



DERIVATIVES

Market Statistics

Product	No. of Contracts	Turnover (Rs.cr)
Index Futures	239318	20,414.94
Stock Futures	650928	50,041.65
Index Options	5827418	509952.78
Stock Options	538315	43,542.56
F&O Total	7255979	623951.94

FII Derivatives Statistics

			OI at end of the day		Inflow / Outflow
	Buy	Sell	Contract	Amount	
Index futures	4010.51	3202.62	313751	24745.81	807.89
Index options	56338.51	56131.19	1107262	87759.90	207.32
Stock futures	6937.58	6574.86	896919	63762.39	362.72
Stock options	6743.82	6917.41	82467	6237.87	-173.59
Net Inflow/Outflow (Cr)					1204.34

Securities in Ban Period

BEML, DHFL, JSWENEGRY, IBREALEST, INFIBEAM, JPASSOCIAT, RCOM & RELCAPITAL

Nifty Future/Option Trading Guide

NIFTY	Short term	Medium term
Support	9800	9685
Resistance	10250	10400

Nifty View for the Day

Now the support is around 10050 then 9950 while resistance is at 10250 then 10400 levels.

Quote for the Day

"WORK UNTIL EXPENSIVE BECOMES CHEAP"

Activity Tracking

Stocks (Long Position)	Remarks
Bhartiartl, KTKBank, PVR	
JPassociat, NIITTECH, Infibeam	Suggesting strength in these counter
Tataelxi, Granules, Bankindia	
Stocks (Short Covering)	Remarks
Cumminsind, TCS, NBCC	
Chennpetro, Tatasteel, Jindalstel	Suggesting strength in these counter
Havells, Asianpaint, PTC	
Stocks (Short Position)	Remarks
Ramcocem, Federalbnk, Zeel	
Colpal, JISLJALEQS, UBL	Suggesting weakness in these counter
Exideind, Tataglobal, Petronet	
Stocks (Long Liquidation)	Remarks
Tornthpharm, Voltas, Divislab	
Nationalium, Arvind, Nestleind	Suggesting weakness in these counter
Bharatforg, ICIL, MGL	

Activity in F&O

Nifty future closed on a positive note at 10192.40 levels. Nifty future open interest moved up by 1.74% with a rise in price by 0.80%. It closed at a premium of 25 points as compared to premium of 15 points of previous trading session. Market witnessed buying interest in Banking, IT, Auto & Metal sector stocks while some bit of selling pressure was seen in Pharma, Media and FMCG sector stocks. The market turnover decreased by 41% in terms of number of contracts traded vis-à-vis previous trading day and in terms of rupees it decreased by 45%.

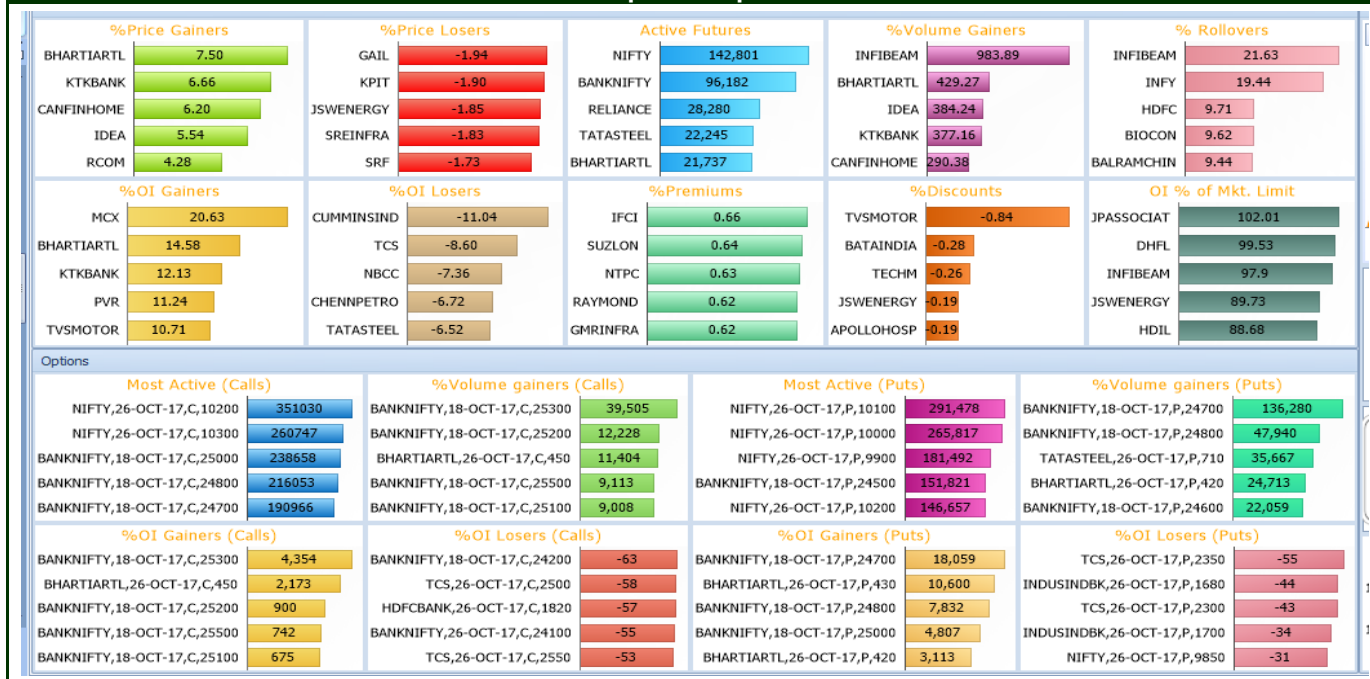
Indication

Put Call Ratio based on Open Interest of Nifty moved up from 1.51 to 1.63 levels. Historical Volatility moved up from 12.94 to 13.09 but Implied Volatility fell down from 11.48 levels to 11.42 levels as compared to previous session.

