



## DERIVATIVES

### Market Statistics

Product	No. of Contracts	Turnover (Rs.cr)
Index Futures	1,08,707	8,625.82
Stock Futures	5,61,495	40,208.05
Index Options	21,77,715	1,82,302.63
Stock Options	3,33,633	24,585.64
<b>F&amp;O Total</b>	<b>31,81,550</b>	<b>2,55,722.14</b>

### FII Derivatives Statistics

			OI at end of the day		Inflow / Outflow
	Buy	Sell	Contract	Amount	
Index futures	792.13	1553.21	268656	20234.84	-761.08
Index options	23829.37	23395.06	790777	59061.95	434.31
Stock futures	6645.91	6453.71	1048216	70599.03	192.20
Stock options	4244.68	4120.97	62102	4519.01	123.71
<b>Net Inflow/Outflow (Cr)</b>					<b>10.86</b>

### 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 9620 levels then 9600 levels while on the upside resistance is around 9710 zones

### Quote for the Day

"YOU ALWAYS HAVE TO BE VULNERABLE ENOUGH TO BE TAUGHT, YET BE FOCUSED ENOUGH TO BE UNDERSTOOD AND HEARD."

### Activity Tracking

Stocks (Long Position)	Remarks
TVSmotor, Reliance, Tatachem Ceatltd, Ashokley, NTPC Torntpharm, Shreecem, DLF	Suggesting strength in these counter
Stocks (Short Covering)	Remarks
Lupin, Tataglobal, Divislab Sail, Zeel, CAPF Bataindia, PNB, NMDC	Suggesting strength in these counter
Stocks (Short Position)	Remarks
Ambujacem, Colpal, ACC Orientbank, Icicipruli, KSCL Bankbaroda, Pageind, NCC	Suggesting weakness in these counter
Stocks (Long Liquidation)	Remarks
Mindtree, Hexaware, HDIL Marico, Voltas, Ujivian IndianB, Ibrealrest, Andhrabank	Suggesting weakness in these counter

### Activity in F&O

Nifty future closed on a flattish note at 9667.50 levels. Nifty future open interest increased by 0.52 % with a fall in price by 0.06%. It closed at a discount of 2 point as compared to discount of 1 points of previous trading session. Market witnessed selling pressure in FMCG, Metals and IT sector stocks while buying interest was seen in Media, Pharma and Realty sector stocks. The market turnover decreased by 68.20% in terms of number of contracts traded vis-à-vis previous trading day and in terms of rupees it decreased by 71.31%.

