



DERIVATIVES

Market Statistics

Product	No. of Contracts	Turnover (Rs.cr)
Index Futures	1,16,950	10,224.35
Stock Futures	6,30,956	47,694.42
Index Options	28,00,215	2,54,339.21
Stock Options	3,69,080	29,021.75
F&O Total	39,17,201	3,41,279.74

FII Derivatives Statistics

	OI at end of the day		Contract		Inflow /
	Buy	Sell	Contract	Amount	Outflow
Index futures	466.92	887.56	237248	18502.10	-420.64
Index options	30960.00	31300.87	890585	68924.51	-340.87
Stock futures	6729.54	6831.12	784701	55573.42	-101.58
Stock options	5609.08	5435.49	66013	5024.78	173.60
Net Inflow/Outflow (Cr)					-689.50

Securities in Ban Period

JPASSOCIAT, JSWENERGY AND IBREALEST

Nifty Future/Option Trading Guide

NIFTY	Short term	Medium term
Support	9830	9450
Resistance	10150	10150

Nifty View for the Day

Now on the downside, the index has supports at 10000-9990 levels while on the upside resistance is around 10150 zones.

Quote for the Day

"EACH DAY PROVIDES ITS OWN GIFTS."

Activity Tracking

Stocks (Long Position)	Remarks
Chennpetro, TechM, Voltas Eichermot, Heromotoco, TVSmotor SREinfra, Ashokley, Hindalco	Suggesting strength in these counter
Stocks (Short Covering)	Remarks
Srtransfin, Petronet, Exideind IGL, Vguard, Bajajfinsv Pageind, MRPL, Yesbank	Suggesting strength in these counter
Stocks (Short Position)	Remarks
Marico, GodrejCP, PNB Pcjeweller, ICICIPruili, PFC NIITTECH, Godrejind, SRF	Suggesting weakness in these counter
Stocks (Long Liquidation)	Remarks
Hexaware, Torntpharm, Sintex Siemens, Indigo, L&TFH MFSL, Jswenergy, Tataelxsi	Suggesting weakness in these counter

Activity in F&O

Nifty future closed on a positive note at 10138.45 levels. Nifty future open interest increased by 1.21% with rise in price by 0.35%. It closed at a premium of 24 point as compared to premium of 26 points of previous trading session. Market witnessed buying interest in Auto, Metal and IT sector while selling pressure was seen in PSU banking sector stocks. The market turnover increased by 0.56% in terms of number of contracts traded vis-à-vis previous trading day and in terms of rupees it increased by 0.77%.

