



DERIVATIVES

Market Statistics

Product	No. of Contracts	Turnover (Rs.cr)
Index Futures	4,11,967	11,485.35
Vol Futures	0	0
Stock Futures	9,44,766	27,858.44
Index Options	45,77,930	1,05,580.85
Stock Options	4,36,188	13,041.09
F&O Total	63,70,851	1,57,965.73

FII Derivatives Statistics

	OI at end of the day				Inflow / Outflow
	Buy	Sell	Contract	Amount	
Index futures	1312.17	713.86	643185	15426.10	598.31
Index options	7509.63	7070.65	2511138	67422.94	438.98
Stock futures	2933.89	2706.35	1795430	50426.56	227.55
Stock options	1517.23	1480.17	87177	2416.66	37.06
Net Inflow/Outflow (Cr)					1301.90

Securities in Ban Period

AMTEKAUTO

Nifty Future/Option Trading Guide

NIFTY	Short term	Medium term
Support	8440	8330
Resistance	8650	8800

Nifty View for the Day

It has to cross and hold above 8580 levels else bears may get the grip on the market. On upside crucial hurdle is at around 8635-8650 zones.

1st Quarterly result

ARVIND, MOTHERSUMI, OFSS, SRF & TATAGLOBAL

Activity Tracking

Stocks (Long Position)	Remarks
Unionbank, Mothersumi, Dabur Ibrealst, Unitech, DLF Divislab, Siemens, Drreddy	Suggesting strength in these counter
Stocks (Short Covering)	Remarks
Bharatforg, Syndibank, Eichermt Tatasteel, Mindtree, Adanient Ajantapharm, Star, UPL	Suggesting strength in these counter
Stocks (Short Position)	Remarks
Hexaware, Arvind, Apollotyre Tatamotors, Recltd, Mcleodruss Bajfinance, Canbk, Jswenergy	Suggesting weakness in these counter
Stocks (Long Liquidation)	Remarks
Britannia, Colpal, Exideind Icicibank, SBIN, IOB BEL, Ashokley, Hindpetro	Suggesting weakness in these counter

Activity in F&O

Nifty August Future closed positive at 8592.65 levels. Nifty Future OI increased by 4.02% with a rise in price by 0.53%. It closed at a premium of 25 points as compared to premium of 31 points of previous trading session. Market witnessed buying interest in FMCG, Healthcare, Auto and IT sector stocks while selling pressure was mainly seen in Banking sector stocks. The market turnover decreased by 35.75% in terms of number of contracts traded vis-à-vis previous trading day and in terms of rupees it also decreased by 35.45%.

Indication & Outlook

Put Call Ratio based on Open Interest of Nifty moved up from 0.92 to 0.96 levels as compared to previous trading session. Historical Volatility of Nifty fell down from 16.99 to 16.65 levels and Implied Volatility also fell down from 13.88 to 13.71 levels.

Conclusion

Nifty future opened positive and managed to head towards 8618 levels after the recent volatile move post RBI policy. Bulls supported the index at every minor decline and managed to end the session with the gains of around 50 points. Now it has to hold above 8580 levels to witness buying interest towards 8635 and 8650 levels. However, if it fails to maintain its 8550 levels then it may drift towards 8500-8480 zones. 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. Bank Nifty failed to continue the positive move of last couple of trading sessions and underperformed the broader market but managed to hold its 19000 levels. It ended the day with the minor loss of around 25 points. Now it needs to continue to hold above 19000 levels to move up towards 19250 levels while on the downside next major support exist at around 18800 then 18650 levels.

Future STT Call



TCS: Rs. 2555		
Execution Price Range	Stop Loss	Target
Buy Between Rs. 2515 to Rs. 2540	2485	2612

TCS is moving after the immediate consolidation of last couple of trading sessions with the support base shifting to higher levels. It is trading in a range from last couple of series and with support base buying near to the lower band of the trading range it is showing the potential to move towards 2612 and higher levels. Thus traders can buy the stock with stop loss of 2485 for the upside immediate target of 2612 levels.

Future STT Call



TATAMOTORS: Rs. 378		
Execution Price Range	Stop Loss	Target
Sell Between Rs. 382 to Rs. 386	392	368

TATAMOTORS has corrected sharply in last six series and is making lower top - lower bottom formation. It has failed to cross its immediate hurdle of 392-395 zones recently even after the market bounce back which indicates its bearish price behavior. It has been witnessing fresh call writing at 390 and 400 strikes which also support our view. One can sell the stock with stop loss of 392 for the downside target of 368 levels.

