressure at every minor attempt to bounce back. It is trading at one year low levels and has been making lower top – lower bottom formation. It has added huge short positions with shorts rollover from last series to current series and it has broken all its support levels which indicate that the stock is totally in bears grip. One can sell the stock with stop loss of 72 for the downside target of 67.50 levels.

Graphic Snapshot

Futures				
<b>%Price Gainers</b>	<b>%Price Losers</b>	<b>Active Futures</b>	<b>%Volume Gainers</b>	<b>% Rollovers</b>
BANKBARODA 14.76	KSCL -16.81	NIFTY 480,902	KSCL 270.77	DJIA 66.55
CANBK 12.04	AMTEKAUTO -11.96	BANKNIFTY 137,954	BANKBARODA 192.64	GRASIM 19.06
BANKINDIA 8.69	CIPLA -5.08	SBIN 58,663	AMTEKAUTO 173.63	RELCAPITAL 15.79
AMARAJABAT 8.10	UNITECH -4.73	BANKBARODA 40,525	CANBK 135.36	SAIL 15.76
JSWSTEEL 7.49	JUBLFOOD -3.57	CANBK 28,728	JSWSTEEL 128.43	NHPC 14.35
<b>%OI Gainers</b>	<b>%OI Losers</b>	<b>%Premiums</b>	<b>%Discounts</b>	<b>OI % of Mkt. Limit</b>
KSCL 36.28	DJIA -17.57	JPASSOCIAT 0.98	NMDC -0.96	INDIACEM 92.52
PIDILITIND 14.29	AMARAJABAT -12.08	IBREALEST 0.87	TITAN -0.86	AMTEKAUTO 91.78
CIPLA 10.05	UNIONBANK -10.90	JPOWER 0.72	GAIL -0.85	RELCAPITAL 87.26
JSWSTEEL 7.62	SBIN -7.69	UNITECH 0.71	AMTEKAUTO -0.83	JINDALSTEL 86.72
MINDTREE 7.20	DLF -6.88	SOUTHBANK 0.65	CANBK -0.79	JISLJALEQS 83.3
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 1021564	BANKBARODA,27-AUG-15,C,220 24,789	NIFTY,27-AUG-15,P,8400 958,656	BANKBARODA,27-AUG-15,P,200 71,025	
NIFTY,27-AUG-15,C,8500 978623	CANBK,27-AUG-15,C,370 22,200	NIFTY,27-AUG-15,P,8500 714,411	CANBK,27-AUG-15,P,340 47,200	
NIFTY,27-AUG-15,C,8700 781082	BANKBARODA,27-AUG-15,C,230 19,560	NIFTY,27-AUG-15,P,8300 704,359	JSWSTEEL,27-AUG-15,P,940 39,100	
NIFTY,27-AUG-15,C,8800 427205	BANKBARODA,27-AUG-15,C,215 16,400	NIFTY,27-AUG-15,P,8200 539,831	BANKINDIA,27-AUG-15,P,180 23,833	
NIFTY,27-AUG-15,C,8400 255145	CANBK,27-AUG-15,C,36010 10,050	NIFTY,27-AUG-15,P,8100 283,964	CIPLA,24-SEP-15,P,7601 1,600	
<b>%OI Gainers (Calls)</b>	<b>%OI Losers (Calls)</b>	<b>%OI Gainers (Puts)</b>	<b>%OI Losers (Puts)</b>	
NIFTY,29-OCT-15,C,9400 7,525	AMARAJABAT,27-AUG-15,C,1000 -64	ONGC,24-SEP-15,P,250 18,600	HINDALCO,27-AUG-15,P,92.5 -55	
KSCL,27-AUG-15,C,600 3,429	CANBK,24-SEP-15,C,340 -59	BANKBARODA,27-AUG-15,P,205 12,050	DLF,27-AUG-15,P,135 -44	
BANKBARODA,27-AUG-15,C,235 1,833	NIFTY,24-SEP-15,C,7700 -55	CIPLA,24-SEP-15,P,760 11,500	DRREDDY,27-AUG-15,P,4250 -42	
SBIN,29-OCT-15,C,300 1,818	BANKBARODA,27-AUG-15,C,185 -52	BANKBARODA,27-AUG-15,P,200 7,445	INFY,27-AUG-15,P,1160 -39	
BANKBARODA,27-AUG-15,C,230 1,226	BANKBARODA,27-AUG-15,C,180 -52	CANBK,27-AUG-15,P,340 4,333	CIPLA,27-AUG-15,P,720 -37	

**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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