



DERIVATIVES

Market Statistics

Product	No. of Contracts	Turnover (Rs.cr)
Index Futures	331555	27,364.66
Stock Futures	1364950	100409.12
Index Options	6102506	520895.69
Stock Options	742373	59,182.42
F&O Total	8541384	707851.89

FII Derivatives Statistics

	OI at end of the day		Inflow /		
	Buy	Sell	Contract	Amount	Outflow
Index futures	7621.32	8969.68	372351	29181.22	-1348.36
Index options	53019.10	52257.40	1170734	92769.09	761.70
Stock futures	17811.64	18187.36	907926	64727.94	-375.72
Stock options	9411.64	9100.97	98840	7554.28	310.68
Net Inflow/Outflow (Cr)					-651.69

Securities in Ban Period

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

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

"LEARN FROM EVERYONE, FOLLOW NO ONE"

Activity Tracking

Stocks (Long Position)	Remarks
NBCC, PNB, Jubifood Bergepaint, Jetairways, Zeel KSCL, Syndibank, ICIL	Suggesting strength in these counter
Stocks (Short Covering)	Remarks
Canbk, Escorts, Relcapital HDIL, Vguard, Infratel Gail, Glenmark, BHEL	Suggesting strength in these counter
Stocks (Short Position)	Remarks
Lichsgfin, Indusindbk, Havells M&MFin, Rcom, Yesbank Adanipower, HCLtech, Cumminsind	Suggesting weakness in these counter
Stocks (Long Liquidation)	Remarks
Voltas, Petronet, IGL MGL, Shreecem, Britannia Repcohome, Hidnzinc, Bataindia	Suggesting weakness in these counter

Activity in F&O

Nifty future closed on a positive note at 10219.30 levels. Nifty future open interest moved up by 3.80% with a rise in price by 0.29%. It closed at a premium of 12 points as compared to premium of 4 point of previous trading session. Market witnessed selling pressure IT, Auto & Pharma sector stocks while buying interest was seen in Banking, Media, Realty and Metal sector stocks. The market turnover increased by 1% in terms of number of contracts traded vis-à-vis previous trading day and in terms of rupees it increased by 1%.