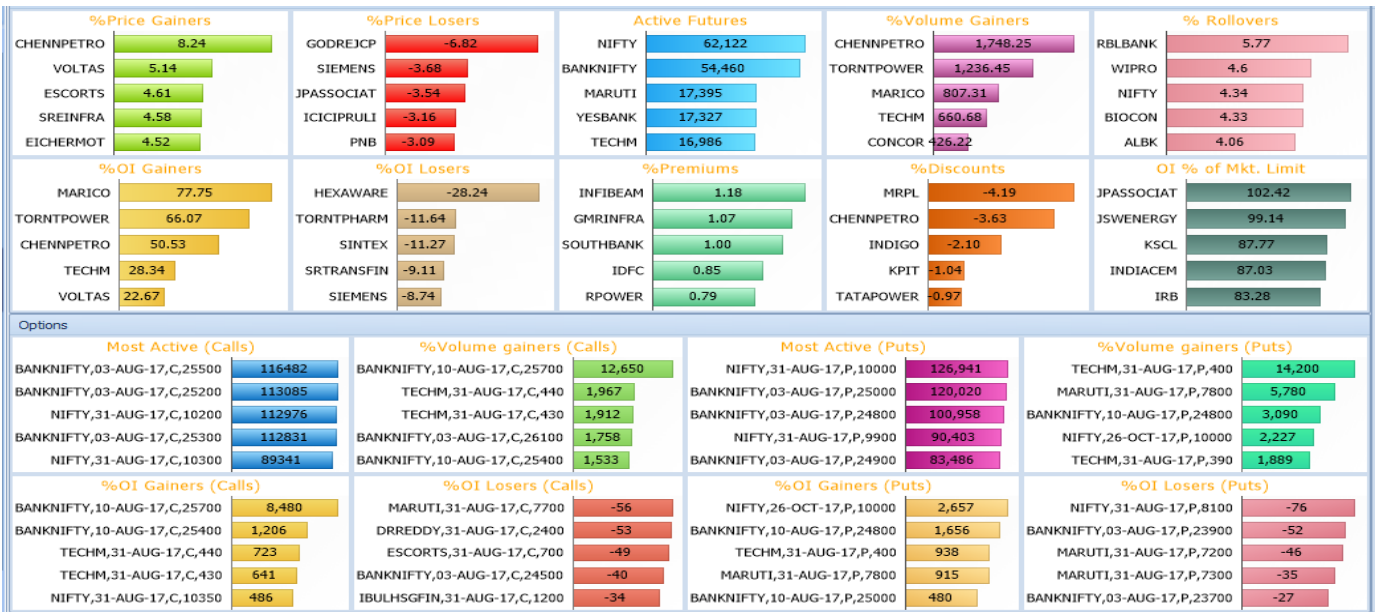
Indication

Put Call Ratio based on Open Interest of Nifty moved up from 1.28 levels to 1.31 levels as compared to previous session. Historical Volatility fell from 9.19 to 9.07 levels but Implied Volatility moved from 11.22 levels to 11.31 levels as compared to previous session.

Conclusion

Nifty July Future opened on a flattish note and was consolidating at the opening levels in the first half of the session. However buying at the opening levels pulled the index towards new higher territory and it headed towards 10150 levels. Finally, it ended the session above 10100 territory with the gains of around 60 points. On the downside, the index has supports at 10000-9990 levels while on the upside resistance is around 10150 zones. On the option front, maximum Put OI is at 10000 followed by 9800 strike while maximum Call OI is at 10500 followed by 10400 strike. We have seen fresh put writing at 9700, 9800, 9900 and 10000 strikes while fresh Call writing is seen at 10400 and 10500 strikes. Bank Nifty opened on a positive note and witnessed a choppy session as after a decline towards 25100 levels it witnessed buying and finally ended the session with the gains of around 70 points. Now it has support near to 25000 then 24750 zones while on the upside hurdles are seen at 25250 then 25500 zones.

Graphic Snapshot



CORPORATE ACTION

Symbol	Purpose	BoardMeetingDate	Symbol	Purpose	BoardMeetingDate
DRREDDY	Results	27-Jul-17	SINTEX	Results	31-Jul-17
TATAELXSI	Results	27-Jul-17	SIEMENS	Results	31-Jul-17
RELCAPITAL	Results	27-Jul-17	SHREECEM	Results	31-Jul-17
MARUTI	Results	27-Jul-17	UPL	Results	31-Jul-17
ONGC	Results	27-Jul-17	RPOWER	Results	31-Jul-17
ITC	Results	27-Jul-17	HEXAWARE	Results/Dividend	31-Jul-17
HCLTECH	Results/Dividend	27-Jul-17	INDIGO	Results/Others	31-Jul-17
ICICIBANK	Results	27-Jul-17	GODREJCP	Results/Dividend	31-Jul-17
IDFCBANK	Results/Others	27-Jul-17	BEL	Results	31-Jul-17
IDFC	Results	27-Jul-17	BALRAMCHIN	Results/Dividend	31-Jul-17
IDEA	Results	27-Jul-17	JSWSTEEL	Results/Others	1-Aug-17
GLENMARK	Results	27-Jul-17	TORNTPOWER	Results	1-Aug-17
EXIDEIND	Results	27-Jul-17	POWERGRID	Results/Others	1-Aug-17
BIOCON	Results/Others	27-Jul-17	PEL	Results	1-Aug-17
CHOLAFIN	Results/Others	27-Jul-17	RDEL	Results	1-Aug-17
EQUITAS	Results	28-Jul-17	PCJEWELLER	Results	1-Aug-17
LT	Results/Others	28-Jul-17	MARICO	Results	1-Aug-17
LICHSGFIN	Results	28-Jul-17	CAPF	Results/Others	2-Aug-17
INDIACEM	Results	28-Jul-17	WOCKPHARMA	Results	2-Aug-17
ESCORTS	Results	28-Jul-17	VOLTAS	Results	2-Aug-17
BALKRISIND	Results/Dividend	29-Jul-17	RELINFRA	Results	2-Aug-17
NTPC	Results	29-Jul-17	PNB	Results	2-Aug-17
NTPC	Results/Others	29-Jul-17	LUPIN	Results	2-Aug-17
CONCOR	Results	31-Jul-17	BATAINDIA	Results	2-Aug-17
VGUARD	Results	31-Jul-17	COLPAL	Results	3-Aug-17
VGUARD	Results	31-Jul-17	UJJIVAN	Results	3-Aug-17
SRTRANSFIN	Results	31-Jul-17	TITAN	Results	3-Aug-17
TORNTPHARM	Results	31-Jul-17	RAMCOCEM	Results	3-Aug-17
TECHM	Results	31-Jul-17	HCC	Results	3-Aug-17

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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