



DERIVATIVES

Market Statistics

Product	No. of Contracts	Turnover (Rs.cr)
Index Futures	1,67,401	13,512.06
Stock Futures	5,78,649	42,050.60
Index Options	89,60,283	8,13,244.77
Stock Options	3,00,014	22,583.72
F&O Total	1,00,06,347	8,91,391.16

FII Derivatives Statistics

			OI at end of the day		Inflow / Outflow
	Buy	Sell	Contract	Amount	
Index futures	1454.43	1998.02	268877	20275.78	-543.59
Index options	45856.82	44340.72	769661	57411.35	1516.10
Stock futures	7303.98	6407.64	1050979	70675.24	896.33
Stock options	4072.75	3976.59	55294	3983.23	96.16
Net Inflow/Outflow (Cr)					1965.01

Securities in Ban Period

HDIL, JPASSOCIAT, IBREALEST, JSWENERGY AND UJJIVAN

Nifty Future/Option Trading Guide

NIFTY	Short term	Medium term
Support	9340	9100
Resistance	9622	9710

Nifty View for the Day

Now on the downside, the index has supports at 9560 levels then 9480 levels while on the upside resistance is around 9650 zones then 9710 zones.

Quote for the Day

"TRY AND FAIL BUT DON'T FAIL TO TRY."

Activity Tracking

Stocks (Long Position)	Remarks
Manappuram, HDIL, Sreinfra Cholafin, Chennpetro, Infracel IDFCBank, Indigo, RBLBank	Suggesting strength in these counter
Stocks (Short Covering)	Remarks
Arvind, Srtransfin, Bel Recltd, Mothersumi, Havells IDBI, ALBK, SBIN	Suggesting strength in these counter
Stocks (Short Position)	Remarks
Pageind, Ajantpharm, NIITTECH CadilaHC, Muthootfin, Kajariacer SRF, DCBBank, Cumminsind	Suggesting weakness in these counter
Stocks (Long Liquidation)	Remarks
Ibrealst, Ujjivan, Jswenergy BEML, Sail, Equitas Tataglobal, GSFC, Mcdowell-N	Suggesting weakness in these counter

Activity in F&O

Nifty future closed on a positive note at 9673.35 levels. Nifty future open interest increased by 0.45% with a rise in price by 0.29%. It closed at a discount of 1 point as compared to premium of 8 points of previous trading session. Market witnessed selling pressure in IT and Media sector stocks while buying interest was seen in Pharma, Banking, Auto and Realty sector stocks. The market turnover increased by 84.07% in terms of number of contracts traded vis-à-vis previous trading day and in terms of rupees it increased by 89.52%.

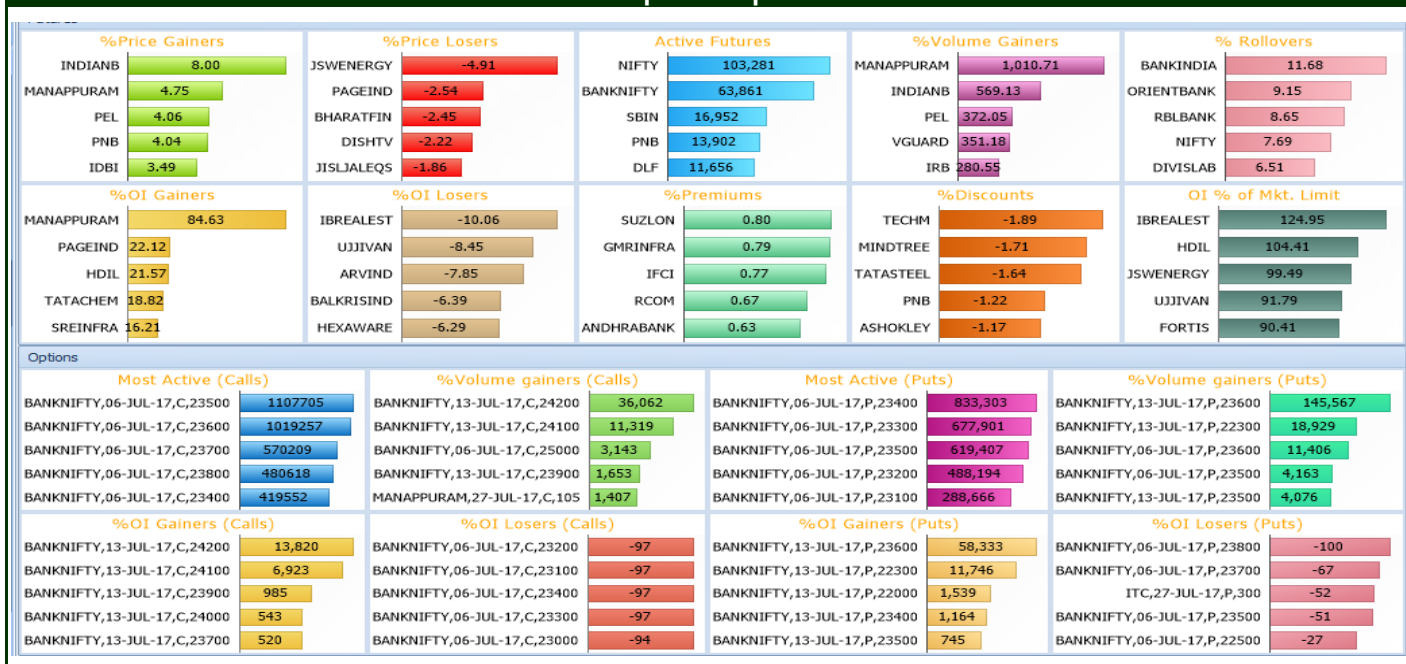
Indication

Put Call Ratio based on Open Interest of Nifty moved up from 1.26 levels to 1.30 levels as compared to previous session. Historical Volatility fell from 8.87 to 8.71 levels and Implied Volatility also fell from 10.67 levels to 10.53 levels as compared to previous session.

Conclusion

Nifty Future opened on flattish to positive note and witnessed buying interest at the opening levels and headed towards 9700 levels. However, in the last part of the session profit taking at the higher levels dragged the index towards 9665 levels and Finally the session ended on a positive note with the gains of around 25. On the downside, the index has supports at 9600 levels then 9560 levels while on the upside resistance is around 9710 zones then 9750 zones. On the option front, maximum Put OI is at 9500 followed by 9400 strike while maximum Call OI is at 9700 followed by 9600 strike. We have seen fresh put writing at 9500, 9600 and 9700 strikes while fresh Call writing was seen in 9800 and 9900 strikes. Bank Nifty opened on a flattish note but witnessed buying at the opening levels and headed towards 23570 levels but witnessed profit taking at the higher levels in the last hour of the trade. Finally the session ended on a positive note with the gains of around 77 points. Now it has support near to 23100 then 22900 zones while on the upside hurdles are seen at 23500 then 23750 zones.

Graphic Snapshot



CORPORATE ACTION

Symbol	Purpose	Ex-Date	Record Date
FEDERALBNK	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	Annula 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: 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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