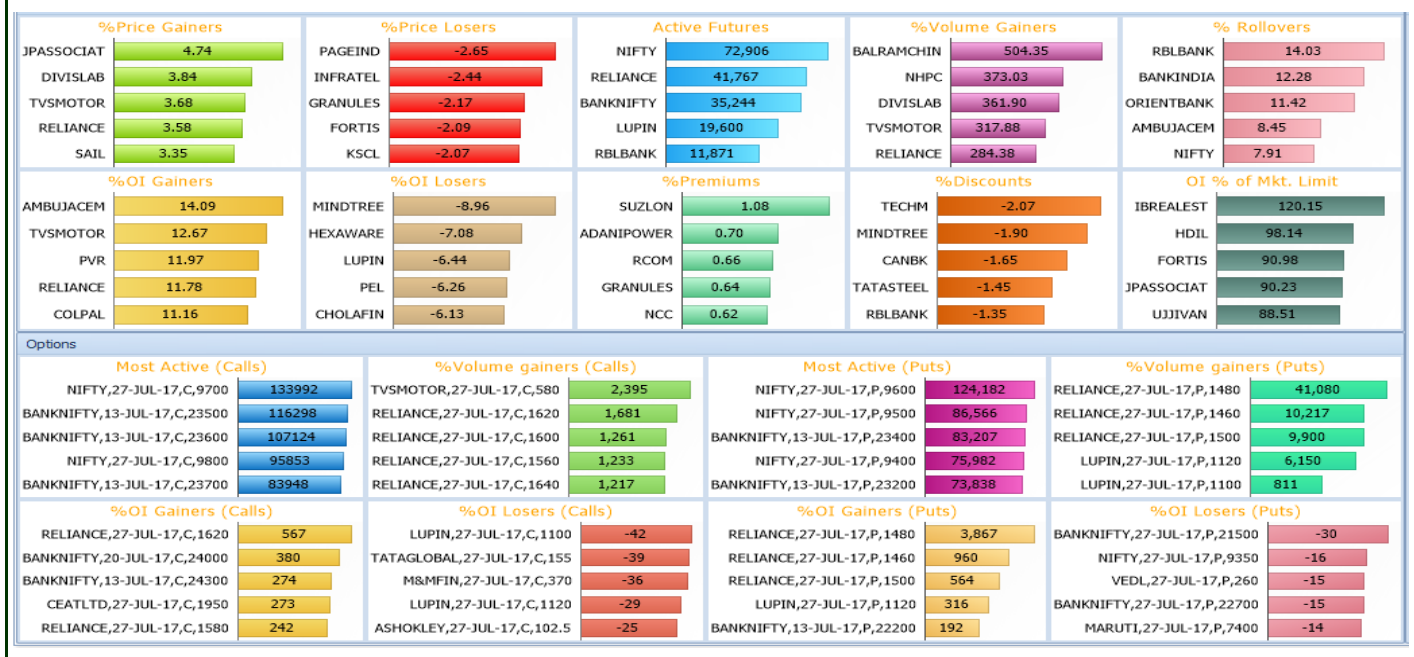
### Indication

Put Call Ratio based on Open Interest of Nifty fell from 1.30 levels to 1.29 levels as compared to previous session. Historical Volatility fell from 8.71 to 8.45 levels and Implied Volatility also fell from 10.53 levels to 10.25 levels as compared to previous session.

### Conclusion

Nifty Future opened on negative note but witnessed buying interest at the lower levels and headed towards 9680 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 flattish note with the loss of around 5 points. On the downside, the index has supports at 9620 levels then 9600 levels while on the upside resistance is around 9710 zones. On the option front, maximum Put OI is at 9500 followed by 9400 strike while maximum Call OI is at 9700 followed by 9800 strike. We have seen fresh put writing at 9600 and 9700 strikes while fresh Call writing was seen in 9700, 9800 and 9900 strikes. Bank Nifty opened on a negative note but witnessed buying at the lower levels and headed towards 23500 levels however, profit taking at the higher levels in the last hour of the trade dragged the index towards 23400 zones. Finally the session ended on a negative note with the loss of around 25 points. Now it has support near to 23350 then 23100 zones while on the upside hurdles are seen at 23500 then 23750 zones.

## Graphic Snapshot



## CORPORATE ACTION

Symbol	Purpose	BoardMeetingDate	Symbol	Purpose	BoardMeetingDate
INDUSINDBK	Results	11-Jul-17	INFRATEL	Results	24-Jul-17
SOUTHBANK	Results	11-Jul-17	AXISBANK	Results	25-Jul-17
TCS	Results/Dividend	13-Jul-17	PIDILITIND	Results	25-Jul-17
INFY	Results	14-Jul-17	HEROMOTOCO	Results	25-Jul-17
DCBBANK	Results	15-Jul-17	ICICIPRULI	Results	25-Jul-17
KTKBANK	Results	15-Jul-17	BHARATFIN	Results	26-Jul-17
ACC	Results/Dividend	17-Jul-17	HDFC	Results/Others	26-Jul-17
JUBLFOOD	Results	17-Jul-17	BIOCON	Results/Others	27-Jul-17
HINDUNILVR	Results	18-Jul-17	IDFC	Results	27-Jul-17
ULTRACEMCO	Results	18-Jul-17	IDFCBANK	Results/Others	27-Jul-17
BAJAJFINSV	Results	19-Jul-17	ICICIBANK	Results	27-Jul-17
MINDTREE	Results	19-Jul-17	EXIDEIND	Results	27-Jul-17
KPIT	Results	19-Jul-17	DRREDDY	Results	27-Jul-17
HAVELLS	Results	19-Jul-17	CHOLAFIN	Results/Others	27-Jul-17
BAJFINANCE	Results	19-Jul-17	GODREJCP	Results/Dividend	31-Jul-17
BAJAJ-AUTO	Results	20-Jul-17	VGUARD	Results	31-Jul-17
WIPRO	Results	20-Jul-17	VGUARD	Results	31-Jul-17
NIITTECH	Results	20-Jul-17	SHREECEM	Results	31-Jul-17
RBLBANK	Results	20-Jul-17	COLPAL	Results	3-Aug-17
KOTAKBANK	Results	20-Jul-17	TITAN	Results	3-Aug-17
CANFINHOME	Results	21-Jul-17	RAMCOCEM	Results	3-Aug-17
ASHOKLEY	Results	21-Jul-17	BERGEPAINT	Results	4-Aug-17
HDFCBANK	Results	24-Jul-17	DABUR	Results	4-Aug-17
ZEEL	Results	24-Jul-17	TVSMOTOR	Results	11-Aug-17
M&MFIN	Results	24-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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