



DERIVATIVES

Market Statistics

Product	No. of Contracts	Turnover (Rs.cr)
Index Futures	1,72,101	13,253.55
Stock Futures	6,64,792	48,128.89
Index Options	43,84,465	3,61,471.59
Stock Options	4,38,124	31,963.85
F&O Total	56,59,482	4,54,817.88

FII Derivatives Statistics

	OI at end of the day		Inflow /		
	Buy	Sell	Contract	Amount	Outflow
Index futures	1295.84	1690.73	233438	17172.44	-394.89
Index options	31026.76	30169.50	895486	64393.41	857.27
Stock futures	7333.29	6950.36	1052308	70830.90	382.93
Stock options	5405.80	5376.79	79012	5635.59	29.01
Net Inflow/Outflow (Cr)					874.32

Securities in Ban Period

BHARATFIN, CEATLTD, HDIL, IBREALEST, IFCI, IRB, JSWENERGY, KTKBANK, SYNDIBANK AND UJJIVAN

Nifty Future/Option Trading Guide

NIFTY	Short term	Medium term
Support	9090	8950
Resistance	9450	9550

Nifty View for the Day

Now a on the downside, the index has multiple supports at 9300-9280 levels to change the recent market setup while on the upside resistance is around 9450 zones then 9500.

Quote for the Day

WHETHER YOU THINK THAT YOU CAN, OR THAT YOU CAN'T,
YOU ARE USUALLY RIGHT.

Activity Tracking

Stocks (Long Position)	Remarks
Nestleind, Escorts, MGL	
NIITTECH, CGpower, Cholafin	Suggesting strength in these counter
Canfinhome, Petronet, Kotakbank	
Stocks (Short Covering)	Remarks
Titan, Auropharma, Jswenergy	
Dabur, Reliance, IRB	Suggesting strength in these counter
Apollohosp, Tatachem, Glenmark	
Stocks (Short Position)	Remarks
Ceatltd, Fortis, Canbk	
Dishtv, Apollotyre, Biocon	Suggesting weakness in these counter
Raymond, Hcltech, Ibrealst	
Stocks (Long Liquidation)	Remarks
Syndibank, HDIL, Godrejcp	
Hexaware, Jetairways, PVR	Suggesting weakness in these counter
Mindtree, Tatapower, Wipro	

Activity in F&O

Nifty future closed on a positive note at 9419.20 levels. Nifty future open interest increased by 6.95% with a rise in price by 0.74%. It closed at a premium of 12 point as compared to 34 points of previous trading session. Market witnessed selling pressure in Pharma, Media, Auto and Banking sector stocks while buying interest across the boards except in IT and PSU banking sector. The market turnover increased by 39.39% in terms of number of contracts traded vis-à-vis previous trading day and in terms of rupees it increased by 37.55%.

