



DERIVATIVES

Market Statistics

Product	No. of Contracts	Turnover (Rs.cr)
Index Futures	1,56,888	12,833.73
Stock Futures	6,09,701	43,374.90
Index Options	32,61,783	2,77,346.55
Stock Options	4,72,961	35,053.13
F&O Total	45,01,333	3,68,608.31

FII Derivatives Statistics

			OI at end of the day		Inflow / Outflow
	Buy	Sell	Contract	Amount	
Index futures	1084.46	1537.10	320645	23960.60	-452.64
Index options	39945.93	38389.38	1148131	86551.62	1556.54
Stock futures	8324.99	7753.73	824078	56138.85	571.26
Stock options	6612.63	6615.15	136965	9776.76	-2.51
Net Inflow/Outflow (Cr)					1672.75

Securities in Ban Period

FORTIS, HDIL, IBREALEST, JISLJALEQS & JPASSOCIAT

Nifty Future/Option Trading Guide

NIFTY	Short term	Medium term
Support	9700	9400
Resistance	9930	10050

Nifty View for the Day

Now it needs to move above 10050 zones to reclaim its upside momentum and support is around 9790 then 9700.

Quote for the Day

“POSSIBILITIES DO NOT ADD UP, THEY MULTIPLY.”

Activity Tracking

Stocks (Long Position)	Remarks
HEXAWARE, VOLTAS, HDIL, PCJEWELLERS, BEML, GRASIM JPASSOCIAT, BATAIND, CAPF & OFSS	Suggesting strength in these counter
Stocks (Short Covering)	Remarks
MGL, BERGERPAINT, DLF, SUZLON, UBL, PIDILITIND, CHENNAIPETRO & NHPC	Suggesting strength in these counter
Stocks (Short Position)	Remarks
APOLLOHOSP, CUMMINSIND, MFSL, BPCL, SRF, ICIL, TCS, HCLTECH & INFRATEL	Suggesting weakness in these counter
Stocks (Long Liquidation)	Remarks
KAJARIACER, FORTIS, DRREDDY & BHARTARTL	Suggesting weakness in these counter

Activity in F&O

Nifty future closed on a positive note at 9815.60 levels. It closed at a premium of 21 point as compared to premium of 31 points of previous trading session. Market witnessed buying interest especially in Metals, Pharma, Media and Realty sector stocks while some bit of selling pressure was seen in IT and PSU Banks sector stocks. The market turnover decreased by 35.52% in terms of number of contracts traded vis-à-vis previous trading day and in terms of rupees it decreased by 35.47%.

