



DERIVATIVES

Market Statistics

Product	No. of Contracts	Turnover (Rs.cr)
Index Futures	135295	11,751.67
Stock Futures	762017	57,240.37
Index Options	3183188	293594.33
Stock Options	483664	37,959.82
F&O Total	4564164	400546.18

FII Derivatives Statistics

	OI at end of the day		Inflow /		
	Buy	Sell	Contract	Amount	Outflow
Index futures	772.14	1701.50	326988	26455.60	-929.36
Index options	34058.69	33623.84	1018115	82158.45	434.85
Stock futures	6554.55	7287.93	964192	68171.26	-733.37
Stock options	7310.18	7249.12	102750	7453.41	61.07
Net Inflow/Outflow (Cr)					-1166.81

Securities in Ban Period

DHFL, INFIBEAM, WOCKPHARMA, IBREALEST, HDIL, RCOM AND JSWENERGY

Nifty Future/Option Trading Guide

NIFTY	Short term	Medium term
Support	10050	9685
Resistance	10600	10600

Nifty View for the Day

Now the support is around 10250 then 10050 while resistance is at 10600 levels.

Quote for the Day

“ TEAMWORK DIVIDES THE TASK AND MULTIPLIES THE SUCCESS”

Activity Tracking

Stocks (Long Position)	Remarks
Wockpharma, Nestleind, Cholafin	
UBL, Dishtv, PCjeweller	Suggesting strength in these counter
Titan, PEL, Balkrisind	
Stocks (Short Covering)	Remarks
Hexaware, HDIL, Infratel	
Marico, Havells, Ibrealst	Suggesting strength in these counter
KPIT, Kajariacer, TVSmotor	
Stocks (Short Position)	Remarks
SRF, Pidilitind, DHFL	
IOC, Indiacem, Rnaval	Suggesting weakness in these counter
Exideind, Manappuram, Relcapital	
Stocks (Long Liquidation)	Remarks
Ambujacem, Enginersin, Rcom	
BHEL, Pageind, KTKBank	Suggesting weakness in these counter
IDFCBank, Bharatfin, Axisbank	

Activity in F&O

Nifty future closed on a positive note at 10489.55 levels. Nifty future open interest increased by 0.77% with a rise in price by 0.03%. It closed at a premium of 38 points as compared to Premium of 34 point of previous trading session. Market witnessed selling pressure Banking and Pharma sector stocks while buying interest was seen in Realty, IT, Metals, Media and Auto sector stocks. The market turnover increased by 5% in terms of number of contracts traded vis-à-vis previous trading day and in terms of rupees it increased by 5%.

