



DERIVATIVES

Market Statistics

Product	No. of Contracts	Turnover (Rs.cr)
Index Futures	162941	14,374.31
Stock Futures	704743	54,677.26
Index Options	9253138	912407.44
Stock Options	505293	38,800.55
F&O Total	10626115	1020259.56

FII Derivatives Statistics

	OI at end of the day		Inflow /		
	Buy	Sell	Contract	Amount	Outflow
Index futures	1364.01	2550.35	210724	17231.70	-1186.35
Index options	77515.62	76152.80	868285	71026.77	1362.82
Stock futures	8477.41	8324.67	964664	72580.18	152.74
Stock options	6434.83	6473.92	100768	7887.32	-39.09
Net Inflow/Outflow (Cr)					290.13

Securities in Ban Period

FORTIS, GMRINFRA, HDIL, JETAIRWAYS, JINDALSTEL, JPASSOCIAT, RCOM, RELCAPITAL, RPOWER AND WOCKPHARMA

Nifty Future/Option Trading Guide

NIFTY	Short term	Medium term
Support	10400	10180
Resistance	10700	10800

Nifty View for the Day

Now the support is around 10600 then 10550 while resistance is at 10680 then 10700 levels.

Activity Tracking

Stocks (Long Position)	Remarks
Jindalstel, Granules, IDFCBank	
IDFC, Suntv, Godfryphlp	Suggesting strength in these counter
Colpal, Rnaval, Ibulhsgfin	
Stocks (Short Covering)	Remarks
RBLBank, Arvind, Glenmark	
Divislab, Bergepaint, ICIL	Suggesting strength in these counter
Bankindia, PFC, OFSS	
Stocks (Short Position)	Remarks
Marico, Unionbank, Balkrisind	
Indusindbk, TVSMotor, Muthootfin	Suggesting weakness in these counter
Lichsgfin, Concor, IGL	
Stocks (Long Liquidation)	Remarks
Tataelxsi, Wockpharma, Ramcocem	
Bharatfin, Relcapital, Rcom	Suggesting weakness in these counter
Torntpower, Jpassociat, Indiacem	

Activity in F&O

Nifty future ended the day on a positive note at 10654.05 levels. Nifty future open interest increased by 0.65% with a minor fall in price by 0.16%. It closed at a premium of 3 points as compared to premium of 5 point of previous trading session. Market witnessed buying interest in IT, Media, FMCG and Realty sector stocks while selling pressure was seen in Metal sector stocks. The market turnover increased by 65% in terms of number of contracts traded vis-à-vis previous trading day and in terms of rupees it increased by 71%.