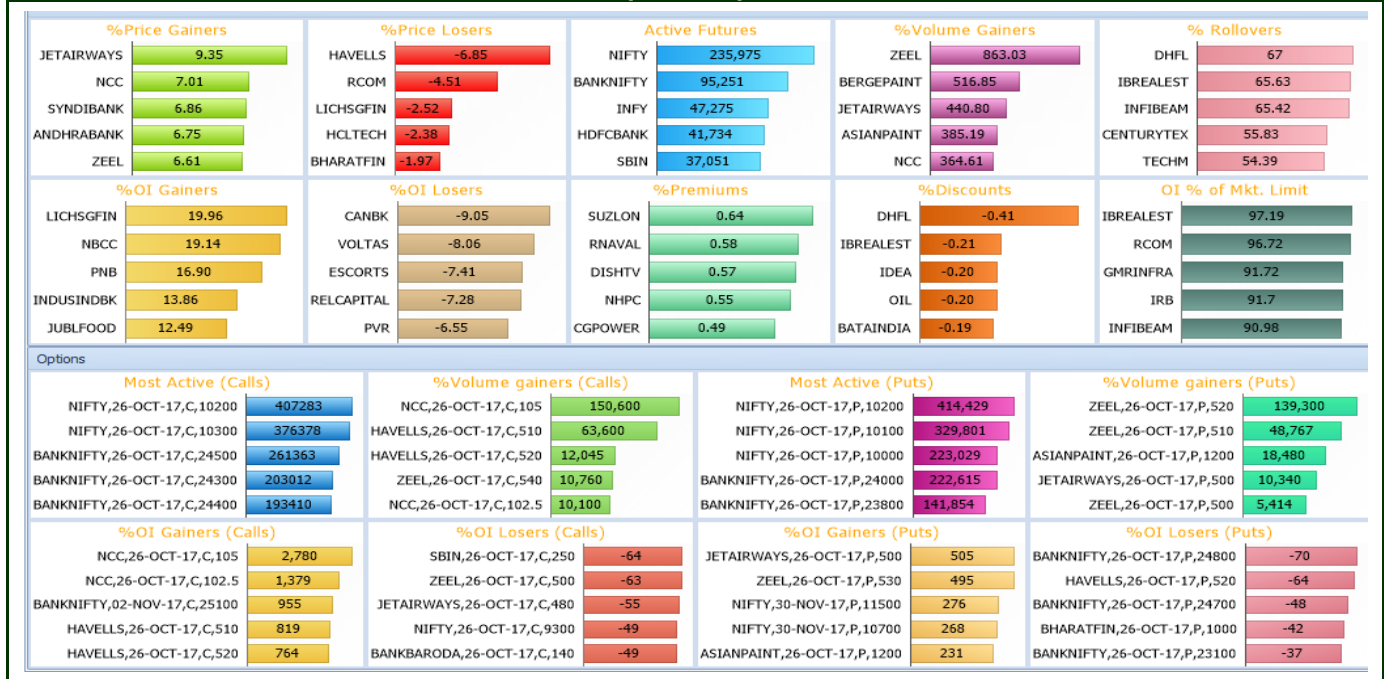
Indication

Put Call Ratio based on Open Interest of Nifty moved up from 1.53 to 1.61 levels. Historical Volatility fell down from 12.38 to 12.08 but Implied Volatility surged from 12.17 levels to 12.21 levels as compared to previous session.

Conclusion

Nifty Future opened on a positive note and headed towards 10245 levels but as the day progressed it failed to sustain it and drifted towards 10180 levels. Although, it witnessed a choppy session but still managed to sustain its positive stance and finally ended the session with the gains of around 30 points. On the option front, maximum Put OI is at 10000 followed by 10100 strike while maximum Call OI is at 10300 followed by 10200 strike. We have seen put writing at 10400 and 10300 strike and call writing was seen at 10100, 10200 and 10300 strikes. Bank Nifty opened on a positive note but witnessed a choppy trade in line with Nifty. Finally the session ended with the gains of around 115 points. Now it has support near to 23900 then 23700 levels while on the upside hurdles are seen at 24400 then 24500 zones.

Graphic Snapshot



CORPORATE ACTION

Symbol	Purpose	BoardMeetingDate	Symbol	Purpose	BoardMeetingDate
ENGINERSIN	Results	25-Oct-17	ITC	Results	27-Oct-17
VGUARD	Results	25-Oct-17	ITC	Results	27-Oct-17
VGUARD	Results	25-Oct-17	KSCL	Results	27-Oct-17
TATAELXSI	Results	25-Oct-17	ICICIBANK	Results	27-Oct-17
TATACOMM	Results	25-Oct-17	IOC	Results	27-Oct-17
MINDTREE	Results/Dividend	25-Oct-17	BHARATFIN	Results	28-Oct-17
RBLBANK	Results	25-Oct-17	ONGC	Results/Dividend	28-Oct-17
KOTAKBANK	Results	25-Oct-17	ONGC	Results/Dividend	28-Oct-17
M&MFIN	Results	25-Oct-17	BEL	Results	30-Oct-17
HCLTECH	Results/Dividend	25-Oct-17	WOCKPHARMA	Results	30-Oct-17
HINDUNILVR	Results/Dividend	25-Oct-17	TATASTEEL	Results	30-Oct-17
IDFCBANK	Results/Others	25-Oct-17	UPL	Results	30-Oct-17
EXIDEIND	Results/Dividend	25-Oct-17	KAJARIACER	Results	30-Oct-17
BIOCON	Results	26-Oct-17	LICHSGFIN	Results	30-Oct-17
YESBANK	Results	26-Oct-17	LUPIN	Results	30-Oct-17
SREINFRA	Results	26-Oct-17	INFRATEL	Results	30-Oct-17
MCDOWELL-N	Results	26-Oct-17	HDFC	Results	30-Oct-17
JUBLFOOD	Results	26-Oct-17	IDFC	Results	30-Oct-17
L&TFH	Results	26-Oct-17	DRREDDY	Results	31-Oct-17
EQUITAS	Results	26-Oct-17	SYNDIBANK	Results	31-Oct-17
CUMMINSIND	Results	26-Oct-17	KPIT	Results	31-Oct-17
CANBK	Results	27-Oct-17	JSWSTEEL	Results	31-Oct-17
PVR	Results	27-Oct-17	INDIGO	Results	31-Oct-17
MARUTI	Results	27-Oct-17	ESCORTS	Results	31-Oct-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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