



DERIVATIVES

Market Statistics

| Product | No. of Contracts | Turnover (Rs.cr) |
|----------------------|------------------|--------------------|
| Index Futures | 1,90,406 | 14,899.15 |
| Stock Futures | 5,54,229 | 40,187.83 |
| Index Options | 28,66,461 | 2,36,795.44 |
| Stock Options | 2,71,135 | 20,619.77 |
| F&O Total | 38,82,231 | 3,12,502.19 |

FII Derivatives Statistics

| | | | OI at end of the day | | Inflow / Outflow |
|--------------------------------|----------|----------|----------------------|----------|------------------|
| | Buy | Sell | Contract | Amount | |
| Index futures | 1237.26 | 1877.22 | 268692 | 19865.72 | -639.96 |
| Index options | 36885.40 | 34988.52 | 687883 | 50402.78 | 1896.88 |
| Stock futures | 7652.68 | 6668.37 | 1041073 | 68819.68 | 984.31 |
| Stock options | 3861.64 | 3715.98 | 25012 | 1817.71 | 145.66 |
| Net Inflow/Outflow (Cr) | | | | | 2386.90 |

Securities in Ban Period

NIL

Nifty Future/Option Trading Guide

| NIFTY | Short term | Medium term |
|-------------------|-------------|-------------|
| Support | 9340 | 9100 |
| Resistance | 9622 | 9710 |

Nifty View for the Day

Now on the index has supports at 9480 levels then 9420 levels while on the upside resistance is around 9560 zones then 9630 zones.

Quote for the Day

"BE FEARLESS IN THE PURSUIT OF WHAT SETS YOUR SOUL ON FIRE."

Activity Tracking

| Stocks (Long Position) | Remarks |
|---|--------------------------------------|
| Infibeam, Godfryphlp, BEML Orientbank, Titan, Ujjivan ITC, NIITTECH, Shreecem | Suggesting strength in these counter |
| Stocks (Short Covering) | Remarks |
| BPCL, M&MFin, PTC Bergepaint, Abirlanuvo, Balkrisind Cholafin, Sunpharma, Yesbank | Suggesting strength in these counter |
| Stocks (Short Position) | Remarks |
| Indigo, Oil, lbrealest HDIL, Jetairways, Jpassociat Escorts, KSCL, HCC | Suggesting weakness in these counter |
| Stocks (Long Liquidation) | Remarks |
| Adaniports, HDFC, lbulhsgfin Reliance, Infratel, Bhartiartl JSWsteel, Tatapower, Hindunilvr | Suggesting weakness in these counter |

Activity in F&O

Nifty future closed on a flattish note at 9517.40 levels. Nifty future open interest increased by 1.28% with a minor decline in price by 0.02%. It closed at a discount of 3 point as compared to premium of 15 points of previous trading session. Market witnessed buying interest in FMCG, Pharma, IT, Media and Metals sector stocks while some bit of selling pressure was seen in Realty, Auto and Banking sector stocks. The market turnover decreased by 77.23% in terms of number of contracts traded vis-à-vis previous trading day and in terms of rupees it decreased by 77.34%.