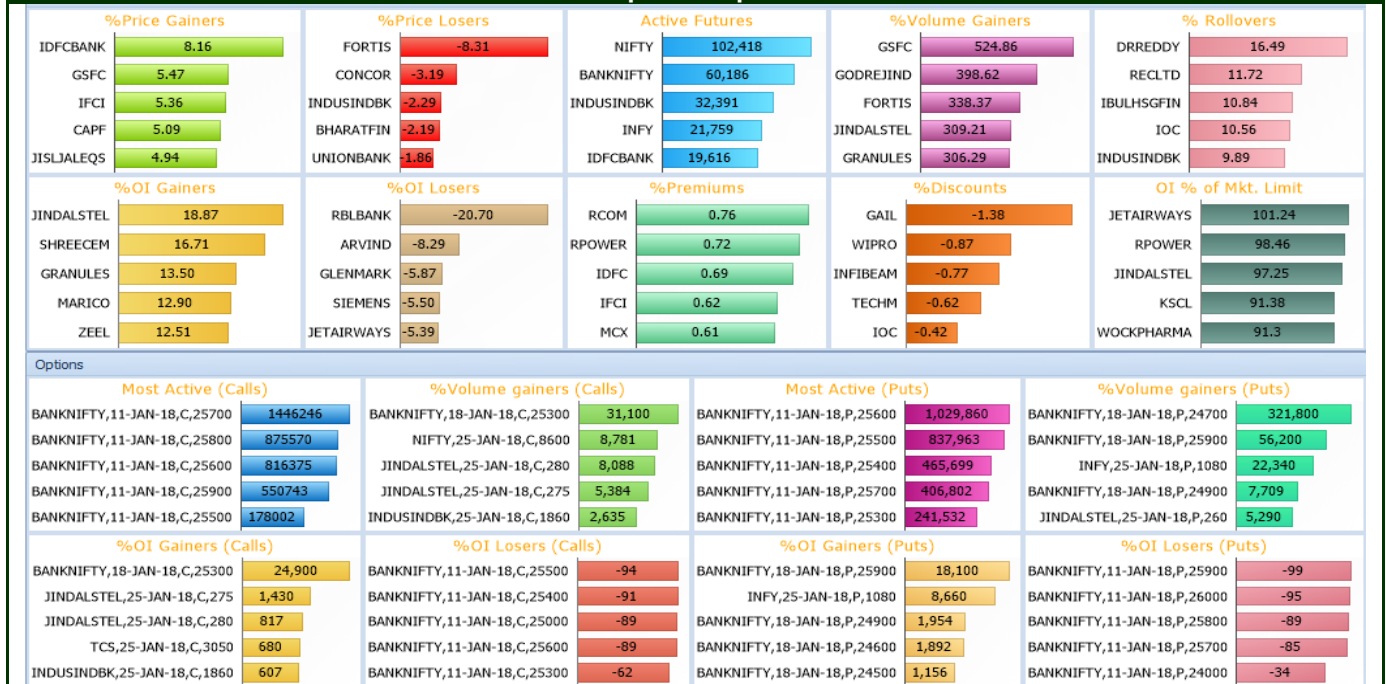
Indication

Put Call Ratio based on Open Interest of Nifty fell from 1.66 to from 1.75 levels. Historical Volatility fell from 10.13 to 9.86 but Implied Volatility remained unchanged at 11.98 levels as compared to previous session.

Conclusion

Nifty Future opened on a flattish note and witnessed a positive trade for most part of the day. The bears failed at their attempt to drag Nifty lower and index managed to close with the gains of around 25 points. On the option front, maximum Put OI is at 10500 followed by 10400 strike while maximum Call OI is at 11000 followed by 10700 strike. We have seen fresh put writing at 10300, 10400, 10500 and 10600 strikes while call writing was seen at 10600, 10700 and 10900 strike. Bank Nifty opened on a flattish note but as the day progressed it edged higher towards 25700 levels. Finally, it ended the session with the gains of around 50 points. Now it has resistance near to 25800 then 26000 levels while on the downside support is at 25400 zones followed by 25250.

Graphic Snapshot



CORPORATE ACTION

Symbol	Purpose	BoardMeetingDate	Symbol	Purpose	BoardMeetingDate
INDUSINDBK	Results	11-Jan-18	CANFINHOME	Results	23-Jan-18
TCS	Results/Dividend	11-Jan-18	RBLBANK	Results	23-Jan-18
SHREECEM	Results/Dividend	11-Jan-18	CHENNPETRO	Results	23-Jan-18
INFY	Results	12-Jan-18	CONCOR	Results/Dividend	24-Jan-18
FEDERALBNK	Results	15-Jan-18	PIDLITIND	Results	24-Jan-18
TV18BRDCST	Results	16-Jan-18	M&MFIN	Results	24-Jan-18
ADANIPOWER	Results	17-Jan-18	KPIT	Results	24-Jan-18
ZEEL	Results	17-Jan-18	BIOCON	Results/Others	24-Jan-18
SREINFRA	Results	17-Jan-18	DRREDDY	Results	25-Jan-18
SREINFRA	Results/Others	17-Jan-18	LICHSGFIN	Results	25-Jan-18
MINDTREE	Results/Dividend	17-Jan-18	IDFC	Results/Others	29-Jan-18
INFRATEL	Results	17-Jan-18	TECHM	Results	29-Jan-18
HINDUNILVR	Results	17-Jan-18	HDFC	Results	29-Jan-18
BHARTIARTL	Results	18-Jan-18	CHOLAFIN	Results/Dividend	30-Jan-18
YESBANK	Results	18-Jan-18	TVSMOTOR	Results	30-Jan-18
ULTRACEMCO	Results	18-Jan-18	GODREJCP	Results/Dividend	30-Jan-18
HINDZINC	Results	18-Jan-18	BHARATFIN	Results	30-Jan-18
ADANI PORTS	Results	18-Jan-18	BEL	Results/Dividend	30-Jan-18
ADANI ENT	Results	18-Jan-18	DABUR	Results	31-Jan-18
HDFCBANK	Results	19-Jan-18	ICICIBANK	Results	31-Jan-18
WIPRO	Results	19-Jan-18	EXIDEIND	Results	31-Jan-18
TATAELXSI	Results	19-Jan-18	BAJAJFINSV	Results	1-Feb-18
PCJEWELLER	Results	19-Jan-18	BAJFINANCE	Results	1-Feb-18
NIITTECH	Results	19-Jan-18	BAJAJ-AUTO	Results	2-Feb-18
KOTAKBANK	Results	19-Jan-18	MRPL	Results	2-Feb-18
JUBLFOOD	Results	19-Jan-18	COLPAL	Results	5-Feb-18
HCLTECH	Results/Dividend	19-Jan-18	BERGEPAIN	Results	6-Feb-18
ICICIPRULI	Results	19-Jan-18	CIPLA	Results	7-Feb-18
IDFCBANK	Results/Others	19-Jan-18	TORNTPOWER	Results	7-Feb-18
ASIANPAINT	Results	22-Jan-18	CADILAHC	Results/Others	8-Feb-18
VGUARD	Results	22-Jan-18	MARICO	Results/Dividend	9-Feb-18
HAVELLS	Results	22-Jan-18	GRASIM	Results	14-Feb-18
AXISBANK	Results	22-Jan-18			

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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