



### DERIVATIVES

#### Market Statistics

Product	No. of Contracts	Turnover (Rs.cr)
Index Futures	4,19,262	11,861.41
Vol Futures	0	0
Stock Futures	9,01,538	26,304.46
Index Options	45,82,344	1,06,247.16
Stock Options	4,08,353	12,136.46
<b>F&amp;O Total</b>	<b>6311497</b>	<b>156549.5</b>

#### FII Derivatives Statistics

	OI at end of the day			Inflow / Outflow
	Buy	Sell	Contract Amount	
Index futures	851.01	584.94	650775 15638.84	266.07
Index options	7018.38	6164.39	2579392 69399.14	853.99
Stock futures	2492.89	2543.18	1807617 50900.78	-50.29
Stock options	1365.53	1490.21	93158 2633.94	-124.68
	<b>Net Inflow/Outflow (Cr)</b>			<b>945.08</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

BHEL, M&M, TATAMOTORS, TATAMTRDVR, RECLTD & GRASIM

#### Activity Tracking

Stocks (Long Position)	Remarks
Apollohosp, Unionbank, Canbk	
Colpal, Lichsgfin, Drreddy	Suggesting strength in these counter
Kotakbank, Godrejind, Orientbank	
Stocks (Short Covering)	Remarks
Glenmark, Siemens, OIL	
IGL, Mindtree, Lupin	Suggesting strength in these counter
TCS, BPCL, KTKBank	
Stocks (Short Position)	Remarks
Hindzinc, Petronet, Mothersumi	
Sksmicro, Mcleodrussel, Bataindia	Suggesting weakness in these counter
Suntv, Recltd, Techm	
Stocks (Long Liquidation)	Remarks
Wipro, UPL, Asianpaint	
MRF, CESC, ITC	Suggesting weakness in these counter
GAIL, IDFC, Amtekauto	

#### Activity in F&O

Nifty August Future closed positive at 8615 levels. Nifty Future OI increased by 1.58% with a rise in price by 0.26%. It closed at a premium of 26 points as compared to premium of 25 points of previous trading session. Market witnessed buying interest in Consumer Durables, Capital Goods, Health Care, Auto, Banking and Realty sector stocks while selling pressure was mainly seen in Metal and Oil & Gas sector stocks. The market turnover decreased by 0.93% in terms of number of contracts traded vis-à-vis previous trading day and in terms of rupees it also decreased by 0.89%.

#### Indication & Outlook

Put Call Ratio based on Open Interest of Nifty moved up from 0.96 to 0.99 levels as compared to previous trading session. Historical Volatility of Nifty fell down from 16.65 to 16.19 levels but Implied Volatility moved up from 13.71 to 13.76 levels.

#### Conclusion

Nifty future opened flat to positive and consolidated in a range of around 30 points in the first half of the session. It witnessed buying interest in the second half as it crossed 8600 zones and headed towards 8641 levels. Now it has to hold above 8600 levels to witness buying interest towards 8650-8660 levels. However, if it fails to maintain its 8580 levels then it may drift towards 8550 and 8500 zones. On the Option front, maximum Put OI is at 8200 followed by 8400 strike whereas maximum Call OI is at 8800 followed by 9000 strike. Bank Nifty had a volatile session compare to Nifty as broken previous day's low of 18931 but taken support and bounced back towards 19200 levels. Now it needs to continue to hold above 19000 levels to move up towards 19280-19350 zones while on the downside next major support exist at around 18800 then 18650 levels.

Future STT Call



TCS: Rs. 2578

Execution Price Range      Stop Loss      Target

Buy Between Rs. 2535 to Rs. 2560      2510      2622

TCS is moving after the consolidation of last couple of trading sessions with the support base is shifting to higher levels. It is trading in a range from last couple of series but now buying interest seen near to the lower band of the trading range with rising open interest activities. It is showing the potential to move towards 2622 and higher levels. Thus traders can buy the stock with stop loss of 2510 for the upside immediate target of 2622 levels.

Future STT Call



BHARTIARTL: Rs. 415

Execution Price Range      Stop Loss      Target

Sell Between Rs. 419 to Rs. 423      429      405

BHARTIARTL had failed to cross 450 zones in the last series and now has been falling from last two weeks. In last couple of days it has taken multiple hurdles near to 427 zones and till it remains below the same, weakness may continue in the stock towards 405-400 zones. One can sell the stock with stop loss of 429 for the downside target of 405 levels.

