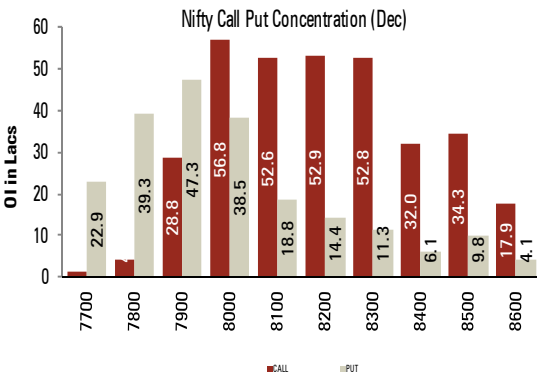


December 27, 2016

Nifty Futures – OI vs. Price



Nifty Options OI Distribution



Active Nifty Strike

Strike	Call		Put	
	OI chg %	Price	OI chg %	Price
7800	47.82	117.05	2.60	12.45
7900	281.20	46.10	-1.11	39.00
8000	29.96	12.75	-34.81	101.95
8100	9.63	3.25	-22.61	187.90
8200	3.03	1.30	-6.34	291.20

F&O Turnover

Instrument	No. of Contracts	Turnover (Cr)	%Chg
Index Futures	261287	16377.69	1.74
Stock Futures	852802	50624.57	16.27
Index Options	4918826	309714.69	16.12
Stock Options	369861	24554.83	0.68
F&O Total	6402776	401271.77	14.40

FII Activities (In ₹ crore)

Segment	Buy	Sell	Net	OI (lots)	%Chg
Index futures	3204	3106	98	262935	21.87
Index options	27471	26515	956	1170418	0.79
Stock futures	14872	14797	75	953241	1.66
Stock options	4003	4051	-48	94652	1.37
Total	49551	48470	1081	2481246	3.04

Research Analyst

Amit Gupta
 amit.gup@icicisecurities.com
 Nandish Patel
 nandish.patel@icicisecurities.com

Nifty Snapshot & Pivot Points

	Spot	Fut	COC	Future OI	PCR OI	PCR Vol	ATM IV
Current	7908	7911	4.69	24479175	0.83	0.85	15.95
Previous	7985	7995	7.05	21003450	0.92	0.84	12.41
Change (%)	-0.96%	-1.05%	-	16.55%	-	-	-
Pivot levels (DEC)	S3	S2	S1	Piv	R1	R2	R3
Nifty future	7779	7852	7882	7926	7955	8000	8073
Bank Nifty future	17248	17481	17577	17713	17810	17946	18179

Source: NSE, Seediff, ICICIdirect.com Research

F&O Highlights

- As tax cloud woes hit Indian bourses, all major sectoral indices faced pressure. Due to this, the Nifty ended 78 points lower. Nifty futures premium settled at 3 points. India VIX rose 9.8% to 16.6
- FII sold ₹ 1096 crore while DII bought ₹ 1065 crore in the cash segment. FII bought ₹ 98 crore in index futures and ₹ 956 crore in index options. In stock futures, they bought ₹ 76 crore
- The highest Put base is at the 7900 strike with 47 lakh shares while the highest Call base is at the 8000 strike with 57 lakh shares. The 8000 and 7900 Call strikes saw additions of 13.1 and 21.2 lakh shares, respectively while 8000 and 8100 Put strikes saw reductions of 20.5 and 5.5 lakh shares, respectively

Index Outlook*

- Nifty Future:** The Nifty is likely to open flat on the back of mixed global cues. Sell Nifty in range of 7950-7960 for targets of 7900-7880, stop loss: 7980
- Bank Nifty Future:** The index continued to remain under pressure below 18000 and slipped towards its highest Put base. On the back of weakness in both PSU and private sector banks, the index is likely to test its highest Put base of 17500 in coming days. Sell Bank Nifty in the range of 17800-17850, targets: 17700-17600, stop loss: 17930

Stocks Analysis

- OI addition:** We saw long build-up in Jubilant Foodworks, PC Jewellers, Hindustan Unilever and Indraprastha Gas while short build-up was seen in Divi's Labs, HDIL, Lupin and Marico
- OI shedding:** We saw short covering in Cadila Healthcare and TCS while long closure was seen in Bharat Finance, Canara Bank, M&M Finance and NHPC

