



**D E R I V A T I V E S**

**Market Statistics**

Product	No. of Contracts	Turnover (Rs.cr)
Index Futures	1,96,969	10,871.72
Vol Futures	0	0
Stock Futures	3,93,377	19,797.20
Index Options	20,95,665	1,22,817.07
Stock Options	2,04,385	10,632.11
<b>F&amp;O Total</b>	<b>28,90,396</b>	<b>1,64,118.10</b>

**FII Derivatives Statistics**

	OI at end of the day			Inflow / Outflow
	Buy	Sell	Contract Amount	
Index futures	1035.32	1226.99	255580.00	14458.58
Index options	12780.20	12602.58	1159769.00	66436.38
Stock futures	2543.68	2736.25	995032.00	48698.85
Stock options	1472.86	1530.33	53725.00	2607.03
<b>Net Inflow/Outflow (Cr)</b>				<b>-264.09</b>

**Securities in Ban Period**

IBREALEST

**Nifty Future/Option Trading Guide**

NIFTY	Short term	Medium term
Support	7600	7550
Resistance	7820	8000

**Nifty View for the Day**

Now weakness may persist in the market till it doesn't negate this weak price formation by holding above 7800 zones. On the upside if it holds above 7800-7820 zones then only a short term bottom might place for a bounce back move towards 7880 zones while on the downside if it sustains below 7777-7750 zone then weakness may continue to drag it towards 7650 and 7600 zones.

**Activity Tracking**

Stocks (Long Position)	Remarks
Mcleodruss, Bajfinance	
Star, Tatamtrdvr	Suggesting strength in these counter
Hcltech	
Stocks (Short Covering)	Remarks
Suntv	Suggesting strength in these counter
Stocks (Short Position)	Remarks
PFC, Bharatfmg, Dreddy	
ONGC, KSCL, Cairn	Suggesting weakness in these counter
PTC, Ibrealest, Unionbank	
Stocks (Long Liquidation)	Remarks
Gail, Gmrinfra, L&TFH	
Sunpharma, Apollohosp, Engineersin	Suggesting weakness in these counter
Asianpaint, Dabur, Voltas	

**Activity in F&O**

Nifty December future closed negative at 7728.60 levels. Nifty Future OI increased by 0.13% with a fall in price by 1.03%. It closed at a premium of 27 points as compared to the premium of 43 points in previous trading session. Market witnessed sustained selling pressure across the board especially in Metals, Oil & Gas, Realty and Power sector stock. The market turnover increased by 33.61% in terms of number of contracts traded vis-à-vis previous trading day and in terms of rupees it increased by 33.20%.

**Indication & Outlook**

Put Call Ratio based on Open Interest of Nifty moved up from 0.77 to 0.78 levels as compared to previous session. Historical Volatility of Nifty moved up from 14.81 to 15.15 levels but Implied Volatility fell down from 15.06 to 14.91 levels.

**Conclusion**

Nifty future opened on negative note but moved up towards 7800 levels in the initial hour of the day. However, in the absence of buying interest it failed to sustain it and fell towards 7700 levels. It has been making lower lows price formation and also witnessing sustained selling pressure from last five consecutive sessions. Now weakness may persist in the market till it doesn't negate this weak price formation by holding above 7800 zones. On the upside if it holds above 7800-7820 zones then only a short term bottom might place for a bounce back move towards 7880 zones while on the downside if it sustains below 7777-7750 zone then weakness may continue to drag it towards 7650 and 7600 zones. On the Option front, maximum Put OI is at 7500 followed by 8000 strike, whereas maximum Call OI is at 8000 followed by 8200 strike. Bank Nifty also failed to sustain the opening levels and fell towards 16800 levels. Finally it ended the session with the loss of around 170 points. Now it has support near to 16666 zones while hurdle is at 17000 then 17250 levels.

### Future STT Call



**GAIL: Rs. 339**

Execution Price Range	Stop Loss	Target
Sell Between Rs. 344 to Rs. 347	353	330

GAIL has finally broken the multiple supports of 350 zones and witnessed a sell off towards 340 levels. It arrested in the bear grip after a struggle of last eight trading sessions as it failed to move above 362-364 zones. We are expecting this weak structure to continue for next coming sessions so suggesting to sell with stop loss of 353 for the downside target of 330 levels.

