



## DERIVATIVES

### Market Statistics

Product	No. of Contracts	Turnover (Rs.cr)
Index Futures	2,25,641	17,479.53
Stock Futures	8,27,215	60,696.27
Index Options	86,47,197	7,37,288.17
Stock Options	6,64,995	49,539.30
<b>F&amp;O Total</b>	<b>1,03,65,048</b>	<b>8,65,003.26</b>

### FII Derivatives Statistics

			OI at end of the day		Inflow / Outflow
	Buy	Sell	Contract	Amount	
Index futures	2234.13	2374.79	255823	18783.91	-140.65
Index options	49421.02	46735.94	1005303	72579.57	2685.08
Stock futures	8948.44	10072.21	1096077	72787.28	-1123.77
Stock options	9831.44	10001.90	110166	7769.43	-170.46
<b>Net Inflow/Outflow (Cr)</b>					<b>1250.20</b>

### Securities in Ban Period

BHARATFIN, CANBK, CAPF, CEATLTD, CESC, HDIL, ICIL, IDBI, IFCI, INFIBEAM, JINDALSTEL, JISLJALEQS, JPASSOCIAT, JSWENERGY, ORIENTBANK & TV18BRDCST

### Nifty Future/Option Trading Guide

NIFTY	Short term	Medium term
Support	9370	9370
Resistance	9490	9700

### Nifty View for the Day

Now on the downside, the index has supports at 9400 then 9360 levels to change the recent market setup while on the upside resistance is around 9500 zones then 9550.

### Quote for the Day

"IF YOU ARE NOT WILLING TO RISK THE USUAL YOU WILL HAVE TO SETTLE FOR ORDINARY."

### Activity Tracking

Stocks (Long Position)	Remarks
Ceatltd, Wipro Hexaware, Jpassociat	Suggesting strength in these counter
Stocks (Short Covering)	Remarks
Cumminsind Infy TCS	Suggesting strength in these counter
Stocks (Short Position)	Remarks
IDBI, Godrejcp, Apollohosp Bharatforg, MCX, Balramchini Vguard, Glenmark, BHEL	Suggesting weakness in these counter
Stocks (Long Liquidation)	Remarks
Shreece, CAPF, Hindunilvr Cholafin, Apollotyre, HDIL IndianB, Justdial, IndianB	Suggesting weakness in these counter

### Activity in F&O

Nifty future closed on a negative note at 9440.70 levels. Nifty future open interest decreased by 7.85% with a fall in price by 0.98%. It closed at a premium of 11 point as compared to 8 points of previous trading session. Market witnessed selling pressure across the board especially in Auto, Metal and Realty while some bit of buying was seen in IT sector stocks. The market turnover increased by 90.46% in terms of number of contracts traded vis-à-vis previous trading day and in terms of rupees it increased by 95.58%.