Graphic Snapshot

Futures							
<b>%Price Gainers</b> JPPOWER 20.00 IGL 5.44 STAR 4.29 APOLLOHOSP 4.20 UNIONBANK 3.56	<b>%Price Losers</b> MOTHERSUMI -4.69 INDIACEM -4.51 ADANIENT -3.98 BATAINDIA -3.67 SKSMICRO -2.94	<b>Active Futures</b> NIFTY 309,967 BANKNIFTY 108,537 LT 33,683 ARVIND 32,330 TATAMOTORS 28,500	<b>%Volume Gainers</b> JPPOWER 716.03 ARVIND 294.12 TATAGLOBAL 197.49 APOLLOHOSP 192.22 COLPAL 152.35	<b>% Rollovers</b> DJIA 88.21 GRASIM 17.6 TECHM 11.08 NHPC 10.68 RELCAPITAL 9.61			
<b>%OI Gainers</b> HINDZINC 24.08 CNXIT 22.12 PETRONET 14.37 MOTHERSUMI 12.31 APOLLOHOSP 11.88	<b>%OI Losers</b> GLENMARK -5.02 SIEMENS -4.92 OIL -4.36 IGL -4.15 MINDTREE -4.05	<b>%Premiums</b> UNITECH 1.27 JPASSOCIAT 0.84 MRF 0.68 JISLJALEQS 0.67 HDFCBANK 0.65	<b>%Discounts</b> UNIONBANK -1.43 DLF -1.14 GAIL -1.01 TITAN -0.95 TVSMOTOR -0.55	<b>OI % of Mkt. Limit</b> IBREALST 105.74 AMTEKAUTO 98.61 HEXAWARE 82.47 JPASSOCIAT 77.06 INDIACEM 75.76			
Options							
<b>Most Active (Calls)</b> NIFTY,27-AUG-15,C,8700 444338 NIFTY,27-AUG-15,C,8600 431067 NIFTY,27-AUG-15,C,8800 354023 NIFTY,27-AUG-15,C,8900 244262 NIFTY,27-AUG-15,C,9000 168146	<b>%Volume gainers (Calls)</b> JPPOWER,27-AUG-15,C,10 14,075 IGL,27-AUG-15,C,530 9,050 IOC,27-AUG-15,C,420 7,600 IGL,27-AUG-15,C,540 5,133 DRREDDY,27-AUG-15,C,4500 4,320	<b>Most Active (Puts)</b> NIFTY,27-AUG-15,P,8500 462,225 NIFTY,27-AUG-15,P,8400 374,971 NIFTY,27-AUG-15,P,8600 281,215 NIFTY,27-AUG-15,P,8300 278,134 NIFTY,27-AUG-15,P,8200 223,325	<b>%Volume gainers (Puts)</b> DRREDDY,27-AUG-15,P,4300 6,920 IOC,27-AUG-15,P,400 5,133 JPPOWER,27-AUG-15,P,7.5 4,300 MOTHERSUMI,27-AUG-15,P,380 2,981 COLPAL,27-AUG-15,P,1950 2,800	<b>%OI Gainers (Calls)</b> DRREDDY,27-AUG-15,C,4500 3,660 IGL,27-AUG-15,C,530 2,100 PETRONET,27-AUG-15,C,190 1,200 MOTHERSUMI,27-AUG-15,C,390 824 IOC,27-AUG-15,C,430 823	<b>%OI Losers (Calls)</b> ADANIENT,27-AUG-15,C,90 -45 M&M,27-AUG-15,C,1380 -32 KOTAKBANK,27-AUG-15,C,690 -32 TATAMTRDVR,27-AUG-15,C,250 -29 TATAMTRDVR,27-AUG-15,C,280 -29	<b>%OI Gainers (Puts)</b> MOTHERSUMI,27-AUG-15,P,380 643 DRREDDY,27-AUG-15,P,4300 578 JPPOWER,27-AUG-15,P,7.5 453 IGL,27-AUG-15,P,500 438 DRREDDY,27-AUG-15,P,4200 435	<b>%OI Losers (Puts)</b> TECHM,27-AUG-15,P,560 -64 NIFTY,24-SEP-15,P,7100 -58 INFY,27-AUG-15,P,1025 -48 TATAMTRDVR,27-AUG-15,P,260 -48 ITC,27-AUG-15,P,315 -38

**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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