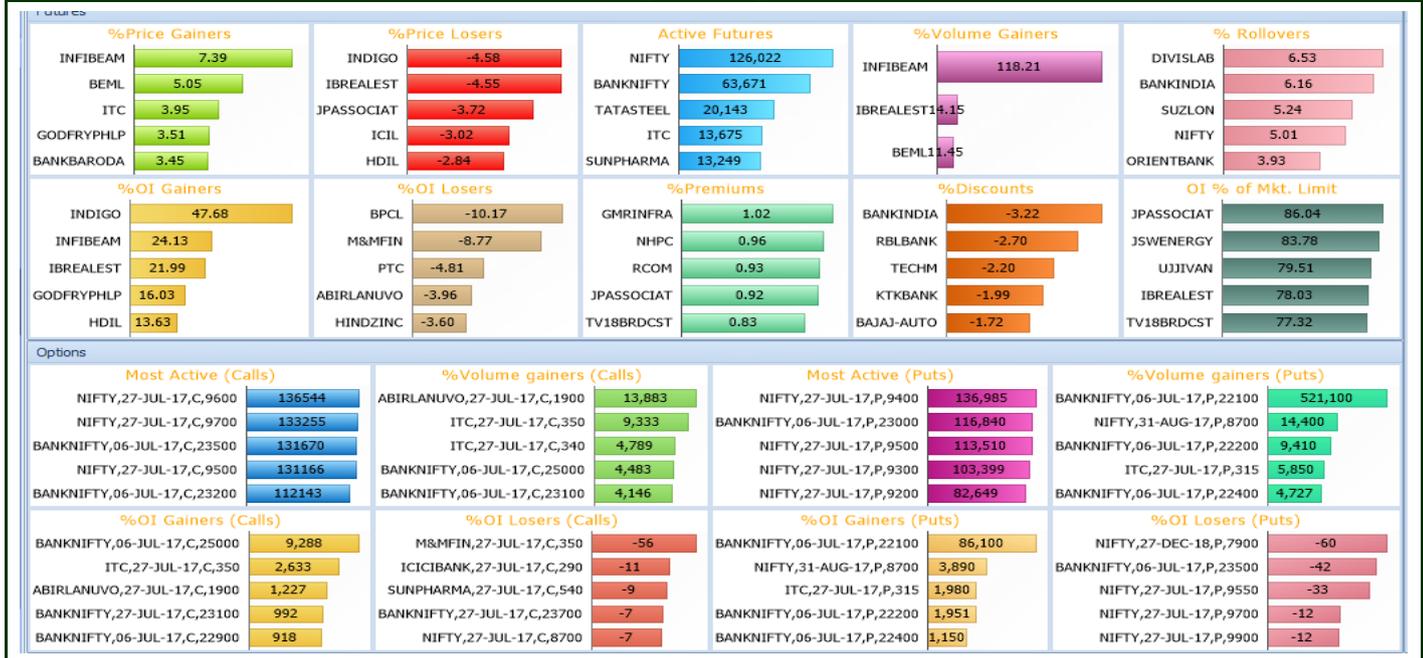
Indication

Put Call Ratio based on Open Interest of Nifty fell from 1.14 levels to 1.13 levels as compared to previous session. Historical Volatility fell from 8.44 to 8.22 levels but Implied Volatility moved from 10.58 levels to 10.99 levels as compared to previous session.

Conclusion

Nifty Future opened on negative note and took support around its 9450 levels. It witnessed buying interest at the lower levels and finally, it ended the session on the flattish note. On the downside, the index has supports at 9480 levels then 9420 levels while on the upside resistance is around 9560 zones then 9630 zones. On the option front, maximum Put OI is at 9700 followed by 9500 strike while maximum Call OI is at 9400 followed by 9500 strike. We have seen fresh put writing at 9000, 9200, 9300 and 9400 strikes while fresh Call writing is seen at 9500 and 9700 strikes. Bank Nifty opened on a negative note but witnessed buying at the lower levels and moved towards 23220 levels as the day progressed. Finally the session ended on a flattish with the loss of around 30 points. Now it has support near to 23000 then 22500 zones while on the upside hurdles are seen at 23500 then 23750 zones.