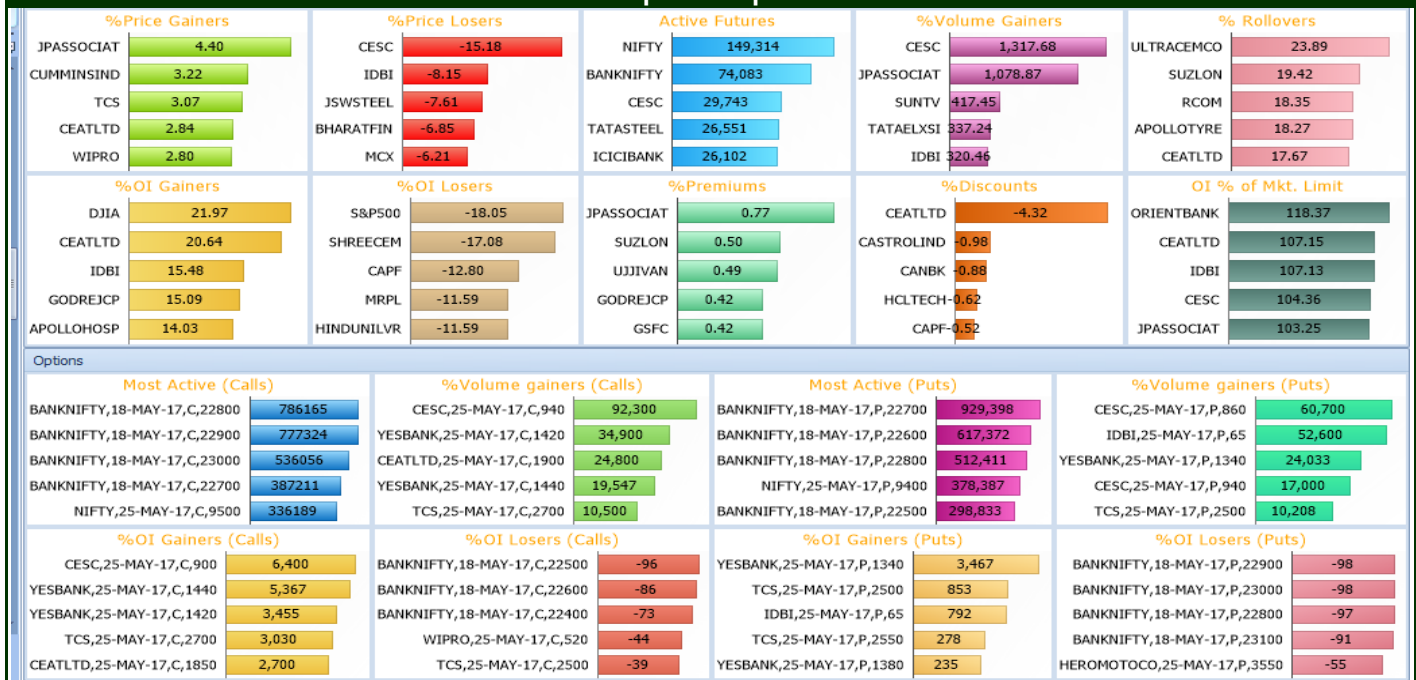
### Indication

Put Call Ratio based on Open Interest of Nifty fell down from 1.41 levels to 1.26 levels as compared to previous session. Historical Volatility moved from 9.78 to 10.61 levels and Implied Volatility also moved from 10.80 levels to 11.29 levels as compared to previous session.

### Conclusion

Nifty Future opened on a negative note and witnessed a huge decline towards 9430 levels. It witnessed a rally dominated by bears for most part of the trade. Finally the session ended with the loss of around 100 points. On the downside, the index has supports at 9400 then 9360 levels to change the recent market setup while on the upside resistance is around 9500 zones then 9550. On the options front, maximum Put OI is seen at 9,300 level followed by 9400 strikes while maximum Call OI stood at strike price 9,500 followed by 9,600 strike prices. Fresh call writing was seen at strike price 9400 and 9500 which would restrict the upside while put unwinding was seen at 9500 strike. The Bank Nifty opened negative and witnessed a negative session. It underperformed Nifty and now has support at 22600-22550 zones, while on the upside hurdles are seen at the 23000 then 23250 levels.