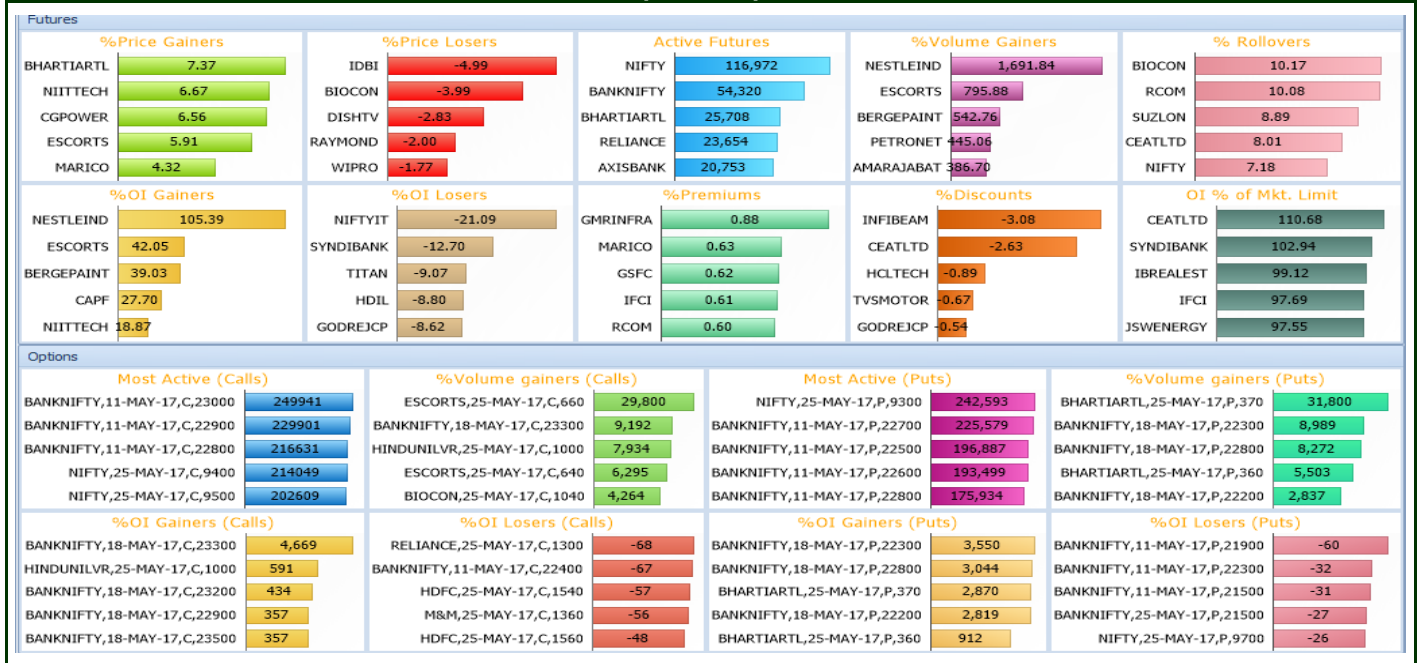
Indication

Put Call Ratio based on Open Interest of Nifty moved up from 1.14 levels to 1.22 levels as compared to previous session. Historical Volatility moved up from 9.96 to 10.40 levels and Implied Volatility moved up from 10.54 levels to 10.55 levels as compared to previous session.

Conclusion

Nifty Future opened on a positive note and after the initial consolidation it headed towards 9425 levels. It witnessed a pleasant rally dominated by bulls for the entire trading session. The trend is intact to positive zone till immediate support is not broken. On the downside, the index has multiple supports at 9300-9280 levels to change the recent market setup while on the upside resistance is around 9450 zones then 9500. On the options front, maximum Put OI is seen at 9,300 level followed by 9200 strikes while maximum Call OI stood at strike price 9,500 followed by 9,400 strike prices. Fresh Put writing was seen at strike price 9,300, which has again given the bulls a grip on the market, while Call writing remained intact at strike prices 9,500, which should restrict the upside momentum. The Bank Nifty opened positive and headed towards 22880 levels and finally ended the session with the gains of around 100 points. It has now support at 22750 then 22550 levels, while on the upside hurdles are seen at the 23000 then 23250 level.

Graphic Snapshot



CORPORATE ACTION

Symbol	Purpose	BoardMeetingDate	Symbol	Purpose	BoardMeetingDate
CANBK	Results/Dividend	8-May-17	TITAN	Results/Dividend	12-May-17
UNIONBANK	Results/Dividend	8-May-17	ORIENTBANK	Results/Others	12-May-17
INFRATEL	Results/Dividend	8-May-17	PEL	Results	12-May-17
INFRATEL	Results	8-May-17	HAVELLS	Results/Dividend	12-May-17
BHARTIARTL	Results	9-May-17	CENTURYTEX	Results/Dividend	12-May-17
SYNDIBANK	Results/Dividend	9-May-17	IDEA	Board meeting Rescheduled	13-May-17
PETRONET	Results/Dividend	9-May-17	KTKBANK	Results/Dividend	13-May-17
INDIGO	Results/Dividend	9-May-17	BATAINDIA	Results/Dividend	15-May-17
INDIGO	Results	9-May-17	VEDL	Results	15-May-17
GODREJCP	Results/Dividend	9-May-17	SOUTHBANK	Results/Dividend	15-May-17
BHARTIARTL	Results/Dividend	9-May-17	MRPL	Results/Dividend	15-May-17
CAPF	Results/Dividend	10-May-17	ICIL	Results/Dividend	15-May-17
ZEEL	Results/Dividend	10-May-17	COLPAL	Results	15-May-17
SIEMENS	Results	10-May-17	ANDHRABANK	Results	16-May-17
IDEA	Results/Others	10-May-17	SHREECEM	Results/Dividend	16-May-17
HEROMOTOCO	Results/Dividend	10-May-17	PNB	Results	16-May-17
DALMIABHA	Results/Dividend	10-May-17	GRASIM	Results/Dividend	16-May-17
ARVIND	Results/Dividend	11-May-17	BAJAJFINSV	Results/Dividend	17-May-17
HCLTECH	Results/Dividend	11-May-17	UBL	Results/Dividend	17-May-17
HAVELLS	Board meeting Rescheduled	11-May-17	JSWSTEEL	Results/Dividend	17-May-17
GRANULES	Results/Dividend	11-May-17	HINDUNILVR	Results/Dividend	17-May-17
GLENMARK	Results/Dividend	11-May-17	BAJFINANCE	Results/Dividend	17-May-17
ASIANPAINT	Results/Dividend	11-May-17	BAJAJ-AUTO	Results/Dividend	18-May-17
DRREDDY	Results/Dividend	12-May-17	PIDILITIND	Results/Dividend	18-May-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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