### Future STT Call



**ALBK: Rs. 70.30**

Execution Price Range	Stop Loss	Target
Sell Between Rs. 71 to Rs. 72	73.50	67

ALBK has been continuously falling down from last six series and making negative price formation. In the last week, it failed to cross immediate hurdle of 79 levels and also broken the multiple support of 73 levels. It has seen fresh built up of short position and short are already intact from rollover activities from previous series. One can sell the stock with stop loss of 73.50 for the downside target of 67 levels.

### Graphic Snapshot

%Price Gainers		%Price Losers		Active Futures		%Volume Gainers		%Rollovers	
HCLTECH	1.52	ADANIPOWER	-0.95	NIFTY	115,582	MCLEODRUSS	472.69	5BP500	100
TATAMTRDVR	1.17	JPASSOCIAT	-1.38	BANKNIFTY	79,563	PFC	362.10	DJIA	88.11
STAR	1.04	IBREALEST	-7.74	TATAMOTORS	12,237	ADANIPOWER	521.12	IDBI	8.05
BAFINANCE	0.90	HDIL	-6.61	LT	18,344	PTC	209.89	SAIL	1.07
SUNTV	0.83	UNITECH	-6.34	WOCKPHARMA	16,112	JSWENERGY	250.05	BRITANNIA	0.31
%OI Gainers		%OI Losers		%Promoters		%Discounts		OI % of Mkt. Limit	
MCLEODRUSS	23.13	5BP500	-20.68	UNITECH	0.75	BATAINDIA	-3.21	IBREALEST	109.6
PFC	17.51	DJIA	-10.63	INDIACEM	0.73	JUSTDIAL	-3.06	UNITECH	92.04
BHARATFORG	13.28	GAIL	-6.24	RELCAPITAL	0.69	PAGEIND	-2.04	INDIACEM	86.3
DRREDDY	11.10	GMRINFRA	-6.03	IDBI	0.64	KSCL	-1.90	BILJALEQS	85.69
ONGC	9.80	L&T	-5.63	TV18BRODCST	0.60	PFC	-1.67	CENTURYTEX	84.68
Options									
%Most Active (Calls)		%Volume gainers (Calls)		%Most Active (Puts)		%Volume gainers (Puts)			
NIFTY,31-DEC-15,C,8000	203320	MARUTI,31-DEC-15,C,4550	13,700	NIFTY,31-DEC-15,P,7700	152,936	ADANIPOWER,31-DEC-15,P,25	13,200		
NIFTY,31-DEC-15,C,7900	205895	CAIRN,31-DEC-15,C,130	10,100	NIFTY,31-DEC-15,P,7800	112,951	IBREALEST,31-DEC-15,P,50	11,250		
NIFTY,31-DEC-15,C,7800	153120	RECLTD,31-DEC-15,C,220	6,950	NIFTY,31-DEC-15,P,7600	107,363	ONGC,31-DEC-15,P,200	3,467		
NIFTY,31-DEC-15,C,8100	152777	ONGC,31-DEC-15,C,220	4,771	NIFTY,31-DEC-15,P,7500	88,549	JPASSOCIAT,31-DEC-15,P,10	2,383		
NIFTY,31-DEC-15,C,8200	144331	IBREALEST,31-DEC-15,C,60	3,115	NIFTY,31-DEC-15,P,7400	85,960	BHEL,31-DEC-15,P,150	2,095		
%OI Gainers (Calls)		%OI Losers (Calls)		%OI Gainers (Puts)		%OI Losers (Puts)			
CAIRN,31-DEC-15,C,130	1,725	MARUTI,31-DEC-15,C,4750	-30	IBREALEST,31-DEC-15,P,40	16,700	GAIL,31-DEC-15,P,350	-49		
RECLTD,31-DEC-15,C,220	1,725	SUNPHARMA,31-DEC-15,C,860	-29	ONGC,31-DEC-15,P,200	5,700	GAIL,31-DEC-15,P,340	-39		
NIFTY,31-DEC-15,C,7750	1,522	ZEEL,31-DEC-15,C,400	-21	IBREALEST,31-DEC-15,P,50	2,533	RELIANCE,31-DEC-15,P,820	-28		
ONGC,31-DEC-15,C,220	1,414	RELCAPITAL,31-DEC-15,C,460	-21	NIFTY,28-DEC-17,P,8000	766	ASIANPAINT,31-DEC-15,P,860	-28		
NIFTY,28-JAN-16,C,7200	1,370	NIFTY,31-DEC-15,C,8300	-19	ADANIPOWER,31-DEC-15,P,25	308	VOLTAS,31-DEC-15,P,290	-25		

**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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