Graphic Snapshot

Futures				
%Price Gainers	%Price Losers	Active Futures	%Volume Gainers	% Rollovers
DLF 6.11	APOLLOTYRE -3.46	NIFTY 311,008	TATACHEM 288.28	S&P500 100
BHARATFORG 5.64	HEXAWARE -2.85	BANKNIFTY 100,234	IRB 250.63	DJIA 87.46
IRB 5.51	BEL -2.07	ADANIENT 32,050	NHPC 238.93	GRASIM 17.4
JPASSOCIAT 4.89	RECLTD -1.96	TATAMOTORS 30,310	DISHTV 203.67	RELCAPITA9 53
DABUR 4.85	CANBK -1.92	CANBK 24,965	DABUR 197.87	NHPC 08
%OI Gainers	%OI Losers	%Premiums	%Discounts	OI % of Mkt. Limit
DJIA 25.44	BHARATFORG -10.42	JPASSOCIAT 0.85	BATAINDIA -1.66	AMTEKAUTO 99.11
UNIONBANK 20.32	SYNDIBANK -8.44	IFCI 0.81	DLF -1.19	IBREALEST 90.86
MOTHERSUMI 20.28	EICHERMOT -8.13	NHPC 0.79	GAIL -0.90	HEXAWARE 81.15
HEXAWARE 16.92	TATASTEEL -7.41	SIEMENS 0.69	SAIL -0.75	JPASSOCIAT 74.26
ARVIND 12.51	ORIENTBANK -6.95	HDFCBANK 0.66	TVSMOTOR -0.55	JINDALSTEL 71.75
Options				
Most Active (Calls)	%Volume gainers (Calls)	Most Active (Puts)	%Volume gainers (Puts)	
NIFTY,27-AUG-15,C,8700 465370	DLF,27-AUG-15,C,150 29,250	NIFTY,27-AUG-15,P,8500 456,440	ADANIENT,27-AUG-15,P,100 19,500	
NIFTY,27-AUG-15,C,8600 434250	IRB,27-AUG-15,C,280 23,250	NIFTY,27-AUG-15,P,8400 391,589	IRB,27-AUG-15,P,260 13,600	
NIFTY,27-AUG-15,C,8800 348312	BANKNIFTY,27-AUG-15,C,203001 2,200	NIFTY,27-AUG-15,P,8300 283,736	DLF,27-AUG-15,P,125 9,800	
NIFTY,27-AUG-15,C,8900 243708	DABUR,27-AUG-15,C,3101 1,400	NIFTY,27-AUG-15,P,8600 237,193	DLF,27-AUG-15,P,120 3,423	
NIFTY,27-AUG-15,C,8500 170948	IRB,27-AUG-15,C,3001 0,100	NIFTY,27-AUG-15,P,8200 219,938	NIFTY,31-DEC-15,P,8500 3,421	
%OI Gainers (Calls)	%OI Losers (Calls)	%OI Gainers (Puts)	%OI Losers (Puts)	
NIFTY,29-OCT-15,C,8000 4,240	BHARATFORG,27-AUG-15,C,1200 -55	TECHM,27-AUG-15,P,560 9,100	EICHERMOT,27-AUG-15,P,19500 -44	
IRB,27-AUG-15,C,300 1,567	PNB,27-AUG-15,C,145 -49	ADANIENT,27-AUG-15,P,100 1,450	NIFTY,27-AUG-15,P,8750 -42	
ADANIENT,27-AUG-15,C,115 1,492	DLF,27-AUG-15,C,115 -49	EICHERMOT,27-AUG-15,P,20500 1,233	ARVIND,27-AUG-15,P,310 -35	
MOTHERSUMI,27-AUG-15,C,390 511	EICHERMOT,27-AUG-15,C,20000 -48	CEATLTD,27-AUG-15,P,980 833	DRREDDY,27-AUG-15,P,3600 -35	
PETRONET,27-AUG-15,C,210 486	ADANIENT,27-AUG-15,C,85 -45	DISHTV,27-AUG-15,P,120 833	JSWSTEEL,27-AUG-15,P,860 -33	

Derivatives Lesson: SHORT STRADDLE STRATEGY

- A short straddle is a strategy to be adopted when the investor feels the market will not show much movement. He sells a Call and a Put on the same stock / index for the same maturity and strike price. It creates a net income for the investor.
- If the stock / index do not move much in either direction, the investor retains the Premium as neither the Call nor the Put will be exercised. However, incase the stock / index moves in either direction, up or down significantly, the investor's losses can be significant. So this is a risky strategy and should be carefully adopted and only when the expected volatility in the market is limited.
- Max profit = Limited to the premium received.
- Max loss = Unlimited
- Upper Breakeven Point = Strike Price of Short Call + Net Premium Received
- Lower Breakeven Point = Strike Price of Short Put - Net Premium Received

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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