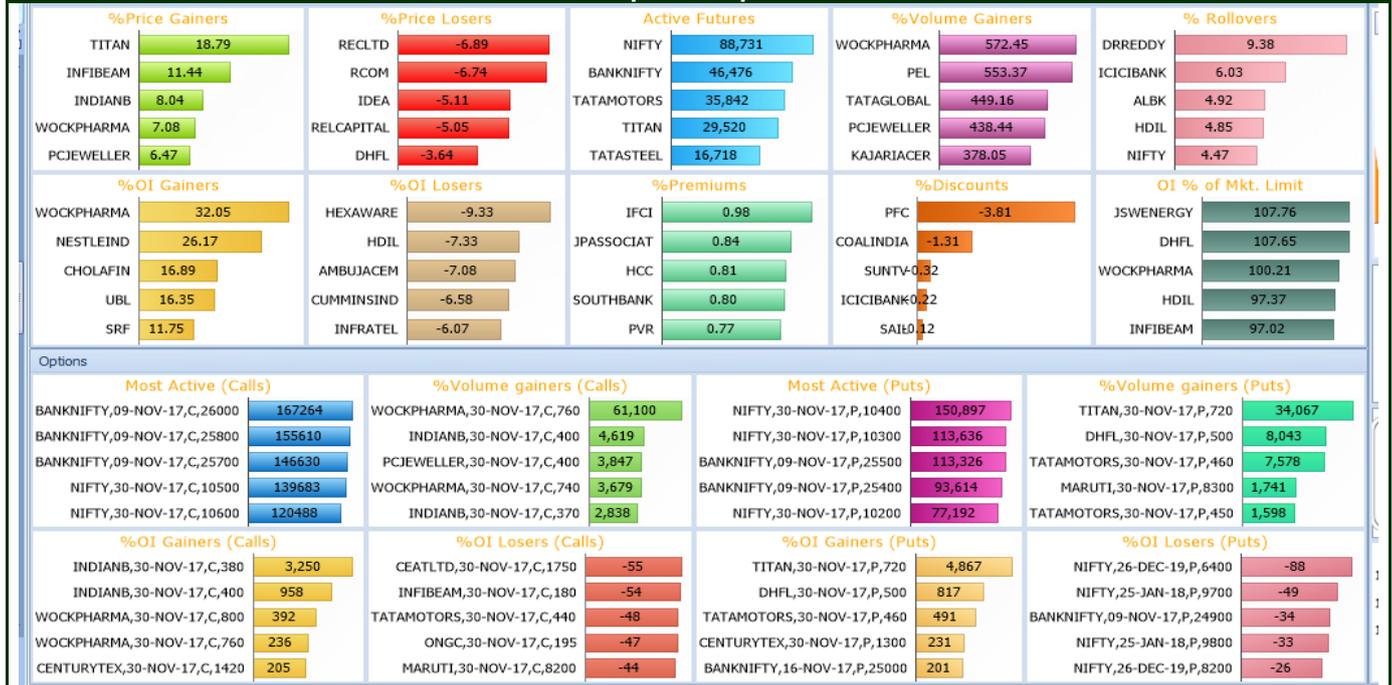
Indication

Put Call Ratio based on Open Interest of Nifty moved up from 1.55 levels to 1.56 levels. Historical Volatility fell down from 11.24 to 10.90 but Implied Volatility surged from 11.09 levels to 11.76 levels as compared to previous session.

Conclusion

Nifty Future opened on a negative note but picked up its momentum and headed towards 10530 levels. However, due to profit taking at the higher levels the bulls failed to sustain it and Nifty turned negative and finally ended the session with the loss of around 10 points. India Vix surged by around 11% in previous session thus indicating a session of caution at the current levels. On the option front, maximum Put OI is at 10000 followed by 10200 strikes while maximum Call OI is at 10500 followed by 10400 strike. We have seen put writing at 10000, 10100, 10200, 10300 and 10400 strike and call writing was seen in 10500, 10600 and 10800 strikes. Bank Nifty opened on a negative note and traded in line with Nifty as after heading towards 25700 levels, it witnessed profit taking and finally the session ended with the loss of around 80 points. Now it has support near to 25400 then 25250 levels while on the upside hurdles are seen at 25800 then 26000 zones.

Graphic Snapshot



CORPORATE ACTION

Symbol	Purpose	BoardMeetingDate	Symbol	Purpose	BoardMeetingDate
HINDALCO	Results/Others	3-Nov-17	PIDILITIND	Results	8-Nov-17
TORNTPHARM	Results	3-Nov-17	MUTHOOTFIN	Results	8-Nov-17
TITAN	Results	3-Nov-17	MGL	Results	8-Nov-17
TATAPOWER	Results	3-Nov-17	IRB	Results/Others	8-Nov-17
UNIONBANK	Results	3-Nov-17	GSFC	Results	8-Nov-17
PNB	Results	3-Nov-17	ARVIND	Results	8-Nov-17
PFC	Results/Dividend	3-Nov-17	BHARATFORG	Results	8-Nov-17
CENTURYTEX	Results	6-Nov-17	CHENNPETRO	Results	8-Nov-17
TORNTPOWER	Results	6-Nov-17	CHENNPETRO	Results	8-Nov-17
PETRONET	Results	6-Nov-17	CESC	Results	8-Nov-17
PEL	Results	6-Nov-17	BALKRISIND	Results/Dividend	8-Nov-17
RECLTD	Results	6-Nov-17	AUROPHARMA	Results/Dividend	9-Nov-17
JUSTDIAL	Results/Others	6-Nov-17	TATAMTRDVR	Results	9-Nov-17
INDIANB	Results	6-Nov-17	TATAMOTORS	Results	9-Nov-17
BALRAMCHIN	Results	7-Nov-17	SRF	Results	9-Nov-17
MANAPPURAM	Results	7-Nov-17	PAGEIND	Results/Dividend	9-Nov-17
MANAPPURAM	Results/Dividend	7-Nov-17	SAIL	Results	9-Nov-17
DALMIABHA	Results	7-Nov-17	PTC	Results/Others	9-Nov-17
BHEL	Results	7-Nov-17	NHPC	Results	9-Nov-17
CIPLA	Results	7-Nov-17	JINDALSTEL	Results/Others	9-Nov-17
ASHOKLEY	Results	8-Nov-17	HINDPETRO	Results	9-Nov-17
VOLTAS	Results	8-Nov-17	INDIACEM	Results	9-Nov-17
UBL	Results	8-Nov-17	GRANULES	Results/Dividend	9-Nov-17
SHREECEM	Results	8-Nov-17	AMARAJABAT	Results	9-Nov-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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