Intraday Recommendation*

i) ITC		ii) Bank Of Baroda	
Buy ITC DEC Fut at 228.00-228.40	View: Bullish	Sell BANBAR DEC Fut at 150.60-151.00	View: Bearish
Strategy: Buy Future	CMP: 225.5	Strategy: Sell Future	CMP: 148.9
Target 1: 229.9	Target 2: 233.2	Target 1: 149.7	Target 2: 147.4
Stop Loss: 226.5		Stop Loss: 151.9	

Source: Company, ICICIdirect.com Research

*Call initiation message will be broadcast on iclick-2-gain"

Open Interest Activity

Symbol	OI	%Chg	Price	%Chg	Symbol	OI	%Chg	Price	%Chg
DIVISLAB	3238800	48.05	764	-11.5	BHARATFIN	13615000	-10.90	480	-7.9
HDIL	31440000	17.70	54	-6.7	CANBK	15066000	-8.24	263	-5.8
BANKBARODA	50781500	16.93	148	-3.5	L&TFH	29862000	-5.98	82	-3.0
RPOWER	65532000	14.10	40	-3.9	TVSMOTOR	7888000	-5.47	367	-0.9
ASIANPAINT	7004400	11.10	869	-0.6	CONCOR	662000	-5.29	1095	-0.5

Strategy Follow-up

Date	Stock	View	Strategy	Reco	Target	SL	P&L	Comment
26-Dec-16	DEWHOU	Buy	Long Fut	237.60	239.00	236.40	-	Not Initiated
26-Dec-16	AXIBAN	Sell	Short Fut	444.50	435.00	448.30	-	Not Initiated

Trading Portfolio allocation

- It is recommended to spread out the trading corpus in a proportionate manner between the various derivatives research products.
- Please avoid allocating the entire trading corpus to a single stock or a single product segment.
- Within each product segment it is advisable to allocate equal amount to each recommendation.
- For example: The 'Daily Derivatives' product carries 2 intraday recommendations. It is advisable to allocate equal amount to each recommendation

Products	Allocation		Number of Calls	Return Objective		
	Product wise allocation	Max allocation per stock		Frontline Stocks	Mid-cap stocks	Duration
Daily Derivatives	5%	2-3%	2 Stocks	1%	2-3%	Intraday
Weekly Derivatives	10%	3-5%	2 Stocks	3-5%	5-7%	1 Week
High OI stock	5%	2-3%	2-3 Stocks	5-7%	7-10%	1-2 Weeks
Monthly Derivatives	20%	3-5%	4-7 Stocks	7-10%	10-15%	1 Month
Global Derivatives	5%	2-3%	1-2 index strategy	-	-	1 Month
Stock Trader/ Stock in Focus	10%	2-3%	5-6 Stocks	7-10%	10-15%	3 Months
Alpha Trader	5%	2-3%	2-3 Alpha strategy	5%	-	3 Months
Volatility Insights	5%	2-3%	1-2 Strategy	8-10%	10-15%	1-2 Month
Arbitrage Opportunity	5%	2-3%	2-3 Stocks	> 2.5%	>2.5%	Event Based
Intraday Futures	10%	2-3%	8-12 Stocks	05.-1%	1-3%	Intraday
Index option & Strategy	15%	3-4%	2-5 Nifty	2-3%	-	1-14 days
Stock option & Strategy	5%	3-4%	2-8 Stocks	-	3-5%	1-14 days



Pankaj Pandey

Head – Research

pankaj.pandey@icicisecurities.com

ICICIdirect.com Derivatives Desk

ICICI Securities Limited,
1st Floor, Akruvi Trade Centre,
Road No 7, MIDC
Andheri (East), Mumbai – 400 093

research@icicidirect.com

Disclaimer

ANALYST CERTIFICATION

We /I, Amit Gupta B.E, MBA (Finance), Nandish Patel Research Analysts, authors and the names subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect our views about the subject issuer(s) or securities. We also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report.

Terms & conditions and other disclosures:

ICICI Securities Limited (ICICI Securities) is a Sebi registered Research Analyst having registration no. INH000000990. ICICI Securities is a full-service, integrated investment banking and is, *inter alia*, engaged in the business of stock brokering and distribution of financial products. ICICI Securities is a wholly-owned subsidiary of ICICI Bank which is India's largest private sector bank and has its various subsidiaries engaged in businesses of housing finance, asset management, life insurance, general insurance, venture capital fund management, etc. ("associates"), the details in respect of which are available on www.icicibank.com.