## Graphic Snapshot



## CORPORATE ACTION

Symbol	Purpose	BoardMeetingDate	Symbol	Purpose	BoardMeetingDate
DRREDDY	Results/Dividend	12-May-17	BAJFINANCE	Results/Dividend	17-May-17
TITAN	Results/Dividend	12-May-17	BAJAJFINSV	Results/Dividend	17-May-17
PEL	Results/Others	12-May-17	CUMMINSIND	Results/Dividend	18-May-17
ORIENTBANK	Results/Others	12-May-17	STAR	Results/Dividend	18-May-17
CENTURYTEX	Results/Dividend	12-May-17	MUTHOOTFIN	Results	18-May-17
IDEA	Board meeting Rescheduled	13-May-17	PIDILITIND	Results/Dividend	18-May-17
KTKBANK	Results/Dividend	13-May-17	BANKBARODA	Results/Dividend	18-May-17
BATAINDIA	Results/Dividend	15-May-17	CESC	Results	18-May-17
VEDL	Results	15-May-17	BAJAJ-AUTO	Results/Dividend	18-May-17
SOUTHBANK	Results/Dividend	15-May-17	ABIRLANUVO	Results	18-May-17
MRPL	Results/Dividend	15-May-17	GRASIM	Board meeting Rescheduled	19-May-17
ICIL	Results/Dividend	15-May-17	VGUARD	Results/Dividend	19-May-17
COLPAL	Results	15-May-17	TATAPOWER	Results/Dividend	19-May-17
ANDHRABANK	Results/Dividend	16-May-17	MOTHERSUMI	Results/Dividend	19-May-17
TATASTEEL	Results/Dividend	16-May-17	SBIN	Results/Dividend	19-May-17
SHREECEM	Results/Dividend	16-May-17	IFCI	Results/Dividend	19-May-17
PNB	Results	16-May-17	GAIL	Results/Dividend	22-May-17
OFSS	Results/Dividend	16-May-17	GODREJIND	Results/Dividend	22-May-17
GRASIM	Results/Dividend	16-May-17	JINDALSTEL	Results	23-May-17
ANDHRABANK	Results	16-May-17	VOLTAS	Results/Dividend	23-May-17
ALBK	Results/Others	17-May-17	AMARAJABAT	Results/Dividend	24-May-17
UBL	Results/Dividend	17-May-17	LUPIN	Results/Dividend	24-May-17
MRPL	Board meeting Rescheduled	17-May-17	BOSCHLTD	Results/Dividend	25-May-17
JSWSTEEL	Results/Dividend	17-May-17	PAGEIND	Results/Dividend	25-May-17
HINDUNILVR	Results/Dividend	17-May-17	IOC	Results/Dividend	25-May-17

**Derivatives Lesson: SHORT STRADDLE STRATEGY**

- A short straddle is a strategy to be adopted when the investor feels the market will not show much movement. He sells a Call and a Put on the same stock / index for the same maturity and strike price. It creates a net income for the investor.
- If the stock / index do not move much in either direction, the investor retains the Premium as neither the Call nor the Put will be exercised. However, incase the stock / index moves in either direction, up or down significantly, the investor's losses can be significant. So this is a risky strategy and should be carefully adopted and only when the expected volatility in the market is limited.
- Max profit = Limited to the premium received.
- Max loss = Unlimited
- Upper Breakeven Point = Strike Price of Short Call + Net Premium Received
- Lower Breakeven Point = Strike Price of Short Put - Net 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

**DISCLAIMER:** This report has been issued by Anand Rathi Securities Limited (ARSL), which is regulated by SEBI. The information herein was obtained from various sources; we do not guarantee its accuracy or completeness. Neither the information nor any opinion expressed constitutes an offer, or an invitation to make an offer, to buy or sell any securities, options, future or other derivatives related to such securities ("related investment"). ARS and its affiliates may trade for their own accounts as market maker/ jobber and /or arbitrageur in any securities of this issuer(s) or in related investments, and may be on the opposite side of public orders. ARS, its affiliates, directors, officers, and employees may have a long or short position in any securities of this issuer(s) or in related investment banking or other business from, any entity mentioned in this report. This research report is prepared for private circulation. It does not have regard to the specific investment objectives, financial situation and the particular needs of any specific person who may receive this report. Investors should seek financial situation and the particular needs of any specific investing in any securities or investment strategies discussed or recommended in this report and should understand that statements regarding future prospects may not be realized. Investors should note that income from such securities, if any, may fluctuate and that each security's price or value may rise or fall. Past performance is not necessarily a guide to future performance. Foreign currency rates of exchange may adversely affect the value, price or income of any security or related investment mentioned in this report.