Conclusion

Nifty Future opened on a positive note and held onto its positive price action and witnessed buying interest at the opening levels in the second half of the session. It headed towards its lifetime high zones towards 10220 levels and finally the session ended with the gain of around 80 points. On the option front, maximum Put OI is at 10000 followed by 9900 strike while maximum Call OI is at 10200 followed by 10000 strike. We have seen fresh put writing at 10100 and 10200 strike prices, while call unwinding was seen at 10000 and 10100 strikes. Bank Nifty opened on a positive note and managed to sustain its positive price action and moved in line the nifty as it witnessed huge buying interest at the opening levels and headed towards 24800 zones. It managed to sustain its support of 24400 and ended the session with the gains of around 340 points. Now it has support near to 24400 then 24250 levels while on the upside hurdles are seen at 25000 then 25250 zones.

Graphic Snapshot



CORPORATE ACTION

Symbol	Purpose	BoardMeetingDate	Symbol	Purpose	BoardMeetingDate
KTKBANK	Results	13-Oct-17	M&MFIN	Results	25-Oct-17
RNAVAL	Results	13-Oct-17	KOTAKBANK	Results	25-Oct-17
RELIANCE	Results	13-Oct-17	HINDUNILVR	Results/Dividend	25-Oct-17
COLPAL	Results/Dividend	16-Oct-17	IDFCBANK	Results/Others	25-Oct-17
FEDERALBNK	Results	16-Oct-17	BIOCON	Results	26-Oct-17
DHFL	Results/Dividend	16-Oct-17	YESBANK	Results	26-Oct-17
BAJFINANCE	Results	16-Oct-17	JUBLFOOD	Results	26-Oct-17
BAJAJFINSV	Results	16-Oct-17	ICICIBANK	Results	27-Oct-17
DCBBANK	Results	16-Oct-17	MARUTI	Results	27-Oct-17
ACC	Results	17-Oct-17	BEL	Results	30-Oct-17
WIPRO	Results	17-Oct-17	WOCKPHARMA	Results	30-Oct-17
BAJAJ-AUTO	Results	17-Oct-17	HDFC	Results	30-Oct-17
AXISBANK	Results	17-Oct-17	INFRATEL	Results	30-Oct-17
NIITTECH	Results/Others	18-Oct-17	CONCOR	Results	31-Oct-17
ULTRACEMCO	Results	18-Oct-17	CHOLAFIN	Results	31-Oct-17
HAVELLS	Results	23-Oct-17	DRREDDY	Results	31-Oct-17
AMBUJACEM	Results	24-Oct-17	DABUR	Results/Dividend	31-Oct-17
ZEEL	Results	24-Oct-17	GODREJCP	Results/Dividend	1-Nov-17
HDFCBANK	Results	24-Oct-17	TECHM	Results	1-Nov-17
INFY	Results/Dividend	24-Oct-17	TVSMOTOR	Results	1-Nov-17
ICICIPRULI	Results/Dividend	24-Oct-17	RAMCOCEM	Results	2-Nov-17
CANFINHOME	Results	24-Oct-17	TITAN	Results	3-Nov-17
ASIANPAINT	Results/Dividend	24-Oct-17	TORNTPOWER	Results	6-Nov-17
EXIDEIND	Results/Dividend	25-Oct-17	CIPLA	Results	7-Nov-17
VGUARD	Results	25-Oct-17	AMARAJABAT	Results	9-Nov-17
RBLBANK	Results	25-Oct-17	CADILAHC	Results	14-Nov-17
MINDTREE	Results/Dividend	25-Oct-17			

Derivatives Lesson: LONG BUTTERFLY STRATEGY

- The butterfly spread is a neutral strategy that is a combination of a bull spread and a bear spread. It is a limited profit, limited risk options strategy. There are 3 striking prices involved in a butterfly spread and it can be constructed using calls or puts.
- Long butterfly spreads are entered when the investor thinks that the underlying stock will not rise or fall much by expiration. Using calls, the long butterfly can be constructed by buying one lower striking in-the-money call, writing two at-the-money calls and buying another higher striking out-of-the-money call. A resulting net debit is taken to enter the trade.
- $\text{Max Profit} = \text{Strike Price of Short Call} - \text{Strike Price of Lower Strike Long Call} - \text{Net Premium Paid} - \text{Commissions Paid}$
- $\text{Max Loss} = \text{Net Premium Paid} + \text{Commissions Paid}$
- $\text{Upper Breakeven Point} = \text{Strike Price of Higher Strike Long Call} - \text{Net Premium Paid}$
- $\text{Lower Breakeven Point} = \text{Strike Price of Lower Strike Long Call} + \text{Net Premium Paid}$

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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