



DERIVATIVES

Market Statistics

Product	No. of Contracts	Turnover (Rs.cr)
Index Futures	168323	14,327.13
Stock Futures	786005	57,117.42
Index Options	5907854	542996.97
Stock Options	583884	44,163.54
F&O Total	7446066	658605.06

FII Derivatives Statistics

	OI at end of the day		Inflow /		
	Buy	Sell	Contract	Amount	Outflow
Index futures	1192.55	1724.32	230841	18053.00	-531.77
Index options	45537.62	45630.23	996255	78018.97	-92.62
Stock futures	7115.59	7052.67	802947	57187.01	62.92
Stock options	7292.55	7176.77	83743	6380.93	115.79
Net Inflow/Outflow (Cr)					-445.68

Securities in Ban Period

DHFL, IBREALEST, JSWENERGY, WOCKPHARMA AND JPASSOCIAT

Nifty Future/Option Trading Guide

NIFTY	Short term	Medium term
Support	9990	9900
Resistance	10137	10160

Nifty View for the Day

Market has broken out from the consolidation phase and is all set to head towards 10137 then 10160 levels, if it manages to sustain above 10050 levels while support is around 9990 levels.

Quote for the Day

“SUCCESS IS STUMBLING FROM FAILURE TO FAILURE WITH NO LOSS OF ENTHUSIASM”

Activity Tracking

Stocks (Long Position)	Remarks
Divislab, Hexaware, Ajantpharma	Suggesting strength in these counter
Wockpharma, Lupin, Orientbank	
Marico, Bankindia, Balramchini	
Stocks (Short Covering)	Remarks
Recltd, PNB, Torntpharm	Suggesting strength in these counter
Idea, Mcdowell-N, IDFCBank	
PFC, BankBaroda, ALBK	
Stocks (Short Position)	Remarks
Jubfood, Concor, Torntpower	Suggesting weakness in these counter
BPCL, Apollohosp, Cholafin	
Relcapital, Pidilitind, Amarajabat	
Stocks (Long Liquidation)	Remarks
IGL, Voltas, Gail	Suggesting weakness in these counter
Bataindia, Ashokley, BEL	
MGL, PTC, Hindzinc	

Activity in F&O

Nifty future closed on a positive note at 10091.45 levels. Nifty future open interest moved up by 3.14% with a fell in price by 0.16%. It closed at a premium of 12 point as compared to premium of 14 points of previous trading session. Market witnessed buying interest in Banking, Pharma and IT sector stocks while selling pressure was seen at Auto and Metal sector stocks. The market turnover increased by 32% in terms of number of contracts traded vis-à-vis previous trading day but in terms of rupees it increased by 34%.

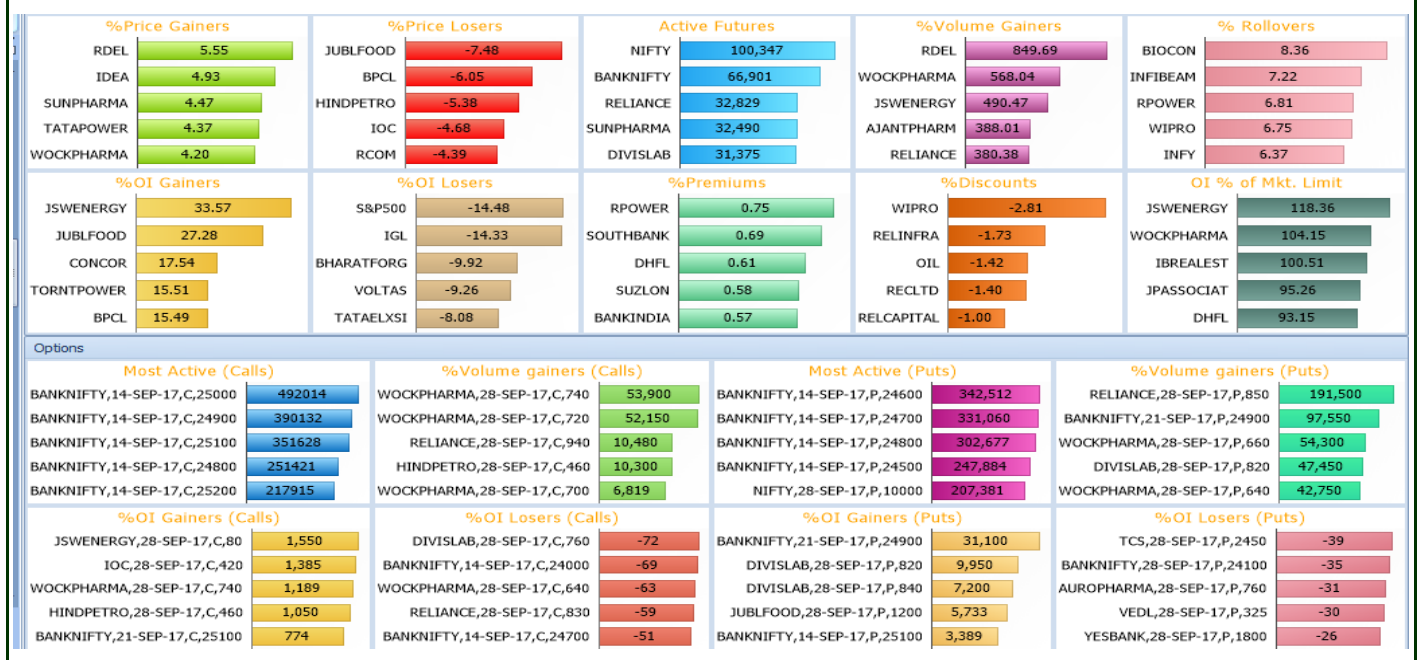
Indication

Put Call Ratio based on Open Interest of Nifty moved up from 1.51 to 1.52 levels as compared to previous session. Historical Volatility fell from 12.10 to 11.76 levels and Implied Volatility also fell from 11.28 levels to 10.84 levels as compared to previous session.