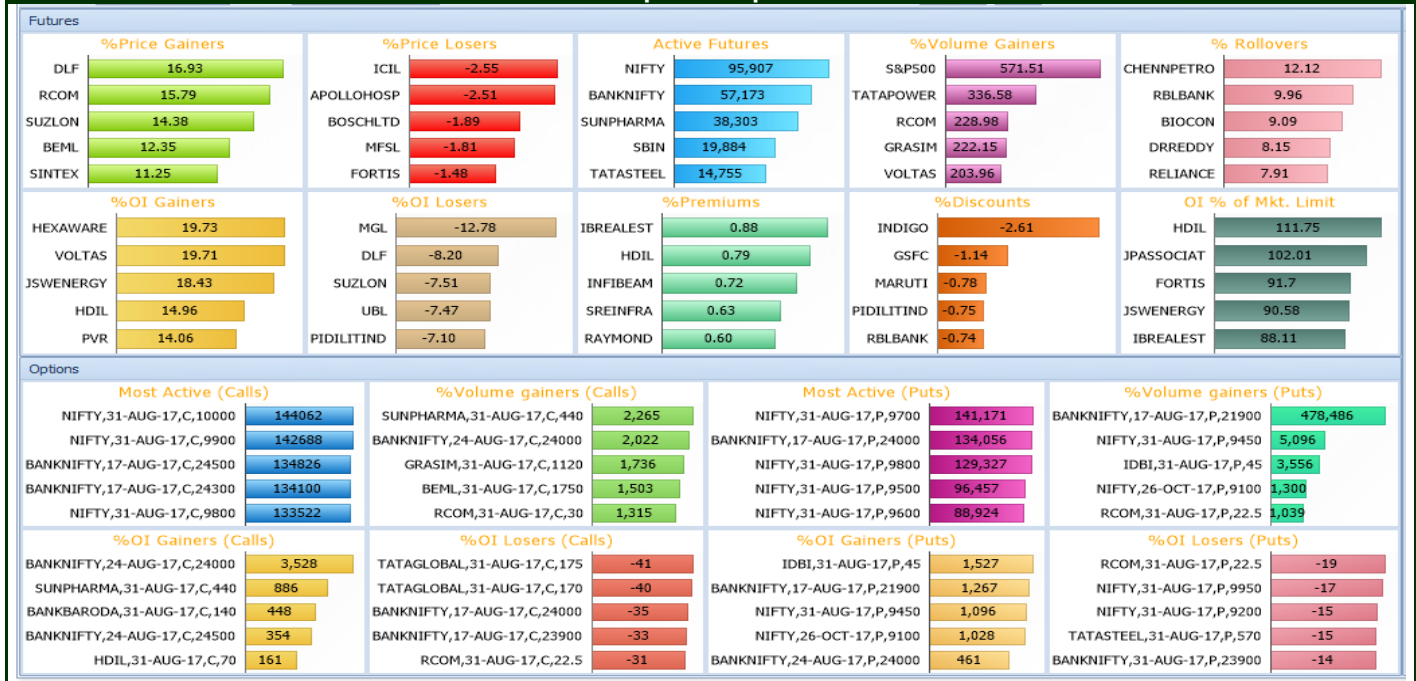
Indication

Put Call Ratio based on Open Interest of Nifty moved up from 1.06 levels to 1.12 levels as compared to previous session. Historical Volatility moved from 11.34 to 11.68 levels but Implied Volatility fell down from 13.42 levels to 11.68 levels as compared to previous session.

Conclusion

Nifty August Future opened on a positive note and witnessed buying interest at every minor decline and headed towards 9840 zones. However, it showed some signs of profit taking in the last hour of trade but finally managed to end the session with the gains of around 70 points. India Vix witnessed a decline of around 5% in the previous session and is around 14.40 levels. On the option front, maximum Put OI is at 9500 followed by 9800 strike while maximum Call OI is at 10000 followed by 10100 strike. We have seen fresh put writing at 9200, 9500 and 9600 strikes while fresh Call writing was seen at 9700, 9800 and 9900 strikes. Bank Nifty opened on a positive note and traded in line with Nifty as it witnessed buying interest towards 24300

Graphic Snapshot



CORPORATE ACTION

Symbol	Purpose	BoardMeetingDate	Symbol	Purpose	BoardMeetingDate
BHARATFORG	Results	10-Aug-17	HINDALCO	Results/Others	11-Aug-17
UBL	Results	10-Aug-17	HINDALCO	Results	11-Aug-17
UNIONBANK	Results	10-Aug-17	HDIL	Results	11-Aug-17
PTC	Results/Others	10-Aug-17	GODREJIND	Results	11-Aug-17
MOTHERSUMI	Results	10-Aug-17	GMRINFRA	Results	11-Aug-17
PFC	Results	10-Aug-17	BPCL	Results	11-Aug-17
PETRONET	Results	10-Aug-17	BOSCHLTD	Results	11-Aug-17
PAGEIND	Results	10-Aug-17	ALBK	Results	11-Aug-17
MANAPPURAM	Results	10-Aug-17	BEML	Results	11-Aug-17
MANAPPURAM	Results/Dividend	10-Aug-17	BANKBARODA	Results	11-Aug-17
KAJARIACER	Results	10-Aug-17	CIPLA	Results	11-Aug-17
ICIL	Results	10-Aug-17	CGPOWER	Results/Others	11-Aug-17
IFCI	Results	10-Aug-17	CESC	Results	11-Aug-17
GAIL	Results	10-Aug-17	ADANIENT	Results	12-Aug-17
ADANIPOWER	Results	10-Aug-17	RCOM	Results	12-Aug-17
BHEL	Results	10-Aug-17	GODFRYPHP	Results	12-Aug-17
CADILAHC	Results	11-Aug-17	DLF	Results	12-Aug-17
STAR	Results	11-Aug-17	ADANIPORTS	Results	12-Aug-17
TVSMOTOR	Results	11-Aug-17	APOLLOHOSP	Results	14-Aug-17
TATAGLOBAL	Results	11-Aug-17	TATAPOWER	Results	14-Aug-17
SUNTV	Results/Dividend	11-Aug-17	NBCC	Results	14-Aug-17
SUNPHARMA	Results	11-Aug-17	JISLJALEQS	Results	14-Aug-17
RECLTD	Results	11-Aug-17	IDBI	Results	14-Aug-17
ORIENTBANK	Results	11-Aug-17	INFIBEAM	Results	14-Aug-17
SBIN	Results	11-Aug-17	GRASIM	Results	14-Aug-17
OIL	Results	11-Aug-17	GRANULES	Results/Dividen	14-Aug-17
OFSS	Results	11-Aug-17	COALINDIA	Results	14-Aug-17
SAIL	Results	11-Aug-17	DISHTV	Results	17-Aug-17
JSWENERGY	Results	11-Aug-17	CASTROLIND	Results/Dividen	23-Aug-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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