ICICI Securities is one of the leading merchant bankers/ underwriters of securities and participate in virtually all securities trading markets in India. We and our associates might have investment banking and other business relationship with a significant percentage of companies covered by our Investment Research Department. ICICI Securities generally prohibits its analysts, persons reporting to analysts and their relatives from maintaining a financial interest in the securities or derivatives of any companies that the analysts cover.

The information and opinions in this report have been prepared by ICICI Securities and are subject to change without any notice. The report and information contained herein is strictly confidential and meant solely for the selected recipient and may not be altered in any way, transmitted to, copied or distributed, in part or in whole, to any other person or to the media or reproduced in any form, without prior written consent of ICICI Securities. While we would endeavour to update the information herein on a reasonable basis, ICICI Securities is under no obligation to update or keep the information current. Also, there may be regulatory, compliance or other reasons that may prevent ICICI Securities from doing so. Non-rated securities indicate that rating on a particular security has been suspended temporarily and such suspension is in compliance with applicable regulations and/or ICICI Securities policies, in circumstances where ICICI Securities might be acting in an advisory capacity to this company, or in certain other circumstances.

This report is based on information obtained from public sources and sources believed to be reliable, but no independent verification has been made nor is its accuracy or completeness guaranteed. This report and information herein is solely for informational purpose and shall not be used or considered as an offer document or solicitation of offer to buy or sell or subscribe for securities or other financial instruments. Though disseminated to all the customers simultaneously, not all customers may receive this report at the same time. ICICI Securities will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting and tax advice or a representation that any investment or strategy is suitable or appropriate to your specific circumstances. The securities discussed and opinions expressed in this report may not be suitable for all investors, who must make their own investment decisions, based on their own investment objectives, financial positions and needs of specific recipient. This may not be taken in substitution for the exercise of independent judgment by any recipient. The recipient should independently evaluate the investment risks. The value and return on investment may vary because of changes in interest rates, foreign exchange rates or any other reason. ICICI Securities accepts no liabilities whatsoever for any loss or damage of any kind arising out of the use of this report. Past performance is not necessarily a guide to future performance. Investors are advised to see Risk Disclosure Document to understand the risks associated before investing in the securities markets. Actual results may differ materially from those set forth in projections. Forward-looking statements are not predictions and may be subject to change without notice.

ICICI Securities or its associates might have managed or co-managed public offering of securities for the subject company or might have been mandated by the subject company for any other assignment in the past twelve months.

ICICI Securities or its associates might have received any compensation from the companies mentioned in the report during the period preceding twelve months from the date of this report for services in respect of managing or co-managing public offerings, corporate finance, investment banking or merchant banking, brokerage services or other advisory service in a merger or specific transaction.

ICICI Securities or its associates might have received any compensation for products or services other than investment banking or merchant banking or brokerage services from the companies mentioned in the report in the past twelve months.

ICICI Securities encourages independence in research report preparation and strives to minimize conflict in preparation of research report. ICICI Securities or its analysts did not receive any compensation or other benefits from the companies mentioned in the report or third party in connection with preparation of the research report. Accordingly, neither ICICI Securities nor Research Analysts have any material conflict of interest at the time of publication of this report.

It is confirmed that Amit Gupta B.E, MBA (Finance), Nandish Patel, Research Analysts of this report have not received any compensation from the companies mentioned in the report in the preceding twelve months.

Compensation of our Research Analysts is not based on any specific merchant banking, investment banking or brokerage service transactions.

ICICI Securities or its subsidiaries collectively or Research Analysts do not own 1% or more of the equity securities of the Company mentioned in the report as of the last day of the month preceding the publication of the research report.

Since associates of ICICI Securities are engaged in various financial service businesses, they might have financial interests or beneficial ownership in various companies including the subject company/companies mentioned in this report.

It is confirmed that Amit Gupta B.E, MBA (Finance), Nandish Patel, Research Analysts do not serve as an officer, director or employee of the companies mentioned in the report. ICICI Securities may have issued other reports that are inconsistent with and reach different conclusion from the information presented in this report.

Neither the Research Analysts nor ICICI Securities have been engaged in market making activity for the companies mentioned in the report.

We submit that no material disciplinary action has been taken on ICICI Securities by any Regulatory Authority impacting Equity Research Analysis activities.

This report is not directed or intended for distribution to, or use by, any person or entity who is a citizen or resident of or located in any locality, state, country or other jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject ICICI Securities and affiliates to any registration or licensing requirement within such jurisdiction. The securities described herein may or may not be eligible for sale in all jurisdictions or to certain category of investors. Persons in whose possession this document may come are required to inform themselves of and to observe such restriction.