Graphic Snapshot



CORPORATE ACTION

| Symbol | Purpose | Ex-Date | Record Date |
|-------------|--|-----------|-------------|
| FEDERALBANK | Annual General Meeting/Dividend - Re 0.90 Per Share | 3-Jul-17 | - |
| PETRONET | Bonus 1:1 | 3-Jul-17 | 4-Jul-17 |
| SOUTHBANK | Annual General Meeting/Dividend - 0.40 Per Share | 3-Jul-17 | - |
| DABUR | Annual General Meeting/Dividend - Re 1/- Per Share | 5-Jul-17 | - |
| MOTHERSUMI | Bonus 1:2 | 5-Jul-17 | - |
| ZEEL | Annual General Meeting/Dividend - Rs 2.50 Per Share | 5-Jul-17 | 6-Jul-17 |
| BATAINDIA | Annual General Meeting/Dividend - Rs 3.50 Per Share | 6-Jul-17 | - |
| BANKINDIA | Annual General Meeting | 6-Jul-17 | - |
| BAJFINANCE | Annual General Meeting/Dividend - Rs 3.60/- Per Share | 6-Jul-17 | - |
| BAJAJFINSV | Annual General Meeting/Div-Rs 1.75 Per Share | 6-Jul-17 | - |
| BAJAJ-AUTO | Annual General Meeting/Dividend - Rs 55/- Per Share | 6-Jul-17 | - |
| VEDL | Annual General Meeting | 6-Jul-17 | - |
| PCJEWELLER | Bonus 1:1 | 6-Jul-17 | 7-Jul-17 |
| KTKBANK | Annual General Meeting/Dividend - Rs 4/- Per Share | 6-Jul-17 | - |
| AXISBANK | Annual General Meeting/Dividend - Rs 5/- Per Share | 6-Jul-17 | - |
| ICICIPRULI | Annual General Meeting/Dividend - Rs 2.30/- Per Share/Special Dividend Rs 1.20/- Per Share | 7-Jul-17 | - |
| TATAGLOBAL | Annual General Meeting/Dividend - Rs 2.35 Per Share | 7-Jul-17 | - |
| MINDTREE | Annual General Meeting/Dividend - Rs 3/- Per Share | 10-Jul-17 | - |
| IDBI | Annual General Meeting | 10-Jul-17 | - |
| ULTRACEMCO | Annual General Meeting/Dividend - Rs 10 Per Share | 10-Jul-17 | - |
| MINDTREE | Buyback | 10-Jul-17 | 11-Jul-17 |
| ASHOKLEY | Annual General Meeting/Dividend - Rs 1.56/- Per Share | 11-Jul-17 | - |
| HINDPETRO | Bonus 1:2/ Dividend - Rs 1.10 Per Share | 11-Jul-17 | 12-Jul-17 |
| SREINFRA | Dividend - Re 0.50 Per Share | 12-Jul-17 | - |
| KOTAKBANK | Annual General Meeting/Dividend-Re 0.60 Per Share | 12-Jul-17 | - |
| CANBK | Annual General Meeting/Dividend - Re 1 Per Share | 12-Jul-17 | - |
| M&M | Annual General Meeting/Dividend - Rs 13/- Per Share | 13-Jul-17 | - |
| WIPRO | Annual General Meeting | 13-Jul-17 | - |
| LT | Bonus 1:2 | 13-Jul-17 | 14-Jul-17 |
| BPCL | Bonus 1:2 | 13-Jul-17 | 15-Jul-17 |
| DHFL | Annual General Meeting/Dividend - Rs 3/- Per Share | 13-Jul-17 | - |
| ANDHRABANK | Annual General Meeting | 13-Jul-17 | - |
| RELIANCE | Dividend - Rs 11/- Per Share | 13-Jul-17 | 14-Jul-17 |

Derivatives Lesson: LONG COMBO: SELL A PUT, BUY A CALL

- A Long Combo is a Bullish strategy. If an investor is expecting the price of a stock to move up he can do a Long Combo strategy. It is constructed by selling an OTM (lower strike) Put and buying an OTM (higher strike) Call.
- This strategy simulates the action of buying a stock (or futures) but at a fraction of the stock price. It is an inexpensive trade, similar in pay-off to Long Stock, except there is a gap between the strikes.
- Max loss: **Unlimited (Lower Strike + net debit)**
- Reward: **Unlimited**
- Breakeven: **Higher strike + net debit**

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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