Conclusion

Nifty September Future opened on a flattish note and headed towards 10144 levels in the first half of the session. However, it failed to sustain it and drifted towards 10078 levels in the second half of the session due to lack of buying interest at the higher levels. Finally the session ended on a negative note with the loss of around 12 points. On the option front, maximum Put OI is at 9900 strike followed by 10000 strike while maximum Call OI is at 10200 followed by 10100 strikes. We have seen put writing in 10000 and 10100 strikes while, call writing was seen 10200 and 10300 strikes. Bank Nifty also opened on a flattish note and after the consolidation in the wee hours of trade it witnessed profit taking at the higher levels and declined towards 24700 levels and finally ended the session with the minor gains of around 42 points. Now it has support near to 24650 zones then 24450 while on the upside hurdles are seen at 25000 then 25250 zones.

Graphic Snapshot



CORPORATE ACTION

Symbol	Purpose	Ex-Date	Record Date
JINDALSTEL	Annual General Meeting	11-Sep-17	-
PFC	Annual General Meeting	11-Sep-17	-
POWERGRID	Dividend - Rs 3.35 Per Share	11-Sep-17	-
ENGINERSIN	Annual General Meeting/Dividend - 0.50 Per Share	11-Sep-17	-
CONCOR	Dividend - Rs 7.50 Per Share	12-Sep-17	-
OFSS	Annual General Meeting	12-Sep-17	-
DALMIABHA	Annual General Meeting/Dividend - Rs 2.20 Per Share	12-Sep-17	-
HCLTECH	Annual General Meeting	12-Sep-17	-
MUTHOOTFIN	Annual General Meeting	12-Sep-17	-
NHPC	Dividend - Re 0.10 Per Share	13-Sep-17	-
REPCOHOME	Dividend - Rs 2/- Per Share	13-Sep-17	-
PTC	Annual General Meeting/Dividend - Rs 3/- Per Share	13-Sep-17	-
BEML	Annual General Meeting/Dividend - Rs 8 Per Share	13-Sep-17	-
SUNTV	Annual General Meeting	13-Sep-17	-
JPASSOCIAT	Annual General Meeting	13-Sep-17	-
RCOM	Annual General Meeting	14-Sep-17	-
WIPRO	Buyback	14-Sep-17	15-Sep-17
OIL	Annual General Meeting/Dividend - Rs 4.75 Per Share	14-Sep-17	-
RELINFRA	Annual General Meeting/Dividend - Rs 9/- Per Share	14-Sep-17	-
RPOWER	Annual General Meeting	14-Sep-17	-
UBL	Annual General Meeting/Dividend - Rs 1.15 Per Share	14-Sep-17	-
SUZLON	Annual General Meeting	14-Sep-17	-
JISLJALEQS	Annual General Meeting/Dividend - Re 0.75 Per Share	14-Sep-17	-
MGL	Annual General Meeting/Dividend - Rs 11/- Per Share	14-Sep-17	-
NIITTECH	Annual General Meeting/Dividend - Rs 12.50 Per Share	14-Sep-17	-
NMDC	Annual General Meeting/Dividend - Re 1/- Per Share	14-Sep-17	-
RECLTD	Annual General Meeting/Dividend - Rs 2.65 Per Share	14-Sep-17	-
DIVISLAB	Annual General Meeting/Dividend - Rs 10/- Per Share	15-Sep-17	-
NATIONALUM	Annual General Meeting	18-Sep-17	-
MFSL	Annual General Meeting	18-Sep-17	-
IGL	Annual General Meeting/Dividend - Rs 5 Per Share	18-Sep-17	-
TATAELXSI	Bonus 1:1	18-Sep-17	19-Sep-17

Derivatives Lesson: COVERED CALL

- A covered call is constructed by buying the shares of a company in which you feel may rise but not much in the near term so you also sell a call option. The Call Option which is sold is usually an OTM Call.
- This strategy is usually adopted by a stock owner who is Neutral to moderately bullish about the stock
- Upside capped at the Strike price plus the Premium received. So if the Stock rises beyond the Strike price the investor (Call seller) gives up all the gains on the stock.
- When to Use: This is often employed when an investor has a short-term neutral to moderately bullish view on the stock he holds. He takes a short position on the Call option to generate income from the option premium. Since the stock is purchased simultaneously with writing (selling) the Call, the strategy is commonly referred to as "buy-write".
- Max loss: If the Stock Price falls to zero, the investor loses the entire value of the Stock but retains the premium, since the Call will not be exercised against him. **So maximum risk = Stock Price Paid – Call Premium**
- Reward: **Limited to (Call Strike Price – Stock Price paid) + Premium received**
- Breakeven: **Stock Price - Premium Received**

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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